

MERGER PLAN BY ABSORPTION
OF
SALINI S.P.A.
INTO
IMPREGILO S.P.A.

(prepared pursuant to and in accordance with Articles 2501-*bis*, par. 2, and 2501-*ter* of the Italian Civil Code)

CONTENTS

1. Introduction	3
2. Parties to the Merger	4
3. Articles of Association of the Surviving Company	5
4. Exchange ratio and cash payment	6
5. Method of allocation of shares of the Surviving Company	7
6. Date from which the shares of the Surviving Company allocated in exchange will be entitled to a share of profits.....	8
7. Economic and financial plan , indicating the financial resources intended for fulfilment of the obligations of the company resulting from the Merger	9
7.1 <i>The Economic and Financial Plan</i>	9
7.2 <i>Debt structure of the Parties to the Merger</i>	13
7.3 <i>The Economic and Financial Plan and financial resources for fulfilment of the financial debst of the Surviving Company following the Merger</i>	16
7.4 <i>Conclusions</i>	17
8. Effective date of the Merger and of the recognition of the transactions of the Absorbed Company on the financial statements of the Surviving Company.....	17
9. Treatment, if any, for special classes of shareholders and holders of securities other than shares–Special advantages possibly reserved for directors of the Parties to the Merger	18
10. Merger Terms and Conditions.....	18

The Board of Directors of Impregilo S.p.A. (“**Impregilo**” or the “**Surviving Company**”) and Salini S.p.A. (“**Salini**” or the “**Absorbed Company**” and, together with Impregilo, the “**Parties to the Merger**”) in a resolution dated 24 June 2013 approved the following merger plan (the “**Merger Plan**”) relative to the merger (so-called reverse merger) by absorption of Salini into Impregilo.

1. INTRODUCTION

- a) On 13 and 14 May 2013, respectively, the Boards of Directors of Impregilo and Salini, in light of the positive outcome of the public tender offer made by Salini pursuant to Articles 102 and 106, par. 4 of Legislative Decree No. 58 of 1998 (the “**Public Tender Offer**” or the “**Offer**”) on the ordinary share capital of Impregilo, in line with the reasons for the said Offer and the future plans put forth in the respective offer document, resolved to commence all activities leading to, instrumental, connected or functional to the implementation, as soon as possible, of a business combination process, with the objective of creating a National Champion in the complex infrastructure construction sector, with shares listed on the Mercato Telematico Azionario, the Italian screen-based stock market organised and managed by Borsa Italiana S.p.A. (“**MTA**”), capable of competing with the main international competitors, in terms of economies of scale, size and geographical and sector-based complementarity (the “**Transaction**”).
- b) As the balance sheets pursuant to Art. 2501-*quater* of the Civil Code, the Parties to the Merger have used the financial statements for the year ended on 31 December 2012, approved by the ordinary shareholders’ meetings on 30 April 2013 for Impregilo and on 12 June 2013 for Salini.
- c) In light of the primary reasons for the Transaction, i.e. the creation of a National Champion in the complex infrastructure sector with shares listed on the MTA, it was decided that the legal form most suitable for implementing the said combination was a merger by absorption of Salini into Impregilo (the “**Merger**”).
- d) As a result of the relationship of de jure control that was instituted between the Absorbed Company and the Surviving Company following the Offer and due to the significance of the Merger, it constitutes a related-party transaction of “major importance” pursuant to the regulations containing the provisions on related-party transactions, adopted by the CONSOB with Resolution No. 17221 of 12 March 2010 (“**Regulations on Related-Party Transactions**”) and the procedure approved by the Board of Directors of Impregilo pursuant to Art. 2391-*bis* of the Civil Code and Art. 4, par. 1 and 3, of the Regulations on Related-Party Transactions, as last amended on 13 May 2013 (“**Procedure on Related-Party Transactions**”). Therefore, the Committee on Related-Party Transactions of Impregilo became involved in the preliminary phase of the Merger and, among other things, the Merger Plan was approved with the favourable opinion of said Committee pursuant to the Regulations on Related-Party Transactions and the Procedure on Related-Party Transactions regarding the existence of an interest for Impregilo in the execution of the Merger, as well as on the expedience and substantive fairness of the terms and conditions set forth in the said Merger Plan (see section 4). In carrying out its work, the Committee for Related-Party Transactions of Impregilo relied on financial and legal advisors with proven professional experience.
- e) As a result of recourse to the financial debt assumed by Salini to make the Public Tender Offer in relation to the Merger, Art. 2501-*bis* of the Civil Code applies. Therefore:

- (i) pursuant to Art. 2501-*bis*, par. 2, of the Civil Code, the Merger Plan indicates the financial resources provided for the fulfilment of the obligations of the company resulting from the merger (see section 7);
- (ii) the Boards of Directors of Impregilo and Salini:
 - 1) pursuant to Art. 2501-*sexies* of the Civil Code – making use of the option pursuant to Art. 2501-*sexies*, par. 4, of the Civil Code to petition the court of the place where the company resulting from the merger, i.e. Impregilo, has its registered office for the appointment of one or more common experts, filed a joint petition on 29 May 2013 before the Court of Milan for the appointment of a common expert (the “**Common Expert**”), with the duty of certifying, in its own report, the congruence of the Exchange Ratio (as defined below); pursuant to Art. 2501-*bis*, par. 4, of the Civil Code, this report must also certify the reasonableness of the indications contained in the Merger Plan of the financial resources provided for the fulfilment of the obligations of the company resulting from the Merger. In a ruling on 14 June 2013, filed on 25 June 2013, the Court of Milan appointed BAKER TILLY REVISA S.p.A., with its registered office in Bologna at Via Guido Reni No. 2/2, as Common Expert;
 - 2) pursuant to Art. 2501-*bis*, par. 5, of the Civil Code, engaged PriceWaterhouseCoopers S.p.A. (“**PWC**”), the auditing firm in charge of auditing the financial statements of Impregilo, for the task of issuing the report to be attached to the Merger Plan. The report issued by PWC pursuant to Art. 2501-*bis*, par. 5, of the Civil Code is attached to the Merger Plan as Appendix 1;
 - 3) shall make available to the public in the legal and regulatory manner and time periods, pursuant to Articles 2501-*bis*, paragraph 3, and 2501-*quinquies* of the Civil Code, a report explaining the reasons justifying the Merger, containing an economic and financial plan indicating the source of the financial resources and a description of the objectives intended to be achieved.
- f) On the date of the Merger Plan, Salini holds 357,505,246 ordinary Impregilo shares, equal to 88.83% of the ordinary share capital of Impregilo.
- g) On the date of the Merger Plan, neither Impregilo nor Salini hold treasury shares.
- h) On the date of the Merger Plan, neither Impregilo nor Salini have stock option plans in existence.

2. PARTIES TO THE MERGER

(a) Surviving Company

IMPREGILO S.p.A., with its registered office in Milan at Via dei Missaglia No. 97, share capital €718,364,456.72 fully paid, divided into 404,073,428 shares, of which 402,457,937 ordinary shares without par value and 1,615,491 savings shares, tax payer identification and registration number at the Companies Register of Milan: 00830660155, VAT Code: 02895590962, registered in the Milan R.E.A. [Economic and Administrative Index] under No. 525502, subject to direction and coordination, pursuant

to Art. 2497-*bis* of the Civil Code, by Salini S.p.A., with shares listed on the Mercato Telematico Azionario and organised and managed by Borsa Italiana S.p.A..

(b) Absorbed Company

SALINI S.p.A., a single-member company with its registered office in Rome at Via della Dataria No. 22, share capital €62,400,000.00 fully paid, represented by 62,400,000 ordinary shares with a par value of €1.00 each, tax payer identification, VAT code and registration number at the Companies Register of Rome: 11664581003, registered in the Rome R.E.A. [Economic and Administrative Index] under No. 1319966, subject to direction and coordination, pursuant to Art. 2497-*bis* of the Civil Code by Salini Costruttori S.p.A. (“**Salini Costruttori**”).

3. ARTICLES OF ASSOCIATION OF THE SURVIVING COMPANY

The Merger shall entail the extinguishment of the Absorbed Company Salini.

Company name

As a result of the Merger, the Surviving Company shall change its company name to “Salini-Impregilo S.p.A.”.

Reduction of the share capital

At the time of the resolution for approval of the Merger by the extraordinary shareholders’ meeting of Impregilo, the latter shall be asked to approve – effective from the effective date of the Merger or afterwards if the reduction should have to be implemented after that date – a reduction of the share capital of Impregilo from €718,364,456.72 (seven hundred and eighteen million three hundred and sixty-four thousand four hundred and fifty-six point seventy-two) to €500,000,000.00 (five hundred million), i.e. by an amount of €218,364,456.72, of which €100,000,000.00 will be allocated to the “*Legal reserve*” and €118,364,456.72 to the creation of a specific shareholders’ equity reserve which we propose to call “*Other reserves*”.

The transaction for share capital reduction is advisable for the purposes of an improved configuration of the structure of the company’s shareholders’ equity resulting from the Merger, and in order to optimise efficiency from the standpoint of possible operation, notwithstanding the overall amount of its Shareholders’ Equity.

Considering the fact that the Impregilo shares are without par value, the capital reduction will not entail the annulment of any shares.

The transaction for the reduction of the capital of Impregilo need not be submitted for approval by a Special Meeting of Savings Shareholders of Impregilo since the privileges granted by the articles of association of the Surviving Company to that class of shareholders are not based on the portion of nominal value of the share capital implicitly represented by them, as described in further detail in section 5 and in the report prepared by the Board of Directors of Impregilo pursuant to Art. 2501-*quinquies* of the Civil Code, this will be made available to the public in the legal and regulatory manner and time periods.

* * * * *

Once the Merger becomes effective, the articles of association of the Surviving Company will remain the ones in effect, attached to this merger plan as Appendix 2, amended exclusively in terms of Articles 1 (Name) and 6 (Share capital), as set out in further detail below.

See section 5 below.

4. EXCHANGE RATIO AND CASH PAYMENT

The Merger will be decided on the basis of the financial statements of the Parties to the Merger for the year ended on 31 December 2012.

For purposes of the analysis and definition of the rationale and structure of the Transaction, as well as for identifying the values to be attributed to Impregilo and Salini for their own evaluation of the exchange ratio between ordinary Salini shares and ordinary Impregilo shares (the “**Exchange Ratio**”), the Boards of Directors of the Parties to the Merger have relied on financial and industry advisors with proven professional experience.

Based also on the opinions issued by their advisors, the Boards of Directors of the Parties to the Merger have reached the determination of the following Exchange Ratio:

6.45 ordinary Impregilo shares for each Salini share.

No cash payments are planned.

The reasons justifying the said exchange ratio are explained in the reports prepared by the Boards of Directors of Impregilo and Salini pursuant to Art. 2501-*quinquies* of the Civil Code, which will be made available to the public in the legal and regulatory manner and time periods.

Regarding the Merger Plan, on 24 June 2013, a reasoned favourable opinion was expressed by the Committee for Related-Party Transactions of Impregilo concerning the existence of an interest for Impregilo in the execution of the Merger, as well as on the expedience and substantive fairness of the terms and conditions set forth in the said Merger Plan. As mentioned in the introduction, in carrying out its work, the Committee for Related-Party Transactions of Impregilo relied on financial and legal advisors with proven professional experience.

The shares of the Surviving Company to be allocated in exchange shall be made available to the single member of Salini according to the allocation method referred to in section 5 and the procedures provided for the allocation of shares in dematerialised form (see section 5 below).

As mentioned in the introduction, as a result of recourse to the financial debt assumed by Salini to make the Public Tender Offer, Art. 2501-*bis* of the Civil Code applies to the Merger. Therefore, pursuant to Art. 2501-*bis*, par. 4, of the Civil Code, the Court-appointed expert’s report referred to in Art. 2501-*sexies* of the Civil Code (the “**Report**”) must certify not only the congruence of the Exchange Ratio, but also the reasonableness of the indications contained in section 7 below regarding the financial resources provided for the fulfilment of the obligations of the company resulting from the merger. On 29 May 2013, the Parties to the Merger filed a joint petition before the Court of Milan, pursuant to Art. 2501-*sexies* of the Civil Code, for the appointment of a Common Expert with the task of issuing the Report. In a ruling on 14 June 2013, filed on 25 June 2013, the Court of Milan appointed BAKER TILLY REVISA

S.p.A., with its registered office in Bologna at Via Guido Reni No. 2/2, as Common Expert. The Report will be made available to the public in the legal and regulatory manner and time periods.

5. METHOD OF ALLOCATION OF SHARES OF THE SURVIVING COMPANY

As a result of the completion of the Merger, all ordinary Salini shares will be voided and exchanged with ordinary Impregilo shares in accordance with the Exchange Ratio referred to in section 4 above.

Specifically, as indicated, the Exchange Ratio, understood as the ratio suitable for expressing the mutual weight of the Parties to the Merger, is determined as 6.45 ordinary Impregilo shares for every Salini share. Therefore, the single member of the Absorbed Company, Salini Costruttori, will be due, in the event of approval of the Merger, a total of 402,480,000 ordinary shares, equal to 89.95% of the ordinary share capital.

The share exchange between Salini shares and Impregilo shares will be implemented based on said Exchange Ratio, without increasing the capital of the Surviving Company, by allocating the following to the single member of the Absorbed Company, Salini Costruttori:

- 357,505,246 ordinary Impregilo shares, without par value, currently outstanding and held by Salini, as well as
- another 44,974,754 newly issued ordinary shares, without par value, without, we repeat, increasing the capital of the Surviving Company.

Obviously, the shareholders holding ordinary Impregilo shares other than the Absorbed Company and the savings shareholders of Impregilo will retain the shares currently held by them.

No cash payments are planned.

As a result of the capital reduction described in section 3 above and the allocation transactions, the share capital of Impregilo will be equal to €500,000,000.00 (five hundred million) and divided into 449,048,182 (four hundred and forty-nine million forty-eight thousand one hundred and eighty-two) shares without par value, of which 447,432,691 (four hundred and forty-seven million four hundred and thirty-two thousand six hundred and ninety-one) ordinary shares and the current 1,615,491 (one million six hundred and fifteen thousand four hundred and ninety-one) savings shares.

Below is a table that shows the amendments that will be made to Articles 1 (*Company name*) and 6 (*Share capital*) of the Articles of Association of Impregilo as a result of what is indicated in section 3 above and as a result of the exchange transactions.

CURRENT TEXT	AMENDED TEXT
Art. 1 (Name)	Art. 1 (Name)
A Public Limited Company (<i>Società per Azioni</i>) is incorporated with the name: “IMPREGILO S.p.A.”	A Public Limited Company is incorporated with the name: “ SALINI IMPREGILO S.p.A. ”
Art. 6 (Share capital)	Art. 6 (Share capital)

<p>The share capital shall be €718,364,456.72 (seven hundred and eighteen million three hundred and sixty-four thousand four hundred and fifty-six point seventy-two) divided into 404,073,428 (four hundred and four million seventy-three thousand four hundred and twenty-eight) shares, of which 402,457,937 (four hundred and two million four hundred and fifty-seven thousand nine hundred and thirty-seven) ordinary shares and 1,615,491 (one million six hundred and fifteen thousand four hundred and ninety-one) savings shares.</p>	<p>The share capital shall be €500,000,000.00 (five hundred million) divided into 449,048,182 (four hundred and forty-nine million forty-eight thousand one hundred and eighty-two) shares, without par value of which 447,432,691 (four hundred and forty-seven million four hundred and thirty-two thousand six hundred and ninety-one) ordinary shares and 1,615,491 (one million six hundred and fifteen thousand four hundred and ninety-one) savings shares.</p>
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The text of the new articles of association of Impregilo, which will be effective from the effective date of the Merger, is attached to this Merger Plan as Appendix 3. If the share capital reduction of the Surviving Company should be implemented after the effective date of the Merger, the respective amendment to the articles will take place on the effective date of that reduction.

The proposed transaction need not be submitted for approval by a Special Meeting of Savings Shareholders of Impregilo since the privileges granted by the articles of association of the Surviving Company to that class of shareholders are not prejudiced. In fact, the privilege referred to in Art. 33, letter b) remains altogether unchanged, being expressed in absolute terms and depending only on the number of savings shares held, which number, as indicated, remains unchanged. No prejudice is evident either with reference to the privilege referred to in Art. 33, letter c) of the articles of association, given that the dilution in percentage terms of the savings shares with respect to the total shares that will comprise the share capital as a result of the Merger depends on the mere application of the Exchange Ratio and therefore reflects the physiological consequence of the said Merger on the position of all shareholders, both ordinary and savings shareholders.

The ordinary shares of the Surviving Company allocated in exchange shall be quoted the same as the ordinary and savings shares of the said Surviving Company already outstanding, as well as subject to centralised management by Monte Titoli S.p.A. in dematerialised form by law.

Impregilo will see to making available a service to allow for rounding off the number of ordinary Impregilo shares due pursuant to the exchange rate to the unit immediately below or above, without an increase in expenses, stamp duties or fees. Alternatively, different methods may be implemented to ensure the overall balancing of the transaction.

No charge will be made payable by the shareholders for exchange transactions.

The ordinary shares of the Surviving Company allocated to service the exchange will be made available starting from the effective date of the Merger, if on a trading day, or from the next first trading day. This date will be announced in the manner pursuant to the law. At the same time and by the same method, any additional information on the allocation method will be provided.

6. DATE FROM WHICH THE SHARES OF THE SURVIVING COMPANY ALLOCATED IN EXCHANGE SHALL BE ENTITLED TO A SHARE OF THE PROFITS

All the ordinary shares of Impregilo that are allocated or issued at the time of exchange shall have the same dividend entitlement date as the ordinary Impregilo shares outstanding on the effective date of the Merger and will grant their holders the same rights due to the ordinary shares currently outstanding.

7. ECONOMIC AND FINANCIAL PLAN, INDICATING THE FINANCIAL RESOURCES INTENDED FOR FULFILMENT BY THE COMPANY RESULTING FROM THE MERGER

7.1 The Economic and Financial Plan

The Economic and Financial Plan prepared by the administrative bodies of Impregilo S.p.A. and Salini S.p.A. (the “**Plan**”), based on the provisions of paragraph three of Art. 2501-*bis* of the Civil Code, contains information on the sources of the financial resources, as well as a description of the objectives intended to be achieved during the period from 2013 – 2016.

In general, for the purposes of determining the Plan, the following factors were considered: i) the scope of reference; ii) the accounting standards underlying its construction; iii) the time horizon; iv) the change in the portfolio of work in hand of the two parties to the merger as at 31 December 2012 and the outlook for acquisition of new orders; v) the strategic choice of focusing on the core business of construction and consequent disposal of non-core businesses and the favourable resolution of some litigations associated with the ex-CDR facilities in Campania and the claims for compensation for cancellation of the contract for the execution of the Bridge over the Strait of Messina.

i) The Plan was constructed based on a perspective considering the Merger as having taken place, based on the consolidated plans of the two Companies involved in the Merger: all economic and financial projections make reference to the combined entity deriving from the merger by absorption of Salini into Impregilo, taking into account the valuations expressed in terms of the synergies achievable as a result of specific actions aimed at the recovery of efficiency in some business areas.

In this regard, it is noted that the Merger has the characteristics of a business combination under joint control, as a transaction occurring after the acquisition by Salini of de jure control over Impregilo. Considering that, on the date of approval of the Merger Plan, the procedures provided for by international accounting standards for the purposes of determining the fair value of the net assets acquired (the so-called purchase price allocation) are under way and will be completed within the regulatory time periods within 12 months from the date of acquisition of control, in the Plan the accounting difference emerging between the fair value of the price incurred for the acquisition of control and the fair value of the net assets acquired, per the respective percentage of ownership, was determined based on the consolidated balance sheet on the date of acquisition of control by the Absorbed Company and, in the Plan, it was allocated preliminarily under post-merger equity to a consolidated shareholders' equity item. The purchase price allocation, which will be completed observing the accounting standards of reference, which require identifying the current values of the assets and liabilities acquired, including potential ones, may possibly lead to a more specific allocation of the values to specific assets, liabilities or potential liabilities. In any case, the solution adopted does not in any manner affect the cash flow and net financial position trends of the company resulting from the merger; if a tax exemption should be decided, there could be positive effects on cash flow.

For the purposes of a more consistent representation of the equity, income and cash flow indicators of the Group following the Merger, in preparing the Plan, at a consolidated level, lastly, it is noted that the consolidated equity and cash flow situation of the Salini Group at the end of 2012 considers, as an

assumption, the full consolidation of the Impregilo Group, showing the portion of shareholders' equity belonging on that date to shareholders other than Salini as minority interests.

ii) The Plan was prepared based on the IAS/IFRS international accounting standards adopted by the two Groups, consistent with the financial statements as at 31 December 2012.

iii) As far as the time horizon is concerned, the two Groups' forward-looking information for the period from 2013 to 2016 has been used.

iv) The income and cash flows expected for the 2013-2016 plan period provide for the achievement of certain objectives in 2016 (shown in the first table below) and which were prepared following a bottom-up approach, i.e. taking the following into account:

- the time schedules for the individual orders already present at 31 December 2012 in the construction work portfolio of the Parties to the Merger. The portfolio of work in hand at the end of 2012 amounts to €13.8 billion and will contribute more than 60% to the income forecasts of the 2013-2016 Plan (revenue and EBITDA and EBIT margins). Such revenue is estimated according to forecasts described by individual project based on the information available in May 2013;
- the outlook for the acquisition of new orders during the plan period, based on a strict selection of business opportunities following very precise profitability and cash flow generation parameters established as guiding criteria for future sales initiatives increasingly geared towards the acquisition of large orders and a stronger presence in well-identified countries offering high development potential, also considering the strategic sales agreement signed by the two Groups; throughout the plan time period, forecasts are for accrued revenue totalling €23.3 billion, new order turnover of €29.8 billion and a book-to-bill ratio in excess of one unit. The respective revenues are projected in the Plan according to the cost-to-cost principle used in preparing the financial statements; project EBIT (before central costs) for projects acquired in the future was estimated at 10% of expected contractual revenue (before central costs), below the 2013- 2016 average for projects in the portfolio at 31 December 2012 (when it was 10.9% net of the proceeds forecasted for the cancellation of the contract for the construction of the bridge over the Strait of Messina) and consistent with the assumption of new orders as provided for in the Impregilo-Salini commercial agreement;
- the estimate of the cost synergies achievable through interventions aimed at the recovery of efficiency in specific functional areas. In this regard, it is estimated that the value of the synergies (starting in 2016) could reach €100 million per year. The potential synergies identified refer mainly to: (i) savings on work site procurement, work site services and central costs; (ii) savings on acquisitions and improved rotation of machinery and equipment;
- an increase in net central costs in absolute amounts and on an annual basis, although as a result of economies of scale, the percentage impact of such costs with respect to total revenue should decrease progressively over the Plan time horizon (3.8% in 2013 and 3.0% in 2016);
- non-recurring costs associated with the merger transaction and estimated at approximately €25 million;
- planned capital expenditures which, with respect to the backlog, have been estimated in line with the time schedule for various projects and include a total expenditure during the Plan period of

€192 million; and new acquisitions were estimated at 2.8% of the order intake amount for Italian projects and at 6.5% of the order intake for foreign projects, which consider a lower average impact from subcontractors than the Italian projects for a total amount equivalent to average capital expenditures, per Plan year, of approximately €325 million in the construction business. With respect to capital expenditures in the concessions and in other business, a total amount of approximately €256 million is foreseen (including concession backlogs and new order intake);

- the working capital trend during the 2013-2016 period, estimated assuming constant average collection and payment days in the Plan years and in line with the historical average of both companies, evaluating specific assumptions on some projects located in certain geographical areas. Lastly, for projects in the portfolio at the end of 2012, trends with the reimbursement of advances have been considered in line with the budgets for the respective orders, while for new projects to be acquired during the 2013-2016 period, advances were assumed to be 10% of the amount of the single order for projects in Africa, the EU and Asia, 7% in the rest of the world and nil in Italy;
- the estimate of depreciation based on the expected economic and technical life;
- the estimate of financial income and expenses based on the change in net financial debt;
- the estimate of tax determined using an average annual tax of 33% of EBT.

v) The Plan reflects the construction business development outlook in keeping with the strategic choice made by management to focus on the core business of construction and therefore includes the effects of non-recurring transactions, for which net proceeds totalling approximately €551 million in 2013 and approximately €128 million in 2014 are foreseen, to be made also through (a) the disposal of the “Plant” business, (b) the divestiture of some equity investments in so-called greenfield concession projects, (c) the collection of claims for compensation held by the Impregilo Group against the public administration for costs incurred in the past for the execution in the Campania region of the ex-CRD plants for the portion not yet reimbursed on the date of cancellation by law of the respective waste treatment service contracts and (d) the claims claimed by the Impregilo Group against the Campania public administrations for the activity managing the ex-CRD plants for the transitory government commission management period. A portion of such proceeds is for the sale of 6.5% of the residual stake in EcoRodovias Infrastruttura e Logistica S.A. (€187 million), already made in the early part of 2013. Costs totalling €100 million are also estimated for ancillary expenses for Salini’s acquisition of control over Impregilo and for debt refinancing with a planned bond issue totalling €500 million. Lastly, the dividend payout ratio assumed in the Plan is 40% during the period from 2014-2016.

The approach used allows for attaining a high degree of reliability in the economic and financial growth forecasts contained in the Plan, knowing already beforehand the profitability of individual orders in the portfolio, the state of progress and any critical issues with each project. In addition, commercial activities in 2013 show the benefits of the strategic agreement for commercial and organisational cooperation entered into by Impregilo and Salini in September 2012, which on the date of this Merger Plan further support the assumption of the acquisition of new orders for the current year, further increasing the degree of visibility of the economic projections to 2016. These estimates, however, remain conservative since they do not contemplate the acquisition of “mega projects,” i.e. projects valued in excess of €1 billion, which for prudential reasons and considering the overwhelming impact they would have on expected development plans, it has been deemed advisable not to include in the individual plans and in the joint business plan. In the event of an award, such projects would modify the expected growth profile significantly with improving margins even in relative terms with respect to revenue.

For a better understanding of the economic and financial trends characterising the 2013-2016 Plan, a summary table is provided of the main objectives intended to be achieved:

2016 Industrial Plan Targets			
Revenues	€ 7.4 bn	Revenues (Cagr)	16%
EBITDA	~ € 1 bn	EBITDA margin	> 13.5%
EBIT	>670 mn	EBIT margin	> 9%
Backlog	~ € 26 bn	New Order Intake (yearly average)	€ 7.5 bn
Capex constructions (yearly average)	~€ 325 mn	Net Financial Position (net cash)	~ € 110 mn

Variability analysis

Economic and financial projections by nature are characterised by random and uncertain elements. Projections represent the most accurate and likely estimate of the change expected for business entities involved in a merger.

Considering what was described above, it is deemed that, among the assumptions adopted as the basis for the Plan, it is worth setting forth some additional considerations regarding the variability of projected results depending on the occurrence of some situations according to different quantitative or timing aspects than those reasonably foreseeable at present, as more analytically discussed below:

- with reference to orders currently in existence and under contract (i.e. the “backlog”), the plans assume flows (revenue and cost flows) and amounts (assets and liabilities) consistent with what is stipulated in the agreements with clients. It is not possible, however, to rule out that future events could modify, including significantly, the quantitative and/or timing aspects of the flows and amounts deriving from such orders;
- a portion of the revenue and operating margins expected during the plan period (2013-2016) is associated with orders for which acquisition is presumed (i.e. “new order intake”). Considering the nature of the infrastructure construction business, new acquisitions represent a random element;

- the business of Impregilo and Salini is developed from an international perspective and therefore is exposed to significant geopolitical risks. These risks were considered by separately evaluating businesses operating in relatively riskier contexts;
- the Impregilo plan assumes, among other things:
 - a) the collection, during 2014, of the penalty (€97 million, net of taxes) for the cancellation of the contract for the construction of the bridge over the Strait of Messina entered into between the Italian Government and Eurolink S.C.p.A. (“**Eurolink**”), a company belonging to the Group. It is noted that this aspect is subject to litigation, in relation to which at present no decisions have been adopted by the adjudicating bodies or in general by the government entities in question;
 - b) the collection of receivables deriving from the FIBE – CDR Campania litigation of €209 million in 2013 (price for disposal of the CDR *assets*, gross of estimated ancillary charges – the Court of Cassation, in a decision issued in April 2013 and which has now become a final judgment in favour of Impregilo) and of €53 million in 2014 (payment for the provision of reporting services). The exact timing of such collections could be delayed as a result of the different manifestations of the respective litigation and/or enforcement dynamics compared to what is assumed in the Plan;
 - c) the sale, during 2013, of some assets in the “*Plan*” sector and of Italian concessions, to which a greater degree of uncertainty may be attributed compared to other disposals assumed in the Plan. In particular, with reference to the Italian concessions, such disposals have been assumed in any case, on a prudential basis, by the realisation of the amount of shareholders’ equity at 31 December 2012, and therefore without projecting the realisation of implied capital gains. For such projects, moreover, no need has been planned for further equity contributions than provided for in the respective projects, including in consideration of the forecast realisation of at least the equity amount, considering that such assumptions would not be relevant for purposes of the overall net financial position.

7.2 Debt structure of the Parties to the Merger

Between the date of reference of the financial statements used for the purposes of this Merger Plan and the respective date of approval, both the Surviving Company as well as the Absorbed Company have been affected by significant events, primarily referring to the acquisition of control over Impregilo by Salini, which has had the effect, among other things, of modifying the financial positions of the Parties to the Merger compared to their respective balance sheets at the end of 2012.

Such events may be described briefly as follows:

- the disposal of the remaining 6.5% held by Impregilo in the capital of the Brazilian group EcoRodovias Infraestrutura e Logistica S.A., regarding which more complete information was disclosed on 25 January 2013, allowing for the collection of a total amount equivalent to approximately €187.1 million;
- the acquisition of control over Impregilo, occurring as part of the Public Tender Offer made by parent Salini and finally completed in May 2013, which entailed the use of financial resources to service the said Offer, obtained during the early part of 2013 by taking out a loan for up to a total of €1,410 million (the “**PTO Loan**”), as described in further detail below in this section and which was used in the Public Tender Offer on 2 May 2013 for a total of approximately €1,217.0 million;

- a dividend distribution of €1.49 per ordinary share, resolved by the Ordinary Shareholders' Meeting of Impregilo S.p.A. on 30 April 2013 for a total of €602.6 million, including savings shareholder entitlements, which, for the component collected by shareholder Salini amounting to approximately €534.5 million, allowed for partial repayment of the PTO Loan in an equivalent amount;
- in correlation with the above-mentioned distribution and as agreed with holders of variable-rate bonds issued by a subsidiary of Impregilo S.p.A. and fully guaranteed by it, the residual amount of such bonds amounting to approximately €113.7 million was redeemed in full in May 2013;
- lastly, following partial disposals of ordinary Impregilo shares, made by the parent Salini as part of its commitment to restore a float of at least 10% of the share capital outstanding, the said parent earmarked the resources obtained for such disposals totalling €54.1 million to further partial repayment of the PTO Loan.

Taking account of the significance of what is described above and the respective financial effects considered in a consistent manner in preparing the Plan, for the purposes of this Merger Plan, the consolidated overall financial debt of the Parties to the Merger is substantially different from what appears in the respective balance sheets at 31 December 2012.

As at 31 May 2013, the Groups' net financial position appears as described in the table shown below.

Breakdown of the Combined Entity's Net Financial Position at 31 May 2013

Cash and cash equivalents	859.9
Bank loans and other financial debt	(1,435.1)
Bonds	(154.2)
Net Financial Position	(729.4)

In particular, as far as the characteristics of the financial debt currently in existence, the following is noted:

Bank loans, other financial debt and other components of the net financial position

As at 31 May 2013, bank loans and other loans are estimated at a total of €1,435.1 million and are broken down as follows:

PTO Loan

To meet the overall disbursement following the Offer, on 13 March 2013, Salini entered into a loan agreement (the "**Loan Agreement**") with Banca IMI S.p.A. and Natixis S.A. – Milan Branch (jointly the "**Lender Banks**"), pursuant to which the Lender Banks granted Salini a loan for a maximum total amount of €1,410,000,000.00 (the "**PTO Loan**"), broken down into the following tranches:

- (a) a tranche known as "Tranche A1", in a maximum amount of €1,130,000,000.00, to be used for (i) the issuance of guarantees of full performance, as well as (ii) the payment of the shares tendered in

acceptance of the Offer during the acceptance period or subsequently during the reopening of the time periods of the said Offer; the overall amount was therefore used for a total of €1,001,998,160.00;

- (b) a tranche known as “Tranche A2”, for a maximum amount of €215,000,000.00, to be used, among other things, for (i) refinancing the existing loan, with a principal amount of €130,000,000.00, granted by Natixis S.A. – Milan Branch under the loan agreement signed with Salini on 20 February 2012 (as amended on 7 August 2012 and most recently on 20 December 2012), as well as to (ii) sustain the ancillary costs correlated with the Offer; and
- (c) a tranche known as “Tranche A3”, in a maximum amount of €65,000,000.00, to be used, among other things, for the purposes of the disbursement by Salini of an intragroup loan of €65,000,000.00 to Salini Costruttori, aimed at enabling the latter to repay part of its own medium-to long-term debt (deriving, in particular, from (i) a loan agreement signed on 5 August 2009 with, inter alia, Centrobanca S.p.A. for an original amount of €63,000,000.00 and a residual debt totalling €27,562,500.00 and (ii) a loan agreement signed on 29 July 2010 with Intesa Sanpaolo S.p.A. for an original amount of €50,000,000.00 and a residual debt totalling €37,500,000.00).

On the date of approval of this Merger Plan, the PTO Loan is outstanding in a residual principal amount totalling €693.5 million. Repayment of that loan is currently scheduled, in accordance with the provisions of the respective contract, for 31 December 2014. However, the contract provides the option for the borrower to postpone the PTO Loan repayment date until 30 June 2016 subject to, inter alia, repayment by 30 November 2014 of a principal amount of at least 25% of what was actually disbursed, net of the repayment deriving from the proceeds of the 2013 dividend distributed by Impregilo. The PTO Loan also includes some clauses and covenants in line with market practice.

Corporate loans

The corporate loans are estimated at a total of approximately €497.9 million. This class includes a so-called revolving loan maturing on 26 June 2014 for a total of €75,000,000.00 to which Impregilo is a party and regarding which, as a result of the Merger, the lender bank would have the option of declaring Impregilo subject to the acceleration of all or part of the payment obligations provided for therein or of terminating the said agreement or rescinding it, with the consequence that any amount owed pursuant to that agreement would become payable immediately.

The corporate loans also include:

- the loan agreement signed on 13 May 2013 between Salini and a *pool* of lenders (Cassa Depositi e Prestiti, BNP Paribas and Banca Popolare di Sondrio) for a total of €100 million, aimed at sustaining the development of its activities abroad. The loan is repayable in 6 years and is secured in part by SACE guarantee.
- the loan agreement totalling €75 million, disbursed by the Intesa Sanpaolo Group in favour of Salini and intended to support working capital requirements for the execution of the Gibe III dam project in Ethiopia. The loan, which is to be repaid using instalments from work payments, matures in 2016. As of this date, the residual principal amount owed is estimated at approximately €53 million.

The residual amount consists of lines of credit and loans granted by first-rate financial institutions governed by conditions in line with normal market practices.

Project financing and other loans

Project financing and other loans include a total amount of €243.7 million, the outstanding debt to support working capital requirements for the main infrastructure projects being executed by both Groups, in the portions appertaining to each and which, if referring to projects executed in joint ventures with third parties, are counter-guaranteed on a pro-rate basis. The repayment of these loans is provided for in the Plan in keeping with the change in the production and contractual trends with which the projects to which these loans refer are expected to be completed.

Project financing and other loans also include debts for projects under concession totalling €9.8 million. The repayment of these loans is provided for in the financial plans for the concessions in question.

Bond issues

Impregilo International Infrastructures N.V. Loan, 2010-2015, Bond Issue of €150,000,000

The bond was issued in November 2010 by the subsidiary Impregilo International Infrastructures N.V., is fully guaranteed by Impregilo, provides for a fixed interest rate of 6.526%, and lump-sum redemption in November 2015. The bond includes contractual clauses of an ordinary nature and is listed at the Luxembourg Stock Exchange.

The amount of €154.2 million refers to the principal maturing in 2015, as provided for by the “amortised cost” method including an estimate of the interest accrued and not yet settled.

It is noted lastly that, on the date of approval of this Merger Plan, the Absorbed Company is in the process of finalising the procedures necessary for a fixed-rate bond issue maturing in 2018 for a total principal amount of approximately €500 million. This transaction, once completed, will allow for further optimisation of the overall financial structure of the Company resulting from the Merger also by early extinguishment of a corresponding amount of the PTO Loan.

In relation to this matter, presently deemed highly likely though not yet completed, the Plan presupposes that the bond issue described will take place during the course of this year.

7.3 The Economic and Financial Plan and the financial resources for the fulfilment of the financial debt of the Surviving Company following the Merger

The administrative bodies of the Parties to the Merger believe that, after the Merger and consistent with the Plan forecasts and with the resources that will be generated in that context, the Surviving Company will have equity and financial capacity adequate to the needs represented by the financial obligations described in the section 7.2 above. This consideration, as described in further detail below, is deemed valid also on the assumption that the planned new bond issue maturing in 2018 to substantially substitute the residual PTO Loan is not finalised.

The graph below shows the change in expected operating and net cash flows as part of the new Group's Plan in order to express a valuation of the capacity to meet financial obligations, considering a shareholder compensation policy that provides for a dividend distribution of approximately 40% of the expected net profit each year.

Cash Flow – Economic and Financial Plan 2013-2016

mn €

Consolidated	2013 P	2014 P	2015 P	2016 P
Net Financial Position (at beginning of the year)	404	(269)	30	33
Cash flow from operations	44	648	551	708
Cash flow from investments	(184)	(297)	(448)	(531)
Cash flow from financing and relevant transactions	(534)	(52)	(101)	(100)
Net Financial Position (at the end of the year)	(269)	30	33	110
<i>Of which cash and cash equivalents</i>	<i>1,347</i>	<i>1,116</i>	<i>907</i>	<i>947</i>
<i>Of which financial indebtedness</i>	<i>(1,616)</i>	<i>(1,086)</i>	<i>(874)</i>	<i>(837)</i>
Net Financial Position (at the end of the year)	(269)	30	33	110

The analysis of anticipated cash flows shows the high degree of sustainability of the Group's debt exposure, as well as its capacity to meet commitments with its creditors. The net financial position is expected to be progressively improving despite a sizeable investment plan geared towards industrial development.

7.4 Conclusions

As shown in the summary representation above, after the Merger and according to the assumptions contained in the Plan and explained in the Directors' Report, the main ones of which are described in section 7.1 above, the financial resources generated in that context are sufficient to fulfil existing obligations following the Merger.

This conclusion is deemed valid even in the unlikely case that the finalisation of the bond issue described above does not go forward and the PTO Loan has to be repaid according to the due dates previously indicated.

8. EFFECTIVE DATE OF THE MERGER AND OF THE RECOGNITION OF THE TRANSACTIONS OF THE ABSORBED COMPANY ON THE FINANCIAL STATEMENTS OF THE SURVIVING COMPANY

The Merger will produce statutory effects effective from 1 January 2014 or from any other date indicated in the Merger document. Effective from the effective date of the Merger, Impregilo shall be subrogated to Salini in all transactions to which Salini was previously a party, thereby assuming its rights and obligations.

For accounting and tax purposes, the transactions of the Absorbed Company will be recognised on the financial statements of the Surviving Company from the said date.

9. TREATMENT, IF ANY, FOR SPECIAL CLASSES OF SHAREHOLDERS AND FOR HOLDERS OF SECURITIES OTHER THAN SHARES – SPECIAL ADVANTAGES POSSIBLY RESERVED FOR DIRECTORS OF THE PARTIES TO THE MERGER

Salini is a wholly-owned subsidiary of Salini Costruttori and, on the date of approval of the Merger Plan, there are no special classes of shareholders or holders of securities issued by Salini other than shares.

On the date of approval of the Merger Plan, the share capital of Impregilo is divided into 404,073,428 shares, of which 402,457,937 ordinary shares and 1,615,491 savings shares. There are no special classes of shareholders other than savings shareholders or holders of securities issued by Impregilo other than shares.

No special treatment is provided for the savings shareholders of Impregilo. The Merger is carried out without need for approval by the special meeting of savings shareholders of Impregilo, since it does not cause prejudice to that class (see sections 3 and 5 above).

No special advantages are provided for directors of the Parties to the Merger.

10. MERGER TERMS AND CONDITIONS

The completion of the Merger transaction is subject not only to approval by the Extraordinary Shareholders' Meetings of Impregilo and Salini, respectively, but to the following terms and conditions being met:

- (a) lack of a contrary opinion expressed by the Common Expert regarding the congruence of the Exchange Ratio;
- (b) the obtainment of the certification by the Common Expert, pursuant to and in accordance with Art. 2501-*bis*, par. 4, of the Civil Code, regarding the reasonableness of the indications contained in the Merger Plan on the financial resources provided for the fulfilment of the obligations of the company resulting from the merger;
- (c) the lack of occurrence – or in the event of lack of occurrence of this condition, the lack of waiver thereof by the Parties to the Merger – by the date of execution of the Merger document, of extraordinary situations or circumstances of any nature not reasonably foreseeable on the date of the Merger Plan which, in light of the financial statements taken into consideration for the determination of the Exchange Ratio, negatively affect or are likely to negatively affect substantially one or both of the Parties to the Merger and/or the groups they belong to and their respective equity, income or cash flow situations, or their respective future prospects, and provided that the effects foreseen are not caused by a relevant and substantial fluctuation in the market prices for Impregilo shares.

* * * * *

Reservation is made of changes, addenda and updates, including numerically, to this Merger Plan, as well as to the attached articles of association of the Surviving Company, as permitted by regulations or

possibly required by the relevant oversight authorities or by the relevant offices of the register of companies.

* * * * *

Appendices:

1. Report issued by PricewaterhouseCoopers S.p.A. pursuant to Art. 2501-*bis*, par. 5, of the Civil Code
2. Articles of Association of Impregilo in force on the date of approval of the Merger Plan
3. Articles of Association of Impregilo which will be effective from the effective date of the Merger

Rome - Milan, 24 June 2013

Impregilo S.p.A.
The Chairman of the Board of Directors

Salini S.p.A.
The Chairman of the Board of Directors



SALINI SPA AND IMPREGILO SPA

**INDEPENDENT AUDITOR'S REPORT
ISSUED PURSUANT TO ARTICLE 2501-BIS PARAGRAPH FIVE
OF THE ITALIAN CIVIL CODE**

INDEPENDENT AUDITOR'S REPORT ISSUED PURSUANT TO ARTICLE 2501-BIS PARAGRAPH FIVE OF THE ITALIAN CIVIL CODE

To the Shareholders of the Companies

Salini SpA and Impregilo SpA (hereinafter known as the "Group" or the "Companies").

- 1 In accordance with Section 2501-*bis*, paragraph five, of the Italian Civil Code, we examined the economic and financial plan for the period of 2013–2016 (hereinafter known as the "Plan") of the company resulting from the proposed (reverse) merger by incorporation of Salini SpA into Impregilo SpA (hereinafter known as the "Merger"), containing forecasts, hypotheses and elements, on which the Plan was based, reported in the Merger Plan approved by the Administrative Bodies of the Company on 24 June 2013.
The Administrative Bodies of the Company are responsible for preparation of the Plan, as well as the hypotheses and elements, on which the Plan was based.
- 2 The Plan was prepared by the Administrative Bodies of the Company to be included in the Merger Project and in the Report described in Article 2501-*quinquies* of the Italian Civil Code, which illustrates and explains the Merger Project between the Companies. The Plan is based on a set of hypotheses, which include also hypothetical assumptions regarding future events and actions to be taken by the Administrative Bodies. The main assumptions regarding the period of 2013–2016 are outlined in the following paragraph 3.
- 3 The Plan was prepared on a consolidated basis, assuming that the Merger would be executed, using the IAS/IFRS international accounting standards adopted by the Group, in line with the consolidated financial statements of the Companies as of 31 December 2012. The situation of financial position for the preparation of the Plan refers to 31 December 2012. For the purposes of a more homogeneous representation of the balance sheet, income statement and financial position of the Group after the Merger, the consolidated statement of financial position of the Salini Group as of 31 December 2012 considers, as a hypothesis, the complete integration of the Impregilo Group, indicating the portion of equity at that date pertaining to shareholders other than Salini as minority interests. Moreover, it is noted that the Purchase Price Allocation process planned in case of a change of control according to the applied accounting standards is still in progress and will be completed by the time indicated in the accounting standards. For the purpose of the Plan, the difference emerging between the fair value of the price paid for the acquisition of control has been allocated preliminarily as a positive component of consolidated Shareholders' Equity. Completion of the Purchase Price Allocation process may result in a more accurate allocation of values to specific assets, liabilities or potential liabilities. However, the above-mentioned process completion does not affect the cash flow dynamics and net financial position of the company resulting from the merger. Once the tax treatment of the values emerging from the Purchase Price Allocation process is established, there could be positive effects on the overall financial flows for the Plan period.
The Plan is based on the following main assumptions for the period of 2013–2016:

PricewaterhouseCoopers SpA

Legal and administrative office: Milan 20149, via Monterosa 91, tel: 02 77851, fax: 02 7785240, Share capital in €6,812,000.00 fully paid in, tax code, VAT number and Milan company register number: 129 79880155, registered under number 119644 of the Register of Statutory Auditors – Other offices: **Ancona** 60131, via Sandro Totti 1, tel: 07 12132311, **Bari** 70124, via Don Luigi Guanella 17, tel: 08 0564 0211, **Bologna**, Zola Predosa 40069, via Tevere 18, tel: 05 16186211, **Brescia**: 25123 Via Borgo Pietro Wuhrer 23, tel: 03 03697501, **Catania**: 95129 Corso Italia 302, tel: 09 57532311, **Florence**: 50121 Viale Gramsci 15, tel: 05 52482811, **Genoa**: 16121 Piazza Dante 7, tel: 01 029041, **Naples**: 80121 Piazza dei Martiri 58, tel: 08 136181, **Padua**: 35138 via Vicenza 4, tel: 04 9873481, **Palermo**: 90141 Via Marchese Ugo 60, tel: 09 1349737, **Parma**: 43100 Viale Tanara 20/A, tel: 05212 42848, **Rome**: 00154 Largo Fochetti 29, tel: 06 57 0251, **Turin**: 10122 Corso Palestro 10, tel: 011 556771, **Trento**: 38122 Via Grazioli 73, tel: 04612 37004, **Treviso**: 31100 Viale Felissent 90, tel: 0422 696911, **Trieste**:

- a. The economic and financial flows expected for the Plan period of 2013-2016 have been established taking into account:
- i. Schedules of individual orders already present as of 31 December 2012 in the portfolio of construction work of the companies participating in the merger (backlog). As of the end of 2012, the order portfolio represents €19.9 billion and constitutes more than 60% of the economic forecasts of the 2013-2016 Plan (revenue and EBITDA and EBIT margins), or approximately €13.8 billion in terms of revenue for the period of 2013-2016. The revenue was estimated according to detailed forecasts for each project based on information available in May 2013;
 - ii. Forecasts of acquisition of new orders during the Plan period based on a rigorous selection of commercial opportunities, performed according to specific parameters of profitability and cash-flow generation established as guiding criteria for the future commercial initiatives orientated at acquiring large orders and strengthening of presence in selected countries, offering a high potential of development, also considering the strategic and commercial agreement signed between the two Groups; during the whole period of the plan, the companies expect a total revenue of €23.3 billion, obtaining new orders for a total of €29.8 billion and a ratio of new orders to revenue (book-to-bill) of more than 1.0. The corresponding revenue is included in the Plan according to the cost to cost principle used for preparation of financial statements; the operating margin (EBIT) of the project (before central costs) of the projects to be acquired is estimated at 10% of the expected contractual revenue, lower compared to the 2013 - 2016 mean of projects in the portfolio as of 31 December 2012 (which was 10.9% net of forecasts related to the cancellation of the tender for construction of the bridge over the Strait of Messina) and consistent with the hypotheses of new orders in accordance with the Impregilo-Salini commercial agreement;
 - iii. Estimated cost synergies that can be obtained via interventions meant to restore efficiency in specific functional areas. In this context it is estimated that the synergy value in the long run (from 2016) could reach €100 million a year. The potential synergies identified refer mainly to (i) savings on worksite purchases, purchases of services for worksites and central costs; (ii) savings on purchases and a better rotation of machinery and equipment;
 - iv. Increase of net central costs in terms of absolute value and on an annual basis, despite the fact that as a result of economies of scale, the percentage of such costs compared to the total revenue decreases gradually within the time scale of the Plan (from 3.8% in 2013 to 3.0% in 2016);
 - v. Non-recurrent costs related to the merger transaction estimated at €25 million;
 - vi. Expected capital expenditures, which in terms of backlog have been estimated according to the schedules of various projects and include an overall cost during the Plan period of €192 million and, for the new acquisitions, have been estimated at 2.8% of the intake order value for Italian projects and 6.5% of the intake order value for foreign projects, which have a lower mean cost of subcontracting compared to the Italian projects, for a total value equivalent to mean investment for each year of the Plan for approximately €325 million. A total amount of approximately €256 million is expected for capital expenditures in concessions and other business (including concessions in backlog and new order intake);
 - vii. Cash flow dynamics in the period of 2013-2016, estimated assuming that the mean collection and payment time would remain constant throughout the period of the Plan and in line with the historical mean of the two companies, evaluating specific intake for certain projects located in determined geographical areas. Finally, for the projects in the portfolio as of the end of 2012, advance payment dynamics have been considered in line with expected new orders, while for new projects that will be acquired in the period

- of 2013-2016, the hypothesis used considered advance payments of 10% of the single order value in Africa, the EU and Asia, 7% in the rest of the world and 0% in Italy;
- viii. Estimate of amortisation and depreciation based on the expected economic and technical life span;
- ix. Estimate of financial income and expenses based on the evolution of the net financial debt;
- x. Estimate of taxes determined with a mean annual taxation of 33% of EBT.

b. Particularly significant or non-recurring transactions

The Plan reflects the forecasts of development of construction activities in line with the strategic choice made by management to focus on the core business of construction and therefore it includes the effects of non-recurring transactions, involving expected total proceeds of approximately €551 million in 2013 and approximately €128 million in 2014, to be achieved also through (a) the divestiture of the 'Plant' business, (b) divesting certain greenfield concession projects, which can also be achieved by selling them, (c) collection of the compensation claims of the Impregilo Group from the public administration and referring to costs sustained in the past for building waste-to-energy plants in the region of Campania for the part not reimbursed yet as of the date of legal cancellation of the corresponding waste disposal contracts and (iv) receivables claimed by the Impregilo Group from the public administration in Campania and referring to the activities of management of waste-to-energy plants for the transition period of commissarial management.

A part of these proceeds refer to the sale of 6.5% of the remaining stake in EcoRodovias Infraestrutura e Logistica S.A. (€187 million), already concluded in the first quarter of 2013. There is also an estimated total amount of €100 million for the costs of acquisition of control of Impregilo by Salini and refinancing of debt, with the expected issue of a bond for a total consideration of €500 million.

c. Other assumptions

A hypothesis of a dividend pay-out ratio of 40% in the period of 2014-2016 was considered in the consolidated Plan.

d. Variability Analysis

The Company Management decided to make some additional considerations with reference to the variability of the expected results; such analyses were performed in accordance with certain specific situations, according to quantitative and time profiles different from the present ones and considered reasonably possible by the Management.

In particular, such variability analyses were performed with reference to:

- i. Presently existing and contracted orders ("backlog");
- ii. Revenue and operating margins expected in the Plan period resulting from expected future orders ("new order intake");
- iii. Activities conducted in relatively more risky areas;
- iv. Certain litigation, for which the collection time may change as a result of various manifestations of the litigation and/or execution, different from the assumptions of the Plan. These aspects were analysed with special reference to collection of the penalty, included in the Plan in 2014 (in the amount of €97 million before tax), for the cancellation of the tender for building a bridge over the Strait of Messina, signed by the Italian State and Eurolink S.C.p.A. and collection of receivables resulting from the Fibe – CDR Campania litigation for €205 million and €53 million, included in the Plan respectively in 2013 and in 2014. The specific time for these collections may change as

a result of various manifestations of the litigation and/or execution, different from the assumptions of the Plan;

- v. Sale of certain investments in the sector of Italian Plants and concessions, planned for 2013. It may have a higher level of uncertainty compared to other disposal hypotheses considered in the Plan.

- 4 Our examination was performed according to the procedures described in the International Standard on Assurance Engagements (ISAE) 3400 - "The Examination of Prospective Financial Information" issued by the IFAC - International Federation of Accountants, which represents a standard of reference for this type of work.
- 5 Based on the examination of probative elements supporting the hypotheses and elements used in the formulation of the Plan, as described by the Administrative Bodies in the notes attached to the Plan, we are not aware of any facts that would suggest as of today that the above-mentioned hypotheses and elements do not provide a reasonable basis for preparation of the Plan. Moreover, in our opinion, the Plan was prepared using the above-mentioned hypotheses and elements consistently, and based on accounting standards homogeneous with those applied by the Companies for the preparation of the consolidated financial statements.
- 6 However, it must be noted that because of the uncertainty associated with execution of any future event, both in terms of the actual occurrence and in terms of time, the differences between the actual values and the values forecast in the Plan may be significant. This is true even if the events included in hypothetical assumptions and described in summary in paragraph 3 above should occur.
- 7 This report was prepared exclusively for the purpose of Article 2501-*bis*, paragraph five, of the Italian Civil Code, in the context of the Merger Project, and cannot be used, in full or in part, for other purposes.
- 8 We do not assume any responsibility for updating this report with events or circumstances that may occur after today's date.

Milan, 28 June 2013

PricewaterhouseCoopers SpA

[Signature]

Andrea Brivio
(Statutory Auditor)

IMPREGILO S.p.A.

Registered office in Milan, Via dei Missaglia no. 97

Share capital Euro 718,364,456.72

Tax code and Milan Register of Companies no. 00830660155

ARTICLES OF ASSOCIATION

NAME - OBJECT - REGISTERED OFFICE - DURATION

1) A Joint Stock Company is established under the name of

“IMPREGILO S.p.A.”

2) The Company's object is the construction on its own behalf and on behalf of third parties of road, port, hydraulic, hydroelectric, building and railway works and in general any constructions in the civil engineering field in Italy and abroad.

The Company may undertake and perform any and all commercial, industrial, financial, movable property and immovable property transactions and business deemed necessary and useful to achieve the corporate object, including study, planning and consultancy activities in the sectors in which the company operates.

The Company may hold directly and/or indirectly interests and equity investments in other companies or concerns having an object similar or related to or connected with its own.

The Company may grant guaranties, sureties and securities including real guarantees also in respect of a third party's debt.

3) The Company's registered office is in Milan.

The Company may open administrative or technical offices, and also branches, other offices, agencies or representation offices in Italy and abroad.

4) With reference to their relations with the Company, the domicile of Shareholders, Directors, Auditors and the person in charge of the audit - including, if any, telephone and

fax numbers and e-mail addresses - is that appearing on the Company books. The Shareholder, Director, Auditor and person in charge of the audit is are responsible for notifying their domicile for registration in the Company books, and for notifying any change.

5) The duration of the Company is fixed up to the 31st day of December 2050. This duration may be extended once or more times by resolutions of the shareholders' meeting.

SHARE CAPITAL - DEBENTURES

6) The share capital amounts to Euro 718,364,456.72 (seven hundred and eighteen million three hundred and sixty four thousand four hundred and fifty-six point seventy-two) represented by 404,073,428 (four hundred and four million seventy-three thousand four hundred and twenty-eight) shares of which 402,457,937 (four hundred and two million four hundred and fifty-seven thousand nine hundred and thirty-seven) ordinary shares and 1,615,491 (one million six hundred and fifteen thousand four hundred and ninety-one) saving shares.

7) By resolution of the shareholders' meeting, the share capital may be increased by issuing new shares including shares with rights different from those of the shares already issued.

The resolution on the share capital increase, passed with the majorities under articles 2368 and 2369 of the Italian Civil Code, may exclude the right of option within the limits of 10% of the pre-existent share capital, provided that the issue price corresponds to the market value of shares, as confirmed by a report written by the Company in charge of the audit.

The shareholders' meeting has the power to resolve on the issue of debentures, defining the relevant regulations.

8) Saving shares issued according to law do not carry voting rights, have priority in the distribution of dividends and in the repayment of capital and have the characteristics set out in this article, in article 32, and, for matters not contemplated therein, in law.

Saving shares may be bearer shares, subject to the second paragraph of article 2354 of the Italian Civil Code; at the request of the shareholder, and at his expense, they may be converted into registered shares and vice versa.

Saving shares issued to Directors, Auditors and General Directors must be registered shares.

Saving shares, unless otherwise provided by these Articles of Association or by law, give the same rights as ordinary shares.

Holders of saving shares are not entitled to attend the Company's shareholders' meetings or ask that meetings be called.

The provisions of law govern the special Meeting of saving shareholders.

In the event of distribution of reserves, saving shares shall have the same rights as ordinary shares.

If the Company winds up, saving shares have the right of pre-emption in capital reimbursement up to the amount of Euro 5.2 per share. In the event of share merges or share splits (as also in the case of operations on capital, when it is necessary to keep the rights of saving shareholders unchanged with respect to the situation where shares have a nominal value), such fixed amount per share shall be modified accordingly.

The decrease of the share capital for losses has no effect on the saving shares, except for the part of losses that cannot be recovered in the capital fraction represented by the other shares.

In order to guarantee to the common representative of saving shares adequate information on corporate transactions that might influence the saving share price, the Company's legal representatives shall promptly send to the above mentioned common representative any information connected with such transactions.

If ordinary or saving shares should be excluded from negotiation, saving shares will maintain unchanged all the characteristics and rights provided by law and the Articles of Association.

9) The shareholders' meeting may deliberate a share capital decrease that may take the form of the allotment to shareholders of specific company assets or shares or interests in other companies or enterprises in which the Company has an interest.

RIGHT OF WITHDRAWAL

10) The right of withdrawal may be exercised by shareholders in the cases foreseen by law. Shareholders that do not approve the resolutions concerning the extension of the duration term do not have the right of withdrawal .

The shareholder wishing to exercise the right of withdrawal must notify the Board of Directors and the Board of Auditors by recorded delivery letter, depositing for the purposes of the withdrawal the shares for which he exercises the withdrawal with an authorized intermediary.

The recorded delivery letter must be sent to the above mentioned Boards within 15 days from the date of registration of the resolution ratifying the withdrawal in the Register of Companies or, should the reason legitimizing the withdrawal be different from a resolution, within 30 days from the date when the withdrawing shareholder demonstrates that he was informed of the fact that legitimizes his right to withdraw.

The Directors shall immediately record in the Shareholders' Book that they have received the notification of withdrawal.

The right of withdrawal shall be effective for the Company as from the fifteenth day after the date of receipt of the last recorded delivery letter sent by the withdrawing shareholder, in compliance with the third paragraph of this article, subject to the last comma of art. 2437 bis of the Italian Civil Code.

SHAREHOLDERS' MEETING

11) The shareholders' meeting, duly constituted, represents all the shareholders and its resolutions, adopted according to law and the Articles of Association, are binding for all the shareholders, even if dissenting or absent.

12) Shareholders' meetings may be called in Italy in a place different from the registered Office. An Ordinary shareholders' meeting is called each year within one hundred and twenty days from the close of the financial year or within one hundred and eighty days when allowed by law. Ordinary and extraordinary shareholders' meetings are called whenever required by the Board of Directors and in the cases required by current laws and regulations. The shareholders' meeting also adopts the authorising resolutions required in procedures for transactions with related parties adopted by the Company, including resolutions in the case of urgency, using the simplified methods permitted by current law and regulations.

13) Each ordinary share gives right to one vote.

14) Each person entitled to vote having the right to attend the shareholders' meeting can be represented through written proxy by another person as allowed by law.

The Chairman of the shareholders' meeting shall check the validity of the proxies and the rights of those present to attend the meeting.

15) Ordinary and extraordinary shareholders' meetings are constituted and resolve according to law.

Appointments of the members of the Board of Directors and the Board of Auditors are made according to the provisions of article 20 and 29 respectively.

16) Shareholders' meetings are called through a notice setting out the information required by the regulations in force, to be published within the terms of law:

- on the Company website;

- where required by law or resolved by the directors, in the “Gazzetta Ufficiale” of the Republic of Italy or in the “Corriere della Sera” daily newspaper;
- in the other ways foreseen by current pro tempore law and regulations.

The notice may indicate the day of a second call or of eventual subsequent calls.

The admittance ticket issued for the first call is also valid for the subsequent calls.

The Board of Directors may nonetheless decide, if it deems this necessary and giving express indication of this in the notice of call, that the ordinary and extraordinary shareholders’ meeting are to be held in a single call.

Proxies to attend the meeting may also be notified to the Company at the e-mail address provided in the notice of call.

17) The shareholders' meeting shall be chaired by the Chairman of the Board of Directors or, in his absence, by one of the Deputy Chairmen. In default, the meeting shall designate a Chairman among Directors and Shareholders present thereat.

18) The Chairman of the shareholders' meeting has full powers to ascertain the right of those holding voting rights to attend the meeting and in particular the validity of proxies, to ascertain that the meeting is duly constituted and the quorum to deliberate, to direct and coordinate the discussion and to establish the voting procedures.

The meeting appoints a Secretary who need not be a shareholder, and, if deemed necessary, appoints two vote

19) The resolutions of the shareholders' meeting must be recorded in minutes entered in a minute book signed by the Chairman, the Secretary and the two vote-counters, if appointed.

Minutes drawn up by a notary public shall be subsequently transcribed in the minute book.

MANAGEMENT – REPRESENTATION

20) The Company is managed by a Board of Directors made up of 15 members. The acceptance of the office of Director is subject to the possession of the requirements

prescribed by the law and the regulations in force from time to time for the acceptance of the office.

The election of the members of the Board of Directors shall take place, in compliance with the current pro tempore regulations concerning gender equality, on the basis of lists filed by the shareholders, as hereunder specified, setting out the candidates by progressive number.

Each list shall include, on pain of invalidation, at least two candidates in possession of the independence requirements prescribed by the law, indicating them clearly and inserting one of them in the first place of the list.

The lists shall be filed, as shall also be indicated in the notice of call, at the registered office of the Company at least twenty-five days prior to the day scheduled for the meeting on first call.

Each shareholder, shareholders in a material voting trust pursuant to Art.122 Legislative Decree 58/1998, the controlling shareholder, the subsidiary companies and companies subject to common control according to Art. 93 of Legislative Decree 58/1998 may not file or take part in the filing of more than one list, either directly or through a third party or a trust company, nor may they vote for different lists, either directly or through a third party or a trust company, and each candidate may be presented in one list only on pain of ineligibility. 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 at least 2% of the share capital with the right to vote at the ordinary shareholders' meeting, or at a lower percentage eventually established by irrevocable provisions of the law or regulations.

Together with each list, within the relevant above-mentioned time limits, the following documents shall be filed: (i) the statements, by means of which each candidate accepts

his/her nomination and attests, under his/her responsibility the non-existence of reasons of ineligibility and of incompatibility, as well as the existence of the prescribed qualifications for the relevant office; (ii) a *curriculum vitae* setting out the personal and professional characteristics of each candidate, eventually indicating eligibility to be qualified as independent, and managerial and auditing appointments held in other companies; (iii) any further information as mentioned in the notice of call of the shareholders' meeting, which from time to time may be required by law and regulations.

The specific certificate provided by a legally authorized intermediary attesting ownership, at the time of the deposit of the list with the Company, of the number of shares necessary for the presentation of lists shall also be deposited within the terms of law governing the publication of lists by the Company.

Lists that present three or more candidates shall be composed of candidates of both genders, so that the gender with fewer representatives has at least one fifth (on the first mandate after 12 August 2012) and then one third (rounded upwards) of the candidates.

Any filed lists that do not comply with the above-mentioned regulations shall be considered as non-filed.

The election of the Board of Directors shall take place as follows:

a) Should a list obtain a number of votes representing at least 29% of the Company's share capital entitled to vote at the ordinary shareholders' meeting, 14 Directors shall be taken from the list with the highest number of votes, in the progressive order in which they are shown on the list, while 1 Director shall be taken from the minority list that obtained the highest number of votes and is not connected in any way, directly or indirectly, with the shareholders who filed or voted the list that obtained the largest number of votes. It is understood that should the first two lists receive the same number of votes, 7 Directors shall be taken from each one of the said lists according to the progressive order in which they are

shown in the lists, while 1 Director shall be taken from the list that obtained the third-largest number of votes and is not connected in any way, directly or indirectly, with the shareholders who filed or voted the list that obtained the largest number of votes; should only two lists be filed, the oldest candidate among those not already taken from the first two lists shall be appointed as 15th Director;

b) should no list receive a number of votes representing at least 29% of the Company's share capital entitled to vote at the ordinary shareholders' meeting, the 15 Directors shall be taken from all the lists filed according to the following procedure: the votes obtained by the lists will be divided successively by progressive whole numbers from one to fifteen. The quotients thus obtained will be assigned progressively to the candidates of each list according to the order in which they are shown in the respective lists. The quotients thus assigned to the candidates of the various lists will be set out in a single decreasing classification list. The candidates with the highest quotients will be elected. Should several candidates obtain the same quotient, the elected candidate will be the candidate of the list that has not yet elected any director or that has elected the lowest number of directors.

With a view to the distribution of the Directors to be elected, lists that do not obtain a percentage of votes equal to at least half of the percentage required by the Articles of Association for the filing of lists, shall not be taken into consideration.

Should the election of candidates with the procedures indicated above not ensure the composition of the Board of Directors in compliance with the current pro tempore regulations governing gender equality, the candidate of the gender with greater representation elected last in progressive order on the list that secured the largest number of votes shall be replaced by the first candidate of the gender with lower representation not elected on the same list in progressive order. This substitution procedure shall be implemented until the composition of the Board of Directors in compliance with the current

pro tempore regulations governing gender equality is ensured. Should this procedure fail to ensure the result indicated above, substitution shall take place on the basis of a resolution carried by a relative majority of the Board of Directors, after presentation of candidates of the gender with lower representation.

Should no list be filed or admitted, the shareholders' meeting shall deliberate with the majorities required by law, without adopting the above-mentioned procedure, in order in any case to ensure the presence of the necessary number of Directors in possession of the independence requirements prescribed by law, and compliance with the current pro tempore regulations governing gender equality.

The list voting procedure is applied only in the event of appointment of the whole Board of Directors.

If during the financial year one or more Directors cease to hold office, provided that the majority is always composed of Directors appointed by the shareholders' meeting, the Board of Directors shall substitute them according to Art. 2386 of the Italian Civil Code, appointing candidates, on the basis of the progressive order, from the list of the Director who ceases to hold office, and who are still eligible and willing to accept the office. In any case the substitution of Directors who cease to hold office is carried out by the Board of Directors (i) ensuring the presence of the necessary number of Directors in possession of the independence requirements prescribed by law and (ii) compliance with the current pro tempore regulations governing gender equality.

Should the majority of Directors appointed by the shareholders' meeting cease to hold office, the remaining Directors shall be considered retired with effect from the date on which the Board of Directors is recomposed for appointment by the shareholders' meeting.

Subject to a contrary resolution of the shareholders' meeting, the Directors are not subject to the prohibition provided for by Art. 2390 of the Italian Civil Code.

The members of the Board are entitled to the reimbursement of the expenses incurred for their office.

The shareholders' meeting shall determine the compensation due to the Board of Directors and may determine the manner of distribution among the Directors, should the compensation be determined as an aggregate amount.

The Board of Directors, considering in any case the opinion of the Board of Auditors, shall determine the remuneration of the Directors vested with special offices.

21) The Board of Directors appoints among its members a Chairman and, if necessary, one or two Deputy Chairmen who will substitute the Chairman in the event of his absence or impediment.

The Board of Directors also elects a Secretary, who does not need to be a Board member.

In the absence of the Chairman, Deputy Chairmen and Secretary, for each meeting the Board designates a Chairman and a Secretary among its members.

22) The Board meets at the Company's head office or in any other place indicated in the notice of call, at the request of the Chairman or, in his absence, of a Deputy Chairman, if appointed, or of a Chief Executive Officer.

The call must be made by written communication containing the agenda, which may be sent only by means of fax or electronic mail to all Directors in office and to the regular auditors, at least six days before the day fixed for the Meeting, or at least one day before in urgent cases.

The Board shall be convened at the written request of at least two Directors, to be sent, depending on the circumstances, to one of the persons mentioned in the first paragraph, with the list of the matters to be dealt with.

The Board of Directors may be also convened by at least one member of the Board of Auditors, provided that the Chairman of the Board of Directors has been advised accordingly.

The meeting of the Board must take place within ten days from the receipt of the request.

Participation in and attendance at meetings of the Board of Directors may also take place from different locations, adjacent or distant, by audio- and/or video-conference, as long as the collegiate method and the principles of good faith and equality of treatment are observed. Specifically, it is necessary that:

- (i) the Chairman be able to ascertain the identity and the legitimization of those present, to moderate the proceedings, to establish and to announce the results of votes;
- (ii) the person taking the minutes be able to follow clearly the events being minuted;
- (iii) those present be able to be fully informed, to take part in the discussion and in the simultaneous vote on the items on the agenda.

The meeting of the Board shall be deemed held in the place where the Chairman and Secretary of the meeting are located to permit the minutes to be recorded, and to be signed by both of them.

At least every three months the Directors invested with powers shall report to the Board of Directors and to the Board of Auditors on their activity, as well as on the most significant transactions performed by the Company or its subsidiaries, in accordance with law.

The communication is given verbally at the meetings of the Board of Directors and the Executive Committee, or in written and/or verbal and/or telephonic form to the Chairman of the Board of Auditors in cases of particular urgency.

Directors must advise the other Directors and the Board of Auditors about any interest held directly or on behalf of a third party in a specific transaction, in accordance with law.

23) To be valid, the resolutions of the Board of Directors require the presence of the majority of the Directors in office.

Resolutions are carried by an absolute majority of votes of those present.

24) The Board of Directors is granted the widest powers for the ordinary and extraordinary management of the Company with no exception and may perform all acts deemed appropriate for all the activities constituting the corporate object or instrumental to the corporate object, with the sole exclusion of those reserved by law to the shareholders' meeting.

The Board of Directors may therefore deliberate the establishment or suppression of branch offices with permanent representation in Italy and abroad, the reduction of the share capital in the event of a shareholder withdrawal, the updating of the Articles of Association in line with laws, the transfer of the registered office within the national territory and the merger by incorporation of a wholly owned company or of a company in which at least a 90% shareholding is owned, all this in compliance with the provisions of articles 2505 and 2505 bis of the Italian Civil Code.

In compliance with the procedures for transactions with related parties adopted by the Company, in urgent cases, also connected to situations of company crisis, transactions with related parties may be performed using the simplified methods permitted by current regulations.

25) The Board of Directors may delegate part or all of its powers, of those not reserved to it by law, to an Executive Committee, with a number of members lower than half the number of members of the Board itself including the Chief Executive Officer who acts as Chairman of the Executive Committee.

The members of the Board of Auditors attend the meetings of the Executive Committee, which may be called by the Chairman of the committee itself when deemed appropriate, or at the request of another member of the Executive Committee or of at least one auditor.

The Board of Directors may furthermore delegate part of its powers to one or more directors; it may also nominate and define the powers of managers and agents, who may be chosen from outside the Board of Directors.

26) The Board appoints, and revokes, after consultation with the Board of Auditors, a Manager in charge of drawing up the company's accounting documents, establishing the term of office and the compensation and selecting a person with an overall experience of at least three years in (a) management and finance or management and auditing or in performing managerial functions requiring financial, reporting and auditing competences, with joint-stock companies with a share capital of not less than two million euro or with consortia of joint-stock companies with an aggregate share capital of not less than two million euro, or (b) professional activities in the juridical, economic, financial fields, closely connected with the business of the company or (c) managerial functions in public-sector or government agencies operating in the credit, financial and insurance sectors or in any case in sectors of activity closely connected with the business of the company.

Fields and sectors of activity closely connected with the business of the company are those referred to in the last paragraph of article 29.

27) The resolutions of the Board and Committee shall be entered in special books and the relevant minutes signed by the Chairman and Secretary.

28) The Chairman and the Chief Executive Officer separately or, in absence or impediment of the Chairman, each of the Deputy Chairmen, if appointed, are the legal representatives of the Company and have the power to sign on its behalf in relations with third parties and in legal proceedings.

Subject to the above provision, the Board of Directors may grant the legal representation and power of signature to some other of its members.

BOARD OF AUDITORS

29) The shareholders' meeting shall elect the Board of Auditors, consisting of three regular members and of two alternate members.

The Members of the Board of Auditors shall be in possession of the requirements prescribed by law, by the Articles of Association and by other regulations in force.

The appointment of the Board of Auditors shall take place, in compliance with the current pro tempore regulations governing gender equality, on the basis of lists filed by the shareholders in accordance with the procedures and the time limits hereinafter mentioned.

In each list the candidates are shown by progressive number. The list consists of two sections: one with the candidates for the office of regular member of the Board of Auditors and the other with candidates for the office of alternate member of the Board of Auditors. The list shall specify at least one candidate for the office of regular member and one candidate for the office of alternate member, and may mention up to a maximum of three candidates for the office of regular member and of two candidates for the office of alternate member of the Board of Auditors.

The lists presented by the shareholders shall be filed, in accordance with the indications set out in the notice of call of the shareholders' meeting, at the registered office of the Company and shall be available for anyone who may ask for them. The lists shall be filed at least twenty-five days before the date established for the shareholders' meeting on first call, subject to the different mandatory time limits prescribed by law and regulations.

Lists that present an overall number of three or more candidates shall be composed of candidates of both genders, so that the gender with the lower number of representatives on the list has at least one fifth (on the first mandate after 12 August 2012) and then one third

(rounded upwards) of the candidates for the office of regular auditor and at least one fifth (on the first mandate after 12 August 2012) and then one third (rounded upwards) of the candidates for the office of alternate auditor.

Each shareholder, shareholders in a material voting trust pursuant to Art.122 Legislative Decree no. 58 of 24 February 1998, the controlling shareholder, the subsidiary companies and companies subject to common control according to Art. 93 of Legislative Decree no. 58 of 24 February 1998 may not file or take part in the filing of more than one list, either directly or through a third party or a trust company, nor may they vote for different lists, either directly or through a third party or a trust company, and each candidate may be presented in one list only on pain of ineligibility. Acceptances or votes breaching such prohibition shall not be assigned to any list.

Lists may be filed by shareholders who, alone or together with other shareholders, hold, at the time of filing, the equity interest required for filing of lists for the election of the members of the Board of Directors of the Company.

Together with each list, within the above-mentioned terms, the following documents shall be filed: (i) the information on the identity of the shareholders who have presented the lists; (ii) the statements in which each candidate accepts his/her nomination and attests, under his/her responsibility, the non-existence of reasons for ineligibility and incompatibility, as well as the existence of the requirements prescribed by the provisions in force for holding the relevant offices, including compliance with the limits on multiple offices set by the law and the regulations in force; (iii) a *curriculum vitae* of each candidate illustrating fully his/her personal and professional characteristics; (iv) any further information indicated in the notice of call of the shareholders' meeting, required by law and by regulations.

The specific certificate provided by a legally authorized intermediary attesting ownership, at the time of the deposit of the list with the Company, of the number of shares necessary for

the presentation of lists shall also be deposited within the terms of law governing the publication of lists by the Company.

Any filed lists that do not comply with the above-mentioned regulations shall be considered as non-filed.

Candidates who are ineligible or incompatible or who are not in possession of the requirements prescribed by law or who exceed the limits on multiple offices as set by the law or by the regulations in force, may not be included in the lists.

The election of the members of the Board of Auditors shall take place as follows:

1. two regular members and one alternate member shall be taken from the list that obtains the highest number of votes at the shareholders' meeting, according to the progressive order in which they are shown in the sections of the list;

2. the remaining regular member and the remaining alternate member shall be taken from the second list that obtains the highest number of votes at the shareholders' meeting and that has been filed and voted by shareholders who are not connected, directly or indirectly, with the reference shareholders pursuant to article 148, paragraph 2 of Legislative Decree no. 58 of 24 February 1998, according to the progressive order in which the candidates are shown in the sections of the list (the "minority list"). Should the lists obtain an equal number of votes, the elected candidates shall be taken from the list filed by the shareholders holding the largest interest or, subordinately, from the list filed by the largest number of shareholders.

Should the procedures illustrated above not ensure the composition of the Board of Auditors, with regard to the regular auditors, in compliance with the current pro tempore regulations governing gender equality, the requisite substitutions shall be made with regard to the candidates for the office of regular auditor on the list that has obtained the largest number of votes, according to the progressive order in which the candidates are shown.

For the appointment of Auditors who for any reason have not been appointed with the list voting procedure, the shareholders' meeting shall deliberate their appointment by means of the majorities required pursuant to the law, subject to compliance with the current pro tempore regulations governing gender equality.

The Chairman of the Board of Auditors shall be the candidate indicated in the first place in the minority list.

The Auditor shall cease to hold office in the cases provided by law as well as in cases where he/she no longer meets the requirements prescribed by the articles of association.

Should an Auditor be replaced, he/she shall be replaced by the alternate on the list of the lapsed auditor. Should not only the regular auditor appointed from the minority list, but also the alternate member of the minority list lapse, he/she shall be replaced by the candidate shown next on that list or, in his/her absence, by the first candidate of the minority list that obtained the second largest number of votes.

The substitution procedures set out in the previous paragraph shall in any case ensure that the composition of the Board of Auditors complies with the current pro tempore regulations governing gender equality.

The shareholders' meeting envisaged by Art. 2401, paragraph 1, Italian Civil Code, shall appoint or substitute in compliance with the principle of necessary representation of minorities, and in compliance with the current pro tempore regulations governing gender equality.

The outgoing auditors are re-eligible.

For the purposes of art.1, paragraph 2, letters b) and c) and paragraph 3 of Ministerial Decree no. 162 of 30 March 2000, fields and sectors of activity closely connected with those of the business of the Company are the fields (juridical, economic, financial and techno-

scientific) and the sectors of activity connected with or relating to the activity carried out by the Company as set out in the corporate object.

30) The meetings of the Board of Auditors may be held by video-conference on condition that all entitled persons are able to participate and attend, may be identified and are able to intervene in the debate in real time and to be fully informed.

STATUTORY AUDIT

31) The statutory audit is to be performed as required by law.

FINANCIAL STATEMENTS AND DISTRIBUTION OF PROFITS

32) The financial year closes at 31 December of each year.

33) The net profits reflected in the annual financial statements shall be distributed as follows:

- a) 5% to the legal reserve up to the limit set by law;
- b) to the saving shares up to 5% of Euro 5.2 per share (equal to Euro 0.26 per share). If a dividend lower than 5% of Euro 5.2 per share (equal to Euro 0.26 per share) is distributed to the saving shares in a particular financial year, the difference will be calculated as an increase on the preferred dividend in the two following years;
- c) the remaining amount will be allotted to the shareholders in such a manner that the saving shares receive an aggregate dividend higher than that of the ordinary shares by an amount equivalent to 2% of Euro 5.2 per share (equal to Euro 0.104 per share), unless the shareholders' meeting deliberates special withdrawals for extraordinary reserves or for other uses.

In the event of share merges or share splits (as also in the case of operations on capital, when it is necessary to keep the rights of saving shareholders unchanged with respect to the situation where shares have a nominal value), the fixed amounts per share mentioned in letters b) and c) above, with reference to the saving shares, shall be modified accordingly.

DISSOLUTION

- 34) If the Company goes into liquidation, the shareholders' meeting shall determine, with the majorities set by law:
- (a) the number of Liquidators and the operating rules of the board of liquidators when there is more than one Liquidator;
 - (b) the appointment of the Liquidators, indicating those who are to act as representatives of the Company;
 - (c) the criteria on which the liquidation is to be performed;
 - (d) the powers of the Liquidators, specifically with reference to the sale of the Company business, of its branches, and of assets or titles, severally or in bloc.

IMPREGILO S.p.A.

Registered office in Milan, Via dei Missaglia no. 97

Share capital Euro 718,364,456.72

Tax code and Milan Register of Companies no. 00830660155

ARTICLES OF ASSOCIATION

NAME - OBJECT - REGISTERED OFFICE - DURATION

1) A Joint Stock Company is established under the name of

“SALINI IMPREGILO S.p.A.”

2) The Company's object is the construction on its own behalf and on behalf of third parties of road, port, hydraulic, hydroelectric, building and railway works and in general any constructions in the civil engineering field in Italy and abroad.

The Company may undertake and perform any and all commercial, industrial, financial, movable property and immovable property transactions and business deemed necessary and useful to achieve the corporate object, including study, planning and consultancy activities in the sectors in which the company operates.

The Company may hold directly and/or indirectly interests and equity investments in other companies or concerns having an object similar or related to or connected with its own.

The Company may grant guaranties, sureties and securities including real guarantees also in respect of a third party's debt.

3) The Company's registered office is in Milan.

The Company may open administrative or technical offices, and also branches, other offices, agencies or representation offices in Italy and abroad.

4) With reference to their relations with the Company, the domicile of Shareholders, Directors, Auditors and the person in charge of the audit - including, if any, telephone and

fax numbers and e-mail addresses - is that appearing on the Company books. The Shareholder, Director, Auditor and person in charge of the audit is are responsible for notifying their domicile for registration in the Company books, and for notifying any change.

5) The duration of the Company is fixed up to the 31st day of December 2050. This duration may be extended once or more times by resolutions of the shareholders' meeting.

SHARE CAPITAL - DEBENTURES

6) The share capital amounts to Euro **500,000,000.00 (five hundred million)** represented by **449,048,182 (four hundred and forty-nine million forty-eight thousand one hundred and eighty-two)** shares, **without nominal value**, of which **447,432,691 (four hundred and forty-seven million four hundred and thirty-two thousand six hundred and ninety-one)** ordinary shares and 1,615,491 (one million six hundred and fifteen thousand four hundred and ninety-one) saving shares.

7) By resolution of the shareholders' meeting, the share capital may be increased by issuing new shares including shares with rights different from those of the shares already issued.

The resolution on the share capital increase, passed with the majorities under articles 2368 and 2369 of the Italian Civil Code, may exclude the right of option within the limits of 10% of the pre-existent share capital, provided that the issue price corresponds to the market value of shares, as confirmed by a report written by the Company in charge of the audit.

The shareholders' meeting has the power to resolve on the issue of debentures, defining the relevant regulations.

8) Saving shares issued according to law do not carry voting rights, have priority in the distribution of dividends and in the repayment of capital and have the characteristics set out in this article, in article 32, and, for matters not contemplated therein, in law.

Saving shares may be bearer shares, subject to the second paragraph of article 2354 of the Italian Civil Code; at the request of the shareholder, and at his expense, they may be converted into registered shares and vice versa.

Saving shares issued to Directors, Auditors and General Directors must be registered shares.

Saving shares, unless otherwise provided by these Articles of Association or by law, give the same rights as ordinary shares.

Holders of saving shares are not entitled to attend the Company's shareholders' meetings or ask that meetings be called.

The provisions of law govern the special Meeting of saving shareholders.

In the event of distribution of reserves, saving shares shall have the same rights as ordinary shares.

If the Company winds up, saving shares have the right of pre-emption in capital reimbursement up to the amount of Euro 5.2 per share. In the event of share merges or share splits (as also in the case of operations on capital, when it is necessary to keep the rights of saving shareholders unchanged with respect to the situation where shares have a nominal value), such fixed amount per share shall be modified accordingly.

The decrease of the share capital for losses has no effect on the saving shares, except for the part of losses that cannot be recovered in the capital fraction represented by the other shares.

In order to guarantee to the common representative of saving shares adequate information on corporate transactions that might influence the saving share price, the Company's legal representatives shall promptly send to the above mentioned common representative any information connected with such transactions.

If ordinary or saving shares should be excluded from negotiation, saving shares will maintain unchanged all the characteristics and rights provided by law and the Articles of Association.

9) The shareholders' meeting may deliberate a share capital decrease that may take the form of the allotment to shareholders of specific company assets or shares or interests in other companies or enterprises in which the Company has an interest.

RIGHT OF WITHDRAWAL

10) The right of withdrawal may be exercised by shareholders in the cases foreseen by law. Shareholders that do not approve the resolutions concerning the extension of the duration term do not have the right of withdrawal .

The shareholder wishing to exercise the right of withdrawal must notify the Board of Directors and the Board of Auditors by recorded delivery letter, depositing for the purposes of the withdrawal the shares for which he exercises the withdrawal with an authorized intermediary.

The recorded delivery letter must be sent to the above mentioned Boards within 15 days from the date of registration of the resolution ratifying the withdrawal in the Register of Companies or, should the reason legitimizing the withdrawal be different from a resolution, within 30 days from the date when the withdrawing shareholder demonstrates that he was informed of the fact that legitimizes his right to withdraw.

The Directors shall immediately record in the Shareholders' Book that they have received the notification of withdrawal.

The right of withdrawal shall be effective for the Company as from the fifteenth day after the date of receipt of the last recorded delivery letter sent by the withdrawing shareholder, in compliance with the third paragraph of this article, subject to the last comma of art. 2437 bis of the Italian Civil Code.

SHAREHOLDERS' MEETING

11) The shareholders' meeting, duly constituted, represents all the shareholders and its resolutions, adopted according to law and the Articles of Association, are binding for all the shareholders, even if dissenting or absent.

12) Shareholders' meetings may be called in Italy in a place different from the registered Office. An Ordinary shareholders' meeting is called each year within one hundred and twenty days from the close of the financial year or within one hundred and eighty days when allowed by law. Ordinary and extraordinary shareholders' meetings are called whenever required by the Board of Directors and in the cases required by current laws and regulations. The shareholders' meeting also adopts the authorising resolutions required in procedures for transactions with related parties adopted by the Company, including resolutions in the case of urgency, using the simplified methods permitted by current law and regulations.

13) Each ordinary share gives right to one vote.

14) Each person entitled to vote having the right to attend the shareholders' meeting can be represented through written proxy by another person as allowed by law.

The Chairman of the shareholders' meeting shall check the validity of the proxies and the rights of those present to attend the meeting.

15) Ordinary and extraordinary shareholders' meetings are constituted and resolve according to law.

Appointments of the members of the Board of Directors and the Board of Auditors are made according to the provisions of article 20 and 29 respectively.

16) Shareholders' meetings are called through a notice setting out the information required by the regulations in force, to be published within the terms of law:

- on the Company website;

- where required by law or resolved by the directors, in the “Gazzetta Ufficiale” of the Republic of Italy or in the “Corriere della Sera” daily newspaper;
- in the other ways foreseen by current pro tempore law and regulations.

The notice may indicate the day of a second call or of eventual subsequent calls.

The admittance ticket issued for the first call is also valid for the subsequent calls.

The Board of Directors may nonetheless decide, if it deems this necessary and giving express indication of this in the notice of call, that the ordinary and extraordinary shareholders’ meeting are to be held in a single call.

Proxies to attend the meeting may also be notified to the Company at the e-mail address provided in the notice of call.

17) The shareholders' meeting shall be chaired by the Chairman of the Board of Directors or, in his absence, by one of the Deputy Chairmen. In default, the meeting shall designate a Chairman among Directors and Shareholders present thereat.

18) The Chairman of the shareholders' meeting has full powers to ascertain the right of those holding voting rights to attend the meeting and in particular the validity of proxies, to ascertain that the meeting is duly constituted and the quorum to deliberate, to direct and coordinate the discussion and to establish the voting procedures.

The meeting appoints a Secretary who need not be a shareholder, and, if deemed necessary, appoints two vote

19) The resolutions of the shareholders' meeting must be recorded in minutes entered in a minute book signed by the Chairman, the Secretary and the two vote-counters, if appointed.

Minutes drawn up by a notary public shall be subsequently transcribed in the minute book.

MANAGEMENT – REPRESENTATION

20) The Company is managed by a Board of Directors made up of 15 members. The acceptance of the office of Director is subject to the possession of the requirements

prescribed by the law and the regulations in force from time to time for the acceptance of the office.

The election of the members of the Board of Directors shall take place, in compliance with the current pro tempore regulations concerning gender equality, on the basis of lists filed by the shareholders, as hereunder specified, setting out the candidates by progressive number.

Each list shall include, on pain of invalidation, at least two candidates in possession of the independence requirements prescribed by the law, indicating them clearly and inserting one of them in the first place of the list.

The lists shall be filed, as shall also be indicated in the notice of call, at the registered office of the Company at least twenty-five days prior to the day scheduled for the meeting on first call.

Each shareholder, shareholders in a material voting trust pursuant to Art.122 Legislative Decree 58/1998, the controlling shareholder, the subsidiary companies and companies subject to common control according to Art. 93 of Legislative Decree 58/1998 may not file or take part in the filing of more than one list, either directly or through a third party or a trust company, nor may they vote for different lists, either directly or through a third party or a trust company, and each candidate may be presented in one list only on pain of ineligibility. 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 at least 2% of the share capital with the right to vote at the ordinary shareholders' meeting, or at a lower percentage eventually established by irrevocable provisions of the law or regulations.

Together with each list, within the relevant above-mentioned time limits, the following documents shall be filed: (i) the statements, by means of which each candidate accepts

his/her nomination and attests, under his/her responsibility the non-existence of reasons of ineligibility and of incompatibility, as well as the existence of the prescribed qualifications for the relevant office; (ii) a *curriculum vitae* setting out the personal and professional characteristics of each candidate, eventually indicating eligibility to be qualified as independent, and managerial and auditing appointments held in other companies; (iii) any further information as mentioned in the notice of call of the shareholders' meeting, which from time to time may be required by law and regulations.

The specific certificate provided by a legally authorized intermediary attesting ownership, at the time of the deposit of the list with the Company, of the number of shares necessary for the presentation of lists shall also be deposited within the terms of law governing the publication of lists by the Company.

Lists that present three or more candidates shall be composed of candidates of both genders, so that the gender with fewer representatives has at least one fifth (on the first mandate after 12 August 2012) and then one third (rounded upwards) of the candidates.

Any filed lists that do not comply with the above-mentioned regulations shall be considered as non-filed.

The election of the Board of Directors shall take place as follows:

a) Should a list obtain a number of votes representing at least 29% of the Company's share capital entitled to vote at the ordinary shareholders' meeting, 14 Directors shall be taken from the list with the highest number of votes, in the progressive order in which they are shown on the list, while 1 Director shall be taken from the minority list that obtained the highest number of votes and is not connected in any way, directly or indirectly, with the shareholders who filed or voted the list that obtained the largest number of votes. It is understood that should the first two lists receive the same number of votes, 7 Directors shall be taken from each one of the said lists according to the progressive order in which they are

shown in the lists, while 1 Director shall be taken from the list that obtained the third-largest number of votes and is not connected in any way, directly or indirectly, with the shareholders who filed or voted the list that obtained the largest number of votes; should only two lists be filed, the oldest candidate among those not already taken from the first two lists shall be appointed as 15th Director;

b) should no list receive a number of votes representing at least 29% of the Company's share capital entitled to vote at the ordinary shareholders' meeting, the 15 Directors shall be taken from all the lists filed according to the following procedure: the votes obtained by the lists will be divided successively by progressive whole numbers from one to fifteen. The quotients thus obtained will be assigned progressively to the candidates of each list according to the order in which they are shown in the respective lists. The quotients thus assigned to the candidates of the various lists will be set out in a single decreasing classification list. The candidates with the highest quotients will be elected. Should several candidates obtain the same quotient, the elected candidate will be the candidate of the list that has not yet elected any director or that has elected the lowest number of directors.

With a view to the distribution of the Directors to be elected, lists that do not obtain a percentage of votes equal to at least half of the percentage required by the Articles of Association for the filing of lists, shall not be taken into consideration.

Should the election of candidates with the procedures indicated above not ensure the composition of the Board of Directors in compliance with the current pro tempore regulations governing gender equality, the candidate of the gender with greater representation elected last in progressive order on the list that secured the largest number of votes shall be replaced by the first candidate of the gender with lower representation not elected on the same list in progressive order. This substitution procedure shall be implemented until the composition of the Board of Directors in compliance with the current

pro tempore regulations governing gender equality is ensured. Should this procedure fail to ensure the result indicated above, substitution shall take place on the basis of a resolution carried by a relative majority of the Board of Directors, after presentation of candidates of the gender with lower representation.

Should no list be filed or admitted, the shareholders' meeting shall deliberate with the majorities required by law, without adopting the above-mentioned procedure, in order in any case to ensure the presence of the necessary number of Directors in possession of the independence requirements prescribed by law, and compliance with the current pro tempore regulations governing gender equality.

The list voting procedure is applied only in the event of appointment of the whole Board of Directors.

If during the financial year one or more Directors cease to hold office, provided that the majority is always composed of Directors appointed by the shareholders' meeting, the Board of Directors shall substitute them according to Art. 2386 of the Italian Civil Code, appointing candidates, on the basis of the progressive order, from the list of the Director who ceases to hold office, and who are still eligible and willing to accept the office. In any case the substitution of Directors who cease to hold office is carried out by the Board of Directors (i) ensuring the presence of the necessary number of Directors in possession of the independence requirements prescribed by law and (ii) compliance with the current pro tempore regulations governing gender equality.

Should the majority of Directors appointed by the shareholders' meeting cease to hold office, the remaining Directors shall be considered retired with effect from the date on which the Board of Directors is recomposed for appointment by the shareholders' meeting.

Subject to a contrary resolution of the shareholders' meeting, the Directors are not subject to the prohibition provided for by Art. 2390 of the Italian Civil Code.

The members of the Board are entitled to the reimbursement of the expenses incurred for their office.

The shareholders' meeting shall determine the compensation due to the Board of Directors and may determine the manner of distribution among the Directors, should the compensation be determined as an aggregate amount.

The Board of Directors, considering in any case the opinion of the Board of Auditors, shall determine the remuneration of the Directors vested with special offices.

21) The Board of Directors appoints among its members a Chairman and, if necessary, one or two Deputy Chairmen who will substitute the Chairman in the event of his absence or impediment.

The Board of Directors also elects a Secretary, who does not need to be a Board member.

In the absence of the Chairman, Deputy Chairmen and Secretary, for each meeting the Board designates a Chairman and a Secretary among its members.

22) The Board meets at the Company's head office or in any other place indicated in the notice of call, at the request of the Chairman or, in his absence, of a Deputy Chairman, if appointed, or of a Chief Executive Officer.

The call must be made by written communication containing the agenda, which may be sent only by means of fax or electronic mail to all Directors in office and to the regular auditors, at least six days before the day fixed for the Meeting, or at least one day before in urgent cases.

The Board shall be convened at the written request of at least two Directors, to be sent, depending on the circumstances, to one of the persons mentioned in the first paragraph, with the list of the matters to be dealt with.

The Board of Directors may be also convened by at least one member of the Board of Auditors, provided that the Chairman of the Board of Directors has been advised accordingly.

The meeting of the Board must take place within ten days from the receipt of the request.

Participation in and attendance at meetings of the Board of Directors may also take place from different locations, adjacent or distant, by audio- and/or video-conference, as long as the collegiate method and the principles of good faith and equality of treatment are observed. Specifically, it is necessary that:

- (i) the Chairman be able to ascertain the identity and the legitimization of those present, to moderate the proceedings, to establish and to announce the results of votes;
- (ii) the person taking the minutes be able to follow clearly the events being minuted;
- (iii) those present be able to be fully informed, to take part in the discussion and in the simultaneous vote on the items on the agenda.

The meeting of the Board shall be deemed held in the place where the Chairman and Secretary of the meeting are located to permit the minutes to be recorded, and to be signed by both of them.

At least every three months the Directors invested with powers shall report to the Board of Directors and to the Board of Auditors on their activity, as well as on the most significant transactions performed by the Company or its subsidiaries, in accordance with law.

The communication is given verbally at the meetings of the Board of Directors and the Executive Committee, or in written and/or verbal and/or telephonic form to the Chairman of the Board of Auditors in cases of particular urgency.

Directors must advise the other Directors and the Board of Auditors about any interest held directly or on behalf of a third party in a specific transaction, in accordance with law.

23) To be valid, the resolutions of the Board of Directors require the presence of the majority of the Directors in office.

Resolutions are carried by an absolute majority of votes of those present.

24) The Board of Directors is granted the widest powers for the ordinary and extraordinary management of the Company with no exception and may perform all acts deemed appropriate for all the activities constituting the corporate object or instrumental to the corporate object, with the sole exclusion of those reserved by law to the shareholders' meeting.

The Board of Directors may therefore deliberate the establishment or suppression of branch offices with permanent representation in Italy and abroad, the reduction of the share capital in the event of a shareholder withdrawal, the updating of the Articles of Association in line with laws, the transfer of the registered office within the national territory and the merger by incorporation of a wholly owned company or of a company in which at least a 90% shareholding is owned, all this in compliance with the provisions of articles 2505 and 2505 bis of the Italian Civil Code.

In compliance with the procedures for transactions with related parties adopted by the Company, in urgent cases, also connected to situations of company crisis, transactions with related parties may be performed using the simplified methods permitted by current regulations.

25) The Board of Directors may delegate part or all of its powers, of those not reserved to it by law, to an Executive Committee, with a number of members lower than half the number of members of the Board itself including the Chief Executive Officer who acts as Chairman of the Executive Committee.

The members of the Board of Auditors attend the meetings of the Executive Committee, which may be called by the Chairman of the committee itself when deemed appropriate, or at the request of another member of the Executive Committee or of at least one auditor.

The Board of Directors may furthermore delegate part of its powers to one or more directors; it may also nominate and define the powers of managers and agents, who may be chosen from outside the Board of Directors.

26) The Board appoints, and revokes, after consultation with the Board of Auditors, a Manager in charge of drawing up the company's accounting documents, establishing the term of office and the compensation and selecting a person with an overall experience of at least three years in (a) management and finance or management and auditing or in performing managerial functions requiring financial, reporting and auditing competences, with joint-stock companies with a share capital of not less than two million euro or with consortia of joint-stock companies with an aggregate share capital of not less than two million euro, or (b) professional activities in the juridical, economic, financial fields, closely connected with the business of the company or (c) managerial functions in public-sector or government agencies operating in the credit, financial and insurance sectors or in any case in sectors of activity closely connected with the business of the company.

Fields and sectors of activity closely connected with the business of the company are those referred to in the last paragraph of article 29.

27) The resolutions of the Board and Committee shall be entered in special books and the relevant minutes signed by the Chairman and Secretary.

28) The Chairman and the Chief Executive Officer separately or, in absence or impediment of the Chairman, each of the Deputy Chairmen, if appointed, are the legal representatives of the Company and have the power to sign on its behalf in relations with third parties and in legal proceedings.

Subject to the above provision, the Board of Directors may grant the legal representation and power of signature to some other of its members.

BOARD OF AUDITORS

29) The shareholders' meeting shall elect the Board of Auditors, consisting of three regular members and of two alternate members.

The Members of the Board of Auditors shall be in possession of the requirements prescribed by law, by the Articles of Association and by other regulations in force.

The appointment of the Board of Auditors shall take place, in compliance with the current pro tempore regulations governing gender equality, on the basis of lists filed by the shareholders in accordance with the procedures and the time limits hereinafter mentioned.

In each list the candidates are shown by progressive number. The list consists of two sections: one with the candidates for the office of regular member of the Board of Auditors and the other with candidates for the office of alternate member of the Board of Auditors. The list shall specify at least one candidate for the office of regular member and one candidate for the office of alternate member, and may mention up to a maximum of three candidates for the office of regular member and of two candidates for the office of alternate member of the Board of Auditors.

The lists presented by the shareholders shall be filed, in accordance with the indications set out in the notice of call of the shareholders' meeting, at the registered office of the Company and shall be available for anyone who may ask for them. The lists shall be filed at least twenty-five days before the date established for the shareholders' meeting on first call, subject to the different mandatory time limits prescribed by law and regulations.

Lists that present an overall number of three or more candidates shall be composed of candidates of both genders, so that the gender with the lower number of representatives on the list has at least one fifth (on the first mandate after 12 August 2012) and then one third

(rounded upwards) of the candidates for the office of regular auditor and at least one fifth (on the first mandate after 12 August 2012) and then one third (rounded upwards) of the candidates for the office of alternate auditor.

Each shareholder, shareholders in a material voting trust pursuant to Art.122 Legislative Decree no. 58 of 24 February 1998, the controlling shareholder, the subsidiary companies and companies subject to common control according to Art. 93 of Legislative Decree no. 58 of 24 February 1998 may not file or take part in the filing of more than one list, either directly or through a third party or a trust company, nor may they vote for different lists, either directly or through a third party or a trust company, and each candidate may be presented in one list only on pain of ineligibility. Acceptances or votes breaching such prohibition shall not be assigned to any list.

Lists may be filed by shareholders who, alone or together with other shareholders, hold, at the time of filing, the equity interest required for filing of lists for the election of the members of the Board of Directors of the Company.

Together with each list, within the above-mentioned terms, the following documents shall be filed: (i) the information on the identity of the shareholders who have presented the lists; (ii) the statements in which each candidate accepts his/her nomination and attests, under his/her responsibility, the non-existence of reasons for ineligibility and incompatibility, as well as the existence of the requirements prescribed by the provisions in force for holding the relevant offices, including compliance with the limits on multiple offices set by the law and the regulations in force; (iii) a *curriculum vitae* of each candidate illustrating fully his/her personal and professional characteristics; (iv) any further information indicated in the notice of call of the shareholders' meeting, required by law and by regulations.

The specific certificate provided by a legally authorized intermediary attesting ownership, at the time of the deposit of the list with the Company, of the number of shares necessary for

the presentation of lists shall also be deposited within the terms of law governing the publication of lists by the Company.

Any filed lists that do not comply with the above-mentioned regulations shall be considered as non-filed.

Candidates who are ineligible or incompatible or who are not in possession of the requirements prescribed by law or who exceed the limits on multiple offices as set by the law or by the regulations in force, may not be included in the lists.

The election of the members of the Board of Auditors shall take place as follows:

1. two regular members and one alternate member shall be taken from the list that obtains the highest number of votes at the shareholders' meeting, according to the progressive order in which they are shown in the sections of the list;

2. the remaining regular member and the remaining alternate member shall be taken from the second list that obtains the highest number of votes at the shareholders' meeting and that has been filed and voted by shareholders who are not connected, directly or indirectly, with the reference shareholders pursuant to article 148, paragraph 2 of Legislative Decree no. 58 of 24 February 1998, according to the progressive order in which the candidates are shown in the sections of the list (the "minority list"). Should the lists obtain an equal number of votes, the elected candidates shall be taken from the list filed by the shareholders holding the largest interest or, subordinately, from the list filed by the largest number of shareholders.

Should the procedures illustrated above not ensure the composition of the Board of Auditors, with regard to the regular auditors, in compliance with the current pro tempore regulations governing gender equality, the requisite substitutions shall be made with regard to the candidates for the office of regular auditor on the list that has obtained the largest number of votes, according to the progressive order in which the candidates are shown.

For the appointment of Auditors who for any reason have not been appointed with the list voting procedure, the shareholders' meeting shall deliberate their appointment by means of the majorities required pursuant to the law, subject to compliance with the current pro tempore regulations governing gender equality.

The Chairman of the Board of Auditors shall be the candidate indicated in the first place in the minority list.

The Auditor shall cease to hold office in the cases provided by law as well as in cases where he/she no longer meets the requirements prescribed by the articles of association.

Should an Auditor be replaced, he/she shall be replaced by the alternate on the list of the lapsed auditor. Should not only the regular auditor appointed from the minority list, but also the alternate member of the minority list lapse, he/she shall be replaced by the candidate shown next on that list or, in his/her absence, by the first candidate of the minority list that obtained the second largest number of votes.

The substitution procedures set out in the previous paragraph shall in any case ensure that the composition of the Board of Auditors complies with the current pro tempore regulations governing gender equality.

The shareholders' meeting envisaged by Art. 2401, paragraph 1, Italian Civil Code, shall appoint or substitute in compliance with the principle of necessary representation of minorities, and in compliance with the current pro tempore regulations governing gender equality.

The outgoing auditors are re-eligible.

For the purposes of art.1, paragraph 2, letters b) and c) and paragraph 3 of Ministerial Decree no. 162 of 30 March 2000, fields and sectors of activity closely connected with those of the business of the Company are the fields (juridical, economic, financial and techno-

scientific) and the sectors of activity connected with or relating to the activity carried out by the Company as set out in the corporate object.

30) The meetings of the Board of Auditors may be held by video-conference on condition that all entitled persons are able to participate and attend, may be identified and are able to intervene in the debate in real time and to be fully informed.

STATUTORY AUDIT

31) The statutory audit is to be performed as required by law.

FINANCIAL STATEMENTS AND DISTRIBUTION OF PROFITS

32) The financial year closes at 31 December of each year.

33) The net profits reflected in the annual financial statements shall be distributed as follows:

- a) 5% to the legal reserve up to the limit set by law;
- b) to the saving shares up to 5% of Euro 5.2 per share (equal to Euro 0.26 per share). If a dividend lower than 5% of Euro 5.2 per share (equal to Euro 0.26 per share) is distributed to the saving shares in a particular financial year, the difference will be calculated as an increase on the preferred dividend in the two following years;
- c) the remaining amount will be allotted to the shareholders in such a manner that the saving shares receive an aggregate dividend higher than that of the ordinary shares by an amount equivalent to 2% of Euro 5.2 per share (equal to Euro 0.104 per share), unless the shareholders' meeting deliberates special withdrawals for extraordinary reserves or for other uses.

In the event of share merges or share splits (as also in the case of operations on capital, when it is necessary to keep the rights of saving shareholders unchanged with respect to the situation where shares have a nominal value), the fixed amounts per share mentioned in letters b) and c) above, with reference to the saving shares, shall be modified accordingly.

DISSOLUTION

- 34) If the Company goes into liquidation, the shareholders' meeting shall determine, with the majorities set by law:
- (a) the number of Liquidators and the operating rules of the board of liquidators when there is more than one Liquidator;
 - (b) the appointment of the Liquidators, indicating those who are to act as representatives of the Company;
 - (c) the criteria on which the liquidation is to be performed;
 - (d) the powers of the Liquidators, specifically with reference to the sale of the Company business, of its branches, and of assets or titles, severally or in bloc.