

ANSALDO STS S.p.A.
REGISTERED OFFICE IN GENOA AT VIA PAOLO MANTOVANI 3-5
SHARE CAPITAL EUR 100,000,000.00 FULLY SUBSCRIBED AND PAID IN
REGISTRATION IN THE COMPANIES' REGISTER OF GENOA AND TAX CODE: 01371160662
SUBJECT TO MANAGEMENT AND COORDINATION BY HITACHI LTD.

Ordinary and Extraordinary General Shareholders' Meeting
11 May 2017

Report of the Board of Directors
drafted pursuant to art. 114-bis of Legislative Decree of 24 February 1998 no. 58 on the

Fifth item on the agenda of the Ordinary session:

"5. Approval of the Ansaldo STS Stock Grant Plan for employees. Related and consequent resolutions."

* * * * *

Dear Shareholders,

You have been called to discuss and resolve - in accordance with the provisions of art. 114-*bis*, paragraph 1, of Legislative Decree of February 24, 1998, no. 58 - on the Ansaldo STS Stock Grant Plan for employees, the outline of which has been drawn up by the Board of Directors, on the proposal of the Nomination and Remuneration Committee, at its meeting on March 24, 2017.

The points of this plan are described in the informative document drawn up by the Company pursuant to art. 84-*bis* of the Regulation adopted by *Consob* in its Resolution no. 11971 of May 14, 1999 ("Issuers Regulations"), made available to the public at its headquarters, and on the Company's *website* (<http://www.ansaldo-sts.com/it/governance/assemblea-azionisti/assemblea-11-maggio-2017>) as well as in other ways under the terms of applicable laws.

You are therefore invited to examine the aforesaid informative document.

In light of the foregoing, we table the following resolution for your approval:

“The Ordinary General Meeting of Ansaldo STS S.p.A., having examined the informative document drawn up by the Board of Directors pursuant to Art. 84-bis of the Issuers Regulations,

resolves

- to approve the Ansaldo STS Stock Grant Plan 2017-2019 destined for the Chief Executive Officer and General Manager, for the Managers with Strategic Responsibilities and all those deemed to be key resources of Ansaldo STS S.p.A. and/or its subsidiaries pursuant to art. 2359 Civil Code, according to the terms and conditions described in the informative document prepared pursuant to art. 84-bis of the Issuers Regulation;

- to grant the Board of Directors and, on its behalf, the Chairman and Chief Executive Officer, separately, the widest powers necessary to implement the Ansaldo STS Stock Grant Plan 2017-2019, including the power of subdelegation to the Nomination and Remuneration Committee, to be exercised in accordance with the criteria described in the informative document prepared pursuant to art. 84-bis of the Issuers Regulations.”

Genoa, 6 April 2017

For the Board of Directors

The Chairman

(Alistair Dormer)