

AUDITORS' REPORT

ANSALDO STS SPA

**AUDITORS' REPORT ON THE LIMITED REVIEW OF INTERIM
FINANCIAL REPORTING FOR THE SIX-MONTH PERIOD
ENDED 30 JUNE 2007 PREPARED IN ACCORDANCE WITH
ARTICLE 81 OF CONSOB REGULATION APPROVED BY
RESOLUTION No. 11971 OF 14 MAY 1999 AND
SUBSEQUENT AMENDMENTS AND INTEGRATIONS**

AUDITORS' REPORT ON THE LIMITED REVIEW OF INTERIM FINANCIAL REPORTING FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2007 PREPARED IN ACCORDANCE WITH ARTICLE 81 OF CONSOB REGULATION APPROVED BY RESOLUTION No. 11971 OF 14 MAY 1999 AND SUBSEQUENT AMENDMENTS AND INTEGRATIONS

To the Shareholders of
Ansaldo STS SpA

- 1 We have performed a limited review of the consolidated interim financial statements consisting of the balance sheet, profit and loss account, changes in shareholders' equity, cash flow (hereinafter "accounting statements") and the related explanatory and supplementary notes included in the interim financial reporting of Ansaldo STS SpA for the period ended 30 June 2007. The interim financial reporting is the responsibility of Ansaldo STS SpA's directors. Our responsibility is to issue this report based on our limited review. We have also checked the part of the notes related to the information on operations for the sole purpose of verifying the consistency with the remaining part of the interim financial reporting.
- 2 Our work was conducted in accordance with the criteria for a limited review recommended by the National Commission for Companies and the Stock Exchange (CONSOB) with resolution No. 10867 of 31 July 1997. The limited review consisted principally of inquiries of company personnel about the information reported in the interim financial statements and about the consistency of the accounting principles utilised therein as well as the application of analytical review procedures on the data contained in the interim financial statements. The limited review excluded certain auditing procedures such as compliance testing and verification and validation tests of the assets and liabilities and was therefore substantially less in scope than an audit performed in accordance with generally accepted auditing standards. Accordingly, unlike the audit on the annual consolidated financial statements, we do not express a professional audit opinion on the interim financial reporting.
- 3 Regarding the comparative data of the prior year consolidated financial statements and of the prior year interim financial reporting presented in the accounting statements, reference should be made to our reports dated 12 April 2007 and dated 2 October 2006.

- 4 Based on our review, no significant changes or adjustments came to our attention that should be made to the consolidated accounting statements and related explanatory and supplementary notes, identified in paragraph 1 of this report, in order to make them consistent with the international accounting standard IAS 34 and with the criteria for the preparation of interim financial reporting established by Article 81 of CONSOB Regulation approved by Resolution No. 11971 of 14 May 1999 and subsequent amendments and integrations.

Rome, 11 October 2007

PricewaterhouseCoopers SpA

Signed by

Corrado Testori
(Partner)

“This report has been translated into the English language solely for the convenience of international readers”