Astaldi S.p.A. Restructuring Plan

Executive Summary

Rome, 7 October 2019

Preface

- Astaldi S.p.A. (“Astaldi” or the “Company”) filed with the Court of Rome on 19 June 2019 (and successively integrated on 16 July 2019, 20 July 2019 and 2 August 2019) a restructuring plan – composition with creditors – under art. 160 of the Italian Bankruptcy Law (“IBL”) and the related attached documents (the “Restructuring Plan”), together with the proposal to its creditors (“Concordato Proposal”). The Restructuring Plan is based upon the assumption of business continuity supported by a binding offer (“Salini Impregilo BO”) formulated by Salini Impregilo S.p.A (“Salini Impregilo”)

- Given the quantity and complexity of the documentation filed to the Court, the Company prepared this Executive Summary which outlines the main elements of the Restructuring Plan, the Concordato Proposal and the Salini Impregilo BO.

- This document was hence prepared only to facilitate the analysis of the Restructuring Plan, the Concordato Proposal and the Salini Impregilo BO.

- This document is not intended to be complete and needs to be consulted in conjunction with all documents filed by the Company in order to obtain a complete information on the Restructuring Plan, the Concordato Proposal and the Salini Impregilo BO.

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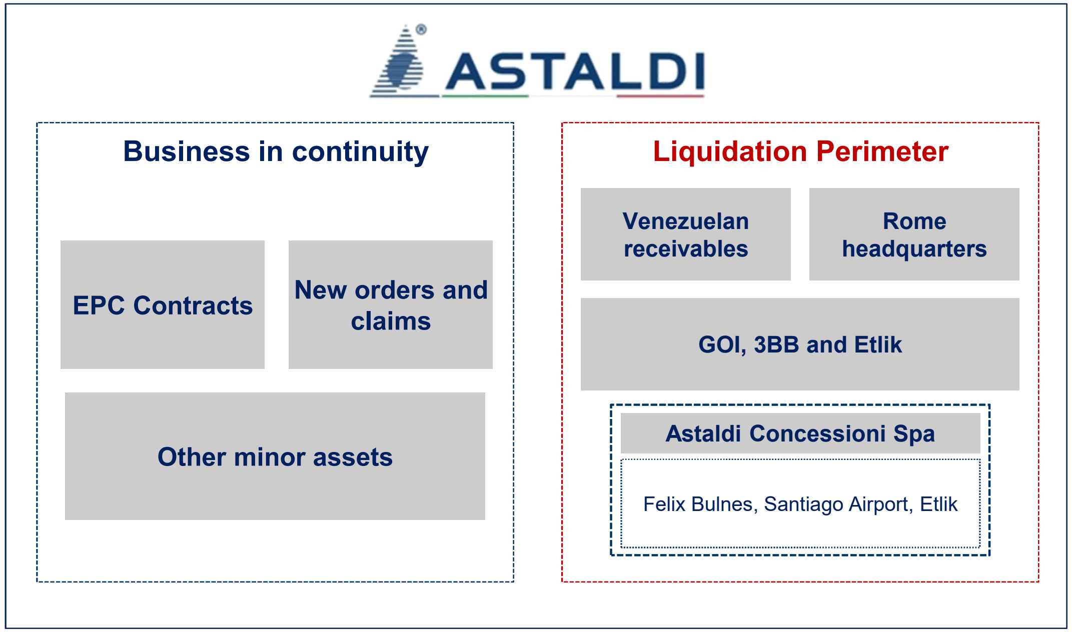
Separation between the business in continuity and the Liquidation Perimeter

Separation between business in continuity and Liquidation Perimeter

- The Restructuring Plan foresees a **separation between the business in continuity and a number of assets to be disposed of in favor of creditors, segregated from the business (the "Liquidation Perimeter")**:
  - The business in continuity perimeter is mainly composed of EPC contracts (backlog, new orders and claims), O&M activities and other minor assets in concession;
  - The Liquidation Perimeter (segregated assets separately managed by a liquidator) is mainly composed of Astaldi non-core assets such as:
    - Main assets in concession:
      - Third Bosphorus Bridge (3BB) (Turkey);
      - Gebze-Orhangazi-Izmir Highway (GOI) (Turkey);
      - Etlik integrated health campus in Ankara (Turkey);
      - Santiago Airport (Chile);
      - Felix Bulnes Hospital in Santiago (Chile).
    - Venezuelan receivables
    - Headquarters real estate asset (Rome – Italy)



Segregation of the Liquidation Perimeter

- In order to segregate non-core assets to be disposed of in favor of its creditors, Astaldi will create a **segregated perimeter under art. 2477 and subsequent amendments of the Italian Civil Code** composed of Astaldi Concessioni S.p.A. (after de-merger*), participations in GOI, 3BB and Etlik, Rome headquarters and the Venezuelan receivables.

(*) the Restructuring Plan assumes a proportional de-merger of Astaldi Concessioni S.p.A. resulting in Astaldi Concessioni S.p.A. retaining only the participations in SPVs with concession contracts (Felix Bulnes, Santiago Airport and Etlik), and debts towards Astaldi

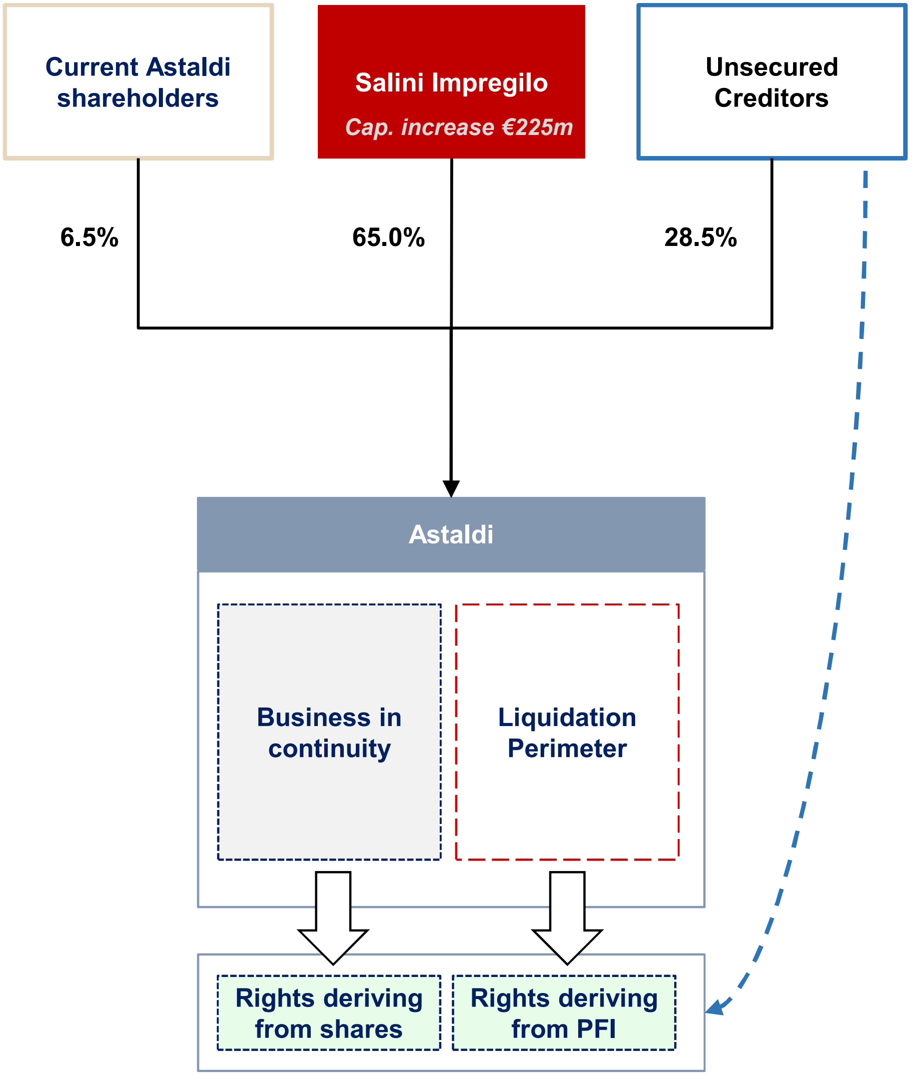
Salini Impregilo investment and post-transaction shareholding structure

Capital increase and post-transaction shareholding structure

- Salini Impregilo BO foresees, in the context of the wider Progetto Italia*, a **capital injection in Astaldi of €225m.** Such amount will be used to pay pre-deductible and secured debts in the amount of approx. €165m, with the remaining portion to be used to support business in continuity.
- **Unsecured creditors** will be offered:
  - **Ordinary shares of Astaldi** for a post-money share of **28.5**%**; and
  - **Participative Financial Instruments** ("**PFI**") with patrimonial and administrative rights on Astaldi non-core assets to be disposed of and included in the **Liquidation Perimeter**.

The following pages of this document will provide further details on the above.

- The Salini Impregilo offer includes the following mechanisms in order to secure Salini Impregilo investment:
  - In case of additional pre-deductible and secured liabilities, not included in the Restructuring Plan, such debts will be repaid through the sale proceeds of non-core assets included in the Liquidation Perimeter before the repayment of unsecured creditors
  - Assignment of anti-dilutive warrants to Salini Impregilo to be exercised in the case of additional unsecured liabilities not included in the Restructuring Plan



(*) Project aimed at the creation of a global leader in complex infrastructures - solid on the domestic market and with objectives of (i) a competitive dimension at European level, (ii) internal processes and advanced managerial skills (iii) strengthened capital base, to support a sustainable sector development.

(**) The percentage prudentially assumes that all unsecured provisions for risks assumed in the Restructuring Plan will become debt and does not take into consideration the possible exercise of warrants offered to financial institutions financing Astaldi and the potential impact of anti-dilutive warrants of Salini Impregilo

Financing to support the transaction

- The Restructuring Plan assumes a financial support to Astaldi through:

Before Restructuring Plan homologation

- Interim super senior financing granted by Salini Impregilo* and Illimity up to a total of €200m
- Bonding lines granted by banks to support the ramp-up of the business for a total of €384m

After Restructuring Plan homologation

- Salini Impregilo capital increase for a total of €225m
- Revolving Credit Facilities granted by banks for a total of €200m to support the continuity of the business.

Before Restructuring Plan homologation		After Restructuring Plan homologation	
Debt		Equity	Debt
Interim financing	Bonding lines	Capital increase	RCF
salini impregilo; Banks; illimity	Banks	salini impregilo	Banks
€200m	€384m	€225m	€200m
Interim financing granted before Restructuring Plan homologation to support the business in continuity in the interim period – to be refinanced through RCF after the homologation	**Bonding lines** to support business in continuity granted before Restructuring Plan homologation	**Capital increase** in Astaldi the homologation date – business in continuity perimeter	**RCF** after the Restructuring Plan homologation

ASTALDI

(*) Financed by a dedicated financing granted by banks to Salini Impregilo for the same amount

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Debt under restructuring and proposal to creditors

Debt under restructuring

Astaldi debt exposure at 28 September 2018

Pre-deductible debts	**€67.8m**
Secured debts	**€96.7m**
Unsecured debts	**€3,433.5m**
Total debt under restructuring	**€3,598.0m**

- Astaldi debt exposure at 28 September 2018* amounted to a total of **€3,598 million**, of which:
  - **Pre-deductible debts** for a total of **€67.8 million** mainly composed of procedural costs, advisors to the procedure and pre-deductible provisions for risks;
  - **Secured debts** for a total of **€96.7 million**, mainly composed of (i) tax liabilities for €28.3 million, (ii) secured provisions for risk (i.e. provisions for potential tax liabilities) for €22.1 million (iii) preferred trade payables (i.e. artisans and professionals) for €20.5 million, and (iv) personnel liabilities for €12.7 million;
  - **Unsecured debts** for a total of **€3,433.5 million**, mainly composed of (i) banks and bondholders for Euro 2,557.1 million, (ii) trade payables for €329.5 million, (iii) intercompany payables for €155.8 million and (iv) unsecured provisions for risk for total €378.6 million.

(*) Date of the filing of the blank concordato petition to the Court of Rome under art. 161 of IBL – Reference date for the definition of the debt exposure under restructuring

Proposal to creditors (Restructuring Plan provision)

Pre-deductible debts	Pre-deductible debts and current costs are assumed to be repaid in full **at their respective deadlines**; Super senior financing for the interim period, granted under art. 182-quinques of IBL are assumed to be repaid in full.
Secured debts	Secured debts are assumed to be repaid in full **within 12 months from the homologation of the Restructuring Plan** More specifically the Restructuring Plan assumes secured debt to be repaid in full within one year from the homologation date (assumed to be 30 June 2020); in case of postponement of the homologation date, secured debt will be repaid in full within one year from such postponed date.
Unsecured debts	Unsecured debts (single class of creditors), including secured debts degraded to unsecured under art. 160, comma 2 of IBL, are assumed to be repaid through the assignment, **within 120 days from the definitive homologation of the Restructuring Plan**, of: • New Astaldi shares, listed, to be attributed for an amount of n.12.493 shares for each 100 Euro of debt; • PFI attributing to creditors the right to participate to the proceeds from the sale of assets included in the Liquidation Perimeter. One PFI will be attributed for each Euro of debt.
Tax and social security liabilities under art. 182-ter IBL	Tax and social security liabilities are assumed to be repaid **within 12 months from the homologation of the Restructuring Plan** as provided for in the transaction proposal presented to the relevant authorities under art. 182-ter of IBL. More specifically: • The secured portion of tax and social security liabilities is assumed to be repaid within 12 months from the homologation date • The eventual unsecured portion of tax and social security liabilities is assumed to be partially repaid with the same instruments attributed to unsecured creditors • Assumed write-off of the potential tax liability arising from the “atto impositivo” on which the related judgment is currently pending from the Tax Commission of the Campania Region
Subordinated debt	No repayment is assumed throughout the Restructuring Plan period for subordinated debts

***Execution of the Restructuring Plan**: the Restructuring Plan will be executed with: (i) the payment of pre-deductible and secured debts, and (ii) the assignment to unsecured creditors of Astaldi shares and PFI*

Focus on proposal to unsecured creditors

	Astaldi business in continuity perimeter	Liquidation perimeter
DATIO IN SOLUTUM	**Ordinary Astaldi** shares for a post-homologation share of **28.5%** (1)	**PFIs with rights on proceeds from the disposal of the Liquidation Perimeter**
Underlying assets	**Business in continuity perimeter** (EPC contracts, O&M activities and other minor concessions)	**Concessions of the Liquidation Perimeter** *Expected disposal in 2020-2022* (*fair value* of €627m(3)) **Venezuelan receivables** *Expected collection in 2023* (*fair value* of €121m(4)) **Rome headquarters** *Expected disposal in 2021* (*fair value* of €20m(5))
Value attributed to shares and PFI	**Accounting value of approx. €559m(2)** (equal to 28.5% of estimated Astaldi equity at 12/31/2020)	***Fair value* of approx. €739m(6)**
Estimated satisfaction of unsecured creditors (€3,433m at 28/09/2018)	**Approx. 16%**	**Approx. 22%**
	Estimated total satisfaction: €1.3 billion throughout the Restructuring Plan period: (i) **€0.6 billion in shares** within 120 days from the final homologation and (ii) **€0.7billion in PFI**, assigned within 120 days from the final homologation and expected proceeds through 2020 – 2023	
	Estimated total percentage of satisfaction: approx. 38%	

(1) *Unsecured creditors are offered n.12.493 shares for each 100 Euro of debt. Company estimated that, with the assignment of shares to unsecured creditors, such creditors will become shareholders with a total share of 28.5% of the share capital. Such percentage prudentially assumes that all unsecured provisions for risks foreseen in the Restructuring Plan will become debt and does not take into consideration the possible exercise of warrants offered to financial institutions financing Astaldi and the potential impact of anti-dilutive warrants of Salini Impregilo.*

(2) *Shares value was estimated applying the shares percentage expected post-transaction to the equity of Astaldi Spa at 12/31/2020. This value does not take in consideration potential change in value of the market value of shares after the intervention of Salini Impregilo in the context of Progetto Italia. Face value of shares assigned is assumed to be approx. €99m*

Source: figures reported in Prof. Corrado Gatti 's appraisal under art. 161, comma 3, e 186-bis, comma 2, lett. B) IBL

(3) *Taking into consideration: i) the repayment of Turkish creditors for approx. €142m, and ii) capital calls on concessions for a total of €75m.*

(4) *Fair value estimated at February 2019 (€203m), revised in July 2019 to reflect the deteriorating socio-economical situation of the country.*

(5) *Expected asset disposal in 2021 at €23m (net book value at 28 September 2018). In this hypothesis such value was discounted to date.*

(6) *Net of €24m of liquidation costs assumed in 2019-2023. Please note that the Restructuring Plan foresees specific cash risk provisions for 2020-2023 period to face potential future cash-outs related to the Liquidation Perimeter, described in detail in paragraph n.5 of the Restructuring Plan integrated document filed on 16 July 2019.*

Comparison between a liquidation scenario and the hypothesis of business in continuity

- The chart below summarizes main elements of interest for unsecured creditors in a scenario of business in continuity (with the homologation of the Restructuring Plan) in comparison with a liquidation scenario assuming the non-homologation of the Restructuring Plan and the application of an Extraordinary Administration liquidation procedure.

	Business continuity scenario	Liquidation scenario*
Business in continuity perimeter	*Astaldi S.p.a. shares* **Satisfaction of unsecured creditors:** **<u>€0.6 billion</u>**	*Should a liquidation scenario occur, with an Extraordinary Administration procedure, potential liabilities arising from contract terminations are expected to be significantly higher than the value of assets which Astaldi would be able to dispose. Moreover, in this scenario, no capital injection is expected from third party investors.* **Satisfaction of unsecured creditors:** **<u>€ -</u>**
Liquidation Perimeter	*Assets included in the Liquidation Perimeter* **Satisfaction of unsecured creditors:** **<u>€0.7 billion</u>**	
	<u>€1.3 billion (ca. 38%)</u>	**<u>€ -</u>**

(*) Source: figures reported in Prof. Corrado Gatti's appraisal under art. 161, comma 3, e 186-bis, comma 2, lett. B) IBL

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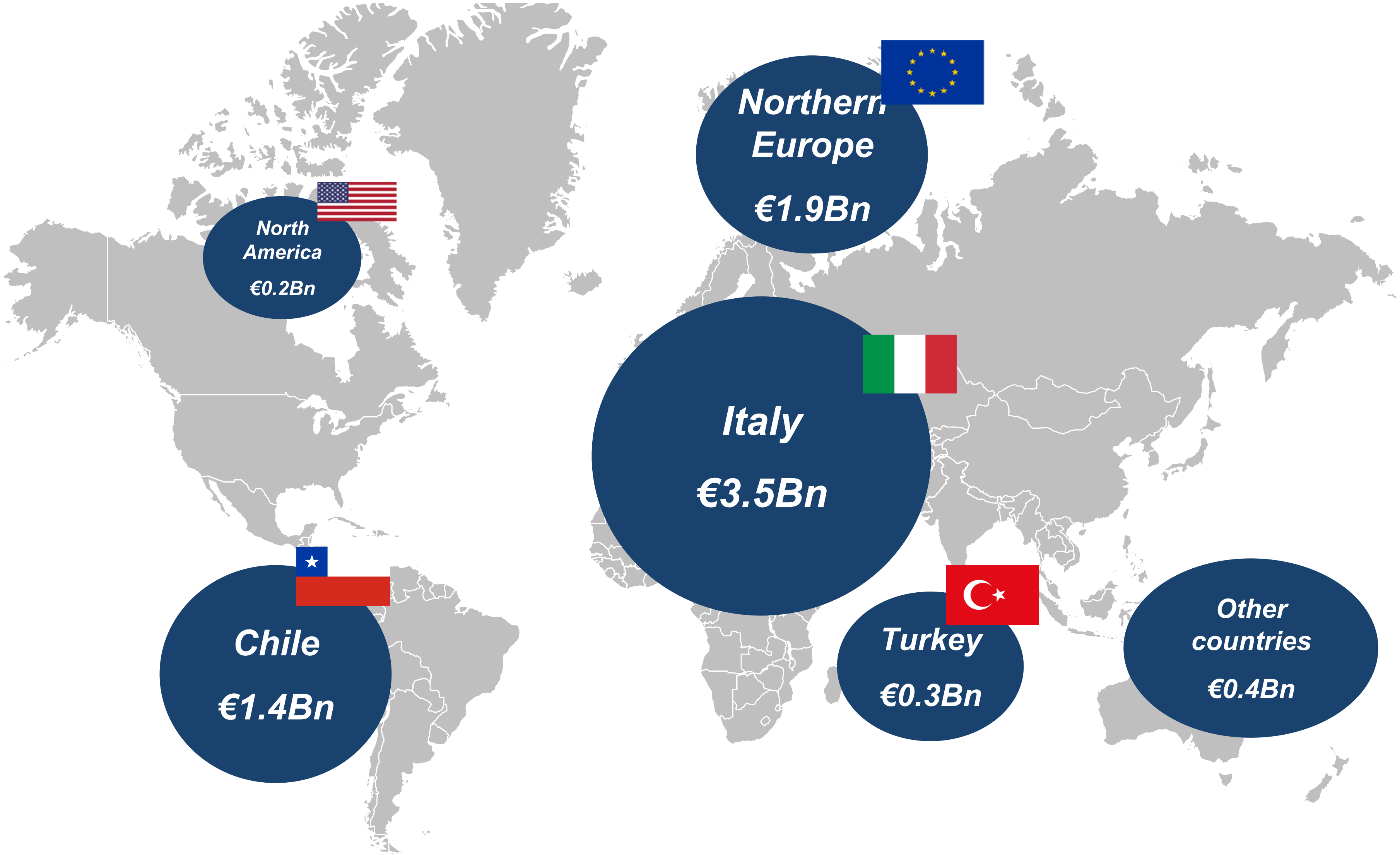
Main pro-forma consolidated KPIs of business in continuity perimeter

Astaldi Group backlog at 31 December 2018

Backlog at 31 December 2018: **Euro 7.7 billion**



Main pro-forma consolidated KPIs of business in continuity perimeter

Main pro-forma consolidated KPIs

- The Restructuring Plan assumes that, post-transaction, Astaldi will generate an annual turnover of approx. €2.3bn at consolidated level, and EBITDA of approx. €130-140 million and that, after the homologation and the related debt write-off, will have a Gross Financial Position of approx. €200 million (RCF granted by banks)

Main pro-forma consolidated KPIs 12/31/2020 – 12/31/2023

Profit and Loss (Euro million)	2020	2021	2022	2023
Revenue	2,232	2,303	2,326	2,349
EBITDA	133	161	166	168
EBIT	99	130	135	137

Balance Sheet (Euro million)	12/31/2020	12/31/2021	12/31/2022	12/31/2023
Trade Working Capital	979	841	769	741
Net Invested Capital	1,578	1,391	1,316	1,288
Equity	1,999	2,051	2,100	2,150
Gross Financial Position (debt / (cash))	200	200	200	200
Net Financial Position (debt / (cash))	(421)	(660)	(785)	(863)

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Expected timeline and next steps

Expected timeline

- The chart below shows a preliminary indicative timeline of the process assuming the definitive homologation of the Restructuring Plan by the end of June 2020