INTERIM REPORT ON OPERATIONS AT 31 DECEMBER 2011[1]

Results at 31 December 2011

- **Total revenues of EUR 2.35 billion** (+14.5% YOY)
- **EBITDA margin of 10.9%**, with EBITDA of EUR 257.4 million (+8.8%)
- **EBIT margin of 8.5%**, with EBIT of EUR 199.2 million (+10.5%)
- **EUR 250 million of investments,** with EUR 202 million of concession investments generating a 20% increase in concession revenues (EUR 24 million)
- **Overall net financial position of EUR 480.9 million, with EUR 127 million of self-financing generated by construction activities**
- **Repayment of EUR 325 million credit facility** extended to 2016 in order to align capital investment with return on investment
- **Order backlog of over EUR 10 billion**, with net increases of EUR 3.3 billion

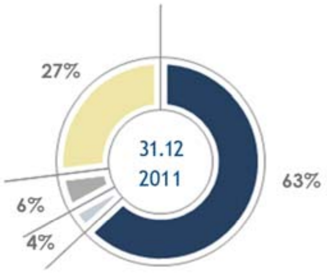
Results of Q4 2011

- **Total revenues of over EUR 640 million** (+9% YOY)
- **EBITDA margin of 12%**, with EBITDA of EUR 77 million (+14.7%)
- **EBIT margin of 8.4%**, with EBIT of EUR 53.6 million (+7.8%)

[1]This unaudited Interim Report on Operations has been drafted pursuant to Article 154-ter of the Finance Consolidation Act. The Report has also been drafted, applying the same accounting standards as adopted to draft the Annual Financial Report at 31 December 2010, with the exception of those that had effect as from 1 January 2011 which, even if referred to in the Annual Financial Report, were presented in the Consolidated Concise Half-Yearly Financial Statements at 30 June 2011, in the section entitled "*Standards and Interpretations with effect as from 1 January 2011*" which should be referred to. It must be noted that as from 2011, the Group has opted to apply the criterion of proportionate consolidation instead of valuation using the equity method (single-line consolidation) for jointly-controlled companies in relation to IAS 31. For an overview of the relative effects, please refer to the section of the Consolidated Concise Half-Yearly Financial Statements entitled "*Change in measurement and recognition criteria for jointly-controlled companies as from 1 January 2011: Proportionate consolidation*"

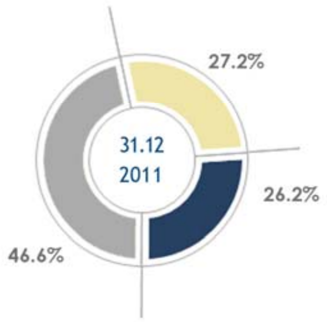
Contents

Summarised data



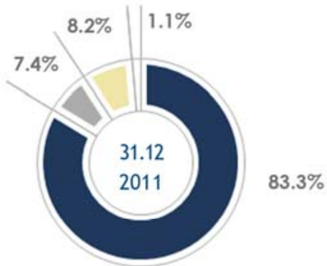
Order backlog by line of business

(millions of euro)	31.12.2011	31.12.2010
Transport infrastructures	6,272	5,511
Energy production plants	644	244
Civil and industrial buildings	375	499
Concessions	2,721	2,760
Total order backlog	10,012	9,014



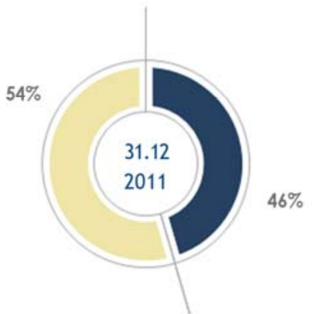
Order backlog by geographical area

(millions of euro)	31.12.2011	31.12.2010
Construction - Italy	2,625	2,759
Construction - International	4,666	3,495
Concessions	2,721	2,760
Total order backlog	10,012	9,014



Revenues by line of business

(millions of euro)	31.12.2011	31.12.2010
Transport infrastructures	1,886	1,541
Energy production plants	167	263
Civil and industrial buildings	186	107
Concessions	24	20
Total revenues	2,263	1,931



Revenues by geographical area

(millions of euro)	31.12.2011	31.12.2010
Italy	1,031	875
International	1,232	1,056
Total revenues	2,263	1,931

Comments on operating performance

Total revenues at 31 December 2011 **increased by 14.5% to EUR 2.35 billion** (EUR 2.05 billion at 31 December 2010), with significant levels of earnings: the **EBITDA margin stood at 10.9%** and the **EBIT margin at 8.5%**, in relation respectively to EBITDA of EUR 257.4 million (+8.8% YOY, EUR 236.6 million at 31 December 2010) and EBIT of EUR 199.2 million (+10.5%, EUR 180.3 million at 31 December 2010). EBT totalled EUR 123.3 million (+20.3%, EUR 102.5 million at 31 December 2010), generating **net profit of EUR 72.6 million, showing a 15.2% increase** (EUR 63.1 million at 31 December 2010), with the net margin holding steady at 3.1%.

The total order backlog amounted to over EUR 10 billion, with EUR 3.3 billion of net increases related to new projects and contractual increases secured during the year which serve to confirm the Group's excellent ability to renew orders in progress. The construction backlog stands at EUR 7.3 billion, meaning a 3-year project duration in Italy and 4/5-year duration for foreign projects. Concession projects continue to play an important role, amounting to EUR 2.7 billion of the backlog, to be taken as the discounted value of estimated revenues from individual projects in progress against guaranteed minimum fees (in the form of availability charges, guaranteed minimum traffic, occupation fees, water rights) equalling an average of over 50% of the estimated total revenues.

The Group's net financial debt, excluding treasury shares, amounted to EUR 480.9 million at the end of 2011 **(**EUR 362.4 million at 31 December 2010), **taking into account investments totalling EUR 250 million** (EUR 202 million of which in concessions). Therefore, self-financing **generated by the construction sector amounted to EUR 127 million**, serving to provide precise indicators as regards sustainability of the investment programme set forth in the 2011-2016 Business Plan which will be presented as from April 2012.

Economic and operating results at 31 December 2011

Main consolidated economic results (€/000)	**31-Dec-11**	**%**	**31-Dec-10**	**%**	**YOY (%)**
Total revenues	2,354,206	100.0%	2,055,808	100.0%	+14.5%
EBITDA	257,357	10.9%	236,649	11.5%	+8.8%
EBIT	199,182	8.5%	180,293	8.8%	+10.5%
EBT	123,252	5.2%	102,483	5.0%	+20.3%
Group net profit	72,642	3.1%	63,056	3.1%	+15.2%

Production

Total revenues recorded a 14.5% YOY increase and amounted to EUR 2,354.2 million (EUR 2,055.8 million at 31 December 2010) thanks to the **excellent level of diversification of activities achieved as regards geographical areas and sectors** which made it possible to offset the negative effects of the current international situation.

Operating revenues accounted for 96.1% of total revenues, showing a 17.1% YOY increase, amounting to EUR 2,262.7 million (EUR 1,931.6 million at 31 December 2010). Said figures can be attributed to the positive performance of projects in Italy (Maxi Lots "DG-21" and "DG-22" of the Jonica National Road), Central-Eastern Europe (road works in progress in Romania and Poland as well as the Warsaw underground), Turkey (the Istanbul underground and progress of works to build the Milas-Bodrum Airport) and Algeria (railways). While as regards Venezuela, the planned limiting of operations was confirmed, and while still guaranteeing a significant contribution, there was a suitable reduction in Astaldi Group's exposure as regards this country.

Other operating revenues accounted for the remaining 3.9% of total revenues, equal to EUR 91.4 million (-26.4%, EUR 124.2 million at 31 December 2010). When making a YOY comparison, the figure was lower than for 2010 as a result of the greater levels of activity linked to additional services recorded for projects in progress in Turkey last year. Indeed this income statement item records the trend of activities which, even if not referable to the Group's core business, are linked to its traditional activities and of a lasting nature.

The revenue structure continued to show **balanced diversification of activities as regards geographical areas and sectors**.

Italy's contribution to production remained largely unvaried, accounting for 46% of operating revenues, equal to EUR 1,031 million (EUR 875 million at 31 December 2010). The domestic market reflected the positive trend of projects in progress in the transport infrastructures and civil and industrial construction sectors. **The remaining 54% is to be attributed to foreign activities**, which generated EUR 1,231 million (EUR 1,056 million at 31 December 2010), mainly as a result of projects in progress in Central-Eastern Europe, Turkey and Algeria. On the whole, said areas were able to suitably offset the aforementioned limiting of operations in Venezuela.

Transport infrastructures (83.4% of operating revenues) confirmed its key role for the Group's activities and accounted for EUR 1,886 million (EUR 1,541 million at 31 December 2010), all of which from construction activities. Specifically, railways and undergrounds (48%) continued to represent the Group's core business and reflected the positive trend of activities in Italy, Algeria and Venezuela. Works in progress in Italy, Romania and Poland mainly accounted for the contribution from roads and motorways (27%). There was an increase in the percentage recorded for ports and airports (8%) thanks to projects in progress in Turkey (Milas-Bodrum) and Romania (Henri Coanda), and to the start-up of preliminary activities related to construction of the airport in Russia (Pulkovo). **There was a drop in hydraulic works and energy production plants (7.4%), but they continued to make a significant contribution** to revenues, accounting for EUR 167 million (EUR 263 million at 31 December 2010), all of which referred to construction activities, with progress made on projects in Peru (Huanza), the completion of works in Chile (Chacayes) and Costa Rica (Pirris) and design review for the project in El Salvador (El Chaparral). Said sector is expected to start to pick up as from 2012, following recent acquisitions in Peru (Cerro del Àguila, Santa Teresa). **Civil and industrial construction (9.3%) increased to** EUR 210 million (EUR 127 million at 31 December 2010), EUR 186 million (8.2%) of which referred to the construction sector, and mainly to projects in progress in Italy, Romania and the Middle East, and the remaining EUR 24 million (1.1%) to the concessions sector, EUR 16 million of which referred to healthcare construction and the remaining EUR 8 million to revenues from the management of 5 car parks.

Construction (Italy). As far as this sector is concerned, the following must be noted: (i) the positive progress made on the two Maxi Lots of the Jonica National Road, with the opening of a functional section of Maxi Lot "DG-21" at the beginning of November; (ii) the positive progress of works on the Police Officers' Academy [Scuola Carabinieri] in Florence and the High-Speed station in Bologna, as well as the Tuscan Hospitals project (with more than 60% of works completed on the hospitals in Prato and Pistoia and 50% of works on the hospital in Lucca, while work on the hospital in Massa got underway in July and is now proceeding as scheduled thanks to resolution of the bureaucratic problems experienced upon project start-up); (iii) the progressive progress made on the underground lines under construction (Line C - Rome, Line 5

– Milan, Lines 1 and 6 – Naples), as well as other railway projects (the Turin Railway Junction, Bologna Centrale High-Speed station).

Construction (International). As far as this sector is concerned, the following is to be noted: (i) the positive trend of road works in progress in Romania and work on the Istanbul underground in Turkey; (ii) the upturn in production activities in the Middle East (thanks to the entry into full production of the Jubail industrial plant), which had been affected in 2010 by misalignment between contracts nearing completion and the start-up of new projects; (iii) the progressive progress of works to construct the Huanza hydroelectric plant in Peru; (iv) the planned limiting of operations in Venezuela; (v) the completion of works in progress in Costa Rica and Honduras; (vi) the intensification of railway projects in Algeria.

Concessions. **Concessions generated EUR 24 million of operating revenues** (+20% YOY, EUR 20 million at 31 December 2010), EUR 16 million of which referred to Astaldi's revenues from management of the new Hospital in Mestre and the remaining EUR 8 million to direct management of 5 car parks in Italy. No foreign concession revenues were recorded for 2011. However, it must be remembered that the Chacayes hydroelectric plant (111 MW) in Chile was inaugurated in October and, as from 2012, will make a contribution to the Group's economic result along with the international terminal of Milas-Bodrum airport in Turkey.

Summary tables – Breakdown of operating revenues according to geographical area and sector

Breakdown of operating revenues according to geographical area (EUR/000,000)	**31-Dec-11**	**%**	**31-Dec-10**	**%**
Italy	**1,031**	**45.6%**	**875**	**45.3%**
Abroad	**1,232**	**54.4%**	**1,056**	**54.7%**
Europe	695	30.7%	472	24.4%
America	329	14.5%	421	21.8%
Asia (*Middle East*)	45	2.0%	23	1.2%
Africa (Algeria)	163	7.2%	140	7.3%
Total operating revenues	**2,263**	**100.0%**	**1,931**	**100.0%**

Breakdown of operating revenues according to sector (EUR/000,000)	**31-Dec-11**	**%**	**31-Dec-10**	**%**
Transport infrastructures	**1,886**	**83.4%**	**1,541**	**79.8%**
Railways and undergrounds	1,076	47.5%	1,071	55.5%
Roads and motorways	620	27.4%	410	21.2%
Ports and airports	190	8.4%	60	3.1%
Hydraulic works and energy production plants	**167**	**7.4%**	**263**	**13.6%**
Civil and industrial construction	**186**	**8.2%**	**107**	**5.5%**
Concessions	**24**	**1.1%**	**20**	**1.0%**
Total operating revenues	**2,263**	**100%**	**1,931**	**100%**

Costs

The greater incidence of general contracting projects in the Group's work backlog affected the cost structure. Indeed, there was an increase in the **cost of production,** amounting to EUR 1,806.1 million (+16.7% YOY, EUR 1,547.6 million at 31 December 2010), with a slight increase in the incidence on production (76.7% compared to 75.3% at 31 December 2010). While **personnel costs and other operating costs largely**

experienced a drop in the incidence on total revenues compared to the same period of 2010. Personnel costs amounted to EUR 262 million showing a less than proportional increase compared to the difference in revenues. **The incidence of other operating revenues stood at 1.2%** (1.3% at 31 December 2010) and amounted to EUR 28.8 million (EUR 27.4 million at 31 December 2010).

Margins

Significant levels of earnings were confirmed, reflecting an order backlog of increasing quality. **EBITDA rose by 8.8%** to EUR 257.4 million (EUR 236.6 million at 31 December 2010) with an **EBITDA margin of 10.9%. EBIT recorded a more significant increase of 10.5%,** equal to EUR 199.2 million (EUR 180.3 million at 31 December 2010), with an **EBIT margin of 8.5%.**

Results obtained in the railway sector in Italy made a positive contribution to the margins achieved for the period, following both positive review of the margins of some projects and re-negotiation of some contracts which resulted in the acknowledgement for the Group of fees for early completion of works. While as mentioned in previous interim reports on operations, note must be made of the negative trend of activities in the Middle East seen during the year - due to operating problems which, at the present time, have only been partially resolved with the customer - and the failure to absorb general and development costs in both the Middle East and some areas of Central America following the slowdown in commercial activities. In order to clearly understand the period's trends, it is deemed appropriate to note that the performance recorded last year in terms of earnings – with the EBITDA margin and EBIT margin standing at 11.5% and 8.8% respectively at 31 December 2010 - had benefitted from the completion of some contracts which generated a higher than average level of earnings for the Group.

It must also be noted that the Provisions item reflects the charges estimated by the Group with regard to joint ventures set up with other General Contractors to perform transport infrastructure projects in Italy. Said charges may be recorded upon resolution of the problems regarding contracts and interests related to the specific situations, with the effects being seen over the coming years.

Financial management

The Group continued to optimise management of financial resources. Even given the major investments carried out (mostly linked to concessions), **financial charges saw a slight drop** compared to the previous year, amounting to EUR 76.3 million (EUR 78.1 million at 31 December 2010), with a reduction in the incidence on total revenues to 3.2% (3.8% incidence at 31 December 2010). The result is even more worthy of note if the Group's volumes of activity over the year are to be taken into account, both at an operating (production support, performance bonds) and commercial level (bid bonds).

Quarterly results

The quarterly results confirmed **marked levels of growth.**

EBT increased by 20.3% and totalled EUR 123.2 million (EUR 102.5 million at 31 December 2010) with a 5.2% incidence on total revenues (5% at 31 December 2010). This resulted in **a 15.2% increase in net profit** which amounted to EUR 72.6 million (EUR 63.1 million at 31 December 2010), net of estimated taxes of EUR 50.5 million, in other words of a 41% tax rate. The tax rate increased compared to the previous year, reflecting the geographical mix of activities and differing taxation linked to some foreign companies the Group operates in.

Equity and financial results at 31 December 2011

Despite the considerable intensification of production volumes in both the construction and concessions sectors, the **Group's equity and financial structure remained balanced and able to support the growth levels set down** in the Business Plan.

Main consolidated equity and financial results *(EUR/000)*	**31-Dec-11**	**31-Dec-10**
Total net fixed assets	476,076	329,248
Working capital	530,093	510,775
Total provisions	(39,064)	(30,237)
Net invested capital	**967,105**	**809,786**
Net financial payables / receivables	**(624,455)**	**(466,428)**
Receivables arising from concessions	140,485	99,871
Total financial payables / receivables (*)	**(483,970)**	**(366,557)**
Equity	**483,136**	**443,229**

(*) Figure includes treasury shares totalling just over EUR 3 million at 31 December 2011 and EUR 4.2 million at 31 December 2010.

Net fixed assets totalled EUR 476.1 million (EUR 329.2 million at 31 December 2010), as a result of the **increase in equity investments (linked specifically to investments in the concessions sector).** In this regard it must be noted that said item is presented, for comparative years, net of the value of the investment of the contribution received. Said figure has no effect on net invested capital.

Working capital increased to EUR 530.1 million (EUR 510.8 million at 31 December 2010). The YOY increase in said item can be largely attributed to the structure of the order backlog which has a larger share of contracts providing for lump-sum payments (rather than payments in relation to the quantity of works performed) which, by their very nature, are made against the overall works carried out. Despite the difficulties currently being experienced by public administrations, there are no particularly critical situations for the Group's financial structure as regards the total value of accounts receivable. It must also be recalled that contract advances exclusively refer to items regarding foreign contracts insofar as no down payments are envisaged for projects in progress in Italy, and Poland as regards foreign projects.

In general, **the aforementioned trends generated net invested capital of EUR 967.1 million** (EUR 809.8 million at 31 December 2010).

Equity increased to EUR 483.1 million (EUR 443.2 million at 31 December 2010) thanks to the quarterly result and suspended economic items entered in the comprehensive income statement, including derivatives payable totalling EUR 29 million, as well as the distribution of dividends totalling EUR 14.6 million in May 2011.

Investments

Technical investments for the period amounted to EUR 40 million (1.7% of total revenues) and mainly referred to the support given to projects in progress in Italy, Oman, Poland, Romania and Russia. The figure was in keeping with forecasts included in the business plan and, taking into account the production levels recorded, confirmed the Group's ability to optimise already available technical resources.

Concession investments for the period totalled approximately EUR 202 million and mainly referred to Line 5 of the Milan underground in Italy, the new project in the airport sector in Turkey (the international terminal of Milas-Bodrum Airport), the acquisition of a stake in the former Autostrada Brescia-Verona-Vicenza-

Padova S.p.A., now called A4 Holding S.p.A. (EUR 100 million), and investments for the start-up of works to build the Gebze-Izmir motorway in Turkey. If we also take into account the funding of working capital on relative construction activities, **concession investments during 2011 amounted to EUR 208 million.** Therefore, at the draft date of the Interim Report on Operations, concession investments (in other words, Astaldi's shares of equity or semi-equity paid into concession companies connected to individual projects in progress, in addition to the relative working capital) totalled EUR 387 million, EUR 140 million of which referring to receivables rights arising from concessions – the latter to be taken as shares of investment covered by guaranteed cash flow – as set forth in IFRIC-12.

Consolidated net financial position

Total net financial debt, excluding treasury shares and receivables rights arising from concessions, **totalled EUR 480.9 million at 31 December 2011**. The figure was in line with forecasts and saw: (i) a drop of EUR 66 million on a quarterly basis when compared with EUR 547.3 million at 30 September 2011; (ii) a drop of EUR 45 million on a half-yearly basis when compared with EUR 525.5 million at 30 June 2011; (iii) an increase of EUR 119 million when compared with EUR 362.4 million at 31 December 2010. If the investments made over the year are taken into account, **the figures show a positive cash flow trend** which the management has succeeded in creating and which is aimed at ensuring financial balance in source and uses of funds. Indeed, the quarter's figures show EUR 127 million of self-financing in the construction sector which reflects the Group's improved ability to transform the economic result into cash-flow thanks to the high quality of orders in progress as well as the significant control of invested capital implemented at all levels (contract and corporate).

Note must also be taken of the success achieved in December, despite the complex financial market situation, with **completion of a medium-term refinancing operation** referring to more than half of the Group's overall net debt exposure. Indeed, Astaldi **signed an agreement to extend a long-term EUR 325 million loan tranche** from April 2013 to December 2016. The agreement consists in the subscription of a new long-term loan agreement which provides for a single EUR 325 million revolving credit facility, aimed at guaranteeing the financial resources needed for the investments planned over the coming five years, as well as the intensification of activities in the Group's construction and concession sectors (especially in relation to transport infrastructures, healthcare construction and renewable energy). The transaction has been endorsed by a pool of national and international banks, with BIIS - Banca Infrastrutture Innovazione e Sviluppo (Gruppo Intesa Sanpaolo), BNP Paribas, The Royal Bank of Scotland and Unicredit acting as bookrunners and mandated lead arrangers. The transaction, which corroborated the markets' confidence in the Group's growth targets, has lent greater flexibility to its financial structure, confirming its focus on the medium/long-term.

The debt/equity ratio – which compares the level of debt and equity, net of treasury shares - stood at 1x at 31 December 2011. At the same date, the corporate debt/equity ratio, which excludes the share of debt related to concessions insofar as with no recourse or self-liquidating, stood at 0.6x.

Table – Net financial debt structure

			31/12/2011	30/09/2011	30/06/2011	31/03/2011	31/12/2010
A	Cash and cash equivalents		456,375	372,395	446,292	348,015	415,259
B	Securities held for trading		1,890	1,871	2,973	4,957	5,003
C	**Available funds**	**(A+B)**	**458,265**	**374,266**	**449,265**	**352,972**	**420,262**
D	**Financial receivables**		**15,030**	**28,831**	**27,964**	**34,957**	**36,471**
E	Current bank payables		(315,239)	(309,543)	(363,572)	(346,583)	(226,148)
F	Current share of non-current debt		(114,659)	(66,110)	(99,116)	(91,459)	(93,516)
G	Other current financial payables		(12,389)	(7,791)	(8,613)	(10,366)	(11,256)
H	**Current financial debt**	**(E+F+G)**	**(442,287)**	**(383,443)**	**(471,302)**	**(448,408)**	**(330,920)**
I	**Net current financial debt**	**(H+D+C)**	**31,008**	**19,653**	**5,927**	**(60,478)**	**125,814**
J	Non-current bank payables		(649,423)	(687,947)	(645,381)	(567,473)	(588,794)
K	Other non-current payables		(6,040)	(4,061)	(4,052)	(4,217)	(3,447)
L	**Non-current financial debt**	**(K+J)**	**(655,463)**	**(692,008)**	**(649,433)**	**(571,691)**	**(592,242)**
M	**Net financial debt**	**(L+I)**	**(624,455)**	**(672,355)**	**(643,505)**	**(632,169)**	**(466,428)**
N	**Receivables rights arising from concessions**		**140,485**	**121,958**	**114,933**	**100,537**	**99,871**
O	**Total financial debt**	**(M+N)**	**(483,970)**	**(550,397)**	**(528,572)**	**(531,632)**	**(366,557)**
	Treasury shares on hand		3,005	3,057	3,056	3,996	4,168
	Total net financial position		**(480,964)**	**(547,340)**	**(525,517)**	**(527,636)**	**(362,388)**
	of which for concessions		*(229,134)*	*(165,893)*	*(158,653)*	*(91,969)*	*(61,937)*

Q4 2011

The last quarter of the year confirmed the Group's positive growth trends recorded during the first nine months of the year.

Total revenues showed a 9% increase compared to the same quarter of 2010, amounting to EUR 640.5 million (EUR 587.4 million in Q4 2010), while there was a more significant 10.1% increase in operating revenues that totalled EUR 610.3 million; other operating revenues amounted to EUR 30.2 million.

Production costs accounted for 75.8% of total revenues and showed a considerable decrease compared to 78.5% in Q4 2010, amounting to EUR 485.4 million (EUR 461.2 million in Q4 2010). The incidence of personnel costs on revenues remained largely unvaried, standing at 10.6%, and hence amounting to EUR 68.1 million compared to EUR 61.2 million in Q4 2010.

The good level of earnings recorded during the year was also seen in Q4. EBITDA increased by 14.7%, amounting to EUR 77 million and accounting for 12% of revenues (EUR 67.1 million and 11.4% in Q4 2010). Despite allocated provisions, the incidence of EBIT on revenues remained largely unvaried and saw a 7.8% increase in absolute terms, totalling EUR 53.6 million (EUR 49.7 million in Q4 2010).

In spite of the problems related to financial markets seen during the latter part of the year, financial charges held steady at EUR 20.6 million, showing a slight decrease compared to the figure at 31 December 2010.

Their incidence on revenues dropped to 3.2% despite the major investments carried out in the concessions sector, thus confirming the level of attention paid by the Group to the financing of activities.

The Group's net profit amounted to EUR 19.9 million (EUR 18.9 million in Q4 2010) with a net margin of 3.1% and in keeping with accounts and the guidelines of the current business plan.

While noting that the section entitled "Equity and financial results at 31 December 2011" should be referred to for information regarding equity and financial trends, it is considered appropriate to recall that net financial debt improved by EUR 66 million during the quarter in question despite technical investments of EUR 12 million and additional concession investments of EUR 83 million.

In order to better understand the results of the fourth quarter, the main income statement items for the quarter and a breakdown of revenues according to geographical area and sector can be found below.

Table – Main consolidated economic results of Q4 2011

Main consolidated economic results (EUR/000)	**Q4 2011**	**%**	**Q4 2010**	**%**	**Difference (%)**
Total revenues	640,497	100.0%	587,433	100.0%	+9.0%
EBITDA	76,977	12%	67,087	11.4%	+14.7%
EBIT	53,594	8.4%	49,712	8.5%	+7.8%
Pre-tax profit	33,761	5.3%	28,707	4.9%	+17.6%
Group net profit	19,914	3.1%	18,873	3.2%	+5.5%

Table – Breakdown of operating revenues according to geographical area and sector – Q4 2011

Breakdown of operating revenues according to geographical area (EUR/000,000)	**Q4 2011**	**%**	**Q4 2010**	**%**
Italy	**304**	**49.8%**	**275**	**49.6%**
Abroad	**306**	**50.2%**	**279**	**50.4%**
Europe	154	25.2%	134	24.2%
America	97	15.9%	85	15.3%
Asia (*Middle East*)	14	2.3%	15	2.7%
Africa (Algeria)	41	6.7%	45	8.1%
Total operating revenues	**610**	**100.0%**	**554**	**100.0%**

Breakdown of operating revenues according to sector (EUR/000,000)	Q4 2011	%	Q4 2010	%
Transport infrastructures	**500**	**82.0%**	**465**	**83.9%**
Railways and undergrounds	279	45.7%	304	54.9%
Roads and motorways	133	21.8%	142	25.6%
Ports and airports	88	14.4%	19	3.4%
Hydraulic works and energy production plants	**41**	**6.7%**	**50**	**9.0%**
Civil and industrial construction	**62**	**10.2%**	**30**	**5.4%**
Concessions	**7**	**1.1%**	**9**	**1.6%**
Total operating revenues	**610**	**100%**	**554**	**100%**

Order backlog

The **consolidated order backlog** at the end of 2011 **amounted to over EUR 10 billion**, with EUR 3.3 billion of net increases related to new projects and contractual increases recorded during the year in Italy and abroad – mainly related to transport infrastructures and new energy plants, using the general contracting and concession formulas.

Construction (73% of the total backlog) continues to represent the Group's core business. It amounts to EUR 7,291 million (EUR 2,625 million in Italy and the remaining EUR 4,666 million to foreign activities) and consists in general contracting projects and, to a lesser extent, traditional contracts with a high technological content which, on the whole, guarantee an average project duration of approximately 3 years in Italy and 4/5 years abroad.

Concessions (27% of the total backlog) continue to play an important role in the Group's development policies. The concessions backlog amounts to EUR 2,721 million (EUR 1,539 million for Italy, EUR 1,182 million for foreign activities) and benefits from the Astaldi's joining of the airport sector in Turkey (Milas-Bodrum) and the mining sector in Chile (Relaves). On the whole, the concessions backlog confirms a significant presence in the transport infrastructure, energy and healthcare construction sectors. It must be remembered that the share of the order backlog referring to concessions is to be taken as the discounted value of the total forecast revenues of individual concession projects to date. It must also be noted that the model adopted to develop concession projects in Italy and abroad makes available for each of the agreements signed to date a guaranteed minimum fee (in the form of availability charges, guaranteed minimum traffic, occupation fees, water rights) which, on average, amounts to over 50% of the total revenues, guaranteeing the return on most of the investments made to date in the concessions sector.

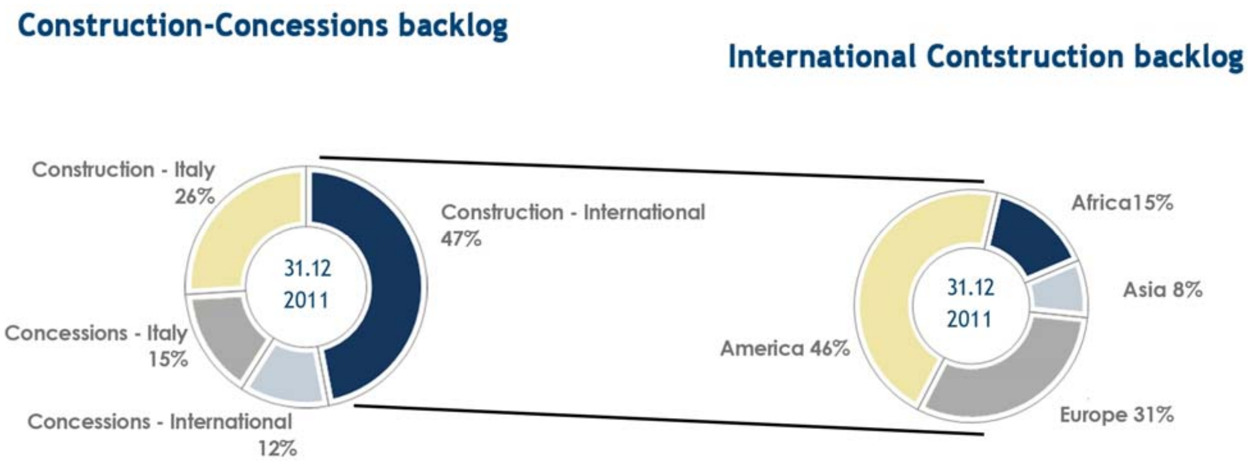
The order backlog's geographical positioning confirms **suitable balancing of activities between Italy and abroad**, and shows **greater geographical diversification outside the domestic market**. This in turn has a positive effect on the overall risk profile of projects in progress which, inter alia, is also lessened by **greater diversification of customers**.

Italy continues to make a significant contribution to the backlog even if there was a drop compared to last year (42% of total backlog, in other words EUR 4,164 million compared to EUR 4,855 million at 31 December 2010). **While the contribution from foreign projects increased to EUR 5,848 million**, equal to 58% of the backlog**,** and shows good ability to react to the slowdown in the domestic market, also thanks to the new contracts secured in Central-Eastern Europe and Turkey.

Transport infrastructures continues to be the key sector for the Group's activities, accounting for 70% of total orders which translates into EUR 6,272 million for construction contracts and EUR 774 million for concession projects. The water and energy sector continues to play an important role (16% of the overall backlog, EUR 644 million for construction projects and EUR 975 million for related management activities), as does the civil and industrial construction sector (14% of total orders, with EUR 375 million for construction projects and EUR 972 million for management activities).

Lastly, note must be taken that the total value of the concession backlog does not include the amounts for the new hospital project in Naples (Italy) ("Ospedale del Mare") insofar as the construction and management concession was amended to become a construction concession following agreements reached with the counterparties.

It is also important to note that, given commercial activities in progress, **the potential order backlog –** which also includes orders for which contracts have been drawn up but for which funding is still lacking, in other words contracts for which the resolution of events, that for various reasons temporarily "suspend" the performance of said contracts, is pending – **amounts to over EUR 20 billion**. Lastly, it must be remembered that on the basis of conservative criteria adopted by the Group with regard to the inclusion of new orders in the backlog, the values of projects for which contracts still have to be drawn up and/or for which funding is lacking are not included among new acquisitions. Said orders amount to a total of EUR 4.2 billion for construction activities and EUR 6.3 billion for related management shares, and refer to: (i) the concession contract for construction and management of the Gebze-Izmir motorway in Turkey for which financial closing is pending; (ii) contractual options related to projects in progress in Latin America (railways, energy); (iii) additional projects in Italy and abroad for which the relative contracts still have to be made official (transport infrastructures, water and energy, concessions in the renewable energy and healthcare construction sectors).



New orders – Construction - Italy[2]

ITALY – Jonica National Road (SS-106), Mega Lot 3: EUR 791 million (Astaldi is the project leader with a 60% stake) for the general contracting project to perform works to construct Maxi Lot 3 of the Jonica National Road (SS-106). The project will consist in performing works to upgrade approximately 38 kilometres of the Jonica National Road, along the section from the junction with SS-534 to Roseto Capo Spulico. The planned duration of activities is approximately 7 years and 8 months, 15 months of which for design activities (final and executive) and for activities prior to the start-up of works, and the remaining 6 years and 5 months for construction activities. The project has been commissioned by ANAS S.p.A., the state-owned company responsible for managing the national road and motorway network in Italy. The procedure to award this contract was officially completed in January 2012, with the contract having been provisionally awarded back in early 2011. Therefore, the amounts related to Astaldi's stake were included among the order backlog at 31 December 2011.

New orders – Construction – International[3]

PERU - Cerro del Águila hydroelectric plant (510 MW): USD 680 million (Astaldi is the project leader with a 50% stake) for the EPC contract to construct a 380,000 m^3 concrete dam, an underground hydroelectric plant with 510 MW of installed power, 9 kilometres of tunnels and 60 kilometres of site access routes. The project has been commissioned by the Peruvian company, KALLPA Generación S.A., which operates in the energy distribution sector. The planned duration of works is 4 years and design activities and works were already started up during the latter part of 2011. The project is included among the new projects secured in Q3 2011.

PERU - Santa Teresa hydroelectric plant (98 MW): EUR 70 million (Astaldi has a 50% stake) for the construction of an underground hydroelectric plant with 98 MW of installed power and approximately 6 kilometres of tunnels in the Machu Picchu region. The project has been commissioned by Luz del Sur, Peru's main electricity provider as well as one of the most important operators in this sector in Latin America. The planned duration of works is 30 months with commissioning of the plant by 2014. Preliminary activities were already started up during the latter part of 2011. The project is included among the new projects secured in Q3 2011.

CHILE – Relaves Project: USD 34 million (Astaldi's stake) for the performance of civil works related to the concession agreement for the design, construction and subsequent management of a plant to treat sludge produced by the CODELCO Andes mine for the recovery of copper and molybdenum. The project has been commissioned by the Chilean state-owned company, CODELCO (*Corporación Nacional del Cobre de Chile*), the leading copper producer in the world. Astaldi will perform the concession project in its capacity of leader, with a 55% stake, of a joint venture of companies specialising in the mining sector. Works for commissioning of the plant will commence in March 2012 and will be performed directly by Astaldi. This contract, which was already negotiated and agreed on in previous months, was officially awarded at the start of 2012. Therefore, the amounts related to Astaldi's stake were included among the order backlog at 31 December 2011.

CHILE – Chuquicamata Project: USD 155 million (Astaldi's stake) for the construction of tunnels related to the contract to convert Chuquicamata, the largest, open-air mine in the world into a large-scale underground mine. The contract, which forms part of a USD 875 million approved investment plan for the

[2] For more information, please refer to Astaldi Group's Half-Yearly Financial Report at 30 June 2011 (see "*Order Backlog*") as well as the Interim Report on Operations at 30 September 2011.
[3] For more information, please refer to Astaldi Group's Half-Yearly Financial Report at 30 June 2011 (see "*Order Backlog*") as well as the Interim Report on Operations at 30 September 2011.

construction of important underground infrastructures, involves the construction of two main tunnels, one for access (7.5 km) and one to transport copper to the outside (6.2 km), in addition to relative tunnel links and approximately 3.5 km of emergency and ventilation shafts. Works will commence in March 2012 and have a planned duration of 41 months. The project has been commissioned by the Chilean, state-owned company, CODELCO (*Corporación Nacional del Cobre de Chile*), the leading copper producer in the world with whom Astaldi is currently performing the Relaves project. This contract, which was negotiated and agreed upon in previous months, was officially awarded at the start of 2012. Therefore, the amounts related to Astaldi's stake were included among the order backlog at 31 December 2011.

VENEZUELA – Puerto Cabello-La Encrucijada railway line: approximately EUR 500 million (Astaldi's stake) for a contract addendum for completion of the Puerto Cabello-La Encrucijada railway line. Astaldi, as part of a joint venture with the Italian companies, Impregilo and Ghella (Astaldi has a 33.33% stake), signed a contract addendum with Venezuela's national railway company (IFE) in relation to works to create a national railway system in Venezuela, regarding the completion of construction of the Puerto Cabello-La Encrucijada railway, already under an advanced state of construction by the aforementioned joint venture. The addendum entails both amendment of the existing contract and extension of the line from Moron to Puerto Cabello port. With this contract addendum, the final value of the Puerto Cabello-La Encrucijada project amounts to EUR 3.3 billion (Astaldi has a 33.33% stake), meaning EUR 500 million of new works for the company. Construction of the new section of railway line will make it possible to connect the line currently under construction to Puerto Cabello port and ensure an important commercial sea access for the city of Valencia, one of the country's main cities located along the railway line. The project falls into the Economic, Industrial, Infrastructure and Development Cooperation Agreement entered into by the Italian and Venezuelan governments in February 2001 and ratified with subsequent agreements, the most recent of which dated May 2010. The project forms part of the new orders recorded for Q3 2011.

POLAND - Warsaw-Łódź railway line and Łódź Fabryczna underground station: EUR 350 million (Astaldi has a 40% stake) for the design and performance of all works related to upgrading of the railway line and construction of the passengers building and underground station at Łódź Fabryczna, as well as 1.5 kilometres of dual-track, twin-bore tunnel, railway systems of the complete section, a multi-storey underground car park and a multi-modal interchange junction and all the structural, finishing and systems engineering works for the passengers building. The planned duration of the works is 42 months. The project has been commissioned by PKP (Poland's railway company) and the municipality of Łódź and will be co-financed using European cohesion funds. The contract forms part of the new orders secured during Q3 2011.

ROMANIA - Border-Curtici-Simeria railway line*:* EUR 254 million (Astaldi has an 18.75% stake) for upgrading of 41 kilometres of railway and 4 stations, as well as the laying of a second track for a 5-kilometre section and the installation of signalling, telecommunications and electric traction systems. Upon completion, the works will guarantee a speed of 160 km/h for passenger trains and 120 km/h for freight trains. Works are scheduled to commence during the first half of 2012 and have a planned duration of approximately 2 years. The project has been commissioned by Romania's National Railway Company (C.S.R. S.p.A.) and will be financed by European funding and dedicated resources allocated in state budgets. The project forms part of the new orders secured in Q4 2011.

ROMANIA – Line 5 of the Bucharest underground*:* EUR 215 million (Astaldi is the project leader with a 39% stake) for the design and performance of structural works related to 6 kilometres of new underground line, all below ground level, and 9 stations. The project has been commissioned by METROREX S.A., the operator of the Municipality of Bucharest's underground network, under the control of the local Ministry of Transport and Infrastructures. The contract forms part of the new orders secured during the first quarter of 2011.

ROMANIA - Cernavoda-Medgidia motorway: EUR 119 million (Astaldi is the project leader with a 50% stake) for the design and performance of all activities related to the construction of approximately 21 kilometres of new motorway, works on which have already commenced. The planned duration of works is 15 months, 3 of which for design activities. The project has been commissioned by Romania's national roads and motorways company and will be financed by Cohesion Funds (85%) and the Romanian government (15%). The project forms part of the new orders included among the backlog for Q3 2011.

ROMANIA - Orastie-Sibiu motorway, Lot 4: EUR 114 million (Astaldi is the project leader with a 70% stake) for the design and performance of works related to the construction of approximately 17 kilometres of new motorway including the Sibiu West road junction. 85% of the project, commissioned by Romania's national roads and motorways company, is funded by European cohesion funds and the remaining part by budget funding allocated by the Romanian state. The project forms part of the new orders included among the backlog for Q1 2011.

RUSSIA – Pulkovo International Airport - St. Petersburg*:* EUR 700 million (Astaldi has a 50% stake) for the EPC contract for the construction of a new international terminal and upgrading of an existing terminal as part of the project to modernise St. Petersburg Airport. The project has been commissioned by Northern Capital Gateway (NCG), an international consortium whose members include Fraport (Frankfurt Airport Group), an international leader in the field of airport management, and VTB Capital (VTB Group), the second most important Russian bank. The project forms part of the new orders secured for Q2 2011.

OMAN - BidBid-Sur Road*:* OMR 125 million, equivalent to approximately USD 324 million (Astaldi has a 51% stake) for the road project to double one of the Sultanate's main arteries for a total of 41 kilometres of new road. The project has been commissioned by Oman's Ministry of Transport and Communications. The values related to Astaldi's stake in the project were included in the order backlog at 31 March 2011, and work along the complete section commenced during October following completion of site set-up.

FLORIDA (USA) - NW 25th Street, Florida*:* USD 59 million, equivalent to approximately EUR 42 million for works to upgrade and extend NW 25th Street in Miami-Dade County, Florida. The contract involves the rebuilding and widening to 4-6 lanes of an expressway at Doral, in the vicinity of Miami international airport, as well as the construction of a metal overpass next to the SR-826 Palmetto Express and a viaduct for a total length of 1.9 kilometres. Works are scheduled to commence during the second quarter of 2012, with a duration of just over 3 years. The project has been commissioned by the Florida Department of Transportation (FDOT) for whom Astaldi is currently carrying out other works. The amounts related to the project were included in the order backlog at 30 September 2011.

Additional contractual increases related to projects in progress in the transport infrastructures, water and energy sectors in Italy and abroad (Algeria, Chile, El Salvador, Honduras, Romania, Turkey, USA).

New orders - Concessions[4]

ITALY – Line 5 of the Milan underground (extension): EUR 124 million (Astaldi's stake) resulting from increase of the Group's stake in this project from 23% at the end of 2010 to 31% following exercise of the right of option on unopted shares resulting from the share capital increase aimed at funding extension of the section under construction along the Garibaldi station-San Siro section. The values related to Astaldi's stake in the project were included in the order backlog at 30 June 2011.

TURKEY - Milas-Bodrum Airport: approximately EUR 210 million for Astaldi's stake in the concession project for management of the international passenger terminal of Milas-Bodrum Airport in Turkey, already

[4]For more information, please refer to Astaldi Group's Half-Yearly Financial Report at 30 June 2011 (see "*Order Backlog*").

under construction by Astaldi. In April Astaldi Group formalised the acquisition, through its subsidiary Astaldi Concessioni, of a 92.85% stake in Mondial, the company holding the concession for the terminal which will occupy a total surface area of 100,000 square metres. The overall investment is equal to approximately EUR 100 million funded on the basis of an 80/20 (debt/equity) financial leverage. The project is based on estimated average annual revenues of EUR 35 million, 65% of which is guaranteed by minimum set traffic of 1,000,000 passengers per year as well as by availability charges for the duty free areas defined on the basis of an agreement with an international operator specialising in the airport sector. The values related to Astaldi's stake in the concession project were included in the order backlog at 31 March 2011. Said project is a follow-on from the relative construction contract already secured by Astaldi Group during 2010.

CHILE – Relaves Project: USD 230 million (Astaldi's stake), for management fees related to the concession project for the design, construction and subsequent management of a plant to treat sludge produced by the CODELCO Andes mine for the recovery of copper and molybdenum. Astaldi will perform the concession project in its capacity of leader, with a 55% stake, of a joint venture of companies specialising in the mining sector. The plant will be able to produce approximately 4,000 tons of copper and 80 tons of molybdenum per year which CODELCO has undertaken to purchase. The overall value of the investment is USD 34 million, with management revenues amounting to approximately USD 230 million. The concession has a duration of 21 years, 1 year of which for design and construction activities and the remaining 20 years for management activities. This contract, which was negotiated and agreed on during the previous months, was officially awarded at the start of 2012. Therefore, the amounts related to Astaldi's stake were included among the order backlog at 31 December 2011.

Summary tables – Changes during the year and breakdown of order backlog

Order backlog (EUR/000,000)	**At 01/01/2011**	**Increases/ (Decreases)**	**Decreases for production**	**At 31/12/2011**
Construction	**6,254**	**3,276**	**(2,239)**	**7,291**
Transport infrastructures	5,511	2,647	(1,886)	6,272
Water and energy	244	567	(167)	644
Civil and industrial construction	499	62	(186)	375
Concessions	**2,760**	**(15)**	**(24)**	**2,721**
Order backlog	**9,014**	**3,261**	**(2,263)**	**10,012**

Order backlog (EUR/000,000)	**At 01/01/2011**	**Increases/ (Decreases)**	**Decreases for production**	**At 31/12/2011**
Italy	**4,855**	**340**	**(1,031)**	**4,164**
of which construction	*2,759*	*873*	*(1,007)*	*2,625*
of which concessions	*2,096*	*(533)*	*(24)*	*1,539*
International	**4,159**	**2,921**	**(1,232)**	**5,848**
of which construction	*3,495*	*2,403*	*(1,232)*	*4,666*
of which concessions	*664*	*518*	*0*	*1,182*
Europe	1,251	1,112	(695)	1,668
America	1,898	1,526	(329)	3,095
Africa *(Algeria)*	833	44	(163)	714
Asia *(Middle East)*	177	239	(45)	371
Order backlog	**9,014**	**3,261**	**(2,263)**	**10,012**

Breakdown of construction backlog (EUR/000,000)	**At 01/01/2011**	**Increases**	**Decreases for production**	**At 31/12/2011**
Italy	**2,759**	**873**	**(1,007)**	**2,625**
International	**3,495**	**2,403**	**(1,232)**	**4,666**
Europe	1,251	905	(695)	1,461
America	1,234	1,215	(329)	2,120
Africa *(Algeria)*	833	44	(163)	714
Asia *(Middle East)*	177	239	(45)	371
Construction backlog	**6,254**	**3,276**	**(2,239)**	**7,291**

Breakdown of concessions backlog (EUR/000,000)	**31/12/2011**
Italy	**1,539**
International	**1,182**
Europe	207
America	975
Total concessions backlog	**2,721**

Subsequent events

Astaldi Group was awarded **two contracts in the mining sector** in Chile **with the state-owned company CODELCO**, (***Corporación Nacional del Cobre de Chile*****), worth a total of approximately USD 385 million**. Astaldi has operated in Chile in the hydroelectric sector since 2008 and holds a 27.3% interest in the concessionaire which constructed and currently manages the Chacayes hydroelectric plant (111 MW), together with the Australian company Pacific Hydro. Its entry into the Chilean mining sector corresponds to its desire to build upon its role in a sector able to offer interesting commercial opportunities for the Group's technical and managerial skills and know-how. CODELCO, a Chilean state-owned company set up in 1976, is currently the leading copper producer in the world and has already announced investments of USD 15 billion in the sector over the next five years. In relation to the approved activities, the two projects awarded to Astaldi refer to:

- *Chuquicamata Project* - USD 155 million as part of the USD 875 million plan of action approved by CODELCO for Chuquicamata, currently the largest open-air mine in the world – which will be converted into a large-scale underground mine. This new contract involves the construction of two main tunnels, one for access (7.5 km) and one to transport copper to the outside (6.2 km), in addition to relative tunnel links and approximately 3.5 km of emergency and ventilation shafts. Works will commence in March 2012 and have a planned duration of 41 months. The amounts related to Astaldi's stake were included among the order backlog at 31 December 2011 insofar as the start of 2012 saw the official awarding of the contract that had been negotiated and agreed on over the previous months.

- *Relaves Project:* Astaldi will perform the concession project in the capacity of leader, with a 55% stake, of a joint venture of Chilean companies specialising in the mining sector, for the design, construction and subsequent management of a plant to treat sludge produced by the CODELCO Andes mine for the recovery of copper and molybdenum. The plant will be able to produce approximately 4,000 tons of copper and 80 tons of molybdenum per year which CODELCO has already undertaken to purchase. The value of the overall investment is USD 34 million with concession revenues totalling USD 230 million. The duration of the concession is 21 years, 1 year of which refers to design and construction activities and the remaining 20 years for management activities. Works for commissioning of the plant will commence in March 2012 and will be performed directly by Astaldi. The amounts related to Astaldi's stake were included among the order backlog at 31 December 2011 insofar as the start of 2012 saw the official awarding of the contract that had been negotiated and agreed on over the previous months.

As regards the general contracting project for **Mega-Lot 3 of the Jonica National Road (SS-106) in Italy,** note must be taken that January 2012 saw official completion of the procedure to award the contract, which had already been provisionally awarded during the first part of 2011. Therefore, the amounts related to Astaldi's stake were included among the order backlog at 31 December 2011.

As regards the contract for the general contracting project for **Line C of the Rome underground**, it must be noted that on 20 January 2012, CIPE (Interdepartmental Committee for Economic Planning) definitely approved the start-up of works on the T3 section (San Giovanni-Colosseo). Consignment of the areas and the start-up of works on this new section are scheduled for March 2012.

As regards the contract for the construction and management of **Line 4 of the Milan underground** in Italy, it must be noted that in January, Lombardy's Regional Administrative Court (TAR) voiced its opinion in favour of the joint venture involving Astaldi, rejecting the appeal submitted by the second-place holder in the procedure to award the concession for construction and management of the line. Taking into account the Council of State's verdict with regard to said appeal, which was in favour of the joint venture including Astaldi, preliminary activities prior to construction of the line can be started up over the coming weeks. The amounts related to Astaldi's stake in the project – equal to EUR 450 million for the performance of civil works and EUR 1.5 billion for management activities – will be included among the backlog at the end of the first quarter of 2012.

At an operating level, it must be noted that the companies, ASTALDI-TURKELER J.V. and ANKARA ETLIK HASTANTE A.S. have been set up (Astaldi Group holds a 51% stake in both companies); the former is a joint venture set up to perform the EPC Construction Contract and the latter is a SPV (Special Purpose Vehicle) set up to perform the concession agreement for the design, construction and subsequent management of the **Etlik Hospital Centre in Ankara (Turkey).** The importance the country is taking on for the Group's activities in the concessions sector can be confirmed by the opening up in January of the Turkey branch of Astaldi Concessioni (a group company dedicated to the concessions business and 100% owned by Astaldi S.p.A.). The new branch's key aim will be to guarantee more direct control of important projects in progress in Turkey.

Foreseeable development of operations

Approval of the new Business Plan is also envisaged for the coming months which will show a considerable increase in production volumes thanks to the significant investments and numerous commercial successes achieved by Astaldi Group in recent years.

The new plan can be defined as a turning point in the Group's history since its point of departure is represented by the end of a cycle – which has led to consolidation of the Group's cornerstones and its ability to generate income over the last ten years through the listing of Astaldi's shares on the stock exchange and major investment in endogenous growth – and ensures an additional boost to the expansion of activities as a whole.

The Group's ability to offer quality products and services in line with its leading position in the markets where traditionally present will be consolidated. If recent years have seen the Group progressing from being a construction company with foreign activities to being a General Contractor of international standing, the new Business Plan will be aimed at building on the Group's ability to offer an integrated, turnkey product, able to best meet all requirements in its reference business sectors.

In 2011, Astaldi Group achieved a turnover well in excess of the EUR 2 billion mark, and positioned itself in first place among Italian contractors. Over the next five years, Astaldi Group will further consolidate its competitive positioning thanks to suitable geographical diversification and correct balancing of activities between construction and concessions. It is also important to note that said results were achieved within an overall recessive macroeconomic situation, and show the flexibility of the Group's economic model, on the one hand, and its ability to react to negative economic situations on the other.

Said affirmations have been formulated even given the understandable fear of the possible consequences on real economies of the problems experienced in the financial markets in recent months, in the knowledge that the strategies adopted to date are able to ensure the Group's business model has the flexibility needed to successfully react to the negative situations that continue to come to the fore.

Indeed, at a financial level it is impossible not to note that the public debt crisis being experienced by some of the world's leading economies and also in Italy, combined with recent developments regarding European banking regulations, has had serious consequences on the investment and raising capacity of the leading European banks, resulting in an increasingly tangible risk of freezing of credit granted to real economies. Despite this, the decisions approved by Italy's current government during this early part of the year have confirmed the anti-cyclical value of investment in the infrastructures sector, highlighting a positive turnaround of economic planning as regards public works. Numerous measures have already been taken by the government in this direction which have resulted in the following: positive speeding-up of the approval of projects for which sites can be set-up, with the introduction of a simpler, quicker procedure for approving strategic work projects; the introduction of project bonds which can be issued by SPVs; the green light for projects amounting to EUR 6.2 billion by CIPE (Interdepartmental Committee for Economic Planning) during the meeting held on 20 January 2012.

In this context, it is important to highlight the legislative framework which is very much in favour of promoting project financing in Italy, consisting firstly in Law No. 214 of 22 December 2011 (which converted Law Decree No. 201 of 6 December 2011, also known as the "Save Italy" decree) and secondly in Law Decree No. 1 of 24 January 2012 (also known as the "Grow Italy" decree). Specifically, the provisions approved under the latter decree are aimed at promoting the inclusion of private capital in the funding, construction and management of infrastructures. These range from provisions facilitating project bankability, the introduction of availability charges and the introduction of the right of pre-emption for sponsors of works not included among public planning to the possibility of grouping together various design phases, the new mechanism regarding the issue of bonds by SPVs and the improved procedure for taking over existing concessions. All of the aforementioned changes provided for in recent legislation are aimed at developing project finance which is set to replace the mechanisms for financing a large slice of works, to date financed exclusively by public funding.

Therefore, construction will continue to represent the Group's core business, but important partnerships will arise from concessions in Italy and abroad in relation to structured projects with a suitable risk/return profile and guaranteed minimum fees, **as well as with the plant sector**.

As regards projects currently in progress in **Italy, activities will receive a new boost from the intensification of underground transport infrastructures**, especially works to construct Line 5 and Line 4 of the Milan underground, as well as the Brescia underground. **As regards foreign activities, an intensification of activities is envisaged in Central-Eastern Europe and Turkey, as well as Latin America** which will benefit, inter alia, from the entry into full operation of new acquisitions in the hydroelectric and mining sectors.

Therefore, new commercial opportunities will mean that **Italy continues to play a key role** in the Group's development policies, holding steady its contribution to turnover. **Foreign activities shall consolidate their contribution,** also as a result of the greater geographical diversification of activities and **consequent improvement in the risk profile of activities in progress.** Specifically, the countries where the Group is traditionally present (Poland, Romania, Turkey), as well as areas of more recent commercial penetration (Chile, Peru and the Middle East) and areas currently being studied (Canada), will continue to be of interest.

Among the foreign countries where traditionally present, **Poland continues to be of guaranteed interest in the Group's development policies**. Indeed, it is suffice to note that, on the basis of 2007-2013 EU Planning, Poland is set to receive more than EUR 80 billion of community financial resources, EUR 67.3 billion of which from European cohesion and structural funds, allocated with the aim of promoting the growth of the Polish economy through new infrastructures, protection of the environment, improvement of competitiveness and training.

Among the countries of more recent commercial penetration, **Chile is an area where Astaldi Group has operated in an ongoing manner since 2008** in the hydroelectric sector and where it has a 27.3% stake in the concessionaire which built and currently manages the Chacayes hydroelectric plant (111 MW), together with the Australian company, Pacific Hydro. **Its entry into the Chilean mining sector corresponds to its desire**

to build upon its role in a country of guaranteed interest through strategic diversification in new sectors for Astaldi, but able to offer interesting commercial opportunities for the Group's technical and managerial skills and know-how. In this regard, the Chilean mining sector has been singled out as of interest, also thanks to approximately USD 70 billion of investments planned for this sector over the next ten years. CODELCO alone – with whom Astaldi signed two mining agreements worth a total of USD 420 million related to the Chuquicamata Project and the concession for the Relaves Project at the start of 2012 – has announced investments of USD 15 billion in the sector over the next five years. CODELCO, a Chilean state-owned company set up in 1976, is currently the leading producer of copper in the world, accounting for 11% of the global production in 2010.

Canada features among the new areas currently under examination. The country has approved interesting infrastructure investments which mean the area is of guaranteed interest, also in light of a favourable legislative framework. The "*Plan Nord*" launched in Québec, provides for investments of EUR 34 billion in the renewable energy sector (more than half in the hydroelectric sector) and EUR 27 billion in mining and transport infrastructures (ports, airports, roads, railways) over the next 25 years. The "Green Energy Act" approved in Ontario, provides for the replacement of coal-powered plants by 2014, with estimated private investments totalling EUR 6.6 billion in the sustainable energy sector. Additional investments are also expected in light of the announcement made by the National Association of Oil Producers which envisages a 68% increase in the country's oil production by 2025.

Lastly, mention must be made of the **Middle East, where the Group envisages a reorganisation of activities.** It must be recalled that, to date, Astaldi has been present in this area (Saudi Arabia, United Arab Emirates, Oman) mainly with industrial plant activities related to the petrochemical sector. It is envisaged that said sector's contribution will be replaced over the coming years by increased involvement in traditional transport infrastructures in relation to which interesting investments are expected, especially as regards undergrounds and high-speed railways.

As regards concessions, as from 2012, the Group's revenues will include **the first results of the entry into full operation of the Chacayes plant (inaugurated in October) and the Milas-Bodrum airport (which will enter the management phase during the forthcoming summer season).** These projects, combined with those that are already fully operational (Mestre Hospital and five car parks in Italy), shall make a significant contribution to stabilising concession revenues.

While as regards the **Gebze-Izmir motorway** concession **in Turkey**, the Turkish government's major commitment has been confirmed with regard to a work which will play a key role in the economic development of the areas the planned 422-kilometre route takes in – cutting travel times along the Istanbul-Izmir section to less than four hours. All project activities involving special surveys and project design have been carried out as scheduled and the relative financing procedures are going ahead as planned. Once these have been completed, the amounts related to Astaldi's stake in this project shall be included in the order backlog. It must also be noted that the consortium that will perform the concession project - which Astaldi holds a stake in - signed a subcontract agreement with the Japanese companies, IHI and Itochu in September for design and construction of the bridge to cross over the Gulf of Izmit. Said work represents the most demanding part of the whole route from an engineering viewpoint insofar as when completed, it shall be one of the longest suspended bridges in the world.

Still as regards Turkey, the procedure is underway regarding signing of a contract with the Turkish Ministry of Health which is responsible for granting the **concession for the design, construction, supply of electro-medical equipment and furnishing and subsequently management of the Etlik Hospital Complex in Ankara**. Indeed, it must be recalled that in November 2011, Astaldi, as part of a joint venture with the Turkish construction firm, Turkeler, in which it holds a 51% stake, received the letter awarding the contract prior to signature of the aforementioned concession agreement which should take place during the first half of 2012. The project will involve construction of the largest hospital complex in Europe. The total value of the investment amounts to EUR 940 million. EUR 567 million will be used to perform the works. Concession revenues will total EUR 2.4 billion, 85% of which is guaranteed by availability charges, which can be re-valued due to inflation, and the remaining percentage by the provision of contracted services (routine and special maintenance of buildings, roads, green areas, electro-medical equipment and furnishings as well as utility management). The planned duration of the concession is 28.5 years, 3.5 of which for design and construction activities and the remaining 25 for management activities. Works are scheduled to commence in 2012. Upon completion, the complex will be able to offer 3,200 hospital beds, split between 8 healthcare facilities, and a hotel for a total of approximately 1,080,000 m^2. Design activities shall be performed by Studio Altieri that has already worked with Astaldi on the concession project to build and manage the new Hospital in Mestre which is currently under management in Italy.

As regards Italy, **additional interesting developments are expected in the motorway transport infrastructures sector** where, it should be remembered, Astaldi Group is currently present in the north-east of the country with a series of strategic equity investments, also held through its subsidiary Astaldi Concessioni.

In November 2011, Astaldi Concessioni increased its equity investment in the share capital of the motorway company, **A4 Holding S.p.A.** (formerly Autostrada Brescia-Verona-Vicenza-Padova S.p.A.), holder of the concession for the A4 motorway, from 8.65% to 9.12%. Said increase was achieved as a result of subscription of the share capital increase it was entitled to (11,387 shares) on 11 November 2011 followed by subscription of the unopted shares it was entitled to (8,449 shares) on 30 November 2011.

In December 2011, Astaldi Group acquired a stake in the share capital of **Autostrada Nogara-Mare Adriatico Società consortile per azioni**. The corporate purpose of said company concerns involvement in the award procedure for the concession to design, construct and manage the Medio Padana-Veneta Nogara-Mare Adriatico regional motorway. 10% of the share capital was acquired through Astaldi S.p.A. (12,000 shares) and 13% through Astaldi Concessioni (15,600 shares), with a total investment that currently amounts to EUR 27.600.

It must also be remembered that Astaldi Group is part of the joint venture – with a 23% stake – already identified as Sponsor for the procedure to award **the project finance initiative to construct the new motorway link connecting Ancona Port to the surrounding road network**. The procedure is currently underway and the outcome of the call for tenders, in whose regard the JV that Astaldi holds a stake in has the right of pre-emption, is expected to be known by the end of 2012.

Therefore a challenging investment plan and diversification of activities in the concessions sector is confirmed. This will be backed up by the high self-financing ability of projects in progress and pursued through strict, scrupulous control of invested capital and optimisation of the technical resources that are already available within the Group. The aim will be to ensure further improvement of the Group's self-financing ability, generating the resources needed to cover concession investments.

Lastly, we must recall that growth may be further boosted by **synergies developed with Busi Impianti**, on the basis of industrial agreements ratified in September. Indeed, it must be recalled that Astaldi, through its 100% subsidiary, nBI S.r.l., has signed an agreement with the Busi Group regarding (i) leasing of the company division related exclusively to the Italian systems engineering and maintenance divisions of Busi Impianti S.p.A. and (ii) the preliminary contract for the subsequent purchase of said company division, within Busi Impianti S.p.A.'s composition with creditors, presented and admitted by the Court of Bologna and for which approval is currently pending. The value, which shall be paid upon stipulation of the final contract and which has been calculated on the basis of comparable transactions and market multiples, is equal to EUR 12.7 million. The leasing fees paid until purchase is completed shall be deducted from the price, and purchase of the company division may take place upon approval of Busi Impianti S.p.A.'s composition with creditors. This operation fits into Astaldi Group's wider expansion plan insofar as it represents consolidation of its role in a sector that is complementary to its current activities, through a company, Busi Impianti, able to offer major industrial and commercial synergies, as well as human resources with a high level of professional skills. Busi Impianti's specific skills in the systems engineering and maintenance sectors, combined with Astaldi's business volumes and business management skills will complete the range of technical know-how and supply which Astaldi is already able to offer and shall improve its ability to offer integrated solutions, contributing to the Group's growth as a whole. Busi Impianti, which has achieved a turnover in excess of EUR 100 million p.a. in recent years and boasts 260 employees, works in the civil, industrial and manufacturing engineering, systems engineering and maintenance sector where it develops integrated "turnkey" solutions – from design and construction through to assistance, maintenance and management – of complex systems and plants in the infrastructure, commercial, industrial, healthcare, pharmaceutical and energy sectors. Leasing of the company division, through management by Astaldi Group, made it possible for the company to currently continue its business activities and, consequently, to protect Busi's levels of employment. Following approval of composition with creditors, Astaldi will purchase the company division related exclusively to the Italian systems engineering and maintenance divisions. The significance of said transaction is even more appreciable if we take into account the boom of investments currently being seen in the renewable energy sector. It is suffice to recall that said investments in Italy in 2011 amounted to EUR 26 billion, in other words one billion Euros more than that recorded for the same period in the residential sector.

Marginal notes

Astaldi's management assesses the economic and financial performance of the Group and business segments on the basis of some indicators not provided for in IFRSs, the specific components of which are listed below.

EBITDA: is obtained by excluding the following items from EBIT, as defined below: (i) amortisation and depreciation of intangible and tangible assets; (ii) write-downs and provisions; (iii) capitalisation of internal construction costs.

EBIT: is equal to the result prior to taxation and financial income and charges, without any adjustments. The following are excluded from EBIT: income and changes resulting from the management of non-consolidated equity investments and securities as well as the results of any transfers of consolidated equity investments, included under the heading of "financial income and charges" in balance sheet statements, or under the heading of "effects of valuation of equity investments using the equity method" for the results of equity investments valued using the equity method.

EBT: is calculated as the net operating result, excluding financial income and charges as well as the effects of valuation of equity investments using the equity method.

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

Statement by the Executive appointed to draft corporate accounts

(pursuant to Art. 154-bis, paragraph 2 of Legislative Decree No. 58/1998)

The undersigned, Paolo Citterio, Astaldi's General Manager-Administration and Finance, in his capacity as Executive appointed to draft corporate accounts, hereby declares, pursuant to art. 154-bis, paragraph 2 of Legislative Decree No. 58/1998 (Finance Consolidation Act) that the accounting information contained herein tallies with documents, ledgers and account entries.

Rome, 9 February 2012

Signed by Paolo Citterio

General Manager – Administration and Finance

Attachments

Reclassified consolidated income statement

(EUR/000)	31/12/2011	%	31/12/2010	%	Q4 2011	%	Q4 2010	%
Revenues	2,262,757	96.1%	1,931,588	94.0%	610,300	95.3%	554,479	94.4%
Other operating revenues	91,449	3.9%	124,220	6.0%	30,196	4.7%	32,955	5.6%
Total Revenues	**2,354,206**	**100.0%**	**2,055,808**	**100.0%**	**640,497**	**100.0%**	**587,433**	**100.0%**
Cost of production	(1,806,099)	(76.7)%	(1,547,620)	(75.3)%	(485,418)	(75.8)%	(461,160)	(78.5)%
Added value	**548,106**	**23.3%**	**508,188**	**24.7%**	**155,079**	**24.2%**	**126,273**	**21.5%**
Personnel costs	(261,986)	(11.1)%	(244,102)	(11.9)%	(68,093)	(10.6)%	(61,188)	(10.4)%
Other operating costs	(28,764)	(1.2)%	(27,436)	(1.3)%	(10,009)	(1.6)%	2,002	0.3%
EBITDA	**257,357**	**10.9%**	**236,649**	**11.5%**	**76,977**	**12.0%**	**67,087**	**11.4%**
Amortisation and depreciation	(51,320)	(2.2)%	(52,890)	(2.6)%	(16,552)	(2.6)%	(13,318)	(2.3)%
Provisions	(7,703)	(0.3)%	(790)	0.0%	(6,867)	(1.1)%	(524)	(0.1)%
Write-downs	(2)	0.0%	(3,916)	(0.2)%		0.0%	(3,916)	(0.7)%
(Capitalisation of internal construction costs)	850	0.0%	1,241	0.1%	37	0.0%	383	0.1%
EBIT	**199,182**	**8.5%**	**180,293**	**8.8%**	**53,594**	**8.4%**	**49,712**	**8.5%**
Net financial income and charges	(76,332)	(3.2)%	(78,072)	(3.8)%	(20,626)	(3.2)%	(21,012)	(3.6)%
Effects of valuation of equity investments using equity method	401	0.0%	262	0.0%	793	0.1%	7	0.0%
Pre-tax profit (loss)	**123,252**	**5.2%**	**102,483**	**5.0%**	**33,761**	**5.3%**	**28,707**	**4.9%**
Taxes	(50,530)	(2.1)%	(38,960)	(1.9)%	(14,990)	(2.3)%	(9,897)	(1.7)%
Profit (tax) for the period	**72,722**	**3.1%**	**63,523**	**3.1%**	**18,771**	**2.9%**	**18,810**	**3.2%**
Minority profit (loss)	(80)	0.0%	(466)	0.0%	1,143	0.2%	63	0.0%
Group net profit	**72,642**	**3.1%**	**63,056**	**3.1%**	**19,914**	**3.1%**	**18,873**	**3.2%**

Reclassified consolidated balance sheet

EUR/000	**31/12/2011**	**31/12/2010**
Intangible fixed assets	44,134	3,739
Tangible fixed assets	194,075	205,159
Equity investments	195,964	84,830
Other net fixed assets	41,903	35,520
TOTAL Fixed assets (A)	**476,076**	**329,248**
Inventories	94,500	93,624
Contracts in progress	1,007,010	845,877
Trade receivables	48,858	30,463
Accounts receivable	772,729	593,899
Other assets	204,534	213,666
Tax receivables	117,674	101,523
Advances from customers	(472,878)	(338,489)
Subtotal	**1,772,427**	**1,540,563**
Trade payables	(127,505)	(130,951)
Due to suppliers	(888,298)	(695,674)
Other liabilities	(226,531)	(203,163)
Subtotal	**(1,242,334)**	**(1,029,788)**
Working capital (B)	**522,428**	**510,775**
Employee benefits	(8,581)	(8,460)
Provisions for non-current risks and charges	(30,483)	(21,777)
Total Provisions (C)	**(39,064)**	**(30,237)**
Net invested capital (D) = (A) + (B) + (C)	**967,105**	**809,786**
Available funds	456,375	415,259
Current financial receivables		20,371
Non-current financial receivables	15,030	16,100
Securities	1,890	5,003
Current financial liabilities	(442,287)	(330,920)
Non-current financial liabilities	(655,463)	(592,242)
Net financial payables / receivables (E)	**(624,455)**	**(466,428)**
Receivables arising from concessions	140,485	99,871
Total financial payables / receivables (F)	**(483,970)**	**(366,557)**
Group equity	(469,659)	(424,988)
Minority equity	(13,477)	(18,241)
Equity (G) = (D) - (F)	**483,136**	**443,229**