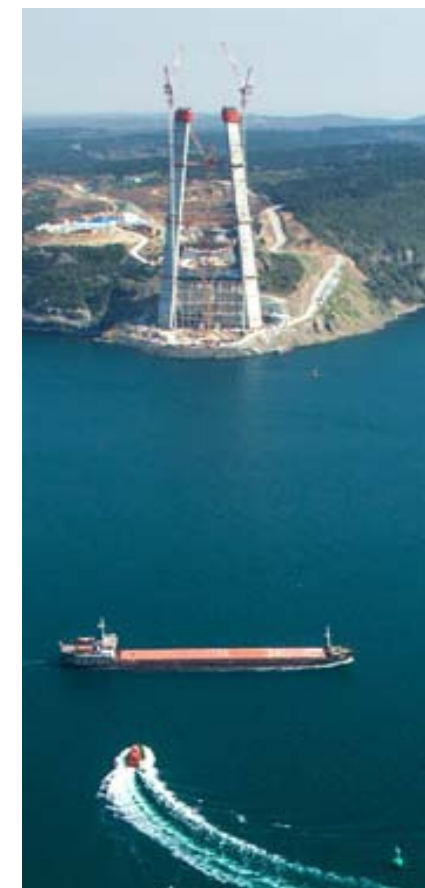
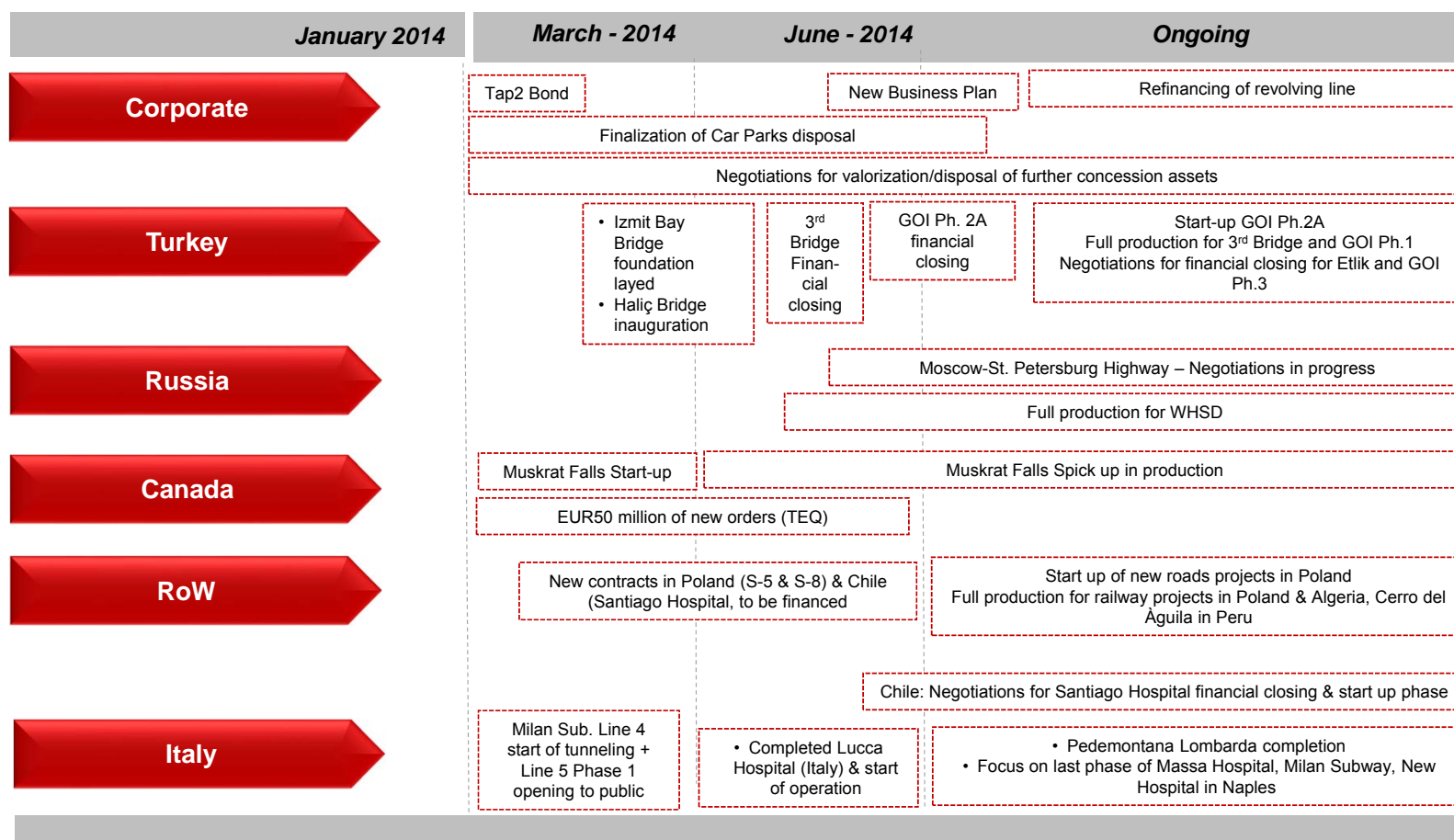


# 1H 2014 Results Presentation

Rome - August 1<sup>st</sup>, 2014



# 1H 2014 Events



# 1H 2014 Results vs. 2014 FY Targets

1H 2014 RESULTS		2014 FY TARGETS, % Y/Y		DRIVERS
Total Order Backlog ~ EUR22 billion	→	2014 Order Backlog > 2013 levels	→	New orders expected in 2H from Russia, Poland, Turkey, Chile
Revenues EUR1.2 billion, +4.4%	→	Revenues: +10%	→	As in 2013, 2H 2014 will show a strong upturn in production, mainly from Russia, Turkey, Canada
Ebit, % on revenues EUR118 million, 9.8%	→	Ebit margin: > 9%	→	
Net profit EUR34.3 million, +6.4%	→	Net profit 2014: ~ +10%	→	Margins in line with current portfolio and sustainable over the medium term
Net Financial Position EUR(1.1) billion	→	Net Financial Position: ~ EUR(900) million	→	Focus on the reduction of working capital in 2H 2014, with positive contribution from Canada, Russia, Venezuela and Italy

## 2H 2014 Actions Plan – Focus on New orders

- Relevant orders in pipeline ....

### DRIVERS

New orders expected in 2H from Russia, Poland, Turkey, Chile



As in 2013, 2H 2014 will show a strong upturn in production, mainly from Russia, Turkey, Canada

Margins in line with current portfolio and sustainable over the medium term

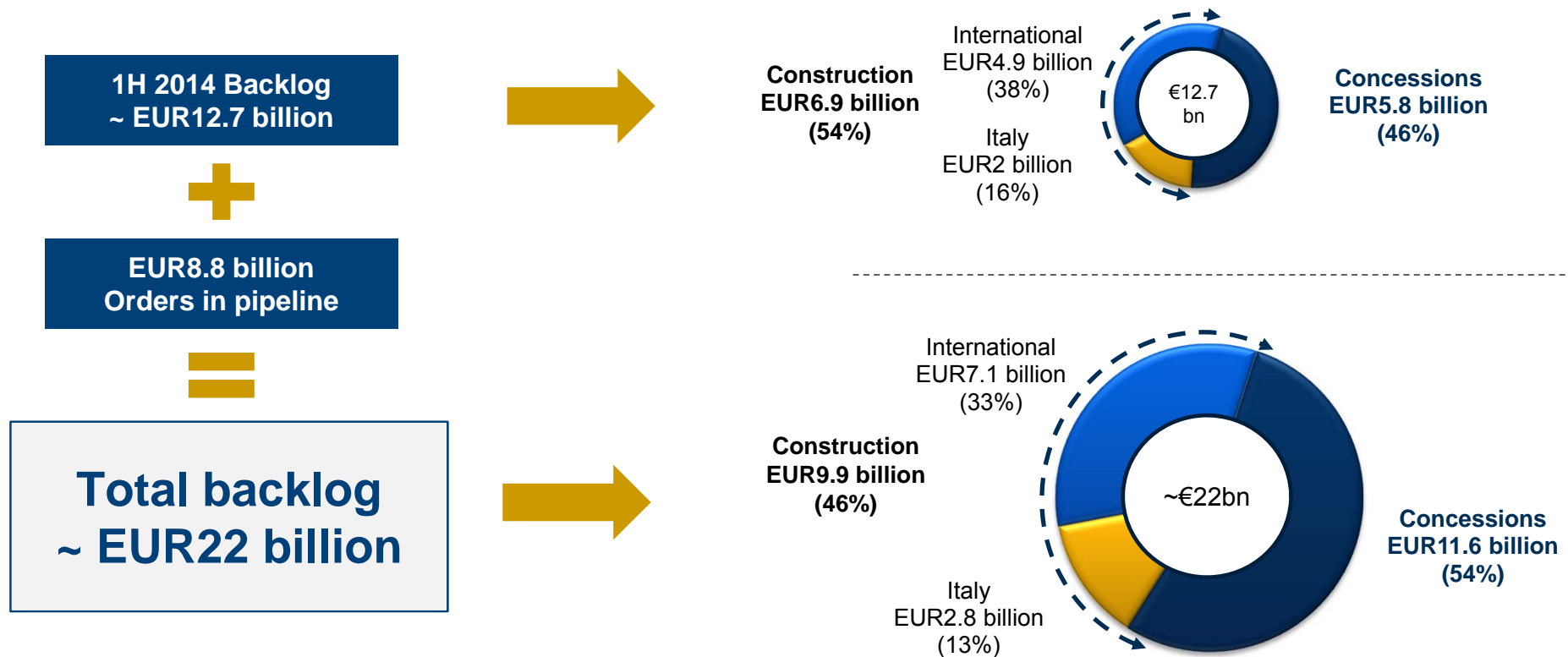
Focus on the reduction of working capital in 2H 2014, with positive contribution from Canada, Russia, Venezuela and Italy

### 2H 2014

- **Russia** – Negotiations in progress with Client for the Moscow-St. Petersburg Highway
- **Poland** – Astaldi first in ranking, waiting for a final awarding in the medium term
- **Turkey** – Etilik Health Care Campus in Ankara preliminary works to start in 2H 2014
- **Chile** – Western Metropolitan Hospital in Santiago target financial close in 2H 2014

## 2H 2014 Actions Plan – Focus on New orders

- ... drive to a **Total Order Backlog of approx. EUR22 billion**



## 2H 2014 Actions Plan – Focus on Production

- The next relevant milestones will accelerate production in 2H 2014

### DRIVERS

New orders expected in 2H from Russia, Poland, Turkey, Chile

As in 2013, 2H 2014 will show a strong upturn in production, mainly from Russia, Turkey, Canada

Margins in line with current portfolio and sustainable over the medium term

Focus on the reduction of working capital in 2H 2014, with positive contribution from Canada, Russia, Venezuela and Italy



### 2H 2014

- **To be completed within 2015**
  - **Turkey** – Third Bridge on Bosphorus and Gebze-Orhangazi-Izmir Highway Phase 1
  - **Italy** – Pedemontana Lombarda Highway (Sept. 2014), Massa-Carrara Hospital and Milan Subway Line 5 (1H 2015), New Hospital in Naples (2015-end)
- **Russia** – Acceleration in WHSD
- **Canada** – Acceleration of works in 2H 2014



## 2H 2014 Actions Plan – Focus on Margins

- Margins will continue to benefit of complex works in progress

### DRIVERS

New orders expected in 2H from Russia, Poland, Turkey, Chile

As in 2013, 2H 2014 will show a strong upturn in production, mainly from Russia, Turkey, Canada

Margins in line with current portfolio and sustainable over the medium term

Focus on the reduction of working capital in 2H 2014, with positive contribution from Canada, Russia, Venezuela and Italy

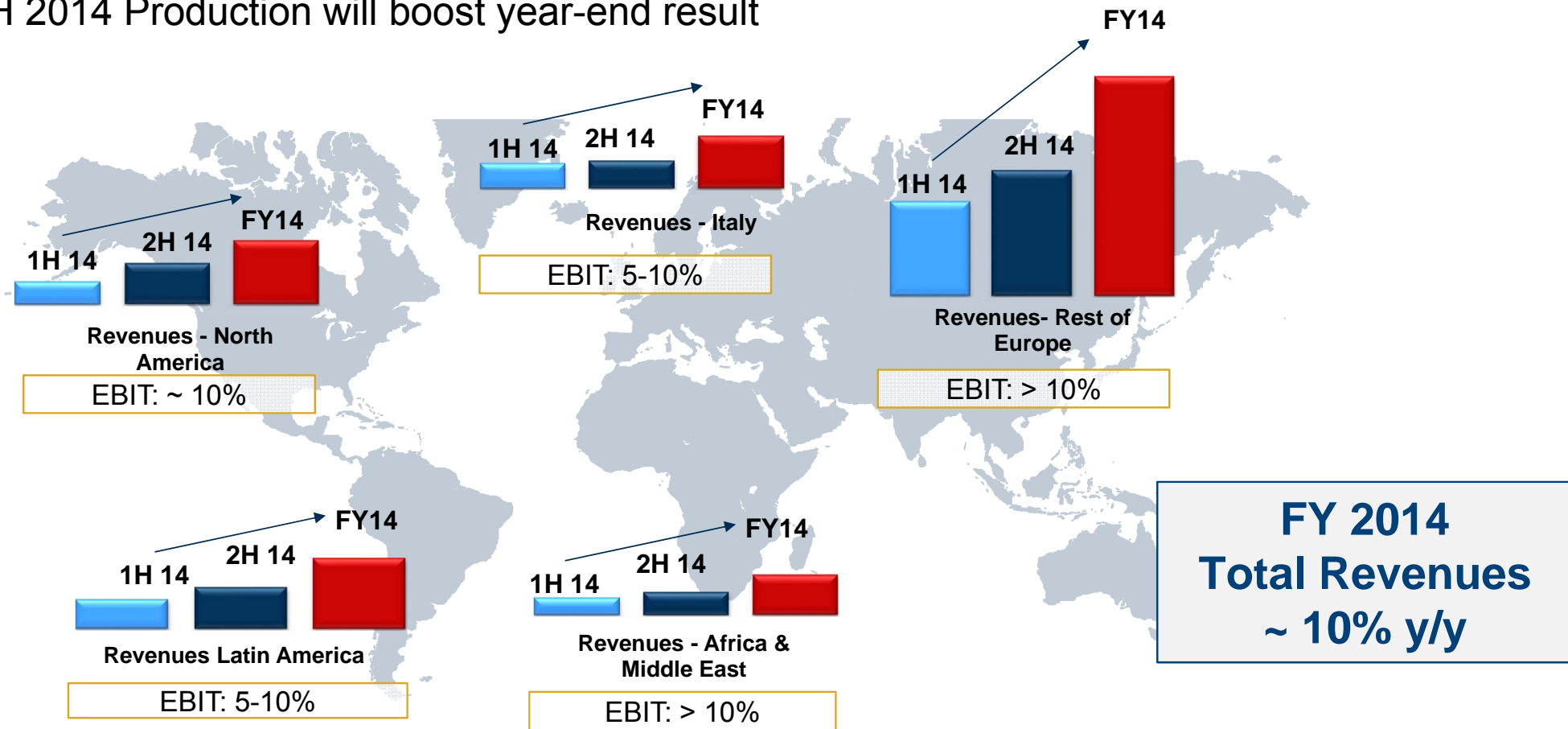


### 2H 2014

- A large part of orders in execution implies complex works with relevant contribution from high-level engineering and procurement activities
  - **Gebze-Orhangazi-Izmir Highway, Turkey** – Izmit Bay Bridge works in progress. It will be **the 4<sup>th</sup> longest bridge in the world**
  - **3<sup>rd</sup> Bridge on Bosphorus, Turkey** – A-shaped pile reached a height of 260m. It will be the world's widest suspended bridge (main span: 1,408m) and **the bridge with the highest A-shaped pile (above 320m) in the world**
  - WHSD in St. Petersburg, Russia

## 2H 2014 Actions Plan – Focus on Production

- 2H 2014 Production will boost year-end result





## 2H 2014 Actions Plan – Focus on Working Capital

- Working capital reduction in 2H 2014

### DRIVERS

New orders expected in 2H from Russia, Poland, Turkey, Chile

As in 2013, 2H 2014 will show a strong upturn in production, mainly from Russia, Turkey, Canada

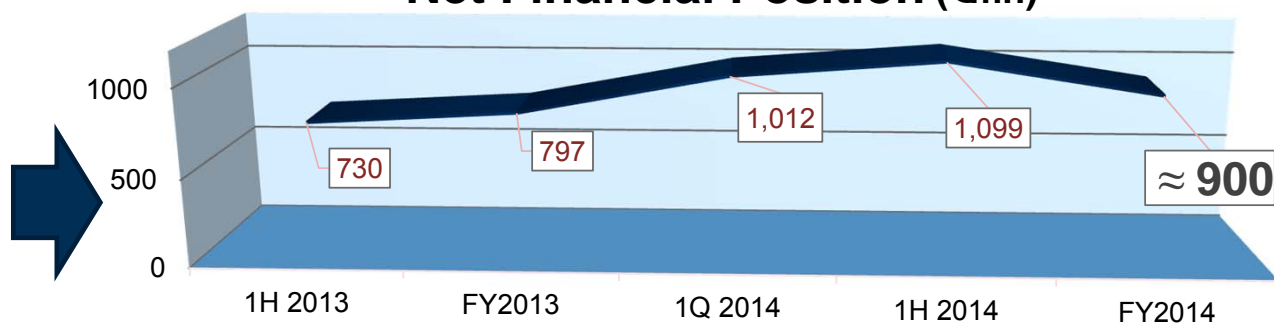
Margins in line with current portfolio and sustainable over the medium term

Focus on the reduction of working capital in 2H 2014, with positive contribution from Canada, Russia, Venezuela and Italy

### 2H 2014

- Canada & Russia: entry into full production phase improves invoicing process
- Venezuela: payments expected
- Italy

### Net Financial Position (€mn)



# Reclassified Consolidated Income Statement

1H 2014 RESULTS	H1 2014	H1 2013	Y/Y CHANGE
Main items (EUR/000,000)			(%)
<b>Total revenues</b>	<b>1,201.5</b>	<b>1,150.6</b>	<b>+4.4%</b>
<b>EBITDA</b>	<b>149.3</b>	<b>145.0</b>	<b>+2.9%</b>
<i>EBITDA Margin</i>	<i>12.4%</i>	<i>12.6%</i>	
<b>EBIT</b>	<b>118.1</b>	<b>113.0</b>	<b>+4.5%</b>
<i>EBIT Margin</i>	<i>9.8%</i>	<i>9.8%</i>	
Net financial charges	(58.6)	(56.3)	+4.1%
Fair value of equity linked bond	(18.9)	(2.8)	n.m.
Income from equity participations	14.0	3.2	n.m.
<b>EBT</b>	<b>54.7</b>	<b>57.1</b>	<b>-4.2%</b>
<b>Net income</b>	<b>34.3</b>	<b>32.3</b>	<b>+6.4%</b>

- **Revenues** – slow-down in domestic revenues more than balanced by production in foreign markets (mainly, Russia, Canada, Turkey, Poland, Peru) – Europe +31% America +33%
- **EBIT margin at 9.8%** sustainable over the M/T
- **Net Financial charges** increase mainly due to:
  - Higher average debt to support production
  - Higher cost of debt linked to bond issue to extend debt maturity to 2020
  - Higher cost of guarantees relating to the increased average size of contracts in backlog
- Financial charges also include EUR19 million of fair value on equity linked bond due 2019
- **Income from equity participations** EUR14 million, mainly referring to the Third Bridge on Bosphorus in Turkey

# Reclassified Consolidated Balance Sheet

1H 2014 RESULTS Main items (EUR/000,000)	1H 2014	FY 2013	1H 2013
Total non-current assets	760.0	718.8	635.8
Working capital	933.2	704.2	704.6
Total funds	(26.9)	(30.6)	(32.2)
<b>NET INVESTED CAPITAL</b>	<b>1,666.3</b>	<b>1,392.4</b>	<b>1,308.2</b>
NFP <sup>(*)</sup>	(1,101.6)	(800.2)	(732.9)
<b>NET EQUITY</b>	<b>564.7</b>	<b>592.2</b>	<b>575.2</b>

(\*) Gross of own shares.

## ■ 1H 2014 Investments

- Net Fixed CAPEX: EUR32 million referring to Canada, Russia, Chile and Romania
- Concession Investments: EUR73 million
  - EUR40 million equity investments on Turkish projects
  - EUR33 million semi-equity investments on Milan Subway Line 5 and Third Bridge on Bosphorus

## ■ Working Capital

- Increase for the period due to work in progress in Poland, Turkey, Algeria, Russia, Canada and Italy
- Working Capital expected to decrease in 2H 2014 as production milestones are met

- **Net equity** – Minorities reduction due to the merger of AI2 into Re.Consult (A4 Highway)

# Astaldi's Investment Profile Today

## Upside potential

- Construction business generating strong returns
- Backlog solid, balanced and growing
- Concession portfolio completing capital intensive phase
  - 2015: step-change contribution to bottom line
  - Asset disposal opportunities
- Re-rating potential as milestones achieved

## Downside protection

- Experienced management team executing proven strategy
- Optimal spread of opportunities / risks
- Successfully managing leverage
  - Debt / Equity: 0.6x by 2018
  - Debt / EBITDA: 1.56x by 2018
- Undemanding valuation underpinned by growing dividend

Proven strategy will deliver on targets and milestones

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# APPENDIX

# Backlog in execution comprised of diversified high quality projects

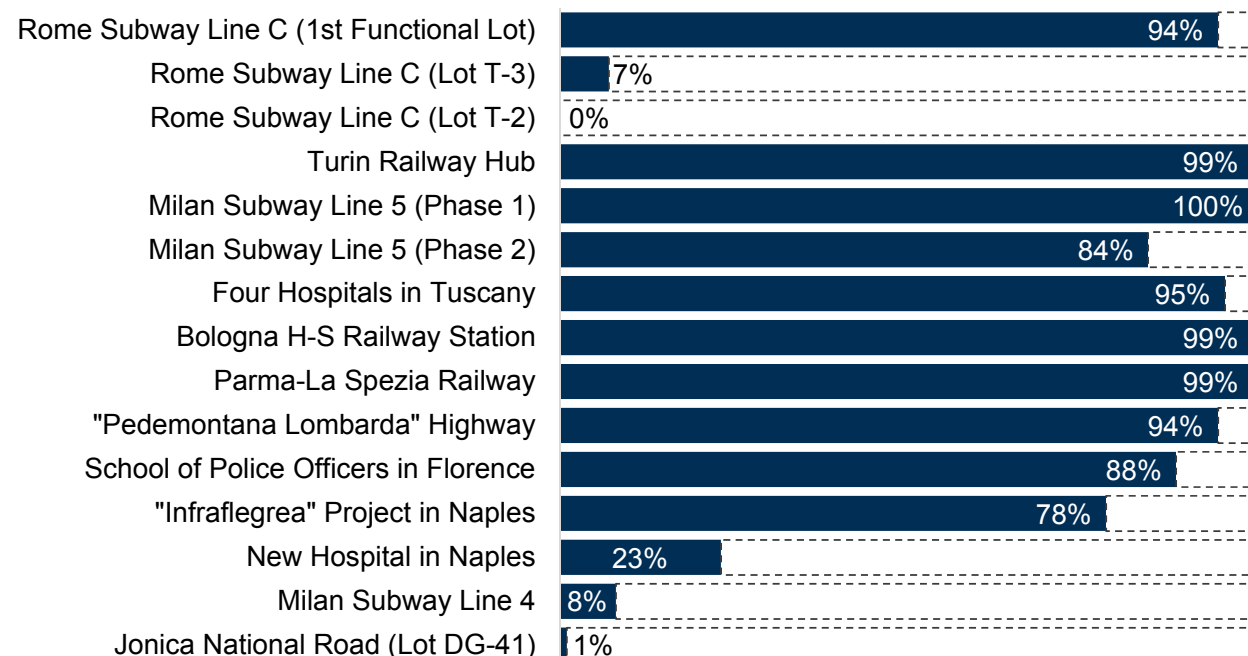
## International Backlog – Percentage Completed (as of June 30 2014)

						Year ending					Backlog (EUR/'000)
						2014	2015	2016	2017	+2018	
S-8 (Poland)	0%							□			115.7
Warsaw Subway Line 2 (Poland)	85%	□									55.1
Saida-Moulay Slissen Railway (Algeria)	67%			□							242.7
Puerto Cabello-La Encrucijada Railway (Venezuela)	60%				□						665.3
Chaguaramas-Cabruta Railway (Venezuela)	55%									□	139.0
Gebze-Orhangazi-Izmir Motorway, Phase 1 & 2A (Turkey)	59%		□								150.9
San Juan de Los-Morros-San Fernando de Apure (Venezuela)	44%									□	375.0
Chuquicamata Mining Project, Contract #1 (Chile)	55%			□							61.9
Bucharest Subway Line 5, Romania	42%				□						64.9
Saida-Tiaret Railway (Algeria)	37%			□							163.2
Cerro del Aguila Hydroelectric Project (Peru)	44%			□							144.4
Warsaw Railway Project (Poland)	39%		□								83.1
Chuquicamata Mining Project, Contract #2 (Chile)	38%		□								66.3
WHSD in St. Petersburg (Russia)	35%			□							662.4
3rd Bosphorus Bridge (Turkey)	36%		□								390.5
John Paul II International Airport in Krakow-Balice (Poland)	16%		□								60.0
Bucharest Subway Line 4 (Romania)	17%			□							124.2
Muskrat Falls Hydroelectric Project (Canada)	7%				□						706.4



# Backlog in execution comprised of diversified high quality projects

## Italian Backlog – Percentage Completed (as of June 30 2014)



2014	Year ending				Backlog (EUR/'000)
	2015	2016	2017	+2018	
	□				32.3
				□	188.0
				□	218.7
□					4.2
□					0.8
	□				72.4
□					10.2
	□				3.9
	□				2.1
□					12.6
□					27.4
	□				30.8
		□			108.7
			□		441.3
				□	780.0
					86.7



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