Finmeccanica Nine Month 2008 Results Presentation

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- *Actual results could differ materially from those currently anticipated due to a number of factors, including among other things:*
- *-- Finmeccanica's ability to integrate successfully acquisitions, including the acquisition of DRS;*
- *-- Finmeccanica's ability to identify acquisition targets and evaluate potential benefits and potential liabilities;*
- *-- Finmeccanica's performance, and ability to estimate costs, under long-term contracts;*
- *-- Finmeccanica's ability to raise financings and the terms of those financings;*
- *-- the level of governmental spending in the industries in which Finmeccanica operates*
- *-- the availability of governmental spending in the industries in which Finmeccanica operates*
- *-- the potential inability to retain existing DRS Technologies management, upon whom we will rely;*
- *-- exchange rate and interest rates movements;*
- *-- the outcome of Finmeccanica's legal proceedings;*
- *-- write downs on intangible assets and liabilities arising from pension plans;*
- *-- contractual disputes and environmental liabilities;*
- *-- Finmeccanica's ability to produce and market successful new products;*
- *-- changes in competition;*
- *-- uncertainties associated with government procurement practices*
- *.Additional important factors that could cause actual results to differ materially from our current expectations are identified in our filings with applicable securities regulators and stock exchanges. Finmeccanica will not update any forward-looking statements to reflect new, changing or unanticipated events or circumstances that occur after the date on which the statement is made, except as may be required by applicable law or regulation.*

Share Capital Increase to fund DRS acquisition….

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- Subscription period ended on 7 November. During the rights offering period, 20 October 2008 - 7 November 2008, **417,369,675 rights** were exercised.

- A total of **150,253,083 new Finmeccanica ordinary shares subscribed**, equivalent to 98.26% of the 152,921,430 shares offered, with total subscription proceeds **of Eur 1,202,024,664**

- The Ministry for Economy and Finance participated in the share capital increase subscribing to 31,249,998 new ordinary shares. The MEF now holds 30.2% of Finmeccanica's share capital

- Any shares ultimately unsubscribed for will be underwritten by a syndicate of banks pursuant to an underwriting agreement dated October 15, 2008

.... completed successfully

The rights and the new shares have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.

Strong performance by the newly acquired DRS Technologies

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- **Q3 revenues** up 26% to $ 987mln. **9M revenues** up 24% to $2,878mln
- **Q3 Proforma Ebita***, up 16% to $101mln. **9M Proforma Ebita*** up 16% to $310mln
- Quarterly record of US$1.2 billion in new **orders** (+11% YoY) for products and services and **funded Backlog** up 9% to new high of US$3.9billion

DRS will be consolidated into Finmeccanica Group from the closing date of 22 October 2008

*For the quarter and nine-month periods ended September 30, 2008, proforma results exclude the adverse impact of pretax merger-related expenses of $5.1 million and $16.6 million, respectively, due to the acquisition of the Company by Finmeccanica S.p.A., completed on October 22, 2008

For the quarter and nine-month periods ended September 30, 2007, operating income exclude the positive impact of an $11.7 million pretax curtailment gain related to one of the Company'sbenefit plans.

Acquisition of DRS Provides for Larger Scale and Higher Margins

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	Finmeccanica Guidance Stand Alone (a)	DRS Consensus[1] (Calendarised Figures) (b)	Illustrative Post-Deal Finmeccanica (c) = (a+b)
Revenues 2009E	✓ €15.1 – 15.9bn	~ €3.0bn	~ €18.1 – € 18.9bn
EBITA 2009E	✓ €1,300 – 1,420m	~ €330mln	~ €1,630 – 1,750bn
EBITA Margin 2009E	✓ ~ 8.7%	~ 11.1%	~ 9.1%

The combined figures under column (c) are for illustrative purposes only and do not represent a change in the official 2009 guidance already published for Finmeccanica "stand alone" and reported under column (a). Guidance will be updated for the effects of the transaction at a later stage

2009 DRS data are based on IBES Consensus

(1) IBES Consensus CY2009, $/€ @1.26 (as of transaction closing date of 22 October 2008)

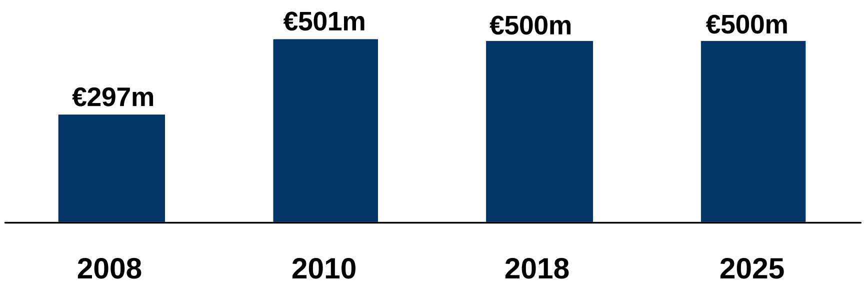
Calendarised. EBITA DRS includes €18m of calendarised amortisation, DRS financials are prepared under US GAAP.

Finmeccanica's Conservative Financing Structure

Bond Financing

Issuer	Issue date	Expiry date	Nominal Amount (€m)	Coupon (bps)
Finmeccanica Finance	2002	Dec-08	297	Variable
Finmeccanica Finance (1)	2003	Aug-10	501	37.5
Finmeccanica Finance	2003	Dec-18	500	575
Finmeccanica	2005	Mar-25	500	487.5
Total			**1,798**	

% Fixed rate: ~80%



Bridge Financing for DRS Acquisition

Issuer	Amount (€m)	Tenor (Years)	Margin (bps)
Tranche A	1,000	1	70
Tranche B	1,500	1 + 1	70
Tranche C	700	3	85
Total	**3,200**		

Date 2008

Financial Covenants
EBITDA/Net Interest Expense > = 5
Net Financial Pos./EBITDA < = 3
Covenants falling away upon decrease in utilization below 20% of the facilities

Credit Line

Medium Term Revolving

Size € 1,200m
Tenor Committed until 2012
Conditions Euribor + 23 Bps

Short Term Lines

Size € 1,050m of which € 900m uncommitted

Financial policy aimed at minimising the average cost of debt (current ~4.0%) and at extending the average remaining life of debt (current ~8 years)

(1) Bonds exchangeable, at the option of the bond holder, into 20mln shares of STMicroelectronics N.V.

Finmeccanica's Stand Alone 2008 and 2009 Guidance reconfirmed

pointing to solid and profitable growth ahead

	2008E	2009E
Revenues	**€ 14.25 – 14.9bn**	**€ 15.1 – 15.9bn**
Adj. EBITA	**€ 1,170 – 1,240m**	**€ 1,300 – 1,420m**

Cumulative FOCF* 2008-2010 €1.3–1.5bn; 2008 in line with 2007

On track to achieve our long-term guidance

*Free Operating Cash Flow: Operating Cash after investments, net financial charges and tax

Finmeccanica 9M 2008 Financial Highlights

- Revenues up 6% to Eur 9,688 mln
- Ebita Adjusted* up 10% to Eur 606 mln. Ebita Adjusted margin at 6.3%
- Ebit up 11% to Eur 561 mln
- Pre-extraordinary net profit up 16% to Eur 342 mln (excluding STM capital gain)
- Orders rose 17% allowing backlog to reach new high of Eur 40.8 bn
- Net debt rose to Eur 2,706 mln due to investments and seasonal increase in working capital

*EBITA Adjusted: Operating result before:
-any impairment in goodwill;
-amortisations of intangibles acquired under business combination;
-reorganization costs that are a part of significant, defined plans;
-other exceptional costs or income, i.e. connected to particularly significant events that are not related to the ordinary performance of the business.

9M and 3Q 2008 Main Economic Results

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(Eur mln)	9M 08	Change %	9M 07	3Q 08	Change %	3Q 07
Revenues	**9,688**	**6%**	**9,117**	**3,261**	**7%**	**3,047**
EBITA*Adj Margin	**606** 6.3%	**10%**	**552** 6.1%	**206** 6.3%	**2%**	**201** 6.6%
EBIT Margin	**561** 5.8%	**11%**	**507** 5.6%	**186** 5.7%	**3%**	**180** 5.9%
Net Income Excluding STM capital gain	**396** 342	**35%** **16%**	**294**	**100**	**(15%)**	**117**
EPS(cents)**	**73**	**16%**	**63**	**21**	**(20%)**	**26**
New Orders	**11,579**	**17%**	**9,861**	**4,770**	**41%**	**3,383**

	End September 2008	End December 2007
Backlog	**40,856**	**39,304**

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- -amortisations of intangibles acquired under business combination;
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** Post minorities and pre-extraordinary gains

Main Financial Results

(Eur mln)	30/09/2008	31/12/2007	30/9/2007
Net working capital	636	(693)	764
FOCF*	(1,542)	375	(1,432)
Net financial debt	2,706	1,158	2,485
Debt/Equity	50%	21%	46%
ROI	14.8%	18.9%	14.8%
EVA	11	227	-13

*Free Operating Cash Flow: Operating Cash after investments, net financial charges and tax

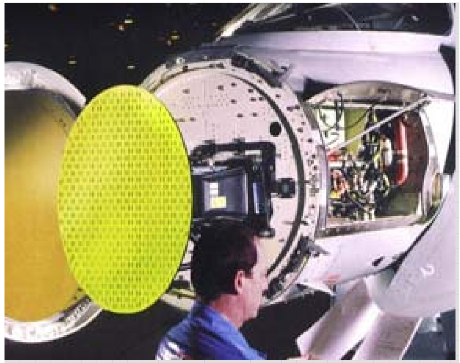
Business Review

Helicopters: strong growth in civil

(Euro mln)	9M 08	Change%	9M 07	Q3 08	Change%	Q3 07
Revenues	2,188	5%	2,084	722	18%	610
EBITA Adj	233	5%	221	75	12%	67
EBITA Adj Margin	10.6%	-	10.6%	10.4%	-	11%
Orders	3,398	63%	2,084	1,780	190%	614

- Revenues up 12% adjusted for translation impact
- Growth in revenues and profitability driven by increase in commercial with deliveries up 16%
- Strong order growth driven by both military – i.e.T129 Atak (€1.1bn, 3Q) - and civil sector – 263 helicopters ordered (+44%)
- Civil production up more than 40%

Defence Electronics: good order intake



(Euro mln)	9M 08	Change%	9M 07	Q3 08	Change%	Q3 07
Revenues	2,373	(4%)	2,462	750	(12%)	857
EBITA Adj	145	(6%)	154	47	(13%)	54
EBITA Adj Margin	6.1%	-	6.3%	6.3%	-	6.3%
Orders	2,684	15%	2,336	733	35%	542

- 9M and Q3 revenues driven by Avionics (EFA), Command & Control systems (FREMM, ATC), Communication Systems (Tetra) and IT & Security
- 9M and Q3 profitability impacted by negative translation impact, offset by increased volumes for IT & Security and higher profitability in UK avionics
- Order growth mainly driven by further tranche of FREMM, other Command & Control systems (Q3: Civil protection Italy, ATC Quatar) and IT & Security

Aeronautics: strong military exports in Q3

(Euro mln)	9M 08	Change%	9M 07	Q3 08	Change%	Q3 07
Revenues	1,701	14%	1,496	638	17%	545
EBITA Adj	117	4%	112	47	7%	44
EBITA Adj Margin	6.9%	-	7.5%	7.4%	-	8.1%
Orders	1,448	(5%)	1,532	604	57%	384

- Strong order growth in Q3 driven by tactical transport aircraft (C27J, G222), Eurofighter and civil programmes (Boeing and Airbus)
- Revenue growth driven by ATR, aerostructures, Eurofighter and Trainers
- Profitability impacted by programme mix

Space: production increased

(Euro mln)	9M 08	Change%	9M 07	Q3 08	Change%	Q3 07
Revenues	671	13%	593	220	2%	216
EBITA adj*	27	4%	26	12	9%	11
EBITA Adj* Margin	4%	-	4.4%	5.5%	-	5.1%
Orders	579	6%	545	163	(26%)	220

- Important contracts in Q3 for payloads (Amos 5 and Sinosat); further orders for satellite communication and Earth Observation services
- Revenues up €78mln vs 9M 07, mainly due to higher production both in Manufacturing and Services
- Profitability impacted positively by higher volumes of production

Defence Systems: good programme performance

(Euro mln)	9M 08	Change%	9M 07	3Q 08	Change%	3Q 07
Revenues	758	5%	719	245	10%	222
EBITA Adj	56	47%	38	14	56%	9
EBITA Adj Margin	7.4%	-	5.3%	5.7%	-	4.1%
Orders	740	66%	446	234	30%	180

Including 25% of MBDA and 100% of Oto Melara and WASS

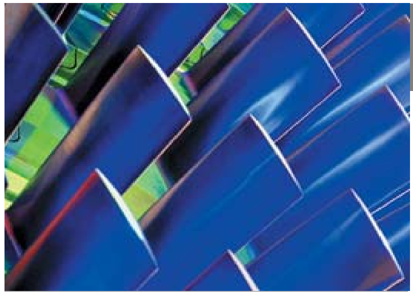
- Revenues driven by Missiles (Aster, MICA), Underwater (Black Shark and MU90), Land (PZH and VBM for Italian Army) and Naval
- Profitability mainly driven by volumes and improved profitability in Missiles and Underwater
- Strong order growth in all business segments, driven by FREMM, Missiles for UK and Pakistan, tank turrets and naval guns for Oman, France, Mexico and Morocco

Transportation: profitability improves

(Euro mln)	9M 08	Change %	9M 07	3Q 08	Change %	3Q 07
Revenues	1,227	16%	1,054	414	26%	329
EBITA Adj	79	229%	24	29	314%	7
EBITA Adj. Margin	6.4%	-	2.3%	7%	-	2.1%
Orders	922	(31)%	1,329	358	(51)%	734

- Revenue increase driven by all business segments
- Profitability improves due to recovery in Vehicles and good performance by Signalling & Transport Systems
- Good order inflow from Signalling, among which: Chinese High Speed line; ERTMS signalling systems to Sweden, San Paolo metro lines

Energy: strong order growth both in domestic and foreign markets



Energy

	9M 08	Change %	9M 07	3Q 08	Change %	3Q 07
Revenues	801	7%	751	289	5%	274
EBITA Adj	62	32%	47	25	56%	16
EBITA Adj Margin	7.7%	-	6.3%	8.7%	-	5.8%
Orders	1,937	43%	1,351	874	16%	752

- Revenue growth mainly driven by Plants and Components (2 Turbogroups for Algeria and 1 for Naples)
- Profitability increases mainly due to volumes and improved profitability in Plants
- Strong order growth in Q3 driven by strong foreign and domestic demand for power plants

Appendix

Overview of the DRS Acquisition

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Description

- On 12-May-2008 Finmeccanica announced an agreement to acquire 100% of DRS Technologies ("DRS") stock for $81 per share all in cash
- Transaction valued at approx. $5.3bn (€3.7bn), inclusive of approx. $1.6bn in net debt of the target
  - 98% of equity consideration locked-in at USD/€ 1.5477
- The deal is structured as a one-step cash merger between DRS and a Finmeccanica U.S. subsidiary incorporated in Delaware

Uses of Funds	$bn	€bn
Acquisition of Target Shares(1)	3.6	2.3
Target Net Debt incl. Convertible(2)	1.6	1.3
Total	**5.2**	**3.5**
Transaction and Other Exp.	0.1	0.1
Total including expenses	5.3	3.7

Financing Structure

- The transaction has been funded via a €3.2bn Senior Term Loan Facility, syndicated to a pool of banks in addition to 4 bookrunners
  - The syndication was 2x oversubscribed
- Permanent financing is expected to entail:
  - Capital increase of €1.2bn
  - Disposal of a stake of Ansaldo Energia and other non-core assets
  - Issuance of medium/long-term debt also to refinance DRS existing debt for the amount needed

Sources of Funds	€bn
Senior Term Loan	3.2
Permanent financing:	
– Capital increase	1.2
– Disposal of a stake of Ansaldo Energia and other non-core assets – Issuance of medium/long-term debt also potentially to refinance DRS existing debt for the amount needed	2.5
Total	3.7

(1) Forex $/€ 1.54

(2) Forex $/€ 1.26

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