

Rome, 5 April 2013

Press Release

The Top Management of Selex ES, a Finmeccanica company, met today with National Trade Unions to illustrate the Reorganisation and Relaunch Plan of the Company, with a workforce of 17,000 people mainly distributed between Italy and the UK. The plan aims to create a European integrated Group with the critical mass and technological expertise needed to meet the challenge of competing on the global market of Defence and Security Electronics, in line with what several competitors have already been doing.

The plan is part of the operational restructuring and asset reorganisation taken by Finmeccanica to optimise its industrial set-up and enhance its competitiveness, while at the same time guarantee its strategic, economic and financial sustainability.

The plan, which was presented to Finmeccanica's Board of Director meeting on 26 March 2013, aims to adequately support Selex ES's business strategy by developing a more effective and sustainable business model targeting several main goals.

Among these, the rationalisation of the portfolio of products, cutting them down to 350 from the current 550, focusing investments on those technologies able to better meet market requirements, the improvement of utilisation rate, the reduction of G&A costs and the rationalisation of the geographical location of facilities, by reducing about 25 sites in Italy and UK.

The rationalisation process currently under way aims to eliminate inefficiencies and overlaps that presently hamper Selex ES in its effort to achieve the operating efficiency and the competitiveness targeted. The plan represents an inevitable step in achieving a well-scaled portfolio of technologies, products and systemic capabilities able to upgrade the Company's offer and to strengthen its position on export markets, also in adjacent business segments.

The implementation of the plan requires a targeted rightsizing of direct and indirect employees, to be discussed with Trade Union Federations.

The resources involved are comprehensively 2,529, between Italy and the UK. In this respect, in Italy the Company has already signed agreements with the relevant Trade Union Organisations concerning the redeployment of 810 employees and the exit of 120 executives. In the UK, the Plan envisages cutting back the local workforce by a maximum of 10 percent.

In 2012 the former three Selex companies already cut their workforce by 650 units, following an agreement with the relevant Italian and UK Trade Union Organisations.

The execution of the Plan is the necessary prerequisite to make Selex ES a global player in its sector of reference, with a broad international customer base and with an economic and financial performance in line with the market's highest benchmarks.

Finmeccanica is Italy's main industrial group, leader in the high technology field, and ranks among the top ten groups at world level in the Aerospace, Defence and Security sectors. Listed on the Milan Stock Exchange (FNC IM; SIFI.MI), with revenues of approximately 17 billion Euro, over 68,000 employees, 150 operating and commercial locations and 345 production facilities in 50 different countries world-wide, Finmeccanica is an international and multicultural group with an important presence in its four domestic markets: Italy, United Kingdom, the United States and Poland. Finmeccanica's success is based on its technological excellence, which springs from conspicuous investments in Research & Development (amounting to 12% of the revenues), and the constant efforts it makes to develop and integrate the skills, know-how and values of its operating companies. Finmeccanica is active in the following sectors: Helicopters (AgustaWestland), Defence Electronics and Security (Selex ES, DRS) and Aeronautics (Alenia Aermacchi) – which represent its core business – and it is also well positioned in the sectors of Space (Telespazio, Thales Alenia Space), Defence Systems (Oto Melara, WASS, MBDA), Energy (Ansaldo Energia) and Transportation (Ansaldo STS, AnsaldoBreda, BredaMenarinibus).