

Rome, 21 November 2007

## **Shareholders' meeting called to approve share buyback programme**

### **Initiatives planned to strengthen financial structure and profitability**

In light of the Group's growth prospects and current stock market conditions, the Board of Directors of Finmeccanica, at its meeting today, decided to propose to the shareholders' meeting (scheduled for the 15<sup>th</sup> of January plus a second session on the 16<sup>th</sup> of January if required) a share buyback programme for up to 8% approximately of the company's share capital (maximum: 34,000,000 ordinary shares), of which 2.7% is for the share incentive scheme (as agreed during the 30-05-07 shareholders' meeting), before cancelling – for the part not yet utilised – the authorisations for the purchase and availability of own shares already agreed for use in these schemes. Resolutions already adopted in respect of the approval of the incentive schemes remain unchanged.

The share buyback programme accompany the Group's current investment plan, together with initiatives aimed at increasing the Group's industrial competitiveness, optimising profitability and cash-generating ability, and strengthening its asset structure in order to maximise value creation for shareholders.

Shares purchased may be used to take advantage of any investment opportunities and will therefore still be available in the form of treasury shares held in the portfolio.

The share buyback programme to be submitted to the shareholders' meeting will be carried out within 18 months of the approval, in accordance with common financial market practice for such transactions and taking account of the Group's business conditions. The programme will be financed mainly through operating cash flow generated by the group.

This buyback may be implemented in several stages as considered appropriate, at the market price recorded on the day before the purchase plus 5% (maximum) or at the market price recorded on the day before the purchase minus 5% (minimum). The shares may be purchased on the market, or via the purchase and sale of derivative instruments traded on regulated markets.

The company currently holds 950,601 own shares, equivalent to around 0.22% of the share capital.

The shareholders' meeting will also be required to vote on the proposal to confirm the appointment of director Francesco Parlato, who joined the board at the invitation of its members (following the resignation of Dario Scannapieco) on 12 September 2007, and whose mandate is due to expire at the next shareholders' meeting.

The Board of Directors also authorised the issuance of one or more non-convertible bonds, reserved for institutional investors, as part of the outstanding EMTN programme by 31 December 2008. The Chairman and CEO of Finmeccanica was granted the necessary powers to establish the timetable, amount, procedures and conditions for each tranche. The aim of the resolution is to refinance, in advance, the portion of maturing debt, thereby extending its average remaining life.