ASTALDI GROUP

QUARTERLY REPORT AT MARCH 31, 2007

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corporate bodies

board of directors[1]

Honorary Chairman	Ernesto Monti
Chairman	Vittorio Di Paola
Deputy Chairman	Paolo Astaldi
Chief Executive Officer	Stefano Cerri
Chief Executive Officer	Giuseppe Cafiero
Directors	Caterina Astaldi
	Pietro Astaldi
	Luigi Guidobono Cavalchini
	Franco Grassini
	Mario Lupo
	Nicola Oliva
	Maurizio Poloni
	Gian Luigi Tosato

board of auditors

Chairman	Pierumberto Spanò
Statutory Auditors	Pierpaolo Singer
	Antonio Sisca
Substitute Auditors	Maurizio Lauri
	Flavio Pizzini
	Massimo Tabellini

general managers

International	Giuseppe Cafiero
Domestic	Nicola Oliva
Administration and Finance	Paolo Citterio[2]

deputy general managers

Domestic	Gianfranco Giannotti
International	Rocco Nenna

auditing firm

Reconta Ernst & Young S.p.A.

[1] New Board of Directors in office for the three-year period 2007/2009 as per the resolutions passed by the Shareholders' meeting and Board of Directors on May 2, 2007.
[2] Paolo Citterio (former Deputy General Manager – Administration and Finance) was appointed General Manager – Administration and Finance during the Board of Directors meeting of May 2, 2007.

consolidation area

	Subsidiaries	%
1	Astaldi Algerie E.U.r.l.	100.00%
2	Astaldi Arabia Limited	100.00%
3	Astaldi Construction Corporation	100.00%
4	Astaldi International Inc.	100.00%
5	Astaldi International Limited	100.00%
6	Astaldi-Astaldi International J.V.	100.00%
7	Astaldi-Burundi Association Momentanée	100.00%
8	Astaldi-Sénégal Association en participation	100.00%
9	Cospe S.C.r.l.	100.00%
10	Diga di Arcichiaro S.C.r.l. in liquidation	100.00%
11	DIP.A. S.C.r.l. in liquidation	100.00%
12	Euroast S.r.l. In liquidation	100.00%
13	Groupement G.R.S.H.	100.00%
14	Linea A S.C.r.l. in liquidation	100.00%
15	Montedil-Astaldi S.p.A. (MONTAST) in liquidation	100.00%
16	Redo-Association Momentanée	100.00%
17	Sartori Sud S.r.l.	100.00%
18	Seac S.p.a.r.l. in liquidation	100.00%
19	Servizi Tecnici Internazionali - I.T.S. S.p.A.	100.00%
20	Todaro S.r.l. in liquidation	100.00%
21	AR.GI S.p.A.	99.99%
22	CO.MERI S.p.A.	99.99%
23	Consorzio Astaldi-C.M.B. Due in liquidation	99.99%
24	I.F.C. Due S.C.a.r.l. in liquidation	99.99%
25	Astaldi Finance S.A.	99.96%
26	Astaldi de Venezuela C.A.	99.80%
27	Romairport S.r.l.	99.26%
28	Sugt s.a. Calarasi	99.12%
29	Astur Construction and Trade A.S.	99.00%
30	Palese Park S.r.l.	99.00%
31	Silva S.r.l. in liquidation	99.00%
32	Toledo S.C.r.l.	90.39%
33	Susa Dora Quattro S.C.r.l.	90.00%
34	CO.N.O.C.O. S.C.r.l.	80.00%
35	Eco Po Quattro S.C.r.l. in liquidation	80.00%
36	Portovesme S.C.r.l.	80.00%
37	S.Filippo S.C.r.l. in liquidation	80.00%
38	Tri.Ace. S.C.a.r.l. in liquidation	80.00%
39	Bussentina S.C.r.l. in liquidation	78.80%
40	Mormanno S.C.r.l. in liquidation	74.99%
41	S.P.T. Società Passante Torino S.C.r.l.	74.00%
42	Consorzio Olbia Mare in liquidation	72.50%
43	CO.ME.NA. S.C.r.l.	70.43%
44	Messina Stadio S.C.r.l.	66.67%
45	Astaldi-Max Bogl-CCCF J.V. S.r.l.	66.00%
46	Consorcio Astaldi - C.B.I.	60.00%
47	Ospedale del Mare S.C.r.l.	60.00%
48	Quattro Venti S.C.r.l.	60.00%
49	Forum S.C.r.l.	59.99%
50	Partenopea Finanza di Progetto S.p.A.	59.99%
51	C.O.MES. S.C.r.l.	55.00%
52	Italstrade Somet J.V. Rometro S.r.l.	51.00%
53	Romstrade S.r.l.	51.00%
54	SC Italstrade - CCCF JV Romis S.r.l.	51.00%
55	SCAR Scrl	61.40%
56	Infraflegrea Progetto S.p.A.	51.00%

Companies marked with an asterisk * underwent changes during the quarter

accounting standards and valuation criteria

In compliance with current legislation, it must be noted that this quarterly report has been drafted in accordance with IASs/IFRSs issued by the IASB and approved by the European Union, as provided for by Article 82 of Issuers' Regulations No. 11971 issued by CONSOB on May 14, 1999 and subsequent amendments and additions. Specifically, this report has been drafted in accordance with Annex 3D of the aforementioned regulations hence the complete disclosure for interim reports provided for by the IASs/IFRSs has not been included.
The income statement and balance sheet for the first quarter of 2007 are shown in a reclassified format and have been drawn up on the strength of account statements prepared on the same date by the Parent Company and companies included in the consolidation area, in compliance with CONSOB Ruling No. 15519 of July 27, 2006. Attached to this report are the model statements adopted by the company in accordance with IAS 1, reconciled with the reclassified schedules and integrated in accordance with the provisions of the aforementioned ruling.
The figures provided refer to the quarter in question. They are likewise compared with figures for the same period of last year.
The figures shown in this quarterly report summarise a series of estimated items in order to present corporate operations in a truthful and correct manner. Estimates take into account assessments based on the most recent information made available to company managers when drafting the financial statements, hence without affecting their reliability.
An estimate may need to be adjusted in the event of additional information being obtained that can significantly change the circumstances on which said estimate was previously based.
Estimates are used by the Group to calculate:

1. employee benefits;
2. amortisation and depreciation;
3. write-downs and provisions;
4. overall project costs and relative state of progress;
5. taxes.

More specifically, taking into account the Group's specific reference sector, which provides for part payment of individual projects upon awarding of the contracts, it should be noted that the margins on said contracts, charged to the income statement on the basis of systematic calculation criteria, may undergo changes with regard to original estimates. This is in relation to the probable recoverability of the increased costs incurred while carrying out works.

For a detailed description of the accounting standards adopted by the Group, please refer to the consolidated financial statements at December 31, 2006, approved by the Shareholders' Meeting on May 2, 2007, filed at the company's offices and available at www.astaldi.com.

The main exchange rates used to convert financial statements shown in foreign currencies are as follows (Source: I.E.O. - Italian Exchange Office).

Country	*Currency*		*March 31, 2007*	*2007 average*
Algeria	Algerian Dinar	DZD	94.9757	93.8836
Saudi Arabia	Saudi Riyal	SAR	4.9653	4.9147
Bolivia	Bolivian Peso	BOB	10.5861	10.4761
Central African Republic C.F.A	CFA Franc	XOF	655.9570	655.9570
Colombia	Colombian Peso	COP	2,912.3300	2,909.6367
Democratic Republic of Congo	Congolese Franc	CDF	750.1390	713.1800
Costa Rica	Costa Rica Colon	CRC	688.2050	680.6943
Croatia	Croatian Kuna	HRK	7.3641	7.3655
Denmark	Danish Krone	DKK	7.4494	7.4525
El Salvador	Salvadoran Colon	SVC	11.5866	11.4668
Japan	Japanese Yen	JPY	155.2410	156.4677
Guatemala	Guatemalan Quetzal	*GTQ*	10.1915	10.0787
Guinea	Guinean Franc	GNF	7,640.8800	7,674.6200
Honduras	Honduran Lempira	HNL	25.0205	24.7617
Morocco	Moroccan Dirham	MAD	11.1530	11.1316
Nicaragua	Gold Cordoba	NIO	24.0757	23.7325
Norway	Norwegian Krone	NOK	8.1340	8.1665
Qatar	Qatari Riyal	QAR	4.8196	4,7705
United Kingdom	British Pound	GBP	0.6802	0.6705
Romania	Romanian New Leu	RON	3.3692	3.3812
United States	US Dollar	USD	1.3242	1.3105
South Africa	South African Rand	ZAR	9.7417	9.4885
Switzerland	Swiss Franc	CHF	1.6124	1.6163
Tanzania	Tanzanian Shilling	TZS	1,662.4300	1,674.1233
Turkey	Turkish Lira	TRY	1.8660	1.8485
European Monetary Union	Euro	EUR	1.0000	1.0000
Venezuela	Venezuelan Bolivar	VEB	2,843.4300	2,814.0167

Please note that the exchange rate expresses the foreign currency required to buy 1 euro.

reclassified consolidated income statement

€ / 000	*Model Statement Reference*	**Quarter 1 2007**	%	**Quarter 1 2006**	%
Revenues	*A*	251,621	95.2%	217,811	92.9%
Other operating revenues	*B*	12,696	4.8%	16,756	7.1%
Total revenues		**264,317**	**100.0%**	**234,567**	**100.0%**
Production costs	*C*	(184,572)	(69.8%)	(160,044)	(68.2%)
Added value		**79,745**	**30.2%**	**74,523**	**31.8%**
Personnel costs	*D*	(44,742)	(16.9%)	(43,254)	(18.4%)
Other operating costs	*E*	(4,702)	(1.8%)	(5,782)	(2.5%)
EBITDA		**30,301**	**11.5%**	**25,487**	**10.9%**
Amortisation and depreciation	*F*	(7,850)	(3.0%)	(6,357)	(2.7%)
Provisions	*E*	(1,600)	(0.6%)	(2,061)	(0.9%)
Write-downs	*F*	(503)	(0.2%)		0.0%
(Capitalisation of internal construction costs)	*G*	67	0.0%	215	0.1%
EBIT		**20,415**	**7.7%**	**17,284**	**7.4%**
Net financial income and charges	*H*	(6,875)	(2.6%)	(5,897)	(2.5%)
Effects of valuation of equity investments using equity method	*I*	1,129	0.4%	1,513	0.6%
Pre-tax profit (loss)		**14,669**	**5.5%**	**12,900**	**5.5%**
Taxes	*L*	(6,162)	(2.3%)	(5,289)	(2.3%)
Profit (loss) for the period	*M*	**8,507**	**3.2%**	**7,611**	**3.2%**
(Profit) loss attributable to minority interests	*N*	226	0.1%	510	0.2%
Group net profit	*O*	**8,733**	**3.3%**	**8,121**	**3.5%**

The economic results achieved in the first quarter of 2007 show an improvement compared to those of the same period of 2006. This goes to confirm the gradual improvement in the Group's operating and earning profile as well as the quality of contracts in the orders backlog, which is in line with the content of the 2007 - 2011 business plan. 2007 is set to see an increase in the focus of foreign activities where the Group's potential is being rewarded with satisfactory economic and equity results, and the quarter just ended offers early confirmation of the soundness of the strategic choices adopted.

Total revenues at March 31, 2006 equalled approximately EUR 264 million, up by 12.7% compared to the previous year while revenues from works amounted to approximately EUR 252 million, showing a 15.5% increase, confirming the aforementioned prevalence of foreign works in progress in the 15 countries where the Group currently operates.

To date, foreign activities account for 64% of revenues, with America accounting for 29.8% Europe (Romania and Turkey) for 13.9%, while the remaining 18% comprises production activities carried out mainly in Algeria.

The geographical distribution of activities is the result of the Group's strategic aim to streamline and strengthen its foreign presence in those countries where Astaldi is a well-established player and where there are greater development opportunities in light of the large-scale infrastructure development plans being implemented by local governments. Nevertheless, this does not rule out the possibility, provided for in strategic planning documents, to develop initiatives in new high-potential areas such as the United Arab Emirates, Panama, Chile, Brazil, Bulgaria and Peru.

Moreover, what has been described above in terms of strategy has proved to be successful and effective. Indeed said strategy satisfies the Group's need to diversify activities and relative risks on a complex foreign market, offsetting the slowdown in the domestic market following the Italian government's decision to redefine public spending priorities, as well as the nature of the orders backlog which generates the need to balance the greater incidence of general contracting and project finance initiatives. The latter, by their very nature and thanks to their complexity entail lengthy, detailed preparatory activities from both design and operational viewpoints.

The table below shows a breakdown of revenues by geographical area.

€/millions	March 31, 2007	%	March 31, 2006	%
Italy	**92**	**36.5%**	**100**	**45.9%**
Abroad	**160**	**63.5%**	**118**	**54.1%**
Europe	35	13.9%	41	18.8%
America	75	29.8%	61	28.0%
Asia	5	2.0%	3	1.4%
Africa	45	17.9%	13	6.0%
Total	**252**	**100.0%**	**218**	**100.0%**

The above figures started to reflect the first economic effects of the important contracts secured during 2006. Production activities related to contracts secured in Venezuela and Algeria have now been started up. The increase in revenues in America can be attributed to the complete start-up of the new railway contracts in Venezuela, especially the Chaguaramas-Cabruta line for which excavation works are being performed together with site installation, and the San Fernando De Apure-San Juan de Los Morros line for which the first two tunnels are currently being dug. It is felt that these two projects will continue to make an important contribution to production activities over the coming years.

Lastly, it should be noted that the first rewards of reorganisation and strategic repositioning activities carried out in Florida (USA) are starting to be reaped; the losses seen during 2006 were shelved and the last contracts attributable to the previous management completed allowing for the start-up, with positive results, of production activities related to recently acquired contracts mainly concerning the transport infrastructures sector.

The following table describes, in greater detail, the Group's overall turnover, split into business areas.

€/millions	March 31, 2007	%	March 31, 2006	%
Transport infrastructures	180	71.4%	175	80.3%
Hydraulic works and hydroelectric plants	44	17.5%	25	11.5%
Civil and industrial construction	28	11.1%	18	8.3%
Total	**252**	**100.0%**	**218**	**100.0%**

Transport infrastructures accounting for over 71% of turnover proved once again to be the most important sector for the Astaldi Group. In this regard, a major contribution came once again from works currently underway in Venezuela (railway works), Turkey (motorway works) and Italy where construction of major railway works such as the underground railways in Brescia and Naples, the high speed station in Bologna and the Turin high speed rail link are in progress. While projects linked to Line C of Rome's underground and Line 5 of Milan's underground, secured during 2006, are currently being started up.

With regard to civil and industrial construction, works to construct the new hospital in Mestre are coming to an end with over 80% of the civil works having been carried out and the rest expected to be completed by the end of the summer of 2007. The hospital is set to be up and running by early 2008. As regards the new hospital in Naples ("Ospedale del Mare"), the executive design and expropriation phases have been completed and building works are now underway with over 16% of these having been completed to date.

The increase in the volume of revenues combined with a smaller percentage increase in total overheads allowed for a marked improvement in the Group's earnings which can be seen in the significant increase in intermediate margins. This was determined by an improvement in the structure of costs thanks to ever increasing economies of scale which make it possible to forecast an improvement in performance levels. EBITDA at March 31, 2007, equal to over EUR 30 million, showed a clear improvement on the same period of 2006 (+18.9%), thanks to the higher volume of revenues and improvement in overall earnings on foreign markets. EBIT also benefited from this improvement in conditions with it standing at over EUR 20 million, showing an 18.1% increase compared to the first quarter of 2006. As a result, the EBIT margin stood at 7.7% compared to 7.4% in 2006.

Net financial charges amounted to EUR 6.9 million compared to EUR 5.9 million in Q1 2006. Indeed, financial operations were affected by the larger guarantees, which are normal in the sector in question, furnished in relation to the major projects underway and higher-value general contracting projects which the Group's commercial attention is focused on in both Italy and abroad. On the other hand, there was the positive effect of interest rate hedging transactions carried out during the previous year which made it possible to significantly offset the marked increase in interest rates seen in the financial markets.

Net profits amounted to approximately EUR 9 million with a net margin of 3.3%, showing a 7.5% increase in absolute value compared to the figure of EUR 8 million recorded at March 31, 2006.

reclassified consolidated balance sheet and financial position

€/000	Model Statement Reference	31/03/2007	31/12/2006	31/03/2006
Intangible fixed assets	*B*	3,706	3,795	4,841
Tangible fixed assets	*A*	207,337	193,197	141,455
Shareholdings	*C*	101,496	96,492	41,560
Other net fixed assets	*D*	40,637	36,731	48,995
Total fixed assets (A)		**353,176**	**330,215**	**236,851**
Inventories	*E*	48,739	51,600	44,323
Work in progress	*F*	438,702	397,712	313,645
Trade receivables	*G*	412,340	437,877	333,847
Other assets	*I*	207,303	188,094	112,139
Tax receivables	*Z*	81,349	73,275	50,948
Advances from customers	*R*	(222,104)	(209,324)	(59,305)
Subtotal		**966,329**	**939,234**	**795,597**
Payables to suppliers	*S*	(456,983)	(474,478)	(340,788)
Other liabilities	*V*	(197,915)	(186,600)	(97,201)
Subtotal		**(654,898)**	**(661,078)**	**(437,989)**
Working capital (B)		**311,431**	**278,156**	**357,608**
Employee benefits	*T*	(12,320)	(12,470)	(11,205)
Provision for current risks and charges	*U*	(26,842)	(30,035)	(60,415)
Total provisions (C)		**(39,162)**	**(42,505)**	**(71,620)**
Net invested capital (D) = (A) + (B) + (C)		**625,445**	**565,866**	**522,839**
Cash and cash equivalents	*L*	186,454	237,623	180,360
Current financial receivables	*I*			65,573
Non-current financial receivables	*D*	916	916	8
Securities	*H*	41,871	40,046	16,059
Current financial liabilities	*Q*	(190,112)	(224,192)	(243,499)
Non-current financial liabilities	*P*	(373,961)	(339,199)	(274,252)
Net financial payables/receivables (E)		**(334,832)**	**(284,806)**	**(255,751)**
Group equity	*M*	289,460	279,668	268,465
Minority interests	*N*	1,154	1,392	(1,377)
Equity (G) = (D) - (E)	*O*	**290,614**	**281,060**	**267,088**

In keeping with the Group's economic performance during the quarter, the equity and financial structure reflect the structural changes related to major investments in both the traditional and project finance sectors. Specifically, on the basis of the content of the financial-economic plans for concession and general contracting projects, a major boost was given to the launch of new projects thus entailing an increase in invested capital for strategic purposes. It is sufficient to highlight the increase during the quarter in investments related to the “Ospedale del Mare” project finance initiative in Naples, and investments in specific equipment in Central and South America to be used for the new general contracting projects secured during 2006.

While as far as Italy is concerned, at the present moment, investments related to the first phase of the general contracting projects to construct the Jonica National Road have been completed. While investments related to construction of the new underground railways in Rome (Line C) and Milan (Line 5) are set to be made. Preliminary design activities and archaeological surveys related to said underground railways are currently being completed.

As regards working capital, the joint trend of works in progress and receivables showed a slight increase compared to December 31, 2006 following the speeding up of production activities, especially in Venezuela.

On the other hand, there was a decrease in trade payables despite the trend of increasing production levels. This can be justified by the fact that preference was given to the supplier system from a financial viewpoint in order to intensify performance levels. Obviously, this had a negative effect on net financial indebtedness which, compared to December 31, 2006, recorded an increase of approximately EUR 50 million. Said phenomenon, which is also linked to the mid-year cash flow dynamics which typically see an increase in investments during the first and second quarters, was provided for at the level of financial planning, finding coverage in any case in an increase in ROI which went from 12.3% to 12.8%.

Equity, equal to approximately EUR 291 million, underwent a change during the quarter which can be attributed to profit for the period, the change in reserves on transactions to hedge interest and exchange rate risks and a change in treasury shares.

A breakdown of the items comprising the Group’s net financial position can be found below.

	€ / 000	March 31, 2007	December 31, 2006	March 31, 2006
A	Cash and cash equivalents	186,454	237,623	180,360
B	Securities held for trading	14,270	18,983	16,059
C	**Available funds (A)+(B)**	**200,724**	**256,607**	**196,419**
D	**Financial receivables**	**28,517**	**21,978**	**65,581**
E	Current bank payables	(187,309)	(210,095)	(231,832)
F	Current share of non-current indebtedness	(965)	(1,958)	(3,598)
G	Other current financial payables	(1,838)	(12,139)	(8,070)
H	**Current financial indebtedness (E)+(F)+(G)**	**(190,112)**	**(224,192)**	**(243,499)**
I	**Net current financial indebtedness (H)+(C)+(D)**	**39,130**	**54,393**	**18,501**
J	Non-current bank payables	(340,139)	(313,997)	(252,386)
K	Other non-current payables	(33,822)	(25,202)	(21,866)
L	**Non-current financial indebtedness (J)+(K)**	**(373,961)**	**(339,199)**	**(274,252)**
M	**Net financial indebtedness (I)+(L)**	**(334,831)**	**(284,806)**	**(255,751)**
	Treasury shares in portfolio	2,741	3,824	3,276
	Total net financial position	**(332,090)**	**(280,982)**	**(252,475)**

The net financial position showed an increase of approximately EUR 51 million, net of treasury shares, increasing to EUR 332 million from EUR 281 million recorded at the end of 2006.

As mentioned above, said phenomenon is linked to the dynamics of projects currently underway which comprise production phases with high levels of invested capital, both in terms of pressure on investments and operating leverage on suppliers.

Said dynamics are expected to last during the second quarter as well and will be subsequently offset by the positive financial effects mainly resulting from cash flow related to foreign contracts currently being launched.

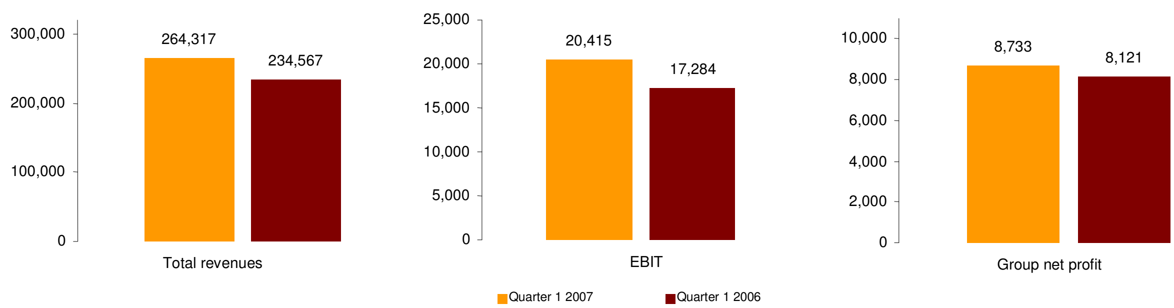
The debt structure seems to be further streamlined; long-term repositioning via a 5-year stand-by facility, which can be extended to 7 years, has considerably improved the Group's financial profile, making the cash position much more elastic.

The share of financing for foreign contracts and areas also increased through supply transactions dedicated to individual projects, repayment of which shall be guaranteed by the contracts themselves.

comments on operating performance

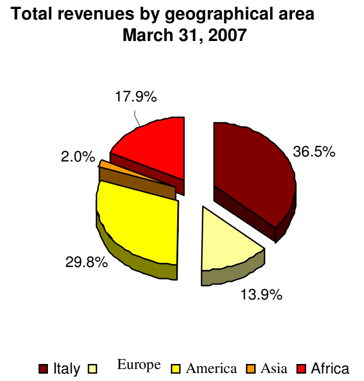
The first quarter of 2007 showed signs of an increase in Group earnings compared to the already good levels achieved in the same period of 2006. The guidelines set forth in the 2007-2009 business plan are being implemented thanks to important activities carried out aimed at the diversification and repositioning of business, targeting those markets which can currently guarantee better levels of productivity and profitability. Therefore it is not by chance that most of the revenues and new acquisitions achieved during the period can be referred to production and business activities carried out abroad, while not forgetting that the domestic sector still plays an all-important role in the Group's strategies.
The importance of the orders backlog in terms of quality and quantity serves to confirm the projected growth of the Group along internal lines, as outlined in the recently approved 2007-2011 business plan. The economic and financial performance recorded during the quarter is only the first positive step towards confirmation of the Group’s ability to achieve its goals; even more so given that said results were achieved in a market context where only the ability to successfully balance the domestic and international sectors makes it possible to guarantee economic margins and excellent levels of financial and equity stability.

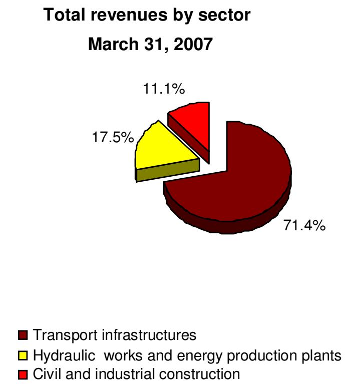
The income statement of the first quarter of 2007 shows tangible signs of economic growth, continuing on from the fourth quarter of 2006. Specifically, the increase of over 15% in revenues given the general slowdown in the domestic construction market following the political elections held in 2006, highlights the flexibility of the corporate model as regards short-term repositioning of industrial and financial resources in international markets so as not to loose the growth momentum. Indeed, the income statement shows total revenues of over EUR 264 million with EBIT of over EUR 20 million (with an EBIT margin of 7.7%) and net profits of approximately EUR 9 million.



At March 31, 2007 revenues totalled approximately EUR 252 million, up by 15.5% on the first quarter of the previous year.

The domestic sector accounted for 37% of revenues in the quarter while foreign activities (mainly railway and motorway projects) accounted for 63%.





The excellent results achieved by the Group in South America were confirmed. In Venezuela, while works are going ahead to construct the Puerto Cabello-La Encrucijada railway, activities related to two new major railway contracts, secured during the previous year, were fully started up.

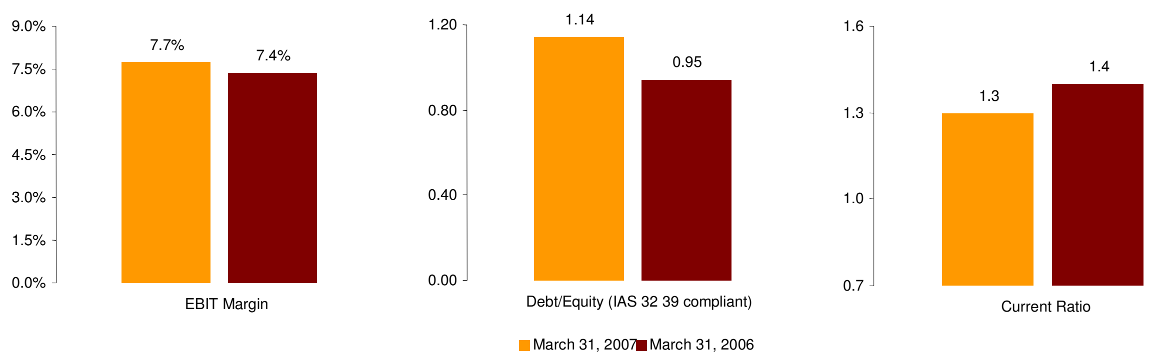
Production activities are continuing in Algeria and this year, after the important growth recorded during the two previous years, the Group's presence in the area will be streamlined, both from an operational and procedural viewpoint.

The Central American area where Astaldi has been present for many years generated levels of activity and profitability in line with historic results. This could represent the cue for additional growth as a result of emerging opportunities, especially in Panana in relation to the project to widen the Panama Canal.

In Saudi Arabia and Qatar where important commercial successes in the oil plant construction sector were achieved during the last year and the first quarter of this year, the foundations are being laid for the economic development outlined in the business plan which includes among the goals for this area, a turnover equal to approximately 5% of the consolidated value within the next two years.

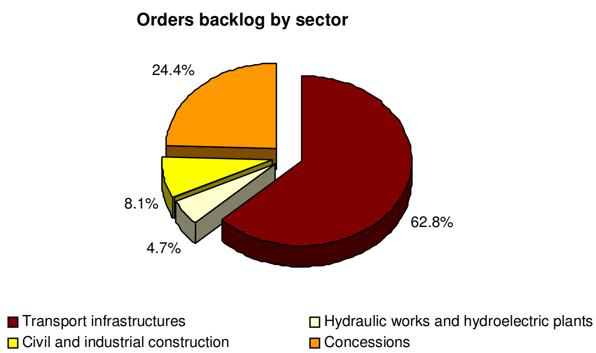
As regards the contribution of individual business areas to revenues, transport infrastructures accounted for 71%, hydraulic and energy works for 18% and civil and industrial construction for the remaining 11%. Therefore, the transport infrastructures sector shows itself to be the key sector for the Group's activities as well as the one making the largest contribution in terms of total revenues and margins achieved. As regards this sector, the Group is involved in the construction of major works such as the underground railways in Brescia and Naples, the Turin rail link, Bologna's High Speed station, the two lots of the Jonica National Road (SS106), Line C of the Rome underground and Line 5 of the Milan underground. As regards foreign activities, an all-important contribution is provided by works carried out in Venezuela (railways) and Turkey (motorways), where the Group is involved in managing the most important infrastructure projects in progress to date.

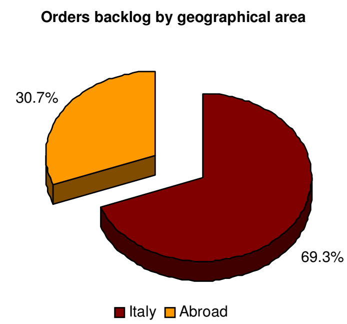
Net financial indebtedness at March 31, 2006 including treasury shares amounted to EUR 332 million compared to EUR 281 million at December 31, 2006 and over EUR 252 million at March 31, 2006. As already mentioned, said figure is the result of support given to contracts, typical of the quarter, and the undertaking by the Group to start-up major contracts secured during the previous year in the form of investments, repayment of which will be ensured by the cash flow from construction activities as regards general contracting projects and from management activities as regards concessions. The debt/equity ratio, up on the same period of 2006, was equal to 1.14.



The structure of the financial indebtedness, with operations concluded during 2006, acquired the solidity and stability which will allow the Group to support the development programme in the best way possible with 2007 set to be a turning point in operational terms.

A closer look at the orders backlog, which is described in detail in the following paragraph, shows how new contracts worth a total of EUR 300 million were acquired during the first quarter of 2007, bringing the total value of the Group's backlog to approximately EUR 7.1 billion, of which approximately EUR 5.4 billion is related to the construction sector and EUR 1.7 billion to the concessions sector. The current value of the orders backlog offers confirmation of the Group's ability to achieve the growth targets set down in its business plans.





orders backlog by sectors and geographical areas

The results achieved at March 31, 2007 offer early confirmation of the goals outlined by the Group's management during corporate planning and presented to the financial community in April.

The new foreign contracts acquired and the major commitment to production activities made it possible to achieve the first tangible signs of the results expected for this year, in line with the results already seen in the last part of 2006.

With completion of the major contracts the Group has worked on over the last years and redirecting of human, technological and financial resources to the new challenges the Group will face over the coming years, the first quarter of 2007 saw the speeding up of production activities combined with new signs of the soundness of foreign commercial undertakings.

The first quarter of 2007 saw an increase in the orders backlog of EUR 302 million which brought the consolidated orders backlog to approximately EUR 7.1 billion, net of production activities carried out which totalled EUR 252 million.

The figures for new orders do no take into account the options and contracts for which acquisition still has to be finalised and made official. On the whole, said options and contracts amount to approximately EUR 2 billion, which would bring the orders backlog to date to EUR 9 billion, providing tangible proof of the Group’s ability to achieve the goals set by the management for the coming years.

An analysis of the nature and geographical positioning of the new contracts acquired shows that they mostly refer to foreign contracts in the transport infrastructures and civil and industrial construction sectors, mainly in Romania and Venezuela as well as Saudi Arabia and Qatar. These are countries where contracts in progress are generating earning levels of guaranteed interest.

The activities developed in Romania are significant, accounting for EUR 79 million of new orders, EUR 48 million of which refer to the contract for the new stadium in Bucharest.

Indeed, in March 2007, the contract with the Municipality of Bucharest to upgrade and modernise the “Lia Manoliu” national stadium, worth a total of EUR 120 million (of which Astaldi has a 40% stake) was secured as part of joint venture. The works which involve upgrading, modernisation and extension of stadium capacity to 60,000 seats, will commence as from the next quarter. The planned duration of works is 20 months.

The new orders secured in Romania also include acquisition, in the capacity of leader of a joint venture, of the contract with the Municipality of Bucharest to design and construct the link road between Splaiul Unirii and the Bucharest-Constanta motorway. The contract, worth a total of EUR

57 million, of which EUR 19 million refers to Astaldi’s stake, provides for the start-up of works as from the second half of 2007, with a planned duration of works of 29 months.

Still with regard to Romania, we feel it is important to mention awarding as part of a joint venture of the contract to construct the passenger arrivals terminal at Cluj-Napoca international airport, located in the north-west of Romania. The contract, worth a total of EUR 13 million, of which EUR 10 million refers to Astaldi's stake, involves the construction of a three-floor building on a surface area of just under 10,000 square metres, with works expected to be completed by spring 2008.

This contract, albeit of a low value, represents an important acknowledgement of the Group’s activities in Romania in the airport transport infrastructures sector. Indeed, it should be remembered that Astaldi is responsible for the key works for the project to modernise Otopeni international airport in Bucharest for which, among other things, Romania’s new Transport Minister has forwarded a proposal to the local Council of Ministers to resolve upon financing and awarding to Astaldi of a third phase of works.

Extension of the contract for EUR 26 million related to the project, currently being completed, to construct the Istanbul-Ankara motorway in Turkey must also be looked on as acknowledgement of the successful management of the projects being performed by the Group. Said motorway, also known as the Anatolian Motorway, is one of Astaldi Group’s most important works in the motorway infrastructures sector.

It should be noted in this regard, that in January 2007 the first carriageway of the last 25 km section of the motorway was opened to traffic with the ceremony being attended by the Italian Prime Minister Romano Prodi and the Turkish Prime Minister Recep Tayyip Erdogan. The motorway, which is the result of full cooperation between Italian and Turkish experts and workers, runs through tunnels and viaducts along a route measuring approximately 400 km in total, over 110 km of which was directly built by Astaldi. The work, which represents an important part of the T.E.M. (*Trans Europe Motorway*), the motorway which connects Europe to the Middle East, across the Balkans, starting from Danzig, proved to be a real challenge as regards design and construction right from the early performance stages. The area’s specific orographic disposition entailed the construction of over 5 km of 3-lane, dual carriageway viaducts, 3 km of which related to a single viaduct standing at a maximum height of 50 metres, and a double-barrel tunnel measuring approximately 3 km in length, with three lanes in each direction. All the works were carried out using the most up-to-date and innovative anti-seismic structural solutions in order to deal with an area comprising an active seismic fault. In light of the above and taking into account that the final delivery of Astaldi’s works, including additional works requested by the Client, is expected by the end of 2007, the aforementioned contract extension represents confirmation of the

Group's ability to propose technological and construction solutions as well as performance timeframes that fully meet Clients' needs.

Mention must also be made of the success achieved in the Arabian Peninsula where the new contracts acquired during the quarter increased the Group's backlog in this area by approximately EUR 51 million.

It must be remembered that as far as the Middle East is concerned, the Group currently operates in Saudi Arabia and Qatar where the diversification strategy applied in recent years has allowed it to acquire an important role in the promising industrial plants sector (oil & gas) where it works closely with leading international operators in the specific area of oil plant engineering. Therefore, the new contracts secured during the first quarter represent further confirmation of the soundness of the strategic choices taken with regard to this area where commercial and production activities are guaranteed by Astaldi Arabia Ltd., a 100%-owned subsidiary of the Astaldi Group.

The two new projects started up in this area, both of international importance, are a share in the "Khurais Project" in Saudi Arabia and the "QATOFIN Mesaieed Snam Project" in Qatar.

The first project, worth just under EUR 31 million, refers to the performance of civil works related to a G.O.S.P. (Gas & Oil Separation Plant) commissioned by Snamprogetti, in the industrial city of Khurais in Saudi Arabia. Said project ensures the involvement of Astaldi Group in a project of international importance following the completion of works related to the acetic acid production plant in Yambu. The planned duration of works is 20 months.

The second project, worth EUR 20 million, involves the performance of mechanical works, in addition to civil works acquired last year, related to a LLDPE (linear low density polyethylene) petrochemical plant in the Mesaieed industrial hub in the south of Qatar Works are expected to be completed by the second half of 2008.

Both of the aforementioned projects were commissioned by Snamprogetti, one of the leading EPC contractors operating in the sector at an international level. It is felt that thanks to this, new additional opportunities for potential expansion of industrial-plant engineering activities may arise, not only in the Middle East where the Group is already present, but also in other areas of the world offering interesting investment opportunities.

A closer look at the increases in the orders backlog seen in America shows that they refer mainly to the inclusion among new orders of a new *tranche* of financing related to the Puerto Cabello-la Encrucijada railway project which resulted in inclusion among the backlog of an additional EUR 70 million.

The Group's operating units in the area continue to be strongly committed and involved in developing the potential contained in these agreements which aim to create new opportunities for growth and development in the areas concerned through initiatives mainly involving the transport infrastructures, energy and healthcare sectors. The key role played by Astaldi in the main initiatives resulting from said agreements, aided by the local government's improved ability to transform the major increases in oil prices into tangible projects, goes to confirm the perfect integration between the Group's activities carried out in recent years and the local production fabric. And above all it confirms its ability to offer suitable, reliable technological solutions to meet the government's requirements and the latter's willingness to support the country's economic growth, over a relatively short period of time, by constructing a system of suitable infrastructural links.

Lastly, it must be noted that all the new contracts mentioned, just as the value of the orders backlog at a consolidated level, do not take into account the outcome of the commercial initiatives, mainly in Romania and Algeria, for which the Group is already among the top names on the list and is awaiting official awarding of the contracts. For these initiatives and for the additional contracts that may arise from the contract options in force in Venezuela, all the information needed to optimise the economic and financial effects resulting from acquisition shall be provided should said contracts be awarded.

A closer look at the new contracts acquired at a domestic level shows how the quarter just ended was affected, in terms of acquisitions, by the lack of dynamism already noted in relation to the previous year. In spite of this, the first months of the year saw the study and examination of calls put out for tenders, resulting from increased acquisition opportunities, especially at a local and regional level and in the project finance sector which in turn make it possible to forecast an upturn in opportunities on the domestic market in the medium-term. The Group is also awaiting the outcome of major commercial projects in the railway infrastructures and civil and healthcare construction sectors for which the award procedure should be nearing completion in the medium-term.

Lastly, it should be noted that, in compliance with the criterion regarding inclusion in the backlog adopted by the Group, all contracts for which Astaldi has been appointed as sponsor, pursuant to Article 37-*bis* and following of the Merloni Law (Law No. 109/1994) have not been included among the new orders. On the strength of legislation in force in Italy, the position of sponsor results in acquisition of a right of pre-emption during final awarding of the contract. To date, two projects fall into the above category insofar as Astaldi has already been officially appointed as sponsor for the Hospitals project in Tuscany and the Appia Antica Park Underpass project in Rome.

As regards the hospitals in Tuscany, the project finance initiative involves construction and management of an integrated system of four hospitals located in Lucca, Massa, Pistoia and Prato. Pursuant to current legislation, in December 2006, the amended project proposal was submitted to the Client and to date, the relative award procedure is still underway with the outcome expected to be made known by the end of 2007. It must be remembered that the project involves investment of

EUR 364 million for construction activities – of which EUR 120 million to be put up by private individuals – and EUR 1.5 billion of concession revenues. The new hospital facilities will offer a total of 1,700 new beds located in the various areas of reference.

While, as regards the project finance initiative for construction of the Appia Antica Park underpass in Rome, the relative concession agreement will be signed subsequent to completion of the award procedure and negotiated procedure during which the sponsor Astaldi will enjoy the right of pre-emption. However the award procedure appears to be lengthy for said project.

It should also be noted that at the end of the March, the Municipality of Rome made known its intention to extend the route of underground's new Line C from the terminus Piazzale Clodio towards the Cassia in the eastern area of the city. It would appear that the extension is to be split into two sections: the first would serve to link Piazzale Clodio to the Farnesina area through a single, two-track tunnel measuring 3 km with three stops and an interchange car-park offering 1,300 parking spaces. While the second section would involve the construction of two single-track tunnels to link the Farnesina area to the eastern part of the capital, featuring 6 stations along a 6 km route and 3 interchange multi-level car-parks, each with an average capacity of 650 parking spaces. As far as this contract extension is concerned, the overall investment totals approximately EUR 1,230 million and the amount referring to Astaldi's stake shall be entered in the orders backlog upon official awarding by the Municipality of Rome.

The following table shows the trend in the orders backlog during the first quarter of 2007, with the main business areas highlighted. The figures shown do not take into account projects, the acquisition of which is still to be made official, and initiatives for which Astaldi has been appointed sponsor pursuant to Article 37-bis and following of the Merloni Law.

€/millions	**At 01/01/2007**	**Increments**	**Decrements for production**	**At 31/03/2007**
Transport infrastructures of which:	4,356	203	(180)	4,378
railways and undergrounds	*3,279*	*142*	*(118)*	*3,303*
roads and motorways	*1,036*	*51*	*(59)*	*1,028*
ports and airports	*41*	*9*	*(3)*	*48*
Hydraulic works and hydroelectric plants	325	1	(44)	281
Civil and industrial construction	630	99	(28)	701
Concessions	1,699	0	-	1,699
Backlog at March 31, 2007	**7,009**	**302**	**(252)**	**7,059**

While the following table shows the contribution of the individual geographical areas to the orders backlog.

€/millions	At 01/01/2007	Increments	Decrements for production	At 31/03/2007
Italy	*4,881*	*70*	*(92)*	*4,859*
Abroad	*2,128*	*232*	*(160)*	*2,200*
Backlog at March 31, 2007	**7,009**	**302**	**(252)**	**7,059**

It must also be remembered, as already pointed out when drafting the financial statements at December 31, 2006, which should be referred to for more in-depth information, the contract related to construction of the Verona-Padua High Speed/High Capacity railway line was written-off. This was done in compliance with the prudential approach always adopted by the Group when making its evaluations following the decisions contained in this regard in the Law Decree of January 25, 2007. Said decree, also known as the Bersani Decree or “Decree on Liberalisation” ratified the Italian government's decision to revoke licenses for the high speed railway still to be constructed. Therefore, the value of the orders backlog at January 1, 2007 does not take into account the value of the aforementioned contract (EUR 864 million) while the Group, in any case, remains confident about the outcome of legal action already undertaken.

Lastly, we would like to stress that the figures shown do not take into account the options and contracts whose acquisition still has to be finalised and made official, as is the case in Venezuela, as well as initiatives for which the Group is already among the top of the list but which still have to be formally awarded, as is the case in Romania and Algeria. These are countries which are proving to offer markets of important strategic value, thanks not only to the Group’s well-established presence in the area but also to the large-scale infrastructural programmes being implemented by local governments. For these initiatives, all the information needed to optimise the economic and financial effects resulting from acquisition shall be provided should said contracts be awarded.

As regards commercial activities under consideration, in keeping with strategic planning, the Group’s focus is being placed on general contracting and project finance initiatives mainly linked to transport infrastructures, civil construction, healthcare facilities and car-parks. The Group is currently awaiting the outcome of award procedures with regard to some initiatives, while for others the relative prequalification, verification and award procedures are still underway. Furthermore, other projects in Italy and abroad related to the traditional transport infrastructures and nonresidential construction sectors are also being examined.

Specifically, with regard to foreign activities, the Group's commercial involvement is not only aimed at further consolidating the Group's presence in countries where Astaldi is a firmly established player and which offer considerable development opportunities (Venezuela, Algeria, Turkey and Romania), but also at developing new opportunities in the Arabian peninsula (Qatar and Saudi Arabia) and Central America, as well as in those countries offering additional interesting development opportunities (Panama, Chile, Brazil, Guatemala, Bulgaria, United Arab Emirates). Target sectors are the traditional transport infrastructures sector and the energy production plant sector.

subsequent events

As regards the general contracting project to construct Line C of the Rome underground, it should be noted that activities in the main worksites located along the San Giovanni-Pantano section were started up in April. As far as this contract, which Astaldi manages as part of a joint venture, is concerned, delivery of the works on an individual functional section basis is planned as from 2011.
Following approval of the executive design by the Client in November 2006 and consequent start-up of preliminary activities in January, the ceremony to lay the first stone at the sites of Lot 2 of the Jonica National Road (SS106) was held in April and marked the almost complete start-up of operating activities. Works related to this contract are expected to be completed by the first half of 2010.

Note should also be taken of how, subsequent to the end of the quarter, study of the key, most important opportunities offered by the domestic market continued, specifically in the project finance sector with regard to transport infrastructures and healthcare construction, along with those offered abroad in the countries of major interest for the Group.

It should also be noted that on May 7, ahead of contractual deadlines, the second carriageway of the last 25 km section of the Istanbul-Ankara motorway in Turkey, also known as the Anatolian Motorway, was opened to traffic. It must be remembered that Astaldi Group is traditionally present in this area and that the works recently completed represent one of the most difficult challenges faced by the company in the motorway infrastructures sector, both with regard to design and construction. Indeed the section, which has just been opened, forms part of a overall route which runs through tunnels and viaducts along a path measuring 400 km in total, over 110 km of which was directly built by Astaldi, and in accordance with the most innovative anti-seismic structural solutions given the specific orographic disposition of the area the motorway runs through. As regards the contract extension approved during the quarter in question, please refer to what has already been stated in the section dedicated to the orders backlog.

Lastly, it should be noted that the Shareholders' Meeting held on May 2 proceeded to renew the Board of Directors, appointing the following as directors that will remain in office until the Shareholders' Meeting to approve the financial statements at December 31, 2009: Caterina Astaldi, Paolo Astaldi, Pietro Astaldi, Giuseppe Cafiero, Luigi Guidobono Cavalchini Garofoli, Stefano Cerri, Vittorio Di Paola, Franco Alfredo Grassini, Mario Lupo, Ernesto Monti, Nicola Oliva, Maurizio Poloni and Gian Luigi Tosato. The Shareholders' Meeting also appointed Ernesto Monti as the company's Honorary Chairman.

The new Board of Directors, which took office at the end of the Shareholders' Meeting, also appointed Vittorio Di Paola as Chairman, confirming Paolo Astaldi as Deputy Chairman, Giuseppe Cafiero and Stefano Cerri as Chief Executive Officers and Nicola Oliva as General Manager. Said BoD also appointed the company directors Mario Lupo, Luigi Guidobono Cavalchini Garofoli and Franco Alfredo Grassini as members of the Internal Auditing Committee, and Ernesto Monti, Franco Alfredo Grassini and Maurizio Poloni as members of the Remuneration Committee. The Board of Directors also appointed Paolo Citterio as the new General Manager for Administration and Finance.

For the purposes of risk/crime prevention pursuant to Legislative Decree No. 231/2001, during said meeting of the Board of Directors, the following were appointed as members of the Supervisory Body: Vittorio Mele in the role of Chairman of the Body, company director Maurizio Poloni and the lawyers Marco Annoni, Giorgio Luceri, Nicoletta Mincato, the latter in the capacity of external experts.

In compliance with the Code of Self-Discipline for Listed Companies, the Board of Directors assessed the requisites of independence and non-executiveness for company directors, Franco Alfredo Grassini, Mario Lupo, Maurizio Poloni and Gian Luigi Tosato, and solely the requisite of non-executiveness for Luigi Guidobono Cavalchini Garofoli.

forecast development of operations

The results achieved during the first quarter of 2007, from both a commercial and operational viewpoint, must be interpreted as further confirmation of the Group’s management ability to draw up suitable long-term strategies to deal with contingent events, such as limitation of spending of traditional counterparties in the domestic market, as well as extraordinary, totally unforeseeable events such as the cancellation of a major contract such as the Verona-Padua High Speed/High Capacity railway line.

Therefore, valid strategies which the management was able to convert into effective commercial, operating and management policies, pursuing rapid diversification of activities abroad and in the project finance sector, in full compliance with set earnings targets, and bringing to light the great potential in the management’s proven ability to select markets and projects of interest during corporate planning.

Even given the less dynamic domestic market, all the targets regarding acquisitions that were established during previous years were fully achieved, making it possible on the one hand, to offer more substantiality to the forecasts for the coming years, and on the other, to strengthen the Group’s ability to achieve rewarding earnings targets, in line with corporate planning.

The size and type of recently acquired contracts, both in Italy and abroad, have radically changed the nature of the orders backlog which to date, save for the odd exception, mainly comprises orders worth an average in excess of EUR 300 million and in relation to which Astaldi has the complete responsibility for performance of works insofar as they are mainly managed in the capacity of general contractor or as part of a concession/project finance initiative.

This condition is the result and cause of strategic activities outlined in the 2007-2011 business plan presented to the financial community in April insofar as it marks out the area the Group is in and intends to work in, reaping the rewards of expertise and know-how acquired over the years in Italy and abroad, enhanced by the ability to attract suitable technological partners and capital so as to cater for Clients’ needs in an optimal manner.

Therefore, the methods used to manage contracts have changed and the commitments and responsibilities while performing works have increased. Indeed, the new orders backlog features greater technical and managerial complexity thus generating the need to adopt a model for managing and controlling activities which makes it possible to tackle problems that are not solely related to construction, but also to management, organisation and legal and financial matters.

Therefore, the coming years will see the Group more involved in increasingly complex challenges which will allow it to consolidate its leadership in the general contracting and project financing sectors.

As from the year underway, the Group will be involved in activities linked to performance of the contract to construct Line C of the Rome underground. But activities to develop the concession for the construction and subsequent management of Line 5 of the Milan underground will also continue, as well as activities, just to mention a few, related to the lot of the Jonica National Road (SS 106) and the Turin and Bologna rail hubs in Italy.

Among others, it should be noted that, for the management of all these initiatives, new important human, technical and financial resources shall be freed up during 2007 following completion of the new hospital in Mestre which is expected for the end of the coming summer, with the hospital set to be up and running by early 2008.

While as regards foreign activities, having taking note of resolution of the problems which emerged in Florida (USA) during the last year, streamlining of commercial efforts made and relative investments will continue. Said streamlining is aimed at focusing the Group's interest on those markets where it is already a well-established player and which offer considerable development opportunities, and it is a policy that is proving to be a winner in terms of earnings.

Focusing on foreign countries offering the greatest development opportunities and where the Group is a well-established player, will also, in the middle term, represent a further lever to play on to counterbalance the complex design activities and relative timeframes required by recently secured contracts in Italy. It must be remembered that said contracts by their nature and complexity entail longer design and start-up phases compared to those for traditional works.

Therefore, the coming months will see full implementation of the major contracts which, to date, form part of the orders backlog, as well as intensification of commercial penetration activities in those foreign countries (Venezuela, Algeria, Turkey, Romania, Qatar and Saudi Arabia) offering the greatest development opportunities thanks to major investments being made in new infrastructures.

Further business opportunities may arise in Algeria and Venezuela which represent well-established commercial channels for the Group. Said countries are characterised by an improvement in local governments' spending potential thanks to the greater ability to transform the sizeable increases in oil and gas prices into investments.

The same goes for Saudi Arabia and Qatar where, in view of the Group's recent success in the industrial plant engineering area, further development opportunities in the oil and gas sector are starting to become a reality. The Arabian Peninsula is proving to be a valid point of departure for sounding out new commercial channels insofar as the success achieved in the market in this area is making it possible to assess the possibilities and opportunities to develop new initiatives in the United Arab Emirates, specifically in the Abu Dhabi area where there would seem to be greater potential investment by local governments.

It goes without saying that the development of foreign activities will always be pursued, taking into account financial sustainability and control of the relative country risk in order to guarantee sufficient, satisfactory levels of earnings, including through possible partnerships with leading international operators.

Therefore, with a view to diversifying the country risk, commercial penetration activities in Central America will continue, especially in Costa Rica, Mexico, Honduras and Nicaragua which offer opportunities in the transport infrastructures and water supply sectors, without excluding the possibility of operating in new countries in this area should they be able to offer interesting development opportunities. Therefore, additional opportunities could arise in similar sectors in Bolivia and Chile.

Therefore, new challenges and new projects in Italy and abroad which will make it possible to accompany Astaldi Group's planned growth, even in the face of the spending limits of traditional counterparties in the domestic market and while maintaining profitable margins.

Challenges that can only be taken up and managed by ensuring the sustainability of individual projects, not only in economic terms but also from a financial, equity and managerial viewpoint.

Therefore, improvement of the human capital available to date shall continue over the coming months with said capital being guaranteed via the search for specialist profiles to train within the company. This is in line with the values the Group has always aimed to pursue and which aim to ensure profitable progress for the company and for the situations the Group operates within.

Attachments

INCOME STATEMENT

	Reclassified reference	31/03/2007	31/03/2006
Revenues	A	251,621	217,811
Other operating revenues	B	12,696	16,756
Of which towards related parties		*1,783*	*1,245*
Total revenues		264,317	234,567
Purchase costs	C	70,133	39,750
Of which towards related parties		*0*	*45*
Service costs	C	114,438	120,295
Of which towards related parties		*8,828*	*18,656*
Personnel costs	D	44,742	43,254
Amortisation, depreciation and write-downs	F	8,353	6,357
Other operating costs	E	6,302	7,843
Total costs		243,969	217,498
(Capitalisation of internal construction costs)	G	67	215
Operating result		20,415	17,284
Financial income	H	10,257	15,144
Of which towards related parties		*58*	*42*
Financial charges	H	-17,131	-21,042
Effects of valuation of equity investments using equity method	I	1,129	1,513
Pre-tax profit (loss) of continued operations		14,668	12,900
Taxation	L	6,162	5,289
Profit (loss) of continued operations		8,507	7,612
Profit (loss) related to discontinued operations		0	0
Profit (loss) for the period	M	8,507	7,612
- Group profit	O	8,733	8,121
- Minority profit	N	-226	-510

BALANCE SHEET - ASSETS

	Reclassified reference model	31/03/2007	31/12/2006	31/03/2006
ASSETS				
Non-current assets				
Property, plant and equipment	A	207,141	192,999	141,251
Investment property	A	196	198	204
Intangible assets	B	3,706	3,795	4,841
Equity investments	C	101,496	96,492	41,560
of which:				
Interests valued using net equity method		*98,518*	*93,513*	*33,348*
Non-current financial assets	D	12,414	11,957	24,450
Of which towards related parties		*11,503*	*11,046*	*24,449*
Other non-current assets	D	15,824	13,443	11,964
Deferred tax assets	D	13,315	12,247	12,589
Total non-current assets		**354,092**	**331,131**	**236,858**
Current assets				
Inventories	E	48,739	51,600	44,323
Contracts in progress	F	438,702	397,712	313,645
Trade receivables	G	412,340	437,877	333,847
Of which towards related parties		*30,982*	*29,767*	*33,662*
Current financial assets	H	41,371	40,046	16,059
Tax receivables	Z	81,349	73,275	50,948
Other current assets	I	207,803	188,094	177,712
Of which towards related parties		*39,946*	*39,774*	*18,682*
Cash and cash equivalents	L	186,454	237,623	180,360
Total current assets		**1,416,759**	**1,426,227**	**1,116,894**
Non-current assets held for sale			0	0
Total assets		**1,770,851**	**1,757,358**	**1,353,752**

BALANCE SHEET - LIABILITIES

	Reclassified reference model	31/03/2007	31/12/2006	31/03/2006
EQUITY				
Share capital		195,608	195,391	97,810
Reserves				
legal reserve		10.767	10.767	9.383
extraordinary reserve		45.817	43.476	58.883
share premium reserve		0	0	67.836
profit (loss) carried forward		46.597	18.931	46.025
other reserves		-18.061	-18.987	-19.594
Total capital and reserves		**280.727**	**249.577**	**260.343**
Profit (loss) for the period		8.733	30.091	8.121
Total Group equity	M	**289.460**	**279.668**	**268.465**
Reserves		1.380	656	-868
Profit (loss) for the period		-226	735	-510
Minority equity	N	**1.154**	**1.392**	**-1.377**
Total equity	O	**290.614**	**281.059**	**267.087**
Employee severance pay and other staff provisions				
LIABILITIES				
Non-current liabilities				
Non-current financial liabilities	P	374.559	339.797	274.849
Of which towards related parties		*597*	*597*	*597*
Other non-current liabilities	V	42.608	35.973	20.000
Employee severance pay and other staff provisions	T	12.320	12.470	11.205
Deferred tax liabilities	V	185	185	171
Total non-current liabilities		**429.672**	**388.425**	**306.225**
Current liabilities				
Advances from customers	R	222.104	209.324	59.305
Trade payables	S	456.983	474.478	340.788
Of which towards related parties		*90.311*	*90.907*	*87.766*
Current financial liabilities	Q	190.112	224.192	243.499
Tax payables	V	39.245	26.137	21.473
Provisions for current risks and charges	U	26.842	30.035	60.415
Other current liabilities	V	115.279	123.707	54.959
Of which towards related parties		*47.856*	*45.821*	*2.727*
Total current liabilities		**1.050.565**	**1.087.874**	**780.439**
Liabilities directly associated with non-current assets held for sale				
Total liabilities		**1.480.237**	**1.476.299**	**1.086.664**
Total equity and liabilities		**1.770.851**	**1.757.358**	**1.353.752**