

**Connecting Pieces  
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CONSOLIDATED INTERIM  
FINANCIAL REPORT AT  
**31 MARCH 2015**





**Directors' report at 31 March 2015**

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*(Translation from the Italian original which remains the definitive version)*

# Directors' report at 31 March 2015

## Introduction

The group's financial performance was generally satisfactory in the first quarter of 2015 and confirms the quality of the actions taken by management in terms of effectiveness and efficiency. It is summarised in the table below:

## Key performance indicators

(€'000)	First quarter of 2015	First quarter of 2014	Change
New orders	<b>347,081</b>	146,850	200,231
Order backlog	<b>6,428,420</b>	5,446,317	982,103
Revenue	<b>284,581</b>	263,112	21,469
Operating profit (EBIT)	<b>23,775</b>	21,604	2,171
Adjusted EBIT	<b>23,775</b>	23,004	771
Profit for the period	<b>17,715</b>	13,977	3,738
Net working capital	<b>9,395</b>	74,995	(65,600)
Net invested capital	<b>268,403</b>	298,380	(29,977)
Net financial position	<b>(342,537)</b>	(214,673)	(127,864)
Free operating cash flow	<b>48,195</b>	(31,664)	79,859
ROS	<b>8.4%</b>	8.2%	+0.2 p.p.
ROE	<b>15.0%</b>	15.3%	-0.3 p.p.
EVA	<b>9,755</b>	7,890	1,865
Research and development	<b>8,585</b>	6,222	2,363
Headcount (no.)	<b>3,797</b>	3,916	(119)

Ansaldo STS group recognised a profit of €17.7 million for the first quarter of 2015, compared to €14.0 million for the corresponding period of 2014. Revenue came to €284.6 million, up on the first quarter of 2014 (€263.1 million), and ROS was 8.4%, compared to 8.2% in the first quarter of 2014.

More specifically:

New orders totalled €347.1 million compared to €146.9 million for the first quarter of 2014; the order backlog amounted to €6,428.4 million (€5,446.3 million at 31 March 2014 and €6,120.8 million at 31 December 2014).

Revenue came to €284.6 million, up by €21.5 million on the €263.1 million of the first quarter of 2014. The increase is due to a different mix as a result of the volume of new contracts acquired in recent years.

Operating profit (EBIT) came to €23.8 million, compared to €21.6 million in the first quarter of 2014. The €2.2 million increase is due to larger volumes. ROS rose to 8.4% compared to 8.2% in the corresponding period of the previous year.

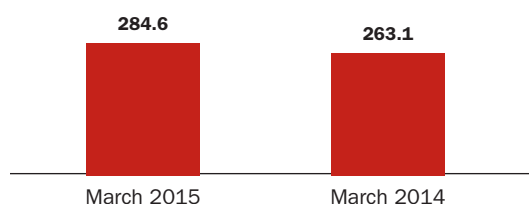
The profit for the period came to €17.7 million (€14.0 million for the corresponding period of 2014). The group's net financial position increased from -€293.4 million at 31 December 2014 to -€342.5 million.

Research and development expenditure recognised in profit or loss amounted to €8.6 million, up from the €6.2 million expenditure recognised in the corresponding period of the previous year.

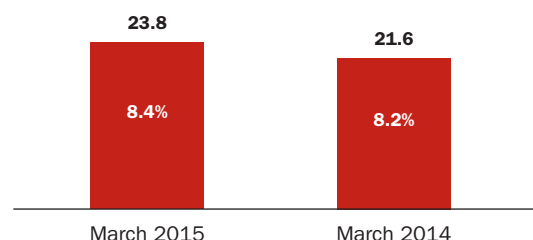
The group's headcount decreased by a net 119 employees to 3,797 from 3,916 at 31 March 2014 and 3,799 at 31 December 2014.

The average headcount of 3,767 employees decreased compared to 3,884 in the first quarter of 2014 and 3,854 for 2014.

### Revenue for the quarters ended 31 March 2015 and 2014 (€M)



### EBIT and ROS for the quarters ended 31 March 2015 and 2014 (€M)



The reclassified income statement, reclassified statement of financial position, reclassified net financial position and reclassified statement of cash flows follow to provide further disclosure on the group's financial position, results of operations and cash flows.

The group's performance for the reporting period and corresponding period of the previous year is shown in the following table:

Reclassified income statement (€'000)	First quarter of	
	2015	2014
<b>Revenue</b>	<b>284,581</b>	<b>263,112</b>
Purchases and personnel expense (*)	(261,106)	(239,574)
Amortisation, depreciation and impairment losses	(4,221)	(3,671)
Other net operating income (**)	2,869	1,160
Change in work-in-progress, semi-finished products and finished goods	1,652	1,977
<b>Adjusted EBIT</b>	<b>23,775</b>	<b>23,004</b>
Restructuring costs	-	(1,400)
<b>Operating profit (EBIT)</b>	<b>23,775</b>	<b>21,604</b>
Net financial income (expense)	1,912	7
Income taxes	(7,972)	(7,644)
Profit from discontinued operations	-	10
<b>Profit for the period</b>	<b>17,715</b>	<b>13,977</b>
<i>attributable to the owners of the parent</i>	<i>17,750</i>	<i>13,997</i>
<i>attributable to non-controlling interests</i>	<i>(35)</i>	<i>(20)</i>
<b>Earnings per share</b>		
<i>Basic and diluted</i>	<i>0.09</i>	<i>0.07<sup>^</sup></i>

<sup>^</sup> Recalculated following the bonus issue of 14 July 2014

Reconciliation between the reclassified income statement and the income statement included in the condensed interim consolidated financial statements:

(\*) Includes the captions "Purchases", "Services", "Personnel expense" (net of restructuring costs) and "Accruals to (use of) the provision for expected losses to complete contracts" net of "Internal work capitalised".

(\*\*) Includes the net amount of "Other operating income" and "Other operating expense" (net of restructuring costs, impairment losses and accruals to (use of) the provision for expected losses to complete contracts).

Thanks to the larger revenue attained in the reporting period, the group's operating profit and net financial income improved, which, net of the increase in income taxes, led to a rise in the profit for the period.

The group's reclassified statement of financial position as at 31 March 2015 is set out below:

Reclassified statement of financial position (€'000)	31.03.2015	31.12.2014
Non-current assets	316,087	296,728
Non-current liabilities	(57,079)	(57,127)
	<b>259,008</b>	<b>239,601</b>
Inventories	116,673	106,127
Contract work in progress	339,826	304,154
Trade receivables	617,883	710,649
Trade payables	(312,332)	(368,865)
Progress payments and advances from customers	(726,442)	(686,227)
<b>Working capital</b>	<b>35,608</b>	<b>65,838</b>
Provisions for risks and charges	(10,134)	(10,422)
Other liabilities, net (*)	(16,079)	(13,609)
<b>Net working capital</b>	<b>9,395</b>	<b>41,807</b>
<b>Net invested capital</b>	<b>268,403</b>	<b>281,408</b>
Equity attributable to the owners of the parent	610,457	573,644
Equity attributable to non-controlling interests	483	1,278
<b>Equity</b>	<b>610,940</b>	<b>574,922</b>
Non-current assets held for sale	-	99
<b>Net financial position</b>	<b>(342,537)</b>	<b>(293,415)</b>

Reconciliation between the reclassified statement of financial position and the statement of financial position included in the condensed interim consolidated financial statements:

(\*) Includes "Tax assets", "Other current assets" and "Derivative assets", net of "Tax liabilities", "Other current liabilities" and "Derivative liabilities".

Net invested capital totalled €268.4 million compared to €281.4 million at 31 December 2014 (€298.4 million at 31 March 2014). The €13.0 million decrease is due to the fall in net working capital from €41.8 million at 31 December 2014 to €9.4 million at the reporting date (€75.0 million at 31 March 2014).

Specifically, the above decrease is mainly due to the decline in trade receivables only partially offset by the reduction in trade payables.

The increase in progress payments and advances from customers under liabilities, substantially due to the collection of the last instalment of the advance on the Riyadh project, is practically offset by the increase in inventories and contract work in progress under assets.

The group's net financial position at 31 March 2015 and 31 December 2014 is made up as follows:

(€'000)	31.03.2015	31.12.2014
Current loans and borrowings	8,309	5,363
Non-current loans and borrowings	-	-
Cash and cash equivalents	(285,901)	(270,067)
<b>NET CASH AND CASH EQUIVALENTS</b>	<b>(277,592)</b>	<b>(264,704)</b>
Related party loan assets	(5,412)	(10,709)
Other loan assets	(60,450)	(30,326)
<b>LOAN ASSETS</b>	<b>(65,862)</b>	<b>(41,035)</b>
Related party loans and borrowings	-	10,351
Other current loans and borrowings	917	1,973
Other non-current loans and borrowings	-	-
<b>OTHER LOANS AND BORROWINGS</b>	<b>917</b>	<b>12,324</b>
<b>NET FINANCIAL POSITION</b>	<b>(342,537)</b>	<b>(293,415)</b>

At 31 March 2015, the group's net financial position (greater loan assets and cash and cash equivalents than loans and borrowings) was -€342.5 million, compared to -€293.4 million at 31 December 2014 and -€214.7 million at 31 March 2014.

The reclassified statement of cash flows for the period ended 31 March 2015 follows:

(€'000)	31.03.2015	31.03.2014
<b>Opening cash and cash equivalents</b>	<b>270,067</b>	<b>191,521</b>
Gross cash flows from operating activities	28,788	26,011
Changes in other operating assets and liabilities	(22,823)	(8,988)
<b>Funds from operations</b>	<b>5,965</b>	<b>17,023</b>
Change in working capital	45,067	(46,779)
<b>Cash flows from (used in) operating activities</b>	<b>51,032</b>	<b>(29,756)</b>
Cash flows used in ordinary investing activities	(2,837)	(1,908)
<b>Free Operating Cash Flow</b>	<b>48,195</b>	<b>(31,664)</b>
Strategic transactions	(4,334)	-
Other changes in investing activities	111	19
<b>Cash flows used in investing activities</b>	<b>(7,060)</b>	<b>(1,889)</b>
Dividends paid	-	-
Cash flows used in other financing activities	(35,359)	(3,940)
<b>Cash flows used in financing activities</b>	<b>(35,359)</b>	<b>(3,940)</b>
<b>Net exchange rate gains (losses)</b>	<b>7,221</b>	<b>(118)</b>
<b>Closing cash and cash equivalents</b>	<b>285,901</b>	<b>155,818</b>

Cash and cash equivalents increased by €130.1 million to €285.9 million at the reporting date from the balance for the corresponding period of the previous year.

The Free Operating Cash Flow (FOCF) generated in the reporting period before strategic transactions totalled €48.2 million, compared to €31.7 million used in the corresponding period of the previous year.

## Non-IFRS alternative performance indicators

Ansaldo STS's management also assesses the performance of the group and the business units using certain indicators that are not defined by the IFRS.

As required by CESR communication 05-178b, the components of each of these indicators are described below:

- **Operating profit (EBIT):** the unadjusted profit before income taxes and financial income and expense. It does not include income and expense on non-consolidated equity investments and securities or the gains (losses) on the disposal of consolidated equity investments, classified in "Financial income and expense" in the financial statements or, for equity-accounted investees, in the caption "Share of profits (losses) of equity-accounted investees".
- **Adjusted EBIT:** is the EBIT as described above, net of:
  - any impairment losses on goodwill;
  - amortisation of the portion of purchase price allocated to intangible assets acquired as part of business combinations, pursuant to IFRS 3;
  - restructuring costs in relation to defined and significant plans;
  - other income or expense not of an ordinary nature, i.e., related to particularly significant events unrelated to ordinary activities.

A reconciliation of EBIT and Adjusted EBIT for the reporting period and corresponding period of the previous year is set out below:

(€'000)	First quarter of	
	2015	2014
EBIT	23,775	21,604
Restructuring costs	-	1,400
<b>Adjusted EBIT</b>	<b>23,775</b>	<b>23,004</b>

- **Free Operating Cash Flow (FOCF):** the sum of cash flows from (used in) operating activities and cash flows 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 the previous section shows how FOCF is arrived at for the current reporting period and corresponding period of the previous year.
- **Funds From Operations (FFO):** the cash flows from (used in) operating activities, net of changes in working capital. The reclassified statement of cash flows set out in the previous section shows how FFO is arrived at for the current reporting period and corresponding period of the previous year.
- **Economic value added (EVA):** the difference between EBIT net of income taxes and the cost of the average invested capital of the two periods under comparison, calculated using the weighted average cost of capital (WACC).
- **Operating working capital:** comprises trade receivables and payables, inventories, work in progress, progress payments and advances from customers and provisions for risks and charges.
- **Net working capital:** is operating working capital less 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 which complies with paragraph 127 of the CESR/05-054b recommendations implementing Regulation (EC) no. 809/2004.
- **New orders:** are 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:** the difference between new orders and revenue for the period (including the change in contract work in progress). This difference is added to the backlog for the previous period.
- **Headcount:** is the number of employees recorded in the relevant register on the reporting date.
- **Return on Sales (ROS):** is the ratio of EBIT to revenue.
- **Return on Equity (ROE):** 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:** the 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 expense represents that 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.

## Performance

### The market and commercial situation

New orders acquired during the reporting period approximated €347 million (€147 million in the corresponding period of the previous year).

Specifically, the key events of the reporting period are described by geographical segment below:

#### ITALY

Orders acquired during the period amount to approximately €27 million and mainly relate to component, maintenance and service contracts.

#### REST OF EUROPE

Orders approximate €52 million and mainly relate to contracts acquired in France of roughly €37 million, including that with the French railways (SNCF) to develop on-board device software for high speed lines (€18 million) and that with RATP to maintain the Paris metro (roughly €6 million).

Orders in Spain, worth €6 million, are due to the extension of the maintenance contract for the Madrid-Lleida high speed line, while orders in Finland, worth roughly €5 million, relate to a contract for the delivery of 80 on-board devices.

#### NORTH AFRICA AND THE MIDDLE EAST

New orders approximate €69 million and mainly consist of the order variation relating to the Iconic Stations to be built as part of the Riyadh metro project (€62 million).

#### AMERICAS

Orders acquired during the period in the United States total €32 million, including €14 million relating to the sale of components, maintenance and renovation of freight railway lines, while roughly €15 million relating to the 4<sup>th</sup>-6<sup>th</sup> Avenue project of the New York metro.

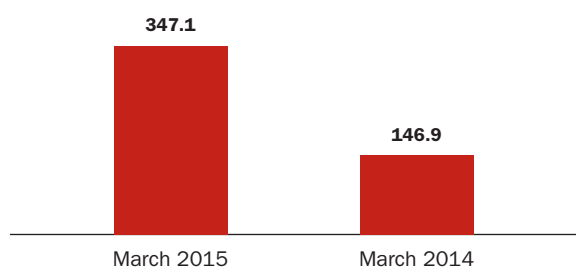
#### ASIA PACIFIC

Orders for the period amount to approximately €162 million, including roughly €126 million acquired in Australia for variations to the Rio Tinto master agreement for plant on mining and freight transport railway lines and roughly €25 million acquired in China including the supply of 160 on-board devices featuring “C3 Chinese high speed” technology (roughly €15 million). The metro sector includes the CBTC contract relating to Line 5 of the Tianjin metro worth approximately €10 million.

Key orders acquired in the first quarter of 2015 are as follows:

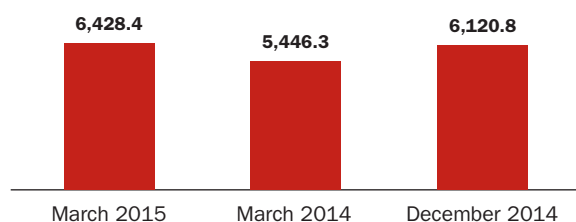
Country	Project	Customer	Amount (€m)
Australia	RAFA - various orders (master agreement)	Rio Tinto	126.4
Saudi Arabia	Riyadh metro - Iconic Stations	A D A	61.7
France	SNCF bstandard onboard plan program	SCNF	17.8
USA	NYCT 4 <sup>th</sup> - 6 <sup>th</sup> Avenue	NYCT	14.6
China	Tianjin metro - Line 5	Insigma	10.0
Various EU / Asia	Components	Various	27.3
Various EU / Asia	Services and maintenance	Various	25.1
USA	Components	Various	14.3

### New orders for the first quarters of 2015 and 2014 (€M)



The order backlog at 31 March 2015 amounted to €6,428.4 million compared to €6,120.8 million at 31 December 2014, up by €307.6 million (€5,446.3 million at 31 March 2014).

### Order backlog at 31 March 2015 and 2014 (€m) and 31 December 2014



The order backlog at 31 March 2015 includes the residual amount of contracts in Libya, currently interrupted, worth €466.6 million.

## Business performance

The key production activities are summarised by geographical segment below.

### ITALY

Production activities on high-speed railway projects mainly focused on the executive design and materials procurement for the project relating to the Treviglio-Brescia section as part of the Saturno consortium.

In the on-board SCMT/ERTM systems segment, activities continued on the new ETR1000 high-speed trains for the Trenitalia fleet.

In the ACC business segment, production mainly related to the project for the technological upgrade of the Turin-Padua line, specifically the detailed executive design and materials procurement. The 4.1 milestone relating to the partial completion of the project was achieved in February with the activation of eight systems at Rezzato, Lonato, Desenzano, Peschiera, Sommacampagna, Brescia and on the Brescia-Verona line.

With reference to Line 6 of the Naples metro, work on the civil works at the Arco Mirelli station continued, following the release from seizure of the station shaft. Electro-mechanical installations are slated to begin by mid-2015. With regard to Line C of the Rome metro, after the Pantano-Centocelle line became operative at the end of the previous year, activities are underway to extend the line up to the Lodi station.

With reference to Line 5 of the Milan metro, works continued in view of EXPO 2015. The installations have been completed and the system is being tested. Five stations should be opened to the public by the end of April.

## REST OF EUROPE

In France, activities mainly focused on on-board systems and devices for the country's high-speed network, as well as the maintenance, assistance and production of individual parts contracts.

In Sweden, production mainly related to the Ester ERTMS and Stockholm Red Line projects.

In the United Kingdom, residual activities continued on the Cambrian Line project.

In Germany, activities progressed on the software development project related to the supply of on-board devices for Velaro D and Velaro Eurostar high-speed trains.

In Turkey, works to install and roll out the multi-station equipment relating to the Mersin-Toprakkale project continued at full speed, in compliance with the agreement formalised with the customer TCDD in the second half of the previous year.

In relation to the Ankara metro, activities progressed in line with the new plan agreed with the customer whereby the M1 line should be activated in DTP mode within the first half of the year.

In Greece, the project for the Thessaloniki metro is significantly behind schedule due to the need to complete works on archaeological finds, problems encountered in expropriation activities and changes in the project of civil works due to hydrogeological conditions.

With reference to the arbitration request made by the joint arrangement to obtain the recognition of sundry greater expense and/or extra costs incurred in completing the contract, the arbitration procedure which is currently underway only refers to part of the original claims. In fact, as most of them were rejected by the arbitration board, action was taken to the ordinary court.

In Denmark, in the first half of 2015, works focused on design activities for the Copenhagen Cityringen project. Access to the line is slated within the first half of the year.

## AMERICAS

Design activities for the contract related to the construction of the Honolulu metro in Hawaii continued. Under the revised work plan, the first part of the line is slated to open within the end of 2017.

Production for the sale of components for the existing eight product lines (Electronics, Ground Material, Relays, End of Train, Cab Signals, Highway Crossings, Component Projects and Services) is worth mentioning.

In Peru, preliminary design activities continued on Lines 2 and 4 of the Lima metro.

## NORTH AFRICA AND THE MIDDLE EAST

As mentioned in the 2014 directors' report, it is presently difficult to say when production for the Libyan railway project will resume. The arbitration procedure for the dispute with the Russian customer Zarubezhstroytechnology (ZST) continued before the Vienna International Arbitral Centre. In May 2014, the procedure to form the arbitration panel was completed with the appointment of the chairman, in addition to the arbitrators. The hearing is scheduled for the second half of 2015.

## Key events of and after the reporting period

In the United Arab Emirates, section 1 (Habshan-Ruwais) of the Abu Dhabi (Shah-Habshan-Ruwais line) project was completed and delivered to the customer. Section 2 (Ruwais-Shah line) is currently being completed.

In Saudi Arabia, the design activities for the Riyadh Metro System project are currently underway.

In China, the projects related to the CBTC systems for the Chengdu, Shenyang, Xi'an, Zhengzhou, Hangzhou and Dalian metros continued according to schedule. The entire line relating to the project for the Zhuhai cable-free tramway should be opened in the second half of 2015.

### ASIA PACIFIC

In Australia, production activities mainly focused on projects covered by the master agreement with Rio Tinto (RAFA) and the Roy Hill project.

Specifically, with reference to the RAFA projects, works continued on AutoHaul, where wayside commissioning was completed and the installation of on-board devices on locomotives began.

With regard to the Roy Hill project, the wayside design was completed as was the on-board part, while the relevant on-site activities made progress, though behind the original work plan schedule.

In India, production mainly focused on the KFW project, with respect to which works are set to continue after the last extension date following the many variations requested by the customer. The Calcutta metro project currently shows a delay due to the civil works and the unavailability of project inputs.

## Key events of and after the reporting period

On 24 February 2015, Hitachi Ltd. and Finmeccanica S.p.A. communicated their signing of binding agreements for Hitachi's purchase of Finmeccanica's entire investment in Ansaldo STS S.p.A., equal to approximately 40% of its share capital, and AnsaldoBreda S.p.A.'s current business except for certain revamping activities and specific residual contracts.

Such transaction is expected to be closed during the current year and is subject to the specific conditions typical of these kinds of transactions, such as regulatory and anti-trust authorisations.

On 28 February 2015, pursuant to article 122 of Legislative decree no. 58/1998 (the Consolidated Finance Act) and implementing the regulation adopted with Consob resolution no. 11971/1999 ("Issuer regulation"), Hitachi Ltd. and Finmeccanica S.p.A. announced, for all intents and purposes, that they had entered into a share purchase agreement (the "Agreement") on 24 February 2015. As this agreement contained certain provisions designed to implement the transaction that could theoretically be construed as a shareholders' agreement, for reasons of prudence they were covered by the relevant disclosure formalities. The provisions of the Agreement relate to Ansaldo STS S.p.A.'s shares, currently held by Finmeccanica S.p.A., which represent approximately 40% of its share capital with voting rights.

The provisions of the Agreement could be theoretically construed as regulating the exercise of voting rights in a listed company and provisions limiting the transfer of the relevant shares, pursuant to article 122.1 and 5.b) of the Consolidated Finance Act.

The abstract of the agreement published pursuant to the law and key information on the significant provisions contained therein, in compliance with ruling regulations, are available on the company's internet site at <http://www.ansaldo-sts.com/it/governance/patti-parasociali>.

## Financial disclosure

The official share price in the 31 December 2014 to 31 March 2015 period rose from €8.33 to €9.43. This 13.2% increase is mainly due to the binding agreements signed by Finmeccanica and Hitachi for Hitachi's purchase of Finmeccanica's entire investment in Ansaldo STS S.p.A. Specifically, the transaction, which provides for a share price of €9.65 per share (less €0.15 for the dividend payout approved by Ansaldo STS S.p.A.'s shareholders in their meeting held on 23 April 2015), is expected to be closed during the current year and is subject to the specific conditions typical of these kinds of transactions.

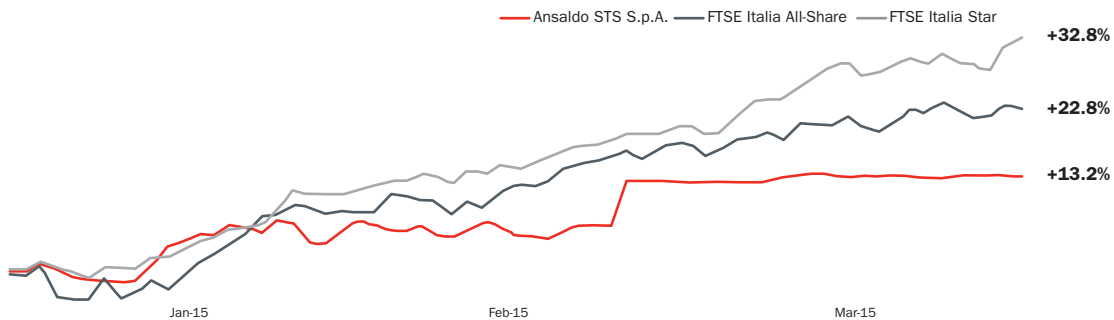
The share's period high of €9.48 was recorded on 12 March 2015 and its low of €8.19 on 9 January 2015. An average 1,322,658 shares were traded daily in the period, compared to 1,193,685 shares traded in the corresponding period of the previous year.

The FTSE Italia All-Share index gained 22.8%, while the FTSE Italia STAR index rose 32.8%.


Following the merger of GTECH into ITG, effective from 7 April 2015, based on the FTSE management method, the GTECH share was excluded from the FTSE MIB index and replaced by Ansaldo STS, the first company on the reserve list.

Consequently, to date, the Ansaldo STS share, which obviously continues to be part of the FTSE Italy Star index, is again included in the FTSE MIB index, which consists of the 40 most-capitalised shares on the exchange.

### Share performance compared to the main indices (base 100)







Condensed interim  
consolidated financial  
statements at  
**31 March 2015**  
and notes thereto

# 1. Condensed interim consolidated financial statements

## 1.1 Income statement

(€'000)	First quarter of			
	2015	of which, related parties	2014	of which, related parties
Revenue	284,581	43,359	263,112	39,857
Other operating income	8,056	45	5,729	14
Purchases	(60,602)	(2,995)	(54,760)	(4,967)
Services	(121,959)	(13,945)	(109,819)	(13,734)
Personnel expense	(81,322)	-	(79,487)	-
Amortisation, depreciation and impairment losses	(4,221)	-	(3,671)	-
Other operating expense	(3,848)	-	(2,260)	(21)
Changes in finished goods, work-in-progress and semi-finished products	1,652	-	1,977	-
(-) Internal work capitalised	1,438	-	783	-
<b>Operating profit</b>	<b>23,775</b>		<b>21,604</b>	
Financial income	21,188	3	8,093	113
Financial expense	(24,511)	(18)	(8,349)	(10)
Share of profits (losses) of equity-accounted investees	5,235	-	263	-
<b>Pre-tax profit</b>	<b>25,687</b>		<b>21,611</b>	
Income taxes	(7,972)	-	(7,644)	-
Profit from discontinued operations	-	-	10	-
<b>Profit for the period</b>	<b>17,715</b>		<b>13,977</b>	
<i>attributable to the owners of the parent</i>	<i>17,750</i>		<i>13,997</i>	
<i>attributable to non-controlling interests</i>	<i>(35)</i>		<i>(20)</i>	
<b>Earnings per share</b>				
<i>Basic and diluted</i>	<i>0.09</i>		<i>0.07<sup>^</sup></i>	

<sup>^</sup> Recalculated following the bonus issue of 14 July 2014.

## 1.2 Statement of comprehensive income

(€'000)	First quarter of	
	2015	2014
Profit for the period	17,715	13,977
<b>Items that will never be reclassified to profit or loss:</b>		
- Net actuarial losses on defined benefit plans	(633)	(737)
- Income tax	174	203
	<b>(459)</b>	<b>(534)</b>
<b>Items that will or may be reclassified to profit or loss:</b>		
- Net change in fair value of cash flow hedges	(6,675)	(2,881)
- fair value losses	(9,815)	(1,090)
- transfer to profit or loss	3,140	(1,791)
- Net exchange rate gains	23,648	874
- Income tax	1,914	870
	<b>18,887</b>	<b>(1,137)</b>
<b>Other comprehensive income (expense), net of taxes</b>	<b>18,428</b>	<b>(1,671)</b>
<b>Total comprehensive income for the period</b>	<b>36,143</b>	<b>12,306</b>
Attributable to:		
- the owners of the parent	36,183	12,356
- non-controlling interests	(40)	(50)



## 1.3 Statement of financial position

(€'000)	31.03.2015	of which, related parties	31.12.2014	of which, related parties
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets	52,673	-	52,744	-
Property, plant and equipment	87,899	-	87,543	-
Equity investments	71,051	-	55,949	-
Loans and receivables	40,955	16,667	39,919	16,371
Deferred tax assets	43,555	-	40,025	-
Other non-current assets	19,954	-	20,548	-
	<b>316,087</b>		<b>296,728</b>	
<b>Current assets</b>				
Inventories	116,673	-	106,127	-
Contract work in progress	339,826	-	304,154	-
Trade receivables	617,883	142,834	710,649	169,901
Tax assets	23,916	-	23,131	-
Loan assets	65,862	5,412	41,035	10,709
Other current assets	91,332	161	83,776	251
Cash and cash equivalents	285,901	-	270,067	-
	<b>1,541,393</b>		<b>1,538,939</b>	
Non-current assets held for sale	-	-	99	-
<b>Total assets</b>	<b>1,857,480</b>		<b>1,835,766</b>	
<b>EQUITY AND LIABILITIES</b>				
<b>Equity and liabilities</b>				
Share capital	99,999	-	99,999	-
Reserves	510,458	-	473,645	-
Equity attributable to the owners of the parent	610,457		573,644	
Equity attributable to non-controlling interests	483	-	1,278	-
<b>Total equity</b>	<b>610,940</b>		<b>574,922</b>	
<b>Non-current liabilities</b>				
Employee benefits	33,945	-	34,675	-
Deferred tax liabilities	11,031	-	10,594	-
Other non-current liabilities	12,103	-	11,858	-
	<b>57,079</b>		<b>57,127</b>	
<b>Current liabilities</b>				
Progress payments and advances from customers	726,442	-	686,227	-
Trade payables	312,332	54,760	368,865	54,005
Loans and borrowings	9,226	-	17,687	10,351
Tax liabilities	12,649	-	10,269	-
Provisions for risks and charges	10,134	-	10,422	-
Other current liabilities	118,678	602	110,247	602
	<b>1,189,461</b>		<b>1,203,717</b>	
<b>Total liabilities</b>	<b>1,246,540</b>		<b>1,260,844</b>	
<b>Total liabilities and equity</b>	<b>1,857,480</b>		<b>1,835,766</b>	

## 1.4 Statement of cash flows

(€'000)	First quarter of 2015	of which, related parties	First quarter of 2014	of which, related parties
<b>Cash flows from operating activities:</b>				
Gross cash flows from operating activities	28,788	-	26,011	-
Change in working capital	45,067	-	(46,779)	547
Changes in other operating assets and liabilities	(17,567)	-	(5,275)	(2,755)
Net interest paid	1,417	-	400	103
Income taxes paid	(6,673)	-	(4,113)	-
<b>Cash flows from (used in) operating activities</b>	<b>51,032</b>		<b>(29,756)</b>	
<b>Cash flows from investing activities:</b>				
Acquisitions/coverage of losses of equity investments, net of cash acquired	-	-	(2)	-
Investments in property, plant and equipment and intangible assets	(2,839)	-	(1,908)	-
Cash flows used for strategic transactions	(4,334)	-	-	-
Sales of equity investments	111	-	21	-
Sales of property, plant and equipment and intangible assets	2	-	-	-
Change in non-current financial assets	-	-	-	-
Dividends received	-	-	-	-
Other investing activities	-	-	-	-
<b>Cash flows used in investing activities</b>	<b>(7,060)</b>		<b>(1,889)</b>	
<b>Cash flows from financing activities:</b>				
Net change in other financing activities	(35,301)	(5,054)	(3,940)	660
Share capital increases	-	-	-	-
Other changes	(58)	-	-	-
Dividends paid	-	-	-	-
<b>Cash flows used in financing activities</b>	<b>(35,359)</b>		<b>(3,940)</b>	
Net increase (decrease) in cash and cash equivalents	8,613	-	(35,585)	-
Net exchange rate gains (losses)	7,221	-	(118)	-
Opening cash and cash equivalents	270,067	-	191,521	-
<b>Closing cash and cash equivalents</b>	<b>285,901</b>		<b>155,818</b>	

## 1.5 Statement of changes in equity

(€'000)	Share capital	Retained earnings and consolidation reserves	Hedging reserve	Stock grant reserve	Translation reserve	Other reserves	Equity attributable to the owners of the parent	Equity attributable to non-controlling interests	Total equity
<b>Equity at 1 January 2014</b>	<b>89,998</b>	<b>395,208</b>	<b>(469)</b>	<b>2,453</b>	<b>(17,599)</b>	<b>29,123</b>	<b>498,714</b>	<b>346</b>	<b>499,060</b>
Change in consolidation scope	-	1,773	31	-	(1,093)	(8)	703	757	<b>1,460</b>
Net change in stock grant reserve	-	-	-	463	-	-	463	-	<b>463</b>
Other comprehensive income (expense), net of taxes	-	-	(2,881)	-	904	336	(1,641)	(30)	<b>(1,671)</b>
Net change in treasury shares	1	-	-	-	-	-	1	-	<b>1</b>
Profit for the period ended 31 March 2014	-	13,997	-	-	-	-	13,997	(20)	<b>13,977</b>
<b>Equity at 31 March 2014</b>	<b>89,999</b>	<b>410,978</b>	<b>(3,319)</b>	<b>2,916</b>	<b>(17,788)</b>	<b>29,451</b>	<b>512,237</b>	<b>1,053</b>	<b>513,290</b>
<b>Equity at 1 January 2015</b>	<b>99,999</b>	<b>445,581</b>	<b>4,015</b>	<b>4,262</b>	<b>3,458</b>	<b>16,329</b>	<b>573,644</b>	<b>1,278</b>	<b>574,922</b>
Change in consolidation scope	-	(3,132)	-	-	3,132	-	-	-	-
Net change in stock grant reserve	-	-	-	576	-	-	576	-	<b>576</b>
Other comprehensive income (expense), net of taxes	-	-	(6,675)	-	23,653	1,455	18,433	(5)	<b>18,428</b>
Other changes	-	54	-	-	-	-	54	(755)	<b>(701)</b>
Profit for the period ended 31 March 2015	-	17,750	-	-	-	-	17,750	(35)	<b>17,715</b>
<b>Equity at 31 March 2015</b>	<b>99,999</b>	<b>460,253</b>	<b>(2,660)</b>	<b>4,838</b>	<b>30,243</b>	<b>17,784</b>	<b>610,457</b>	<b>483</b>	<b>610,940</b>

## 2. Notes to the condensed interim consolidated financial statements at 31 March 2015

### 2.1 General information

Ansaldo STS is a company limited by shares with its registered office in Via Paolo Mantovani 3-5, Genoa, and a branch in Via Argine 425, Naples. It has been listed on the Star segment of the stock exchange managed by Borsa Italiana S.p.A. since 29 March 2006. It was included in the FTSE MIB index from 23 March 2009 to 23 March 2014 and in the FTSE Italia MID CAP index from 24 March 2014 to 6 April 2015. It was then included again in the FTSE MIB index starting from 7 April 2015.

Ansaldo STS S.p.A. is a subsidiary of Finmeccanica S.p.A., with its registered office in Piazza Monte Grappa 4, Rome, which manages and coordinates the company.

The company's fully subscribed and paid-up share capital equals €100,000,000.00, comprising 200,000,000 ordinary shares of a nominal amount of €0.50 each.

Ansaldo STS group operates internationally in the design, construction and operation of signalling and transport systems for above-ground and underground railway lines, both for freight and passengers. It operates worldwide as a main contractor and supplier of turn-key systems. Ansaldo STS S.p.A., as parent, also exercises industrial and strategic guidance and control, coordinating the activities of its operating subsidiaries (together, "Ansaldo STS group" or the "group").

### 2.2 Basis of preparation

Ansaldo STS group's interim financial report at 31 March 2015 is drafted in accordance with article 154-ter5 of Legislative decree no. 58/98 (the Consolidated Finance Act) and subsequent amendments and integrations and in accordance with IAS 34 "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB).

This interim financial report was approved and authorised for publication by the board of directors in accordance with ruling legislation on 5 May 2015.

As per IAS 34 "Interim financial reporting", the notes to the condensed interim consolidated financial statements do not include all disclosures required for annual financial statements, as they refer only to those items that are essential to understand the group's financial position, results of operations and cash flows given their amount, breakdown or changes therein. These condensed interim consolidated financial statements should, therefore, be read in conjunction with the 2014 annual consolidated financial statements.

The accounting policies used for the condensed interim consolidated financial statements are unchanged from those of the 2014 annual consolidated financial statements.

Amounts are shown in thousands or millions of euros unless stated otherwise.

Preparation of the condensed interim consolidated financial statements required management to make estimates.

## 2.3 Consolidation scope

Ansaldo STS group's condensed interim consolidated financial statements at 31 March 2015 include the interim financial statements at 31 March 2015 of the companies/entities in the consolidation scope (the "consolidated entities") drafted pursuant to the IFRS applied by Ansaldo STS group. The consolidated entities are listed below, showing the group's related direct or indirect interest therein:

### Companies consolidated on a line-by-line basis

NAME	INVESTMENT		SHARE/ QUOTA CAPITAL (€'000)	CURRENCY	INVESTMENT %
	TYPE	REGISTERED OFFICE			
ANSALDO STS AUSTRALIA PTY LTD	Direct	Eagle Farm (Australia)	5,026	AUD	100
ANSALDO STS SWEDEN AB	Direct	Solna (Sweden)	4,000	SEK	100
ANSALDO STS UK LTD	Direct	London (United Kingdom)	1,000	GBP	100
ANSALDO STS IRELAND LTD <sup>1</sup>	Direct	Tralee (Ireland)	100	EUR	100
ACELEC Société par actions simplifiée	Indirect	Les Ulis (France)	168	EUR	100
ANSALDO STS ESPAÑA S.A.U.	Indirect	Madrid (Spain)	1,500	EUR	100
ANSALDO STS BEIJING LTD	Indirect	Beijing (China)	837	EUR	80
ANSALDO STS HONG KONG LTD	Indirect	Hong Kong (China)	100	HKD	100
ANSALDO STS FRANCE Société par actions simplifiée	Direct	Les Ulis (France)	5,000	EUR	100
UNION SWITCH & SIGNAL INC	Indirect	Wilmington (Delaware USA)	1	USD	100
ANSALDO STS MALAYSIA SDN BHD	Indirect	Petaling Jaya (Malaysia)	3,000	MYR	100
ANSALDO STS CANADA INC	Indirect	Kingston (Canada)	-	CAD	100
ANSALDO STS USA INC	Direct	Wilmington (Delaware USA)	0.001	USD	100
ANSALDO STS USA INTERNATIONAL CO	Indirect	Wilmington (Delaware USA)	1	USD	100
ANSALDO STS TRANSPORTATION SYSTEMS INDIA PVT LTD	Indirect	Bangalore (India)	4,212,915	INR	100
ANSALDO STS DEUTSCHLAND GMBH	Direct	Munich (Germany)	26	EUR	100
ANSALDO RAILWAY SYSTEM TRADING (BEIJING) LTD	Direct	Beijing (China)	1,500	USD	100
ANSALDO STS SOUTHERN AFRICA PTY LTD	Indirect	Gaborone (Botswana)	0.1	BWP	100

1. In order to boost group efficiency, on 16 December 2014, the board of directors authorised the early dissolution and, consequently, the liquidation of the subsidiary, Ansaldo STS Ireland LTD, now inactive. The process began in January 2015 and is currently underway.

### Companies measured using the equity method

NAME	INVESTMENT		SHARE/ QUOTA CAPITAL (€'000)	CURRENCY	INVESTMENT %
	TYPE	REGISTERED OFFICE			
ALIFANA SCARL	Direct	Naples (Italy)	26	EUR	65.85
ALIFANA DUE SCARL	Direct	Naples (Italy)	26	EUR	53.34
PEGASO SCARL (in liq.)	Direct	Rome (Italy)	260	EUR	46.87
METRO 5 S.p.A.	Direct	Milan (Italy)	53,300	EUR	24.6
METRO BRESCIA S.r.l.	Direct	Brescia (Italy)	4,020	EUR	19.796
INTERNATIONAL METRO SERVICE S.r.l.	Direct	Milan (Italy)	700	EUR	49
BALFOUR BEATTY ANSALDO SYSTEMS JV SDN BHD	Indirect	Kuala Lumpur (Malaysia)	6,000	MYR	40
KAZAKHSTAN TZ-ANSALDO STS ITALY LLP*	Direct	Astana (Kazakhstan)	22,000	KZT	49

\* In its meeting of 26 June 2013, Ansaldo STS's board of directors approved the dissolution of the JV with JSC Remlokomotiv and authorised the early closure and liquidation of Kazakhstan TZ-Ansaldo STS Italy LLP. The liquidation is currently underway. Based on the information available to directors, to date, the above transactions will not generate significant liabilities for Ansaldo STS group.

## 2.4 Exchange rates adopted

The following exchange rates were adopted to translate the foreign currency financial statements and balances for the current and previous years:

	<b>Spot rate at 31.03.2015</b>	<b>Average rate for the three months ended 31.03.2015</b>	Spot rate at 31.03.2014	Average rate for the three months ended 31.03.2014
USD	1.08560	1.12823	1.37580	1.37008
CAD	1.35800	1.39591	1.52620	1.51078
GBP	0.72980	0.74385	0.82770	0.82791
HKD	8.41810	8.75014	10.67300	10.63204
SEK	9.31780	9.38559	8.91910	8.85745
AUD	1.39400	1.43138	1.48990	1.52717
INR	67.87000	70.21419	83.01780	84.62338
MYR	3.99940	4.08081	4.52640	4.51989
BRL	3.48460	3.22003	3.15530	3.24228
CNY	6.74780	7.03635	8.54450	8.35994
VEB	6,830.70000	7,098.96667	8,656.67000	8,620.57667
BWP	10.72520	10.93717	12.14740	12.20981
ZAR	13.05040	13.23614	14.72950	14.89006
KZT	201.53100	208.35910	250.52500	234.00195
JPY	129.39000	134.33753	140.75000	140.83239
AED	3.98524	4.14308	5.05332	5.03223
KRW	1,199.43000	1,241.83264	1,472.86000	1,465.46663

### 3. Segment reporting

A breakdown of revenue by geographical segment is as follows:

(€'000)	First quarter of 2015	First quarter of 2014
Italy	57,263	60,286
Rest of Europe	71,996	77,354
North Africa and Middle East	8,552	15,940
Americas	53,054	32,012
Asia/Pacific	93,716	77,520
<b>Total</b>	<b>284,581</b>	<b>263,112</b>

Property, plant and equipment and intangible assets may be broken down by the geographical segment in which the investment was made as follows:

(€'000)	31.03.2015	31.12.2014
Italy	111,728	112,223
Rest of Europe	13,471	13,674
North Africa and Middle East	126	120
Americas	12,889	11,810
Asia/Pacific	2,358	2,460
<b>Total</b>	<b>140,572</b>	<b>140,287</b>

## 4. Notes to the condensed interim consolidated financial statements at 31 March 2015

### Related party assets and liabilities

Related party trading transactions generally take place on an arm's length basis. The relevant statement of financial position balances are shown below. The statement of cash flows presents the impact of related party transactions on cash flows.

<b>LOANS AND RECEIVABLES AT 31.03.2015 (€'000)</b>	<b>Non-current loan assets</b>	<b>Other non-current financial assets</b>	<b>Current loan assets</b>	<b>Trade receivables</b>	<b>Other current financial assets</b>	<b>Total</b>
<b>Ultimate parent</b>						
Finmeccanica S.p.A.	-	-	2,815	166	157	<b>3,138</b>
<b>Subsidiaries</b>						
Alifana S.c.r.l.	-	-	-	98	-	<b>98</b>
Alifana Due S.c.r.l.	-	-	-	425	-	<b>425</b>
<b>Joint ventures</b>						
Balfour Beatty Ansaldo Syst. JV SDN BHD	-	-	-	8,856	-	<b>8,856</b>
<b>Associates</b>						
International Metro Service S.r.l.	-	-	-	101	-	<b>101</b>
Metro 5 S.p.A.	-	15,816	-	5,398	-	<b>21,214</b>
Metro 5 Lilla S.r.l.	-	-	-	26,313	-	<b>26,313</b>
Metro Brescia S.r.l.	-	373	-	346	-	<b>719</b>
SP M4 S.C.p.A.	-	-	2,597	-	-	<b>2,597</b>
Metro Service AS	-	-	-	1,129	-	<b>1,129</b>
<b>Consortia</b>						
Saturno consortium	-	-	-	18,649	-	<b>18,649</b>
Ascosa Quattro consortium	-	-	-	1,157	-	<b>1,157</b>
Ferroviano Vesuviano consortium	-	-	-	7,360	-	<b>7,360</b>
MM4 consortium	-	182	-	8,387	-	<b>8,569</b>
San Giorgio Volla Due consortium	-	-	-	494	4	<b>498</b>
San Giorgio Volla consortium	-	-	-	1,421	-	<b>1,421</b>
<b>Other group companies</b>						
Selex ES S.p.A.	-	-	-	780	-	<b>780</b>
AnsaldoBreda España SLU	-	-	-	1	-	<b>1</b>
Finmeccanica Global Service S.p.A.	-	-	-	84	-	<b>84</b>
AnsaldoBreda S.p.A.	-	-	-	12,877	-	<b>12,877</b>
Metro de Lima Linea 2 S.A.	-	296	-	11	-	<b>307</b>
SO.GE.PA. S.p.A. (in liq.)	-	-	-	4	-	<b>4</b>
I.M. Intermetro S.p.A. (in liq.)	-	-	-	331	-	<b>331</b>
<b>Other – MEF</b>						
Ferrovie dello Stato group	-	-	-	36,597	-	<b>36,597</b>
Eni group	-	-	-	11,849	-	<b>11,849</b>
<b>Total</b>	<b>-</b>	<b>16,667</b>	<b>5,412</b>	<b>142,834</b>	<b>161</b>	<b>165,074</b>
<b>% of the total corresponding condensed interim consolidated financial statements caption</b>		<b>41%</b>	<b>8%</b>	<b>23%</b>	<b>0,2%</b>	



LOANS AND RECEIVABLES AT 31.12.2014 (€'000)	Non-current loan assets	Other non-current financial assets	Current loan assets	Trade receivables	Other current financial assets	Total
<b>Ultimate parent</b>						
Finmeccanica S.p.A.	-	-	-	76	154	<b>230</b>
<b>Subsidiaries</b>						
Alifana S.c.r.l.	-	-	-	95	-	<b>95</b>
Alifana Due S.c.r.l.	-	-	-	404	-	<b>404</b>
<b>Associates</b>						
International Metro Service S.r.l.	-	-	-	105	-	<b>105</b>
Metro 5 S.p.A.	-	15,816	-	5,298	-	<b>21,114</b>
Metro Service AS	-	-	-	1,434	-	<b>1,434</b>
SP M4 S.C.p.A.	-	-	10,709	162	-	<b>10,871</b>
Metro 5 Lilla S.r.l.	-	-	-	33,419	-	<b>33,419</b>
Metro Brescia S.r.l.	-	373	-	122	-	<b>495</b>
<b>Joint ventures</b>						
Balfour Beatty Ansaldo Systems JV Sdn Bhd	-	-	-	7,559	-	<b>7,559</b>
<b>Consortia</b>						
Saturno consortium	-	-	-	21,021	-	<b>21,021</b>
Ascosa Quattro consortium	-	-	-	1,157	-	<b>1,157</b>
Ferroviano Vesuviano consortium	-	-	-	7,361	-	<b>7,361</b>
MM4 consortium	-	182	-	5,192	-	<b>5,374</b>
San Giorgio Volla Due consortium	-	-	-	494	4	<b>498</b>
San Giorgio Volla consortium	-	-	-	1,421	-	<b>1,421</b>
<b>Other group companies</b>						
AnsaldoBreda S.p.A.	-	-	-	7,870	93	<b>7,963</b>
Selex ES S.p.A.	-	-	-	780	-	<b>780</b>
Finmeccanica Global Services S.p.A.	-	-	-	45	-	<b>45</b>
I.M. Intermetro S.p.A. (in liq.)	-	-	-	331	-	<b>331</b>
<b>Other - MEF</b>						
Ferrovie dello Stato group	-	-	-	64,217	-	<b>64,217</b>
Eni group	-	-	-	11,338	-	<b>11,338</b>
<b>Total</b>	-	<b>16,371</b>	<b>10,709</b>	<b>169,901</b>	<b>251</b>	<b>197,232</b>
<b>% of the total corresponding condensed interim consolidated financial statements caption</b>		<b>41%</b>	<b>26%</b>	<b>24%</b>	<b>0.3%</b>	

<b>PAYABLES AT 31.03.2015</b> (€'000)	<b>Non-current loans and borrowings</b>	<b>Other non-current financial liabilities</b>	<b>Current loans and borrowings</b>	<b>Trade payables</b>	<b>Other current financial liabilities</b>	<b>Total</b>
<b>Ultimate parent</b>						
Finmeccanica Sede S.p.A.	-	-	-	615	-	<b>615</b>
<b>Subsidiaries</b>						
Alifana S.c.r.l.	-	-	-	138	3	<b>141</b>
Alifana Due S.c.r.l.	-	-	-	408	-	<b>408</b>
<b>Joint ventures</b>						
Balfour Beatty Ansaldo Syst. JV SDN BHD	-	-	-	12	-	<b>12</b>
<b>Associates</b>						
Metro Service AS	-	-	-	3,574	-	<b>3,574</b>
Metro Brescia S.r.l.	-	-	-	69	-	<b>69</b>
Metro 5 S.p.A.	-	-	-	12	-	<b>12</b>
Pegaso S.c.r.l. (in liq.)	-	-	-	180	-	<b>180</b>
<b>Consortia</b>						
Saturno consortium	-	-	-	876	5	<b>881</b>
Ascosa Quattro consortium	-	-	-	132	8	<b>140</b>
San Giorgio Volla Due consortium	-	-	-	20	-	<b>20</b>
Ferroviano Vesuviano consortium	-	-	-	157	8	<b>165</b>
San Giorgio Volla consortium	-	-	-	1	8	<b>9</b>
MM4 consortium	-	-	-	249	-	<b>249</b>
Cris consortium	-	-	-	1	-	<b>1</b>
<b>Other group companies</b>						
Finmeccanica Group Service S.p.A.	-	-	-	726	-	<b>726</b>
Telespazio S.p.A.	-	-	-	1	-	<b>1</b>
AnsaldoBreda S.p.A.	-	-	-	4,431	-	<b>4,431</b>
Selex ES S.p.A.	-	-	-	42,400	200	<b>42,600</b>
Fata Logistic System S.p.A.	-	-	-	379	-	<b>379</b>
Fata S.p.A. (in liq.)	-	-	-	69	-	<b>69</b>
DRS Technologies	-	-	-	2	-	<b>2</b>
MetroB S.r.l.	-	-	-	-	370	<b>370</b>
E-Security S.r.l.	-	-	-	60	-	<b>60</b>
E-Geos S.p.A.	-	-	-	17	-	<b>17</b>
<b>Other – MEF</b>						
Ferrovie dello Stato group	-	-	-	219	-	<b>219</b>
Eni group	-	-	-	5	-	<b>5</b>
Enel group	-	-	-	7	-	<b>7</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54,760</b>	<b>602</b>	<b>55,362</b>
<b>% of the total corresponding condensed interim consolidated financial statements caption</b>				<b>18%</b>	<b>1%</b>	

PAYABLES AT 31.12.2014 (€'000)	Non-current loans and borrowings	Other non-current financial liabilities	Current loans and borrowings	Trade payables	Other current financial liabilities	Total
<b>Ultimate parent</b>						
Finmeccanica Sede S.p.A.	-	-	10,351	877	-	<b>11,228</b>
<b>Subsidiaries</b>						
Alifana S.c.r.l.	-	-	-	129	3	<b>132</b>
Alifana Due S.c.r.l.	-	-	-	395	-	<b>395</b>
<b>Associates</b>						
Metro Service AS	-	-	-	1,390	-	<b>1,390</b>
Metro Brescia S.r.l.	-	-	-	69	-	<b>69</b>
Metro 5 S.p.A.	-	-	-	1	-	<b>1</b>
Pegaso S.c.r.l. (in liq.)	-	-	-	64	-	<b>64</b>
<b>Joint ventures</b>						
Balfour Beatty Ansaldo Syst. JV SDN BHD	-	-	-	11	-	<b>11</b>
<b>Consortia</b>						
Saturno consortium	-	-	-	432	5	<b>437</b>
Ascosa Quattro consortium	-	-	-	132	8	<b>140</b>
San Giorgio Volla Due consortium	-	-	-	97	-	<b>97</b>
Ferroviano Vesuviano consortium	-	-	-	157	8	<b>165</b>
San Giorgio Volla consortium	-	-	-	29	8	<b>37</b>
MM4 consortium	-	-	-	230	-	<b>230</b>
Cris consortium	-	-	-	1	-	<b>1</b>
<b>Other group companies</b>						
Finmeccanica Global Service S.p.A.	-	-	-	562	-	<b>562</b>
AnsaldoBreda S.p.A.	-	-	-	1,954	-	<b>1,954</b>
Selex ES S.p.A.	-	-	-	45,966	200	<b>46,166</b>
Fata Logistic System S.p.A.	-	-	-	462	-	<b>462</b>
Fata S.p.A.	-	-	-	82	-	<b>82</b>
DRS Technologies	-	-	-	2	-	<b>2</b>
MetroB S.r.l.	-	-	-	-	370	<b>370</b>
E-Geos S.p.A.	-	-	-	17	-	<b>17</b>
<b>Other - MEF</b>						
Ferrovie dello Stato group	-	-	-	933	-	<b>933</b>
Eni group	-	-	-	6	-	<b>6</b>
Enel group	-	-	-	7	-	<b>7</b>
<b>Total</b>	-	-	<b>10,351</b>	<b>54,005</b>	<b>602</b>	<b>64,958</b>
<b>% of the total corresponding condensed interim consolidated financial statements caption</b>			<b>59%</b>	<b>15%</b>	<b>0.5%</b>	

Trade receivables due from related parties decreased by €27,067 thousand compared to 31 December 2014, mainly with regard to Ferrovie dello Stato group. Trade payables were substantially in line with the 31 December 2014 balance.

**Non-current assets**

Non-current assets totalled €316,087 thousand at 31 March 2015, as follows:

(€'000)	31.03.2015	31.12.2014
Intangible assets	52,673	52,744
Property, plant and equipment	87,899	87,543
Equity investments	71,051	55,949
Loans and receivables	40,954	39,919
Deferred tax assets	43,555	40,025
Other non-current assets	19,955	20,548
<b>Total</b>	<b>316,087</b>	<b>296,728</b>

Specifically:

- intangible assets amount to €52,673 thousand and mainly include goodwill (€34,569 thousand). The group recognised intangible assets of €1,350 thousand relating to the Satellite and Rail Telecom project during the quarter. Amortisation for the period totalled €1,473 thousand;
- property, plant and equipment of €87,899 thousand mainly include the parent's properties. They increased by €1,159 thousand during the quarter. Depreciation for the period totalled €2,278 thousand;
- equity investments increased by €15,102 thousand to €71,051 thousand on 31 December 2014, mainly due to the subscription of the share capital increase in Metro de Lima Linea 2 S.A. (€9,293 thousand) and the share of profits (losses) of equity-accounted investees, namely International Metro Service S.r.l. (€3,682 thousand) and Metro 5 S.p.A. (€1,171 thousand);
- non-current loans and receivables rose by €1,035 thousand to €40,954 thousand, mainly relating to the US subsidiary;
- deferred tax assets increased by €3,530 thousand to €43,555 thousand, principally relating to the French and US subsidiaries;
- other non-current assets of €19,955 thousand show a decrease of €593 thousand, mostly due to the reduction of the non-current prepaid trademark licence fees.

**Non-current liabilities**

Non-current liabilities of €57,079 thousand at the reporting date are made up as follows:

(€'000)	31.03.2015	31.12.2014
Employee benefits	33,945	34,675
Deferred tax liabilities	11,031	10,594
Other non-current liabilities	12,103	11,858
<b>Total</b>	<b>57,079</b>	<b>57,127</b>

Specifically:

- the employee benefits, which include the Italian post-employment benefits and other employee benefit obligations, dropped €730 thousand to €33,945 thousand compared to 31 December 2014;
- deferred tax liabilities increased by €437 thousand to €11,031 thousand.

## Inventories

Inventories totalled €116,673 thousand at the reporting date, as follows:

(€'000)	31.03.2015	31.12.2014
Raw materials, consumables and supplies	21,706	17,562
Work-in-progress and semi-finished products	13,445	11,610
Finished goods	11,480	9,943
Advances to suppliers	70,042	67,012
<b>Total</b>	<b>116,673</b>	<b>106,127</b>

The net increase for period of €10,546 thousand is due to the increase in raw materials, semi-finished products and finished goods (€7,516 thousand) and advances to suppliers (€3,030 thousand).

## Work-in-progress, net of progress payments and advances from customers

Work-in-progress, net of progress payments and advances from customers, is a negative €386,616 thousand. It can be analysed as follows:

(€'000)	31.03.2015	31.12.2014
Advances from customers	(58,147)	(58,719)
Progress payments	(1,716,320)	(1,549,862)
Work-in-progress	2,167,029	1,960,511
Provision for expected losses to complete contracts	(17,931)	(15,619)
Allowance for write-down	(34,805)	(32,157)
<b>Work-in-progress (net)</b>	<b>339,826</b>	<b>304,154</b>
Advances from customers	(441,684)	(382,968)
Progress payments	(3,671,452)	(3,860,208)
Work-in-progress	3,394,660	3,567,751
Provision for expected losses to complete contracts	(2,716)	(5,602)
Allowance for write-down	(5,250)	(5,200)
<b>Progress payments and advances from customers (net)</b>	<b>(726,442)</b>	<b>(686,227)</b>
<b>Work-in-progress, net of progress payments and advances from customers</b>	<b>(386,616)</b>	<b>(382,073)</b>

The overall carrying amount decreased by €4,543 thousand mainly due to the collection of the last instalment of the advance on the Riyadh project, which was only partially offset by production in excess of revenue.

## Trade receivables and payables

Trade receivables and payables at 31 March 2015 are made up as follows:

(€'000)	31.03.2015		31.12.2014	
	Trade receivables	Trade payables	Trade receivables	Trade payables
Third parties	475,049	257,572	540,748	314,860
Related parties	142,834	54,760	169,901	54,005
<b>Total</b>	<b>617,883</b>	<b>312,332</b>	<b>710,649</b>	<b>368,865</b>

The overall amount of both trade receivables and payables decreased on the previous year-end balances. Specifically, the decrease in third party trade receivables partly led to the decrease in trade payables for all those positions where back-to-back contracts are in place.

## Provisions for risks and charges

Provisions for risks and charges amount to €10,134 thousand at 31 March 2015 and are substantially in line with 31 December 2014 (€10,422 thousand).

## Other assets/liabilities

Other current liabilities, net, of €27,346 thousand, are made up as follows:

(€'000)	31.03.2015		31.12.2014	
	Assets	Liabilities	Assets	Liabilities
Prepayments - current portion	10,737	-	11,133	-
Research grants	15,738	8,685	15,148	8,097
Employees	1,277	41,334	1,264	40,119
Social security institutions	85	14,826	109	16,048
Indirect and other tax assets/liabilities	34,648	4,295	32,745	13,691
Derivatives	13,165	21,912	8,435	5,194
Other	15,521	27,024	14,691	26,496
<b>Total</b>	<b>91,171</b>	<b>118,076</b>	<b>83,525</b>	<b>109,645</b>
Related parties	161	602	251	602
<b>Total</b>	<b>91,332</b>	<b>118,678</b>	<b>83,776</b>	<b>110,247</b>

Details of the main items are set out below:

- prepayments of €10,737 thousand decreased by €396 thousand on 31 December 2014, mainly due to the prepaid insurance premiums and prepaid commissions on sureties reclassified to profit or loss;
- net liabilities to employees of €40,057 thousand rose by €1,202 thousand on 31 December 2014 due to the deferred remuneration recognised in the period;
- net indirect and other tax assets increased by €11,299 thousand to €30,353 thousand from €19,054 thousand at 31 December 2014, due to payments made at the beginning of 2015 for tax liabilities relating to employees and smaller VAT liabilities;
- other liabilities, net, of €11,503 thousand dropped by €302 thousand from €11,805 thousand at 31 December 2014.

## Financial disclosure

The following disclosure is required by CONSOB communication no. DEM/6064293 of 28 July 2006.

(€'000)	31.03.2015	31.12.2014
A. Cash-in-hand	144	105
B. Other cash and cash equivalents (bank current accounts)	285,757	269,962
C. Securities held for trading	-	-
<b>D. CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>285,901</b>	<b>270,067</b>
<b>E. CURRENT LOAN ASSETS</b>	<b>65,862</b>	<b>41,035</b>
F. Current bank loans and borrowings	8,309	5,363
G. Current portion of non-current loans and borrowings	-	-
H. Other current loans and borrowings	917	12,324
<b>I. CURRENT FINANCIAL DEBT (F+G+H)</b>	<b>9,226</b>	<b>17,687</b>
<b>J. NET CURRENT FINANCIAL POSITION (I-E-D)</b>	<b>(342,537)</b>	<b>(293,415)</b>
K. Non-current bank loans and borrowings	-	-
L. Bonds issued	-	-
M. Other non-current financial liabilities	-	-
<b>N. NON-CURRENT FINANCIAL DEBT (POSITION) (K+L+M)</b>	<b>-</b>	<b>-</b>
<b>O. NET FINANCIAL POSITION (J+N)</b>	<b>(342,537)</b>	<b>(293,415)</b>

## Analysis of the income statement

### Impact of related party transactions on profit or loss

Related party trading transactions generally take place on an arm's length basis. The relevant income statement balances are shown below.

First three months of 2015 (€'000)	Revenue	Other operating income	Costs	Financial income	Financial expense	Other operating expense
<b>Ultimate parent</b>						
Finmeccanica S.p.A.	-	-	1,031	3	18	-
<b>Subsidiaries</b>						
Alifana Due S.c.r.l.	65	-	39	-	-	-
<b>Associates</b>						
Metro 5 S.p.A.	228	-	(10)	-	-	-
Metro 5 Lilla S.r.l.	3,462	-	131	-	-	-
AnsaldoBreda S.p.A.	2,067	-	-	-	-	-
Pegaso S.c.r.l. (in liq.)	-	-	95	-	-	-
Metro Service AS	-	-	9,362	-	-	-
Metro Brescia S.r.l.	130	45	-	-	-	-
<b>Joint ventures</b>						
Balfour Beatty Ansaldo Syst. JV SDN BHD	(966)	-	1	-	-	-
<b>Consortia</b>						
Saturno consortium	3,354	-	560	-	-	-
SanGiorgio Volla 2 consortium	2,936	-	-	-	-	-
MM4 consortium	2,414	-	133	-	-	-
SanGiorgio Volla consortium	(7)	-	(4)	-	-	-
<b>Other group companies</b>						
Telespazio S.p.A.	-	-	1	-	-	-
Fata Logistic System S.p.A.	-	-	379	-	-	-
Fata S.p.A.	-	-	69	-	-	-
Finmeccanica Global Service S.p.A.	-	-	60	-	-	-
Finmeccanica U.K. Ltd	-	-	33	-	-	-
Selex ES S.p.A.	74	-	2,145	-	-	-
AnsaldoBreda S.p.A.	397	-	2,485	-	-	-
E Security S.r.l.	-	-	60	-	-	-
<b>Other - MEF</b>						
Ferrovie dello Stato group	26,998	-	342	-	-	-
Eni group	2,207	-	8	-	-	-
Enel group	-	-	20	-	-	-
<b>Total</b>	<b>43,359</b>	<b>45</b>	<b>16,940</b>	<b>3</b>	<b>18</b>	<b>-</b>
<b>% of the total corresponding condensed interim consolidated financial statements caption</b>	<b>15%</b>	<b>0.6%</b>	<b>9%</b>	<b>0.01%</b>	<b>0.1%</b>	

First three months of 2014 (€'000)	Revenue	Other operating income	Costs	Financial income	Financial expense	Other operating expense
<b>Ultimate parent</b>						
Finmeccanica S.p.A.	-	3	722	24	10	-
<b>Subsidiaries</b>						
Alifana S.c.r.l.	-	-	29	-	-	-
Alifana Due S.c.r.l.	(1,293)	-	(1)	-	-	-
<b>Associates</b>						
Metro 5 S.p.A.	717	-	7	-	-	-
Metro 5 Lilla S.r.l.	1,945	-	62	-	-	-
International Metro Service S.r.l.	-	11	-	-	-	-
Metro Service AS	-	-	9,602	-	-	-
Metro Brescia S.r.l.	65	-	-	-	-	-
<b>Joint ventures</b>						
Balfour Beatty Ansaldo Syst. JV SDN BHD	4,627	-	2	-	-	-
<b>Consortia</b>						
Saturno consortium	3,295	-	420	-	-	-
Ascosa Quattro consortium	-	-	28	-	-	-
SanGiorgio Volla 2 consortium	113	-	-	-	-	-
Ferrovio Vesuviano consortium	37	-	-	-	-	-
M4 consortium	-	-	-	89	-	-
Cesit consortium	-	-	-	-	-	21
MM4 consortium	870	-	-	-	-	-
SanGiorgio Volla consortium	4	-	-	-	-	-
<b>Other group companies</b>						
AnsaldoBreda S.p.A.	1,440	-	4,696	-	-	-
AnsaldoBreda España SLU	(5)	-	-	-	-	-
Fata Logistic System S.p.A.	-	-	379	-	-	-
Fata S.p.A.	-	-	54	-	-	-
Finmeccanica Global Service S.p.A.	-	-	96	-	-	-
Finmeccanica U.K. Ltd	-	-	34	-	-	-
Selex ES S.p.A.	6	-	2,172	-	-	-
Ansaldo STS-Sinosa Rail Solutions South Africa (PTY) Ltd	(8)	-	(1)	-	-	-
Electron Italia S.r.l.	4	-	-	-	-	-
<b>Other - MEF</b>						
Ferrovie dello Stato group	22,436	-	368	-	-	-
Eni group	5,604	-	1	-	-	-
Enel group	-	-	31	-	-	-
<b>Total</b>	<b>39,857</b>	<b>14</b>	<b>18,701</b>	<b>113</b>	<b>10</b>	<b>21</b>
<b>% of the total corresponding condensed interim consolidated financial statements caption</b>	<b>15%</b>	<b>0.2%</b>	<b>11%</b>	<b>1.4%</b>	<b>0.1%</b>	<b>0.9%</b>

The overall volume of related party revenue in the reporting period increased on the corresponding period of the previous year, mainly related to Ferrovie dello Stato group and Metro 5 Lilla S.r.l..

Related party costs in the reporting period decreased by €1,761 thousand to €16,940 thousand on the corresponding period of the previous year (€18,701 thousand).

## Revenue

Revenue rose €21,469 thousand to €284,581 thousand from €263,112 thousand for the corresponding period of the previous year (reference should be made to section 1 of the directors' report for further details).



## Other operating income

(€'000)	First quarter of	
	2015	2014
Reversals of provisions for risks and charges	92	62
Insurance compensation	-	-
Royalties	-	167
Exchange rate gains on operating items	5,932	3,316
Tax asset for R&D	450	500
Other operating income	1,537	1,670
<b>Other third party operating income</b>	<b>8,011</b>	<b>5,715</b>
<b>Other related party operating income</b>	<b>45</b>	<b>14</b>
<b>Total other operating income</b>	<b>8,056</b>	<b>5,729</b>

Other operating income amounted to €8,056 thousand, up €2,327 thousand compared to €5,729 thousand in the corresponding period of the previous year. The increase is related to greater income and exchange rate gains on operating items.

## Purchases and services

(€'000)	First quarter of	
	2015	2014
Materials	60,894	52,795
Change in inventories	(3,287)	(3,002)
Services	102,903	90,671
Rentals and operating leases	5,111	5,414
<b>Total third party purchases and services</b>	<b>165,621</b>	<b>145,878</b>
<b>Total related party purchases and services</b>	<b>16,940</b>	<b>18,701</b>
<b>Total purchases and services</b>	<b>182,561</b>	<b>164,579</b>

Purchases and services increased by €17,982 thousand as a result of larger production volumes.

## Personnel expense

(€'000)	First quarter of	
	2015	2014
Wages and salaries	64,444	61,794
Stock grant plans	645	788
Social security and pension contributions	14,007	14,123
Social security and pension contributions for the stock grant plan	-	-
Italian post-employment benefits	73	60
Other defined benefit plans	167	117
Other defined contribution plans	914	939
Restructuring costs	-	1,400
Ongoing disputes with personnel	124	-
Recovery of personnel expense	-	-
Other incentives to employees	-	-
Other costs	948	266
<b>Total personnel expense</b>	<b>81,322</b>	<b>79,487</b>

Personnel expense increased by €1,835 thousand to €81,322 thousand from €79,487 thousand in the corresponding period of the previous year.

**Amortisation, depreciation and impairment losses**

Specifically:

(€'000)	First quarter of	
	2015	2014
Amortisation of intangible assets	1,473	1,272
Depreciation of property, plant and equipment	2,278	2,220
Depreciation of leased assets	-	-
Impairment losses	470	179
<b>Total amortisation, depreciation and impairment losses</b>	<b>4,221</b>	<b>3,671</b>

Amortisation, depreciation and impairment losses increased by €550 thousand on the corresponding period of the previous year.

**Other operating expense**

(€'000)	First quarter of	
	2015	2014
Accruals to the provisions for risks and charges	-	468
Membership fees	375	241
Losses on sales of property, plant and equipment and intangible assets	-	11
Losses to complete contracts	(1,339)	(2,309)
Exchange rate losses on operating items	2,966	1,751
Interest and other operating expense	402	693
Indirect taxes	870	719
Other operating expense	574	665
<b>Total other third party operating expense</b>	<b>3,848</b>	<b>2,239</b>
<b>Other related party operating expense</b>	<b>-</b>	<b>21</b>
<b>Total other operating expense</b>	<b>3,848</b>	<b>2,260</b>

Other operating expense increased by €1,588 thousand on the corresponding period of the previous year mainly due to greater exchange rate losses on operating items.

**Internal work capitalised**

(€'000)	First quarter of	
	2015	2014
Internal work capitalised	1,438	783

Internal work capitalised mainly relates to the parent Ansaldo STS S.p.A. (€1,350 thousand); it consists of intangible assets and, in particular, work performed on the "Satellite and Rail Telecom" project.

**Net financial expense**

(€'000)	First quarter of					
	2015			2014		
	Income	Expense	Net	Income	Expense	Net
Interest and fees	170	676	(506)	33	435	(402)
Exchange rate gains and losses	20,849	21,388	(539)	7,414	6,916	498
Fair value gains and losses	166	2,186	(2,020)	533	637	(104)
Premiums paid on forwards	-	-	-	-	-	-
Interest on Italian post-employment benefits	-	71	(71)	-	132	(132)
Interest on other defined benefit plans	-	66	(66)	-	95	(95)
Other financial income and expense	-	106	(106)	-	124	(124)
Gains/losses on FVTPL securities	-	-	-	-	-	-
<b>Total net financial expense</b>	<b>21,185</b>	<b>24,493</b>	<b>(3,308)</b>	<b>7,980</b>	<b>8,339</b>	<b>(359)</b>
<b>Net related party financial income (expense)</b>	<b>3</b>	<b>18</b>	<b>(15)</b>	<b>113</b>	<b>10</b>	<b>103</b>
<b>Total</b>	<b>21,188</b>	<b>24,511</b>	<b>(3,323)</b>	<b>8,093</b>	<b>8,349</b>	<b>(256)</b>

Net financial expense amounted to €3,323 thousand compared to €256 thousand in the corresponding period of the previous year.

The worsening of this balance is mainly due to the greater net exchange rate losses and net fair value losses on derivatives still in place at the end of the reporting period.

The share of profits (losses) of equity-accounted investees came to €5,235 thousand and relates to the profits (losses) of Metro 5 S.p.A., International Metro Service S.r.l. and Balfour Beatty Ansaldo Systems JV SDN BHD.

(€'000)	First quarter of					
	2015			2014		
	Income	Expense	Net	Income	Expense	Net
Share of profits (losses) of equity-accounted investees	5,235	-	5,235	263	-	263
<b>Total</b>	<b>5,235</b>	<b>-</b>	<b>5,235</b>	<b>263</b>	<b>-</b>	<b>263</b>

**Income taxes**

(€'000)	First quarter of	
	2015	2014
IRES	655	-
IRAP	109	945
Other foreign taxes	8,005	4,920
Prior year taxes	4	-
Net deferred tax (income) expense	(801)	1,779
<b>Total</b>	<b>7,972</b>	<b>7,644</b>

Income taxes for the reporting period amount to €7,972 thousand compared to €7,644 thousand for the first quarter of 2014.

The €328 thousand increase is mainly attributable to the higher pre-tax profit partially offset by the parent's smaller IRAP liability and net deferred tax expense.

Specifically, effective from the current year, a change was introduced in Italian tax legislation enabling companies to deduct personnel expense from their taxable base for IRAP purposes.

The tax rate at 31 March 2015 is 31.0% (35.4% at 31 March 2014), due to the different composition of the consolidated taxable base.

## 5. Earnings per share

Earnings per share (“EPS”) are calculated by:

- dividing the profit for the period attributable to holders of ordinary shares by the average number of ordinary shares outstanding in the period, net of treasury shares (basic EPS);
- dividing the profit for the year by the average number of ordinary shares and those that could arise from the exercise of all options under stock option plans, net of treasury shares (diluted EPS).

<b>Basic EPS</b>	<b>31.03.2015</b>	31.03.2014
Average shares outstanding during the period	199,998,595	199,998,084
Profit for the period	17,715	13,977
<b>Basic and diluted EPS</b>	<b>0.09</b>	<b>0.07*</b>

\* Recalculated following the bonus issue of 14 July 2014.

## 6. Financial risk management

The group’s operations expose it to the following financial risks:

- market risks, related to operations in areas that use currencies other than the group’s functional currency (currency risk) and the risk of interest rate fluctuations;
- liquidity risks, related to the availability of financial resources and access to the credit market;
- credit risk, arising from normal trading transactions or financing activities.

The group specifically monitors each of these financial risks and acts promptly to minimise them including via hedging derivatives. Ansaldo STS group’s approach to managing these risks, in line with internal policies, is described below.

Hedges are mainly undertaken with banks. The group has contracts in place for the following notional foreign currency amounts at the reporting date:

(local currency ‘000)	<b>Sell15</b>	<b>Buy15</b>	<b>31.03.2015</b>	Sell14	Buy14	31.03.2014
Euro	38,832	63,556	<b>102,388</b>	86,466	57,747	144,213
US dollar	348,298	80,839	<b>429,137</b>	92,452	58,071	150,523
Pound sterling	10,551	-	<b>10,551</b>	8,973	-	8,973
Swedish krona	868	27,999	<b>28,867</b>	1,303	25,073	26,376
Australian dollar	-	46,270	<b>46,270</b>	-	15,822	15,822
Hong Kong dollar	505	-	<b>505</b>	249	-	249
South African rand	-	-	-	1,382	-	1,382
Indian rupee	5,447	-	<b>5,447</b>	4,453	-	4,453
United Arab Emirates dirham	5,019	-	<b>5,019</b>	15,435	8,509	23,944

The net fair value of the derivatives in place (both fair value and cash flow hedges) at 31 March 2015 is a negative €8,747 thousand.

## 7. Significant non-recurring events and transactions

There were no significant non-recurring events or transactions during the reporting period.

## 8. Atypical and/or unusual transactions

During the reporting period, no atypical and/or unusual transactions took place.

## 9. Outlook

2015 production volumes and profitability are expected to be in line with those of 2014.

## 10. Disclosure on the opt-out regime

Pursuant to article 70.8 of the Issuer regulation, we note that, in their meeting of 28 January 2013 and as permitted by articles 70.8 and 71.1-bis of the Issuer regulation, the parent's directors resolved to opt out of the requirement to publish the relevant documents for transactions such as mergers, demergers, share capital increases via contributions in kind, acquisitions and sales.

Milan, 5 May 2015

On behalf of the board of directors  
The Chairman  
**Sergio De Luca**  
(signed on the original)

## **Annex A: Statement pursuant to article 154-bis.2 of Legislative Decree no. 58/1998**

In accordance with the provisions of article 154-bis.2 of the Consolidated Finance Act, the undersigned, Roberto Carassai, manager in charge of financial reporting of Ansaldo STS S.p.A., states that the interim financial report at 31 March 2015 is consistent with the accounting evidence, ledgers and records.

Milan, 5 May 2015

The Manager in charge of financial reporting  
**Roberto Carassai**  
(signed on the original)

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