



PRESS RELEASE

Genoa, December 23, 2019

The Board of Directors of Ansaldo Energia approves the new business plan guidelines:
improved profitability and cash generation

At today's Board Meeting, the Directors of Ansaldo Energia discussed and voted on the guidelines set out in the new Business Plan to relaunch the company at industrial and financial level.

According to the aforementioned guidelines - prepared by the management team led by Giuseppe Marino, who was appointed CEO last October – the new Plan has two priority goals: improving profitability and increasing cash generation in a rapidly evolving and highly competitive market.

The guidelines approved entail:

- the continuation of the sales drive successfully launched during 2019 (order book up 30% on 2018), exploiting more favorable market conditions and the launch of the H class turbine marketing campaign;
- the introduction of an industrial and organizational reorganization and efficiency improvement process that is aligned with business development objectives;
- the reduction of working capital across the board;
- the limitation of postponable investments and a refocusing of research spending;
- the review of the corporate perimeter.

The initiatives described above are necessary because - despite the upward market trend overall and in Italy too, after three years of instability on global markets - the economic and financial results for 2019 look set to be below expectations, due in part to extra costs on a project in Turkey and to the working capital trend.

The Company invited both the main partners of Ansaldo Energia – CDP Equity S.p.A. ("CDPE") and Shanghai Electric Hongkong Co. Limited – to support the Company in the new Plan and, in reply to this invitation, already received a comfort letter from partner CDPE in which the latter confirms the strategic nature of its investment in Ansaldo Energia and, continuing as it has done in the past, confirms its

Ansaldo Energia Group is a leading international player in the power generation industry, to which it brings an integrated model embracing turnkey plants, components (gas turbines, steam turbines, generators and microturbines), servicing and work in the nuclear energy sector. Ansaldo Energia is 59,9% owned by CDP Equity in the Cassa Depositi e Prestiti Group, an Italian state-owned entity which has been promoting the country's economy since 1850, and 40% by Shanghai Electric, the world-leading producer of power generation machinery and mechanical equipment. Visit us at ansaldoenergia.com.

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willingness to support the company in the development of the new Business Plan, conditionally in any case on the prior verification and evaluation of the latter, in its final version, and approval by the competent corporate bodies.

Moreover, in view of current demand growth, the main lending banks have confirmed their willingness to support the company.