
2006 Second Quarter Results



August 1, 2006

Foreign activities are a strategic asset that guarantees further business development

- **Strong increase** in order backlog (+28% yoy)
 - **Euro 2Bln of new orders** mainly in railway sector
 - **Targeted contracts have been successfully obtained**
 - **Rewarding acceleration of international activities**

- Slight decrease in revenues (-2% yoy), due to the **delay in the technical approval of specific domestic projects**
 - **60% of revenues from foreign activities**: stronger contribution in order to balance the start-up phase of new domestic contracts

- **Strong contribution of new domestic contracts in terms of revenues, profitability and cash-flow starting from 2007**

Orders Backlog

2Bln of new orders as of June 30, 2006

→ Italy:	Euro 1.340Bln
→ Central America:	Euro 128Mln
→ Magreb:	Euro 170Mln
→ Europe:	Euro 287Mln
→ Venezuela:	Euro 88Mln
→ Others:	Euro 30Mln

€ 7.13Bln

orders backlog as of June 30, 2006

To be included

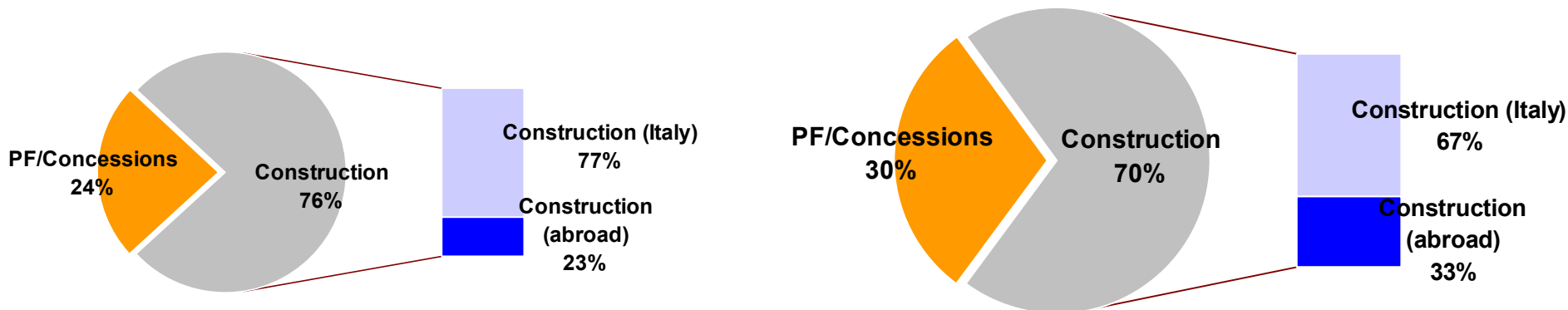
- According to our policy, signed but still to be included in portfolio:

Euro 1Bln in Venezuela

- PF initiatives in which Astaldi is sponsor:
Euro 1.8Bln
(4 Hospitals in Tuscany, Appia Antica Underpass)

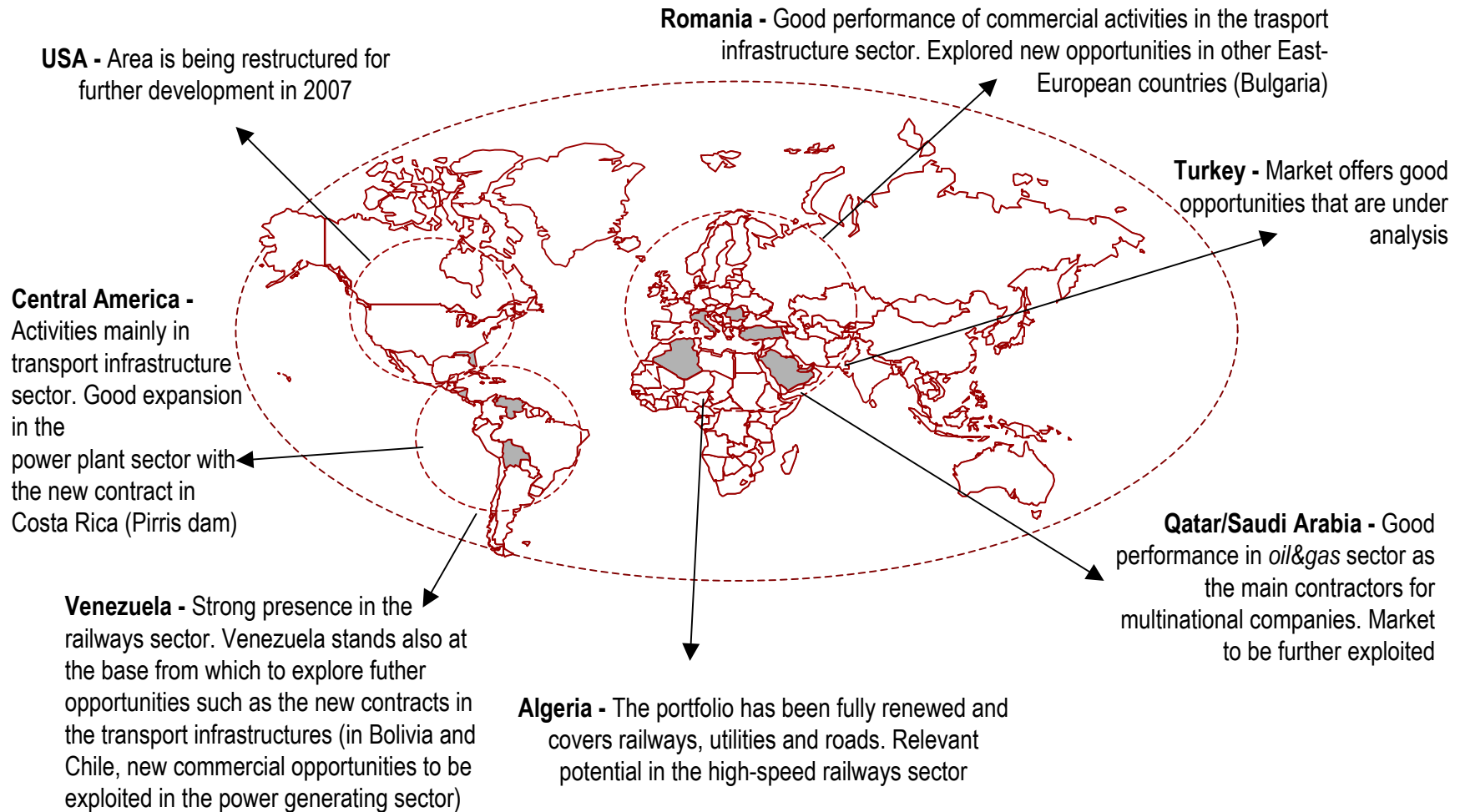
Approx. € 10Bln

potential orders backlog



Reinforcement of market position in Algeria, through the participation in the tenders for high-speed railway contracts

International Commercial Policy



New contracts in start-up phase for a total of € 4Bln
 (excluding Verona-Padua railway contract, pending the new Government's infrastructural plan)

status of contracts in progress

Major contracts in start-up phase	2005	2006				2007				2008		2009	2010	> 2010
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1H	2H			
Rome Underground - Line C														
Design														
Start-up														
Beginning of the work														
Milan Underground - Line 5														
Design														
Start-up														
Beginning of the work														
Beginning of the concession period														
Verona-Padua High-Speed Railway (IRICAV Due)														
Design														
Start-up														
Beginning of the work														
Jonica National Road - lot 1 and lot 2														
Design														
Start-up														
Beginning of the work														
Turin Railway By-Pass (2nd phase)														
Design														
Start-up														
Beginning of the work														
Parma-La Spezia Railway														
Design														
Start-up														
Beginning of the work														
Algeria - 2005 new contracts														
Design														
Start-up														
Beginning of the work														
Venezuela - new contracts														
Design														
Start-up														
Beginning of the work														
Costa Rica - new contracts														
Design														
Start-up														
Beginning of the work														
Bolivia - new contracts														
Design														
Start-up														
Beginning of the work														
Romania - new contracts														
Design														
Start-up														
Beginning of the work														

Consolidated Reclassified Income statement

(€/Mln)	June 30, 2006	% on rev.	June 30, 2005	% on rev.	YoY	Q2 2006	% on rev.	Q2 2005	% on rev.	YoY
Contract revenues	482.0	94.4%	483.0	92.6%	(0.2%)	257.4	95.6%	258.8	91.6%	(0.6%)
Other revenues	28.7	5.6%	38.4	7.4%	(25.3%)	11.9	4.4%	23.7	8.4%	(49.7%)
Total revenues	510.7	100.0%	521.5	100.0%	(2.1%)	269.3	100.0%	282.5	100.0%	(4.7%)
Costs of production	(354.2)	(69.4%)	(360.2)	(69.1%)	(1.7%)	(188.2)	(69.9%)	(191.0)	(67.6%)	(1.5%)
Labor costs	(82.4)	(16.1%)	(73.0)	(14.0%)	12.8%	(38.9)	(14.5%)	(35.3)	(148.8%)	10.3%
Other operating costs	(10.8)	(2.1%)	(11.1)	(2.1%)	(3.0%)	(5.0)	(1.8%)	(6.5)	(2.3%)	(23.2%)
Ebitda	63.4	12.4%	77.1	14.8%	(17.8%)	37.2	13.8%	49.7	17.6%	(25.1%)
<i>Ebitda margin</i>	<i>12.4%</i>	<i>--</i>	<i>14.8%</i>	<i>--</i>	<i>--</i>	<i>13.8%</i>	<i>--</i>	<i>17.6%</i>	<i>--</i>	<i>--</i>
Depreciations and amortisations	(13.5)	(2.6%)	(13.3)	(2.5%)	1.9%	(7.1)	(2.7%)	(7.0)	(2.5%)	2.4%
Provisions for contractual risks	(5.8)	(1.1%)	(14.9)	(2.9%)	(61.0%)	(3.8)	(1.4%)	(9.6)	(3.4%)	(61.1%)
Write-downs	(5.3)	(1.0%)	(10.1)	(1.9%)	(47.4%)	(5.3)	(2.0%)	(9.9)	(3.5%)	(46.7%)
(Capitalization of internal constr. costs)	0.5	0.1%	0.1	0.0%	n.m.	0.3	0.1%	0.1	0.0%	n.m.
Ebit	39.3	7.7%	38.9	7.5%	0.9%	21.3	7.9%	23.2	8.2%	(8.2%)
<i>Ebit margin</i>	<i>7.7%</i>	<i>--</i>	<i>7.5%</i>	<i>--</i>	<i>n.m.</i>	<i>7.9%</i>	<i>--</i>	<i>8.2%</i>	<i>--</i>	<i>n.m.</i>
Interest charges	(9.3)	(1.8%)	(11.4)	(2.2%)	(18.5%)	(5.3)	(2.0%)	(6.7)	(2.4%)	(20.6%)
Impact of meas. of inv. under equity meth.	1.5	0.3%	0.4	0.1%	n.m.	2.5	0.9%	(0.6)	--	n.m.
Profit before taxes	31.5	6.2%	28.0	5.4%	12.4%	18.6	6.9%	16.0	--	16.2%
Taxes	(13.3)	(2.6%)	(10.8)	(2.1%)	24.0%	(8.1)	(3.0%)	(5.9)	--	36.7%
<i>Tax rate</i>	<i>42.4%</i>	<i>--</i>	<i>38.5%</i>	<i>0.1%</i>	<i>10.3%</i>	<i>43.4%</i>	<i>--</i>	<i>36.9%</i>	<i>--</i>	<i>17.6%</i>
Net income	18.1	3.5%	17.2	3.3%	5.2%	10.5	3.9%	10.1	3.9%	4.2%
Minorities	(0.7)	(0.1%)	0.1	0.0%	n.m.	(1.2)	(0.5%)	(0.5)	(2.0%)	n.m.
Net income	17.4	3.4%	17.4	3.3%	0.3%	9.3	3.5%	9.6	3.4%	(3.2%)

→ **Revenues** - Slight decrease in revenues reflects delay in Jonica National Road start-up

→ **Costs** - Change in direct costs mix, due to both the delivery of New Milan Expo Fair Centre in March 2005 and to the increased use of direct works especially in foreign markets, such as Algeria.

→ **EBITDA** - When comparing EBITDA, please note that:

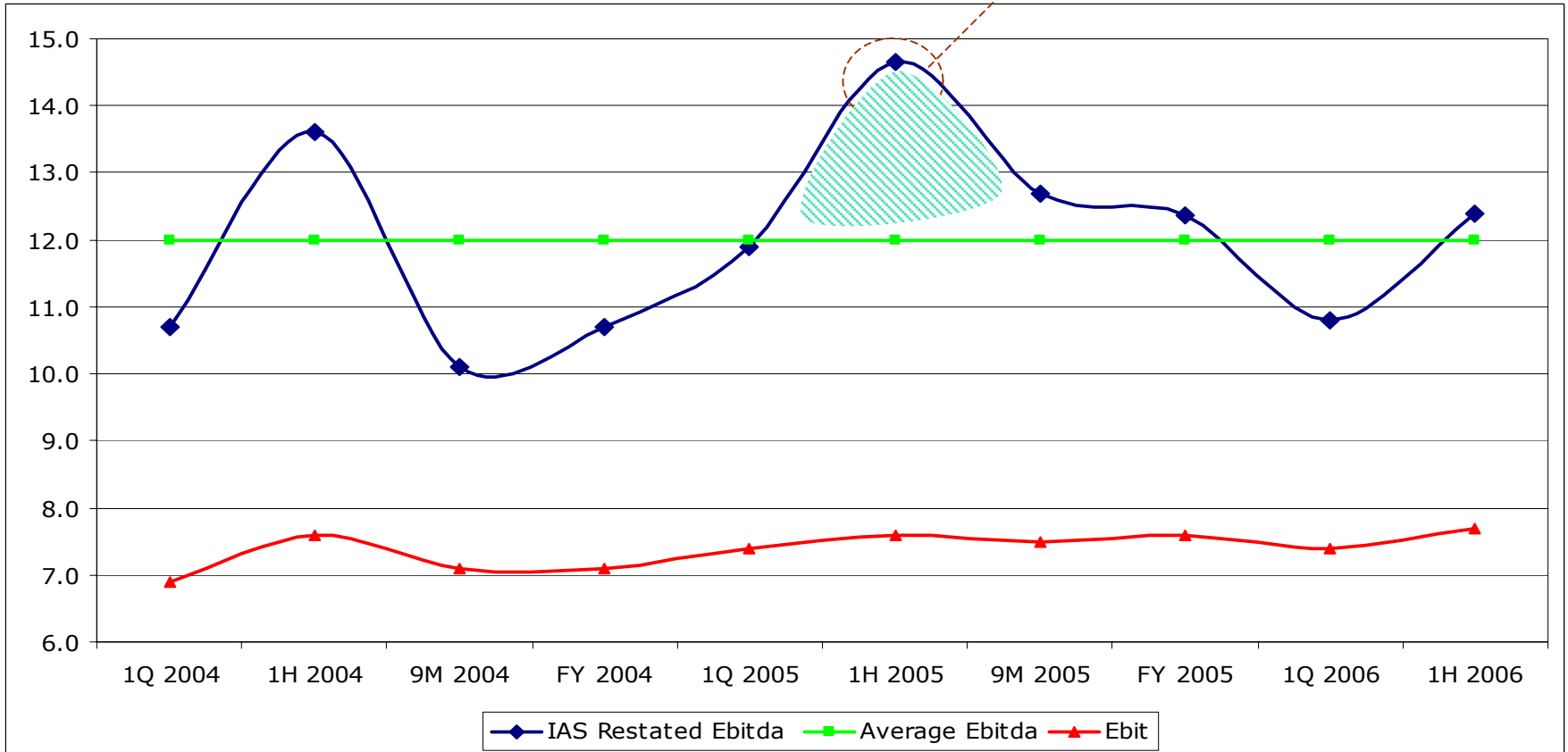
1H2005 *EBITDA Margin* benefited from the exceptional performance of Turkish contract due to a specific work phase. 2005 year-end *EBITDA margin* normalized at 12.4%

→ Increase in **Ebit margin** as a result of improved quality of orders backlog and costs control policy

Tax rate represents a prudent estimation which does not reflect the optimization of tax charge on profit from activities abroad, and which is presently being revised

Trend in EBITDA

1H2005 EBITDA Margin reflects the effects of New Milan Expo Fair Centre delivery and of exceptional good performance of the Turkish contract due to a specific work phase



Financial structure to support new contracts

→ **€ 57Mln of new investments** to support the start-up phase of the new major projects

<i>CAPEX (€/Mln)</i>	Total CAPEX	Equipment	Equity	Tender costs
Construction	15	15	-	-
General Contracting (limited recourse)	27	12	13	2
Concessions (non recourse)	15	13	2	-
Total CAPEX	57	40	15	2

→ USD 74Mln receivables from Turkey to be collected on August 4, 2006

Further matching of source of funds to average life of contracts in progress thanks to a € 325Mln loan signed in July by a pool of banks

Lower cost of debt

Financial position

(Euro/000)	1H 2006	2005	1H 2005
<i>Intangible fixed assets</i>	4,380	4,977	6,194
<i>Tangible fixed assets</i>	158,222	129,299	124,809
<i>Equity investments</i>	96,243	34,430	30,498
<i>Other net fixed assets</i>	31,899	44,420	44,099
Total net fixed assets	290,744	213,126	205,600
Working capital	369,586	346,372	324,885
Total funds	(63,074)	(66,127)	(52,392)
Net invested capital	597,256	493,371	478,093
Net financial debt	(329,053) (*)	(237,079)	(233,666)
Net equity	268,203	256,292	244,427

Increase in **tangible assets** due to investments on new contracts start-up

Equity investments in Italy in GC e PF (line C in Rome and line 5 in Milan)

Increase in working capital due to Turkey activities (USD 74Mln of receivables to be collected on August, 4)

(Euro/000)	1H 2006	2005	1H 2005
Short-term financial debt	(253,850)	(207,886)	(157,698)
Medium-Long term financial debt	(278,757)	(245,370)	(267,327)
Cash	145,840	175,418	135,756
Financial receivables	87,275	61,895	77,701
Leasing	(29,560)	(21,137)	(22,100)
Net financial position	(329,052)	(237,080)	(233,668)
Own shares	4,302	5,860	289
Net Financial Position	(324,750)	(231,220)	(233,379)

Increase in net financial position due to both seasonality effects and to investments on new projects start-up

Financial figures do not include the effect of the financing line of Euro 325Mln signed in July

(*) € 325 Mln net of own shares.

Appendix

Construction backlog (*): main contracts

Country	Project	Type of project	Client	Project Value	Asltadi share (%)	Asltadi share (€)	Orders Backlog	Produc. as of June '06	% of comp.	Funding	End of works
ITALY											
Italy	Rome Underground - Line C	Railways and subways	Roma Metropolitana	2,180,000	34.50%	752,100	752,100	0	0.00%	Public funds	> 2010
Italy	Milan Underground - Line 5 (Construction Works)	Railways and subways	Municipality of Milan	513,734	23.30%	119,700	119,700	0	0.00%	Project finance	> 2010
Italy	Jonica National Road (NR 106) - lot no. 1	Motorways	Anas	472,409	100.00%	472,409	464,297	8,112	1.72%	Public funds	2010
Italy	Jonica National Road (NR 106) - lot no. 2	Motorways	Anas	305,191	100.00%	305,191	299,707	5,484	1.80%	Public funds	2010
Italy	Turin Railway By-Pass	Railways and subways	Italferr	402,568	74.00%	297,900	290,018	7,882	2.65%	Public funds	> 2010
Italy	Verona-Padua High-Speed Railway	Railways and subways	T.A.V.	2,712,625	32.99%	894,895	863,703	31,192	3.49%	Public funds	> 2010
Italy	Brescia Underground	Railways and subways	Brescia Mobilità	314,343	100.00%	314,343	259,272	55,071	17.52%	Public funds	2009
Italy	Bologna High-Speed Railway Station	Railways and subways	Italferr	308,798	100.00%	308,798	283,688	25,110	8.13%	Public funds	2009
Italy	Parma-La Spezia Railway ("Pontremolese")	Railways and subways	Italferr	165,500	100.00%	165,500	161,064	4,436	2.68%	Public funds	> 2010
	Other projects						947,400				
TOTAL ITALY							4,440,949				
ABROAD											
Venezuela	Puerto Cabello-La Encrucijada Railway	Railways and subways	I.A.F.E.	921,494	33.00%	304,093	118,005	186,088	61.19%	SACE	> 2010
Turkey	Istanbul-Ankara Motorway ("Anatolian Motorway")	Motorways	Department of Public Works	548,620	100.00%	548,620	76,639	471,981	86.03%	Public funds	2007
Algeria	Redjem Demouche-Mecheria Railway	Railways and subways	Min. des Transport S.N.T.F	160,588	51.00%	81,900	81,656	244	0.30%	Public funds	2008
Algeria	Akbou-Bejaia Water supply	Hydraulic works	A.N.B.T. (Dams National Agency)	114,639	51.00%	58,466	53,525	4,941	8.45%	Public funds	2008
Costa Rica	Pirris Dam	Hydraulic works	ICE (Instituto Costarricense de Electricidad)	89,300	100.00%	89,300	89,300	0	0.00%	JBIC ODA	2010
Algeria	Kerrada Dam	Hydraulic works	A.N.B.T. (Dams National Agency)	77,296	68.68%	53,087	39,772	13,315	25.08%	Public funds	2009
Algeria	Est-West Highway Troncon - Quedda	Motorways	A.N.A. (Motorways National Agency)	59,356	100.00%	59,356	45,804	13,552	22.83%	Public funds	2009
Algeria	Hamma Hydraulic works	Hydraulic works	Algerienne des Eaux	56,400	100.00%	56,400	56,400	0	0.00%	Public funds	2007
	Other projects						428,900				
TOTAL ABROAD							990,001				
TOTAL VALUE OF CONSTRUCTION IN THE ORDERS BACKLOG AS OF JUNE, 2006							5,430,950				

(*) Does not include concessions.

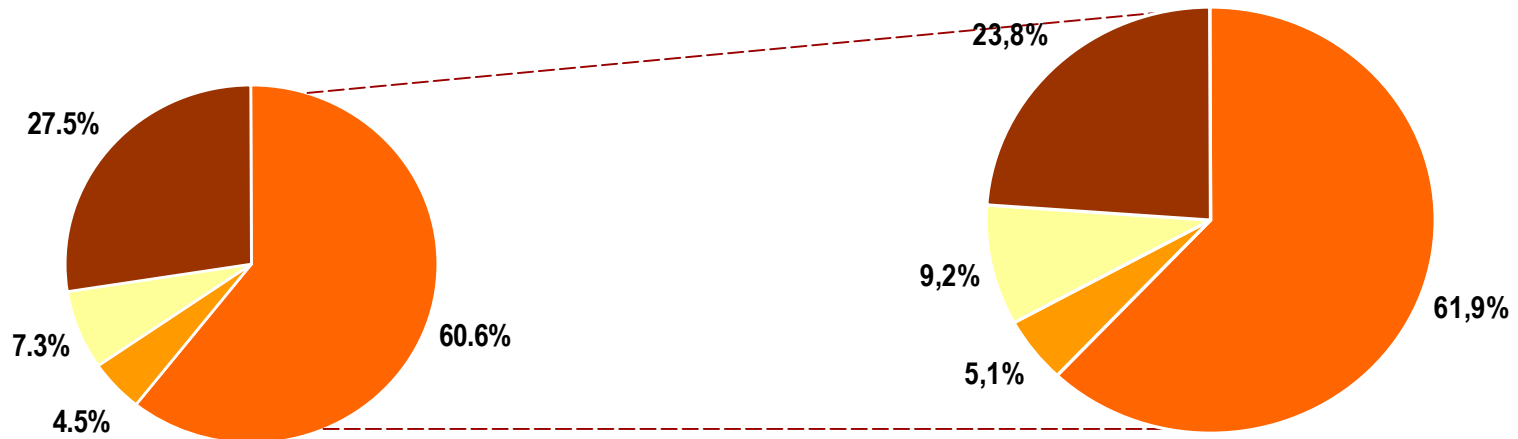
Orders backlog by line of business

Line of business	2005 (€/Mln)
Transport infrastructures	3,374
Hydraulic works	252
Civil and industrial buildings	409
Concessions	1,530
Orders backlog	5,565

Line of business	June 30, 2006 (€/Mln)
Transport infrastructures	4,414
Hydraulic works	364
Civil and industrial buildings	653
Concessions	1,699
Orders backlog	7,130

2005 Orders backlog: € 5,565 Mln

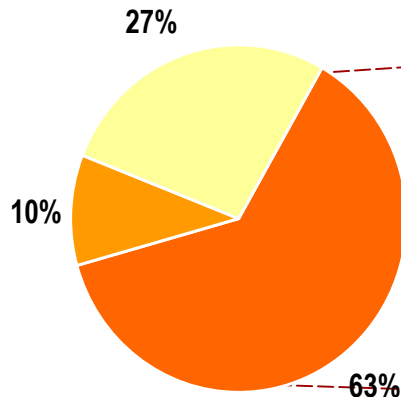
Orders backlog as of June, 2006: € 7,130 Mln



Orders backlog by geographical area

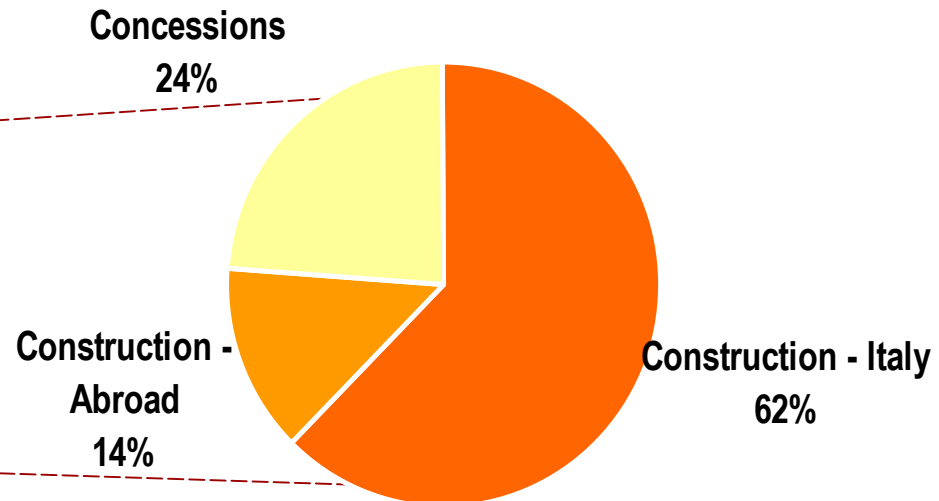
By geographical area	2005 (€/Mln)
Italy - Construction	3,461
Abroad - Construction	574
Concessions	1,530
Orders backlog	5,565

2005 Orders backlog: € 5,565 Mln



By geographical area	June, 2006 (€/Mln)
Construction - Italy	4,441
Construction - Abroad	990
Concessions	1,699
Orders backlog	7,130

Orders backlog as of June 2006: € 7,130 Mln

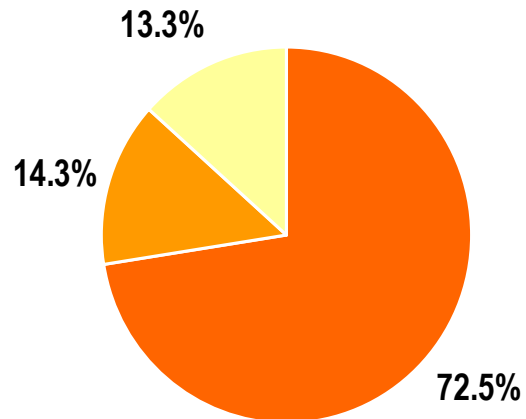


1H 2006 Contract revenues by line of business

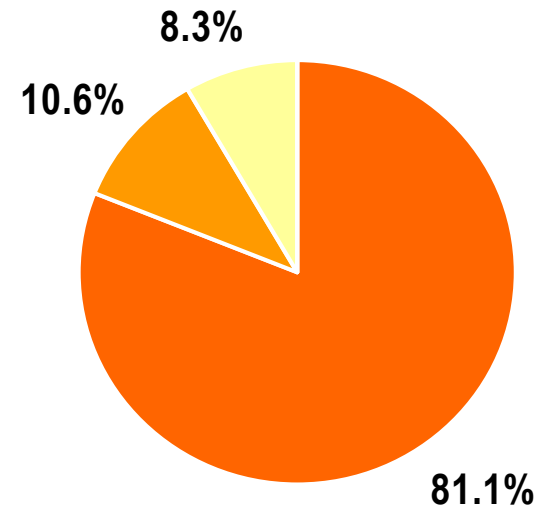
By line of business	1H 2005 (€/Mln)
Transport infrastructures	350
Hydraulic works	69
Civil and industrial buildings	64
Contract revenues	483

By line of business	1H 2006 (€/Mln)
Transport infrastructures	391
Hydraulic works	51
Civil and industrial buildings	40
Contract revenues	482

1H 2005 Contract revenues: € 483 Mln



1H 2006 Contract revenues: € 482 Mln



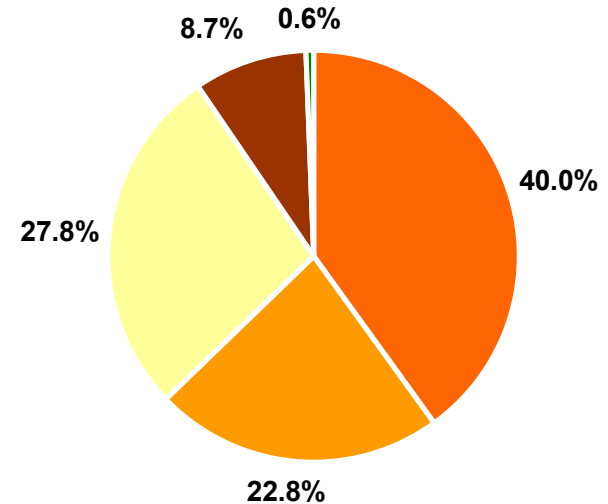
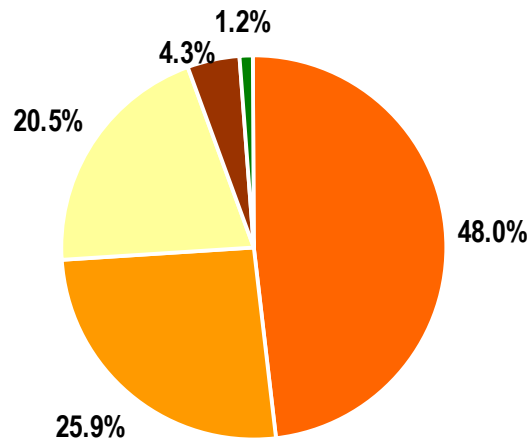
1H 2006 Contract revenues by geographical area

By geographical area	1H 2005 (€/Mln)
Italy	232
Rest of Europe	125
America	99
Africa	21
Asia	6

By geographical area	1H 2006 (€/Mln)
Italy	193
Rest of Europe	110
America	134
Africa	42
Asia	3

1H 2005 Contract revenues: € 483 Mln

1H 2006 Contract revenues: € 482 Mln



Consolidated Income Statement

(€/Mln)	June 30, 2006	% on rev.	June 30, 2005	% on rev.	YoY	Q2 2006	% on rev.	Q2 2005	% on rev.
Contract revenues	482.0	94.4%	483.0	92.6%	(0.2%)	257.4	95.6%	258.8	91.6%
Other revenues	28.7	5.6%	38.4	7.4%	(25.3%)	11.9	4.4%	23.7	8.4%
Total revenues	510.7	100.0%	521.5	100.0%	(2.1%)	269.3	100.0%	282.5	100.0%
Costs of production	(354.2)	(69.4%)	(360.2)	(69.1%)	(1.7%)	(188.2)	(69.9%)	(191.0)	(67.6%)
Labor costs	(82.4)	(16.1%)	(73.0)	(14.0%)	12.8%	(38.9)	(14.5%)	(35.3)	(148.8%)
Other operating costs	(10.8)	(2.1%)	(11.1)	(2.1%)	(3.0%)	(5.0)	(1.8%)	(6.5)	(2.3%)
Ebitda	63.4	12.4%	77.1	14.8%	(17.8%)	37.2	13.8%	49.7	17.6%
<i>Ebitda margin</i>	<i>12.4%</i>	<i>--</i>	<i>14.8%</i>	<i>--</i>	<i>--</i>	<i>13.8%</i>	<i>--</i>	<i>17.6%</i>	<i>--</i>
Depreciations and amortisations	(13.5)	(2.6%)	(13.3)	(2.5%)	1.9%	(7.1)	(2.7%)	(7.0)	(2.5%)
Provisions for contractual risks	(5.8)	(1.1%)	(14.9)	(2.9%)	(61.0%)	(3.8)	(1.4%)	(9.6)	(3.4%)
Write-downs	(5.3)	(1.0%)	(10.1)	(1.9%)	(47.4%)	(5.3)	(2.0%)	(9.9)	(3.5%)
(Capitalization of internal construction costs)	0.5	0.1%	0.1	0.0%	n.m.	0.3	0.1%	0.1	0.0%
Ebit	39.3	7.7%	38.9	7.5%	0.9%	21.3	7.9%	23.2	8.2%
<i>Ebit margin</i>	<i>7.7%</i>	<i>--</i>	<i>7.5%</i>	<i>--</i>	<i>n.m.</i>	<i>7.9%</i>	<i>--</i>	<i>8.2%</i>	<i>--</i>
Interest charges	(9.3)	(1.8%)	(11.4)	(2.2%)	(18.5%)	(5.3)	(2.0%)	(6.7)	(2.4%)
Impact of meas. of inv. under equity meth.	1.5	0.3%	0.4	0.1%	n.m.	2.5	0.9%	(0.6)	--
Profit before taxes	31.5	6.2%	28.0	5.4%	12.4%	18.6	6.9%	16.0	--
Taxes	(13.3)	(2.6%)	(10.8)	(2.1%)	24.0%	(8.1)	(3.0%)	(5.9)	--
<i>Tax rate</i>	<i>42.4%</i>	<i>--</i>	<i>38.5%</i>	<i>0.1%</i>	<i>10.3%</i>	<i>43.4%</i>	<i>--</i>	<i>36.9%</i>	<i>--</i>
Net income	18.1	3.5%	17.2	3.3%	5.2%	10.5	3.9%	10.1	3.9%
Minorities	(0.7)	(0.1%)	0.1	0.0%	n.m.	(1.2)	(0.5%)	(0.5)	(2.0%)
Net income	17.4	3.4%	17.4	3.3%	0.3%	9.3	3.5%	9.6	3.4%

Reclassified Consolidated Balance Sheet

<i>(Euro/000)</i>	1H 2006	2005	1H 2005
Intangible assets	4,380	4,977	6,194
Tangible assets	158,222	129,299	124,809
Equity investments	96,243	34,430	30,498
Other fixed assets	31,899	44,420	44,099
Total net fixed assets (A)	290,744	213,126	205,600
Inventories	44,746	44,702	44,993
Works in progress	408,226	314,383	300,612
Trade receivables	403,222	384,085	374,516
Other assets	117,978	105,004	107,727
Tax receivables	55,259	58,932	49,603
Advances from customers	(112,888)	(116,989)	(97,886)
<i>Subtotal</i>	<i>916,543</i>	<i>790,117</i>	<i>779,565</i>
Payables to suppliers	(396,129)	(354,816)	(389,216)
Other liabilities	(150,828)	(88,929)	(65,464)
<i>Subtotal</i>	<i>(546,957)</i>	<i>(443,745)</i>	<i>(454,680)</i>
Working capital (B)	369,586	346,372	324,885
Employee benefits	(11,569)	(11,518)	(14,150)
Provisions for current risks and charges	(51,505)	(54,609)	(38,242)
Total funds (C)	(63,074)	(66,127)	(52,392)
Net invested capital (D=A+B+C)	597,256	493,371	478,093
Cash and cash equivalent	145,840	175,418	135,758
Current receivables from financial institution	59,556	44,472	31,251
Non current receivables from financial institution	2,285	2,759	34,872
Securities	25,434	14,665	11,578
Current financial payables	(261,574)	(212,756)	(161,747)
Non current financial payables (*)	(300,594)	(261,637)	(285,378)
Net financial payables / receivables (E)	(329,053)	(237,079)	(233,666)
Group net equity	268,368	257,072	246,624
Minority interests	(165)	(780)	(2,195)
Net equity (G=D+E)	268,203	256,292	244,429

(*) Does not include loans to Group companies, amounting to Euro 1,698Ml in June 2006 and Euro 609Mln in June 2005.