

FY14 FINANCIAL RESULTS

19 MARCH 2015

WE BUILD VALUE








This presentation may contain forward-looking objectives and statements about Salini Impregilo's financial situation, operating results, business activities and expansion strategy.

These objectives and statements are based on assumptions that are dependent upon significant risk and uncertainty factors that may prove to be inexact. The information is valid only at the time of writing and Salini Impregilo does not assume any obligation to update or revise the objectives on the basis of new information or future or other events, subject to applicable regulations.

Additional information on the factors that could have an impact on Salini Impregilo's financial results is contained in the documents filed by the Group with the Italian Securities Regulator and available on the Group's website at www.salini-impregilo.com or on request from its head office.

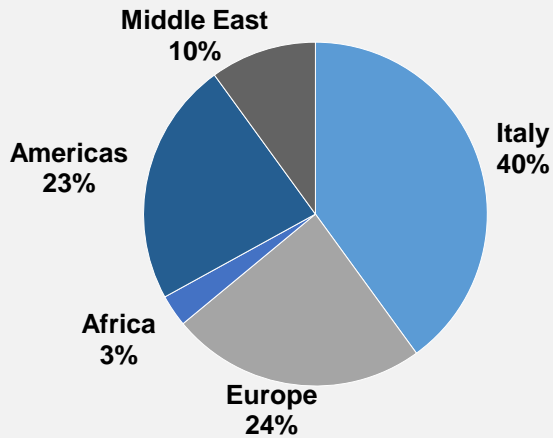
- **2014 first year of post merger consolidated operations**
- **Solid delivery on our business plan targets for 2014**
- **Strengthened the capital structure**
- **Market of reference continues to expand**
- **Business plan 2014 – 2017 targets confirmed**

Beating 2014 Guidance

	2014 Guidance	2014 Actual*	
Revenue	~10% growth	€4.2bn 11% growth	
EBITDA	EBITDA margin >10%	€436mn EBITDA margin: 10.4%	
EBIT	EBIT margin >5%	€258mn EBIT margin: 6.2%	
New Orders	Construction orders in line with 2013	Construction orders €5.9bn	
Net Financial Position	Cash Neutral	€89mn Net Debt	

* The FY 2014 data have been prepared in application of the new accounting principles IFRS 10-11-12.

2014 NEW ORDERS BY GEOGRAPHY



New Contracts Awarded & Variations Orders	2,960
Total Share Increases & Other	2,944
TOTAL CONSTRUCTION ORDERS	5,904
Concession	596
TOTAL BACKLOG INCREASES	6,500

PERU
Lima Metro Network
\$4.7 billion contract value (construction)

LINEA 2 DEL METRO DE LIMA
Distancia total 22 Km

8 estaciones en 13 minutos
27 estaciones en 65 minutos

SLOVAKIA
D1 Highway
€410 million contract value

USA
Dugway Storage Tunnel
€123 million contract value

AUSTRIA & ITALY
Brenner Tunnel (2 Lots)
€680 million contracts value

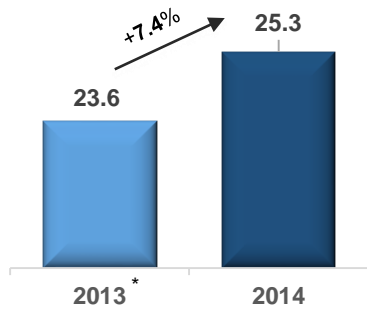
Hauptportal 1
Galleria principale 1
Quarantena
Raccordo trasversale
Hauptportal 2
Galleria principale 2
Erdbebenstopfen
Condotto aspiratorio

TURKEY
Cetin Dam
€260 million contract value

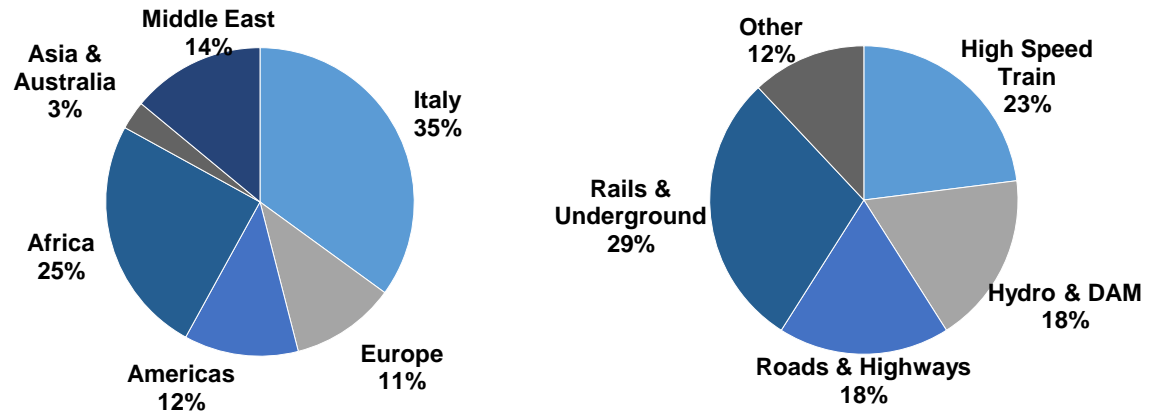
POLAND
S3, S7, S8 Highways
€358 million contracts value

CONSTRUCTION BACKLOG: 6x 2014 REVENUES

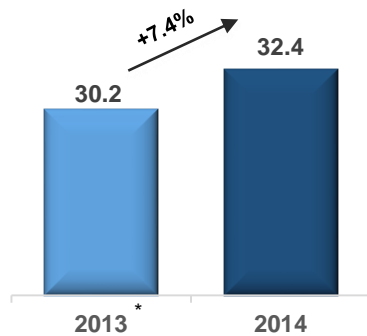
CONSTRUCTION BACKLOG (€/billion)



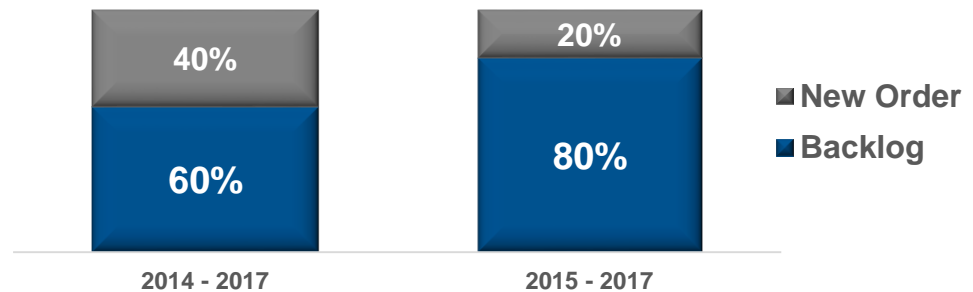
2014 CONSTRUCTION BACKLOG: €25.3 BILLION



TOTAL BACKLOG (€/billion)



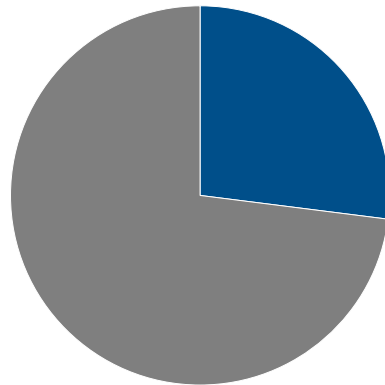
BUSINESS PLAN REVENUES COVERAGE FROM CURRENT BACKLOG



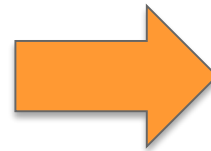
Business plan target revenues covered by existing backlog increased from 60% to 80% since the start of 2014

(*) FY2013 have been restated in application of new IFRS 10 and 11 and in accordance with IFRS 5 and IFRS 3 Impregilo has been fully consolidated since January 2013 (12 months)

GLOBAL REFERENCE MARKET



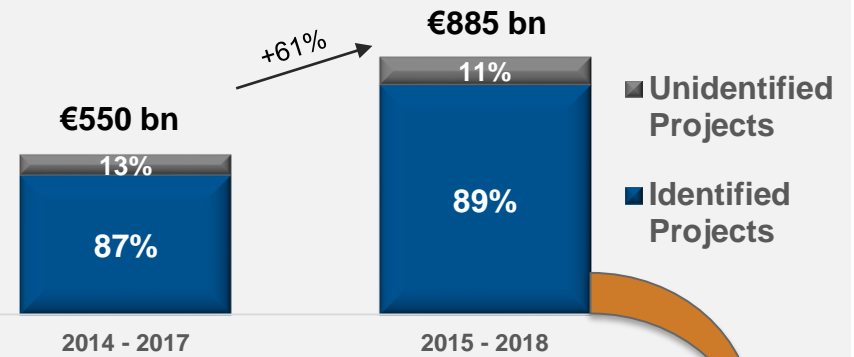
Salini Impregilo
targeted market
27%



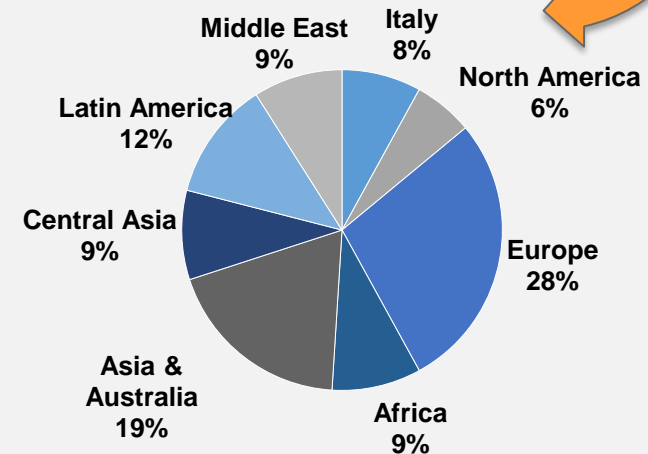
€ 3,300 billion

Infrastructure sector represents an excellent source
of opportunities through the coming years

Significant expansion in the Group's targeted market



IDENTIFIED PROJECTS: €790 bn



Source: Management accounts, Construction Intelligence Centre database

FY 2014 Financial Results



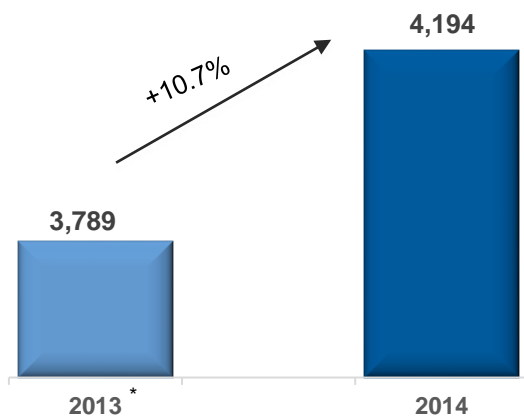
€/million	FY 2013 restated on a comparable basis*	FY 2014	Change
Backlog	30,149	32,374	7.4%
<i>of which construction</i>	<i>23,568</i>	<i>25,303</i>	<i>7.4%</i>
Revenues	3,789	4,194	10.7%
EBITDA	362	436	20.5%
<i>Ebitda margin</i>	<i>9.5%</i>	<i>10.4%</i>	
EBIT	211	258	22.6%
<i>Ebit margin</i>	<i>5.6%</i>	<i>6.2%</i>	
Net Results**	92	103	12.0%
Net Equity	921	1,186	
Net Financial Position	(210)	(89)	
NFP/Equity	0.2	0.08	

(*) FY2013 have been restated in application of new IFRS 10 and 11 and in accordance with IFRS 5 and IFRS 3 Impregilo has been fully consolidated since January 2013 (12 months)

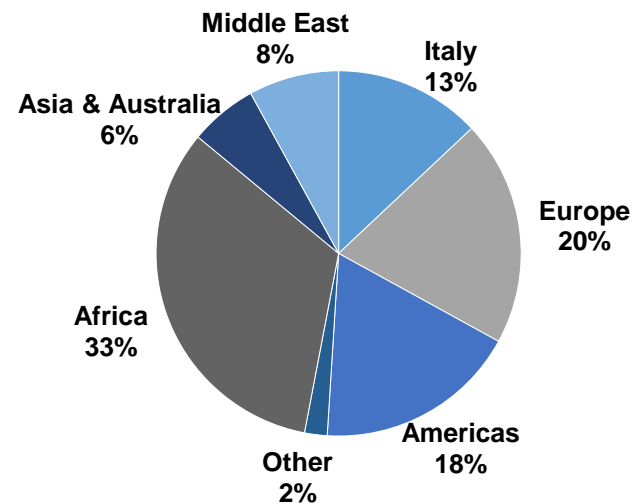
(**) Including minorities

DOUBLE DIGIT GROWTH CONTINUED IN 2014

REVENUES 2014 VS. 2013 (€/million)



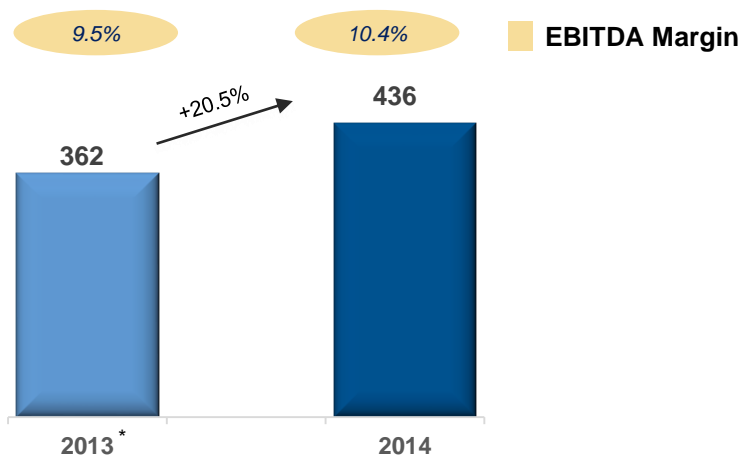
2014 REVENUES BY GEOGRAPHY



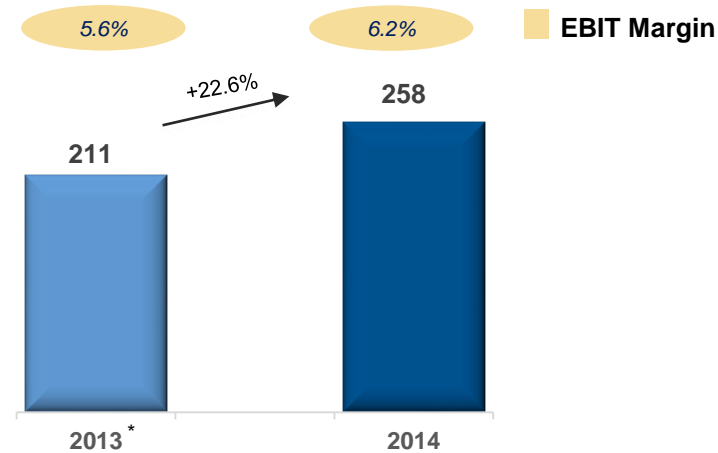
(*) FY2013 have been restated in application of new IFRS 10 and 11 and in accordance with IFRS 5 and IFRS 3 Impregilo has been fully consolidated since January 2013 (12 months)

SOLID PROFITABILITY EXCEEDING 2014 TARGETS

EBITDA 2014 vs. 2013 (€/million)



EBIT 2014 vs. 2013 (€/million)



(* FY2013 have been restated in application of new IFRS 10 and 11 and in accordance with IFRS 5 and IFRS 3 Impregilo has been fully consolidated since January 2013 (12 months)

€ million	2014	2013*
Cash & Cash Equivalents	1,031	1,127
Other Financial Assets	246	352
Total Cash & Other Financial Assets	1,277	1,480
Gross Debt		
Bank Loan	(704)	(994)
Bond	(561)	(564)
Leasing	(163)	(174)
Total Gross Debt	(1,427)	(1,731)
SPV Net Financial Assets	66	45
Net Derivatives	(5)	(3)
Net Financial Position	(89)	(210)

Debt renegotiation lowering cost of debt

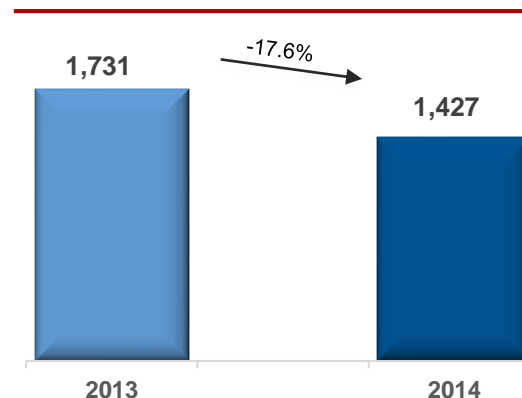
Extended average debt maturity from 2 to 4 years



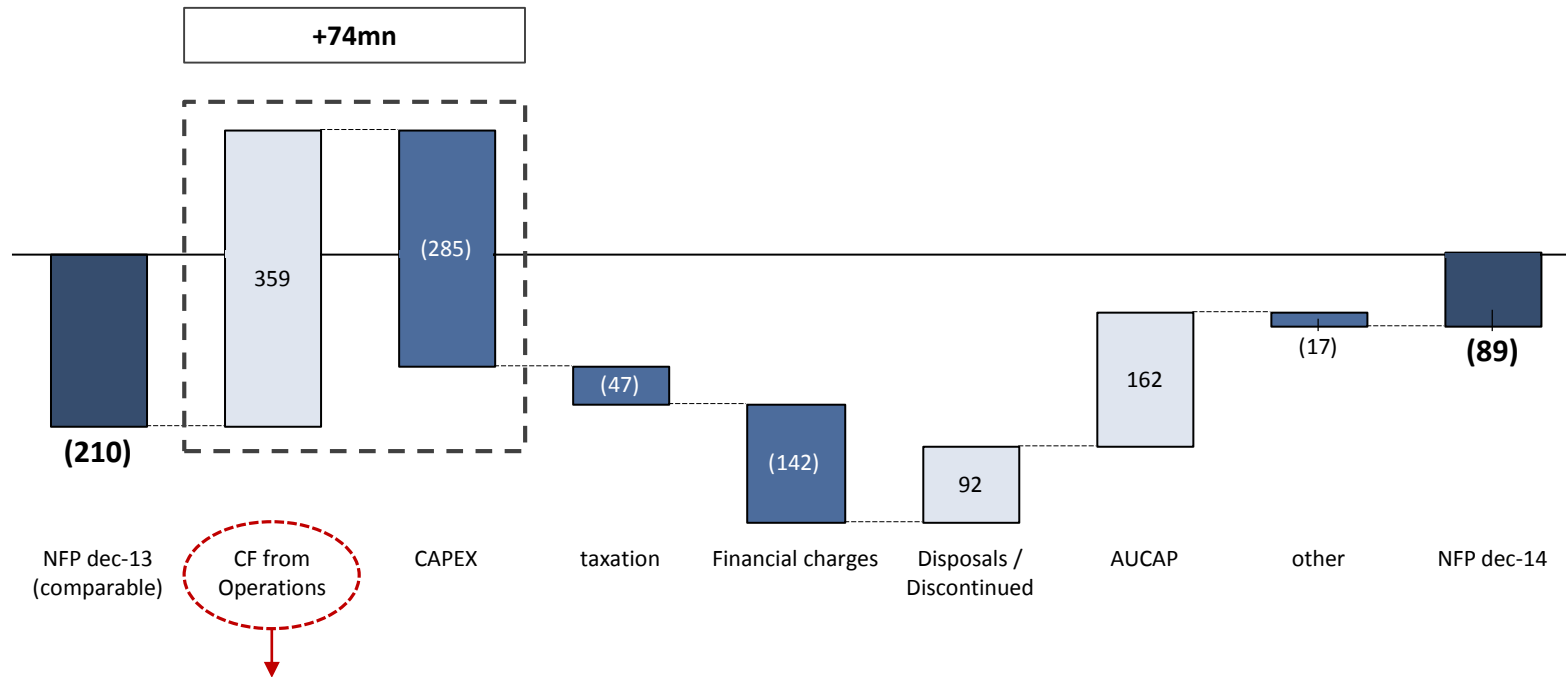
€ million	FY 2014	Short Term	M-L Term
Bank Loan	(704)	(248)	(456)
Bond	(561)	(166)	(394)
Leasing	(163)	(60)	(102)
Total Gross Debt	(1,427)	(474)	(953)

€304 million gross debt reduction in 2014

GROSS DEBT EVOLUTION



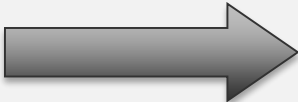
(* FY2013 have been restated in application of new IFRS 10 and 11 and in accordance with IFRS 5 and IFRS 3 Impregilo has been fully consolidated since January 2013 (12 months)



EBIT	258
amm.ti	178
OPERATIONS	436
WIP	(96)
Advances	(8)
Receivables	109
CLIENT FRONTING	5
Payables	163
stocks	(38)
other assets	(248)
other liabilities	41
WORKING CAPITAL VARIATION	(77)
CASH FLOW FROM OPERATIONS	359

Outlook



	2015 Guidance		2017 Targets
Revenue	>15% growth	<p>OUTLOOK 2015: GOOD TO HIGH VISIBILITY</p>  <p>PROOF POINTS:</p> <ul style="list-style-type: none"> ➤ Market expansion ➤ Backlog coverage ➤ Sustainable margins ➤ Risk diversification 	€7bn
EBITDA	EBITDA margin: ~ 10.5%		~ €800mn
EBIT	EBIT margin: ~ 5.5%		~ €500mn
New Orders	Construction orders in line with 2014		Book to bill >1x over the BP; Average annual construction orders: ~€7bn
Net Financial Position	In line with 2014		€0.5bn Cash position

BUSINESS PLAN 2014 – 2017 TARGETS RECONFIRMED

Financial Appendix

Consolidation method:

CONTROL

full consolidation

Joint Arrangement

JOINT OPERATION

proportionate consolidation

JOINT VENTURE

equity method

AFFILIATES

equity method

Starting from January 1st 2014 **IFRS 10 & 11** have been adopted in the 2014 Salini Impregilo Financial Statements.

IFRS 10 allows to **Fully consolidate** an investment entity for which a “**de facto control**” is exercised by the company. (**Full Consolidation Method**)

IFRS 11 identifies the criteria to qualify a contractual agreement as a **joint agreement**. Two categories are contemplated:

- **Joint Operation:** is a joint control agreement in which the parties have both **rights on the assets** and **obligations on the liabilities**. The parties recognize their share of assets, liabilities, revenues and expenses held and incurred jointly (**Proportionate Consolidation Method**)
- **Joint Venture:** is a joint control agreement in which the parties have **rights only on the net assets**. The consolidation follows the **Equity Method**

In this view Salini Impregilo reviewed the joint agreements to assess if the arrangements are joint operations or joint ventures in accordance with IFRS 11.

Overall the impact of changing the consolidation method on revenues and the Net Financial Position was not material

Reclassified Income Statement of Salini Impregilo Group

Thousand €	12 months 2014	12 months 2013* of Salini Group restated on comparable basis	Change
Operating revenue	4,096,337	3,686,771	409,566
Other revenue	97,774	102,171	(4,397)
Total revenue	4,194,111	3,788,942	405,169
Costs	(3,758,208)	(3,427,140)	(331,068)
Gross operating profit	435,903	361,802	74,101
Gross operating profit %	10.4%	9.5%	
Amortisation and depreciation	(177,520)	(150,985)	(26,535)
Operating profit (loss)	258,383	210,817	47,566
Return on Sales %	6.2%	5.6%	
Net financing costs	(142,028)	(67,264)	(74,764)
Net gains on investments	8,973	(5,045)	14,018
Net financing costs and net gains on investments	(133,055)	(72,309)	(60,746)
Profit (loss) before tax	125,328	138,508	(13,180)
Income tax expense	(39,635)	(38,952)	(683)
Profit (loss) from continuing operations	85,693	99,556	(13,863)
Profit from discontinued operations	17,427	(7,208)	24,635
Profit (loss) for the period	103,120	92,348	10,772
Non-controlling interests	(9,348)	12,444	(21,792)
Profit (loss) for the period attributable to the owners of the parent	93,772	104,792	(11,020)

(*) FY2013 have been restated in application of new IFRS 10 and 11 and in accordance with IFRS 5 and IFRS 3 Impregilo has been fully consolidated since January 2013 (12 months)

Reclassified Consolidated Statement of Financial Position of the Salini Impregilo Group

Thousand €	31 dicembre 2014	31 December 2013 (*)	change
Non-current assets	832,356	698,469	133,887
Non-current assets held for sale, net	84,123	235,543	(151,420)
Provisions for risks	(97,527)	(176,193)	78,666
Post-employment benefits and employee benefits	(23,320)	(21,755)	(1,565)
Net tax assets	148,698	141,638	7,060
<i>Inventories</i>	262,740	224,380	38,360
<i>Contract work in progress</i>	1,252,769	1,157,014	95,755
<i>Progress payments and advances on contract work in progress</i>	(1,725,884)	(1,733,988)	8,104
<i>Receivables</i>	1,614,350	1,723,075	(108,725)
<i>Payables</i>	(1,426,744)	(1,263,495)	(163,249)
<i>Other current assets</i>	689,998	441,877	248,121
<i>Other current liabilities</i>	(335,918)	(294,767)	(41,151)
Working capital	331,311	254,096	77,215
Net invested capital	1,275,641	1,131,798	143,843
Equity attributable to the owners of the parent	1,109,903	699,428	410,475
Non-controlling interests	76,513	221,994	(145,481)
Equity	1,186,416	921,422	264,994
Net financial position	(89,225)	(210,376)	121,151
Total financial resources	1,275,641	1,131,798	143,843

(*) FY2013 have been restated in accordance of new IFRS 10 and 11

NET FINANCIAL POSITION OF SALINI IMPREGILO GROUP

€/000	31 December 2014	31 December 2013 (a)	Change
Non current financial assets	89,124	48,909	40,215
Current financial assets	156,906	303,513	(146,607)
Cash & Cash equivalents	1,030,925	1,127,276	(96,351)
Total cash and cash equivalents and other financial assets	1,276,955	1,479,698	(202,743)
Bank and other loans	(456,209)	(643,871)	187,662
Bonds	(394,326)	(552,542)	158,216
Finance lease payables	(102,310)	(109,876)	7,566
Total non-current indebtedness	(952,845)	(1,306,289)	353,444
Current portion of bank loans and current account facilities	(247,521)	(349,884)	102,363
Current portion of bond issues	(166,292)	(11,154)	(155,138)
Current portion of finance lease payables	(60,231)	(63,954)	3,723
Total current indebtedness	(474,044)	(424,992)	(49,052)
Derivative assets	0	1,016	(1,016)
Derivative liabilities	(5,244)	(4,354)	(890)
PFA detenuta presso SPV e Società di Progetto non consolidate	65953	44,545	21,408
Total other financial assets (liabilities)	60,709	41,207	19,502
Total net financial position – continuing operations	(89,225)	(210,376)	121,151
Net financial position for assets held for sale	(81,292)	(53,868)	(27,424)
Net financial position including non-current assets held for sale	(170,517)	(264,244)	93,727

(a) The data at December 31, 2013 are reclassified in accordance of the new standards IFRS 10 and IFRS 11.