Press Release

Consolidated Financial Results at 30 June 2017

Consolidated revenues (*) increased 12% vs. the first half of 2016

Consolidated EBIT (*) increased 12% vs. the first half of 2016

New orders year-to-date: €4 billion

Net Financial Position improving vs. the first half of 2016

2017 targets confirmed

- Revenues: €3.06 billion (€2.73 billion, +12.1%)[1]
- EBITDA: €284.1 million (€249.0 million, +14.1%); EBITDA margin 9.3%
- EBIT: €137.2 million (€122.3 million, +12.2%); EBIT margin 4.5%

LANE

- New orders year-to-date: €1.9 billion +59%
- Backlog at a record €3.02 billion
- Revenues increased 27%, making up 26% of total revenues

Milan, July 26th, 2017 – The Board of Directors of Salini Impregilo (MTA: SAL), approved today the Half-Year Financial Report at June 30, 2017.

Consolidated Financial Results highlights - Management view (*)

(€/m)	1H 2017 1H 2017 adjusted	1H 2016 1H 2016 adjusted	change in %
Revenues	**3,060.4**	**2,729.7**	**12.1%**
EBITDA	**284.1**	**249.0**	**14.1%**
EBITDA %	*9.3%*	*9.1%*	
EBIT	**137.2**	**122.3**	**12.2%**
EBIT %	*4.5%*	*4.5%*	
Net financial income and expenses	(36.9)	(47.1)	-21.7%
Net exchange rate gains (losses)	(48.9)	2.1	n.a
Net gains on investments	2.0	(3.1)	n.a
EBT	**53.4**	**74.2**	**-28.1%**
Taxes	(20.8)	(31.8)	-34.5%
Tax rate %	-39%	-43%	
Results from continuing operations	**32.6**	**42.4**	**-23.3%**
Results from discontinued operations	(1.3)	(13.2)	-90.3%
Minorities	(14.7)	(18.0)	-18.7%
Group Net Result	**16.6**	**11.2**	**48.3%**

(*) NOTE

The adjusted economic results for the first half of 2017 and 2016 were obtained by adjusting the IFRS financial statements prepared for consolidation to represent the results of Lane Group's non-controlled joint ventures using the proportional method. Thus, the adjusted economic results presented above reflect the performance of Lane's managed work, directly or through non-controlling equity holdings, under "work under management". Furthermore, Salini Impregilo's IFRS financial data for the first half of 2016 were restated to reflect the different classification of assets held for sale.

The EBITDA calculation methodology has been revised, excluding provisions and write-downs. Comparative data were therefore re-disclosed even though the effects on the first half of 2016 were not significant. The reasons for the redefinition of the EBITDA are described in the financial report at the alternative performance indicator paragraph.

[1] 2016 1H figures are presented in brackets

INCOME STATEMENT

Adjusted consolidated revenues, for the first six months of 2017, totalled €3,060.4 million, increased 12%, compared with revenues of €2,729.7 million for the same period the prior year. The figures include €130.1 million and €96.2 million, respectively, in revenues from Lane Construction Corp's non-consolidated joint-ventures. The trend in revenues reflects the progress made in the production of some major projects, including the Riyadh Underground Line 3 in Saudi Arabia, the Rogun dam in Tajikistan, the Forrestfield-Airport Link metro project in Australia, the GERD dam in Ethiopia, the Koysha dam, and the Copenhagen metro. The risk profile is further improved by reducing the incidence of the top 10 projects on the Group's total revenues.

Adjusted EBITDA was €284.1 million, an increase of 14.1% from the same period in 2016, while the adj. EBIT was €137.2 million, about 12.2% higher than the same period in the prior year.

The adj. EBITDA margin was equal to 9.3% while the adj. EBIT margin was equal to 4.5%.

The adj. EBITDA and EBIT at 30 June 2017 and 2016, include €7.6 million and €10.5 million, respectively, coming from Lane's non-consolidated joint-ventures.

Net financial costs and Equity Investments showed a decrease in net financial costs of approximately 22% amounting to €10.2 million. The exchange rate, negative by €48.9 million, was mainly due to the devaluation of the dollar and the Ethiopian currency (Birr) against the Euro.

Parent company net profits are reported at €16.6 million versus €11.2 million in 2016, an improvement of 48% vs. 30 June 2016. The result was also due to a reduction of the tax rate from 43% on the first half of 2016 to around 39%, as well as the minority results which decreased from €18.0 million in the first half of 2016 to €14.7 million.

Group Net Financial Position

(€/m)	Jun. 2017	Dec. 2016	June 2016
Cash & Cash Equivalents	1,331.6	1,602.7	1,176.7
Other Financial Assets	357.3	385.9	433.4
Total Cash & Other Financial Assets	**1,688.9**	**1,988.6**	**1,610.1**
Bank Loan	(1,426.8)	(1,265.0)	(1,576.7)
Bond	(886.3)	(887.0)	(708.4)
Leasing	(151.8)	(175.0)	(156.4)
Net financial position with unconsolidated SPVs*	(6.0)	(5.3)	3.6
Total Gross Debt	**(2,470.9)**	**(2,332.4)**	**(2,437.9)**
Net Derivatives	(2.8)	(7.0)	(8.1)
Net Financial Position from continued activities	**(784.8)**	**(350.8)**	**(836.0)**
Net financial position from discontinued operations	(10.4)	-	(18.1)
Net Financial Position	**(795.1)**	**(350.8)**	**(854.0)**

**This item shows the Group's net amounts due from/to unconsolidated consortia and/or consortium companies operating under a cost recharging system and not included in the consolidation scope. The balance reflects the Group's share of cash and cash equivalents or debt of the SPEs. The balances are shown under trade receivables and payables in the consolidated financial statements.*

The consolidated net financial position of continuing operations at 30 June 2017 was €784.8 million, compared to the net financial position at 30 June 2016 equal to €836.0 million, with an improvement of €52.2 million.

It is also noted that as of June 30, 2016, the Company presented a negative financial position from discontinued operations equal to €18.1 million, versus €10.4 million at 30 June 2017, relating to the reclassification of assets held for sale according to IFRS 5.

Gross debt at 30 June 2017 was equal to €2,470.9 million, compared to Gross debt at 30 June 2016 equal to €2,437.9 million and at 31 December 2016 equal to €2,332.4 million.

The Net Debt / Equity ratio (based on the net financial position of continuing operations) at the end of the period, on a consolidated basis, is 0.62.

****

NEW ORDERS AND BACKLOG

As of June 30th, 2017, the backlog totalled €35.7 billion, of which €28.3 billion are related to construction projects and €7.3 billion are related to concessions.

New orders as of the end of July 2017, comprising variation orders, totalled around €4.0 billion.

The main new orders of Salini Impregilo include:

- **Naples – Bari High-speed Railway Line Project:** €397 million (€238 million Salini stake) – The contract was won by a consortium comprising Salini Impregilo (60% ownership) for the design and construction of the Naples – Cancello segment of the railway line.

- **Meydan One Mall:** $435 million – Contract with Meydan Group LLC to build the Mall as part of a massive urban development project located between Meydan and Al Khail Road (UAE). It is set to become Dubai's number one attraction when it opens in 2020.

- **Al Faisaliah District Redevelopment Project:** €172 million – Consists of the refurbishment of the renowned Al Faisaliah Mall and the demolishing of the adjacent Seyahiah buildings to make way for the construction of a mall extension.

Particularly, Lane had a significant business activity, with a backlog at a record of €3.02 billion and €1.9 billion in new orders year-to-date including:

- **Al Maktoum International Airport Expansion Project**: $125 million ($75 million Lane stake) – The contract includes new terminal facilities, concourses, runways, roads and tunnels at the Al Maktoum Airport in Dubai, UAE.

- **Interstate 70 Project:** $118 million – In Washington County in the U.S. state of Pennsylvania, Lane won a contract to rebuild a four-lane stretch along the eastern section of the I-70 and widening along the western section.

- **Florida Turnpike Project:** $177 million – In Orange County, Florida, Lane has won a project that would entail widening a seven-mile segment of the Florida Turnpike from four to eight travel lanes, three ramps, pavement milling and resurfacing and roadside improvements.

- **I-395 Express Lane Project**: $336 million – A design-build contract for the eight-mile extension of the 95 Express Lanes in the U.S. state of Virginia from Edsall Road in Fairfax County to Eads Street in Arlington County and it will extend the 95 Express Lanes to the Washington, D.C., line.

- **Three Rivers Protection & Overflow Reduction Tunnel**: $188 million – A design-bid-build contract in Fort Wayne, Indiana, USA. It is a combined sewer overflow (CSO) tunnel that includes a deep rock tunnel, drop shafts and consolidation sewers to collect and convey CSO from eight locations along the St. Mary and Maumee Rivers.

- **Northeast Boundary Tunnel (NEBT):** $580 million – The contract entails the construction of a large, deep sewer tunnel that will increase the capacity of the District's sewer system, significantly mitigating the frequency, magnitude and duration of sewer flooding and improving the water quality of the Anacostia River in the vicinity of Washington D.C.

- **Unionport Bridge in the Bronx County, NY:** $232 million ($104 million Lane stake) – The contract, the first to be won by Lane in the New York City area, comprises the replacement of the moveable "bascule" bridge that allows the Bruckner Expressway to cross Westchester Creek. Work is to begin in late 2017 and be completed by mid-2021.

- **State Road 408 in Orange County, FL:** $76 million – The project entails adding a lane to a 3.24-mile (5.21 kilometres) stretch of the road in each direction so that each direction will have three rather than two lanes. Construction is scheduled to begin in the fall of 2017 and take about 24 months to complete.

- **US - Plants & Pavings:** €258 million.

****

OPTIMIZATION OF OPERATING STRUCTURES

On July 14, 2017, Impregilo International Infrastructure N.V. completed the sale of Impregilo Parking Glasgow Ltd and Impregilo Wolverhampton Ltd to the English company Semperian (Glasgow) Limited for an amount of approximately €12 million. The transaction involved the sale of the participating shares in addition to the settlement of other lots.

The economic effects of the sale of the participation will be reflected in the second half of 2017, with a total capital gain of approximately €6 million and a positive effect on the net financial position of about €23 million. The non-core asset optimization process is in progress.

****

OUTLOOK 2017

The end-of-year guidance is confirmed.

*****

SIGNIFICANT EVENTS AND OPERATIONS THAT OCCURRED IN THE FIRST HALF OF 2017

MARCH

Lane (Salini Impregilo) wins $336 million contract in Virginia

On March 1, 2017, the Lane Construction Corporation (Salini Impregilo Group) has won a $336-million design-build contract for the extension of the 395 Express Lanes in the U.S. state of Virginia. The 395 Extension project will add to Lane's portfolio of Express Lane work in Virginia.

Salini Impregilo-Astaldi consortium wins €397 million lot in Naples-Bari high-speed railway project

On March 2, 2017, A consortium comprising Salini Impregilo and Astaldi has won a contract worth €397 million for the design and construction of the Naples - Cancello section of the Naples – Bari high- speed railway line in Italy.

The contract, won by a consortium in which Salini Impregilo owns 60% and Astaldi 40%, is to be signed once the remaining requirements have been met.

Commissioned by ITALFERR S.p.A., the project is scheduled for completion by 2022 and comprises the first section of the Naples - Bari line, a key part of the upgrading of the railway lines throughout the country.

Cociv Consortium

On March 6, 2017, The *Prefetto di Roma* has decreed the temporary extraordinary administration of Cociv Consortium pursuant to art. 32, paragraph 1, letter b of Decree 24/06/14 n. 90, converted with amendments by Law no. 114 of 11/08/14, by appointing an extraordinary Administrator for a period of six months, unless further extended.

Salini Impregilo wins $435 million Dubai urban development contract

On March 16, 2017, Salini Impregilo has signed a $435 million contract with Meydan Group LLC to build the Meydan One Mall in Dubai, UAE.

According to the agreement, Salini Impregilo will prepare the area for development by overseeing the excavations and building of the sub- and super-structures for the complex, including the foundations for a ski slope and the concrete support for the steel structure above the Mall.

The Mall is the first of several phases to this urban development project, which will include a water canal, a tourist port, walking and biking tracks and one of the tallest residential buildings in the world. Added conveniences will feature two metro lines passing underneath it, one of which – the Green Line – will connect to Dubai Airport by 2020.

APRIL

Salini Impregilo and Lane's S.A. Healy win $188 million contract in Indiana

On April 6, 2017, Salini Impregilo and Lane Construction Corporation (Salini Impregilo Group), through its wholly owned subsidiary S.A. Healy Company, have won a design-bid-build contract in the U.S. state of Indiana, valued at $188 million.

The project includes a deep rock tunnel, drop shafts and consolidation sewers to collect and convey Combined Sewage Overflow (CSO) from eight locations along the St. Mary and Maumee Rivers. Once completed, the CSO tunnel system will reduce 90% of combined sewage overflows into the rivers, which occur during large rain storms.

Salini Impregilo (Fisia Italimpianti) $255 million joint-venture in Saudi Arabia

On April 18, 2017, Salini Impregilo announces that its Fisia Italimpianti unit and a Spanish joint-venture partner are set to design and build a water desalination plant in Saudi Arabia in a $255 million agreement with ACWA Power. Located in the Shuaiba area on the western coast of Saudi Arabia, the plant will use reverse osmosis technology to deliver up to 250,000 cubic metres of water per day, supplying potable water to more than one million residents in the cities of Mecca, Jeddah and Taif. In a joint-venture in which it holds 50%, Fisia Italimpianti has signed a Limited Notice To Proceed (LNTP) with ACWA Power to start the preparatory work.

*****

SIGNIFICANT EVENTS AND OPERATIONS THAT OCCURRED AFTER THE CLOSE OF THE FIRST HALF OF 2017

Salini Impregilo and Lane win $580M tunnel contract in Washington, D.C.

On July 7, 2017, Salini Impregilo and The Lane Construction Corporation have won a $580-million contract to build the Northeast Boundary Tunnel (NEBT) project in Washington, D.C. The NEBT will be a large, deep sewer tunnel that will increase the capacity of the District's sewer system, significantly mitigating the frequency, magnitude and duration of sewer flooding and improving the water quality of the Anacostia River. Once it is connected to the other Clean Rivers Project tunnels, the NEBT will help reduce combined sewer overflows to the Anacostia River by 98 percent and the chance of flooding in the areas it serves from about 50 percent to seven percent in any given year.

Lane wins $232m contract in New York

On July 12, 2017, Lane Construction Corporation has won a $232 million contract to replace the Unionport Bridge in Bronx County, New York. The contract, the first to be won by Lane in the New York City area, comprises the replacement of the moveable "bascule" bridge that allows the Bruckner Expressway to cross Westchester Creek. The construction of a new bridge, will be done in 10 stages in 48 months. Lane will do the project with joint-venture partner Schiavone Construction Company.

*****

Massimo Ferrari, in his capacity as Director in charge of the preparation of the company's accounting documents, declares, pursuant to Section 2 of Article 154 bis of the Italian Uniform Financial Code, that the information contained in this press release corresponds to the accounting documents, books and entries.

****

****

Salini Impregilo is a leading global player in the construction of major complex infrastructures. It specializes in the water sector, where it is recognized by the Engineering News-Record (ENR) as the global leader for the 4th consecutive year, as well as railways and metro systems, bridges, roads and motorways, large civil and industrial buildings, and airports The Group has 110 years of applied engineering experience on five continents, with design, engineering and construction operations in 50 countries and more than 35,000 employees from 100 nationalities. Salini Impregilo is a signatory of the United Nations Global Compact and pursues sustainable development objectives to create value for its stakeholders. It assists clients in strategic areas including energy and mobility, helping to drive development and well-being for current and future generations. Its leadership is reflected by projects such as the new Panama Canal, the Grand Ethiopian Renaissance Dam in Ethiopia, the Cityringen metro in Copenhagen, the metro system in Riyadh, the Stavros Niarchos cultural centre in Athens, the new Gerald Desmond Bridge in California. In 2016, revenues totalled €6.1 billion (including U.S. subsidiary Lane Construction, leader in roads and highways), with a total backlog of €36.9 billion. Salini Impregilo Group is headquartered in Italy and is listed on the Milan Stock Exchange (Borsa Italiana: SAL; Reuters: SALI.MI; Bloomberg: SAL:IM). For more information, visit our website at www.salini-impregilo.com and follow us on Twitter @SaliniImpregilo.

For further information:
Media Relations
Gilles Castonguay
Tel. +39 02 444 22 177
email: gr.castonguay@salini-impregilo.com

Head of Investor Relations
Fabrizio Rossini
Tel +39 02 4442 2203
*email:*f.rossini@salini-impregilo.com

The consolidated reclassified schedules of the income statement and statement of financial position of the Salini Impregilo Group at June 30, 2017 are attached.

Income statement

(€/m)	1H 2017	1H 2016 Restated	Change
Revenue	2,857.1	2,562.6	294.5
Other revenue	73.2	70.9	2.2
Revenue	**2,930.3**	**2,633.5**	**296.8**
Total costs	(2,653.8)	(2,395.1)	(258.7)
EBITDA	**276.5**	**238.4**	**38.0**
EBITDA%	*9.4%*	*9.1%*	
Amortization and Depreciations	(146.9)	(126.7)	(20.2)
EBIT	**129.6**	**111.8**	**17.8**
Return on Sales %	*4.4%*	*4.2%*	
Net Financial income (costs)	(85.8)	(45.0)	(40.8)
Gain (losses) on investments	9.6	7.4	2.2
Net financing costs and net gains on investments	**(76.2)**	**(37.5)**	**(38.6)**
EBT	**53.4**	**74.2**	**(20.8)**
Income taxes	(20.8)	(31.8)	10.9
Profit (loss) from continuing operations	**32.6**	**42.4**	**(9.9)**
Profit (loss) from discontinued operations	(1.3)	(13.2)	11.9
Profit (loss) before Non controlling interest	**31.3**	**29.2**	**2.0**
Non controlling interests	(14.7)	(18.0)	3.4
Profit (loss)	**16.6**	**11.2**	**5.4**

The income statement data for 6months of 2016 were restated to reflect the different classification of assets held for sale and the different EBITDA calculation methodology excluding the provisions and write-downs from that indicator.

Consolidated Balance sheet

(€/M)	Jun. 2017	Dec. 2016
Non-current assets	1,103.6	1,173.3
Goodwil	162.6	175.2
Non-current assets (liabilities) held for sale	9.3	6.0
Fixed Asset	**1,275.4**	**1,354.5**
Inventories	253.1	270.6
Contract work in progress	2,578.4	2,367.3
Progress payments and advances on contract work in progress	(2,526.1)	(2,455.6)
Receivables	2,402.2	2,357.3
Liabilities	(2,237.3)	(2,337.4)
Other current assets	660.0	591.3
Other current liabilities	(326.6)	(356.3)
Working capital	**803.8**	**437.0**
Net tax assets	174.9	118.3
Provisions for risks	(100.5)	(105.8)
Post-employment benefits and employee benefits	(93.4)	(91.9)
Net invested capital	**2,060.2**	**1,712.1**
Equity attributable to the owners of the parent	1,126.3	1,205.0
Non-controlling interests	149.1	156.3
Equity	**1,275.4**	**1,361.3**
Net financial position	784.8	350.8
Total financial resources	**2,060.2**	**1,712.1**

(*) This item includes €2.1 million of receivables and €8.1 million of payables (receivables for €2.0 million and payables of €7.3 million at December 31, 2016) classified in the net financial position, referred to the net receivables/payables financial position of the Group towards Consortiums and Consortium Companies (SPV) that function through cost transfers and are not included within the Group's consolidation scope. The net receivables/payables position is included in the net financial position based on the actual liquidity or indebtness owned by the SPV.

Net Financial Position Consolidated

(€/M)	Jun. 2017	Dec. 2016
Non-current financial assets	122.9	62.5
Current financial assets	234.4	323.4
Cash and cash equivalents	1,331.6	1,602.7
Total cash and cash equivalents and other financial assets	**1,688.9**	**1,988.6**
Bank and other loans	(829.7)	(866.4)
Bonds	(870.1)	(868.1)
Financial Lease Payables	(98.7)	(119.7)
Total non-current indebtedness	**(1,798.5)**	**(1,854.2)**
Bank overdrafts and current portion of loans	(597.1)	(398.6)
Current portion of bonds	(16.2)	(18.9)
Current portion of Lease Payables	(53.1)	(55.3)
Total current indebtedness	**(666.4)**	**(472.8)**
Derivative assets	0.1	0.2
Derivative liabilities	(2.8)	(7.2)
Net financial position with unconsolidated SPEs (*)	(6.0)	(5.3)
Total other financial assets (liabilities)	**(8.8)**	**(12.4)**
Net financial indebtedness - continuing operations	**(784.8)**	**(350.8)**
Net financial indebtedness - discontinued operations	(10.4)	-
Net financial indebtedness including discontinued operations	**(795.1)**	**(350.8)**

(*) This item acknowledges the net credit/debit position of the Group towards Consortiums and Consortium Companies ("SPVs") functioning through cost transfers and not included in the consolidation scope of the Group. The net credit standing and debt position is included in the item in the amount corresponding to the actual liquidity or indebtedness owned by the SPV. The receivables and payables that compose the balanceofthe item are respectively included among the commercial credit and commercial debts.