



The Board of Directors has approved the 2004 third quarter results

ASTALDI, TOTAL REVENUES AND NET INCOME UP IN THE FIRST NINE MONTHS

- **Total revenues 783 million euro (+17.1%)**
- **Net Income 22 million euro (+15.1%)**
- **Ebit 55.7 million euro (+17.3%)**

Rome, November 9, 2004 - Today the Board of Directors of Astaldi S.p.A. has approved the 2004 third quarter results which show a growth of total revenues and net income, both in the quarter and in the first nine months. The results allow to confirm the 2004 target set by the Industrial Plan which foresees, among others, to exceed the threshold of one billion euro in total revenues.

Consolidated Income Statement

In the third quarter, **contract revenues** amounted to € 244 million, +8.6% vs. 3Q 2003, benefiting from the good performance of activities both in the domestic and in the international markets. More in detail, an important contribution to revenues came from the New Milan Expo Fair contract in Italy and from the activities in Venezuela, Turkey and Romania. **Total revenues** in the quarter amounted to over € 258 million, +6.9% vs. 3Q 2003.

The first nine months show **contract revenues** up at € 740 million (+18.6% vs. same period last year) and **total revenues** growing at € 783 million (+17.1% vs. same period last year).

Ebit grew 6.1% to € 15.6 million in the quarter, while in the first nine months of 2004 **Ebit** posted a strong growth of +17.3% vs. 2003 to € 55.7 million.

Group net income amounted to € 4.4 million in the third quarter, +28.7% vs. 3Q 2003. Net income in the first nine months resulted in € 22.1 million showing a growth of 15.1% vs. 2003. The good performance of net income is even more significant if one were to take into consideration the heavier tax rate compared to 2003 as shown by the 40% growth in **Profit before taxes** which in the period amounted to € 33.8 million.

Net debt as of September 30th, 2004 stood at € 157.4 million down from the € 165.1 million of September 2003, showing an improvement which becomes even more significant in light of a +17.1% growth in revenues. The debt/equity ratio stands at 0.67 down from the 0.73 shown as of September of 2003.

Order Backlog

New orders in the first nine months amounted to € 885 million resulting in a total backlog as of September 2004 of over € 4.5 billion. The backlog contains orders pertaining for 73% to domestic contracts, mainly railways, and for 27% to foreign contracts, mainly in the Americas, Romania and Turkey. It should be noted that the company achieved its goal to maintain the value of the order backlog at the same exceptional level of 2003 and by it allowing to confirm the growth forecasts set out by the Industrial Plan based on a profit oriented commercial policy.

In the period, Astaldi won the contract for the construction and concession of the New Hospital in Naples (Ospedale del Mare). Furthermore, we would like to remind that Astaldi has been named sponsor for the Subway Line 5 in Milan and for the Appia Underpass in Rome, both initiatives in project finance. At the end of October, the group headed by Astaldi has qualified for the bid for the Messina Strait Bridge contract.

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Moreover, the Board of Directors has approved the financial calendar for 2005 which can be found in the attachment.

Finally, today the Shareholders Meeting of Astaldi S.p.A. has renewed the share buy-back program with the same criteria of last time. The Board of Directors has deliberated to increase the number of its members to 13 by naming as new members Eng. Giuseppe Cafiero (who was already coopted in the Board last July 30, 2004) – General Manager for International activities – and Eng. Nicola Oliva – General Manager for Domestic activities.

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CONSOLIDATED RECLASSIFIED INCOME STATEMENT

(Euro/000)	3Q 2004	%	3Q 2003	%	September 30 2004	%	September 30 2003	%
Contract revenues	243,757	94.5%	224,487	93.0%	739,670	94.4%	623,887	93.3%
Other revenues	14,314	5.5%	16,979	7.0%	43,503	5.6%	44,878	6.7%
Total revenues	258,071	100.0%	241,466	100.0%	783,173	100.0%	668,765	100.0%
Costs of production	(213,187)	(82.6%)	(182,942)	(75.8%)	(592,139)	(75.6%)	(477,512)	(71.4%)
Added value	44,884	17.4%	58,524	24.2%	191,034	24.4%	191,253	28.6%
Labour costs	(31,813)	(12.3%)	(30,054)	(12.4%)	(97,831)	(12.5%)	(89,247)	(13.3%)
Gross operating profit	13,071	5.1%	28,470	11.8%	93,203	11.9%	102,006	15.3%
Other charges	(4,638)	(1.8%)	(6,474)	(2.7%)	(13,824)	(1.8%)	(14,541)	(2.2%)
Ebitda	8,433	3.3%	21,996	9.1%	79,379	10.1%	87,465	13.1%
D&A	(11,577)	(4.5%)	(8,336)	(3.5%)	(30,936)	(4.0%)	(33,988)	(5.1%)
Provisions, write-downs and uses of risk funds	18,775	7.3%	1,970	0.8%	7,274	0.9%	(5,978)	(0.9%)
Ebit	15,631	6.1%	15,630	6.5%	55,717	7.1%	47,499	7.1%
Interest charges	(6,243)	(2.4%)	(6,565)	(2.7%)	(18,941)	(2.4%)	(17,942)	(2.7%)
Equity write-downs	2,253	0.9%	(411)	(0.2%)	(109)	(0.0%)	(1,902)	(0.3%)
Extraordinary income (charges)	(1,601)	(0.6%)	(994)	(0.4%)	(2,890)	(0.4%)	(2,801)	(0.4%)
Profit before taxes	10,040	3.9%	7,660	3.2%	33,777	4.3%	24,854	3.7%
Income taxes	(5,687)	(2.2%)	(6,713)	(2.8%)	(9,792)	(1.3%)	(8,987)	(1.3%)
Prepaid taxes	335	0.1%	3,242	1.3%	(806)	(0.1%)	3,732	0.6%
Net income for the period	4,688	1.8%	4,189	1.7%	23,179	3.0%	19,599	2.9%
Net (profit) loss of minorities	(284) □	(0.1%) □	(767) □	(0.3%) □	(1,093) □	(0.1%) □	(415) □	(0.1%) □
Group net income	4,404	1.7%	3,422	1.4%	22,086	2.8%	19,184	2.9%

CONSOLIDATED RECLASSIFIED BALANCE SHEET

Euro/000	September 30 2004	June 30 2004	December 31 2003	September 30 2003
Net intangible fixed assets	46,119	50,875	52,191	51,059
Net tangible fixed assets	106,441	106,634	106,318	106,902
Equity investments	29,290	28,622	28,361	31,831
Other net fixed assets	16,602	15,525	16,296	16,837
Total net fixed assets (A)	198,452	201,656	203,166	206,629
Inventories	35,574	33,437	41,316	43,367
Works in progress	244,467	223,142	187,373	251,005
Trade receivables	260,055	253,501	217,355	256,995
Other assets	225,477	223,720	207,542	204,727
Advances	(100,439)	(93,690)	(84,919)	(116,320)
Sub total	665,134	640,110	568,667	639,774
Suppliers' payables	(238,550)	(215,981)	(196,399)	(221,653)
Other liabilities	(146,705)	(130,638)	(142,832)	(153,923)
Sub total	(385,255)	(346,619)	(339,231)	(375,576)
Working capital (B)	279,879	293,491	229,436	264,198
Employees' severance indemnity	(12,177)	(12,483)	(12,189)	(12,101)
Contractual risks fund	(44,329)	(63,034)	(51,599)	(53,796)
Other funds	(29,563)	(29,575)	(13,220)	(14,258)
Total funds (C)	(86,069)	(105,092)	(77,008)	(80,155)
Net invested capital (D)=(A)+(B)+(C)	392,262	390,055	355,594	390,672
Liquidity and current financial receivables	129,629	125,908	149,983	133,713
Non current financial receivables	77,069	85,662	73,021	105,531
Medium/long term indebtedness	(80,027)	(83,187)	(96,099)	(111,851)
Short term indebtedness	(144,025)	(140,755)	(105,219)	(142,539)
Eurobond	(150,000)	(150,000)	(150,000)	(150,000)
Own bonds	9,936	8,715	--	--
Net indebtedness (E)	(157,418)	(153,657)	(128,314)	(165,146)
Group net equity	233,978	235,672	227,122	224,718
Minority interests	866	726	158	808
NET EQUITY (G)=(D)-(E)-(F)	234,844	236,398	227,280	225,526
Personal guarantees	1,525,007	1,592,067	1,695,806	1,743,078
Risk of recourse from factors	89,006	92,337	86,168	84,244
Other memorandum items	29,660	29,660	29,660	27,452
Collateral security	--	--	--	43,969
Third party guarantees in our favor	25,255	25,170	22,189	22,226
Total commitments and guarantees	1,668,928	1,739,234	1,833,823	1,920,969

ASTALDI S.p.A.

Financial calendar 2005

February 10	Board of Directors <i>Approval of the interim results for 4th quarter 2004</i>
March 17	Board of Directors <i>Approval of the 2004 Annual Report and of the Industrial Plan</i>
April 29	Shareholders Meeting <i>Approval of the 2004 Annual Report</i>
May 12	Board of Directors <i>Approval of the interim results for 1st quarter 2005</i>
July 29	Board of Directors <i>Approval of the interim results for 2nd quarter 2005</i>
September 22	Board of Directors <i>Approval of the 2005 First Half Results</i>
November 10	Board of Directors <i>Approval of the interim results for 3rd quarter 2005</i>