Analysts Conference

Full Year 2015 Results

February 26th 2016

Ansaldo STS

A Hitachi Group Company

FY 2015 Main Events

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On 24 February 2015 Hitachi Ltd. and Finmeccanica S.p.A announced, through a joint press release, to be entered into a binding agreement for the sale and purchase by Hitachi Ltd. of the entire shareholding owned by Finmeccanica in Ansaldo STS S.p.A., equal to N. 80,131,081 ordinary shares, representing 40.07% of the Ansaldo STS share capital.
In the same press release it was also announced the signing, by Hitachi Rail Italy S.p.A. and Hitachi Ltd., on one hand, and AnsaldoBreda S.p.A. and Finmeccanica, on the other hand, of a binding agreement for the acquisition of the going concern of AnsaldoBreda, consisting of its main rolling stock production and sale activities, with the exclusion of some revamping activities and certain residual contracts that were non-performing and under completion.

On 2 November 2015, once the last of the conditions precedent was met, Hitachi completed the acquisitions, through Hitachi Rail Investments Italy Srl, which on the same date informed CONSOB and the market of the occurrence of the conditions triggering the obligation to launch the Public Offer on Ansaldo STS shares.
The Offer concerns 119,868,919 ordinary shares of the Issuer, equal to 59.93% of the Issuer's share capital, corresponding to the total of the ordinary shares, excluding the shares already held by the Offeror as of the Offer Document Date.
The consideration offered by the Offeror for each share that will be tendered is of Euro 9.50.
The Offer Period has been agreed with Borsa Italiana as the period from 4 January 2016 to 5 February 2016 inclusive, unless extended.
For more information regarding the Public Tender Offer please refer to information and documentation made available to the public on Ansaldo STS website, at the page:
http://www.ansaldo-sts.com/en/opa-en

Ansaldo STS Public Tender Offer Update

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On November 16, 2015 CONSOB, following a request from Amber Capital and Bluebell Partners for an increase of the offer consideration, has requested the filing of further detailed information, therefore ordering the suspension, no longer than fifteen days, of the term for their approval of the Offer Document until the provision of the requested detailed information.

On December 2, 2015 CONSOB communicated the re-opening of the term for their approval of the Offer Document related to the Offer starting from December 1, 2015. The end of term for the approval of the Offer Document was due on December 5, 2015.

On December 5, 2015, CONSOB approved the document relating to the Offer Document.

On February 3, 2016, CONSOB has increased the Consideration of the Offer, from Euro 9.50 to Euro 9.899 for each tendered share of Ansaldo STS. On the same date it has also ordered the extension of the offer period in relation to the Offer (the "Offer Period"), for a further period of ten trading days. The Offer Period will therefore end on February 19, 2016 (included). The end of the Offer Period was initially expected on February 5, 2016.
The above mentioned CONSOB Resolution could be appealed by both parties to the Lazio Administrative Court (TAR) within sixty days.

Both Amber Capital and Hitachi have appealed against CONSOB resolution.

On February 18 TAR has accepted Hitachi appeal and suspended Consob resolution on price increase. Following to this Consob has ordered the extension of the Offer period for further ten trading days. The Offer period will therefore end on March 4 (included). Prior to such extension the end was expected on February 19.

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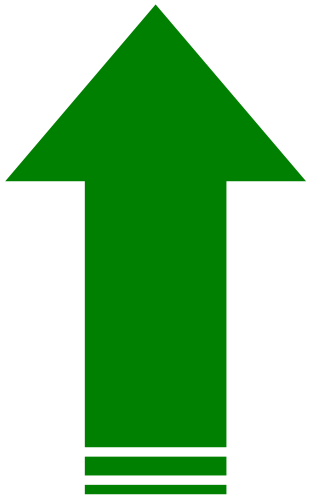
ANSALDOSTS: IMPRESSIVE RESULTS CONFIRM RESILIENCY OF OUR BUSINESS MODEL

FY 2015 VS FY 2014

REVENUE: **+6%**

EBIT: **+9%**

NET RESULT: **+15%**



ENABLING OUR FUTURE
R&D
+12%

DELIVERING OUR FUTURE,
PRODUCTIVITY INCREASE, EVA
+14%

FUNDING OUR FUTURE,
FREE OPERATING CASH FLOW
+16%

GROUNDING OUR FUTURE
NET FINANCIAL POSITION
+15%

DESERVING OUR FUTURE
EFFICIENCY, SG&A, COST CUT
12%

Solid, profitable and cash-generating double-digit growth
Best in class results in terms of efficiency and effectiveness

FY 2015 – Key Facts

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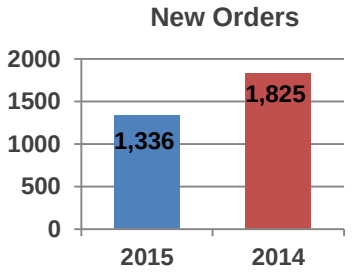
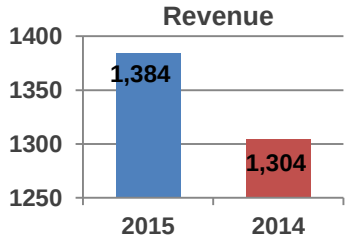
❑ **New Orders** at 1,336 M€, with a decrease of 489 million (-27%) compared with FY 2014, mostly due to shifting of some mass transit projects beyond 2015. Main orders booked in the fourth quarter are MBTA PTC for 305 M€, SEPTA Sharon Hill for 48 M€ and Los Angeles West Side Subway for 28 M€, all in USA, together with some variation orders and O&M.

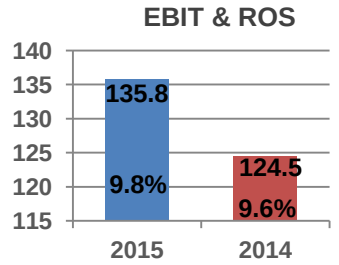
❑ **Revenue** at 1,384 million, with an increase of 80 million (+6%) compared with FY 2014, mainly due to higher contribution coming from projects in America and Middle East regions.

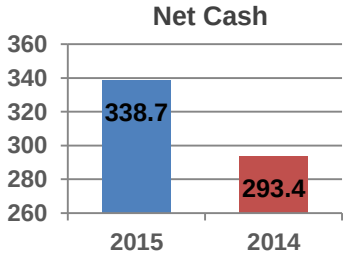
❑ **EBIT** at 135.8 M€, 11.3 M€ higher versus last year, leading to a **ROS** of 9.8% compared to 9.6% in FY 2014. This is mostly due to volume effect and operating expenses savings including efficiency actions, despite higher R&D costs and a negative project mix in the period.

❑ **Net Financial Position** (**cash**) at 338.7 M€, with an improvement of 45 million compared with FY 2014. **FOCF** equal to +87.7 M€, compared to +75.7 M€ in FY 2014, driven by higher collections mainly in America region.







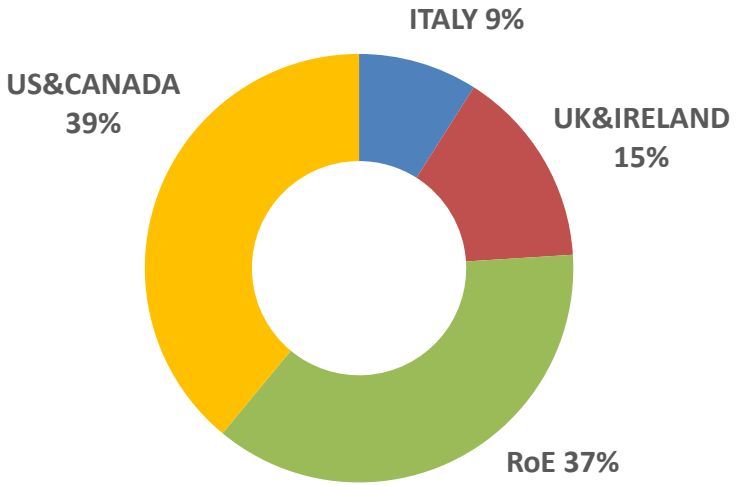


FY 2015 Results – Key Data

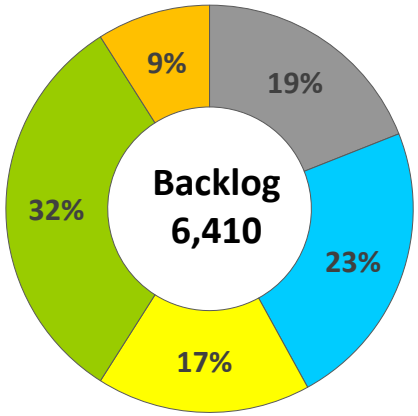
(M€)	FY 2015	FY 2014	*% change*
New Orders	**1,336.0**	1,825.0	*-26.8%*
Order Backlog	**6,410.4**	6,120.8	*4.7%*
Revenue	**1,383.8**	1,303.5	*6.2%*
EBIT	**135.8**	124.5	*9.1%*
ROS	**9.8%**	9.6%	*0.2 p p*
Tax Rate	**32.0%**	34.9%	*(2.9) p p*
Net Result	**93.0**	80.7	*15.3%*
Net Working Capital	**64.5**	41.8	*54.2%*
Net Financial Position	**(338.7)**	(293.4)	*15.4%*
R&D	**36.9**	33.0	*11.7%*
Total Headcount	**3,772**	3,799	*-0.7%*
EVA	**65.8**	57.7	*14.1%*

Geographic distribution at the end of December 2015
Shareholders - Backlog - Headcount

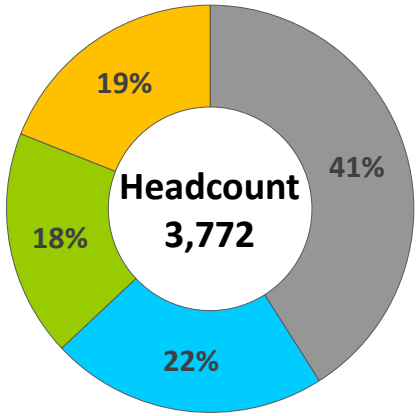
SHAREHOLDERS

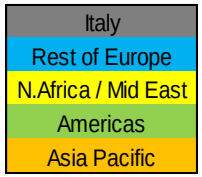


BACKLOG



HEADCOUNT





Share's Distribution *(disclosed shares)*

Backlog, Orders & Revenue by Geo Area

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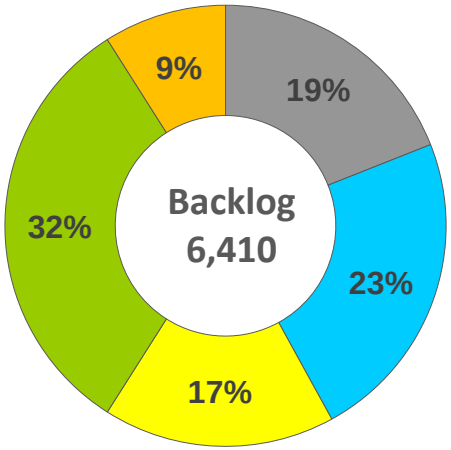
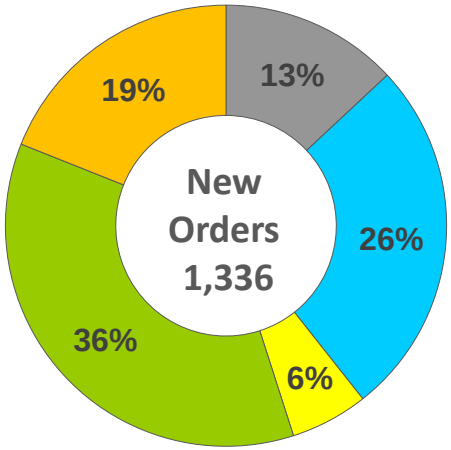
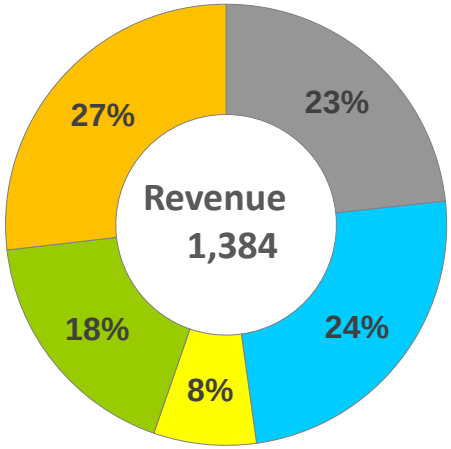
FY - 2015

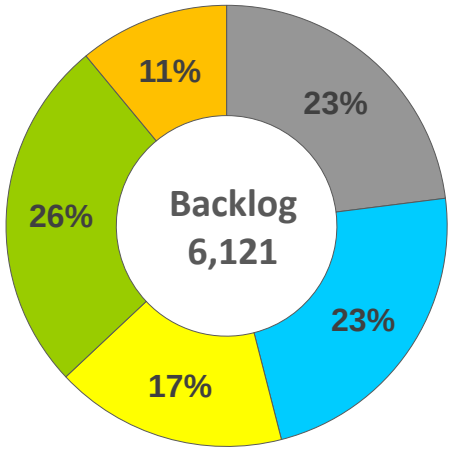


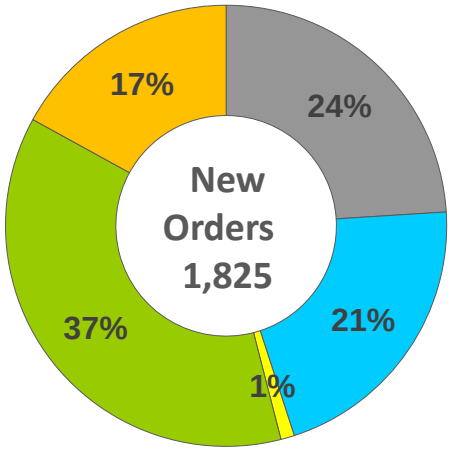


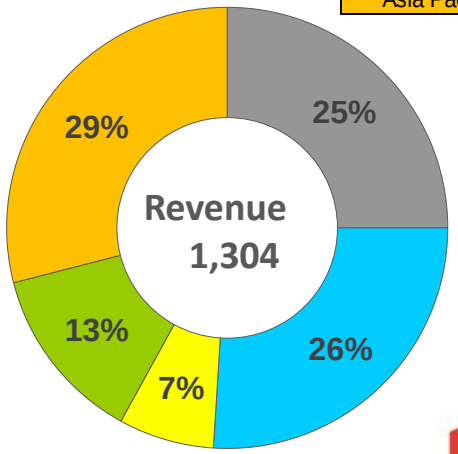


Italy
Rest of Europe
N.Africa / Mid East
Americas
Asia Pacific

FY - 2014







FY 2015 Results - Main Orders booked

Country	Project Name	Customer	Value (M€)
USA	MBTA Positive Train Control	MBTA	305
Australia	RAFA - Variation Orders	Rio Tinto	162
Denmark	Copenhagen Cityringen O&M and variation	Metroselskabet	119
Various	Components	Various	73
Saudi Arabia	Riyadh Metro - Iconic stations	ADA	62
USA	Components	Various	54
USA	SEPTA Sharon Hill	SEPTA	48
Various	Service & Maintenance	Various	44
Spain	Madrid - Lleyda maintenance extension	ADIF	42
Italy	Naples Line 6 - Variation Orders	Naples Municipality	30
USA	Los Angeles West Side Subway	LACTMA	28
France	Bistandard onboard Plan programme SNCF	SNCF	18
USA	NYCT 4th - 6th Avenue	NYCT	15

FY 2015 Main Orders – MBTA PTC

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- Ansaldo STS was awarded a $338 million contract from Massachusetts Bay Transportation Authority (MBTA) to furnish a complete Positive Train Control (PTC) system on their entire Commuter Rail network. This newly awarded project represents an additional stepping stone for Ansaldo STS in becoming a recognized rail technology system integrator in North America, a role that Ansaldo STS successfully plays in multiple turnkey projects around the world.
- Ansaldo STS's scope of work will include design, integration, delivery of materials, on board and field installation, testing, commissioning, technical support and documentation for the PTC system.
- The PTC system will provide an integrated ACSES II and I-ETMS based PTC systems on all commuter rail lines, thus enabling the Authority to meet its obligations under the Federal Railroad Administration (FRA)

FY 2015 Main Orders – SEPTA Sharon Hill

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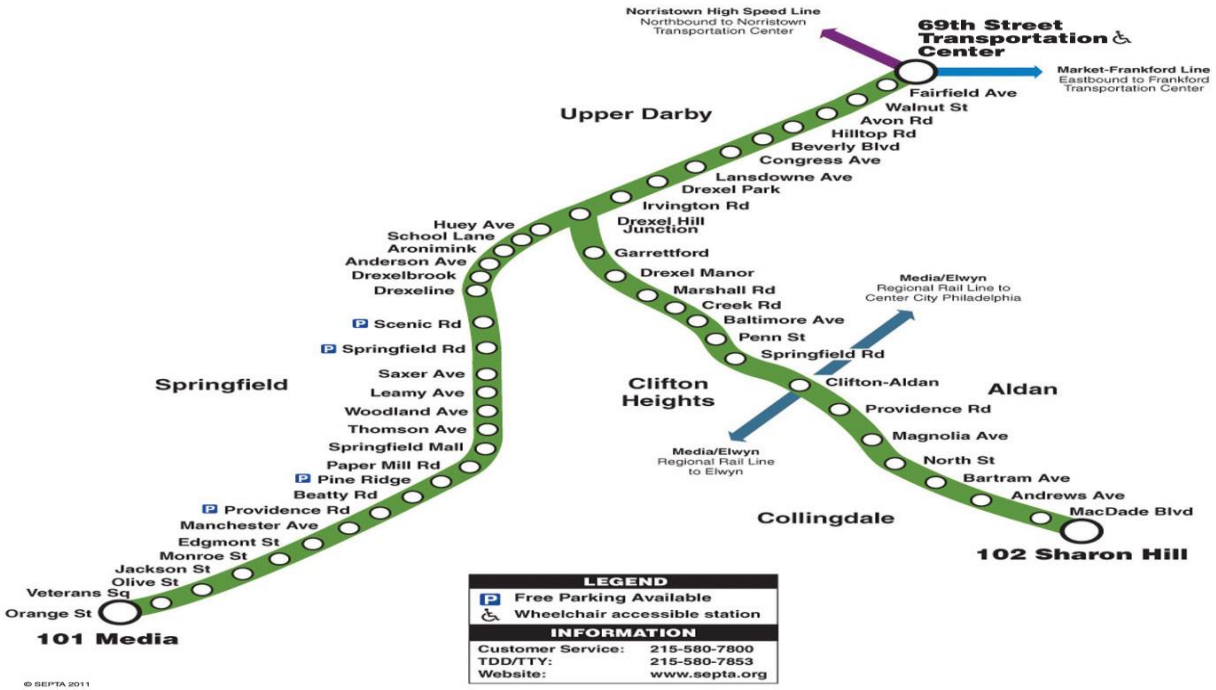

- Ansaldo STS was awarded a 53.2 million USD contract from Southeastern Pennsylvania Transportation Authority (SEPTA) for a full design build contract for the Media Sharon Hill Lines Communications Based Train Control system. Ansaldo STS will provide the Media Sharon Hill lines of the SEPTA network with its latest Communication Based Train Control (CBTC) system.
- The scope of work will include civil works, track switch replacement and upgrade of the existing signaling system including all installation and test and commissioning.
- The new system will provide centralized supervision and scheduling of the lines from SEPTA's Integrated Control Center as well as increased safety and performance.
- Ansaldo STS is presently working with SEPTA to install a PTC system on 13 lines of their system with the objective to meet the current FRA (Federal Railway Authority) requirements.

FY 2015 Main Orders – L.A. West Side

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- Ansaldo STS was awarded a 31.5 million USD contract to design, furnish, test and commission a Signalling and Train Control (S&TC) system for the Los Angeles County Metropolitan Transportation Authority (LACMTA), West Side Subway Extension.
- The extension will be approximately 3.9 miles from its current terminus at Wilshire/Western Station to a new Wilshire/La Cienega station and will include a total of 3 new stations.
- The new system will be designed to ensure the safe and efficient movement of trains along the extensions' mainline and interlocked tracks. This system will meet these requirements through the implementation of Automatic Train Protection (ATP) functions and support of Automatic Train Operation (ATO) and Automatic Train Supervision (ATS) functions. The new system will also employ Train-To Wayside Communications (TWC).

2015 Main Key Data vs last revised Guidance

(M€)	2015 Actual	2015 Revised *Guidance*	2015 Key Data vs *Revised Guidance*
New Orders	1,336.0	1,300 - 1,700	√ Met
Order Backlog	6,410.4	6,300 - 6,800	√ Met
Revenue	1,383.8	1,300 - 1,400	√ Met
ROS	9.8%	~ 9.6%	> Overcome
Net Financial Position	(338.7)	(280) - (320)	> Overcome

FY 2015 Results - Dividend declaration

The Board of Directors of Ansaldo STS will propose to next Shareholders meeting a total dividend amount equal to **36.0 M€**, compared with **30.0 M€** distributed last year.

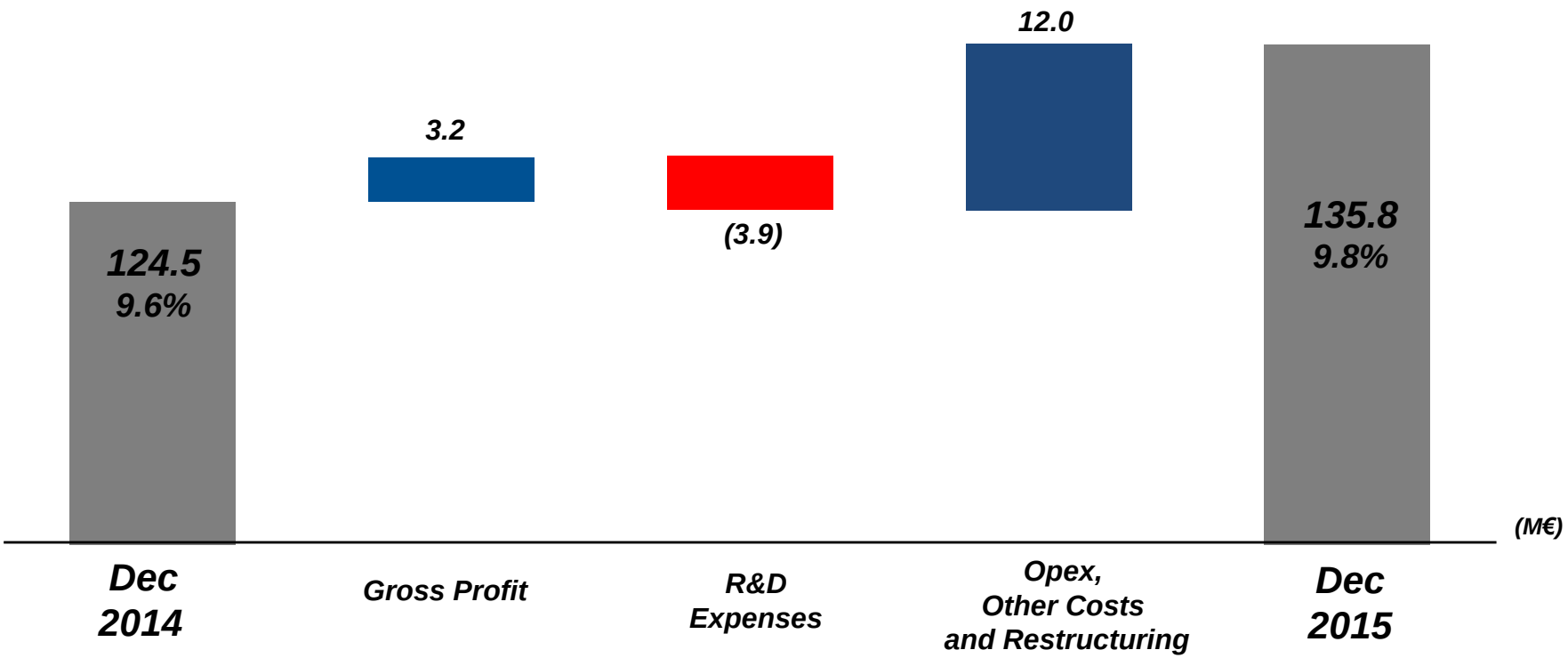
The dividend per share of **0.18 €** is higher compared with **0.15 €** of the previous year.

Back Up

Q4 2015 vs Q4 2014 – Key Data

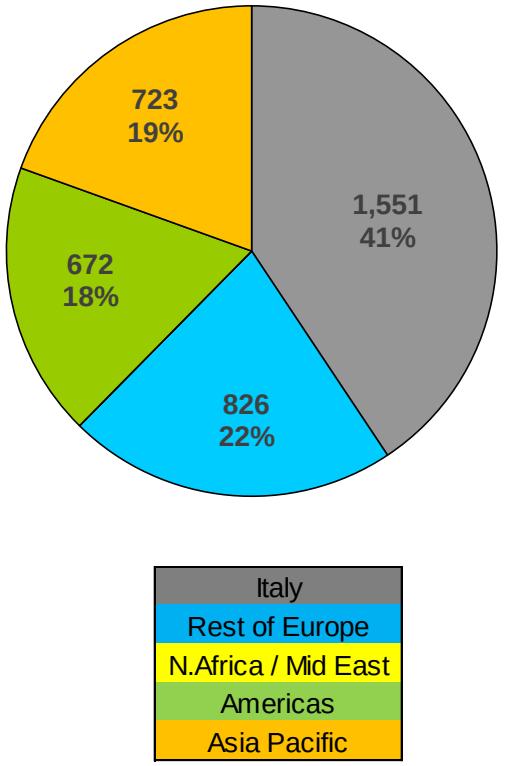
(M€)	Q4 2015	Q4 2014	*% change*
New Orders	**746.7**	585.8	*27.5%*
Order Backlog	**6,410.4**	6,120.8	*4.7%*
Revenue	**431.2**	433.0	*-0.4%*
EBIT	**44.9**	43.8	*2.5%*
ROS	**10.4%**	10.1%	*0.3 p p*
Tax Rate	**27.4%**	32.9%	*(5.5) p p*
Net Result	**33.5**	29.6	*13.2%*
Net Working Capital	**64.5**	41.8	*54.2%*
Net Financial Position	**(338.7)**	(293.4)	*15.4%*
R&D	**9.6**	11.6	*-17.2%*
Total Headcount	**3,772**	3,799	*-0.7%*
EVA	**26.4**	24.9	*6.0%*

Back Up detail – EBIT Evolution – FY 2015 vs FY 2014



Back Up detail – December 2015 - Total Headcount

Country	Main Locations	Headcount
ITALY	Genoa, Naples, Turin Potenza, Branches	1,551
FRANCE	Les Ulis, Riom	593
SPAIN	Madrid	170
SWEDEN	Stockholm	57
OTHER EUROPE	Munich, London	6
USA - CANADA	Pittsburgh, Batesburg, Montreal	672
AUSTRALIA	Perth, Brisbane	348
INDIA	Bangalore	241
MALAYSIA	Kuala Lumpur	46
CHINA	Beijing	67
Other Locations	various	21
TOTAL HEADCOUNT		3,772



Glossary (I)

APRs: Automatic Position Reporting System, radio based digital communications system for local, regional, or long distance

ATC: Automatic Train Control, or ATC, is an integrated signaling system that guarantees the secure movement of trains. ATC integrates various subsystems positioned on-board and wayside. In addition to a full interlocking system, a complete ATC system consists of three subsystems: (i) ATP, (ii) ATO and (iii) ATS.

ATP: Automatic Train Protection, or ATP, is an ATC subsystem responsible for the safe operation of a signaling system. It imposes speed limits on trains, both to maintain a safe operating distance between them and to comply with safety and speed requirements. The ATP system is designed to be a fail-safe (vital) system.

ATO: Automatic Train Operation, or ATO, is an ATC subsystem which performs on-board, non-vital functions normally performed by a train driver, including ensuring a smooth acceleration of the train to the running speed, speed regulation and smoothly stopping the train at the proper position at station platforms or in front of stopping signals. ATO subsystems are primarily located on-board and represent one of the principal components of a driverless system. Additionally, ATO subsystems report vehicle health status to the central control offices.

ATS: Automatic Train Supervision, or ATS, is an ATC subsystem which operates to control trains automatically by means of ATO and ATP, in accordance with the railway timetable. This also involves a CTC system.

BALISE: An electronic beacon or transponder placed between the rails of a railway as part of an Automatic Train Protection system.

CBI: Computer Based Interlocking, or CBI, is an Interlocking System (see below) where the traditional wired networks of relays are replaced by software logic running on special-purpose fail-safe control hardware. The fact that the logic is implemented by software rather than hard-wired circuitry greatly facilitates the ability to make modifications when needed by reprogramming rather than rewiring (ACC, MicroLok® and SEI/PAI-NG are the Ansaldo STS CBI interlockings).

CBTC: Communication Based Train Control, or CBTC, is a system that allows for the interchangeability of different technological systems in use on various metro lines. CBTC can be understood as an attempt to create an ERTMS type standard for the mass transit industry.

CENELEC: European Committee for Electro technical Standardization

CTC: A Centralized Traffic Control system, or CTC, monitors the status of signaling on a line or network and displays the relevant status information to a central operator, assists in the management of the line or network consistent with the timetable and exercises control to prevent small schedule disturbances from becoming traffic jams. CTC also notifies the operator of ATC equipment failures and of failures in traction power and passenger station support facilities.

CTCS : Chinese Train Control System, a train control system used on railway lines in China

DPL: Dedicated Passenger Line.

DTG: Distance to Go, Wayside and on board ATP system track circuit based

Glossary (II)

ETCS: The European Train Control System (ETCS) is a signaling, control and train protection system designed to replace the many legacy safety systems currently used by European railways, especially on high-speed lines.

ERTMS: The European Rail Traffic Management System, or ERTMS, was introduced by the EU in 1992 as a means of creating a uniform system of command, control and coordination of rail traffic to allow for ''interoperability'' throughout EU territory. The ERTMS standard exists at three levels (ERTMS 1, 2 and 3) depending on use, each distinguished by the type of wayside and on-board equipment used and the manner in which this equipment communicates relevant data.

EUROCAB / EVC: Onboard computer used to process ETCS information.

GA: Generic Application

GCP: Grade Crossing Predictor, an electronic device which is connected to the rails of a railroad track and activates the crossing's warning devices (lights, bells, gates, etc.), based on a range of factors, including train speed, which minimizes waiting delays for drivers and therefore reduces the number of accidents

GNSS: Global Navigation Satellite System, satellite-based global navigation system, can rely on US GPS (Global Positioning System), or Russian GLONASS (Global Navigation Satellite System), or European Galileo system under development.

GP: Generic Product

GSM-R: Global System for Mobile Communications-Railway, an international wireless communications standard for railway communication

HERMES: Automation – Supervision system used for mass transit system

HSL: High Speed Line, or HSL, refers to railway lines with capacity for speeds in excess of 200 km/h (125 mph).

ICSS: Integrated Control & Safety System. Integrated Communication Switching System.

IXL: Interlocking System. An interlocking system is responsible for the reliable and safe movement of trains inside a station, through complex junctions and for the length of the line. The interlocking system ensures that train movement is permitted only when a route is available and the switches along this route are safely locked in their position. In all cases the interlocking allocates a track portion or a route to one train at a time, excluding all others.

LDS: Localization Determination System, satellite-based solution for train control system SIL 4 localization

LEU: Encoder. Product that is interfaced to balise and permit it to change the telegram to be sent to the train in the intermittent ATP according to the status of the route

LRT: Light Rail Transit, or LRT, refers to a form of urban rail transit that utilizes equipment and infrastructure that is typically less massive than that used for metro systems, with modern light rail vehicles usually running along the system.

MTBF: Mean time between failures is the predicted elapsed time between inherent failures of a system during operation.

MTBHE: Mean Time Between Hazardous Events, estimated time between two events that can cause an hazardous event.

MT: Mass Transit

Glossary (III)

OCC: Operational Control Centre, system that monitors the status of signaling on the line and the location of trains

OTP: Optimizing Traffic Planner, or OTP, is a traffic management system that permits real time monitoring of the positioning of trains throughout a railway system. OTP optimizes system or network capacity by safely minimizing the time between trains, reducing operating costs. OTP is primarily designed for those markets where railway systems infrastructure is being used to full capacity

PTC: Positive Train Control, North American freight railway implementation of CBTC.

RBC: Radio Block Centre. All trains automatically report their exact position and direction of travel to the RB C at regular intervals. RBC sends by radio fail safe information to the train (ATP)

SA: Specific Application

SCADA: A Supervisory Control And Data Acquisition system, or SCADA, allows for the supervision of the various subsystems at work in a railway or mass transit environment. SCADA collects information from remote installations, transfers it back to a central office, analyzes the information, takes appropriate action and displays that data on a number of operator screens.

SCC: Automation – Supervision system used for railways system

SCMT: Sistema di Controllo della Marcia del Treno. Automatic train protection system.

SIL: 0, 2, 4: Safety Integrity Level (SIL) is determined for components and systems with safety functions.

SSC: Sistema Supporto Condotta, Italian train stopping system. Less sophisticated than SCMT.

STO: Semi-automated Operation Mode

TETRA: Terrestrial Trunked Radio , digital data and voice communication system

TLC: Telecom networking

TSRs: Temporary Speed Restrictions

TTCS: Train Conformity Check System verifies the conformity of running Rolling Stocks

TVM: Transmission Voie-Machine (TVM, track-to-train transmission in English) is a form of in-cab signalling originally deployed in France and used on high-speed railway lines.

UTO: Grade of Automation for systems, where there is no driver in the front cabin of the train, nor accompanying staff assigned to a specific train. This can also be referred to as Unattended Train Operation, or UTO

VSS: Vital Safety Server used in freight application (both as for IXI and RBC)

Roberto Carassai, the Manager in charge of preparing the company's financial reports, hereby declares, pursuant to article 154-bis, paragraph 2 of the Consolidated Law on Finance, that the actual accounting information contained in this presentation corresponds to document results, books and accounting records

This Analysts Presentation contains forward-looking statements which are based on current plans and forecasts of Ansaldo STS S.p.A. Such forward-looking statements are by their nature subject to a number of risk and factors not foreseeable that could cause actual results to differ from the plans, objectives and expectations expressed in such forward-looking statements.
These such forward-looking statements speak only as of the date on which they are made, and Ansaldo STS S.p.A. undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

NB: *Ansaldo STS's management also assesses the performance of the group using certain indicators that are not defined by the IFRS.*
The components of each indicator are described below as required by CESR/05 - 178b Communication:

EBIT: *earnings before interest and taxes, before any adjustment. EBIT excludes 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.*

EBIT Adjusted *is given by EBIT, as defined above, net of the following items (where applicable):*
- Any impairment of goodwill;
- Amortization of the portion of the purchase price allocated to intangible assets in relation to business combinations, as required by 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 Sale (ROS)*: it is calculated as 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. The FOCF is shown in the reclassified consolidated statement of cash flows.*

Funds From Operations (FFO): *This is the cash flows from (used in) operating activities, net of changes in working capital.*

Economic Value Added (EVA): *it is the difference between EBIT, net of income taxes and the cost of the average invested capital of the current and previous year measured on the base of the Weighted Average Cost of Capital (WACC).*

Net Working Capital: *It is working capital less provisions for current risks and other current assets and liabilities.*

Net Financial (Position) or Debt: *The calculation model used complies with paragraph 127 of the CESR/05-054b recommendations implementing Regulation (EC) n° 809/2004.*

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

New Orders: *It is 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: *It is 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 year.*

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

Return on Equity (ROE): *It is 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 costs: *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.*

Ansaldo STS

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Our commitment to the theme of sustainable development is expressed in the countries where we operate, across five continents, through the dissemination of our corporate vision, attention to environmental, social, and promote our work through a climate of cooperation with local cultures.

In coherence with our vision this year we have joined the Global Compact, a voluntary initiative launched by the UN to spread the culture of respect for human rights, labor, environment and the fight against corruption.

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THANK YOU FOR YOUR ATTENTION

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