



Internationalisation

**Driving success
by executing our goals**





Key Markets

Filippo Bagnato

Executive Vice President,
Technical, Industrial and
Commercial Development

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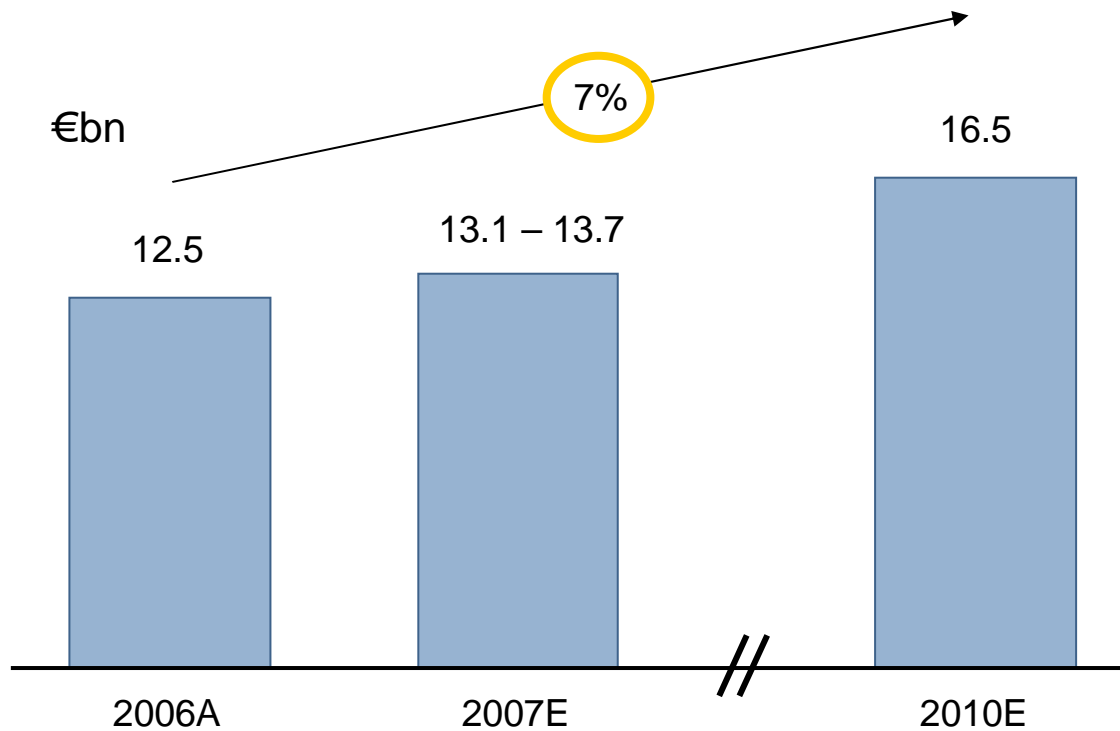


Finmeccanica has important growth targets



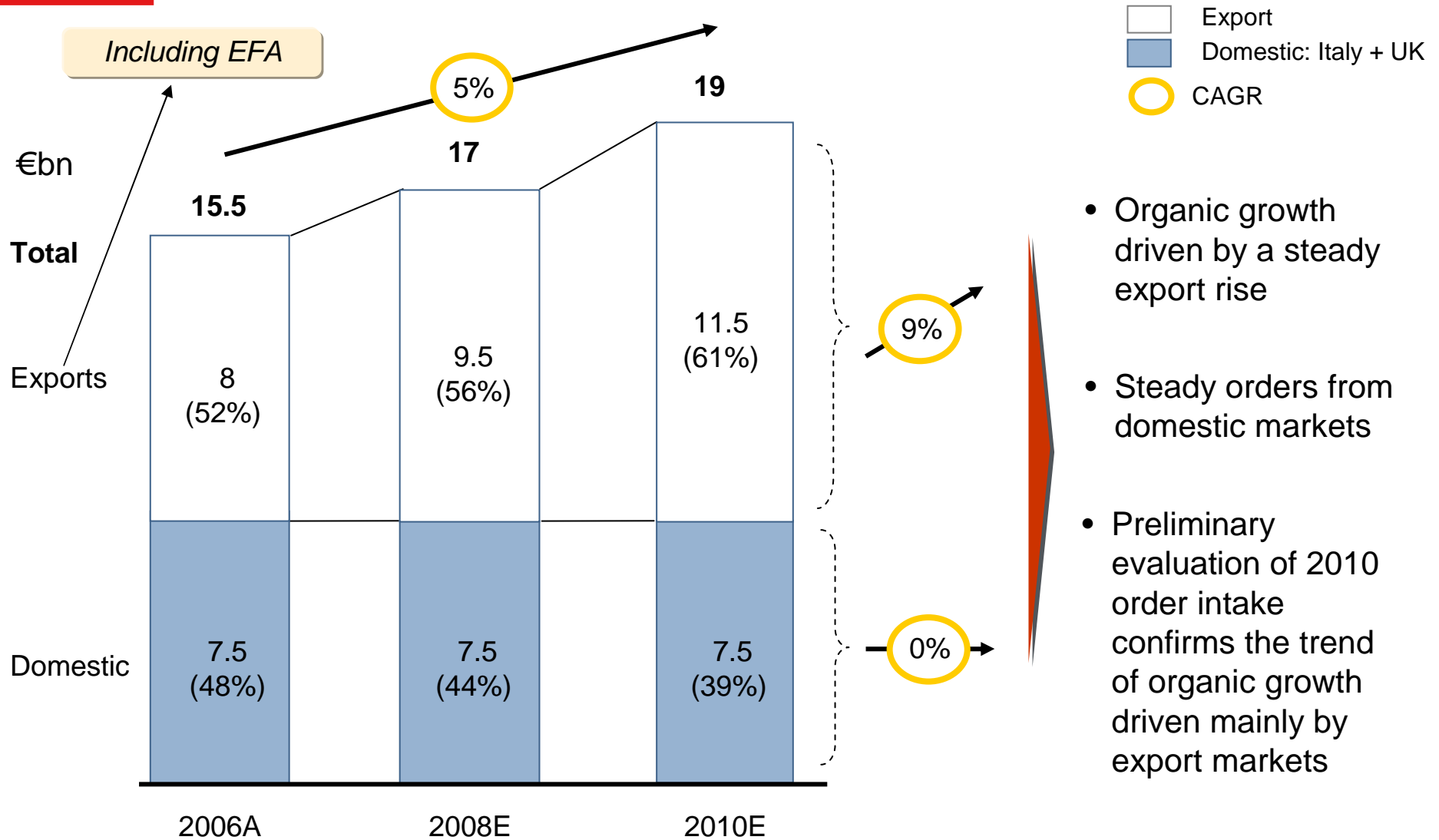
○ CAGR

Finmeccanica revenues



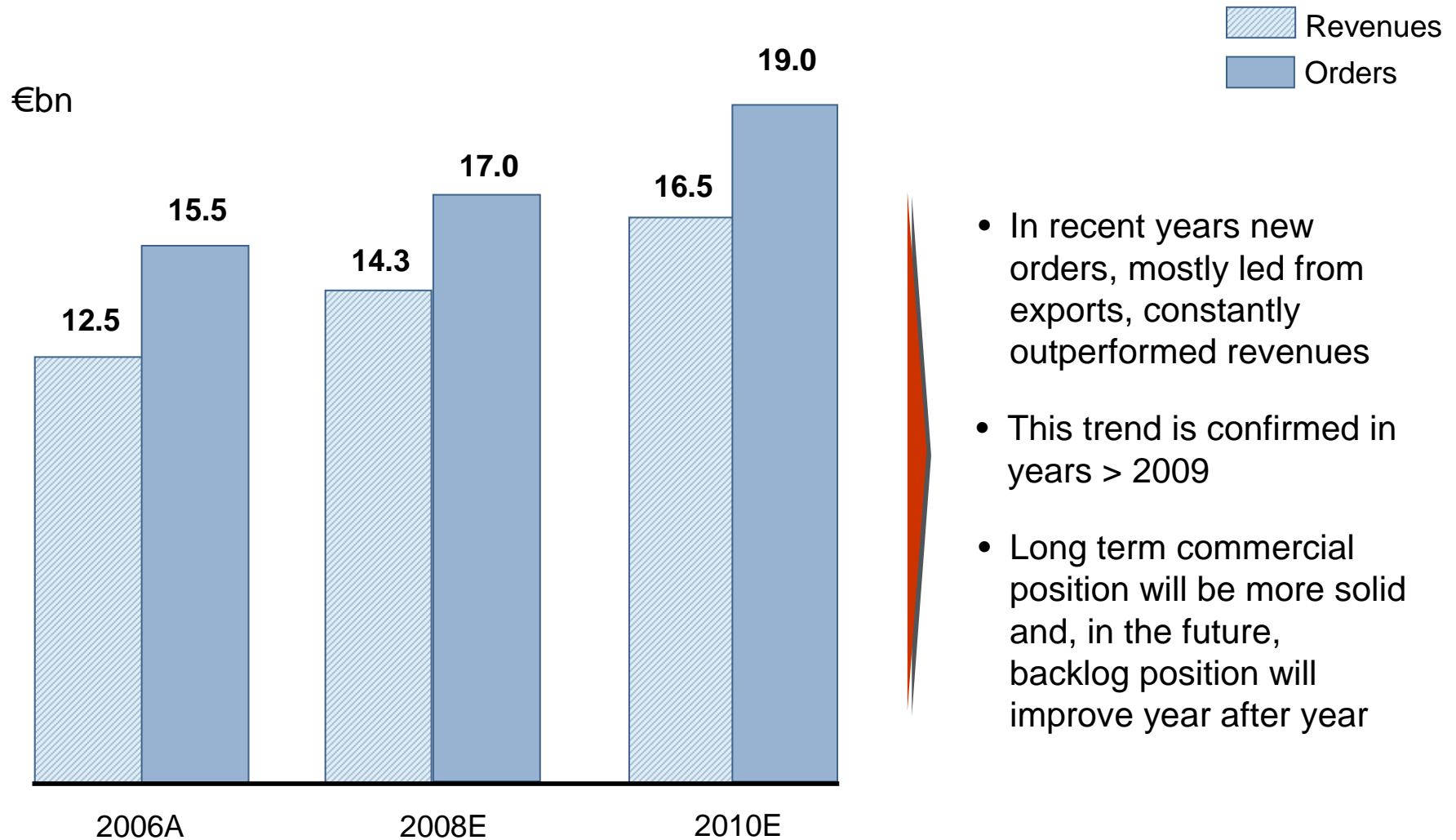
- Ambitious organic growth targets need special attention to:
 - . Technology
 - . Product
 - . Market
- Integration of these three elements will be a key success factor

Exports rise from 52% in 2006 to 61% in 2010 driving organic growth



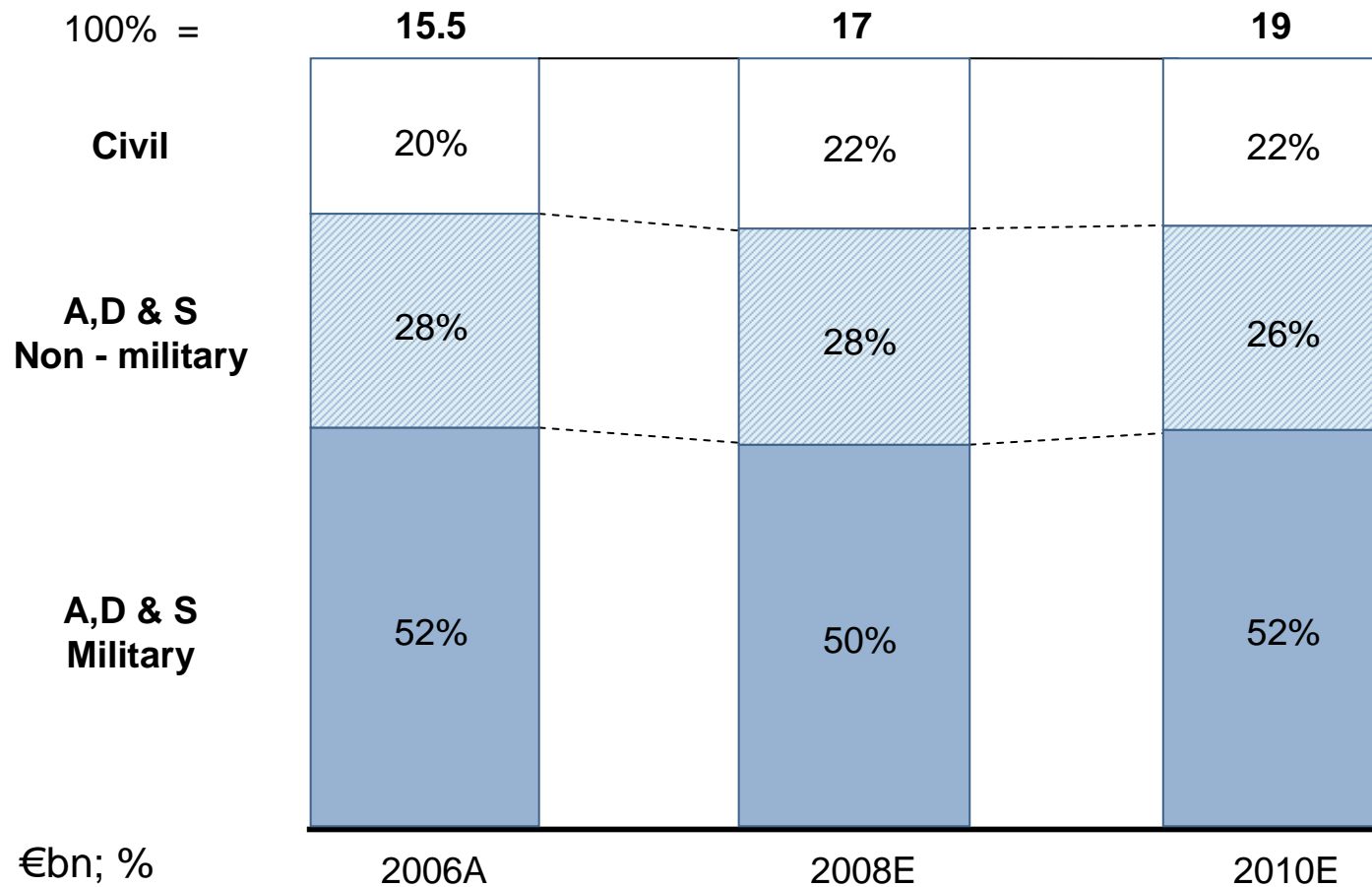
- Organic growth driven by a steady export rise
- Steady orders from domestic markets
- Preliminary evaluation of 2010 order intake confirms the trend of organic growth driven mainly by export markets

Exports are also improving long-term commercial position and backlog



- In recent years new orders, mostly led from exports, constantly outperformed revenues
- This trend is confirmed in years > 2009
- Long term commercial position will be more solid and, in the future, backlog position will improve year after year

Continued exposure to defence market and balanced order portfolio



While maintaining a balanced and diversified order portfolio, Finmeccanica maintains continued exposure to defence markets and firm focus on Aerospace, Defence & Security

The Pillars of Finmeccanica approach to internationalisation



- **Participation in main international programmes** through long term partnership (B787, RRJ, EFA, JSF, NH 90, FREMM, Russian Railways,...)
- **“State-of-the-art” own offerings and products** in key segments (C27J, M346, AW 139, EH101, VTMS, E-scan Radars, Tetra, Law Enforcement, Cosmo Skymed, Railways Signalling, ...)
- **Innovative business models** with growing relevance in value propositions of:
 - **life-cycle value added services** (ex. Aeronautics, Helicopters, Energy, ...)
 - **integrated offerings** (Malaysia, other on-going opportunities, ...)
- **Effective international commercial strategy:**
 - **Focus on key selected markets**
 - **Strengthen worldwide presence** (new offices)
- **Distinctive approach to industrial cooperation in emerging countries:**
 - **Technology and knowledge sharing as a commercial KSF**
 - **Finmeccanica** acknowledged as a main **counterpart** with **cross-selling opportunities** within Group companies

Turkey, Malaysia,
Arabic Gulf
Countries,...

Organisation is the KEY to managing the internationalisation



- The new Department (Technical, Industrial and Commercial Dep.) has been created to improve grip on three dimensions:
 - Industrial & Technology
 - Product & Offering
 - Commercial & Marketing
- The mission is to address product development, engineering and delivery to better fit with markets and client needs
- Focus of the activities of TIC Dep.:
 - To maintain the organic growth of the orders exploiting the advantage of business and management scale embedded in the Corporate approach (Finmeccanica as a “single Group”)
 - To manage the industrial growth of the Group consistently with the commercial expansion on the international markets
 - To devote to a particular attention on the issue of “costs optimisation” extracting the potential industrial and product policy benefits of the current companies structure.

Our internationalisation priorities...



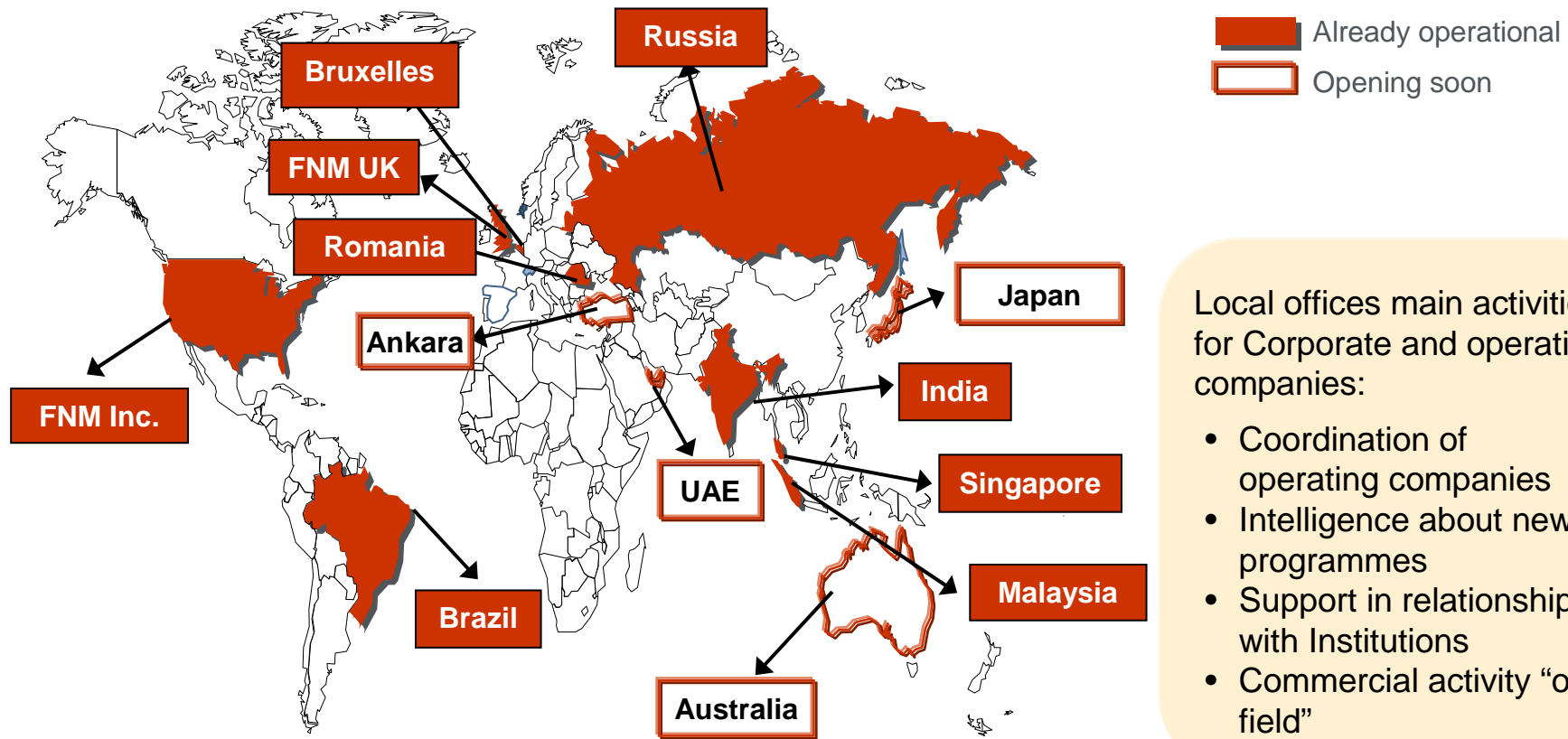
- Consolidation of **Domestic Markets** (Italy & UK).
- **USA**: leveraging on **multiple actions** according to **specific opportunities** in **different businesses** to establish **local footprints**
- Intensification of commercial actions and promotion of Finmeccanica commercial offers in **RoW markets** by expanding in:
 - ✓ **“Large” Markets**: Russia, India and China:
 - Pursuing **cooperation agreements** with **local partners** to facilitate our access
 - ✓ **Consolidating markets**: Greece, Malaysia, Turkey, East Europe:
 - Leveraging on **commercial achievements** and **industrial partnership** to further **consolidate** our presence
 - ✓ **High potential growth markets**: Northern Africa, Arabic Gulf Countries, Australia, Japan, Singapore, South Korea:
 - Exploiting **opportunities** in **medium/large markets** under **development/evolution**

Recent achievements and opportunities in some key markets



	Achievements	Opportunities
USA	US101, JCA, Seasprey, Law Enforcement,	CSAR-X, C-27J special vers., Radar and EW,
Russia	AW109/119/139, Tetra, P/L TLC Sat, Gas Turbines, Postal Automation	SuperJet100, Helicopters, ATC, Hom. Sec., Tetra, Rolling Stock, Signaling Systems,
India	ATR, ATC and Naval Radar, Torpedoes, Signaling Systems,	C-27J, Helicopters, Ground and ATC Radar, Comm. Syst, Naval Syst,....
Turkey	A129, Naval Guns, ATR72 ASW	Eurofighter, Border Control, Port Protection, TLC Satellite
East Europe	C-27J, Naval Guns, Comm. Systems	C-27J, Eurofighter, AW149, EH101, Turrets, Naval Combat Systems,.....
Malaysia	ATR, MB339, Naval Guns	ATR72 ASW, Radar & ATC, VTMS, Comm. Syst. ,.....
UAE	AW139, Naval Systems, Naval Guns, TLC Satellite	M-346, M-311, C-27J, ATR72 ASW, Naval Systems, WI-MAX,....

The strengthening of the Corporate Foreign Offices Structure



Finmeccanica is progressively increasing its worldwide network of foreign commercial offices as a logical step to foster its internationalisation

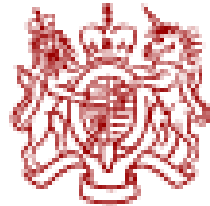


UK Defence Model

Alberto de Benedictis
Chief Executive
Finmeccanica UK

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HM TREASURY

UK Government's Pre-Budget Report and Comprehensive Spending Review October 2007, "Meeting the aspirations of the British people", Section 8 - UK MOD:

- The 07CSR continues the longest period of sustained real increases in MOD expenditure in almost 3 decades by providing for **1.5% average real growth over the next 3 years 2010-11 with total planned defence spending rising from £32.6bn in 07-08 to £36.9bn by 2010-11**



Bad news?



The reality – the military environment and requirements



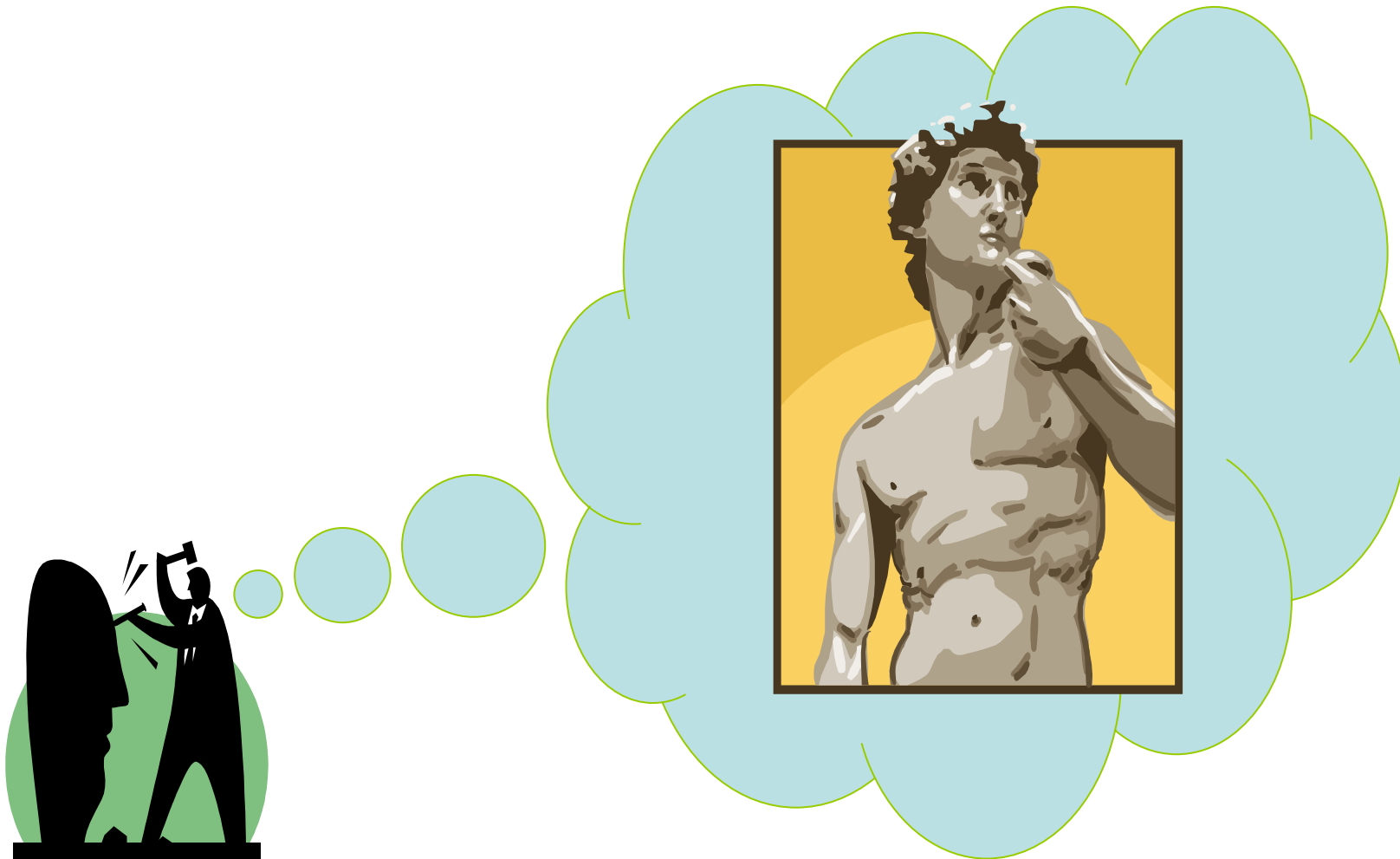
- Unpredictability – ever-changing military scenarios
- Commitment to current multiple engagements
- Consequences for the defence industry
 - Shorter planning and delivery timescales
 - Special relationships within industry and with customer
- Defence market perimeter expanding –
Homeland Security



Finmeccanica in the UK



Committed to the UK defence industry



Investor Relations Finmeccanica

✉ investor_relations@finmeccanica.com

Website: [http://www.finmeccanica.com/Investor Relations](http://www.finmeccanica.com/Investor_Relations)

John D. Stewart

VP Investor Relations

☎ +39 06 32473.290

✉ john.stewart@finmeccanica.com

Raffaella Luglini

Investor Relations Officer

☎ +39 06 32473.066

✉ raffaella.luglini@finmeccanica.com

Stefania Gianfalla

Customer Support Buy & Sell Side

☎ +39 06 32473.318

✉ stefania.gianfalla@finmeccanica.com

Emilia Iannicelli

Events & On line IR

☎ +39 06 32473.520

✉ emilia.iannicelli@finmeccanica.com