

Rome, 14 October 2004

**Board of directors approves the reorganisation of senior management
Gianni Castellaneta appointed Vice-Chairman**

To complete the transformation of the group from a financial into a strategic industrial holding company, Finmeccanica's board of directors today approved the changes to the senior management proposed by Chairman and CEO Pier Francesco Guarguaglini. This will see Finmeccanica strengthen its management team to adapt it to the group's new strategic direction. The board also voted to appoint director Gianni Castellaneta as Vice-Chairman. With his extensive network of international relations, Ambassador Castellaneta, diplomatic advisor to the Italian prime minister, is well placed to give a significant support to Finmeccanica's expansion on international markets.

The new senior management structure will enable Finmeccanica to:

- co-ordinate the group's day-to-day management, and fully exploit the technical and commercial synergies generated by the single business areas in which they operate, with the aim of increasing profitability and value added;
- take further steps to refocus the core businesses of Aerospace, Defence and Security by co-ordinating the group's strategic initiatives and acquisitions with the aim of strengthening and growing the group internationally;
- promote a strong group identity, in order to develop and involve employees more fully, enabling the company to rise to the challenges posed by the market.

Reporting to the Chairman and CEO will be **General Manager** Giorgio Zappa, who will be responsible for overseeing the Aeronautics, Space, Helicopters, Defence Systems, Energy and Transport divisions, and to whom will report the following Functions: Chief Technology Officer, Marketing & Commercial Affairs and Logistic Services. The General Manager will be assisted by a **co-General Manager** appointed to oversee the Defence Electronics business, which—in light of the potential of the new Eurosystems initiative—is expected to become one of Finmeccanica's main sectors of activity. This position will be held by Remo Pertica.

Also reporting to the Chairman and CEO will be the **co-General Manager**, Alessandro Pansa, to whom will report the following Functions: Chief Financial Officer, Business Development and Legal & Corporate Affairs.

Finally, the central Communication and Institutional Relations, Human Resources, Audit, Diversified Shareholdings and Group Shared Services departments will also report directly to the Chairman and CEO.

"Following today's decisions by the board of directors", stated Mr Guarguaglini, "Finmeccanica has created a management structure in line with its objectives: that is, to offer an integrated range of products and systems that are tailored to the client and at the same time to strengthen the role of the parent company which will be responsible for coordinating, controlling and managing the group's activities. By focusing on our core business, acquisitions and the international partnerships currently being developed, Finmeccanica is in a position to meet the challenges posed by the international competition and to succeed. Our aim now is to build a closer working relationship between all our staff, in whatever part of the world they work".