

PRESS RELEASE

- . Salini Impregilo submits an offer to enter into Astaldi's equity with business continuity**
- . Key objectives: the continuity of ongoing projects, the preservation of Astaldi's value chain, sector stability, employment levels and the development of relative technical expertise**
- . Salini Impregilo's offer is functional to an organic consolidation of the infrastructure sector and to the achievement of an optimal size to preserve the assets and financial strength of the Group**
- . The transaction, which is subject to certain conditions including court approval of Astaldi's supervised arrangement with creditors (*concordato preventivo*), expected in 2020, will be implemented through a capital increase for €225 million (for 65% of Astaldi after the capital increase) in an essentially debt-free company with the potential support of long-term co-investors**

MILAN, February 14, 2019 – Salini Impregilo S.p.A. ("Salini Impregilo") informs that it has presented an offer to invest in Astaldi S.p.A. ("SI Offer" and "Astaldi"). The SI Offer will support Astaldi's *concordato preventivo* proposal ("Proposal") to be submitted to the Court of Rome with the objective to be admitted to the relative creditors' procedure. The Proposal envisages: *(i)* an economic and financial plan to support the restructuring and continuity of Astaldi's EPC activities; *(ii)* the separation of non-core assets (among which the concessions arm that includes the third Bosphorus bridge project, the Gebze-Orhangazi-Izmi highway, the Etlik integrated health campus in Turkey, the Santiago airport, the Felix Bulnes hospital in Chile, the Venezuelan credit and the real estate related to the headquarters in Rome) into a unit to be liquidated with the proceeds intended for the sole benefit of unsecured creditors; *(iii)* a cash capital increase equal to €225 million for 65% of Astaldi (after the capital increase), reserved to Salini Impregilo, partly dedicated to the payment of secured and supersenior debt holders, and partly supporting the continuity plan, which would result in Salini Impregilo taking a controlling stake in Astaldi following the completion of the creditors' procedure; *(iv)* the partial settlement of unsecured creditors both in the form of shares (which will benefit from continuity of the EPC business) and other participatory financial instruments (which will benefit from proceeds of the sale of non-core asset). As a result, Astaldi will file its *concordato preventivo* proposal with the Court. Upon the Court's approval, the proposal will be subject to the creditors' review. If validated by the majority of creditors, it will be submitted again to the Court for final approval.

The SI Offer is subject, among other things, to the approval of Astaldi's Proposal, the attainment of the necessary authorisations, the absence of events that would put at risk the feasibility of the continuity restructuring plan, the support of long-term investors through their participation in the capital increase using their own financial resources, and the support of the banking system to provide Astaldi with cash and bonding lines, which would be necessary in the context of the

financial and operational stability of the company as envisaged in the *concordato preventivo* plan. The structure of the transaction does not require any cash commitment or burden for Salini Impregilo prior to the final Court's approval of the *concordato preventivo* plan and proposal, and assumes that, pending the procedure, Astaldi will have sufficient interim finances and will implement certain interim management arrangements (including the appointment of a Chief Restructuring Officer) to the benefit of all stakeholders, monitoring the feasibility and execution of the transaction in line with best market practices in similar situations.

The transaction has the characteristics of a sector systemic solution with the aim of consolidating the Italian EPC infrastructure market, in order to guarantee its stability and development, the continuity of strategic infrastructure projects, the strengthening of the sector's technical and industrial capabilities, thus enabling the company to prosper as a leading player in Italy and abroad. The transaction represents an opportunity to create one of the leading global EPC operators with a combined EPC order book of c. €33 billion and more than 45,000 employees. The complementarity of their geographical and sectorial presence would strengthen the international position and the improvement of the risk profile of the combined group, with subsequent commercial and operational synergies deriving from the development of their respective commercial and technical capabilities. The success of the transaction would guarantee the continuity of Astaldi's ongoing projects, the preservation of Astaldi's value chain, also contributing to the stabilisation of the sector and the national large infrastructure pipeline.

The *concordato preventivo* proposal filed by Astaldi is subject to the acceptance by the Court, the subsequent approval by the majority of creditors and a final Court approval. During the procedure, Astaldi could be requested to integrate its Proposal. Salini Impregilo will be free to evaluate its contents and the consistency of such integrations with its strategic assumptions and the conditions of the SI Offer. As customary in this kind of transaction, as of today, there is no certainty of the creditors' validation of the Proposal, its subsequent approval by the Court, and therefore of the execution of the SI Offer. For the time being, it is not possible to foresee the timing of the completion of the potential transaction, which would be expected within the first half of 2020.

Salini Impregilo is a leading global player in the construction of large, complex civil infrastructure. It specializes in the water sector – where it is recognised as a global leader by Engineering News-Record (ENR) – as well as railways and metro systems, bridges, roads and motorways, civil and industrial buildings, and airports. The Group has more than 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 status is displayed in projects such as the new Panama Canal, the Grand Ethiopian Renaissance Dam in Ethiopia, the Cityringen metro in Copenhagen, the new Riyadh metro system, the Stavros Niarchos cultural centre in Athens, and the new Gerald Desmond Bridge in Long Beach, USA. In 2017, new orders totalled €6.7 billion, with a total backlog reaching €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).

More information at www.salini-impregilo.com



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