



JOINT PRESS RELEASE

**Astaldi-Ansaldo STS: contract signed
for line 5 of the Milan Underground**

Project valued at EUR 502 million
Concession revenues: EUR 724 million

Rome – June 14, 2006 – The special purpose vehicle, led by Astaldi and including Ansaldo Trasporti Sistemi Ferroviari S.p.A., a subsidiary of Ansaldo STS; Ansaldo Breda; Torno; Alstom Trasporti; and Azienda Trasporti Municipalizzata (ATM), has signed a contract with the Municipality of Milan for the construction of line 5 of the underground, for a total value of EUR 502 million.

The contract's signing makes it possible to start the activities under project financing – the first time in Italy for urban transport infrastructure – for the concession, which includes the line's management for 27 years and foresees concession revenues for EUR 724 million. The works for carrying out the project have an expected duration equalling 58 months.

Of the total EUR 502 million financial requirement, EUR 190 million is covered by the Concessionaire and the financing banks, with the rest covered by public contribution. Within the Concessionaire, Astaldi and Ansaldo STS hold stakes equalling 23.3% and 26.4% respectively. For the design and the construction activities, Astaldi' share equals EUR 119 million, with Ansaldo STS accounting for EUR 118 million and Alstom for EUR 46 million, while EUR 35 million is slated for Ansaldo Breda' supply of vehicles.

A light, fully automated underground, line 5 will have a 5.6 kilometre path linking the Garibaldi Station to Via Bignami in Milan's eastern outskirts, through 9 stations, transporting a capacity of 26,000 passengers per hour in each direction.

With this important acquisition, Astaldi and Ansaldo STS have confirmed their position as worldwide leaders in driverless undergrounds.

This sector presents considerable growth opportunities, and the two companies have been working together in it for some time, having completed the Copenhagen underground (already in service), and with works on the Brescia subway still underway. More recently, as General Contractor in a grouping with other companies, they are currently working on the line C of Rome underground – a major project for a value totalling about EUR 2.2 billion.

Listed on the Star segment of the Italian stock exchange, **Astaldi** has been active for more than 80 years, in Italy and abroad, in designing and constructing large-scale civil engineering works.

The Group operates in the following areas of activity:

- transport infrastructures (railways, undergrounds, roads, motorways, ports, and airports);
- hydraulic works and power production plants (dams, hydroelectric plants, water systems, oil pipelines, gas pipelines, and treatment plants);
- civil and industrial construction (hospitals, universities, airports, law courts, construction works for electrical and nuclear plants, car parks);
- concession of such works as car parks, urban transport infrastructures, hospital facilities.

The Astaldi Group is currently a General Contractor capable of promoting financial aspects and coordinating all resources and skills for the optimal development and management of complex and high-value public works.

Listed on the Italian stock exchange since March 29, 2006 (ticker: STS), Ansaldo STS S.p.A. leads a group of companies operating in the sector of railway and underground systems. Ansaldo STS holds a controlling stake in Ansaldo Signal N.V., a company under Dutch law heading a group active in railway and underground signalling, and Ansaldo Trasporti-Sistemi Ferroviari S.p.A., an Italian company serving as technological integrator/systems manager in the sector of turnkey rail and underground transport systems. Headquartered in Genoa, Ansaldo STS is active in 18 countries, with about 3,600 employees. In 2005, its revenues equalled EUR 840 million, with a gross operating margin of EUR 89 million and net profits of EUR 44 million.

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