

# Salini Impregilo

Investor Meeting

Impregilo Results at 30 September 2013

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14 November 2013



**Salini Impregilo Group specialized in the construction of major, complex infrastructures throughout the world.**

Inspired by the principles of sustainable development the Group uses technological and organisational innovation combined with highly experienced human and advanced technical resources to develop construction solutions with the goal of:

- enhancing the resources of communities,
- contributing to the *economic and social development* of nations, and
- creating sustainable value for shareholders over the long-term.

Strategic & integration update

Financial highlights

Operating highlights

# 2013 Campione Nazionale Strategic Accomplishments

- 1 [ April-May: Public Tender Offer by Salini for Impregilo
- 2 [ March- June:
  - Merger developed & approved
  - Presentation to market
- 3 [ June-July:
  - Debt ratings obtained
  - Bond successfully launched by Salini
- 4 [ September:
  - EGMs of Impregilo & Salini approved the merger
- 5 [ September-November:
  - Conversion of PTO Acquisition Financing in Term Loan

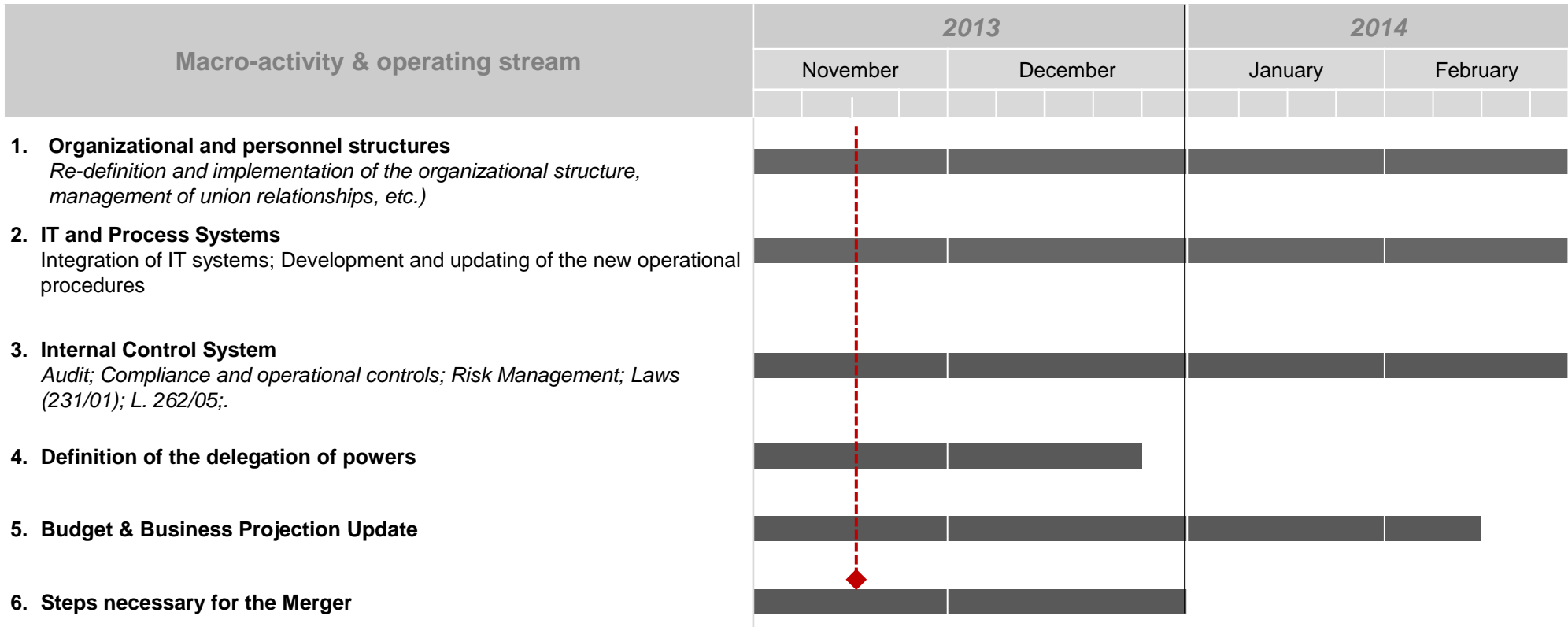
***Group strategy focused on sustainable long-term growth and value creation for shareholders***

### ➤ Salini financing:

- €400mn 5 Year Bond issued to refinance & extend debt maturities
- Salini Impregilo Group rated BB by Fitch and S&P
- €425 mn Term Loan in final stages of negotiation, changing the terms & extending maturity of PTO financing to 2016
- €100 mn Committed Liquidity Line in final stages of negotiation
- Debt maturity profile of the combined group now well distributed over medium-term

- Corporate debt to be refinanced with MT maturities
  - Bonding capacity for tenders to be increased
  - Long-term goal to achieve investment grade rating

# Integration activities



Full integration realized by February 2014

# Merger/Integration: Corporate Governance

- Board of Directors
  - 3 new independent directors elected: an increase of the independent component to 12 of 15 board members
- Corporate Governance Advisory Board
  - The merged Salini-Impregilo Group will conform to best in class standards
- Share float: Commitment to re-establish a level of at least a 25% free-float in first half 2014
  - Secondary and primary offerings: both to be considered
  - Offer structure: to be evaluated in due time

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## Impregilo 9M 2013 Key highlights

- Revenue in line with forecasts
- EBITDA margin = 10.7%
- EBITDA 2012 impacted by extraordinary costs related to Panama;  
Engineering & Plant construction: break even.
- 2013 Corporate costs increased due to merger project
- EBIT margin = 6.7%
- Net profit for the period: €137 mn, impacted by CDR

Key financial figures		
(EUR m)	9M 2013	9M 2012
<b>Revenues</b>	<b>1,739.7</b>	1,718.4
<b>EBITDA</b>	<b>185.8</b>	67.5
<i>EBITDA Margin</i>	10.7%	3.9%
<b>EBIT</b>	<b>117.1</b>	-7.3
<i>EBIT Margin</i>	6.7%	na
<b>EBT</b>	<b>83.4</b>	-34.3
<b>Net Profit</b>	<b>136.6</b>	-20.1

# Impregilo 9M 2013 Balance Sheet Key highlights

- Assets sold during 2013: Ecorodovias (€186mn), Cdr Campania (€114 mn)
- Working capital.
  - Q3 increase (circa €250 mn), due to seasonal effect
  - Cash-in receivables & advance payments on large projects to be received in Q4'13 & Q1'14
- PFN still positive after payment of €602 mn of dividends, which also impacted Shareholders' equity

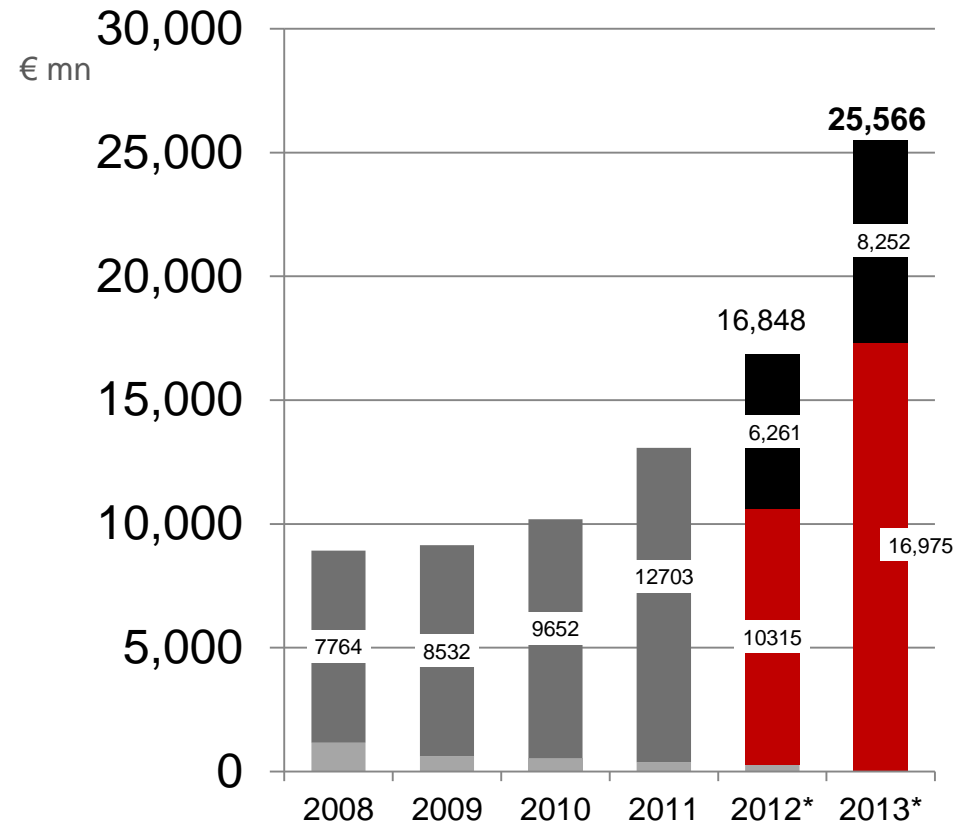
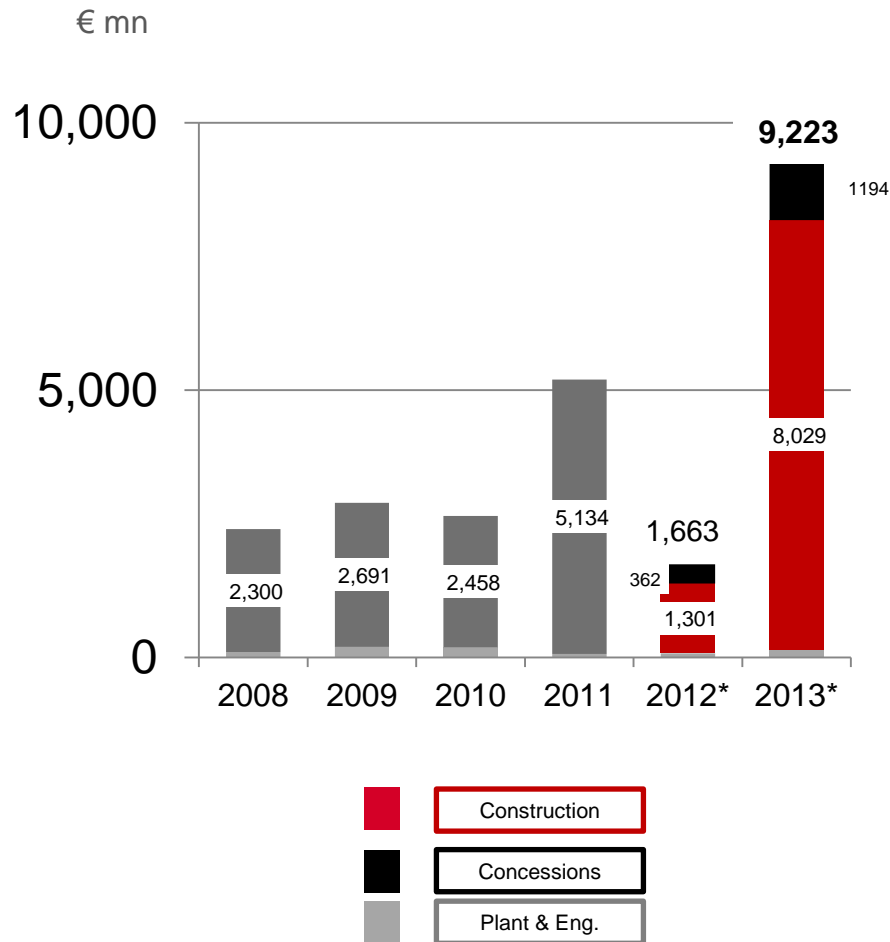
Key balance sheet figures		
(EUR m)	9M 13	YE 2012
<b>Fixed Assets</b>	<b>460</b>	439
<b>Assets held for sale</b>	<b>8.0</b>	308.0
<b>Funds</b>	<b>-111</b>	-119
<b>Tax credits</b>	<b>123</b>	138
<b>Working capital</b>	<b>716</b>	474
<b>Net invested capital</b>	<b>1195</b>	1239
<b>NFP</b>	<b>163</b>	567
<b>Shareholders' Equity</b>	<b>1357</b>	1806

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## Commercial activity will drive revenue growth



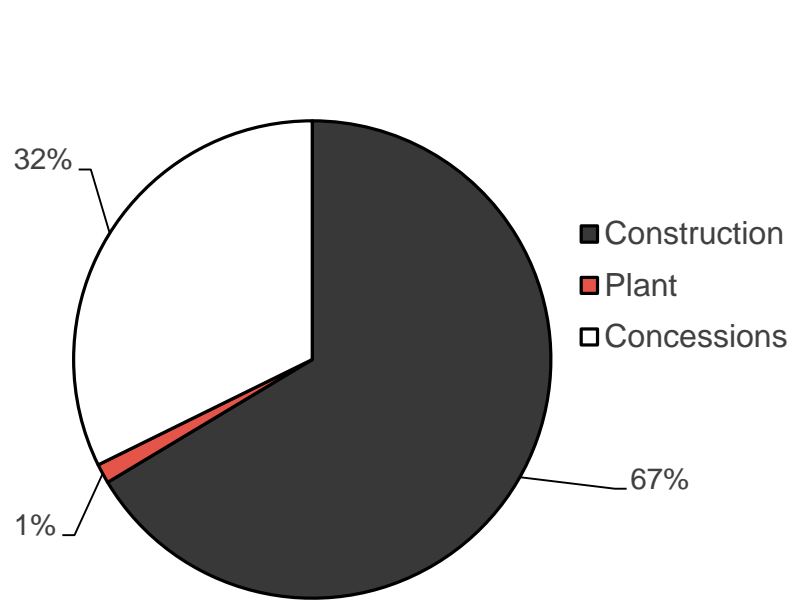
Backlog increase in dimension and quality gives visibility regarding Business Plan Revenue, EBITDA and EBIT targets

### Operating highlights

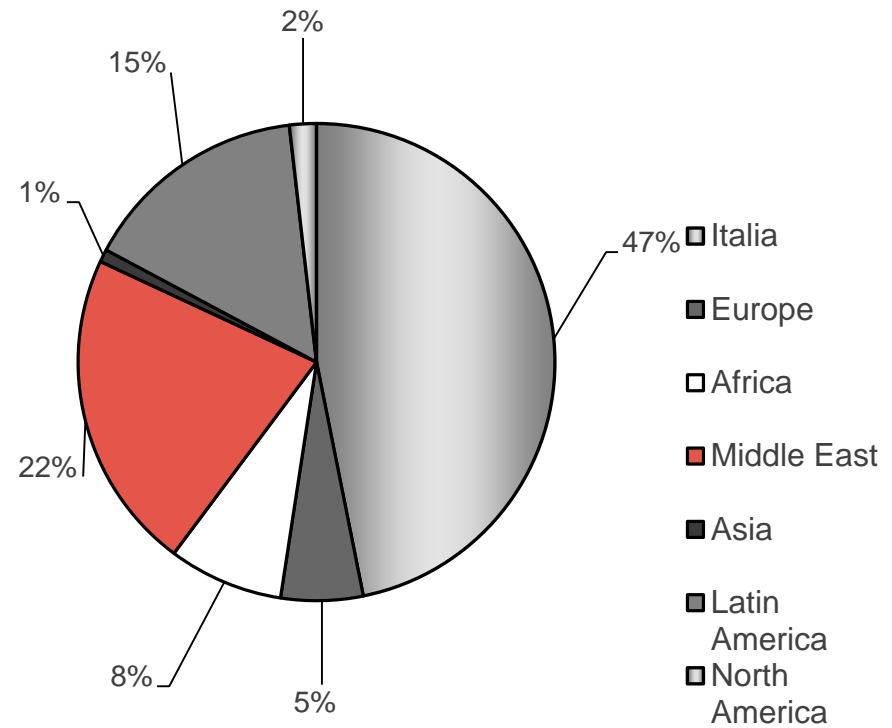
\*In 2013 Impregilo completed the sale of its participation in Ecorodovias; 2012 data have been restated to provide data on a comparable basis. Prior data has not been restated, and is therefore not comparable.

# Strong commercial activity boosts total backlog to € 25.6 bn

### Backlog by business segment



### Backlog by geography



- Backlog highly diversified in terms of geography
  - New business focused on construction
- Very strong commercial activity boosts backlog by circa 51%

# Riyadh Underground, Line 3, Saudi Arabia

- Client: Riyadh Development Authority
- Project value ~ €3.55 bn (circa US\$ 5 bn)  
Civil Works Only



### Description of works:

The project envisages the engineering and execution of Riyadh's New Underground Line 3 (40.7 km), the longest line of the giant underground project of the Saudi Arabian capital. The assigned package is an integral part of the bigger project that concerns the parallel construction of an underground network that includes 6 lines with a total length of about 180 km and a total value of \$ 23.5 billion. This project represents the largest civil engineering mega-project ever assigned to an Italian company.

# Doha Metro, Red Line, Qatar

- Client: Qatar Railways Company
- Value: € 1,8 billion



## Description of works:

The “Red Line North” extends over a distance of approximately 13 km northward from Mushaireb station, with the construction of 7 new underground stations. Specifically, two parallel tunnels will be excavated, for the two directions of travel, for a length of about 11.6 km and an internal diameter of 6.17 metres. The new project, together with three other underground lines, is a part of a wide-ranging plan to realize a new transportation infrastructure promoted by Qatar within the framework of the National Development Plan for 2030 (“Qatar National Vision 2030”).

# Ras Ejdyer - Emssad, Highway, Lot 1, Libya

- Cliente: Ras Ejdyer - Emssad Expressway Monitoring Project Management Committee (REEMP)
- Value: €945 mn



### Description of works:

The project consists of the construction of the first lot of the new Ras Ejdyer – Emssad coastal motorway which will pass through Libya from the border with Tunisia to the Egyptian border for a length of 1,700 Km. The first lot will cover 400 Km, from the city of Al Marj to Emsaad, on the Egyptian border; the motorway has two lanes in each direction, each 3.75 m wide. Some of the most significant engineering structures included in the project involve the construction of 12 bridges for a total length of 2.2 Km, 8 service areas and 6 parking areas.



## Commercial Outlook

Final tender bids made:

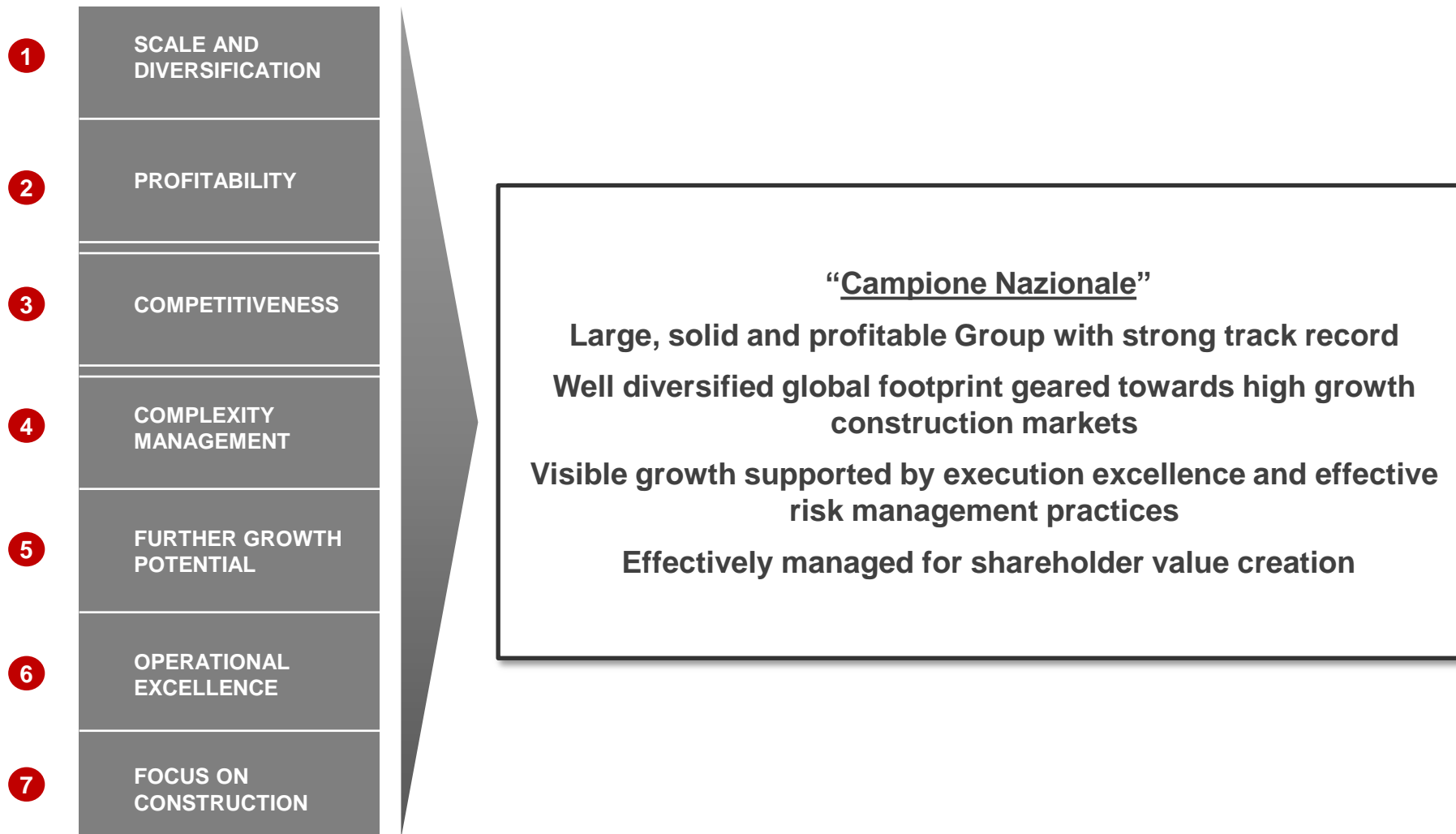
- Infrastructure: UAE, Australia, Qatar
- Highway: Port of Ancona Highway
- Hospital: Trento

Other major tenders/offers underway (already pre-qualified):

- Undergrounds: Middle East, South America
- Infrastructure projects: Romania, Denmark, Middle East
- Hydroelectric plants: Africa, India, South America, Eastern Europe

Over €23bn of commercial initiatives in the pipeline

# Salini Impregilo: Strengths of “Campione Nazionale”



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