

Genoa, 1 April 2008

## The shareholders' meeting approves the 2007 accounts

- **Payment of the first dividend of EUR 0.20 approved**
- **New directors and auditors appointed: Pansa and De Luca confirmed as Chairman and CEO respectively**
- **A 23.7 million order acquired in France**

The shareholders of Ansaldo STS SpA (STS.MI), meeting in Genoa today under the chairmanship of Alessandro Pansa, have approved the company accounts for 2007, together with the proposal put forward by the Board of Directors to pay a dividend of EUR 0.20 per share. It also appointed the new Board of Directors, which will remain in post for the period 2008-2010; Alessandro Pansa was confirmed as Chairman of the Board of Directors.

In the meeting held immediately after, the Board of Directors confirmed Sergio De Luca as CEO and Sante Roberti as Vice-chairman.

Ansaldo STS, through its controlled company Ansaldo STS France, has been awarded by French SNCF an order worth Euro 23.7 million for the supply of onboard equipment for High Speed trains operating on French and cross-border networks.

### KEY 2007 FIGURES

The group closed 2007 with a **consolidated net profit** of EUR 58.2 million, compared with EUR 45.8 million the previous year. The net profit of parent company Ansaldo STS SpA totalled EUR 43.2 million.

This positive trend was confirmed by an **EBIT** of EUR 100.3 million (EUR 85.5 million in 2006), corresponding to an EBIT margin of 10.3%, versus 9.3% the previous year. In 2007, the Ansaldo STS group registered **production revenues** of EUR 973.1 million, up 5.5% compared to 2006.

The **order backlog** at 31 December 2007 totalled EUR 2,980 million, an increase of 23.5% compared to the previous year. EUR 1,170 million related to the Signalling Unit (excluding dealings with the Transport Systems Unit), compared to EUR 1,165 million in 2006, and EUR 1,810 million to the Transport Systems Unit, versus EUR 1,248 million in 2006.

**New orders** were EUR 1,532.4 million, of which EUR 729.7 million related to the Signalling Unit (excluding dealings with the Transport Systems Unit), while the Transport Systems Unit acquired orders of EUR 802.7 million.

PRESS RELEASE

At 31 December 2007, the group had a positive **net financial position** of EUR 184.5 million, compared to EUR 158.2 million at the end of 2006.

#### **ALLOCATION OF PROFIT FOR THE YEAR**

The shareholders' meeting approved the proposal put forward by the Board of Directors regarding the allocation of profit for the year. Following the statutory allocation to the legal reserve of EUR 2.2 million, the Board proposed the payment of a dividend of EUR 0.20, gross of statutory withholding tax, for each of the 99,961,215 shares cum dividend, therefore excluding 38,785 own shares held by the company. The total dividend amount is therefore around EUR 20 million, and corresponds to approximately 40% of the share capital, 46% of the 2007 profit of Ansaldo STS SpA and around 34% of consolidated group profit for the year. The ex-date has been set as 7 April 2008 (coupon no. 1), with payment from 10 April 2008. The remaining portion of the earnings, totalling EUR 21.1 million, has been carried forward.

The size of the dividend proposed, the first paid by Ansaldo STS since its listing, is in line with the operating cash flow generated in 2007.

The additional allocation of the remainder was made to reserves for the purposes of further consolidating the company's assets and to support a dividend policy that aims to provide continuity in dividends paid to shareholders.

#### **APPOINTMENT OF THE BOARD OF DIRECTORS**

The shareholders' meeting voted on the appointment of the Board of Directors, who will remain in post until the shareholders' meeting that will be called to approve the 2010 accounts.

The following directors were appointed: Alessandro Pansa, Sergio De Luca, Gerlando Genuardi, Francesco Lalli, Sante Roberti, Attilio Salvetti, Maurizio Cereda, Gregorio Gitti and Eugenio Pinto. The first six were drawn from the list submitted and voted for by majority shareholder Finmeccanica, the remaining three from the list jointly submitted and voted for by minority shareholders Mediobanca, Intesa San Paolo and Fintecna.

The following directors stated that they were independent in accordance with the laws in force: Gerlando Genuardi, Attilio Salvetti, Maurizio Cereda, Gregorio Gitti and Eugenio Pinto.

Alessandro Pansa was confirmed Chairman of the Board of Directors.

#### **APPOINTMENT OF THE BOARD OF AUDITORS**

The shareholders' meeting also voted on the appointment of the Board of Auditors, who will remain in post until the shareholders' meeting that will be called to approve the 2010 accounts.

Giacinto Sarubbi, Massimo Scotton and Francesca Tripodi were appointed as Statutory Auditors and Bruno Borgia and Pietro Cerasoli as Deputy Auditors. Massimo Scotton, Francesca Tripodi and Pietro Cerasoli were drawn from the list submitted and voted for by majority shareholder Finmeccanica, while Giacinto Sarubbi and Bruno Borgia were drawn from the list jointly submitted and voted for by minority shareholders Banca Akros SpA, Arca SGR SpA, Fideuram Investimenti SGR SpA, Fideuram Gestions SA, Interfund Sicav, Eurizon Investimenti SGR SpA, Eurizon Capital SGR SpA, Eurizon Capital SA, Kairos Partners SGR SpA and Monte Paschi Asset Management SGR SpA.

Giacinto Sarubbi is Chairman of the Board of Auditors.

### **STOCK GRANT PLAN**

The shareholders' meeting approved the new share incentive scheme (Stock Grant Plan - SGP) for the years 2008, 2009 and 2010, under which key personnel of the company or its subsidiaries will receive free shares totalling a maximum 1,500,000 ordinary Ansaldo shares. The plan is intended to enable managers to enjoy the benefits generated by the company's positive results in order to focus all their efforts on company and group value creation.

The allocation of shares is based on meeting complementary performance objectives related to the key economic, financial and commercial drivers of group value creation. Shares will be distributed in December in 2009, 2010 and 2011, and their allocation will be based on an accumulation mechanism relating to the achievement of objectives over the three years.

Given the current number of plan recipients (58 people), the maximum number of shares that may at present be allocated is 1,039,095.

### **PURCHASE AND SALE OF OWN SHARES**

The shareholders' meeting then authorised the Board to purchase ordinary Ansaldo STS shares, up to a maximum number of 10% of the share capital, taking into account the own shares held by the company and its subsidiaries, for a period of 18 months.

In accordance with article 144-bis, paragraph 1, letters b) and c) of the Issuer Regulations, the price of the shares purchased may not be 15% above or below the market price of the share on the Italian stock market in the session prior to each operation.

The shareholders' meeting also authorised the sale of own shares purchased, without time limit, in one or more transactions, in the manner considered most in the company's interests and pursuant to the laws in force. The transactions are to be implemented in accordance with the following:

- the shares purchased may be sold even before the maximum quantity of authorised purchases has been completed;
- prices of own shares may not be 10% lower than that registered on the Italian stock exchange in the session prior to each operation;
- the shares used to service the incentive schemes shall be assigned free of charge to the plans' recipients according to the procedures and terms set out in the regulations of the plans themselves.
- in the event that the shares are used in swaps, exchanges, transfers or any other disposals not in cash, the financial terms of the transaction shall be determined based on its nature, also taking into account the performance of the Ansaldo STS share on the market.

The purchase and sale of own shares, to be carried out within the limits and according to the procedures set out above, may be made for the following purposes:

- to service the share incentive schemes approved by the company;
- as part of transactions relating to normal operations and industrial projects in line with the company's strategic guidelines, which may also include swaps, exchanges transfers or other disposals relating to industrial projects or extraordinary financing operations;
- to exploit effective investment opportunities for the company's liquidity in relation to company growth and the trend on equity markets.

The company currently holds 38,785 Ansaldo STS shares.

#### **AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

Lastly, the extraordinary shareholders' meeting approved amendments to articles 11 and 14 of Section IV (Shareholders' Meeting), articles 16 and 23 of Section V (Board of Directors – Representation) and article 27 of Section VI (Board of Auditors – Auditors) of the company's articles of association for the following purposes:

- to amend articles 14 and 16 in accordance with judgement no. 19160 of the Supreme Court of 13 September 2007 regarding the clauses in the articles of association of another listed company in respect of the chairmanship of the shareholders' meeting and the possibility for the outgoing Board of Directors to submit its own list of candidates;
- to bring articles 11, 23 and 27 into line with the amendments made in 2007 to legislative decree no. 58 of 24 February 1998 (the *TUF* finance law) and the amendments made in light of the adoption of directive 2004/109/EC (the *Transparency* directive), as well as to the Issuer Regulations, and to make procedures to appoint the Board of Auditors easier to understand by rearranging related provisions.

#### **POSITIONS OF OFFICE AND COMMITTEES OF THE BOARD OF DIRECTORS**

Immediately after the shareholders' meeting, the first meeting of the Board of Directors confirmed Sante Roberti as Vice-chairman of the Board, Sergio De Luca as CEO and Mario Orlando, General Secretary of the Parent Company, as Secretary to the Board.

The Board also confirmed Mr De Luca with all operating mandates necessary to manage the group.

The Board then appointed the Internal Audit and Remuneration Committees.

The members of the Internal Audit Committee are: Maurizio Cereda, Gregorio Gitti, Eugenio Pinto and Attilio Salvetti. Gregorio Gitti has been appointed Chairman of the Committee.

The members of the Remuneration Committee are: Maurizio Cereda, Gerlando Genuardi and Francesco Lalli. Maurizio Cereda has been appointed Chairman of the Committee.

The Board confirmed Jean Paul Giani, Chief Financial Officer of the parent company, as director in charge of preparing the company's financial accounts, pursuant to article 154-bis of the TUF.

Lastly, the Board assessed the independence, pursuant to both the laws in force and the Code of Conduct of the Italian stock exchange, of directors Gerlando Genuardi, Attilio Salvetti, Maurizio Cereda, Gregorio Gitti and Eugenio Pinto.

The Board of Auditors verified the correct application of the criteria adopted by the Board of Directors.

**Media Contact: PMS**

**Giancarlo Fre tel. +39 06 48905000**  
[g.fre@pmsgroup.com](mailto:g.fre@pmsgroup.com)

**Andrea Faravelli tel.+39 02 48000250**  
[a.faravelli@pmsgroup.com](mailto:a.faravelli@pmsgroup.com)

**Investor Relations :**

**Andrea Razeto tel.+39 010 6552068**  
[razeto.andrea@ansaldo-sts.com](mailto:razeto.andrea@ansaldo-sts.com)