The BoD approves the 2008 consolidated financial statements

ASTALDI, REVENUES UP BY 14.8%, EBIT UP BY 16%, NET PROFIT UP BY 10.5% IN 2008

EUR 0.10 PER SHARE DIVIDEND PROPOSED

Main consolidated figures at 31 December 2008

- Increase in total revenues to EUR 1,525.6 million, +14.8%
- EBITDA of EUR 175 million, +12.5%
- EBIT of EUR 132.6 million, +16%
- Net income of EUR 42.1 million, +10.5%
- Drop in net indebtedness to EUR 389.7 million

- Orders backlog at EUR 8.5 billion
- New orders totalling EUR 1.6 billion in 2008

Rome, 25 March 2009 – The Board of Directors of Astaldi S.p.A., chaired by Vittorio Di Paola, met today to approve the 2008 draft financial statements and consolidated financial statements. The Board of Directors also resolved to submit the approved draft financial statements for approval by the Shareholders' Meeting to be held on 24 April together with the proposal to distribute a EUR 0.10 per share dividend (coupon detachment on 4 May 2009, payment on 7 May 2009).

Despite the difficult economic situation and the current complexity of markets, the Group ended 2008 with net consolidated profit of EUR 42.1 million (up by 10.5% compared to 2007), while total revenues amounted to over EUR 1.5 billion (up by 14.8%) and EBITDA equalled EUR 175 million (up by 12.5%). There was also an improvement in net financial indebtedness which totalled EUR (389.7) million at the end of the year.

Stefano Cerri, CEO, stated: "The market crisis is not holding back our development programmes which continue to move forward and record growth. As regards 2009, we are ready to face new challenges, backed up by an orders backlog totalling over EUR 8 billion".

Consolidated economic results at 31 December 2008

2008 figures reflect the effects of the major boost given to production activities in Italy and abroad during the year. Operating results were in keeping with forecasts thanks to the success of planning activities and strategic choices formulated in a coherent manner during recent financial years. The earning levels seen during the first part of the year were confirmed despite a further worsening of the general macroeconomic situation and even given the pressure on inflation generated during early 2008 year as a result of the price increase in raw materials.

Revenues increased by 15.2% (to EUR 1,466.8 million compared to EUR 1,273.4 million at 31 December 2007) as a result of the stepping up of production activities in Italy in particular, thanks to the entry into full operation of important general contracting and project finance contracts secured in recent years. Total revenues also increased by 14.8%, amounting to EUR 1,525.6 million (EUR 1,329.1 million in 2007), with other operating revenues accounting for EUR 58.8 million (up by 5.4% compared to EUR 55.8 million in 2007).

The structure and scale of costs reflected the stepping up of activities and the orders backlog's increasing focus on general contracting projects. Direct production costs amounted to EUR 1,117.3 million, with a 73.2% incidence on total revenues (71.4% in 2007). Labour costs amounted to EUR 213.4 million (up by 10% compared to EUR 193.9 million in 2007), with a drop in incidence to 14% (14.6% in 2007) due to benefits resulting from the greater economies of scale achieved during the year and to the increased use of outsourcing of activities that are typical of contracts managed using the General Contractor formula.

Earning targets planned year-by-year were achieved despite the problems encountered in the Italian economic system. EBITDA up by 12.5% to EUR 175 million (EUR 155.5 million in 2007), generated an EBITDA margin of 11.5%. EBIT, amounting to EUR 132.6 million, showed a more marked increase of 16% compared to EUR 114.1 million at 31 December 2007, with an EBIT margin of 8.7%, up on the 8.6% margin recorded at the end of 2007.

Net financial charges amounted to EUR 64.7 million, showing a 42.1% year-on-year increase (EUR 45.5 million at the end of 2007), which was the result of greater average financial exposure following the increase in invested capital typically associated with an increase in production volumes, a slowdown in some contract payments and greater undertakings in terms of furnished guarantees considering the greater average value of contracts currently included among the orders backlog (bid bonds, performance bonds). Vice versa, said effect was offset during the year by considerable growth in the return on investment (ROI) which went up from 16% for the same period of last year to 18.4%.

Net profit amounted to EUR 42.1 million, up by 10.5% (EUR 38.1 million for last year), also as a result of a marked decrease in the tax rate to 37% (46% at the end of 2007) thanks to action taken at a consolidated level to optimise international taxation. The net margin remained stable at 2.8%.

Consolidated equity and financial situation at 31 December 2008

The Group's equity and financial structure reflects the major boost given to production activities in recent years as well as the specific focus lent to levels of indebtedness.
At 31 December 2008, net fixed assets amounted to EUR 355.6 million, up on the figure of EUR 333.4 million recorded at the end of last year, mainly as a result of the increase in tangible fixed assets following investments made in relation to project finance initiatives over the year.
Working capital dynamics reflect the increased levels of production achieved during the year on the one hand, while on the other hand they are to relate to the collection of major credit items as well as the improved cash flow of some important foreign projects. This meant a drop in working capital from operations which amounted to EUR 403.1 million compared to EUR 415.5 million at 31 December 2007, which is to be even more appreciated if linked to the marked increase in production volumes over the year. On the whole, net invested capital showed a 1.8% increase compared to the previous year, standing at EUR 727.2 million against a more than 15% increase in revenues, thus confirming the specific policy to reduce and limit financial risk. This item and its increase reflect the support given to new projects in terms of investments as well as the dynamics recorded for working capital from operations.

The **net financial position** at 31 December 2008, net of treasury shares, stood at EUR (389.7) million. This figure is equal to an improvement of approximately EUR 8 million in the level of indebtedness if compared with the figure at 31 December 2007. Therefore, the goal of keeping consolidated debt below the EUR 400 million mark announced during 2008 was achieved. This result was possible thanks to good project cash flow dynamics on the one hand, and the positive consequences of financing the start-up of new foreign projects on the other, including through contractual advances collected during the last part of the year.
Therefore, the Group's financial profile has improved with a cash margin boasting greater flexibility and a long-term indebtedness, with the first major repayment deadline set for 2013.
The debt/equity ratio stood at 1.17. The corporate debt/equity ratio, which excludes the share of indebtedness related to concession/project finance activities, stood at 1.03.

Orders backlog

EUR 1.6 **billion of new contracts** were secured during the year, **bringing the orders backlog total to** EUR 8.5 **billion**. EUR 6.4 billion of initiatives among the backlog are related to the construction sector while the remaining EUR 2.1 billion are related to concession/project finance activities.
The overall structure of the orders backlog is in keeping with the development policies adopted by the Group. 60% of activities, including concession projects, are related to domestic projects while the remaining 40% refer to activities performed abroad, mainly in Latin America, Turkey, Algeria and Eastern Europe. Construction activities represent 75% of the total backlog, equal to EUR 6.3 billion: transport infrastructures are still the key sector for the Group's operations (63% of the total backlog), but the civil and industrial construction sector also plays a key role (6%) followed by energy production plants (6%). The concessions sector also holds an important, leading position, accounting for EUR 2.1 billion, equal to 25% of the total backlog.

The new contracts are mainly related to the transport infrastructures sector, both in Italy and abroad (Turkey and Romania) and to energy production plants (mainly Central and South America). New important contracts have been secured in Turkey with acquisition of the Kadıköy-Kartal section of the **Istanbul underground**, worth EUR 751 million (Astaldi holds a 42% stake), as well as the **Golden Horn Bridge** worth EUR 147 million (Astaldi holds a 51% stake). Note is also to be taken of acquisition of a first section of the **Pedemontana Lombarda Motorway** in Italy, worth EUR 630 million (Astaldi holds a 24% stake), as well as new contracts in the transport infrastructures sector in Romania. Specific mention must be made of the contract for the **Chacayes Dam in Chile** worth USD 282 million (Astaldi holds a 95% stake), which will be built as part of a partnership with the Australian group Pacific Hydro, and the **El Chaparral hydroelectric plant in El Salvador** worth USD 220 million; two projects which confirm the Group's leadership in the energy production plants sector and which serve to consolidate its presence in Latin America.
The values related to the Group's appointment as sponsor for the project finance initiative involving construction and subsequent management of the links between Ancona Port and the surrounding road network are to be included in the backlog since the final result of the award procedure for this project is still pending, along with new contracts and contractual increases regarding works in progress that were secured subsequent to the end of the year.

Subsequent events

January saw an extension of the contract to build the Istanbul underground. The addendum, worth a total of EUR 97 million (Astaldi holds a 42% stake), involves extension of the new underground line from Kartal to Kaynarka, adding to the original contract with the performance of civil works for an additional 4.5 kilometres of double-tube tunnel to be bored using TBMs, as well as 4 new stations and the signalling system for the entire section. Therefore the total value of this project has increased to EUR 848 million (Astaldi holds a 42% stake) from the original value of EUR 751 million when awarded in March 2008.

Forthcoming dates with the market

The 2008-2012 Industrial Plan, scheduled to be approved during this Board of Directors meeting shall be submitted for approval by the Board of Directors on 13 May 2009 and presented to the financial community in Milan on 15 May 2009 (at "Palazzo Mezzanotte", Piazza degli Affari 6).

Proposal to renew the buy back plan

The Board of Directors has also formulated a proposal, to be submitted to the next Shareholders' Meeting, to renew the programme to buy and sell treasury shares for an additional 12-month period (as from 27 April 2009) with the aim being to promote steady trading, prevent price changes not in line with market trends and ensure suitable support for market liquidity. The methods of implementing the programme include the purchase of a revolving maximum of 9,842,490 shares each with a face value of EUR 2.00 at a unitary price of no less than EUR 2.00 and no more than the average price recorded the last ten days of stock exchange trading prior to the date of purchase, increased by 10%, with the additional restriction that the amount of shares must not exceed the total of EUR 24,600,000.00 at any given time (without prejudice to the limit of profit to be distributed and available reserves pursuant to Article 2357, paragraph 1 of the Italian Civil Code). The Company may also sell the shares purchased at a unitary price of no less than the average price recorded during the last ten days of stock exchange trading prior to the date of sale, decreased by 10%. It must also be noted that, to date, the company owns 1,233,066 treasury shares equal to 1.25% of the share capital.

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The manager appointed to draw up to company's accounting documents, Paolo Citterio, Astaldi General Manager, Administration and Finance, hereby declares, pursuant to paragraph n. 2 of Article 154-bis of the Single Law on Finance that the accounting information contained in this press release corresponds with the figures in the documents, books and accounts.

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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:

- *transport infrastructures (railways, undergrounds, roads, motorways, ports, and airports);*
- *hydraulic works and power production plants (dams, hydroelectric plants, waterworks, oil pipelines, gas pipelines, nuclear power stations, and treatment plants);*
- *civil and industrial construction (hospitals, universities, airports, law courts, and car parks;*
- *concession of such works as healthcare facilities, transport infrastructures, car parks.*

The Astaldi 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	31/12/08		31/12/07	
Revenues	1,466,848	96.1%	1,273,373	95.8%
Other revenues	58,792	3.9%	55,758	4.2%
Total revenues	1,525,640	100.0%	1,329,131	100.0%
Costs of production	(1,117,312)	-73.2%	(948,890)	-71.4%
Added value	408,328	26.8%	380,241	28.6%
Labor costs	(213,364)	-14.0%	(193,889)	-14.6%
Other operating costs	(20,004)	-1.3%	(30,883)	-2.3%
EBITDA	174,960	11.5%	155,470	11.7%
Amortization	(41,456)	-2.7%	(35,794)	-2.7%
Depreciation	(1,277)	-0.1%	(2,582)	-0.2%
Write-downs	(500)	0.0%	(3,535)	-0.3%
(Capitalization of internal construction costs)	837	0.1%	550	0.0%
EBIT	132,564	8.7%	114,109	8.6%
Net financial charges	(64,729)	-4.2%	(45,542)	-3.4%
Effects of evaluation of equity investments using equity method	3,645	0.2%	2,101	0.2%
Pre-tax profit (loss)	71,479	4.7%	70,667	5.3%
Taxes	(26,718)	-1.8%	(32,251)	-2.4%
Profit (loss) for the period	44,761	2.9%	38,416	2.9%
Minorities	(2,660)	-0.2%	(319)	0.0%
Group net profit	42,101	2.8%	38,097	2.9%

Reclassified Consolidated Balance Sheet

Euro/000	December 31 2008	December 31 2007
Intangible fixed assets	3,711	3,374
Tangible fixed assets	272,198	246,675
Equity investments	53,252	52,979
Other net fixed assets	26,433	30,364
TOTALE Fixed assets (A)	355,594	333,392
Inventories	84,941	60,915
Contracts in progress	584,993	519,229
Trade receivables	34,984	36,867
Accounts receivables from employers	481,781	426,223
Other assets	229,132	166,556
Tax receivables	89,138	88,592
Advances from employers	(351,544)	(237,466)
Subtotal	1,153,425	1,060,916
Trade payables	(66,676)	(88,437)
Payables to suppliers	(480,033)	(383,834)
Other liabilities	(203,642)	(173,142)
Subtotal	(750,350)	(645,413)
Working capital (B)	403,074	415,503
Employees benefits	(10,314)	(10,932)
Provision for non-current risks and charges	(21,153)	(23,570)
Total provisions (C)	(31,467)	(34,502)
Net invested capital (D) = (A) + (B) + (C)	727,201	714,393
Cash and cash equivalents	333,759	295,538
Current financial receivables	17,346	22,943
Non-current financial receivables	2,423	2,423
Securities	4,901	8,299
Current financial receivables	(275,448)	(319,685)
Non-current financial receivables	(478,308)	(411,826)
Net financial payables / receivables (E)	(395,327)	(402,309)
Group's net equity	(325,327)	(310,251)
Minority interests	(6,547)	(1,834)
Net equity (G) = (D) - (E)	331,874	312,085

Consolidated Cash-flow

Euro/000	31.12.2008	31.12.2007
A - CASH-FLOW FROM OPERATING ACTIVITIES:		
Results of the Group and minority interests for the period	*44,761*	*38,416*
Adjustments to reconcile net profit (loss) wirh cash-flow generated (used) by operating activities		
Deferred taxes	2,503	3,348
Amortizations, depreciation and write-downs	41,956	39,329
Provisions for risks and charges	1,277	2,116
Costs for employee severance indemnity and defined benefit plans	1,643	1,561
Costs for employee incentive plans	3,469	2,767
Losses on disposals of non-current assets	517	622
Effects of evaluation using equity method	-3,645	-2,101
Gains on disposals of non-current assets	-2,301	-4,816
Subtotal	*45,419*	*42,826*
Differences in operating assets and liabilities (working capital):		
Trade receivables	-53,675	-25,213
Inventories and contracts in progress	-89,790	-130,832
Trade payables	80,763	89,625
Provisions for risks and charges	-4,194	-7,818
Advances from customers	114,078	28,142
Other operating assets	-75,969	-76,158
Other operating liabilities	9,586	19,086
Payments of employee severance indemnity and defined benefit plans	-2,261	-3,099
Subtotal	*-21,462*	*-106,267*
TOTAL CASH-FLOW FROM OPERATING ACTIVITIES	**68,718**	**-25,025**
B - CASH-FLOW FROM INVESTMENT ACTIVITIES:		
Purchases in investment properties	6	6
Net investments in intangible fixed assets	-1,288	-444
Net investments in tangible fixed assets	-38,512	-67,468
Net investments in project finance initiatives	-27,523	-24,482
Hedging of non-consolidated company losses and other changes in consolidation area	3,372	2,393
Collections from sale of tangible and intangible assets and investments properties	1,784	4,194
Differences in financing of investments	4,284	1,628
TOTAL CASH-FLOW FROM INVESTMENT ACTIVITIES	**-57,877**	**-84,173**
C - CASH-FLOW FROM FINANCING ACTIVITIES:		
Dividends payment + other movements	-24,972	-7,391
Registration (repayment) of non-current borrowing net of commissions	67,091	73,727
Net change in current financial payables (including leasing)	-29,904	98,193
Sale (purchase) of securities / bonds and treasury shares	15,165	2,584
TOTAL CASH-FLOW FROM FINANCING ACTIVITIES	**27,380**	**167,113**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**38,221**	**57,915**
CASH AND CASH EQUIVALENTS AT START OF PERIOD	**295,538**	**237,623**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**333,759**	**295,538**