

ORDINARY SHAREHOLDERS' MEETING – APRIL 30, 2014

BOARD OF DIRECTORS REPORT ON THE SECOND ITEM ON THE AGENDA

2. Appointment of the Board of Directors for the years 2015 – 2016 -2017

Dear Shareholders,

The term of office of the Board of Directors appointed by the Ordinary Shareholders' Meeting held on July 17, 2012, ends at the time of the Shareholders' Meeting convened to approve the 2014 financial statements.

You are therefore called on to resolve on the following items.

2.1 Determination of the term of office of the Directors.

Dear Shareholders,

Article 2328, second paragraph, of the Italian Civil Code provides that "the directors may not remain in office for more than three years and their term of office expires at the date of the shareholders' meeting held to approve the financial statements of the last year of their term".

With reference to the above, we kindly ask you to set the new term of office in three years (2015– 2015 – 2017) of the Board of Directors which will then expire with the Shareholders' approval of the 2017 financial statements.

2.2 Appointment of Directors.

Dear Shareholders,

you are called on to appoint the members of the Board of Directors pursuant to Article 20 of the Bylaws.

Directors are elected using lists submitted by the shareholders, according to the procedures detailed below, in which the candidates are listed in numeric sequence.

In order to be valid, each list includes at least two candidates that meet the independence requirements established by law. They are shown separately and one of the two heads the list. Furthermore, since Salini Impregilo S.p.A. is a listed company subject to the activities and coordination by another company, Salini Costruttori S.p.A. pursuant to Article 37 of the Consob resolution no. 16191 of October 29, 2007, et seq., the number of independent Directors appointed be such to permit the committees of Directors of the Company, whose establishment is recommended by the Corporate Governance Code of

Listed Companies to which the Company adheres (and therefore the control and risk committee and the compensation and nominating committee), shall be entirely composed of Directors who meet the independence requirements.

Lists that have a total number of three or more candidates must contain candidates of both genders, so that the new Board is composed of at least one fifth of the gender with fewer representatives, rounding up to the next unit, in case of a fractional number.

In accordance with the recommendations contained in the Corporate Governance Code, the Board of Directors of the Company, on December 12, 2007, expressed its opinion on the maximum number of positions as director or auditor that the members of the Board of Directors of Salini Impregilo S.p.A. may hold in other companies listed on regulated markets (including foreign) in financial companies, banks, insurance companies or major companies, in order to ensure that the Company's Directors are able to serve effectively, through a dedicated regulation. This regulation provides for the following: *“Whereas for the purposes of this rule, “companies of significant size” are”*:

a. Italian companies listed on Italian or other EU state regulated markets;

b. banks, financial brokers pursuant to article 107 of Legislative Decree no. 385 of September 1, 1993, stock brokerage companies pursuant to article 1.1.e) of the Consolidated Act, variable capital investments companies (OEICs) pursuant to article 1.1.i) of the Consolidated Act, fund management companies pursuant to article 1.1.o) of the Consolidated Act, insurance companies pursuant to article 1.1.s), t) and u) of Legislative Decree no. 209 of September 7, 2005 set up as companies as per paragraphs V, VI and VII, section V, chapter V of the Italian Civil Code not listed on Italian or EU state regulated markets;

c. companies as per paragraphs V, VI and VII, section V, chapter V of the Italian Civil Code that individually or collectively at group level, if they prepare consolidated financial statements, show: i) revenue from goods and services of more than € 500 million; or ii) assets of more than € 800 million, not listed on Italian or other EU state regulated markets, the maximum number of positions that Company directors may hold is:

Executive directors

The maximum number of positions as director or statutory auditor in other significant size companies cannot exceed four.

Non-executive directors members of the executive committee

The maximum number of positions as director or statutory auditor in other significant size companies cannot exceed six.

Non-executive directors who are not members of the executive committee

The maximum number of positions as director or statutory auditor in other significant size companies cannot exceed eight.

In order to calculate the number of positions:

- *positions in companies that are directly and/or indirectly controlled by Impregilo S.p.A., are its parents or are subject to joint control are not considered;*
- *positions as substitute statutory auditor are not considered;*
- *positions held in significant size companies belonging to the same group which is not that of the Issuer are considered to have the following “weight”:*
 - *first position: one*
 - *second position: one and a half*
 - *from three up: two.*

Should a director be offered new positions that would lead to their exceeding the above ceilings, they shall inform the board promptly of this so that the board can grant waivers (also temporary) to the maximum number of positions set in this rule. The waiver shall be adequately documented. It shall be described in the company’s corporate governance report together with the reasons therefor.”

The lists submitted by shareholders should be filed as follows: i) delivered by hand to the Company’s registered office at 97 Via dei Missaglia, to the Company Affairs office, during normal office hours; ii) by certified electronic e-mail to the address pec@pec.salini-impregilo.com or by fax to 02 44422913. The lists should be filed at least twenty-five days before the date set for the Shareholders’ Meeting in a single call. As this deadline falls on a holiday (April 5, 2015), the deadline will be extended to the next business day which, in this case, is April 7, 2015.

The lists will be made available to the public through a filing at the registered office and publication on the website: <http://www.salini-impregilo.com/governance/assemblea-azionisti/assemblea-degli-azionisti.html>, and in the authorised storage system 1Info (www.1info.it), within the statutory deadline, i.e. by April 8, 2015.

Each individual shareholder, shareholders who are parties to significant shareholder agreements pursuant to Article 122 of Italian Legislative Decree 58/1998, the parent, subsidiaries and jointly controlled entities pursuant to Article 93 of Italian Legislative Decree 58/1998, cannot submit or participate in the submission of more than one list, either directly or through a third party or nominee. Moreover, each candidate may only be present in one list in order to be eligible. Acceptances or votes breaching such prohibition shall not be assigned to any list..

Lists may be filed only by shareholders who, alone or together with other shareholders, hold shares representing in the aggregate at least 1% of the share capital with the right to vote at Ordinary Shareholders’ Meetings (under the combined provisions of Consob resolution no. 19109 of January 28, 2015 and Article 16 of the Bylaws).

Together with each list and within the respective time limits stated above, the shareholders must file: (i) statements whereby each candidate accepts their candidature and states, under their own responsibility, that there are no reasons for their ineligibility or incompatibility and that they meet the requirements for the respective offices; (ii) a professional and personal

profile of each candidate and mention of whether they qualify as independent and any offices held as director or statutory auditor in other companies; and (iii) any other information required under the applicable law or regulations, as well as the Company's rules on the amount of offices that can be held by the Board of Directors on December 12, 2007.

For candidates who – within the list – are specified as independent in accordance with the law, a statement must be filed where they certify, under their own responsibility, to meet the independence requirements prescribed by law.

A certificate issued by a legally-authorized intermediary must also be filed, within the time limit established in the rules governing the publication of lists by the Company, showing ownership of the number of shares necessary to submit lists at the date of filing of the list with the Company.

Shareholders who plan on submitting a list for the appointment of members of the Board of Directors are kindly requested to take into account the recommendations contained in Consob Communication DEM/9017893 of February 29, 2009.

Lists submitted that do not meet the above requirements will be treated as not having been submitted.

The following procedure is carried out to elect the Board of Directors:

a) If at least one list obtains a number of votes representing at least 29% of the Company's share capital entitled to vote at Ordinary Shareholders' Meetings, 14 elected Directors shall be drawn from the list that received the highest number of votes, in the numerical sequence in which they are listed on the list, while 1 Director shall be drawn from the minority list that received the highest number of votes and is not connected in any way, directly or indirectly, with the shareholders who filed or voted for the list that received the highest number of votes. If the first two lists receive the same number of votes, 7 Directors shall be drawn from each of the said lists, in the numerical sequence in which they are listed on the lists, while 1 Director shall be drawn from the list that obtained the third-highest number of votes and is not connected in any way, directly or indirectly, with the shareholders who filed or voted for the lists that received the highest number of votes. If only two lists are submitted, the oldest candidate among those not already drawn from the first two lists shall be elected as the 15th Director.

b) If none of the lists receives votes equal to at least 29% of the share capital with voting rights at ordinary shareholders' meetings, the 15 directors are taken from all the lists submitted as follows: the votes received by the lists will be divided successively by progressive whole numbers from one to fifteen. The resulting scores are assigned to the candidates of each list in consecutive order using the order in which they are included in the lists. The candidates are then included in a single decreasing order list, based on the scores given to each one. Those with the highest score are elected. If more than one candidate has the same score, the one from the list that has not had any director elected from it or has had the smallest number of directors elected is taken.

Lists that do not obtain a vote percentage equal to at least half that set by the bylaws for the submission of lists shall not be considered.

Should the election of candidates using the above methods not ensure composition of the Board of Directors in accordance with the applicable legislation on gender equality, the candidate of the gender most represented elected last in consecutive order from the list that received most votes shall be replaced by the first candidate of the less represented gender not elected from the same list in sequential order. This replacement procedure shall be continued until the Board of Directors composition complies with the pro tempore applicable legislation on gender equality. If this procedure does not produce this result, substitution shall take place on the basis of a resolution adopted by a relative majority of the Shareholders' Meeting, after candidates of the gender with lower representation are placed in nomination.

Should no lists be submitted or those submitted are not accepted, for any reason whatsoever, the composition of the Board of Directors does not comply with the provisions set out in Article 20 of the company Bylaws on independence requirements or Article 37 of Consob regulation no. 16191 of October 29, 2007 et seq., the Shareholders' Meeting shall adopt resolutions with the majorities required by law, without complying with the above-mentioned procedure, in order to ensure the presence of the necessary number of Directors who meet the independence requirements prescribed by law and compliance with the pro tempore applicable legislation on gender equality.

In accordance with the recommendation provided in Article 1.C.1, letter h) of the Code of Corporate Governance of listed companies, to which Salini Impregilo S.p.A. adheres to, the outgoing Board of Directors has approved – upon proposal by the Compensation and Nominating Committee and taking into account the results of the self-assessment process of the Board and its Committees (i.e. board review) – a document that contains advice on the professional profiles that the Board of Directors considers appropriate, is attached to this Report.

For anything not expressly provided for in this report, reference should be made to Article 20 of the company Bylaws and the relevant legislative and regulatory provisions.

In view of the above, we kindly invite you to vote the list of candidates to the office of Board of Directors of the Company that will be presented and disclosed according to the procedures and deadlines set out above.

2.3 Determination of the remuneration of the Directors

Dear Shareholders,

Article 20 of the Company Bylaws provides that the Shareholders' Meeting shall determine the remuneration due to the Board of Directors pursuant to Article 2389, first paragraph, of the Italian Civil Code

In view of the above, we kindly invite you to determine the remuneration due to the members of the Board of Directors.

On behalf of the Board of Directors

The Chairman