FINMECCANICA

Finmeccanica Full Year 2009
Results Presentation

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London 5 March 2010

Safe Harbor Statement

- NOTE: Some of the statements included in this document are not historical facts but rather statements of future expectations, also related to future economic and financial performance, to be considered forward-looking statements. These forward-looking statements are based on Company’s views and assumptions as of the date of the statements and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Given these uncertainties, you should not rely on forward-looking statements.
- The following factors could affect our forward-looking statements: the ability to obtain or the timing of obtaining future government awards; the availability of government funding and customer requirements both domestically and internationally; changes in government or customer priorities due to programme reviews or revisions to strategic objectives (including changes in priorities to respond to terrorist threats or to improve homeland security); difficulties in developing and producing operationally advanced technology systems; the competitive environment; economic business and political conditions domestically and internationally; programme performance and the timing of contract payments; the timing and customer acceptance of product deliveries and launches; our ability to achieve or realise savings for our customers or ourselves through our global cost-cutting programme and other financial management programmes; and the outcome of contingencies (including completion of any acquisitions and divestitures, litigation and environmental remediation efforts).
- These are only some of the numerous factors that may affect the forward-looking statements contained in this document.

Contents

2009 Highlights & 2010 Outlook

Pier Francesco Guarguaglini

Meeting or Exceeding Our Guidance in 2009

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(Euro bn)	2009 Guidance	2009 Preliminary Results	2009 Actual	2009A Without Forex Effects
Revenues	17.1 – 17.7	17.9 – 18.3	18.2 ✓	18.4
EBITA	1.55 – 1.62	1.56 – 1.58	1.59 ✓	1.61
FOCF	0.4 – 0.5	0.53 – 0.57	0.56 ✓	0.57
Orders	20.8	21 – 21.5	21.1✓	21.4

2009 Highlights

- Winning new business and driving growth
  - Guidance met for EBITA
  - Guidance exceeded for Orders, Revenues, Cash Flow
  - Order backlog rises further with strong visibility going forward
  - Solid performance by recently acquired DRS - positioned to benefit from Afghanistan surge and other US defence priorities
- Resilient performance by each of our 3 strategic pillars notwithstanding downturn
  - Helicopters, Defence Electronics and Aeronautics achieve a record number of orders and deliver profits above the Group average
- Building the future
  - Strong cash flow, long-term debt and robust balance sheet support sustainable growth
  - Investments and R&D focused on developing large programmes for 3 pillars

FY 2009 Results vs FY 2008

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- Revenues up 21% to €18.2bn
- EBITA up 22% to €1.59bn with margin on revenues in line with last year at 8.7%
- Net profit up 16% to €718mln with an EPS* of €1.13
- Proposed dividend of 41 Eurocents per share equal to last year
- FOCF up 20% to €563mln
- Net debt down to €3.1bn from €3.4bn at the end of 2008. Debt to Equity of 47%
- Order intake at €21.1bn up 20%
- Backlog up 5% to a new record of €45.1bn, equal to 2.5 years of production

**EPS after minority interests calculated on average number of shares*

Dividend per Share of 41 Eurocents

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- Proposed at the same level as previous year
- Equivalent to > 4% dividend yield
- Paid for the 8th year in a row

Proposed dividend confirms management’s confidence in the Group’s ability to deliver, as well as its commitment to shareholder remuneration

Guidance for 2010

	2010E
Revenues	***€17.8-18.6bn***
EBITA	***€1,520-1,600mln***

Assumptions: forex *€/US$ 1.45* *€/GBP 0.88*

Cumulative FOCF* 2008-2010 equal to €1.2–1.3bn

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

2010: Focus on Competitiveness

I. Action plan on Aeronautics to streamline the organisation and reduce costs

II. Industrial plan on Rolling Stock aimed at enhancing contract execution

III. Restructuring and site rationalisation

IV. Optimisation of Defence, Electronics & Security mission

V. SG&A Efficiency Improvement Plan

VI. Selective investments in new technologies/products and careful monitoring of the investment process

A wide range of decisive actions creating a solid platform for performance improvement

Business Review

Alessandro Pansa

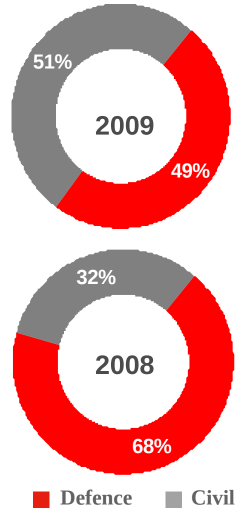
Helicopters:
Increased Revenues due to Higher Military Order Intake

FY2009

- Revenues up 15% mainly due to AW139 and AW101, for Commercial and Government market, and product support (+8% YoY)
- Order intake supported by higher demand for government and military (+10% YoY)
  - Apache IOS contract for ca. €480mln and Lynx MK9 for ca. €62mln with UK MoD
  - ICH47F contract for ca. €1bn with Italian MoD
- Slight decrease in EBITA margin due to negative sterling translation effect, different product mix in revenues and pricing policy

(Euro mln)	FY 09	Change	FY 08
Revenues	3,480	15%	3,035
EBITA Adj	371	5%	353
Margin	10,7%	-	11,6%
Orders	3,205	(37%)	5,078
Backlog	9,786	(7%)	10,481

Defence vs. Civil Revenues



Helicopters:
Large Robust Military Backlog Supports Future Growth

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Outlook 2010 - 2011

- Well placed to endure current economic slowdown; able to maintain solid growth
- Multiple rotorcraft applications dilute exposure to downturn in specific sectors
- Order intake expected to be supported by higher demand for new government and military helicopters worldwide
- Civil orders expected to remain stable; recovery of civil market expected by 2012
- Further opportunities and manufacturing efficiency expected from PZL integration

Key Programmes in 2010

- AW149 Turkey
- Italian Law Enforcement and CSAR
- Integrated Operational Support for UK MoD rotary wing fleet
- AW101, AW159, AW139, AW109 export

Opportunities

- AW119 Koala India
- AW 101 – AW139 export
- US Government market

More than €800mln of international contracts signed within the first 2 months of 2010, with good profitability, including: AW139 to ERA Helicopters; AW139s to Bristow Group; AW119Ke; Grand and AW139 to Esperia Aviation Service; Grand New to Vinair Aeroserviços; AW109 Power Kaigai Aviotech

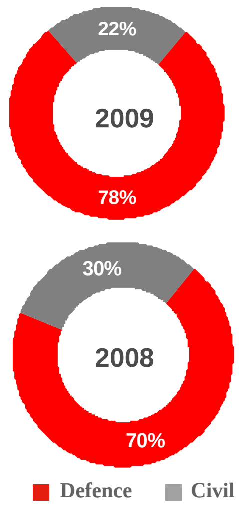
Defence Electronics and Security:
Leading Market Position

FY2009

- Orders mainly driven by
  - Integrated systems for defence and security (i.e. Forza NEC)
  - Eurofighter radar, DASS and logistics
  - Tetra Sardinia
  - Border control for Libya, FREMM, ATC/ATMAS
  - Military Rugged computers, Electro-optics for ground vehicles (i.e. DVE, IBAS), Thermal Weapon Sight and Mast Mounted Sight, Tactical Quiet Generators for US Army
- Revenues up 54%, considering the full consolidation of DRS and despite negative translation effect, mainly due to
  - Large systems for defence and security (i.e Forza NEC and Civil Protection)
  - Avionics (Eurofighter) and Electro-optics
- Key revenues also include
  - Tetra, FREMM and Thermal Weapon Sight
- EBITA growth driven mainly by volume increase

(Euro mln)	FY 09	Change	FY 08*
Revenues	6,718	54%	4,362
EBITA Adj	698	58%	442
Margin	10,4%	-	10.1%
Orders	8,215	86%	4,418
Backlog	12,280	15%	10,700

Defence vs. Civil Revenues



*DRS consolidated from 22 October 2008

Defence Electronics:
Well Placed to Respond to Increasing Worldwide Security Needs

Outlook 2010 - 2011

- Increase in orders and revenues driven primarily by Large Systems for Defence, Surveillance and Homeland Protection together with Avionics Systems
- Benefits from enlarged Electronics
  - Integration and new opportunities from combined offering between DRS and Finmeccanica platforms

Key Programmes in 2010

- Eurofighter Tr.3A
- Border control and security systems
- Forza Nec
- Tetra, Secure Comms for Italian Police
- Air Traffic Control, Italy and export
- Thermal Weapon Sights for US
- Countermeasures for UK
- Through-Life Management for UK MoD
- Naval Combat Systems (i.e. Fremm Algeria)

Opportunities

- Border Control programmes in various countries (Middle Eastern, Arabic and North African countries)
- Avionics equipment for additional Eurofighter export opportunities
- Combat Systems for India
- Other international opportunities for Fremm (i.e. Brazil)

Outstanding Performance From our US Subsidiary DRS

DRS Contribution in 2008 (from 22 October)			DRS FY2008 Pro Forma (12 months of DRS)			DRS FY2009		
Revenues	€551mln	$810mln	Revenues	€2.6bn	$3.8bn	Revenues	€2.85bn	$4bn
EBITA Adj	€51mln	$75mln	EBITA Adj	€263mln	$385mln	EBITA Adj	€323mln	$451mln
Net profit	€16mln	$24mln	Net profit	€73mln	$110mln	Net profit	€109mln	$152mln
Orders	€251mln	$369mln	Orders	€2.5bn	$3.7bn	Orders	€3bn	$4.2bn
FOCF	€26mln	$38mln	FOCF	€50mln	$74mln	FOCF	€155mln	$215mln

2008 Forex €/US$ 1.47 for P&L
2008 Forex €/US$ 1.39 for Balance Sheet

2009 Forex €/US$ 1.39 for P&L
2009 Forex €/US$ 1.44 for Balance Sheet

Optimisation of Some Business Activities in Defence Electronics & Security Segment (DE&S)

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- **FNM DE&S segment structure →** consolidation of national capabilities in the last decade
- **First priority →** ensuring business continuity focused around company perimeter and integration of new entities in the Group process and culture
- **Missions defined on the basis of "prevalent" activity criteria →** minor diversified businesses and duplications/overlaps still present

A STEP FORWARD

On going re-organisation process of selected business lines in the DE&S

Optimisation of OpCos roles and perimeters

- Focusing on key competencies/products, resolving current overlapping

Exploitation of Group's technology complementarities

- Improving competitiveness and synergies, through Centre of Excellence across OpCos

Focused Customer Interface

- Defining a business organisation closer to the market

Value Creation / Customer Satisfaction

Consolidating DE&S Group’s OpCos Missions

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SELEX Sistemi Integrati

Consolidating its Group’s role of “**Systems Project leader, Designer and Integrator**” (including SW architectural systems), by including in its perimeter **Naval C2, VTS/VTMS** capabilities and **surface** (naval and ground) **radar** competencies

SELEX GALILEO

Confirming its leading role in **Avionics Mission Systems**, with niche competencies in **E/O** (airborne, surface and naval), **EW** (airborne and naval) and **radar sensors for ISR** applications

SELEX Communications

Confirming its leading role in **Secure Communications Systems** both for A&D and Professional market, also leveraging on distinctive capabilities for **land**, **naval** and **avionics** applications

ELSAG DATAMAT

Becoming a **Focused Centre of Excellence** for selected competencies and technologies, with reference to **ICT** and **Automation**/**Logistics**/**SAP** activities

TELESPAZIO

Becoming the Group’s **competencies pole** for **Space services and applications**, by including in its perimeter Elsag Datamat and Selex Sistemi Integrati (formerly Vega) Space activities

Decisive Actions Will Lead to Expected Advantages

- The re-organisation process will be completed before the end of 2010 with first benefits in 2011
- Main objective is to optimise use of resources and capabilities throughout the Group, fostering competitiveness and efficiency. In particular, benefits will encompass:
  - Optimisation of staff/G&A costs
  - Rationalisation of R&D investments and industrial processes
  - Exploitation of scale economy synergies (e.g. marketing, …)

  - Once fully operational, expected annual savings of approx. €60/70mln

First step of a consolidation process aiming to further improve the Group's organisation in the DE&S segment, becoming closer to our customers and optimally focused on market needs

Aeronautics:
Growth Driven by Military Sector

FY2009

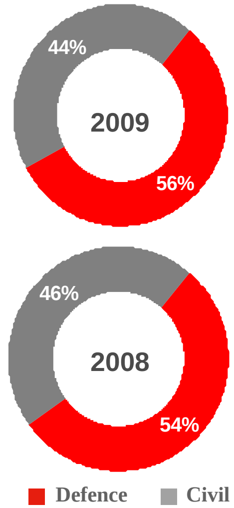
- Robust and high quality backlog further enhanced by good order intake (+37%YoY), mainly driven by military
  - Eurofighter Tr. 3A
  - M346 for Italian AF

- Revenue growth mainly driven by military programmes
  - Eurofighter, C27J

- Slight decrease in profitability mainly due to product mix

(Euro mln)	FY 09	Change	FY 08
Revenues	2,641	4%	2,530
EBITA Adj	241	(4%)	250
Margin	9,1%	-	9,9%
Orders	3,725	37%	2,720
Backlog	8,850	7%	8,281

Defence vs. Civil Revenues



Aeronautics:
Strong Legacy Programmes Drive Revenues

Outlook 2010 - 2011

- Worldwide opportunities for M346
- Strong legacy (Eurofighter and C27J) and new (M346, B787) programmes drive revenues
- B787 first flight achieved, additional orders expected from Boeing (only 300 a\c in our portfolio out of >800 a\c ordered by airlines)

Key Programmes in 2010

- JSF Final Assembly and Check Out (FACO)
- M346 export (i.e. UAE and Singapore)
- C-27J export opportunities (i.e. Slovakia, Ghana) in addition to US JCA
- ATR ASW export (i.e. Oman)
- B787 and Superjet100

Opportunities

- EFA export (i.e. India, Japan, Romania, Bulgaria, Croatia, Turkey, Saudi)
- C-27J export opportunities (i.e. Taiwan, Egypt, Oman, Australia, Canada, India, UAE)
- Increased M346 export
- JSF involvement over next decade

Space:
Slowdown Offset by Restructuring

Outlook 2010 - 2011

- Temporary slowdown to be offset by restructuring and site rationalisation
- Increase exposure to higher margin government/institutional programmes vs commercial TLC

Key Programmes in 2010

- Galileo: Full Operational Capability (FOC) phase, for realisation of all space and ground infrastructures necessary for operational readiness, now starting
- Military TLC services (Sicral 1B) for Italy and export to US and NATO defence markets
- Cosmo fourth satellite to be launched in 1H; all data available for Service sales by Telespazio

Opportunities

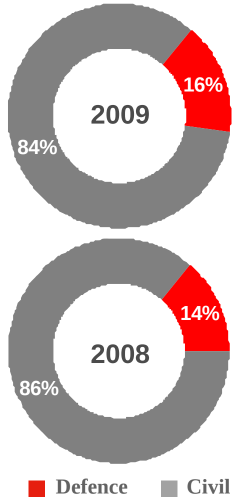
- Best growth prospects for Navigation & Global Positioning, Defence and Security comms, Earth Observation and Homeland Security (GMES)

FY 2009

- Order growth driven by satellites for observation in Turkey and commercial TLC
- Revenues impacted by temporary production slowdowns and service order delays
- EBITA impacted by lower volumes, some manufacturing extra costs and weaker service mix

(Euro mln)	FY 09	Change	FY 08
Revenues	909	(9%)	994
EBITA Adj	47	(28)	65
Margin	5,2%	-	6,5%
Orders	1,145	24%	921
Backlog	1,611	16%	1,383

Defence vs. Civil Revenues



Defence Systems:
Strong and Stable Performance

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Outlook 2010 - 2011

- Growth and profitability driven by Land&Naval and Torpedoes
- Restructuring continues at pace in Missiles

Key Programmes in 2010

- VBM vehicles for Italy
- Forza Nec for Italy
- Land and Naval turrets export
- Black Shark (i.e. India, Singapore)
- Missiles a\c packages (i.e. UAE)

Opportunities

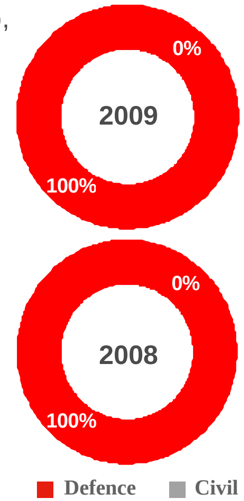
- Missiles: Meteor
- Underwater: Torpedoes (Black Shark, A244/3, MU90) and countermeasures (i.e. Brazil, Saudi, Indonesia, Poland, Chile)
- Smart ammunitions (i.e. Italian Navy, UAE, Denmark, Singapore, Norway, Greece, Colombia)
- Naval Guns USA (LCS) and export (i.e. 76/62 SR)
- EFA Missiles

FY 2009

- Order growth mainly driven by VBM
- Revenues driven by Torpedoes (Black Shark, MU90), Land&Naval (VBM, PZH2000,Hitfist) and Missiles (Aster)
- Profitability slightly decreases mainly due to programme mix in Missiles and lower industrial profitability in Underwater

(Euro mln)	FY 09	Change	FY 08
Revenues	1,195	7%	1,116
EBITA Adj	130	2%	127
Margin	10,9%	-	11.4%
Orders	1,228	13%	1,087
Backlog	4,010	3%	3,879

Defence vs. Civil Revenues



Energy:
Good Profitability Performance

Outlook 2010 - 2011

- Revenues to grow more gradually while maintaining high level of EBITA adj margin
- Orders expected to resume growth path driven in particular by New Units and Service

Key Programmes in 2010

- Large combined cycle plants (800 MW in Italy)
- Long term (LTSA) and large scale (turbine revamping and upgrading) services

Opportunities

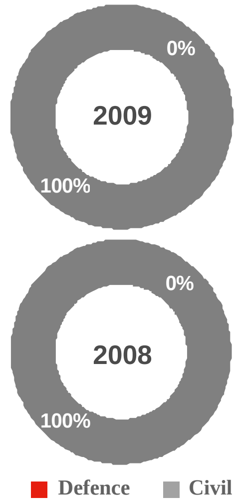
- Continue to leverage high growth niche in combined cycle turbogas segment
- Grow Services on installed power plant fleet of more than 180 GW
- Nuclear and Renewables without significant direct investments

FY 2009

- Revenue increase driven by combined cycle gas plants and service flow
- EBITA margin increase due to higher volumes and better manufacturing mix

(Euro mln)	FY 09	Change	FY 08
Revenues	1,652	24%	1,333
EBITA Adj	162	33%	122
Margin	9,8%	-	9.2%
Orders	1,237	(40%)	2,054
Backlog	3,374	(11%)	3,779

Defence vs. Civil Revenues



Transport:
Strong New Order Wins

Outlook 2010 - 2011

- Signalling revenues and profits should continue to grow
- Vehicles needs to complete restructuring plan and acquire further critical mass through new order wins

Key Programmes in 2010

- Italy High Speed and Regional trains
- Driverless and conventional metro for Signalling (i.e. Italy, Denmark, Far East)

Opportunities

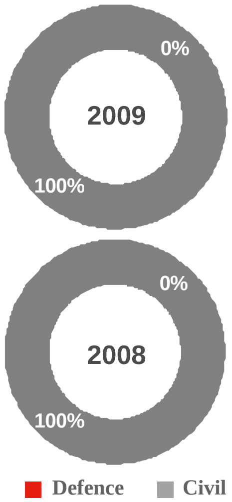
- US and Chinese stimulus packages for investments in rail infrastructure
- Leverage growth in world demand for urban and interurban transport systems
- North African large opportunities for rail infrastructure

FY 2009

- Order growth driven by large Libyan contract for Signalling, Italian regional wagons for Vehicles and driverless metro in Taiwan and Saudi Arabia
- Revenue growth in Signalling offsets decline for Vehicles
- EBITA growth in Signalling accompanied by loss in Vehicles due to additional costs on legacy contracts

(Euro mln)	FY 09	Change	FY 08
Revenues	1,811	1%	1,798
EBITA Adj	65	(44%)	117
Margin	3,6%	-	6,5%
Orders	2,834	78%	1,595
Backlog	5,954	23%	4,858

Defence vs. Civil Revenues



Rolling Stock Industrial Action Plan

2009	**Operating profitability mainly affected by:** • Increased interventions to solve technical issues (to stabilise product configuration) and overcome delays in achieving production efficiency goals Additional costs on legacy contracts (circa 50 €m) (i.e. Sirio trams,TSR regional trains, Los Angeles light rail, Circumvesuviana Naples metro, Morocco trains) • Extra costs for settlement and new configuration of Denmark trains (ca 70 €m)
2010	**Industrial Performance improving but some criticalities remain, compared to previous plan, due to:** • Decline in production volumes following domestic order postponement and lower service/maintenance • Efficiency process still underway, to be completed by end of 2010 • Contingencies taken to cover penalty and industrial risks
2011 and beyond	**Continuous focus on recovering profitability based on:** • Significant increase in production volumes, due to strong order intake starting in 2010 (i.e. Italian High speed and Regional) • Positive customer feedback particularly on TSR and IC4 Denmark • Export opportunities (i.e. Libya)

A Comprehensive Set of Efficiency Measures

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- Action Plan Focused on Aeronautics and Rolling Stock p.y. in 2010 and 2011 :
  - Reduce unabsorbed labour and overhead costs in manufacturing plants due to lower level of production
  - Headcount involved to be in the region of approximately 1,500
  - Significant labour cost savings; net benefits worth ca. €40mln p.y. in 2010 – 2011
- Additional net benefits from restructuring and site rationalisation once fully operational, estimated at €20-25mln p.y. from 2011 (PZL, Space Services, Elsag Datamat)
- Optimisation of DE&S:
  - Once fully operational, expected annual savings of ca. €60-70mln p.a.
- S,G&A Efficiency Improvement:
  - Plan aimed at analysing staff costs across the Group (Legal, CFO, HR, etc.), defining the cost benchmark for each
  - First benefits expected starting from Q3 2010; Expected annual savings of approx. €50mln once fully operational (2011)

Financial Review

Alessandro Pansa

Full Year 2009 Results

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(Euro mln)	FY 09	FY 08*	Change	
Revenues	18,176	15,037	21%	Driven by strong results of Helicopters, Defence Electronics and Aeronautics as well as Energy
EBITA Adj	1,587	1,305	22%	Mainly driven by Defence Electronics (DRS) and Energy
EBITA Margin Adj	8.7%	8.7%	-	In line with last year
Net Income	718	621	16%	Mainly driven by volume increase
Dividend (Euro)	0.41 (proposed)	0.41	-	At current price, Dividend yield of 4.3%
FOCF	563	469	20%	Boosted by good cash generation and control of working capital
Net Debt	3,070	3,383	(9%)	D/E to 0.47, down from 0.7 in 2008
New Orders	21,099	17,575	20%	Driven by Defence Electronics, Aeronautics and Transport
Backlog	45,143	42,937	5%	Approximately 2.5x revenues

** DRS Technologies consolidated from 22 October 2008*

Strong Attention to Shareholder Remuneration: DPS Double-Digit CAGR Backed by EPS Growth

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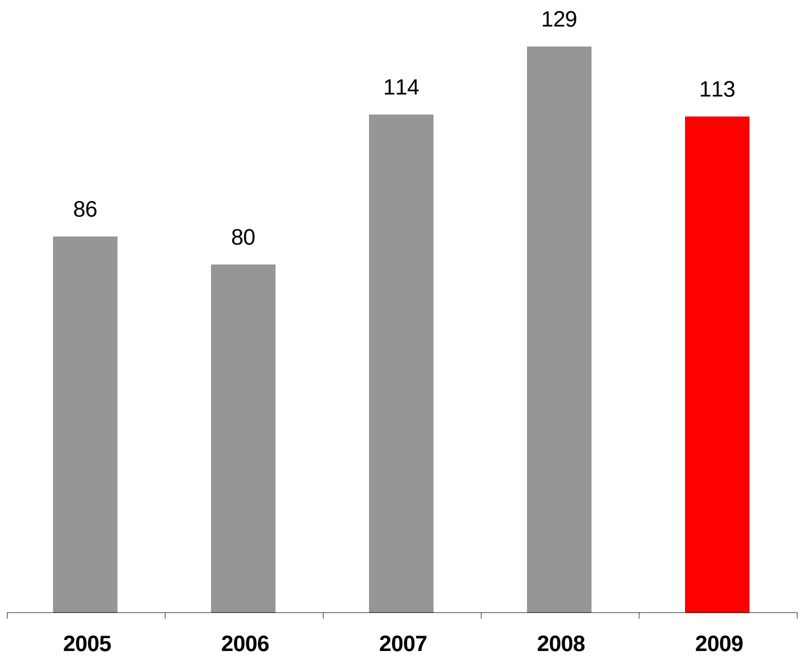
EPS *

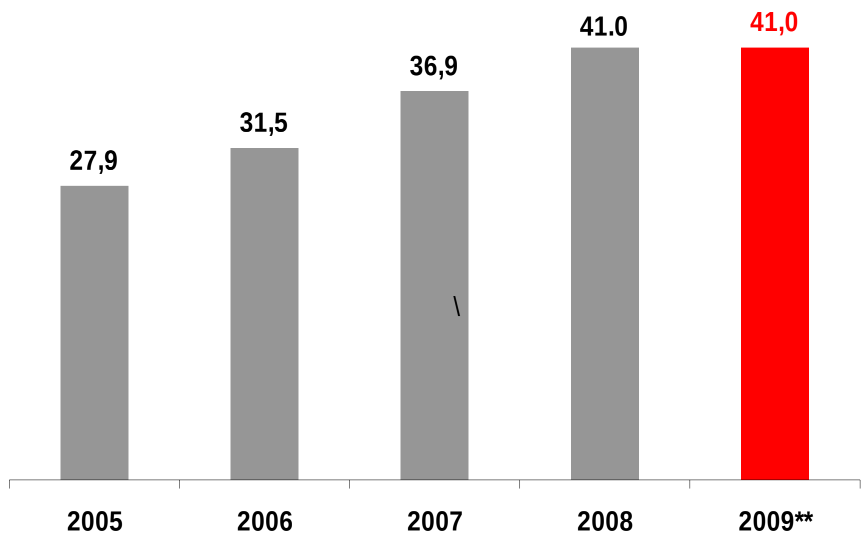
in Eurocents

2008 EPS proforma : Euro 0.99 ps (calculated on the same avg number of shares as in 2009); 2009/08 +15%



Ordinary DPS

in Eurocents



At current prices, proposed DPS of 41 Eurocents implies a dividend yield of 4.3%

*****_EPS after minority interests calculated on average number of shares_

All dividends relating to FY 2005 / 2007 recalculated to take into account the impact of the Rights Issue completed on 21 November 2008.

** 2009 proposal to be approved by AGM

Successful Completion of Debt Refinancing

FINMECCANICA

- 2009 Bond Refinancing of €2.2bn
  - €250mln due 2013 and €600mln due 2022 in Eurobond market
  - £400mln (€450mln) due 2019 in Sterling market (swapped into Euro)
  - $500mln due 2019, $300 due 2039 and $500mln due 2040 (total of €902mln) in the US Dollar market
- DRS Acquisition Bridge Loan reduced to €639mln at year-end. In February 2010 outstanding amount of €639mln transformed in Revolving Credit Facility due 2011 and partially reimbursed
- Approximately 50-50% fixed vs. floating interest cost
- 2009 average cost of debt approximately 4.7% increasing to 5-5.5% in 2010
- €500mln EIB Loan to be drawn prior to January 2011

⇒ **Achieved Target of >10 Year Average Debt Life**

Successful Completion of Debt Refinancing (cont)

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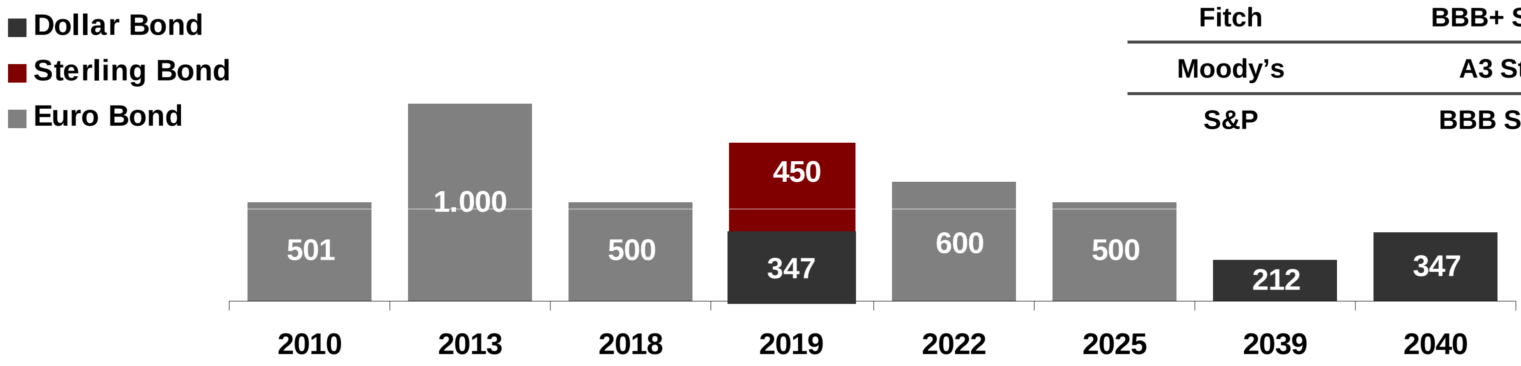


Finmeccanica's credit profile	
Fitch	BBB+ Stable Outllook[1]
Moody's	A3 Stable Outlook
S&P	BBB Stable Outllook[2]

Bond

Issuer	Issue Date	Expiry Date	Notional Amount (€m)	Coupon
Finm. Finance[1]	2003	Aug-2010	501	0,375%
Finm. Finance	2008-2009	Dec-2013	1000	8,125%
Finm. Finance	2003	Dec-2018	500	5,75%
Meccanica Holdings USA	2009	July-2019	347	6,25%
Finm. Finance	2009	Dec-2019	450	8,0%
Finm. Finance	2009	Jan-2022	600	5,25%
Finmeccanica SpA	2005	March-2025	500	4,875%
Meccanica Holdings USA	2009	July-2039	208	7,375%
Meccanica Holdings USA	2009	Jan-2040	347	6,25%
Total			4453	

1 Bonds exchangeable in 20,000,000 STMicroelectronics N.V. shares

Available Credit Lines

Cash Credit Lines	Size	Oustanding Dec.09	Tenor	Margin (bps)
Revolver	1200	0	Dec 2012	22,5
Revolver	639	639	June 2011	80
Confirmed Credit Lines	545	0	18 months*	120*
Unconfirmed Credit Lines	660	0	18 months*	50-100*
Total	3044	639		

Bank Bonding Lines	Size
Total	1984

⇒Adequate Liquidity Support From Existing Debt Structure and Available Credit Lines

[1] On 22 July FITCH upgraded FNC rating to BBB+ with a "Stable" Outlook

[2] On 16 December S&P reaffirmed FNC rating to BBB with a "Stable" Outlook

**Average. Expected to be renewed at maturity*

The amount in GBP and USD are calculated using the exchange rate of 31/12/2009

Business Strategy

Pier Francesco Guarguaglini

Actively Pursuing Our Strategic Objectives

FINMECCANICA

Market leadership
in 3 robust strategic pillars

Expansion of
international footprint in key
growth markets

Focused R&D investment in 3
pillars

**Profitable and cash generating
growth programmes**

**Efficiency/Optimisation of the
Group structure**

MAXIMISING

SHAREHOLDER

VALUE

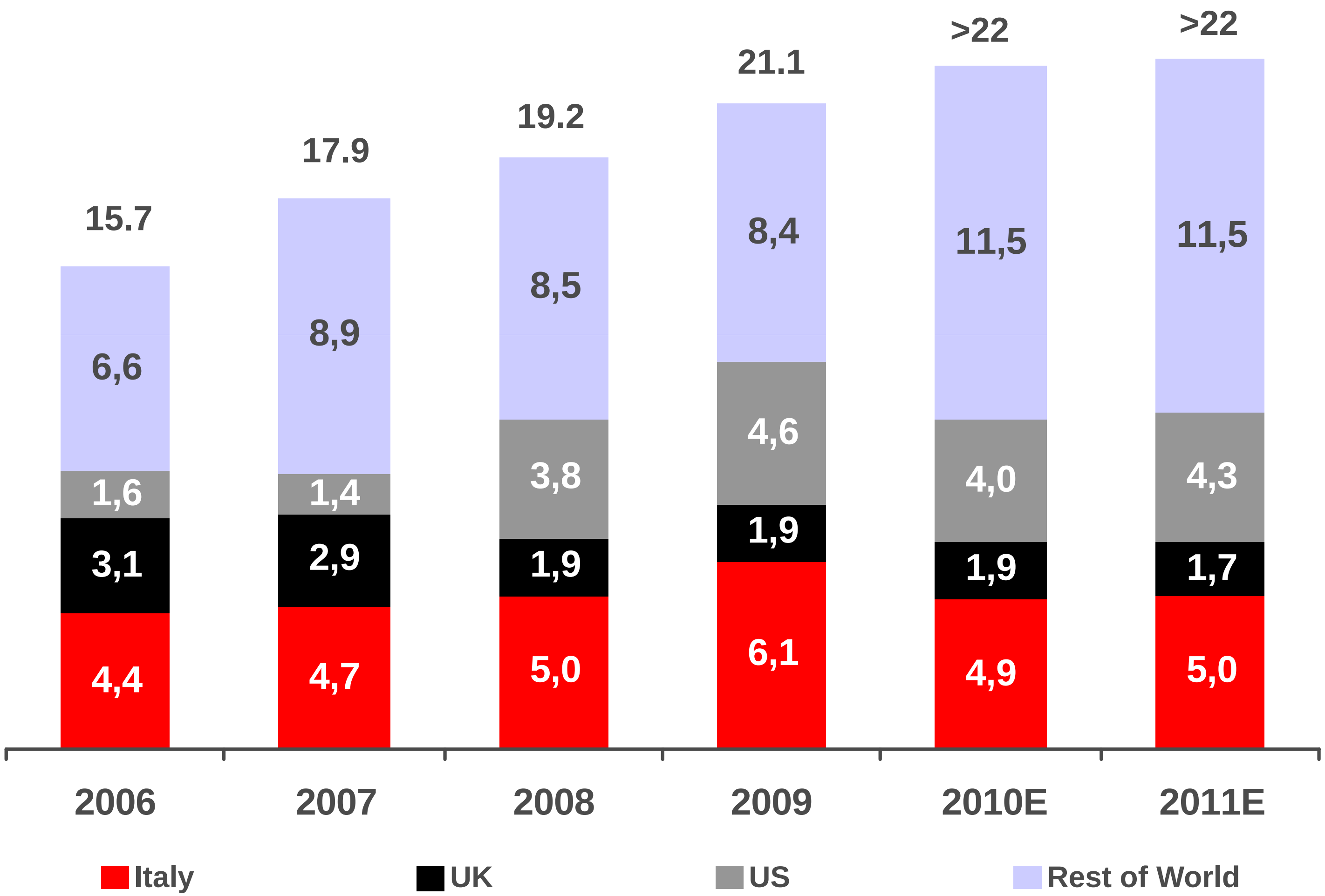
Continued Resilience in 2010

- Diversified product portfolio and presence in both civil and military sectors creates a stable and more defensive business platform
- Leading positions in domestic markets and an industrial footprint in strategic growth countries
- Backlog and order intake for existing products remains strong despite pressure on defence budgets
- Further investment and R&D spending across each of 3 strategic pillars paves the way for continued innovation and long-term growth

Redrawing Our Geographical Footprint Enables Us to be Resilient

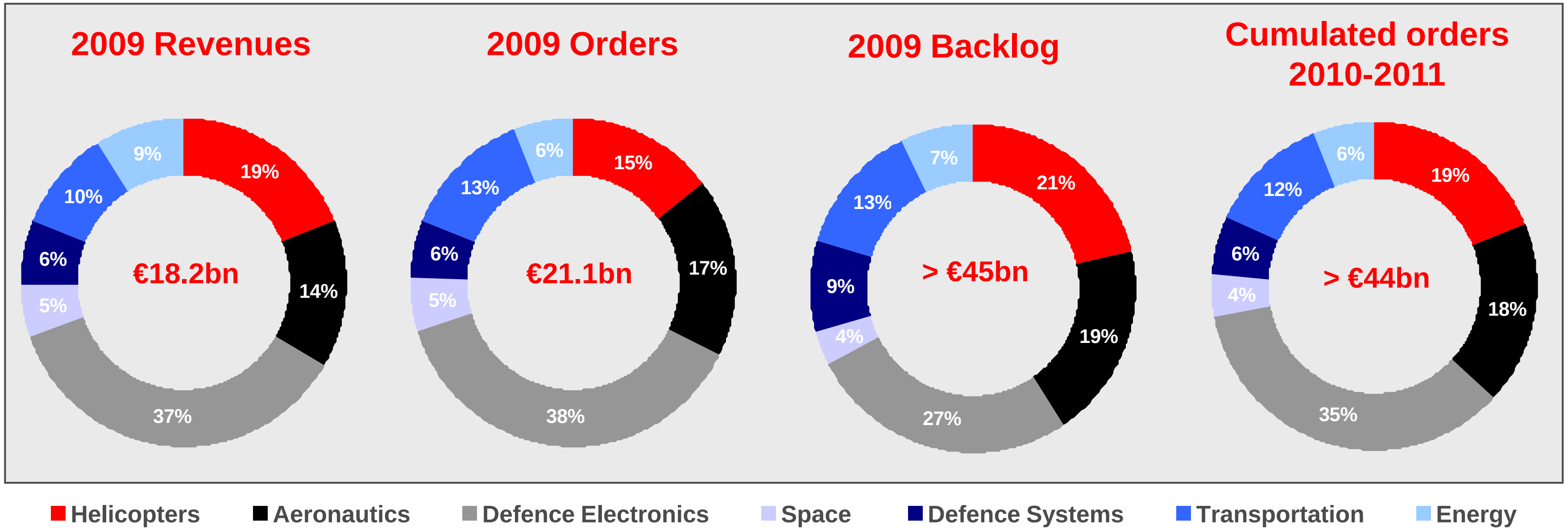
FINMECCANICA

Orders (Euro bn)



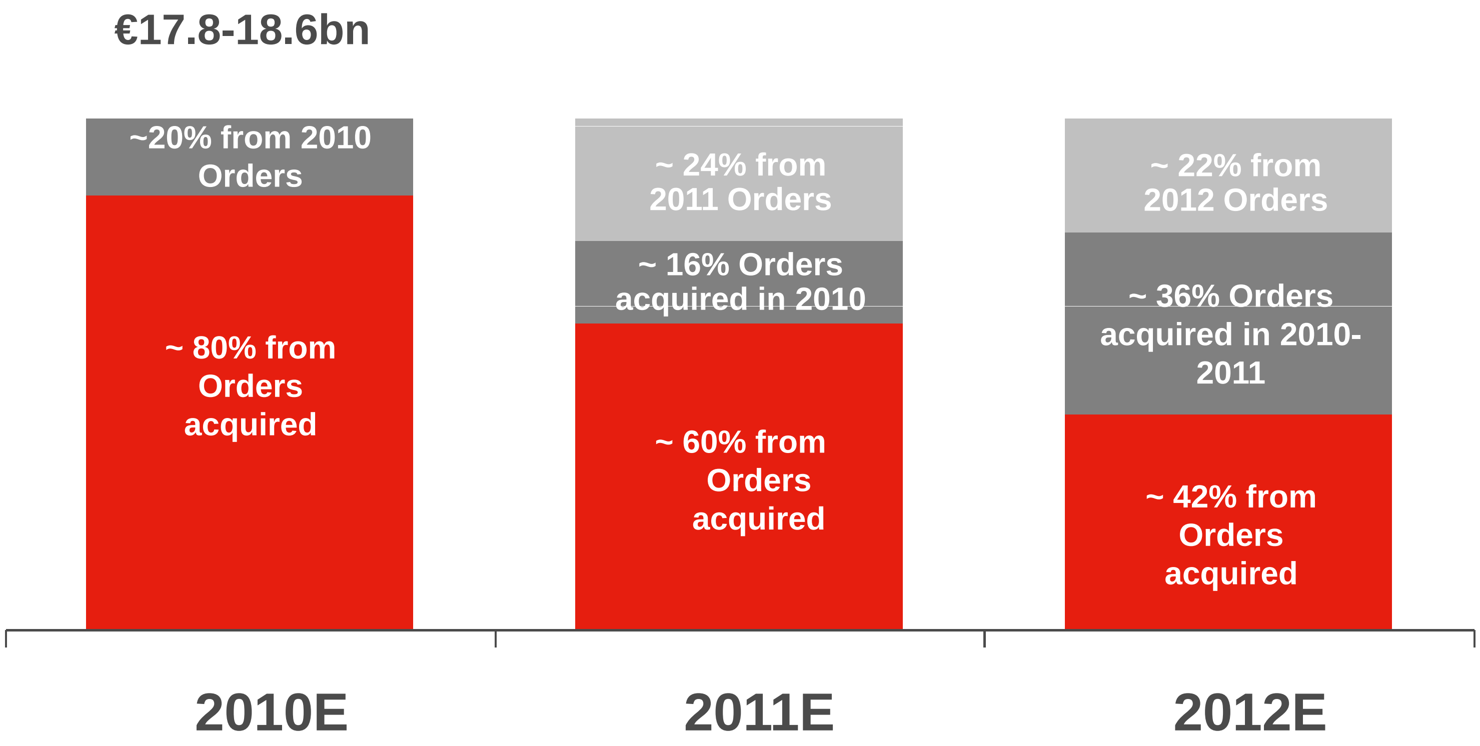
Diversified Revenues and Orders Improve Visibility of Growth Profile

- 2009 revenue growth of 21% driven by Defence Electronics, Helicopters and Energy
- Defence Electronic revenues boosted by DRS acquisition
- Order book covers 80% of 2010 projected revenues
- Backlog covers ~2.5 years of revenues



Current Backlog Establishes a Strong Platform for Further Growth

Revenues



Robust Defence Budgets in Three Domestic Markets: US Outlook Improved (1/3)

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Budget Area	2010	2011
Total U.S. Budget	$693 Billion	$708 Billion
Of which: O & M	$184.6 Billion	$200 Billion

- Expanding O & M Budget Represents Significant Opportunities
  - U.S. market presents opportunities to grow leveraging on Group's European capabilities

Aeronautics

- Significant MRO capability in Italian facilities
- C-27J JCA programme remains funded in 2011: Strong support for additional aircraft and variants of C-27J
- C-27/G.222 Afghan programme can be leveraged to expand business with U.S. Air Force: Strong performance & customer satisfaction
- U.S. Air Force Advance Trainer (T-X) T-38 replacement programme being accelerated is a major opportunity for M346
  - 350-500 Aircraft
  - Significant potential for Light Attack and other derivatives

Source: U.S. Departement of Defense Overview-2011 Defense Budget

Robust Defence Budgets in Three Domestic Markets: US Outlook Improved (2/3)

Helicopters

- AgustaWestland responding to three major DoD rotorcraft acquisition programme Requests for Information (RFI):
  - US Air Force Common Vertical Lift Support Platform (CVLSP) for ca. $2bn (AW139)
  - US Army Armed Aerial Scout (AAS) for ca. $2.5bn (AW119)
  - US Navy Presidential Helicopter Replacement (VXX) for ca. $7-10bn (AW101)
- AW serving on the Board of Directors of the new US Vertical Lift Consortium (a DoD initiative for research and development)
- Other:
  - Interest in expanding the AW139 in Department of Homeland Security (Customs & Border Protection)
  - Potential for additional FMS cases for AW139
  - AW139 ideally suited for Department of State requirements

Robust Defence Budgets in Three Domestic Markets: US Outlook Improved (3/3)

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Defence Electronics: DRS Technologies

2009 main achievements

- $913mln IDIQ contract with the US Army for the logistic support of the Mast-Mounted Sights of the Kiowa Warrior helicopters
- $1.9bn IDIQ contract (together with another supplier) with the US Army to supply Infrared technology Driver's Vision Enhancers (DVEs), actual orders have now reached $100mln
- $217mln contract with the US Army to produce rugged computing systems, $120M contract for Tactical Quiet Generators for US Army and $44mln to supply P5 aerial training systems
- $49mln contract with Raytheon to produce and supply advanced Second generation Forward Looking Infrared (SGF) sighting systems and components for the US Army

2010E and Opportunities

- Further support to US Army on future contingency operations (3° generation "Rapid Response" requirements) for ca. €800mln over 2010-2014
- Solutions, equipment and electro-optic systems provider for US Army and Navy (i.e. DVEs, IBAS, MMS and TWS) for ca. €950mln over 2010-2014
- Tactical systems provider for US Army (i.e. Military Rugged computers and Heavy Equipment Transporter M1000) for ca. €500mln over 2010-2014

Robust Defence Budgets in Three Domestic Markets: Finmeccanica Well Positioned in UK

FINMECCANICA

- Low visibility mainly due to elections
- Defence equipment spend expected stable in short and medium term
- Good visibility on UK MoD revenue streams over the next 12-18 months with ~ 70% of booked revenues accounted for by :
  - IOS Apache, Sea King, Merlin; Wildcat (former Future Lynx); export Merlin
  - Eurofighter T2, T3A and Saudi
  - Personal Role Radio (PRR), Counter IEDs
- Continued Urgent Operational Requirements activity in support of Afghanistan operations
- Increased UK export business into the US and other major markets (laser assemblies, radar) developing new opportunities in adjacent markets (Space, Security and Intelligence, Transport, Energy)

Annual UK Defence spend worth ~£13bn (of which ~£6bn in equipment) approx. 15% captured by Finmeccanica

Solid Defence Budgets in Three Domestic Markets: Increasing Opportunities for Security in Italy

FINMECCANICA

Budget Area	2010E
Defence incl. MSE	€ 4.5-5 Billion
Security	€ 1.2-1.5 Billion
Transport	Ca. € 2.5 Billion avg. p.y.

- MILITARY: relying on multiple sources of funds:
  - stable Defence investments for 2010 and beyond, ranging between €4.5-5bn per year
  - additional €800mln in FY10 for fleet upgrade of Coast Guard, Police, GdF of which ca. €3.4-3.7bn captured by Finmeccanica
- SECURITY: growing funding opportunities worth ca. €1.2-1.5bn yearly (including TLC component), both at national and local level, with particular reference to Civil Protection, Justice and Environment Ministries, Info-mobility of which ca. €800mln captured by Finmeccanica
- TRANSPORTATION INFRASTRUCTURES MULTIYEAR INVESTMENT:
  - €4bn from Transport Ministry and Regions for HS, Railways and Metro
  - Additional funds: from Italian Railways for HS (€1.8bn), from Regions for local trains (€800mln) from Rome Municipality for Metro D line (ca. €1bn) of which ca. €1.4bn expected in 2010 for Finmeccanica

Pursuing Opportunities in New Growth Markets (1/2)

Division	Main opportunities
Helicopters	• Resources available for military requirements in Turkey, large opportunity for AW149 • Agreement with TATA recently signed to set up an AW119 assembly line in India • Further opportunities in Libya, Algeria, and Saudi
Defence Electronics & Security	• Turkey: Tetra, Automation & Infomobility, Integrated Border Management System • India: ATC and Battlespace digitalisation • Libya and Algeria: Security and Border control opportunities, Air Defence Systems • Algeria, Brazil: Naval programmes (Fremm) • Saudi: Security, Radar 3D, King Abdullah Economic City, Tetra • Brazil: Border Control for oil off-shore, radar 3D and security opportunities for 2014 World Championship and 2016 Olympic Games
Aeronautics	• Turkey: Eurofighter, Superjet100 • India: Eurofighter, C27J, ATR • Algeria: ATR72 MP/ASW • Brazil: M346 • Saudi: Eurofighter, ATR and M346

Strengthening our commercial presence in the following markets: Turkey, India, North Africa, Saudi Arabia and Brazil

Pursuing Opportunities in New Growth Markets (2/2)

FINMECCANICA

Division	Main opportunities
Space	• Well established relationships in Brazil • Large opportunities in Turkey (Gokturk)
Defence Systems	• Large opportunities for Underwater systems in India • Naval programmes (Fremm) expected in Algeria and Brazil
Transports	• Significant spending in Saudi and Infrastructural projects in Brazil driving High speed systems opportunities • Infrastructural projects expected in Turkey and Libya

Strengthening our commercial presence in the following markets:
Turkey, India, North Africa, Saudi Arabia and Brazil

Aligning Group Offering With OpCos Missions

FINMECCANICA

SELEX Sistemi Integrati

International player for:

- ✓ **Solutions/systems for Defence and *Homeland Security***
- ✓ **Maritime and Air Traffic Control Systems** (VTS, ATMAS)
- ✓ **Radar sensors** for military, institutional and commercial applications

SELEX Communications

- ❑ System integrator of **military** and **professional TLC network**

SELEX GALILEO

- ❑ *International Player for* **Avionics and Electro-Optics**, leveraging on existing (EFA, NH-90, JSF) and new programmes

ELSAG DATAMAT

- ❑ *International Player*, with specific competences in (*i*) ***software*** for defence and Security applications, **Logistics** and ***Mission Planning*** (*ii*) **automation**

DRS On-Going Integration Process

- **Besides optimisation of Italian and European DE&S, we are also pursuing the integration of our US DE&S subsidiary DRS**
- **Dedicated "Steering Committee and Management"** organisation still in place, with Capture Teams and strategic IPTs engaged
- **Contracts already awarded/under finalisation** due to integration for Space connectivity, IR technology and Comms Equipment (ca. $130mln)
- **Pursuing 20 "quick/win"** opportunities, including Aerial Targets, Future Soldier, Postal Automation, Small Radars and Border Control (> $1bn)
- **Further 20 major opportunities under development,** E/O Thermal Imagers, Radars, COMINT/SIGINT, and Steam Turbines

Complementarities Between DRS and Finmeccanica's DE&S

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AEROSPACE, DEFENCE & SECURITY

DRS Technologies	Aerospace, Defence & Security	Finmeccanica
		Large Systems (SELEX Sistemi Integrati, A Finmeccanica Company)
C4I	Surveillance & ISR systems, naval combat system, radar, Security systems and solutions	C4I (SELEX Sistemi Integrati, A Finmeccanica Company)
RSTA	Electro-Optics, vision & targeting systems and countermeasures	RSTA (SELEX GALILEO, A Finmeccanica Company)
Sustainment Systems	Communication equipment and infrastructure, connectivity services and Satellite High Value Added services	Sustainment Systems (SELEX Communications, A Finmeccanica Company)
Technical Services	Consulting, simulation, training, logistics and support	Technical Services (ELSAG DATAMAT)

Owned Platforms and systems

Decisive Actions Creating Performance Improvement

I. Action plan on Aeronautics to streamline the organisation and reduce costs

II. Industrial plan on Rolling Stock aimed at enhancing contract execution

III. Restructuring and site rationalisation

IV. Optimisation of Defence, Electronics & Security mission

V. SG&A Efficiency Improvement Plan

Tot. € 170-185mln p.a., the majority of which will be passed through to our customers in order to strengthen our overall competitiveness. The rest will improve our operating profits.

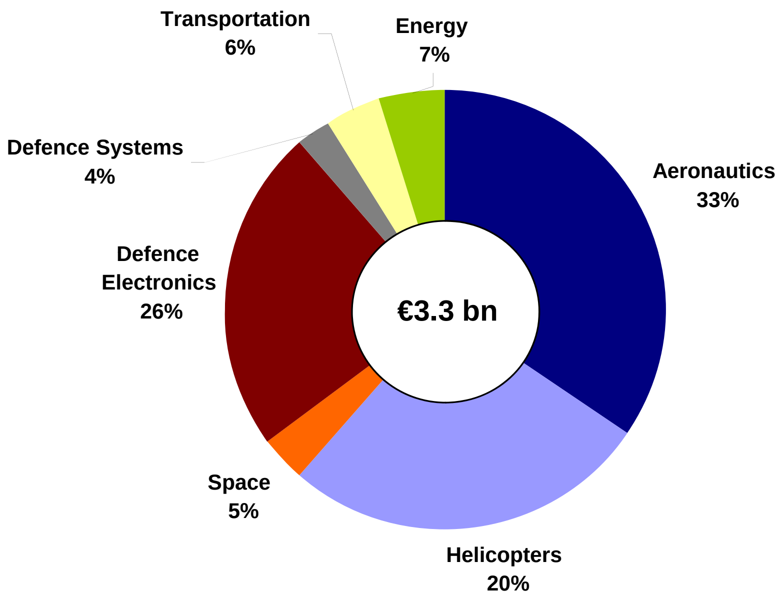
Selective Investments Consistent With Priorities in Product and Technology Development

FINMECCANICA

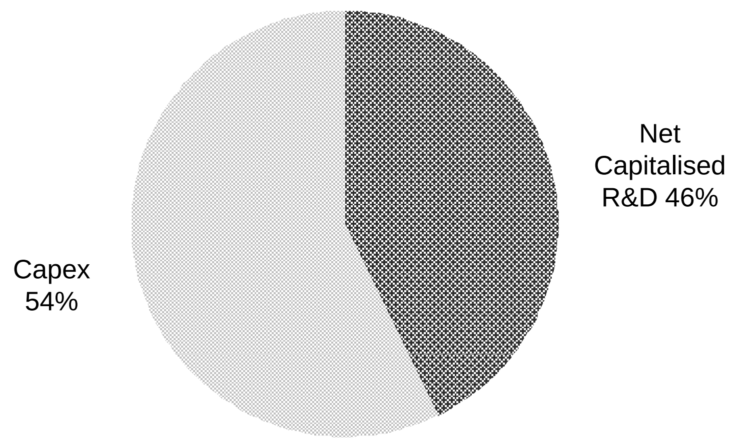
2010-2012 Cumulated Net Investments of €3.3bn

- ✓ ca. 80% in the 3 Strategic Pillars
- ✓ 40% devoted to new development
- ✓ 60% devoted to production/after sales

Cumulated Net Investments 2010-2012



Capex and Net Capitalised R&D 2010-2012



Net Annual Capitalised R&D expected to be in the range of Euro150-200mln in 2010

Key Programmes Selected to Ensure Adequate Returns

FINMECCANICA

3 Strategic Pillars 2010-2012 Cumulative R&D Gross Investments

Helicopters: tot. €750mln,	**of which ca. €650mln in** AW149 XX9 BA609
Aeronautics ca. €1.1bn,	**of which ca. €750mln in** B787 C27J ATR (special version) M346
Defence Electronics ca. €500mln,	**of which ca. €250mln in** Large Systems CWP Software Defined Radio FMS

Total Group gross R&D investments funded for more than 40%

2011 and Beyond –
Well Positioned to Capitalise on the Upturn

- Potential to further streamline and consolidate the Group
- New civil aeronautic products (B787, ATR and SuperJet) will benefit from global recovery
- Civil helicopters outlook improving
- Well positioned to exploit fast growing Security demand leveraging on our solid capabilities
- Scaling up DRS system capabilities, in order to better exploit domestic new defence and security requirements and additional export opportunities, by leveraging stronger integration into the Group
- Building on established industrial footholds in emerging growth markets
- Tapping into both civil and military budgets for escalating worldwide security needs

Appendix

FY 2009 Results – Profit & Loss

FINMECCANICA

CONSOLIDATED PROFIT AND LOSS ACCOUNT			
€mil.	**2009**	**2008**	***Change %***
Revenues	**18,176**	**15,037**	*12%*
Costs for purchases and personnel	(16,125)	(13,188)	
Depreciation and amortisation	(575)	(506)	
Other net operating revenues (costs)	111	(38)	
Adj EBITA (*)	**1,587**	**1,305**	*25%*
Adj EBITA (*) margin	*8.7%*	*8.7%*	
Non-recurring revenues (costs)	(92)	20	
Restructuring costs	(23)	(41)	
Impairment (Selex Comms)	0	(40)	
PPA amortisation	(80)	(34)	
EBIT	**1,392**	**1,210**	*12%*
EBIT margin	*7.7%*	*8.0%*	
Net finance income (costs)	(297)	(222)	
Income taxes	(377)	(367)	
Net profit before discontinued operations	**718**	**621**	*19%*
Profit of discontinued operations			
Net profit	**718**	**621**	*19%*
Group	*654*	*571*	
Minorities	*64*	*50*	
EPS (EUR)			
Basic	*1.134*	*1.294*	
Diluted	*1.133*	*1.293*	
EPS of continuing operations (EUR)			
Basic	*1.134*	*1.294*	
Diluted	*1.133*	*1.293*	

(*) 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.

Balance Sheet

FINMECCANICA

BALANCE SHEET		
€mil.	31.12.2009	31.12.2008
Non-current assets	12,956	13,113
Non-current liabilities	(2,639)	(2,655)
	10,317	**10,458**
Inventories	4,662	4,365
Trade receivables	8,481	8,329
Trade payables	(12,400)	(12,134)
Working capital	**743**	**560**
Provisions for short-term risks and charges	(595)	(632)
Other current net assets (liabilities)	(853)	(873)
Net working capital	**(705)**	**(945)**
Net invested capital	**9,612**	**9,513**
Capital and reserves attributable to equity holders of the Company	6,351	5,974
Minority interests	198	156
Shareholders' equity	**6,549**	**6,130**
Net debt (cash)	**3,070**	**3,383**
(Assets) liabilities held for sale	**(7)**	

Cash Flow

CASH FLOW		
€mil.	2009	2008
Cash and cash equivalents at 1 January	2,297	1,607
Gross cash flow from operating activities	2,222	1,968
Financial charges paid	(180)	(127)
Income taxes paid	(392)	(200)
Changes in other operating assets and liabilities	(134)	(53)
Funds From Operations (FFO)	**1,516**	**1,588**
Changes in working capital	(488)	(169)
Cash flow generated from (used in) operating activities	**1,028**	**1,419**
Investment in tangible and intangible assets after disposals	(465)	(950)
Free operating cash flow	**563**	**469**
Strategic operations	(10)	(2,207)
Change in other financing activities	(3)	(22)
Cash flow generated (used) by investment activities	**(478)**	**(3,179)**
Share capital increase	0	1,206
Cash flow from financing activities	66	1,444
Dividends paid	(256)	(187)
Cash flow generated (used) by financing activities	**(190)**	**2,463**
Exchange gains/losses	(27)	(13)
Cash and cash equivalents at 31 December	2,630	2,297

Divisions

FINMECCANICA

2009 (EUR million)	Helicopters	Defence Electronics (**)	Aeronautics	Space	Defence Systems	Energy	Transport	Other Activities and Corporate	Eliminations	Total
Revenues	3,480	6,718	2,641	909	1,195	1,652	1,811	410	(640)	**18,176**
Adj EBITA (*)	**371**	**698**	**241**	**47**	**130**	**162**	**65**	**(127)**		**1,587**
Adj EBITA (*) margin	*10.7%*	*10.4%*	*9.1%*	*5.2%*	*10.9%*	*9.8%*	*3.6%*	*n.s.*		*8.7%*
Depreciation and amortisation	130	240	152	27	42	24	24	16		**655**
Investment in non-current assets	125	209	335	66	43	60	87	14		**939**
Research and development costs	328	711	474	87	235	36	110	1		**1,982**
New orders	3,205	8,215	3,725	1,145	1,228	1,237	2,834	113	(603)	**21,099**
Order backlog	9,786	12,280	8,850	1,611	4,010	3,374	5,954	172	(894)	**45,143**
Headcount	10,343	30,236	13,146	3,662	4,098	3,477	7,295	799		**73,056**

2008 (EUR million)	Helicopters	Defence Electronics	Aeronautics	Space	Defence Systems	Energy	Transport	Other Activities and Corporate	Eliminations	Total
Revenues	3,035	4,362	2,530	994	1,116	1,333	1,759	425	(517)	**15,037**
Adj EBITA (*)	**353**	**442**	**250**	**65**	**127**	**122**	**126**	**(180)**		**1,305**
Adj EBITA (*) margin	*11.6%*	*10.1%*	*9.9%*	*6.5%*	*11.4%*	*9.2%*	*7.2%*	*n.s.*		*8.7%*
Depreciation and amortisation	113	178	133	26	38	19	20	13		**540**
Investment in non-current assets	193	199	298	31	56	65	33	14		**889**
Research and development costs	273	619	508	64	258	32	51	4		**1,809**
New orders	5,078	4,418	2,720	921	1,087	2,054	1,557	113	(373)	**17,575**
Order backlog	10,481	10,700	8,281	1,383	3,879	3,779	4,849	357	(772)	**42,937**
Headcount	10,289	30,330	13,907	3,620	4,060	3,285	6,838	1,069		**73,398**

(*) Operating result before:
- any goodwill impairment;
- amortisations of intangibles acquired under business combination;
- restructuring costs of major, defined plans;
- other extraordinary income and expenses, i.e. relating to particularly significant events unconnected with the ordinary operations of the company's core businesses.

(**) Included DRS, consolidated from 22 October 2008.

Total R&D Expenditure in 2009

FINMECCANICA

€ mln	FY 2009		FY 2008	
	Value	% of Revenues	Value	% of Revenues
R&D Total Expenditure	1,982	11.0%	1,809	12.0%
of which:				
Customer Funded	**930**		**850**	
Government Funded	**432**		**422**	
Group Expenditure	**620**		**537**	

€ mln	FY 2009		FY 2008	
	Value	% of Revenues	Value	% of Revenues
Group expenditure	620	3.4%	537	3.6%
of which:				
R&D Costs Charged to P&L	**341**	**1.9%**	**290**	**1.9%**
Gross R&D Capitalised	**279**		**247**	

Development Costs Capitalised in Intangible Assets at 31 December 2009

FINMECCANICA

€ mln	Self Funded National Security	Self Funded Other	Total
1 Jan 2009 Opening balance	633	474	1,107
Gross R&D Capitalised	**6**	**273**	**279**
Depreciation	**(53)**	**(102)**	**(155)**
Write-off and Other Movements	**(41)**	**(21)**	**(62)**
Net R&D Capitalised	(88)	150	62
31 Dec 2009	545	624	1,169

Foreign Exchange Exposure & Hedging

Transaction Risk

- Finmeccanica hedges the forex exposure deriving from commercial orders, both towards its customers and suppliers.
- Additional hedges relate to forex exposure deriving from financial assets and liabilities, particularly in GBP.
- Total forex hedge exposure amounts to €4.8 bn. equivalent at 2009 year end.

Translation Risk

- Impact on Profit and Loss negative for approximately 1-2% (€(24)mln at EBITA Adjusted level)
- Impact on Balance Sheet (translation reserve) slightly positive

2010 Financial Calendar

FINMECCANICA

Date	Event
4 March 2010	2009 Full Year Results
26-30 April 2010	AGM of Shareholders
29 April 2010	First Quarter 2010 Results
29 July 2010	First Half 2010 Results
4 November 2010	Third Quarter 2010 Results

IR Contacts

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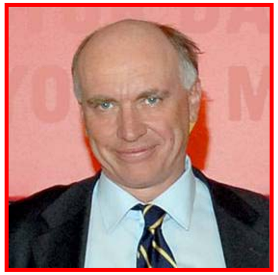

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