

Bit Market Services

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Informazione
Regolamentata
Nome utilizzatore : ANSALDON07 - Razeto Andrea
Tipologia : IROP 05; IROP 09
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Diffusione presunta
Oggetto : Notice on Voluntary Price Increase

Testo del comunicato

Vedi allegato.

Ⓜ **Hitachi Rail Italy Investments S.r.l.**

Registered office: Via Tommaso Gulli 39, 20147, Milan
Share capital: Euro 10,000.00
Register of enterprises of Milan/VAT: 09194070968
R.E.A. Milan: 2075042

NOTICE

Pursuant to article 43, paragraph 1, of the Issuers' Regulation

Mandatory tender offer launched by Hitachi Rail Italy Investments S.r.l. on 119,868,919 ordinary shares of Ansaldo STS S.p.A.

AMENDMENT TO THE OFFER – INCREASE OF THE CONSIDERATION TO EURO 9.68 FOR EACH SHARE TENDERED IN THE OFFER

Milan, March 1, 2016 – Reference is made to the mandatory tender offer (the “**Offer**”) launched, pursuant to articles 102 and 106, paragraph 1-*bis*, of Legislative Decree No. 58 of 24 February 1998, as subsequently amended and supplemented (the “**TUF**”), by Hitachi Rail Italy Investments S.r.l. (the “**Offeror**”) for 119,868,919 ordinary shares of Ansaldo STS S.p.A. (the “**Issuer**” or “**Ansaldo**”), each with a nominal value of Euro 0.50 and equal to 59.93% of the Issuer’s share capital, listed on the Electronic Stock Market (*Mercato Telematico Azionario*) organised and managed by Borsa Italiana.

All capitalized terms not defined in this notice have the same meaning as in the offer document approved by CONSOB with resolution No. 19457 of 5 December 2015 (the “**Offer Document**”) and in the supplement to the Offer Document approved by CONSOB with resolution No. 19513 of 12 February 2016 (the “**Supplement**”).

The Offeror has acknowledged that the meeting of the Board of Directors of Ansaldo held on 25 February 2016 has resolved to propose to the Ordinary Shareholders' Meeting the distribution of a dividend equal to Euro 0.18 (before tax) for each of the shares entitled to receive such dividend, *i.e.* each of the outstanding shares at the *ex dividend* date. In this regard, the Offeror reserves the right not to vote in favour of the proposal of distribution of such dividend at the Ordinary Shareholders' Meeting of Ansaldo.

The Offeror however hereby announces its intention to increase from Euro 9.50 to Euro 9.68 the Consideration for each of the shares of Ansaldo tendered in the Offer (the “**Voluntary Increase**”), pursuant to article 43, paragraph 1, of the Regulation adopted by CONSOB with resolution No. 11971 of 14 May 1999, as subsequently amended and supplemented (the “**Issuers' Regulation**”).

The new consideration, equal to Euro 9.68 (the “**New Consideration**”) will be paid, in accordance with the terms and conditions indicated in the Offer Document, both to the shareholders that, as of the date hereof, have already subscribed to the Offer, and to the shareholders of Ansaldo that will subscribe to the Offer in the remainder of the offer period in relation to the Offer.

The Offeror, furthermore, announces that it has requested CONSOB to order an extension of the offer period in relation to the Offer (the “**Offer Period**”), pursuant to article 40, paragraph 4, of the Issuers’ Regulation, so that the Offer Period will remain open for a further period of ten (10) trading days from the date hereof, in order to allow Ansaldo’s shareholders to have a sufficient amount of time to evaluate the Voluntary Increase.

The decision to proceed with the Voluntary Increase falls outside the scope of the administrative proceeding before the Lazio Administrative Court (*Tribunale Amministrativo Regionale del Lazio*, the “**TAR Lazio**”) initiated upon appeal by the Offeror against CONSOB’s decision to increase the consideration of the Offer (“**CONSOB’s Decision**”). Therefore, there is no prejudice to the Offeror’s interest in the proceeding and its assumptions, both in relation to such appeal and in relation to the request for provisional precautionary measures submitted by the Offeror against CONSOB’s Decision.

With reference to the pending proceeding before the TAR Lazio, the Offeror reiterates the correctness of its conduct and its intention to continue to pursue any action in court in order to protect its rights.

Furthermore, the Offeror will continue to request the TAR Lazio to confirm, following the Chamber hearing that will be held on 15 March 2016, the provisional suspension of the effects of CONSOB’s Decision (the “**Suspension**”) already granted, on 18 February 2016, by the President of the TAR Lazio.

It is specified that, following the abovementioned Chamber hearing, were the Suspension to be rejected, it is the Offeror’s intention, taking into consideration the Voluntary Increase, to pay to the subscribers to the Offer only an amount equal to Euro 0.219 for each share tendered in the Offer.

The following table outlines the EV/Sales, EV/EBITDA, EV/EBIT and P/E multiples related to the Issuer with reference to the financial years ended on 31 December 2013 and 2014, computed on the basis of the implied equity value of the Issuer (€1,936 million, New Consideration multiplied by the number of outstanding shares net of treasury shares, as per latest available published financial reports before the Offer Document Date), net financial position (-€277 million), unfunded pension obligation (€33 million), non-controlling interests (€0 million) and investments in associates (-€69 million), as per latest available published financial reports before the Offer Document Date. The application of the P/Cash Flow and P/Book Value multiples would not provide any significant indications to evaluate companies belonging to the reference sector, as also confirmed by the fact that also research analysts generally do not use them to value the shares of the Issuer. In addition, P/Book Value multiples are also impacted by the different accounting treatment of certain items and might hence be misleading. For the above reasons, as made in the Offer Document, P/Cash Flow and P/Book Value multiples have not been included.

Multiples⁽¹⁾	2013	2014
EV/Sales	1.32x	1.25x
EV/EBITDA	12.3x	11.2x
EV/EBIT	13.8x	12.4x
P/E	25.7x	22.8x

Source: Issuer filings and public information

(1) Multiples computed on the basis of a number of shares outstanding net of treasury shares as per latest available published financial reports before the Offer Document Date

In the following table, the Issuer's multiples have been compared to similar multiples for the fiscal years 2013 and 2014 of a sample of international listed companies operating in the same sector of the Issuer and considered to be potentially comparable, and in some cases only partially comparable.

Comparable companies⁽¹⁾	EV/Sales		EV/EBITDA		EV/EBIT		P/E	
	2013	2014	2013	2014	2013	2014	2013	2014
Faiveley Transport ⁽²⁾	1.06x	1.00x	9.5x	9.7x	11.2x	11.5x	15.5x	14.9x
Schaltbau	1.21x	1.10x	10.5x	12.3x	13.2x	17.2x	12.4x	10.6x
The Nippon Signal ⁽²⁾	0.76x	0.70x	8.8x	7.5x	10.9x	9.2x	21.9x	18.3x
Vossloh	0.88x	0.86x	9.7x	15.3x	14.7x	n/m	22.8x	n/m
Mean	0.98x	0.92x	9.6x	11.2x	12.5x	12.7x	18.1x	14.6x
Median	0.97x	0.93x	9.6x	11.0x	12.2x	11.5x	18.7x	14.9x
Ansaldo STS⁽³⁾	1.32x	1.25x	12.3x	11.2x	13.8x	12.4x	25.7x	22.8x

Source: Issuer and other company filings and public information

(1) Multiples computed on the basis of a number of shares outstanding net of treasury shares as per latest available published financial reports before the Offer Document Date, on the basis of market capitalisations as of 23 February 2015

(2) Financials calendarised as of 31 December. Financial year end for Faiveley Transport and Nippon Signal is 31 March

(3) Multiples computed on the basis of a number of shares outstanding net of treasury shares as per latest available published financial reports before the Offer Document Date, on the basis of the new Consideration

The following table shows the monthly arithmetic weighted average of the official prices of the ordinary shares of the Issuer in each of the twelve months that ended on 23 February 2015 (last Trading Day before 24 February 2015, date on which the press release on the Acquisition on the basis of the STS Agreement has been disclosed to the market), *i.e.* the time period between 24 February 2014 and 23 February 2015, compared to the new Consideration *cum dividend* (as defined hereinafter). As in Paragraph E.4 of the Offer Document, for the purpose of this comparison, the New Consideration has been increased by an amount equal to the dividend approved by the Issuers' Shareholders' Meeting held on 23 April 2015, equal to Euro 0.15 per share (the "**New Consideration cum dividend**") since the reference period for the comparison is before 18 May 2015 (namely, the *ex dividend* date for this dividend, as better described in the Offer Document).

Month	Average price per share (in EUR)	Difference between the New Consideration <i>cum</i> <i>dividend</i> and the average price per share (in EUR)	Difference between the New Consideration <i>cum</i> <i>dividend</i> and the average price per share (in % in respect of the average price)
24 February - 28 February 2014	7.356	2.474	33.6%
March 2014	7.391	2.439	33.0%
April 2014	7.140	2.690	37.7%
May 2014	6.948	2.882	41.5%
June 2014	6.831	2.999	43.9%
July 2014	7.199	2.631	36.5%
August 2014	7.577	2.253	29.7%
September 2014	8.579	1.251	14.6%
October 2014	8.819	1.011	11.5%
November 2014	8.498	1.332	15.7%
December 2014	8.322	1.508	18.1%
January 2015	8.584	1.246	14.5%
1 February – 23 February 2015	8.800	1.030	11.7%

Source: Bloomberg

The following table shows a comparison between the New Consideration *cum dividend* and: (i) the official price of the ordinary shares of the Issuer on 23 February 2015 (it being the last Trading Day before 24 February 2015, when the notice on the signing of the STS Agreement was disclosed to the market), and (ii) the arithmetic weighted average of official prices of the ordinary shares of the Issuer in relation to 1, 3, 6 months and 1 year before 23 February 2015.

Date	Price per share (in EUR)	Difference between the New Consideration <i>cum</i> <i>dividend</i> and the average price per share (in EUR)	Difference between the New Consideration <i>cum</i> <i>dividend</i> and the average price per share (in % in respect of the average price)
Official price on 23 February 2015	8.810	1.021	11.6%
1 month before	8.790	1.040	11.8%
3 months before	8.514	1.316	15.5%
6 months before	8.580	1.250	14.6%
1 year before	7.883	1.947	24.7%

Source: Bloomberg

As a consequence of the Voluntary Increase, the Maximum Amount of the Offer, indicated in Paragraph E.2 of the Offer Document, is now equal to Euro 1,160,331,136. The cash confirmation letters for the full performance of the Offeror's payment obligations in relation to the Offer are sufficient in order to cover the new Maximum Amount.

Finally, please note that as of the date hereof, 6,407,231 ordinary shares of Ansaldo have been tendered in the Offer, approximately equal to 3.20% of the Issuer's share capital and to 5.345% of the ordinary shares of Ansaldo subject to the Offer.

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For further information:

Media contacts for the Offeror
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The Offer is exclusively launched in Italy and in the United States of America, and has not and shall not be promoted or distributed in Canada, Japan and Australia, and in any other country where such distribution is not permitted without authorization from the competent authorities or other fulfillments by the Offeror.

NOTICE TO U.S. RESIDENT HOLDERS

The Offer regards the shares of the Issuer, an Italian company with shares listed exclusively on the MTA, and is subject to Italian disclosure and procedural requirements, which are different from those of the United States of America.

This notice is neither an offer to purchase nor a solicitation to sell shares of the Issuer. Prior to the beginning of the Offer Period, the Offeror disseminated the Offer Document as required by applicable law and shareholders of the Issuer should review such document carefully.

The Offer is being promoted in the United States of America pursuant to Section 14(e) of, and Regulation 14E under, the U.S. Securities Exchange Act, subject to the exemptions provided by Rule 14d-1(d) under the U.S. Securities Exchange Act, and in any case in accordance with the requirements of Italian law.

Accordingly, the Offer is subject to disclosure and other procedural requirements, including with respect to withdrawal rights, settlement procedures and timing of payments, that are different from those applicable under U.S. domestic tender offer procedures and laws.

To the extent possible under applicable laws and regulations, in accordance with ordinary Italian law and market practice and so long as the conditions under Rule 14e-5(b)(12) of the U.S. Securities Exchange Act are satisfied, the Offeror, the Issuer, their affiliates and their financial advisors and brokers (acting as agents for the Offeror, the Issuer or any of their respective affiliates, as applicable) have purchased since February 24, 2015 and may purchase from time to time after the date of this notice, the shares or any securities that are convertible into, exchangeable for or exercisable for the shares of the Issuer outside of the Offer.

No such purchases have been made prior to the date of this notice other than the purchase of 80.131.081 ordinary shares of the Issuer, equal to 40.07% of the Issuer's share capital, previously held by Finmeccanica S.p.A., by the Offeror.

Any such purchases outside of the Offer will not be made at a price higher than the Offer Consideration unless the Offer Consideration is increased accordingly, to match the price paid outside of the Offer.

To the extent that information about such purchases or arrangements to purchase is made public in Italy, such information will be disclosed in the United States of America, by means of a press release, pursuant to Article 41, paragraph 2, letter c), of the Issuers' Regulation, or other means reasonably selected to inform U.S.

shareholders of the Issuer.

Neither the SEC nor any securities commission of any State of the United States of America has (a) approved or disapproved the Offer; (b) passed upon the merits or fairness of the Offer; or (c) passed upon the adequacy or accuracy of the disclosure in the Offer Document. Any representation to the contrary is a criminal offence in the United States of America.

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Notice released by Hitachi Rail Italy Investments S.r.l. (the Offeror) and distributed by Ansaldo STS S.p.A. (the Issuer) on request of the same Hitachi Rail Italy Investments S.r.l.

Fine Comunicato n.0804-31

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