



Ordinary Shareholders' Meeting
3 and 4 July 2013 (I and II call)

Explanatory Report of the Board of Directors

Agenda

1. Integration of the Board of Directors. Resolutions related thereto.
 - 1.1 Replacement of a resigned Director.
 - 1.2 Replacement of a resigned Director.
 - 1.3 Replacement of a resigned Director.

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Report of the Board of Directors

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

1.1 Replacement of a resigned Director.

1.2 Replacement of a resigned Director.

1.3 Replacement of a resigned Director.

Dear Shareholders,

you are called to provide for the integration of the Board of Directors by means of three 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; the third one concerning the replacement of the resigned Director Mr. Christian STREIFF. All of the above, in order to restore the number of the 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.

1.1 Replacement of a resigned Director

On 21 September 2012, Mr. Franco BONFERRONI 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 and to convene a dedicated meeting to replace the resigned Director. In this regard, the Shareholders' Meeting held on 15 April 2013 resolved, upon proposal of the Ministry of Economy and Finance, to postpone the decision on the replacement of Mr. Franco BONFERRONI to the Shareholders' Meeting to be convened for the approval of the 2012 Financial Statements. Later on, the Shareholders' Meeting held on 30 May 2013 resolved, upon proposal by the Shareholder Ministry of Economy and Finance, to postpone to a new Shareholders' Meeting every decision on the replacement and recommended the Board of Directors to provide for the relevant call.

1.2 Replacement of a resigned Director

On 15 February 2013, Mr. Giuseppe ORSI resigned from his 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 cooptation procedure and

to submit to the Shareholders' Meeting the decision on replacement. In this regard, the Shareholders' Meeting held on 15 April 2013 resolved, upon proposal of the Ministry of Economy and Finance, to postpone the decision on the replacement of Mr. Giuseppe ORSI to the Shareholders' Meeting to be convened for the approval of the 2012 Financial Statements. Later on, the Shareholders' Meeting held on 30 May 2013 resolved, upon proposal by the Shareholder Ministry of Economy and Finance, to postpone to a new Shareholders' Meeting every decision on the replacement and recommended the Board of Directors to provide for the relevant call.

1.3 Replacement of a resigned Director

On 20 May 2013, Mr. Christian STREIFF resigned from his office of Director of the Company effective upon the date of the Shareholders' Meeting called to approve the 2012 Financial Statements on 29 and 30 May 2013 (on first and second call respectively).

Later on, 29 May 2013, Mr. Christian STREIFF, as integration to what communicated, informed the Company that his resignation would not have been effective as of 30 May 2013 (when the Shareholders' Meeting called to approve the 2012 Financial Statements took place), but from the resolution of the next Shareholders' Meeting that will resolve on his replacement.

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 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 reminded that Mr. Christian STREIFF had been appointed by the Shareholders' Meeting held on 4 May 2011 among the candidates of the list that had obtained the minority of votes. Also in this case it will not be possible to appoint the new Director according to the above terms provided by the Company's Articles of Association, 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, due to the fact that the Board of Directors did not submit any candidacy proposal for the replacement of the three resigned Directors, proposals submitted by the Shareholders shall be voted.

With regard to the candidacy proposals concerning items 1.1, 1.2 e 1.3 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 three 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, until the appointment of a Director for each above mentioned items 1.1, 1.2 and 1.3. 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)