

ANSALDO STS S.p.A.

Registered office Via Paolo Mantovani 3/5 Genoa

Share capital 50.000.000.00 Euros, fully paid-up

Registration number to the Business Registry of Genoa CF -10371160662

Subject to the management and co-ordination of Finmeccanica S.P.A.

ANSALDO STS S.p.A.

SHAREHOLDERS MEETING OF 21/22 MAY 2007

ORDINARY BUSINESS

Board of Statutory Auditors report regarding agenda item 2)

Proposal for extension of the 2006-2011 appointment of external auditors, held by PricewaterhouseCoopers S.p.A., for a further 3 years (2012, 2013 and 2014) pursuant to article 159 of Legislative Decree no. 58 of 24 February 1998 and to article 8 of Legislative Decree no. 303 of 29 December 2006; related resolutions.

Dear Shareholder,

Paragraph 16 of article 3 of Legislative Decree no. 303 of 29 December 2006 amended paragraph 4 of article 159 of Legislative Decree 58/98 thus establishing that the appointment of external auditors pursuant to paragraph 1 of the same article “ *shall last nine financial years and cannot be renewed or newly conferred unless a period of three years has passed from the expiry date of the*

previous appointment". Furthermore, paragraph 7 of article 8 of the same Legislative Decree 303/06 contains the following: "*appointments whose total duration - including renewals and extensions - is inferior to three financial years and which are being held at the date of implementation of this Legislative Decree may, within the date of the first meeting for the approval of the financial statements, be extended so as to adjust their duration to the limit provided in article 159, paragraph 4 of Legislative Decree no. 58 of 24 February 1998, as amended by this Legislative Decree.*"

We also inform you that the ANSALDO STS S.p.A. AGM held on 24 February 2006 appointed as its Company's auditors - pursuant to article 159 Legislative Decree no.58 of 24 February 1998 - PricewaterhouseCoopers S.p.A. for the six financial years from 2006-2011 (in compliance related legislation then in force).

PricewaterhouseCoopers S.p.A. submitted to the Board of Directors of Ansaldo STS S.p.A. a proposal for the extension of said appointment for financial years 2012, 2013 and 2014, without any changes to be made to the previous terms and conditions including remuneration for a total of Euro 91,000.00 per financial year.

For clarification purposes please note that:

- As a consequence of provisions made by article 159 of Legislative Decree 58/98 as amended by article 3 of Legislative Decree 303/06 and by article 8 of the same Legislative Decree 303/06, an extension can be made to the current appointment of external auditors, held by PricewaterhouseCoopers S.p.A., for a total of nine financial years;
- Should ANSALDO STS S.p.A. decide to exercise the right to apply the provisions mentioned above, the related resolutions, in compliance with the above-mentioned article 8 of Legislative Decree 303/06, shall be passed solely during the shareholders' meeting called to approve the Company's financial statements for 2006;

The Board of Auditors deems it fit, also considering the terms of the offer made by PricewaterhouseCoopers S.p.A., to propose that the appointment of external auditors be extended for the financial years 2012, 2013 and 2014.

Dear Shareholder,

You are called to resolve upon the following proposal:

“ANSALDO STS S.p.A. shareholders’ meeting of 21/22 May 2007

- *Having considered the offer presented by PricewaterhouseCoopers S.p.A. for the extension of the external auditing appointment for the financial years 2012, 2013 and 2014,*
- *Having considered articles 3 and 8 of Legislative Decree no. 303 of 29 December 2006,*
- *Having examined the proposal of the Company’s Board of Statutory Auditor,*
- *Having examined the Board of Directors’ Report,*

resolves

- a) that the appointment of external auditors conferred to PricewaterhouseCoopers S.p.A. on 24 February 2006, pursuant to article 159 of Legislative Decree no. 58 of 24 February 1998, for the period 2006-2011, be extended for a further three financial years (2012, 2013 and 2014) under the current terms and conditions; thus the appointment is to be considered conferred for the period 2006-2014;*
- b) authority be conferred on the Chairman of the Board of Directors and on the Chief Executive Officer– also acting separately or by assigning specific delegated powers - to implement the resolution in a) above.”*

Genoa, 22 March 2007

The Board of Statutory Auditors

(Paolo Colombo)

(Antonio Rosina)

(Francesca Tripodi)