(Translation from the Italian original which remains the definitive version)

Interim Financial Report at 30 June 2014

ASTALDI Società per Azioni
Registered Office/Head Office: Via Giulio Vincenzo Bona 65 - 00156 Rome (Italy)
Registered with the Companies Register of Rome
Tax code: 00398970582
R.E.A. No. 152353
VAT No.: 0080281001
Share Capital: EUR 196,849,800.00 fully paid-in

Contents

CORPORATE BODIES

BOARD OF DIRECTORS

Chairman
Paolo Astaldi

Deputy Chairmen
Ernesto Monti
Giuseppe Cafiero

Chief Executive Officer
Stefano Cerri

Directors
Caterina Astaldi
Luigi Guidobono Cavalchini
Giorgio Cirla
Paolo Cuccia
Guido Guzzetti[1]
Mario Lupo
Chiara Mancini
Nicoletta Mincato
Eugenio Pinto

GENERAL MANAGEMENT

Paolo Citterio (*Administration and Finance*)
Luciano De Crecchio (*Domestic Area*)
Cesare Bernardini (*International Area and Railway Works*)
Mario Lanciani (*International Area*)
Filippo Stinellis (*International Area*)

INDEPENDENT AUDITORS

KPMG S.p.A.

[1] Director appointed through slates presented by non-controlling interests.

HONORARY CHAIRMAN

Vittorio Di Paola

BOARD OF STATUTORY AUDITORS

Chairwoman
Daria Beatrice Langosco di Langosco[2]

Standing Auditors
Ermanno La Marca
Lelio Fornabaio

Alternate Auditors
Andrea Lorenzatti[3]
Giulia De Martino
Francesco Follina

CONTROL AND RISKS COMMITTEE

Chairman
Eugenio Pinto

Committee Members
Luigi Guidobono Cavalchini
Guido Guzzetti
Nicoletta Mincato

REMUNERATION COMMITTEE

Chairman
Ernesto Monti

Committee Members
Eugenio Pinto
Giorgio Cirla

[2] Auditor appointed through slates presented by non-controlling interests.
[3] Auditor appointed through slates presented by non-controlling interests.

RELATED PARTIES COMMITTEE

Chairman
Eugenio Pinto

Committee Members
Giorgio Cirla
Paolo Cuccia

APPOINTMENTS COMMITTEE

Chairman
Ernesto Monti

Committee Members
Eugenio Pinto
Mario Lupo

SUMMARISED DATA

Income statement

(EUR/000)	First half of 2014	% on total revenue	First half of 2013*	% on total revenue	YOY change (%)
Total revenue	1,201,524	100.0%	1,150,655	100.0%	+4.4%
EBITDA	149,256	12.4%	145,039	12.6%	+2.9%
EBIT	118,131	9.8%	113,001	9.8%	+4.5%
EBT	54,713	4.6%	57,104	5.0%	-4.2%
Profit attributable to the owners of the parent	34,333	2.9%	32,282	2.8%	+6.4%

*Restated following application of IFRS 11 – *Joint arrangements*

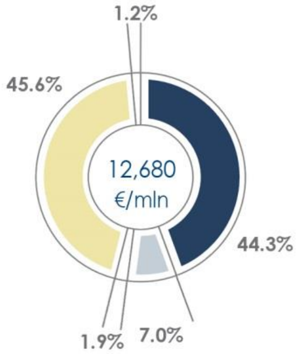
Statement of financial position

(EUR/000)	30-Jun-14	31-Dec-2013*	30-Jun-2013*
Total net non-current assets	760,016	718,830	635,805
Operating working capital	933,240	704,192	704,605
Total provisions	(26,968)	(30,594)	(32,219)
Net invested capital	1,666,288	1,392,428	1,308,192
Total loans and borrowings / loan assets **	(1,101,560)	(800,235)	(732,996)
TotalEquity attributable to the owners of the parent	558,995	547,093	532,915
Total equity	564,728	592,193	575,196

*Restated following application of IFRS 11 – *Joint arrangements*.

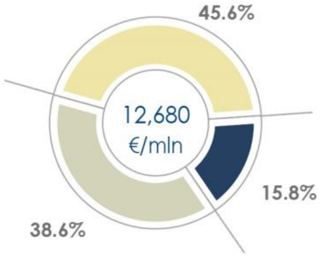
** Including treasury shares in portfolio, amounting to EUR 2.5 million in June 2014, EUR 2.8 million in December 2013 and EUR 2.8 million in June 2013

Order backlog and revenue



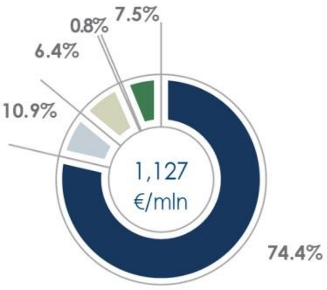
Order backlog by segment

(EUR/millions)	First half 2014	2013
Transport infrastructures	5,619	6,105
Hydraulic works and energy production plants	887	1.010
Civil and industrial construction	243	265
Concessions	5,776	5,729
Plant Engineering, Maintenance and Management of Complex Systems	155	213
Total order backlog	12,680	13,322



Order backlog by geographical segment

(EUR/millions)	First half 2014	2013
Construction - Italy	1,999	2,280
Construction - International	4,905	5,313
Concessions	5,776	5,729
Total order backlog	12,680	13,322



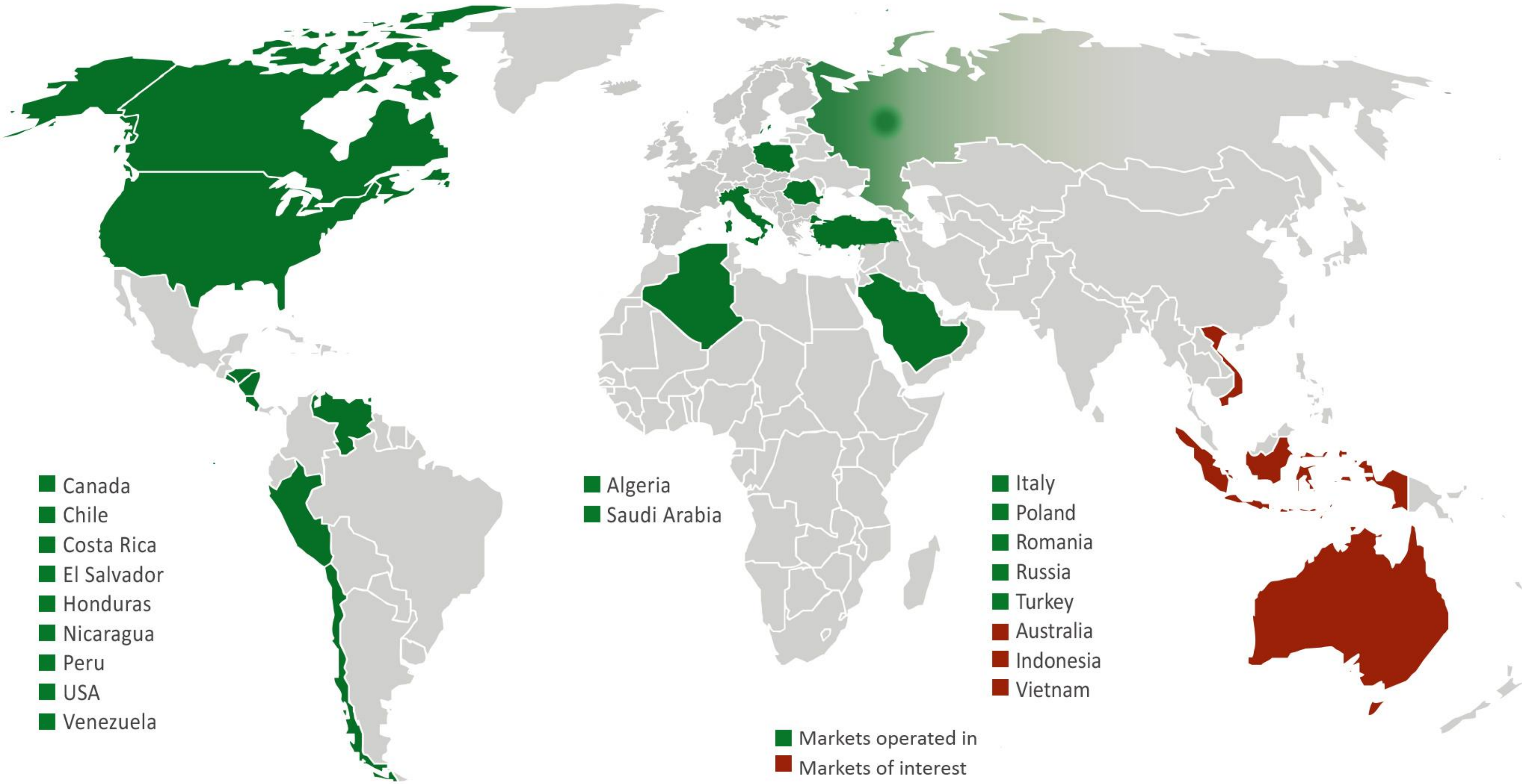
Revenue by segment

(EUR/millions)	First half 2014	First half 2013
Transport infrastructure	838	900
Hydraulic Works and energy production plants	123	30
Civil and industrial construction	72	85
Concessions	9	5
Plant Engineering, Maintenance and Management of Complex Systems	85	78
Total Revenue	1,127	1,098

Revenue by geographical segment

(EUR/millions)	First half 2014	First half 2013
Italy	311	435
International	816	663
Total revenue	1,127	1,098

ASTALDI WORLDWIDE



MAIN EVENTS OF THE PERIOD

CORPORATE

Astaldi on the bond market once again – In January, less than three months on from the launch of EUR 600 million senior notes, **Astaldi re-opened the high-yield bond and collected an additional EUR 150 million** on the financial markets. The operation was a great success with Italian and foreign corporate investors, with the demand being four times the **supply**. The bond rating was confirmed as B1 (Moody's) and B+ (Fitch, S&P), with a positive outlook.

Approval of new Business Plan – In June, Astaldi Board of Directors approved the 2013-2018 Business Plan.

New official recognition and awards – As far as CNN is concerned, **Toledo (Line 1 of Naples underground, Italy) is the most impressive underground station in Europe**: the list, drawn up in February by the American information network, voted for the appearance, modernity and efficiency of the station, built by Astaldi as part of joint venture and in operation since 2012. In May, the Tuscan Hospitals project received the **Public Property Best Practice 2014 Award ("Real Estate Management" section), for innovation as regards management and optimal use of local urban assets**. The award ceremony was held during the Forum Nazionale Patrimoni Immobiliari Urbani Territoriali Pubblici, an annual event for sector operators, which is now in its eighth year.

Engineering and Human Resources – The **Group renewed its membership of the Green Building Council**: the company increased its **focus on the environmental sustainability of production processes** and the importance given to **LEED® procedures – *Leadership in Energy and Environmental Design*** – the parameters of which set down specific design and construction criteria for healthy, energy-efficient and low environmental impact buildings. A selection scheme focusing on young graduates was also launched during the half year, alongside the Astaldi Study Grant Scheme, with the aim of starting to mould the Group's future management. Moreover, said scheme also offers an immediate employment opportunity for the most deserving.

CONSTRUCTION

Turkey – Inauguration was held in February of the **first crossing of Haliç Bridge**, also known as Golden Horn Bridge in Istanbul. The bridge was built by Astaldi as part of a joint venture with a Turkish firm and is the first example in Turkey of a bridge with seabed foundations comprising large-diameter piles (2.5 meters). March saw **laying of the seabed foundations of the Izmit Bay Bridge** (part of the Gebze-Orhangazi–Izmir motorway which Astaldi is currently building and will manage using the concession formula as part of a joint venture).

Italy – Work got underway in March at the Linate sites to dig using TBMs (*Tunnel Boring Machines*) the tunnels of **Line 4 of the Milan underground** (15.2 kilometres, 21 stations) which Astaldi is currently building and will manage as part of a joint venture. **Two stations of Line 5 of the Milan underground were opened to the public** between March and April (Isola and Garibaldi FS), as well as **a new hospital in Tuscany ("Ospedale San Luca" in Lucca)**. The **sites of a new Hospital in Naples ("Ospedale del Mare") received a visit from Campania's Regional President and the Mayor of Naples** in June, thus confirming the work's importance for the local area. The new hospital will represent a reference healthcare facility for all the South of Italy. It will provide 450 hospital beds and be classified as a Hospital Facility of National Importance.

Poland – **Astaldi was awarded two new contracts** in May **worth a total of EUR 200 million.** It will build 19 kilometres of the fast-flowing S-5 Poznan-Breslavia and 15 kilometres of the S-8 Breslavia–Warsaw-Bialystok.

CONCESSIONS

Italy – **Isola and Garibaldi FS stations of Line 5 of the Milan underground were opened to the public** in March, with consequent start-up of operation of the relevant line (Zara–Garibaldi FS Station). Hence, the Bignami-Garibaldi FS Station (6.1 kilometres, 9 stations, estimated 48,000 passengers/day) was completed and the whole section is currently operational. Works to construct the Garibaldi FS-San Siro section are currently going ahead and completion is scheduled by April 2015. **The car parks located at the new hospitals in Pistoia and Prato were put into operation** between March and April (2,440 parking spaces, 1,166 of which for visitors). **The operation phase of the new Hospital in Lucca ("Ospedale San Luca")**, Tuscany, commenced in May (492 hospital beds, 1,065 parking spaces).

Turkey – **Financial closing was achieved** in May **of the USD 2.3 billion loan, structured with a pool of Turkish banks, for the construction and subsequent management, using the concession formula, of the Third Bridge on Bosphorus**. The loan is to be used to perform works as scheduled for construction of the bridge, which, once completed, will be the widest in the world.

Chile – **Astaldi was awarded the concession contract** in June **for the construction and subsequent management of the Western Metropolitan Hospital in Santiago de Chile** (523 hospital beds, 599 parking spaces and a surface area of 12,000 m^2). The concession will last 20 years with 52 months for construction activities and 15 years for management activities. The amounts related to the project will be included among the order backlog subsequent to financial closing scheduled by the end of the first half of 2015.

DISPOSAL OF CAR PARK DIVISION

March saw performance of the investment contract signed in December 2013 with a syndicate of Institutional Investors for disposal of the car park division. The transaction involved the disposal of 95% of the investment in AST VT Parking SPV (Special Purpose Vehicle), which the Company divisions related to the "Stati Uniti" and "Palazzo" car parks in Turin and "Cittadella" car park in Verona were contributed to in 2013. A similar transaction will be performed in July related to the disposal of 95% of the investment in AST B Parking SPV (which the company divisions related to the "VIII Agosto" and "Riva Reno" car parks in Bologna were contributed to in 2013).

REPORT ON OPERATIONS

Introduction

Astaldi Group's Interim Financial Report at 30 June 2014 – comprising the Report on Operations, the Condensed Interim Consolidated Financial Statements and the Statement of the Chief Executive Officer and Manager in charge of Financial Reporting – has been drafted pursuant to Article 154-*ter* of the Consolidated Finance Act.

The Interim Financial Report has been compiled, applying the same accounting policies adopted to draft the Annual Financial Report at 31 December 2013 with the exception of those coming into effect as from 1 January 2014. The latter, even if already mentioned in the aforementioned Annual Financial Report, are detailed in the Condensed Interim Consolidated Financial Statements under "Newly-issued and endorsed standards and interpretations, coming into effect as of 1 January 2014".

It must also be noted that Astaldi Board of Directors resolved to avail itself of the faculty to eschew obligations regarding the publication of required disclosures in case of significant mergers, demergers, share capital increases involving contributions other than cash, acquisitions and transfers, pursuant to Article 70, subsection 8 and Article 71, subsection 1-*bis* of CONSOB's Issuer Regulation.

Operating performance

The half-yearly results show good growth in the main income statement indicators compared to the past year which make it possible to forecast end-of-year results in line with those set forth in the 2013-2018 Business Plan, approved in June.

Total revenue for the six months ended 30 June 2014 **increased by 4.4% to EUR 1,201.5 million** (EUR 1,150.6 million for the six months ended 30 June 2013).the **EBITDA margin stood at 12.4%,** with EBITDA totalling EUR 149.3 million (+2.9%, EUR 145 million and 12.6% in the first half of 2013). EBIT increased by 4.5% to EUR 118.1 million, with an **EBIT margin of 9.8%** (EUR 113 million and 9.8% for the six months ended 30 June 2013). EBT amounted to EUR 54.7 million (EUR 57.1 million in June 2013) which, net of estimated taxes of EUR 19.7 million (EUR 24.7 million in June 2013) resulted in a profit attributable to the owners of the parent of EUR 34.3 million, up by 6.4% compared to EUR 32.3 million in June 2013.

Results for the first six months ended 30 June 2014

Income statement

(EUR/000)	First six months of 2014	% on total revenue	First six months of 2013*	% on total revenue	YOY change (%)
Total revenue	1,201,524	100.0%	1,150,655	100.0%	+4.4%
EBITDA	149,256	12.4%	145,039	12.6%	+2.9%
EBIT	118,131	9.8%	113,001	9.8%	+4.5%
EBT	54,713	4.6%	57,104	5.0%	-4.2%
Profit for the year attributable to the owners of the parent	34,333	2.9%	32,282	2.8%	+6.4%

*Restated following application of IFRS 11 – *Joint arrangements*

The first half of 2014 closed with **total revenue of EUR 1,201.5 million showing a 4.4% increase** (EUR 1,150.6 million in June 2013). The figure benefitted from the positive performance of contracts in progress in Europe (especially Turkey, Poland and Russia) and in North and South America (Canada and Peru). The good performance of these two areas was largely able to offset the slowdown of works in Italy which generated EUR 311 million (-28.5%, EUR 435 million in the first half of 2013). The forecast drop in the domestic market is due to virtual completion of the most significant contracts and longer performance times in Italy than for international projects, but also to the reduced opportunities of renewal guaranteed in Italy during the last two years. These trends have been provided for in the Business Plan approved in June 2014, which envisages an upturn in Italy as from 2016.

Operating revenue amounted to EUR 1,126.9 million (EUR 1,098.5 million in the first half of 2013) **showing a 2.6% increase and a 94% incidence on total revenue. Other operating revenue totalled EUR 74.5 million** (+42.9%, EUR 52.2 million in the first half of 2013), to be attributed to revenue from activities related to the main contracts.

Please find below a brief analysis of operating revenue by geographical and business segments.

Breakdown of revenue according by geographical segment

(EUR/000,000)	First half of 2014	%	-First half of 2013*	%	YOY change (%)
ITALY	311	27.6%	435	39.6%	-28.5%
INTERNATIONAL	816	72.4%	663	60.4%	23.1%
Rest of Europe	514	45.6%	392	35.7%	31.1%
America	229	20.3%	172	15.7%	33.1%
Asia (Middle East)	5	0.4%	30	2.7%	n.m.
Africa (Maghreb)	68	6.0%	69	6.3%	-1.4%
TOTAL OPERATING REVENUE	1.127	100.0%	1,098	100.0%	2.6%

*Restated following application of IFRS 11 – *Joint arrangements*

The geographical structure of revenue reflects the ongoing implementation on the Group's commercial strategy, showing an increasingly marked focus on countries classified as investment grade. This means a more limited risk profile than in the past, resulting in an improved overall strategic business positioning.

Recently joined areas such as **Russia and Canada were among those making the largest contribution to revenue together with Turkey, followed by Poland and Peru**. Areas where the Group boasts a firmly established presence, such as **Algeria and Romania, achieved satisfactory levels**. **Italy reduced its contribution**, accounting for approximately 28% of total revenue.

Specifically, Italy accounted for EUR 311 million of revenue (-28.5%, EUR 435 million in June 2013), in line with the Group's strategy. This level of revenue, as mentioned previously, is to be attributed to an Italian order backlog with longer performance timeframes for new contracts and additional reductions forecast through to 2016. As regards the first half of the year, the most significant contributions were from railway projects including the Milan underground (Lines 4 and 5), the Rome underground (Line C), Bologna Centrale High-Speed station and Parma-La Spezia railway line. Mention must also be made of the positive performance recorded by the Pedemontana Lombarda motorway project, as well as the Plant Engineering, Maintenance and Management of Complex Systems segment (which benefitted from operations performed by the subsidiary NBI). The service management company for the Tuscan Hospitals project also contributed to the half year's revenue (Ge.SAT, with approximately EUR 4 million), the incorporation of which stems from the goal to consolidate the Group's know-how in the healthcare service management sector. Astaldi currently manages 4 hospitals in Italy (Mestre, Prato, Pistoia, Lucca), while a new Hospital in Tuscany ("Ospedale delle Apuane" in Massa Carrara) will be operational by the end of 2015 and activities related to financial closing for two international hospitals (Etlik in Ankara, Turkey and Western Metropolitan in Santiago, Chile) are in progress.

Europe generated approximately 46% of revenue, amounting to EUR 514 million (EUR 392 million in June 2013). It recorded a marked increase (+31%), thanks to contributions from Turkey (Gebze-Orhangazi-Izmir motorway Phase 1, Third Bridge on Bosphorus) and the good performance of contracts in Russia (Western High-Speed Diameter in St. Petersburg) and Poland (Line 2 of the Warsaw underground, Łódź railway project); Romania confirmed last year's production levels.

America generated approximately 20% of revenue, equal to EUR 229 million, meaning a 33% YOY increase (EUR 172 million in June 2013). Said increase can be attributed to both performance of the Muskrat Falls Hydroelectric Project, Canada and progress made on works related to the Cerro del Águila Hydroelectric Project, Peru and mining projects in Chile (Chuquicamata). As regards Venezuela, concrete institutional initiatives recommenced during the first half of the year, also as a result of the waning of social tension in the country, aimed at protecting the interests of Italian companies working in the region. Moreover, meetings are planned during the second part of 2014 between representatives of the Italian government and Venezuelan authorities. The aim is to promote, through the Council of Economic Cooperation between the two countries, projects linked to developing Venezuela's railway system, with the prerequisite of defining clear financial coverage of undertakings. The Venezuelan government has already earmarked significant sums in its budget as financial coverage of current payables and allocations for future years. Nevertheless, despite the above actions denoting a real attempt to normalise contractual relations, albeit gradually, the Group, which operates as part of a joint venture involving another two leading Italian companies in the sector, has continued to extremely limited production levels that are considerable lower than the significant potential levels the projects can offer.

Africa generated 6% of operating revenue, equal to EUR 68 million and in line with figures recorded for the first half of 2013, thanks to full resumption of works related to the Saida-Moulay Slissen railway line.

Asia recorded low production levels, accounting for EUR 5 million to be attributed to works in progress in Saudi Arabia (railway works), as a result of streamlining of the Group's presence in the Middle East and its decision to quit the oil & gas sector.

Breakdown of revenue by business segment

(EUR/000,000)	First half of 2014	%	First half of 2013*	%	YOY change (%)
CONSTRUCTION	1,118	99.2%	1,093	99.5%	2.3%
Transport Infrastructures	838	74.4%	900	82.0%	-6.9%
Railways and Undergrounds	*345*	30.6%	*447*	*40.7%*	*-22.8%*
Roads and Motorways	*466*	41.3%	*321*	*29.2%*	*45.2%*
Ports and Airports	*27*	2.4%	*132*	*12.0%*	*-79.5%*
Hydraulic Works and Energy Production Plants	123	10.9%	30	2.7%	310.0%
Civil and Industrial Construction	72	6.4%	85	7.7%	-15.3%
Plant Engineering, Maintenance and Management of Complex Systems	85	7.5%	78	7.1%	9.0%
CONCESSIONS	9	0.8%	5	0.5%	*n.a.*
TOTAL OPERATING REVENUE	1,127	100.0%	1,098	100.0%	2.6%

*Restated following application of IFRS 11 – *Joint arrangements*

An analysis of revenue by business segment shows the Group order backlog's high level of elasticity, which serves to maintain production and earning levels unaltered, proving able to deal with the natural progress of contracts.

Construction accounted for 99.2% of revenue, equal to EUR 1,118 million (+2.3%, EUR 1,093 million in June 2013). The half-yearly results confirmed the Transport Infrastructures segment as the Group's core business, accounting for EUR 838 million (EUR 900 million in June 2013), equal to 74% of operating revenue but with a different distribution compared to the first half of 2013. The drop in the figure for Railways and Undergrounds (EUR 345 million compared to

EUR 447 million in June 2013) and Ports and Airports (EUR 27 million compared to EUR 132 million), when compared to last year, was almost totally offset by the higher production level for Roads and Motorways, which increased its contribution to EUR 466 million (EUR 321 million in June 2013), recording a 45% increase. These trends reflected the planned slowdown of railway works in Venezuela (where minimal levels of production were recorded) and Algeria (where activities recommenced as from the second quarter of 2014), as well as the gradual completion of domestic contracts (Line 5 of the Milan underground, Line C of the Rome underground and Bologna Centrale High-Speed station). As regards Ports and Airports, virtual completion of Pulkovo International Airport in St. Petersburg, Russia, was recorded together with the start-up of works to construct John Paul II International Airport in Krakow-Balice, Poland. While, the excellent performance seen in the Roads and Motorways segment is to be attributed to the performance of complex engineering works where the procurement activities are highly strategic (as for the bridges and seabed foundations envisaged for the Western High-Speed Diameter in St. Petersburg, Russia and the Gebze-Orhangazi-Izmir motorway and the Third Bridge on Bosphorus in Turkey). Italy also made a significant contribution with progress made on the Pedemontana Lombarda motorway. The Hydraulic Works and Energy Production Plants segment also recorded a highly significant performance, contributing EUR 123 million (EUR 30 million in June 2013) and accounting for 11% of operating revenue. The increase in this segment, which saw its turnover triple compared to the same period of last year, can be attributed to the good results achieved with the Cerro del Águila (Peru) and Muskrat Falls (Canada) hydroelectric projects. The Civil and Industrial Construction segment contributed EUR 72 million (EUR 85 million in June 2013), equal to 6% of operating revenue, thanks to production in Italy related to the Police Officers Academy in Florence and the Tuscan Hospitals project, and full resumption of works on the new hospital in Naples ("Ospedale del Mare"), and to the results achieved in Canada by the subsidiary, TEQ Construction Enterprise. The Plant Engineering, Maintenance and Management of Complex Systems segment contributed EUR 85 million, accounting for 8% of operating revenue, recording a 9% increase compared to June 2013 (EUR 78 million). Said results were achieved thanks to the good performance of the subsidiary, NBI, as well as progress made on mining projects in Chile (Chuquicamata).

Concessions generated 0.8% of operating revenue and amounted to EUR 9 million (respectively 0.5% and EUR 5 million for the six months ended 30 June 2013), without taking into account EUR 13.8 million recognised as "Gains or losses on equity-accounted investees" (EUR 3.1 million for the six months ended 30 June 2013). At a revenue level, the segment's half-yearly results included management activities linked to Milas-Bodrum International Airport in Turkey which opened the season in April, as well as the good performance of Tuscan hospitals in Prato, Lucca and Pistoia in Italy. In accordance with consolidation rules, the results related to management of other projects in progress can be seen among "Gains or losses on equity-accounted investees" which specifically included: EUR 4.2 million related to the A4 motorway through Re.Consult Infrastrutture; EUR 1.1 million related to management of Venice-Mestre hospital; EUR 0.4 million related to management of Line 5 of the Milan underground; and EUR 8.6 million for consolidation of the Third Bridge on Bosphorus SPV.

Focusing once more on the income statement, the cost structure was positively affected by the economies of scale achieved by centralising some processes and by the composition of the order backlog, which is increasingly focused on general contracting and concession projects, which, by their very nature, generate higher margins. This resulted in production costs of EUR 856 million (EUR 834.7 million in June 2013) with a 71.2% incidence on revenue, hence down on the 72.5% incidence recorded for the first half of 2013. The geographical breakdown of costs reflects the production trend, showing an increase in Turkey, Poland, Peru and Canada. Personnel expenses totalled EUR 179.7 million (EUR 155.1 million in June 2013) with a 15% incidence on revenue. Said increase can be attributed mainly to costs incurred in Canada, which was not completely operational during the same period of last year. Despite the increase in personnel expenses, the overall operating costs recorded an increase in line with the increase in revenue and this made it possible to maintain a suitable level of earnings at a group level.

EBITDA increased by 3% totalling EUR 149.3 million (EUR 145 million in June 2013) with an **EBITDA margin of 12.4%. EBIT totalled EUR 118.1 million** with an **EBIT margin of 9.8%**, up by 4.5% compared to EUR 113 million in June 2013.

Net financial charges increased to EUR 77.5 million (EUR 59.1 million in June 2013), to be attributed mainly to: (i) an increased average level of debt due to support guaranteed for production, (ii) an increased cost of debt as a result of the bond issues at the end of 2013 and in February 2014 that extended the average life of debt, (iii) the increase for the cost of sureties related to the greater average value of backlog projects. Specifically, the increase in sureties is to be linked to the widely-used practice, at an international level, of asking for additional guarantees, the cost of which is, in any case, included in the estimated margins set forth in the bid. Financial expense included EUR 18.9 million related to fair value measurement of the equity-linked bond issued in January 2013.

EBT totalled EUR 54.7 million (EUR 57.1 million in June 2013). The figure benefitted from EUR 14.1 million resulting from the equity measurement of investments almost totally attributable to the Concessions segment (EUR 3.2 million in June 2013). **Consolidated profit for the period totalled EUR 34.3 million (+6.4%**, EUR 32.3 million for the six months ended 30 June 2013), including the effects of an estimated tax rate of 36%.

Financial position as at 30 June 2014

Statement of financial position

(EUR/000)	30-Jun-14	31-Dec-2013*	30-Jun-2013*
Total net non-current assets	760,016	718,830	635,805
Operating working capital	933,240	704,192	704,605
Total provisions	(26,968)	(30,594)	(32,219)
Net invested capital	1,666,288	1,392,428	1,308,192
Loans and borrowings/Loan assets **	(1,101,560)	(800,235)	(732,996)
Group Total Equity attributable to the owners of the parent	558,995	547,093	532,915
Total equity	564,728	592,193	575,196

* Restated following application of IFRS 11 – *Joint arrangements*.
** Including treasury shares in portfolio of EUR 2.5 million at June 2014, EUR 2.8 million at December 2013 and EUR 2.8 million at June 2013.

Net non-current assets totalled EUR 760 million at 30 June 2014 (EUR 718.8 million at December 2013) as a result of: (i) investments for share capital increases in concession projects for the Third Bridge on Bosphorus and the Gebze-Orhangazi-Izmir motorway in Turkey (gross investment during the first half of 2014 totalled approximately EUR 73 million); (ii) accounting effects of merger of investee A.I.2 in Re.Consult Infrastrutture; (iii) gradual amortisation of intangible assets linked to the concession for management of Milas-Bodrum International Airport in Turkey; (iv) changes in non-current property, plant and equipment, especially in Russia, Chile and Canada.

Operating working capital increased to EUR 933.2 million from EUR 704.2 million at December 2013, basically as a result of the increase of works in progress. The latter reflected the performance of works in Poland (Line 2 of the Warsaw underground), Turkey (Third Bridge on Bosphorus), Algeria (Saida-Moulay Slissen railway), Russia (Western High-Speed Diameter in St. Petersburg), Canada (Muskrat Falls hydroelectric plant) and Italy (Line 4 of the Milan underground, Line C of the Rome underground, Pedemontana Lombarda motorway). While payments on account from customers had an opposite effect on the working capital trend, with said item increasing to EUR 740 million compared to EUR 677 million at the end of 2013, above all for projects in Turkey and Russia.

The aforementioned trends resulted in **net invested capital of EUR 1,666.3 million** (EUR 1,392.4 million in December 2013). The performance of the first six months of the year should normalise during the second part of 2014 when important production milestones will be achieved, that are also expected to be reflected at a financial level.

Total Equity attributable to the owners of the parent totalled EUR 559 million (EUR 547.1 million in December 2013) and included the results of the half year, items deferred to equity related to hedging instruments and the distribution of dividends totalling EUR 18.7 million (ex-dividend date on 15 May). Equity attributable to non-controlling interests dropped to EUR 5.7 million (EUR 45.1 million in December 2013) mainly as a result of merger of the investee, A.I.2 into Re.Consult Infrastrutture, mentioned previously. The result was **total equity of EUR 564.7 million** (EUR 592.2 million at December 2013).

CONSOLIDATED NET FINANCIAL DEBT

Total net financial debt at 30 June 2014 amounted to EUR (1,099) million (EUR (797) million in December 2013). The financial structure reflected the support guaranteed for production during the first half of the year, also by virtue of the forecast financial milestones for the second half of the year, which it is felt will guarantee an improvement of the overall financial exposure. The debt/equity ratio, equal to 1.15x if the share of debt related to concessions (insofar as self-liquidating) is excluded, stood at 1.95x at 30 June 2014. Please, find below a summary of the main changes in consolidated net financial debt, recorded on a quarterly basis for the last twelve months.

Consolidated Net Financial Debt

			30/06/2014	31/03/2014	31/12/2013*	30/09/2013*	30/06/2013*
A	Cash		361,082	368,118	373,226	305,074	354,425
B	Securities held for trading		1,567	1,583	1,407	1,367	1,376
C	**Cash and cash equivalents**	(A+B)	**362,649**	**369,701**	**374,633**	**306,441**	**355,802**
-	Current loan assets		27,523	33,958	29,412	21,786	23,375
-	Current portion of financial assets from concession activities		17,237	15,447	15,447	16,092	16,611
D	**Current loan assets**		**44,760**	**49,405**	**44,859**	**37,878**	**39,986**
E	Current portion of bank loans and borrowings		(470,923)	(410,673)	(301,929)	(435,905)	(421,638)
F	Current portion of bonds		(4,544)	(15,783)	(3,315)	(409)	(1,920)
G	Current portion of non-current debt		(48,569)	(62,989)	(66,931)	(60,080)	(49,909)
H	Other current loans and borrowings		(8,373)	(8,146)	(9,940)	(11,477)	(10,922)
I	**Current financial debt**	(E+F+G+H)	**(532,409)**	**(497,591)**	**(382,115)**	**(507,871)**	**(484,388)**
J	**Net current financial debt**	(I+D+C)	**(125,001)**	**(78,485)**	**37,377**	**(163,552)**	**(88,600)**
K	Non-current portion of bank loans and borrowings		(220,181)	(191,446)	(225,622)	(695,633)	(673,178)
L	Bonds		(869,339)	(868,901)	(713,268)	(127,132)	(127,258)

M	Other non-current financial liabilities		(13,351)	(14,754)	(15,992)	(17,265)	(6,251)
N	**Non-current financial debt**	**(K+L+M)**	**(1,102,871)**	**(1,075,100)**	**(954,881)**	**(840,030)**	**(806,687)**
O	**Gross financial debt from continuing operations**	**(I+N)**	**(1,635,280)**	**(1,572,691)**	**(1,336,996)**	**(1,347,902)**	**(1,291,075)**
P	**Net financial debt from continuing operations**	**(J+N)**	**(1,227,871)**	**(1,153,585)**	**(917,504)**	**(1,003,582)**	**(895,286)**
Q	**Net financial debt of discontinued operations**		**16,532**	**24,615**	**30,680**	**34,484**	**33,874**
R	**Net financial debt**	**(P+Q)**	**(1,211,339)**	**(1,128,970)**	**(886,824)**	**(969,099)**	**(861,413)**
-	Non-current loan assets		27,697	24,123	24,547	25,098	15,003
-	Subordinated loans		71,133	73,272	46,439	28,710	87,686
-	Non-current portion of financial assets from concession activities		10,950	16,127	15,603	16,906	25,728
S	**Non-current loan assets**		**109,780**	**113,522**	**86,589**	**70,715**	**128,417**
T	**Total financial debt**	**(R+S)**	**(1,101,560)**	**(1,015,448)**	**(800,235)**	**(898,384)**	**(732,996)**
	Treasury shares in portfolio		**2,546**	**3,146**	**2,859**	**2,725**	**2,808**
	Total net financial debt		**(1,099,013)**	**(1,012,303)**	**(797,376)**	**(895,658)**	**(730,188)**

* Further to application (retrospective) of IFRS 11 – *Joint arrangements*, the 2013 corresponding figures, presented for comparative purposes, were restated.

Investments

Capital expenditure for the first half of the year amounted to EUR 32.3 million (approximately 2.5% of revenue) and referred to projects in progress in Canada (Muskrat Falls hydroelectric project), Russia (Western High Speed-Diameter in St. Petersburg), Chile (Chuquicamata mining projects) and Romania (Line 4 of the Bucharest underground).

As regards concessions, gross investments during the first half of the year totalled approximately EUR 73 million, approximately EUR 40 million of which related to capital injection for the Third Bridge on Bosphorus and Gebze–Orhangazi-Izmir motorway in Turkey, and EUR 33 million of which to semi-equity referring to projects in progress in Italy (Line 5 of the Milan underground) and Turkey (Third Bridge on Bosphorus). On the whole, concession investments (equity and semi-equity attributable to Astaldi injected into the operators of the concessions and the related working capital) amounted to EUR 579 million. The half-yearly figure includes EUR 28 million of financial assets from concession activities – meaning the shares of investments covered by guaranteed cash flows as detailed in IFRIC 12 – related to Milas-Bodrum International Airport (Turkey), as well as the effects of deconsolidation of car parks under management in Verona and Turin, subject to sale during the period and previously recognised as “Disposal groups”.

Consolidated Financial Statements

Reclassified income statement

EUR/000	Notes regarding reconciliation with Condensed Interim Consolidated Financial Statements	First half of 2014	% on total revenue	First half of 2013 *	% on total revenue
Revenue	1	1,126,936	93.8%	1,098,459	95.5%
Other operating revenue	2	74,588	6.2%	52,197	4.5%
Total revenue		**1,201,524**	**100.0%**	**1,150,655**	**100.0%**
Production cost	3 - 4	(856,007)	-71.2%	(834,659)	-72.5%
Added value		**345,517**	**28.8%**	**315,997**	**27.5%**
Personnel expenses	5	(179,696)	-15.0%	(155,069)	-13.5%
Other operating costs	7	(16,565)	-1.4%	(15,888)	-1.4%
EBITDA		**149,256**	**12.4%**	**145,039**	**12.6%**
Amortisation and depreciation	6	(31,086)	-2.6%	(24,955)	-2.2%
Provisions			0.0%	(3,840)	-0.3%
Impairment losses	6	(124)	0.0%	(3,480)	-0.3%
(Capitalisation of internal construction costs)	8	85	0.0%	237	0.0%
EBIT		**118,131**	**9.8%**	**113,001**	**9.8%**
Net financial charges	9 - 10	(77,469)	-6.4%	(59,070)	-5.1%
Effects of equity accounting	11	14,052	1.2%	3,173	0.3%
Pre-tax profit		**54,713**	**4.6%**	**57,104**	**5.0%**
Taxes	12	(19,736)	-1.6%	(24,726)	-2.1%
Profit from continuing operations		**34,977**	**2.9%**	**32,378**	**2.8%**
Loss from discontinued operations	**13**	**(736)**	**-0.1%**		**0.0%**
Profit for the period		**34,241**	**2.8%**	**32,378**	**2.8%**
(Profit)/loss attributable to non-controlling interests		92	0.0%	(95)	0.0%
Profit attributable to the owners of the parent		**34,333**	2.9%	**32,282**	2.8%

* Further to application (retrospective) of IFRS 11 – *Joint arrangements*, the 2013 corresponding figurespresented for comparative purposes, were restated.

Reclassified statement of financial position

EUR/000	Notes regarding reconciliation with Condensed Interim Consolidated Financial Statements	30/06/2014	31/12/2013*	30/06/2013*
Intangible assets	17	48,567	58,971	100,104
Property, plant and equipment and investment property	15 - 16	217,015	205,059	208,470
Investments	18	404,436	384,151	284,268
Other net non-current assets	12 - 19 - 20	94,401	81,003	53,810
Non-current assets held for sale	26	2,029	1,936	2,928
Liabilities directly associated with non-current assets held for sale	26	(6,432)	(12,290)	(13,774)
TOTAL Non-current assets (A)		**760,016**	**718,830**	**635,805**
Inventories	21	59,519	61,711	65,478
Contract work in progress	22	1,479,699	1,261,797	1,236,012
Trade receivables	23	53,041	46,312	56,267
Receivables from customers	23	978,672	915,581	835,263
Other assets	19 - 20	200,390	174,515	191,948
Tax assets	24	103,240	104,612	125,690
Payments on account from customers	22	(740,058)	(676,569)	(542,205)
Subtotal		**2,134,502**	**1,887,958**	**1,968,453**
Trade payables	20 - 31	(91,373)	(102,523)	(188,322)
Payables to suppliers	20 - 31	(827,162)	(805,033)	(758,568)
Other liabilities	12 - 28 - 29 - 31 - 32	(282,727)	(276,210)	(316,958)
Subtotal		**(1,201,262)**	**(1,183,766)**	**(1,263,848)**
Operating working capital (B)		**933,240**	**704,192**	**704,605**
Employee benefits	30	(8,627)	(8,003)	(8,815)
Non-current portion of provisions for risks and charges	33	(18,340)	(22,591)	(23,404)
Total provisions (C)		**(26,968)**	**(30,594)**	**(32,219)**
Net Invested Capital (D) = (A) + (B) + (C)		**1,666,288**	**1,392,428**	**1,308,192**
Cash and cash equivalents	25	361,082	373,226	354,425
Current loan assets	19	27,523	29,412	23,375
Non-current loan assets	19	98,830	70,986	102,690
Securities	19	1,567	1,407	1,376
Current financial liabilities	28	(532,409)	(382,115)	(484,388)
Non-current financial liabilities	28	(1,102,871)	(954,881)	(806,687)
Net loans and borrowings (E)		**(1,146,278)**	**(861,965)**	**(809,208)**
Financial assets from concession activities	19	28,186	31,050	42,339
Net financial debt of discontinued operations	26	16,532	30,680	33,874
Total net loans and borrowings (F)		**(1,101,560)**	**(800,235)**	**(732,996)**
Total Equity attributable to the owners of the parent	27	(558,995)	(547,093)	(532,915)
Equity attributable to non-controlling interests	27	(5,734)	(45,101)	(42,281)
Equity (G) = (D) - (F)		**564,728**	**592,193**	**575,196**

* Further to application (retrospective) of IFRS 11 – *Joint arrangements*, the 2013 corresponding figures, presented for comparative purposes, were restated.

Order backlog

The **order backlog amounted to EUR 12.7 billion** (EUR 13.3 billion in December 2013), with EUR 485 million of new orders related to new projects secured abroad (Turkey, Poland, Romania and Canada), as well as in Italy (through the subsidiary NBI). The figures listed refer to contracts in progress and hence do not include the positive results of investments made to increase the value of concessions (awarded) for which financial closing is still pending, as well as contracts for which finalisation of the award procedure is still pending. If we are to take into account these contracts, **the total potential order backlog amounts to EUR 21.5 billion**, with construction accounting for an additional EUR 3 billion and concessions for an additional EUR 5.8 billion.

As regards the contracts in progress, **70% of them are to be attributed to foreign projects** while **Italy accounted for the remaining 30%**, largely reflecting the breakdown of revenue in the income statement. From a segment viewpoint, **construction accounted for 54% of contracts in progress** and amounted to EUR 6.9 billion (EUR 2 billion in Italy, EUR 4.9 billion abroad), referring mainly to general contracting projects and, to a lesser extent, to traditional contracts with a high technological content. A significant contribution was made by **Transport Infrastructures (44% of contracts in progress)**, but the Hydraulic Works and Energy Production Plants (7%), Civil and Industrial Construction (2%) and Plant Engineering, Maintenance and Management of Complex Systems (1%) segments maintained a strategic value. **Concessions accounted for 46% of contract in progress** and amounted to EUR 5.8 billion (EUR 1.8 billion in Italy and EUR 4 billion abroad).

As regards the potential order backlog, Construction accounts for EUR 9.9 billion, equal to 46% of the total, while Concessions amount to EUR 11.6 billion, representing the remaining 54%. Italy accounts for 36% of said total, with foreign projects accounting for the remaining 64%.

In order to provide complete information, please find below details of the main projects included among the potential order backlog which, to date, have not yet been included among new orders:

- **Gebze-Orhangazi-Izmir Motorway (Turkey), for the share related to Phase 2B (more than 300 kilometres, Bursa-Izmir section)**, pending financial closing scheduled by the end of 2015. On the whole, the project refers to the concession contract for the design, construction and subsequent management of more than 400 kilometres of motorway (Phase 1, currently under construction: 55 kilometres, Gebze-Orhangazi section and Izmit Bay Bridge; Phase 2A: 25 kilometres, Orhangazi-Bursa section). At the draft date of this report, approximately 70% of works related to Phase 1 had been completed, as well as financial closing prior to the commencement of Phase 2A. Please, refer to comment regarding new orders during the first half of 2014 for more details regarding the latter;
- **Etlik Healthcare Campus in Ankara (Turkey)**, for which some preliminary activities have commenced, but for which definition of negotiations in progress with the client regarding some contractual aspects and financial closing are still pending. The project refers to the concession contract for the design, construction and subsequent management of a hospital facility that will occupy a surface area of 1,071,000 m^2, providing a total of 3,566 hospital beds;
- **Western Metropolitan Hospital in Santiago (Chile)**, for which financial closing, expected by the end of the first half of 2015, is pending. The project, awarded to Astaldi during the first half of 2014, refers to the concession contract for the design, funding, construction and management of commercial and non-medical services of a facility that will comprise 10 floors for a total of 523 beds, 599 parking spaces and a surface area of 120,000 m^2. The supply and maintenance of electro-medical equipment and furnishings is also provided for. Total investment will amount to EUR 236 million, EUR 151 million of which for construction activities. The concession will have a 20-year duration with 52 months for construction and 15 years for management. Commissioned by Chile's Ministry of Public Works, the project will be funded by private capital and the investment will be repaid by concession revenue totalling approximately EUR 500 million, 95% of which is guaranteed in the form of availability charges. Design activities are in start-up phase as at the draft date of this report;

- **Moscow-St. Petersburg Motorway (Russia)** for which negotiation of the construction contract for a significant section of the work is currently in progress;
- further projects in Italy and abroad (EUR 4.2 billion related to Astaldi stake) for which, for various reasons, financial closing or completion of formal awarding procedures of the relative contracts is pending in the medium-term.

For more information regarding the contracts mentioned, please refer to the Annual Financial Report 2013 ("Main contracts in progress").

NEW ORDERS – CONSTRUCTION

GEBZE-ORHANGAZI-IZMIR MOTORWAY, PHASE 2A (*construction share*) | Turkey – EUR 58 million (Astaldi stake). The project refers to the EPC contract linked to the second operational section (25 kilometres Orhangazi-Bursa) of the concession contract for the construction and subsequent management of over 400 kilometres of motorway linking the cities of Gebze (near Istanbul) and Izmir (on the Aegean coast). Pro-rata inclusion among the Group's order backlog was performed following definition of relative funding and the start-up of preliminary activities for construction works. The financing agreement, signed in July 2014, totals USD 600 million.

S-5 / S-8 | Poland – EUR 200 million. The two contracts refer to the design and construction of two new sections of road in Poland, in other words 19 kilometres of the fast-flowing S-5 Poznan-Breslavia (Lot 3, from 137+500 km to Widawa Breslavia junction) and 15 kilometres of the S-8 Breslavia-Warsaw-Bialystok (widening and upgrading of the section between the Wiśniewo and Męzenin interchanges). The works have been commissioned by Poland's Directorate General for Roads and Motorways (GDDKiA) and will benefit from EU funding. Works will commence during the second half of 2014, with a planned duration of 39 months for the S-5 and 28 months for the S-8.

TEQ Construction Enterprise | Canada – EUR 50 million. The first half of the year recorded a significant flow of incoming orders following commercial activities performed by the Group's Canadian subsidiary. The new contracts refer mostly to projects in the healthcare and civil construction segment where the Company mainly performs project management activities. The new contracts refer to orders of a unit value of less than EUR 15 million.

NBI | Italy – EUR 27 million. During the first half of the year, the Group's subsidiary specialising in the Plant Engineering, Maintenance and Management of Complex Systems segment, confirmed its ability as regards acquisitions, and not only in relation to the Group system. The new contracts mainly refer to Plant Engineering and Maintenance service contracts of a unit value of less than EUR 13 million, with an average duration of 14 months and the start-up of works planned as from the second half of the year.

NEW ORDERS – CONCESSIONS

GEBZE-ORHANGAZI-IZMIR MOTORWAY, PHASE 2A (*concession share*) | Turkey – EUR 56 million (Astaldi stake). The project consists in the forecast share of concession revenue (not inflated) for the second functional section of the motorway, already described above under New Orders – Construction. The duration of the concession is 22 years and 4 months for the complete motorway, with approximately 19 years for Phase 2A operation. Total toll revenue amounts to USD 24 billion, USD 400 million of which for Phase 2A alone. The second funded section will be placed under management upon completion of construction activities, scheduled for the early part of 2017. As already mentioned in regard to the construction share of this contract, pro-quota inclusion of this section among the backlog is to be referred to finalisation of the relative financing contract, recorded in July 2014, which follows the start-up of preliminary activities as from the first half of the year.

Order backlog – Summary tables

Order backlog (EUR/000,000)	01/01/2013	New orders	Decreases for production	30/06/2014
Construction	**7,593**	**429**	**(1,118)**	**6,904**
Transport Infrastructures	6,105	352	(838)	5,619
Hydraulic Works and Energy Production Plants	1,010	0	(123)	887
Civil and Industrial Construction	265	50	(72)	243
Plant Engineering, Maintenance and Management of Complex Systems	213	27	(85)	155
Concessions	**5,729**	**56**	**(9)**	**5,776**
Order Backlog	**13,322**	**485**	**(1,127)**	**12,680**

Order Backlog (EUR/000,000)	01/01/2013	New orders	Decreases for production	30/06/2014
Italy	**4,069**	**26**	**(311)**	**3,784**
of which Construction	*2,280*	*26*	*(307)*	*1,999*
of which Concessions	*1,789*	*0*	*(4)*	*1,785*
International	**9,253**	**459**	**(816)**	**8,896**
of which Construction	*5,313*	*403*	*(811)*	*4,905*
of which Concessions	*3,940*	*56*	*(5)*	*3,991*
Europe	5,116	409	(514)	5,011
America	3,565	50	(229)	3,386
Africa (Maghreb)	487	0	(68)	419
Asia (Middle East)	85	0	(5)	80
Order backlog	**13,322**	**485**	**(1,127)**	**12,680**

Breakdown of Construction constructs (EUR/000,000)	01/01/2013	New orders	Decreases for production	30/06/2014
Italy	**2,280**	**26**	**(307)**	**1,999**
International	**5,313**	**403**	**(811)**	**4,905**
Europe	2,216	353	(509)	2,060
America	2,525	50	(229)	2,346
Africa (Maghreb)	487	0	(68)	419
Asia (Middle East)	85	0	(5)	80
Construction contracts	**7,593**	**429**	**(1,118)**	**6,904**

Breakdown of Concessions contracts (EUR/000,000)	30/06/2014
Italy	**1,785**
International	**3,991**
Europe	2,951
America	1,040
Total Concessions Order Backlog	**5,776**

Main contracts in progress

Please, find below a table summarising the percentage of completion of the main contracts in progress in Italy and abroad at 30 June 2014.

Country	Project	Contract value[1] (EUR/millions)	Residual order backlog[2] (EUR/millions)
Transport Infrastructures — Railways and Undergrounds			
Italy	Line C of the Rome underground — Phase 1	576.1	32.3
Italy	Line C of the Rome underground — Section T-3[3]	201.5	188.0
Italy	Line C of the Rome underground — Section T-2[3]	218.7	218.7
Italy	Line 5 of the Milan underground – Phase 2[4]	446.3	72.4
Italy	Line 4 of the Milan underground	482.1	441.3
Algeria	Saida-Moulay Slissen railway line	729.1	242.7
Algeria	Saida-Tiaret railway line	258.6	163.2
Poland	Łódź railway project	136.2	83.1
Poland	Line 2 of the Warsaw underground	361.9	55.1
Romania	Line 5 of the Bucharest underground	111.5	64.9
Venezuela	Puerto Cabello-La Encrucijada railway line	1,678.0	665.3
Venezuela	San Juan de Los Morros-San Fernando de Apure railway line	670.7	375.0
Venezuela	Chaguaramas-Cabruta railway line	308.0	139.0
Transport Infrastructures – Roads and Motorways			
Italy	Jonica National Road, Lot DG-41	788.9	780.0
Italy	Infraflegrea project	140.7	30.8
Italy	Pedemontana Lombarda motorway	219.3	12.6
Russia	Western High-Speed Diameter, St. Petersburg	1,023.3	662.4

Turkey	Third Bridge on Bosphorus and the Northern Marmara Highway	614.1	390.5
Turkey	Gebze-Orhangazi-Izmir motorway, Phase 1 & 2A	364.8	150.9
Poland	S-8 motorway	115.7	115.7
Poland	S-5 motorway	84.2	84.2
Transport Infrastructures – Ports and Airports			
Poland	John Paul II International Airport in Krakow-Balice	71.4	60.0
Hydraulic Works and Energy Production Plants			
Canada	Muskrat Falls hydroelectric project	762.2	706.4
Peru	Cerro del Águila hydroelectric project	256.7	144.4
Civil and Industrial Construction			
Italy	New Hospital in Naples ("Ospedale del Mare")	140.6	108.7
Italy	Four Tuscan Hospitals	192.3	10.2
Italy	Police Officers Academy in Florence	227.3	27.4
Chile	Chuquicamata mining project – Contract # 2	106.9	66.3
Chile	Chuquicamata mining project – Contract # 1	138.4	61.9

(1) This refers to the share of the construction contract relating to Astaldi Group unless the SPVs are fully consolidated by virtue of the investment held in the project.
(2) This represents the percentage of works to be completed against the share of the construction contract relating to Astaldi Group.
(3) For the purpose of the table, Line C of the Rome underground is split into three different functional sections in order to show the actual percentage of completion of works. The three sections are: (i) Phase 1, related to the Monte Compatri / Pantano-San Giovanni section (Sections T-4, T-5, T-6a, T-7) and Graniti Warehouse, (ii) Section T-3, related to the San Giovanni-Fori Imperiali section and (iii) Section T-2, related to the Fori Imperiali-Clodio / Mazzini section.
(4) Line 5 of the Milan underground is split into two different functional sections identified as (i) Phase 1, related to the Garibaldi FS Station-Bignami section, completed during the first half of the year and (ii) Phase 2, related to the Bignami-San Siro section, currently under construction.

For more information regarding the individual contract in progress, please, refer to the Annual Financial Report at 2013 ("Main contracts in progress"). It has been considered appropriate herein to mention solely the most important information updates for the most significant contracts in progress recorded during HY1 2014.

Performance of most significant contracts – Italy

LINE C OF THE ROME UNDERGROUND | Italy. At the draft date of this report, works are in progress related to the First Strategic Phase of the project (22 kilometres, 24 stations, Monte Compatri / Pantano-Fori Imperiali / Colosseo section). As regards this phase, the Monte Compatri / Pantano-Parco di Centocelle section was delivered in 2013 (12.84 kilometres, 15 stations), the Parco di Centocelle-San Giovanni section is under completion (5.65 kilometres, 7 stations) and the T-3 San Giovanni-Fori Imperiali / Colosseo section is under construction (2.96 kilometres, 2 stations). This means that 71% of works have been completed along the Monte Compatri / Pantano-Fori Imperiali / Colosseo section (100% for the Monte Compatri / Pantano-Parco di Centocelle section). While as regards the T-2 section (Fori Imperiali / Colosseo-Clodio / Mazzini), for which financing is pending, the final design for the Fori Imperiali / Colosseo-Venezia subsection (0.66 kilometres, 1 station) was submitted to the Client in April. As regards the T-2 section, in 2011, the JV responsible for building Line C presented, as agreed with the Client, a project finance proposal for construction of the T-

2 section, as well as extension of the line to Farnesina, a proposal in whose regard no statement has been issued by Rome's municipal authority to date. On 9 September 2013, the "Deed implementing CIPE Ruling No. 127 dated 11 December 2012 and consequent amendment of the contract dated 12 October 2006" was signed by the General Contractor, Metro C and the Client, Roma Metropolitane. Said deed, signed following discussion between Metro C, Roma Metropolitane and other lending bodies with regard to the effect and applicative procedures of the Settlement Agreement dated 6 September 2011 and CIPE Ruling No. 127 dated December 2012 (which said Settlement Agreement financed) definitively set down the payment obligations of Roma Metropolitane. Specifically, said deed settled all unresolved matters involving Metro C and Roma Metropolitane, with waiver of all pending litigation and reserves. Said deed confirmed acknowledgement in favour of Metro C of the sum of EUR 230 million, which was decided on by the parties in September 2011 by way of settlement and which was agreed upon as suitable compensation for the economic damage incurred by Metro C due to delays generated by the project changes that have proved necessary while performing works. Payment was also agreed on of the arbitration award of September 2012 related to the General Contractor's charges in addition to acknowledgement of additional charges incurred by the General Contractor on all works awarded from January 2009 on. The terms of consignment of the sections under construction and of presentation of the final design of the Fori Imperiali / Colosseo-Venezia subsection were also re-established. As regards the matters defined, on 7 January 2014, Roma Metropolitane paid the sum of EUR 166 million by way of partial payment of the overall amount due to Metro C, and on 17 March, the amounts due from the Ministry of Infrastructures and Transport corresponding to EUR 45 million and referring to the CIPE ruling of December 2012, were collected. An Addendum to the Main Contract was signed with the Client in July 2014 regarding the awarding of technical assistance and maintenance services to be performed on the Monte Compatri / Pantano-Parco di Centocelle section and Graniti Warehouse.

LINE 5 OF THE MILAN UNDERGROUND | Italy (*construction share*). The Isola and Garibaldi stations were consigned and opened to the public in March, thus completing the Bignami-Garibaldi FS Station section (6.1 kilometres, 9 stations), currently in operation. As regards the Garibaldi FS-San Siro extension (7.1 kilometres, 10 stations), works to build all the stations included along the route went ahead during the half year, and tunnel excavation works were already completed in 2013. The works are scheduled for completion by April 2015.

LINE 4 OF THE MILAN UNDERGROUND | Italy (*construction share*). Work got underway in March at the Linate sites to dig the tunnels included in the project using TBMs (*Tunnel Boring Machine*). At the draft date of this report, the TBMs recorded an average advancement of 18 metres per day of finished tunnel per TBM, with peaks of 35 metres per day, which means that approximately 7% of excavation works have been completed. The percentage of completion of works stood at 8% at 30 June 2014.

JONICA NATIONAL ROAD (NR-106), LOT DG-41 | Italy. As regards this project, the procedure for approval of the final design by CIPE (Interdepartmental Committee for Economic Planning) is currently underway, the result of which is expected by the end of 2014. Subsequently, all the preliminary activities prior to the commencement of construction works, scheduled for spring 2015, will be started-up.

JONICA NATIONAL ROAD (NR-106), LOT DG-21 | Italy. As regards this project, largely completed during 2013, on 10 May 2012, various executives of ANAS S.p.A., Co.Meri S.p.A. (General Contractor awarded the works and which Astaldi holds a 99.9% stake in) and other professionals received a notice of investigation from the Regional Prosecutors' Office of the Court of Auditors' Jurisdictional Division for Lazio Region in relation to alleged tax damage regarding ANAS' payment to Co.Meri of EUR 47 million following an out-of-court settlement procedure pursuant to Article 31-*bis* of Law No. 109/1994. During the proceedings, following the summons to appear before the Court of Auditors of first instance, notified on 13 March 2013, the amount of the alleged tax damage was reduced to EUR 38.5 million. The parties summoned by the Court of Auditors, including Co.Meri, filed an appeal for a preliminary settlement with the Court of Cassation in joint session. In Ruling No. 16240/14, filed on 16 July 2014, the Court of Cassation excluded the jurisdiction of the Court of Auditors (and hence the tax damage) with regard to the General Contractor Co.Meri, the Chairman, the member – appointed by Co.Meri – of the out-of-court settlement committee and the works manager. While it found there are legal grounds regarding the jurisdiction of the Court of Auditors with regard to other parties and hence said parties can argue their case in front of the Court of Auditors.

PEDEMONTANA LOMBARDA MOTORWAY | Italy. As regards this project, construction of Section A of the Pedemontana Lombarda motorway between Cassano Magnago and Lomazzo has been completed, and construction of the sections regarding the Como (3 kilometres, Lot 1) and Varese (4.8 kilometres, Lot 1) bypass roads is being finalised, with consignment in phases scheduled by the end of the year, starting from September. At the draft date of this report, 85% of works had been completed for the Como bypass road and 89% for works for the Varese bypass road. With regard to the complete works, the percentage of completion is 94%.

FOUR TUSCAN HOSPITALS | Italy (*construction share*). At the draft date of this report, three of the four hospital facilities included in the project had been completed and were operational. After the launch of the new hospitals in Pistoia ("Ospedale San Jacopo", July 2013) and Prato ("Nuovo Ospedale di Prato", September 2013), the new hospital in Lucca ("Ospedale San Luca") was also opened to the public in May 2014 (492 hospital beds, 1,065 parking spaces). Works on construction of the new hospital in Massa-Carrara ("Ospedale delle Apuane") also continued during the first half of 2014 and 75% of works had been completed at the draft date of this report (95% when referred to the complete project). Completion and entry into operation of the last hospital facility is scheduled for the first quarter of 2015. Subsequently, patients will be transferred from the old hospital to the new hospital with the consequent launch of management activities.

NEW HOSPITAL IN NAPLES ("OSPEDALE DEL MARE") | Italy. Construction works continued as planned during the half year, also thanks to the major commitment of local administrations with regard to the project, classified as a priority for the local area. In virtue of the important milestones scheduled over the coming months, a high level of production activity is envisaged for this project during the second half of the year as well, with the aim of completing works by the second half of 2015. The percentage of completion of works related to this project phase amounted to 23% at 30 June 2014.

Performance of most significant contracts – abroad

GEBZE-ORHANGAZI-IZMIR MOTORWAY | Turkey (*construction share*). At the draft date of this report, only Phase 1 (55 kilometres, Gebze-Orhangazi section and Izmit Bay Bridge) and Phase 2A (25 kilometres, Orhangazi-Bursa section) of the project has been included among the backlog. As regards the remaining part of the route, known as Phase 2B (over 300 kilometres, Bursa-Izmir section), please refer to the section entitled "Order Backlog" contained herein. With regard to Phase 1, construction activities continued during the first half of the year. Specifically, the seabed foundations of Izmit Bay Bridge were laid in March. Said bridge will be the 4th longest in the world. At the draft date of this report, approximately 70% of works related to Phase 1 had been completed together with financial closing for Phase 2A.

THIRD BRIDGE ON BOSPHORUS AND THE NORTHERN MARMARA HIGHWAY | Turkey (*construction share*). Works went ahead as planned during the first half of 2014. Specifically, construction of the piers continued which, at the draft date of this report, had reached a height of 260 metres, approximately 85% of the planned height. The bridge will be a first for several aspects: it will be the widest bridge and the bridge with the highest A-shape pylons in the world. Work also continued to construct the bridge deck and anchorage block both on site and in the factory. Approximately 2,000 resources have been employed to date on the bridge, plus the resources used in the factory to produce the steel needed to construct the deck and anchor saddle for cables. At the draft date of this report, the percentage of completion of works was approximately 35%.

WESTERN HIGH-SPEED DIAMETER IN ST. PETERSBURG | Russia. The project recorded a performance during the first half of the year, which made it possible to make up during the second quarter the slowdown experienced at the end of March. The first quarter was mainly characterised by the start-up of viaduct pier construction works, which were then brought to a full operating level as from the start of the second quarter. Well over a third of works had been completed at 30 June 2014.

LINE 2 OF THE WARSAW UNDERGROUND | Poland. Construction works related to this project went ahead as planned during the first half of the year, also in virtue of the work consignment timeframe with completion scheduled for next September. This is the deadline set forth in a Settlement Document signed with the Client that, during the half year, led to the payment to Astaldi of the greater costs incurred due to the extended timeframe set forth in said document. Approximately 85% of works had been completed at 30 June 2014.

SAIDA-MOULAY SLISSEN RAILWAY LINE | Algeria. Change Report No. 3 notified on 1 April 2014, extended the contractual deadline to January 2015. The first half of the year also saw the provision ahead of time by the Client of an important area that had previously been blocked. Over 65% of works had been completed at 30 June 2014.

SAIDA-TIARET RAILWAY LINE | Algeria. April saw formalisation of Change Report No. 5 related to this project, the purpose of which was also extension of the work consignment deadline to February 2015. This allowed for construction works to resume. At the draft date of this report, the percentage of completion of works was approximately 35%.

MUSKRAT FALLS HYDROELECTRIC PROJECT | Canada. Preliminary activities prior to the performance of works were started-up during the first half of the year. In any case, the construction difficulties, also linked to the problematic weather conditions experienced during the first part of the year, made it possible to create useful and necessary conditions for the real start-up of activities during the second half of the year.

CERRO DEL ÁGUILA HYDROELECTRIC PROJECT | Peru. At the draft date of this report, approximately 40% of works had been completed. Installation was completed of the industrial plants needed to commence casting activities for the dam, which, as scheduled, will be performed as from July. Excavation works related to the tunnels and underground plant also continued along with factory construction of the hydro-electro-mechanical works (turbines, sluice gates and generators).

Concession projects

For more information regarding each concession project, which Astaldi Group has invested in at the draft date of this report, please refer to the Annual Financial Report 2013 (“Concession projects”). It has been considered appropriate herein to mention solely the most important information updates for the most significant contracts in progress recorded during the first half of 2014. For more details regarding awarded projects for which financial closing is pending (hence not yet included among the order backlog) please refer to the section herein entitled “Order backlog”.

Projects under management

NEW HOSPITAL IN VENICE-MESTRE (“OSPEDALE DELL’ANGELO”) | Italy. The hospital, under management since 2008, has 680 hospital beds. Management of commercial and non-medical services provided for in the agreement went ahead as planned during the half year, in compliance with concession contract specifications and the results achieved were in line with forecasts. At 30 June 2014, the operator (Veneta Sanitaria Finanza di Progetto, Astaldi Group holds a 37% stake) recorded a turnover of EUR 26.4 million. Recently, the grantor (U.L.S.S. 12 Veneziana, the local health authority), after having raised objections regarding some fees due to the operator, unilaterally resolved to reduce the agreed rates for analysis laboratory management services in the resolution passed in May 2014. Veneta Sanitaria Finanza di Progetto has decided to commence arbitration proceedings, provided for at a contractual level, with regard to said resolution.

LINE 5 OF THE MILAN UNDERGROUND | Italy. At the draft date of this report, management activities had commenced with regard to the whole Bignami-Garibaldi FS Station section (6.1 kilometres, 9 stations, estimated 48,000 passengers/day), operational since February 2013 with regard to the Bignami-Zara section, and since March 2014 with regard to the Zara-Garibaldi FS section. The Garibaldi FS-San Siro section is currently under construction and is set to be completed by April 2015. Management activities during the first half of 2014 for the section already in operation generated revenue of EUR 22.6 million for the six months ended 30 June 2014 for the operator (Metro 5, Astaldi Group has a 38.7% stake). Said results were achieved with the guaranteed minimum levels of traffic, equal to 19,000 passengers/day, being exceeded. Efforts aimed at unifying the two agreements in force to date for this project (one for the Bignami-Garibaldi FS Station section and one for the Garibaldi FS-San Siro extension) continued during the half year, as did preliminary activities to merge the two current operators for this project (Metro 5 and Metro 5 Lilla). At the draft date of this report, negotiations with the Client regarding said aspects are at an advanced stage. The Single Agreement (which shall replace the two current agreements) will come into effect as from financial closing, which is forecast to be achieved during 2014.

FOUR TUSCAN HOSPITALS | Italy. The new hospitals in Pistoia ("Ospedale San Jacopo", 466 hospital beds, operational since July 2013), in Prato ("Nuovo Ospedale di Prato", 635 hospital beds, operational since September 2013) and in Lucca ("Ospedale San Luca", 492 hospital beds, open to the public since May 2014) had been completed and were under management at the draft date of this report. The new hospital in Massa-Carrara ("Ospedale delle Apuane") is under completion and is expected to be ready by the first quarter of 2015. Subsequently, the patients will be transferred from the old hospital to the new hospital and operating activities will commence. With regard to management of the three operational facilities, the project has recorded turnover of approximately EUR 17 million for the operator (SAT, Astaldi Group has a 35% stake) and approximately EUR 12 million of concession revenue for GE.SAT (the company awarded the management services contract, Astaldi has a 35% stake), since the start-up of management activities through to 30 June 2014.

CHACAYES HYDROELECTRIC PLANT | Chile. The plant has a capacity of 110 MW (557 Gw/year) and has been under management since October 2011. Management activities during the first half of the year were affected by a lower level of plant production than forecast, as a result of hydrological conditions generating reduced flows. Management cost review is also underway which should allow for an increase in business margins, and scheduled servicing of some of the plant's machinery will be performed during the second half of the year with the aim of optimising production levels. At 30 June 2014, the operator (Pacific Hydro Chacayes, Astaldi has a 27.3% stake) recorded revenue of USD 17 million.

RELAVES MINING PROJECT | Chile. The project refers to the sludge treatment plant at the CODELCO Andes Mine which has been under management since 2013 and which has a recovery capacity of approximately 4,000 tons/year of copper and 80 tons/year of molybdenum. Some technical works were performed during the first half of the year aimed at increasing plant production, which should result in improved extraction capacity and consequent improved performance levels as from September. At 30 June 2014, the concessionaire (Valle Aconcagua, Astaldi Group has a 55% stake) recorded a production of approximately EUR 1 million. The plant should enter full production as from next September.

MILAS-BODRUM INTERNATIONAL AIRPORT | Turkey. The airport has been under management since May 2012 as per an agreement, which shall expire in 2015. During the first half of the year, the operator (MONDIAL Milas-Bodrum Airport) recorded service concession revenue of EUR 8.8 million against total passenger traffic of approximately 580,000 passengers, for a total of 3,578 flights.

A-4 HOLDING | Italy. Astaldi Group holds a 14.29% direct stake in A4 Holding, the operator, inter alia, of the A-4 Brescia-Padua motorway (also known as "Autostrada Serenissima"). For the first half of 2014, A-4 Holding recorded a result that was up on the forecast mainly due to greater revenue for the motorway segment. Indeed, the half-yearly results for the Brescia-Padua motorway show an increase in revenue and earnings, mainly due to higher traffic levels (+6.2%) than forecast, showing an upturn in movements on the motorway network.

Projects under construction

LINE 4 OF THE MILAN UNDERGROUND | Italy. Activities related to the structuring of a loan with a banking syndicate continued during the half year, as did definition of the Agreement based on the contract. For more information regarding construction activities, please refer to what has been mentioned above in regard to this project. **GEBZE-ORHANGAZI-IZMIR MOTORWAY | Turkey**. As already mentioned, at the draft date of this report, Phase 1 (55 kilometres, Gebze-Orhangazi section and Izmit Bay Bridge), currently under construction, and Phase 2A (25 kilometres, Orhangazi-Bursa section), already funded, had been included among the backlog in relation to this project. These two operational phases refer to the part of the complete project for which the relative financial closing has been achieved to date. Specifically, financial coverage has been guaranteed for USD 1.4 billion with regard to Phase 1 (in March 2013) and for USD 600 million for Phase 2A (in July 2014). Concluded subsequent to the critical start-up phase of works, the Phase 2A loan will be entirely provided by a banking syndicate and hence results in a 60/40 debt/equity ratio for the project compared to the initial 50/50. As regards the remaining part of the route known as Phase 2B (over 300 kilometres, Bursa-Izmir section), financial closing is scheduled by 2015. This will result in pro-rata inclusion among the backlog of the amounts referring to said additional section of the project. The whole project involves a total investment of USD 6.5 billion, USD 3.4 billion of which has been funded in full to date. The concession duration is 22 years and 4 months, with total toll revenue of USD 24 billion – of which USD 11 billion, in other words USD 540 million/year, for Phase 1 alone (which will be placed under management upon the completion of construction activities, scheduled by 2015), plus USD 400 million for Phase 2A.

THIRD BRIDGE ON BOSPHORUS AND THE NORTHERN MARMARA HIGHWAY | Turkey. Closing of the USD 2.3 million loan with a Turkish banking syndicate was achieved in May 2014, for the performance and subsequent management of the works the project refers to. The loan will be used to fund construction activities as scheduled, which are forecast to be completed by 2015. Drawdown of a share of said loan, amounting to 36% of the total, was recorded during the first half of 2014.

Events after the reporting period

Final execution of the investment contract signed in December 2013 between the subsidiary, Astaldi Concessioni, and a group of Institutional Investors was achieved in July. The operation entailed the disposal of 95% of the investment in AST B Parking SPV (special purpose vehicle), which the company divisions related to the "VIII Agosto" and "Riva Reno" car parks in Bologna were transferred to in 2013.

July also saw finalisation of the USD 600 million loan agreement for the construction and subsequent management of the second functional lot (Phase 2A) of the Gebze-Orhangazi-Izmir motorway in Turkey. The lot refers to the construction of a functional section measuring 25 kilometres along the Orhangazi-Bursa route. The relative EPC contract totals USD 450 million (Astaldi has a 17.5% stake). Concluded subsequent to the critical start-up phase of works, the Phase 2A loan will be entirely provided by a banking syndicate and hence results in a 60/40 debt/equity ratio for the project compared to the initial 50/50. For more information, also regarding other sections of the project (Phase 1, Phase 2B), please refer to the sections herein entitled "Order backlog", "Main projects in progress" and "Concession projects".

Outlook

The coming months will be focused on implementing actions needed to achieve the 2013-2018 Business Plan targets approved in June and centred on the growth of mainly international activities. For the purpose of this report, the 2014 budget targets can be confirmed which provide for an increase in turnover and a reduction of net financial debt compared to the figure for the first half of 2014.

Italy continues to find itself more or less at a standstill, which, in fact, does not allow for additional growth opportunities in the medium-term. Therefore, over the coming months, **domestic activities will be focused on completing projects in progress** (Transport Infrastructures, Construction), also in virtue of important milestones planned for the individual projects. Specifically, as regards Line 5 of the Milan underground, construction activities related to the line extension will continue with the goal of entry into operation by April 2015. Completion of the new hospital in Massa-Carrara ("Ospedale delle Apuane"), Tuscany is also planned within the same year (by early 2015), with consequent start-up of management activities, as well as completion of works related to the new hospital in Naples ("Ospedale del Mare"), Campania (second half of 2015).

A significant share of the turnover forecast in the Business Plan will come from key activities in progress abroad, with a **forecast slow upturn in acquisitions also at a domestic level as from 2015.**

As regards international activities, **projects in progress in areas where the Group is currently a main player, in other words Russia, Turkey and Canada, will make a specific contribution to the Group's growth**. Additional contributions will also be recorded as from the second phase of the Business Plan following the joining of new markets of interest (Australia, Indonesia and Vietnam) which are expected to account for approximately 13% of the forecast turnover in 2018.

As regards **Russia**, no specific repercussions are envisaged with regard to the recent economic sanctions adopted by the international community against the country following the unrest in Ukraine given that Astaldi Group mainly operates in Russia with private clients and the projects in progress are all inserted into financed contractual contexts. Works to construct the Western High-Speed Diameter in St. Petersburg will go ahead as planned, making it possible to make up the first quarter's seasonal-linked slowdown over the rest of the year. Additional contributions are also expected in the medium-term from the Moscow-St. Petersburg motorway for which negotiation is currently in progress regarding the construction contract for a key section of the motorway.

In **Turkey**, works will go ahead to construct the Third Bridge on Bosphorus, the completion of which is scheduled by 2015, as well as to construct the Gebze-Orhangazi-Bursa section (including Izmit Bay Bridge) of the Gebze-Orhangazi-Izmir motorway.

As regards **Canada**, construction activities related to the Muskrat Falls Hydroelectric Project will continue as planned. The project has some construction problems linked to the weather conditions, which workers have to operate in. However, awarding of this project was not just a one-off. The success achieved was the result of a decision taken over a lengthy period, subsequent to careful study of the country, which it is felt can offer additional growth opportunities, including in the Transport Infrastructures and Civil Construction segments, with a consequent forecast increase in the area's turnover in the medium-term.

As regards the other foreign areas where the Group operates, **Latin America** will benefit from the start-up of design activities linked to construction of the Western Metropolitan Hospital in Santiago, Chile. The start-up of these activities, recorded as from the first part of the year, will help offset the reduction in activities in Venezuela where production will be kept at low levels and the focus will be placed on collecting sums owed by the country. While as regards the EU, an increase is envisaged in activities in **Poland**, which is one of the main users of infrastructure funds for cohesion and development made available by the European Community, as well as maintenance of the level of contribution from **Romania**.

As for commercial strategy, major focus will be guaranteed for the development of **new markets**. Australia enjoys AAA rating (as at June 2014), guaranteeing regular payments as well as significant infrastructure investment plans to be implemented over the next twenty years that boast interesting earning profiles. Moreover, Vietnam and Indonesia represent medium-risk, emerging countries where Astaldi has already obtained pre-qualification for key projects together with companies of international standing in the Transport Infrastructures and Energy Production Plants segments. An upturn of commercial activities in areas where the Group is traditionally present is also envisaged, specifically in **Algeria** (Transport Infrastructures, Construction), as well as re-focusing of activities on the Transport Infrastructures segment in the Middle East. On the whole, all new projects will be pursued in the logic of maintaining and promoting an increase in margins. Said logic has resulted in over 95% of activities being currently performed in countries defined as “investment grade” in terms of risk profile, with high quality clients. This condition, combined with the increased quality of the orders included in the backlog, an attentive selection of the projects of interest as well as the increased prevalence among the backlog of general contracting and concession projects ensures wide and concrete visibility of the revenue and margins forecast in the Business Plan. Lastly, Astaldi is working to develop **strategic relations with international contractors with a view to creating effective, global, long-term partnerships.**

As for concessions, the growth strategy provides for the pursuit of valorization of the most mature assets as defined in the Business Plan. The strategy is mainly aimed at disinvesting financial resources in order to reduce and re-balance the Group’s financial debt through management of concession assets in accordance with an asset rotation logic. Said logic is also aimed at guaranteeing the equity coverage needed to support further growth in the concessions sector. Indeed, any new projects, not included to date in the Business Plan, will be covered by equity “released” from concession projects subject to sale. As regards operations, there will be a gradual increase in contributions from projects for which management activities have recently been started-up, in other words the hospitals in Tuscany (Pistoia, Prato and Lucca) in Italy and the Relaves mining project in Chile. More generally, guaranteed minimums for most of the projects among the backlog and the return on investment will increase profit visibility at a group level. At the same time, project governance will ensure the operational control of activities, further confirming the complementariness of the Concessions segment with the Construction segment, and the Group’s increased integrated offer capacity. Efforts will also be made to achieve financial closing in the medium-term for key projects in progress in Turkey (Gebze-Orhangazi-Izmir motorway Phase 2B, Etlik Healthcare Campus in Ankara) and Chile (Western Metropolitan Hospital in Santiago).

With regard to financial strategy, major focus will be given over the coming months to the ability of individual projects to generate cash flow, as well as to additional extension of debt maturity and consequent improvement of the Group’s available funds. The first significant repayment deadline is 2016 (linked to the current EUR 325 million revolving credit facility) and the Group is already taking action aimed at redefining its average length.

Main risks and uncertainties

Please find below a brief overview of the main risks identified and managed by the Group in relation to the risk management model implemented. For more information regarding the risk management policies at the base of the Group’s business model, please refer to the 2013 Financial Statements (“Main risks and uncertainties”).

Strategic risks

Country risk. More than 72% of Astaldi Group revenue is generated abroad. Therefore, its 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 operational) linked to entry into the new area. The result is that the Group’s choices are aimed at concentrating international activities mainly 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 management 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, using internal and external monitoring tools developed ad hoc. 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. All of the above implies a cautious approach with regard to project management, which has already led to a reduction of projects in progress in Venezuela as from 2012. As regards this area, following on from 2013, certification and acknowledgement by the customer of works performed in past years continued during the first half of the year. Works to be certified were reduced by EUR 24 million under said authorisation procedure, with a consequent increase in receivables. Specifically, works performed through to October 2013 for the Puerto Cabello-La Encrucijada railway project were certified and invoiced in part. Lastly, as regards the continuing credit exposure vis-a-vis the Venezuelan government, characterised by a significant delay in payments, the Group's business model, based on prudent criteria, has meant that activities related to projects in progress in Venezuela have continued to be limited. This has occurred despite the initiatives of the governments of the two countries and local institutions, which should allow for the start-up, albeit gradual, of normalisation of contractual relations. In this regard, specific meetings between the representatives of the respective governments have been planned during the second half of the year, as well as the planned Economic Cooperation Council involving the two countries. The amount of certified, and hence collectable, receivables from the Venezuelan government at 30 June 2014 was EUR 338 million (net of EUR 15 million of contract advances). In this regard, it is felt to date that despite the continuing delays in payments, there are not sufficient reasons to consider the overall collectability of the relative receivables to be at risk, with consequent impairment. This is due to the fact that the recent earmarking of sums, allocated by the relevant authorities and authorised by the President of the Republic, combined with acknowledgement of works by the Customer, and intensive diplomatic activities, also as a result of the waning of social tension in the country, can be taken as positive indicators and are useful for hypothesising that the sums due to Italian companies working on projects in Venezuela will start to be repaid in a relatively short period of time.

Operational 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 segment.

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. In order to guarantee full coverage of these, the Group is heavily committed to implementing a well-defined financial strategy, for which the section entitled "Outlook" should be referred to.

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 rebalancing sources of financing and 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.

Compliance risks

Contractual/Legislative. A large part of activities in the sector the Group operates in 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 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.

Other information

Financial indicators

For a better understanding of the half-yearly trends looked at, it is 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 IFRS, the specific components of which are listed below.

[le definizioni seguenti possono essere copiate dal resoconto intermedio di gestione al 30 settembre]

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

EBIT. This is equal to the profit (loss) prior to taxation and financial income and charges, without any adjustments. The following are excluded from EBIT: gains or losses on unconsolidated investments and securities and the gains or losses on the sale of consolidated equity investments, classified as "financial income and expense", or as "Gains or losses on equity-accounted investees" for gains or losses on equity-accounted investees.

EBT. This is calculated like EBIT, excluding financial income and expense, as well as gains or losses on equity-accounted investees.

Debt/Equity Ratio This is calculated as the ratio between the net financial position as the numerator and equity as the denominator, excluding treasury shares in portfolio.

Net financial position (debt). This is obtained by subtracting non-current loan assets and financial assets from concession activities, as well as other specific items such as treasury shares, from net financial position (debt), calculated as required under CONSOB Communication DEM/6064293 dated 28 July 2006 that refers to European Securities and Markets Authority (ESMA, formerly CESR) Recommendation dated 10 February 2005 and provisions contained in CONSOB Communication dated 28/07/2006.

(incluso nella definizione sopra)

Net non-current assets. These are to be taken as the total of non-current assets; specifically, intangible assets, the Group's property, plant and equipment, equity investments as well as other non-current assets.

Operating working capital. This is the result of the total of current loans and receivables and liabilities linked to the core business (trade receivables and payables, inventories, contract work in progress, tax assets, progress payments/billings from customers and other current assets).

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

Information on transactions with related parties

Transactions performed with related parties during the half year form part of the group's ordinary operations and are regulated at market conditions. For more detailed information regarding said transactions, please refer to the Condensed Interim Consolidated Financial Statements. Furthermore, no "significant" transactions were performed during the half year pursuant to relevant legislation and relative procedures adopted by the company. As regards relations among group companies, 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..

Stefano Cerri	Paolo Citterio
Chief executive officer	Manager in charge of financial reporting
(signed on the original)	(signed on the original)

Condensed Interim Consolidated Financial Statements at 30 June 2014

Astaldi Società per Azioni

Corporate and Head Office: Via Giulio Vincenzo Bona 65, Rome (Italy)

Registered with the Companies Register of Rome

Tax Code and VAT No.: 00398970582

R.E.A. No.: 152353

VAT No.: 0080281001

Share Capital: EUR 196,849,800.00 fully paid-in

CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT

EUR/000	Notes	First half of 2014	First half of 2013 Restated*
OPERATING ACTIVITIES			
Revenue	1	1,126,936	1,098,459
of which with related parties		*391,026*	*169,526*
Other operating revenue	2	74,588	52,197
of which with related parties		*2,368*	*1,356*
Total revenue		**1,201,524**	**1,150,655**
Purchase costs	3	(182,082)	(180,153)
Service costs	4	(673,925)	(654,506)
of which with related parties		*(60,456)*	*(78,437)*
Personnel expenses	5	(179,696)	(155,069)
Amortisation, depreciation and impairment losses	6	(31,210)	(28,435)
Other operating costs	7	(16,565)	(19,728)
of which with related parties		*(375)*	*(93)*
Total costs		**(1,083,478)**	**(1,037,892)**
(Capitalisation of internal construction costs)	8	85	237
Operating profit		**118,131**	**113,001**
Financial income	9	38,639	50,290
of which with related parties		*1,885*	*2,313*
Financial charges	10	(116,109)	(109,360)
of which with related parties		*(1,536)*	*(401)*
Effect of equity accounting	11	14,052	3,173
TOTAL FINANCIAL AREA AND INVESTMENTS		**(63,418)**	**(55,897)**
PRE-TAX PROFIT FROM CONTINUING OPERATIONS		**54,713**	**57,104**
Tax expense	12	(19,736)	(24,726)
PROFIT FROM CONTINUING OPERATIONS		**34,977**	**32,378**
PROFIT (LOSS) FROM DISCOUNTINUED OPERATIONS	**13**	**(736)**	**0**
PROFIT FOR THE PERIOD		**34,241**	**32,378**
Profit attributable to the owners of the parent		34,333	32,282
Profit attributable to non-controlling interests		(92)	95
Earnings per share	14		
Basic		Euro 0.3508	Euro 0.3299
Diluted		Euro 0.3489	Euro 0.3283

* Following application (retrospective) of IFRS 11 – Joint arrangements, the corresponding figures for the first half of 2013, presented for comparative purposes, were restated.

STATEMENT OF COMPREHENSIVE INCOME

EUR/000	Notes	First half of 2014	First half of Restated*
Profit for the period (A)		**34,241**	**32,378**
Items to be subsequently reclassified to profit or loss	27		
Change in hedging reserve – subsidiaries, net of tax effect		(878)	6,962
Change in hedging reserve – associates and joint ventures, net of tax effect		(5,595)	7,280
Change in translation reserve - subsidiaries		2,204	(120)
Change in translation reserve – associates and joint ventures		5,709	(2,590)
Gains/(losses) on measurement of AFS financial assets from associates and joint ventures		141	0
Comprehensive income/(expense) relating to discontinued operations		1,300	0
Total other comprehensive expense, net of tax effect, to be subsequently reclassified to profit or loss (B1)		**2,882**	**11,533**
Items that will not be subsequently reclassified to profit or loss	27		
Actuarial gains/(losses) on defined benefit plans		(138)	161
Actuarial gains/(losses) on defined benefit plans - associates and joint ventures		(51)	(5)
Total other comprehensive income/(expense), net of tax effect, that will not be subsequently reclassified to profit or loss (B2)		**(189)**	**155**
Total other comprehensive income, net of tax effect (B1)+(B2)=(B)		**2,693**	**11,688**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A)+(B)		**36,935**	**44,066**
of which attributable to the owners of the parent		37,148	43,780
of which attributable to non-controlling interests		(214)	286

* Following application (retrospective) of IFRS 11 – Joint arrangements, the corresponding figures for the first half of 2013, presented for comparative purposes, were restated.

STATEMENT OF FINANCIAL POSITION

EUR/000	Notes	30/06/2014	31/12/2013 Restated*
ASSETS			
Non-current assets			
Property, plant and equipment	15	215,948	203,973
Investment property	16	1,067	1,086
Intangible assets	17	48,567	58,971
Investments	18	404,436	384,151
of which:			
Equity-accounted investees		401,813	382,119
Non-current financial assets	19	123,514	96,840
of which with related parties		*80,086*	*55,567*
Other non-current assets	20	50,179	53,634
Deferred tax assets	12	30,487	17,118
Total non-current assets		**874,198**	**815,773**
Current assets			
Inventories	21	59,519	61,711
Receivables from customers	22	1,479,699	1,261,797
of which with related parties		*121,425*	*60,447*
Trade receivables	23	1,031,712	961,893
of which with related parties		*45,953*	*47,137*
Current financial assets	19	46,376	46,391
of which with related parties		*5,142*	*4,913*
Tax assets	24	103,240	104,612
Other current assets	20	416,263	383,467
of which with related parties		*19,941*	*21,800*
Cash and cash equivalents	25	361,082	373,226
Total current assets		**3,497,891**	**3,193,097**
Assets related to disposal groups	26	**28,333**	**60,273**
Total assets		**4,400,422**	**4,069,144**

* Following application (retrospective) of IFRS 11 – Joint arrangements, the corresponding figures as at 31/12/2013, presented for comparative purposes, were restated.

EUR/000	Notes	30/06/2014	31/12/2013 Restated*
EQUITY AND LIABILITIES			
Equity	27		
Share capital		196,850	196,850
Treasury shares		(804)	(1,040)
Reserves:			
Legal reserve		27,934	26,201
Extraordinary reserve		258,243	244,376
Retained earnings		102,374	75,844
Other reserves		(162)	114
Other comprehensive expense		(59,773)	(62,588)
Total capital and reserves		**524,662**	**479,756**
Profit for the period/year		34,333	67,337
Total Equity attributable to owners of the parent		**558,995**	**547,093**
Profit/(loss) attributable to non-controlling interests		(92)	3,227
Other comprehensive expense attributable to non-controlling interests		(173)	(51)
Capital and other reserves attributable to non-controlling interests		5,998	41,925
Equity attributable to non-controlling interests		**5,734**	**45,101**
Total equity		**564,728**	**592,193**
Non-current liabilities			
Non-current financial liabilities	28	1,137,730	970,042
of which with related parties		*1,630*	*1,645*
Other non-current liabilities	29	18,803	16,696
Employee benefits	30	8,627	8,003
Deferred tax liabilities	12	20,596	10,957
Total non-current liabilities		**1,185,756**	**1,005,699**
Current liabilities			
Payables to customers	22	740,058	676,569
of which with related parties		*109,031*	*74,134*
Trade payables	31	1,134,457	1,116,633
of which with related parties		*77,648*	*92,785*
Current financial liabilities	28	538,533	388,440
Tax liabilities	32	52,365	73,666
Provisions for current risks and charges	33	18,340	22,591
Other current liabilities	29	149,980	153,404
of which with related parties		*1,157*	*1,254*
Total current liabilities		**2,633,733**	**2,431,304**
Liabilities related to disposal groups	***26***	**16,204**	**39,947**
Total liabilities		**3,835,693**	**3,476,950**
Total equity and liabilities		**4,400,422**	**4,069,144**

* Following application (retrospective) of IFRS 11 – Joint arrangements, the corresponding figures as at 31/12/2013, presented for comparative purposes, were restated.

Statement of changes in equity

EUR/000	*Share capital*	*Legal reserve*	*Extraordinary reserve*	*Hedging reserve, net of tax effect*	*Translation reserve*	*Actuarial gains (losses)*	*Gains (Losses) on measurement of AFS financial assets from associates*	*Other reserves*	*Retained earnings*	*Profit for the half year*	Total Equity attributable to owners of the parent	*Non-controlling interests*	Total Equity
						Changes in equity for the first half of 2014							
Balance at 01 January 2014 Published	195,810	26,201	244,376	(23,314)	(35,209)	(66)	(147)	114	75,844	75,213	**558,822**	45,101	**603,923**
Effects of application of IFRS 11	0	(0)	0	(3,853)	0	0	0	0	0	(7,876)	**(11,729)**	0	**(11,729)**
Balance at 01 January 2014 Restated	**195,810**	**26,201**	**244,376**	**(27,167)**	**(35,209)**	**(66)**	**(147)**	**114**	**75,844**	**67,337**	**547,093**	**45,101**	**592,193**
Profit from continuing operations 2014	0	0	0	0	0	0	0	0	0	34,333	**34,333**	(92)	**34,241**
Other comprehensive income (expense)	0	0	0	(5,115)	7,974	(137)	94	0	0	0	**2,815**	(122)	**2,693**
TOTAL COMPREHENSIVE INCOME (EXPENSE)	**0**	**0**	**0**	**(5,115)**	**7,974**	**(137)**	**94**	**0**	**0**	**34,333**	**37,148**	**(214)**	**36,935**
Owner transactions and other changes in equity:													
Treasury shares	236	0	77	0	0	0	0	224	0	0	**537**	0	**537**
Dividends	0	0	0	0	0	0	0	0	0	(18,701)	**(18,701)**	0	**(18,701)**
Provision pursuant to Art. 27	0	0	0	0	0	0	0	0	0	(520)	**(520)**	0	**(520)**
Transactions with non-controlling interests	0	0	0	0	0	0	0	0	(6,063)	0	**(6,063)**	(1,392)	**(7,455)**
Change in consolidation Scope	0	0	0	0	0	0	0	0	0	0	**0**	(37,762)	**(37,762)**
Allocation of 2013 profit from continuing operations	0	1,733	13,790	0	0	0	0	0	32,593	(48,117)	**0**	0	**0**
Stock grant reserve	0	0	0	0	0	0	0	(500)	0	0	**(500)**	0	**(500)**
Balance at 30/06/2014	***196,046**	**27,934**	***258,243**	**(32,282)**	**(27,234)**	**(203)**	**(53)**	**(162)**	**102,374**	**34,333**	**558,995**	**5,734**	**564,728**

*The amount indicated in the highlighted captions is shown net of the overall investment in treasury shares totalling EUR/000 2,546 of which EUR/000 804 corresponding to the nominal amount of the shares, recognised as a reduction of share capital, and EUR/000 1,742 recognised as a reduction of the extraordinary reserve.

Changes in Equity at 30 June 2013 – Restated*

EUR/000	*Share capital*	*Legal reserve*	*Extraordinary reserve*	*Hedging Reserve net of tax effect*	*Translation reserve*	*Actuarial gains (losses)*	*Other reserves*	*Retained earnings*	*Profit for the half year*	Total Equity attributable to owners of the parent	*Non-controlling interests*	Total Equity
Balance at 01 January 2013**	**195,633**	**23,930**	**218,262**	**(45,676)**	**(6,412)**	**(869)**	**(921)**	**48,971**	**74,133**	**507,050**	**46,898**	**553,948**
Profit from continuing operations 2013	0	0	0	0	0	0	0	0	32,282	**32,282**	95	**32,378**
Other comprehensive expense	0	0	0	13,942	(2,568)	124	0	0	0	**11,498**	190	**11,688**
COMPREHENSIVE INCOME (EXPENSE)	**0**	**0**	**0**	**13,942**	**(2,568)**	**124**	**0**	**0**	**32,282**	**43,780**	**286**	**44,066**
Transactions with shareholders and other changes in equity:												
Treasury shares	104	0	107	0	0	0	53	0	0	**265**	0	**265**
Dividends	0	0	0	0	0	0	0	0	(16,639)	**(16,639)**	(164)	**(16,803)**
Provision pursuant to Art. 27	0	0	0	0	0	0	0	0	(681)	**(681)**	0	**(681)**
Transactions with non-controlling interests	0	0	0	0	0	0	0	(1,031)	0	**(1,031)**	(6,848)	**(7,879)**
Changes in Consolidation scope	0	0	0	0	0	0	0	0	0	**0**	2,112	**2,112**
Allocation of profit from continuing operations 2012	0	2,271	26,130	0	0	0	0	28,411	(56,812)	**0**	0	**0**
Share option allocation reserve	0	0	0	0	0	0	170	0	0	**170**	0	**170**
Balance at 30/06/2013	*****195,738**	**26,201**	*****244,500**	**(31,734)**	**(8,980)**	**(746)**	**(698)**	**76,351**	**32,282**	**532,915**	**42,281**	**575,196**

* Following application (retrospective) of IFRS 11 – Joint arrangements, the corresponding figures at 30/06/2013, presented for comparative purposes, were restated.

** Includes the effect of application of IAS 19 (2011), already published in the Condensed Interim Consolidated Financial Statements at 30/06/2013.

*** The amount indicated in the highlighted captions is shown net of overall investment in treasury shares totalling EUR/000 2,808, of which EUR/000 1,112 corresponding to the nominal amount of shares recognised as a reduction of share capital, and EUR/000 1,696 recognised as a reduction of the extraordinary reserve.

Statement of cash flows

	First half of 2014	First half of 2013 Restated*
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period attributable to the owners of the parent and non-controlling interests	**34,241**	**32,378**
Tax expense	19,736	24,726
Pre-tax profit	**53,978**	**57,104**
Adjustments for:		
Non-monetary items		
Amortisation and depreciation	31,086	24,955
Impairment losses	124	3,480
Effects of equity accounting	(14,052)	(3,173)
Post-employment benefits and defined benefit plan costs	855	361
Stock grant plan costs	658	717
Accruals to provisions for risks and charges	0	3,840
Impairment losses (reversals of impairment losses) following adoption of fair value	18,665	675
Subtotal	**37,337**	**30,855**
Monetary items		
Gains/losses from disposals	(819)	(1,471)
Other adjustments necessary to reconcile profit with cash flow from operating activities		
Net interest income and expense and dividends received (coverage of losses)	42,789	35,582
Subtotal	**41,970**	**34,112**
Cash flows from operating activities before changes in net working capital	**133,285**	**122,071**
Changes in working capital		
Trade receivables	(70,038)	(65,009)
of which with related parties	*1,184*	*(9,759)*
Inventories and receivables from customers	(215,710)	(186,593)
of which with related parties	*(60,977)*	*1,005*
Trade payables	17,606	20,375
of which with related parties	*(15,137)*	*31,203*
Provisions for risks and charges	(4,772)	(7,338)
Payables to customers	63,489	73,574
of which with related parties	*34,897*	*(65,353)*
Other operating assets	(44,678)	8,712
of which with related parties	*1,858*	*1,127*
Other operating liabilities	(18,473)	32,544
of which with related parties	*(97)*	*3,388*
Payment of post-employment benefits and defined benefit plans	(368)	(722)
Subtotal	**(272,945)**	**(124,458)**
Cash flows used in operating activities	**(139,659)**	**(2,387)**
Interest and dividends received (coverage of losses)	9,229	8,540
Interest paid	(51,355)	(44,123)
Taxes paid	(16,684)	(9,489)
A) Net cash flows used in operating activities	**(198,470)**	**(47,459)**

* Following application (retrospective) of IFRS 11 – Joint arrangements, the corresponding figures for the first half of 2013, presented for comparative purposes, were restated.

	First half of 2014	First half of 2013 Restated*
CASH FLOW USED IN INVESTING ACTIVITIES		
Constructions		
Net investment in properties		(52)
Net intangible assets	(268)	81
Property, plant and equipment	(37,083)	(19,838)
Proceeds from the sales or reimbursement of property, plant and equipment	5,934	8,758
Change in financing of equity investments	(3,333)	(267)
of which with related parties	*345*	*(1,038)*
Acquisitions of investments in associates and other companies	0	(36)
Sale/purchase of securities	(160)	(30)
Change in other loan assets, net	(1,763)	4,950
Subtotal	**(36,673)**	**(6,433)**
Concessions		
Change in financial assets from concession activities	35,469	2,077
Change in financing of equity investments	(23,046)	(42,243)
of which with related parties	*(25,093)*	*(42,243)*
Acquisitions of investments in associates and other companies	(16,029)	(9,629)
Change in other loan assets, net	2,048	(21,361)
Increase in finance lease receivables due to investments	(3,269)	(7,722)
Subtotal	**(4,827)**	**(78,878)**
B) Cash flows used in investing activities	**(41,500)**	**(85,311)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends distributed to the owners of the parent	(18,701)	(16,639)
Dividends distributed to non-controlling interests	0	(164)
Sale (acquisition) of treasury shares	179	(212)
Bond issues	150,000	130,000
Net changes in loans and borrowings	134,558	7,748
Changes in other financial liabilities	1,585	(26,201)
of which with related parties	*(15)*	*35*
Repayment of finance leases	(5,413)	(5,586)
Changes in consolidation scope and other changes	(33,813)	12,066
C) Net cash flows from financing activities	**228,396**	**101,013**
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(11,574)**	**(31,757)**
CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD	**373,833**	**386,183**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**362,259**	**354,425**

* Following application (retrospective) of IFRS 11 - Joint arrangements, the corresponding figures for the first half 2013, presented for comparative purposes, were restated.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

GENERAL INFORMATION

Astaldi Group has been active for over 90 years in Italy and abroad in the segment of the design and construction of major civil engineering works, and is one of the most important corporate groups operating in the construction segment on an international level. It is a leader in Italy as general contractor and a sponsor of project finance initiatives.

Astaldi Group operates through the Parent Astaldi S.p.A., a company limited by shares with registered offices at Via Giulio Vincenzo Bona 65, Rome, listed on the STAR segment of the Milan Stock Exchange since June 2002.

The duration of the company is currently set to 31 December 2100.

At the draft date of these condensed interim consolidate financial statements, Astaldi S.p.A. was not subject to the management and coordination of any of its shareholders since its Board of Directors makes, in full and complete independence and autonomy, every and the most appropriate decisions with regard its management. The condensed interim consolidated financial statements as at and for the six months ended 30 June 2014 were approved by the Parent's Board of Directors at the meeting held on 01 August 2014.

BASIS OF PREPARATION

The condensed interim consolidated financial statements of Astaldi Group at 30 June 2014 (hereinafter "condensed interim consolidated financial statements) , as provided for in Article 154-ter, subsections 2 and 3 of the Consolidated Finance Act, have been drafted in compliance with International Financial Reporting Standards, endorsed by the European Union and CONSOB regulations regarding application of IFRS. The aforementioned standards are supplemented with IFRIC (International Financial Reporting Interpretations Committee) and SIC (Standing Interpretations Committee) interpretations, also endorsed by the European Union.

The interim consolidated financial statements are drafted in a condensed format, in compliance with IAS 34 – Interim Financial Reporting, adopting the same accounting policies and measurement criteria as for the consolidated financial statements at 31 December 2013 with the exception of that set out in the section – Standards, amendments and interpretations in force from 1 January 2014.

Following application of IFRS 11 – Joint arrangements – corresponding prior period figures presented for comparative purposes were restated.

Specifically, in compliance with the transition rules set forth in IFRS 11, the Group has applied the standard retrospectively as from 1 January 2014, adjusting the opening figures of the statement of financial position as at 1 January 2013 and the 2013 statement of comprehensive income for the effect of the changes to apply to operations, events and circumstances presented in the financial statements, including with reference to the past.

For more information regarding the effects on the Group's financial position arising from application of IFRS 11, please refer to the section entitled "Newly-issued and endorsed standards and interpretations, coming in effect as of 1 January 2014".

The condensed interim consolidated financial statements consist of the following:

1. income statement;
2. statement of comprehensive income;
3. statement of financial position;
4. statement of cash flows;
5. statement of changes in equity;
6. notes .

The Group decided to present the statement of comprehensive income in two separate statements, as allowed by IAS 1.81. Therefore, it presents a statement showing the profit (loss) items for the half year (income statement) and a second statement which adds to the profit (loss) for the half year the "other comprehensive income/(expense)" (statement of comprehensive income).

Astaldi Group adopts the half year as the interim period of reference for the purpose of applying the aforementioned IAS 34 and the definition of interim financial statements provided therein.

The condensed interim consolidated financial statements were drawn up in Euro, which is the functional and presentation currency of the Parent.

The main exchange rates used for the translation into Euro of income statement and statement of financial position amounts of companies with a functional currency other than the Euro were as follows:

CURRENCY	2014 Closing rate	2014 Average of HY1 2014	2013 Closing rate	2013 Average of HY1 2013
Dinar - Algeria	108.3353	107.5322	107.7868	103.2308
New Lev - Bulgaria	1.9558	1.9558	1.9558	1.9558
Dollar - Canada	1.4589	1.5032	1.4671	1.3345
Peso – Chile	753.6294	758.0558	724.7688	628.9613
Kroner - Denmark	7.4557	7.4627	7.4593	7.4572
Dirham – United Arab Emirates	5.0164	5.0337	5.0654	4.8243
Dirham - Morocco	11.2347	11.2275	11.2538	11.1421
Nuevo Sol - Peru	3.8125	3.8381	3.8587	3.4403
Pound Sterling - UK	0.8015	0.8214	0.8337	0.8512
Zloty - Poland	4.1568	4.1755	4.1543	4.1781
New Leu - Romania	4.3830	4.4640	4.4710	4.3923
Rouble - Russia	46.3779	48.0204	45.3246	40.7641
Dollar - USA	1.3658	1.3705	1.3791	1.3135
Lira – Turkey	2.8969	2.9675	2.9605	2.3818
Bolivar - Venezuela	8.5938	8.6231	8.6774	7.5532

The exchange rate expresses the amount of foreign currency required to purchase 1 Euro.

All the amounts are shown in thousands of Euro unless otherwise indicated. Therefore, in some statements, the totals could be slightly different from the sum of the individual amounts composing them, due to rounding.

The condensed interim consolidated financial statements at 30 June 2014 were reviewed as provided for in CONSOB Resolution No. 10867 of 31 July 1997. The conclusions of the review , performed by the independent auditors, KPMG S.p.A., will be published in compliance with reference legislation.

SEASONAL FACTORS

The turnover and financial performance of some projects are affected by seasonal factors. Specifically, as regards construction, the levels of production are affected by weather conditions which are normally more unfavourable during the winter in Central-Eastern Europe and North America. Nevertheless, given that the Group's business model is developed in various areas worldwide, in many cases said effects are offset by the greater production levels recorded by projects in progress in the opposite hemisphere.

The Group's financial performance is also affected with regard to concessions, (i) by the limited operation of Milas-Bodrum airport in Turkey during the winter months, and (ii) by the lower production levels recorded from May to September of each year, with regard to management of the Chacayes hydroelectric plant in Chile due to the smaller amounts of water flowing through the plant during these months.

Therefore, the above can limit the ability of performance during the first half of the year to be representative of the trend for the whole year.

USE OF ESTIMATES

Interim reporting 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. Estimates are used, inter alia, to perform the impairment test and to recognise allowance for impairment, work in progress, amortisation and depreciation, impairment losses, employee benefits, taxes, other accruals and provisions.

Estimates are based on the most up-to-date information available to the company's management upon drafting of the financial statements and hence their reliability is not affected.

The final results may differ from these estimates. Estimates and assumptions are periodically reviewed and the effects of all changes are reflected in profit or loss for the period when the change occurred. More specifically, taking into account the specific segment the Group operates in, which provides for payment of a sum upon awarding of the individual contracts, the margins on said contracts, recognised in profit or loss on the basis of systematic calculation criteria, may differ from the original estimates. This is dependent on the probable recoverability of greater charges that may be incurred during the performance of works. Lastly, taxes have been calculated using the tax rate currently in force which is considered applicable for the forecast annual results in compliance with legislation in force in the countries the Group operates in.

CONSOLIDATION SCOPE AND BASIS OF CONSOLIDATION

IFRS 10 - Consolidated Financial Statements and IFRS 11 - Joint arrangements – have come into effect as from this year and are aimed at providing a new reference framework for the drafting of consolidated financial statements.

Please refer to the section entitled "Newly-issued and endorsed standards and interpretations, coming into effect as of 1 January 2014" for more information regarding the effects on the Group's financial position arising from application of the new standards.

A list of the companies included in the consolidation scope with the relative percentages of direct and indirect investment by the Group together with other important information is attached hereto.

A list of the companies included in the consolidation scope at 30 June 2014, with any changes compared to 2013 reported, is set out below.

Construction - Italy		
Company name	**Geographical segment**	**%**
Astaldi Aedifica S.r.l. wound up	Italy	100.00%
Garbi Linea 5 S.c.a.r.l.	Italy	100.00%
Italstrade IS S.r.l.	Italy	100.00%
Messina Stadio S.c.r.l. in liquidation	Italy	100.00%
Ospedale del Mare S.C.r.l. in liquidation	Italy	100.00%
Partenopea Finanza di Progetto S.c.p.A.	Italy	99.99%
AR.GI S.c.p.A.	Italy	99.99%
CO.MERI S.p.A.	Italy	99.99%
Portovesme S.c.r.l. in liquidation	Italy	99.98%
Toledo S.c.r.l.	Italy	90.39%
Susa Dora Quattro S.c.r.l. in liquidation	Italy	90.00%
S. Filippo S.c.r.l. in liquidation	Italy	80.00%
Forum S.c.r.l. in liquidation	Italy	79.99%
Bussentina S.c.r.l. in liquidation	Italy	78.80%
AS. M. S.c.r.l.	Italy	75.91%
Mormanno S.c.r.l. in liquidation	Italy	74.99%
S.P.T. - Società Passante Torino S.C.r.l.	Italy	74.00%
CO.ME.NA. S.c.r.l. in liquidation	Italy	70.43%
Scuola Carabinieri S.C.r.l.	Italy	61.40%
Quattro Venti S.c.r.l. in liquidation	Italy	60.00%
Sirjo Scpa	Italy	60.00%
C.O.MES. in liquidation S.C.r.l.	Italy	55.00%
Infraflegrea Progetto S.p.A.	Italy	51.00%
Total construction - Italy		**23**

Construction - International		
Company name	Geographical segment	%
Astaldi Bulgaria LTD	Europe	100.00%
Astaldi International Ltd.	Europe	100.00%
Astaldi Polska Sp. z o.o.	Europe	100.00%
Romstrade S.r.l.	Europe	100.00%
Astur Construction and Trade A.S.	Europe	99.98%
ASTALROM S.A.	Europe	99.66%
Romairport S.p.A.	Europe	99.26%
Astaldi-Max Bogl-CCCF JV S.r.l.	Europe	66.00%
Italstrade CCCF JV Romis S.r.l.	Europe	51.00%
Asocierii Astaldi SpA, Sc Somet sa, sc Tiab sa, sc Uti grup sa (Line 4 Bucharest)	Europe	40.00%
Astaldi Canada Inc.	America	100.00%
Astaldi Construction Corporation	America	100.00%
T.E.Q. Construction Enterprise Inc.	America	100.00%
Constructora Astaldi Cachapoal Limitada	America	99.90%
Astaldi de Venezuela C.A.	America	99.80%
Consorcio Rio Pallca	America	60.00%
Astaldi Algerie - E.u.r.l.	Africa	100.00%
Astaldi International Inc.	Africa	100.00%
Astaldi-Astaldi International J.V.	Africa	100.00%
Groupement de Raccordement de la Station d'El Hamma (G.R.S.H.)	Africa	100.00%
Redo-Association Momentanée	Africa	100.00%
Seac S.p.a.r.l. in liquidation	Africa	100.00%
Astaldi Arabia Ltd.	Asia	100.00%
Total construction - International		**23**

Concessions		
Company name	Geographical segment	%
Astaldi Concessioni S.p.A.	Italy	100.00%
Ast B Parking S.r.l.	Italy	100.00%
Mondial Milas - Bodrum Havalimani Uluslararasi Terminal Isletmeciligi Ve Yatirim A.S.	Europe	100.00%
Cachapoal Inversiones Limitada	America	100.00%
Inversiones Assimco Limitada	America	100.00%
Valle Aconcagua S.A.	America	55.00%
Total concessions		**6**

Maintenance and plant		
Company name	Geographical segment	%
nBI S.p.A.	Italy	100.00%
3E System S.r.l	Italy	100.00%
Sartori Tecnologie Industriali S.r.l.	Italy	100.00%
Consorzio Stabile Busi	Italy	95.00%
Tione 2008 Scrl	Italy	76.00%
Bielle Impianti S.c.r.l.	Italy	75.00%
CO.VA S.c.r.l.	Italy	60.00%
nBI Elektrik Elektromekanik Tesisat Insaat Sanayi Ve	Europe	100.00%
Total maintenance and plant		**8**

MAIN CHANGES IN THE CONSOLIDATION SCOPE

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

Consolidation scope at 31/12/2013* - No. of consolidated companies		61
Joined consolidation scope in 2014		
Company name	Event	Method 30/06/2014
Astaldi Polska Sp. z o.o.	Incorporation	Line-by-line
Excluded from the consolidation scope in 2014		
Company name	Event	Method 31/12/2013
Ast VT Parking S.r.l.	Sale of 95% investment	Line-by-line
A.I.2 S.r.l.	Merger into Re.Consult	Line-by-line
Consolidation scope at 30/06/2014 – No. of consolidated companies		**60**

*Restated following application of IFRS 11 - Joint arrangements

As regards the main changes in the consolidation scope, the following must be noted:

- Further to the agreements signed on 23 December 2013, on 28 March 2014, the subsidiary Astaldi Concessioni S.p.A. transferred 95% of Ast VT Parking S.r.l. (hereinafter the “Company”) to a group of institutional investors. Subsequent to the transfer and with effect as from March 2014, the Company was classified among available for sale (AFS) financial assets as another investee pursuant to IAS 39.

The fair value of assets and liabilities held by the Company at the date of loss of control, largely in line with the corresponding carrying amount, was considered at the equity investment's fair value upon initial recognition among AFS financial assets, therefore with no difference being recorded.

Pursuant to IAS 39, the cost method was subsequently used to recognise and present the Group's equity investment in the consolidated financial statements;

- In order to fulfil the obligations undertaken in the investment agreement signed in April 2012, as amended in the Addendum dated August 2013, the merger of the subsidiary **A.I.2 S.r.l.** into **Re.Consult Infrastrutture S.p.A.** ("Re.Consult" or the "SPV") was performed on 1 January 2014. Said merger has allowed the investments in A4 Holding held by various shareholders to be held by a single party, allowing the new SPV to control the absolute majority of A4 Group as from the current year. The group is the holder of the Brescia-Padua motorway concession.

  As a result of the merger, Astaldi Concessioni S.p.A. became the holder of a 31.85% stake in the SPV and is able to exercise joint control over the investee's economic and financial policies thanks to the governance agreements signed with other shareholders.

- Therefore, in light of the provisions contained in IAS 28, the equity method was used when drafting the condensed interim consolidated financial statements for the measurement, recognition and presentation of the stake in Re.Consult. Based on the content of paragraph 32 of the aforementioned IAS 28, the fair value of the purchased assets and liabilities was estimated as from the start date of joint control exercised over the investee.

The fair value was calculated on the basis of a specific appraisal compiled by an independent expert.

Specifically, the fair value of the assets and liabilities of Re.Consult was calculated using the financial statements figures provided by the Company, A4 Holding and its individual subsidiaries or investees (the "Investees").

Specifically, as regards the methods used to measure the economic capital of the individual investees, A4 Group's main asset, represented by the Brescia-Padua motorway – the operator – (equivalent to 95% of the total measurement) was calculated using a number of criteria, widely used in measurements for this category of companies, i.e. (i) unlevered financial criterion; (ii) stock exchange multiples criterion with use of "Enterprise Value/EBITDA" multiple.

Considering the significance of said equity investment, the contextual use of two criteria made it possible to mutually record the results of each of the criteria.

More specifically, as regards the financial criterion, the operator's economic value was estimated by discounting the expected cash flows as per the 2013 economic and financial plan. Said document represents an update of the financial forecasts for the Brescia-Padua motorway, already presented in 2007 to the grantor, ANAS S.p.A., and the Ministry of Infrastructures and Transport. The plan covers a period of more than thirty years (2014-2046) and is split into two sub-periods: (i) effective period for the current agreement (2014-2026); (ii) renewal period for the agreement in question (2027-2046). As regards calculation of the weighted average cost of capital (WACC), it was deemed appropriate to differentiate between the cost of owned funds, and consequently the WACC, so as to concentrate the greater level of risk linked to a set of factors, including uncertainty of agreement renewal, in the end period. Therefore, the estimated cash flows for 2014-2026 were discounted at 7.55%, representing the operator's WACC during said period, while a rate of 8.36% was used to estimate the present value of cash flows for the 2027-2046 period. Other minor assets were measured at fair value or value in use. In order to calculate the fair value of the investment in Re.Consult, the so-called control premium on A4 Group was also taken into account in virtue of the fact that the SPV exercises control on the majority of voting rights of A4 Holding as from the current year.

As a result, the stake held by the Group in the fair value of the assets and liabilities of Re.Consult, originally set at EUR/000 134,839, was restated at EUR/000 139,208, as can be seen from the relative appraisal.

BUSINESS COMBINATIONS

Business combinations performed during the first half of 2014

No business combinations were performed during the period.

Newly-issued and endorsed standards and interpretations, coming into effect as of 1 January 2014

There follows a summary of the new EU Regulations in force from 1 January 2014.

Commission Regulation (EU) No. 1254/2012 of 11 December 2012, published in Official Journal L 360 of 29 December 2012: Adoption of 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.

In light of new legislation introduced, the framework of applicable standards when drafting consolidated financial statements is now as follows:

IFRS 10 Consolidated Financial Statements

IFRS 10 provides a single reference standard to be adopted when drafting consolidated financial statements which envisages control as the basis for consolidation of all types of entities. Indeed IFRS 10 replaces IAS 27 Consolidated and Separate Financial Statements and SIC 12 – Special Purpose Entities.

More specifically, IFRS 10 offers a more precise definition of “control” and consequently the basis for deciding which entities fall into the consolidation scope of the Group’s consolidated financial statements.

In the broadest definition, an investor controls an investee only and solely if it contemporaneously has:

a) power over the investee: current ability to direct relevant activities unilaterally;

b) exposure or rights to variable returns from its involvement;

c) power to affect the investee’s returns.

Therefore, the consolidation model provided for in IFRS 10 is not based, as was the previous IAS 27, exclusively on risks and benefits, but is founded on the “power” or ability to exercise it with regard to management of the entity, thus being able to significantly affect “returns”.

Adoption of IFRS 10 did not generate any effects with regard to measurement of captions in the condensed interim consolidated financial statements insofar as the companies controlled by Astaldi S.p.A., are generally:

(i) incorporated for the performance of specific projects and regulated by governance agreements that allow the parent, by exercising a vast majority of voting rights, to determine the company’s strategic choices and management policies so as to obtain relative benefits; and/or

(ii) incorporated on the basis of business development policies set down in the Business Plan and owned in full by the parent.

IFRS 11 Joint arrangements

IFRS 11 establishes the standards for accounting of activities performed by entities that jointly control an arrangement and replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers.

IFRS 11 indicates that joint control is the contractually agreed sharing of control of an arrangement, which exists when the decisions about the relevant activities require the unanimous consent of the parties sharing control.

As regards the methods used for measurement and recognition, IFRS 11 envisages different methods for:

- *JOINT OPERATIONS (JO):* a joint arrangement where the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, related to the arrangement.
- *JOINT VENTURES (JV):* a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The wording of IFRS 11 with regard to the difference between JO and JV is no longer based on the legal form of the entities subject to joint control, but on the rights and obligations of co-venturers with regard to the investment in the joint arrangement, in other words on the relationship's substance.

As regards consolidated accounting of JVs, IFRS 11 eliminates the accounting option provided for in IAS 31 regarding consolidation of JVs, which consisted in the proportional or equity method, providing for a single consolidation criterion based exclusively on the equity method.

As regards JOs, given that joint operators share rights on the assets and undertake obligations on the liabilities related to the arrangement, IFRS 11 provides that each joint operator recognise in its own financial statements the pro rata value of assets, liabilities, costs and revenue of the relative JO.

The new standard was adopted as from 1 January 2014 retrospectively in order to allow homogenous representation of results with corresponding figures for comparative periods.

Accounting effects linked to first-time application of IFRS 11

As regards first-time application of this standard, limited differences were noted, mainly in the Concessions segment and in relation to measurement and recognition of some Special Purpose Vehicles classified as Joint Ventures. Said entities, which were consolidated using the proportional method in the previous year, were measured using the equity method in the corresponding figures presented for comparative purposes.

While as regards the Construction segment, the effect of first-time application was extremely limited insofar as joint arrangements, generally incorporated in transparent vehicles, are organised in such a way that the overall measurement of contractual terms, including with regard to relative legal aspects, leads them to be classified as joint operations regardless of their actual structure.

Please find below financial statements figures at 31 December 2013 and 30 June 2013 showing the comparative effects arising from application of IFRS 11:

Income Statement	First half of 2013 Published	Effect of application of IFRS 11	First half of 2013 Restated
Revenue	1,108,592	(10,134)	1,098,459
Other operating revenue	52,207	(10)	52,197
Total revenue	**1,160,800**	**(10,144)**	**1,150,655**
Purchase costs	(180,369)	217	(180,153)
Service costs	(662,436)	7,930	(654,506)
Personnel expenses	(155,236)	167	(155,069)
Amortisation, depreciation and impairment losses	(28,452)	17	(28,435)
Other operating costs	(19,820)	92	(19,728)
Total costs	**(1,046,313)**	**8,421**	**(1,037,892)**
Capitalisation of internal construction costs	237	0	237
Operating profit	**114,724**	**(1,723)**	**113,001**
Net financial charges	(50,747)	(8,324)	(59,070)
Effect of equity accounting	1,755	1,418	3,173
Pre-tax profit (loss) from continuing operations	**65,732**	**(8,629)**	**57,104**
Tax expense	(25,479)	753	(24,726)
Profit from discontinued operations	**0**	**0**	**0**
Profit for the period	**40,254**	**(7,876)**	**32,378**
Profit attributable to the owners of the parent	40,159	(7,876)	32,282
Profit attributable to non-controlling interests	95	0	95
Earnings per share			
Basic	Euro 0.4103	(0.0804)	Euro 0.3299
Diluted	Euro 0.4083	(0.0800)	Euro 0.3283

Statement of Comprehensive Income	First half of 2013 Published	Effect of application of IFRS 11	First half of 2013 Restated
Profit for the period (A)	**40,254**	**(7,876)**	**32,378**
Items to be subsequently reclassified to profit or loss (B 1)	**15,386**	**(3,853)**	**11,533**
of which			
Change in hedging reserve, net of tax effect	18,096	(3,853)	14,243
Items that will not be subsequently reclassified to profit or loss (B2)	**155**		**155**
Total other comprehensive income, net of tax effect (B1)+(B2)=(B)	**15,541**	**(3,853)**	**11,688**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A)+(B)	**55,795**	**(11,729)**	**44,066**
of which attributable to the owners of the parent	55,510	(11,729)	43,780
of which attributable to non-controlling interests	285	0	286

Statement of Financial Position	31/12/2013 Published	Effect of application of IFRS 11	31/12/2013 Restated
Non-current assets			
Property, plant and equipment	203,977	(4)	203,973
Investment property	1,086	0	1,086

Intangible assets	58,971	(0)	58,971
Investments	395,564	(11,413)	384,151
of which:			
- Equity-accounted investees	393,531	(11,413)	382,119
Non-current financial assets	99,786	(2,946)	96,840
Other non-current assets	54,723	(1,089)	53,634
Deferred tax assets	17,128	(10)	17,118
Total non-current assets	**831,234**	**(15,461)**	**815,773**
Current assets			
Inventories	61,711	0	61,711
Receivables from customers	1,261,797	0	1,261,797
Trade receivables	961,860	33	961,893
Current financial assets	46,391	0	46,391
Tax assets	105,893	(1,281)	104,612
Other current assets	383,043	424	383,467
Cash and cash equivalents	373,772	(546)	373,226
Total current assets	**3,194,467**	**(1,370)**	**3,193,097**
Assets related to disposal groups	60,273	0	60,273
Total assets	**4,085,974**	**(16,830)**	**4,069,144**

Equity and liabilities	31/12/2013 Published	Effect of application of IFRS 11	31/12/2013 Restated
Equity			
Share capital	196,850	0	196,850
Treasury shares	(1,040)	0	(1,040)
Reserves	287,799	(3,853)	283,946
of which:			
- Other comprehensive income	(58,735)	(3,853)	(62,588)
Profit for the period/year	75,213	(7,876)	67,337
Equity attributable to the owners of the parent	**558,822**	**(11,729)**	**547,093**
Equity attributable to non-controlling interests	45,101	0	45,101
Total equity	**603,923**	**(11,729)**	**592,193**
Non-current liabilities			
Non-current financial liabilities	970,042	0	970,042
Other non-current liabilities	16,698	(2)	16,696
Employee benefits	8,003	0	8,003
Deferred tax liabilities	10,957	0	10,957
Total non-current liabilities	**1,005,701**	**(2)**	**1,005,699**
Current liabilities			
Payables to customers	674,738	1,831	676,569
Trade payables	1,117,990	(1,357)	1,116,633
Current financial liabilities	392,680	(4,240)	388,440
Tax liabilities	73,679	(13)	73,666
Provisions for current risks and charges	22,591	0	22,591
Other current liabilities	154,725	(1,321)	153,404
Total current liabilities	**2,436,404**	**(5,099)**	**2,431,304**
Liabilities related to disposal groups	39,947	0	39,947
Total liabilities	**3,482,051**	**(5,101)**	**3,476,950**
Total equity and liabilities	**4,085,974**	**(16,830)**	**4,069,144**

Statement of Cash Flows	First half of 2013 Published	Effect of application of IFRS 11	First half of 2013 Restated
A) Cash flows used in operating activities	(51,531)	6,072	(47,459)
B) Cash flows used in investment activities	(78,756)	(6,555)	(85,311)
C) Cash flows from financing activities	84,965	16,047	101,013
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(45,321)**	**13,564**	**(31,757)**
CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD	400,215	(14,032)	386,183
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**354,894**	**(469)**	**354,425**

As regards equity and profit, with specific reference to Società Veneta Sanitaria Finanza di Progetto S.p.A. (V.S.F.P.), the carrying amount of said SPV was restated with regard to the figures published for 2013, applying the equity method ex-ante and at equal values – as provided for in IFRS 11.

In compliance with the IFRS in force in 2013, the investment in V.S.F.P. was recognised among "Equity-accounted investees" at the date of loss of joint control, using the relative fair value (IAS 31.45) as deemed cost. Fair value measurement of V.S.F.P.'s assets and liabilities based on an appraisal by an independent expert had resulted in a positive impact of EUR/000 11,279 on profit or loss and equity attributable to the owners of the parent.

Moreover, at the date of loss of joint control of the entity, the Group's income statement also included the effects - EUR/000 (3,853) - related to reclassification from other comprehensive income of the net balance of the hedging reserve (IAS 31.45B). Said reclassification – performed in relation to the two different equity captions – did not change the total carrying amount.

As regards restated figures of 2013, *the cumulative effects of said items were offset* since *the provisions of IAS 31 are no longer found in the current standard (IFRS 11.24).*

IFRS 12 Disclosure of interests in other entities

IFRS 12 combines, consolidates and replaces the obligations regarding the disclosures to be provided in the notes to the financial statements for subsidiaries, joint arrangements, associates and unconsolidated structured entities.

Application of the new standard means greater disclosure obligations in terms of (i) listing of the significant measurements used to define the consolidation scope, and (ii) analysis of the type of investments and connected risks undertaken.

Other standards amended under EU Regulation No. 1254/2012

Further to these new IFRS, the IASB also issued IAS 27 (amended) which will only concern Separate Financial

Statements and IAS 28 (amended) to implement the provisions regarding Joint Arrangements introduced by IFRS 11.

Commission Regulation (EU) No. 313/2013 of 4 April 2013, published in Official Journal L 95 of 5 April 2013:

Guide to provisional provisions (Amendments to IFRS 10, 11 and 12).

The amendments limit the obligation to provide adjusted corresponding figures for the transition to IFRS 10, IFRS 11 and IFRS 12, to the previous period presented for comparative purposes only.

Moreover, clarifications are also provided with regard to how the corresponding figures must be adjusted if the conclusions on consolidation at the "date of first application" are not the same as detailed in IAS 27 / SIC 12 and IFRS 10.

Specifically, the following two cases may arise:

Consolidation as per IFRS 10 of a previously unconsolidated company: IFRS 3 Business Combinations shall be applied retrospectively at the date of obtainment of control, as defined by IFRS 10. Any difference between assets, liabilities and non-controlling interests and the previous carrying amount of the investment will be recognised under retained earnings at the start of the earliest comparative period presented, or subsequently should control be acquired at a later date. While there will be no obligation should the investment be disposed of prior to the date of first application.

Non-consolidation as per IFRS 10 of a previously consolidated company: IFRS 10 shall be applied retrospectively. Any difference between assets, liabilities and non-controlling interests and the carrying amount of the investment as per IFRS 10 will be recognised under retained earnings at the start of the earliest comparative period presented, or subsequently should control be lost at a later date.

Moreover, the obligation to present corresponding figures related to unconsolidated structured entities for the periods prior to the date when IFRS 12 is applied for the first time has also been eliminated.

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The amendments to the aforementioned standards have been applied during the period with the aim of regulating provisional provisions for first-time application of the new standards regarding consolidation.

Commission Regulation (EU) No. 1174/2013 of 20 November 2013, published in Official Journal L 312 of 21 November 2013: Investment entities (Amendments to IFRS 10, 12 and IAS 27).

The aim of the amendments is to make some changes to IFRS 10, IFRS 12 and IAS 27 in order to define the guidelines to be followed when drafting the Separate and Consolidated Financial Statements of "Investment Entities".

The main changes were as follows:

IFRS 10 was amended to oblige *investment entities* to measure subsidiaries at the fair value through profit or loss rather than consolidate them so as to better reflect their business model. Specifically, an investment entity is defined within the standard (new paragraph 27) as an entity that obtains funds from one or more investors for the purpose of providing those investors with returns in terms or capital appreciation or income. An investment entity (i) normally holds more than one investment; (ii) has more than one investor; (iii) has investors that are not entity's related parties; (iv) has ownership interests in the form of equity or similar interests. An investment entity also calculates and measures the return on almost all investments on the basis of fair value.

IFRS 12 was amended to impose the presentation of specific disclosures regarding the subsidiaries of investment entities.

Paragraph 9A of IFRS 12 also states that the entity must provide disclosure regarding the significant measurements and assumptions adopted to determine whether it falls into the category of Investment Entities, in compliance with paragraph 27 of IFRS 10.

The amendments to IAS 27 Separate Financial Statements eliminated the possibility for investment entities to opt for the measurement of investments in some subsidiaries at cost, or for fair value measurement.

IAS 27 also stipulates that an investment entity required to apply the exception to consolidation for all its subsidiaries must present separate financial statements as its only financial statements, reporting this in the relative notes.

The amendments to the aforementioned standards, applied as from the financial statements of the years starting 1 January 2014, did not have any consequences with regard to measurement of financial statements captions and disclosures to be provided in these condensed interim consolidated financial statements.

Commission Regulation (EU) No. 1374/2013 of 19 December 2013 adopting Recoverable Amount Disclosures for Non-Financial Assets (Amendment to IAS 36).

The amendments aim to provide further clarification with regard to recoverable amount disclosures for assets measured at fair value less costs of disposal for which an impairment loss or impairment reversal has been recognised during the period subsequent to an impairment test.

Specifically, paragraphs 130 and 134 of IAS 36 introduce the requirement to report the following in disclosures for all CGUs attributed with a significant share of the carrying amount of goodwill or intangible assets with indefinite useful life:

- the fair value hierarchy level used to classify the entire valuation (without considering whether the costs of disposal are observable);

- for fair value measurements at levels 2 and 3 of the fair value hierarchy (i) a description of the valuation techniques adopted to measure the fair value less costs of disposal; (ii) the key assumptions (including the discount rate used) used by the management to determine fair value.

The amendments to the aforementioned standard, applied as from the financial statements of the years starting 1 January 2014, did not have any consequences with regard to measurement of financial statements items and disclosures to be provided in these condensed interim consolidated financial statements.

Commission Regulation (EU) No. 1375/2013 of 19 December 2013 adopting Novation of Derivatives and Continuing designation for Hedge Accounting (Amendment to IAS 39).

Based on the amendments contained in paragraphs 91 and 101 of IAS 39, the novation of a derivative, performed further to legislation or regulations, which implies replacement of the original counterparty with a central counterparty, does not represent an event entailing the termination of hedge accounting.

The amendments to the aforementioned standard, applied as from the financial statements of the years starting 1 January 2014, did not have any consequences with regard to measurement of financial statements captions and disclosures to be provided in these condensed interim consolidated financial statements.

Endorsed standards and interpretations not adopted in advance by the Group

Commission Regulation (EU) No. 634/2014 of 13 June 2014, published in Official Journal L 175 of 14 June 2014: Adoption of IFRIC 21 *Levies*.

The interpretation aims to provide a guide for suitable accounting of levies falling into the scope of application of IAS 37 Provisions, Contingent Liabilities and Contingent Assets, in order to improve financial statements comparability for users.

For the purpose of IFRIC 21, a levy represents a payment due to a public administration, in compliance with current legislation, with the exception of:

a) income taxes that fall into the scope of application of IAS 12 Income Taxes, and

b) fines or penalties for breaches of legislation.

IAS 37 Provisions, Contingent Liabilities and Contingent Assets established that a liability is recognised when the event generating the obligation occurs (obligating event).

For the purpose of IFRIC 21, the obligating event is the event – typically specified in the laws of the jurisdiction in question – which requires payment of the levy upon occurrence.

The interpretation considers different types of levies:

- the levy is triggered progressively as revenue is generated in the current period: the obligating event is revenue generation, as provided for in local legislation, the obligation will be recognised progressively based on revenue generated;
- the levy is triggered in full as soon as the entity first begins to generate revenue: for this type of levy, the obligation arises when the entity generates the first revenue in the period. Nothing is recognised if the amount to be paid is based on the turnover of the previous period;
- the levy is triggered in full if the entity operates at a specified date: in this case, even if the amount of the levy is calculated on the basis of previous period balances, no obligation is recognised until the specified date. Therefore the basic assumption regarding the principle of going concern does not imply the need to recognise an obligation prior to the specified date;
- the levy is triggered if the entity generates revenue above a specified minimum threshold: the obligation is triggered only by recognising revenue above a specific threshold and only then is a liability recognised, regardless of the probability/reasonable certainty of exceeding said threshold.

The interpretation shall be applied as from the financial years beginning 17 June 2014, or subsequently with limited effects as regards measurement of financial statements captions.

ANALYSIS OF MAIN CHANGES IN THE FINANCIAL STATEMENTS CAPTIONS

1 Revenue: EUR/000 1,126,936 (EUR/000 1,098,459)

Revenue for the period ended 30 June 2014 totalled EUR/000 1,126,936 showing an EUR/000 28,477 increase on the same period of the previous year. This caption consists of the following:

	First half of 2014	First half of 2013	Change
Revenue from goods and services	1,113,253	1,075,831	37,422
Concessions - Commercial services under arrangement	8,685	4,636	4,049
Periodical instalments for plant maintenance contracts	1,957	2,448	(491)
Closing inventories of assets and plant under construction	3,041	15,544	(12,503)
Total	**1,126,936**	**1,098,459**	**28,477**

“Revenue from goods and services” shows the amounts of the works completed and accepted by the respective customers, including the proportional amount of long term works undertaken during the year, but not yet completed.

This caption showed a net increase of EUR/000 37,422, confirming the significant contribution from works in progress in Turkey and the increasing focus of activities on recently-joined geographical areas (Canada and Russia) where the risk profile is much more limited than in the past.

“Concessions – Commercial services under arrangement” includes the amounts accrued for infrastructure management services, mainly attributable to (i) Milas-Bodrum Airport (EUR/000 4,707); (ii) the four Hospitals in Tuscany with specific regard to the Ospedale San Jacopo Hospital in Pistoia, Nuovo Ospedale in Prato and Ospedale San Luca in Lucca, inaugurated as from the second half of 2013 (EUR/000 3,978).

“Periodical instalments for plant maintenance contracts” referred to activities performed during the first half of 2014 by the subsidiary NBI, the company operating in the plant engineering and facility management segment, complementary to the Group’s current activities, but also useful for providing it with relevant business and commercial synergies, with the contribution of top level professional resources.

“Closing inventories of assets and plant under construction” included the increase in the carrying amount of the plant constructed in Chile (Relaves Project), for the treatment and recovery of copper and molybdenum contained in the waste products of the “Codelco” (Chilean National Mining Corporation) mine.

Under the Relaves Project, the Chilean subsidiary Valle Aconcagua A.S. has the right to the management of the plant for 20 years.

As regards this contract, Codelco has agreed to purchase the amount of copper and molybdenum extracted from the mine processing waste, thus guaranteeing recovery of the investment during the concession period.

In 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.

A breakdown of revenue by geographical segment is shown below:

	First half of 2014	%	First half of 2013	%	Change
Italy	310,897	27.59%	435,496	39.65%	(124,599)
Europe	513,628	45.58%	392,279	35.71%	121,349
America	229,438	20.36%	171,879	15.65%	57,559
Africa	68,427	6.07%	68,435	6.23%	(8)
Asia	4,546	0.40%	30,370	2.76%	(25,824)
Total	**1,126,936**	**100.00%**	**1,098,459**	**100.00%**	**28,477**

At a domestic level, production was affected by the planned reduction of works for some contracts in progress in Italy (Bologna Centrale High-Speed Railway Station, Turin Railway junction, Jonica National Road and the Four Tuscan Hospitals project) which are reaching their natural completion, while still maintaining significant production levels.

This was partially offset by the positive advancement of works in progress on the Blue Line of the Milan underground and the resumption of construction activities related to Ospedale del Mare in Naples.

Moreover, at a domestic level, works on the Pedemontana Lombarda motorway, Line 5 of the Milan underground, Line C of the Rome underground and the Plant Engineering, Maintenance and Management of Complex Systems segment continued to make a positive contribution.

In relation to the geographical breakdown of revenue, there has been a significant increase in Europe, benefitting from the positive contribution of works referring to the Western High-Speed Diameter in St. Petersburg, Russia and the increase in production levels in Turkey (Gebze-Orhangazi-Izmir Motorway, Phase 1 and Third Bridge on Bosphorus – verificare consistency con il file 1 – la società aveva indicato (con i segni della revisione) una formulazione diversa) and Poland (Krakow-Balice Airport, Line 2 of the Warsaw underground, Łódź Fabryczna station. But at the same time, the comparison with the previous half year was affected by the forecast reduction of production volumes due to the substantial completion of works referring to Pulkovo International Airport in St. Petersburg, Russia.

The American area benefitted from the positive effect of works in progress on the hydroelectric projects in Canada (Muskrat Falls) and Peru (Cerro del Águila). On the other hand, this increase was partially offset by the effects of the planned reduction in volumes of production recorded in relation to the railway works in Venezuela.

As regards Venezuela, in order to provide an overall assessment of the situation in the country, it is interesting to note that concrete institutional initiatives recommenced during the first half of the year, also as a result of the waning of social tension in the country, aimed at protecting the interests of Italian companies working in the region. Moreover, meetings are planned during the second part of 2014 between representatives of the Italian government and Venezuelan authorities. The aim is to promote, through the Council of Economic Cooperation, projects linked to developing Venezuela's railway system, with the prerequisite of defining clear financial coverage of undertakings. The Venezuelan government has already earmarked significant sums in its budget as financial coverage of current payables and allocations for future years. Nevertheless, despite the above actions denoting a real attempt to normalise contractual relations, albeit gradually, the Group, which operates as part of a joint venture involving another two leading Italian companies in the sector, has continued to extremely limited production levels that are considerable lower that the significant potential levels the projects can offer.

As regards Africa, the contribution of railway works in Algeria (Saida-Moulay Slissen and Saida-Tiaret railway lines) remained largely unvaried compared to the first half of the previous year.

Asia recorded a drop in production of EUR/000 25,824, mainly as a result of the Group's gradual exit from Saudi Arabia and Oman.

For more information on this caption, please refer to Note 37 of the Segment reporting pursuant to IFRS 8.

2 Other revenue: EUR/000 74,588 (EUR/000 52,197)

Other revenue, totalling EUR/000 74,588, comprises items not directly related to the Group's core business , but in any case accessory to it. The caption increased by EUR/000 22,391 on the same period of the previous year and is as follows:

	First half of 2014	First half of 2013	Change
Revenue from sale of goods	18,884	8,527	10,357
Services - third parties	36,686	24,991	11,695
Services – management of joint projects	1,514	1,674	(160)
Leases and rents	1,378	1,884	(506)
Net gains on disposal of property, plant and equipment	2,091	2,218	(127)
Other	14,035	12,903	1,132
Total	**74,588**	**52,197**	**22,391**

Compared to the first half of 2013, the increase in "Revenue from sale of goods" is to be attributed to specific procurement activities performed in Russia (Western High-Speed Diameter, St. Petersburg) during the first half of 2014.

While the increase in "Services - third parties" mainly referred to recognition obtained by the Group in operating initiatives performed through joint ventures, with reference to specific "know-how and expertise" for the study and acquisition of specific contracts, as well as the activities and services characterising project management performed for major infrastructures.

3 Purchase costs: EUR/000 182,082 (EUR/000 180,153)

Purchases of raw materials and consumables for the period totalled EUR/000 182,082, with an increase of EUR/000 1,929 compared to the same period of the previous year:

	First half of 2014	First half of 2013	Change

Purchase costs	167,891	170,611	(2,720)
Change in raw materials, consumables, supplies and goods	14,191	9,542	4,649
Total	**182,082**	**180,153**	**1,929**

A detailed analysis of the geographical breakdown of purchase costs for raw materials and consumables is shown below:

	First half of 2014	%	First half of 2013	%	Change
Italy	43,214	23.73%	54,947	30.50%	(11,733)
Europe	83,890	46.07%	65,743	36.49%	18,147
America	43,345	23.81%	44,509	24.71%	(1,164)
Africa	11,518	6.33%	12,077	6.70%	(559)
Asia	115	0.06%	2,877	1.60%	(2,762)
Total	**182,082**	**100.00%**	**180,153**	**100.00%**	**1,929**

As regards the geographical breakdown of purchase costs, there was a significant increase in Europe related to greater production levels recorded for the Western High-Speed Diameter in St. Petersburg, Russia and the Third Bridge on Bosphorus in Turkey.

While the decrease recorded for Italy referred to the completion of some production phases related to the performance of works for Line 5 of the Milan underground.

4 Service costs: EUR/000 673,925 (EUR/000 654,506)

Service costs totalling EUR/000 673,925 increased by EUR/000 19,419 compared to the first half of last year.

This caption consists of the following:

	First half of 2014	First half of 2013	Change
Consortium costs	88,493	97,174	(8,681)
Subcontracts and other services	472,589	427,577	45,012
Technical, administrative and legal consultancy	45,175	54,519	(9,344)
Directors' and statutory auditors' fees	1,915	1,906	9
Utilities	5,583	7,394	(1,811)
Travel and transfers	3,744	2,830	914
Insurance	9,862	12,167	(2,305)
Leases and other costs	28,382	35,256	(6,874)
Lease and building management costs	4,410	4,529	(119)
Maintenance of third party assets	281	370	(89)
Other	13,491	10,784	2,707

Total	**673,925**	**654,506**	**19,419**

Consortium costs linked to the execution of works, together with other firms in the segment, show a decrease of approximately EUR/000 8,681, compared to the previous year, due especially to the smaller contribution from projects involving construction of the Pedemontana Lombarda Motorway and Line C of the Rome underground.

While as regards "Subcontracts and other services" which increased by EUR/000 45,012 compared to the first half of 2013, a breakdown by geographical area is shown below:

	First half of 2014	%	First half of 2013	%	Change
Italy	124,103	26.26%	183,394	42.89%	(59,291)
Europe	242,037	51.22%	163,440	38.22%	78,597
America	85,495	18.09%	50,073	11.71%	35,422
Africa	12,689	2.68%	6,700	1.57%	5,989
Asia	8,265	1.75%	23,970	5.61%	(15,705)
Total	**472,589**	**100.00%**	**427,577**	**100.00%**	**45,012**

The changes in this item substantially reflect the production trend for the half year which showed, as stated in note 1, an increase in production levels for works in progress in Turkey (Third Bridge on Bosphorus), Poland (Line 2 of the Warsaw underground), Russia (Western High-Speed Diameter in St. Petersburg), and for works relative to hydroelectric projects in Canada (Muskrat Falls) and Peru (Cerro del Águila), partially offset by the drop in production levels for projects in progress in Italy and Asia.

The decrease in "Technical, administrative and legal consultancy" costs compared to the same period of last year, mostly refers to contracts in execution in Italy, Russia and Poland.

As regards the latter two areas, the greater volumes recorded in 2013 were mainly attributable to the start-up phase and start-up of production for the new projects, involving especially significant legal and financial assistance activities for defining work contracts as well as work schedules.

The drop in "Leases and other costs" is mainly attributable to Italy, and more specifically to the decrease in the amounts recorded for the Parma-La Spezia railway line and Line 5 of the Milan underground.

5 Personnel expenses: EUR/000 179,696 (EUR/000 155,069)

The caption consists of the following:

	First half of 2014	First half of 2013	Change
Wages and salaries	128,600	104,198	24,402
Social security contributions	25,614	23,312	2,302
Other costs	23,969	26,481	(2,512)
Other post-employment benefits	855	361	494
Cost of share-based payments	658	717	(59)
Total	**179,696**	**155,069**	**24,627**

"Other costs" mainly referred to expenses incurred for the training of employees, costs for meals and lodging, and the accrual for post-employment benefits which are comparable to a defined contribution plan as per IAS 19.

The accrual for post-employment benefits, as part of the defined benefit plan, is included under "Other post-employment benefits".

The geographical breakdown of personnel expenses is shown below:

	First half of 2014	%	First half of 2013	%	Change
Italy	52,530	29.23%	59,840	38.59%	(7,310)
Europe	41,190	22.92%	39,141	25.24%	2,049
America	75,114	41.80%	41,787	26.95%	33,327
Africa	10,245	5.70%	10,125	6.53%	120
Asia	617	0.34%	4,176	2.69%	(3,559)
Total	**179,696**	**100.00%**	**155,069**	**100.00%**	**24,627**

As regards the geographical breakdown of personnel expenses, there was a significant increase in the international sector related to contract work in progress in Canada, and more specifically referring to the Muskrat Falls Hydroelectric Project where an organisational structure that provides for greater use of direct production is envisaged given the general complexity of the project.

Average number of employees

The average number of employees by category is as follows:

	First half of 2014	First half of2013	Change
Managers	272	229	43
Junior managers	188	186	2
White collars	3,183	3,223	(40)
Blue collars	5,863	6,004	(141)
Total	**9,506**	**9,642**	**(136)**

At 30 June 2014, the Group had an average workforce of 9,506 employees. On an aggregate basis, the figure shows a slight decrease compared to the first half of last year (-1%); it also confirms the prevalence of personnel employed

abroad (88% of the total), due to the preponderance of turnover generated outside Italy, but also to the presence abroad of a larger number of contracts in progress involving direct production.

Senior management incentive plans

Stock grant plan

"Share-based payments" included the measurement of an Incentive Plan for senior managers linked to the achievement of specific financial targets. Here below are the Plan's main features.

The Plan consists in assigning Astaldi shares to the Beneficiaries (Chief Executive Officer and General Managers) free of charge. Six Beneficiaries have been singled out: the CEO and five General Managers. The assignment period refers to the 2013-2015 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 40,000.

The maximum number of shares that can be assigned as a whole to the Beneficiaries during each year will equal 300,000 and they cannot exceed 900,000 shares during the three-year period of validity of the Plan.

Assignment of the shares is subordinated each year to the Company's achievement of the financial performance targets defined annually by the Board of Directors; the date of assignment of the shares, for the purposes of the Regulation, means the date of the resolution by which the Board of Directors ascertains the achievement of these targets, and upon the occurrence of the aforesaid required conditions consequently assigns the shares to the Beneficiaries.

As regards what has been described so far, implementation of the Plan has determined a cost of EUR/000 658, with a balancing entry in an equity reserve.

The actuarial assumptions used to measure the plan are as follows:

- Dividend rate: 3.22%;
- Volatility: 28%;
- Risk free rate: deducted from Euroswap rates at the measurement date.

The probabilities of reaching the performance targets are as follows:

- 90% for 2014;
- 85% for 2015.

Short-term management by objectives (MBO) incentive plan

"Other costs" included the measurement of a short-term Incentive Plan for the Chairman and CEO, in relation to the achievement of set targets by 2014.

The maximum amount of the bonus to be paid upon achievement of the set targets totals EUR/000 1,700.

At the end of the previous year, the “RATING” target was classified as achieved, with consequent assignment to the beneficiaries of the corresponding part of the bonus payable amounting to EUR/000 910.

As regards the additional target referring to the completion of a series of disposals defined on the basis of Business Plan guidelines, at the reporting date, the conditions set for payment of the additional bonus had not yet been met in full. Because of this, and on the basis of relative actuarial measurements, the employment services rendered by the beneficiaries during the first half of 2014 have been estimated at EUR/000 248.

6 Amortisation, depreciation and impairment losses: EUR/000 31,210 (EUR/000 28,435)

Amortisation, depreciation and impairment losses totalling EUR/000 31,210 increased in absolute terms compared to the corresponding period of the previous year by EUR/000 2,775.

This caption consists of the following:

	First half of 2014	First half of 2013	Change
Amortisation	10,672	3,503	7,169
Depreciation	20,414	21,451	(1,037)
Impairment losses	0	648	(648)
Impairment losses on receivables	124	2,833	(2,709)
Total	**31,210**	**28,435**	**2,775**

The increase in “Amortisation” was mainly attributable to Turkey, and specifically to management of the Milas-Bodrum International Airport. As regards this latter project, as from the second half of 2013, the criterion used for amortisation of concession rights was readjusted prospectively in order to reflect more accurately the methods through which it is assumed that the future economic benefits resulting from use of the asset will be flow to the Group.

The decrease in “Depreciation” referred especially to projects in progress in Italy where the production volumes recorded during 2014 were lower than in the previous year.

“Impairment losses”, which totalled EUR/000 648 during the first half of 2013, referred to adjustment of the carrying amount of intangible assets attributable to the car parks division, performed prior to classification among disposal groups.

As regards “Impairment losses on receivables”, the impairment loss recognised during 2013 took into account the largely conclusive results attributable to works performed in areas of Latin America that are no longer operational.

7 Other operating costs: EUR/000 16,565 (EUR/000 19,728)

Other operating costs totalled EUR/000 16,565 and showed a decrease of EUR/000 3,163 compared to the previous year.

The caption is as follows:

	First half of 2014	First half of 2013	Change
Provision for risks and charges	0	3,840	(3,840)
Prior year expense and fair value losses	1,079	1,576	(497)
Tax expense	6,772	5,087	1,685
Other administrative and sundry costs	8,714	9,225	(511)
Total	**16,565**	**19,728**	**(3,163)**

The "Provision for risks and charges" which amounted to EUR 3,840 in the previous year, referred to items recorded in Italy and directly related to previous operational situations where the proposed settlement had involved estimation of the probable charges to be incurred.

The increase in the "Tax expense" was mainly referable to the greater volumes recorded in Russia during the first half of 2014. This effect was partially offset by the opposite trend recorded for Algeria. Indeed, Algeria had incurred tax charges during the first half of 2013 related to the acquisition of rights for the exploitation of concessions for the extraction of aggregate from quarries, mainly need for the production of concrete to be used to perform the railway projects included among the backlog.

8 Capitalisation of internal construction costs: EUR/000 85 (EUR/000 237)

The caption comprises capitalised costs incurred for the in-house construction of non-current assets, especially in Italy.

9 Financial income: EUR/000 38,639 (EUR/000 50,290)

Financial income decreased compared to the previous year by EUR/000 11,651 and comprised the following:

	First half of 2014	First half of 2013	Change
Income from associates and joint ventures	571	362	209
Income from financial transactions with banks	1,237	1,906	(669)
Commissions on sureties	3,385	1,436	1,949
Exchange rate gains	13,818	13,599	219
Financial income on leases	769	0	769
Income from derivatives	351	673	(322)

Interest income on financial assets from concession activities	1,031	3,620	(2,589)
Other financial income	17,477	28,694	(11,217)
Total	**38,639**	**50,290**	**(11,651)**

"Other financial income" basically includes (i) the amount of default interest payable by individual customers for a total of EUR/000 10,986, for contract work in progress in Italy and abroad, and (ii) the total interest on loans to associates, joint ventures and partners in shared projects amounting to EUR/000 6,243.

The decrease on the prior year corresponding period is largely attributable to the incidence during the first half of 2013 of arrears interest related to works in progress in Venezuela, with a breakdown included in the reference interim report.

10 Financial charges: EUR/000 116,109 (EUR/000 109,360)

Financial charges increased compared to the previous year by EUR/000 6,749 and comprised the following:

	First half of 2014	First half of 2013	Change
Interest on bonds	28,460	2,643	25,817
Commissions on sureties	19,366	14,558	4,808
Expense on financial transactions with banks	23,394	24,099	(705)
Exchange rate losses	11,466	47,649	(36,183)
Expense on derivatives	3,422	5,741	(2,319)
Lease expense	561	429	132
Fair value losses on derivative embedded in convertible bonds	18,957	2,888	16,069
Other financial charges	10,260	11,042	(782)
Total	**115,886**	**109,049**	**6,837**
Impairment losses on investments	31	0	31
Impairment losses on securities and loans and receivables	192	311	(119)
Total	**223**	**311**	**(88)**
Total financial charges	**116,109**	**109,360**	**6,749**

The increase in this caption is mainly due to:

- Interest on the convertible bonds (EUR/000 523) issued by the Group in January 2013;
- Interest on the "senior unsecured" bonds (EUR/000 25,294) issued by the Group as from the second half of 2013 (for detailed information on these bonds, please see note 28) ;
- The increase in commitments for performance bonds, deriving from the increased average value of the contracts concerning the Group, above all with regard to the international sector. This has produced higher commissions on sureties totalling EUR/000 4,808 recognised, in particular, with reference to the contract for the Western High-Speed Diameter in St. Petersburg and the Muskrat Falls Hydroelectric Project in Canada;
- Fair value losses on the embedded derivative (EUR/000 16,069) deriving from potential exercise of the cash settlement option on the convertible bonds, with details shown in note 28.

On the other hand, "Exchange rate losses" decreased significantly, by EUR/000 36,183, mainly due to the exchange rate fluctuations for the rouble which affected contracts in progress in Russia and the Bolivar fuerte in Venezuela as a result of devaluation performed by the Venezuelan government at the start of 2013.

"Other financial expense" basically refers to: (i) approximately EUR/000 2,696 for charges incurred for the transfer of receivables on a without-recourse basis; (ii) approximately EUR/000 4,465 for commissions on borrowing (e.g. agency, commitment, up front etc.); and (iii) approximately EUR/000 2,681 for interest on extended payment for trade payables.

11 Effects of equity accounting: EUR/000 14,052 (EUR/000 3,173)

The share of gains/(losses) on equity-accounted investees increased by EUR/000 10,879 compared to the same period of the previous year and is mainly attributable to the concessions segment and specifically: (i) EUR/000 8,568 for the design, construction and management of the Third Bridge on Bosphorus, (ii) EUR/000 4,238 for the SPV Re.Consult Infrastrutture S.p.A. which is developing the Brescia-Padua motorway concession through A4 Holding, (iii) EUR/000 1,138 for Veneta Sanitaria Finanza di Progetto S.p.A., holder of the concession contract for management of non-core services at Ospedale dell'Angelo in Venice-Mestre.

12 Tax expense: EUR/000 19,736 (EUR/000 24,726)

The Group's taxes at 30 June 2014 were calculated as a provisional estimate, on the basis of what the Group would expect to pay at the end of the year, with specific reference to the tax rates provided for in various tax legislations in force in the areas where the Group operates.

The tax rate for the first half of the year, including the impact of IRAP, was 36.07% (first half of 2013: 43.3%). The decrease, compared to the same period of the previous year, reflects the different geographical mix of business and included the tax effects related to some foreign countries where the Group operates.

	First half of 2014	First half of 2013	Change
Current income tax (*)	19,023	12,948	6,075
Deferred income tax (*)	(3,455)	9,858	(13,313)
IRAP, current	2,633	3,093	(460)
IRAP, deferred	92	27	65
Substitute and other taxes	1,443	(1,200)	2,643
Total	**19,736**	**24,726**	**(4,990)**

(*) The income tax refers to IRES for Italy and similar taxes for foreign areas

The change in deferred taxes mainly concerned release during the first half of 2013 of the provision for default interest by the Venezuela branch, details of which are provided in the 2013 Interim Financial Report and 2013 Financial Statements.

13 Profit (loss) from discontinued operations: EUR/000 -736 (EUR/000 0)

This caption comprises expense and income, net of tax, recorded on a cumulative basis in relation to the Car Parks Division of Astaldi Concessioni, classified as a discontinued operation, as further described in note 26.

	Income Statement for the period 01/01/14 -30/06/14 of Disposal Groups
Revenue	306
Reversals impairment losses	231
Production cost	(12)
Personnel expenses	(25)
Other operating costs	(314)
Net financial income	**186**
Financial expense	(1,208)
Pre-tax loss	**(1,022)**
Taxes	286
Loss for the period	**(736)**

As regards the items recognised in relation to the Car Parks Division, they express accounting effects referring to:

- Routine car park management during the period generating a positive EUR/000 446;
- Reclassification, equal to EUR/000 -1,413, of other comprehensive income, of the net hedging reserve balance recognised upon transfer of the investment in AST VT S.r.l.
- Reversal of the impairment losses on the investments referring to the “C.so Stati Uniti” and “Porta Palazzo” car parks in Turin and “P.zza Cittadella” car park in Verona recognised further to fair value measurement upon closing of the contract regarding transfer of the investment in AST VT S.r.l. equal to EUR/000 231.

14 Earnings per share: Euro 0.3508 (Euro 0.3299)

Basic earnings per share are calculated as follows:

Numerator	First half of 2014	First half of 2013
Profit attributable to the ordinary shareholders of the parent	**34,333**	**32,282**
Denominator (in units)		
Weighted average shares (all ordinary)	98,424,900	98,424,900
Weighted average treasury shares	(540,647)	(559,443)
Weighted average shares used to calculate basic earnings per share	**97,884,253**	**97,865,457**
Basic earnings per share	**0.3508**	**0.3299**

The stock grant plans for key management personnel do not produce a significant dilutive effect. Considering the effect of potential shares, already assigned and awaiting assignment to the beneficiaries for the period 2011/2012/2013, and those that could be assigned for 2014, the basic earnings per share are EUR 0.3489.

In January 2013, the Parent completed a financing operation involving the issue of equity-linked bonds totalling EUR 130,000,000 and placed with qualified Italian and foreign investors.

The bonds may become convertible, at a fixed conversion price of EUR 7.3996, into ordinary shares of the Company, existing or newly issued, after a year has elapsed from the issue.

The Parent shall be entitled to settle any conversion by cash payment or a combination of ordinary shares and cash.

At the draft date of these condensed interim consolidated financial statements, calculation of the diluted earnings, as provided for in IAS 33.43, did not take into account hypothetical conversion of the bonds since, considering the economic effects from potential conversion, there would have been an increase in earnings per share.

15 Property, plant and equipment: EUR/000 215,948 (EUR/000 203,973)

Property, plant and equipment increased by EUR/000 11,975 during the first half of 2014, reflecting new investments totalling EUR/000 37,484.

A statement of the property, plant and equipment held at the beginning and the end of the period, reporting the changes that occurred, can be found below:

	Land and Buildings	General and specific plant	Excavators, power shovels and vehicles	Sundry equipment and machines	Assets under construction and payments on account	Total
Amount at 31.12.2013, net of depreciation (1)	43,902	84,436	41,850	22,805	10,980	203,973
Additions from acquisitions	4	11,461	4,550	8,077	13,393	37,484
Gross amount	**43,905**	**95,898**	**46,400**	**30,881**	**24,373**	**241,457**
Depreciation	(584)	(7,635)	(6,665)	(5,511)	0	(20,395)
Other disposals	(48)	(3,185)	(731)	(681)	(569)	(5,215)
Reclassification and transfers	(14)	(1,915)	696	2,150	(917)	0
Net exchange rate gains	53	(26)	38	(43)	4	26
Change in consolidation scope and other changes	(1)	22	70	(17)	(0)	74
Amount at 30.06.2014, net of depreciation (2)	**43,311**	**83,158**	**39,809**	**26,780**	**22,890**	**215,948**

(1) of which						
- Cost	54,840	162,164	136,640	81,431	10,980	446,055
- Accumulated depreciation	(10,938)	(77,728)	(94,790)	(58,626)	0	(242,082)
Carrying amount	**43,902**	**84,436**	**41,850**	**22,805**	**10,980**	**203,973**
(2) of which						
- Cost	54,795	163,296	134,861	84,671	22,890	460,513
- Acc. depreciation	(11,484)	(80,138)	(95,052)	(57,891)	0	(244,565)
Carrying amount	**43,311**	**83,158**	**39,809**	**26,780**	**22,890**	**215,948**

The following most significant changes should be noted:

- Increases of EUR/000 37,484 mainly concerned investments made for projects in progress in Canada and Russia;
- Depreciation of the year totalling EUR/000 20,395;
- Disposals made during the half year amounted to EUR/000 5,215 and mainly concerned the disposal of assets from contracts being completed in Arabia and Italy.

The caption includes leased assets of EUR/000 19,627.

16 Investment property: EUR/000 1,067 (EUR/000 1,086)

Investment property, totalling EUR/000 1,067, comprises buildings and land held for investment purposes measured at cost, with a substantially stable value compared to the previous year, and decreasing in relation to the normal rate of depreciation (EUR/000 19). In relation to the fair value measurement, on the basis of not wholly reliable indicators and given the low significance of the investments, it was not deemed necessary to list a precise measurement nor a range of fair values.

17 Intangible assets: EUR/000 48,567 (EUR/000 58,971)

Net intangible assets are as follows:

	30/06/14	31/12/13	Change
Intangible assets - Rights to infrastructures under concession	29,651	39,535	(9,884)
Goodwill	14,745	14,745	0
Other assets	4,171	4,691	(520)
Total	**48,567**	**58,971**	**(10,404)**

Intangible assets – rights to infrastructure under concession: EUR/000 29,651 (EUR/000 39,535)

This item mainly referred to the investment related to construction of Milas-Bodrum International Airport in Turkey.

The residual amount shown will be recovered through expected cash flows related to airport management activities for the remaining period of effectiveness of the concession contract.

At 30 June 2014, the recoverable amount of the investment was not checked insofar as the cash flows recorded for the first half of 2014 were mainly in line with forecasts. Given that there are no elements at present as to presuppose an amendment of the assumptions contained in the economic and financial plan already used to draft the financial statements at 31 December 2013, no impairment tests were performed to check the CGU's recoverable amount.

Intangible assets – Goodwill: EUR/000 14,745 (EUR/000 14,745)

This caption did not show changes compared to the previous year. Specifically, the amount of EUR/000 14,745 comprised the following:

- EUR/000 11,634 for goodwill recognised following purchase of the BUSI IMPIANTI business unit during 2012, referring to the plant engineering and maintenance segments, allocated to the *"Plant and maintenance" Cash Generating Unit,* which comprises the assets of NBI and its investees. This combination represents the basic reference unit within the Group for which goodwill is monitored by management for management purposes, and thus to determine whether or not to include it in the financial statements.
- EUR/000 3,111 for goodwill recognised during 2012 following the acquisition of *T.E.Q. Construction Enterprise Inc.* which was allocated to the Cash Generating Unit involving the investee only. This is because it is believed that the CGU will generate cash inflows deriving from the continuation of its business activities , quite independent from those from other Group activities.

As regards measurement of the recoverable amount of goodwill, with regard to the assumptions and forecasts referred to when measuring impairment in the 2013 financial statements, no new facts had come to light at the reporting date of the interim financial statements such as to amend the forecasts already reflected in said measurements and have a significant effect on the recoverable amount of the relative CGUs.

Other assets: EUR/000 4,171 (EUR/000 4,691)

Other assets mainly included (EUR/000 3,281) the net amount of contractual rights acquired from third parties, mostly in Italy (Ospedale del Mare in Naples), for the performance of contracts in the construction segment. This caption remained largely unvaried compared to the previous year and the main change referred to the ordinary amortisation (EUR/000 788).

18 Equity investments: EUR/000 404,436 (EUR/000 384,151)

Investments in associates, joint ventures and other companies, net of impairment losses, amounted to EUR/000 404,436 with an increase of EUR/000 20,285 compared to 31 December 2013.

	30/06/14	31/12/13	Change
Equity investments measured at cost	2,623	2,032	591
Equity-accounted investees	401,813	382,119	19,694
Total	**404,436**	**384,151**	**20,285**

The change in "Equity-accounted investees" was due to the following, in addition to the overall financial effects arising from equity-accounted investees:

- capital injections totalling EUR/000 31,289 in relation to the SPV Otoyol Yatirim Ve Isletme A.S., set up under Turkish law that is developing the concession for the design, construction and management of the new Gebze-Orhangazi-Izmir motorway in Turkey;
- capital injections totalling EUR/000 20,379 in relation to the entity set up under Turkish law that is developing the concession for the design, construction and management of the Third Bridge on Bosphorus;
- the decrease in the carrying amount of the investment in A4 Holding (EUR/000 43,879) recognised further to the merger of the subsidiary A.I.2 S.r.l. in Re.Consult Infrastrutture S.p.A. - as described in more detail in the introduction to these notes – mainly referable to the write-off of portion of the investment in A.I.2 pertaining to non-controlling interests.

As regards checking of the recoverability of the carrying amount of investments recognised in these condensed interim consolidated financial statements, no impairment indicators have emerged to date such as to make the performance of specific impairment tests necessary.

Specifically, as regards the recoverable amount of the equity investment in Metro 5 S.p.A., no new facts have come to light to date as to amend the forecasts already reflected in impairment test performed at 31 December 2013.

Lastly, the carrying amounts of investments are shown net of the capital proceeds still to be paid in with regard to subscribed shares/quotas, in keeping with last year.

19 Financial assets

Non-current financial assets: EUR/000 123,514 (EUR/000 96,840)

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

	30/06/14	31/12/13	Change
Financial assets from concession activities	10,950	15,603	(4,653)
Non-current loan assets	71,133	46,439	24,694
Other financial assets - investees	13,734	10,401	3,333
Finance lease receivables	27,697	24,397	3,300
Total	**123,514**	**96,840**	**26,674**

Financial assets from concession activities include the non-current portion of the present value of the minimum payments guaranteed by the concession grantors for Turkey, mainly referring to the concession for Milas-Bodrum Airport. The decrease compared to the previous year can be attributed to the decrease in the amount receivable subsequent to collections during the first half of 2014.

"Non-current loan assets" refer mainly to loans given to associates expressing the Group's investment strategy, especially in the concessions segment.

The main changes of this caption compared to the previous year are due to the following factors:

- Increase of EUR/000 26,259 as a result of the loan disbursed to the associate developing the concession for the construction and management of the Third Bridge on Bosphorus;
- Increase of EUR/000 7,804 in the loan granted to the associate, Metro 5 S.p.A. recorded further to payment of an additional amount to support the concession works;
- Decrease of EUR/000 9,495 in the loan granted to the associate Otoyol Yatirim Ve Isletme A.S., essentially due to the use of the part of the amounts paid to reduce the amount due for the share capital increase approved by the investee on 28 March 2014.

The finance lease receivables regard the transaction, defined as such pursuant to IFRIC 4, undertaken by the subsidiary Valle Aconcagua A.S. with reference to the Relaves Project as already mentioned in note 1.

On the basis of the IFRS and IFRIC, the Group has derecognised the plant for the treatment and recovery of copper and molybdenum, covered by the lease, replacing the relative carrying amount with the financial asset with recognition of the relative financial income on the basis of the term of the lease, using the effective interest rate applicable to the lease.

For information on "Other financial assets - investees", see the annex on related party transactions.

Current financial assets: EUR/000 46,376 (EUR/000 46,391)

Current financial assets amounting to EUR/000 46,376 were largely unvaried compared to the end-of-year figure and were as follows:

	30/06/14	31/12/13	Change
Financial assets from concession activities	17,237	15,447	1,790
Securities in portfolio	1,567	1,407	160
Derivatives	49	164	(115)
Current loan assets	27,523	29,373	(1,850)
Total	**46,376**	**46,391**	**(15)**

"Financial assets from concession activities" basically consist of works in progress in Bodrum for the management of the airport international terminal.

"Current loan assets" mainly referred to: (i) EUR/000 20,959 for financial resources made available temporarily and for a period limited to fund the start-up phase of some activities undertaken by the Group in partnership in Turkey; (ii) EUR/000 5,142 for the loan granted to the associate Consorzio MM4 to support operating activities, and (iii) EUR/000 1,422 for the transfer of the short-term portion of finance lease receivables related to the Relaves project.

The agreements regulating the aforementioned loan agreements provide for the recovery of the sums by the first half of 2015, including interest.

20 Other assets

Other non-current assets: EUR/000 50,179 (EUR/000 53,634)

The breakdown of this caption is shown in the table below:

	30/06/14	31/12/13	Change
Indirect taxes claimed for reimbursement	12,179	16,807	(4,628)
Direct taxes claimed for reimbursement	12,634	8,439	4,195
Tax assets	**24,813**	**25,246**	**(433)**
Advances to suppliers and subcontractors	5,146	2,268	2,878
Guarantee deposits	3,669	3,794	(125)
Prepaid insurance premiums	9,402	12,064	(2,662)
Prepaid surety commissions	6,260	8,754	(2,494)
Other prepayments	738	1,005	(267)
Other sundry loans and receivables	151	503	(352)
Other assets	**25,366**	**28,388**	**(3,022)**
Total	**50,179**	**53,634**	**(3,455)**

The decrease in this caption mainly referred to the decrease in "Prepayments" of EUR/000 5,423, partially offset by the increase in “Advances to supplier and subcontractors” of EUR/000 2,878.

Other current assets: EUR/000 416,263 (EUR/000 383,467)

“Other current assets” amounted to EUR/000 416,263 and increased by EUR/000 32,796 compared to the previous year.

	30/06/14	31/12/13	Change
Loans and receivables with associates and joint ventures	20,581	22,598	(2,017)
Loans and receivables with other companies	176	134	42
Advances to suppliers and subcontractors	215,922	209,077	6,845
Receivables from third parties for the sale of goods and services	151,543	127,393	24,150
Receivables from employees	3,116	2,915	201
Receivables from social security institutions	3,730	2,647	1,083
Prepaid insurance premiums	3,924	4,282	(358)
Prepaid commissions on sureties	3,393	2,055	1,338
Other prepayments	2,579	1,940	639
Other sundry loans and receivables	11,299	10,426	873
Total	**416,263**	**383,467**	**32,796**

“Advances to suppliers and subcontractors” increased by EUR/000 6,845, especially with regard to contracts in execution in Russia.

“Receivables from third parties for the sale of goods and services” totalling EUR/000 151,543 increased compared to the previous year by EUR/000 24,150 and, as mentioned in the note to “Other revenue”, referred to individual components not directly related to the company’s core business, but which are in any case accessory to the core business and with continuity over time.

The geographical breakdown of loans and receivables with third parties is as follows:

	30/06/14	%	31/12/13	%	Change
Italy	29,943	19.76%	30,661	24.07%	(718)
Europe	89,576	59.11%	64,141	50.35%	25,435
America	18,862	12.45%	18,345	14.40%	517
Africa	11,600	7.65%	12,730	9.99%	(1,130)
Asia	1,562	1.03%	1,516	1.19%	46
Total	**151,543**	**100.00%**	**127,393**	**100.00%**	**24,150**

For more details regarding “Loans and receivables with associates and joint ventures” totalling EUR/000 20,581, please see the annex on related party transactions.

21 Inventories: EUR/000 59,519 (EUR/000 61,711)

The caption consists of the following:

	30/06/14	31/12/13	Change
Raw materials, consumables and supplies	53,707	59,656	(5,949)
Work in progress and semi-finished products	0	114	(114)
Finished goods	2,972	1,594	1,378
Goods and materials in transit	2,840	347	2,493
Total	**59,519**	**61,711**	**(2,192)**

The following table provides the geographical breakdown of this caption:

	30/06/14	%	31/12/13	%	Change
Italy	5,030	8.45%	4,379	7.10%	651
Europe	19,110	32.11%	19,000	30.79%	110
America	28,332	47.60%	30,199	48.94%	(1,867)
Africa	7,047	11.84%	8,023	13.00%	(976)
Asia	0	0.00%	110	0.18%	(110)
Total	**59,519**	**100.00%**	**61,711**	**100.00%**	**(2,192)**

The decrease is mainly attributable to America (EUR/000 1,867), and specifically to the completion of some production phases referring to construction of Cerro de Águila hydroelectric plant in Peru and the consequent use of inventories at 31 December 2013.

As regards Africa, the decrease in question mainly referred to the railway projects in Algeria (Saida-Moulay-Slissen and Saida-Tiaret railway lines).

22 Receivables from customers: EUR/000 1,479,699 (EUR/000 1,261,797)

Payables to customers: EUR/000 740,058 (EUR/000 676,569)

These captions consist of the following:

	30/06/14	31/12/13	Change
CURRENT ASSETS			
Contract work in progress	10,336,093	8,837,402	1,498,691
Provision for contract losses to complete	(10,395)	(10,642)	247
Total contract work in progress	**10,325,698**	**8,826,760**	**1,498,938**
Progress billings	(8,845,999)	(7,564,963)	(1,281,036)
Total Receivables from customers	**1,479,699**	**1,261,797**	**217,902**

CURRENT LIABILITIES

Contract work in progress	1,236,043	1,840,650	(604,607)
Provision for contract losses to complete	(758)	(2,889)	2,131
Total contract work in progress	**1,235,285**	**1,837,761**	**(602,476)**
Progress payments	(1,422,722)	(2,066,156)	643,434
Subtotal	***(187,437)***	***(228,395)***	***40,958***
Contractual advances	(552,621)	(448,174)	(104,447)
Total payables to customers	**(740,058)**	**(676,569)**	**(63,489)**

Contract work in progress, recognised separately between the amounts due from and to customers increased with respect to foreign contracts, with specific reference to works for the Western High-Speed Diameter in St. Petersburg in Russia and projects in progress in Turkey related to the Gebze-Izmir motorway and Third Bridge on Bosphorus, as well as the Muskrat Falls hydroelectric project in Canada, Line 2 of the Warsaw underground in Poland and the Saida-Moulay Slissen railway line in Algeria.

With regard to America, contract work in progress in Venezuela decreased, partially offset by the significant contribution of works in Chile (Chuquicamata mining project) and Peru (Cerro del Águila hydroelectric project).

Contract work in progress also increased in Italy, mainly in the transport infrastructures segment (Lots DG-21 and DG-22 of the Jonica National Road, Line 5 of the Milan underground, the Pedemontana Lombarda motorway, Line C of the Rome underground and the Blue Line of the Milan underground).

Lastly, the increase in contract advances must be noted, related above all to the sum collected during the first half of the year for the Western High-Speed Diameter in St. Petersburg, Russia and for construction of the Third Bridge on Bosphorus in Turkey.

The decrease in the contract advance received for construction of the Gebze-Orhangazi-Izmir motorway was due to the production levels achieved during the first half of the year.

23 Trade receivables: EUR/000 1,031,712 (EUR/000 961,893)

Trade receivables increased compared to the previous year by approximately EUR/000 69,819 and comprise the following:

	30/06/14	31/12/13	Change
Customers	991,336	928,121	63,215
Associates and joint ventures	46,071	41,791	4,280
Parents	18	10	8
Other investees	6,950	4,510	2,440
Allowance for impairment	(12,663)	(12,539)	(124)
Total	**1,031,712**	**961,893**	**69,819**

The following table provides the geographical breakdown of this caption:

	30/06/14	%	31/12/13	%	Change
Italy	361,219	35.01%	402,929	41.89%	(41,710)
Europe	241,583	23.42%	150,864	15.68%	90,719
America	393,443	38.13%	359,633	37.39%	33,810
Africa	30,213	2.93%	31,160	3.24%	(947)
Asia	5,254	0.51%	17,307	1.80%	(12,053)
Total	**1,031,712**	**100.00%**	**961,893**	**100.00%**	**69,819**

With regard to the geographical breakdown of trade receivables, there was an increase in Europe due to the contribution of contracts in progress in Romania and Russia. There was also an increase in the amount of trade receivables referring to America, especially Chile, Peru and Venezuela, as a result of systematic and ongoing certification of the works completed. With reference to Venezuela, during the first part of the year, the Customer continued with the certification and acceptance of the works completed in the previous years. Said authorisation process resulted in works to be certified being reduced by approximately EUR/000 24,088 with a consequent increase in Receivables. Specifically, works completed up to October 2013 for the Puerto Cabello - La Encrucijada contract were certified and partially invoiced.

Lastly, as regards the continuing credit exposure vis-a-vis the Venezuelan government, characterised by a significant delay in payments, the Group's business model, based on prudent criteria, has meant – as already mentioned in note 1 - that activities related to projects in progress in Venezuela have continued to be limited. This has occurred despite the initiatives of the governments of the two countries and local institutions which should allow for the start-up, albeit gradual, of normalisation of contractual relations. In this regard, specific meetings between the representatives of the respective governments have been planned during the second half of the year, as well as the planned Economic Cooperation Council involving the two countries.

The amount of certified, and hence collectable, receivables from the Venezuelan government at 30 June 2014 totalled EUR 338 million (net of EUR 15 million of contractual advances). In this regard, it is felt to date that despite the continuing delays in payments, there are not sufficient reasons to consider the overall collectability of the relative receivables to be at risk, with consequent impairment. This is due to the fact that the recent earmarking of sums, allocated by the relevant authorities and authorised by the President of the Republic – both for the settlement of payables and allocation of funds for future years -, combined with acknowledgement of works performed by the Client, and intensive diplomatic activities, also as a result of the waning of social tension in the country, can be taken as positive indicators and are useful for hypothesising that the sums due to Italian companies working on projects in Venezuela will start to be repaid in a relatively short period of time.

While note must be made of the decrease in the amount referring to Asia, due specifically to collection of receivables for works performed in relation to the Jedda and KAEC and Jubail stations in Saudi Arabia.

The decrease also recorded in Italy was basically due to collection of part of the amounts accrued for works performed for the construction of Line 5 of the Milan underground and the Pedemontana Lombarda Motorway.

The allowance for impairment decreased compared to the previous year and is detailed below:

	31/12/13	Accruals	Uses		Exchanges rate differences and other movements	30/06/14
			profit or loss	Statement of financial position		
Allowance for impairment	(10,767)	(124)		0	0	**(10,891)**
Allowance for impairment - default interest	(1,772)		0	0	0	**(1,772)**
Total	**(12,539)**	**(124)**	**0**	**0**	**0**	**(12,663)**

24 Tax assets: EUR/000 103,240 (EUR/000 104,612)

The caption consists of the following:

	30/06/14	31/12/13	Change
Indirect tax assets	77,499	72,179	5,320
Direct tax assets	25,939	32,631	(6,692)
Allowance for impairment	(198)	(198)	0
Total	**103,240**	**104,612**	**(1,372)**

“Indirect tax assets” increased above all in relation to the international sector, and specifically with regard to Turkey and Poland.

While there was a decrease in “Direct tax assets” referring mainly to Turkey, and more specifically to the use of tax assets to offset tax liabilities in accordance with the law.

25 Cash and cash equivalents: EUR/000 361,082 (EUR/000 373,226)

Cash and cash equivalents decreased compared to 31 December 2013 by EUR/000 12,144 and comprised the following:

	30/06/14	31/12/13	Change
Bank and post office accounts	360,652	372,793	(12,141)
Cash-in-hand and cash equivalents	430	433	(3)
Total	**361,082**	**373,226**	**(12,144)**

In terms of geographical breakdown this caption is as follows:

	30/06/14	31/12/13	Change
Italy	133,336	159,093	(25,757)
Europe	180,380	167,144	13,236
Asia	2	8	(6)
America	36,430	34,147	2,283
Africa	10,934	12,834	(1,900)
Total	**361,082**	**373,226**	**(12,144)**

Disclosure on the statement of cash flows

Cash flows for the first half of 2014, including the increase in bank deposits referring to disposal groups (EUR/000 570), show an overall decrease in net cash and cash equivalents of EUR/000 11,574, compared to a reduction of EUR/000 31,757 recorded in the first half of 2013.

Cash flows from operating activities

Cash flows used in operating activities during the first half of 2014, totalling EUR/000 198,470, recorded an increase of EUR/000 151,011 compared to the same period of 2013 (EUR/000 47,459).

Said increase was due to (i) the increase in works in progress referring specifically to projects in Turkey (Third Bridge on Bosphorus), Russia (Western High-Speed Diameter in St. Petersburg), Canada (Muskrat Falls Hydroelectric Project) and Italy (Line 4 of Milan underground and Line C of Rome underground, Pedemontana Lombarda Motorway);

(ii) the increase in “Advances to suppliers and subcontractors” and “Receivables from third parties for the sale of goods and services” attributable specifically to contract work in progress in Russia and Turkey; partially offset by the increase in contractual advances recognised above all in relation to amounts collected during the first half of the year for the Western High-Speed Diameter in Russia and for construction of the Third Bridge on Bosphorus in Turkey.

The performance of the first six months of the year will be normalised during the second part of 2014 when important production milestones will be achieved, that are also expected to be reflected at a financial level.

Cash flows from investing activities

Cash flows used in investing activities in the first half of 2014 totalled EUR/000 41,500 and mainly referred to:

- payments made for the share capital increases approved by the companies operating in the concessions segment, totalling EUR/000 49,098; especially in Turkey – *with regard to the concessions for the construction and management of the Gebze-Orhangazi-Izmir Motorway and of the Third Bridge on Bosphorus;*
- financial support granted to concession projects being started up in Turkey – mainly referring to the *Third Bridge on Bosphorus*– totalling EUR/000 23,046;
- Capital invested in technical resources and equipment, in relation to performance of construction contracts being started up in Canada and works in progress in Russia, totalling EUR/000 37,083;

Said increases were partially offset (EUR/000 33,061) by adjustment of the equity contribution in A4 Holding - for the portion attributable to non-controlling interests at 31 December 2013 – recognised further to merger of the subsidiary, A.I.2 S.r.l., into Re.Consult Infrastrutture S.p.A. – as already mentioned in the introduction to these notes.

Cash flows from financing activities

During the first half of 2014, net cash flows from financing activities totalled EUR/000 228,396, basically regarding:

- Net cash assets acquired in February 2014 by the issue of an further tranche of the senior unsecured bond of EUR/000 150,000;
- Net cash and cash equivalents acquired further to committed revolving loan transactions subscribed with Cariparma (EUR/000 50,000) and through the use of short-term credit lines (uncommitted) for approximately EUR/000 180,000

Partially offset by:

- EUR/000 35,000 from early repayment of the committed revolving loan – Cariparma;
- EUR/000 30,000 from early repayment of the remaining part of the EUR 110-million committed loan agreed with Banca Popolare di Milano and Centrobanca;
- EUR/000 13,800 from repayment of the last instalment of the loan granted to Astaldi Concessioni by Banca Popolare di Milano;
- EUR/000 18,701 from cash absorbed by dividends paid by Astaldi and other group companies to non-controlling interests.

The aggregate referring to cash flows from financing activities includes the effect of changes in the consolidation scope referring specifically to the merger of the subsidiary, A.I.2 S.r.l. into Re.Consult Infrastrutture S.p.A. – as commented on above.

26 Assets/Liabilities related to disposal groups classified as held for sale: EUR 28,333 (EUR/000 60,273) - EUR/000 16,204 (EUR/000 39,947)

In 2013, through the subsidiary Astaldi Concessioni S.r.l., the Group signed an agreement for the sale to a group of institutional investors of 95% of AST VT S.r.l. and AST B S.r.l., holders of the concessions for the "Car Parks Division" of the Group (consisting of the following car parks: "Riva Reno" and "Piazza VIII Agosto" in Bologna, "C.so Stati Uniti" and "Porta Palazzo" in Turin and "P.zza Cittadella" in Verona) which provided for financial closing of the transaction by the first half of 2014.

On 28 March 2014, upon the occurrence of the conditions precedent set down in the agreement, sale of the investment in AST VT S.r.l was completed. While, as regards the investee AST B S.r.l., definition of the agreement was only reached on 18 July 2014, for reasons not depending on the management. That meant that the assets and liabilities related to the latter CGU were classified, in keeping with the previous year, as held for sale in these condensed interim consolidated financial statements.

	30/06/14	31/12/13	Change
Concession rights	1,579	1,579	0
Trade receivables	450	355	95
Financial assets from concession activities	25,125	57,731	(32,606)
Other assets	0	1	(1)
Cash and cash equivalents	1,178	607	571
Non-current assets held for sale	**28,333**	**60,273**	**(31,941)**
Employee benefits	2	2	0
Deferred tax liabilities	4,799	8,478	(3,679)
Trade payables	26	244	(218)
Financial liabilities	9,771	27,657	(17,886)
Tax liabilities	427	613	(186)
Other liabilities	1,178	2,954	(1,776)
Liabilities directly associated with non-current assets held for sale	**16,204**	**39,947**	**(23,744)**

For more information regarding measurement of the fair value of the CGU referring to the car parks in Bologna, please refer to note 34.

27 Equity: EUR/000 564,728 (EUR/000 592,193)

Share capital: EUR/000 196,850 (EUR/000 196,850)

The share capital subscribed and fully paid-in, comprises 98,424,900 ordinary shares with a nominal amount of Euro 2 and totals EUR/000 196,850.

According to the Shareholders' Register and other information in this respect, required by law (pursuant to Art. 120 of Legislative Decree No. 58/98) the shareholders of Astaldi S.p.A. holding a share in excess of 2% at 30 June 2014 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%**
Pioneer Asset Management S.A.	4,990,821	5.070%
Pictet Asset Management Ltd	2,065,633	2.099%
FMR LLC	1,999,104	2.031%
Total shareholders with a significant investment	**60,889,020**	**61.863%**
Treasury shares	401,992	0.408%
Market	37,133,888	37.728%
Grand total	**98,424,900**	**100.000%**

Therefore, outstanding shares at 30 June 2014 totalled 98,022,908 (97,904,780 outstanding shares at 31/12/2013) and recorded an increase of 118,128 shares, compared to the previous year, calculated as follows:

Shares outstanding in 2014	
01/01/2014	**97,904,780**
Outgoing for buy-back	(250,689)
Incoming for buy-back and the stock grant plan	368,817
30/06/2014	**98,022,908**

The Parent's shares regularly granted to employees under the stock grant plan totalled 1,230,971 shares at the end of the period (1,091,800 shares at the end of 2013).

Other financial instruments giving the right to subscribe newly issued shares

During the previous year, the parent issued an equity-linked bond loan with a 6-year duration, of a total nominal amount of EUR 130 million, placed with qualified Italian and foreign investors.

Since last January, the bonds have become convertible into existing or newly-issued ordinary company shares. The bond conversion price has been set at EUR 7.3996 that incorporates a conversion premium of 35% of the weighted average price for Astaldi shares traded on the Italian Stock Exchange during the interval from the bond issue to pricing, equal to EUR 5.4812.

The Parent shall be entitled to settle any conversion through payment in cash or a combination of ordinary shares and cash (cash settlement option).

To this end, at the Meeting held on 23 April 2013, the shareholders approved the proposed share capital increase, reserved exclusively and irrevocably to service the equity-linked bond issue, in cash, by payment and in more than one transaction, with exclusion of the pre-emption right pursuant to Article 2441, subsection 5 of the Italian Civil Code for a maximum, total nominal amount of EUR/000 35,137, to be released on one or more tranches through the issue of a maximum of 17,568,517 ordinary company shares of a nominal amount of EUR 2.00 with the same characteristics as outstanding ordinary shares. The number of shares involved in the conversion shall be calculated by dividing the nominal amount of bonds, in relation to which the conversion application was submitted, by the conversion price.

At the reporting date of these condensed interim consolidated financial statements, no conversion requests have been submitted to the Parent.

Treasury shares held by the Parent: EUR/000 804 (EUR/000 1,040)

The treasury shares owned by the Parent at the end of the period totalled 401,992 equivalent to 0.408% of share capital (556,078 shares in 2013), with the nominal amount totalling EUR/000 804 being recognised, in accordance with IFRS, as a decrease of the share capital.

Reserves: EUR/000 328,616 (EUR/000 283,947)

The breakdown of reserves can be found in the following table:

	30/06/14	31/12/13	Change
Legal reserve	27,934	26,201	1,733
Extraordinary reserve	258,243	244,376	13,867
Retained earnings	102,374	75,844	26,530
Other reserves	(162)	114	(276)
Other comprehensive expense	(59,773)	(62,588)	2,815
Total	**328,616**	**283,947**	**44,669**

- **Legal reserve**

The legal reserve increased by EUR/000 1,733 in relation to the provision set forth in Art. 2430 of the Italian Civil Code.

- **Extraordinary reserve**

The extraordinary reserve increased compared to the previous year by EUR/000 13,867. Specifically: EUR/000 13,715 as the remaining amount of the allocation of profit of the Parent for 2013; EUR/000 77 as a result of buy-back transactions; and EUR/000 75 as the remaining amount of the allocation of profits of the subsidiaries for 2013.

With regard to buy-back transactions, the reserve for treasury shares in the portfolio, established pursuant to Art. 2357-ter of the Italian Civil Code, totalled EUR/000 2,546 used, pursuant to IFRS, to reduce the extraordinary reserve by EUR/000 1,742 and to reduce the share capital by EUR/000 804, the latter corresponding to the nominal amount of treasury shares in portfolio.

- **Retained earnings**

Retained earnings amounting to EUR/000 102,374 reflected the effects arising from consolidation of investments in subsidiaries and from application of the equity method for associates and joint ventures.

The caption likewise included the acquisition of non-controlling interests in entities that are already controlled by the Group as governed by IAS 27.

- **Dividends**

During the period, dividends totalling EUR 18,700,731 were paid (EUR 16,639,053 in 2013). The dividend approved at the General Meeting of 30 April 2014 of EUR 0.19 per share (EUR 0.17 in 2013), was paid on 15 May 2014, ex-dividend date on 12 May 2014; likewise, part of the profit for 2013, EUR/000 520, was allocated to the provision pursuant to Art. 27 of the Company's by-laws.

- **Other reserves**

The breakdown of the caption can be found below:

	30/06/14	30/06/13	Change
Stock grant reserve	2,425	2,925	(500)
FTA	(13,373)	(13,373)	0

Reserve for IFRIC 12 FTA	10,396	10,396	0
Reserve for trading in treasury shares	2,758	2,534	224
Other	(2,368)	(2,368)	0
Total	**(162)**	**114**	**(276)**

There was a change in "Other reserves" mainly due to a stock grant reserve difference of EUR/000 500.

The "Stock grant reserve" represents the amount of the shares assigned to employees, but not yet delivered, calculated in accordance with current regulations and the relative actuarial appraisal.

The IFRS FTA reserve represents: (i) the total amount of adjustments recognised under the opening statement of financial position of the first set of financial statements drawn up in accordance with IFRS; (ii) the amount recorded following subsequent endorsements of IFRS compared to the FTA; (iii) the cumulative translation differences at the FTA, not recalculated following exercise of the exemption set forth in IFRS 1.13; (iv) the consolidation differences emerging from business combinations prior to the transition date to IFRS, not recalculated following exercise of the option set forth in IFRS 1.13.

The reserve for IFRIC 12 FTA has been calculated, as regards service concession arrangements, during first-time application of IFRIC 12, with specific reference to the identification, measurement and classification of individual investments (financial or intangible assets).

The reserve for trading in treasury shares includes the gains and losses arising from the buy-back plan.

"Other" reserves include minor items arising from equity accounting of some associates.

- **Other comprehensive income**

Other comprehensive income comprises the effects of the hedging reserve, the translation reserve, net actuarial gains and losses on defined benefit plans and measurement of AFS financial assets. The changes are shown hereunder:

	Hedging reserve	Translation reserve	AFS financial assets	Net actuarial losses on defined benefit plans	Total
At 01/01/2013	(45,676)	(6,412)	0	(869)	(52,957)
Changes during the half year	18,509	(28,797)	(147)	804	(9,631)
At 31/12/2013	**(27,167)**	**(35,209)**	**(147)**	**(65)**	**(62,588)**
Changes during the half year	(5,116)	7,975	94	(138)	2,815
At 30/06/2014	**(32,283)**	**(27,234)**	**(53)**	**(203)**	**(59,773)**

The breakdown of the hedging reserve can be found below:

	30/06/14	31/12/13	Change
Parent/Subsidiaries	(15,483)	(16,047)	564
Tax effect	4,152	4,294	(142)
Carrying amount, net of tax effect	**(11,331)**	**(11,753)**	**422**
Associates	(21,190)	(15,594)	(5,596)
Total	**(32,521)**	**(27,347)**	**(5,174)**
Owners of the parent	(32,283)	(27,167)	(5,116)
Non-controlling interests	(238)	(180)	(58)

Equity attributable to non-controlling interests: EUR/000 5,734 (EUR/000 45,101)

Equity attributable to non-controlling interests decreased by EUR/000 39,367, mainly as a result of changes in the consolidation scope during the first half of 2014, and more specifically for EUR/000 37,765 referring to the merger of the subsidiary A.I.2 S.r.l into Re.Consult Infrastrutture S.p.A., as commented on above.

The changes in other comprehensive income attributable to non-controlling interests can be seen below:

	Hedging reserve	Translation reserve	AFS financial assets	Net actuarial gains and losses on defined benefit plans	Total
At 01/01/2013	(510)	447	0	(34)	(97)
Changes during the half year	329	(318)	(48)	83	46
At 31/12/2013	**(181)**	**129**	**(48)**	**49**	**(51)**
Changes during the half year	(57)	(61)	48	(52)	(122)
At 30/06/2014	**(238)**	**68**	**0**	**(3)**	**(173)**

Capital management

Please find below the disclosure provided for in IAS 1.134.

A) Qualitative information

The Group uses the term capital to refer to both shareholder contributions and operating profits (retained earnings and other reserves). While the Group does not include in this definition the equity items recognised subsequent to the measurement of cash flow hedging derivatives since these will be offset against income components in future years, thus allowing the Group to achieve the goal of hedging.

The goals identified by the Group regarding capital management are the creation of value for shareholders as a whole, the safeguarding of going concern and support to the growth of the Group itself. The Group thus intends to maintain a suitable level of capitalisation in order to achieve both a satisfactory economic return for shareholders and to guarantee economic access to external sources of funding.

The Group constantly monitors the evolution of the level of debt in relation to equity and taking into account the generation of cash flow from operating activities with the effects of investment in the construction and concessions segments. All of the above in complete compliance with the Group's relative Business Plan. In order to achieve the above goals, the Group pursues constant improvement of the profitability of the business segments it operates in.

In order to provide a complete qualitative disclosure, it must be noted that the Group has complied with the financial covenant required as regards corporate "committed" borrowing with banks financing the Group. For further information see note 28.

B) Quantitative information

Please find below a quantitative analysis of the individual capital items as defined in the paragraph above:

	30/06/14	31/12/13
A – Total financial debt	**(1,101,560)**	**(800,235)**
Total equity	564,728	592,193
Less amounts accumulated in equity for cash flow hedges	(32,521)	(27,347)
B – Adjusted capital	**597,249**	**619,540**
C – Debt/Capital ratio (A/B)	**1.84**	**1.29**

28 Financial liabilities

Non-current financial liabilities: EUR/000 1,137,730 (EUR/000 970,042)*

Non-current financial liabilities showed an overall increase of EUR/000 167,688 and comprised the following:

	30/06/14	31/12/13	Change
Convertible bonds	130,000	130,000	0
Senior unsecured bonds	750,000	600,000	150,000
Bond – Nominal amount	**880,000**	**730,000**	**150,000**
Issue and placement commissions	(10,661)	(16,732)	6,071
Cash Settlement option – fair value	23,347	4,389	18,958
Total bonds	**892,686**	**717,657**	**175,029**
Bank loans and borrowings	223,445	230,653	(7,208)
Loans backed by personal guarantees	4,779	4,896	(117)
Finance lease payables	13,351	15,992	(2,641)
Bank loans and borrowings and finance lease payables – Nominal amount	**241,575**	**251,541**	**(9,966)**
Loan commissions	(8,043)	(9,927)	1,884
Hedging derivatives	9,882	9,032	850
Total bank loans and borrowings and finance lease payables	**243,414**	**250,646**	**(7,232)**

Loans and borrowings - associates and joint ventures	1,630	1,645	(15)
Loans and borrowings - other investees	0	94	(94)
Total	1,137,730	970,042	167,688

(*) Included in NFP for an amount of EUR/000 1,102,871 (2013: EUR/000 954,881)

The general increase in this caption, compared to 2013, is related to the investments made in Turkey, in the concessions segment, and more generally to the financing of invested capital in relation to contract work in progress.

With regard to the concessions segment, the relative debt is by definition "without recourse", or in any case self-liquidating, also taking into account the financial assets from concession activities guaranteed by the grantor.

Lastly, the basic focus of the debt structure on the medium-long term, targeted to consolidate an optimal sources/uses structure to meet the Group's financing and development requirements, should be noted.

Bonds

They comprises the fair value of the cash settlement option equal to EUR/000 23,347 related to the equity-linked bond falling due in 2019, in addition to the nominal amount of loans, calculated and expressed on the basis of the relative amortised cost. (Please see note 34 below regarding the techniques and inputs used for measurement).

Said option grants the subscriber the right to exercise the right of conversion from 01/02/2014 through to the due date.

In June 2014, the Group's bonds were as follows:

- Equity-linked bond loan issued in January 2013, reserved for qualified Italian and foreign investors. The bond, with a nominal amount of EUR/000 130,000, has a six-year duration (falling due on 31 January 2019) and has a six-monthly coupon at a fixed rate of 4.50%/year, payable on 31 January and 31 July of each year. The bonds may become convertible into existing or newly-issued ordinary company shares as from 1 February 2014, save for the Company's right to settle any conversion application through the delivery of ordinary shares, or through payment in cash, or through a combination of ordinary shares and cash (cash settlement option). The bond conversion price has been set at EUR 7.3996 and incorporates a conversion premium of 35% compared to the average price of Astaldi shares traded on the Italian Stock Exchange on 14 January 2013.
- Senior unsecured fixed-rate bond issued in December 2013, for the sum of EUR/000 500,000, falling due in 2020. The bonds have an annual coupon of 7.125% and the issue price is equal to 100%. The bonds were rated B1 (Moody's), B+ (Fitch) and B+ (S&P) and offered exclusively to qualified investors and listed on the official index of the Luxembourg Stock Exchange.
- Issue of an integration of the aforementioned senior unsecured fixed-rate bond in December 2013, for the

sum of EUR/000 100,000, falling due in 2020 (so-called Tap 1). The bonds, which had the same characteristics, terms and conditions of those issued pursuant to the senior loan for the sum of EUR/000 500,000 and could be completely combined with these, were placed at a price equal to 102.250% of their nominal amount by the same banks that placed the first senior unsecured loan.

- Issue of an integration of the aforementioned senior unsecured fixed-rate bond in February 2014, for the sum of EUR/000 150,000, falling due in 2020 (so-called Tap 2). The bonds, which had the same characteristics, terms and conditions of those issued pursuant to the senior loan for the sum of EUR/000 500,000 and could be completely combined with these, were placed at a price equal to 105.000% of their nominal amount by the same banks that placed the first senior unsecured loan.

The following table shows the main figures related to the aforementioned bonds:

Type of loan	Duration	Coupon	Outstanding 30/06/2014
Bond (Equity Linked)	Jan 2019	Half-yearly 4.5%	130,000
Bond (Senior Unsecured)	Dec 2020	Half-yearly 7.125%	750,000
Total Bonds			**880,000**

Bank loans and loans backed by personal guarantees

The non-current portion of bank loans decreased compared to the previous year mainly as a result of repayment of part of the Group's debt as well as repayment of the principal with the repayment plan.

The main bank loan transactions performed during the first half of 2014 were as follows:

- Committed revolving loan of EUR 50 million, entered into with Cariparma (and counter-guaranteed by SACE for 60% of the amount), dedicated to covering misalignment between costs and revenue related to the Group's international operations through its own branches or joint ventures, falling due in June 2017.
- Early repayment of the committed revolving loan of EUR 35 million, entered into with Cariparma (and counter-guaranteed by SACE for 70% of the amount).
- Early repayment of committed loan of EUR 110 million, entered into with Banca Popolare di Milano and Centrobanca, remaining amount at 30 June 2014 equal to EUR 30 million.
- Early repayment of committed loan of EUR 30 million, entered into with Portigon (formerly WestLB AG), remaining amount at 30 June 2014 equal to EUR 4 million.
- Repayment of last loan instalment of EUR 13.8 million, entered into by Astaldi Concessioni with Banca Popolare di Milano.

The following table shows the key figures related to the Group's main bank loans and borrowings at 30 June 2014:

Company	Type of loan	Outstanding 30/06/2014	Signing date	Expiry date
Astaldi S.p.A.	Bilateral - BNP Paribas	45,000	04/02/2013	20/07/2014
Astaldi S.p.A.	Bilateral - Banco do Brasil	22,000	03/12/2013	03/12/2014
Astaldi S.p.A.	Bilateral - Cariparma	50,000	27/06/2014	27/06/2017
Mondial Milas - A.S.	Syndicate	57,143	12/08/2011	31/07/2015 Repayment plan
Astaldi S.p.A.	Bilateral - Banco Bilbao Vizcaya Argentaria	10,000	05/06/2012	04/12/2015
Astaldi S.p.A.	Syndicate	19,250	22/06/2011	30/06/2016 Repayment plan
Astaldi S.p.A.	Syndicate	5,825	02/02/2012	30/06/2016 Repayment plan
Astaldi S.p.A.	Bilateral - Banca del Mezzogiorno – Mediocredito Centrale S.p.A.	20,446	17/05/2013	30/06/2016 Repayment plan
Astaldi S.p.A.	Syndicate	30,000	14/07/2008	14/07/2016 Repayment plan
Inversiones Assimco Limitada	Syndicate	7,414	05/08/2009	08/08/2016 Repayment plan
Astaldi S.p.A.	Bilateral - Banca Popolare dell'Emilia Romagna	16,904	04/12/2013	04/12/2016 Repayment plan
Astaldi S.p.A.	Syndicate	54,000	30/07/2012	30/07/2017 Repayment plan
	Total Other Corporate Loans	411,743		
	Total bank loans and borrowings	**749,725**		
	of which non-current	228,224		
	of which current	521,501		

Specifically, it must be noted that the "Forward Start Facility" revolving loan of EUR 325 million signed on 2 December 2011, organised by Unicredit S.p.A., BNP Paribas, Intesa Sanpaolo and The Royal Bank of Scotland and subscribed by a national and international banking syndicate, falling due in December 2016, was fully available for use at 30 June 2014 and hence represents an important source of available funds for the Group.

At 30 June 2014, the levels of financial covenants applied to the main loans were as follows:

- Group's debt/equity ratio: less than or equal to 2.30x;
- Group's debt/EBITDA ratio: less than or equal to 3.85x;
- EBITDA of Astaldi S.p.A. greater than 65% of Group's EBITDA.

While, the following financial covenants are applied as at 30 June 2014 to the loan of EUR 50 million signed with Cariparma:

- Group's debt/equity ratio: less or equal to 1.95
- Group's debt/EBITDA ratio: less or equal to 3.85.

Non-compliance with financial covenants, if not recovered within a period specified in the agreements (the "cure period"), may entail cancellation of the loan and hence a request by the lending banks to accelerate repayments.

All covenants were fully complied with.

In addition to financial covenants, the loan agreements, in keeping with international practice, include clauses that place restrictions on the Group's financial operations and other undertakings such as clauses regarding pari passu, negative pledges and change of control.

Finance lease payables

During the first half of the year, the Group signed finance leases totalling EUR/000 696. The leases referred to assets falling into the categories of generic plant, excavators and mechanical loaders; these contracts contain a redemption clause.

Current financial liabilities: EUR/000 538,533 (EUR/000 388,440)

Current financial liabilities increased compared to the previous year and comprised the following:

	30/06/14	31/12/13	Change
Bonds	6,297	5,692	605
Issue and placement commissions	(1,753)	(2,378)	625
Total bonds	**4,544**	**3,314**	**1,230**
Bank loans and borrowings	472,933	304,021	168,913
Current portion of loans	48,350	66,720	(18,370)
Loans backed by personal guarantees	218	212	6
Finance lease payables	7,399	9,770	(2,371)
Bank loans and borrowings and finance lease payables – Nominal amount	**528,900**	**380,723**	**148,178**
Loan commissions	(6,197)	(6,032)	(165)
Interest on bank loans	4,187	3,940	247
Hedging derivatives	6,125	6,325	(200)
Total bank loans and borrowings and finance lease payables	**533,015**	**384,956**	**148,060**
Loans and borrowings from other financial backers	**974**	**170**	**804**
Total	**538,533**	**388,440**	**150,094**

(*) Included in NFP for an amount of EUR/000 532,409 (2013: EUR/000 382,115)

Bonds refer to the coupons accrued and still to be paid, adjusted by the portion of issue and placement costs so as to reflect the amount upon expiry of the bonds, calculated on the basis of effective interest.

Bank loans and borrowings increased mainly as a result of partial use of short-term revolving credit facilities (committed and uncommitted) in order to implement the general policy supporting production – through financing of contract working capital – which the Group pursues in an ongoing manner, albeit in a macroeconomic context with especially complex features.

Hedging derivatives

The main inputs used to measure the fair value of hedging instruments include interest rate, return curves and exchange rates observable on the market.

Interest rate risk

At 30 June 2014, the notional amount of interest rate hedging derivatives amounted to EUR/000 355,222.32 of which EUR/000 16,629.13 for which hedge accounting did not qualify.

The percentage of fixed-rate debt corresponds to approximately 75% of the Group's total gross debt, also considering the issue of a senior unsecured bond of EUR/000 750,000 in December 2013 and February 2014 and the equity-linked bond issued in January 2013.

The tables shown below summarise the transactions performed to hedge the interest rate risk, based on the principles of cash flow hedging, split between those that qualify for hedge accounting and those that do not.

Hedges that qualify for hedge accounting:

Type of derivative	Hedged item	Notional remainder 30/06/14	Fair Value 30/06/14	Fair value 31/12/13
IRS	Medium-/Long-term debt	338,593	(15,782)	(16,501)
Total		**338,593**	**(15,782)**	**(16,501)**

Hedges that do not qualify for hedge accounting:

Type of derivative	Hedged item	Notional remainder 30/06/14	Fair Value 30/06/14	Fair value 31/12/13
IRS	Medium-/Long-term debt	16,629	(981)	(1,218)
Total		**16,629**	**(981)**	**(1,218)**

Hedging reserve:

Hedging reserve – interest rate risk	30/06/14	31/12/13
Opening balance	(16,224)	(34,507)
Impact on reserve net of release to profit or loss	691	18,283
Closing balance	(15,533)	(16,224)
Ineffectiveness	(249)	(277)

Currency risk

At 30 June 2014, the notional amount of hedges related to currency risk, converted into Euros, totalled EUR/000 3,180, for all of which hedge accounting was applied.

The hedges entailed the recognition among Equity (Hedging reserve) of EUR/000 49.

Hedges that qualify for hedge accounting:

Type of derivative	Hedged item	Notional remainder 30/06/14	Fair Value 30/06/14	Fair value 31/12/13
Forward Buy USD/Sell EUR 1.38735	Medium-/Long-term debt	3,180	49	177
Total		**3,180**	**49**	**177**

Hedging reserve:

Hedging reserve – currency risk	30/06/2014	31/12/2013
Opening balance	177	22
Impact on reserve net of release to profit or loss	(128)	155
Closing balance	49	177
Ineffectiveness	0	0

Net financial debt

The following table shows the amount of the net financial debt with a breakdown of the main items as requested by CONSOB communication no. DEM/6064293 of 28 July 2006 which refers to the European Securities and Markets Authority – ESMA (formerly CESR) Recommendation dated 10 February 2005.

			30/06/2014	31/12/2013 Restated
A	Cash		361,082	373,226
B	Securities held for trading		1,567	1,407
C	**Cash and cash equivalents**	**(A+B)**	**362,649**	**374,633**
-	Current loan assets		27,523	29,412
	of which from related parties		*5,142*	*4,913*
-	Current portion of financial assets from concession activities		17,237	15,447
D	**Current loan assets**		**44,760**	**44,859**
E	Current portion of bank loans and borrowings		(470,923)	(301,929)
F	Current portion of bonds		(4,544)	(3,315)
G	Current portion of non-current debt		(48,569)	(66,931)
H	Other current loans and borrowings		(8,373)	(9,940)
I	**Current financial debt**	**(E+F+G+H)**	**(532,409)**	**(382,115)**
J	**Net current financial debt**	**(I+D+C)**	**(125,001)**	**37,377**
K	Non-current portion of bank loans and borrowings		(220,181)	(225,622)
L	Bonds		(869,339)	(713,268)
M	Other non-current financial liabilities		(13,351)	(15,992)
N	**Non-current financial debt**	**(K+L+M)**	**(1,102,871)**	**(954,881)**
O	**Net financial debt from continuing operations**	**(J+N)**	**(1,227,871)**	**(917,504)**
P	**Net financial debt of discontinued operations**		**16,532**	**30,680**
Q	**Net financial debt**	**(O+P)**	**(1,211,339)**	**(886,824)**
-	Non-current loan assets		27,697	24,547
-	Subordinated loans		71,133	46,439
	of which: related parties		*71,133*	*46,439*
-	Non-current portion of financial assets from concession activities		10,950	15,603
R	**Non-current loan assets**		**109,780**	**86,589**
S	**Total financial debt**	**(Q+R)**	**(1,101,560)**	**(800,235)**

Total financial debt takes into account, not only the net financial debt (letter Q in the above table) calculated in accordance with European Securities and Markets Authority ESMA (formerly CESR) Recommendation of 10/02/2005, but also non-current loan assets mainly from associates set up for project financing activities and financial assets from concession activities.

The Parent has treasury shares in portfolio totalling EUR/000 2,546 which generate a net financial debt for an amount totalling EUR/000 (1,099,013). Moreover, the net financial position, including in comparative terms, does not contain the amount of derivatives used in hedging activities which, by their very nature, do not represent financial assets.

The increase in total debt recorded compared to the previous year is to be attributed to planned investments in the concessions segment, but also to payments for projects in progress in Italy that have been extended with regard to the original deadlines. The financial structure as a whole benefitted from the bonds issued in 2013 and in the first half of 2014, with an extension of deadlines and greater availability as regards credit facilities that will support development of the Group's future operations. Cash and cash equivalents (EUR/000 362,649), combined with possible use of already available committed and uncommitted revolving credit facilities (totalling approximately EUR/000 600,000), provide the Group with a more than sufficient capacity to meet planned financial commitments.

29 Other liabilities

Other non-current liabilities: EUR/000 18,803 (EUR/000 16,696)

There were no significant difference in Other non-current liabilities, totalling EUR/000 18,803, compared to the previous year and they mainly referred to the payable to Simest S.p.A. (EUR/000 11,593) for acquisition of non-controlling interests in the subsidiary, Inversiones Assimco Limitada.

Other current liabilities: EUR/000 149,980 (EUR/000 153,404)

Other current liabilities totalled EUR/000 149,980 and comprised the following:

	30/06/14	31/12/13	Change
Associates and joint ventures	1,452	1,058	394
Other companies	1,088	1,381	(293)
Personnel	24,556	20,951	3,605
Social security institutions	11,002	10,792	210
Accrued expenses and deferred income	7,883	3,518	4,365
Other	103,999	115,704	(11,705)
Total	**149,980**	**153,404**	**(3,424)**

This caption decreased by EUR/000 3,424 compared to the previous year as a result of the "Other" item which mostly decreased (EUR/000 6,665) in relation to payment of the second and last instalment of the amount due to the bankruptcy receivers of "Busi Impianti" for acquisition during 2012 of the business unit comprising the plant engineering and maintenance segments, partly offset by (i) the increase in "Personnel" mostly referring to the ongoing development of production activities which required greater use of human resources, and (ii) the increase in "Accrued expenses and deferred income" mainly referred to transactions performed by the Parent in relation to projects in Russia.

"Other" mainly contains the effects of consolidation of the Group's various operating entities with reference to existing relations with various partners in joint initiatives, both in Italy and abroad.

For more details regarding relations with the Group's companies, please see the annex with information on related party transactions.

Amounts due to associates, for principal to be paid and not yet called-up by the individual Boards of Directors, have been reclassified, as per the previous year, as a direct reduction of the respective carrying amounts of investments.

30 Employee benefits: EUR/000 8,627 (EUR/000 8,003)

At 30 June 2014, this caption exclusively comprised defined benefit plans, mainly post-employment benefits as paid by Italian companies.

The balance of this caption and the changes therein during the first six months of the year are shown in the table below:

Post-employment benefits – Actuarial value	
a) At 01/01/2014	**8,003**
b) Increases during the year	
b.1) Service Cost	766
b.2) Interest Cost	52
b.3) Actuarial Gains or Losses	203
c) Use during the half year and exchange rate losses	(396)
d) Total amount of obligation at 30/06/2014 (Defined Benefit obligation)	**8,627**

Please find below a list of the main assumptions used to make an actuarial estimate of post-employment benefits at 30 June 2014:

- Annual discount rate: 1.63%
- Annual inflation rate: 2.00%
- Annual rate of remuneration increase:
    - Managers: 2.50%;
    - Junior managers / White collars / Blue collars: 1.00%.

31 Trade payables: EUR/000 1,134,457 (EUR/000 1,116,633)

This caption increased by EUR/000 17,824 and comprised the following:

	30/06/14	31/12/13	Change
Suppliers	1,043,084	1,014,110	28,974
Associates and joint ventures	75,228	92,822	(17,594)
Other investees	16,145	9,701	6,444
Total	**1,134,457**	**1,116,633**	**17,824**

Specifically, payables to suppliers recorded an overall increase of EUR/000 28,974 generated by an increase of approximately EUR/000 96,000 directly related to the levels of revenue generated, attributable to projects in progress in Russia, Turkey, Poland and Canada, partially offset by a decrease of approximately EUR/000 62,000 recorded in Italy.

While, as regards Italy, payables to associates decreased, especially in relation to works for the Pedemontana Lombarda motorway.

32 Tax liabilities: EUR/000 52,365 (EUR/000 73,666)

Tax liabilities decreased by EUR/000 21,301 compared to last year and comprised the following:

	30/06/14	31/12/13	Change
Indirect tax liabilities	13,521	31,891	(18,370)
Direct tax liabilities	34,171	36,242	(2,071)
Withholding tax liabilities	4,673	5,533	(860)
Total	**52,365**	**73,666**	**(21,301)**

The decrease in “Indirect tax liabilities”, mainly referring to Russia, Canada, Poland and Romania, was mostly linked to invoicing of contractual amounts to customers, including in terms of advances on works to be performed.

33 Provisions for risks and charges: EUR/000 18,340 (EUR/000 22,591)

The breakdown of provisions for risks and charges can be found below:

	Provisions for contractual obligations	Provisions for risks on equity investments	Provision for potential losses	Provisions as per Article 27 of the by-laws	Total
At 31/12/2013	**16,218**	**2,643**	**1,700**	**2,030**	**22,591**
Accruals		3			3
Utilisations	(3,454)		(1,320)		(4,774)
Allocation of 2013 profit				520	520
Other and changes in consolidation scope	0				0
At 30/06/2014	**12,764**	**2,646**	**380**	**2,550**	**18,340**

– Provisions for contractual obligations mainly include a prudent assessment of losses 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 risks on equity investments reflect the Group's deficit of investees considering to investment's carrying amounts;

– the provision for potential losses includes the accrual for costs calculated on an case-by-case basis, carried out with the help of external consultants and based on both objective and evaluation elements.

– the provision as per Art. 27 of the bylaws was used for charitable donations and increased through the allocation of profits in accordance with specific resolutions.

To complete the information provided regarding provisions for risks and charges, please find below a summary of the allowances and provisions recognised with indication of their nature and specific category.

		30/06/14	31/12/13	Note
Provisions deducted directly from assets		**27,998**	**28,128**	
- Allowance for impairment (equity investments)	Investments	8	8	18
- Provision for contract losses to complete	Receivables from customers	10,395	10,642	22
- Allowance for impairment	Trade receivables	10,891	10,767	23
- Allowance for impairment - default interest	Trade receivables	1,772	1,772	23
- Provision for default interest due to tax authorities	Tax assets	198	198	24
- Allowance for impairment of other assets	Other current assets	4,734	4,741	20
Provisions recognised under liabilities				
- Provision for risks and charges		**19,098**	**25,480**	**33**
of which:				
- for risks on equity investments	Provisions for risks and charges	2,646	2,643	33
- for contract losses to complete	Provisions for risks and charges	12,098	15,552	33
- for losses to complete	Payables to customers	758	2,889	22
- other provisions for risks and charges	Provisions for risks and charges	3,596	4,396	33
Total provisions		**47,096**	**53,608**	

Disclosure on potential risks

The Group is a party to civil and administrative proceedings and lawsuits connected with the regular performance of business activities. Based on information currently available, and taking account of existing provisions for risks, said proceedings and legal actions will not have any negative impact on the consolidated financial statements. In this regard, the information already provided in the notes to the consolidated financial statements at 31 December 2013, which should be referred to, can be confirmed.

34 Fair value measurement

The following table provides the fair value hierarchy of the Group's assets and liabilities:

	Measurement date	Total	Fair value measurement with Quoted prices on active markets (Level 1)	Observable significant inputs (Level 2)	Unobservable significant inputs (Level 3)
Assets measured at fair value					
Forward exchange contracts	30-Jun-14	49		49	
Securities	30-Jun-14	1,567	1,567		
Assets/liabilities related to disposal groups classified as held for sale	30-Jun-14	12,129			12,129
Liabilities measured at fair value					
Interest rate swaps	30-Jun-14	(16,763)		(16,763)	
Conversion options – bonds	30-Jun-14	(23,347)			(23,347)

Measurement techniques and inputs used to process measurements

Assets and liabilities measured at fair value on a recurring basis

Interest rate swaps

The fair value of derivatives was measured using a pricing tool. The indexed floating leg was measured by generating the forward rates for the deadlines provided for in the contract, and subsequently by calculating the present value by discounting relative cash flows.

The indexed fixed leg was measured by calculating the present value of flows.

The forward rates and discount rates were calculated as from the zero coupon rates implicit in the short-term rate (deposit quotation) and long-term rate (swap rate quotation) curves at 30 June 2014.

When calculating the fair value of derivatives, the so-called Debit Value Adjustment (DVA) was also measured in order to take into account the default risk.

The overall value of the derivative is obtained from the difference of the present values of the floating and fixed item.

As regards the efficacy of operations, it is obtained through internal valuation models using the Dollar Offset Method, availing itself of the hypothetical derivative to calculate the difference in fair value of the underlying derivative.

Forward exchange contracts

The instruments in question are measured by using a pricing tool.

Measurement is performed by discounting the value upon contract expiry, calculated as the difference between the forward exchange rate upon expiry, quoted by the market at the measurement date, and the yearly exchange rate provided for in the contract, weighted by the nominal amount provided for in the contract.

The discount rates were calculated as from the zero coupon rates implicit in the short-term rate (deposit quotation) and long-term rate (swap rate quotation) curves at 30 June 2014. The forward exchange rates were estimated through linear interpolation starting from the forward exchange curve acquired by the info provider.

Securities

The fair value of securities is equal to the bid price at the reference date of the period in question.

Conversion options – bonds

A convertible bond grants the holder the possibility to convert the bond into a set number of shares of the issuer. Therefore, the instrument can be compared to a standard bond that incorporates the sale of a call option.

A pricing tool is used to measure the convertible.

The measurement model breaks up the instrument into its basic parts: an equity part and a debt part. To this end it defines the "cash only part of the convertible bond" as a hypothetical instrument. The amount of the aforementioned two parts is calculated on the basis of the Black-Scholes equation.

The model uses the following inputs: the market price of the Company's shares, the rate (swap and deposit) curves, share price volatility and the company's credit spread.

As regards the aforementioned inputs, the company's credit spread is not currently observable on the market.

Assets and liabilities measured at fair value on a non-recurring basis

Assets/liabilities related to disposal groups classified as held for sale

The fair value of the CGUs referring to the car park division was calculated by discounting the estimated future cash flows of corporate operations representing negotiations with institutional investors for the purpose of measuring car park assets. For the purpose of applying said method, the financial and economic plan attached to the investment contract signed on 23 December 2013 projected on concession durations, was used.

The amount calculated as above was in line with the amount defined in the agreements entered into on 23 December 2013 with a group of institutional investors for the transfer of 95% of AST B S.r.l., holders of the concessions regarding "Riva Reno" and "Piazza VIII Agosto" car parks in Bologna.

Transfers within the fair value hierarchy of financial instruments

There were no transfers between the various levels of the fair value hierarchy during the first half of 2014.

35 Related party transactions

In accordance with IAS 24 as well as CONSOB Communication No. 6064293 of 28 July 2006, Annex B hereto shows the totals of existing financial and commercial transactions and relationships with related parties.

In this regard, the relative transactions were carried out at market conditions. Moreover, transactions with consortia and consortium companies (special purpose vehicles), taking into account the specific segment the Group operates in, are to be referred to financial assets from concession activities from third parties – recognised among Trade Receivables (note 23) – not summarised in the annex regarding related party transactions.

36 Segment reporting

The operating segments subject to segment reporting were determined in accordance with reporting used by senior management as an information set for their decisions. This reporting is specifically based on the various geographical areas where the Group operates, and it is determined by applying the same accounting policies used to draw up the consolidated financial statements.

The following tables show segment reporting as per IFRS 8.

Segment reporting for the first half of 2014

EUR/000	Italy	Europe	America	Africa	Asia	Other activities	Adjustments and eliminations	Total
Revenue								
Revenue	407,147	499,468	228,806	68,242	4,546	101	(81,374)	**1,126,936**
Operating profit (loss)	50,842	64,605	(7,910)	15,548	(7,331)	(4,378)	6,755	**118,131**
Net financial charges								**(77,469)**
Effect of equity accounting								**14,052**
Profit before tax and non-controlling interests								**54,713**
Tax expense								**(19,736)**
Profit for the period								**34,333**

The amounts entered under other assets with regard to operating profit (loss) mainly refer to general costs incurred by the Parent.

Segment reporting for the first half of 2013

EUR/000	Italy	Europe	America	Africa	Asia	Other activities	Adjustments and eliminations	Total
Revenue								
Revenue	538,925	397,363	193,805	67,828	21,510	287	(121,260)	**1,098,459**
Operating profit (loss)	31,098	67,789	8,679	15,992	(3,755)	(3,740)	(3,062)	**113,001**
Net financial charges								**(59,070)**
Effect of equity accounting								**3,173**
Profit before tax and non-controlling interests								**57,104**
Tax expense								**(24,726)**
Profit for the period								**32,282**

37 Other information

Guarantees and sureties

Personal guarantees

The overall amount of personal guarantees given was EUR/000 2,874,417 and referred to the following:

- sureties for opening credit facilities with the purpose of ensuring the regular cash flow of individual contracts, issued in the interest of associates and other investees, set up for this purpose pursuant to current sector legislation, for a total amount of EUR/000 78,774;
- sureties for works, issued for various purposes by banks and insurance companies in the Group's interest, in favour of commissioning bodies, on the Group's own account and that of subsidiaries, jointly-controlled entities, associates and other investees, for a total amount of EUR/000 2,734,909, EUR/000 8,989 of which referred to joint ventures;
- other sureties issued for various purposes for a total amount of EUR/000 60,733.

Third party sureties given to the Group

The caption amounting to EUR/000 268,024 represents guarantees issued by banks and insurance companies on behalf of Italian and foreign suppliers and sub-contractors, in relation to contractual obligations undertaken by the latter with the Group.

Events after the reporting period

Final execution of the investment contract signed in December 2013 by the subsidiary Astaldi Concessioni and a group of institutional investors was achieved in July. The transaction entailed the sale of 95% of the investment in the SPV AST B Parking, which the company divisions related to "VIII Agosto" and "Riva Reno" car parks in Bologna were transferred to during 2013. July also saw closing of the USD 600 million financing agreement for the construction and subsequent management of the second operational lot (Phase 2A) of the Gebze-Orhangazi-Izmir motorway in Turkey.

Authorisation for publication

This Interim Financial Report was approved and authorised for publication by the Board of Directors of Astaldi S.p.A., pursuant to current legislation, on 1 August 2014.

Stefano Cerri	**Paolo Citterio**
Chief Executive Officer	***Manager in charge of Financial Reporting***
(signed on the original)	**(signed on the original)**

ANNEXES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Annex A_ Astaldi Group companies at 30 June 2014

a) Fully consolidated companies

Company name	Company offices	Nominal share/quota capital		Functional currency	% of investment	% direct investment	% indirect investment	Indirect investor companies
AR.GI S.c.p.A.	Via G.V. Bona, 65 - Rome - Italy	EUR	35,000,000	EUR	99.99%	99.99%	0.00%	
AS. M. S.c.r.l.	Via Vannella Gaetani, 27 - Naples - Italy	EUR	10,000	EUR	75.91%	75.91%	0.00%	
Asocierii Astaldi SpA, Sc Somet sa, sc Tiab sa, sc Uti grup sa (Line 4 Bucharest)	Str.Carol Davilla n°70 - Bucharest - Romania	EUR	0	EUR	40.00%	40.00%	0.00%	
Ast B Parking S.r.l.	Via G.V. Bona, 65 - Rome - Italy	EUR	10,000	EUR	100.00%	0.00%	100.00%	Astaldi Concessioni S.p.A.
Astaldi Aedifica S.r.l. liquidated	Via G.V. Bona, 65 - Rome - Italy	EUR	10,000	EUR	100.00%	100.00%	0.00%	
Astaldi Algerie - E.u.r.l.	25 Citè Mohamed Hadj Ahmed Hydra wilaya d'Alger - Algiers - Algeria	DZD	50,000,000	DZD	100.00%	100.00%	0.00%	
Astaldi Arabia Ltd.	P.O. Box 58139 - Riyadh - Saudi Arabia	SAR	5,000,000	USD	100.00%	60.00%	40.00%	Astaldi International Ltd.
Astaldi Bulgaria LTD	67 Tsanko Tserkovski Str., Entrance V, 4 floor - Sofia - Bulgaria	BGN	5,000	BGN	100.00%	100.00%	0.00%	
Astaldi Canada Inc	4001 Rue Saint-Antoine O Montréal- Québec- Canada	CAD	20,000	CAD	100.00%	100.00%	0.00%	
Astaldi Concessioni S.p.A.	Via G.V. Bona, 65 - Rome - Italy	EUR	83,000,000	EUR	100.00%	100.00%	0.00%	
Astaldi Construction Corporation	8220 State Road 85 Davie - Florida - U.S.A.	USD	66,005,000	USD	100.00%	100.00%	0.00%	
Astaldi de Venezuela C.A.	C.C. C.T. 1ra Etapa Piso 6 Of. 620 - Caracas - Venezuela	VEB	110,300,000	EUR	99.80%	99.80%	0.00%	
Astaldi International Inc.	Bank of Liberia Building P.O. Box 660 - Monrovia - Liberia	US$	3,000,000	EUR	100.00%	100.00%	0.00%	
Astaldi International Ltd.	34-36 Gray's Inn Road - London - United Kingdom	GBP	2,000,000	GBP	100.00%	100.00%	0.00%	
Astaldi Polska Sp. z o.o.	Ul. Sapiezynska 10°, 00215 – Warsaw - Poland	PLN	120,000	PLN	100.00%	100.00%	0.00%	
Astaldi-Astaldi International J.V.	R. Armando Tivane, 466 - Matola Maputo - Mozambique	USD	10,000	EUR	100.00%	100.00%	0.00%	
Astaldi-Max Bogl-CCCF JV S.r.l.	Str.Carol Davilla n°70 - Bucharest - Romania	EUR	10,000	EUR	66.00%	66.00%	0.00%	
Astalrom S.A.	Varianta Nord, 1 - Calarasi - Romania	RON	3,809,898	RON	99.64%	99.64%	0.00%	
Astur Construction and Trade A.S.	Aydinpinar Cad. Kucukmehmetler Koyu - Ankara - Turkey	TRY	3,000,000	EUR	99.98%	89.97%	10.01%	Astaldi Arabia Ltd
Bielle Impianti S.c.a.r.l.	Viale Lincoln 84/A - Bologna - Italy	EUR	100,000	EUR	75.00%	0.00%	75.00%	NBI S.p.A.
Bussentina S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	25,500	EUR	78.80%	78.80%	0.00%	
C.O.MES. in liquidation S.C.r.l.	Via G.V.Bona, 65 - Rome - Italy	EUR	20,000	EUR	55.00%	55.00%	0.00%	
Cachapoal Inversiones Limitada	Avenida Apoquindo 3846, oficinas 1101 y 1102 - Santiago - Chile	USD	41,964,761	USD	100.00%	0.00%	100.00%	Inversiones Assimco Limitada
CO.ME.NA. S.c.r.l. in liquidation	Via Vannella Gaetani, 27 - Naples - Italy	EUR	20,658	EUR	70.43%	70.43%	0.00%	
CO.MERI S.p.A.	Via G.V. Bona, 65 - Rome - Italy	EUR	35,000,000	EUR	99.99%	99.99%	0.00%	
CO.VA. Società a Responsabilità Limitata (S.c.r.l.)	Via del Tappezziere, 4 - Bologna - Italy	EUR	10,000	EUR	60.00%	0.00%	60.00%	NBI S.p.A.
Consorcio Rio Pallca	Avenida Camino Real 390, Torre Central Oficina 810, San Isidro - Lima - Peru	PEN	0	USD	60.00%	60.00%	0.00%	
Consorzio Stabile Busi	Via del Tappezziere, 4 - Bologna - Italy	EUR	100,000	EUR	95.00%	0.00%	95.00%	NBI S.p.A., 3E System S.r.l.
Constructora Astaldi Cachapoal Limitada	Avenida El Condor 844, Oficina 401, Ciudad Empresarial, Huechuraba - Santiago - Chile	CLP	10,000,000	CLP	99.90%	99.90%	0.00%	
Forum S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	51,000	EUR	79.99%	79.99%	0.00%	
Garbi Linea 5 S.c.a.r.l.	Via G.V. Bona, 65 - Rome - Italy	EUR	10,000	EUR	100.00%	100.00%	0.00%	
Groupement de Raccordement de la Station d'El Hamma (G.R.S.H.)	25 Rue Mohamed Hadj Ahmed Hydra - Algiers - Algeria	DZD	0	EUR	100.00%	72.00%	28.00%	Astaldi Algerie Eurl
Infraflegrea Progetto S.p.A.	Via privata D. Giustino, 3/A - Naples - Italy	EUR	500,000	EUR	51.00%	51.00%	0.00%	
Inversiones Assimco Limitada	Avenida Apoquindo 3846, oficinas 1101 y 1102 - Santiago - Chile	USD	40,633,000	USD	100.00%	0.00%	100.00%	Astaldi Concessioni S.p.A.
Italstrade CCCF JV Romis S.r.l.	Piata Pache Protopopescu, 9 - Bucharest - Romania	LEI	5,400,000,000	EUR	51.00%	51.00%	0.00%	
Italstrade IS S.r.l.	Via G.V. Bona, 65 - Rome - Italy	EUR	16,515,578	EUR	100.00%	100.00%	0.00%	
Messina Stadio S.c.r.l. in liquidation	Via Adige, 19 - Milan - Italy	EUR	45,900	EUR	100.00%	100.00%	0.00%	
Mondial Milas - Bodrum Havalimani Uluslararasi Terminal Isletmeciligi Ve Yatirim A.S.	Kizkulesi Sokak, 38/4, Gaziosmanpasa, Cankaya - Ankara - Turkey	TRY	37,518,000	EUR	100.00%	0.00%	100.00%	Astaldi Concessioni S.p.A.
Mormanno S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	10,200	EUR	74.99%	74.99%	0.00%	
nBI Elektrik Elektromekanik Tesisat Insaat Sanayi Ve Ticaret L.S.	Inonu Caddesi Devres Han No.50 Kat.1 Gumussuyu Beyoglu - Istanbul - Turkey	TRY	200,000	TRY	100.00%	0.00%	100.00%	nBI S.p.A - Astur Construction and Trade A.S.
nBI S.p.A.	Via G.V. Bona, 65 - Rome - Italy	EUR	7,500,000	EUR	100.00%	100.00%	0.00%	
Ospedale del Mare S.C.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	50,000	EUR	100.00%	100.00%	0.00%	
Partenopea Finanza di Progetto S.c.p.A.	Via Luca Pacioli s.n.c. - Naples - Italy	EUR	9,300,000	EUR	99.99%	99.99%	0.00%	
Portovesme S.c.r.l. in liquidation	Via Adige, 19 - Milan - Italy	EUR	25,500	EUR	99.98%	99.98%	0.00%	
Quattro Venti S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	51,000	EUR	60.00%	60.00%	0.00%	
Redo-Association Momentanée	Av. De la Justice, 1257 - Kinshasa - Dem. Rep. of the Congo	ZRZ	50,000	EUR	100.00%	75.00%	25.00%	Astaldi International Ltd.
Romairport S.p.A.	Via G.V. Bona, 65 - Rome - Italy	EUR	500,000	EUR	99.26%	99.26%	0.00%	
Romstrade S.r.l.	Piata Pache Protopopescu, 9 - Bucharest - Romania	LEI	10,000,000,000	EUR	100.00%	100.00%	0.00%	
S. Filippo S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	10,200	EUR	80.00%	80.00%	0.00%	
S.P.T. - Società Passante Torino S.C.r.l.	Via G.V. Bona, 65 - Rome - Italy	EUR	50,000	EUR	74.00%	74.00%	0.00%	
Sartori Tecnologie Industriali S.r.l.	Via Bettolo, 17 - Brindisi - Italy	EUR	1,000,000	EUR	100.00%	100.00%	0.00%	
Scuola Carabinieri S.C.r.l.	Via G.V. Bona, 65 - Rome - Italy	EUR	50,000	EUR	61.40%	61.40%	0.00%	
Seac S.p.a.r.l. in liquidation	Avenue des Fleurs - Kinshasa/Gombe - Dem. Rep. of the Congo	ZRZ	200,000,000	EUR	100.00%	100.00%	0.00%	
SIRJO Società Consortile per Azioni	Via G.V. Bona, 65 - Rome - Italy	EUR	30,000,000	EUR	60.00%	60.00%	0.00%	
Susa Dora Quattro S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	51,000	EUR	90.00%	90.00%	0.00%	
T.E.Q. Construction Enterprise Inc.	4001 Saint Antoine Quest - Montreal - Quebec - Canada	CAD	323	CAD	100.00%	0.00%	100.00%	Astaldi Canada Inc.
Tione 2008 Scrl	Via del Tappezziere, 4 - Bologna - Italy	EUR	100,000	EUR	76.00%	0.00%	80.00%	Consorzio Stabile Busi
Toledo S.c.r.l.	Via Vannella Gaetani, 27 - Naples - Italy	EUR	50,000	EUR	90.39%	90.39%	0.00%	
Valle Aconcagua S.A.	Calle Badajoz 130, Oficina 1501, Comuna La Condes, Santiago - Chile	CLP	5,000,000,000	CLP	55.00%	0.00%	55.00%	Astaldi Concessioni S.p.A.
3E System Srl	Via del Tappezziere, 4 - Bologna - Italy	EUR	50,000	EUR	100.00%	0.00%	100.00%	NBI S.p.A.

b) Companies consolidated using the equity method

Company name	Company offices	Nominal share/quota capital		Functional currency	% of investment	% direct investment	% indirect investment	Indirect investor companies
Ankara Etlik Hastane Salik Hizmetleri Isletme Yatirim A.s.	Ilkbahar Mahallesi Turan Gunes Bulvari 15. Cad.No. 11 Yildiz Cankaya - Ankara - Turkey	TRY	15,000,000	TRY	51.00%	5.00%	46.00%	Astaldi Concessioni S.p.A.
Avrasya Metro Grubu Srl	Via S. Michele, 35 - Agliana (PT) - Italy	EUR	10,000	EUR	42.00%	42.00%	0.00%	
Autostrada Nogara Mare Adriatico Scpa	Via Flavio Gioia, 71 Verona - Italy	EUR	120,000	EUR	23.00%	10.00%	13.00%	Astaldi Concessioni S.p.A.
Avola S.c.r.l. in liquidation	Via Adige, 19 - Milan - Italy	EUR	10,200	EUR	50.00%	50.00%	0.00%	
Blufi 1 S.c.rl. in liquidation	Zona Industriale - Agrigento - Italy	EUR	25,823	EUR	32.00%	32.00%	0.00%	
C.F.M. S.c.r.l. in liquidation	Via privata D. Giustino , 3/A - Naples - Italy	EUR	40,800	EUR	50.00%	50.00%	0.00%	
Colli Albani S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	25,500	EUR	60.00%	60.00%	0.00%	
Cona Impianti Scarl in liquidation	Viale Lincoln, 84/A - Bologna - Italy	EUR	10,000	EUR	50.00%	0.00%	50.00%	NBI S.p.A.
Consorcio Contuy Medio	Avida Andres Bello, Ed. Atlantic Piso 7, Of. 1-7 - Venezuela	US$	40,000	VEF	28.30%	28.30%	0.00%	
Consorzio A.F.T. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	46,481	EUR	33.33%	33.33%	0.00%	
Consorzio A.F.T. Kramis	Via G.V. Bona, 65 - Rome - Italy	EUR	100,000	EUR	50.00%	50.00%	0.00%	
Consorzio Consarno	Via Napoli, 329 - Castellammare di Stabia (NA) - Italy	EUR	20,658	EUR	25.00%	25.00%	0.00%	
Consorzio Consavia S.c.n.c. in liquidation	Via F. Tovaglieri, 17 - Rome - Italy	EUR	20,658	EUR	25.00%	25.00%	0.00%	
Consorzio Europeo Armamento Alta Velocità - C.E.A.A.V.	Via G.V. Bona, 65 - Rome - Italy	EUR	206,583	EUR	25.00%	25.00%	0.00%	
Consorzio Ferrofir in liquidation	Via F.Tovaglieri, 17- Rome - Italy	EUR	30,987	EUR	66.67%	66.67%	0.00%	
Consorzio Gi.It. in liquidation	Via privata D. Giustino, 3/A - Naples - Italy	EUR	2,582	EUR	50.00%	50.00%	0.00%	
Consorzio Iricav Due	Via F. Tovaglieri, 413 - Rome - Italy	EUR	510,000	EUR	37.49%	37.49%	0.00%	
Consorzio Iricav Uno	Via F. Tovaglieri, 17 - Rome - Italy	EUR	520,000	EUR	27.91%	27.91%	0.00%	
Consorzio Ital.Co.Cer.	Via Giovanni da Procida, 36 - Rome - Italy	EUR	51,600	EUR	30.00%	30.00%	0.00%	
Consorzio Italvenezia	Via Salaria, 1039 - Rome - Italy	EUR	77,450	EUR	25.00%	25.00%	0.00%	
Consorzio Metrofer in liquidation	Via Salaria , 1033 - Rome - Italy	EUR	25,823	EUR	33.32%	33.32%	0.00%	
Consorzio MM4 (CMM4)	Via dei Missaglia, 97 - Milan - Italy	EUR	200,000	EUR	31.05%	31.05%	0.00%	
Consorzio Novocen in liquidation	Via Orazio, 143 - Naples - Italy	EUR	51,640	EUR	40.76%	40.76%	0.00%	
Consorzio Pedelombarda 2	Via dei Missaglia, 97 - Milan - Italy	EUR	10,000	EUR	17.96%	17.96%	0.00%	
Consorzio Ponte Stretto di Messina in liquidation	Via G.V.Bona, 65 - Rome - Italy	EUR	100,000	EUR	51.97%	51.97%	0.00%	
Consorzio Qalat	Corso Carlo Marx, 19 - Misterbianco (CT) - Italy	EUR	10,327	EUR	40.00%	40.00%	0.00%	
Copenhagen Metro Construction Group J.V. (COMET)	Refshaleoen, 147 P.O. Box 1920 - Copenhagen - Denmark	DKK	0	DKK	15.00%	15.00%	0.00%	
Diga di Blufi S.c.r.l. in liquidation	Via Adige,19 - Milan - Italy	EUR	45,900	EUR	50.00%	50.00%	0.00%	
Ecosarno S.c.r.l.	Viale Italia,1 - Sesto S. Giovanni (MI) - Italy	EUR	50,490	EUR	33.33%	33.33%	0.00%	
Fosso Canna S.c.r.l. in liquidation	Via Adige, 19 - Milan - Italy	EUR	25,500	EUR	32.00%	32.00%	0.00%	
GEI - Grupo Empresas Italianas	C.C.C. Tamanaco 1ra Etapa, Piso 6, Oficina 620, Chuao - Caracas - Venezuela	VEB	2,000,100,000	VEF	33.34%	33.34%	0.00%	
Ge.Sat S.c.r.l.	Via Rimini, 27- Prato- Italy	EUR	10,000	EUR	35.00%	35.00%	0.00%	
Groupement Italgisas	Angle Boulevard de la Resistance et Rue de Puissesaux - Casablanca - Morocco	MAD	207,014,000	MAD	40.00%	0.00%	40.00%	Italstrade IS Srl
Ica Ic Ictas Astaldi Ucuncu Bogaz Koprusu Ve Kuzey Marmara Otoyolu Yatirim Ve Isletme Anonim Sirketi	Kavaklidere Mahallesi Konur. Sokak 58/304, postcode:06640 Çankaya/Ankara.	TRY	400,000,000	USD	33.33%	33.33%	0.00%	
Infraflegrea S.c.r.l. in liquidation	Via privata D. Giustino, 3/A - Naples - Italy	EUR	46,600	EUR	50.00%	50.00%	0.00%	
M.N. Metropolitana di Napoli S.p.A.	Via Galileo Ferraris, 101 - Naples - Italy	EUR	3,655,397	EUR	22.62%	22.62%	0.00%	
Metro Brescia S.r.l. (MB-S.r.l.)	Via Leonida Magnolini, 3 - Brescia - Italy	EUR	4,020,408	EUR	24.50%	24.50%	0.00%	
Metro 5 S.p.A.	Via Adige, 19 - Milan - Italy	EUR	53,300,000	EUR	38.70%	38.70%	0.00%	
METRO C S.c.p.a.	Via di Torre Spaccata, 172 - Rome - Italy	EUR	150,000,000	EUR	34.50%	34.50%	0.00%	
Metrogenova S.c.r.l.	Via IV Novembre snc -Spianata Acquasola - 16121 Genoa - Italy	EUR	25,500	EUR	21.81%	21.81%	0.00%	
Monte Vesuvio S.c.r.l. in liquidation	Via dei Missaglia, 97 - Milan - Italy	EUR	45,900	EUR	50.00%	50.00%	0.00%	
Mose-Treporti S.c.r.l.	Via C.Battisti n°2 - Venice - Mestre - Italy	EUR	10,000	EUR	35.00%	35.00%	0.00%	
N.P.F. - Nuovo Polo Fieristico S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	40,000	EUR	50.00%	50.00%	0.00%	
Nova Metro S.c.r.l. in liquidation	Via Montello, 10 - Rome - Italy	EUR	40,800	EUR	24.10%	24.10%	0.00%	
Otoyol Yatirim Ve Isletme A.S.	Bugday Sokak n. 9, Kavaklidere, Cankaya - Ankara - Turkey	TRY	1,500,000,000	TRY	18.86%	18.86%	0.00%	
Otoyol Isletme Ve Bakim A.S.	Bilkent Plaza A3 Blok No: 21-24, Bilkent Cankaya, Ankara, Turkey	TRY	50,000	TRY	18.86%	18.86%	0.00%	
Pacific Hydro Chacayes	9th floor, Isidora Goyenechea Avenue, Santiago - Chile -	USD	127,843,221	USD	27.35%	0.00%	27.35%	Cachapoal Inversiones Limitada
Passante Dorico S.p.A.	Via dei Missaglia, 97 - Milan - Italy	EUR	24,000,000	EUR	24.00%	24.00%	0.00%	
Pedelombarda S.c.p.A.	Via dei Missaglia, 97 - Milan - Italy	EUR	80,000,000	EUR	24.00%	24.00%	0.00%	
Pegaso S.c.r.l. in liquidation	Via F. Tovaglieri, 17 - Rome - Italy	EUR	260,000	EUR	43.75%	43.75%	0.00%	
Piana di Licata S.c.r.l. in liquidation	Via Adige, 19 - Milan - Italy	EUR	10,200	EUR	43.75%	43.75%	0.00%	
Pont Ventoux S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	51,000	EUR	56.25%	56.25%	0.00%	
Principe Amedeo S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	10,200	EUR	50.00%	50.00%	0.00%	
Re.Consult Infrastrutture Società per Azioni	Via Lodovico Mancini, 5 20129 Milan - Italy	EUR	340,000,000	EUR	0.00%	31.85%	31.85%	Astaldi Concessioni S.p.A.
S. Leonardo S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	10,200	EUR	51.00%	51.00%	0.00%	
S.A.C.E.S. S.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	26,000	EUR	37.00%	37.00%	0.00%	
S.E.I.S. S.p.A.	Via Senigallia, 18/2 - Milan - Italy	EUR	3,877,500	EUR	48.33%	48.33%	0.00%	
SA.T. S.p.A.	Via Rimini, 27- Prato- Italy	EUR	19,126,000	EUR	35.00%	35.00%	0.00%	
Società di Progetto Consortile per Azioni M4	Via dei Missaglia, 97 - Milan - Italy	EUR	360,000	EUR	28.90%	28.90%	0.00%	
Tangenziale Seconda S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy	EUR	45,900	EUR	42.73%	42.73%	0.00%	
Veneta Sanitaria Finanza di Progetto S.p.A. - V.S.F.P. S.p.A.	Via Paccagnella, 11 - Mestre (VE) - Italy	EUR	20,500,000	EUR	37.00%	31.00%	6.00%	Astaldi Concessioni S.p.A.

c) Companies measured at cost

Company name	Company offices	Nominal share/quota capital			% of investment	% direct investment	% indirect investment	Indirect investor companies
Aguas de San Pedro S.A. de C.V.	Barrio Las Palmas entre 20 y 27 calle, 3a avenida - San Pedro Sula - Honduras	HNL	100,000,000		15.00%	0.00%	15.00%	Astaldi Concessioni S.p.A.
Astaldi Bayindir J.V.	Ilkadim Sokak, 19 Gaziomanpasa- Ankara - Turkey	----	0		50.00%	50.00%	0.000%	
Ast VT Parking S.r.l.	Via G.V. Bona, 65 - Rome - Italy	EUR	10,000		5.00%	0.00%	5.00%	Astaldi Concessioni S.p.A.
Association en participation SEP Astaldi-Somatra-Bredero	Tunisia	----	0		40.00%	40.00%	0,000%	
Astaldi - Ozkar JV	Al Masriq Building, office 45 - 4 floor Azaibah - Muscat - Sultanate of Oman	EUR	0		0.01%	0.01%	0.00%	
Astaldi-Sarantopulos J.V.	Athens - Greece	----	0		14.00%	14.00%	0.00%	
C.F.C. S.c.r.l.	Via privata D. Giustino, 3/A - Naples - Italy	EUR	45,900		0.01%	0.01%	0.00%	
C.I.T.I.E. Soc. coop.	Viale Lincoln, 84/a , Bologna - Italy	EUR	0		0,48%	0.00%	0,48%	NBI S.p.A., 3E System S.r.l.
Co.Sa.Vi.D. S.c.r.l.	Carini - Contrada Foresta Z.I. - Palermo - Italy	EUR	25,500		0.01%	0.01%	0.00%	
Consorcio Astaldi-ICE	Av. Libertador Bolivar, 1842 - Cochabamba - Bolivia	----	0		50.00%	50.00%	0.00%	
Consorcio Grupo Contuy - Proyectos y Obras de Ferrocarriles	CCC T. 1ra Etapa Piso 6 Of. 620 Chuao - Caracas - Venezuela	----	0		32.33%	32.33%	0.00%	
Consorzio Asse Sangro in liquidation	Via della Fonte di Fauno, 2/A bis - Rome - Italy	EUR	464,811		4.76%	4.76%	0.00%	
Consorzio Centro Uno in liquidation	C.so Vittorio Emanuele, 130 - Naples - Italy	EUR	154,937		2.00%	2.00%	0.00%	
Consorzio CONA	Via Carlo Pisacane,2 - Carpi - Italy	EUR	1,500,000		2.91%	0.00%	2.91%	NBI S.p.A.
Consorzio Dipenta S.p.A. - Ugo Vitolo in liquidation	Via Chiatamone, 57 - Naples - Italy	EUR	2,582		50.00%	50.00%	0.00%	
Consorzio Ferroviario Vesuviano	Via Argine, 425 - Naples - Italy	EUR	153,000		0,004%	0,004%	0,000%	
Consorzio Groupement Lesi-Dipenta	Via Indonesia, 100 - Rome - Italy	EUR	258,228		0.01%	0.01%	0.00%	
Consorzio Italia Costruttori	Corso di Porta Romana, 6 - Milan - Italy	EUR	120,000		16.70%	0.00%	16.70%	NBI S.p.A.
Consorzio TRA.DE.CI.V.	Via Galileo Ferraris, 101 - Naples - Italy	EUR	154,937		17.73%	17.73%	0.00%	
Fondazione Accademia Nazionale di S. Cecilia	Via Vittoria, 6 - Rome - Italy	----	0		0.00%	0.00%	0.00%	
Fondazione Filarmonica Arturo Toscanini	Strada della Repubblica, 57 - Parma - Italy	----	0		0.00%	0.00%	0.00%	
FSC S.c.r.l. in liquidation	Via Scapacchiò, 41 - Selvazzano Dentro (PD) - Italy	EUR	3,000		30.00%	0.00%	30.00%	Sartori Tecnologie Industriali S.r.l.
Fusaro S.C.r.l.	Via privata D. Giustino, 3/A - Naples - Italy	EUR	10,200		0.01%	0.01%	0.00%	
G.G.O. S.c.r.l. in liquidation	Zona Industriale - Agrigento - Italy	EUR	25,500		10.00%	10.00%	0.00%	
Groupement Eurolep	Shifflandestrasse, 35 - Aaran 5000 - Switzerland	CHF	100,000		22%	22.00%	0.00%	
Guida Editori S.r.l. in liquidation	Via D. Morelli, 16/8 - Naples - Italy	----	0		0.02%	0.02%	0.00%	
IGI - Istituto Grandi Infrastrutture	Via Ovidio, 32 - Rome - Italy	----	0		0.00%	0.00%	0.00%	
Imprese Riunite Genova S.c.r.l. in liquidation	Brigata Liguria, 1/18 - Genoa - Italy	EUR	25,500		16.10%	16.10%	0.00%	
Imprese Riunite Genova Seconda S.c.r.l. in liquidation	Via Serra, 2/9 - Genoa - Italy	EUR	25,000		16.10%	16.10%	0.00%	
I.SV.E.UR. Istituto per lo Sviluppo Edilizio ed Urbanistico S.p.A.	Via Lungotevere dè Cenci n°9 - Rome - Italy	EUR	2,500,000		0.92%	0.92%	0.00%	
Italsagi Sp. Zo. O.	Ul. Powstancow - Katowice - Poland	PLN	100,000,000		34.00%	0.00%	34.00%	Italstrade IS Srl
Italstrade CCCF JV Bucuresti S.r.l.	Gheorghe Manu, 20 Sector 1 - Bucharest - Romania	LEI	2,000,000		1.00%	1.00%	0.00%	
M.N.6 S.C.r.l.	Via G.Ferraris n.101 - Naples - Italy	EUR	51,000		1.00%	1.00%	0.00%	
NO.VI.F.IN. Nova Via Festinat Industrias S.c.r.l.	Riviera di Chiaia, 72 - Naples - Italy	EUR	10,329		0.01%	0.01%	0.00%	
Pantano S.c.r.l.	Via Montello, 10 - Rome - Italy	EUR	40,800		10.00%	10.00%	0.00%	
Pavimental S.p.A.	Piazza Ferdinando De Lucia, 15 - Rome - Italy	EUR	4,669,132		1.30%	1.30%	0.00%	
Platamonas Sarantopulos J.V.	Athens - Greece	----	0		14.45%	14.45%	0.00%	
Prog. Este S.p.A.	Via Carlo Pisacane,2 - Carpi - Italy	EUR	13,250,000		5.04%	0.00%	5.04%	NBI S.p.A.
Skiarea Valchiavenna S.p.A.	Via del Crotto, 52 - Campodolcino - Italy	EUR	8,118,182		0.23%	0.23%	0.00%	
Sociedad Concesionaria BAS S.A.	Santiago de Chile - Chile	CLP	8,876,340,000		0.10%	0.10%	0.00%	

ANNEX B _ RELATED PARTIES

EUR/000

Company name	Non-current financial assets	Receivables from customers	Trade receivables	Current financial assets	Other current assets	Non-current financial liabilities	Payables to customers	Trade payables	Other current liabilities	Revenue	Other operating revenue	Service costs	Other operating costs	Other financial income	Interest and other financial expense
A4 Holding S.p.A.	0	0	28	0	0	0	0	0	0	0	25	0	0	0	0
Ankara etlik Hastante A.S.	0	2,479	596	0	763	0	1,831	101	0	110	159	0	0	35	0
Astaldi - UTI - Romairport Joint Venture	410	0	2,567	0	1,456	0	0	75	0	0	0	0	0	0	0
Astaldi Bayindir J.V.	0	0	518	0	5,984	0	0	1,272	0	0	0	0	0	0	0
Autostrada Brescia Verona Vicenza Padova S.p.A.	0	0	33	0	0	0	0	0	0	0	33	0	0	0	0
Autostrada Nogara Mare Adriatico S.c.p.a.	0	0	0	0	0	0	0	69	0	0	17	35	0	0	0
Avola S.c.r.l. in liquidation	84	0	778	0	41	0	0	162	0	0	0	0	0	0	0
Avrasya Metro Grubu Srl	105	0	4	0	127	0	0	0	0	0	1	0	0	0	0
Blufi 1 S.c.rl. in liquidation	0	0	0	0	48	0	0	0	0	0	0	0	0	0	0
C.F.M. S.c.r.l. in liquidation	0	0	84	0	113	0	0	124	0	0	0	0	0	3	0
Colli Albani S.c.r.l. in liquidation	5	0	815	0	5	0	0	343	0	0	0	0	0	0	0
CONA Impianti S.c.r.l. in liquidation	0	0	0	0	28	0	0	0	0	0	0	0	0	0	0
Consorcio Astaldi-ICE	0	0	416	0	0	0	0	0	0	0	0	0	0	0	0
Consorcio Contuy Medio	0	0	6	0	82	0	0	401	16	0	0	7	0	0	0
Consorcio Grupo Contuy - Proyectos y Obras de Ferrocarriles	0	0	781	0	2,555	0	0	2,378	0	0	105	559	0	0	0
Consorzio A.F.T. in liquidation	354	0	129	0	804	0	0	27	657	0	0	0	0	0	0
Consorzio A.F.T. Kramis	560	0	1,708	0	3,152	0	0	909	379	0	58	0	0	8	0
Consorzio Consarno	127	0	70	0	0	0	0	29	0	0	0	0	0	0	0
Consorzio Consavia S.c.n.c. in liquidation	0	0	5	0	1	0	0	1	0	0	0	0	0	0	0
Consorzio Dipenta S.p.A. - Ugo Vitolo in liquidation	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0
Consorzio Europeo Armamento Alta Velocità - C.E.A.A.V.	90	0	0	0	0	0	0	42	0	0	0	0	0	0	0
Consorzio Ferrofir in liquidation	0	0	0	0	0	0	0	200	0	0	0	62	0	0	0
Consorzio Gi.It. in liquidation	0	0	0	0	0	0	0	220	0	0	0	0	0	0	0
Consorzio Iricav Due	0	0	189	0	0	0	0	2,721	0	0	31	203	0	0	0
Consorzio Iricav Uno	0	0	366	0	109	0	0	8,137	0	0	80	3,732	0	0	0
Consorzio Ital.Co.Cer.	0	0	0	0	0	0	0	260	0	0	0	32	0	0	0
Consorzio Italvenezia	0	0	0	0	0	0	0	151	0	0	0	1	0	0	0
Consorzio MM4	311	19,855	188	0	0	0	0	507	0	10,865	18	507	0	0	0
Consorzio Novocen in liquidation	82	0	0	0	0	0	0	214	0	0	0	0	0	0	0
Consorzio Pedelombarda 2	0	0	0	0	0	0	0	29	0	0	0	46	0	0	0
Consorzio Ponte Stretto di Messina in liquidation	200	0	0	0	1	0	0	2	0	0	0	0	0	0	0
Consorzio Qalat	0	0	0	0	0	0	0	91	0	0	0	0	0	0	0
Diga di Blufi S.c.r.l. in liquidation	0	0	6,198	0	637	0	0	5,463	0	0	0	0	0	0	0
Ecosarno S.c.r.l.	0	0	0	0	0	0	0	320	0	0	0	234	0	0	0
FINAST	0	0	18	0	0	0	0	0	0	0	7	0	0	0	0
Fosso Canna S.c.r.l. in liquidation	205	0	247	0	6	0	0	78	0	0	0	0	0	0	0
G.T.J Etude et Rèalisation d'un Tunnel	0	0	0	0	30	0	0	0	0	0	0	0	0	0	0
GE. SAT S.c.a. r.l.	0	0	5,584	0	0	0	0	3,699	45	3,978	166	3,634	0	0	0
GEI - Grupo Empresas Italianas	0	0	23	0	1,503	0	0	0	17	0	0	16	0	0	0
Groupement Eurolep	0	0	0	0	0	0	0	0	26	0	0	0	0	0	0
Groupement Italgisas	838	0	274	0	38	0	0	0	0	0	0	0	0	0	0
Ica Ic Ictas Astaldi Ucuncu Bogaz Koprusu Ve Kuzey Marmara Otoyolu Yatarim Ve Isleteme Sirketi	26,259	46,836	0	0	0	0	86,564	0	0	128,384	0	0	0	306	337
Infraflegrea S.c.r.l. in liquidation	0	0	523	0	85	0	0	519	0	0	0	0	0	0	0
Italsagi Sp. Zo. O.	340	0	14	0	28	0	0	0	0	0	0	0	0	0	0
M.N. Metropolitana di Napoli S.p.A.	0	0	10	0	0	0	0	5	0	0	0	0	0	0	4
Metro Brescia S.r.l.	1,212	0	24	0	0	0	0	55	0	0	23	0	0	0	0
Metro 5 Lilla S.r.l.	0	0	262	0	0	0	0	1,047	0	0	118	4	0	0	0
Metro 5 S.p.A.	23,461	0	3,057	0	133	0	5,986	717	0	134,891	182	608	2	625	0
METRO C S.c.p.a.	0	336	2,279	0	5	0	0	34,002	0	1,106	754	23,791	0	0	0
Metrogenova S.c.r.l.	0	0	83	0	606	0	0	321	7	0	14	189	0	0	0
Monte Vesuvio S.c.r.l. in liquidation	250	0	255	0	0	0	0	0	0	0	0	0	0	0	0
Mose-Treporti S.c.r.l.	0	0	622	0	0	0	0	2,725	0	0	36	2,102	0	0	0
N.P.F. - Nuovo Polo Fieristico S.c.r.l. in liquidation	0	0	6	0	570	0	0	0	0	0	0	4	0	0	0
Nova Metro S.c.r.l. in liquidation	0	0	0	0	0	0	0	29	0	0	5	1	0	0	0
Otoyol Isletime Ve Bakim AS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Otoyol Yatirim Ve Isletme A.S	14,793	48,517	0	0	0	0	14,181	17	11	60,273	1	0	371	544	1,195
Pacific Hydro Chacayes	721	0	129	0	0	0	0	0	0	0	0	0	0	0	0
Passante Dorico S.p.A.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pedelombarda S.c.p.A.	0	79	7,040	0	9	0	468	7,102	0	6,139	142	24,556	0	0	0
Pegaso S.c.r.l. in liquidation	0	0	122	0	901	0	0	0	0	0	29	115	0	0	0
Piana di Licata S.c.r.l. in liquidation	307	0	257	0	2	0	0	139	0	0	0	0	0	0	0
Pont Ventoux S.c.r.l. in liquidation	0	0	5,158	0	0	0	0	1,843	0	0	13	15	0	0	0
Principe Amedeo S.c.r.l. in liquidation	0	0	339	0	114	0	0	232	0	0	0	0	0	0	0
Re.Consult Infrastrutture S.p.A.	0	0	14	0	0	0	0	0	0	0	3	0	0	0	0
S. Leonardo S.c.r.l. in liquidation	22	0	2,628	0	2	0	0	698	0	0	0	0	0	0	0
S.A.C.E.S. S.r.l. in liquidation	0	0	0	0	0	1,630	0	0	0	0	0	0	0	0	0
S.E.I.S. S.p.A.	3,452	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SA.T. S.p.A.	3,763	3,323	870	0	0	0	0	155	0	45,280	144	0	0	108	0
Serenissima Costruzioni S.p.A.	0	0	236	0	0	0	0	0	0	0	177	0	0	0	0
Sharaf-Astaldi LLC	0	0	0	0	0	0	0	0	0	0	0	0	0	27	0
SP M4 S.C.p.A	0	0	297	5,142	0	0	0	0	0	0	3	0	1	152	0
Tangenziale Seconda S.c.r.l. in liquidation	0	0	72	0	4	0	0	15	0	0	0	0	0	0	0
Veneta Sanitaria Finanza di Progetto S.p.A. - V.S.F.P. S.p.A.	2,136	0	33	0	1	0	0	1	0	0	24	0	0	78	0
Total	**80,086**	**121,425**	**45,953**	**5,142**	**19,941**	**1,630**	**109,031**	**77,648**	**1,157**	**391,026**	**2,368**	**60,456**	**375**	**1,885**	**1,536**
Percentage impact	**64.84%**	**7.88%**	**4.45%**	**11.09%**	**4.79%**	**0.14%**	**14.73%**	**6.84%**	**0.77%**	**34.70%**	**3.17%**	**8.97%**	**2.26%**	**4.88%**	**1.32%**

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(Translation from the Italian original which remains the definitive version)

Auditors' report on review of condensed interim consolidated financial statements

To the shareholders of
Astaldi S.p.A.

1 We have reviewed the condensed interim consolidated financial statements of the Astaldi Group as at and for the six months ended 30 June 2014, 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 condensed interim consolidated financial statements in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union. Our responsibility is to prepare this report based on our review.

2 We conducted our review in accordance with Consob (the Italian Commission for Listed Companies and the Stock Exchange) guidelines set out in Consob resolution no. 10867 dated 31 July 1997. The review consisted primarily of the collection of information about the captions of the condensed interim consolidated financial statements and the consistency of application of the accounting policies through discussions with company directors and analytical procedures applied to the financial data presented in such condensed interim consolidated financial statements. The review excluded such audit procedures as tests of controls and substantive procedures on assets and liabilities and is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards. As a consequence, contrary to our report on the annual consolidated financial statements, we do not express an audit opinion on the condensed interim consolidated financial statements.

The condensed interim consolidated financial statements present the corresponding figures of the prior year annual consolidated and condensed interim consolidated financial statements for comparative purposes. As disclosed in the note "*Newly-issued and endorsed standards and interpretations, coming into effect as of 1 January 2014*", following the adoption of IFRS 11 – Joint arrangements, the parent's directors restated some of the corresponding figures. We respectively audited and reviewed the prior year annual consolidated and condensed interim consolidated financial statements and issued our reports thereon on 7 April 2014 and 6 August 2013. We have examined the methods used to restate the prior year corresponding figures and related disclosures set out in the note "*Newly-issued and endorsed standards and interpretations, coming into effect as of 1 January 2014*" for the purposes of preparing this report.

3 Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the Astaldi Group as at and for the six months ended 30 June 2014 have not been prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union.

Rome, 5 August 2014

KPMG S.p.A.

(signed on the original)

Benedetto Gamucci
Director of Audit