



*The Board of Directors approved the results at June 30, 2007*

**2<sup>nd</sup> QUARTER NET INCOME +13.1%**  
**RESULTS IMPROVING ALSO ON AN SEMI-ANNUAL BASIS**  
**ORDERS BACKLOG AT € 8 BILLION**

*Main quarterly results as at June 30, 2007*

- Total revenues increasing up to € 328.4 million (+22.2%)
- EBITDA € 39.5 million (+6%)
- EBIT € 27.6 million (+29.2%)
- Net income € 10.6 million (+13.1%)

*Main half-yearly results as at June 30, 2007*

- Total revenues increasing up to € 592.8 million (+16.2%)
- EBITDA € 69.8 million (+10%)
- EBIT € 48 million (+22.2%)
- Net income € 19.3 million (+10.5%)
  
- Orders backlog € 7.1 billion as at June 30, 2007
- Orders backlog presently € 8 billion
- Net financial position € (393.8) million

Rome, July 31, 2007 – The Board of Directors of Astaldi, chaired by Vittorio Di Paola, approved today the Astaldi Group's quarterly results at June 30, 2007 and examined the preliminary results of the first half-yearly period, showing a net income of € 19.3 million, increasing by +10.5% in comparison with the same period of 2006.

"The first six months show the significant improvement of the Group's economic performance – Stefano Cerri, Chief Executive Officer, underlined -. The sharp increase in revenues, obtained also during this quarterly period, with a domestic scenario that still shows a general market slowdown for new large tenders, is the outcome of the process of diversification of activities in foreign markets and of the actions taken to reach the start-up of important initiatives in Italy and abroad. We expect growth levels to be maintained throughout 2007, still thanks to the significant contribution of foreign activities which will be supplemented, during the second half of the year, by a strong resumption of domestic activities."

### **Consolidated quarterly results as at June 30, 2007**

The revenues of the second quarter of 2007 totalled € 314 million, thus increasing by +22.1% in comparison with the same period of 2006, essentially reflecting the considerable contribution from activities abroad.

Also total revenues increased to more than € 328 million by the end of the quarter (+22.2% annually).

Transport infrastructure confirms to be the reference production sector, contributing to the turnover by more than 75%. The geographical breakdown of revenues is in line with the trend of the latest quarters, and is pushed up mainly by foreign activities, which represent 63% of total revenues.

EBITDA, totalling more than € 39 million, shows an increase of +5.8%, while the EBITDA margin equalled 12%.

At the operating level, profitability and margins show a growth, favoured by the increase in revenues and the steady improvement of the cost structure which benefits from larger scale economies characterizing general-contracting initiatives.

The EBIT (operating result), at € 28 million (+29.2% on an annual basis) contributed to the increase in the EBIT margin to reach 8.4% which compares to 7.9% recorded during the same period of 2006.

Net financial charges amount to € 9.9 million, compared to € 5.3 million recorded for the second quarter of 2006. In fact, the increased volume of production is associated with a rise in invested capital determining an increase in the Group's indebtedness and, thus, in interest charges. In addition, 2006 recorded higher positive exchange rate differences. Moreover, net financial charges are adversely affected by an increase in performance bonds, normally required by the sector of activity, in connection with large general-contracting tenders and with important initiatives being carried out in Italy and abroad.

The profit before taxes equalled € 17.9 million (€ 18.6 million for the second quarter of 2006), thus contributing to achieve a net income of € 10.6 million (consolidated net margin 3.2%), thus showing a 13.1% increase in comparison with the previous year.

### **Preliminary consolidated results for 1<sup>st</sup> Half-Yearly Period of 2007**

Total consolidated revenues in the first half amount to € 593 million, increasing by +16.2% compared with the previous year, while contracts revenues total € 566 million, showing a +17.4% increase.

EBIT, totalling € 48 million, is improving by 22.2% in comparison with June 30, 2006, with an EBIT margin of 8.1% (7.7% for the first half of 2006).

Net income amounts to € 19.3 million, increasing by +10.5% in comparison with € 17.4 million of the corresponding period of 2006, with a net margin of 3.3%.

The tax rate stands at 42%, in line with the business plan forecasts for the period.

### **Consolidated balance sheet and financial position as at June 30, 2007**

The net debt as at June 30, 2007, stands at € 394 million net of treasury shares, showing an increase in comparison with the amount of € 281 million recorded at end of 2006, mainly due to both investments made during the half-yearly period, exceeding € 45 million and, for the remaining part, to the increase in invested capital in connection with the new initiatives in progress in Italy and abroad. This trend is expected to be mitigated during the second half of the year mainly thanks to the cash flow from foreign projects presently at a start-up phase.

The debt/equity ratio totalled 1.3, compared to 0.95 recorded at December 31, 2006. The corporate debt/equity ratio, excluding the quota of indebtedness relating to concession and project finance activities because of its non-recourse nature, totalled 1.1.

The details of the Group's net financial position are shown in the table below.

Euro / 000	June 30, 2007	March 31, 2007	December 31, 2006	June 30, 2006
A Cash and cash equivalents	233,443	186,454	237,623	145,840
B Securities held for trading	21,189	14,270	18,983	25,434
<b>C Availables funds (A)+(B)</b>	<b>254,632</b>	<b>200,724</b>	<b>256,607</b>	<b>171,274</b>
<b>D Current receivables from financial institutions</b>	<b>9,767</b>	<b>28,517</b>	<b>21,978</b>	<b>61,841</b>
E Current bank payables	(290,574)	(187,309)	(210,095)	(248,311)
F Current share of non-current indebtedness	(955)	(965)	(1,958)	(5,539)
G Other current payables	(1,933)	(1,838)	(12,139)	(7,857)
<b>H Current financial indebtedness (E)+(F)+(G)</b>	<b>(293,462)</b>	<b>(190,112)</b>	<b>(224,192)</b>	<b>(261,707)</b>
<b>I Net current financial indebtedness (H)+(C)+(D)</b>	<b>(29,064)</b>	<b>39,130</b>	<b>54,393</b>	<b>(28,592)</b>
J Non-current bank payables	(339,189)	(340,139)	(313,997)	(278,757)
K Other non-current payables	(28,771)	(33,822)	(25,202)	(21,836)
<b>L Non-current financial indebtedness (J)+(K)</b>	<b>(367,959)</b>	<b>(373,961)</b>	<b>(339,199)</b>	<b>(300,594)</b>
<b>M Net financial indebtedness (I)+(L)</b>	<b>(397,023)</b>	<b>(334,831)</b>	<b>(284,806)</b>	<b>(329,186)</b>
Own shares	3,243	2,741	3,824	3,276
<b>Total net financial position</b>	<b>(393,780)</b>	<b>(332,090)</b>	<b>(280,982)</b>	<b>(325,910)</b>

### Orders backlog

The orders backlog as at June 30, 2007 equals € 7.1 billion. Including the important contracts acquired subsequently to the period of reference, the present orders backlog totals € 8 billion, of which € 6.3 billion relating to construction activities and the remaining € 1.7 billion to concession activities.

Such amount is constituted of increments recorded during the first half amounting to € 668 million, and contracts acquired after June 30, 2007 for a value of € 893 million. In the first case, the changes are basically due to new orders and contractual increments relating to ongoing contracts mainly in the transport infrastructure and civil building sectors in foreign countries (Romania, Venezuela, Arabian Peninsula) and in Italy.

The orders backlog as at June 30, 2007 is constituted as follows: 50% by construction activities in Italy, 26% by construction activities abroad and the remaining 24% by concession contracts.

The sector of transport infrastructure confirms to be the reference and most profitable sector (63%), followed by concessions (24%), civil and industrial building (9%) and power plants (4%).

The following table shows the evolution of the orders backlog, highlighting the contribution from the single areas of activity.

€/mn	01/01/2007	Increases	Production	30/06/2007
Transport infrastructures	4,355	555	(427)	4,483
of which:				
<i>Railways and subways</i>	3,278	378	(273)	3,383
<i>Roads and highways</i>	1,036	113	(149)	1,000
<i>Airports and seaports</i>	41	64	(5)	100
Hydraulic and hydroelectric works	325	2	(69)	258
Civil and industrial buildings	630	111	(70)	671
Concessions	1,699	0	-	1,699
<b>Order backlog as of June 30, 2007</b>	<b>7,009</b>	<b>668</b>	<b>(566)</b>	<b>7,111</b>
New acquisition following June 30, 2007		893		893
<b>Pro-forma order backlog</b>	<b>7,009</b>	<b>1,561</b>	<b>(566)</b>	<b>8,004</b>

### Events occurred subsequently to period closing

Among the most significant events recorded after June 30, 2007, it is worthy noticing the acquisition of the contract of the new railway line Saida-Moulay Slissen in Algeria for a value of € 616 million, and additional € 162.5 million for railway works to be executed in Bulgaria, witnessing the efficacy of market penetration strategies adopted by the Group at international level.

At national level, it should be underlined that the Municipality of Milan approved the variation to Garibaldi Station relating to the project finance for the construction and operation of the new Line 5 of the underground of Milan being executed by Astaldi, which entailed an adequate increase in the contract value and laid down the technical conditions for a further extension of the line toward the western outskirt of the city.

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*As regards the attached model statements, in compliance with CONSOB's most recent provisions, it must be noted that the figures listed have not been subjected to complete auditing and, as regards the reclassified statements, the figures listed are not subject to checks by the auditing firm.*

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*Listed on the STAR segment of the Italian stock exchange, Astaldi Group 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:*

- *transportation infrastructure (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);*
- *operation under concession of works such as hospitals, urban transport infrastructure, car parks.*

*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. +39 06/41766389  
Alessandra Onorati  
IR and External Relations  
[a.onorati@astaldi.com](mailto:a.onorati@astaldi.com) - [www.astaldi.it](http://www.astaldi.it)

**PMS Corporate Communications**  
Tel. +39 06/48905000  
Giancarlo Frè Torelli  
Andrea Lijoi

## RECLASSIFIED CONSOLIDATED INCOME STATEMENT

Euro / 000	June 30, 2007	%	June 30, 2006	%	Q2 2007	%	Q2 2006	%
Revenues	565,609	95.4%	481,764	94.4%	313,988	95.6%	257,139	95.7%
Other revenue	27,153	4.6%	28,465	5.6%	14,457	4.4%	11,693	4.3%
<b>Total revenues</b>	<b>592,762</b>	<b>100.0%</b>	<b>510,229</b>	<b>100.0%</b>	<b>328,445</b>	<b>100.0%</b>	<b>268,832</b>	<b>100.0%</b>
Costs of production	(421,107)	(71.0%)	(353,889)	(69.4%)	(236,535)	(72.0%)	(187,859)	(69.9%)
<b>Added value</b>	<b>171,655</b>	<b>29.0%</b>	<b>156,341</b>	<b>30.6%</b>	<b>91,910</b>	<b>28.0%</b>	<b>80,973</b>	<b>30.1%</b>
Labor costs	(92,071)	(15.5%)	(82,350)	(16.1%)	(47,329)	(14.4%)	(38,923)	(14.5%)
Other operating costs	(9,817)	(1.7%)	(10,540)	(2.1%)	(5,115)	(1.6%)	(4,758)	(1.8%)
<b>EBITDA</b>	<b>69,767</b>	<b>11.8%</b>	<b>63,451</b>	<b>12.4%</b>	<b>39,466</b>	<b>12.0%</b>	<b>37,293</b>	<b>13.9%</b>
Depreciations and amortizations	(16,534)	(2.8%)	(13,511)	(2.6%)	(8,684)	(2.6%)	(7,148)	(2.7%)
Provisions	(5,473)	(0.9%)	(5,815)	(1.1%)	(3,873)	(1.2%)	(3,754)	(1.4%)
Write-downs		0.0%	(5,300)	(1.0%)	503	0.2%	(5,300)	(2.0%)
(Capitalization of internal costs)	270	0.0%	494	0.1%	203	0.1%	279	0.1%
<b>EBIT</b>	<b>48,031</b>	<b>8.1%</b>	<b>39,319</b>	<b>7.7%</b>	<b>27,616</b>	<b>8.4%</b>	<b>21,370</b>	<b>7.9%</b>
Net interest charges	(16,746)	(2.8%)	(9,266)	(1.8%)	(9,871)	(3.0%)	(5,280)	(2.0%)
Impact of measurement of investments under equity method	1,292	0.2%	1,468	0.3%	163	0.0%	2,532	0.9%
<b>Profit before taxes</b>	<b>32,577</b>	<b>5.5%</b>	<b>31,521</b>	<b>6.2%</b>	<b>17,908</b>	<b>5.5%</b>	<b>18,621</b>	<b>6.9%</b>
Taxes	(13,705)	(2.3%)	(13,349)	(2.6%)	(7,543)	(2.3%)	(8,061)	(3.0%)
<b>Net income</b>	<b>18,872</b>	<b>3.2%</b>	<b>18,171</b>	<b>3.6%</b>	<b>10,365</b>	<b>3.2%</b>	<b>10,560</b>	<b>3.9%</b>
Minorities	432	0.1%	(705)	(0.1%)	206	0.1%	(1,214)	(0.5%)
<b>Group net income</b>	<b>19,304</b>	<b>3.3%</b>	<b>17,467</b>	<b>3.4%</b>	<b>10,571</b>	<b>3.2%</b>	<b>9,346</b>	<b>3.5%</b>

**RECLASSIFIED CONSOLIDATED BALANCE SHEET**

Euro/000	30/06/2007	31/12/2006	30/06/2006
Intangible assets	3,479	3,795	4,380
Tangible assets	223,904	193,197	158,409
Equity investments	102,118	96,492	96,243
Other net fixed assets	34,683	36,726	31,874
<b>Total net fixed assets ( A )</b>	<b>364,184</b>	<b>330,210</b>	<b>290,906</b>
Inventories	56,123	51,600	44,978
Works in progress	495,913	397,712	401,649
Trade receivables	430,244	437,877	403,342
Other assets	190,224	188,094	117,823
Tax receivables	77,741	73,275	55,283
Advances from customers	(212,533)	(209,324)	(112,888)
<b>Subtotal</b>	<b>1,037,712</b>	<b>939,234</b>	<b>910,187</b>
Payables to suppliers	(470,040)	(474,478)	(396,358)
Other liabilities	(194,010)	(186,600)	(150,828)
<b>Subtotal</b>	<b>(664,050)</b>	<b>(661,078)</b>	<b>(547,186)</b>
<b>Working capital ( B )</b>	<b>373,662</b>	<b>278,156</b>	<b>363,001</b>
Employee benefits	(11,283)	(12,470)	(11,569)
Provisions for current risks and charges	(31,692)	(30,035)	(44,928)
<b>Total funds ( C )</b>	<b>(42,975)</b>	<b>(42,505)</b>	<b>(56,497)</b>
<b>Net invested capital (D) = (A) + (B) + (C)</b>	<b>694,871</b>	<b>565,861</b>	<b>597,410</b>
Cash and cash equivalents	233,443	237,623	145,840
Current receivables from financial institutions	9,306	21,062	59,556
Non-current financial receivables from financial institution	461	921	2,285
Securities	21,189	18,984	25,434
Current financial receivables	(293,462)	(224,192)	(261,707)
Non-current financial receivables	(367,959)	(339,199)	(300,594)
<b>Net financial payables / receivables (E)</b>	<b>(397,022)</b>	<b>(284,801)</b>	<b>(329,186)</b>
Group net equity	296,495	279,668	268,391
Minority interests	947	1,392	(168)
<b>Net equity (G) = (D) - (E)</b>	<b>297,442</b>	<b>281,060</b>	<b>268,223</b>