



Leonardo-Finmeccanica and Polska Grupa Zbrojeniowa sign a long-term strategic partnership agreement in the Defence and Security market

Kielce, 6 September 2016 - Leonardo-Finmeccanica, one of the top ten global players in Aerospace, Defence and Security and Italy's leading high technology company, and Polska Grupa Zbrojeniowa S.A. (PGZ), one of the largest defence companies in Central Europe and the biggest in Poland, have signed a Letter of Intent (LOI) for a long term strategic partnership in the Defence and Security market. The LOI has the purpose of strengthening the competitive position of both companies on the international market.

Under the agreement, Leonardo will support PGZ with its technology and products, and PGZ will cooperate with Leonardo on industrial and logistic support activities. The LOI establishes a significant technology transfer to PGZ with the aim of generating significant high-technology activities and job creation for the two companies in the years to come. In Poland Leonardo has already made significant investment in the rotary wing sector following the acquisition of PZL-Swidnik.

"The Letter of Intent signed with Leonardo – Finmeccanica enables us to examine and define areas of the possible industrial cooperation in terms of the wide range of products fulfilling the Polish and the export market requirements." – said Arkadiusz Siwko, CEO of Polska Grupa Zbrojeniowa S.A. – "We will seek to exchange know-how and technological capabilities, so we can cooperate in terms of research, development and production" – added Siwko.

"This agreement defines a new era in the industrial relationship between Italy and Poland in the Defence and Security sector. I am convinced that in joining forces we will be able to offer the best solutions for our customers in terms of performance, operating costs and maintenance capability" – said Mauro Moretti, CEO and General Manager of Leonardo.

The agreement identifies a wide range of industrial cooperation between both companies. PGZ and Leonardo announced their intention to begin cooperating in the fields of rotary wing platforms and services, land systems, naval systems, unmanned aircraft, fixed wing systems and services, as well as space technologies. By virtue of this agreement, Leonardo and PGZ also announced that they will examine and identify areas of possible industrial cooperation for the wide range of products meeting Polish and export market requirements. Leonardo and PGZ will seek to exchange know-how and technological capabilities as well as identify areas in which they can collaborate in research and development, production and after sales support.

In the helicopter sector, the agreement foresees a wide scope of cooperation between Leonardo and PGZ, including collaboration to offer joint programs for the domestic and the international market. In the military trainer segment Leonardo will start to deliver the M-346 aircraft by November 2016. The agreement with PGZ includes the opportunity to extend



activities to simulation and ground based training systems and logistic support for the Deblin Air Base.

Furthermore, according to the LOI, PGZ and Leonardo will evaluate the opportunities for cooperation in the „Miecznik” and „Czapla” programmes for the acquisition of new vessels for the Polish Navy.

Polska Grupa Zbrojeniowa (PGZ) is a leader of the Polish industry and one of the largest armaments holdings in Europe. It unites over 60 companies (from the following industries: defence, shipbuilding, new technologies) and generates an annual revenue of PLN 5bn. Thanks to the utilisation of the potential for nationalising technology, close cooperation with Polish scientific circles, and pressure on the research and development process, PGZ is offering innovative and security-improving products. PGZ's offer comprises, among other things, a very short range air defence system with the POPRAD system and the SOŁA radar; a portable anti-air GROM system; the E-310 unmanned air vehicle system; the ROSOMAK armoured personnel carrier; an artillery system with the KRAB self-tracked howitzer; and individual personnel equipment with BERYL assault rifles. Additionally, PGZ possesses competence in the field of designing, constructing, and equipping military ships. Moreover, PGZ has been modernising and maintaining vehicles, airplanes, helicopters, and military ships (including but not limited to the equipment produced in former USSR). In the nearest future, PGZ will be developing space and satellite technologies as well as cybertechnologies.

Leonardo-Finmeccanica is among the top ten global players in Aerospace, Defence and Security and Italy's main industrial company. As a single entity from January 2016, organized into business divisions (Helicopters; Aircraft; Aero-structures; Airborne & Space Systems; Land & Naval Defence Electronics; Defence Systems; Security & Information Systems), Leonardo operates in the most competitive international markets by leveraging its areas of technology and product leadership. Listed on the Milan Stock Exchange (LDO), at 31 December 2015 Finmeccanica recorded consolidated revenues of 13 billion Euros and has a significant industrial presence in Italy, the UK and the U.S.

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