


**Financial statements of  
non-EU foreign subsidiaries  
pursuant to article 36 of the  
Consob Market Regulation**



Financial Statements of non-EU foreign subsidiaries

**December 31<sup>st</sup>, 2016**

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## 1 Foreword

In compliance with art. 36, paragraph 1, letter a) of the Consob Market Regulation (adopted with Resolution no. 16191 of 29 October 2007 as amended), Ansaldo STS S.p.A. hereby discloses the financial statements of its subsidiaries which are set up and governed under non-EU legislation and have been identified as relevant entities on the basis of the criteria set out in paragraph 2 of art. 36 of the Consob Market Regulation.

In particular, below, are reported the financial statements of non-EU subsidiaries as prepared in accordance with the Local Financial Reporting Standards and used, with the proper IFRS/EU adjustments, for the purposes of the consolidated financial statements of the Ansaldo STS Group as at December 31<sup>st</sup>, 2016.

## 2 Ansaldo STS Australia PTY Ltd

Registered Office:	11 Viola Place, Eagle Farm, QLD 4009, Brisbane, Australia
Share capital:	AUD 5,025,885
Currency:	Australian Dollar
Group ownership:	100%

### 2.1 Balance Sheet

AUD/000	Consolidated		Parent Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
<b>Current Assets</b>				
Cash and cash equivalents	16,494	26,127	9,816	18,824
Receivables	51,583	55,649	37,019	40,599
Contract work in progress	73,248	70,012	55,511	49,307
Other financial assets	23,579	69,282	10,238	51,579
Inventories	756	2,323	223	2,543
Current Tax Assets	1,919	2,969	691	1,940
Other assets	5,094	6,336	959	649
<b>Total Current Assets</b>	<b>172,673</b>	<b>232,698</b>	<b>114,457</b>	<b>165,441</b>
<b>Non-current assets</b>				
Property, plant and equipment	1,744	1,640	1,246	1,362
Deferred tax assets	3,426	2,611	3,407	2,608
Other Financial assets	7,359	7,298	24,386	24,386
Intangible assets	96	112	83	99
Other assets	319	289	27	2
<b>Total Non-current assets</b>	<b>12,944</b>	<b>11,950</b>	<b>29,149</b>	<b>28,457</b>
<b>Total assets</b>	<b>185,617</b>	<b>244,648</b>	<b>143,606</b>	<b>193,898</b>
<b>Current liabilities</b>				
Payables	37,049	60,904	23,844	47,699
Advances from customers	34,893	41,371	14,737	19,026
Borrowings	32,877	32,052	-	-
Current tax liabilities	169	44	44	44
Provision for risks and charges	7,932	7,653	2,799	-
Other liabilities	4,544	5,006	7,079	7,720
<b>Total current liabilities</b>	<b>117,464</b>	<b>147,030</b>	<b>48,503</b>	<b>74,489</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	367	532	362	529
Provision for risks and charges	2,617	2,331	717	2,969
<b>Total Non-current liabilities</b>	<b>2,984</b>	<b>2,863</b>	<b>1,079</b>	<b>3,498</b>
<b>Total Liabilities</b>	<b>120,448</b>	<b>149,893</b>	<b>49,582</b>	<b>77,987</b>
<b>Net assets</b>	<b>65,169</b>	<b>94,755</b>	<b>94,024</b>	<b>115,911</b>
<b>Net Equity</b>				
Share Capital	38,151	38,151	38,151	38,151
Retained earnings / (Losses)	4,470	3,929	1,165	1,507
Reserves	22,548	52,675	54,708	76,253
<b>Total Equity attributable to</b>	<b>65,169</b>	<b>94,755</b>	<b>94,024</b>	<b>115,911</b>
Minority interests	-	-	-	-
<b>Total Net Equity</b>	<b>65,169</b>	<b>94,755</b>	<b>94,024</b>	<b>115,911</b>

## 2.2 Income Statement

AUD/000	Consolidated		Parent Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Revenues	185,380	366,189	159,888	347,784
Other operating income	4,780	5,800	1,158	2,755
Raw materials and consumables used	31,613	66,146	20,859	55,713
Purchase of services	84,875	213,702	75,123	200,341
Changes in inventories of work in progress, semi-finished and finished goods	971	1,356	1,134	1,322
Personnel costs	67,929	81,489	56,075	70,650
Amortization, depreciation and impairment	868	1,388	665	1,146
Other operating expenses	4,795	4,619	853	12,708
<b>EBIT</b>	<b>(891)</b>	<b>3,289</b>	<b>6,337</b>	<b>8,659</b>
Financial income / (costs)	(1,437)	(2,004)	(533)	531
<b>Profit / (loss) before taxes</b>	<b>(2,328)</b>	<b>1,285</b>	<b>5,804</b>	<b>9,190</b>
Income taxes	2,799	3,992	2,349	3,971
<b>Net profit (loss)</b>	<b>(5,127)</b>	<b>(2,707)</b>	<b>3,455</b>	<b>5,219</b>
Effective portion of changes of cash flow hedges	(427)	(394)	(867)	(553)
Foreign currency translation differences	754	1,178	487	99
<b>Other comprehensive income/(loss) for the year net of tax</b>	<b>327</b>	<b>784</b>	<b>(380)</b>	<b>(454)</b>
<b>Total comprehensive profit for the year</b>	<b>(4,800)</b>	<b>(1,923)</b>	<b>3,075</b>	<b>4,765</b>

### 3 Ansaldo STS USA Inc.

Registered Office:	2711 Centerville Road, Suite 400, Wilmington, DE 19808, USA
Share Capital:	USD 1
Currency:	US Dollar
Group ownership:	100%

#### 3.1 Balance Sheet

Ansaldo STS USA Grp	Consolidated	
USD/000	31.12.2016	31.12.2015
<b>Current Assets</b>		
Cash and cash equivalents	29,911	47,525
Trade Receivables	41,006	33,446
Receivables from related parties	12,875	13,268
Amounts withheld as guarantee	7,128	6,596
Inventories	20,751	14,915
Contract work in progress	57,370	61,774
Derivatives	1,483	1,215
Other assets	6,489	12,684
Loan assets to related parties	34,948	-
<b>Total Current Assets</b>	<b>211,961</b>	<b>191,423</b>
<b>Non-current assets</b>		
Amounts withheld as guarantee	5,286	3,121
Property, plant and equipment	11,869	12,728
Intangible assets	339	571
Deferred tax assets	11,439	11,122
Derivatives	1,247	519
Other assets	16,842	16,606
<b>Total Non-current assets</b>	<b>47,022</b>	<b>44,667</b>
<b>Total assets</b>	<b>258,983</b>	<b>236,090</b>
<b>Current liabilities</b>		
Borrowings from related parties	-	-
Trade Payable	21,630	14,274
Payables to related parties	6,506	6,518
Employees payables	6,967	4,238
Contracts retention payables	5,478	4,842
Accrued Warranty Costs	616	940
Derivatives	1,050	1,488
Tax payables	-	-
Other liabilities	3,856	4,588
Advance from customers	33,468	32,332
<b>Total current liabilities</b>	<b>79,571</b>	<b>69,220</b>
<b>Non-current liabilities</b>		
Derivatives	511	1,013
Other liabilities	139	145
<b>Total Non-current liabilities</b>	<b>650</b>	<b>1,158</b>
<b>Total Liabilities</b>	<b>80,221</b>	<b>70,378</b>
<b>Net Equity</b>		
Share Capital	-	-

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Share premium reserve	159,523	159,421
Reserves	3,634	3,161
Retained earnings / (Losses) carried forward	15,605	3,130
<b>Total Net Equity</b>	<b>178,762</b>	<b>165,712</b>
<b>Total Liabilities and Net Equity</b>	<b>258,983</b>	<b>236,090</b>

### 3.2 Income Statement

Ansaldo STS USA Grp USD/000	Consolidated	
	31.12.2016	31.12.2015
Revenues	212,460	245,280
Cost of Sales	168,954	194,056
<b>Gross Margin</b>	<b>43,506</b>	<b>51,224</b>
Operating expenses	-	-
Selling costs, overhead and administrative expenses	14,600	12,663
Research and Development costs	9,729	7,670
Parent Company coordination costs	3,224	3,518
<b>Total operating expenses</b>	<b>27,553</b>	<b>23,851</b>
<b>EBIT</b>	<b>15,953</b>	<b>27,373</b>
Gain on sale of assets	-	-
Interest expenses	(69)	129
Interest income	-	-
Other net charges	180	(109)
<b>Profit (loss) before taxes</b>	<b>15,842</b>	<b>27,353</b>
Deferred tax income	3,367	8,968
<b>Profit (loss) for the year</b>	<b>12,475</b>	<b>18,385</b>
<b>Income and expense recognized in equity</b>		
Gains on derivative instruments, net of taxes	802	(879)
Translation differences	(329)	2,984
<b>Total comprehensive income (expense)</b>	<b>12,948</b>	<b>20,490</b>