



Ansaldo STS S.p.A.

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Issued Capital 70.000.000,00 € fully paid up
R.E.A. n.421689
Company Registration number Genoa Chamber of Commerce
Fiscal Code and Value Added Tax n. 013760662

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Rome, 2 May 2012

Ansaldo STS: results for the first quarter of 2012

- **Revenues of EUR 259 million**
- **EBIT of EUR 22 million**
- **Net profit at EUR 12 million**
- **New orders at 245 million**
- **Order backlog at EUR 5,434 million**

The board of directors of Ansaldo STS (STS.MI), which met today under the chairmanship of Alessandro Pansa, has approved the interim management report to 31 March 2012.

The data for the first quarter are in line with the forecast and consistent with the outlook indicated for the rest of the year. **The Company therefore confirms its guidance for full year 2012**, in terms of order intake, sales volumes, profitability and cash generation.

Revenues for the first quarter were EUR 259.5 million, down 6,7% compared with EUR 278.2 million for the same period in 2011. EBIT came in at EUR 21.7 million compared with EUR 25.5 million for the same period in 2011. With regard to revenues and margins, it is necessary to note that the 2011's first quarter included the positive effects of the Libyan's contract.

In the first quarter of 2012, the Group recorded **net profit** of EUR **12.0** million, compared with EUR **15.5** million for the same quarter in 2011 (-22.6%). **New orders** at 31 March 2012 were EUR **245.0** million compared with EUR **551.4** million at 31 March 2011 (- 55.6%) while the **order backlog** rose to EUR **5,433.8** million (+13.4% versus the same period in 2011).

Order intake for the first quarter 2012 doesn't include the Milan Metro 4 contract, already awarded to Ansaldo STS, but subject of specific authorization and so not yet booked, which amount is up to 200 million; and should also be noted that in the same period of 2011 the Company had already been able to register major contracts, of

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significant value, like as example Turin-Padua, Milan line 5 and Stockholm red line, which total amount of those contracts is around 380 million.

The **EBIT margin** (ROS) was 8.4%, compared with 9.2% for the first quarter of 2011.

PRESS RELEASE

Results for the first quarter 2012

Key figures (EUR million)	1Q 2012	1Q 2011	% chg	Dec 2011 Cons.
New orders	245.0	551.4	-55.6%	2,163.7
Order backlog	5,433.8	4,793.3	13.4%	5,452.8
Revenues	259.5	278.2	-6.7%	1,211.9
EBIT	21.7	25.5	-14.9%	116.1
EBIT margin (ROS)	8.4%	9.2%	-0.8 p.p.	9.6%
Net profit	12.0	15.5	-22.6%	73.1
Working capital	(5.5)	(130.7)	-95.8%	(89.0)
Net debt (cash) position	(214.2)	(295.4)	-27.5%	(289.7)
R&D	8.5	10.9	-22.6%	33.9
Headcount	4,101	4,192	-2.2%	4,100
EPS	0.09	0.11*	-18.2%	0.56*

*Recalculated following the bonus issue of 4 July 2011

New orders obtained during the first quarter of 2012 totalled EUR 245.0 million, of which EUR **50.0** million related to the **Transportation Solutions Unit** and EUR **197.8** million to the **Signalling Unit** (gross of transactions with the Transportation Solutions Unit).

The main new orders are listed below:

Country	Project	Customer	Value (EUR m)
USA	SEPTA PTC	SEPTA	73.4
UAE – Abu Dhabi	GCC – section 1	SAIPEM	58.8
Italy USA France	Components, services, maintenance	Various	27.7
Australia*	Rio Tinto - ATO implementation	Rio Tinto	27.0
Italy*	Metro Napoli Linea 1 – PCO Colli Aminei	Naples Municipal Authority	13.2
South Korea	ATP Systems for electric locomotives	ROTEM	9.4
Australia	Ravensworth North (MicroLok II and Phoenix system)	Xtrata Coal	7.8
Italy	High speed – change MI-BO	RFI	5.2
Italy*	Naples Metro line 1 – order change	Naples Municipal Authority	4.0

(*) *Orders won by the Transportation Solutions Unit in the first quarter of 2012*

COMMENTS

The **order backlog** as of 31 March 2012 totalled EUR **5,433.8** million, up 13.4% compared with the same period of 2011. This included EUR **2,493.5** million relating to the **Signalling Unit**, compared with EUR 2,244 million in the same period in 2011 (gross of transactions with the Transportation Solutions Unit), and EUR **3,266.6** million relating to the **Transportation Solutions Unit**, compared with EUR 2,797.4 million in the same period in 2011.

Working capital was negative to the tune of EUR **5.5** million at 31 March 2012, from a negative EUR 89.0 million at 31 December 2011, a change of EUR **83.5** million due to the increase of net work in progress.

At 31 March 2012, the Group had a **net cash position** of EUR **214.2** million, compared with a net cash position of EUR **289.7** million at 31 December 2011, a decrease of EUR **75.5** million.

Free operating cash flow (FOCF) before strategic investments for the current year absorbed cash of EUR **73.6** million, compared with cash absorption of EUR 15.1 million at 31 March 2011; this is primarily attributable to the change in working capital.

ANNEXES:
CONSOLIDATED INCOME STATEMENT
ANSALDO STS GROUP

<i>Consolidated Income Statement (EUR million)</i>	1Q 2012	1Q 2011
Revenues	259.4	278.2
Purchasing and staff costs	(240.7)	(253.9)
Depreciation, amortisation and write-downs	(3.8)	(3.2)
Other net operating revenues (costs)	2.3	1.5
Change in work in progress, semi-finished and finished goods	4.4	2.9
EBIT	21.7	25.5
Net financial income (expenses)	(1.8)	-
Income taxes	(7.9)	(10.0)
Net profit	12.0	15.5
Earnings per share	0.09	0.11*

* Recalculated following the bonus issue of 4 July 2011

CONSOLIDATED BALANCE SHEET

ANSALDO STS GROUP

<i>Consolidated Balance Sheet (EUR million)</i>	31.03.2012	31.12.11
Non-current assets	269.0	270.0
Non-current liabilities	(44.4)	(46.6)
	224.6	223.4
Inventories	145.4	129.9
Contract work in progress	317.8	283.3
Trade receivables	648.5	680.1
Trade payables	(388.6)	(431.9)
Customer advances	(690.2)	(706.7)
Short-term provisions for risks and future liabilities	(19.0)	(23.1)
Other net current assets (liabilities)	(19.4)	(20.6)
Working capital	(5.5)	(89.0)
Net invested capital	219.1	134.4
Group shareholders' equity	433.1	423.0
Minority interests	0.2	1.1
Shareholders' equity	433.3	424.1
Net debt (cash)	(214.2)	(289.7)

CASH FLOW STATEMENT

Ansaldo STS Group

<i>Consolidated Cash Flow Statement (EUR million)</i>	31.03.12		31.03.11	
Cash and cash equivalents – opening balance	160.9		153.3	
Cash flow from operations (gross)	24.1		30.7	
Change in operating working capital	(76.2)		(39.1)	
Changes in other operating assets and liabilities	(18.0)		(3.9)	
Cash flow generated by (used in) operations	(70.1)		(12.3)	
Cash flow from ordinary investments	(3.5)		(2.8)	
Free operating cash flow		(73.6)		(15.1)
Strategic investments	(0.2)		(6.2)	
Cash flow generated by (used in) investments	(3.7)		(9.0)	
Dividends paid	-		-	
Cash flow from financing activities	25.5		(9.2)	
Cash flow generated by (used in) financing activities	25.5		(9.2)	
Exchange rate differences	(1.3)		(1.6)	
Cash and cash equivalents – closing balance	111.3		121.3	

RESULTS BY SECTOR OF ACTIVITY OF THE ANSALDO STS GROUP:

<i>Key consolidated figures by sector of activity (EUR million)</i>	SIGNALLING UNIT		TRANSPORTATION SOLUTIONS UNIT	
	31.03.12	31.03.11	31.03.12	31.03.11
New orders	197.8	363.0	50.0	189.2
Order backlog	2,493.5	2,244.0	3,266.6	2,797.4
Revenues	155.5	177.0	104.8	104.8
EBIT	13.8	20.2	11.2	8.3
EBIT margin (ROS)	8.9%	11.4%	10.7%	7.9%
Working capital	122.6	103.3	(102.6)	(169.1)
R&D	8.0	10.6	0.4	0.3
Headcount	3,133	3,290	556	459

Notes to the table

The figures shown in the table include dealings with other divisions.

Alberto Milvio, the director responsible for preparing the company's accounting statements, hereby declares, pursuant to article 154-bis, paragraph 2 of the Testo Unico della Finanza, law that the information contained in this press release accurately represents the figures in the Group's accounting records.

Ansaldo STS confirms that on 2 May at 2:30 pm CET the management will be available to comment on the results of the first quarter of 2012:

Via conference call:

Italy: +39 02 805 88 11;

UK: +44 121 281 8003

USA: +1 718 705 8794

To **replay the conference call**, in the 72 hours after 8:00 am CET, using the following access code

879#

Italy: +39 02 72495

UK: +44 212 818 005

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NB:

The management of Ansaldo STS also assesses the business and financial performance of the Group and its business segments based on a number of indicators not provided for by IFRS.

As required by CESR recommendation CESR/05 - 17 b, the components of each of the non-GAAP alternative performance indicators used in this press release are defined below.

EBIT: earnings before interest and tax, with no adjustments. It excludes income and expenses from the operations of unconsolidated subsidiaries and securities, and gains/losses on any sales of consolidated subsidiaries, which are recorded under “financial income and expenses”, or in the case of profits/losses from shareholdings valued using the equity method, under the item “effects of the valuation of shareholdings at equity”.

Return on sales (ROS): is calculated as the ratio of EBIT to revenues.

Free operating cash flow (FOCF): this is the sum of the cash flows generated by/used in operations, cash flow generated by/used in investments in or disposals of tangible and intangible assets and shareholdings, net of cash flows from the purchase/sale of shareholdings that, due to their nature or size, are considered “strategic investments”.