Information requested by Consob under art. 114 paragraph 5 of Italian Legislative Decree n. 58/1998

FINCANTIERI
The sea ahead

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under art. 114, paragraph 5, of Italian Legislative Decree no. 58/98

With reference to the above requests, in relation to the ordinary and extraordinary shareholders meeting of Fincantieri S.p.A. ("**Fincantieri**" or the "**Issuer**" and, together with its subsidiaries and affiliates, the "**Fincantieri Group**") to be held on 19 May 2016, and in particular to the consolidated financial statements and the draft separate financial statements of the Issuer for the financial year ended on 31 December 2015 and the related press release issued on 31 March 2016, with which the Issuer disclosed to the market certain items of its 2016-2020 business plan approved on the same date (the "**Fincantieri Plan**"), please note the following.

“1. As for the Offshore Division and the activities related to the VARD Group and the related impairment test:

a. updates on: (i) achievement of the VARD Plan objectives, and in particularly positive EBITDA in 2016, taking into account the recent cancellation of some existing orders as per the VARD press release on 9 May 2016; (ii) VARD Group’s compliance with the financial covenants in the construction loans and other existing credit facilities as of 31 March 2016; (iii) any initiatives taken by the lending banks following the deterioration of the business and financial situation of the VARD Group customers, in light of the construction loans provisions;

b. VARD’s financial hedging procedures, particularly in relation to the investments needed to support the restructuring and diversification strategy described in the VARD Plan. Please also specify whether such strategy assumes the Issuer’s financial support;

c. the sources for the VARD Plan’s forecast of a gradual recovery in demand for the offshore sector from 2018, that should ensure the return of revenues to their maximum levels in 2020, and should be the basis for the "Operating profit of the terminal value", i.e. one of the most important assumptions to calculate the recoverable amount of goodwill allocated to the VARD cash generating unit;

d. the basis for the directors’ decision to use a 2.8% growth rate for cash flow projections beyond the VARD Plan timeframe.”

1.1. VARD Group's business plan and 2016 EBITDA forecast

On 12 May 2016 Vard Holdings Limited, a company with shares listed on the Mainboard of the Singapore Stock Exchange ("**VARD**" and, together with its subsidiaries and affiliates, the "**VARD Group**"), published its 2016 Q1 results, which recorded a NOK 57 million consolidated EBITDA (before restructuring costs) and confirmed that its business plan (the "**VARD Plan**") is being implemented and provides for a positive EBITDA in 2016. VARD's management has confirmed this forecast as of today's date. Please note that in the first months of 2016 VARD has announced the execution of important agreements for new orders both in the offshore and in new businesses, including letters of intent for expedition cruise ships.

However, VARD stated that the oil & gas market continues to go through a very difficult phase, for both shipbuilders and ship owners. In particular, in light of the corporate restructuring processes involving some ship owners, VARD has informed that it has increased its focus on counterparty risk and that it is committed to working with customers and financial institutions to ensure delivery of the ships in its portfolio. Please note that on May 9, 2016, VARD had informed the market that its customer Harkand Group, the purchaser in a contract for a vessel for which advance payments equal to 20% of the ship price had been received, had entered into an administration procedure under local law. In case VARD receives a notice of contract termination, it will be entitled to retain the advance payments already received and to sell the ship, currently in advanced construction stage. In addition, the bank that had financed the construction loan for such unit has agreed to extending its funding by five months, from April to September 2016. Such extension will remain valid and effective even in case of cancellation of the shipbuilding contract.

1.2. Credit lines and financial needs of the VARD Group

The VARD Group uses credit lines that provide for compliance with certain financial covenants on a quarterly basis. As of March 31, 2016, the covenants are being met, except for net working capital, in relation to which VARD has obtained a waiver from its lenders.

As for the construction loans made to VARD Group, that provide for among others (i) acceleration in case of cancellation of the shipbuilding contract for which the financing was granted, and (ii) acceleration in case of material adverse changes, also in relation to the business/financial conditions of the VARD Group's customers, VARD management confirmed that to date it has not received from the lending banks any prepayment request or notice of material adverse change.

The financial needs for the investment plans required to support the restructuring and diversification strategy of the VARD Group, as described in the VARD Plan and mainly related to an adjustment of the Romanian yards' production structure to the workload linked to construction of cruise ships sections commissioned by the Issuer, are not significant and will be funded through cash flows to be generated by VARD's ongoing activities and by accessing the available credit lines. In this regards, it is to be noted that the Vard Plan assumes purely commercial relations between the Issuer and VARD.

1.3. VARD Plan: expectations for the offshore sector and related sources.

The VARD Plan provides for a 2020 revenues range of about NOK 12 to 13 billion, slightly above VARD's average revenues for 2011-2015. This target is not only based on the oil & gas market recovery, but also on the orders trends and related revenues from the new markets, such as passenger ships, aquaculture and offshore wind. The entry into these new markets and the ability to acquire orders in a challenging market context are also proved by the contracts and letters of intent recently announced by the VARD Group.

The VARD Plan was prepared by VARD with the support of Cardo Partners. Cardo Partners is a leading consulting company specializing in Northern Europe and in particular in the oil & gas market, and has focused on supporting the analysis of the European, North American and Asian markets. At the same time Value Partners, a leader in strategic consultancy with extensive experience in South America, was engaged by VARD to assess the available options for VARD's Brazilian operations.

The consultants have used the main available sources, such as e.g. the databases and searches of Clarkson and IHS Fairplay (leading service providers to shipping firms) and Douglas Westwood (the main provider of market research and consultancy services in the energy sector), as well as market analyses developed internally. In addition, the consultants also carried out a series of ad hoc interviews to assess the views of the main VARD customers on the expected trends in certain sectors in which VARD operates.

1.4. Calculation of the growth rate used for the cash flow projections in the impairment test, beyond the VARD Plan timeframe

The impairment test of goodwill allocated to the VARD Group cash generating unit ("**CGU**") was conducted in accordance with IAS 36 and on the basis of the impairment test procedure approved by Fincantieri's Board of Directors on March 7, 2016.

The 2.8% growth rate used to project the cash flows of the VARD Group CGU beyond the VARD Plan timeframe was calculated based on the growth assumptions of the countries where VARD Group operates and generates its cash flows, i.e. Norway, Brazil and Singapore.

The expected growth of Norway, Brazil and Singapore has been determined based on the average expected inflation for the 2016-2020 plan period, based on the "*Inflation, end of period consumer prices*" index of the World Economic Outlook Database published by the International Monetary Fund (available at *http://www.imf.org/external/pubs/ft/WEO/2015/2/weodata/download.aspx*), available at the date (October 2015) closest to that of the impairment test of the VARD Group CGU for the 31 December 2015 financials. The growth rate was determined in accordance with the WACC (Weighted Average Cost of Capital) of the VARD Group CGU, that reflects such countries' risk.

The 2016-2020 average expected inflation for the individual countries are as follows:
• Norway 2.42%
• Brazil 4.95%
• Singapore 1.89%

These average values were weighed based on the average expected revenues contribution of each country during the 2016-2020 period. Such weighing resulted in a 2.8% growth rate for impairment test purposes.

Please note that the VARD Group represents a strategic industrial investment for the Issuer. VARD not only has a leading market position in its core business, but also design skills and expertise that allow it to confront the oil & gas global crisis, through a series of measures including diversification.
"2. With reference to the results of the impairment test on the aggregate carrying value of the Group assets and the assumptions of the Business Plan:

a. the directors' assessment on the reasons for the discrepancy between the Group assets' valuation and the Company's market capitalization;

b. for each of the Divisions of the Group (Shipbuilding, Offshore, and Systems Components and Services), the percentage of revenues expected in the Plan that is covered by ongoing programs and backlog;

c. taking into account the significant workload recently acquired by the Shipbuilding Division, information about (i) the timing of the activities needed to update the production *capacity and develop significant synergies with VARD, and the impact of the planned actions on the recovery of margins as forecast in the Plan."*

2.1. Valuation of its assets and capitalization of the Issuer

As of 31 December 2015, the market capitalization of the Issuer, i.e. Euro 677 million, was significantly lower than the consolidated net equity of the Fincantieri Group, i.e. Euro 1.137 billion. In accordance with the applicable accounting principles, the impairment test on the Fincantieri Group fixed assets was conducted and had a positive outcome. A critical analysis of the reasons for the significant difference between the market capitalization of the Issuer and its consolidated net equity was also carried out, which revealed that as of 31 December 2015 such discrepancy was mainly attributable to the following factors:

- *Lack of guidance about the prospective results for the Fincantieri Group*. It is to be noted that Fincantieri has presented for the first time a group business plan to the market for 2016-2020 in March 2016;
- *Profit warning issued by VARD* on October 15, 2015, with no immediate guidance on the economic outlook and within the context of a particularly negative situation for the oil and gas sector;
- *Market consensus* on the economic outlook of the Fincantieri Group significantly below the estimates later included in the Fincantieri Plan;
- *Rumors on a capital increase by Fincantieri*. On 15 October 2015, the *Corriere della Sera* newspaper published an article containing rumors about an imminent capital increase of Fincantieri which, as common in these circumstances, triggered a strong downward pressure on the stock.

2.2. Coverage of expected revenues in the Fincantieri Plan

As of today, the 2016-2020 aggregate percentage of revenues in the Fincantieri Plan covered by ongoing programs and backlog was the following for each of the Divisions of the Fincantieri Group:

• Shipbuilding: 70%
• Offshore: 25%
• Systems, Components & Services: 39%

Because of the demonstrated ability to convert important commercial negotiations into contracts, the Issuer deems it helpful to increase the revenue cover percentages by the so-called “soft backlog", which includes contractual options, existing letters of intent and contracts in an advanced negotiation stage. Considering also the "soft backlog", the Issuer's estimates for the expected revenues coverage in the Fincantieri Plan were the following for each of the Divisions of the Fincantieri Group:

• Shipbuilding: 75%
• Offshore: 42%
• Systems, Components & Services: 39%

Within the Shipbuilding Division, as for cruise ships, the percentage of revenues covered by backlog and soft backlog was over 90%, as per the presentation of the Fincantieri Plan to the market on March 31, 2016.

It is also to be noted that the lower coverage for the Offshore and the Systems, Components and Services divisions also stems from the nature of their businesses, which have shorter design and production timeframes than in the Shipbuilding division.

2.3. Shipbuilding division

2.3.1. The Fincantieri Group's production capacity and synergies with the VARD Group.

The activities requested to cope with the significant workload in the Fincantieri Plan timeframe, that are mainly concentrated in 2016 and 2017, are currently progressing in line with the Fincantieri Plan. Among the projects currently underway, it is worth highlighting the extension of the semi-submersible unit of Fincantieri in the Vard Tulcea shipyard (Romania), which will allow the launch of larger hulls in the same yard.

As for synergies with VARD, such project is aimed at supporting a multiannual plan whereby Vard Tulcea will produce cruise ships sections and pre-built sections for Fincantieri's productive network. In this context it is to be noted that the implementation of production synergies between Fincantieri and VARD is proceeding according to the Fincantieri Plan: between the last quarter of 2015 and first quarter of 2016 Vard Tulcea delivered to Fincantieri the first cruise ships sections, for more than 2,000 tons, and Vard Tulcea and Fincantieri signed an agreement to reserve capacity at the Romanian site for the production of cruise ships blocks and sections for about 70,000 tons in the 2016-2021 period.

2.3.2. Effectiveness of the Fincantieri Plan programs to recover marginality.

As for recovery of marginality for the Shipbuilding Division it is to be noted that, as reported in the presentation of the Fincantieri Plan to the market on 31 March 2016, such increase derives mainly from the development, over the Fincantieri Plan timeframe, of workload acquired or in advanced negotiation stage, which will lead to: (i) a stronger weight of repeat and semi-repeat ships, as opposed to prototypes, within the cruise ships volumes, resulting in lower execution risk; (ii) the progressing construction of ships that have substantially higher average prices (i.e. based on the ship price/number of lower beds ratio, size being equal); and (iii) an increasing weight of the naval vessels revenues, with higher margins, within the total revenues of the Shipbuilding Division.

It is also worth highlighting that the first months of 2016 have confirmed the Fincantieri Group's ability to complete highly complex projects within the contractual deadlines: the Issuer has delivered three cruise ships, including two prototypes, in three different yards and for three different customers (“Viking Sea” for Viking Ocean Cruises in the Ancona shipyard, "Koningsdam" for Holland America Line in Marghera and "Carnival Vista" for Carnival Cruise Lines in Monfalcone) in the first four months of the year, including two ships delivered in the same week. Thanks to these results too, the 2016 first quarter results have already shown a significant recovery in the Shipbuilding Division margins, with an EBITDA margin of 4.7% compared to a negative 0.8% margin in 2015.

Trieste, 18 May 2016