ASTALDI, 2011 NET PROFIT + 22% YEARLY AVERAGE IN 5YS

The 2007-2011 Business Plan has been approved

- Orders backlog in 2011 exceeding € 12 billion
- Total revenues in 2011 rising above € 2,100 million,+15% yearly average for the period
- *Ebit* in 2011 beyond € 190 million, +19% yearly average for the period
- Net profit in 2011 exceeding € 80 million, +22% yearly average for the period

Dec. 31, 2006 results have been approved

- Total revenues € 1,072 million (+5%)
- EBIT € 78.3 million (+0.4%)
- Profit before taxes € 60.8 million (+11,4%)
- Net profit € 30.1 million (-7.4%)
- Orders backlog exceeding € 7 billion (+26%)
- New contracts acquired for a value of more than € 3.3 billions
- Net financial position € (281) million
- Proposal of a dividend of € 0.085 per share

Rome, March 26, 2007 – The Board of Directors of Astaldi S.p.A., chaired by Prof. Ernesto Monti, examined and approved the new Business Plan relating to the five-year period 2007-2011. During the meeting, the Board of Directors further examined the 2006 financial statements, approved the consolidated financial statements and resolved to submit to the Shareholders' Assembly the proposal of a distribution of dividends equivalent to last year's for relevant approval. The dividend paid during the previous year amounted to € 0.085 per share. The global amount of dividends, to be paid on May 10, 2007 (ex-dividend date May 7, 2007), amounts to € 8.3 million.

The 2007-2011 Business Plan
The 2007-2011 Business Plan confirms and outperforms the previous Business Plan, still taking into account 2006 important events which affected reference scenarios. Last but not least, the

possible annulment of the High Speed/High Capacity Railway contracts, the Group being involved in the works relating to the Verona-Padua Section.
In fact, only thanks to its highly flexible business model, the Group was able to strongly spur foreign activities in order to balance the considerable slowdown of activities in Italy, thus achieving the growth and profitability targets that had been previously set.

Therefore, after a transitional 2006, the 2007-2011 Business Plan underlines a considerable increase in revenues, margins and profitability as a whole which take advantage of the resumption of activities in Italy and, at the same time, of an improvement of activities abroad.
The works relating to new contracts acquired in the last year, the value of which exceeds € 3 billion, will have positive effects already starting from the year in progress.

The new strategic guidelines
The strategic guidelines for the next five-year period provide for a recombination of Italian and Foreign activities and for a further diversification towards the concession and/or project financing sector in the domestic market, in particular the sectors of transportation infrastructure, hospitals and parking areas. In fact, the composition of the orders backlog is expected to undergo a change, with a significant increase of concession/project finance initiatives from the present 22% to 34% in 2011, thus contributing to the value of production by more than € 130 billion by the end of the period.

As far as the foreign market is concerned, a further development of the activities has been programmed for those Countries where the Group is operating since past times (Venezuela, Algeria, Turkey, Romania and Qatar) in order to extend and capitalize the territorial knowledge and know-how already acquired. It is not excluded that new business opportunities will be sought after in the project finance sector, as well as in neighbouring countries (Bulgaria, Chile, Panama, Arab Emirates), and new markets evaluated (Uruguay, Brazil).

Main economic and financial targets
The Group's main economic targets for the next five-year period are aimed at doubling the value of production and obtaining a significant improvement of the main profitability ratios.

The approved plan estimates to exceed a value of production of € 2.1 billion within 2001, with an average annual growth of 15% in comparison with € 1,072 billion obtained in 2006. As already occurred in 2006, the revenues will mainly originate from activities abroad rather than from activities in Italy, above all during the first years of the period, but will subsequently stand at a level of substantial balance.

The increase in profitability will be more than proportional, also thanks to the joint effect of the higher contribution from foreign activities, of the outset (already from 2008 on) of the operation phase of concessions already included in the orders backlog, as well as of the improved quality of orders. The operating result (Ebit) will rise from € 78 million to more than € 190 million (in the average, +19% per year in the period), while the net profit is expected to increase from the present amount of € 30 million to more than € 80 million in 2011, witnessing an average annual growth of approximately 22%.
The stated values are going to take advantage of a progressive decrease in tax burden, consequently to the implementation of the tax optimization process at international level.

The growth outlined for the period 2007-2011 is based on a sustainable development programme, consistently linked to the previous Business Plan.
The net financial indebtedness in 2011 will approximately equal € 530 million, € 150 million of which from construction activities and € 380 million attributable to concession/project financing activities.
These figures stand for the construction sector's considerable strength in providing cash inflows to be invested in concession/project financing activities offering interesting return on invested capital.
The *debt/equity* ratio is expected to set at 1 by 2011.

The expected orders backlog
The orders backlog is expected to exceed € 12 billion in 2001, in comparison with € 7 billion at the end of 2006, with a re-arranged composition of new orders intake to take into account the new reference scenarios. Also in this case, a major contribution will come from foreign markets which will offset, in the short term, the expected slowdown of the Italian market and, in the long term, the annulment of the contract of the Verona-Padua High Speed / High Capacity railway line which is likely to occur.
It is worthy emphasizing that the potential value of the orders backlog would presently total up to € 10 billion already if the amount of € 3 billion of new initiatives, for which Astaldi is already qualified as "promoter" or best bidder and which are expected to be awarded in the short term, were taken into account.

As already said, a regular execution of the production activities relating to the important contracts constituting the present orders backlog allows to expect a further increase in future revenues and margins, ensuring as from now a more than significant coverage of the value of production which is estimated to exceed € 2.1 billion in 2011.

“The results obtained until now confirm the quality of our orders backlog and the importance of adopting a flexible business model – Executive Deputy Chairman Vittorio Di Paola underlines. The important orders acquired, jointly with new investments and the human resources we avail of, will provide us with the additional instruments necessary to ensure the Group's growth”.

The 2007-2011 Business Plan will be presented by the Company's management to the financial community on April 4 the next.

Consolidated results as of December 31, 2006
In 2006, the consolidated earnings statement shows total revenues amounting to €1,072 billion (+5% in comparison with 2005), which increased mainly thanks to a better performance of activities abroad giving rise to 63% of the revenues from construction activities obtained during the year.

EBITDA amounted to € 115.9 million, decreasing by 8.1%, above all due to the increased charges incurred during the take-over phase of some contracts in the US. EBIT equalled € 78.3 milion, substantially unchanged in comparison with 2005. Profit before taxes, equivalent to € 60.8 milion, increased by 11.4%, while the net profit totalled € 30.1 million (€ 32.5 milion in 2005).

The financial indebtedness as of December 31, 2005, net of treasury shares, totalled € 281 milion, with a *debt/equity* ratio at 1 in comparison with 0.9 as of December 31, 2005.

The orders backlog exceeded € 7 billion (5.3 billion attributable to the construction sector and 1.7 billion to the concession sector), showing an increase of 26% since the beginning of the year, during which new contracts for a value of € 3.3 billion have been acquired, and taking into account the annulment of the Verona-Padua High Speed/High Capacity Railway Line contract for a value of € 864 million.

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Finally, due to corporate organizational needs, the Shareholders' Meeting for the approval, among other things, of the financial statements as of December 31, 2006, at first to be held on April 27, 2007, has been called to be held on April 30, 2007 at first calling and, if necessary, on May 2, 2007 at second calling.

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As far as concerns the reclassified financial statements herewith enclosed in compliance with CONSOB's latest regulations, it is underlined that such data will not be examined by the Independent Auditor.

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Listed on the STAR segment of the Italian Stock Exchange, Astaldi has been active for more than 80 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 plants (dams, hydroelectric plants, water systems, oil pipelines, gas pipelines, and water treatment plants);*
- *civil and industrial construction (hospitals, universities, airports, law courts, construction works for electrical and nuclear plants, car parks);*
- *concession of such works in healthcare, parking and urban transport infrastructures sectors.*

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.

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RECLASSIFIED CONSOLIDATED INCOME STATEMENT

Euro / 000	*Model Statement Reference*	**December 31, 2006**	**%**	**December 31, 2005**	**%**
Revenues	*A*	1,021,121	95,3%	968,898	94,9%
Other operating revenues	*B*	50,819	4,7%	51,833	5,1%
Total revenues		**1,071,940**	**100,0%**	**1,020,731**	**100,0%**
Costs of production	*C*	(777,355)	(72,5%)	(722,438)	(70,8%)
Added value		**294,585**	**27,5%**	**298,293**	**29,2%**
Labor costs	*D*	(165,301)	(15,4%)	(146,552)	(14,4%)
Other operating costs	*E*	(13,426)	(1,3%)	(25,620)	(2,5%)
EBITDA		**115,858**	**10,8%**	**126,121**	**12,4%**
Depreciations and amortizations	*F*	(29,127)	(2,7%)	(28,264)	(2,8%)
Provisions	*E*	(9,489)	(0,9%)	(16,100)	(1,6%)
Write-downs	*F*	(22)	(0,0%)	(4,287)	(0,4%)
(Capitalization of internal construction costs)	*G*	1,045	0,1%	457	0,0%
EBIT		**78,265**	**7,3%**	**77,927**	**7,6%**
Interest charges	*H*	(22,925)	(2,1%)	(27,459)	(2,7%)
Impact of measurement of investments under equity method	*I*	5,470	0,5%	4,117	0,4%
Profit (loss) before taxes		**60,810**	**5,7%**	**54,585**	**5,3%**
Taxes	*L*	(29,984)	(2,8%)	(22,734)	(2,2%)
Profit (loss) of ongoing operations for the period		**30,826**	**2,9%**	**31,851**	**3,1%**
Profit (loss) related to discounted operations			0,0%		0,0%
Net income	*M*	**30,826**	**2,9%**	**31,851**	**3,1%**
Minorities	*N*	(735)	(0,1%)	628	0,1%
Group net income	*O*	**30,091**	**2,8%**	**32,479**	**3,2%**

RECLASSIFIED CONSOLIDATED BALANCE SHEET

Euro/000	Model Statement Reference	12/31/2006	12/31/2005
Intangible assets	*B*	3,795	4,977
Tangible assets	*A*	193,197	129,299
Equity investments	*C*	96,768	34,430
Other net fixed assets	*D*	37,642	44,420
Total net fixed assets (A)		**331,402**	**213,126**
Inventories	*E*	51,600	44,702
Works in progress	*F*	397,712	314,383
Trade receivables	*G*	437,877	384,085
Other assets	*I*	187,183	105,004
Tax receivables	*Z*	73,275	58,932
Advances from customers	*R*	(209,324)	(116,989)
Subtotal		**938,323**	**790,117**
Payqbles to suppliers	*S*	(474,478)	(354,816)
Other liabilities	*V*	(186,600)	(88,929)
Subtotal		**(661,078)**	**(443,745)**
Working capital (B)		**277,245**	**346,372**
Employee benefits	*T*	(12,470)	(11,518)
Provisions for current risks and charges	*U*	(30,312)	(54,609)
Total funds (C)		**(42,782)**	**(66,127)**
Net invested capital (D) = (A) + (B) + (C)		**565,865**	**493,371**
Cash and cash equivalent	*L*	237,623	175,418
Current receivables form financial institutions	*I*		44,472
Non current receivables from financial institutions	*D*	916	2,759
Securities	*H*	40,046	14,665
Current financial payables	*Q*	(224,192)	(212,756)
Non current financial payables	*P*	(339,199)	(261,637)
Net financial payables / receivables (E)		**(284,806)**	**(237,079)**
Group net equity	*M*	279,536	257,072
Minority interests	*N*	1,523	(780)
Net equity (G) = (D) - (E)	*O*	**281,059**	**256,292**

CONSOLIDATED CASH FLOW
(Euro/000)

A - CASH FLOW FROM OPERATING ACTIVITIES:	**12.31.2006**	**12.31.2005**
Results of the Group and minority interests for the period	*30,825*	*31,851*
Adjustments to reconcile net profit (loss) with cash flow generated (used) by operating activities		
Deferred taxes	551	3,557
Amortization, depreciation and write-downs	29,149	38,214
Provisions for risks and charges	9,489	16,100
Costs for employee severance indemnity and defined benefit plans	3,208	2,919
Costs for employee incentive plans	1,945	1,840
Losses on disposal of non current assets	1,015	3,732
Effects of valuation using equity method	(5,470)	(4,117)
Gains on disposals of non current assets	(2,122)	(3,441)
Subtotal	*37,765*	*58,804*
Differences in operating assets and liabilities (working capital)		
Trade receivables	(53,814)	88,607
Inventories and contracts in progress	(90,227)	(87,960)
Trade payables	119,662	(26,384)
Provisions for risks and charges	(18,158)	(4,622)
Advances from customers	92,335	(6,008)
Other operating assets	(60,787)	(47,206)
Other operating liabilities	51,993	12,034
Payments of employee severance indemnity and defined benefit plans	(2,256)	(2,523)
Subtotal	*38,748*	*(74,062)*
Cash flow from discounted operations		-
Cash flow from operating activities	**107,338**	**16,593**
B - Cash flow from investment activities:		
Purchase in investment property	6	-
Investments in intangible net fixed assets	(712)	(3,118)
Investments in tangible net fixed assets	(91,135)	(42,104)
Sale (Purchase) of other interests net of acquired cash, hedging of non-consolidated company losses and other changes in consolidation area	(13,688)	2,531
Collections from sale of intangibles and tangibles net fixed assets and investment properties	1,107	15,384
Collections from sale of equity investments and other securities on hand		
Differences in financing of investments	1,727	(2,354)
Contributions received		2,019
Net effect of change in consolidation area		(1,053)
Cash flow from discounted operations		-
Cash flow from investment activities	**(102,695)**	**(28,695)**
C - CASH FLOW FROM FINANCING ACTIVITIES:		
Capital increases in payment		-
Dividend paid + Other movements	(6,057)	(7,375)
Registration (repayment) of non current borrowing net of commissions	77,563	157,966
Net change in current financial payables (including leasing)	11,437	7,764
Loan repayment to Astaldi Finance		(129,989)
Net change in financial assets	0	(16,987)
Sale (purchase) of securities/bonds and treasury shares	(25,381)	(9,099)
Net effect of change in consolidation area		
Cash flow from discounted operations		-
Cash flow from financing activities	**57,562**	**2,280**
D – Exchange rate differences on cash and cash equivalents		**(130)**
NET INCREASE (REDUCTION) IN CASH AND CASH EQUIVALENTS	**62,205**	**(9,952)**
CASH AND CASH EQUIVALENTS AT START OF YEAR	**175,418**	**185,370**
CASH AND CASH EQUIVALENTS AT END OF YEAR	**237,623**	**175,418**