

ANSALDO STS S.P.A. REGISTERED OFFICE IN GENOA, VIA PAOLO MANTOVANI 3 – 5
SHARE CAPITAL EURO 80,000,000.00 FULLY SUBSCRIBED AND PAID UP
NUMBER OF REGISTRATION IN THE BUSINESS REGISTER OF GENOA AND TAX CODE 01371160662
SUBJECT TO DIRECTION AND COORDINATION BY FINMECCANICA S.P.A.

Ordinary Shareholders' Meeting

6th May 2013

Explanatory Report of the Board of Directors

drafted pursuant to Art. 125-ter of Italian Legislative Decree No. 58 of 24th February 1998

Item 4 on the agenda of ordinary session – Appointment of a member of the Board of Directors. Related and consequent resolutions

Dear Shareholders,

as you know, on 5th March 2013, Mr. Alessandro Pansa handed in his resignation as Chairman and member of the Board of Directors of Ansaldo STS S.p.A., effective from the date of the Shareholders' Meeting called to approve the financial statements at 31st December 2012. Mr. Pansa resigned because he has accepted a new position as Chief Executive Officer of Finmeccanica S.p.A. effective from 13th February 2013, which in addition to his position as General Manager of the holding has therefore increased the commitment required of him.

Mr. Pansa was elected by the ordinary Shareholders' Meeting of Ansaldo STS on 5th April 2011 from the non-independent candidates of the slate presented by the majority Shareholder, Finmeccanica S.p.A.

Under Art. 16.5, subsection 1, letter a) of the By-laws, if one or more Directors leave office during a financial year, and provided that the majority is always formed of Directors appointed by the meeting, where possible, the Shareholders' Meeting shall appoint the replacement with the legal majority *“from the nominees on the same slate as the outgoing directors, where necessary choosing the replacement who meets the independence requirements required by law”*.

Letter b) of Article 16.5 of the By-laws then goes on to specify that *“if there are no nominees on the same slate who (i) have not been elected already, or (ii) meet the independence requirements required by law”*, the Shareholders' Meeting will replace them with the majority required by law, without applying point a).

Given all of the above, please note that there are no unelected candidates on the slate presented by the Shareholder Finmeccanica S.p.A. during the aforementioned Shareholders' Meeting held on 5th April 2011.

Therefore, the appointment of a new Director of Ansaldo STS to fill the vacancy left by Mr. Alessandro Pansa, must be made by the ordinary Shareholders' Meeting, with the majority required by law, based on the proposals and nominations that may be expressed by the Shareholders, also during the Meeting itself.

Please note that the comment to Article 5 of the Code of Self-Discipline recommends that the procedure for the appointment of directors should ensure transparency and a balanced composition of the board.

In light of the above, Shareholders who intend to propose nominations are invited to include the candidate's curriculum vitae with the submission as well as their statements attesting: (i) that they are willing to accept the office; (ii) that they are qualified for and compatible with the office, and that they meet the requirements under the laws in force and the By-laws, as well as, where applicable, (iii) that they possess the requirements of independence under the law and other applicable provisions. As regards the latter, please note that Mr. Pansa did not possess the aforesaid requirements of independence and that the current Board of Directors is composed of a majority of independent Directors, meaning that it already complies with the laws in force.

Please note that the Director appointed by the Shareholders' meeting on 6th May 2013 to replace Mr. Pansa will remain in office for the duration of the current Board of Directors, therefore until the date of the Shareholders' Meeting called to approve the financial statements for the financial year ending on 31st December 2013.

Lastly, we point out to the Shareholders that since this appointment is simply to fill a vacancy on the Board of Directors already in office, the slate voting procedure does not apply. The appointment will therefore be made in line with art. 16.5 of the Company's by-laws, according to the legal majority.

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Given all the above, based on the nominations that may be submitted by the Shareholders, also during the Meeting itself, to fill the vacancy left by Mr. Alessandro Pansa, you are invited to appoint a new member of the Board of Directors of Ansaldo STS S.p.A., who will remain in office until the Shareholders' Meeting called to approve the 2013 financial statements.

Rome, 25th March 2013

For the Board of Directors
The Chairman
(Alessandro Pansa)