

ASTALDI

Company

Astaldi

Industry

Construction

Corporate Performance Management

- Balance sheet and Financial Planning
- Managerial and Statutory Consolidation
- Budgeting
- Executive Dashboard

Project

- Over 300 projects
- 180 companies/consortiums
- 30 currencies
- 15 countries in 5 continents

Industry Issues

- business segmentation by project type, geographical area, contract type and center of responsibility
- management of state of progress
- accounting and financial impact of activities carried out through associative groupings (consortium management)
- project parameterization

Key Benefits

- unification of user information and management
- elimination of information redundancies
- elimination of reconciliation processes
- optimization of reporting process thanks to a single application database for actual and budget data, as well as statutory and management reporting data
- manual operations cut by 50% in data inputting and processing and calculation
- greater functional specialization of resources involved in processes
- introduction of work flow approach
- TCO cut by 25%

"The project brought important results in terms of improving the process of planning and in terms of monitoring our profit/loss and financial positions. Furthermore, the project has triggered a process of change management within the organization: from focusing our operational controls mainly on the profit and loss statement, we have moved to forecasting our profit/loss and financial positions on the basis of individual customer jobs with a significant cut of manual operations by 50%."

Marco Caucci Molara

Group Planning and Control Manager

The Astaldi Group required an evolved Corporate Performance Management system to manage its capital and cash-flow planning for individual client projects, monthly closing, consolidation, management reporting, budgeting and statutory consolidation in a single solution and single database.

Requirements

New qualitative analysis generated the following requirements:

- stringent profit-and-loss control through:
 - constant monitoring of performance
 - cross-currency management and analysis of foreign exchange differences
 - profit-and-loss forecasting
 - dynamic multi-scenario/currency analyses
- cash-flow planning and monitoring system capable of:
 - planning cash-flow developments at project, company, sub-group and group levels
 - supporting generation of rolling cash-flow forecasts
 - generating of project balance sheets and related statements of sources-uses of funds and cash-flow statements to monitor invested capital
- creation of a risk management system capable of:
 - hedging foreign exchange risk
 - manage multi-scenario hypotheses
 - manage cash pooling operations

Objectives

Project objectives required a single solution that:

- rationalized group Performance Management processes
- decentralized processes at the global level
- automated key processes through CPM functions
- managed innovations introduced with IAS/IFRS
- cut technical and IT maintenance costs (Total Cost of Ownership)

Results

Tagetik CPM makes it possible to generate monthly project forecasts by monitoring progress and profitability indicators. The reports generated give central management access to a performance scorecard offering an immediate overview of economic indicators, thus providing vital support for operational decisions. This enables regular communication at all levels, from the executive to project manager. The overall result contributed in enhancing the professional growth of those involved at all levels.

ASTALDI



The Astaldi Group, founded in 1926, is one of the world's leading construction companies. In its home territory, Italy, Astaldi is a major player in the "General Contractor" market and a leader promoter of project financing initiatives related to large-scale civil engineering projects. Listed on the stock exchange since June 2002, the Group employs approximately 6000 people, is made up of 204 different subsidiaries or companies, achieves annual sales of more than 1 billion Euro, and has an order book that is currently worth almost 7 billion Euro. Astaldi is represented in 15 countries around the world and produces over 60% of its turnover outside of Italy.

At present the Astaldi group is involved in over 300 different customer projects connected with the planning, implementation, and subsequent management of large-scale civil engineering projects in the fields of transport infrastructure (railroads, subway systems, roads, highways, airports, and sea ports); energy production and utilities (dams, hydroelectric plants, water, oil, and gas pipelines, water treatment plants); and municipal, industrial, and healthcare buildings. It has also been granted longterm contracts to manage structures such as parking lots, urban area transport systems, and healthcare facilities.

Significant projects led by Astaldi within Italy have included the Rome, Naples, Genoa, and Milan subway systems, major dams in Sicily and Calabria, and Milan's cross-city rail link. Outside its home market, Astaldi has been involved in subway projects in both Copenhagen and Caracas, the Lep project at the Cern facility in Geneva, and the Xiaolangdi, Inga, and Balambano dams in China, Congo, and Indonesia respectively. More recently, the Group has successfully won bids to act as General Contractor for Line C of the Rome subway and as Project Financier for the building and subsequent management of Line 5 of the Milan subway.

Worth mentioning among the major projects on which Astaldi is currently working are the subway systems in the Italian cities of Brescia and Naples, the high-speed rail station at Bologna, the Turin cross-city rail link, the widening of the Parma to La Spezia rail route in Northern Italy, hospital developments at Mestre near Venice and at Naples, and-outside the country-the Anatolia Highway in Turkey as well as a series of major rail links in Venezuela. Exciting initiatives in the water and transportation sectors are also underway in Algeria and Romania.

The Astaldi Group closed 2006 with an operative net result of 78 million Euro, a net profit of 30 million Euro, and new orders worth for over 3.3 billion Euro. The Group's net debt/cash position has been assessed at 281 million Euro including actual shares.

www.astaldi.com

Tagetik is an international provider of the next generation of Corporate Performance Management (CPM) solutions. Tagetik CPM is an innovative single CPM solution that leverages cross platform technology and delivers unified and faster process cycles, powerful scalability, short implementation time and lower TCO. With over 10 years of experience, Tagetik has embedded the knowledge and best practices of its customers into Tagetik CPM.

Tagetik CPM is the first software solution with built-in, flexible and unified financial, operational CPM and application processes such as budgeting, financial planning, consolidation, financial and operational reporting and analysis. Tagetik has over 250 customers including Unicredit, Telecom Italia, Bank Pekao, Manuli Rubber Industries, SSL Healthcare, Mediaset, De Agostini, Fininvest, Mediobanca, BNL, Eni Snamprogetti, IFI-Ifil, Marzotto, Banca Popolare di Milano, Impregilo, Astaldi, ERG, Acea, Brembo, Milan, Techint, Illy, Il Sole 24 Ore, Yamaha Motor Italia, Barilla.

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