Finmeccanica
Update on the acquisition of DRS Technologies

Pier Francesco Guarguaglini
Finmeccanica Chairman and CEO

Mark S. Newman
DRS Technologies Chairman, President and CEO

Alessandro Pansa
Finmeccanica Co-General Manager / CFO

London, 31 July 2008
This communication is for information purposes only and is not, and does not form a part of, an offer for sale of any securities or a solicitation of an offer to purchase or subscribe for any securities in any jurisdiction. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended, and the rules and regulations thereunder. Finmeccanica has not registered and does not intend to register any portion of any offering of securities in the United States or to conduct a public offering of any securities in the United States.

This presentation and other statements by Finmeccanica may include forward-looking statements within the meaning of applicable securities laws and regulations with respect to the pending DRS acquisition, future synergies, future financing activities, financial structure objectives and other future financial or business performance, conditions, strategies, expectations or goals. All statements that are not descriptions of historical facts are forward-looking statements, based on management’s estimates, assumptions and projections that are subject to risks and uncertainties. These statements can generally be identified by the use of forward-looking terminology such as “believes,” “expects,” “intends,” “may,” “will,” “should,” or “anticipates” or similar terminology.

Actual results could differ materially from those currently anticipated due to a number of factors, including among other things:

-- uncertainties as to whether or when our pending DRS acquisition will be consummated;
-- the risk that anticipated synergies and other benefits of the acquisition will not materialise;
-- costs and availability of financing on favorable terms and future capital needs;
-- changes in costs of supplies and raw materials, customer preferences, exchange rates and other national, regional or global economic and financial conditions;
-- the potential inability to retain existing DRS management, upon whom we will rely;
-- uncertainties associated with government procurement practices;
-- difficulties in developing and producing operationally advanced technology systems;
-- marketing, regulatory, product liability, supply, competitive, political and other risks; and
-- changes in and ability to comply with environmental, tax, labor and employment, and other laws and regulations.

Additional important factors that could cause actual results to differ materially from our current expectations are identified in filings by Finmeccanica and DRS with applicable securities regulators and stock exchanges. We will not update any forward-looking statements to reflect new, changing or unanticipated events or circumstances that occur after the date on which the statement is made, except as may be required by applicable law or regulation.

IBES consensus estimates for DRS are used in this presentation for illustrative purposes. DRS projections may differ and actual results may vary. Finmeccanica does not adopt IBES estimates as its projections.
1. Pier Francesco Guarguaglini:
   ✓ Strategic Rationale of the Acquisition

2. Alessandro Pansa:
   ✓ Acquisition Financials
     and Finmeccanica & DRS Combined Opportunities

3. Mark S. Newman:
   ✓ DRS Growth Potential

4. Pier Francesco Guarguaglini:
   ✓ Concluding Remarks
Pier Francesco Guarguaglini
Finmeccanica Chairman and CEO

Strategic Rationale of the Acquisition
Finmeccanica presence is linked to two large contracts for the supply of US101 for the White House and the C27JCA...

Initial US domestic presence growing through DRS

... will bring strategic and commercial benefits to Aeronautics and Helicopters

TODAY in USA

TOMORROW in USA

Strengthen our position as platform supplier evolving into Systems
Why DRS Technologies?

✓ Strong defence electronics technology, together with superior performance

✓ Strong management team remaining and committed to further grow the business

✓ Direct access and solid relationship with the US military customer, especially with the Army
Good Fit and Minimal Overlap

Aerospace, Defense and Security

Wider state of art portfolio covering radar, E/O (sensor, sights, targeting and countermeasures)

Airborne surveillance & patrolling, tactical land and armament systems, naval armament and combat systems, security

Terminals, routers, switches, sw radio, infrastructure & networking solutions, connectivity, satellite value added services

Consultancy, Simulation, Training, Logistics, Sustainment, Technical Services, Managed Solutions

Finmeccanica’s Owned Platforms & Systems

- BA609
- M 346
- C-27J
- AW 139
- ATR
- VTMS
- Dardo
- Centauro
- US101
- Naval CMS
- ATC/ATM
Improved positioning in Defence Electronics (one of the 3 Strategic pillars)

- **Aeronautics**: $22.1bn (38%)
- **Defence Electronics**: $18.8bn (38%)
- **Energy**: $3.3bn (5%)
- **Space**: $1.9bn (3%)
- **Defence Systems**: $2.7bn (5%)
- **Helicopters**: $2.2bn (4%)
- **Transport**: $1.9bn (3%)

Total: $46.6bn
...Finmeccanica

- Leading market position and expanded global footprint, focusing on high-growth markets
- Balanced portfolio of products and solutions that limits risk exposure
- High revenue visibility supported by ~3 year and growing backlog
- Increasing profitability through operating leverage and efficiency plans → 10% EBITA Margin in 2010

...and DRS Technologies

As Mark Newman will discuss later...

- Attractive organic top-line growth, supported by core Defense budget
- Products positioned on key platforms with minimal exposure to any single programme
- Solid operating margins (EBITA ~11-13%) leveraging strong programme execution capabilities and established presence in the industry
- Strong free cash flow generation, available to fuel future growth
Alessandro Pansa
Finmeccanica Co-General Manager / CFO

Acquisition Financials and
Finmeccanica & DRS
Combined Opportunities
Merger agreement under which Finmeccanica will acquire DRS Technologies for US$81 per share in cash for approximate total consideration of $5.2B/€3.4B (including transaction costs/adjustments)

**Transaction Key Terms**

<table>
<thead>
<tr>
<th>Purchase Price per Share</th>
<th>$81</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fully Diluted Shares (M)</td>
<td>48,623</td>
</tr>
</tbody>
</table>

**Equity Value (100%)**

<table>
<thead>
<tr>
<th></th>
<th>in $ (M)</th>
<th>in € @ 1.55(M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity Value (100%)</td>
<td>3,938</td>
<td>2,541</td>
</tr>
<tr>
<td>Net Debt@31/12/2007*</td>
<td>1,267</td>
<td>817</td>
</tr>
<tr>
<td>Total EV</td>
<td>$5,205</td>
<td>€3,358</td>
</tr>
</tbody>
</table>

*Debt at 31/03/2008 is $1,202M

**Approvals Completed:** DRS Technologies and Finmeccanica Boards unanimously approved

**Expected to close by the end of Q4**
Proxy Statement

Preliminary proxy statement has been filed by DRS with SEC on June 14 and further info has been provided to SEC recently. We expect definitive proxy will be sent to the DRS shareholders shortly.

Exon-Florio notice

The prefiling Exon-Florio notice was filed before CFIUS at the beginning of July and the definitive filing was submitted on July 29.
In parallel, both Finmeccanica and DRS have consulted with the Defense Security Service regarding their plan to mitigate FOCI with respect to the classified work performed by DRS for the U.S. Government.

Antitrust

The antitrust notifications have been filed before the US, the German and Italian Authorities. German and Italian clearances have just been issued; the remaining US clearance is expected to be issued in due course.
## Financing on Track

### STEP 1

**Bridge Loan**

- **Syndicated Loan Facilities**
  - EUR 3.2 billion syndicated loan completed successfully on 14 July
  - Banks offered more than 2x the original amount, confirming their belief in the sustainability of our growth plan

### STEP 2

**Permanent Financing Take out Plan**

- **Capital Increase**
  - Finmeccanica Board of Directors agreed, on 26 June, to launch a capital increase *by way of rights* for a maximum amount of €1.4bn, to be approved by Finmeccanica EGM on 1st August 2008
  - Substitution of the previous resolution (capital increase approved on 30 May 2007)
  - Italian Treasury will remain above 30% ownership threshold
  - Capital increase likely to take place in 4Q2008

- **Non Strategic Asset Disposals**
  - Started process of IPO for a stake of Ansaldo Energia, in line with Finmeccanica’s strategy to gradually reduce exposure to non-core assets
  - Global coordinator and legal advisor selected
  - Divestiture of other assets

- **Additional Debt**
  - Allocated against both Finmeccanica and DRS Technologies cash flow
  - Preparing the prospectus for launch of Debt issue
Increased Weight and Enhanced Performance of Strategic Pillars...

- DRS acquisition enhances Finmeccanica’s presence in its core three pillars in terms of revenues and assets
- Defence Electronics, post acquisition, increases its weight to 35% of the Group’s total assets
- Weight of civil engineering activities reduced
- Increased US sales and profits for Aeronautics and Helicopters due to stronger US footprint, brand visibility and customer relationship

- Finmeccanica’s risk profile is reduced with an immediate decrease in its estimated cost of capital (WACC) which is expected to further decreases in next few years

Risk reduction mainly driven by
- Strong DRS revenue growth
- Higher exposure to uncorrelated and diversified defence budgets
- Increased exposure to Defence Electronics, the fastest-growing sector within A&D
- Lower volatility relative to civil A&D
- Leveraging the stable US Defence budget

- ROIC therefore expected to increase and converge towards Wacc over next few years

... reduces risk profile
We expect the DRS acquisition to fully meet our investment Internal Rate of Return (IRR) target of WACC + 3% hurdle rate even with no revenue benefits from the integration.

Assuming different hypothesis of revenue and EBITA benefits from the integration, for indicative purposes, our expected return would increase:

<table>
<thead>
<tr>
<th>Annual revenue Benefit by 2013</th>
<th>EBITA Benefit $</th>
<th>Expected Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>$600mn</td>
<td>$70mn</td>
<td>&gt; WACC + 4.0%</td>
</tr>
<tr>
<td>$1,000mn</td>
<td>$120mn</td>
<td>&gt; WACC + 4.5%</td>
</tr>
</tbody>
</table>

...this is also the case of DRS acquisition

1. Not forecast, only indicative.
2. Ebita benefits defined as increased Ebita deriving from integration of DRS and Finmeccanica businesses.
3. Assuming DRS EBITA margin remaining in line with recent 11% - 12% range and based on assumptions of DRS’ strong revenue growth.
### Notional / Illustrative 2009 Impact on Finmeccanica

<table>
<thead>
<tr>
<th></th>
<th>Finmeccanica Guidance Stand alone (a)</th>
<th>DRS Technologies Consensus* (calendarised figures) (b)</th>
<th>Illustrative Post-Deal Finmeccanica c = (a+b)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>€15.1 – 15.9bn</td>
<td>~ €2.4bn**</td>
<td>~ €17.5 - €18.3bn</td>
</tr>
<tr>
<td><strong>EBITA</strong></td>
<td>€1,300 – 1,420mln</td>
<td>~ €270mln**</td>
<td>~ €1,570-1,690bn</td>
</tr>
</tbody>
</table>

The combined figures under column (c) are for illustrative purposes only and do not represent a change in the official 2009 guidance already published for Finmeccanica “stand alone” and reported under column (a). Guidance will be updated for the effects of the transaction at a later stage.

* IBES Consensus CY2009, €/$ @1.55

** Calendarised not fiscal year. Ebita DRS includes €18mln of calendarised amortisation.
Finmeccanica and DRS combined creates a leading player in the Defence & Security business, leveraging on:

**MARKET**
- Outstanding well balanced geographic footprint through Finmeccanica focused in Europe and DRS in US, with a common strategy to grow further in the rest of the world.

**PRODUCT**
- Comprehensive, competitive and qualified products / services portfolio enabling it to:
  - Improve its role as supplier towards DoD and the US Global Players.
  - Strengthen positioning as Tier 1 in large European and Transatlantic co-operation programmes.
  - Achieve more effective access to open market.

**TECHNOLOGY**
- Reciprocally create value by sharing technology and building-blocks through collaborative relationships and enhancement competitive advantages.
Defence Electronics & Security
(Combined 2007 Revenues € 6.1 B)

Wider state of art complementary portfolio covering:
- Border and maritime security solutions
- Electro-optics (airborne, land, naval, space)
- Surveillance & Patrolling (manned and unmanned)
- Tactical battlefield and naval radar,
- Naval combat systems,
- Equipment and infrastructure & networking solutions for secure comms,
- Simulation and Training,
- Advanced Logistics, Sustainment and Technical Services (satcom incl.)

Products / Technologies owned only by one of the two companies. Goal to enlarge respective portfolio and reciprocally improve positioning (eg avionics, power and auxiliary generators, ATC, airborne radar, countermeasures etc.)

Combined portfolio optimally balanced with:
- 60% revenues complementary for products, technologies and markets with synergies achievable through increased market footprint, economy of scale, R&D rationalisation, common procurement and manufacturing etc.
- 40% revenues reciprocally enhance product offering in respective markets enabling capture of new business
Potential Cost Benefits

- **Combined R&D benefits**
  - Electro-Optics
  - NEC programs
  - Homeland Security
  - Comms

- **Streamlining of some product lines**

- **Combined purchasing power of subsystems, materials and components**

- **Streamlining of some central costs**
Integrated and structural approach to extract combined benefits

✓ Work organisation set up
✓ Preliminary joint analysis carried out in order to identify combined opportunities
✓ More detailed activities will follow, starting immediately after Antitrust clearance, through the approach below

Steering Board

Project Office

Top-down

Steering Committee

Bottom-up


Working Groups
Mark S. Newman

DRS Technologies Chairman, President and CEO

DRS Growth Potential
SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: This presentation contains forward-looking statements, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are based on management's beliefs and assumptions, current expectations, estimates and projections. Such statements, including statements relating to DRS Technologies’ expectations for future financial performance, are not considered historical facts and are considered forward-looking statements under the federal securities laws. These statements may contain words such as “believes,” “anticipates,” “plans,” “expects,” “intends,” “estimates” or similar expressions. These statements are not guarantees of the Company’s future performance and are subject to risks, uncertainties and other important factors that could cause actual performance or achievements to differ materially from those expressed or implied by these forward-looking statements and include, without limitation, demand and competition for the Company’s products and other risks or uncertainties detailed in the Company’s Securities and Exchange Commission filings. Given these uncertainties, you should not rely on forward-looking statements. Such forward-looking statements speak only as of the date on which they were made, and the Company undertakes no obligations to update any forward-looking statements, whether as a result of new information, future events or otherwise.
Positioned to Continue Strong Financial Performance

- Leadership position in our key markets
- High organic revenue growth rate
- Strong operating margins
- Excellent free cash flow conversion rate
- Solid book-to-bill ratio (FY08: 1.2 to 1)
Market Leader in Key Technology Areas Tied to Defense Priorities

- Infrared technology
- Persistent surveillance
- Battle management
- Power technologies
- Satellite networks and communications infrastructure
- Troop sustainment and support
Strong New Order Flow Drives Future Revenue Growth

Bookings/ Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>Net Bookings</th>
<th>Funded Backlog</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY04</td>
<td>987</td>
<td>1,053</td>
<td>1,196</td>
</tr>
<tr>
<td>FY05</td>
<td>1,309</td>
<td>1,433</td>
<td>1,315</td>
</tr>
<tr>
<td>FY06</td>
<td>1,736</td>
<td>2,173</td>
<td>2,396</td>
</tr>
<tr>
<td>FY07</td>
<td>2,821</td>
<td>3,489</td>
<td>3,038</td>
</tr>
<tr>
<td>FY08</td>
<td>3,295</td>
<td>3,862</td>
<td>3,607</td>
</tr>
</tbody>
</table>

Bookings/Revenue:

- FY04: 1.1x
- FY05: 1.1x
- FY06: 1.3x
- FY07: 1.2x
- FY08: 1.2x
$542.5 billion requested including DOE nuclear weapons

$581.3 billion requested to date

$542.5 billion enacted

$65.9 billion enacted

Source: U.S. Department of Defense

* President’s request
1 Enacted
2 $542.5 billion requested including DOE nuclear weapons
3 $65.9 billion enacted
4 $581.3 billion requested to date
Global U.S. Commitments Require Ongoing Military Support

- Balkans: Peacekeeping
- Sinai: Peacekeeping
- Europe: Preserving Coalitions
- Middle East: Border Defense
- Iraq: Combat Operations
- Afghanistan: Combat Operations
- Kuwait: Nation Defense
- South Korea: Nation Defense
- Japan: Preserving Coalitions
- Philippines: Promoting Stability
- South America: Drug Trafficking
- Honduras: Humanitarian Aid
- Guatemala: Operations
- U.S. Homeland Security
- Guantanamo: Operations
- South Korea: Nation Defense
- Southeast Asia: Promoting Stability

>1.2 Million Active Army/ Reserve/ Civilians Forward Deployed in ~80 Countries
Targeting the “Sweet Spot” of the DoD Budget

5-Year CAGR (2004-2009E)

<table>
<thead>
<tr>
<th>Category</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement</td>
<td>6.5%</td>
</tr>
<tr>
<td>RDTE</td>
<td>4.4%</td>
</tr>
<tr>
<td>O&amp;M</td>
<td>7.0%</td>
</tr>
<tr>
<td>Total Baseline Budget</td>
<td>6.5%</td>
</tr>
</tbody>
</table>
US Plans to Increase Combat Capability

Current Baseline

**Army**
- 42 Brigade Combat Teams
  - 482,400 Soldiers
  - 1 year Home Station for 1 year Deployed

**Marine Corps**
- 175,000 Marines
  - 7 months Home Station for 7 months Deployed

FY2012 Goal

**Army**
- 48 Brigade Combat Teams
  - 547,400 Soldiers
  - 2 years Home Station for 1 year Deployed

**Marine Corps**
- 202,000 Marines
  - 14 months Home Station for 7 months Deployed

Adds 92,000 Ground Forces, Increases Combat Capability, Doubles Time at Home Station

Source: U.S. Department of Defense
Large Footprint on Key Platforms: Vehicle Upgrade Requirements Provide Growth Opportunities

- Horizontal Technology Integration (HTI)
- Driver Vision Enhancers
- Direct Support Electrical System Test Sets (DSESTS)
- Improved Bradley Acquisition Subsystem (IBAS)
- Force XX1 Battle Command, Brigade & Below (FBCB2)
- Chassis Modernization & Embedded Diagnostics (CMED)
- TOW Visual Modules

Cable Assemblies, Electronics Manufacturing

Heavy Equipment Trailers
Ground Platforms Today Support Demand for DRS Products

2008
~320,000 Vehicles
Ground Platforms Tomorrow – Even Greater Demand for DRS Products

Addressable market for ground vehicle fleet expansion
FY08-20: $4-$5 billion

2020
~400,000 Vehicles
Large Footprint on Key Platforms Supports Follow-on Contracts

- Vertical Launch System Controllers
- Family of Q-70 Consoles, CEDS Displays
- MK 15 Phalanx Close-in Weapon System (CIWS) Thermal Imagers
- Marine Fan Coils
- SPS-67 Radar, C-Band Active Array Radar (CBAAR)
- Fiber Optic Networks
- Power Conversion, Distribution, Propulsion & Machinery Control Equipment
- Switchgear
- Data Link Interface
- Installation, Technology Insertion, Repair

34
Other shipbuilding programmes of interest: CG(X), DDG-51 Modernization, Joint High-Speed Vessel
Navy Ship Building Plan Provides Future Opportunities

Planned New Construction of 47 Ships & Submarines FY09-13

*President's FY09 budget request
Opportunities for International Expansion in Defense & Border Security

- U.S. & Canada
  - National Defense & Homeland Security

- Eastern Europe
  - National & Border Defense

- U.K.
  - Ground vehicle & naval equipment

- South America
  - National Defense

- India
  - National & Border Defense

- Japan
  - National & Border Defense

- South Korea
  - Border Defense

- Israel, Egypt, Jordan, Saudi Arabia, UAE, Tajikistan
  - National & Border Defense

- Africa
  - Communications Networks/Infrastructure

- Kuwait
  - Border Defense
Large Global Homeland Defense Addressable Market*

*DRS Technologies estimates

5-year CAGR ('08-'13): 12%

$ US Billions

2008 2009 2010 2011 2012 2013

$82 $95 $107 $119 $133 $146

$0 $20 $40 $60 $80 $100 $120 $140 $160

*DRS Technologies estimates
DRS’s strategic goal to grow exports can be realized through Finmeccanica’s international customer network

**Land**
- Radars
- Electronic warfare systems
- Bradley & Abrams cabling manufacture & refurbishment
- Communications/IT services
- Rugged tactical computers
- Vehicle diagnostics
- Thermal sights
- Driver vision enhancers
- Heavy equipment trailers
- Air cargo transporters
- Decontamination systems
- Water distribution systems
- Refrigerated containers
- Power generators & power supplies
- Environmental systems & shelters
- Asset protection
- Engineering & logistics
- Integrated system solutions/homeland defense technologies

**Sea**
- Radars
- C2 advanced displays
- Ship fiber optic networks
- Ship communications & sensor systems
- Naval power & drives
- Naval display consoles
- Naval ship heating/cooling coils
- Engineering & logistics
- Underwater systems

**Air**
- Avionics – flight/mission recorders
- Air combat training & test instrumentation equipment & range support services
- Aircraft station keeping equipment
- Engineering & logistics
- SATCOM
- Contract manufacturing (Space)
- UAVs
Growing demand for our products and services

Alignment with military modernization and transformation

Long-term contracts in backlog

Critical scale enabling cross-market opportunities

Broad diversification of customers and programs
Combined identified opportunities

Homeland Security
- The initial assessment brought to the identification of significant market opportunities and benefits to positioning in some key national programmes
  - Jordan Border Control
  - Greek Port Security (~ € 400mln),
  - Integrated Border Management in Turkey (over € 1.0 bn)

C4I
- Furthermore, the analysis of capabilities and building blocks available to both companies for Systems and NEC solutions, along with positioning in respective National programmes (FCS, Forza NEC and Advanced Dismounted Combat Soldiers), shows new business opportunities for
  - Tactical & Strategic Comms in US (~ € 130bn)
  - FRES (Total ~ € 30bn platform excl.)
  - FCS and Forza NEC

Platform Integration, Global Sustainment & Technical Logistics
- US Coast Guard C130
- for US Postal Service (~ € 200mln)
There are additional opportunities which are currently under evaluation in terms of potential benefits to the overall business.

**Homeland Security**
- SBINET (Great Lakes)
- Egypt Border Control
- International FMF & FMS programmes (~ €650mln)
- Dept. of HS agency initiatives and US Dept. of Defence Anti-Terrorism Force protection programmes (~ €650mln)

**C4I**
- Data Link 11, 16, 22 for US and FMS
- Tactical Networks for Rumania, Bulgaria, Egypt, Afghanistan

**Platform Integration, Global Sustainment & Technical Logistics**
- C27JCA
- Simulation and Training for Trainers (i.e. M346, T50)
- JLTV

**Situational awareness: electro-optics**
- Combined offering is suitable for brand new platforms and also capability insertion / upgrade, which will focus particularly in the exploitation of uncooled & cooled IR Technologies (€3-4bn) and for advanced dismantled combat soldier solutions
Pier Francesco Guarguaglini
Finmeccanica Chairman and CEO

Concluding Remarks
Expected Combined Benefits supported by sizable markets (1/2)

**HOMELAND SECURITY**

- PORT SECURITY
- VTMS
- LAW ENFORCEMENT
- BORDER CONTROL

**C4I SYSTEMS**

- SOLDIERS
- COMMUNICATIONS
- C2 & DATA FUSION
- FBCB2


Addressable Market for Command & Control, Communications, Computing and Intelligence (2007/2012): €400bn
Expected Combined Benefits supported by sizable markets (2/2)

GLOBAL SUSTAINMENT & TECHNICAL LOGISTICS

- C-130
- Fuel and Water Distributions
- Mobile Sustainment Systems


SITUATIONAL AWARENESS: ELECTRO-OPTICS

- NAVAL
- AIRBORNE
- LAND

Addressable Market for Airborne, Land, Naval and Space EO (2007/2012): €60bn
Worldwide Market
2007-2012 CAGR: ~ 6%

2012E Target Revenues*
(COMBINED)

Sources: Various external (Forecast Int’l, Frost & Sullivan, Teal) and internal (Finmeccanica Competitive Scenario ’07)

*Such data assume an increase in combined market share and the growth of the relevant market and should not be considered a forecast
Preliminary contacts over the last few months allowed to identify a broad range of opportunities

- Some concrete opportunities of working together already identified
  i.e. US Postal Service (~ € 200mln), Jordan Border Control, Greek Port Security (~ € 400mln), Tactical & Strategic Comms in US (~ € 130bn), US Coast Guard C130

- Other additional opportunities of working together under scrutiny

- Targeted non domestic geographic markets will offer combined benefits:
  Greece, Turkey, Jordan, Egypt, Rumania, Bulgaria, Afghanistan
Further benefits for Finmeccanica will be achieved thanks to cooperation on its platform business and improved access to US customers for its broader activities

✓ Very good feeling fostering productive cooperation at commercial and industrial level stemming from initial operational contacts

✓ Very positive feedback from preliminary contacts with key US customers and institutional representatives

“I am very confident that we will achieve a level of benefits fully supporting the investment we have made in the US”
APPENDIX
The Master Schedule to Steering Committee and Working Groups

**Phase 0**
- Due Diligence ✓
- Mgmt presentations ✓
- Eurosatory / Farnborough familiarization meetings ✓

**Phase 1**
- Appoint Steering Committee and Working Groups (WGs) Members ✓
- Terms of Reference to WGs and Kick-off ✓
- WGs plans and recommendations to be reviewed with Project Office
- WGs “synergy pack” delivery for Review with Steering Committee

**Phase 2**
To be defined at later stage

By mid '09

Time Now

By mid '09
Methodology for Phases 1 and 2

Phase 1

"As is"
Markets
Products
Technology
Competitors

Initial "synergy pack" assessed, quantified and time allocated

Opportunity Matrix
Markets
Products
Technology
Alliances

Combined integrated business assessment

Strategy, Business, Industrial Framework

Phase 2

"As is"
Markets
Products
Technology
Competitors
✓ **DIRCM** (*Directional Infrared Countermeasure Systems* - self protection) in collaboration with Northrop Grumman

✓ **Javelin** – guided missile system. Collaboration program with Lockheed Martin and Raytheon

✓ **Seaspray 7500 E** – e-scan radar for US Coast Guard

✓ **AT FLIR** – fire control system for F-18 military aircraft. Collaboration program with Raytheon

✓ **LOAM** – laser obstacle avoidance system for US Air Force

✓ **HALO** – hostile acoustic location system for US Army

✓ **CAR PLATE READERS** – more than 240 customers in US

**Significant potential to grow sales through US owned company**
A Senior Term Loan Facility successfully syndicated and closed on 14 July 2008
Domestic and international banks together offered around EUR 7 billion, more than 2x the original amount, thereby reducing the amounts originally allotted to each bank.
40 banks took part in the transaction.

<table>
<thead>
<tr>
<th>Facilities</th>
<th>Amount (€)</th>
<th>Tenor</th>
<th>Repayment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Term Loan A</td>
<td>1,000,000,000</td>
<td>1 year</td>
<td>bullet</td>
</tr>
<tr>
<td>Senior Term Loan B</td>
<td>1,500,000,000</td>
<td>1 + 1</td>
<td>bullet</td>
</tr>
<tr>
<td>Senior Term Loan C</td>
<td>700,000,000</td>
<td>3 years</td>
<td>bullet</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>3,200,000,000</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Conditions Precedent**: Capital Increase at least equal to 42.19mln of shares
Proven Track Record of Growth for DRS

5-Year Revenue CAGR 37%

FY04: $967, FY05: $1,309, FY06: $1,736, FY07: $2,821, FY08: $3,295

Total Revenues: 9.0%, Organic Revenues: 11.5%, 13.0%, 13.9%, 16.8%

5-Year EBITA CAGR 42%

FY04: $109, FY05: $150, FY06: $205, FY07: $302, FY08: $390

Operating Income: $205, Amortization: $302

5-Year Earnings CAGR 41%

FY04: $43.5, FY05: $58.1, FY06: $81.5, FY07: $127.1, FY08: $165.8

5-Year Diluted EPS CAGR 20%

FY04: $1.76, FY05: $2.09, FY06: $2.67, FY07: $2.54, FY08: $4.00
Finmeccanica

- investor_relations@finmeccanica.com
- Website: http://www.finmeccanica.com

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

DRS Technologies

- Website: http://www.drs.com

Patricia M. Williamson
VP Investor Relations
📞 +1 973-898-6025
📧 p.williamson@drs.com

Patrick Fuhrmann
Director, Investor Relations
📞 +1 973.451.3530
📧 fuhrmann@drs.com