

PRESS NOTE

SALINI IMPREGILO CEO CALLS FOR LONG-TERM VISION, INFRASTRUCTURE INVESTMENT IN ITALY

Milan, October 16, 2018 – “Italy urgently needs a long-term vision for infrastructure to stimulate growth and renew a healthy process of job creation,” Salini Impregilo Chief Executive Pietro Salini told today the annual assembly of the country’s national association of builders, Associazione Nazionale Costruttori Edili (ANCE). “This is a historic moment in which the infrastructure sector is enjoying conditions that are very favourable. Many countries are experiencing a phase of expansion and consolidation with very low interest rates and a financial system that is interested in investing in the sector. In this context, Italy is a paradox because it has a high savings rate and economic resources that are available but that are not being used.”

The global infrastructure market is seen growing at an average annual rate of more than 6% in 2016-2021, while the amount being invested is forecast to reach \$79 trillion by 2040. In Italy, infrastructure investment in terms of gross domestic product (GDP) fell from about 3% in 2004 to a historic low of 1.9% in 2017. The amount expected to be put into new public works in Italy this year is equal to €12 billion, compared with €20 billion in France, €24 billion in the United Kingdom and about €30 billion in Germany.

The long-term infrastructure investment programmes being pursued by many European countries have favoured the rise of sector leaders in their respective home markets where they generate up to 60% of their total revenues. This has allowed these companies in countries like France, Spain, Germany and Sweden to gain the scale needed to compete in the global market while spreading out their risk.

“In Italy, unfortunately, we sometimes need 25 years to carry out a project, which in other countries takes four years the result being that the cost that companies have to shoulder for that length of time end up undermining the economic viability of the project. What is needed is a long-term strategy and, in particular, a simplification and modernisation of the regulatory framework for the sector in order to ensure stable conditions for the development of projects. We seriously have to ask ourselves where the value of the sector has gone since in 2008 it represented 30% of GDP, while today it has fallen to 10%. We must adopt a positive approach aimed at recreating the conditions needed to relaunch a sector that is able to create shared wealth and employment,” added Salini.

Salini Impregilo is a leading global player in the construction of large, complex civil infrastructure. It specializes in the water sector – where it is recognized as a global leader by Engineering News-Record (ENR) – as well as railways and metro systems, bridges, roads and motorways, civil and industrial buildings, and airports. The Group has more than 110 years of applied engineering experience on five continents, with design, engineering and construction operations in 50 countries and more than 35,000 employees from 100 nationalities. Salini Impregilo is a signatory of the United Nations Global Compact and pursues sustainable development objectives to create value for its 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 status is displayed in projects such as the new Panama Canal, the Grand Ethiopian Renaissance Dam in Ethiopia, the Cityringen metro in Copenhagen, the new Riyadh metro system, the Stavros Niarchos cultural centre in Athens, and the new Gerald Desmond Bridge in Long Beach, U.S.A. In 2017, new orders totalled €6.7 billion with a total backlog reaching €34.4 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).



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