

## **ITALIAN RAILWAYS (FS) AND FINMECCANICA PRE-QUALIFY FOR THE HIGH-SPEED JEDDAH-MECCA-MEDINA LINE IN SAUDI ARABIA**

**International tender estimated to be worth USD 6 billion. FS and Finmeccanica in partnership with Russian Railways (RZD) and leading Saudi civil construction company Saudi Oger participated to the pre-qualify procedure.**

Rome, 5 July 2007

The Italian rail operator, Ferrovie dello Stato (FS) and Finmeccanica have pre-qualified to bid for the construction contracts on the the 450km high-speed Jeddah-Mecca-Medina line in Saudi Arabia.

For the international tender worth an estimated USD 6 billion, the two Italian companies have formed a partnership with Russian Railways (RZD), Saudi Oger, one of the main Saudi civil construction companies and El Seif, another Saudi company. The wholly-owned investment vehicle of the UAE government responsible for project financing, Mubadala Development, has lent its official backing to the consortium as an investor.

The Saudi railways project is one of the most important infrastructure developments in the world, and the FS group is bidding to participate in the design and construction phase, the execution and maintenance phase and the planning and development of railway stations, as well as for transport operator status.

Finmeccanica would be involved, through its subsidiaries Ansaldo STS, AnsaldoBreda and Selex Sistemi Integrati, in systems engineering, supplying equipment and signalling systems, telecommunications, power substations, safety and security, as well as supplying the latest-generation distributed power high-speed trains.

Finmeccanica's participation in the tender is one of the initiatives included in the memorandum of understanding signed on 9 February 2007 between FS, Finmeccanica and Russian Railways for developing and implementing international projects of common interest, especially in the high-speed rail sector.

The technological leadership that FS currently enjoys in the rail sector has enabled the Italian group to conclude major commercial agreements with various Mediterranean, East Europe, Middle East and South American countries. Two examples are the recent agreement with the development agency of Algerian railways to provide technical assistance for the planning of new lines, leading to the completion of the infrastructure programme worth USD 10 billion, and the contract with Romanian railways to provide technical and engineering assistance for the construction of a 430km stretch of rail network.

Finmeccanica, world leader in signalling, has a wealth of international experience in rail and metro transport. Of particular note are the transport systems built in Europe (Spain, Norway, Denmark, Sweden, Greece, Turkey, Romania and of course, Italy), North Africa and the US, which is now considered a domestic market for the Group.