

Explanatory Report of the Board of Directors with regard to point 2) of the Extraordinary Session of the Agenda.

“Proposal to revoke the delegation to increase the share capital against payment assigned to the Board of Directors, pursuant to art. 2443 of the Italian Civil Code, by the Extraordinary Shareholders’ Meeting held on 20 April 2012: pertinent and consequent resolutions”.

Shareholders,

We have convened the Extraordinary Shareholders’ Meeting in order to present for your approval the proposal to revoke the delegation to increase share capital against payment assigned to the Board of Directors, pursuant to art. 2443 of the Italian Civil Code, by the Extraordinary Shareholders’ Meeting held on 20 April 2012.

This report – which has been prepared pursuant to art. 72 and Annex 3A of the Regulation adopted by Consob by means of Resolution no. 11971 of 14 May 1999, as subsequently amended and integrated (hereinafter referred to as the **“Regulation on Issuers”**) – aims at explaining the reasons for the proposal to revoke and subsequently amend art. 5 of the Articles of Association.

1. Reasons for the proposal to revoke the delegation assigned to the Board of Directors, pursuant to art. 2443 of the Italian Civil Code

On 20 April 2012, the Extraordinary Shareholders’ Meeting granted to the Board of Directors the power to increase – within 24 months as from the date of the resolution of the Shareholders’ meeting, against payment in one or more tranches – the share capital for a maximum amount (including any share premium) of EUR 500 million, by issuing ordinary shares with the same characteristics of those outstanding and with regular entitlement, to be offered to those entitled. This delegation, which has not been exercised, was granted as part of the reorganisation and consolidation project of ASTM’s investment portfolio and with regard to the acquisition of the whole equity investment held in IGLI S.p.A. and, indirectly, of 29.96% of the share capital with voting rights of Impregilo S.p.A. (**“Impregilo”**).

Due to the fact that the Company took part in the take-over bid launched by Salini S.p.A. with regard to the ordinary shares of Impregilo, the above-mentioned delegation does not hold true anymore and we, therefore, propose to revoke it.

2. Amendments to the articles of association and right to withdrawal

If the proposal to revoke the delegation assigned to the Board of Directors is approved, we hereby propose to the Shareholders' Meeting to amend art. 5 of the Articles of Association. We include below a comparison between the current and the proposed text.

| <p style="text-align: center;">Current text</p> <p style="text-align: center;">Art. 5 – Share capital</p> | <p style="text-align: center;">New text</p> <p style="text-align: center;">Art. 5 – Share capital</p> |
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| <p>The share capital amounts to EUR 44,000,000 (forty-four millions), divided into 88,000,000 (eighty-eight millions) shares with no par value.</p> <p>The Extraordinary Shareholders' Meeting can delegate the Board of Directors to increase the share capital, in one or more tranches, up to a set amount and for a maximum period of five years as from the date of the resolution, also with the exclusion of the option right, in compliance with the applicable rules.</p> <p>The Extraordinary Shareholders' meeting held on 20 (twenty) April 2012 (two thousand and twelve) granted to the Board of Directors:</p> <ul style="list-style-type: none"> - the power to increase, pursuant to art. 2443 of the Italian Civil Code – within 24 (twenty-four) months as from the date of the resolution, against payment in one or more tranches – the share capital for a maximum amount (including any share premium) of EUR 500 (five hundred) million, by issuing ordinary shares with the same characteristics of those outstanding and with regular entitlement, to be offered as options to those entitled; - the power to set, on a case-by-case basis, the methods, terms and conditions of the share capital increase, in compliance with the above-mentioned limits, including, by way of example only, the power to set the issue price (including any share premium) of newly | <p>The share capital amounts to EUR 44,000,000 (forty-four millions), divided into 88,000,000 (eighty-eight millions) shares with no par value.</p> <p>The Extraordinary Shareholders' Meeting can delegate the Board of Directors to increase the share capital, in one or more tranches, up to a set amount and for a maximum period of five years as from the date of the resolution, also with the exclusion of the option right, in compliance with the applicable rules.</p> <p>The Extraordinary Shareholders' meeting held on 20 (twenty) April 2012 (two thousand and twelve) granted to the Board of Directors:</p> <ul style="list-style-type: none"> – the power to increase, pursuant to art. 2443 of the Italian Civil Code – within 24 (twenty four) months as from the date of the resolution, against payment in one or more tranches – the share capital for a maximum amount (including any share premium) of EUR 500 (five hundred) million, by issuing ordinary shares with the same characteristics of those outstanding and with regular entitlement, to be offered as options to those entitled; – the power to set, on a case by case basis, the methods, terms and conditions of the share capital increase, in compliance with the above mentioned limits, including, by way of example only, the power to set the issue price (including any share premium) of newly issued |

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| <p>issued shares, by taking into account, among other things, the market conditions, the trend of the Company's stock prices, the economic, equity and financial performance of the Company and the Group, as well as of the market practices, the number of shares to be issued, the related option assignment ratio and the exact value of the share capital increase.</p> | <p>shares, by taking into account, among other things, the market conditions, the trend of the Company's stock prices, the economic, equity and financial performance of the Company and the Group, as well as of the market practices, the number of shares to be issued, the related option assignment ratio and the exact value of the share capital increase.</p> |
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The above-mentioned amendment to the articles of association does not grant to the shareholders who have not taken part in the resolution which is the object of this report, the right to withdraw pursuant to art. 2437 of the Italian Civil Code.

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Shareholders,

If you agree with the said proposal, we invite you to make the following resolution:

"The Extraordinary Shareholders' Meeting:

- having seen and approved the Directors' explanatory report,

approves the following:

1. *to revoke the delegation to increase the share capital against payment assigned to the Board of Directors, pursuant to art. 2443 of the Italian Civil Code, by the Extraordinary Shareholders' Meeting held on 20 April 2012;*
2. *to consequently amend art. 5 of the Articles of Association as follows:*

Art. 5 – Share capital

The share capital amounts to EUR 44,000,000 (forty-four millions), divided into 88,000,000 (eighty-eight millions) shares with no par value;
3. *to grant to the Chairman and the Managing Director – separately and with the power to make use of special attorneys, in whole or in part – all powers necessary to implement the above-mentioned resolution and any related legal and regulatory fulfilment, as well as the power to make any non-substantial amendment to the said resolution and report which may be required by competent authorities or by the notary public, or in any case which*

are deemed useful or advisable by them".

Tortona, 19 April 2013

for the Board of Directors

The Chairman

Prof. Gian Maria Gros-Pietro