



## 1H 2015 Results – A Durable Competitive Advantage

Rome – August 3, 2015



## Main Topics

- **STRONG 1H 2015 RESULTS BENEFITING FROM A GOOD COMMERCIAL AND OPERATING PERFORMANCE**



- **Total Revenue +15.8%, at EUR 1.4 billion**
  - Operating revenue +18.3% at EUR 1.3 billion, mainly in Turkey, Russia, Canada, Poland
- **EBITDA +20.5%**, EBITDA margin at 12.9%
- **EBIT +18.8%**, EBIT margin at 10.1%
- **Net Income +82% at EUR 62.4 million**, of which approx. EUR 34 million from equity participation
- Net Financial Position at EUR 1.1 billion, with approx. EUR 130 million of investments

# 1H 2015 Results – Operating Performance

(EUR / million)	1 H 2015	1H 2014	Y/Y %	FY-15 GUIDELINES
<b>Total Revenue</b>	<b>1,391.7</b>	<b>1,201.5</b>	<b>+15.8%</b>	<b>+10%</b>
<b>EBITDA</b>	<b>179.8</b>	<b>149.3</b>	<b>+20.5%</b>	
<b>EBITDA margin</b>	<b>12.9%</b>	<b>12.4%</b>		
<b>EBIT</b>	<b>140.3</b>	<b>118.1</b>	<b>+18.8%</b>	
<b>EBIT Margin</b>	<b>10.1%</b>	<b>9.8%</b>		<b>&gt; 9%</b>
Net Financial Charges	(85.1)	(77.5)	+10.0%	
Income from SPVs equity method evaluation	33.6	14.0	n.m.	
<b>EBT</b>	<b>88.8</b>	<b>54.7</b>	<b>+62.3%</b>	
<b>Net income</b>	<b>62.4</b>	<b>34.3</b>	<b>+81.7%</b>	<b>≈ +10%</b>

- Revenue boosted by foreign activities (+32.8%), mainly in Turkey, Russia and Canada
- Q2 2015 revenue coming from Italy seems to anticipate a **recovery path for domestic market** (+35% for 2Q 2015 vs. 1Q 2015)
- Margins supported by high quality orders in execution and by the release of provisions linked to projects, which have been delivered
- Net financial charges include EUR (27) million charge linked to fair value on the equity linked bond
- Net income benefits from EUR 33.6 million of effects mainly linked to SPVs equity method evaluation

# 1H 2015 Results – Operating Performance

- **3<sup>rd</sup> BOSPHORUS BRIDGE EXECUTION IS ON TRACK (\*)**



- **LATEST NEWS ON THE WORK SITES**
- Installation works of stiffening cables, one of the 2 systems that will carry the Bridge following the installation of steel decks, continue at full speed. Installations of 60 stiffening cables are completed.
- Catwalk installation is completed. Asia and Europe meet once again with the installation of “catwalk”, which will serve as a guide in the “main cable” spanning process.
- Assembly process of steel bridge floor continues. Installation and welding works of 17 steel bridge floors out of 59 are completed.



(\*) Source – Photo Gallery is available at <http://www.3kopru.com/eng/photogallery>



# 1H 2015 Results – Operating Performance

- **THE TOWERS OF THE IZMIT BAY CROSSING BRIDGE HAVE BEEN COMPLETED (\*)**

- The 252-meter high towers of the bridge have been completed.
- The final stage for the assembly process of bridge floor has been reached.



(\*) Source – Photo Gallery available at <http://en.otoyolas.com.tr>

# 1H 2015 Results – Commercial Performance

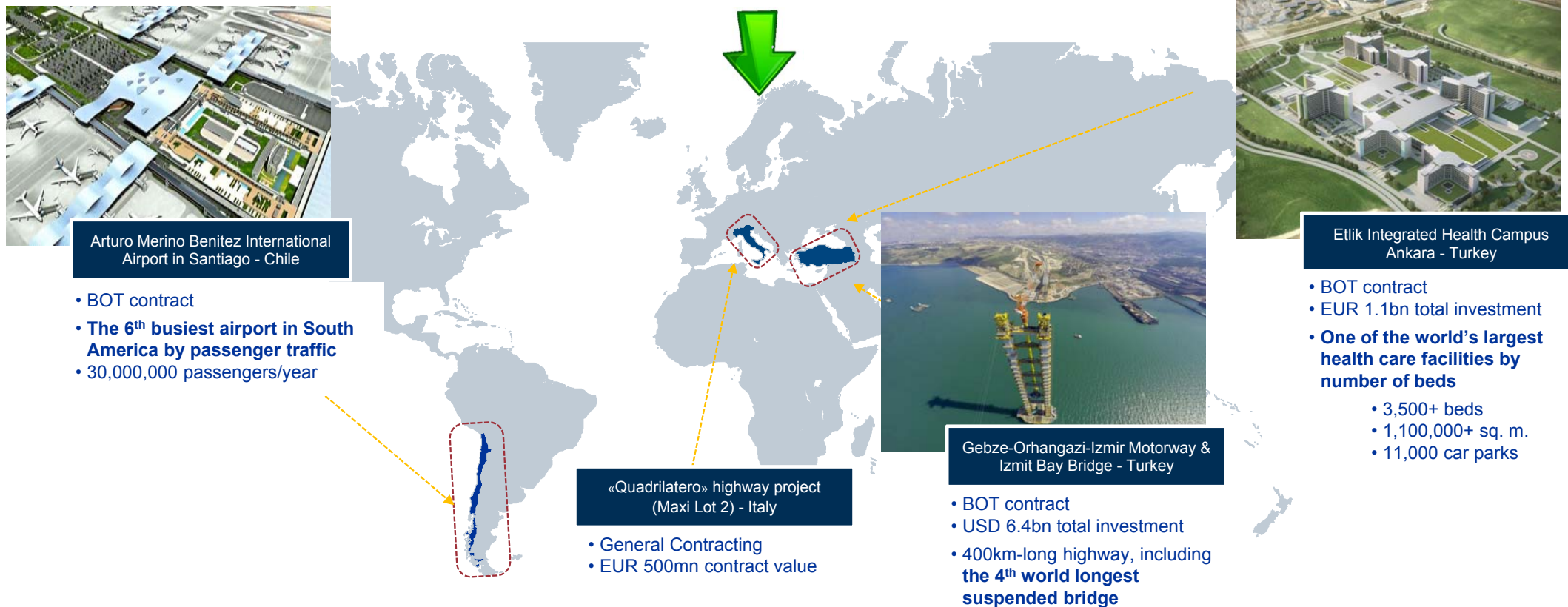
- **A DURABLE COMPETITIVE ADVANTAGE**



- **Astaldi with its effective business model, continues to prove an impressive commercial, financial and technical strength**
  - New contracts for EUR 5.3 billion to date
  - Financial closing reached for over EUR 6 billion no-recourse lines
  - Impressive performance on delivering complex projects
  - Astaldi is successfully executing some of the most complex engineering project at worldwide level
- **All this has laid the foundations for the next cycle of growth**

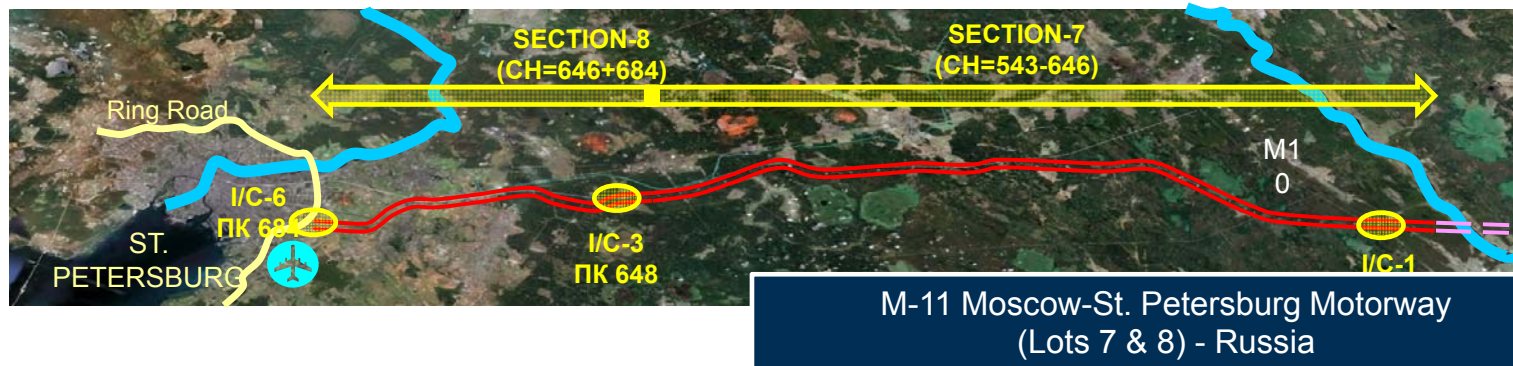
# Astaldi with its Effective Business Model, Continues to Prove an Impressive Commercial, Financial and Technical Strength

## • NEW CONTRACTS FOR OVER 5 BILLION TO DATE ...



# Astaldi with its Effective Business Model, Continues to Prove an Impressive Commercial, Financial and Technical Strength

- .... OF WHICH EUR 1.3 BILLION WILL BE BOOKED IN Q3 2015



- **M-11 Moscow-St. Petersburg Motorway (Lots 7 & 8), Russia:** EUR 1.1 billion for design and construction of a 140-km long motorway

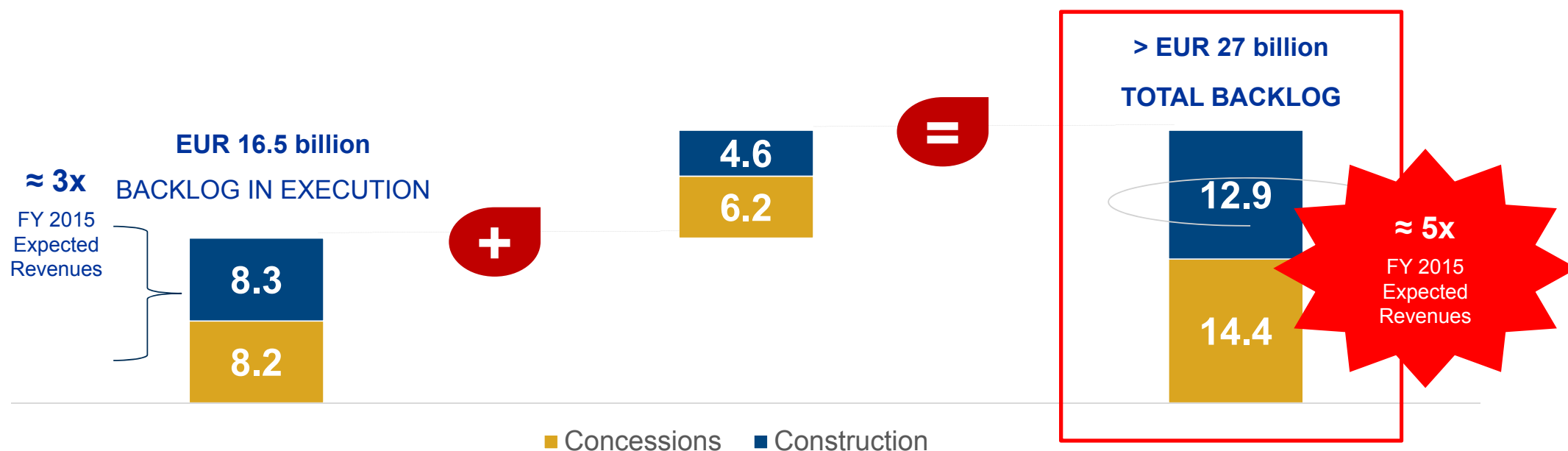
- **«Quadrilatero» highway project (Maxi Lot 2), Italy:** approx. EUR 500 million for upgrading the Perugia-Ancona direct route and the «Pedemontana delle Marche» national road
- **South Bypass Road in Warsaw (Lot A), Poland:** approx. EUR 240 million for design and construction of a 5-km long expressway, including 9 bridges and 1 double-tube tunnel



## Astaldi with its Effective Business Model, Continues to Prove an Impressive Commercial, Financial and Technical Strength

- TOTAL BACKLOG HAS REACHED OVER EUR 27 BILLION**

- Strong commercial network is creating the opportunity for a new durable, sustainable cycle of growth



## Astaldi with its Effective Business Model, Continues to Prove an Impressive Commercial, Financial and Technical Strength

- **FINANCIAL CLOSING REACHED FOR OVER 6 BILLION NO-RECOURSE LINES**



- **TURKEY**

- Gebze-Orhangazi-Izmir motorway: **US\$ 5 billion** to complete the Ph. 2-B (301-km long Bursa-Izmir link) and to refinance the sections under construction (Ph. 1 & Ph. 2-A, Gebze-Orhangazi-Bursa link). Project Debt/Equity at 78/22 (from the initial 50/50).
- Etlik Integrated Health Campus in Ankara: **EUR 880 million**. Project Debt/Equity at 80/20.

- **ITALY**

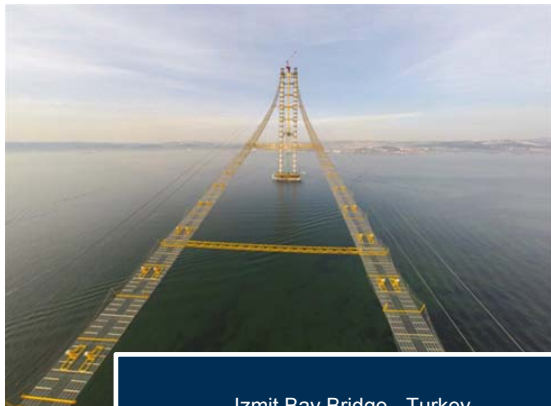
- Milan Subway Line 5: **EUR 580 million** to refinance and complete the works. It is an innovative operation, which will provide for the first time in Italy term loans facilities (EUR 430 million) plus one project bond line (EUR 150 million)

**Strong financing capabilities to support production**

# Astaldi with its Effective Business Model, Continues to Prove an Impressive Commercial, Financial and Technical Strength

## • IMPRESSIVE PERFORMANCE ON DELIVERING COMPLEX PROJECTS

- Astaldi is successfully executing some of the most landmark projects ever built in the world, mainly in transportation sector
- Astaldi competitive positioning is based on the strategic choice to work as a “specialist” in sectors / projects characterized by a high technological content

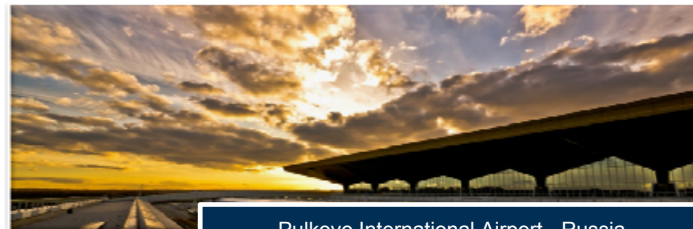


Izmit Bay Bridge - Turkey

- The **4<sup>th</sup> longest suspended bridge**



Warsaw Subway Line 2 - Poland



Pulkovo International Airport - Russia

### 2014 ENR worldwide ranking (\*)

- ✓ **3<sup>rd</sup> in bridges**
- ✓ **7<sup>th</sup> in airports**
- ✓ **12<sup>th</sup> in subways**

(\*) 2014 ENR worldwide rankings by 2013 revenues.

# Astaldi with its Effective Business Model, Continues to Prove an Impressive Commercial, Financial and Technical Strength

## • IMPRESSIVE PERFORMANCE ON DELIVERING COMPLEX PROJECTS

- 5 hospitals in operation in Italy + 2 hospitals to be completed abroad
- Totalling 6,700+ beds



Etlik Integrated Health Campus - Turkey

- One of the **world's largest health care facilities** by number of beds

- 5 hospitals in operation
  - Italy – New hospital in Mestre-Venice
  - Italy – New hospital in Prato (Tuscany)
  - Italy – San Jacopo hospital in Pistoia (Tuscany)
  - Italy – San Luca hospital in Lucca (Tuscany)
  - Italy – New hospital in Massa-Carrara (Tuscany)
- 1 hospitals under construction
  - Turkey – Etlik Integrated Health Campus in Ankara
- 1 hospital to be financed
  - Chile – West Metropolitan hospital in Santiago

**2014 ENR  
worldwide ranking (\*)**

✓ **25<sup>th</sup> in health care**

(\*) 2014 ENR worldwide rankings by 2013 revenues.



## All This Has Laid the Foundations for the Next Cycle of Growth

- **ASTALDI EFFECTIVE BUSINESS MODEL RESULTED IN AN INCREASED COMPETITIVE POSITIONING AND IN THE PENETRATION OF A NEW MARKET SEGMENT – EPC LINKED TO CONCESSION PROJECTS**



- **Astaldi will strengthen its EPC role** by increasing its activities in EPC contracts linked to concession projects
- This will results into a **more balanced Client mix Private vs. Government** thus **decreasing the Group's dependence on Government financial budgets**

# 1H 2015 Results – Financial Performance

## • FINANCIAL PERFORMANCE IN LINE WITH CYCLICAL TREND

(EUR/million)	June 2015	December 2014	June 2014
Total Non Current Assets	900.5	790.2	760.0
<b>Working Capital</b>	<b>870.0</b>	<b>616.7</b>	<b>933.2</b>
Total funds	(22.8)	(23.0)	(27.0)
<b>Net Invested Capital</b>	<b>1,747.6</b>	<b>1,383.9</b>	<b>1,666.3</b>
<b>Net Financial Position<sup>(*)</sup></b>	<b>(1,113.9)</b>	<b>(803.8)</b>	<b>(1,101.6)</b>
<b>NET EQUITY</b>	<b>633.7</b>	<b>580.1</b>	<b>564.7</b>

(\*) Including treasury shares on hand totalling EUR 4.6 million at 30 June 2015, EUR 5.2 million at 31 December 2014 and EUR 2.5 million at 30 June 2014.

- Working Capital increase as a result of the cyclical trend in the first part of the year
- -7% Y-o-Y reduction of Working Capital compared to a revenue increase of over 15% shows the **effective control on Working Capital**
- Working Capital does not include the positive effect of the advance payments linked to the new contract won in July in Russia, which will be collected in H2 2015

## 1H 2015 Results – Appendix

---

# Appendix

# 1H 2015 Results – Consolidated Reclassified Income Statements

(Euro/000)	30/06/2015	% on revenue	30/06/2014	% on revenue
Revenue	1,333,431	95.8%	1,126,936	93.8%
Other operating revenues	58,241	4.2%	74,588	6.2%
<b>Total revenue</b>	<b>1,391,672</b>	<b>100.0%</b>	<b>1,201,524</b>	<b>100.0%</b>
Cost of production	(944,416)	-67.9%	(856,007)	-71.2%
<b>Added value</b>	<b>447,256</b>	<b>32.1%</b>	<b>345,517</b>	<b>28.8%</b>
Personnel expenses	(254,352)	-18.3%	(179,696)	-15.0%
Other operating costs	(13,081)	-0.9%	(16,565)	-1.4%
<b>EBITDA</b>	<b>179,823</b>	<b>12.9%</b>	<b>149,256</b>	<b>12.4%</b>
Depreciation & Amortisation	(36,926)	-2.7%	(31,086)	-2.6%
Provisions	(892)	-0.1%	()	0.0%
Write-off	(1,691)	-0.1%	(124)	0.0%
(Capitalisation of internal construction costs)		0.0%	85	0.0%
<b>EBIT</b>	<b>140,314</b>	<b>10.1%</b>	<b>118,131</b>	<b>9.8%</b>
Net financial charges	(85,108)	-6.1%	(77,469)	-6.4%
Income from SPVs equity method valuation	33,596	2.4%	14,052	1.2%
<b>Pre-tax profit</b>	<b>88,802</b>	<b>6.4%</b>	<b>54,713</b>	<b>4.6%</b>
Taxes	(27,101)	-1.9%	(19,736)	-1.6%
<b>Profit from continuing operations</b>	<b>61,701</b>	<b>4.4%</b>	<b>34,977</b>	<b>2.9%</b>
<b>Profit (loss) arising from operations related to disposal groups</b>		<b>0.0%</b>	<b>(736)</b>	<b>-0.1%</b>
<b>Profit for the year</b>	<b>61,701</b>	<b>4.4%</b>	<b>34,241</b>	<b>2.8%</b>
Profit attributable to non-controlling interests	686	0.0%	92	0.0%
<b>Net profit</b>	<b>62,387</b>	<b>4.5%</b>	<b>34,333</b>	<b>2.9%</b>



# 1H 2015 Results – Consolidated Reclassified Financial Statements

<i>Euro/000</i>	<b>30/06/2015</b>	<b>31/12/2014</b>	<b>30/06/2014</b>
Intangible Assets	23,944	32,555	48,567
Property, Plant and Equipment Investments	228,932	224,165	217,015
Investments	531,739	436,909	404,436
Other Net Non-Current Assets	115,744	96,568	94,401
Non-current assets held for sale			2,029
Liabilities directly associated with non-current assets held for sale			(6,432)
<b>TOTAL Non-Current Assets (A)</b>	<b>900,359</b>	<b>790,197</b>	<b>760,016</b>
Inventories	79,830	64,870	59,519
Contract work in progress	1,227,879	1,165,348	1,479,699
Trade receivables	53,281	52,299	53,041
Receivables from Customers	909,453	850,742	978,672
Other Assets	175,167	183,793	200,390
Tax receivables	117,902	97,834	103,240
Payments on account from Customers	(394,286)	(589,785)	(740,058)
<b>Subtotal</b>	<b>2,169,225</b>	<b>1,825,101</b>	<b>2,134,502</b>
Trade payables	(91,372)	(68,777)	(91,373)
Payables to Suppliers	(838,976)	(817,430)	(827,162)
Other Liabilities	(368,869)	(322,180)	(282,727)
<b>Subtotal</b>	<b>(1,299,216)</b>	<b>(1,208,387)</b>	<b>(1,201,262)</b>
<b>Working Capital (B)</b>	<b>870,009</b>	<b>616,714</b>	<b>933,240</b>
Employee benefits	(8,874)	(9,595)	(8,627)
Provisions for non-current risks and charges	(13,895)	(13,407)	(18,340)
<b>Total funds (C)</b>	<b>(22,769)</b>	<b>(23,002)</b>	<b>(26,968)</b>
<b>Net Invested Capital ( D ) = ( A ) + ( B ) + ( C )</b>	<b>1,747,599</b>	<b>1,383,910</b>	<b>1,666,288</b>
Cash and cash equivalents	423,917	530,212	361,082
Current financial receivables	48,991	20,870	27,523
Non-current financial receivables	226,864	170,933	98,830
Securities	1,026	1,396	1,567
Current financial liabilities	(512,224)	(387,587)	(532,409)
Non-current financial liabilities	(1,325,839)	(1,164,266)	(1,102,871)
<b>Net financial liabilities ( E )</b>	<b>(1,137,267)</b>	<b>(828,442)</b>	<b>(1,146,278)</b>
Receivables rights from concessions	23,370	24,589	28,186
Net financial debt – disposal groups			16,532
<b>Total financial liabilities ( F )</b>	<b>(1,113,897)</b>	<b>(803,854)</b>	<b>(1,101,560)</b>
Equity attributable to owners of the parent	(627,407)	(574,058)	(558,995)
Equity attributable to non-controlling interests	(6,295)	(5,998)	(5,734)
<b>Equity ( G ) = ( D ) - ( F )</b>	<b>633,702</b>	<b>580,056</b>	<b>564,728</b>

# International Backlog in Execution

## International Backlog (Major Construction Contracts) – Percentage Completed (as of June 2015)

		Year ending				Backlog (EUR/'000)
		2015	2016	2017	+2017	
Arturo Merino Benitez International Airport (Chile)	0%				□	299.7
S5 Poznań - Wrocław - Lot 3 Highway (Poland)	4%			□		110.5
Saida-Moulay Slissen railway (Algeria)	81%		□			135.8
Puerto Cabello-La Encrucijada Railway (Venezuela)	45%				□	1,223.0
S8 Jezewo - Mezenin (Poland)	5%			□		80.7
Gebze-Orhangazi-Izmir Motorway EPC (Turkey) (*)	41%		□	□	□	451.6
S8 Wiśniewo – Mezenin Highway (Poland)	27%			□		61.8
Etlik Health Care Campus in Ankara (Turkey)	0%				□	436.6
Bucharest Subway Line 5, Ph. 1 (Romania)	59%		□			47.5
Saida-Tiaret railway (Algeria)	53%			□		132.6
Cerro del Aguila hydroelectric project (Peru)	> 70%		□			75.0
Bucharest Subway Line 5, Ph. 2 (Romania)	0%			□		65.2
Chuquicamata mining project - Cont. #2 (Chile)	65%	□				53.6
WHSD in St. Petersburg (Russia)	74%		□			246.0
3rd Bosphorus Bridge EPC (Turkey) (*)	76%		□			153.7
John Paul II International Airport in Krakow-Balice (Poland)	68%	□				23.1
Bucharest Subway Line 4 (Romania)	41%			□		91.6
Muskrat Falls hydroelectric project (Canada)	> 30%				□	535.8

(\*) Represents the percentage of completion of the only EPC (Engineering, Procurement, Construction) contract related to the concession contract.

# Italian Backlog in Execution

## Italian Backlog (Major Construction Contracts) – Percentage Completed (as of June 2015)

		Year ending				Backlog (EUR/'000)
		2015	2016	2017	+2017	
Rome Subway Line C (1st Functional Lot)	97%		□			17.9
Rome Subway Line C (Lot T-3)	14%				□	173.9
Rome Subway Line C (Lot T-2)	0%				□	218.7
Jonica National Road, Lot DG-41	1%				□	1,101.6
Verona-Padua H-S/H-C railway, Verona-Vicenza stretch	0%				□	562.5
Milan Subway Line 5 Ph. 2 EPC (*)	99%		□			3.3
Taranto Port	0%		□			52.1
Syndial Project in Porto Torres	0%				□	33.7
School of Police Officers in Florence	97%	□				7.6
"Infralegrea" Project in Naples	43%				□	154.8
New Hospital in Naples	68%		□			45.5
Milan Subway Line 4 EPC (*)	14%				□	806.0
Monte Nieddu Dam in Sardinia	0%			□		45.3

(\*) Represents the percentage of completion of the only EPC (Engineering, Procurement, Construction) contract related to the concession contract.

## Appendix – Contacts



*HEADQUARTERS*

Astaldi S.p.A

Via Giulio Vincenzo Bona n. 65

00156 Rome – Italy

[www.astaldi.com](http://www.astaldi.com)