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FINMECCANICA

PRESS RELEASE

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Finmeccanica: the Board of Directors approves the 2013 Financial Statements

Return to net profit and new orders up by 11%

Profitability up in Aerospace and Defence; AnsaldoBreda negatively affects the overall performance.

The Board of Directors of Finmeccanica, convened under the chairmanship of Gianni De Gennaro, examined and unanimously approved the draft of Group consolidated and Finmaccanica S.p.A. financial statements at 31 December 2013.

(millions of euros)	Group		Aerospace and Defence	
	2013	2012	2013	2012
New Orders	**17,571**	15,869	15,501	13,582
Order backlog	**42,697**	44,908	34,399	34,219
Revenues	**16,033**	16,504	14,093	14,668
EBITA	**949**	1,006	1,058	1,075
ROS	***5.9%***	*6.1%*	*7.5%*	*7.3%*
Net result	**74**	(792)		
FOCF	**(307)**	91		
Net financial debt	**3,316**	3,382		
ROI	**13.5%**	13.3%		
ROE	**2%**	(19%)		
Workforce	**63,835**	67,408		

- **New orders: EUR 17,571 million** compared to EUR 15,869 million in 2012, thanks to the performance of the Aerospace and Defence sector which was significantly better than that of 2012. As a result of this, the book-to-bill ratio was again above 1 (1.10).

- **Order backlog: EUR 42,697 million** compared to EUR 44,908 million in 2012. The reduction is due to the deconsolidation of Ansaldo Energia. The order backlog ensures around two and a half years of equivalent production for the Group.

- **Revenues: EUR 16,033 million** compared to EUR 16,504 million in 2012. They slightly decreased due to the cuts in defence budgets in Europe and in the US.

- **EBITA:** showed a limited reduction **(EUR 949 million** in 2013 vs EUR 1,006 million in 2012), because of the worse performance of AnsaldoBreda and the persisting difficulties in certain areas of Selex ES (air traffic control); this reduction was partially offset by the positive effects of the restructuring and efficiency plans, which led to a rise of the operating profitability of the Aerospace and Defence sector from 7.3% to 7.5%.

- **Net result: a profit of EUR 74 million** after the significant losses incurred over the last two years.

- **Free Operating Cash Flow (FOCF): negative in the amount of EUR 307 million** compared to positive EUR 91 million in 2012, affected by the lack of collections of payments in respect of the Indian contract of AgustaWestland, the outlays made in repayment of advances and lower collections on the Fyra order of AnsaldoBreda. Despite the abovementioned difficulties,, Aerospace and Defence posted a positive cash flow generation.

- **Group net financial debt: EUR 3,316 million** compared to EUR 3,382 million in 2012.

Comments on the main financial results for 2013

The figures for 2013 and the comparative figures with respect to new orders, revenues, EBITA and FOCF do not include the contribution of the Energy segment, which was eliminated from the Group's scope of operations in December 2013 and classified among Discontinued Operations until the date of disposal. At 31 December 2012 Order Backlog and Group Net Debt included Ansaldo Energia.

- The year 2013 marks the end for Finmeccanica of a transition year in which a deep reorganisation and restructuring of the Group was carried out through the three priority actions reported below:
  - ✓ the strengthening of the Governance, through initiatives aimed at shortening reporting lines and making management more effective and efficient;
  - ✓ the reorganisation of the industrial activities, with significant benefits, exceeding expectations on the whole, in Aerospace and Defence and especially in the Aeronautics and Defence and Security Electronics sectors;
  - ✓ focusing on Aerospace and Defence, through the sale of Ansaldo Energia and the search for solutions that allow Finmeccanica to deconsolidate the Transportation sector.

Thanks to these actions Finmeccanica presents a more solid and sustainable organisation able to cope with the challenges of an ever-changing international scenario marked by increasing competition.

A new relaunch phase is beginning for Finmeccanica in which the Group structure will allow it to focus more on its core business, with a more consistent order backlog in terms of technologies, products and markets.

- In 2013 the Aerospace and Defence sector posted better than forecast results with respect to new orders, revenues and cash flow (net of the impact of the Indian contract of AgustaWestland), as well as an EBITA in line with expectations. These results reflect the positive progress made in the restructuring and efficiency-enhancement plans, whose benefits were higher than expected and considerably compensated the effects of certain issues that occurred in the Defence and Security Electronics sector. With respect to revenues, the operating profitability rose from 7.3% to 7.5%.

The financial and performance results arising from the restructuring actions are frustrated by the disappointing performance of the *Transportation* sector - attributable to AnsaldoBreda - which had a negative impact on the Group's profitability and cash generation, as anticipated in November 2013 when the Guidance was revised. The deconsolidation of the Transportation sector – as set out in the Strategic Plan approved by the Board of Directors in 2013 - is necessary in order to enable Finmeccanica to fully gain the benefits arising from the relaunch of Aerospace and Defence. As announced at that time, Finmeccanica – together with major international players - pushed forward a process aimed at defining arrangements to achieve this goal. While Finmeccanica undertook initiatives aimed at mitigating risks connected with the management of AnsaldoBreda – including the settlement reached on 17 March 2014 with the Dutch Railways in respect of the Fyra contract – the equity interest held in Ansaldo STS will be managed in the interest of the Company and its shareholders, as well as in the interest of Finmeccanica's shareholders.

In today's meeting, having acknowledged the results of the aforementioned process, the Board of Directors shared the considerations made by Management in respect of the expressions of interest received and approved the proposal to proceed with an operating assessment phase to be conducted with a limited number of counterparts in order to define a transaction to be submitted to the Board.

Commercial performance. The acquisition of new orders, including the order for 16 AW101 helicopters in search & rescue (SAR) configuration for the Norwegian government worth around EUR 1.15 billion and additional series of the B787 programme, on both overall and within the main sectors in which the Group operates. As a result of this, the book-to-bill ratio was again above 1 (1.10). Compared with the corresponding period of the previous year, new orders rose significantly (EUR 1,702 million) thanks to the performance of the *Aerospace and Defence* sector which more than offset the contraction in *Transportation*, despite the forecast decline of almost EUR 1 billion in *Defence and Security Electronics* due to defence budget cuts by major countries.

Business performance. Despite the expected reductions in volumes in Defence and Security Electronics and the continuing problems faced by Selex ES in contract execution and attaining a competitive position in specific business areas (especially air traffic control), the positive trend in EBITA for Aerospace and Defence reflects, as previously stated, the ongoing progress made by the restructuring and relaunch plans in tackling this situation. On the other hand, due to the mentioned defence budget cuts, revenues fell as compared with the results posted for 2012, leading to a slight drop in EBITA despite improved profitability. At the Group level, operating profitability was also affected by the further worsening of AnsaldoBreda performance, which led to a deterioration of EBITA for EUR 40 million in Transportation.

Financial performance. The *Aerospace and Defence* sector generated positive cash flows, despite the heavily negative impact of the lack of collections of payments from India in respect of the AgustaWestland contract (forecast at more than EUR 300 million, to which are added the considerable payments to suppliers made in respect of such contract in 2013), while the overall FOCF figure reflects the poor performance of AnsaldoBreda, characterised by structural operating problems and the outlays made in repayment of advances and lower collections on the Fyra order (Dutch-Belgian order, amounting to more than EUR 100 million between lower collections and unexpected outlays). This overall negative performance had an impact of EUR 307 million on Net Financial Debt, which in any case benefitted from the successful sale of the stake in Ansaldo Energia to Fondo Strategico Italiano. On the whole, as a result of the transaction, completed on 23 December 2013, Finmeccanica received EUR 277 million at closing, to which another EUR 117 million (plus interest that will accrue on that amount at an annual rate of 6%) will be added as a result of the disposal of the remaining 15% held by Finmeccanica, which will be sold through put&call options between 30 June 2017 and 31 December 2017 at the latest. The gross benefit recognised in Net Financial Debt at 31 December 2013 (for the purposes of which the value of the 15% remaining stake subject to the put&call options was taken into consideration) was equal to a total of around EUR 630 million, taking into account the deconsolidation of the portion of Ansaldo Energia's debt attributable to Finmeccanica.

Outlook

Restatement for the adoption of new International accounting standards relating to consolidation

Starting from 1 January 2014 the new International accounting standards (IFRS 10, 11 and 12) will be effective. Finmeccanica's reporting will be affected mainly by IFRS 11, which no longer allows for the accounting of Joint Ventures under the proportionate method. As a consequence, Finmeccanica will no longer consolidate its Joint Ventures (primarily ATR, MBDA and the Space). Their contribution to the Group will be represented only as share of equity accounted investments.

The impact of the new standards on 2013 annual and interim accounts will be fully provided when publishing 2014 results, with previous years restated for comparative purposes.

The expected impact on 2013 Key Performance Indicators is as follows. Going forward EBITA will include the share of results of the strategic JV's (ATR, MBDA and the Space), whereas FOCF will include dividends from JV's.

	2013 as Reported			*2013 Restated IFRS11(unaudited)*		
	Aerospace & Defence	Transportation	Group	Aerospace & Defence	Transportation	Group
Orders (€billion)	15.4	2.2	17.6	12.9	2.2	15.1
Revenues (€billion)	14.0	2.0	16.0	11.8	2.0	13.7
EBITA (€million)	1,058	(109)	949	988	(110)	878
ROS	7.5%	n.a.	5.9%	8.4%	n.a.	6.4%
FOCF			(307)			(220)
Net Debt (€billion)			3.3			3.9

EBITA and FOCF are build-up as follows:

	2013 as *Reported*	*Less:* Deconsol. JV	*Add:* Share of results / dividends from JV	2013 *Restated*
EBITA (€million)	949	(242)	171	878
FOCF (€million)	(307)	(21)	108	(220)

Outlook

The Group expects the Defense budgets of the countries where it operates (United States and European Union) to be flat in real terms. The Group expects a continuous shift of demand to emerging countries, where there is high competition and strong price pressures due to competition and to the increased role of local players. The most favorable markets are expected to be Helicopters, Civil Aeronautics and Space - mainly in the service segment - due to the growth in demand of systems to counter asymmetric threats, for the protection of critical infrastructures and networks as well as for the security and sustainability of urban areas.

Against these market conditions, the positive delivery of efficiency and restructuring plans implemented by the Group, together with additional actions being launched, will allow Finmeccanica to maintain its competitive position in Aerospace and Defence. Therefore, A&D is expected to deliver growing in cash flow generation and operating margins (ROS), with the progressive recovery of profitability of Selex ES and the continuous improvements of Aeronautics, well supported by Helicopters, which is expected to maintain its highly satisfactory margins.

However, AnsaldoBreda is expected to continue to significantly affect overall Group performance, and its cash generation in particular, confirming the need to implement the strategic solutions identified by Finmeccanica, which will allow the deconsolidation of the Transportation activities and a stronger focus on Finmeccanica core business.

Based on these assumptions, the Group expects to deliver the following results for the year 2014, compared to 2013 full year results restated as above for the adoption of IFRS11:

	2013 as restated for IFRS11		***Outlook 2014***	
	Aerospace & Defence	Group	Aerospace & Defence	Group
Revenues (€billion)	11.8	13.7	11.0 – 11.5	13.0 – 13.5
EBITA (€million)	988	878	970 – 1.030	930 – 980
FOCF (€million)	135	(220)	250 - 300	(100) - 0

The above forecasts do not include any further negative impact from the Indian contract of AgustaWestland, also based on the favorable ruling issued by the Milan Court on 17 March 2014. Under such decision, the Court recognized the ground of Finmeccanica's position and prohibited to pay collaterals under the contract for a total amount of €mil. 278.

Main data in the fourth quarter 2013

- **New orders**: EUR 8,131 million compared to EUR 5,729 million in the fourth quarter of 2012;
- **Revenues:** EUR 4,690 million compared to EUR 4,854 million in the fourth quarter of 2012;
- **Ebita:** EUR 252 million compared to EUR 300 million in the fourth quarter of 2012;
- **ROS:** 5.4% against 6.2% in the fourth quarter of 2012;
- **EBIT:** negative EUR 247 million compared to negative EUR 1,120 million in the fourth quarter of 2012;
- **Net result**: EUR 210 million compared to a loss of EUR 933 million in the fourth quarter of 2012
- **Free Operating Cash Flow (FOCF):** EUR 1,433 million compared to EUR 1,255 million in the fourth quarter of 2012.

Key figures of year 2013 (*)

(Data in millions of euros)	2013 (*)	2012 (**)	Absolute change	% change
New orders	17,571	15,869	1,702	*10.7%*
Order backlog	42,697	44,908	(2,211)	*(4.9%)*
Revenues	16,033	16,504	(471)	*(2.9%)*
EBITA	949	1,006	(57)	*(5.7%)*
(ROS)	*5.9%*	*6.1%*	--	*(0.2) p.p.*
Net result	74	(792)	*n.a*	*n.d.*
FOCF	(307)	91	*n.a.*	*n.d.*
Group net debt (***)	3,316	3,382	(66)	*(2%)*
ROI	*13.5%*	*13.3%*	--	*0.2 p.p.*
ROE	*2.0%*	*(19.0)%*	--	*21.0 p.p*
EVA	76	333	(257)	*(77.3%)*
Research & Development	1,820	1,912	(92)	*(4.8%)*
Headcount	63,835	67,408 [1]	(3,573)	*(5.3%)*

(*) *The performance and financial figures refer to continuing operations only (excluding Ansaldo Energia)*
(**) *The comparative figures restated following the adoption of IAS 19-revised. Comparative figures in respect of new orders, revenues, EBITA, FOCF, ROS, VAE and R&D have been restated following the reclassification of the Energy segment among Discontinued Operations.*
(****) *Comparative amount restated consistently with the new Group net Debt definition*

Analysis of 2013 key figures

New orders (EUR 17,571 million compared to EUR 15,869 million in 2012) were higher (+10.7%), due mainly to new orders in the *Aeronautics* (up EUR 811 million) – mainly in the B787 programme - *Helicopters* (up EUR 371 million) and *Defence Systems* (up EUR 570 million) segments. This performance resulted in a much higher aggregate for *Aerospace and Defence* compared with 2012 (up EUR 1,919 million), despite the forecast decline (less pronounced than expected) in *Defence and Security Electronics* (EUR 184 million), both in the European component and in the US component, linked to cuts in the defence budgets of their customers.

The **order backlog** (EUR 42,697 million compared to EUR 44,908 million in 2012) showed a decrease (-4.9%), mainly attributable to the deconsolidation of Ansaldo Energia (EUR 1,978 million). The book-to-bill ratio is above 1 (1.10). The order backlog, considered in terms of its workability, ensures, however, around two and a half years of production for the Group.

Revenues (EUR 16,033 million compared to EUR 16,504 million in 2012) at 31 December 2013 fell (-2.9%) in both the *Transportation* and the *Aerospace and Defence* sectors, in the latter due to the mentioned cuts in defence budgets in Europe and, especially, in the US, which led to a EUR 862 million reduction in revenues in *Defence and Security Electronics*. In contrast to this decline, the Aeronautics segment reported an increase in revenues of EUR 369 million, mainly due to growth in the production rate for the Boeing 787 programme.

EBITA (EUR 949 million compared to EUR 1,006 million in 2012) shows a slight decrease (-5.7%), reflecting the deterioration in the performance of *Transportation* (EUR 40 million), once again attributable to AnsaldoBreda. Along with some problems that arose in the air traffic control business, the lower volumes in *Defence and Security Electronics* led to a slight decline in EBITA as compared with 2012 in the *Aerospace and Defence* sector (EUR 17 million). However, the positive effects of the restructuring and efficiency-enhancement plans currently underway, demonstrated especially by the considerable progress made in *Aeronautics* (EBITA up EUR 78 million, with a ROS up by about two percentage

[1] *The headcount at 31 December 2012, excluding Ansaldo Energia, amounted to 65,578 people*

points), as well as the excellent results posted in *Helicopters*, which continues to report outstanding results (EBITA up EUR 89 million compared with 2012, thanks in part to the benefits of closing down the VH71 programme), almost entirely offset the significant decline in *Defence and Security Electronics*, thereby improving EBITA in percentage terms.

Net result (EUR 74 million compared to negative EUR 792 million in 2012)**,** once again positive after significant losses reported over the last two years, was due, in addition to the mentioned decline in EBITA, to the following factors:

- a lesser impact of net charges outside of ordinary operations, classified among EBITA and EBIT, amounting EUR 634 million. In 2013, costs and revenues came to a negative EUR 903 million, while in 2012 the item was negative by EUR 1,537 million, largely as a result of the impairment of goodwill in the Defence and Security Electronics segment (EUR 1,148 million). Moreover, profit and loss includes results from discontinued operations for an amount of EUR 632 million (EUR 37 million in 2012), as a result of gains on the disposal of Ansaldo Energia;
- net financial expense rose by EUR 54 million, mainly due to the deterioration in the results of equity-accounted investments (EUR 46 million), in particular as a result of the loss recognised by SCAC in the Aeronautics segment;
- higher taxes in the amount of EUR 252 million. The comparative figure benefited from the recognition of deferred tax assets on consolidated tax losses of EUR 180 million.

Net capital invested (EUR 6,995 million compared to EUR 7,093 million in 2012) declined slightly (-1.4%). More specifically, the increase in capital assets, mainly due to the reduction in non-current liabilities, was offset by the decrease in working capital.

The Group's **net financial debt** (EUR 3,316 million compared to EUR 3,382 million in 2012) was lower (-2.0%) than at 31 December 2012. The sale of Ansaldo Energia, which led to an approximately EUR 630 million reduction in the Group's net financial position, including the effects of the forward sale of the 15% residual stake (EUR 539 million excluding Ansaldo Energia's negative cash flow for the period), made it possible to reduce the Group's debt, despite the decline in FOCF (EUR 307 million), described below. The Group factored receivables without recourse during the period for a total carrying value of approximately EUR 1,233 million (EUR 1,283 million at 31 December 2012).

At 31 December 2013, **FOCF** was negative (use of cash) for EUR 307 million compared to positive EUR 91 million in 2012, due to the deterioration in cash flow generated by operations, which was adversely affected by the failure to collect payments from India (vis-à-vis considerable payments made to suppliers in 2013) in respect of the AgustaWestland contract, and the outlays made in repayment of advances and lower collections in respect of the Fyra order of AnsaldoBreda. More specifically, while total cash generation in *Aerospace and Defence* was positive, AnsaldoBreda's performance, in part due to the problems related to the Fyra contract, had a decisive impact on the FOCF figure reported.

Industrial transactions

Below are the main 2013 ***industrial transactions***:

- a cooperation agreement with the Australian Ministry of Defence to join the "Global Supply Chain" programme. In addition to being an opportunity to encourage possible commercial developments of the Group in Australia, this initiative has the objective of supporting the development of small- and medium-sized Australian enterprises within the supply chain of Finmeccanica to replace the traditional off-set obligations;
- a memorandum of understanding with Polish Defense Holding with the intention of strengthening their collaboration in Aerospace, Defence and Security sectors in both Polish and international markets, particularly with regard to the Helicopters, Defence Systems and Space segments;
- a global partnership agreement with Cisco which consolidates the existing collaboration between the two companies. This agreement aims to combine the companies' technological strengths for the civil and defence industrial sectors with the objective of creating innovative products and systems for the world markets.

With regard to each specific sector:

Aeronautics

- a Letter of Intent with General Dynamics that ratifies the partnership in the tender for the supply of the future advanced trainer to the US Air Force (T – X programme). The two companies will offer the customer an integrated training system for pilots based on Alenia Aermacchi's T-100 platform, which is a variation of the M-346 advanced trainer in the US market;
- agreement with the Secretariat General of Defence/National Armaments Directorate of the Italian Ministry of Defence signed to jointly define the operational specifications for the development of a new basic-advanced trainer, the M-345 HET (High Efficiency Trainer), expected to enter service between 2017 and 2020;
- agreement with the Italian Air Force for the development, testing, certification, industrialisation and logistic support of the aircraft MC-27J Praetorian that will support the missions of the Italian Special Forces (*Comando Operativo Forze Speciali, COFS*).

Space

- Agreement between Thales Alenia Space and ISS Reshetnev Company, the Russian leader in the manufacture of satellites for communication, navigation and geodesy purposes, to form a joint venture that will initially focus on producing telecommunications satellites in Russia.

Financial transactions

In 2013 Finmeccanica returned to the capital markets, after renewing for another year the EMTN programme for issuing bonds on the European institutional market (bringing the total amount to EUR 4,000 million) in October. More specifically:

- in December 2013 Finmeccanica, through its wholly owned subsidiary Finmeccanica Finance SA, seized a favourable opportunity in the capital market to place a EUR 700 million bond issue targeted at Italian and international institutional investors through a pool of international banks. The 7-year bond issue, offered at a price equal to 98.505%, has a maturity of January 2021 and a fixed-rate coupon of 4.50%, paid annually in arrears. The notes are fully guaranteed by Finmeccanica SpA and have been listed on the Luxemburg Stock Exchange. Finmeccanica will use the net proceeds of the issue as an alternative to the other financial resources of the Group. Following the transaction, the average life of Group debt will remain equal to 9 years;
- also in December Finmeccanica redeemed the remaining portion (EUR 750 million) of the EUR 1,000 million bond issued in December 2009, the first EUR 250 million of which was repurchased in previous years.

All the bond issues of Finmeccanica Finance and Meccanica Holdings USA are irrevocably and unconditionally secured by Finmeccanica, and are given a medium/long-term financial credit rating by the three international rating agencies: Moody’s Investors Service (Moody’s), Standard and Poor's and Fitch.

At today’s date, Finmeccanica’s credit ratings are as follows:

- Ba1 negative outlook from Moody’s (from September 2013)
- BB+ negative outlook from Fitch (from July 2013)
- BB+ stable outlook from Standard and Poor’s (from January 2013).

The changes in Finmeccanica’s credit ratings shown above caused, with regard to existing bank loans, specifically the EUR 2.4 billion Revolving Credit Facility with a final maturity date of September 2015, only a limited increase in costs as provided for by contract.

Following the close of the period, in January 2014, Finmeccanica, through its Luxembourg subsidiary Finmeccanica Finance SA and a pool of international banks, placed a EUR 250 million bond issue supplementing the EUR 700 million issue made in December 2013. The new offering, targeting exclusively Italian and international institutional investors, has the same terms of the December 2013 issue. The issue price was 99.564%, higher than that of the December 2013 issue.

Disposals

On 1 August 2013, the aviation engines division of Avio SpA (14.3% held indirectly by Finmeccanica through BCV Investments SCA) was sold to General Electric for a net amount of EUR 1,800 million.

In addition, on 23 December 2013 Finmeccanica completed the sale of a 39.55% stake in Ansaldo Energia for EUR 277 million**.** The remaining 15% held by Finmeccanica will be sold through a put&call option mechanism between 30 June 2017 and 31 December 2017, with a cash inflow of EUR 117 million, plus accrued interest of 6%. The sale contract also provides for a possible earn-out worth up to EUR 130 million to be received by Finmeccanica linked to Ansaldo Energia's attainment of the performance targets in the 2014-2016 three-year period, in addition to indemnities that may be payable by Finmeccanica in specific cases. Under the broader process of reorganising and strengthening the Italian engineering industry, Finmeccanica and Fondo Strategico Italiano have agreed to assess opportunities for strategic transactions in the railway sector, including by inviting major international players to take part.

Shareholders' Meeting

Please note that the period of time notified on 20 December 2013 has been changed and that the Shareholders' Meeting will be convened in ordinary session on 9 and 15 May 2014 (on first and second call, respectively) and in extraordinary session on 9, 14 and 15 May 2014 (on first, second and third call, respectively).

In addition to the approval of the Financial Statements at 31 December 2013, the ordinary Shareholders' Meeting will be called to resolve, among other things, on the appointment of the members of the new Board of Directors, as well as to resolve on the limits on fees due to Directors provided with delegated powers pursuant to Art. 23-*bis* of Decree Law no. 201/2011. Furthermore, the ordinary Shareholders' Meeting will be called to pass a non-binding resolution concerning the first section of the Remuneration Report prepared pursuant to Art. 123-*ter* of Consolidated Law on Financial Intermediation – *TUF*, which will be published within the time limits and in the manners prescribed by law.

Following a request submitted by the shareholder Ministry for the Economy and Finance pursuant to and for the purposes of Art. 2367 of the Italian Civil Code (as well as in the implementation of the Directive issued by the Ministry for the Economy and Finance on 24 June 2013), the Shareholders' Meeting in extraordinary session will be called to resolve on some amendments to the by-laws in relation to the honesty requirements and related grounds for ineligibility and forfeiture of the members of the Board of Directors.

Corporate Governance

Today the Board of Directors approved the Report on Corporate Governance and Shareholder Structure, prepared pursuant to Art. 123-*bis* of Consolidated Law on Financial Intermediation - *TUF*, which is being published at the same time as the annual financial Report.
Furthermore, with reference to the next renewal of the governing body, the Board of Directors of Finmeccanica – as recommended by the Corporate Governance Code and on the basis of the instructions given by the Nomination Committee – adopted its own Guidelines regarding the composition of the new Board of Directors, which accompany the Board of Directors' reports to the Shareholders' Meeting on the related items on the agenda.

The notice of call, as well as the documentation concerning the items on the agenda of the Shareholders' Meeting, will be made available to public – within the time limits and in the manners prescribed by law - in the specific "2014 Shareholder's Meeting" section on the Company's website (www.finmeccanica.com).

OPERATING PERFORMANCE BY SECTOR

(Amounts in millions of euros)

Helicopters

Companies: **AgustaWestland**

In 2013, AgustaWestland's overall performance was positive, both in terms of business and financial performance and, especially, commercial performance, despite contractual complications surrounding the order for AW101 VVIP helicopters from India.

This good commercial performance is in large part due to the receipt of a major contract from the Norwegian Royal Air Force for 16 AW101 helicopters in All Weather Search and Rescue configuration, worth around EUR 1.15 billion. Deliveries of the aircraft, assembled at the Yeovil plant in the UK, will begin in 2017 and continue through 2020. The contract also requires the company to provide 15 years of spare parts servicing, training and technical support, under a turnkey formula, with the option to extend such servicing for an additional five years.

New orders amounting to EUR 4,384 million compared to EUR 4,013 million in 2012. The increase (+9.2%) is due to the receipt of a major contract from the Norwegian Royal Air Force for 16 AW101 helicopters in All Weather Search and Rescue configuration, worth around EUR 1.15 billion. Within the military-government segment, in 2013 the Group also obtained its first export contract for eight AW159 Lynx Wildcat helicopters from the South Korean Navy.

Revenues amounting to EUR 4,076 million compared to EUR 4,243 million in 2012. The decrease (-3.9%) is mainly the result of the impact of the stoppage of work on the Indian AW101 programme. This change was partly offset by increased deliveries of helicopters for a total amount of 60 more aircraft than in 2012 (of which more than half AW139 helicopters.

EBITA amounting to EUR 562 million compared to EUR 473 million in 2012. The increase (+18.8%) is attributable to higher deliveries on more profitable product lines, especially AW139, with ROS marked by a firmly double-digit growth rate and higher than last year, even excluding the net benefits deriving from the closure of the VH71 programme.

Outlook: We expect the satisfying commercial performance seen to continue in the coming months, buoyed by significant new orders from the UK Ministry of Defence for the repair, overhaul and upgrading of its fleet of Apache combat helicopters and AW101 Merlin multi-role military helicopters, and by the gradual success of the new AW169 and AW189 in the commercial market. Overall performance in 2014 should once again be positive, with rising volumes of activity and firmly double-digit profitability.

Defence and Security Electronics

Companies: **Selex ES, DRS Technologies**

Selex ES

The year 2013 saw the launch of the restructuring and integration plan, developed following the creation of Selex ES, which aims to improve the company's efficiency and competitiveness by eliminating overlaps and redundancies, and consequently rationalising the product portfolio, the workforce and sites, by optimising engineering and manufacturing activities and, finally, by reducing direct and indirect procurement costs.

This plan is moving forward more effectively than initially forecast as a result of changes to measures concerning the workforce and pushing forward with actions to cut controllable costs.

Unfortunately, however, the restructuring plan's greatest benefits have only partly offset the negative effects of the declines in industrial performance that continued in several business areas (in particular, *AVTMS* and *CyberSecurity*) in 2013, for which the process of identifying and resolving technical-managerial problems has required more time than expected. In the second half of the year, the company completed work on a plan to reposition the *AVTMS* business, which should ensure a return to adequate levels of profitability over the next two years.

Finally, the company posted excellent commercial results, with new order volumes exceeding those of 2012 and beating forecasts as the result of important new contracts in the domestic and export markets. These include the supply and integration of the combat system, radar sensors, communication systems, electro-optical systems and navigation systems for the third lot of the FREMM contract, as well as the contract to provide and support modernised communication systems for the Royal Australian Navy's eight ANZAC-Class frigates, as part of the SEA 1442 Phase 4 programme. In addition, during the year the company signed the contract with Expo 2015 SpA to provide equipment, infrastructures and services in support of event security, a particularly important development for gradual success in the Smart Solutions market.

New orders amounting to EUR 3,457 million compared to EUR 3,206 million in 2012. The company posted excellent commercial results, with new order volumes exceeding those of 2012 and beating forecasts as the result of important new contracts in the domestic and export markets. These include the supply and integration of the combat system, radar sensors, communication systems, electro-optical systems and navigation systems for the third lot of the FREMM contract, as well as the contract to provide and support modernised communication systems for the Royal Australian Navy's eight ANZAC-Class frigates, as part of the SEA 1442 Phase 4 programme. In addition, during the year the company signed the contract with Expo 2015 SpA to provide equipment, infrastructures and services in support of event security, a particularly important development for gradual success in the Smart Solutions market.

Revenues amounting to EUR 3,214 million compared to EUR 3,590 million in 2012. These were down due to difficulties and delays in the start of work on new orders and the receipt of fewer orders, mainly in the *Smart & Security Systems* area, as well as the concurrent decline in the contribution of important programmes being wrapped up in the *Airborne and Space Systems* business area (EFA in particular).

EBITA amounting to EUR 71 million compared to EUR 156 million in 2012. There was a deterioration attributable to lower volumes of revenues and the mentioned difficulty in ensuring a return to adequate levels of industrial profitability in business lines in the *Smart & Security Systems* area, the effects of which were only partly offset by the benefits generated by the ongoing restructuring plan and by the overall good results, in line with the forecasts in the other business areas.

Outlook: A substantial improvement in the business and financial results of Selex ES is expected to occur in 2014 by gradually regaining industrial profitability in the business areas that have had a negative impact over the last few years and through the rising benefits associated with actions taken to rationalise and improve the company's competitiveness and efficiency, begun in 2013.

DRS Technologies

In line with forecasts, the effects of the mentioned reduction in the US defence budget weighed heavily on the performance of DRS in 2013, causing a further decline in results as compared with 2012. From a commercial standpoint, there was also an exacerbation in the competition between the industry players in the sector, with a general increase in pressure on prices.

In terms of business and financial performance, the decline in production volumes largely anticipated in the budget forecasts was partly offset by the savings generated by the restructuring and rationalisation plan. Indeed, in 2013, initiatives aimed at properly scaling company structures and reducing costs in order to be competitive in an extremely challenging environment continued with success. In this situation, in addition to further consolidating business lines, the company rationalised its industrial structure, closing 14 sites, and considerably downsized its workforce through actions affecting about 1,400 employees

New orders amounting to US$ 2,018 million compared to US$ 2,477 million in 2012. There was a reduction due to the mentioned defence budget cuts and the adjustment of current programmes as a result of the decline in demand.

Revenues amounting to US$ 2,240 million compared to US$ 2,769 million in 2012. There was a decrease due to the lower volume of new orders and the concurrent decline in the contribution of important programmes being wrapped up in the *Network and Imaging Systems* and *Integrated Defence Systems and Services* business areas, in particular.

EBITA amounting to US$ 198 million compared to US$ 293 million in 2012. This declined as a result of lower production volumes, moreover associated with programmes with good profit margins, partly offset by the savings generated by actions taken to downsize the workforce and to reduce overhead costs.

Outlook: In 2014 DRS will continue to feel the effects of the difficult environment in which it operates, with volumes of business that continue to decline and rising pressure on margins, affected by the concurrent completion of important and profitable programmes begun in the past and rising competitive pressure on prices in new tenders. In order to ensure a level of profitability in line with 2013, further measures to rationalise productive and support structures are expected.

Aeronautics

Companies: **Alenia Aermacchi, GIE-ATR (*), Alenia Aermacchi North America, SuperJet International (**)**

(*) Data of the GIE-ATR Consortium are consolidated on the basis of the proportional method at 50%.

(**) Data of the SuperJet International JV are consolidated on the basis of the proportional method at 51%.

The year 2013 saw confirmation of the good commercial performance with orders rising, due largely to the B787 programme for which the company reported new orders for 250 units of fuselage sections (200 units of which in the 4th Quarter) and for activity under the new agreement reached with Boeing in December 2013 to restructure the contract, which establishes a new performance-based business arrangement.

Revenues also rose during the year, driven by the increased production rates for the B787 programme, for which deliveries equivalent to 75 fuselage sections and 76 horizontal stabilisers (52 fuselages and 45 stabilisers delivered in 2012) were made. The increased volumes of activity resulted in a production rate of 7 units per month, which was a key milestone in the process of reaching a production rate of 10 units per month, forecast to occur in early 2014.

Finally, during the year, the benefits arising from the restructuring and reorganisation plan, shown by the improvement in profitability, were consolidated. More specifically, the year 2013 saw the final closure of the Casoria site with production moved to other plants, whereas the improvement measures of the industrial processes made it possible to consolidate production efficiency, guaranteeing at the same time the expected increase in manufacturing rates. Additionally, mention is to be made of the initiatives to optimise engineering activities and reduce purchase costs.

New orders amounting to EUR 3,980 million compared to EUR 3,169 million in 2012. The rise (+25.6%) is due to increased orders in the *civil* segment especially relating to the B787 programme (up EUR 1,138 million from the figure reported for 2012). Worth noting are also the new orders of ATR aircraft (89 units which bring the year-end order backlog to 221 aircraft). In the *military* segment, there was a decrease due to fewer orders for training and transport aircraft, for which significant new orders were received in 2012, in part offset by the growth in orders for defence aircraft.

Revenues amounting to EUR 3,343 million compared to EUR 2,974 million in 2012**.** These were up (+12.4%) due to higher revenues in the *civil* segment generated by the increase in activity for the B787, the ATR (with deliveries of 74 aircraft by the GIE-ATR consortium, compared with 64 the previous year) and the Superjet, for which the Superjet International joint venture delivered the first four aircraft to the Mexican company Interjet in 2013.

EBITA amounting to EUR 182 million compared to EUR 104 million in 2012**.** There was an improvement (+75%) due, in particular, to the benefits of renegotiating agreements for certain aerostructure production, to the above mentioned restructuring and reorganisation efforts underway, which resulted in improved industrial efficiency, with consequent benefits in terms of cost absorption, and to savings on overhead costs.

Outlook: The excellent commercial results posted should be confirmed in 2014, due to significant new export contracts for aircraft in the *military* segment. From a performance standpoint, despite the volumes of activity remaining essentially in line with those of 2013, an improvement in industrial profitability, supported by new efficiency-enhancement initiatives and an increase in competitiveness, is expected over the next year.

Space

Companies: **Telespazio, Thales Alenia Space (*)**

(*)All figures relate to the two joint ventures – Telespazio and Thales Alenia Space – consolidated on a proportional basis at 67% and 33%, respectively.

In 2013, the segment reported positive commercial performance and a net improvement in profitability compared with 2012 with equivalent volumes of activity.

New orders amounting to EUR 1,002 million compared to EUR 866 million in 2012. There was growth (+15.7%) mainly due to the receipt of a number of significant orders for satellite production in the telecommunications, earth observation and space exploration segments. New orders in the telecommunications segment include the contract with the Brazilian company Visiona (a joint venture between telecommunications operator Telebras and the aircraft manufacturer Embraer) for the supply of the Geostationary Defense and Strategic Communications Satellite (SGDC) system. As regards the earth observation market, a supply contract was signed with the European Organisation for the Exploitation of Meteorological Satellites (EUMETSAT) for the ground segment of the Meteosat Third Generation (MTG) programme. Finally, in the space explorations segment, the contract for the development of the ExoMars control system for the 2016 and 2018 missions was signed with the European Space Agency.

EBITA amounting to EUR 94 million compared to EUR 84 million in 2012. There was an increase (+11.9%) attributable mainly to the favourable mix of activities carried out in the *manufacturing* segment, specifically to good performance reported in certain telecommunications business programmes.

Outlook: The good commercial performance should continue in 2014, bolstered by important new orders in the manufacturing segment and in satellite support services and applications, and there should be an increase in revenues due to certain satellite launch activities scheduled during the year.

Defence Systems

Companies: **Oto Melara, WASS, MBDA (*)**

(*) Figures related to the MBDA joint venture are consolidated on a proportional basis at 25%.

In 2013, the segment posted outstanding commercial performance, supported by significant new orders, received in the latter part of the year, in the domestic market and, particularly, in the export market in the *missile systems* segment, but also important orders in the *land, sea and air weapons systems* segment. There was also a hesitant recovery in orders in the *underwater systems* segment, which was penalised by the postponement of an important export contract until future years.

Although the revenues were essentially stable, on the income statement, EBITA reflected fewer deliveries of missile systems in connection with programmes nearing completion and was lower compared with 2012, however profitability was firmly in the double-digits.

New orders amounting to EUR 1,575 million compared to EUR 1,005 million in 2012. There was a significant increase (+56.7%) across all three segments, although to varying extents. The year 2013 was a record year for the *missile systems* segment in terms of new orders in the export market, with orders for Storm Shadow cruise missiles from the Middle East, for Aster air defence missile systems from Singapore and numerous new orders for Mistral air defence systems; orders from domestic customers include the contract for the development and production of a new anti-tank missile system from France and the contract for Meteor air-to-air missiles from Germany, the sixth and last country among those that participated in the development stage to sign the production order. In the *land, sea and air weapons systems* segment, the increase in orders is mainly attributable to the Paveway aerial bombs for the Italian Navy and J-Dam guidance kits for the NATO Eurofighter and Tornado Management Agency (NETMA), and naval guns for the FREMM programme; there were also additional lots of MAVs for the Italian Army, although the volumes were lower than in the previous year. In the *underwater systems* segment, the increase in new orders was attributable to the supply of light torpedoes and ship countermeasure systems to a country in the Mediterranean area and to the contract for the pre-series of heavy torpedoes from a navy in the NATO area.

Outlook: The year 2014 will be characterised by a drop in the production, and consequently delivery, of *missile systems* reflecting the concurrent completion of important, highly profitable programmes and to delays in the placement of and, therefore, in the start of work on new orders. It is therefore unlikely that the segment will achieve the same levels of revenues and EBITA as in 2013.

Transportation

Companies: **Ansaldo STS, AnsaldoBreda, BredaMenarinibus**

The results in the Transportation segment in 2013 were negatively affected by the performance of AnsaldoBreda, which reported highly disappointing business and financial results, a further deterioration as compared with 2012, as well as with forecast results. This performance continues to reflect the difficulties in ongoing programmes with the recognition of further cost overruns and contractual charges, as well as slowdowns in production and the related worsening of order costs, which are plagued by extensive productive inefficiencies.

New orders amounting to EUR 1,908 million compared to EUR 2,290 million in 2012. The reduction (-16.7%) is attributable to AnsaldoBreda*,* which recorded fewer orders in the *mass transit* segment, reflecting, among other things, the postponement in the finalisation of expected domestic orders*.* Orders in the *signalling and transportation solutions* segment were essentially in line with 2012, with a new order in 2013 under the contract for the production of the technological portion of the Riyadh Line 3 metro in Saudi Arabia.

Revenues amounting to EUR 1,793 million compared to EUR 1,719 million in 2012 (+4.3%). There was a slight increase in the *vehicles* segment, supported by the ramp-up of production on the ETR1000 programme, although revenues were in any event lower than expected due to the slowdown in production on certain programmes in the portfolio and the poor commercial performance.

EBITA negative in the amount of EUR 114 million compared to negative EUR 69 million in 2012. The deterioration of 65.2% is due to AnsaldoBreda.

Outlook: In 2014, the sector will continue to reflect the difficulties facing AnsaldoBreda, which, despite efforts already undertaken to regain efficiency and improve company processes, will continue to post negative results, further confirming the need for a significant shift in strategy and operations. The restructuring plan chosen, which will also result in greater selectivity in participating in tenders in order to ensure adequate levels of profitability, should make it possible to gradually interrupt the generation of income statement losses and the absorption of cash by AnsaldoBreda, although only partial benefits will be seen in 2014.

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The officer in charge of the company's financial reporting, Gian Piero Cutillo, hereby declares, in accordance with the provisions of Article 154-bis, paragraph 2, of the Consolidated Law on Financial Intermediation, that the accounting information included in this press release corresponds to the accounting records, books and supporting documentation.

RECLASSIFIED INCOME STATEMENT €mil.	FY 2013 (*)	FY 2012 restated (**)	Var. YoY	Var. %	4Q 2013 (*)	4Q 2012 restated (**)	Var. YoY
Revenues	**16.033**	**16.504**	**(471)**	-2,9%	**4.690**	**4.854**	**(164)**
Purchase and personnel expense	(14.506)	(14.803)			(4.246)	(4.303)	
Amortisation and depreciation	(625)	(587)			(177)	(176)	
Other net operating income/(expenses)	47	(108)			(15)	(75)	
EBITA(1)	**949**	**1.006**	**(57)**	**-5,7%**	**252**	**300**	**(48)**
EBITA Margin(1)	*5,9%*	*6,1%*			*5,4%*	*6,2%*	
Non-recurring income/(expenses)	(423)	(147)			(198)	(147)	
Restructuring costs	(394)	(152)			(281)	(102)	
Impairment of goodwill	-	(1.148)				(1.148)	
Amortisation of intangible assets acquired as part of business combinations	(86)	(90)			(20)	(23)	
EBIT	**46**	**(531)**	**577**	**n.a**	**(247)**	**(1.120)**	**873**
EBIT Margin	*0,3%*	*(3,2%)*	*(3,5)p.p.*		*(5,3%)*	*(23,1%)*	
Net financial income/(expense)	(414)	(360)			(137)	(33)	
Income taxes	(190)	62			(29)	192	
Net profit/(loss) before discontinued operations	**(558)**	**(829)**	**271**	**-32,7%**	**(413)**	**(961)**	**548**
Profit(loss) from discontinued operations	632	37			623	28	
Net profit/(loss)	**74**	**(792)**	**866**	**n.a**	**210**	**(933)**	**1.143**
attributable to the Owners of the Parent	*28*	*(834)*			*193*	*(947)*	
attributable to non-controlling interests	46	42			*17*	*14*	
Earning/(Loss) per Share (Euro)							
Basic and diluted from Continuing Operation	(1,045)	(1,507)			*0,285*	*(1,638)*	
Basic and diluted	0,048	(1,443)			*0,301*	*(1,687)*	

(*) Figures refer to continuing operations only (excluding Ansaldo Energia).

(**) The comparative figures restated following the adoption of IAS 19-revised and the reclassification of the Energy segment among Discontinued Operations. Order backlog and Group net Debt include Ansaldo Energia.

(1) Operating result before:
-any impairment in goodwill;
-amortisations of intangibles acquired under business combination;
-reorganization costs that are a part of significant, defined plans;
-other exceptional costs or income, i.e. connected to particularly significant events that are not related to the ordinary performance of the business.

RECLASSIFIED BALANCE SHEET €mil.	31.12.2013	31.12.2012 restated (*)	Var. YoY	Var.%
Non-current assets	12.501	12.725		
Non-current liabilities	(3.529)	(3.966)		
Net fixed assets	**8.972**	**8.759**	**213**	**2,4%**
Inventories	5.128	5.192		
Trade receivables	8.072	8.576		
Trade payables	(13.298)	(13.902)		
Working capital	**(98)**	**(134)**		
Provisions for short-term risks and charges	(1.072)	(876)		
Other net current assets (liabilities)	(807)	(656)		
Net working capital	**(1.977)**	**(1.666)**	**(311)**	**18,7%**
Net invested capital	**6.995**	**7.093**	**(98)**	**-1,4%**
Equity attributable to the Owners of the Parent	3.381	3.406		
Equity attributable to Non-Controlling Interests	298	305		
Equity	**3.679**	**3.711**	**(32)**	**-0,9%**
Net financial debt/(cash)	**3.316**	**3.382**	**(66)**	**-2,0%**

(*) The comparative figures restated following the adoption of IAS 19-revised.

CASH FLOW		
€mil.	FY 2013 (*)	FY 2012 restated (**)
Cash and cash equivalents at 1 January	**2.137**	**1.331**
Gross cash flows from operating activities	1.773	1.874
Change in other operating assets and liabilities and provisions for risks and charges (*)	(772)	(736)
Funds From Operations (FFO)	**1.001**	**1.138**
Change in working capital	(441)	(315)
Cash flows generated from operating activities	**560**	**823**
Cash flows from ordinary investing activities	(867)	(732)
Free Operating Cash Flows (FOCF)	**(307)**	**91**
Strategic transactions	274	-
Change in other investing activities (**)	(30)	4
Cash flows used in investing activities	**(623)**	**(728)**
Dividends paid	(18)	(17)
Net change in loans and borrowings	(298)	567
Cash flows generated from (used in) financing activities	**(316)**	**550**
Exchange rate differences	(37)	9
Initial cash and cash equivalents of discontinued operations	(194)	-
Net increase in cash and cash equivalents of discontinued operations	-	152
Cash and cash equivalents at 31 December	**1.527**	**2.137**

(*) Figures refer to continuing operations only (excluding Ansaldo Energia).

(**) The comparative figures restated following the adoption of IAS 19-revised and the reclassification of the Energy segment among Discontinued Operations. Order backlog and Group net Debt include Ansaldo Energia.

FINANCIAL POSITION		
€mil.	**31.12.2013**	**31.12.2012 (*)**
Bonds	4.305	4.421
Bank debt	572	960
Cash and cash equivalents	(1.527)	(2.137)
Net bank debt and bonds	**3.350**	**3.244**
Fair value of residual stake in Ansaldo Energia	(117)	**-**
Securities	-	(5)
Current loans and receivables from related parties	(72)	(73)
Other current loans and receivables	(545)	(558)
Current loans and receivables, securities and other financial assets	**(734)**	**(636)**
Hedging derivatives in respect of debt items	(9)	9
Cash collateral on contracts under dispute	86	**-**
Related-party loans and borrowings	501	634
Other loans and borrowings	122	131
Group net financial debt (**) (2)	**3.316**	**3.382**

(*) The comparative figures restated following the adoption of IAS 19-revised.

(**) Comparative amount restated consistently with the new Group net Debt definition.

(2) Group net Debt:

this includes cash, financial receivables and current securities, net of (current and non-current) loans and borrowings and of the fair value of derivatives covering financial debt items (previously not included into the indicator). Moreover, starting from 31 December 2013 this included the measurement of the residual interest in Ansaldo Energia, which was classified under non-current assets in consideration – and assuming the exercise as well as in light of the creditworthiness of the other party – of the put&call rights based on which this amount will be paid by Fondo Strategico Italiano and Finmeccanica. Another factor which worsens the net debt is that this indicator also includes the value of cash collateral paid in respect of contracts under dispute (Fyra contract). The reconciliation with the net financial position required by the Consob communication no. DEM/6064293 of 28 July 2006 is reported in note 19 of the consolidated financial statements.

EARNINGS PER SHARE			
	FY 2013	**FY 2012**	***Var. YoY***
Average shares outstanding during the reporting period (in thousands)	578.118	578.118	-
Earnings from continuing operations (excluding non-controlling interests) (€ million)	(604)	(871)	*267*
Earnings for the period (excluding non-controlling interests) (€ million)	28	(834)	*862*
BASIC and DILUTED EPS from *continuing operation* (€)	**(1,045)**	**(1,507)**	*0,46*
BASIC e DILUTED EPS (€)	**0,048**	**(1,443)**	*1,49*

FY 2013 (EUR million) (*)	Helicopters	Defence and Security Electronics	Aeronautics	Space	Defence Systems	Eliminations/Other	Tot A&D	Transportation	Eliminations/Other	Tot Transportation	Eliminations	Tot. Continuing Operations	Discontinued Operations	TOTAL
New orders	4.384	4.952	3.980	1.002	1.575	(392)	15.501	1.908	322	2.230	(160)	17.571	*n.a.*	17.571
Order backlog	11.928	8.494	9.014	2.165	3.654	(856)	34.399	8.246	281	8.527	(229)	42.697	*n.a.*	42.697
Revenues	4.076	4.892	3.343	1.051	1.256	(525)	14.093	1.793	195	1.988	(48)	16.033	*n.a.*	16.033
EBITA (1)	**562**	**221**	**182**	**94**	**143**	**(144)**	**1.058**	**(114)**	**5**	**(109)**	**-**	**949**	*n.a.*	**949**
EBITA (1) margin	*13,8%*	*4,5%*	*5,4%*	*8,9%*	*11,4%*	*n.a.*	*7,5%*	*-6,4%*	*2,6%*	*-5,5%*	*n.a.*	*5,9%*	*n.a.*	*5,9%*
EBIT	**476**	**(220)**	**151**	**87**	**122**		**616**	**(430)**	**(140)**	**(570)**		**46**	*n.a.*	**46**
Amortisation and depreciation	147	255	164	34	34	53	687	23	1	24	-	711	*n.a.*	711
Investments	345	191	398	36	51	49	1.070	21	1	22	-	1.092	*n.a.*	1.092
Research and development	491	686	267	57	259	3	1.763	56	1	57	-	1.820	*n.a.*	1.820
Workforce (no.) (***)	13.225	23.019	11.702	4.097	3.971	544	56.558	6.739	538	7.277	-	63.835	n.a.	63.835

FY 2012 (EUR million) (**)	Helicopters	Defence and Security Electronics	Aeronautics	Space	Defence Systems	Eliminations/Other	Tot A&D	Transportation	Eliminations/Other	Tot Transportation	Eliminations	Tot. Continuing Operations	Discontinued Operations	TOTAL
New orders	4.013	5.136	3.169	866	1.005	(607)	13.582	2.290	116	2.406	(119)	15.869	*n.a.*	15.869
Order backlog (31/12/2012)	11.876	8.831	8.819	2.261	3.381	(949)	34.219	8.679	158	8.837	(126)	42.930	1.978	44.908
Revenues	4.243	5.754	2.974	1.053	1.256	(612)	14.668	1.719	213	1.932	(96)	16.504	*n.a.*	16.504
EBITA (1)	**473**	**384**	**104**	**84**	**164**	**(134)**	**1.075**	**(69)**	**-**	**(69)**	**-**	1.006	*n.a.*	**1.006**
EBITA (1) margin	*11,1%*	*6,7%*	*3,5%*	*8,0%*	*13,1%*	*n.a.*	*7,3%*	*(4,0%)*	*n.a.*	*(3,6%)*	*n.a.*	6,1%	*n.a.*	*6,1%*
EBIT	**465**	**(933)**	**96**	**71**	**156**	**-134**	**(279)**	**(253)**		**(253)**	**-**	**(532)**	*n.a.*	**(532)**
Amortisation and depreciation	154	253	129	34	32	51	653	23	1	24	-	677	*n.a.*	677
Investments	250	216	334	31	34	65	930	22	1	23	-	953	*n.a.*	**953**
Research and development	506	732	310	53	257	4	1.862	49	1	50	-	1.912	*n.a.*	1.912
Workforce (no.)	13.050	25.183	11.708	4.131	3.964	506	58.541	6.568	469	7.037	-	65.578	n.a.	65.578

(*) The performance and financial figures refer to continuing operations only (excluding Ansaldo Energia).

(**) The comparative figures restated following the adoption of IAS 19-revised. Comparative figures in respect of new orders, revenues, EBITA, FOCF and ROS have been restated following the reclassification of the Energy segment among Discontinued Operations. Order backlog and Group net Debt include Ansaldo Energia.

(***) Workforce at 31 December 2013 excluding Ansaldo Energia is equal to 65,578 employees.

(1) Operating result before:

-any impairment in goodwill;

-amortisations of intangibles acquired under business combination;

-reorganization costs that are a part of significant, defined plans;

-other exceptional costs or income, i.e. connected to particularly significant events that are not related to the ordinary performance of the business.

4Q 2013 (*) (EUR million) (unaudited)	**Helicopters**	**Defence and Security Electronics**	**Aeronautics**	**Space**	**Defence Systems**	**Eliminations/Other**	**Tot A&D**	**Transportation**	**Eliminations/Other**	**Tot Transportation**	**Eliminations**	**TOTAL**
New orders	2.141	2.087	1.943	517	791	(149)	7.330	797	149	946	(145)	8.131
Revenues	1.064	1.421	1.169	322	375	(187)	4.164	502	58	560	(34)	4.690
EBITA (1)	**151**	**117**	**34**	**40**	**64**	**(60)**	**346**	**(98)**	**4**	**(94)**	**-**	**252**
EBITA (1) margin	*14,2%*	*8,2%*	*2,9%*	*12,4%*	*17,1%*	*32,1%*	*8,3%*	*-19,5%*	*6,9%*	-16,8%	*n.a.*	5,4%
EBIT	**74**	**(181)**	**21**	**36**	**45**	**(59)**	**(64)**	**(187)**	**4**	**(183)**	**-**	**(247)**
Amortisation and depreciation	35	71	51	9	10	14	190	7		7	-	197
Investments	147	73	141	10	30	23	424	9	1	10	-	434
Research and development	163	244	77	21	64	2	571	17		17	-	588

4Q 2012 (**) (EUR million) (unaudited)	**Helicopters**	**Defence and Security Electronics**	**Aeronautics**	**Space**	**Defence Systems**	**Eliminations/Other**	**Tot A&D**	**Transportation**	**Eliminations/Other**	**Tot Transportation**	**Eliminations**	**TOTAL**
New orders	1.737	1.742	945	227	362	(336)	4.677	1.046	76	1.122	(70)	**5.729**
Revenues	1.267	1.665	972	356	427	(249)	4.438	376	72	448	(32)	**4.854**
EBITA (*)	**134**	**146**	**30**	**37**	**75**	**(51)**	**371**	**(73)**	**2**	**(71)**	**-**	**300**
EBITA (*) margin	*10,6%*	*8,8%*	*3,1%*	*10,4%*	*17,6%*	*20,5%*	*8,4%*	*-19,4%*	*2,8%*	-15,8%	*n.a.*	6,2%
EBIT	**132**	**-1.085**	**22**	**30**	**72**	**(50)**	**(879)**	**(243)**	**2**	**(241)**	**-**	**(1.120)**
Amortisation and depreciation	48	73	36	10	11	14	*192*	7		7	-	199
Investments	87	75	77	10	12	38	*299*	8	1	9	-	308
Research and development	174	197	95	18	71	2	557	14		14	-	571

(*) The performance and financial figures refer to continuing operations only (excluding Ansaldo Energia).

(**) The comparative figures restated following the adoption of IAS 19-revised. Comparative figures in respect of new orders, revenues, EBITA, FOCF and ROS have been restated following the reclassification of the Energy segment among Discontinued Operations. Order backlog and Group net Debt include Ansaldo Energia.

(1) Operating result before:
-any impairment in goodwill;
-amortisations of intangibles acquired under business combination;
-reorganization costs that are a part of significant, defined plans;
-other exceptional costs or income, i.e. connected to particularly significant events that are not related to the ordinary performance of the business.