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Finmeccanica: contracts worth USD 850 million after agreements with Israel

In the framework of a collaboration agreement between the Italian and Israeli governments, Finmeccanica announced today that it has signed contracts worth approximately USD 850 million through the operational companies Alenia Aermacchi, Telespazio and SELEX Elsag.

In detail, the contracts provide:

- by Alenia Aermacchi, the supply of 30 M-346 advanced trainer aircraft. The agreement has a total value - including aircraft, engines, maintenance, logistics, simulators, and training - of approximately USD 1 billion, of which approximately USD 600 million pertaining to Alenia Aermacchi. The new aircraft will replace the A-4 Skyhawks currently in service with the Israeli Air Force. The delivery of the first unit is scheduled for mid 2014;
- by Telespazio, the supply, as *prime contractor*, to The Italian Ministry of Defence of a high-resolution optical military satellite system for Earth observation, called OPTSAT-3000, for more than USD 200 million. Telespazio will be responsible for supplying the entire system: from the satellite to the ground segment, from the launch services and placement in orbit to the preparation and execution of the operational and logistical activities, as well as in-orbit testing and the commissioning. The construction of the satellite, whose delivery is planned for 2015, will be entrusted to the company Israel Aerospace Industries/MBT Space Division;
- by SELEX Elsag, the supply of the identification, communications and computer systems for flight control of the 30 M-346 advanced trainer aircraft, and the supply, for approximately USD 41 million, through the company ELTA Systems Ltd, of the NATO-standard subsystems for communications, tactical links, and identification for two CAEW (*Conformal Airborne Early Warning*) aircraft for the Italian Air Force.

"This agreement represents an important achievement not only for Finmeccanica and the operating companies Alenia Aermacchi, Telespazio and SELEX Elsag, but for the entire national economy," said Giuseppe Orsi, Chairman and CEO of Finmeccanica. "The agreement, for which Finmeccanica expresses its special thanks to the Ministry of Defence, is the result of a fruitful collaboration among the Italian government, the Israeli government, the business world and the institutions. It bears witness to the high competitive ability of *Made in Italy* technology at an international level, where Finmeccanica stands at the fore front, and demonstrates that investments in technology represent, for the Group and for the Italian industrial system, the right path for ensuring a sustainable development that further increases industrial capabilities, making them ever more competitive globally."