



**Ordinary Shareholders' Meeting
29 and 30 May 2013 (I and II call)**

Explanatory Reports of the Board of Directors

Agenda

1. Separate Financial Statements at 31 December 2012; presentation of the Consolidated Financial Statements at 31 December 2012; Report of the Board of Directors, Report of the Board of Statutory Auditors and Independent Auditors' Report. Resolutions related thereto.
2. Remuneration Report: resolution pursuant art. 123-ter, paragraph 6, of Legislative Decree No. 58/98.
3. Integration of the Board of Directors. Resolutions related thereto.
 - 3.1 Replacement of a resigned Director.
 - 3.2 Replacement of a resigned Director.

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Report of the Board of Directors on the first item on the agenda

1. Separate Financial Statements at 31 December 2012; presentation of the Consolidated Financial Statements at 31 December 2012; Report of the Board of Directors, Report of the Board of Statutory Auditors and Independent Auditors' Report; resolutions related thereto.

Dear Shareholders,

the 2012 separate financial statements, which we submit for your approval, close with a loss of Euro 700,041,525.36 that we propose covering, together with the 2011 loss carried forward of Euro 1,375,550,757.22, through the use of available reserves as indicated below:

- Euro 1,375,550,757.22 through the use of the retained earnings reserve;
- Euro 585,330,999.34 through the use of the entire share premium reserve;
- Euro 114,710,526.02 through the use of the merger surplus reserve.

In light of the foregoing, we submit the following proposed resolution for your approval:

the Ordinary Shareholders' Meeting of "FINMECCANICA - Società per azioni":

- considering the Report of the Board of Directors;
- considering the Report of the Board of Statutory Auditors;
- having examined the financial statements at 31 December 2012;
- having acknowledged the report of KPMG SpA;

RESOLVES

- to approve the Directors' Report on operations and the financial statements at 31 December 2012;
- to approve the proposal posed by the Board of Directors of covering the 2011 loss of Euro 1,375,550,757.22 by using the retained earnings reserve;

- to approve the proposal posed by the Board of Directors of covering the 2012 loss of Euro 700,041,525.36 through the use of the entire share premium reserve for Euro 585,330,999.34 and the merger surplus for Euro 114,710,526.02.”

Report of the Board of Directors on the second item on the agenda

2. Remuneration Report: resolution pursuant to Article 123-ter, paragraph 6 of Legislative Decree No. 58/98

Dear Shareholders,

pursuant to Article 123-ter, paragraph 6, of Legislative Decree no. 58/98, you are invited to express your vote, in the form of a non-binding resolution, regarding the first section of the Remuneration Report as per Article 123-ter, paragraph 3, of Legislative Decree no. 58/98, published in accordance with terms and conditions required by law, illustrating the Company's policy on the remuneration of the members of its administrative bodies, of its general managers and of its executive management with strategic responsibilities, as well as the procedures adopted for the implementation of said policy.

In the light of the above, the following proposed non-binding resolution regarding the second item on the agenda is hereby submitted to the Ordinary Shareholders' Meeting:

“the Shareholders' Meeting of Finmeccanica S.p.a.

- having regard to Articles 123-ter of Legislative Decree no. 58/98 and 84-*quater* of CONSOB Regulation no. 11971/99;
- having acknowledged the Remuneration Report approved by the Board of Directors on 23 April 2013, drafted pursuant to Articles 123-ter of Legislative Decree no. 58/98 and 84-*quater* of CONSOB Resolution no. 11971/99 and in compliance with the provisions of the Corporate Governance Code of Listed Companies to which the Company adheres, as well as published within the prescribed deadline of twenty-one days before the date of the Meeting convened for the approval of Annual Financial Statements at 31 December 2012;
- having examined, in particular, the first section of the above mentioned Report, illustrating the Company's policy on the remuneration of the members of its administrative bodies, of its general managers and of its executive management with strategic responsibilities, as well as the procedures adopted for the implementation of said policy;
- taking into consideration the non-binding nature of this resolution, pursuant to Article 123-ter, paragraph 6, of Legislative Decree no. 58/98;

HEREBY RESOLVES

to vote in favour of the first section of the Remuneration Report drafted and approved by the Board of Directors pursuant to Articles 123-*ter* of Legislative Decree no. 58/98 and 84-*quater* of CONSOB Resolution no. 11971/99.”

Report of the Board of Directors on the third item on the Agenda

3. Integration of the Board of Directors. Resolutions related thereto

3.1 Replacement of a resigned Director

3.2 Replacement of a resigned Director

Dear Shareholders,

whereas the Shareholders' Meeting held on 15 April 2013 resolved, following the proposal of the Shareholder Ministry of Economy and Finance, to postpone to the Shareholders' Meeting called for the approval of the financial statements any decision concerning the replacement of two resigned Directors Mr. Franco BONFERRONI and Mr. Giuseppe ORSI, therefore inviting the Board of Directors to include the subject in the agenda of the mentioned Shareholders' Meeting, you are now called to provide for the integration of the Board of Directors by means of two different resolutions: the first one concerning the replacement of the resigned Director Mr. Franco BONFERRONI; the second one concerning the replacement of the resigned Director Mr. Giuseppe ORSI. All of the above, in order to restore the number of members of the Board of Directors determined in 11 (eleven) by the Shareholders' meeting held on 4 May 2011.

In particular, the following is reported.

3.1. Replacement of a resigned Director

On 21 September 2012, Mr. Franco BONFERRONI, appointed as Director by the Shareholders' Meeting of 4 May 2011, resigned from his office of Director of the Company. The Board, following its due evaluation, deemed appropriate not to make use of the cooptation procedure pursuant to art. 18.5 of the Company's Articles of Associations and to submit to the Shareholders' Meeting any decision relating to his replacement. In this regard, the Shareholders' Meeting of 15 April 2013 approved the above mentioned resolution.

3.2 Replacement of a resigned Director

On 15 February 2013, Mr. Giuseppe ORSI resigned from the office of Director and, consequently, of Chairman of the Board of Directors. Also in this case the Board, following its due evaluation, deemed appropriate not to make use of the co-optation procedure

pursuant to art. 18.5 of the Company's Articles of Association and to submit to the Shareholders' Meeting any decision relating to his replacement. Also in this regard, the Shareholders' Meeting of 15 April 2013 approved the above mentioned resolution.

Please note that both Mr. ORSI and Mr. BONFERRONI had been appointed by the Shareholders' Meeting of 4 May 2011 among the candidates of the list that obtained the majority of votes. In this regard, please note that it will not be possible to appoint the new Directors according to the terms provided by art. 18.5 of the Company's Articles of Associations, i.e. appointing two candidates from the same list to which Mr. ORSI and Mr. BONFERRONI belonged, as the list does not contain other candidates besides those previously elected.

It is furthermore pointed out that, being this a mere integration of the Board of Directors already appointed, the list voting mechanism shall not apply. The appointment shall, therefore, take place, according to the majority provided by the law.

Please consider that, since the Board of Directors did not submit any candidacy proposal for the replacement of the two resigned Directors, proposals submitted by the Shareholders shall be voted.

Please also note that the office of the new members of the Board of Directors shall cease on the same date of the office of the Directors currently in charge and therefore on the date of the Shareholders' Meeting called to approve the Financial Statements at 31 December 2013.

With regard to the candidacy proposals concerning points 3.1 and 3.2 above, it is reminded that, as explained in the notice of call of the Shareholders' Meeting, such proposals can be submitted by the Shareholders on or before the meeting, pursuant to the following terms and conditions:

a) Candidacy proposals submitted before the Shareholders' Meeting

The Shareholders that, individually or jointly, represent at least one-fortieth of the share capital of the Company may submit candidacy proposals, before the Shareholders' Meeting, within the terms and in compliance with the conditions provided for by the aforementioned art. 126-*bis* of the Italian Legislative Decree no. 58/98. In particular, in this regard, the following documentation shall be submitted to the Company, by fax at the

number +390632657172 or to the certified e-mail address assemblea@pec.finmeccanica.com, no later than 10 days from the issue of the notice of call of the Shareholders' Meeting:

- a report explaining the proposals submitted;
- a statement in which the nominee accepts his/her candidacy and certifies, under his/her own responsibility, that there are no grounds for his/her ineligibility or incompatibility of office, and that he/she fulfills the requirements for office as provided for by the applicable law and by the Articles of Association (including the possible fulfillment of the requirement of independence provided for by the Articles of Association as well as the possible suitability to be qualified as "independent" pursuant to art. 3 of the Corporate Governance Code for Listed Companies), and, in particular, meets the honorability requirements for listed companies' Directors as set for by the Italian Ministry of Justice Decree no. 162 of 30 March 2000, pursuant to art. 147-*quinquies* of the Italian Legislative Decree no. 58/98;
- a curriculum vitae containing the nominee's personal and professional details;
- a certificate stating the ownership of the shareholding at the date of submission of the request.

b) Candidacy proposals submitted during the Shareholders' Meeting

The Shareholders may submit candidacy proposals during the Shareholders' Meeting, by submitting the following documentation:

- a statement in which the nominee accepts his/her candidacy and certifies, under his/her own responsibility, that there are no grounds for his/her ineligibility or incompatibility of office, and that he/she fulfills the requirements for office as provided for by the applicable law and by the Articles of Association (including the possible fulfillment of the requirement of independence provided for by the Articles of Association as well as the possible suitability to be qualified as "independent" pursuant to art. 3 of the Corporate Governance Code for Listed Companies), and, in particular, meets the honorability requirements for listed companies' Directors as set for by the Italian Ministry of Justice Decree no. 162 of 30 March 2000, pursuant to art.147-*quinquies* of the Italian Legislative Decree no. 58/98;

- a curriculum vitae containing the nominee's personal and professional details.

The Shareholders' Meeting is therefore called to proceed to the appointment of two new Directors based on the proposals submitted by the Shareholders before or during the Shareholders' Meeting, according to the above mentioned terms and conditions; such proposals, in compliance with the provisions of art. 16 of the Shareholders' Meeting Rules, shall be voted according to their respective order of submission. In order for the mentioned resolutions to be validly adopted, each submitted proposal shall obtain the favourable vote of the absolute majority of the share capital represented by the Shareholders' attending the Meeting at the moment of the vote.

On behalf of the Board of Directors
The Deputy Chairman
(Adm. Guido Venturoni)