The Board of Directors approves the quarterly report at March 31, 2006

ASTALDI, ORDERS BACKLOG + 25%

- **Increase in total revenues to €241.4 million**
- **EBIT of €18 million (+14.2%)**
- **Net profit of €8.12 million (+4.7%)**
- **New contracts totalling over €1.6 billion**
- **Current orders backlog of €7 billion**

Rome - May 12, 2006 – The Board of Directors of Astaldi S.p.A., chaired by Ernesto Monti, examined and approved the consolidated results of Astaldi Group at March 31, 2006. The quarter closed with group net profit of €8.123 million, up by 4.7% on the same period of the previous year.

"The first quarter results confirm the Group's positive economic trend – commented Executive Deputy Chairman, Vittorio Di Paola – with figures in line with the forecasts contained in the new 2006-2010 Business Plan, therefore highlighting pursuit of our goal to acquire contracts with a high value and high earning profile".

First quarter 2006 consolidated results

Total revenues in the first quarter amounted to €241.4 million, showing a slight increase compared to approximately €239 million in the same period of 2005. *Revenues from services and contract*s amounted to €224.6 million, mainly on par with the €224 million of the first quarter of 2005. The transport infrastructure sector accounts for 81% of turnover, confirming its position as Astaldi's reference production sector.

EBIT (operating result) totalled approximately €18 million, showing a 14.2% increase compared to €15.7 million in the first quarter of 2005 and pushing up the operating margin from 6.6% to 7.4% of total revenues. EBITDA amounted to €26 million compared to €27 million in the first quarter of 2005 which benefited from the effect of delivery of the New Expo Fair Centre in Milan at the end of the first quarter of 2005.

Group **net profit** at the end of the quarter totalled €8.12 million, up by 4.7% compared to the €7.8 million profit achieved in the first quarter of 2005, with the net margin increasing from 3.2% in 2005 to 3.4% in 2006.

Net financial indebtedness at March 31, 2006, net of treasury shares, stood at €248.3 million compared to €231.2 million at the end of 2005 and €238.5 million in the first quarter of 2005. The figure confirms a debt/equity ratio of 0.93, lower than the unit and down on the 0.99 ratio recorded in the same quarter of 2005, reflecting the typical support provided by the quarter's seasonality and the investments for the start-up of the new awarded contracts. The *corporate debt/equity ratio*, which excludes the portion of debt related to concession and *project financing* activities as it is without recourse, stands at 0,80.

Orders backlog

New contracts acquired in the first quarter of 2006 totalled €1.2 billion. This figure brings the value of the Group's orders backlog at March 31, 2006 to over €6.5 billion, showing an annual growth rate of 17.5%, chiefly due to the new acquisitions in the transport infrastructure sector in Italy, Algeria and Central America. In the days following the close of the quarter, the Group was awarded additional contracts totalling over €430 million which bring the overall orders backlog to a value of approximately €7 billion.
Geographical distribution of the backlog shows that 86% of contracts are localised in the domestic market, mainly in railway infrastructures, and the remaining 14% from foreign projects, chiefly in America, Algeria, Romania and Turkey.
The main works acquired during the quarter include the general contracting project to construct Line C of the Rome underground, the project finance initiative to construct Line 5 of the Milan underground, and new contracts for railway and motorway infrastructures in Algeria.

Subsequent events

An intergovernmental agreement with Venezuela was signed subsequent to the close of the quarter. Said agreement sees Astaldi Group involved in the construction of new railway projects totalling $3.7 billion that are not included in the company's orders backlog at the present time. The new 2006-2010 Business Plan for the next five years was also approved by the Board of Directors. Said plan is based on the Group's internal growth and is consequent to acceleration of the process to acquire new contracts over the last 15 months. The goals set in the 2006-2010 plan are confirmed.

°°°

Listed on the Star segment of the Italian stock exchange, Astaldi Group has been active for more than 75 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, and treatment plants);*
- *civil and industrial construction (hospitals, universities, airports, law courts, construction works for electrical and nuclear plants, car parks);*
- *concession of such works as car parks, remediation plants, etc.*

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.

For further information:

Astaldi S.p.A.
Tel. 06/41766389
Alessandra Onorati
Head IR & Corporate Communications
a.onorati@astaldi.com

www.astaldi.it

PMS Corporate Communications
Tel. 06/42020970
Giancarlo Frè Torelli

Reclassified Consolidated Income Statement

(€/Mln)	March 31, 2006	%	March 31, 2005	%
Contract revenues	224,625	93.1%	224,177	93.8%
Other revenues	16,772	6.9%	14,732	6.2%
Total revenues	**241,397**	**100.0%**	**238,909**	**100.0%**
Costs of production	(166,029)	(68.8%)	(169,177)	(70.8%)
Added value	**75,368**	**31.2%**	**69,732**	**29.2%**
Labor costs	(43,427)	(18.0%)	(37,745)	(15.8%)
Other operating costs	(5,782)	(2.4%)	(4,606)	(1.9%)
Ebitda	**26,159**	**10.8%**	**27,381**	**11.5%**
Depreciations and amortisations	(6,363)	(2.6%)	(6,283)	(2.6%)
Provisions for contractual risks	(2,061)	(0.9%)	(5,269)	(2.2%)
Other provisions	-	0.0%	(126)	(0.1%)
(Capitalization of internal construction costs)	215	0.1%	14	0.0%
Ebit	**17,950**	**7.4%**	**15,717**	**6.6%**
Interest charges	(3,985)	(1.7%)	(4,719)	(2.0%)
Impact of measurement of inv. under equity method	(1,063)	(0.4%)	1,009	0.4%
Profit before taxes	**12,902**	**5.3%**	**12,007**	**5.0%**
Taxes	(5,289)	(2.2%)	(4,867)	(2.0%)
Net income	**7,613**	**3.2%**	**7,140**	**3.0%**
Minorities	510	0.2%	615	0.3%
Group net income	**8,123**	**3.4%**	**7,755**	**3.2%**

Reclassified Consolidated Balance Sheet

(Euro/000)	**31/03/2006**	**31/12/2005**	**31/03/2005**
Intangible assets	4,841	4,977	4,879
Tangible assets	143,732	129,299	125,534
Equity investments	36,905	34,430	33,096
Other fixed assets	48,995	44,420	51,329
Total net fixed assets (A)	***234,473***	***213,126***	***214,838***
Inventories	44,323	44,702	41,746
Works in progress	313,645	265,267	221,924
Trade receivables	340,114	384,085	440,818
Other assets	164,987	163,935	159,445
Advances from customers	(63,036)	(67,872)	(94,155)
Subtotal	*800,033*	*790,117*	*769,778*
Payables to suppliers	(346,842)	(354,816)	(373,184)
Other liabilities	(97,358)	(88,929)	(71,772)
Subtotal	*(444,200)*	*(443,745)*	*(444,956)*
Working capital (B)	***355,833***	***346,372***	***324,822***
Employee benefits	(11,205)	(11,518)	(14,338)
Provisions for current risks and charges	(60,415)	(54,609)	(45,878)
Total funds (C)	***(71,620)***	***(66,127)***	***(60,216)***
Net invested capital (D=A+B+C)	**518,686**	**493,371**	**479,444**
Cash and cash equivalent	184,512	175,418	111,035
Financial receivables and securities	81,640	61,895	34,725
Medium/Long term financial payables	(274,252)	(261,637)	(169,249)
Short term financial payables	(243,499)	(212,756)	(215,606)
Net financial payables / receivables (E)	**(251,599)**	**(237,080)**	**(239,095)**
Group net equity	268,465	257,072	244,004
Minority interests	(1,377)	(780)	(3,655)
Net equity (G=D+E)	**267,088**	**256,292**	**240,349**