

**WELL-GROUNDED PROPOSAL OF THE BOARD OF STATUTORY AUDITORS TO
THE ORDINARY SHAREHOLDERS' MEETING OF FINMECCANICA S.P.A.**

**ON THE INTEGRATION OF THE FEES OF THE INDEPENDENT AUDITING FIRM
PURSUANT TO ARTICLE 13 OF LEGISLATIVE DECREE NO. 39 OF 27 JANUARY 2010**

Dear Shareholders,

in the framework of the Ordinary Shareholders' Meeting, you are called to resolve on the integration of the fees payable to KPMG SpA ("KPMG") in relation to the audit of the financial statements of Finmeccanica S.p.a. ("Finmeccanica") for the financial years 2012-2020, with limited reference to the financial years 2016 and following.

Pursuant to Article 13, paragraph 1, of Legislative Decree no. 39 of 27 January 2010, the Shareholders' Meeting is vested with the power to determine the fees of the Independent Auditing Firm "upon well-grounded proposal by the supervisory body".

It is recalled that KPMG has been appointed as Independent Auditing Firm for the financial years 2012-2020 by resolution of the Finmeccanica's Ordinary Shareholders Meeting held on May 16, 2012, upon well-grounded proposal by the Board of Statutory Auditors.

Such appointment, for the 3-years period 2016-2020, provides for a fee of € 1,979,559 for the statutory audit of the Finmeccanica accounts, the statutory audit of the Finmeccanica consolidated accounts, the limited audit of the abbreviated half-year consolidated financial report of Finmeccanica, as well as for the periodical verification of the regular keeping of the Company accounts. The annual fee for the financial years 2016-2017 amounts to € 420,450 per a 6,322 hours' engagement; the annual fee for the financial years 2018-2019-2020 amounts to € 379,553 per a 5,707 hours' annual engagement.

On March 7, 2016 KPMG required an integration of the fees for the years 2016-2020 according to the following table:

	Existing Contract		Integration		New Proposal	
	Hours	Fee	Hours	Fee	Hours	Fee
Year						
2016	6,322	420,450	34,678	1,889,550	41,000	2,310,000
Year						
2017	6,322	420,450	33,678	1,819,550	40,000	2,240,000
Year						
2018	5,707	379,553	30,793	1,670,447	36,500	2,050,000
Year						
2019	5,707	379,553	24,293	1,320,447	30,000	1,700,000
Year						
2020	5,707	379,553	24,293	<u>1,320,447</u>	30,000	1,700,000

namely € 1,889,550 for the year 2016 (against a supplemental commitment of 34,678 hours), € 1,819,550 for the year 2017 (against a supplemental commitment of 33,678 hours), € 1,670,447 for the year 2018 (against a supplemental commitment of 24,293 hours), € 1,320,447 for the year 2019 (against a supplemental commitment of 24,293 hours), € 1,320,447 for the year 2020 (against a supplemental commitment of 24,293 hours), for the performance of additional activities for the statutory audit of the financial statements for the financial years 2016 and following, made necessary as a result of the completion of the concentration transactions within the project "One Company" and, in particular, the mergers by incorporation of Oto Melara S.p.A. and WASS S.p.A. into Finmeccanica S.p.a., as well as the partial spin-off of Alenia Aermacchi S.p.A., AgustaWestland S.p.A. and SES S.p.A. in favour of Finmeccanica.

The request for integration of the fees is detailed as follows:

	2016		2017		2018		2019-2020	
	Hours	Fee	Hours	Fee	Hours	Fee	Hours	Fee
		€		€		€		€
Statutory audit of the separate accounts	20,755	1,169,380	20,249	1,133,944	18,477	1,037,761	15,187	860,583
Statutory audit of the consolidated accounts	6,674	376,010	6,511	364,616	5,941	333,689	4,883	276,718
Limited audit of the abbreviated half-year consolidated financial report	12,300	693,000	12,000	672,000	10,950	615,000	9,000	510,000
Control of proper bookkeeping	1,271	71,610	1,240	69,440	1,132	63,550	930	52,700
Total Finmeccanica S.p.a.	41,000	2,310,000	40,000	2,240,000	36,500	2,050,000	30,000	1,700,000

In accordance with the specific internal procedure, the Chief Financial Officer and the Group General Counsel of Finmeccanica provided the Board of Statutory Auditors with their opinions on the request of the Independent Auditing Firm, after reviewing:

- *the consistency of the request with the provisions of the contract between Finmeccanica and KPMG concerning the statutory audit services for the period 2012-2020;*
- *the exceptional nature of the events that required additional activities than expected;*
- *the contents of the additional activities carried out by KPMG.*

As a result, the Chief Financial Officer and the Group General Counsel represented to the Board of Statutory Auditors that:

- the request meets the requirements of Article. 6.2 of the contract between Finmeccanica S.p.a. and KPMG, which provides for the revision and the variation of the fees in exceptional and/or unpredictable circumstances;

- the number of man-days estimated by KPMG for Finmeccanica S.p.a. is lower than the sum of days that were provided under the contracts currently in place including the days carried out on behalf of subsidiaries, as a result of the efficiencies identified in the note submitted to the Board of Statutory Auditors, namely:
 - the additional activities concentrated on the first year of the *One Company* activities, arising from the need to improve the understanding of organization and processes, and particularly from the verification of the new IT systems supporting the accounts and financial statements;
 - the progressive decrease starting in the second year based on a gradual streamlining of management, administrative centralization processes and standardization of the audit activities;
 - the simplification of the control procedures of proper bookkeeping;
- considering the importance of the variation, it is appropriate that the request is submitted to the Shareholders' Meeting for approval.

Based on the above considerations, the Board of Statutory Auditors, in relation to the request for the integration of fees to be paid to KPMG for additional activities relating to the statutory audit of the financial statements for the financial years 2016-2020,

taking into account that:

- KPMG formulated the request for additional fees providing appropriate evaluation elements showing that, as a result of the concentrations made, the average overall savings may be estimated at approximately 10% per annum;
- the additional activities carried out are functional for the proper performance of the statutory audit of the separate accounts and consolidated accounts;
- Article. 6.2 of the contract between Finmeccanica and KPMG provides for the granting of additional fees in exceptional and/or unpredictable circumstances;
- as provided for by Consob Communication no. DAC/RM/96003556 of 18 April 1996, exceptional and/or unpredictable circumstances occurred;

having acknowledged and shared the assessments of the Chief Financial Officer and the Group General Counsel,

submits the following resolution for your approval:

"The Ordinary Shareholders' Meeting of Finmeccanica S.p.a.

- *taking into account the request for additional fees made by KPMG on March 7, 2016 following the additional audit activities to be carried out with reference to the financial statements for the years 2016-2020 and the events that will occur till their approval;*
- *considering the provision of Article 6.2 of the contract with KPMG, which regulates additional fees;*

- *having evaluated the proposal made by the Board of Statutory Auditors pursuant to Article 13, paragraph 1, of Legislative Decree no. 39 of 27 January 2010 and in agreement with their grounds;*

resolves

to integrate the fees payable to KPMG SpA for € 1,889,550 for the year 2016 (against a supplemental commitment of 34,678 hours), € 1,819,550 for the year 2017 (against a supplemental commitment of 33,678 hours), € 1,670,447 for the year 2018 (against a supplemental commitment of 24,293 hours), € 1,320,447 for the year 2019 (against a supplemental commitment of 24,293 hours), and € 1,320,447 for the year 2020 (against a supplemental commitment of 24,293 hours), for the performance of additional activities for the statutory audit of the financial statements for the financial years 2016 and following to be carried out by the same in compliance with the provisions of Auditing Standard n. 240".

Rome, 17 March 2016

on behalf of the BOARD OF STATUTORY AUDITORS

The Chairman