Astaldi's BoD has approved the consolidated results of 2010

ASTALDI IN 2010: REVENUS OF MORE THAN EUR 2 BILLION, +9.2%
NET INCOME OF EUR 63 MILLION, +12,8%

PROPOSED DIVIDEND OF EUR 0.15 PER SHARE, +15%

2010 Consolidated results:

- **Increase in total revenues to EUR 2.045 billion in 2010 (+9.2%)**
- **EBITDA of EUR 229.2 million (+11.2%)**, EBITDA margin up to 11.2%
- **EBIT of EUR 173.6 million (+10.1%)**, EBIT margin up to 8.5%
- **Order backlog of over EUR 9 billion**
- **Net financial position of EUR 384.3 million** (EUR 421.4 million for 2009)
- **Positive cash flow of EUR 60 million in the construction sector**

Rome, 16 March 2011 – The Board of Directors of Astaldi S.p.A., chaired by Paolo Astaldi, met today to approve the draft parent and consolidated financial statements for the financial year 2010.

The Board of Directors also resolved to submit for approval by the Shareholders' Meeting scheduled for 18 April, the annual financial statements and **the proposed distribution of a dividend of EUR 0.15 per share (ex dividend date 2 May 2011 and payment on 5 May 2011).**

Stefano Cerri, Astaldi Group's Chief Executive Officer, reported the following: "*The consolidation of markets of traditional interest, as well as, the development of new geographical areas and of the concessions business proved determining in us exceeding the set targets, despite the highly complex international situation: revenues of over EUR 2 billion, a reduction in net debt of more than EUR 80 billion on forecasts, positive cash flow of EUR 60 million from the construction sector. Said results confirm the Group's leadership in the markets at global level and our capacity to successfully tackle and overcome additional challenges along the planned growth path.*"

Consolidated economic results at 31 December 2010

Total revenues increased to EUR 2,044.8 million (+9.2%, EUR 1,872.1 million in 2009). The marked intensification of some activities in progress in Italy and abroad (transport infrastructures and energy sectors) and some major projects, which have been recently acquired, becoming fully operational went to offset the slowdown in some projects in progress in Italy and abroad (following contract re-negotiation or project reviews currently under discussion with clients), as well as a reduction in the volume of revenues expressed in Euros as a result of Venezuela's devaluation of the *Bolivar fuerte* and weakening of the value of the Dollar against the Euro experienced during the year. Said events did not generate any significant effects on margins thanks to the Group's currency hedging policies. Operating revenues amounted to EUR 1,918.9 million (+6.5%, EUR 1,802.8 million in 2009); other operating revenues amounted to EUR 125.8 million (+81.5%, EUR 69.3 million in 2009).

Production showed **a suitable diversification of activities with regard to geographical areas and sectors**. **44.8% of operating revenues refers to activities developed in Italy**, while the remaining 55.2% refers to foreign projects. Europe and Turkey experienced a consolidation of activities; while the Middle East – where the entry into full operation of recent commercial successes in Saudi Arabia has still to be recorded – and America (due to the planned reduction in Venezuela, partially offset by the growth in Chile and Peru) experienced a reduction. **Transport infrastructures generated 80.2% of operating revenues**, mainly due to entry into full operation of the two lots of the Jonica National Road in Italy and the progress of railway and underground contracts in Italy, Venezuela, Turkey, Eastern Europe, Algeria. The energy sector (13.5% of operating revenues) reflected the positive performance of projects in Latin America, mainly due to the Chacayes plant in Chile. Civil and industrial construction (6.2% of operating revenues) accounted a YOY reduction, mainly explained by the intensification seen in 2009 as a result of the completion of some contracts in the Middle East.

The **cost structure reflected the increase in production levels and the greater focus on domestic contracts**, characterised by a lower incidence of personnel costs. Production costs amounted to EUR 1,552.2 million (+11.2%, EUR 1,396.1 million in 2009); personnel costs dropped to EUR 236.6 million (-1.6%, EUR 240.5 million in 2009).

Significant levels of earnings were confirmed, reflecting an order backlog of increasing quality. **EBITDA increased by 11.2% to EUR 229.2 million** (EUR 206.2 million in 2009), with **EBITDA margin up to 11.2%. EBIT increased to EUR 173.6 million** (+10.1%, EUR 157.6 million in 2009), with **EBIT margin at 8.5**%.

Net financial charges amounted to EUR 77.7 million (EUR 67.3 million in 2009). The increase in absolute terms in this item can be largely explained by the growing incidence of the cost of guarantees and insurances linked to the increased levels of turnover and backlog. When making a year-on-year comparison, this year's figure for financial income presents lower income from delays in payments from clients compared to the previous year. As regards exchange rate differences, the 2010 financial statements recorded a negative balance compared to the previous year, also as a result of devaluation of Venezuela's Bolivar.

Pre-tax profit increased by 10.5% to EUR 100.3 million (EUR 90.8 million in 2009). **Net profit increased to EUR 63 million** (+12.8%, EUR 55.9 million in 2009), with tax rate to 36.7%.

Consolidated Balance Sheet at 31 December 2010

In 2010, **there was a significant improvement in the overall net financial position which dropped to EUR 384 million** (taking into account treasury shares on hand), compared to EUR 421.4 million at the end of 2009. Said figures mean a **drop in debt of 8.8% for the year** – against an increase in production of 9.2%.

The balance sheet structure for the period reflected **consolidation of the Group's international positioning and the intensification of production** in Italy and abroad.

Net fixed assets amounted to EUR 434.8 million (EUR 449.6 million in 2009) which confirms that he Group's technical resources are able to support the contracts in progress, and at the same time highlights its ability to generate self-financing. Technical investments during the year amounted to EUR 26 million (EUR 76 million in 2009) and were made to support projects in progress in Italy (Turin rail junction) and abroad (Huanza hydroelectric plant in Peru and Jubail Project in Saudi Arabia).

Working capital totalled EUR 425.5 million (EUR 403.7 million at the end of 2009), showing optimal management of cashflow and the operating financial cycle.

Equity increased to EUR 443.2 million (EUR 393.4 million in 2009).

The *debt/equity ratio* – which compares the level of debt and equity, net of treasury shares – stood at 0.87 at the end of 2010. At the same date, the *corporate debt/equity ratio* – which excludes the share of debt related to concessions given its self-liquidating nature – stood at 0.7.

Astaldi S.p.A. invested EUR 16 million in the concessions sector over the whole year against the revenues recorded for the year. Therefore, the investments made to date in the concessions sector – in the form of payment of the quotas of equity referring to Astaldi in the SPVs (Special Purpose Vehicles) set up to manage the individual projects in progress – amounted to EUR 120 million at 31 December 2010, including financial receivables totalling EUR 60 million related to the current value of guaranteed future financial flows from car park management.

Order backlog at 31 December 2010

In keeping with management forecasts, 2010 order backlog amounted to over EUR 9 billion, of which EUR 6.2 billion refers to the construction sector, mostly to general contracting projects, and the remaining EUR 2.8 billion to the concessions/project finance sector. Said total includes approximately EUR 2 billion of contractual increases and new orders recorded in Italy and abroad – mainly general contracting and concession projects involving transport infrastructures (railways and undergrounds).

54% of the order backlog comprises activities developed in Italy, while the remaining 46% refers to foreign projects, mainly in Turkey, Central Europe, Algeria, Latin America**.**

Construction activities proved once again to be the key sector for the Group's activities (69% of the total order backlog), but **there was also an increase in the incidence of concessions activities** (31% of backlog) thanks to new acquisitions in the transport and energy sectors.

In terms of business lines, **transport infrastructures accounted for 66% of the total orders**. The water and energy sector (i.e. energy production plants) maintained a significant role accounting for 10% of the backlog. While the remaining 24% refers to projects involving the civil and industrial construction sector.

The most significant orders recorded in 2010 were as follows: USD 80 million for the Jubail Export Refinery Project in Saudi Arabia, that is already underway; EUR 417 million (Astaldi has a 60% stake) for the Saida-Tiaret railway project in Algeria; USD 37 million for the construction of a new motorway in Florida (US); USD 1.24 billion (Astaldi has a 15% stake) for the construction of two major high-speed railway stations in Jeddah and KAEC in Saudi Arabia; € 446 million and € 221 million, respectively for construction and management (Astaldi's shares), related to extension of the concession to construct and subsequently manage Line 5 of the Milan underground in Italy; EUR 100 million (Astaldi's stake) resulting from approval of the remaining part of funding for the T3 section of Line C of the Rome underground in Italy; EUR 96 million for the EPC contract to construct the international terminal of the Milas-Bodrum Airport in Turkey.

Subsequent events

In February 2011 Metro 5 S.p.A. – the SPV which Astaldi holds a stake in and which is linked to the concession project regarding Line 5 of the Milan underground – signed an agreement with the Municipality of Milan concerning extension of said Line 5. The production activities related to said contract have already been started-up.

In the same month, Astaldi, in partnership with a Turkish company, was the preferred bidder in the procedure to award the international contract for upgrading of St. Petersburg's Pulkovo Airport, the number four airport in Russia for the number of transit passengers. The outcome of the tender procedure is expected to be made known over the coming months of 2011.

In the same month, Astaldi won the contract to construct Line 5 of the Bucharest underground (Lot 1, Doamenei Station-PS Opera section), worth a total EUR 215 million (Astaldi, the project leader, holds a 40% stake). The contract involves the design and construction of the structural works related to 6 kilometres of new underground line, all below ground level, to be performed using a TBM (*Tunnel Boring Machine*), and featuring 9 stations. The works have been commissioned by METROREX SA, the Company responsible for managing the Municipality of Bucharest's underground network, which reports to the local Ministry of Transport and Infrastructures. The start-up of works is scheduled by the end of the first half of 2011, with a planned duration of 25 months.

Furthermore, Astaldi Group, in partnership with the Turkish company, Ozkar Insaat, won a contract of OMR 125 million – equivalent to approximately USD 324 million (51% Astaldi's share). The new contract involves the construction of 42 kilometres of new road and refers to the first phase (Lot 1 - Package 1A) of the project to double the BidBid-Sur road, one of the main stretches of Oman's road network which links the capital to the Country's eastern regions. Works are planned to be started-up over the coming months and the planned duration is just over three years.

Then, it must be noted that the bid submitted by the Astaldi-Impregilo joint venture (Astaldi is the project mandatary with a 60% stake) proved to be the best bid submitted in the procedure to award the general contracting project to perform Lot DG-41 (Mega Lot n. 3) of the Jonica National Road (NR-106) in Italy. Following final awarding of the contract, the amounts relating to Astaldi shall be entered in the Group's order backlog.

Foreseeable development of operations

The 2010 results have confirmed the effectiveness of the growth targets and the strategic guidalines set by management during approval of the Business Plan for the coming five years.

In keeping with the growth path already mapped out, over the coming years is expected: (i) **further consolidation of the market positioning of the Group and its core business – construction** – which will be boosted by the major projects currently in progress in Italy and abroad and will find new satisfaction in the results of the commercial strategies implemented in recent years, as well as, in the concessions sector; (ii) **selective expansion of the range of action to take in new geographical areas**, able to offer a risk/yield ratio in line with the Group's commercial approachs methods; (iii) **strengthening of industrial partnership**, built up by the Group over the years.

Then, the outcome of the offer submitted on 5 November by Astaldi Concessioni to purchase a 4.75% stake (or the smaller stake left unopted) in Autostrada Brescia-Verona-Vicenza-Padova S.p.A., Concessionaire of the Serenissima motorway in Italy, put up for sale by the Municipality of Milan, is still pending. In December 2010, the Municipality's relevant bodies voiced a favourable opinion with regard to the offer, but the actual size of the stake will be calculated following preliminary exercise of the right of pre-emption by shareholders and by the concessionaire on the actions not taken up by shareholders.

As regards the Gebze-Izmir motorway in Turkey, the Turkish Government's major commitment to the project can be confirmed. The preliminary special surveys and project design activities have been performed as scheduled and the relative funding procedures are going ahead as planned. Once these have been completed, the project amounts related to Astaldi's stake in the initiative will be entered in the order backlog.

Also as far as Turkey is concerned, acquisition of a stake in the SPVof the International terminal of Milas-Bodrum Airport, is currently being formalized. At present we are waiting for the go from the local Antitrust Authority after which Astaldi, after the signature of the shareholders agreement and the chages in the bylaws of the SPV, will buy the shares.

Lastly, it should be noted that the difficult socio-political situation currently being experienced in the Maghreb area is not affecting the Group's activities in progress in Algeria.

Proposed renewal of buy back scheme

The Board of Directors has also formulated a proposal, to be submitted to the Shareholders' Meeting, to renew the buyback program for a further 12 months (as from 27 May 2011). The aim of said proposal, inter alia, is to encourage regular trading, avoid price changes that are not in line with the market trend and guarantee suitable support for market liquidity. The methods used to implement the program involve the purchase of a revolving maximum of 9,842,490 shares with a par value of EUR 2.00 each, at a unit price of no less than EUR 2.00 and no more than the average share price of the last 10 days of trading prior to the date of purchase, increased by 10%, with further restriction that the amount of shares must not exceed at any given time the total of EUR 24,600,000.00 (without prejudice to the limit of distributable profit and available reserves pursuant to Article 2357, paragraph one of the Italian Civil Code). The Company can also sell the shares purchased at a unit price of no less than the average share price of the last 10 days of trading prior to the date of sale, decreased by 10%. Moreover, it must be noted that at the current moment the Company owns 782,540 treasury shares equal to approximately 0.8% of the share capital.

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The Executive appointed to draft corporate accounts, Paolo Citterio, Astaldi's General Manager – Administration and Finance, hereby declares, pursuant to subsection 2 of Art. 154-bis of the Finance Consolidation Act that the accounting information contained herein tallies with accounting documents, ledgers and account entries.

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As far as the attached account schedules are concerned: it should be noted that auditing has not been completed with regard to figures contained in financial statement models; it should be noted that figures contained in the reclassified models have not been checked by external auditors

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Listed in 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, working mainly in the following areas:

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

Astaldi Group currently operates as 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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Attachments

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

€/000	31/12/10		31/12/09	
Revenues	1,918,969	93.8%	1,802,775	96.3%
Other revenues	125,799	6.2%	69,312	3.7%
Total revenues	2,044,768	100.0%	1,872,087	100.0%
Costs of production	(1,552,236)	-75.9%	(1,396,098)	-74.6%
Added value	492,532	24.1%	475,989	25.4%
Labour costs	(236,574)	-11.6%	(240,458)	-12.8%
Other operating costs	(26,726)	-1.3%	(29,330)	-1.6%
EBITDA	229,232	11.2%	206,201	11.0%
Amortisation	(52,201)	-2.6%	(46,092)	-2.5%
Provisions	(744)	0.0%	(3,120)	-0.2%
Write-downs	(3,916)	-0.2%	(192)	0.0%
(Capitalisation of internal construction costs)	1,241	0.1%	822	0.0%
EBIT	173,611	8.5%	157,619	8.4%
Net financial charges	(77,721)	-3.8%	(67,354)	-3.6%
Effects of evaluation of investments using equity method	4,429	0.2%	530	0.0%
Income (loss) before taxes	100,319	4.9%	90,795	4.8%
Taxes	(36,796)	-1.8%	(33,336)	-1.8%
Income (loss) for the period	63,523	3.1%	57,460	3.1%
Minority income (loss)	(466)	0.0%	(1,557)	-0.1%
Net income for the Group	63,056	3.1%	55,902	3.0%

RECLASSIFIED CONSOLIDATED BALANCE SHEET

Euro/000	December 31, 2010	December 31, 2009
Intangible fixed assets	3,716	3,966
Tangible fixed assets	299,858	319,959
Shareholdings	95,874	93,397
Other fixed assets	35,366	32,297
TOTAL fixed assets (A)	434,814	449,618
Inventories	86,466	90,316
Contracts in progress	845,877	648,626
Trade receivables	35,148	27,541
Receivables from Clients	582,693	683,536
Other assets	210,257	157,581
Tax receivables	90,430	78,391
Advances from Clients	(326,367)	(382,905)
Subtotal	1,524,503	1,303,086
Trade payables	(157,881)	(90,034)
Payables to Suppliers	(635,146)	(543,639)
Other liabilities	(305,998)	(265,716)
Subtotal	(1,099,025)	(899,389)
Working capital (B)	425,479	403,697
Employee benefits	(8,382)	(9,555)
Provisions for non-current risks and charges	(20,220)	(23,809)
Total provisions (C)	(28,602)	(33,364)
Net invested capital (D) = (A) + (B) + (C)	831,691	819,952
Cash and cash equivalent	391,527	444,138
Current financial receivables	20,371	22,043
Non-current financial receivables	18,518	2,418
Securities	5,003	4,175
Current financial liabilities	(322,308)	(365,983)
Non-current financial liabilities	(561,934)	(576,400)
Net financial payables / receivables (E)	(448,824)	(469,610)
Receivables arising from concessions	60,363	43,046
Total net payables / receivables (F)	(388,461)	(426,564)
Equity of the Group	(424,988)	(375,122)
Minority equity	(18,241)	(18,265)
Net equity (G) = (D) - (F)	443,229	393,387

RECLASSIFIED INCOME STATEMENT

Euro/000	31/12/10		31/12/09	
Revenues	1,551,075	92.6%	1,449,025	95.4%
Other operating revenues	124,325	7.4%	69,494	4.6%
Total revenues	1,675,400	100.0%	1,518,519	100.0%
Costs of production	(1,309,549)	-78.2%	(1,180,641)	-77.7%
Added value	365,851	21.8%	337,878	22.3%
Labour costs	(154,543)	-9.2%	(168,506)	-11.1%
Other operating costs	(19,432)	-1.2%	(23,926)	-1.6%
EBITDA	191,876	11.5%	145,446	9.6%
Amortisations and depreciations	(36,435)	-2.2%	(35,235)	-2.3%
Provisions	(744)	0.0%	(3,120)	-0.2%
EBIT	154,697	9.2%	107,091	7.1%
Net financial charges	(81,182)	-4.8%	(5,407)	-0.4%
Income (loss) before taxes	73,516	4.4%	101,684	6.7%
Taxes	(26,624)	-1.6%	(28,429)	-1.9%
Income (loss) for the period	46,891	2.8%	73,255	4.8%
Net income	46,891	2.8%	73,255	4.8%

RECLASSIFIED BALANCE SHEET

€/000	December 31, 2010	December 31 2009
Intangible fixed assets	3,015	3,941
Tangible fixed assets	135,627	170,255
Shareholdings	157,414	128,293
Other fixed assets	99,578	62,866
TOTAL Fixed assets (A)	395,635	365,355
Inventories	75,676	81,706
Contracts in progress	780,812	604,091
Trade receivables	93,654	70,620
Receivables from Clients	524,273	587,205
Other assets	226,392	167,694
Tax receivables	54,274	56,279
Advances from clients	(292,176)	(344,999)
Subtotal	1,462,905	1,222,596
Trade payables	(356,064)	(216,940)
Payables to Suppliers	(363,099)	(333,476)
Other liabilities	(184,580)	(138,293)
Subtotal	(903,743)	(688,709)
Working capital (B)	559,162	533,888
Employee benefits	(5,820)	(6,654)
Provisions for non-current risks and charges	(66,927)	(18,721)
Total provisions (C)	(72,747)	(25,375)
Net invested capital (D) = (A) + (B) + (C)	882,050	873,868
Cash and cash equivalents	233,580	289,383
Current financial receivables		2,672
Non current financial receivables	4,154	2,418
Securities	4,789	3,964
Current financial liabilities	(277,362)	(343,048)
Non current financial liabilities	(452,819)	(513,444)
Net financial payables / receivables (E)	(487,658)	(558,055)
Receivables arising from concessions		43,046
Debiti / Crediti finanziari complessivi (F)	(487,658)	(515,010)
Net equity (G) = (D) - (F)	394,392	358,858

CONSOLIDATED AND INDIVIDUAL CASH FLOW STATEMENT

Euro/000

CONSOLIDATED CASH FLOW	31/12/2010	31/12/2009
Cash flow from operations	83,060	70,136
Cash flow from investments	(60,737)	(150,766)
Cash flow from financing activities	(74,933)	191,008
Net increase (Decrease) in cash and cash equivalents	(52,611)	110,378
Cash and cash equivalents at the beginning of the year	444,138	333,759
Cash and cash equivalents at the end of the year	391,527	444,138

Euro/000

INDIVIDUAL CASH FLOW	31/12/2010	31/12/2009
Cash flow from operations	80,540	9,807
Cash flow from investments	(9,990)	(101,064)
Cash flow from financing activities	(126,353)	144,502
Net increase (Decrease) in cash and cash equivalents	(55,803)	53,245
Cash and cash equivalents at the beginning of the year	289,383	236,138
Cash and cash equivalents at the end of the year	233,580	289,383