

Astaldi



4Q 2004 and 2004 Preliminary Results

February 10, 2005

**2004 RESULTS
ABOVE
2004-2006
STRATEGIC
PLAN TARGETS**

<i>(Million of euro)</i>	2004	yoy	2006	CAGR 03-06
Order backlog	5,011	13.7%	6,019	11%
Total revenues	1,049	13.7%	1,350	13.5%
EBIT	75	12.3%	101	15.2%
<i>Ebit margin</i>	7.1%	--	7.5%	--
Group Net income	28	23.3%	46	28%

**STRONG
FINANCIAL
STRUCTURE**

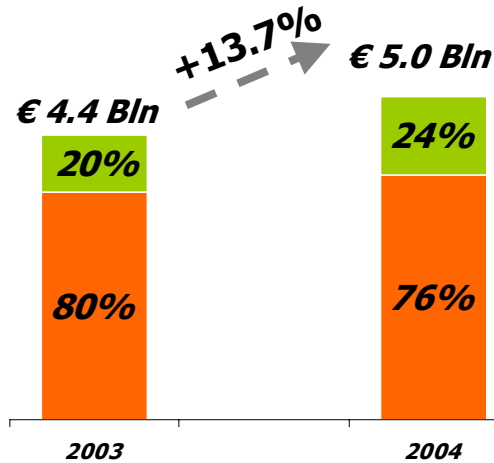
<i>(Million of euro)</i>	2004	yoy	2006	CAGR 03-06
Net Financial Position	(115)	(10.0)%	(221)	20.0%
<i>construction</i>	88	--	35	--
<i>concession/project finance</i>	27	--	186	--
Equity	244	7.3%	307	10.6%
<i>Debt/Equity ratio</i>	0.47	--	0.72	--

**2004-2006
Strategic Plan
Guidelines**

**GROWTH OF ORDER
BACKLOG**
through targeted
acquisition policy

**Improved quality of
order backlog and
focus on larger size
projects allow
BETTER VISIBILITY
ON EXPECTED
REVENUES AND ON
PROFITABILITY**

2004 ORDER BACKLOG



€ 1.2 Bln concession

as present value of future revenues
from concession activities
(average life: approx. 25 yr.)

€ 3.8 Bln construction

(average life: 4/5 yr.)

■ Operation
■ Construction

**2004 Order backlog assures
> 70% of 2006 revenues**

Further recent news flow confirm strong acquisition power

2004-2006 Strategic Plan Guidelines

**Focus on
General Contracting in
transport
infrastructure**

**Exploit project finance
and concession
market in the health
care, transport
infrastructure and car
parking facilities**

**Resulted into an
improved quality of
order backlog as proven
by 2002-2004 positive
track record**

Forward looking strategic view resulted into
a successful commercial activity
€ 1.6 Bln of new orders

75% of 2004 new orders in transport infrastructures

✓ *1st and 2nd stretch of "Jonica 106" Road: € 790 Mln*

Pending bidding process for additional initiatives

✓ *Torino Railway Hub, Parma-La Spezia Railway*

Further initiatives

✓ *Rome Subway Line C, new lots of Salerno-Reggio Calabria Highway, other*

11% of new orders in health-care sector

✓ *New Hospital in Naples ("Ospedale del Mare"): €112Mln for constr., €343Mln for oper. (Astaldi shares)*

Astaldi sponsor of new pf initiatives in transport infrastructure segment

✓ *Milan Subway Line 5: public tender is expected within February 2005*

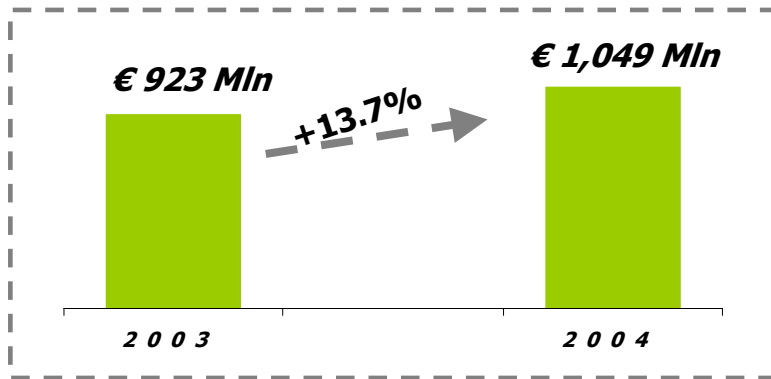
✓ *Appia Antica Underpass*

Pending bidding process

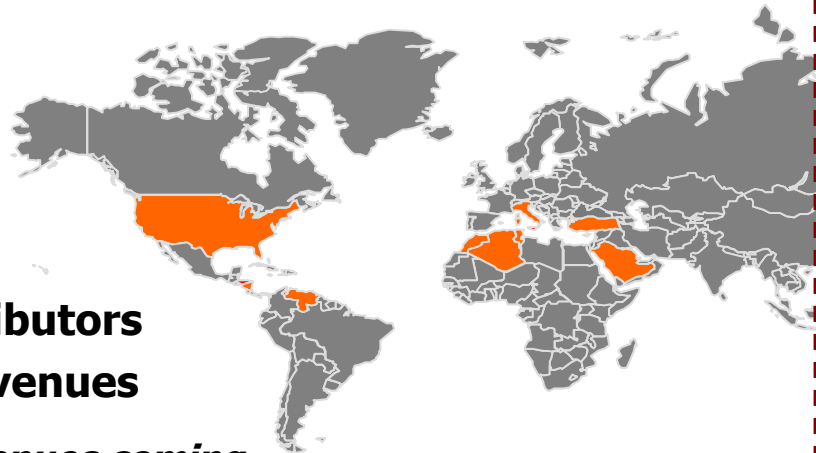
✓ *Asti-Cuneo Highway, "Niguarda" Hospital in Milan, Milan Subway Line 4*

Further initiatives

✓ *Ferrara Hospital, Rome Subway Line D*



Market growth, especially domestic market, supports Company growth and favors stabilization of revenues



Main contributors to 2004 revenues

€ 988 Mln of revenues coming from construction activities (94% of total revenues)

ITALY

- New Milan Expo Fair
- Rome-Naples High-Speed Railway
- Torino Railway
- Milan Rail Link

ROMANIA

- Bucarest-Costanza Highway

TURKEY

- Anatolian Highway

QATAR

- SASOL GTL Plant

USA

- Transport infrastructures & Utilities

VENEZUELA

- Metro Los Teques
- Puerto-Cabello La Encrucjada Railway

2004-2006 Strategic Plan Guidelines

**PPP through project
finance has become
an important
business sector**

- We are working on...*
- ✓ **Creation of a separated Business Unit** to manage and develop concession business
 - ✓ **Several contracts included in the portfolio will start to generate concession revenues** once the construction phase has been completed: 2007 onward
 - ✓ Several new initiatives will start to generate **further concession revenues in the medium-term** (additional stretch of Milan Subway Line 5, Asti-Cuneo Highway, Milan Subway Line 4)

**Revenues from
operations will
reach approx. 10%
of total revenues**

- In the medium-term (2009-2010) concessions are expected:*
- ✓ **to guarantee approx. 10% of revenues** and
 - ✓ **to represent a contribution of 25-30% at EBIT level**

February 10, 2005

Reclassified Consolidated Income Statement

(Millions of euro)	2004	2003	yoy	Q4 04	Q4 03	yoy
Revenues from construction	989,3	870,1	13,7%	249,7	246,3	1,4%
Other revenues	59,7	52,6	13,5%	16,2	7,8	109,0%
Total revenues	1.049,1	922,8	13,7%	265,9	254,0	4,7%
Cost of production	(793,0)	(672,9)	17,8%	(200,9)	(192,7)	4,2%
% on total revenues	75,6%	72,9%	n.m.	75,5%	75,9%	n.m.
Labour Cost	(129,0)	(122,9)	5,0%	(31,2)	(33,6)	-7,2%
% on total revenues	12,3%	13,3%	n.m.	11,7%	13,2%	n.m.
Gross operating profit	127,1	127,0	0,0%	33,9	27,7	22,4%
Other charges	(14,4)	(13,7)	5,3%	(0,6)	(1,8)	(65,7)%
Ebitda	112,6	113,3	(0,6)%	33,2	25,8	28,6%
Ebitda margin	10,7%	12,3%	n.m.	12,5%	10,2%	n.m.
D&A	(45,3)	(45,7)	(0,8)%	(14,4)	(11,7)	22,9%
% on total revenues	4,3%	5,0%	n.m.	5,4%	4,6%	17,4%
Net provisions and use of risks fund	7,3	(1,2)	n.m.	0,1	4,8	n.m.
Ebit	74,6	66,4	12,3%	18,9	18,9	-0,2%
Ebit margin	7,1%	7,2%	n.m.	7,1%	7,5%	n.m.
Interest charges	(26,8)	(27,5)	(2,2)%	(7,9)	(9,5)	(17,0)%
Equity write-downs	(2,2)	(5,0)	n.m.	(2,0)	(3,1)	n.m.
Extraordinary income (charges)	(4,6)	(5,0)	(7,2)%	(1,7)	(2,2)	-20,4%
Profit before taxes	41,0	29,0	41,2%	7,2	4,2	72,6%
Taxes	(12,9)	(6,9)	n.m.	(2,3)	(1,6)	42,5%
Net income for the period	28,1	22,2	26,8%	4,9	2,6	91,2%
Net (profit) loss of minorities	(0,5)	0,2	n.m.	0,6	0,6	n.m.
Group net income	27,6	22,4	23,3%	5,5	3,2	71,8%

Revenue growth in line with plan thanks to the good visibility of contracts in portfolio

Direct costs growth due to increased outsourcing which also results into a decrease of labour cost and D&A incidence on revenues

Gross operating profit shows a strong growth in 4Q whereas the yearly figure is influenced by work in progress phases

Good Ebit growth notwithstanding New Milan Expo Fair at 4.5% Ebit margin that will release its full margin in 1H 05 upon the achievement of specific contractual milestones

Interest charge reduction benefits from a lower yearly average indebtedness achieved thanks to healthy cash-flows and to a more balanced use of financial resources

31% Tax rate

<i>(Thousands of euro)</i>	FY 2004	9M 04	FY 2003	9M 03
Net tangible assets	49,897	46,119	52,191	51,059
Net intangible assets	102,293	106,441	106,318	106,902
Equity investments	26,319	29,290	28,361	31,831
Other fixed assets	14,142	16,602	16,296	16,837
Net fixed assets	192,651	198,452	203,166	206,629
Working capital	248,979	279,879	229,436	264,198
Total funds	(82,382)	(86,069)	(77,008)	(80,155)
Net invested capital	359,248	392,262	355,594	390,672
Net financial debt	(115,467)	(157,418)	(128,314)	(165,146)
Group net equity	243,781	234,844	227,280	225,526
<i>Debt/equity ratio</i>	<i>0.47</i>	<i>0.67</i>	<i>0.56</i>	<i>0.73</i>

✓ *Stable Invested Capital vs. 2003 matches a 13.7% growth in revenues*

✓ *Debt/Equity ratio at 0,47 benefits also from a more balanced CAPEX policy (approx. 4% of revenues in 2004 vs. 4.5% planned)*

✓ *Medium-Long term debt refinanced at a lower cost compared to eurobond (approx. 4.5% vs. previous 6.5% swapped at 5.3%)*

✓ *€27Mln debt related to project finance activities. As a result corporate indebtedness amounts to approx. €88Mln*

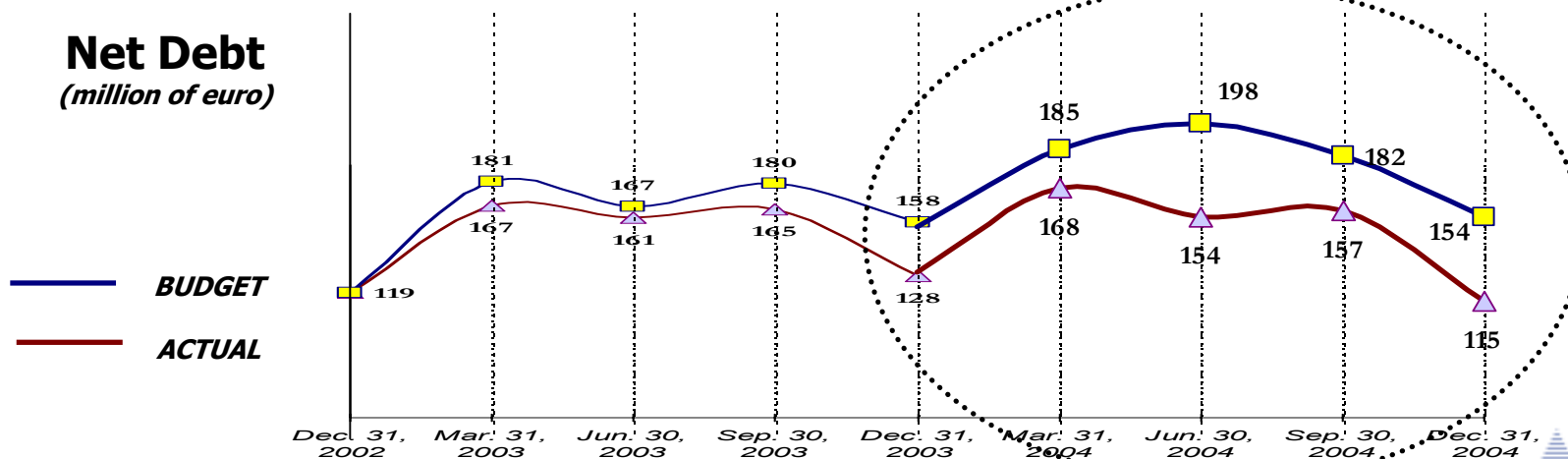
February 10, 2005

Net financial position

(Thousands of euro)	2004	9M 04	2003	9M 03
Short-term financial debt	(146,181)	(139,262)	(100,348)	(137,406)
Medium/Long-term financial debt	(69,308)	(61,703)	(75,072)	(87,962)
Cash	174,839	129,629	149,983	133,713
Financial receivables	77,178	77,069	73,021	105,531
<i>Current financial receivables</i>	<i>32,008</i>	<i>35,123</i>	<i>19,451</i>	<i>48,853</i>
<i>Non current financial receivables</i>	<i>45,170</i>	<i>41,946</i>	<i>53,570</i>	<i>56,678</i>
Ordinary finance	36,528	5,733	47,584	13,876
Net eurobond	(129,999)	(140,064)	(150,000)	(150,000)
Leasing	(21,996)	(23,087)	(25,898)	(29,022)
Net financial position	(115,467)	(157,418)	(128,314)	(165,146)

Improved operating cash-flow in 4Q together with a more balanced investment plan resulted into a cash generation of € 30 Mln compared to €(40)Mln as of June 2004 and to €(26)Mln expected at budget

Net Debt (million of euro)



4Q 04 and 2004 Preliminary Results

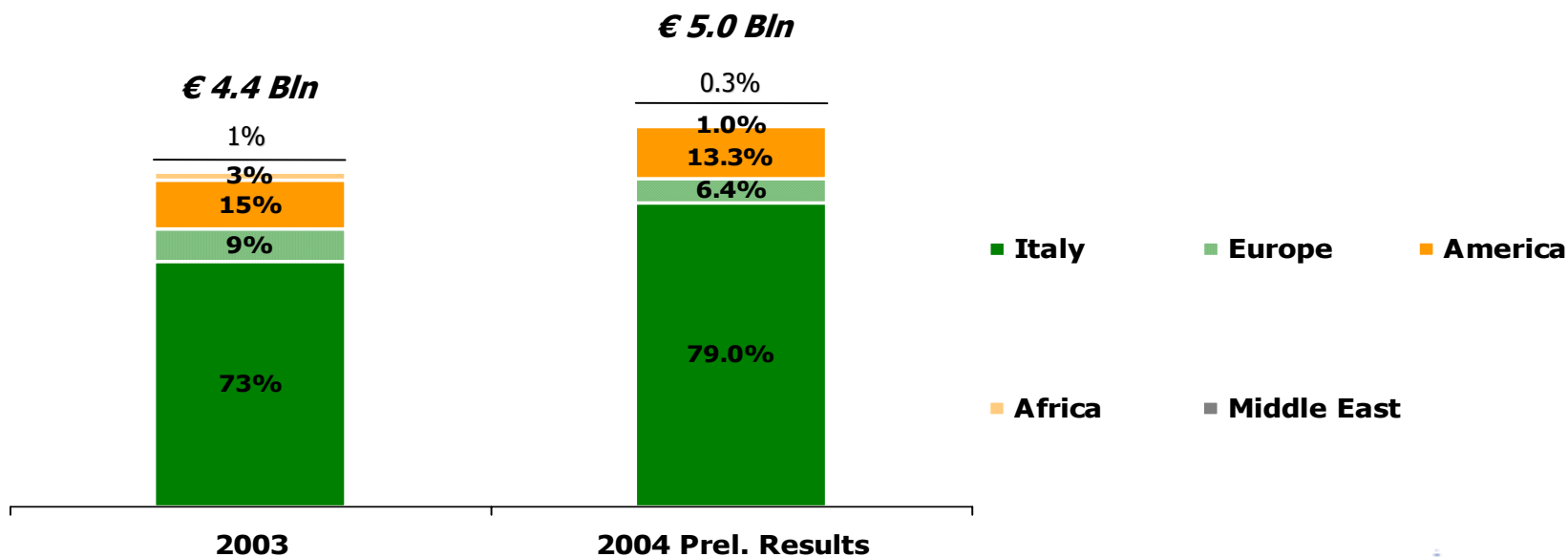
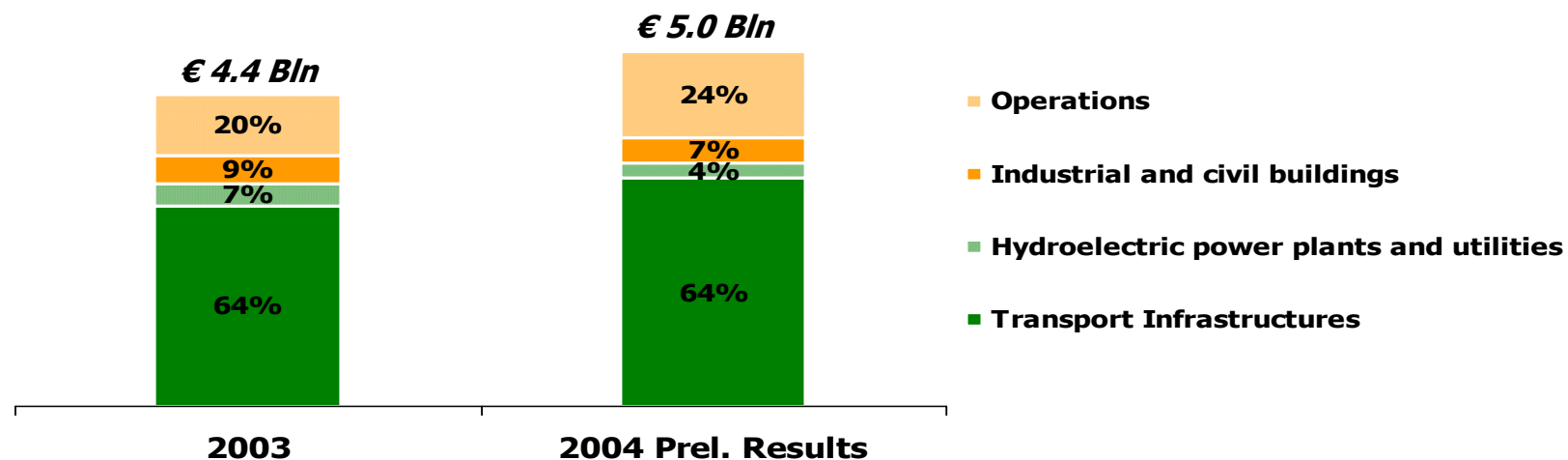
Appendix

Reclassified Consolidated Income Statement

Euro/000	FY 2004	%	FY 2003	%	4Q 2004	%	4Q 2003	%
Contract revenues	989,348	94.3%	870,145	94.3%	249,678	93.9%	246,258	96.9%
Other revenues	59,726	5.7%	52,640	5.7%	16,223	6.1%	7,762	3.1%
Total revenues	1,049,074	100.0%	922,785	100.0%	265,901	100.0%	254,020	100.0%
Costs of production	(792,992)	(75.6%)	(672,895)	(72.9%)	(200,853)	(75.5%)	(192,741)	(75.9%)
Added value	256,082	24.4%	249,890	27.1%	65,048	24.5%	61,279	24.1%
Labour costs	(129,023)	(12.3%)	(122,865)	(13.3%)	(31,192)	(11.7%)	(33,618)	(13.2%)
Gross operating profit	127,059	12.1%	127,025	13.8%	33,856	12.7%	27,661	10.9%
Other charges	(14,446)	(1.4%)	(13,714)	(1.5%)	(622)	(0.2%)	(1,815)	(0.7%)
Ebitda	112,613	10.7%	113,311	12.3%	33,234	12.5%	25,846	10.2%
D&A	(45,322)	(4.3%)	(45,693)	(5.0%)	(14,386)	(5.4%)	(11,705)	(4.6%)
Provisions, write-downs and uses of risk funds	7,328	0.7%	(1,174)	(0.1%)	54	0.0%	4,804	1.9%
Ebit	74,619	7.1%	66,444	7.2%	18,902	7.1%	18,945	7.5%
Interest charges	(26,842)	(2.6%)	(27,458)	(3.0%)	(7,901)	(3.0%)	(9,516)	(3.7%)
Equity write-downs	(2,157)	(0.2%)	(4,967)	(0.5%)	(2,048)	(0.8%)	(3,065)	(1.2%)
Extraordinary income (charges)	(4,625)	(0.4%)	(4,982)	(0.5%)	(1,735)	(0.7%)	(2,181)	(0.9%)
Profit before taxes	40,995	3.9%	29,037	3.1%	7,218	2.7%	4,183	1.6%
Taxes	(12,882)	(1.2%)	(6,858)	(0.7%)	(2,284)	(0.2%)	(1,603)	(0.2%)
Net income for the period	28,113	2.7%	22,179	2.4%	4,934	1.9%	2,580	1.0%
Net (profit) loss of minorities	(508)	(0.0%)	217	0.0%	585	0.2%	632	0.2%
Group net income	27,605	2.6%	22,396	2.4%	5,519	2.1%	3,212	1.3%

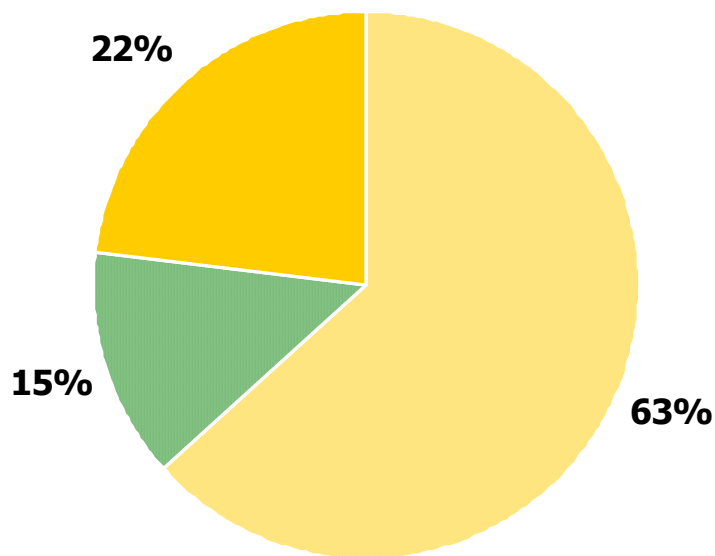
Reclassified Consolidated Balance Sheet

Euro/000	December 31 2004	September 30 2004	December 31 2003	September 30 2003
Net intangible fixed assets	49,897	46,119	52,191	51,059
Net tangible fixed assets	102,293	106,441	106,318	106,902
Equity investments	26,319	29,290	28,361	31,831
Other net fixed assets	14,142	16,602	16,296	16,837
Total net fixed assets (A)	192,651	198,452	203,166	206,629
Inventories	42,831	35,574	41,316	43,367
Works in progress	192,752	244,467	187,373	251,005
Trade receivables	301,883	260,055	217,355	256,995
Other assets	205,185	225,477	207,542	204,727
Advances	(107,413)	(100,439)	(84,919)	(116,320)
Sub total	635,238	665,134	568,667	639,774
Suppliers' payables	(228,980)	(238,550)	(196,399)	(221,653)
Other liabilities	(157,279)	(146,705)	(142,832)	(153,923)
Sub total	(386,259)	(385,255)	(339,231)	(375,576)
Working capital (B)	248,979	279,879	229,436	264,198
Employees' severance indemnity	(12,473)	(12,177)	(12,189)	(12,101)
Contractual risks fund	(41,177)	(44,329)	(51,599)	(53,796)
Other funds	(28,732)	(29,563)	(13,220)	(14,258)
Total funds (C)	(82,382)	(86,069)	(77,008)	(80,155)
Net invested capital (D)=(A)+(B)+(C)	359,248	392,262	355,594	390,672
Liquidity and current financial receivables	174,839	129,629	149,983	133,713
Non current financial receivables	77,178	77,069	73,021	105,531
Medium/long term indebtedness	(86,647)	(80,027)	(96,099)	(111,851)
Short term indebtedness	(150,838)	(144,025)	(105,219)	(142,539)
Eurobond	(150,000)	(150,000)	(150,000)	(150,000)
Own bonds	20,001	9,936	--	--
Net indebtedness (E)	(115,467)	(157,418)	(128,314)	(165,146)
Group net equity	243,690	233,978	227,122	224,718
Minority interests	91	866	158	808
NET EQUITY (G)=(D)-(E)-(F)	243,781	234,844	227,280	225,526
Personal guarantees	1,393,144	1,525,007	1,695,806	1,743,078
Risk of recourse from factors	79,573	89,006	86,168	84,244
Other memorandum items	30,381	29,660	29,660	27,452
Collateral security	--	--	--	43,969
Third party guarantees in our favor	25,066	25,255	22,189	22,226
Total commitments and guarantees	1,528,164	1,668,928	1,833,823	1,920,969

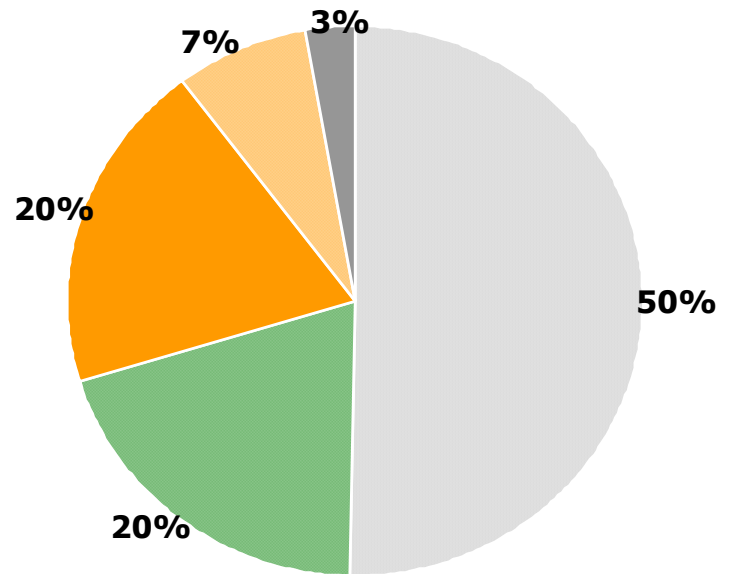


Contract revenues as of December 31, 2004:

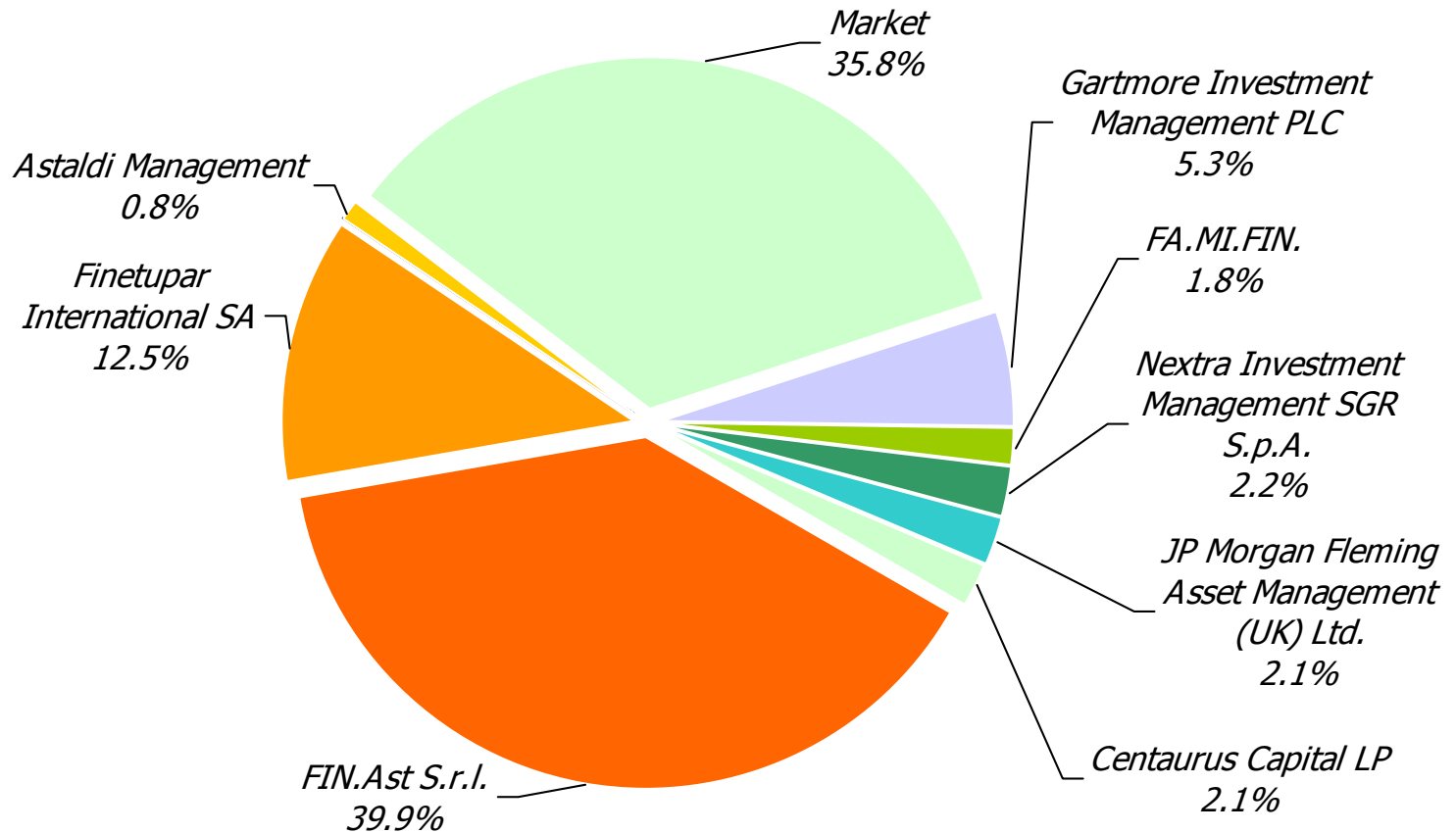
€ 989 Mln



- Transport Infrastructures
- Hydroelectric power plants and utilities
- Industrial and civil buildings
- Operations



- Italy
- Europe
- America
- Africa
- Middle East



(Updated as of February 10, 2005)

Number of outstanding shares as of December 31, 2004: 98,424,900

*** HELD BY ASTALDI FAMILY**