



NEWS RELEASE

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ASTEC INDUSTRIES REPORTS FIRST QUARTER RESULTS

CHATTANOOGA, Tenn. (April 24, 2006) - Astec Industries, Inc. (Nasdaq: ASTE) today reported results for their first quarter ended March 31, 2006.

Net income for the first quarter of 2006 was \$.50 per diluted share compared to \$.33 per diluted share in 2005 for a 51.5% increase. A key factor in the increase was an improvement of 260 basis points in gross profit margin.

Revenues for the first quarter of 2006 were \$185.7 million compared with \$161.6 million for the first quarter of 2005 for a 14.9% increase. Domestic sales accounted for 81.3% and international sales for 18.7% of revenues during the first quarter of 2006 compared to 82.4% for domestic sales and 17.6% for international sales during the first quarter of 2005. The Company reported net income of \$10.9 million for the first quarter of 2006 compared to net income of \$6.8 million for the first quarter of 2005 for an increase of 60.4%. The Company's backlog at March 31, 2006 was \$144.5 million compared to \$111.2 million at March 31, 2005 for a 30% increase.

Consolidated financial statements for the first quarter ended March 31, 2006 and additional information related to segment revenues and profits are attached as addenda to this press release.

Commenting on the announcement, Dr. J. Don Brock, Chairman and Chief Executive Officer, stated, "We are pleased with the increased volumes, improved margins and the net income for the first quarter of 2006. The Company had implemented initiatives striving to increase gross margins in 2005. We are beginning to see the effects of this effort. The gross margin percentage improved in the first quarter of 2006 to 24.3% up from 21.7% in the first quarter of 2005 for an increase of 260 basis points. We will continue to focus on these initiatives and will monitor inflation closely and take the necessary actions to stabilize or increase margins."

"The Company believes that its increase in volume is reflective of an improving economy, contribution of new products, and some improvement in market share. With energy and material costs increasing, both new products and recycle equipment are getting attention. We finished the first quarter with a backlog 30% ahead of the prior year."

Astec Industries, Inc. and Subsidiaries
Consolidated Balance Sheets
(In thousands)
(Unaudited)

	March 31 2006	March 31 2005
Assets		
Current Assets		
Cash and cash equivalents	\$ 20,856	\$ 9,426
Receivables, net	78,025	65,227
Inventories	148,167	130,059
Prepaid expenses and other	13,215	16,452
Total current assets	260,263	221,164
Property and equipment, net	99,453	97,985
Other assets	24,647	29,708
Total assets	\$ 384,363	\$ 348,857
Liabilities and shareholders' equity		
Current liabilities		
Revolving credit loan	\$ -	\$ 15,393
Current maturities of long-term debt	-	3,310
Accounts payable - trade	46,181	43,551
Other accrued liabilities	61,978	51,388
Total current liabilities	108,159	113,642
Long-term debt, less current maturities	-	24,655
Other non-current liabilities	15,636	11,282
Minority interest in consolidated subsidiary	606	530
Total shareholders' equity	259,962	198,748
Total liabilities and shareholders' equity	\$ 384,363	\$ 348,857

Astec Industries, Inc. and Subsidiaries
Consolidated Statements of Income
(In thousands)
(Unaudited)

	Three Months Ended March 31	
	2006	2005
Net sales	\$ 185,724	\$ 161,635
Cost of sales	140,584	126,602
Gross profit	45,140	35,033
Selling, general, administrative & engineering expenses	27,759	22,971
Income from operations	17,381	12,062
Interest expense	430	1,180
Other income, net of expense	296	38
Income before income taxes and minority interest	17,247	10,920
Income taxes	6,347	4,106
Minority interest in earnings	3	22
Net income	\$ 10,897	\$ 6,792

Earnings per Common Share

Net income:		
Basic	\$ 0.51	\$ 0.34
Diluted	\$ 0.50	\$ 0.33
Weighted average common shares outstanding		
Basic	21,194,708	19,899,819
Diluted	21,897,073	20,415,669

Astec Industries, Inc. and Subsidiaries
Segment Revenues and Profits
For the three months ended March 31, 2006 and 2005
(in thousands)
(Unaudited)

	Asphalt Group	Aggregate and Mining Group	Mobile Asphalt Paving Group	Underground Group	All Others	Total
2006 Revenues	55,732	71,262	36,353	22,377	-	185,724
2005 Revenues	53,535	57,845	28,807	21,448	-	161,635
Change \$	2,197	13,417	7,546	929	-	24,089
Change %	4.1%	23.2%	26.2%	4.3%	-	14.9%
2006 Gross Profit	14,562	17,210	9,253	4,220	(106)	45,139
2006 Gross Profit %	26.1%	24.2%	25.5%	18.9%	-	24.3%
2005 Gross Profit	10,657	13,601	7,015	3,774	(14)	35,033
2005 Gross Profit %	19.9%	23.5%	24.4%	17.6%	-	21.7%
Change	3,905	3,609	2,238	446	(92)	10,106
2006 Profit (Loss)	8,293	7,982	4,932	302	(10,424)	11,085
2005 Profit (Loss)	5,656	5,184	3,430	157	(7,549)	6,878
Change \$	2,637	2,798	1,502	145	(2,875)	4,207
Change %	46.6%	54.0%	43.8%	92.4%	(38.1%)	61.2%

Segment revenues are reported net of intersegment revenues. Segment gross profit is net of profit on intersegment revenues. A reconciliation of total segment profits to the Company's consolidated net income is as follows:

For the three months ended March 31

	2006	2005
Total profit for all segments	11,085	6,878
Minority interest in earnings of subsidiary	(3)	(22)
Elimination of intersegment profit	(185)	(64)
Consolidated net income	10,897	6,792

Astec Industries, Inc. and Subsidiaries
Backlog by Segment
March 31, 2006 and 2005
(in thousands)
(Unaudited)

	Asphalt Group	Aggregate and Mining Group	Mobile Asphalt Paving Group	Underground Group	All Others	Total
2006 Backlog	44,744	77,829	5,713	16,195	-	144,481
2005 Backlog	37,803	55,954	10,075	7,339	-	111,171
Change \$	6,941	21,875	(4,362)	8,856	-	33,310
Change %	18.4%	39.1%	(43.3%)	120.7%	-	30.0%