Interim Financial Report at 31 March 2014

- Total revenues of EUR 551.6 million (+3.8%)
- EBITDA margin up to 13.3%, with EBITDA totalling EUR 73.4 million (+24.4%)
- EBIT margin of 10.5%, with EBIT totalling EUR 57.9 million (+20.2%)
- Net profit of EUR 19.2 million (+4.9%)

- Order backlog of EUR 12.8 billion with a potential backlog of EUR 22 billion
- Investments of EUR 58 million, EUR 51 million of which in concessions
- Total net financial position of EUR 1,012 million, of which:
  - Construction: EUR 595 million
  - Concessions: EUR 417 million

Figure 1 – Toledo station, Naples underground

Translation from the italian original, that remains the definitive version

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

SUMMARISED DATA

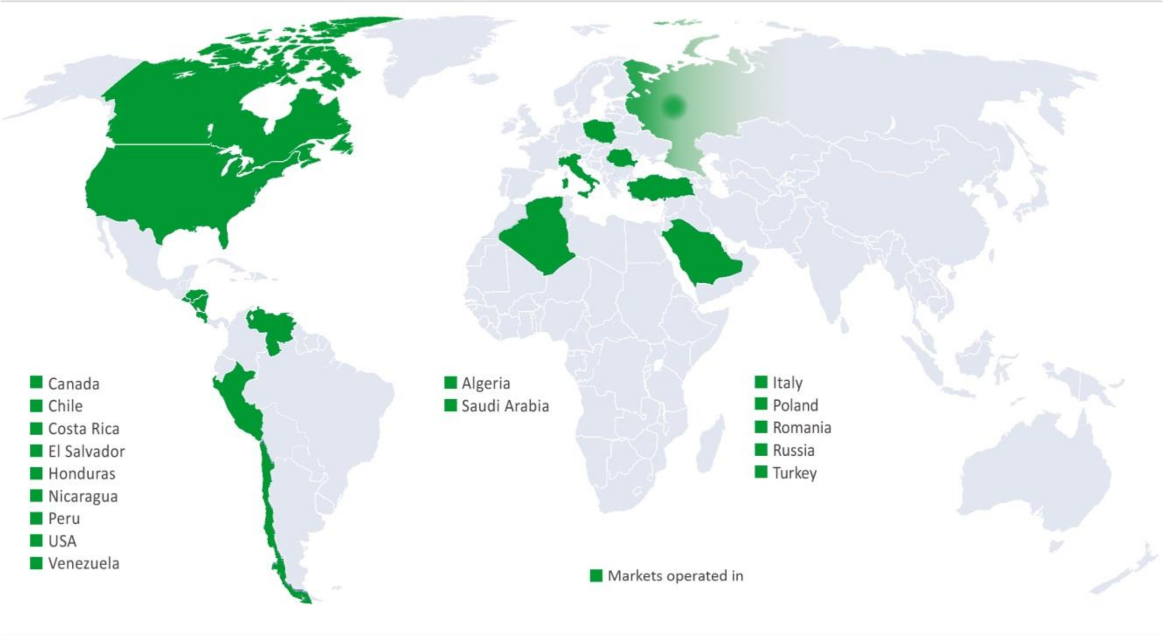
Main consolidated economic results (EUR/000)	31.03.2014	% on total revenues	31.03.2013*	% on total revenues	YOY diff. (%)
Total revenues	551,588	100.0%	531,193	100.0%	3.8%
EBITDA	73,427	13.3%	59,040	11.1%	24.4%
EBIT	57,941	10.5%	48,205	9.1%	20.2%
EBT	32,537	5.9%	28,870	5.4%	12.7%
Group net profit	19,184	3.5%	18,295	3.4%	4.9%

Recalculated following application of IFRS-11 "Joint Arrangements".

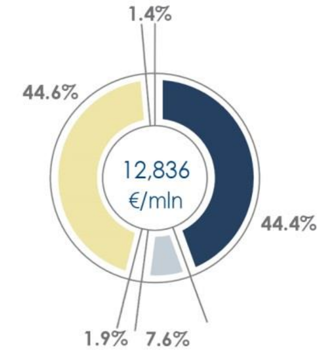
Main consolidated financial and equity results (EUR/000)	31-Mar-14	31-Dec-2013*	31-Mar-2013*
Total net fixed assets	692,840	718,830	657,084
Working capital	920,531	704,192	804,458
Total provisions	(29,188)	(30,594)	(32,293)
Net invested capital	1,584,183	1,392,428	1,429,249
Total financial payables / receivables **	(1,015,448)	(800,235)	(853,287)
Group equity	563,604	547,093	527,927
Total equity	568,735	592,193	575,962

Recalculated following application of IFRS-11 "Joint Arrangements".
(**) Figure shown inclusive of treasury shares on hand totalling EUR 3.1 million at 31 March 2014, EUR 2.8 million at 31 December 2013 and EUR 2.7 million at 31 March 2013.

GEOGRAPHICAL POSITIONING

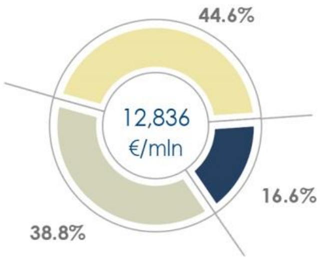


BACKLOG AND REVENUES



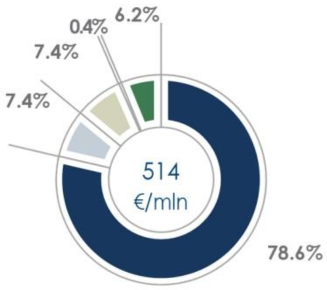
Order backlog according to sector

(EUR/millions)	31.03.2014	31.12.2013
Transport infrastructures	5,701	6,105
Energy production plants	972	1.010
Civil and industrial construction	250	265
Concessions	5,727	5,729
Plant Engineering, Maintenance and Management of Complex Systems	186	213
Total order backlog	12,836	13,322



Order backlog according to geographical area

(EUR/millions)	31.03.2014	31.03.2013
Construction - Italy	2,129	2,280
Construction - International	4,980	5,313
Concessions	5,727	5,729
Total order backlog	12,836	13,322



Revenues according to sector

(EUR/millions)	31.03.2014	31.03.2013
Transport infrastructure	404	417
Energy production plants	38	15
Civil and industrial construction	38	37
Concessions	2	0,3
Plant Engineering, Maintenance and Management of Complex Systems	32	41
Total Revenues	514	510

Revenues according to geographical area

(EUR/millions)	31.03.2014	31.03.2013
Italy	158	214
International	356	296
Total revenues	514	510

Translation from the italian original, that remains the definitive version

COMMENTS ON QUARTERLY OPERATING PERFORMANCE

The results of the first quarter of 2014 were in keeping with forecasts, making it possible to confirm end-of-year targets. The quarterly figures were affected by seasonal trends typical of the winter months that are even more evident if we consider the type of projects in progress, especially in Russia and Canada that currently account for a significant share of turnover. Said phenomenon will disappear during the second quarter when we will be able to see the actual volume of production, in line with annual budget forecasts that envisage an increase of around 10% compared to last year.

Consolidated total revenues at 31 March 2014 amounted to EUR 551.6 million (+3.8% YOY, EUR 531.2 million at 31 March 2013). The EBITDA margin increased to 13.3% and the EBIT margin to 10.5% in relation to EBITDA which rose by 24.4% to EUR 73.4 million and EBIT that rose by 20.2% to EUR 57.9 million). EBT amounted to EUR 32.5 million (+12.7%, EUR 28.9 million in Q1 2013). The quarter ended with a net profit of EUR 19.2 million (+4.9%, EUR 18.3 million at 31 March 2013), against an estimated tax rate of 40% and a met margin of 3.5%. At the same date, the total net financial position stood at EUR 1,012 million (EUR 797 million at 31 December 2013).

ECONOMIC AND OPERATING RESULTS AT 31 MARCH 2014

(EUR/000)	31.03.2014	%	31.03.2013*	%	YOY diff. (%)
Total revenues	551,588	100.0%	531,193	100.0%	3.8%
EBITDA	73,427	13.3%	59,040	11.1%	24.4%
EBIT	57,941	10.5%	48,205	9.1%	20.2%
EBT	32,537	5.9%	28,870	5.4%	12.7%
Group net profit	19,184	3.5%	18,295	3.4%	4.9%

**Recalculated following application of IFRS-11 "Joint Arrangements".*

At 31 March 2014, the Group **recorded an increase of around 4% in total revenues that amounted to EUR 551.6 million** (EUR 531.2 million in Q1 2013) thanks to positive contributions from Europe (especially Turkey and Poland) and North America (Canada). The figure for the period offered confirmation of the right direction taken by the Group as regards intensifying activities in areas able to guarantee a drop in the overall business risk profile. Indeed, it is important to note that the Group's current activities are mainly concentrated in areas with a lower risk profile than in the past (Europe, Canada, Peru and Chile). This is the result of ongoing risk management activities that ensure greater stability for the growth process, both as regards turnover and relative margins.

As regards Q1, **operating revenues amounted to EUR 514.2 million** (EUR 509.6 million in Q1 2013), staying largely in line with 2013 figures and accounting for approximately 93% of total turnover. **Other operating revenues** generated EUR 37.4 million (7% of total revenues). It must be recalled that said item includes activities related to the main construction contracts and hence they have the same duration as these since they operate within the same agreement.

Please find below a breakdown of operating revenues according to geographical area that shows how the Group is increasingly focusing on countries with investment grade rating and hence with a markedly lower risk profile than in the past, with the aim of improving the overall strategic positioning of its activities.

Breakdown of revenues according to geographical area

(EUR/millions)	31.03.2014	%	31.03.2013*	%	YOY diff. (%)
ITALY	**158**	**30.7%**	**214**	**42.0%**	**-26.2%**
INTERNATIONAL	**356**	**69.3%**	**296**	**58.0%**	**20.3%**
Rest of Europe	229	44.6%	151	29.6%	51.7%
America	102	19.8%	86	16.9%	18.6%
Asia (Middle East)	4	0.8%	23	4.5%	-82.6%
Africa (Algeria)	21	4.1%	36	7.1%	-41.7%
TOTAL OPERATING REVENUES	**514**	**100.0%**	**510**	**100.0%**	**0.8%**

**Recalculated following application of IFRS-11 "Joint Arrangements".*

As already mentioned, the breakdown of operating revenues offers confirmation of the increasing focus of activities on recently-acquired geographical areas (Canada, Chile, Russia), but also of the gradual divestment in the oil & gas segment in the Middle East. The significant contribution provided by Turkey can also be clearly seen and is the result of works under construction, developed within construction and management agreements.

As regards the domestic market, the volume of production **totalled EUR 158 million, equal to 31% of operating revenues** (EUR 214 million in March 2013) and the figure is in line with forecasts. As planned, the most important projects in progress in Italy at the present time (Bologna Centrale High Speed Station, Turin Railway Junction and Jonica National Road) are nearing their natural end while still maintaining significant production levels. Significant contributions also came from Line 5 of the Milan underground, Line C of the Rome underground, the Tuscan Hospitals project, the Parma-La Spezia railway line and the Pedemontana Lombarda motorway. A constant contribution also continued to be provided by the Plant Engineering, Maintenance and Management of Complex Systems segment. Note must also be taken of the contribution from the Tuscan Hospital's service management company that, with approximately EUR 2 million of revenues (not produced in 2013) marks the start-up of management activities related to the concession contract.

Activities in **Europe accounted for 44.6% of operating revenues, equal to EUR 229 million** (EUR 151 million in Q1 2013), therefore showing an increase of more than 50% in the volume of revenues compared to the same period of the previous year. Said results were achieved thanks to positive contributions from projects in progress in Turkey (Phase-1 of Gebze-Orhangazi-Izmir motorway, Third Bosphorus Bridge and Halic Bridge in Istanbul), good progress made in Poland (Line 2 of the Warsaw underground) and good results attained in Russia (Western High Speed Diameter in St. Petersburg), while Romania's production levels remained on par with those already seen last year.

The construction sector in **America generated 19.8% of operating revenues**, **equal to EUR 102 million** (EUR 86 million at 30 March 2013), **showing a 19% YOY increase** that can be mainly attributed to the start-up of activities in Canada related to the Muskrat Falls Hydroelectric Project. Note must also be made of the good contribution provided by hydroelectric projects in Peru (Cerro del Águila) and mining projects in Chile (Chuquicamata, Contracts 1&2). On the whole, these projects made it possible to offset the planned reduction of activities in Venezuela where a gradual reduction of activities has been taking place for some years in order to limit invested capital.

Africa generated 4.1% of operating revenues, **equal to EUR 21 million** (EUR 36 million in Q1 2013), mainly thanks to progress being made on the Saida-Moulay Slissen railway line in Algeria.

Asia generated approximately 1% of operating revenues, equal to EUR 4 million (EUR 23 million in Q1 2013) and reflected the Group's aforementioned gradual divestment of the oil & gas segment in the Middle East.

Please find below a brief breakdown of operating revenues according to sector.

Breakdown of revenues according to sector

(EUR/millions)	31.03.2014	%	31.03.2013*	%	YOY diff. (%)
CONSTRUCTION	**512**	**99.6%**	**510**	**99.9%**	**0.4%**
Transport Infrastructures	404	78.6%	417	81.7%	-3.1%
Railways and undergrounds	*163*	31.7%	*220*	*43.1%*	*-25.9%*
Roads and motorways	*224*	43.6%	*135*	*26.5%*	*65.9%*
Ports and airports	*17*	3.3%	*62*	*12.1%*	*-72.6%*
Hydraulic and Energy Production Plants	38	7.4%	15	2.9%	153.3%
Civil and Industrial Construction	38	7.4%	37	7.3%	2.7%
Plant Engineering, Maintenance and Management of Complex Systems	32	6.2%	41	8.0%	-22.0%
CONCESSIONS	**2**	**0.4%**	**0.3**	**0.1%**	***n.a.***
TOTAL OPERATING REVENUES	**514**	**100.0%**	**510**	**100.0%**	**0.7%**

**Recalculated following application of IFRS-11 "Joint Arrangements".*

Construction accounted for 99.6% of operating revenues, equal to EUR 512 million (99.9% and EUR 510 million at 31 March 2013). Within this sector, **Transport Infrastructures** continued to be the reference segment for the Group's activities, generating **78.6% of operating revenues, equal to EUR 404 million**, thanks to the good project performance recorded in Turkey (Phase-1 of the Gebze-Orhangazi-Izmir motorway, Third Bosphorus Bridge and Halic Bridge in Istanbul), Poland (Line 2 of the Warsaw underground), Russia (Western High Speed Diameter in St. Petersburg) and Algeria (Saida-Moulay Slissen railway line). As regards Italy, mention must also be made of Line 5 of the Milan underground, Line C of the Rome underground, the Parma-La Spezia railway line and the Pedemontana Lombarda motorway. Note must also be made of the fact that: (i) **Civil Construction (7.4% of operating revenues, EUR 38 million) provided a largely unvaried contribution**, mainly thanks to activities related to the construction of hospitals in Tuscany in Italy and projects in progress in Canada; (ii) **Plant Engineering, Maintenance and Management of Complex Systems (6.2% of operating revenues, EUR 32 million)** included the results of activities performed by the subsidiary nBI and mining projects in Chile (Chuquicamata, Contracts 1&2); and (iii) **Hydraulic Works and Energy Production Plants (7.4% of operating revenues, EUR 38 million) doubled their contribution,** as a result of ongoing progress being made on hydroelectric projects in Peru (Cerro del Águila) and Canada (Muskrat Falls).

Concessions generated 0.4% of operating revenues and totalled EUR 2 million (0.1% and EUR 0.3 million at 31 March 2013). 2014 figures have been affected by a smaller contribution from Bodrum Airport, which started the season in April, and reflect the good progress of management activities at the hospitals in Prato and Pistoia in Tuscany. Due to the consolidation rules applied, the revenues shown do not include operations of the Chacayes hydroelectric plant in Chile which provided a contribution of EUR 1.2 million to the Group's results, by way of the effect of valuation at equity of the relative equity investment in the project, as is the case for Ospedale dell'Angelo in Venice-Mestre (Italy) that contributed EUR 0.3 million and Line 5 of the Milan underground (Italy) that provided EUR 0.3 million.

The cost structure reflects the combined effects of economies of scale generated by the matrix-based structure adopted by the Group and the performance of some contracts in Italy (Line 5 of the Milan underground) and abroad (Canada, Chile, Russia and Turkey) that are heavily characterised by direct production. This resulted in **costs of production totalling EUR 393.9 million** (+1.9% YOY, EUR 386.5 million in Q1 2013), with a 71.4% incidence on revenues (down from 72.8% in March 2013). **Personnel costs amounted to EUR 77.9 million** (EUR 73.8 million in March 2013) with a largely unvaried incidence on revenues of approximately 14%.

The composition of the order backlog in progress, which is increasingly focused on general contracting or concession projects, had a positive effect on the Group's margins. **EBITDA increased by 24.4% to EUR 73 million** (EUR 59 million in March 2013) with **an increase in EBITDA margin to 13.3%** (from 11.1% in Q1 2013), thanks specifically to margins of projects in progress in Canada, Poland, Russia and Turkey. **EBIT increased by 20.2% to EUR 57.9 million** (EUR 48.2 million in Q1 2013) with the **EBIT margin increasing** from 9.1% **to 10.5%.**

Net financial charges totalled EUR 27.1 million (+25.2%, EUR 21.7 million in Q1 2013), showing a trend resulting from the combined effect of (i) the increase in undertakings related to working guarantees (sureties) arising from the increased average value of projects in the backlog, (ii) the increased average amount of debt for the period, (iii) the greater cost of debt mainly linked to recent high-yield issues that, nevertheless, provided the Group with sufficient liquid assets to cover production processes linked to high-earning projects, with an extended collection profile and collection upon the achievement of milestones.

EBT increased to EUR 32.5 million (+12.7%, EUR 28.8 million in March 2013). The quarterly figure benefitted from a result of EUR 1.8 million (EUR 2.4 million at 31 March 2014) related to valuation at equity of some equity investments mainly linked to the concessions sector, as mentioned above. This resulted in **an increase in consolidated net profit to EUR 19.2 million** (+4.9%, EUR 18.3 million at 31 March 2013) that reflected the effects of an estimated 40% tax rate for the quarter.

CONSOLIDATED FINANCIAL AND EQUITY RESULTS AT 31 MARCH 2014

Main consolidated financial and equity results *(€/000)*	**31-Mar-14**	**31-Dec-2013***	**31-Mar-2013***
Total net fixed assets	692,840	718,830	657,084
Working capital	920,531	704,192	804,458
Total provisions	(29,188)	(30,594)	(32,293)
Net invested capital	1,584,183	1,392,428	1,429,249
Total financial payables/receivables **	(1,015,448)	(800,235)	(853,287)
Group equity	563,604	547,093	527,927
Total equity	568,735	592,193	575,962

**Recalculated following application of IFRS-11 "Joint Arrangements".*
***Figure shown inclusive of treasury shares on hand totalling EUR 3.1 million at 31 March 2014, EUR 2.8 million at 31 December 2013 and EUR 2.7 million at 31 March 2013.*

Net fixed assets at 31 March 2014 totalled EUR 692.8 million (EUR 718.8 million in December 2013). This was the result of: (i) investments for capital increase made in the concession project for the Third Bosphorus Bridge in Turkey; (ii) the effects of merger of the investee company A.I.2. S.r.l. into Re.Consult Infrastrutture S.p.A.; and (iii) gradual amortisation of intangible assets related to the concession for management of Milas-Bodrum International Airport in Turkey.

Q1 2014 showed an increase in working capital, as traditionally occurs during the early part of the financial year. **Working capital increased to EUR 920.5 million** (EUR 704.2 million at the end of 2013) following an increase in production activities in Poland, Russia, Peru and Canada, as well as in Italy (Line 5 of Milan underground, Bologna Centrale HS station).

A natural consequence of the aforementioned dynamics was an **increase in net invested capital which amounted to EUR 1,584.2 million** (EUR 1,392.4 million at the end of 2013). It must be recalled that the cyclical nature of business activities can generate increases in invested capital, including significant ones, during the various quarters of the year. Said trend generally seems to balance out, recording lower values during the second half of the year as a result of the achievement of specific production targets (milestones).

Group equity amounted to EUR 563.6 million (EUR 547.1 million at the end of 2013) as a result of the quarter's economic result as well as the trend in items suspended to equity related to hedging instruments. **While minority equity dropped to EUR 5.1 million** (EUR 45.1 million in December 2013) as a result of merger of the investee company A.I.2 S.r.l. into Re.Consult Infrastrutture S.p.A., as mentioned above. This resulted in **total equity of EUR 568.7 million** (EUR 592.2 million in December 2013).

Consolidated net financial position

The **total net financial position** at 31 March 2014 **stood at EUR 1,012 million** (EUR 797 million at 31 December 2013). The quarterly figure recorded an increase compared to the figure at the close of the previous year, as traditionally occurs during the first quarter of each year.

			31/03/2014	31/12/2013 Recalculated*	30/09/2013 Recalculated *	30/06/2013 Recalculated *	31/03/2013 Recalculated *
A	Cash and cash equivalents		368,118	373,226	305,074	354,425	303,207
B	Securities held for trading		1,583	1,407	1,367	1,376	1,332
C	**Available funds**	**(A+B)**	**369,701**	**374,633**	**306,441**	**355,802**	**304,539**
-	Short-term financial receivables		33,958	29,412	21,786	23,375	669
-	Current share of receivable rights from concessions		15,447	15,447	16,092	16,611	14,043
D	**Current financial receivables**		**49,405**	**44,859**	**37,878**	**39,986**	**14,712**
E	Current bank payables		(410,673)	(301,929)	(435,905)	(421,638)	(516,081)
F	Current share of payables for issued bonds		(15,783)	(3,315)	(409)	(1,920)	(447)
G	Current share of non-current debt		(62,989)	(66,931)	(60,080)	(49,909)	(47,180)
H	Other current financial payables		(8,146)	(9,940)	(11,477)	(10,922)	(12,339)
I	**Current financial debt**	**(E+F+G+H)**	**(497,591)**	**(382,115)**	**(507,871)**	**(484,388)**	**(576,046)**
J	**Net current financial debt**	**(I+D+C)**	**(78,485)**	**37,377**	**(163,552)**	**(88,600)**	**(256,795)**
K	Non-current bank payables		(191,446)	(225,622)	(695,633)	(673,178)	(662,578)

L	Issued bonds		(868,901)	(713,268)	(127,132)	(127,258)	(127,127)
M	Other non-current payables		(14,754)	(15,992)	(17,265)	(6,251)	(7,878)
N	**Non-current financial debt**	**(K+L+M)**	**(1,075,100)**	**(954,881)**	**(840,030)**	**(806,687)**	**(797,583)**
O	**Gross financial debt – Continuing operations**	**(I+N)**	**(1,572,691)**	**(1,336,996)**	**(1,347,902)**	**(1,291,075)**	**(1,373,629)**
P	**Net financial debt – Continuing operations**	**(J+N)**	**(1,153,585)**	**(917,504)**	**(1,003,582)**	**(895,286)**	**(1,054,378)**
Q	**Net financial position – Disposal groups**		**24,615**	**30,680**	**34,484**	**33,874**	
R	**Net financial debt**	**(P+Q)**	**(1,128,970)**	**(886,824)**	**(969,099)**	**(861,413)**	**(1,054,378)**
-	Non-current financial receivables		24,123	24,547	25,098	15,003	19,410
-	Subordinate loans		73,272	46,439	28,710	87,686	89,344
-	Non-current share of receivable rights from concessions		16,127	15,603	16,906	25,728	92,337
S	**Non-current financial receivables**		**113,522**	**86,589**	**70,715**	**128,417**	**201,091**
T	**Total financial debt**	**(R+S)**	**(1,015,448)**	**(800,235)**	**(898,384)**	**(732,996)**	**(853,287)**
	Treasury shares on hand		**3,146**	**2,859**	**2,725**	**2,808**	**2,698**
	Total net financial position		**(1,012,303)**	**(797,376)**	**(895,658)**	**(730,188)**	**(850,589)**

(*) Following application (retroactive) of IFRS-11 – *Joint Arrangements*, the 2013 figures, shown for comparative purposes, were recalculated.

Investments

Net investments in technical resources during the first three months of the year amounted to EUR 6.8 million (approximately 1% of total revenues), mainly referred to projects in progress in Canada (start-up of Muskrat Falls Hydroelectric Project), Peru and Russia, as well as Italy (Line 4 of the Milan underground).

Gross investments during the first quarter totalled approximately EUR 51 million, approximately EUR 19 million of which referring to payment of equity into the Third Bosphorus Bridge project in Turkey, and EUR 32 of which to payment of semi-equity related to projects in progress in Italy (Line 5 of the Milan underground) and Turkey (Gebze-Orhangazi-Izmir motorway and Third Bosphorus Bridge). Therefore, concession investments (meaning shares of equity and semi-equity paid by Astaldi into management companies related to individual projects in progress, as well as the relative working capital) totalled EUR 563 million. The quarterly figure includes EUR 32 million of receivable rights arising from concessions – meaning the shares of investment covered by guaranteed cash flows, as detailed in IFRIC 12 – related to Milas-Bodrum International Airport (Turkey), as well as the effects of deconsolidation of car parks under management in Verona and Turin, subject to transfer and previously included among “Disposal Groups”.

ORDER BACKLOG

The consolidated order backlog totals EUR 12.8 billion (EUR 13.3 billion at the end of 2013). The figures shown refer to the backlog in progress and do not include the positive outcomes of investments made to optimise concessions (awarded) for which financial closing is still pending to date, or the results of commercial activities during the quarter that have not yet been included insofar as the award procedure has still to be completed. If we are to take into account these projects as well, the result is a total potential order backlog of EUR 21.9 billion, with an additional EUR 3.2 billion coming from Construction and EUR 5.9 billion from Concessions, mainly referring to:

– additional projects in Italy and abroad (Europe, North America) for which, for various reasons, completion is pending, in the medium-term, of the formal award procedures for the relative contracts.

International activities account for 69% of the backlog in progress, while domestic activities account for the remaining 31%, reflecting the breakdown of revenues generated in the income statement.

Construction accounts for 55% of the backlog in progress and amounts to EUR 7.1 billion (EUR 2.1 billion in Italy, EUR 5 billion abroad), mainly referring to general contracting projects and, to a lesser extent, to traditional projects with a high technological content. Transport Infrastructures make a significant contribution to said figures, accounting for 44% of the backlog in progress, but Hydraulic Works and Energy Production Plants (8%), Civil and Industrial Construction (2%) and Plant Engineering, Maintenance and Management of Complex Systems (1%) all continue to have a strategic value. **Concessions account for 45% of backlog in progress** and total EUR 5.7 billion (EUR 1.8 billion in Italy, EUR 3.9 billion abroad).

As regards the overall potential backlog, Construction activities amount to EUR 10.3 billion equal to 47% of the total, while Concessions total EUR 11.6 billion, accounting for the remaining 53%. Activities in Italy account for 36% of said potential backlog while international activities account for the remaining 64%.

Order backlog – Summary tables

Order backlog (EUR/000,000)	**At 01/01/2013**	**Increases/ Decreases**	**Decreases for production**	**At 31/03/2014**
Construction	**7,593**	**28**	**(512)**	**7,109**
Transport infrastructures	6,105	0	(404)	5,701
Water and energy	1,010	0	(38)	972
Civil and industrial construction	265	23	(38)	250
Plants	213	5	(32)	186
Concessions	**5,729**	**0**	**(2)**	**5,727**
Order backlog	**13,322**	**28**	**(514)**	**12,836**

Order backlog (EUR/000,000)	**At 01/01/2013**	**Increases/ Decreases**	**Decreases for production**	**At 31/03/2014**
Italy	**4,069**	**5**	**(158)**	**3,916**
of which construction	*2,280*	*5*	*(156)*	*2,129*
of which concessions	*1,789*	*0*	*(2)*	*1,787*
International	**9,253**	**23**	**(356)**	**8,920**
of which construction	*5,313*	*23*	*(356)*	*4,980*
of which concessions	*3,940*	*0*	*0*	*3,940*
Europe	5,116	0	(229)	4,887

America	3,565	23	(102)	3,486
Africa *(Algeria)*	487	0	(21)	466
Asia *(Middle East)*	85	0	(4)	81
Order backlog	**13,322**	**28**	**(514)**	**12,836**

Breakdown of construction backlog (EUR/000,000)	**At 01/01/2013**	**Increases/ Decreases**	**Decreases for production**	**At 31/03/2014**
Italy	**2,280**	**5**	**(156)**	**2,129**
International	**5,313**	**23**	**(356)**	**4,980**
Europe	2,216	0	(229)	1,987
America	2,525	23	(102)	2,446
Africa (Algeria)	487	0	(21)	466
Asia (Middle East)	85	0	(4)	81
Order backlog	**7,593**	**28**	**(512)**	**7,109**

Breakdown of concessions backlog (EUR/000,000)	**31/03/2014**
Italy	**1,787**
International	**3,940**
Europe	2,900
America	1,040
Total concessions backlog	**5,727**

SUBSEQUENT EVENTS

Management of San Luca Hospital in Lucca commenced in May. The hospital, built by Astaldi as part of a joint venture, forms part of the project finance initiative involving the construction and subsequent management of four hospitals in Tuscany, Italy. As regards said project, the concession agreement provides for the supply of commercial and non-medical services for a management period of approximately 19 years.

FORESEEABLE DEVELOPMENT OF OPERATIONS

Work will go ahead over the coming months to achieve some important end-of-year production and commercial targets. From an operating viewpoint, activities in progress in the areas where the Group is currently most active, in other words Russia, Turkey and Canada will make a specific contribution to the Group's growth. From a commercial viewpoint, the results of some key projects, in relation to which Astaldi already holds pole position, will start to be seen. The result is an overall situation that leaves no margin of doubt as to the Group's ability to achieve the targets set for the year.

As regards Russia, no specific repercussions are envisaged as a result of the tension being experienced in Ukraine given that the Group mainly operates with private clients within Russia. Work on construction of the Western High Speed Diameter (WHSD) will go ahead as planned, allowing for the effects of the seasonal trend that affected the first quarter to be made up during the year. Additional commercial opportunities may arise in the motorway and airport sector. Specifically, at the draft date of this report, Astaldi Group is waiting for the state agency responsible for constructing and developing the motorway network within the Russian Federation to complete the tender procedure to award the construction and management concession for sections 7 and 8 of the **Moscow-St. Petersburg motorway**, from km 543 to km 684, for a total of 141 kilometres. As far as this project is concerned, Astaldi will operate solely in the capacity of EPC Contractor vis-à-vis a contract value for construction works alone that is equivalent to approximately EUR 1.7 billion. Checking of final awarding of the contract is currently being performed, but it is felt that this will be completed in the short term, also due to the fact that the motorway section must be ready for the 2018 World Cup.

The figures related to the various Group companies in **Turkey**, currently one of the most important markets for the Group, confirm speeding up of the works currently under construction, in other words Phase-1 of Gebze-Orhangazi-Izmir motorway (including Izmit Bay Bridge) and the Third Bosphorus Bridge. Even if the country is experiencing a period of intense political and social dialogue linked to the election period which will end in August with election of the President of the Republic, it is not felt that this situation can compromise the Group's operations in Turkey given the great opportunities the country is still able to guarantee and the importance of these works for the local economy.

Construction activities linked to the Muskrat Falls Hydroelectric Project in **Canada** will continue to go ahead, and it must be recalled that there are considerable problems with this project due to the climatic conditions in which construction activities must be performed. However, the awarding of this project was not a one-off affair. The success was the result of a choice made over the years following careful analysis of the country which it is felt may offer additional growth opportunities in the energy production plant sector, as well as in transport infrastructures and civil construction.

As for **Latin America**, Chile will be able to guarantee new commercial successes in the concessions sector with the Group's entry into the healthcare construction sector. Formal awarding is pending for the new **Félix Bulnes Hospital in Santiago**, a facility that will occupy a surface area of 120,000 m^2, with 523 hospital beds and 599 parking spaces. The total investment will be EUR 236 million, with EUR 151 million for construction activities only. The planned duration of the concession is 20 years, with 52 months for design and construction activities. The possibility of commencing design activities in the short-term will help offset the planned reduction of activities in Venezuela where, it should be remembered, major focus will be placed on recovering money owed by the country. In this regard, let it be said that the well-established presence in this country for over 40 years and the focus given to bilateral agreements in force between the Italian and Venezuelan governments make it possible to expect a first payment by the end of the year which will be helpful for subsequent gradual normalisation of payments.

From a commercial viewpoint, in addition to what has been said for Canada, Russia and Chile, intense recommencement of activities in countries where traditionally present is also planned over the coming months, especially in **Algeria** (transport infrastructures, construction). New projects will continue to be pursued within a logic of maintaining and promoting an increase in margins that has resulted in the Group having 95% of its activities to date in countries defined as investment grade as regards risk profile, with a high quality of clients.

Major attention will also be paid to activities in progress in **Italy**, in order to grasp all the opportunities the market has to offer. In this regard, private construction projects, including projects of a smaller scale than the backlog average, will be assessed. As regards Italy, a significant commitment will also be made to complete projects in progress in the underground sector and, more generally, in the transport and construction sectors. Nevertheless, we are waiting to see what will be the government's medium/long-term strategies to be implemented for the country's recovery subsequent to the upcoming European elections (scheduled in May). Strategies that is felt cannot help but include a relaunch of infrastructures given the support they have always guaranteed for the growth of the economy in those countries that have demonstrated their faith in the sector.

As regards concessions, the strategy provides for pursuit of optimisation of more mature assets. We will also see a gradual increase in contributions from projects for which the management phase has recently been embarked on, in other words the hospitals in Tuscany (Pistoia, Prato, Lucca) in Italy and the Relaves Mining Project in Chile. On a financial level, work will continue for financial closing of the construction and management concession for Etlik Hospital Campus in Ankara, Turkey.

Lastly, it must be recalled that finalisation of the new Business Plan is expected in the short-term; said plan will guarantee new growth opportunities while still maintaining continuity with past plans.

Margin notes

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

EBITDA. This is obtained by excluding the following 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. This is equal to the result prior to taxation and financial income and charges, without any adjustments. The following are excluded from EBIT: income and charges resulting from the management of non-consolidated equity investments and securities, as well as the results of any transfers of consolidated equity investments, included in balance sheet statements under the heading of "financial income and charges", 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. This 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. This is calculated as the ratio between the net financial position as the numerator and equity as the denominator, excluding treasury shares on hand.

Net financial position. This is obtained by subtracting the total of non-current financial receivables and receivable rights arising from concessions, as well as other specific items such as treasury shares, from net financial debt, calculated as required under CONSOB DEM/6064293 dated 28 July 2006 that refers to European Securities and Markets Authority (ESMA, formerly CESR) Recommendation dated 10 February 2005 and provisions contained in CONSOB Statement dated 28 July 2006.

Total financial debt. This is obtained by subtracting the total of non-current financial receivables and receivable rights arising from concessions from net financial debt, calculated as required under CONSOB DEM/6064293 dated 28 July 2006 that refers to European Securities and Markets Authority (ESMA, formerly CESR) Recommendation dated 10 February 2005 and provisions contained in CONSOB Statement dated 28/07/2006.

Net fixed assets. These are to be taken as the total of non-current asset items; specifically, this refers to intangible fixed assets, the Group's technical resources, the value of equity investments as well as other non-current residual items compared to those listed above.

Working capital. This is the result of the total of receivables and payables linked to the core business (trade receivables and payables, inventories, works in progress, tax receivables, advances from customers, residual current asset items).

Net invested capital. This is the total of net fixed assets, working capital, provisions for risks and provisions for employee benefits.

Statement by Executive appointed to draft corporate accounts

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

The undersigned Paolo Citterio, Astaldi's General Manager – Administration & Finance, in the capacity of Executive appointed to draft corporate accounts, hereby declares that the accounting information contained herein tallies with account documents, ledgers and entries, pursuant to Article 154-*bis*, Subsection 2 of Legislative Decree No. 58/1998 (Finance Consolidation Act – "T.U.F.").

Rome, 14 May 2014

Signed: Paolo Citterio

(General Manager – Administration & Finance)

Annexes

Reclassified consolidated income statement

EUR/000	31/03/2014		31/03/2013 Recalculated*	
Revenues	514,201	93.2%	509,604	95.9%
Other operating revenues	37,387	6.8%	21,588	4.1%
Total revenues	**551,588**	**100.0%**	**531,193**	**100.0%**
Costs of production	(393,970)	-71.4%	(386,528)	-72.8%
Added value	**157,618**	**28.6%**	**144,664**	**27.2%**
Personnel costs	(77,946)	-14.1%	(73,833)	-13.9%
Other operating costs	(6,246)	-1.1%	(11,791)	-2.2%
EBITDA	**73,427**	**13.3%**	**59,040**	**11.1%**
Amortisation and depreciation	(15,546)	-2.8%	(10,908)	-2.1%
Write-downs		0.0%	(31)	0.0%
(Capitalisation of internal construction costs)	59	0.0%	105	0.0%
EBIT	**57,941**	**10.5%**	**48,205**	**9.1%**
Net financial income and charges	(27,180)	-4.9%	(21,709)	-4.1%
Effects of valuation of equity investments using equity method	1,776	0.3%	2,374	0.4%
Pre-tax profit (loss)	**32,537**	**5.9%**	**28,870**	**5.4%**
Taxes	(13,063)	-2.4%	(10,654)	-2.0%
Result of continuing operations	**19,474**	**3.5%**	**18,215**	**3.4%**
Net result from activities related to disposal groups	**(1,007)**	**-0.2%**		**0.0%**
Profit (loss) for the period	**18,467**	**3.3%**	**18,215**	**3.4%**
(Profit) loss pertaining to minorities	717	0.1%	79	0.0%
Group net profit	**19,184**	3.5%	**18,295**	3.4%

(*) Following application (retroactive) of IFRS-11 – *Joint Arrangements*, the 2013 figures, shown for comparative purposes, have been recalculated.

Reclassified consolidated balance sheet

EUR/000	31/03/2014	31/12/2013 Recalculated*	31/03/2013 Recalculated*
Intangible fixed assets	53,795	58,971	107,033
Tangible fixed assets	201,604	205,059	215,620
Equity investments	358,062	384,151	282,726
Other net fixed assets	83,936	81,003	51,705
Non-current assets held for sale	1,913	1,936	
Liabilities directly associable with non-current assets held for sale	(6,472)	(12,290)	
TOTAL Fixed assets (A)	**692,840**	**718,830**	**657,084**
Inventories	57,548	61,711	68,130
Contracts in progress	1,398,530	1,261,797	1,065,756
Trade receivables	81,066	46,312	46,546
Accounts receivable	934,574	915,581	892,373
Other assets	184,461	174,515	209,325
Tax receivables	104,516	104,612	126,567
Advances from customers	(662,375)	(676,569)	(406,633)
Subtotal	**2,098,319**	**1,887,958**	**2,002,064**
Trade payables	(136,560)	(102,523)	(182,992)
Due to suppliers	(741,458)	(805,033)	(724,931)
Other liabilities	(299,770)	(276,210)	(289,683)
Subtotal	**(1,177,787)**	**(1,183,766)**	**(1,197,605)**
Working capital (B)	**920,531**	**704,192**	**804,458**
Employee benefits	(8,114)	(8,003)	(8,811)
Provisions for non-current risks and charges	(21,074)	(22,591)	(23,483)
Total Provisions (C)	**(29,188)**	**(30,594)**	**(32,293)**
Net invested capital (D) = (A) + (B) + (C)	**1,584,183**	**1,392,428**	**1,429,249**
Cash and cash equivalents	368,118	373,226	303,207
Current financial receivables	33,958	29,412	669
Non-current financial receivables	97,395	70,986	108,754
Securities	1,583	1,407	1,332
Current financial liabilities	(497,591)	(382,115)	(576,046)
Non-current financial liabilities	(1,075,100)	(954,881)	(797,583)
Net financial payables/receivables (E)	**(1,071,637)**	**(861,965)**	**(959,667)**
Receivable rights from concessions	31,574	31,050	106,380
Net financial position – disposal groups	24,615	30,680	
Total financial payables / receivables (F)	**(1,015,448)**	**(800,235)**	**(853,287)**
Group equity	(563,604)	(547,093)	(527,927)
Minority equity	(5,130)	(45,101)	(48,035)
Equity(G) = (D) - (F)	**568,735**	**592,193**	**575,962**

(*) Following application (retroactive) of IFRS-11 – *Joint Arrangements*, the 2013 figures, shown for comparative purposes, have been recalculated.