

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 responsibility centres
- Progress management
- Accounting and financial impact of activities carried out through associative groupings (consortium management)
- Project parameterisation

Key Benefits

- Unification of user information and management reporting
- Elimination of data duplication
- Elimination of manual reconciliation processes
- Optimised reporting delivered within a single application database for actual and budget data, as well as statutory and management reporting data
- Manual effort (data entry, processing and calculation) reduced by 50%
- Greater functional specialisation of resources involved in processes
- Introduction of work flow
- TCO reduced by 25%

"The project brought important results both in terms of improving the planning process and in monitoring our profit/loss and financial positions. Furthermore, the project has triggered a process of change management within the organisation - 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 in manual effort 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 close processes, 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 analysis
- Cash-flow planning and monitoring system capable of:
 - Planning cash-flow requirements at the project, company, sub-group and group levels
 - Supporting the generation of rolling cash-flow forecasts
 - Generation 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
 - Managing multi-scenario hypotheses
 - Managing cash pooling operations

Objectives

The project objectives required a single solution that:

- Rationalised group Performance Management processes
- Decentralised processes at the global level
- Automated key processes across the CPM functions
- Managed innovations and additional reporting requirements introduced by IFRS
- Reduced technical and IT maintenance costs (Total Cost of Ownership)

Results

Using Tagetik 3.0, Astaldi is able to generate monthly project forecasts monitoring progress and profitability indicators. The reports generated deliver central management access to a performance scorecard delivering an immediate overview of economic indicators, thus providing vital support for operational decision-making. 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.



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ASTALDI



Founded in 1926, the Astaldi Group 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 leading promoter of project financing initiatives related to large-scale civil engineering projects. Listed on the stock exchange since June 2002, the Group employs approximately 6,000 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 with over 60% of its turnover generated 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 long-term 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

About Tagetik

Tagetik is a global software vendor of the first unified Performance Management & Financial Governance solution to help CFOs and CIOs simplify complex business processes.

A complete financial closed-loop software, Tagetik 3.0 unifies key processes and applications - such as budgeting & forecasting, cash flow planning, working capital analysis, financial consolidation, financial governance, strategy management, profitability modeling, financial & statement reporting - to manage and control overall performance, support compliance initiatives, harmonize different views of critical financial data, enable maximum visibility down to business transactions. In this way, the CFO can support the CEO in monitoring the implementation of strategies, ensure their sustainability and control corporate performance.

Since the software leverages "built-in" processes and cross-platform technology - fully web-based and integrated with any ERP, our customers can profit by up to 50% reduction of the total cost of ownership (TCO). Tagetik employs over 300 market experts in 11 countries (Italy, North America, UK, France, Austria, Germany, Portugal, Spain, South East Asia, Switzerland, The Netherlands) and shares its successful strategy with 350 worldwide satisfied customers representing all industries including: Unicredit Group, Telecom Italia, Fininvest, Mediaset, Barilla, De Agostini, BNL, Altair Engineering, Houghton Mifflin Harcourt, Artemide, Banco Privado Portugues, Talanx AG, Nationale Suisse, Krauss Maffei, Menarini Group, Volex Group, M+W Zander, IFIL, Aries Complex, Astaldi, Acea, SDA Express Courier, Yamaha Motor Italia, Techint, Milan AC, RAI, Costa Crociere.

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