

**HITACHI**  
**Inspire the Next**

Hitachi Rail Italy Investments S.r.l.  
Registered Office:  
Via Tommaso Gulli 39, 20147 Milan, Italy  
VAT and Register of the Enterprises of Milan 09194070968

Messrs.  
**Ansaldo STS S.p.A.**  
Via Paolo Mantovani, 3-5  
16151 - Genoa  
f.a.o. Company Office

*By fax to No. +39 010/6552055*

*29 December 2016*

**RE: Request to supplement the agenda of the ordinary shareholders' meeting of Ansaldo STS S.p.A. pursuant to Article 126-bis of Legislative Decree No. 58 of 24 February 1998**

Dear Sirs,

We refer to the notice published on 19 December 2016 calling an ordinary shareholders' meeting of Ansaldo STS S.p.A. (the "**Company**") for 19 January 2017 (the "**Shareholders' Meeting**") in a single session, at 11h a.m. at the premises of "FONDAZIONE ANSALDO - GRUPPO FINMECCANICA" at Corso F.M. Perrone No. 118, Genoa, to discuss and pass resolution on the following

**AGENDA**

1. Resignation of the auditing company KPMG S.p.A. and award of a new mandate for statutory audit.

By this letter, the undersigned Hitachi Rail Italy Investments S.r.l. ("**Hitachi**") requests that, pursuant to Article 126-*bis* of Legislative Decree No. 56 of 24 February 1998 (the "Consolidated Financial Act" or "**CFA**"), the agenda of the Shareholders' Meeting of the Company be supplemented with the addition of the following item to be submitted to the shareholders' meeting, sitting in ordinary session:

*"Action for liability pursuant to Article 2393 of the Italian Civil Code against the director Dr Giuseppe Bivona. Resolutions pertaining thereto and/or resulting therefrom."*

On the date hereof, Hitachi is the holder of 101,544,702 shares in the Company, amounting to 50.772% - therefore greater than one fortieth - of the Company's registered capital, as evidenced by the certification enclosed hereto as annex "**A**".

An explanatory report setting out the reasons for addition of the item to the agenda of the ordinary Shareholders' Meeting, proposed pursuant to Article 126-*bis*, fourth paragraph, of the CFA is enclosed hereto as annex "**B**".

For any clarification and/or information, please contact the following phone number/email address:

Daniel Mark Phillips  
+447808241693.  
[dan.phillips@hitachirail-eu.com](mailto:dan.phillips@hitachirail-eu.com)

Kind regards,

*[signed]*

**Hitachi Rail Italy Investments S.r.l.**  
From: Daniel Mark Phillips  
In the capacity of: legal representative

Annex A

CERTIFICATION ATTESTING TO OWNERSHIP OF SHARES IN ANSALDO STS S.p.A.  
BY HITACHI RAIL ITALY INVESTMENTS S.R.L.

Communication pursuant to Articles 23/24  
of Bank of Italy/Consob Regulation of 22 February 2008 amended on 24 December 2010

**1. Broker making the communication**

ABI: 03069 CAB: 9400  
Name INTESA SANPAOLO S.P.A.

**2. Participating broker if other than the above**

ABI number (MT account no.)  
Name \_\_\_\_\_

**3. Date of request** 28.12.2016

**4. Date of sending of communication** 28.12.2016

**5. Annual sequential number** 1149

**6. Sequential number of the communication to be rectified/revoked(\*)**

**7. Reason for rectification (\*)**

**8. Name of applicant, if other than the owner of the financial instruments**

**9. Owner of financial instruments:**

Surname or company name: HITACHI RAIL ITALY INVESTMENTS S.r.l.

Name:

Tax identification number: 09194070968

Municipality of birth: Province of birth:

Date of birth: Nationality:

Address: VIA TOMMASO GULLI No. 39

City: 20147 MILAN (MI) State: ITALY

**10. Financial instruments subject to communication**

ISIN: IT0003977540

Name: ANSALDO STS Ordinary Shares

**11. Quantity of financial instruments subject to communication** 101,544,702

**12. Restrictions or entries concerning financial instruments subject to communication**

Nature: Date of: Incorporation: Amendment: Termination:

**13. Date of Reference**

28.12.2016

**14. Effective until**

29.12.2016

**15. Right exercisable**

OD-Article 126-*bis*\* of the  
CLF

**16. Notes**

Certification for the purposes of exercise of the right to add additional items to the agenda of the meeting of shareholders pursuant to Article 126-*bis* of the Consolidated Law on Finance (CLF)

**Intesa Sanpaolo Group Services Scpa**

On the instructions of INTESA SANPAOLO S.p.A.  
Securities Registry and Corporate Actions Office  
[signed]

Annex B

EXPLANATORY REPORT PRODUCED BY HITACHI RAIL ITALY INVESTMENTS S.R.L. PURSUANT TO ARTICLE 126-BIS, PARAGRAPH 4, OF LEGISLATIVE DECREE No. 58 OF 24 FEBRUARY 1998 IN RELATION TO THE REQUEST TO SUPPLEMENT THE AGENDA

Dear Shareholders,

This report has been produced by Hitachi Rail Italy Investments S.r.l. (“**Hitachi**”), as provided by Article 126-*bis*, fourth paragraph, of Legislative Decree No. 58 of 24 February 1998 (the Italian “Consolidated Financial Act”, hereinafter defined as “**CFA**”) in its capacity as shareholder of Ansaldo STS S.p.A. (the “**Company**”), in relation to its request to supplement the agenda of the ordinary Shareholders’ Meeting convened for 19 January 2017 in a single session, with the following item for discussion at the meeting:

*“Action for liability pursuant to Article 2393 of the Italian Civil Code against the director Dr Giuseppe Bivona. Resolutions pertaining thereto and/or resulting therefrom.”*

The request to add an item to the agenda that Hitachi seeks to submit to the ordinary Shareholders’ Meeting of the Company concerns the possibility to take a resolution regarding the corporate liability action against the independent director Mr Giuseppe Bivona in consideration of the Company’s communication to the market dated 20 December 2016 (the “**Press Release**”).

In particular, the said Press Release announced that the meeting of the Board of Directors of the Company held on 19 December 2016 resolved, with a majority decision, - *inter alia* - to “*censure certain conducts of Mr Giuseppe Bivona, a director appointed from the minority list submitted by the Elliott Funds, which constitute a material breach of the director’s duties, as committed with abuse of power and conflict of interest with the Company*”.

In the light of this information, it is deemed necessary to request that the Board of Directors provide to shareholders, during the said Shareholders’ Meeting at the latest, information on the factual evidence of the unlawful conduct of Mr Giuseppe Bivona to which the press release refers, so that the Shareholders’ Meeting may duly evaluate and pass resolution on the liability action against Mr Giuseppe Bivona as provided in Article 2393 of the Civil Code, and consequently establish all the procedural safeguards reasonably deemed necessary to prevent such conduct having an adverse effect on the Company, both in economic terms and in terms of reputation.

As indicated in the Press Release, the conduct of Mr Giuseppe Bivona appears to be in contravention of the duties that characterise the actions of all directors.

Specifically, Mr Giuseppe Bivona is obliged to act, together with the other directors, according to the general principles of proper administration. These principles, which are functional to the correct management of the Company’s business, take the form of an obligation to pursue the company interest without any conflicts of interest, and the obligation to act with a diligence degree that is proportionate with the “nature of their mandate” and their “specific expertise”.

According to the Press Release and to publicly available information, Mr Bivona appears to have pursued, by his conduct, interests other than those of the Company and to that end used his powers as an independent director with an excess of diligence that was not commensurate with the actual specific circumstances.

As far as Hitachi is aware, including with respect to various proceedings brought before the courts by the “minority shareholders” of Ansaldo in relation to the takeover bid and the appointment of the Company’s Board of Directors, Mr Giuseppe Bivona at all times adopted a particularly proactive behaviour, going beyond the tasks of an independent director in a manner intended to arbitrarily obstruct both Hitachi and the Company’s operations, thereby failing to pursue and protect the interests of the Company.

Additionally, as indicated in certain press reports, Mr Giuseppe Bivona submitted several reports to Consob - the Italian Stock Exchange Supervisory Commission - and other authorities, not only against

Ansaldo, but also against other companies of which he is a director or for whose shareholders he acts as a consultant, apparently with the ultimate objective of protecting his own interests and those of his clients, i.e. interests other than those of the Company, and acting in a manner apt to prevent the proper administration by the directors of the Company's business.

Such circumstances appear to be symptomatic of a purely obstructionist conduct on the part of Mr Giuseppe Bivona and denotes a situation of conflict of interest and abuse of power involving Mr Bivona, as assessed by the Board of Directors of Ansaldo during the meeting held on 19 December 2016.

It should also be noted that Mr Giuseppe Bivona holds the position of independent director of the Company and therefore he is a guarantor, together with the other independent directors, of the transparency of the decision-making process within the Board of Directors and of the actual and procedural property of its decisions. In fact, an independent director is responsible for safeguarding the interests of the Company and as such he is required to act without the constraints imposed by the various interests connected with the operation of an enterprise.

Therefore, if the unlawfulness of Mr Giuseppe Bivona's conduct is confirmed, his position vis-à-vis the Company will further deteriorate; as will be definitely jeopardised (i) the independent director's role as guarantor of the Company's interests, and (ii) the fiduciary nature which must always characterise the trust that the Company always places in its management body by virtue of the management relationship.

In the event that a liability action is taken against Mr Bivona pursuant to Article 2393 of the Italian Civil Code, the Shareholders' Meeting will be obliged to take all the appropriate measures as provided by law.

\* \* \*

In conclusion, given the considerations outlined above, and in the event that the Shareholders' Meeting confirms (i) that grounds exist to censure the conduct of Mr Giuseppe Bivona in his capacity as an independent director, and accordingly (ii) that a corporate liability proceeding may legitimately be taken against him pursuant to Article 2393 of the Italian Civil Code, Hitachi hereby formulates the following resolution, without prejudice to any addition that may be deemed necessary by the Board of Directors:

*"The Shareholders' Meeting of Ansaldo STS S.p.A., held in ordinary session, acknowledging the explanatory report produced by the shareholder Hitachi Rail Italy Investments S.r.l. and the observations of the Board of Directors*

***resolves***

- 1. to bring a corporate liability action pursuant to Article 2393 of the Civil Code against Mr Giuseppe Bivona in his capacity as an independent director, in order to obtain compensation for damages he has caused to the Company;*
- 2. to grant the Chairman of the Board of Directors the widest and most appropriate powers to implement the above resolution, bringing and pursuing the said corporate liability action with the terms and by the methods that he deems appropriate".*

In the event that said resolution is adopted, the Shareholder's Meeting shall also take any further resolutions on the appropriate measures to be taken according to law.