

## Finmeccanica: Board of Directors approves integration of Ansaldo Signal and Ansaldo Trasporti Sistemi Ferroviari (ATSF) and subsequent listing

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The Finmeccanica Board of Directors has approved the project to list on the Italian stock exchange a company incorporated under Italian law to which the activities of Ansaldo Signal and Ansaldo Trasporti Sistemi Ferroviari will be transferred. The operation—which extends the sphere of activities of Ansaldo Signal, which the Board decided to list on 22 July 2005—is expected to be completed in the first half of 2006.

This integration represents an important opportunity to enhance the value of both Ansaldo Signal and ATSF, through the creation of a new group that could benefit from the operational integration and the highly complementary skills of the two companies. Specifically, ATSF could increase its penetration of certain markets using the international reach of Ansaldo Signal, the world leader in the rail signalling sector; Ansaldo Signal could in turn improve its offer by exploiting ATSF's capacities in systems.

The integration of these two companies will furthermore create a new group with a larger critical mass—with a value of production at over EUR 800 million—able to compete with the main players on the market and develop innovative solutions in exciting new market segments, such as safety.

Ansaldo Trasporti Sistemi Ferroviari is Europe's leading designer and manufacturer of public rail transport systems and technologies. It is particularly active in the mass transit sector, for which projected growth is 130% in Italy and 65% in Europe in 2005-2010, and in turnkey driverless metro systems, which is expected to generate an average EUR 550 million a year in the same period.

Ansaldo Sistemi has around 300 employees, and in 2004 reported a value of production of EUR 270 million, EBIT of EUR 16 million (+60% compared to 2003) and an order backlog of EUR 957 million, more than three times annual revenues.

The new Ansaldo Signal – ATSF has a total 3,500 staff. Of these, 2,000 are located abroad and 1,500 in Italy, including 600 in Genoa and 400 in Naples.