



*The Board of Directors has approved the quarterly report
and has examined the preliminary results for the first half of 2003*

**ASTALDI, FIRST-HALF TOTAL REVENUES UP 9% to €427 MILLION
EARNINGS UP 69% to €16 MILLION**

- **New orders for around €1,400 million, orders portfolio amounting to €4,421 million**
- **In the first half:**
 - **Revenues from contracts up 11% to €399 million**
 - **Gross Operating Margin up 59% to €73.5 million**
 - **Net earnings up 69% to €15.8 million**
- **In the second quarter:**
 - **Total revenues up 9% to €223 million**
 - **Gross Operating Margin up 34% to €45.7 million**
 - **Net earnings up 82% to €10.7 million**

ROME, 30 JULY 2003 – At today's meeting held in Rome, the Astaldi S.p.A. Board of Directors, chaired by Mr. Ernesto Monti, approved the 2003 second quarter report and examined the preliminary results for the first half, confirming the growth forecasts for the entire year both in terms of turnover and profitability.

First half 2003

Consolidated total revenues in the first half 2003 amounted to €427.3 million, a 9% increase from €392.9 million in the same period a year ago. Revenues from contracts and services amounted to €399.4 million, an 11% increase. The main business continues to be transportation infrastructure, accounting for 75% of the total.

Gross Operating Margin rose 59% from €46.3 million in the first half 2002 to €73.5 million, while *EBIT* for the period improved from €29.4 million in the year-earlier period to around €31.9 million; the ratio to total revenues is 7.5%.

Consolidated net earnings in the first half 2003 amounted to around €15.8 million, a 69% increase from €9.3 million in the same period a year ago.

The *net financial position* as at 30 June 2003 amounted to €160.6 million.

Orders portfolio

New orders in the first half 2003 amounted to €1,381 million, lifting the total value of the consolidated orders portfolio to €4,421 million, a 28% increase from €3,439 million at the beginning of this year.

It should be noted that the consortium Iricav Due, in which Astaldi owns a 33% controlling stake, won its dispute with TAV for the construction of the Verona-Padua tract of the high-speed line connecting Verona and Venice. According to estimates, this job is worth €868 million to Astaldi.

As for foreign markets, the Venezuelan government received financing for the second stage of the Puerto Cabello-La Encrucijada railway, increasing Astaldi's orders portfolio by €70 million against a contract for an additional €270 million not yet financed and so not yet booked in the orders portfolio. A good success was also achieved in the United States with the awarding of around €100 million worth of new orders.

The second quarter 2003

Total revenues in the second quarter 2003 amounted to around €223 million, including €210 million in revenues from contracts, showing a yearly growth rate of around 9%. The contribution from the civil and industrial construction sector increased to 15% from 6% in the same quarter of 2002, boosted by the order relating to the New Exhibition Fair Center in Milan.

Gross Operating Margin increased 34% to €45.7 million, lifting the ratio to Total revenues from 16.6% last year to 20.5%.

EBIT rose 2.5% to €16.9 million, for a ratio to total revenues of 7.6%.

Net earnings in the second quarter rose 82% from around €6 million to €10.7 million.

During the meeting, the Board also deliberated for the merger of the railway equipment company R.I.C. Railway International Construction S.p.A. with Italstrade S.p.A. (both wholly-owned subsidiaries of Astaldi S.p.A.).

The operation is part of Astaldi's group rationalization and cost containment policy, aimed at focusing operations of the subsidiary Italstrade S.p.A. in the medium-sized transport infrastructure construction and maintenance sector (both road and railway) where in recent years the company has gained an appreciable and independent market position.

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RECLASSIFIED CONSOLIDATED INCOME STATEMENT

<i>Euro/000</i>	2 nd Quarter		2 nd Quarter		1 st Half		1 st Half	
	2003	%	2002	%	2003	%	2002	%
Revenues from services and contracts	210,249	94.3	186,970	91.1	399,400	93.5	360,174	91.7
Other revenues and proceeds	12,707	5.7	18,200	8.9	27,899	6.5	32,747	8.3
Total revenues	222,956	100.0	205,170	100.0	427,299	100.0	392,921	100.0
Production costs	(147,843)	(66.3)	(145,795)	(71.1)	(294,571)	(68.9)	(298,529)	(76.0)
Added value	75,113	33.7	59,375	28.9	132,728	31.1	94,392	24.0
Payroll expenses	(29,432)	(13.2)	(25,222)	(12.3)	(59,193)	(13.9)	(48,104)	(12.2)
Gross operating margin	45,681	20.5	34,153	16.6	73,535	17.2	46,288	11.8
Other operating expenses	(2,805)	(1.3)	(4,825)	(2.4)	(8,067)	(1.9)	(6,813)	(1.7)
EBITDA	42,876	19.2	29,328	14.3	65,468	15.3	39,475	10.0
Depreciation and amortization	(15,930)	(7.1)	(3,382)	(1.6)	(25,652)	(6.0)	(10,443)	(2.7)
Provisions and write-downs	(14,832)	(6.7)	(14,458)	(7.0)	(19,780)	(4.6)	(18,636)	(4.7)
Use of risk reserve	4,783	2.1	4,996	2.4	11,832	2.8	19,003	4.8
EBIT	16,897	7.6	16,484	8.0	31,868	7.5	29,399	7.5
Net financial income (charges)	(5,703)	(2.6)	(5,308)	(2.6)	(11,377)	(2.7)	(11,881)	(3.0)
Write-ups (write-downs) on equity investments	(2,365)	(1.1)	(276)	(0.1)	(1,491)	(0.3)	(1,568)	(0.4)
Extraordinary gains (charges)	832	0.4	1,822	0.9	1,807	0.4	1,968	0.5
Income before taxes	9,661	4.3	9,078	4.4	17,193	4.0	13,982	3.6
Income taxes	(901)	(0.4)	(3,232)	(1.6)	(3,594)	(0.8)	(5,034)	(1.3)
Prepaid taxes	1,810	0.8	0	0.0	1,810	0.4	0	0.0
Net income for the period	10,570	4.7	5,846	2.8	15,409	3.6	8,948	2.3
Minority interest	144	0.1	34	0.0	352	0.1	368	0.1
Consolidated net earnings	10,714	4.8	5,880	2.9	15,761	3.7	9,316	2.4

CONSOLIDATED BALANCE SHEET

Euro/000	30/06/2003	31/03/2003	31/12/2002	30/06/2002
Net intangible fixed assets	48,996	52,483	58,292	43,228
Net tangible fixed assets	101,918	94,737	93,725	85,013
Equity investments	31,841	31,688	33,909	26,557
Other net assets	18,284	15,030	14,368	25,006
Total net fixed assets (A)	201,039	193,938	200,324	179,804
Inventories	41,576	40,188	40,620	30,765
Work-in-progress	237,655	214,179	198,343	279,714
Trade receivables	236,499	271,037	236,738	158,698
Other assets	219,929	203,395	224,879	235,700
Advance payments	(124,789)	(118,682)	(133,362)	(104,241)
Subtotal	610,870	610,117	567,208	600,636
Due to suppliers	(209,116)	(195,301)	(195,154)	(147,295)
Other liabilities	(137,381)	(143,502)	(144,453)	(191,258)
Subtotal	(346,497)	(338,803)	(339,607)	(338,553)
Working capital (B)	264,373	271,314	227,601	262,083
Employees' indemnity fund	(11,745)	(11,619)	(11,970)	(10,355)
Contractual risks reserve	(55,587)	(48,397)	(50,650)	(61,059)
Other reserves	(15,945)	(22,640)	(23,855)	(17,177)
Total reserves (C)	(83,277)	(82,656)	(86,475)	(88,591)
Net invested capital (D) = (A) + (B) + (C)	382,135	382,596	341,450	353,296
Cash and short-term financial receivables	159,449	142,863	171,875	167,760
Financial receivables included in fixed assets	39,009	41,778	39,785	12,438
Medium/long-term financial debt	(271,781)	(214,001)	(212,594)	(215,789)
Short-term financial debt	(87,282)	(137,857)	(118,205)	(88,515)
Net financial assets/liabilities (E)	(160,605)	(167,217)	(119,139)	(124,106)
Convertible bond (F)	0	0	0	0
Consolidated net equity	221,536	2215,233	222,004	228,630
Minority interest	(6)	146	307	559
Net equity (G) = (D) – (E) – (F)	221,530	215,379	222,311	229,190
Personal guarantees	1,651,818	1,574,397	1,653,148	1,494,176
Other memorandum accounts	200,006	185,539	192,258	88,790
Real guarantees	0	0	0	0
Third-party bank guarantees in our favor	42,219	42,408	21,932	17,772
Total commitments and guarantees	1,894,043	1,802,344	1,867,338	1,600,738