

Genoa, 30 October 2015

THE BOARD OF DIRECTORS APPROVES THE CONSOLIDATED INTERIM FINANCIAL REPORT AT 30 SEPTEMBER 2015

- **Order Backlog at EUR 6,029.2 million (+1.1%);**
- **Revenue at EUR 952.6 million (+9.4%);**
- **EBIT at EUR 90.9 million (+12.6%);**
- **Net Result at EUR 59.5 million (+16.6%);**
- **Net Financial Position, positive net cash at EUR (276.8) million (+31.4%);**
- **Economic Value Added (EVA) at EUR 39.4 million (+20.1%).**

The Board of Directors of Ansaldo STS S.p.A. (STS.MI) has examined and approved the Group's consolidated Interim Financial Report at 30 September 2015.

Order Backlog at EUR **6,029.2** million (EUR 6,120.8 million at 31 December 2014, and EUR 5,964.8 million at 30 September 2014).

Revenue at EUR **952.6** million, an increase of EUR 82.1 million compared with EUR 870.5 million. The increase is mainly due to the start of new contracts awarded in recent years.

Operating Income (EBIT) is EUR **90.9** million, an increase of EUR 10.2 million compared with 30 September 2014; **Return on Sales (ROS)** is **9.5%** compared with 9.3% in the previous year.

Net Result is EUR **59.5** million (EUR 51.1 million at 30 September 2014).

The CEO of Ansaldo STS, Stefano Siragusa, is very satisfied with the results of the company, which "show that steadily, quarter on quarter, in Ansaldo STS we all are keeping our promises in terms of double digits profitable growth. We are building our future because we have decided to significantly increase our investments in R&D. We deserve all this because we showed that we were able to double-digit increase our productivity, cut costs and reduce working capital. The significant increase in cash generation demonstrates the reliability of our business model and management. With the strength of these results, we all are committed to, thanks to Hitachi, further accelerate the virtuous growth path that has

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always characterized us and to achieve the role of market leaders who believe we deserve. We are convinced that the future with Hitachi will give us new inputs because our technological and human competences will be enriched with undisputed expertise and excellence that have made Hitachi the Group global which we are proud to start being part of".

Consolidated results at September 2015

Ansaldo STS

Key consolidated figures <i>(EUR million)</i>	30.09.2015	30.09.2014	% Change	31.12.2014
New orders	589.3	1,239.2	-52.4%	1,825.0
Order Backlog	6,029.2	5,964.8	1.1%	6,120.8
Revenue	952.6	870.5	9.4%	1,303.5
EBIT	90.9	80.7	12.6%	124.5
R.O.S	9.5%	9.3%	+0.2 p.p.	9.6%
Tax Rate	34.3%	36.0%	-1.7 p.p.	34.9%
Net Result	59.5	51.1	16.6%	80.7
Net Working Capital	81.4	94.0	-13.4%	41.8
Net Financial Position (positive net cash)	(276.8)	(210.6)	31.4%	(293.4)
R&D	27.3	21.4	27.7%	33.0
Headcount (no.)	3,759	3,860	-2.6%	3,799
Economic Value Added (EVA)	39.4	32.8	20.1%	57.7
EPS	0.30	0.26*	15.4%	0.43

* Recalculated following the free share capital increase of 14 July 2014

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Net Working Capital increases from EUR 41.8 million at 31 December 2014 to EUR **81.4** million at 30 September 2015 (EUR 94.0 million at 30 September 2014).

The variation is due to an increase of net work in progress and a decrease of trade payables, partially offset by the decrease of trade receivables.

Net Financial Position, positive cash, is EUR **(276.8)** million, an increase compared with EUR (210.6) million at 30 September 2014 and a decrease compared with EUR (293.4) million at 31 December 2014.

Free Operating Cash Flow (FOCF) before strategic investments shows a generated cash flow of EUR **23.3** compared with EUR 8.8 million at 30 September 2014.

Main orders:

Country	Project	Customer	Value (EUR million)
Australia	RAFA – (Various Orders)	Rio Tinto	135
Saudi Arabia	Riyadh Metro – Iconic Stations (variation)	A D A	62
France	Bistandard onboard Plan Programme	SCNF	18
U.S.A.	NYCT 4 th - 6 th Avenue	NYCT	15
Denmark	Copenhagen Cityringen + O&M – order variation	Metroselskabet	14
Italy	Line 6 - Mergellina San Pasquale	Naples Municipality	13
Italy	Repairs	Trenitalia	13
Italy	CTO upgrade STB Trenitalia rail vehicles	Trenitalia	12
China	Tianjin Metro Line 5	Insigma	10
Various EU / Asia	Components	Various	49
Various EU / Asia	Other Services & Maintenance	Various	48
U.S.A.	Components	Various	42

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ATTACHMENTS:

**CONSOLIDATED INCOME STATEMENT
ANSALDO STS**

Consolidated Income Statement <i>(EUR million)</i>	30.09.2015	30.09.2014
Revenue	952.6	870.5
Purchases and personnel expenses	(855.4)	(779.3)
Changes in work in progress, semi-finished products and finished goods	3.8	1.7
Amortization, depreciation and impairment losses	(13.7)	(11.9)
Restructuring costs	-	(4.6)
Other net operating income	3.4	4.3
Operating Income (EBIT)	90.9	80.7
Net financial income (expense)	(0.3)	(0.9)
Income taxes	(31.0)	(28.7)
Non-current assets held for sale	-	-
Net Profit	59.5	51.1
Profit per share	0.30	0.26*

* Recalculated following the free share capital increase of 14 July 2014

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**CONSOLIDATED BALANCE SHEET
ANSALDO STS**

Consolidated Balance Sheet <i>(EUR million)</i>	30.09.2015	30.09.2014	31.12.2014
Non-current assets	311.5	284.2	296.7
Non-current liabilities	(56.1)	(52.6)	(57.1)
	255.4	231.6	239.6
Inventories	125.7	126.1	106.1
Contract work in progress	371.4	343.2	304.2
Trade receivables	581.3	602.0	710.6
Trade payables	(324.5)	(337.4)	(368.9)
Progress payments and advances from Customers	(658.7)	(631.0)	(686.2)
Provisions for risks and charges	(10.1)	(14.3)	(10.4)
Other net assets (liabilities)	(3.7)	5.4	(13.6)
Net Working Capital	81.4	94.0	41.8
Net Invested Capital	336.8	325.6	281.4
Group equity	613.1	535.1	573.6
Third parties equity	0.5	1.2	1.3
Equity	613.6	536.3	574.9
Assets held for sale	-	0.1	0.1
Net Financial Position (liquidity)	(276.8)	(210.6)	(293.4)

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**CONSOLIDATED CASH FLOW STATEMENT
ANSALDO STS**

Consolidated Cash Flow Statement <i>(EUR million)</i>	30.09.2015	30.09.2014
Opening Cash and cash equivalents	270.1	191.5
Gross cash flow from operating activities	112.5	107.1
Change in working capital	(25.7)	(80.3)
Changes in other operating assets and liabilities	(53.1)	(32.0)
Cash flow generated by (used in) operating activities	33.7	(5.2)
Cash flow from ordinary investing activities	(10.4)	(3.6)
Free operating cash-flow	23.3	(8.8)
Strategic investments	(8.3)	(1.9)
Other changes in investing activities	-	-
Cash flow generated by (used in) investing activities	(18.7)	(5.5)
Dividends paid	(30.8)	(28.8)
Cash flow from financing activities	(19.1)	(8.5)
Cash flow from generated by (used in) financing activities	(49.9)	(37.3)
Exchange rate gain and losses, net	2.0	2.9
Closing cash and cash equivalents	237.2	146.4

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Note:

Ansaldo STS management also assesses the performance of the group using certain indicators which are not defined by the IFRS-EU.

The components of each indicator are described below as required by CESR/05 – 178b Communication:

EBIT: earnings before interest and taxes, before any adjustment, EBIT excludes any gains or losses made on unconsolidated equity investments and securities, as well as any gains or losses on sales of consolidated equity investments, which are classified under “financial income and expense” or “share of profits (losses) of equity-accounted investees” if related to equity-accounted investments.

Adjusted EBIT: refers to the EBIT as described above, net of:

- any impairment of goodwill;
- amortization of the percentage of purchase price allocated to intangible assets acquired as part of business combination, pursuant to IFRS 3;
- restructuring costs in relation to defined and significant plans;
- other income or expenses of an extraordinary nature, i.e. Related to particularly significant events which are unrelated to ordinary activities.

Free Operating Cash Flow (FOCF): this indicator is the sum of cash flow from (used in) operating activities and cash flow from (used in) investing and disinvesting in property, plant and equipment, intangible assets and equity investments, net of cash flows from acquisitions or sales of equity investments which are deemed “strategic” due to their nature or importance. The reclassified statement of cash flows set out in paragraph 8 shows how FOCF is arrived at for the current reporting period and corresponding period of the previous year.

Economic Value Added (EVA): is the difference between EBIT net of income taxes and the cost of average invested capital of the current reporting period and the corresponding period of the previous year measured on the basis of the weighted average cost of capital (WACC).

Net Working Capital: is the working capital net of funds for minimizing risks and charges and other current assets and liabilities.

Net Invested Capital: is the sum of non-current assets, non-current liabilities and net working capital.

Net financial position or debt: is the calculation method used that complies with paragraph 127 of the CESR/05-054b recommendations implementing Regulation (EC) no. 809/2004.

New Orders: refers to the sum of the contracts agreed with customers during the period that meet the contractual requirements to be recorded in the orders book.

Order Backlog: is the difference between new orders and revenues for the period (including the change in contract work in progress). This difference is added to the backlog for the previous year.

Headcount: is the number of employees recorded in the relevant register on the reporting date.

Return on Sales (R.O.S.): is the ratio of EBIT to revenue.

Return on Equity (R.O.E.): is the ratio of the profit or loss for the reporting period to the average amount of equity at the reporting date and the corresponding period reporting date.

Research and development expense: total expense incurred for research and development, both expensed and sold. Research expense taken to profit or loss usually relates to “general technology”, i.e. aimed at gaining scientific knowledge and/or techniques applicable to various new products and/or services. Sold research expenses represent the expenses commissioned by customers and for which there is a specific sales order and it is treated exactly like an ordinary order (sales contract, profitability, invoicing, advances, etc.) in accounting and management terms.

Roberto Carassai, the director responsible for drawing up the Company's accounting statements, hereby declares, pursuant to Article 154-bis, paragraph 2, of the Consolidated Law on Finance, that the information contained in this press release accurately represents the figures contained in the accounting records.

Ansaldo STS confirms that the management will be available to comment on the above via conference call on **Friday 30 October 2015 at 16.30 CET**.

The presentation used in the conference call will be available on the Company's website www.ansaldo-sts.com at <http://www.ansaldo-sts.com/en/investor-relations/presentations>

To participate in the conference call:

Italy: +39 02 802 09 11;
UK: +44 1 212 81 8004;
USA: +1 718 705 8796

A replay of the conference call will be available from the end of the call on Friday 30 October 2015 for 78 hours, accessible by dialing the access code **863#** and one of the following numbers:

Italy: +39 02 72495;
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