
2005 Fourth Quarter and 2005 Full Year Preliminary Results



STAR Conference 2006

Order backlog

December 31, 2005
Order Backlog: € 5.6Bln

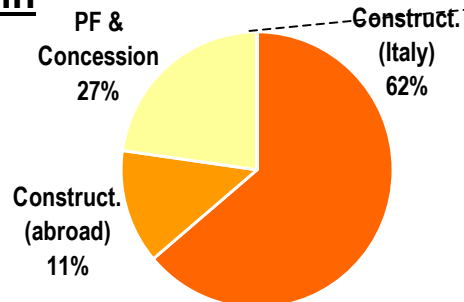
Awarded in February 2006:

- ✓ **Milan Subway Line 5 project finance** - More than €500Mln for construction (Astaldi share, €119Mln) and €724Mln for operations (Astaldi share, approx. €180Mln)
- ✓ **Rome Subway Line C general contracting** - Total value €2.2Bln (Astaldi share, €751Mln)

As of today
Order Backlog: € 6.6Bln

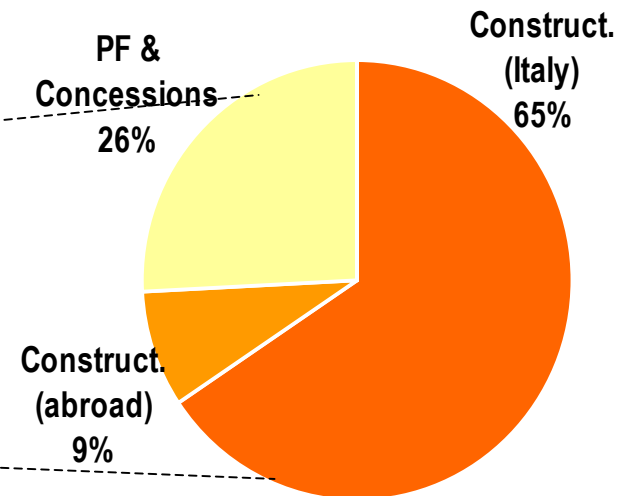
(€/Mln_Astaldi shares)	Including new orders	% on backlog
Transport infrastructures	4,246	64%
Hydraulic works	252	4%
Civil and industrial building	409	6%
Construction	4,907	74%
Healthcare	1,038	16%
Transport infrastructures	181	3%
Parking & Utilities	492	7%
Concession	1,711	26%
Order Backlog (pro forma)	6,618	

€ 5.6Bln



December 31, 2005

€ 6.6Bln



March 1, 2006

New orders in pipeline

- ✓ **4 Hospitals in Tuscany** (Astaldi, 35% - Techint, 35% - Pizzarotti, 30%) - Final design approved by the Client last Dec. 2005. Next stage of tender process to start by 1Q2006
- ✓ **Appia Antica Underpass** (Astaldi, 100%) - New traffic study is under progress
- ✓ **Venezuela** (*Puerto Cabello-La Encrucijada Railway Project*) - Works in progress. A further tranche of the project to be included in the backlog following the obtainment of financing by Venezuelan Government
- ✓ **Romania and Algeria** - Provisional assignment of railway projects for a total amount of approx. € 300Mln. Final assignment expected in 1Q 2006

Further opportunities

- ✓ **Venezuela** - Signed letter of intents for USD 5Bln railway projects (Astaldi share: 33.3%). Feasibility study has been completed and presented to the Client. Should lead to the signing of the contract by end 2006
- ✓ **Hospital in Como ("Ospedale S. Anna")** - Concession for a total investment of €140Mln of which €110Mln as public contribution, total concession revenues €500Mln. Expected news flow for 1H 2006
- ✓ **New protonic therapy center in Mestre** – Will be submitted a proposal in project financing. Expected news flow for 1H 2006
- ✓ **Rome Subway Line C** - To be developed further €1.1Bln

(€/Mln _ Astaldi shares)	Construction	Concession
Sponsorship		
Appia Antica Underpass	390	800
4 Hospital in Tuscany	116	525
Total sponsorship	506	1,325
Other initiatives		
Venezuela (Puerto Cabello), Romania, Algeria	815	--
Total other initiatives	815	--
Total new orders in pipeline	1,321	1,325

€ 2.6Bln
of new orders
in pipeline

TABLE 1: PF/Concessions included in order backlog as of today

(€/Mln)	Total investment	% Public Contribution	Concession revenues	Astaldi share	Length		IRR
					Const.	Oper.	
Health care	413	50%	2,222	1,038	4.5	26	12%
Transport infrastructures	424	74%	779	181	5.0	27	(*)
Parking lots	33	17%	207	207	2.0	>30	16%
Other initiatives	--	--	1,615	285			
Total			4,823	1,711			

- ✓ **Healthcare:** 2 hospitals (Mestre, Naples)
- ✓ **Transport infrastructures:** Milan Subway Line 5
- ✓ **Parking lots:** 3 initiatives under management (Turin (2), Bologna) and 2 initiatives under construction (Bologna, Verona)

(*) IRR under review following the assignment of the Milan Subway Line 5 contract. IRR in line with guidelines on transport infrastructures (see table 2)

TABLE 2: Further initiatives

(€/Mln)	Total investment	% Public Contribution	Concession revenues	Astaldi share	Length		IRR
					Const.	Oper.	
Health care	494	51%	2,349	1,044	3.5	20.0	17%
Transport infrastructures	1,196	15%	3,717	2,328	5.0	30.0	12%
Total	1,690		6,066	3,372			

2005 preliminary results

→ Slight decrease in revenues over 2004 due to:

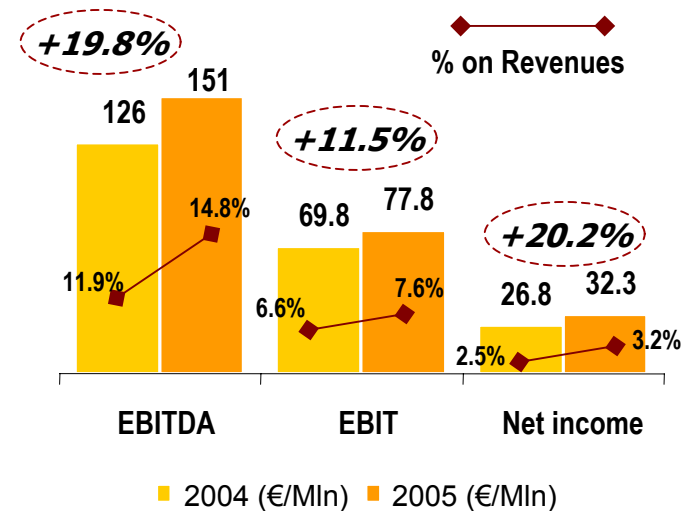
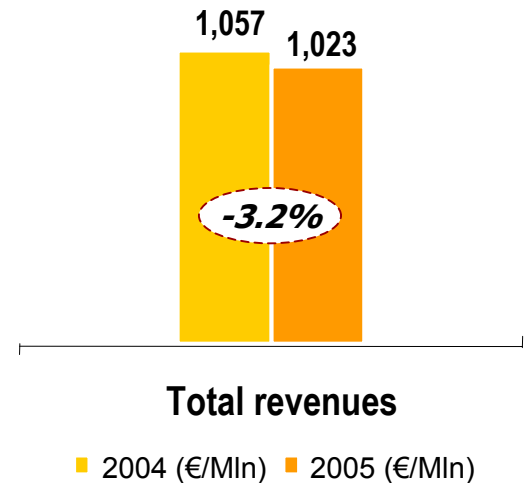
- ✓ Delayed start-up on some domestic contracts
- ✓ Poor performance of activities in USA

→ Good performance of Venezuela and Turkey

→ Profitability improved as planned

→ Strong financial structure

- ✓ Net Financial Debt: € 234Mln (€ 229Mln as of September 2005)
- ✓ Debt/equity: 0.90
- ✓ Corporate Debt/Equity: 0.82
- ✓ Net Debt as of December 2005 does not include \$ 56M of payments from Turkish project collected in February 2006



Consolidated Reclassified Income statement

(€/Min)	2005	2004	YoY	4Q 2005	4Q 2004	YoY
Contract revenues	967,9	1.004,8	(3,7%)	252,8	270,9	(6,7%)
Other revenues	55,3	52,8	4,8%	5,6	9,0	(37,7%)
Total revenues	1.023,2	1.057,5	(3,2%)	258,5	279,9	(7,7%)
Costs of production	(725,8)	(784,2)	(7,4%)	(189,7)	(202,8)	(6,5%)
Labor costs	(146,3)	(147,1)	-0,6%	(35,3)	(37,8)	-6,6%
Ebitda	151,1	126,2	19,8%	33,5	39,4	(14,8%)
<i>Ebitda margin</i>	<i>14,8%</i>	<i>11,9%</i>	<i>23,8%</i>	<i>13,0%</i>	<i>14,1%</i>	<i>-7,8%</i>
Depreciations and amortisations	(28,1)	(25,7)	9,6%	(7,2)	(6,9)	4,5%
Provisions for contractual risks	(16,1)	(5,2)	n.m.	0,6	(2,8)	n.m.
Other provisions	(4,3)	(3,4)	n.m.	0,0	(2,1)	n.m.
Other operating costs	(25,2)	(22,4)	12,5%	(6,5)	(3,2)	100,7%
Capitalization of internal construction costs	0,5	0,2	n.m.	0,3	0,2	n.m.
Ebit	77,8	69,8	11,5%	20,8	24,5	(15,0%)
<i>Ebit margin</i>	<i>7,6%</i>	<i>6,6%</i>	<i>15,3%</i>	<i>8,1%</i>	<i>8,8%</i>	<i>-7,9%</i>
Interest charges	(28,0)	(32,0)	-12,6%	(8,4)	(12,1)	n.m.
Impact of measurement of inv. under equity method	4,0	3,9	0,4%	4,1	0,3	n.m.
Profit before taxes	53,8	41,7	29,0%	16,6	12,8	n.m.
Taxes	(22,2)	(15,0)	47,5%	(8,0)	(4,0)	n.m.
<i>Tax rate</i>	<i>41,2%</i>	<i>36,1%</i>	<i>n.m.</i>	<i>48,3%</i>	<i>31,0%</i>	<i>n.m.</i>
Net income	31,6	26,7	18,6%	8,6	8,8	(2,9%)
Minorities	0,6	0,2	n.m.	(0,6)	0,8	n.m.
Net income	32,2	26,8	20,1%	8,0	9,6	(16,9%)

Total revenues

✓ Decrease in revenues mainly due to delayed start-up of some domestic contracts

✓ Strong contribution from Venezuela and Turkey

Provisions: cover expected costs for the completion of specific projects

Other Provisions are mainly related to the final disposal of activities in Africa

Increase in Ebit margin as a result of improved quality of order backlog and cost control policy, in particular the effect of New Milan Expo Fair Center delivery, Turkey and Venezuela

Equity method: net income from activities previously consolidated line by line

Tax rate: higher tax rate than expected does not include fiscal assets from foreign activities

Consolidated Reclassified Balance Sheet (1)

<i>(Euro/000)</i>	2005	9M 2005	1/1/05 (*)	2004
Intangible assets	4,977	5,371	5,174	5,174
Tangibles assets	129,413	124,671	125,467	125,467
Equity investments	34,424	31,155	38,065	38,065
Other fixed assets	48,423	39,821	43,518	43,518
Total net fixed assets	217,237	201,018	212,224	212,224
Working capital	340,128	339,541	307,392	194,501
Total funds	(62,280)	(59,242)	(57,223)	(57,223)
Net invested capital	495,085	481,317	462,393	349,502
Net Financial Debt (2)	(239,745)	(231,971)	(228,650)	(115,758)
Net Equity	255,340	249,346	233,744	233,744

**2005 working capital,
which does not include the delayed collection of payments from Turkey,
is still in line with 2004 levels**

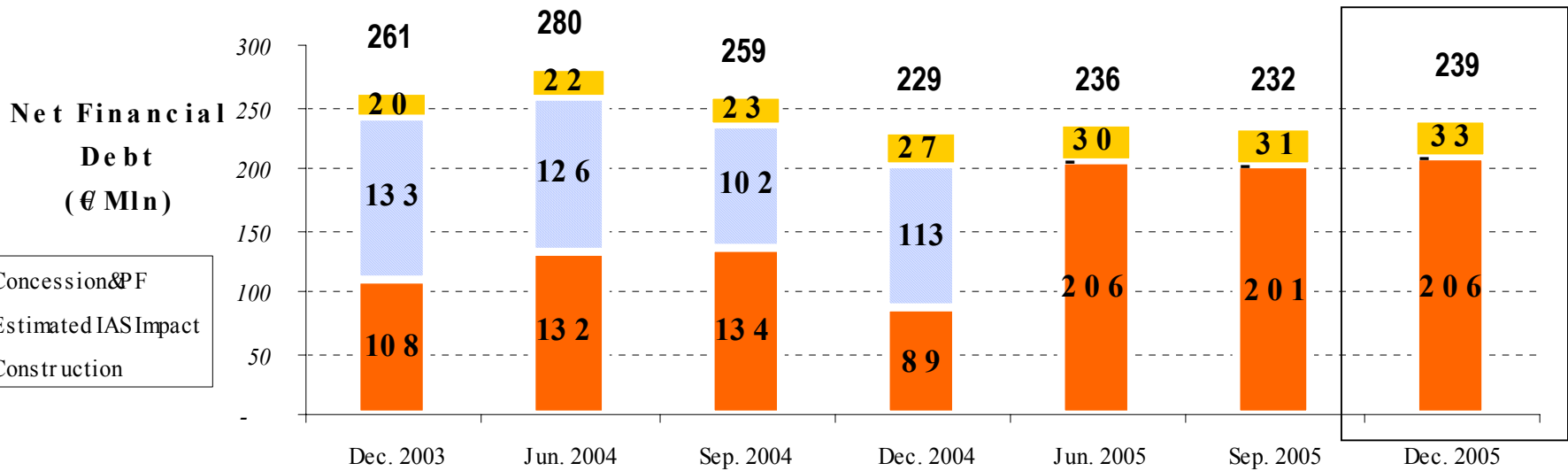
(*) 1/1/05 figures are restated in order to show the effect of the introduction of IAS 32 - 39

- 1) *The standards adopted for valuating the financial instruments in the beginning reports as of 1 January 2004 and in the subsequent IFRS annual and interim reports for 2004 are the same used for the previous financial years (national accounting standards). The effects of the adoption of IAS 32 and 39 are set out in the detailed table of the "net financial position".*
- 2) *Net debt does not include own shares*

Sound financial position

(Euro/000)	2005	9M 2005	2004
Short-term financial debt	(207,945)	(186,881)	(199,982)
Medium-Long term financial debt	(246,700)	(263,818)	(86,635)
Cash	175,418	186,576	185,370
Financial receivables	60,618	54,139	26,017
Leasing	(21,137)	(21,988)	(23,420)
Net eurobond	-	-	(129,999)
Net financial position	(239,746)	(231,972)	(228,650)
Own shares	5,860	3,107	898
Derecognition IASs and change in consol. area	-	-	112,285
Net Financial Position	(233,886)	(228,865)	(115,467)

- ✓ Net debt does not include payments from Turkey for \$ 56Mln collected in February 2006
- ✓ Further control over cost of debt through new financing line for € 200Mln in 1H2006
- ✓ Debt/Equity ratio < 1, at 0.90 of which over €30Mln is without recourse because refers to project finance activities



Appendix

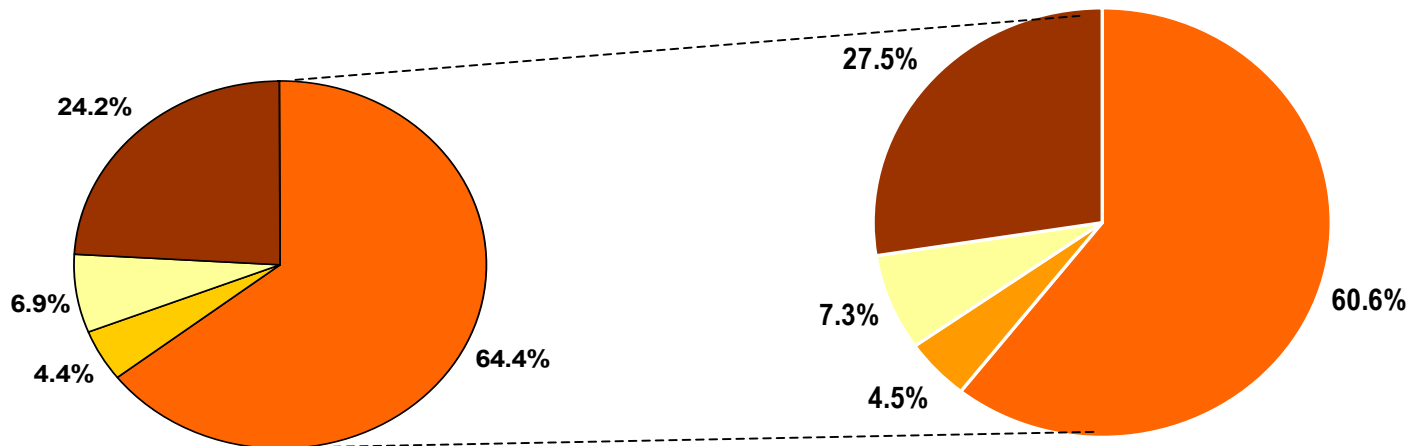
2005 Order backlog by line of business

Line of business	2004 (€/Mln)
Transport infrastructure	3,229
Hydraulic works	221
Civil and industrial building	348
Concessions	1,213
Order backlog	5,011

Line of business	2005 (€/Mln)
Transport infrastructure	3,376
Hydraulic works	252
Civil and industrial building	409
Concessions	1,530
Order backlog	5,567

Order backlog: € 5,011Mln

Order backlog: € 5,567Mln



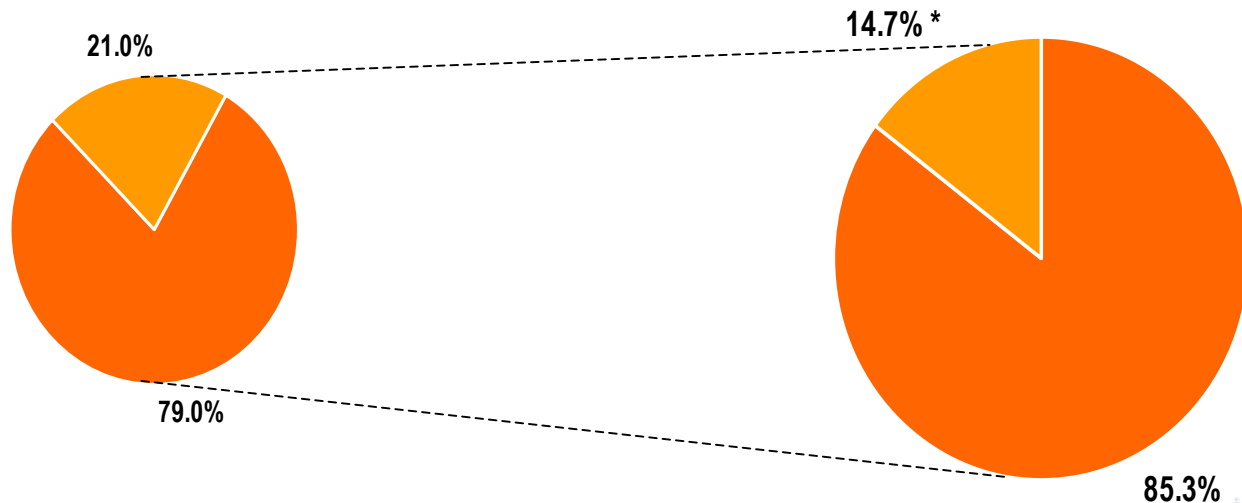
2005 Order backlog by geographical area

By geographical area	2004 (€/Mln)
Italy	3,961
Abroad	1,050
Order backlog	5,011

By geographical area	2005 (€/Mln)
Italy	4,750
Abroad (*)	817
Order backlog	5,567

Order backlog: € 5,011Mln

Order backlog: € 5,567Mln



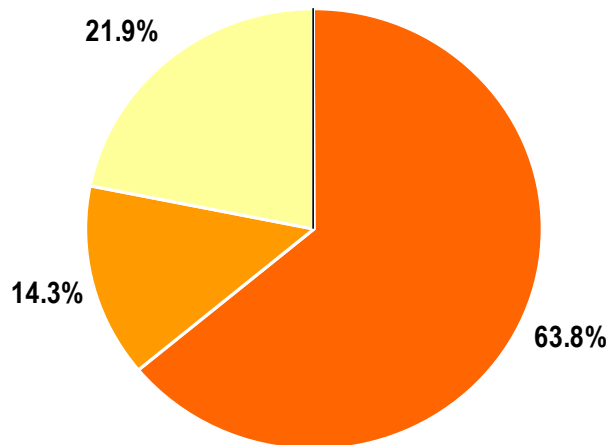
(*) Does not include new orders where Astaldi is 1st in ranking or is waiting for financing (Venezuela) for approx. € 800Mln

Contract revenues by line of business

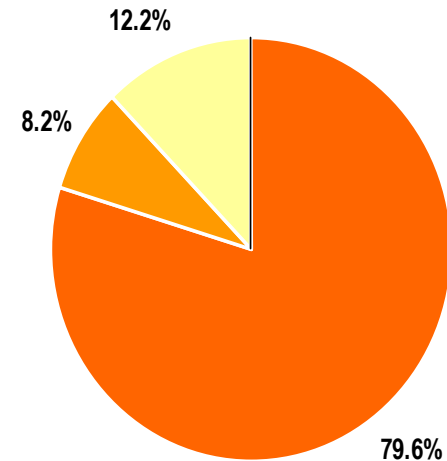
By line of business	2004 (€/Mln)
Transport infrastructure	641
Hydraulic works	144
Civil and industrial building	220
Contract revenues	1,005

By line of business	2005 (€/Mln)
Transport infrastructure	771
Hydraulic works	79
Civil and industrial building	118
Contract revenues	968

Contract revenues: € 1,005Mln



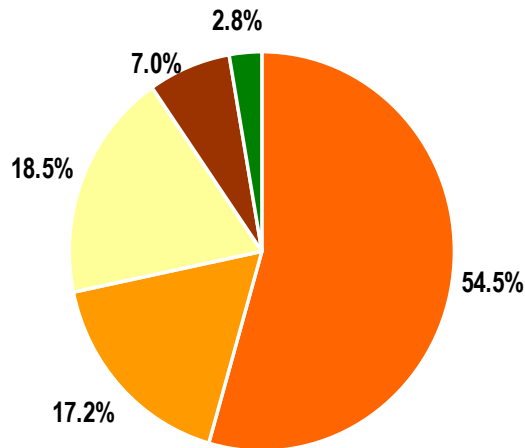
Contract revenues: € 968Mln



Contract revenues by geographical area

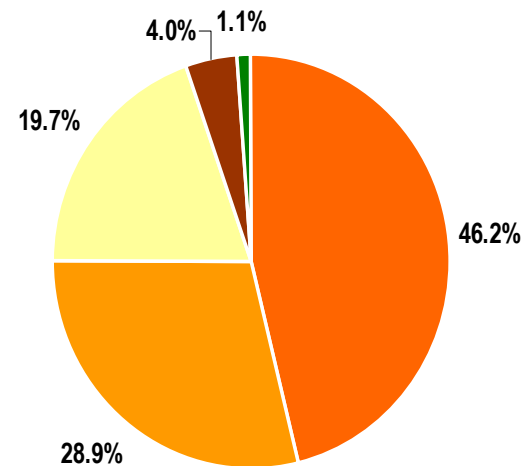
By geographical area	2004 (€/Mln)
Italy	548
Rest of Europe	173
America	186
Africa	70
Asia	28

Contract revenues: € 1,005Mln



By geographical area	2005 (€/Mln)
Italy	447
Rest of Europe	280
America	191
Africa	39
Asia	11

Contract revenues: € 968Mln



Consolidated Income Statement

(€/000)	2005	% on rev.	2004	% on rev.	YoY	4Q 2005	% on rev.	4Q 2004	% on rev.	YoY
Contract revenues	967,911	94.6%	1,004,756	95.0%	(3.7%)	252,820	97.8%	270,870	96.8%	(6.7%)
Other revenues	55,308	5.4%	52,779	5.0%	4.8%	5,636	2.2%	9,045	3.2%	(37.7%)
Total revenues	1,023,219	100.0%	1,057,535	100.0%	(3.2%)	258,456	100.0%	279,915	100.0%	(7.7%)
Costs of production	(725,818)	(70.9%)	(784,209)	(74.2%)	(7.4%)	(189,667)	(73.4%)	(202,782)	(72.4%)	(6.5%)
Added value	297,401	29.1%	273,326	25.8%	8.8%	68,789	26.6%	77,133	27.6%	-10.8%
Labor costs	(146,283)	(14.3%)	(147,143)	(13.9%)	-0.6%	(35,272)	(13.6%)	(37,772)	(13.5%)	-6.6%
Ebitda	151,118	14.8%	126,183	11.9%	19.8%	33,517	13.0%	39,361	14.1%	(14.8%)
Depreciations and amortisations	(28,148)	(2.8%)	(25,673)	(2.4%)	9.6%	(7,193)	(2.8%)	(6,880)	(2.5%)	4.5%
Provisions for contractual risks	(16,100)	(1.6%)	(5,179)	(0.5%)	n.m.	603	0.2%	(2,838)	(1.0%)	n.m.
Other provisions	(4,287)	(0.4%)	(3,376)	(0.3%)	n.m.	32	0.0%	(2,137)	(0.8%)	n.m.
Other operating costs	(25,221)	(2.5%)	(22,422)	(2.1%)	12.5%	(6,460)	(2.5%)	(3,218)	(1.1%)	100.7%
Capitalization of internal const. costs	457	0.0%	234	0.0%	95.3%	340	0.1%	230	0.1%	47.8%
Ebit	77,819	7.6%	69,767	6.6%	11.5%	20,839	8.1%	24,518	8.8%	(15.0%)
Interest charges	(27,975)	(2.7%)	(32,012)	(3.0%)	(12.6%)	(8,415)	(3.3%)	(12,080)	(4.3%)	(30.3%)
Impact of measurement of investments under equity method	3,951	0.4%	3,937	0.4%	0.4%	4,099	1.6%	349	0.1%	1074.5%
Profit before taxes	53,795	5.3%	41,692	3.9%	29.0%	16,523	6.4%	12,787	4.6%	29.2%
Taxes	(22,167)	(2.2%)	(15,031)	(1.4%)	47.5%	(8,006)	(3.1%)	(3,970)	(1.4%)	101.7%
Net income	31,628	3.1%	26,661	2.5%	18.6%	8,517	3.3%	8,817	3.1%	-3.4%
Minorities interests	628	0.1%	177	0.0%		(584)	(0.2%)	788	0.3%	
Group net income	32,256	3.2%	26,838	2.5%	20.2%	7,933	3.1%	9,605	3.4%	(17.4%)

Reclassified Consolidated Balance Sheet

Euro/000	31/12/2005	30/09/2005	31/12/2004
Intangible fixed assets	4,977	5,371	5,174
Tangible fixed assets	129,413	124,671	125,467
Investments	34,424	31,155	38,065
Other net fixed assets	48,423	39,821	43,518
Total fixed assets (A)	217,237	201,018	212,224
Inventories	44,702	42,511	44,867
Work in progress	258,264	274,058	142,823
Trade receivables	382,749	329,355	395,237
Other assets	163,368	180,794	138,330
Advances from customers	(67,872)	(56,340)	(73,880)
Subtotal	781,211	770,378	647,377
Payables to suppliers	(354,817)	(356,777)	(381,200)
Other liabilities	(86,266)	(74,060)	(71,676)
Subtotal	(441,083)	(430,837)	(452,876)
Working capital (B)	340,128	339,541	194,501
Employee benefits	(15,162)	(14,770)	(15,026)
Provision for current risks and charges	(47,118)	(44,472)	(42,197)
Total provisions (C)	(62,280)	(59,242)	(57,223)
Net invested capital (D) = (A) + (B) + (C)	495,085	481,317	349,502
Cash and cash equivalents	175,418	186,576	185,370
Financial receivables and securities	60,618	54,139	97,358
Medium-long term financial payables	(262,966)	(280,565)	(88,702)
Short-term financial payables	(212,815)	(192,121)	(309,784)
Net financial payables/receivables (E)	(239,745)	(231,971)	(115,758)
Group equity	256,120	252,225	236,728
Minority interests	(780)	(2,879)	(2,985)
Equity (G) = (D) - (E)	255,340	249,346	233,743

(1) The standards adopted for valuating the financial instruments in the beginning reports as of January 1st, 2004 and in the subsequent IFRS annual and interim reports for 2004 are the same used for the previous financial years (national accounting standards). The effects of IAS 32 e 39 are set out in the previous detailed table of "net financial position". Net debt does not include own shares (see page 8)