

PRESS RELEASE

2016-2019 INDUSTRIAL PLAN: €9 BLN IN REVENUES AND EBITDA MARGIN EXCEEDING 10% BY 2019 FOCUS ON CASH GENERATION AND RECORD CONTRACT WINS IN FIRST MONTHS OF THIS YEAR

- **PLAN'S KEY TARGETS**

- 2019 FORECAST REVENUES: €9 BLN, 30% OF TOTAL FROM USA
- 2019 FORECAST EBITDA MARGIN: 10%
- 2019 FORECAST CONSTRUCTION ORDER BACKLOG: €39 BLN
- 2016-2019 CUMULATIVE FREE CASH FLOW BEFORE DIVIDEND: GREATER THAN €900 MLN

- **€4 BLN COMBINED VALUE OF CONTRACT WINS ON 3 CONTINENTS: AMERICA, AUSTRALIA, AFRICA**

- MORE THAN €2.5 BLN CONTRACT FOR HYDROELECTRIC DAM IN ETHIOPIA
- MORE THAN \$1.2 BLN IN CONTRACT WINS IN USA BY LANE, CONSOLIDATING LEADERSHIP WITH \$39 MLN ACQUISITION OF ASPHALT ROADS AND MATERIALS, A WEL ESTABLISHED CONSTRUCTION COMPANY IN VIRGINIA
- SIGNED €633 MLN CONTRACT FOR LIGHT RAIL IN PERTH, AUSTRALIA

- **2016 OUTLOOK: MORE THAN €6 BLN IN REVENUES**

- EBITDA MARGIN: GREATER THAN 9%
- NET DEBT IN LINE WITH 2015 (EXCLUDING LANE ACQUISITION)

Milan, May 23, 2016 – Salini Impregilo's board of directors has approved the Group's new 2016-2019 Industrial Plan.

The Plan aims to strengthen Salini Impregilo's role as market leader in large, complex infrastructure, confirming its leadership in the water segment and continuing to develop its presence in transportation, in particular metros, railways and roads.

The Plan is focused on generating free cash flow. The expected growth, guaranteed by an order book that covers nearly 70% of total revenues and 80% of EBITDA for the four-year period.

The forecasts were made while taking into account the medium- to long-term macroeconomic scenarios in each geographic area as well as the expected growth in the infrastructure sector, which at the global level is seen growing, reaching a value of \$8 trillion.

The book-to-bill ratio is expected to reach an average of more than 1.1.

New orders will be sought in markets with the best risk and profitability profile.

The profitability is seen remaining at the optimal levels obtained in the last two years notwithstanding the increase in costs needed to seize opportunities in the infrastructure market and the commitment to strengthen Lane's organizational structure. The EBITDA margin target is greater than 10% by 2019.

The targets are also based on the ability to reduce the weight of general expenditures on revenues, to work on greater efficiencies and to improve the processes related to working capital, human resources and management of plants and machines.

Another priority of the Plan is to maintain a solid financial structure with the aim of improving the net financial position even more as well as gross debt/EBITDA, which is expected to reach a level of 2-2.5 times by 2019. The rescheduling of debt maturities and an increase in the fixed-rate component will increase the average debt maturity and reduce financial costs.

Pre-dividend cash generation will be a central lever of the Plan, and its increase, taking into account the lowering of operating costs, will be linked to the following factors:

- The winning of new orders as foreseen in the commercial plan with the progressive transformation of the backlog to reach an average book-to-bill of at least 1.1 during the period of the Plan;
- An increase in EBITDA supported by the quality of the order book and rise in revenues;
- Centralization of procedures to generate value with the resulting reduction of operating costs and general expenditures;
- Working capital management with the aim of reducing it during the period of the plan;
- Efficient management of capex, gradually reducing the rapport between investments and revenues;
- Improvement of the Group's financial structure with the aim of obtaining investment grade rating.

Salini Impregilo strives to remain the point of reference for the development of large, complex infrastructure, contributing to the economic development of countries in which it operates and improving the quality of life of the people.

2016 OUTLOOK

The year promises consolidated revenues rising to about €6.1 billion.

The forecast takes into account the new scheduling for the start of high-speed train projects in Italy - IRICAV 2 between Verona and Padua and COCIV between Genoa and Milan, whose revenue stream will come into line by 2017 – as well as the redefined provisional sums of the Red Line metro project in Qatar.

EBITDA margin is coming in at around 9%, an improvement from the previous year using the same consolidation perimeter that includes Lane.

In addition, net debt by the end of the year – excluding the financing for the acquisition of Lane - is expected to be substantially in line with that at the end of 2015.

In June 2016, three major infrastructure projects will be delivered: the new Panama Canal, the Gibe III hydroelectric dam and the cultural center with the national opera house of the Stavros Niarchos Foundation in Athens.

NEW ORDERS

In the first four months of 2016, the Group has won new projects whose value exceeds €4 billion with works in the United States, Australia, Ethiopia, Brazil and Turkey.

- PURPLE LINE IN THE USA

Since the beginning of the year in the United States, Salini Impregilo has won, by means of Lane, projects whose value totals \$1.2 billion.

Among the main ones is the construction of the Purple Line transit system, whose value stands at \$2 billion. The Purple Line Transit Partners consortium, in which Lane has a 30% stake valued at \$600 million, will build 21 stations along a 16-mile route that crosses the Counties of Montgomery and Prince George's in the state of Maryland. Work will begin near the end of 2016.

Lane Construction has also won with a partner a contract to design and build an access road for the port of Charleston in South Carolina. The value of Lane's stake in the contract is \$100 million.

- LIGHT RAIL IN PERTH, AUSTRALIA

Salini Impregilo and a joint venture partner have signed a €791.7 million (AU\$ 1.176 billion) contract to design, build and maintain an underground passenger rail line that will run 8 km in Perth, Australia. Salini Impregilo has 80% of the joint venture and work will begin in the coming months and to be completed by 2020.

- KOYSHA HYDROELECTRIC DAM IN ETHIOPIA

Salini Impregilo confirms its role in the socio-economic development of Ethiopia with the awarding of a new project to build a hydroelectric dam in Koysha valued at €2.5 billion with an installed capacity of 2,200 MW.

The project, awarded by the Ethiopian Electric Power (EEP), involves the construction of a dam with roller-compacted concrete (RCC).

This project will allow Ethiopia, also thanks to the Gibe III hydroelectric dam that recently completed and the Grand Ethiopian Renaissance Dam (GERD) being built on the Blue Nile, to become a leader in clean, renewable energy in Africa, exporting to neighboring countries.

- ROADWORK IN FLORIANOPOLIS IN BRAZIL

The Group has won three lots of roadwork (C, Lot 2, Lot 2N) in the city of Florianopolis, capital of the state of Santa Catarina. The value is €75.8 million.

- WATER TREATMENT PLANT IN ATAKEY, TURKEY

Salini Impregilo's unit Fisia Italimpianti has won a €83.9 million contract to modernise and expand a water treatment plant in Atakoy. The project, awarded by municipal company Istanbul Su ve Kanalizasyon Idaresi (ISKI), will be done by the Fisia Alkatas Joint Venture, evenly shared by Fisia and Alkatas.

Today at 4:00 p.m. UK (5:00 p.m. CET), the management of Salini Impregilo will present to the financial community at the Royal Society at Carlton House in London the 2016-2019 Business Plan. It will be possible to follow the presentation via live streaming by connecting to <http://services.choruscall.eu/links/salini160523.html>. An hour after the end of the webcast, it will be possible to watch a recording of the presentation. It will also be possible to download the slide presentation of the Business Plan at the beginning of the live streaming at the following link <http://www.salini-impregilo.com/en/investor-relations/>.

Salini Impregilo is a leading global player in the construction of major complex infrastructures. It specializes in the water sector, where it is recognized by the Engineering News-Record as the global leader, as well as railways and metro systems, bridges, roads and motorways, large civil and industrial buildings, and airports. The Group has 110 years of experience on five continents, with design, engineering and construction operations in 50 countries and more than 35,000 employees from over 80 nationalities. Salini Impregilo is a signatory of the United Nations Global Compact and pursues sustainable development objectives to create value for all stakeholders. It assists clients in strategic areas including energy and mobility, helping to drive development and well-being for current and future generations. Its leadership is reflected by projects such as the expansion of the Panama Canal, the Grand Ethiopian Renaissance Dam, the Cityringen metro in Copenhagen, the Red Line North metro in Doha, the Stavros Niarchos cultural centre in Athens and the high-speed rail link between Genoa and Milan. In 2015, its revenues (including Lane Construction) totalled around €6 billion, with a backlog of over €36 billion. Salini Impregilo Group is headquartered in Italy and is listed on the Milan Stock Exchange (Borsa Italiana: SAL; Reuters: SALI.MI; Bloomberg: SAL.IM). For more information, visit our website at www.salini-impregilo.com and follow us on Twitter @SaliniImpregilo.

Disclaimer

Certain statements in this press release may constitute "forward-looking statements" with possible risks, uncertainties and other factors that could cause actual results to differ materially from those which are anticipated. Such risks and uncertainties include, but

are not limited to, the ability to manage the effects of the current uncertain international economic outlook and the ability to successfully acquire and integrate new businesses.

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