

Genoa March 5th, 2013

**CONSOLIDATED AND DRAFT FINANCIAL
STATEMENTS 2012 APPROVED, DIVIDEND PROPOSED, GUIDANCE 2013,
THE CHAIRMAN RESIGNED FROM THE BOARD OF DIRECTORS**

- Consolidated and draft financial statements 2012 approved
- Profit for the year ended December 31, 2012 where EUR 76 million (+3.6%)
- New orders worth EUR 1,492 million (-31.0%)
- Order backlog at 31 December 2012 worth EUR 5,683 million (+4.2%)
- Revenue EUR 1,248 million (+3.0%)
- EBIT EUR 117 million (+0.9%)
- Net Financial Position (liquidity) EUR (302) million (+4.2%)
- Dividend to be proposed to the Shareholders' meeting EUR 0.18 per share
- Guidance 2013
- Corporate Governance Report
- Remuneration Policy 2013
- Remuneration Report
- Resignation of Chairman of the Board of Directors

The Board of Directors of Ansaldo STS SpA (STS.MI), which met today under the chairmanship of Alessandro Pansa, has approved draft 2012 financial statements, which will be presented to the Shareholders' meeting to be convened by the Board of Directors to approve these accounts.

The Board also approved the consolidated financial statements of the Ansaldo STS for the full year 2012.

In 2012, Ansaldo STS recorded **consolidated Net Profit** of EUR **75.7** million, compared with EUR 73.1 million booked in 2011.

The Board of Directors has decided to propose to the shareholders' meeting a **dividend** of EUR **0.18** for each share with dividend rights, gross withholding tax, compared with EUR 0.175 per share of the previous year (amount restated after the third *tranche* of the capital increase of July 9th 2012, which increased the number of shares from 140 to 160 million).

The dividend will be payable as from 23 May 2013, with an ex-dividend date May 20th 2013 (coupon no. 9) with a payout ratio of 38.1% of consolidated profit of the year, compared to 38.3% 2011. Pursuant to art. 83-terdecies of the Legislative Decree no. 58 February 24th, 1998, will be entitled to the dividend those who will be shareholders of Ansaldo STS SpA at the end of the accounting day of May 22nd, 2013 (the record date).

Sergio De Luca, CEO of Ansaldo STS, stated:

"The year just ended is considered clearly positive and in line with expectations, despite of a broader context of international crisis, with market still characterized by a reduction in investments, particularly evident in certain geographic areas and with consequent growth of competition and pressure on prices. Especially worth mentioning, delivery of some important projects such as the automated metro for the Riyadh's Women University, the Genoa's metro, the CBTC signalling system of Chengdu in China and in early 2013 the metros in Milan Line 5 and Brescia, which are proven technologies and management success in compliance with the commitments and targets assigned".

PRESS RELEASE

CONSOLIDATED RESULTS 2012
Ansaldo STS

Key consolidated figures (EUR million)	12 months 2012	12 months 2011	% chg.
New orders	1,492.3	2,163.7	-31.0%
Order backlog	5,683.3	5,452.8	+4.2%
Revenue	1,247.8	1,211.9	+3.0%
EBIT	117.1	116.1	+0.9%
ROS	9.4%	9.6%	-0.2 p.p.
Profit for the year	75.7	73.1	+3.6%
Net Working capital	(48.1)	(89.0)	-46.0%
Net Financial Position (liquidity)	(302.0)	(289.7)	+4.2%
R&D	32.3	33.9	-4.7%
Headcount (no.)	3,991	4,100	-2.7%
EPS	0.51	0.48*	+6.3%

*recalculated following the bonus issue of 9 July 2012

The volume of **new orders acquired** during 2012 came to EUR **1,492.3** million, a decline of 31% on the previous year (EUR 2,163.7 million), which was characterized by the exceptional order relating to the Honolulu metro acquired at the end of 2011.

The **order backlog** at 31 December 2012 totalled EUR **5,683.3** million, representing a 4.2% increase on the figure of EUR 5,452.8 million from the previous year.

Revenue for the full year was EUR **1,247.8 million**, up 3% compared to the previous year (EUR 1,211.9 million).

EBIT was EUR **117.1** million in 2012, compared with EUR 116.1 million in 2011.

The consolidated **ROS** stands at **9.4%**, versus 9.6% in 2011.

At 31 December 2012, Ansaldo STS had a **net financial position (liquidity)** of EUR **(302.0)** million, up 4.2% from EUR (289.7) million at the end of 2011.

At 31 December 2012, **net invested capital** stood at EUR **167.2** million, compared with EUR 134.5 million of the previous year. **net working capital** fell from EUR (89.0) million at December 31st, 2011 to EUR **(48.1)** million at December 31st, 2012. The decrease is due to the combined effect of work-in-progress and trade receivables, which were only partially offset by an increase in trade payables and customer advances.

MAJOR ORDERS ACQUIRED IN 2012

Country	Project	Customer	Value (EUR million)
Australia*	AutoHaul	RIO TINTO	252.8
Australia	Roy Hill 1	HANCOCK PROSPECTING	118.0
Italy-France-USA	Components, services & maintenance	VARIOUS	117.4
Australia*	RCE 353 & ECP	RIO TINTO	101.0
Italy **	High-speed Brescia – Treviglio line	CONSORZIO SATURNO	82.0
Denmark *	Copenhagen Ring – order variation	METROSELSKABET	78.9
USA	PTC	SEPTA	73.4
UAE – Abu Dhabi	GCC - Abu Dhabi section 1	SAIPEM	58.8
Australia*	Various contracts	RIO TINTO	54.4
South Korea	High-speed Honam line	LSIS	47.3
Denmark *	Copenhagen Ring – O&M variation	METROSELSKABET	41.4
Italy *	Rome Line C	ROMA METROPOLITANE	35.7
Italy	ACC Brescia	RFI	34.4
Canada	Extension of Phases 2, 3 & 4	TTC	22.8
Canada	North Spadina extension	TTC	18.3
Italy	High-speed Italy – order variations for MI-BO - RM-NA	RFI	16.7
Saudi Arabia *	Riyadh - O&M order variations	PMU	16.0
Australia	PTA Butler extension – Suburban North Railway	PUBLIC TRANSPORT AUTHORITY WA	14.7
Italy *	Naples Metro Line 1 - PCO Colli Aminei	NAPLES MUNICIPALITY	13.2
South Korea	On-board equipment	ROTEM	13.0
Italy *	Rome - Naples variation	CONSORZIO IRICAV UNO	11.3
China	Hangzhou Line 2	INSIGMA	10.3

(*) Orders won by the Transportation Solutions business unit during 2012

(**) Order acquired by both business units

**Consolidated income statement
Ansaldo STS**

<i>Consolidated income statement (EUR million)</i>	31.12.12	31.12.11
Revenue	1,247.8	1,211.9
Purchasing and personnel expenses	(1,122.3)	(1,075.7)
Changes in work in progress, semi-finished and finished goods	0.9	(3.9)
Amortisation, Depreciation and impairment losses	(20.7)	(13.4)
Restructuring costs	(6.5)	(2.3)
Other net operating income	17.9	(0.5)
EBIT	117.1	116.1
Net financial income (expense)	(3.0)	(0.7)
Income taxes	(38.4)	(42.3)
Profit for the year	75.7	73.1
Earnings per share	0.51	0.48*

**Recalculated following the bonus issue of 9 July 2012*

PRESS RELEASE

**Consolidated balance sheet
Ansaldo STS**

Consolidated statement of financial position (EUR million)	31.12.12	31.12.11
Non-current assets	265.0	270.0
Non-current liabilities	(49.7)	(46.6)
	215.3	223.4
Inventories	131.6	129.9
Contract work-in-progress	313.1	283.3
Trade receivables	748.7	680.1
Trade payables	(500.6)	(431.9)
Progress payments and advances from customers	(710.7)	(706.7)
Provisions for risks and charges	(15.8)	(23.1)
Other liabilities, net	(14.4)	(20.6)
Net Working capital	(48.1)	(89.0)
Net invested capital	167.2	134.4
Equity attributable to the owners of the parent	468.8	423.0
Equity attributable to non controlling interests	0.4	1.1
Equity	469.2	424.1
Net financial position (liquidity)	(302.0)	(289.7)

**Consolidated cash flow statement
Ansaldo STS**

<i>Reclassified consolidated statement of cash flows (EUR million)</i>	31.12.12	31.12.11
Opening Cash and cash equivalents	160.9	153.3
Gross cash flow from operating	153.3	127.3
Change in working capital	(51.0)	(42.7)
Changes in other operating assets and liabilities	(58.3)	(67.2)
Cash flow generated by (used in) operating activities	44.0	17.4
Cash flow from ordinary investing activities	(6.4)	(10.2)
Free operating cash flow	37.6	7.2
Strategic transactions	(0.2)	(6.4)
Cash flow generated by (used in) investing activities	(6.6)	(16.6)
Dividends paid	(28.0)	(33.6)
Cash flow from financing activities	(22.8)	39.0
Cash flow generated by (used in) financing activities	(50.8)	5.4
Exchange rate gain and losses	(0.7)	1.4
Closing cash and cash equivalents - end of year	146.8	160.9

Results by sector of activity of Ansaldo STS:

<i>Main consolidated figures by Business unit (EUR million)</i>	SIGNALLING Business Unit		TRANSPORTATION SOLUTIONS Business Unit	
	31.12.12	31.12.11	31.12.12	31.12.11
<i>New orders</i>	893.2	1,045.9	642.7	1,256.1
<i>Order backlog</i>	2,616.7	2,341.4	3,388.3	3,442.3
<i>Revenue</i>	725.6	728.4	564.9	512.3
<i>EBIT</i>	62.5	75.1	69.1	55.0
<i>ROS</i>	8.6%	10.3%	12.2%	10.7%
<i>Operating working capital</i>	103.7	111.4	(129.1)	(172.4)
<i>R&D</i>	30.6	32.5	1.7	1.4
<i>Headcount (no.)</i>	2,971	3,081	631	600

Notes to the table

The figures shown in the table include dealings with other sectors of activity.

The total amount proposed for the dividend is approximately EUR 28.8 million, compared with EUR 28.0 million relating to 2011. This equates to EUR 0.18 per share.

Dividends are not due to the own shares held by the company on the ex-date. Currently, the company holds 752 own shares, and no purchases or sales of shares are expected before the above-mentioned ex-date.

EPS of EUR 0.51 (EUR 0.48 in 2011 - recalculated following the bonus issue of 9 July 2012) was calculated on the basis of the 149,612,942 average outstanding shares in the year (151,208,985 shares in 2011, recalculated to take into account the new shares issued following the third tranche of the bonus issue of 9 July 2012).

Significant events that took place after 31 December 2012

In February 2013, Metro 5 S.p.A., an associate company of Ansaldo STS, completed the first stretch of “Line M5” of Milan’s automated light metro, from Bignami to Zara. The works, which were made possible thanks to a project financing initiative, were carried out by the contractor, Metro 5 S.p.A., a associate company of Ansaldo STS, AnsaldoBreda, Astaldi and Alstom. The line will be operated and maintained for the next 30 years by the contractor, Metro 5, availing itself of the experience and operations of ATM, which also manages Milan’s other metro lines.

Ansaldo STS is a key player in Milan’s new automated light metro. The company designed, provided and installed the signalling system with driverless technology, which removes the need for either a driver on board the train or station staff.

The most recent delivery was made in early March with the new driverless and completely automated Brescia metro, as result of the Italian partnership between Ansaldo STS, AnsaldoBreda and Astaldi.

Outlook

The market in which the Company operates is estimated to be growing by around 3% a year, the well – established presence of Ansaldo STS in countries with higher than average expected growth indices (Asia, Middle East, North America and Australia) and proven technological leadership are the basis of positive expectations for the future.

As a result of the uncertainty surrounding situation in Libya, doesn’t allow us give a clarification in short about the important contracts acquired in that country.

2013 Guidance

In line with the company's operating performance and the market outlook, the Board of Directors also approved the 2013 forecasts.

New orders: 1,500 – 1,700 million

Order backlog: 5,800 – 6,100 million

Revenue: 1,250 – 1,350 million

ROS: approx. 9.5%

Net Financial Position (liquidity): (300) – (320)

The usual update of market analysis and the related plan figures will be presented at 12.05pm on **26 March 2013** during the public presentation for the Star Conference organised by Borsa Italiana in Piazza Affari, Milan.

The event will be connected via conference call, details to follow.

2012 Results for Ansaldo STS SpA

2012 can be considered a positive year both in terms of business results and production. Business and financial indicators, while still very much in positive territory, were down on the previous year, broadly owing to the suspension of activities in Libya.

The 2012 financial statements for the parent company Ansaldo STS SpA are shown below.

Ansaldo STS SpA Income Statement <i>(EUR million)</i>	31.12.2012	31.12.2011
Revenue	657,4	722,4
Purchasing and staff costs	(591,6)	(634,8)
Changes in work in progress, semi-finished and finished goods	(0,2)	(3,0)
Depreciation, amortisation	(12,6)	(5,3)
Other net operating revenue (costs)	18,4	9,2
Adjusted EBIT	71,4	88,5
Net financial income (expenses)	0,2	(3,3)
Income taxes	(20,9)	(31,9)
Net profit	50,7	53,3

Ansaldo STS SpA Statement of Financial Position (EUR million)	31.12.2012	31.12.2011
Non-current assets	279.6	273.7
Non-current liabilities	(29.2)	(25.0)
	250.4	248.7
Inventories	94.5	84.0
Contract work-in-progress	178.4	144.5
Trade receivables	635.0	565.4
Trade payables	(458.3)	(374.5)
Customer advances	(529.9)	(563.8)
Provisions for risks and future liabilities	(5.6)	(7.7)
Other net assets (liabilities)	(3.9)	(12.9)
Working capital	(89.8)	(165.0)
Net invested capital	160.6	83.7
Shareholders' equity	344.5	321.9
Net debt (cash)	(183.9)	(238.2)

Ansaldo STS SpA Cash Flow Statement <i>(EUR million)</i>	<u>31.12.2012</u>	<u>31.12.2011</u>
Cash and cash equivalents - start of year	<u>106.9</u>	<u>115.5</u>
Cash flow from operations (gross)	87.3	101.6
Change in working capital	(64.0)	(11.9)
Changes in other operating assets and liabilities	(42.8)	(60.4)
Cash flow generated by (used in) operations	<u>(19.5)</u>	<u>29.3</u>
Cash flow from ordinary investments	(10.3)	(10.9)
Free operating cash flow	<u>(29.8)</u>	<u>18.4</u>
Strategic investments	(0.2)	(6.3)
Dividends from consolidated companies	3.6	-
Cash flow generated by (used in) investments	<u>(6.9)</u>	<u>(17.2)</u>
Dividends paid	(28.0)	(33.6)
Cash flow from financing activities	21.3	12.9
Cash flow generated by (used in) financing activities	<u>(6.7)</u>	<u>(20.7)</u>
Increase (decrease) in cash and cash equivalents	<u>(33.1)</u>	<u>(8.6)</u>
Cash and cash equivalents - end of year	<u><u>73.8</u></u>	<u><u>106.9</u></u>

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

This press release contains statements that are provisional in nature, based on Ansaldo STS' current objectives and forecasts.

These provisional statements are by their nature subject to a number of unforeseeable risk factors, which could lead to results that are different from the plans, objectives and expectations expressed herein.

The above-mentioned provisional statements are only valid on the date that they are made, and Ansaldo STS SpA is under no obligation to update or revise any statement following new information received, future events or anything else.

The Board of Directors approved the **Corporate Governance Report** for the financial year 2012, which also contains information on the ownership structure pursuant to art. 123-bis of the Consolidated law on Finance, which will be published in the time and manner, as indicated by law.

The Board of Directors also approved the **Policy on Remuneration** of Ansaldo STS for the year 2013 and the Report on Remuneration prepared pursuant to Article 123-ter of the Consolidated law on Finance, which will be published in the time and manner provided by law.

During the Board of Directors meeting, Dr. Alessandro Pansa has communicated to the Board of Directors and to the Chairman of Board of Statutory Auditors the decision to resign from Chairman and member of the Board of Directors of Ansaldo STS SpA, with effect from the end of the Shareholders meeting called to approve the financial statements at December 31st, 2012. These resignations were made on the basis of the position of Chief Executive Officer of Finmeccanica SpA taken by Dr. Pansa with effect from February 13rd, 2013 - which was added to the position of General Manager held within the same parent company - and the resulting extra work required.



Ansaldo STS confirms that the Management will be available at **17:30 on Tuesday 5 March** to comment on the above, via conference call.

The presentation in support of the conference call will be available in advance on the Company website, at the following address www.ansaldo-sts.com <http://www.ansaldo-sts.com/en/investor-relations/presentations>.

To take part in the **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 30 hours following the call, from 8.00am on 6 March, using the access code

863#

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PRESS RELEASE

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 - 178b, the components of each of the non-GAAP alternative performance indicators used in this press release are defined below.

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

Adjusted EBIT (Adj): is the EBIT as described above, net of:

- any impairment of 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.

Return on Sales (ROS): the ratio of EBIT to revenue.

Free operating cash flow (FOCF): this indicator is the sum of cash flows generated by (used in) operating activities and cash flows generated by (used in) investing and disinvesting in property, plant and equipment, intangible assets and equity investments, net of cash flows from acquisitions and sales of equity investments which are deemed “strategic” due to their nature or importance.

Funds from operations (FFO): this indicator is the cash flows generated by (used in) operating activities, net of changes in working capital.

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

Working capital: comprises trade receivables and payables, work in progress and progress payments and advances from customers.

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 working capital less provisions for current risks and other current assets and liabilities.

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

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

Order backlog: is the difference between new orders and revenue for the period (less 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 register on the reporting date.

Return on Equity (ROE): the ratio of the profit or loss for the twelve months to the average amount of equity at the reporting date and the corresponding period reporting date.

Research and development expense: total expense incurred for research and development, both expensed and sold. Research expense taken to profit or loss usually relates to “general technology”, i.e., aimed at gaining scientific knowledge and/or techniques applicable to various new products and/or services. Sold research 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. These types of costs are generally not capitalised given the fast-changing nature of Ansaldo STS group’s production business unit.