

Rome, 10 November 2008

**Finmeccanica Announces Financial Results of DRS Technologies for the quarter and proforma* nine-month period ended September 30, 2008****DRS Posts Record Results for 9 Months: Revenues up 24% to US\$2.9billion, proforma EBITA up 16% to US\$310million, funded Backlog up 9% to US\$3.9billion**

Finmeccanica S.p.A. (SIFI.MI) today announced certain financial results of DRS Technologies for the quarter and proforma¹ nine-month period ended September 30, 2008. For both periods, Finmeccanica said DRS generated record revenues and new orders for products and services, and funded backlog reached an all-time high. Operating profit for the first nine months of 2008 also set a new record for the period.

As previously reported, DRS Technologies, Inc. was acquired by the Company on October 22, 2008 and now operates as a wholly-owned subsidiary of Finmeccanica, which will consolidate DRS results starting from October 22, 2008.

As already communicated to the market, Finmeccanica will publish its third quarter and nine month 2008 results on November 13, 2008 and a conference call to discuss results will be held on the same day at 2.30pm (CET).

QUARTERLY RESULTS

DRS Technologies generated consolidated **revenues** of US\$987 million for the quarter ended September 30, 2008, 26% above US\$784 million for the same quarter last year. The increase was attributable entirely to strong organic growth in each of the company's four operating segments.

Operating income for the quarter ended September 30, 2008 of US\$89 million reflected a 9.0% operating margin and included approximately US\$5 million in merger-related expenses, as a result of DRS's acquisition by Finmeccanica. This compared with operating income of US\$92 million for the same quarter in 2007, which included an US\$12 million curtailment gain from one of the company's benefit plans, and reflected an operating margin of 11.8%. Excluding the one-time events in both quarters, DRS posted US\$94 million in proforma operating income for the 2008 three-month period on a 9.6% operating margin, compared with US\$80 million in proforma operating income on a 10.3% operating margin for the 2007 three-month period.

Earnings before interest, taxes and amortization (**EBITA**) for the quarter ended September 30, 2008 were US\$96 million, compared with \$99 million for the same 2007 three-month period. Excluding the

¹ Proforma nine-month results for 2008 include the nine-month period beginning January 1, 2008 and ended September 30, 2008 to show results according to calendar years. Proforma 2008 nine-month results include DRS's fiscal 2009 first and second quarters and fiscal 2008 fourth quarter. Proforma nine-month results for 2007 include the nine-month period beginning January 1, 2007 and ended September 30, 2007 to show results according to calendar years. Proforma 2007 nine-month results include DRS's fiscal 2008 first and second quarters and fiscal 2007 fourth quarter.

merger-related expenses incurred during the 2008 quarter and the benefit from the curtailment gain in the 2007 quarter, DRS reported proforma EBITA of US\$101 million, 16% higher than the comparable period a year earlier.

During the three-month period, DRS captured a quarterly record of US\$1.2 billion in new **orders** for products and services, reflecting a strong 1.2 to 1 book-to-bill ratio. These strong quarterly bookings contributed to record **funded backlog** at September 30, 2008 of US\$3.9 billion, 9% higher than funded backlog of US\$3.6 billion at September 30, 2007. During the first nine months of 2008, DRS booked US\$3.3 billion in new contract awards, 19% above the same period last year and a record for the nine-month period.

9 MONTH RESULTS

For the first nine months of 2008, DRS Technologies' **revenues** grew 24% organically to US\$2.9 billion, compared with revenues of US\$2.3 billion for the same period a year ago.

Operating income for the first nine months of 2008 was US\$274 million, 26% higher than the same period last year, reflecting a 9.5% operating margin. The 2008 nine-month period included approximately US\$17 million in merger-related expenses associated with Finmeccanica's acquisition of DRS. The same period in 2007 included the positive impact of the US\$12 million curtailment gain previously mentioned and the adverse impact of \$40 million in pretax charges associated with the company's Thermal Weapon Sights (TWS) II program. Excluding these one-time events in both periods, DRS posted US\$290 million in proforma operating income for the 2008 nine-month period on a 10.2% operating margin, 18% higher than US\$246 million reported for same period last year.

EBITA for the nine months ended September 30, 2008 was US\$293.2 million, up 23% from the same period in 2007. Excluding the US\$16.6 million in merger-related expenses incurred during the 2008 period, DRS reported proforma EBITA of US\$309.8 million, 16% higher than proforma EBITA of US\$266.9 million in the comparable period a year earlier, which was adjusted for the curtailment gain and TWS II charges.

DRS Technologies expects to file complete financial results on the quarter ended September 30, 2008 on form 10-Q with the U.S. Securities and Exchange Commission on or about November 7, 2008.

Three Months Ended September 30,

	2008	2007	Change	% Change
Revenues	\$ 987.1	\$ 783.8	\$ 203.3	26%
Operating Income ^{1,2}	\$ 89.3	\$ 92.1	\$ -2.8	-3%
Proforma Operating Income ³	\$ 94.4	\$ 80.4	\$ 14.0	17%
Operating Margin ²	9.0%	11.8%	-2.8 p.p.	-24%
Proforma Operating Margin ³	9.6%	10.3%	-0.7 p.p.	-7%
EBITA ^{1,2}	\$ 95.9	\$ 98.7	\$ -2.8	-3%
Proforma EBITA ³	\$ 101.0	\$ 87.0	\$ 14.0	16%
EBITA Margin ^{1,2}	9.7%	12.6%	-2.9 p.p.	-23%
Proforma EBITA Margin ³	10.2%	11.1%	-0.9 p.p.	-8%
EBT ^{1,2}	\$ 64.7	\$ 63.6	\$ 1.1	2%
EBT Margin ^{1,2}	6.6%	8.1%	-1.5 p.p.	-19%
Bookings	\$ 1,229.9	\$ 1,108.0	\$ 121.9	11%
Order Backlog	\$ 3,908.6	\$ 3,586.8	\$ 321.8	9%
Headcount	10,559	9,700	859	9%

Proforma Nine Months Ended September 30,

	2008⁴	2007⁵ (Restated)	Change	% Change
Revenues	\$ 2,878.4	\$ 2,318.3	\$ 560.1	24%
Operating Income ^{1,2,6}	\$ 273.7	\$ 217.5	\$ 56.2	26%
Proforma Operating Income ³	\$ 290.3	\$ 246.1	\$ 44.2	18%
Operating Margin ^{2,6}	9.5%	9.4%	0.1 p.p.	1%
Proforma Operating Margin ³	10.1%	10.6%	-0.5 p.p.	-5%
EBITA ^{1,2,6}	\$ 293.2	\$ 238.3	\$ 54.9	23%
Proforma EBITA ³	\$ 309.8	\$ 266.9	\$ 42.9	16%
EBITA Margin ^{1,2,6}	10.2%	10.3%	-0.1 p.p.	-1%
Proforma EBITA Margin ³	10.8%	11.5%	-0.7 p.p.	-6%
EBT ^{1,2}	\$ 198.6	\$ 130.9	\$ 67.7	52%
EBT Margin ^{1,2}	6.9%	5.6%	1.3 p.p.	23%
Bookings	\$ 3,251.4	\$ 2,736.5	\$ 514.9	19%
Order Backlog	\$ 3,908.6	\$ 3,586.8	\$ 321.8	9%
Headcount	10,559	9,700	859	9%

- 1 For the quarter and nine-month periods ended September 30, 2007, operating income includes the positive impact of an \$11.7 million pretax curtailment gain related to one of the Company's benefit plans.
- 2 For the quarter and nine-month periods ended September 30, 2008, operating income includes the adverse impact of pretax merger-related expenses of \$5.1 million and \$16.6 million, respectively, due to the acquisition of the Company by Finmeccanica S.p.A., completed on October 22, 2008.
- 3 For the quarter and nine-month periods ended September 30, 2008, proforma results exclude the adverse impact of pretax merger-related expenses of \$5.1 million and \$16.6 million, respectively, due to the acquisition of the Company by Finmeccanica S.p.A., completed on October 22, 2008. For the quarter and nine-month periods ended September 30, 2007, operating income excludes the positive impact of an \$11.7 million pretax curtailment gain related to one of the Company's benefit plans.
- 4 Proforma nine-month results for 2008 include the nine-month period beginning January 1, 2008 and ended September 30, 2008 to show results according to calendar years. Proforma 2008 nine-month results include DRS's fiscal 2009 first and second quarters and fiscal 2008 fourth quarter.
- 5 Proforma nine-month results for 2007 include the nine-month period beginning January 1, 2007 and ended September 30, 2007 to show results according to calendar years. Proforma 2007 nine-month results include DRS's fiscal 2008 first and second quarters and fiscal 2007 fourth quarter.
- 6 2007 nine-month results were restated to include the adverse impact of \$40.3 million in pretax charges to operating income on the Thermal Weapon Sights II program, resulting in after-tax charges of \$25.7 million to net earnings, or \$0.63 per share. See DRS Technologies' annual report filed on Form 10-K for the fiscal year ended March 31, 2008 for more information.

About Finmeccanica

Headquartered in Italy, Finmeccanica is a leading global high-technology company with core competencies in the design and manufacture of helicopters, civil and military aircraft, aero structures, satellites, space infrastructure, missiles, defense electronics and security. The company employs more than 60,000 people worldwide, including 2,100 employees at 32 sites in North America – not including DRS. For more information about Finmeccanica, please visit www.finmeccanica.com.

About DRS Technologies

DRS Technologies, headquartered in Parsippany, New Jersey, U.S.A., is a leading supplier of integrated products, services and support to military forces, government agencies and prime contractors worldwide. The company employs approximately 10,500 people. For more information about DRS Technologies, please visit www.drs.com

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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. 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.

MEDIA CONTACTS:**Finmeccanica S.p.A**

+39 06 32473 313

pressoffice@finmeccanica.com

Richard Coltart

Vice President International Media Relations

+44 789 400 5842

+44 789 400 5837

richard.coltart@finmeccanica.com

Dan Hill

+1 (571) 426-6837

dan.hill@finmeccanica.com

Roberto Alatri

Vice President Press Office

+39 347 4184 430

Roberto.alatri@finmeccanica.com

Roberta Acocella

Head of Periodical Trade Press

+39 335 5335 262

roberta.acocella@finmeccanica.com

INVESTOR CONTACT:**John D. Stewart**

Vice President Investor Relations

Tel. +39 06 32473 290

john.stewart@finmeccanica.com

Raffaella Luglini

Investor Relations Officer

+39 06 32473 066

raffaella.luglini@finmeccanica.com

MEDIA CONTACT:**DRS Technologies, Inc.****Richard M. Goldberg**

Vice President, Public Affairs

(973) 451-3584

goldberg@drs.com