



*The Board of Directors has approved the Intermediate Report at 30 September 2008*

**ASTALDI: NET PROFIT UP +20.1% AT 32 MILLION EUROS  
NET INDEBTEDNESS DOWN TO 467.7 MILLION EUROS**

**Main consolidated data at 30 September 2008**

- Total revenues up to 1,087 million euros, +16.9%
- EBITDA at 122.2 million euros, +17.1%
- EBIT at 92.5 million euros, +19.7%
- Net profit at 32.2 million euros, +20.1%
  
- Orders backlog at 8.5 billion euros
- New contracts in nine month period: 1.2 billion euros
  
- Net financial position: (467.7) million euros

*Rome, 12 November 2008* – The Board of Directors of Astaldi S.p.A., in today's meeting chaired by Vittorio Di Paola, has approved the consolidated results at 30 September 2008. Despite the difficult economic situation and the resulting complex aspects of the markets, the first nine months of 2008 have close with a net profit of 32.2 million euros, up by +20.1% compared to the same period last year. Revenues are also up (+16.9%), totalling 1,087 million euros. The net financial position has also improved, totalling (467.7) million euros in the third quarter, also thanks to the first positive effects of receipts of contract advances for contracts acquired abroad.

This was the comment by Stefano Cerri, CEO: *"The performance of Astaldi in 2008 is continuing to improve in line with plans. The Company's net financial indebtedness has fallen in the third quarter, leading us to forecast a debt/equity ratio near to one by the end of the year. We are preparing to face the coming challenges, including those regarding the present market crisis, well aware that over time we have created a solid basis for growth."*

**Consolidated economic results for the first nine months of 2008**

The first nine months of 2008 have confirmed the results in line with planning, thanks to the quality of the policies and strategic choices made over the previous financial years and the excellent planning of the activities, which have enabled us to face a macroeconomic situation that has worsened due to fears of a slowdown in the world's economies, the worsening of credit conditions for households and business, and the inflation deriving from rises in raw material prices.

**Revenues** totalling 1,041 million euros (892 million euros at 30 September 2007), with a rise of **+16.7%**, **reflect the increase in production activities** for some of the contracts under way in Italy and abroad, with the reaching of the full production phase for significant general contracting and project financing projects acquired over the previous financial years. **Total revenues are up by +16.9%**, at 1,087 million euros (929.9 million euros in the same period last year), thanks also to the contribution of **other operating revenues**, up by 20.9% compared to the same period last year.

The cost structure reflect an increase in activities and the growing trends in the orders backlog towards general contracting, typically associated with economies of scale and the greater use of third party subcontracting. **Production costs** total 788.1 million euros (+18.1% compared to 667.4 million euros at 30 September 2007), accounting for **72.5%** of total revenues (71.8% at 30 September 2007). **Personnel costs** total 156.1 million euros (+11.1%, compared to 140.5 million euros last year), with a lower impact on revenues of **14.4%** (15.1% last year).

**EBITDA (gross operating margin)** is up by **+17.1%** and totalling 122.2 million euros (104.3 million euros last year), with an **EBITDA margin of 11.2%**. **EBIT (net operating result)**, totalling 92.5 million euros, shows a higher growth of **+19.7%** compared to 77.2 million euros at 30 September 2007, with an **EBIT margin** rising to **8.5%** from 8.3% last year.

The **net financial charges** total **38 million euros** (+19% compared to 31.9 million euros to the end of September 2007). Increasing activities of the Group have, in fact, meant higher average borrowing, due to the **increase of invested capital typically associated with the increase of production volumes and business cycles**. We should also point out that despite the considerable complexities of the credit market, up to now, the global rise in the cost of borrowing has not had any significant effects on the P&L: in this part of the financial year, changes to the cost of borrowing were limited, also thanks to the implementation of a policy to hedge interest rate risks.

**Net profit totals 32.2 million euros, up by +20.1%** compared to 26.8 million euros last year, with a net margin stable at 3%.

#### **Consolidated assets and financial situation at 30 September 2008**

The **assets and financial structure of the Group** reflects an investment policy designed to favour projects (under general contracting and project finance) with growing return on capital invested.

The **net financial position** at 30 September 2008, net of treasury shares, is (467.7) million euros. On the overall planned growth shown when compared to the (393.5) million euros recorded at the beginning of the year, it also shows a reduction of 29 million euros when compared with the previous (496.5) million euros recorded at 30 June 2008. On the one hand, the figures for the financial position on an annual basis reflect the support provided to production; on the other, the planned cash-flow trends in relation to projects under way and also the receipt of contract advances expected for contracts acquired abroad, are starting to produce their first positive effects, allowing for a more balanced used of resources and creating the conditions for a reduction of the capital invested by the end of 2008, with positive effects on the net financial position of the Group.

It is likewise important to highlight that the current debt structure, mainly oriented towards the medium-long term, presents the first significant deadline for refinancing only in 2013.

The debt/equity ratio is 1.4. The corporate debt/equity which excludes the quota of indebtedness for concession and project financing activities, since it is self-liquidating, is 1.3.

<i>Euro/000</i>		30/09/08	30/06/08	31/03/08	31/12/07	30/09/07
A	Cash and cash equivalents	319,516	291,156	309,311	295,538	235,770
B	Securities held for negotiation	13,154	24,632	10,871	14,764	15,619
<b>C</b>	<b>Liquidity (A+B)</b>	<b>332,670</b>	<b>315,788</b>	<b>320,182</b>	<b>310,303</b>	<b>251,389</b>
<b>D</b>	<b>Financial receivables</b>	<b>13,816</b>	<b>12,673</b>	<b>19,322</b>	<b>25,365</b>	<b>15,368</b>
E	Current payables to banks	(176,863)	(259,369)	(215,055)	(212,182)	(280,429)
F	Current part of non-current payables	(74,931)	(75,904)	(79,990)	(97,328)	(1,859)
G	Other current financial payables	(13,284)	(12,794)	(16,476)	(12,874)	(12,888)
<b>H</b>	<b>Current financial indebtedness (E+F+G)</b>	<b>(265,078)</b>	<b>(348,067)</b>	<b>(311,520)</b>	<b>(322,385)</b>	<b>(295,176)</b>
<b>I</b>	<b>Net current financial indebtedness (C+D+H)</b>	<b>81,408</b>	<b>(19,606)</b>	<b>27,984</b>	<b>13,284</b>	<b>(28,419)</b>
J	Non-current payables to banks	(539,947)	(467,135)	(456,070)	(396,039)	(397,575)
K	Other non-current payables	(13,970)	(14,424)	(14,385)	(15,787)	(17,906)
<b>L</b>	<b>Non-current financial indebtedness (J+K)</b>	<b>(553,916)</b>	<b>(481,560)</b>	<b>(470,455)</b>	<b>(411,826)</b>	<b>(415,480)</b>
<b>M</b>	<b>Net financial indebtedness (I+L)</b>	<b>(472,509)</b>	<b>(501,166)</b>	<b>(442,472)</b>	<b>(398,543)</b>	<b>(443,899)</b>
	Treasury shares in portfolio	4,858	4,662	5,438	5,048	4,305
	<b>Net total financial position</b>	<b>(467,650)</b>	<b>(496,504)</b>	<b>(437,034)</b>	<b>(393,495)</b>	<b>(439,594)</b>

### Third quarter 2008

The accounts for the third quarter of 2008 reflect the trends recorded for the results of the first nine months of the year.

Revenues total 368.5 million euros (+12.9% compared to the third quarter 2007), thanks to the increase in activity recorded in Italy and abroad, contributing to total revenues of 382.3 million euros (+14.1% up). The costs confirm the growing trend of the orders backlog towards activities mainly conducted under general contracting; production costs totalling 281.9 million euros (+16.1%), accounting for 73.7% of total revenues (72.5% in the first nine months of 2007); personnel costs are 51.8 million euros, with a reduced impact of 13.6% (14.5% in the third quarter 2007). The consequent cost structure means better economic performance rates, also on a quarterly basis. The EBITDA (gross operating margin) is 42.1 million euros (+15.3%), accounting for 11% of total revenues (10.9% in the third quarter 2007), while the EBIT is 31.9 million euros (+14.9%), representing 8.4% of revenues (8.3% in the third quarter of last year).

Net financial charges totalling 16.6 million euros have been only slightly affected by increased interest rates for the period, and in any case, the higher average level of indebtedness associated with Group operations is currently being reduced.

The quarter closes with a net profit (+47.5%), totalling 11.1 million euros, accounting for 2.9% of revenues.

### The orders backlog

New contracts recorded in the first nine months of the year totalled 1.2 billion euros, bringing the orders backlog at 30 September 2008 to 8.5 billion euros, of which 6.4 billion euros regarding the construction sector and 2.1 billion euros for concession and project finance activities.

The structure of the orders backlog is coherent with the development plans adopted by the Group and with the results recorded in the previous periods. A total of 62% of activities, including concession initiatives, concerns domestic initiatives; the remaining 38% refers to business activities abroad, mainly in Latin America, Eastern Europe, Algeria and Turkey. Transport infrastructures are still the major sector for the Group activities (62% of the total backlog), while there is a growing contribution from the sector of energy production plants (6%), followed by civil and industrial building, accounting for 7%. The major and qualified role in the concessions sector has been confirmed at 2.1 billion euros, i.e. 25% of the total backlog.

The new contracts basically refer to the transport infrastructures sector, in Italy and abroad (Turkey and Romania), and energy production plants (mainly Latin America). In particular, we can point out the contract for the **Chacayes dam in Chile**, worth 282 million euros (95% pertaining to Astaldi), to be built in partnership with the Australian group Pacific Hydro. This project involves the building of more hydroelectric plants for a total value of 600 million dollars, for which Astaldi has already signed an agreement with Pacific Hydro to ensure the exclusive; this is a prelude to the signature of further new contracts in 2009. Another significant project is for the **El Chaparral Hydroelectric Plant in El Salvador**, worth 220 million dollars, and confirming leadership in the sector of energy production plants, as well as strengthening the Company's role in Latin America. Then there is the contract for the **new Istanbul underground**, worth 751 million euros (42% pertaining to Astaldi), the most significant project undertaken in recent years by the Istanbul municipal authorities. We can also recall the acquisition of an initial section of the "Pedemontana Lombarda" Motorway, worth 630 million euros (24% pertaining to Astaldi), and new contracts in the sector of transport infrastructures in Romania. Finally, the orders backlog includes the items underlying the appointment of Astaldi as Promoter for project financing for the construction and subsequent management of the link between the Port of Ancona and the A14 Motorway and the Adriatica National Road (NR 16), for which the final outcome of the procedure is soon expected.

Euro/million	Start of period 01/01/2008	Increases	Decreases for production	End of period 30/09/2008
Transport infrastructures	5,386	704	(777)	5,312
of which:				
<i>Railways and undergrounds</i>	4,127	368	(509)	3,986
<i>Roads and motorways</i>	1,169	256	(239)	1,186
<i>Airports and ports</i>	89	80	(29)	140
Hydraulic works and hydroelectric plants	237	360	(120)	478
Civil and industrial building	574	173	(144)	602
Concessions	2,119	0	0	2,119
<b>Total Orders Backlog</b>	<b>8,316</b>	<b>1,237</b>	<b>(1,041)</b>	<b>8,512</b>

#### Forecast corporate results and subsequent events

Despite the complex aspects emerging in the economic and financial situation, the further consolidation of the Group is expected on the international level.

With regard to foreign business, efforts will be made to consolidate the Group in the countries where it has traditionally worked (Latin America, Maghreb, Eastern Europe). Other positive scenarios could open up: in neighbouring markets (Poland, Peru); in Chile, for the agreements signed between Astaldi and Pacific Hydro to ensure the exclusive; in Venezuela, for the options regarding railway projects under way; in Honduras, for the recent cooperation agreements signed between the Italian and Honduran Governments. In El Salvador, new, significant agreements are expected in the hydroelectric sector. With regard to Italy, we are awaiting the outcome of the tender procedures for project financing for the construction and subsequent management of the link between the Port of Ancona and nearby roads; there may also be extensions to Line 5 of the Milan underground.

The start-up of the management phase for the New Hospital in Mestre will enhance this contribution to revenues.

Finally, negotiations with the Republic of Croatia have successfully concluded for the definition of the receipt of credit items referring to the arbitration decision on the contract for the construction and management of the Zagreb-Gorican motorway. The agreement signed by Astaldi and the Republic of Croatia provides for the payment of the credit due in three tranches, the first of which has already been settled.

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*The manager appointed to draw up to Company's accounting documents, Paolo Citterio, Astaldi General Manager, Administration and Finance, hereby declares, pursuant to para. 2 of Art. 154-bis of the Single Law on Finance that the accounting information contained in this press release corresponds with the figures in the documents, books and accounts.*

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*The Intermediate Report at 30 September 2008, not subjected to auditing, will be available on the Astaldi website at the address [www.astaldi.it](http://www.astaldi.it) within the terms established by law.*

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*Listed on the STAR segment of the Italian stock exchange, Astaldi Group has been active for more than 80 years, in Italy and abroad, in designing and constructing large-scale civil engineering works.*

*The Group operates in the following areas of activity:*

- *transport infrastructures (railways, undergrounds, roads, motorways, ports, and airports);*
- *hydraulic works and power production plants (dams, hydroelectric plants, water systems, oil pipelines, gas pipelines, nuclear power stations, and treatment plants);*
- *civil and industrial construction (hospitals, universities, airports, law courts, and car parks);*
- *concession of such works as healthcare facilities, transport infrastructures, car parks.*

*The Group is currently a General Contractor capable of promoting financial aspects and coordinating all resources and skills for the optimal development and management of complex and high-value public works.*

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## Reclassified Consolidated Income Statement

<i>Euro/000</i>	Reference to financial statements	30/09/08	%	30/09/07	%	III° Quarter 2008	%	III° Quarter 2007	%
Revenues	A	1,041,263	95.8%	892,127	95.9%	368,494	96.4%	326,518	97.5%
Other operating revenues	B	45,704	4.2%	37,800	4.1%	13,818	3.6%	8,410	2.5%
<b>Total revenues</b>		<b>1,086,967</b>	<b>100.0%</b>	<b>929,926</b>	<b>100.0%</b>	<b>382,312</b>	<b>100.0%</b>	<b>334,928</b>	<b>100.0%</b>
Production costs	C	(788,095)	-72.5%	(667,363)	-71.8%	(281,905)	-73.7%	(242,885)	-72.5%
<b>Added value</b>		<b>298,871</b>	<b>27.5%</b>	<b>262,564</b>	<b>28.2%</b>	<b>100,407</b>	<b>26.3%</b>	<b>92,043</b>	<b>27.5%</b>
Personnel costs	D	(156,136)	-14.4%	(140,489)	-15.1%	(51,814)	-13.6%	(48,418)	-14.5%
Other operating costs	E	(20,538)	-1.9%	(17,760)	-1.9%	(6,480)	-1.7%	(7,104)	-2.1%
<b>EBITDA</b>		<b>122,197</b>	<b>11.2%</b>	<b>104,315</b>	<b>11.2%</b>	<b>42,113</b>	<b>11.0%</b>	<b>36,522</b>	<b>10.9%</b>
Amortization and depreciation	F	(29,920)	-2.8%	(25,369)	-2.7%	(10,341)	-2.7%	(8,836)	-2.6%
Provisions	E	(382)	0.0%	(2,103)	-0.2%		0.0%		0.0%
(Capitalized costs for internal constructions)	G	566	0.1%	383	0.0%	174	0.0%	113	0.0%
<b>EBIT</b>		<b>92,460</b>	<b>8.5%</b>	<b>77,226</b>	<b>8.3%</b>	<b>31,946</b>	<b>8.4%</b>	<b>27,799</b>	<b>8.3%</b>
Net financial income and charges	H	(38,017)	-3.5%	(31,934)	-3.4%	(16,644)	-4.4%	(12,952)	-3.9%
Effect of valuation of shareholdings using equity method	I	(650)	-0.1%	1,427	0.2%	(968)	-0.3%	136	0.0%
<b>Profit (loss) before tax</b>		<b>53,794</b>	<b>4.9%</b>	<b>46,719</b>	<b>5.0%</b>	<b>14,334</b>	<b>3.7%</b>	<b>14,983</b>	<b>4.5%</b>
Tax	L	(18,559)	-1.7%	(20,307)	-2.2%	(3,170)	-0.8%	(7,442)	-2.2%
<b>Profit (loss) for the year</b>	<b>M</b>	<b>35,235</b>	<b>3.2%</b>	<b>26,412</b>	<b>2.8%</b>	<b>11,164</b>	<b>2.9%</b>	<b>7,540</b>	<b>2.3%</b>
Minority (profit) loss	N	(3,040)	-0.3%	398	0.0%	(97)	0.0%	(35)	0.0%
<b>Group net profit</b>	<b>O</b>	<b>32,195</b>	<b>3.0%</b>	<b>26,810</b>	<b>2.9%</b>	<b>11,067</b>	<b>2.9%</b>	<b>7,505</b>	<b>2.2%</b>

## Stato Patrimoniale Consolidato Riclassificato

<i>Euro/000</i>	Reference to accounts	30 September 2008	31 December 2007	30 September 2007
Intangible assets	B	3,754	3,374	6,406
Tangible assets	A	267,002	246,675	235,777
Equity holdings	C	56,827	53,696	55,015
Other net fixed assets	D	28,056	30,364	39,194
<b>TOTAL Fixed Assets (A)</b>		<b>355,639</b>	<b>334,108</b>	<b>336,393</b>
Inventories	E	82,397	60,915	55,653
Contracts in progress	F	643,692	519,229	567,590
Trade receivables	G	33,962	36,844	38,599
Receivables from customers	G	454,927	426,223	369,951
Other assets	I	212,583	160,091	157,813
Tax receivables	Z	87,684	88,592	90,467
Advances from customers	R	(299,826)	(237,466)	(241,033)
<b>Subtotal</b>		<b>1,215,419</b>	<b>1,054,428</b>	<b>1,039,039</b>
Trade payables	S - I	(82,892)	(88,474)	(99,118)
Payables to suppliers	S - I	(459,124)	(383,834)	(325,765)
Other liabilities	V - P	(185,766)	(170,337)	(158,435)
<b>Subtotal</b>		<b>(727,782)</b>	<b>(642,645)</b>	<b>(583,318)</b>
<b>Working capital (B)</b>		<b>487,637</b>	<b>411,784</b>	<b>455,721</b>
Employee benefits	T	(10,244)	(10,932)	(13,438)
Provisions for non-current risks and charges	U	(24,277)	(24,333)	(35,295)
<b>Total Provisions (C)</b>		<b>(34,521)</b>	<b>(35,265)</b>	<b>(48,733)</b>
<b>Net invested capital (D) = (A) + (B) + (C)</b>		<b>808,756</b>	<b>710,628</b>	<b>743,381</b>
Cash and cash equivalents	L	319,516	295,538	235,770
Current financial receivables	H	11,393	22,943	14,908
Non-current financial receivables	D	2,423	2,423	460
Securities	H	13,154	14,764	15,619
Current financial payables	Q	(265,078)	(322,385)	(295,176)
Non-current financial payables	P	(553,916)	(411,826)	(415,480)
<b>Net financial payables/receivables (E)</b>		<b>(472,509)</b>	<b>(398,543)</b>	<b>(443,899)</b>
Group equity	M	(329,519)	(310,251)	(298,361)
Minority equity	N	(6,728)	(1,834)	(1,120)
<b>Equity (G) = (D) - (E)</b>	<b>O</b>	<b>336,247</b>	<b>312,085</b>	<b>299,482</b>