



FINCANTIERI

Investor Presentation

Trieste, May 2019

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Safe Harbor Statement

This Presentation contains certain forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "believes," "expects," "predicts," "intends," "projects," "plans," "estimates," "aims," "foresees," "anticipates," "targets," and similar expressions. The forward-looking statements contained in this Presentation, including assumptions, opinions and views of the Company or cited from third party sources, are solely opinions and forecasts reflecting current views with respect to future events and plans, estimates, projections and expectations which are uncertain and subject to risks. Market data used in this Presentation not attributed to a specific source are estimates of the Company and have not been independently verified. These statements are based on certain assumptions that, although reasonable at this time, may prove to be erroneous. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. If certain risks and uncertainties materialize, or if certain underlying assumptions prove incorrect, Fincantieri may not be able to achieve its financial targets and strategic objectives. A multitude of factors which are in some cases beyond the Company's control can cause actual events to differ significantly from any anticipated development. Forward-looking statements contained in this Presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. No one undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Market data used in this Presentation not attributed to a specific source are estimates of the Company and have not been independently verified. Forward-looking statements speak only as of the date of this Presentation and are subject to change without notice. No representations or warranties, express or implied, are given as to the achievement or reasonableness of, and no reliance should be placed on, any forward-looking statements, including (but not limited to) any projections, estimates, forecasts or targets contained herein.

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Declaration of the Manager responsible for preparing financial reports

The executive in charge of preparing the corporate accounting documents at Fincantieri, Felice Bonavolontà, declares that the accounting information contained herein correspond to document results, books and accounting records.



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Carnival Vista
Carnival Cruise Lines
"ECO Notation" by Lloyd's Register
for exceeding environmental
standards

Section 1

Fincantieri at a Glance



FREMM "Alpino"

Italian Navy

Best in class in terms of endurance

Fincantieri at a glance

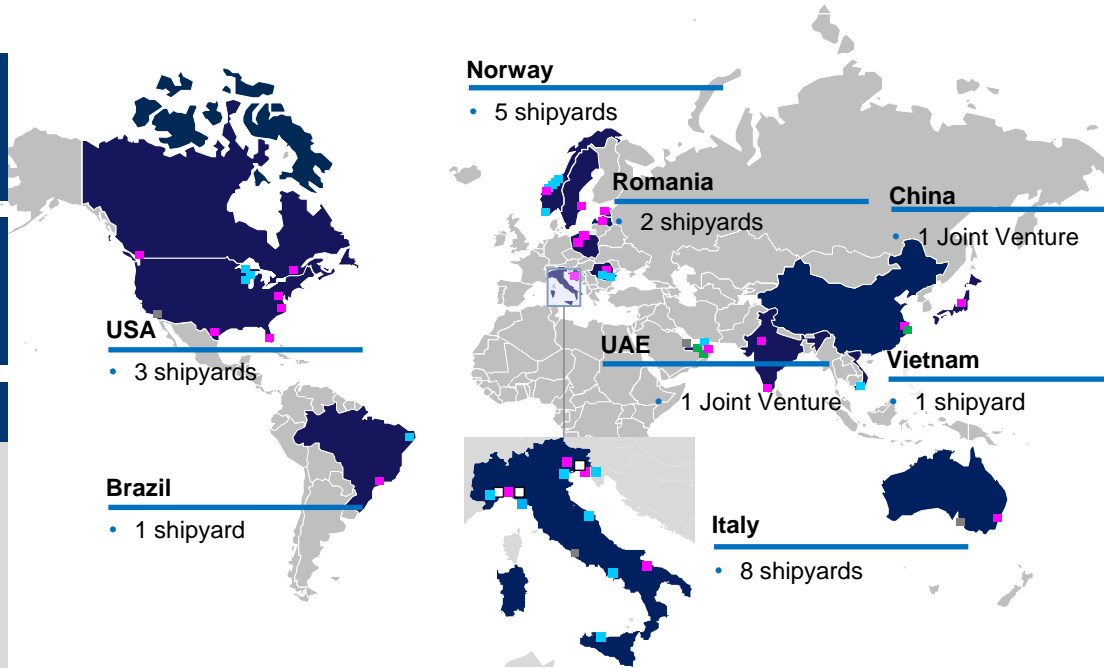
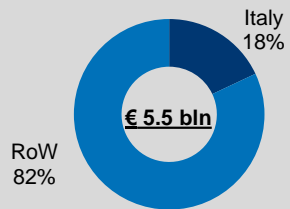
#1 Western designer & shipbuilder⁽¹⁾
with 230 years of history & >7,000 ships built

€ 5,474 mln revenues

~ € 33.8 bln total backlog⁽²⁾

- € 25.5 bln backlog
- € 8.3 bln soft backlog

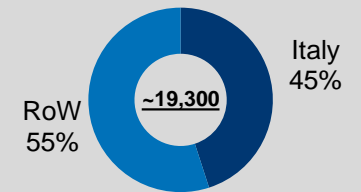
Revenues by geography



20 shipyards
4 continents

~ 19,300 employees
~ 80,000 subcontractors

Employees by location



Note: all figures reported at December 31, 2018

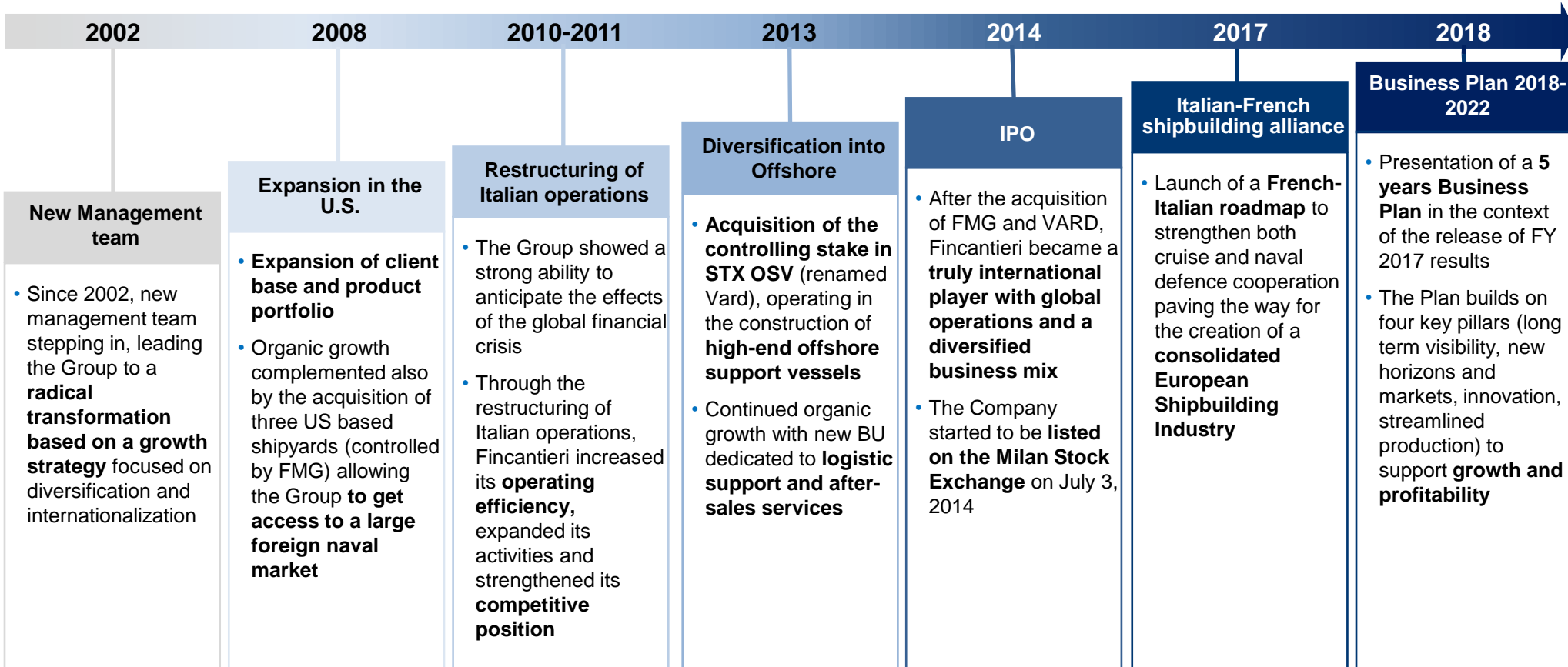
(1) By revenues, excluding naval contractors in the captive military segment. Based on Fincantieri estimates of shipbuilders' revenues in 2016

(2) Sum of backlog and soft backlog; soft backlog represents the value of existing contract options and letters of intent as well as contracts in advanced negotiation, none of which yet reflected in the order backlog


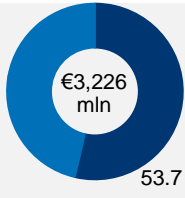

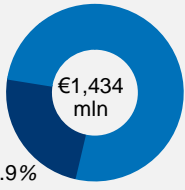
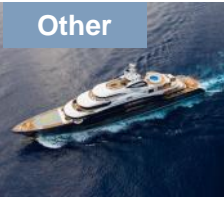
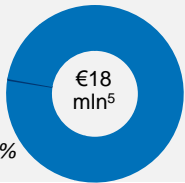

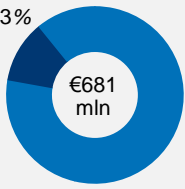

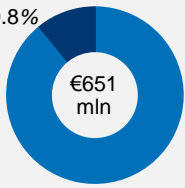
- Corporate/BU headquarters
- Shipyard
- Joint Venture
- Operating subsidiary
- Representative / Sales office

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Creation of an international leading player with a well diversified product portfolio



Consolidated positioning in Fincantieri's reference markets

	End markets	Main products	Comments	Revenues 2018 ⁽¹⁾	Backlog ⁽²⁾
Shipbuilding	Cruise 	<ul style="list-style-type: none"> • All cruise ships (from large contemporary ships to small luxury and expedition ships) 	<ul style="list-style-type: none"> • A world leader in the design and construction of vessels for all segments of the cruise industry 	 <p>€3,226 mln</p> <p>53.7%</p>	€ 23,714 mln (69 ships)
	Naval 	<ul style="list-style-type: none"> • All surface vessels (also stealth) • Support & Special vessels • Submarines 	<ul style="list-style-type: none"> • Sole supplier for Italian Navy⁽³⁾ • One of key suppliers for US Navy & Coast Guard⁽⁴⁾ • Key supplier for Qatar Emiri Naval Forces and one of the key suppliers for UAE Navy 	 <p>€1,434 mln</p> <p>23.9%</p>	
	Other 	<ul style="list-style-type: none"> • Ferries • Mega-yachts 	<ul style="list-style-type: none"> • Focus on the design and construction of: <ul style="list-style-type: none"> – High tech ferries – Large mega-yachts 	 <p>€18 mln⁽⁵⁾</p> <p>0.3%</p>	
Offshore & Specialized Vessels		<ul style="list-style-type: none"> • OSV • Fishery • Ferries • Offshore wind • OPV • Special vessels 	<ul style="list-style-type: none"> • Traditionally focused on the design and construction of offshore support vessels • Recent diversification into new segments (fishery, ferries, OPVs, special vessels) 	 <p>€681 mln</p> <p>11.3%</p>	€ 987 mln (29 ships)
Equipment Systems & Services		<ul style="list-style-type: none"> • Marine systems, components & turnkey solutions • Ship interiors • Naval services • Ship repairs & conversions 	<ul style="list-style-type: none"> • Design and manufacturing of high-tech equipment & systems • Full range of repair & conversion services, logistical support and after sale services • Insourcing of critical components 	 <p>€651 mln</p> <p>10.8%</p>	€ 1,638 mln

(1) Before eliminations and consolidation adjustments





(2) As of December 31, 2018 excluding eliminations (€ 815 mln)

(3) For all the large ships and excluding minesweepers and small ships below 45 m in length

(4) For medium size ships, e.g. patrol vessels and corvettes

(5) Revenues from other activities

Diversified client base with long standing relationships, unrivalled track record & technological leadership

		Key clients and relationships	Track record	
Shipbuilding	Cruise		<ul style="list-style-type: none"> 87 ships delivered from 1990 to 2018 7 ships delivered in FY 2018 	<ul style="list-style-type: none"> Proven track record of on-time, on-budget deliveries Strong technological know-how and design skills: <ul style="list-style-type: none"> ~ 100 prototypes delivered in the last 15 years Strong commitment to R&D: <ul style="list-style-type: none"> ~ 90 projects ongoing 2015-2018 expenditure > € 400 mln
	Naval		<ul style="list-style-type: none"> 122⁽³⁾ ships delivered from 1990 to 2018 6 ships delivered in FY 2018 	
Offshore & Specialized Vessels			<ul style="list-style-type: none"> 399⁽⁴⁾ ships delivered from 1990 to 2018 22 ships delivered in FY 2018 	
Equipment Systems & Services			<ul style="list-style-type: none"> Strong revenue growth to € 651 mln in 2018 	

(1) Parent company of several brands: Carnival Cruise Lines, Costa Crociere, Cunard, Holland America Line, P&O Cruises, Princess Cruise Lines and Seabourn Cruise Lines

(2) Parent company of several brands: Norwegian Cruise Line, Oceania Cruises, Regent Seven Seas Cruises

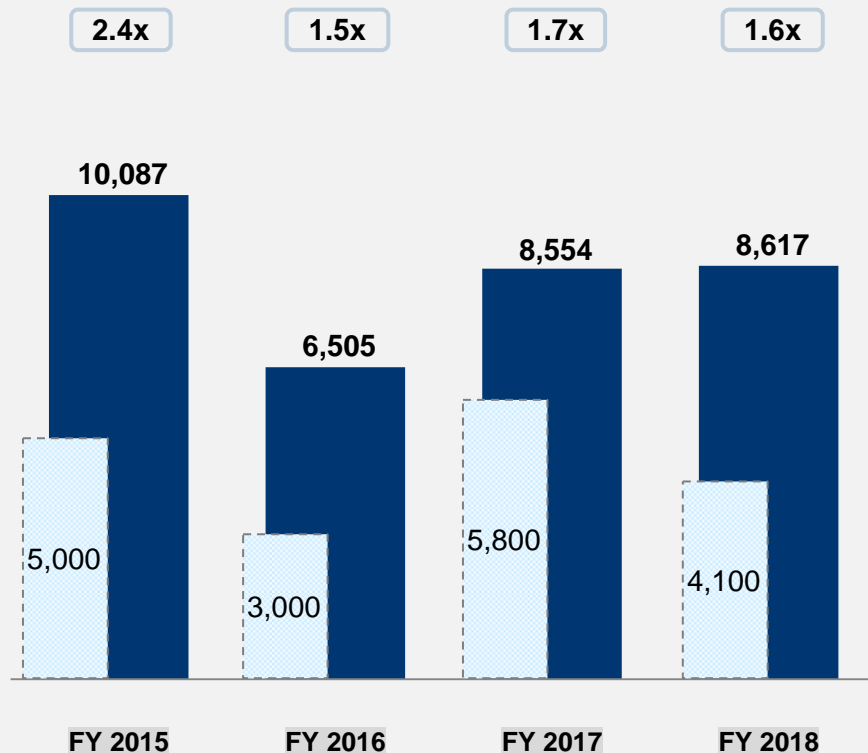
(3) Includes other products delivered by Naval business unit. Includes US subsidiaries pre Fincantieri acquisition, excluding 174 RB-M delivered since 2002, of which 28 in 2014 and 3 in 2015

(4) Includes other products delivered by Offshore & Specialized Vessels business unit. Includes VARD and predecessor companies

Backlog ramp-up to record-high level in 2018

Order intake

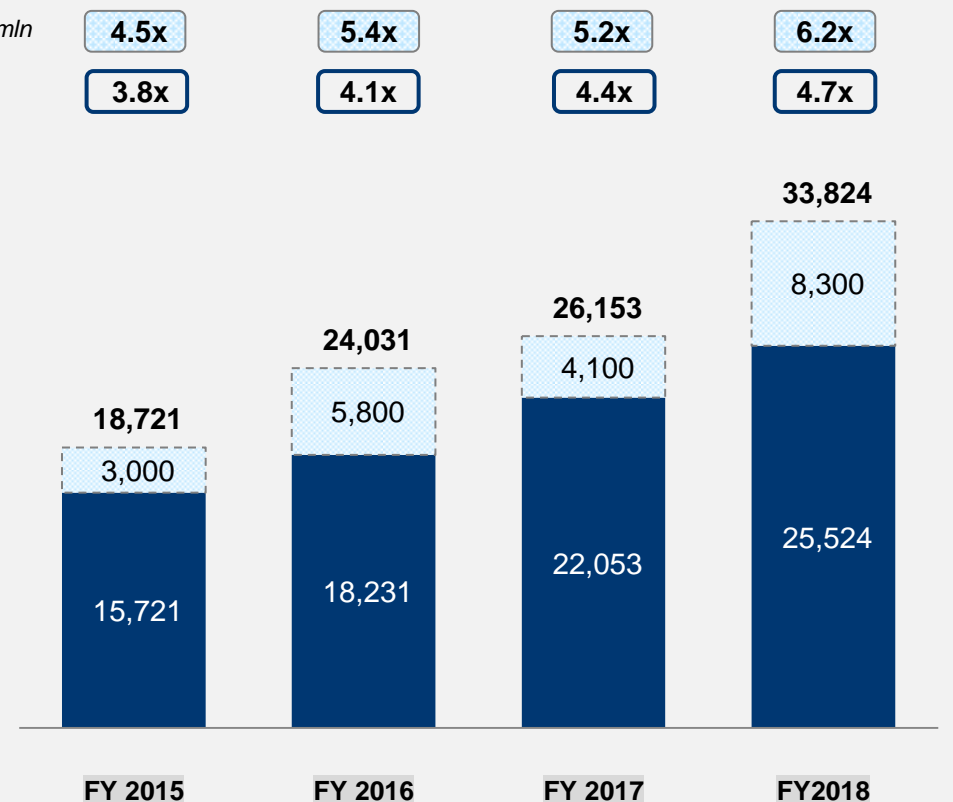
€ mln



□ Book to Bill (Order intake / Revenues) □ Soft backlog previous FY

Total backlog⁽¹⁾

€ mln



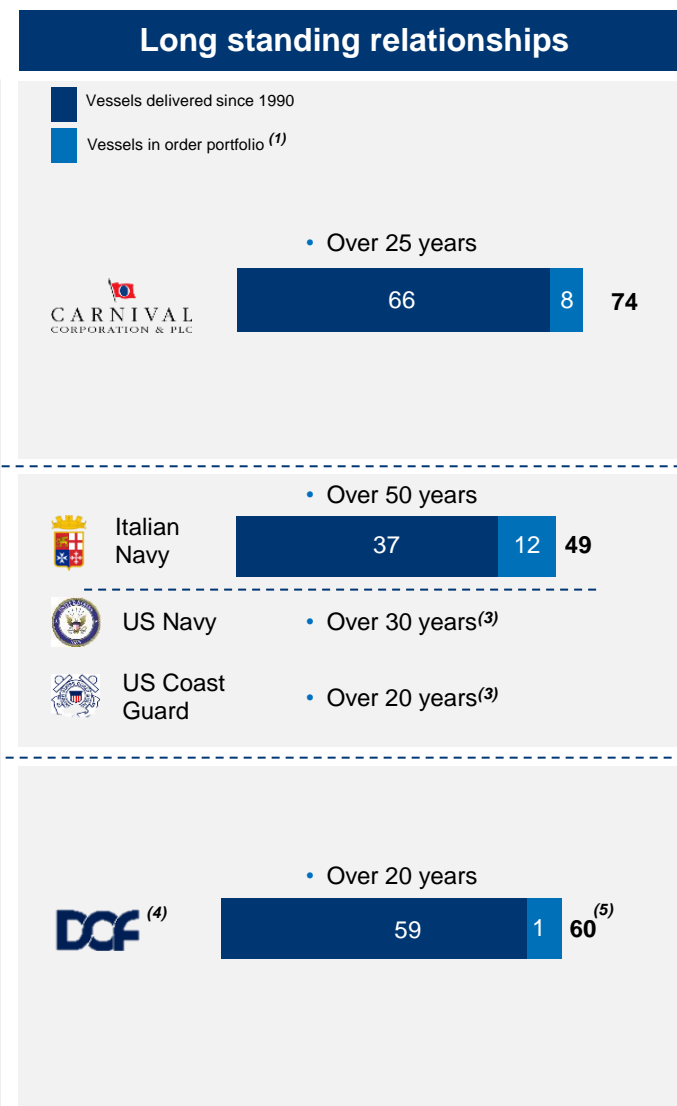
■ Backlog □ Soft backlog⁽²⁾ □ Backlog / Revenues □ Total backlog / Revenues

- Total backlog⁽¹⁾ at December 31, 2018 represents 6.2 years of work in relation to revenue generated in 2018 – Group's ability to finalize contracts under negotiation, contract options and commercial opportunities and to transform them into backlog

⁽¹⁾ Sum of backlog and soft backlog

⁽²⁾ Soft backlog represents the value of existing contract options and letters of intent as well as contracts in advanced negotiation, none of which yet reflected in the order backlog

Retention and diversification of client base



Source: Company information at 31.12.2018

⁽¹⁾ As of December 31, 2018

⁽²⁾ One cruise ship below 10,000 Gross Tons

⁽³⁾ Through Manitowoc Marine Group (now Fincantieri Marine Group)

⁽⁴⁾ DOF includes: DOF, DOF Subsea, Norskan Offshore, DOF Deepwater, Techdof Brasil and Dofcon Navegação

⁽⁵⁾ The last vessel in order portfolio has been delivered in early 2019

⁽⁶⁾ Ferry operator

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Technological leadership: unique technological and operational excellence

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A Global and flexible production network

- Global engineering and production network with 20 shipyards
- State-of-the-art facilities
- Flexible capacity



B High flexibility

- Highly customized products
- Flexible utilization of resources globally
- Tailored project set-up to meet client needs



C Superior system integrator capabilities

- Ability to coordinate a broad network of specialized suppliers (more than 3,000 just in Italy)
- Integrated production model
- Proven track record of on-time deliveries

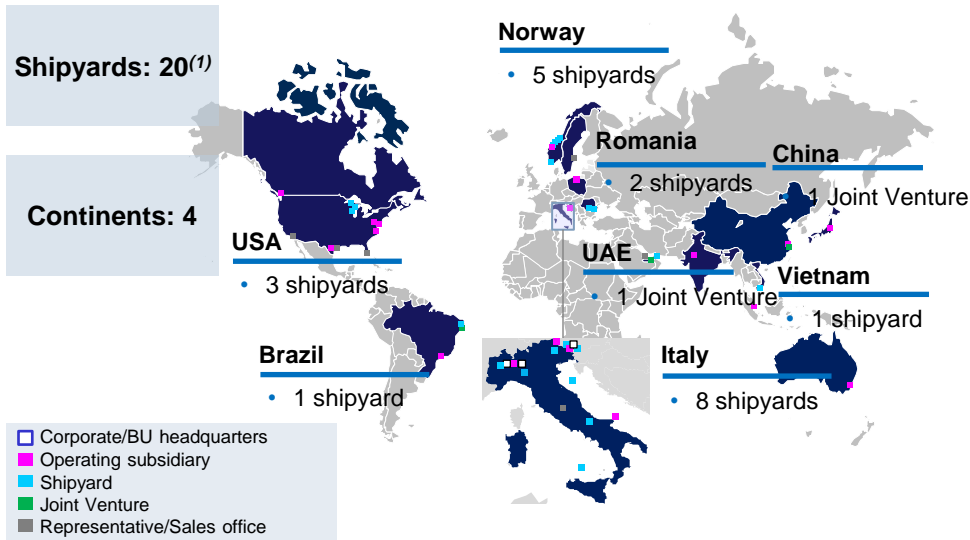


D Technological leadership

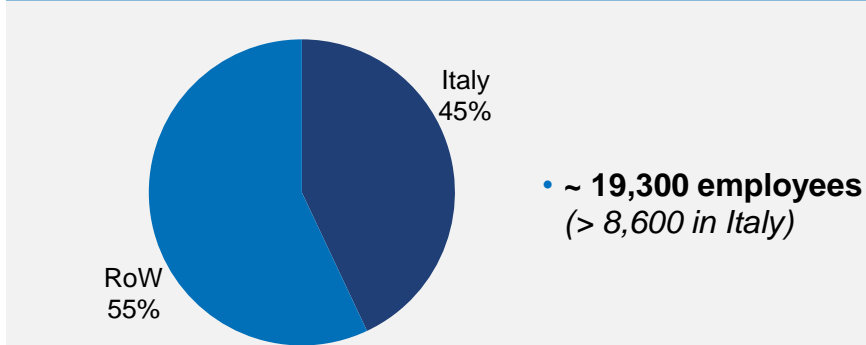
- Best-in-class know-how and leadership in high-end vessels
- Strong commitment to R&D
- Innovation across full product offering

A Global and flexible production network

Global presence to exploit local opportunities



Employees by location



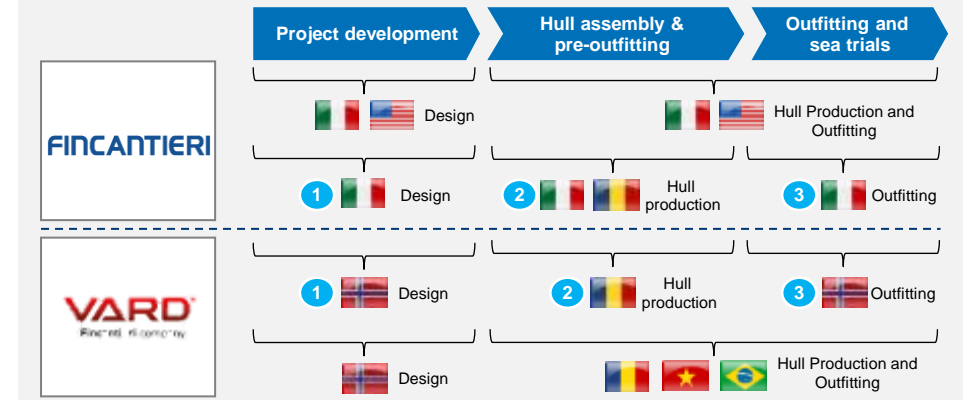
Source: Company information

(1) Excluding one shipyard through the joint venture in UAE with Al Fattan Shipyard Industry Est and Melara Middle East FZCO

Flexible engineering / production network



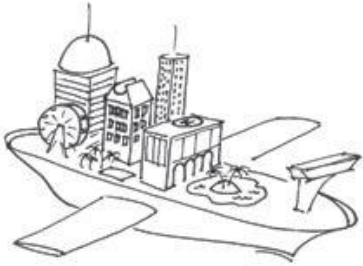
Supply chain



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B High flexibility

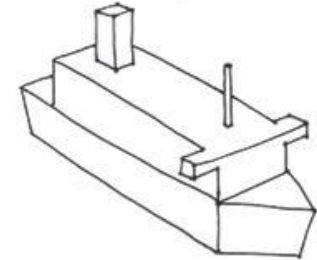
Owner's concept



DESIGN OF A CRUISE SHIP



Shipyard dream



Owner inputs

Guidelines e.g.:

- # of cabins / passengers
- Speed
- Operative profile
- ...

Basic design

- General arrangement plan
- Mid-ship section
- Ship specification
- ...

Functional design

- Keel design
- Static / Dynamic calculations
- Plants design
- Structure dimensioning
- Technical specifications for supply
- ...

Coordination and shop drawings

- Hull construction drawings
- Installation plans
- ...

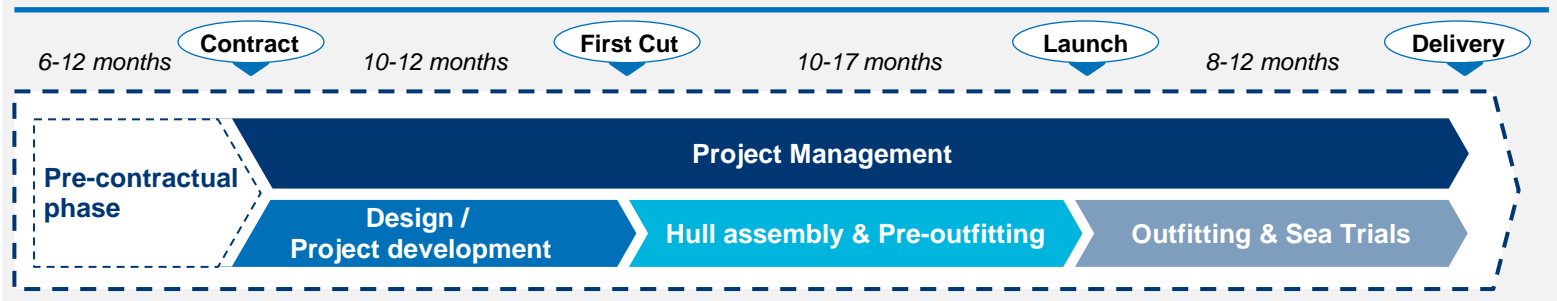
- Due date defined since order
- Any delay would significantly penalize the shipbuilder (e.g. penalties, reputation)

C Superior system integrator capabilities

“Prime / General contractor” role with:

- **Direct development of design & engineering** (starting from ship configuration in close cooperation with shipowner, ensuring high flexibility also during construction)
- **Project management of whole construction** (sole interface & coordinator of all parties involved interacting with suppliers for engineering and production)
- **Hull construction + integration of parts & components provided by suppliers** (active management of make-or-buy strategies)
- **Responsibility of project performance and results**

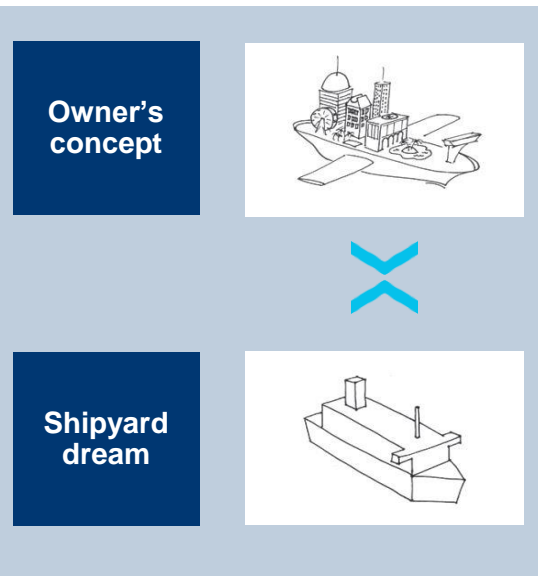
Example of a cruise ship



Engineering:
responsible of overall project

Hull:
direct construction
in Group shipyards

Outfitting:
integration & coordination in Group shipyards
of a large number of suppliers with dynamic
management of any modification



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D Technological leadership

Main achievements

- **Strong technological know-how and design skills:** ~100 prototypes in just over 15 years
- **R&D:**
 - ~90 projects ongoing
 - 2018 expenditure € 122 mln
 - Best-in-class R&D center (**CETENA**) in charge of developing new marine technologies across business units and for third parties

Example of innovative projects delivered / ongoing

Cruise



- *Carnival Vista*: **“ECO Notation”** by Lloyd's Register for exceeding environmental regulatory standards
- *Royal Princess*: **1st cruise ship fully compliant with new regulations**
- *Costa Luminosa* & *Costa Pacifica*: **Guinness World Record** for joint-christening of 2 cruise ships



Ferries



- *F.A. Gauthier*: **1st dual fuel (LNG-gasoil) ferry** in North America
- *Glutra*: **1st LNG ferry ever built**, delivered by VARD in 2000
- Contract for the first electric hybrid cruise icebreaker with **dual fuel propulsion, featuring high-capacity batteries and LNG storage** on board for Ponant



Naval



- *LCS Freedom*: **world's fastest steel frigate**
- *Aircraft Carrier Cavour*: **world's most powerful non-nuclear propulsion system**
- **More than 20 prototypes developed** over the last fifteen years



Offshore & Specialized Vessels



- *Normand Maximus*: **largest offshore vessel ever built in Norway**
- *Skandi Africa*: **"Ship of the Year 2015"⁽¹⁾**
- *AMC Connector*: **world's largest cable layer⁽²⁾**
- *Far Samson*: **most powerful offshore vessel⁽³⁾**



Mega-Yachts



- *Serene*: winner of **"World Superyacht Award 2012"** (134 m length)



Source: Company information

⁽¹⁾ Award instituted by the major Nordic shipping magazine *Skipsrevyen*

⁽²⁾ In terms of loading capacity (2011)

⁽³⁾ In terms of bollard pull at the date of construction (423 tonnes) (2009)

Section 2

Historical Financial Performance



Skandi Africa
DOF
Ship of the Year 2015

Overview of financial performance indicators⁽¹⁾

€ mln	FY 2015	FY 2016	FY 2017	FY 2018
Order intake	10,087	6,505	8,554	8,617
Total backlog	18,721	24,031	26,153	33,824
<i>Of which backlog</i>	<i>15,721</i>	<i>18,231</i>	<i>22,053</i>	<i>25,524</i>
<i>Of which soft backlog</i>	<i>3,000</i>	<i>5,800</i>	<i>4,100</i>	<i>8,300</i>
Revenues	4,183	4,429	5,020	5,474
EBITDA	(26)	267	341	414
<i>As a % of revenues</i>	<i>-0.6%</i>	<i>6.0%</i>	<i>6.8%</i>	<i>7.6%</i>
EBIT	(137)	157	221	277
<i>As a % of revenues</i>	<i>-3.3%</i>	<i>3.5%</i>	<i>4.4%</i>	<i>5.1%</i>
Adjusted profit/loss⁽²⁾	(252)	60	91	108
<i>Attributable to owners of the parent</i>	<i>(141)</i>	<i>66</i>	<i>95</i>	<i>111</i>
Net result for the period	(289)	14	53	69
<i>Attributable to owners of the parent</i>	<i>(175)</i>	<i>25</i>	<i>57</i>	<i>72</i>
Net fixed assets	1,453	1,590	1,743	1,703
Net working capital⁽³⁾	251	265	(120)	44
<i>Of which construction loans</i>	<i>(1,103)</i>	<i>(678)</i>	<i>(624)</i>	<i>(632)</i>
Equity	1,266	1,241	1,309	1,253
Net financial position <i>Net cash/ (Net debt)</i>	(438)	(615)	(314)	(494)
Employees	20,019	19,181	19,545	19,274

⁽¹⁾ With the aim to provide a meaningful index to measure the Group financial results, the Group adopts an EBITDA definition which normalizes the trend of results over time, and increases the level of comparability of the same results by excluding the impact of non recurring and extraordinary operating items; for the same reason, the Group also monitors Net Income before non recurring and extraordinary items (both operating and financials)

⁽²⁾ Excluding extraordinary and Non Recurring Items net of tax effect

⁽³⁾ Construction loans are accounted for in Net working capital, not Net financial position, as they are not general purpose loans and can be a source of financing only in connection with ship contracts



Revenues⁽¹⁾ and EBITDA^(1,2) by segment

	€ mln	FY 2015 ⁽³⁾	FY 2016	FY 2017 ⁽⁴⁾	FY 2018
Shipbuilding	Revenues	2,652	3,246	4,267	4,678
	Cruise	1,573	2,078	3,033	3,226
	Naval	1,056	1,156	1,212	1,434
	Other	23	12	22	18
	EBITDA	(34)	185	270	395
	EBITDA margin	-1.3%	5.7%	6.3%	8.5%
Offshore & Specialized Vessels	Revenues	1,199	960	676	681
	EBITDA	(3)	51	41	(20)
	EBITDA margin	-0.2%	5.3%	6.1%	-2.9%
Equipment, Systems & Services	Revenues	498	495	558	651
	EBITDA	42	62	64	73
	EBITDA margin	8.4%	12.5%	11.5%	11.2%
Consolidations / other activities	Revenues	(166)	(272)	(364)	(536)
	EBITDA	(31)	(31)	(34)	(34)
Total	Revenues	4,183	4,429	5,020	5,474
	EBITDA	(26)	267	341	414
	EBITDA margin	-0.6%	6.0%	6.8%	7.6%

(1) Breakdown calculated gross of consolidation effects

(2) EBITDA is a Non-GAAP Financial Measure. The Company defines EBITDA as profit/(loss) for the period before (i) income taxes, (ii) share of profit/(loss) from equity investments, (iii) income/expense from investments, (iv) finance costs, (v) finance income, (vi) depreciation and amortisation, (vii) extraordinary wages guarantee fund – Cassa Integrazione Guadagni Straordinaria, (viii) accruals to provision for corporate restructuring, (ix) accruals to provision for asbestos claims, (x) other non recurring items. EBITDA breakdown are referred only to operating segments

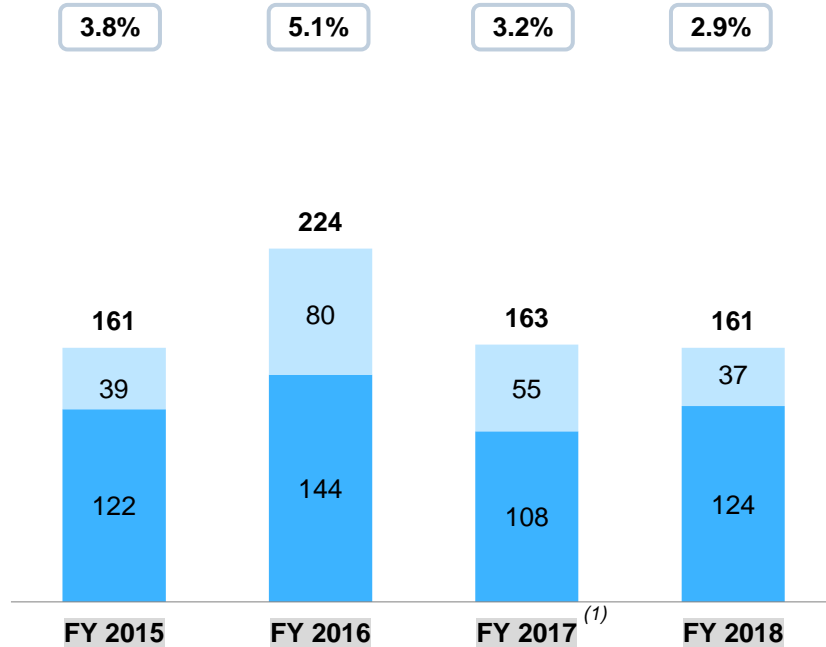
(3) For comparison purposes, 2015 figures are restated following the redefinition of operating segments. Following the operational reorganization carried out in November 2016, the repair & conversion services, cabins & public areas business, as well as integrated systems business, all previously included in the Shipbuilding segment, have been relocated to the Equipment, Systems & Services segment starting from FY 2016 results.

(4) Following the delisting of VARD and its operational reorganisation carried out in December 2018 with the aim of full integration with the Italian operations of the Group, cruise business activities of VARD, previously included in the Offshore segment, have been relocated to the Shipbuilding segment. The comparative FY 2017 figures have been restated accordingly. Contextually, the Offshore segment has been renamed Offshore & Specialized Vessels.

Capex

Capex evolution

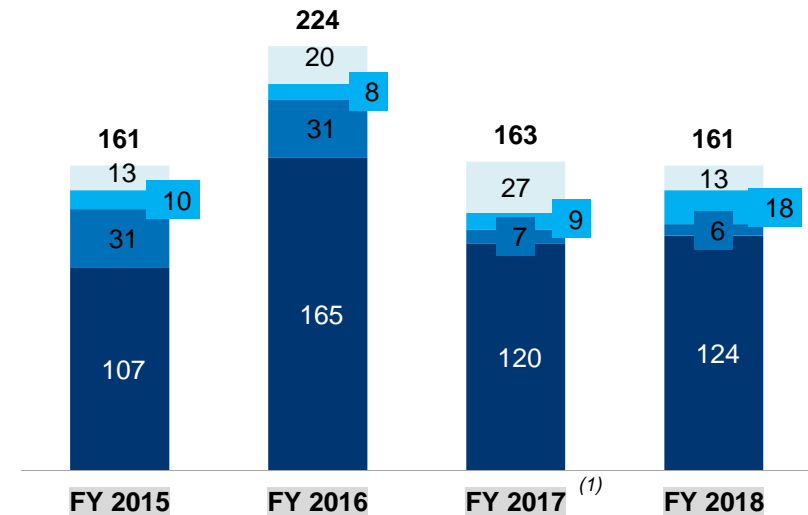
€ mln



Property, plant and equipment Intangible assets % of Revenues

Capex by segment

€ mln



Shipbuilding
Offshore and Specialized Vessels
Equipment, Systems & Services
Other activities

• 2018 Capex mainly related to:

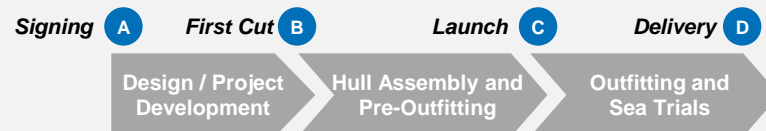
- Property, plant and equipment - aimed at supporting the development of production volumes and improving safety conditions and compliance with environmental regulations within the production sites
- Intangible assets – mainly related to the development of new technologies for cruise business and IT systems

⁽¹⁾ Comparative numbers of 2017 are shown restated following the integration of the business unit Cruise of VARD within the Shipbuilding segment (November 2018)

Working capital dynamics

Indicative payment terms

Main phases of the shipbuilding process⁽¹⁾

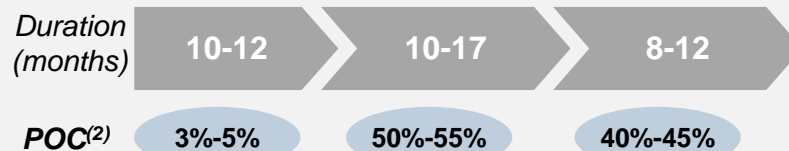


Impact on net working capital

Cruise



- 20% during construction
- 80% on delivery

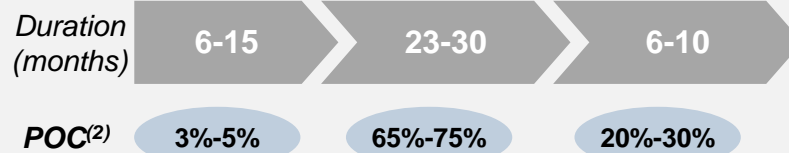


- Increases during construction
- Impact on net debt/construction loans

Naval⁽³⁾



- According to % of completion

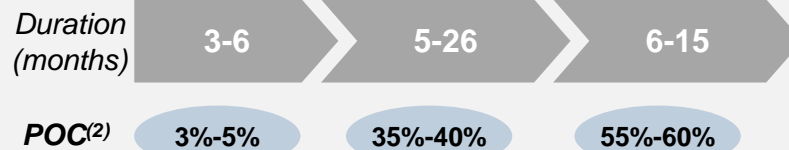


- Positive or neutral profile

Offshore & Specialized Vessels⁽³⁾



- 20% during construction
- 80% on delivery



- Increases during construction
- VARD generally uses construction loans (guaranteed by the ship as collateral)

⁽¹⁾ Phases and durations may be subject to changes depending on circumstances, regions and vessels specificity, production geographical area and type of construction

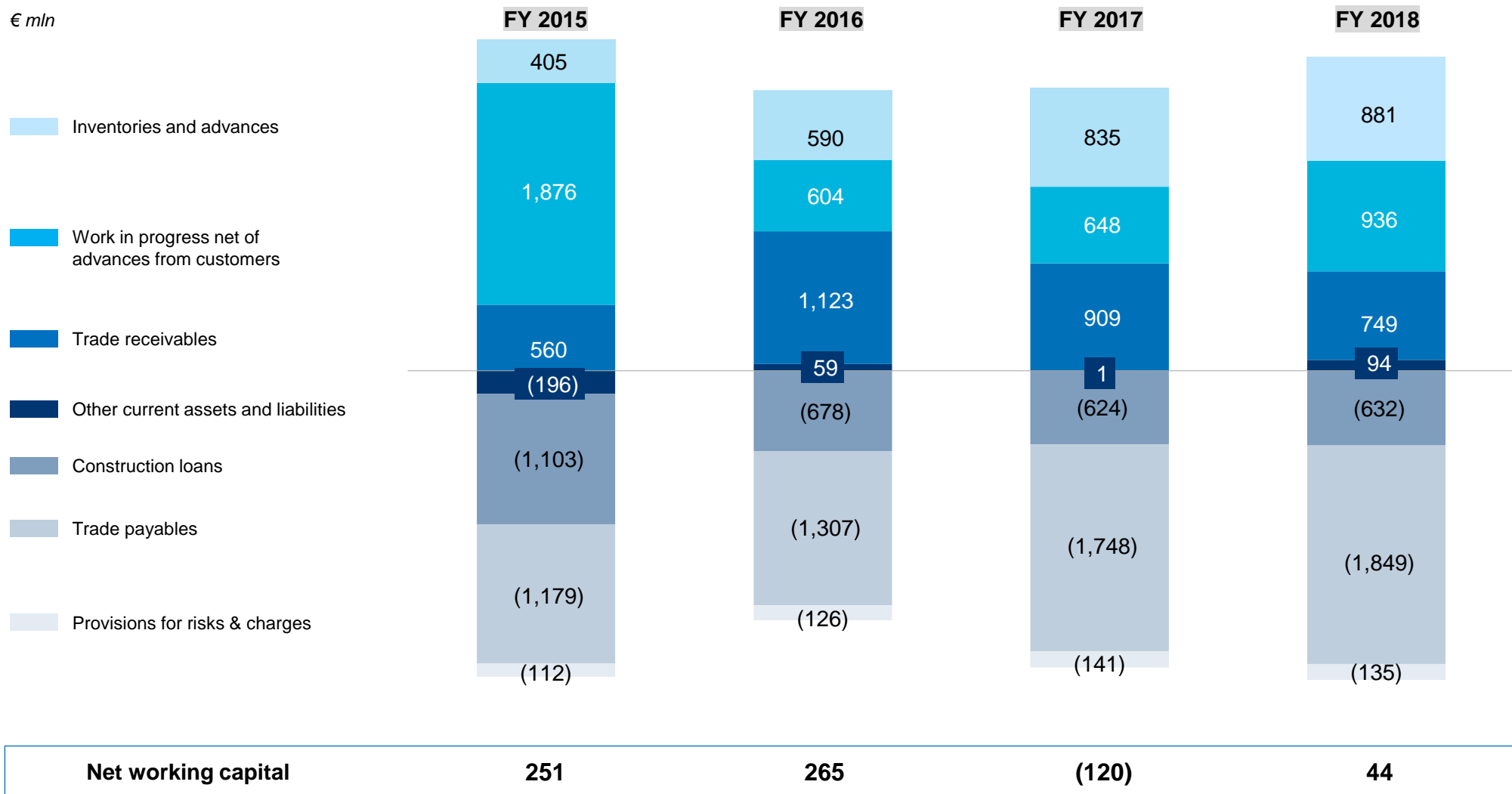
⁽²⁾ Percentage of Completion

⁽³⁾ Illustrative for frigates and support vessels

Net working capital⁽¹⁾

Breakdown by main components

€ mln

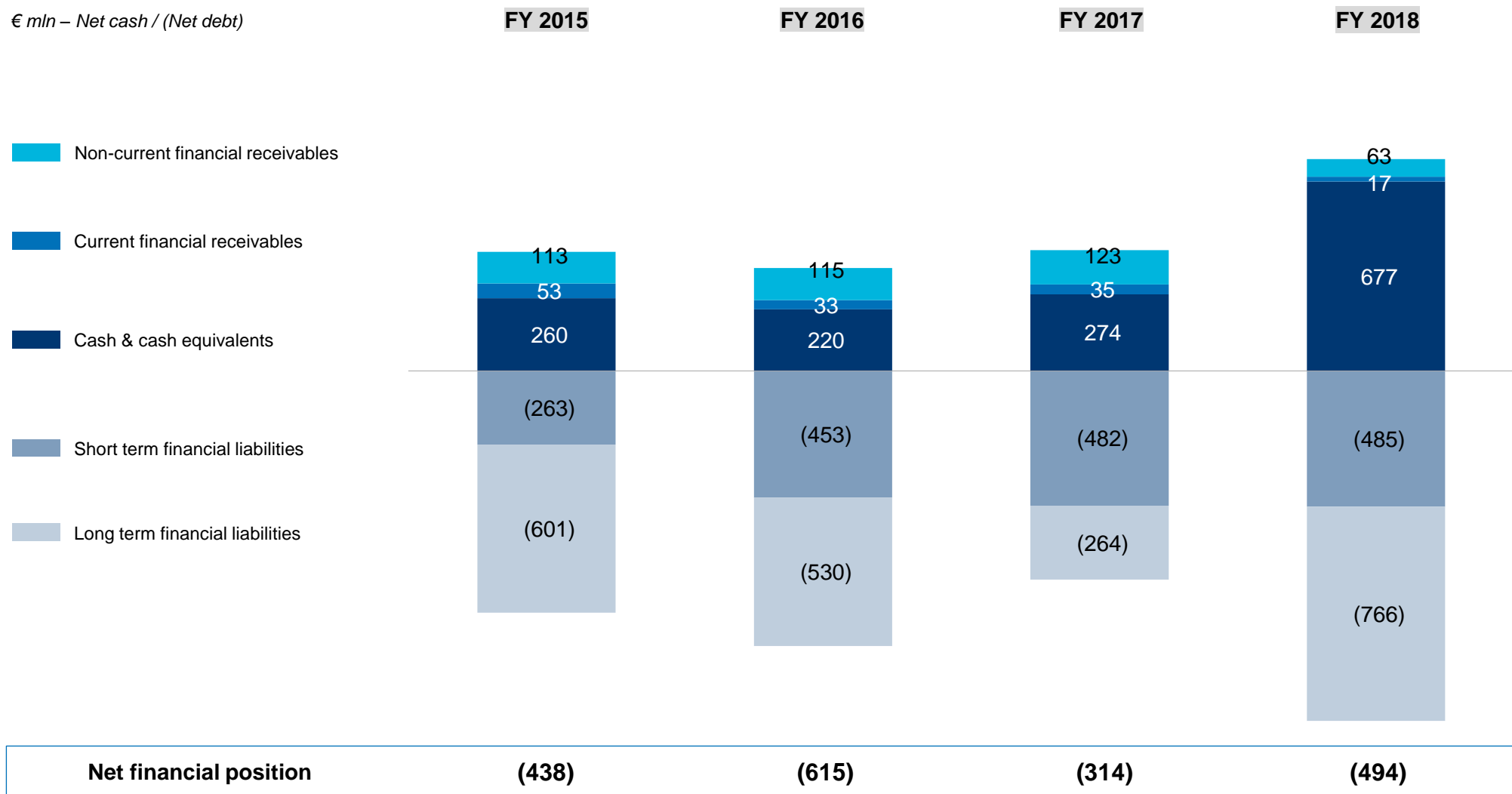


⁽¹⁾ Construction loans are committed working capital financing facilities, treated as part of Net working capital, not in Net financial position, as they are not general purpose loans and can be a source of financing only in connection with ship contracts

Net financial position⁽¹⁾

Breakdown by main components

€ mln – Net cash / (Net debt)



(1) Net financial position does not account for construction loans as they are not general purpose loans and can be a source of financing only in connection with ship contracts

Profit & Loss and Cash flow statement

Profit & Loss statement (€ mln)	FY 2015	FY 2016	FY 2017	FY 2018
Revenues	4,183	4,429	5,020	5,474
Materials, services and other costs	(3,337)	(3,291)	(3,742)	(4,089)
Personnel costs	(865)	(846)	(909)	(946)
Provisions	(7)	(25)	(28)	(25)
EBITDA	(26)	267	341	414
Depreciation, amortization and impairment	(111)	(110)	(120)	(137)
EBIT	(137)	157	221	277
Finance income / (expense) ⁽¹⁾	(135)	(66)	(83)	(104)
Income / (expense) from investments	(3)	(10)	(5)	(1)
Income taxes ⁽²⁾	23	(21)	(42)	(64)
Net result before extraordinary and non recurring items	(252)	60	91	108
<i>Attributable to owners of the parent</i>	<i>(141)</i>	<i>66</i>	<i>95</i>	<i>111</i>
Extraordinary and non recurring items ⁽³⁾	(50)	(59)	(49)	(51)
Tax effect on extraordinary and non recurring items	13	13	11	12
Net result for the year	(289)	14	53	69
<i>Attributable to owners of the parent</i>	<i>(175)</i>	<i>25</i>	<i>57</i>	<i>72</i>
Cash flow statement (€ mln)	FY 2015	FY 2016	FY 2017	FY 2018
Beginning cash balance	552	260	220	274
Cash flow from operating activities	(287)	73	532	30
Cash flow from investing activities	(172)	(237)	(168)	(163)
Cash flow from financing activities	167	115	(299)	535
Net cash flow for the period	(292)	(49)	65	402
Exchange rate differences on beginning cash balance	-	9	(11)	1
Ending cash balance	260	220	274	677

(1) Includes interest expense on construction loans for € 24 mln in 2013, € 26 mln in 2014, € 36 mln in 2015, € 34 mln in 2016, € 26 mln in FY 2017 and € 25 mln in FY 2018

(2) Excluding tax effect on extraordinary and non recurring items

(3) Extraordinary and non recurring items gross of tax effect

Net result before extraordinary and non recurring items⁽¹⁾

€ mln	FY 2015	FY 2016	FY 2017	FY 2018
A Net result before extraordinary and non recurring items ⁽¹⁾	(252)	60	91	108
<i>Attributable to owners of the parent</i>	(141)	66	95	111
B Extraordinary and non recurring items gross of tax effect	(50)	(59)	(49)	(51)
– <i>Of which extraordinary wages</i>	(3)	(1)	-	-
– <i>Of which restructuring and other non-recurring personnel costs</i>	(17)	(12)	(4)	(5)
– <i>Of which asbestos claims</i>	(30)	(27)	(39)	(37)
– <i>Of which other litigation</i>	-	-	-	(2)
– <i>Of which other non recurring items</i>	-	(19) ⁽²⁾	(6)	(11)
– <i>Of which non recurring financial (costs) / income</i>	-	-	-	4
Tax effect on extraordinary and non recurring items	13	13	11	12
C Net result	(289)	14	53	69
A + B + C <i>Attributable to owners of the parent</i>	(175)	25	57	72

- **Extraordinary wages** - costs related to CIG (Cassa Integrazione Guadagni) for employees in temporary layoff
- **Restructuring costs** - extraordinary costs, such as severance, related to workforce reduction under the Reorganization Plan in Italy and 2018 Vard's restructuring
- **Asbestos claims** - provisions or costs for asbestos related to claims by employees
- **Other non recurring items** - in 2018 other costs linked to non-recurring operations
- **Non recurring financial (costs)/income** - income from sale of a shareholding in 2018

⁽¹⁾ Extraordinary and non recurring items net of tax effect

⁽²⁾ Extraordinary charges related to a provision for an ongoing litigation with a Mega Yacht owner

Balance sheet

Balance sheet (€ mln)	FY 2015	FY 2016	FY 2017	FY 2018
Intangible assets	518	595	582	618
Property, plant and equipment	974	1,064	1,045	1,074
Investments	62	58	53	60
Other non-current assets and liabilities	(44)	(69)	122	8
Employee benefits	(57)	(58)	(59)	(57)
Net fixed assets	1,453	1,590	1,743	1,703
Inventories and advances	405	590	835	881
Construction contracts and advances from customers	1,876	604	648	936
Construction loans	(1,103)	(678)	(624)	(632)
Trade receivables	560	1,123	909	749
Trade payables	(1,179)	(1,307)	(1,748)	(1,849)
Provisions for risks and charges	(112)	(126)	(141)	(135)
Other current assets and liabilities	(196)	59	1	94
Net working capital	251	265	(120)	44
Assets held for sale including related liabilities	-	1	-	-
Net invested capital	1,704	1,856	1,623	1,747
<i>Equity attributable to Group</i>	<i>1,137</i>	<i>1,086</i>	<i>1,237</i>	<i>1,227</i>
<i>Non-controlling interests in equity</i>	<i>129</i>	<i>155</i>	<i>72</i>	<i>26</i>
Equity	1,266	1,241	1,309	1,253
Cash and cash equivalents	(260)	(220)	(274)	(677)
Current financial receivables	(53)	(33)	(35)	(17)
Non-current financial receivables	(113)	(115)	(123)	(63)
Short term financial liabilities	263	453	482	485
Long term financial liabilities	601	530	264	766
Net debt / (Net cash)	438	615	314	494
Sources of financing	1,704	1,856	1,623	1,747

Section 3

Business Overview and Market Dynamics



Variable Pitch Propeller
Horizon class frigates
Italian Navy

Business Overview and Market Dynamics

1 Shipbuilding

- 1.1 Cruise ships
- 1.2 Naval vessels
- 1.3 Other shipbuilding – Mega Yachts
- 1.3 Other shipbuilding – Ferries



2 Offshore & Specialized Vessels



3 Equipment, Systems and Services

1.1 Shipbuilding – Cruise

Products

Luxury / Niche⁽¹⁾



- Cruise ships (10 – 60,000 Gross Tonnage) expressly designed for exclusive cruises operated on less popular routes (e.g. high cultural / environmental value) and for niche markets (e.g. expedition cruise)

Upper Premium



- Cruise ships (40 – 90,000 Gross Tonnage and 750 – 1,500 passengers) dedicated to destination-oriented cruises with upscale on board service on route / destinations out of reach for premium / contemporary ships

Premium



- Large cruise ships (90 – 180,000 Gross Tonnage and 1,500 – 4,300 passengers) dedicated to a wide range of cruise routes with higher on board standards and services than contemporary ships

Contemporary



- Largest cruise ships (over 130,000 Gross Tonnage and over 3,600 passengers) for mainstream cruises with standard routes and on board features representing the destination itself

Target Market / Positioning

- Worldwide cruise ships market
- Global leader with presence in all cruise market segments and the most diversified client portfolio
- Main supplier of “Carnival Corporation & plc”, leading ship owner in the cruise sector
- Well established technological and project management capabilities

Client Portfolio

Luxury / Niche



Premium



Upper premium



Contemporary



Shipyards

Italy:

- Monfalcone
- Sestri Ponente
- Marghera
- Ancona

Norway:

- Langsten
- Søviknes

Romania:






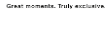































- Tulcea
- Braila

⁽¹⁾ Terminology used in the cruise sector to indicate cruises with niche characteristics (e.g. arctic destinations, coastal routes, regional routes)

⁽²⁾ One cruise ship below 10,000 Gross Tons

Shipbuilding – Cruise: selected cruise operators overview

✓ Fincantieri & VARD clients
 ■ New entrants

		Multibrand					Monobrand			
Operators		Carnival	Royal Caribbean	TUI AG	Norwegian Cruise Line Holding	Genting Hong Kong	MSC	Viking Cruises	Ponant	Virgin Voyages
Segment	Luxury / Niche	 ✓ 	 ✓ (1) 	 ✓ 	 ✓ 	 ✓ 	 ✓ 	 ✓ 	 ✓ 	
	Upper Premium				 ✓ 					
	Premium	 ✓  ✓  ✓  ✓		 ✓ (2) 						 ✓ 
	Contemporary	 ✓  ✓  ✓ 					 ✓ 			 ✓ 

Source: Annual reports, company information, GP Wild, specialized press, Fincantieri analysis

(1) Royal Caribbean Cruises purchased a 66.7% equity stake in Silversea Cruises in July 2018

(2) TUI Cruises is a 50:50 joint venture between TUI AG and Royal Caribbean Cruises Ltd

(3) 49% RCL; 51% Springwater Capital

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Shipbuilding – Cruise: steady long-term passenger growth

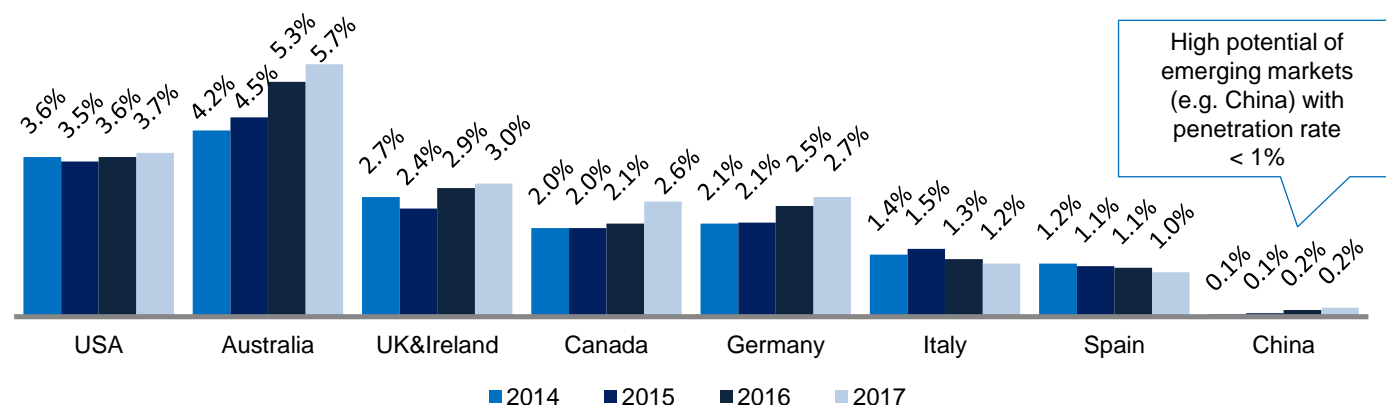
Dynamics of cruise market

- The cruise industry has proven to be remarkably resilient, having continued to grow throughout the 2008-2010 economic crisis
- Cruise tourists on total tourists at only 2% and growing
- Cruise penetration (cruise passengers on national population) is still very low: at a mere 5.7%, Australia has the highest penetration in the world
- CLIA⁽¹⁾ forecasts 30.0 mln people around the world will take seagoing vacations in 2019 (+6.4% compared to 2018)
- In view of the positive market outlook of the leisure industry and of the **increasing penetration of the cruise sector**, the latter is expected to **significantly grow in the future**, in particular **thanks to the development of some emerging markets: China and Australia**

Dynamics of global tourism and cruise passengers



Key source market penetration rate development

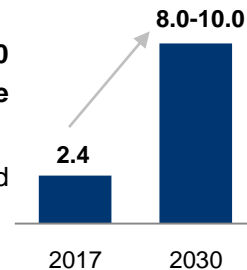


Shipbuilding – Cruise: China and Australia high potential markets



China

- According to CLIA, in 2016 China moved up to become the **second largest source market for cruising, with 2.1 mln passengers**, edging out Germany, and confirming this position in **2017 with 2.4 mln passengers**.⁽¹⁾
- Chinese Ministry of Transport forecast **4.5 mln of cruise passengers in 2020** and **8-10 mln in 2030, target that could be reached in 2026 according to the CSSC Chairman**
- Fincantieri and China State Shipbuilding Corporation have established a **JV aimed at developing and supporting the growth of the Chinese cruise industry**
 - **First mover advantage in a high potential market**
 - **Intellectual property protection guarantee**
 - **No execution risks**
 - **Growing stream of revenues in the future**



Australia

- In **2017 reached 1.3 mln cruise passengers**⁽²⁾ continuing a thirteen-years run of strong double digit growth
- The highest market penetration rate in the world, with the equivalent of 5.7 per cent of Australians taking an ocean cruise in 2017

⁽¹⁾ Source: CLIA - Asia Cruise Trends 2018

⁽²⁾ Source: CLIA Australasia - Cruise Industry Ocean Source Market Report Australia 2017

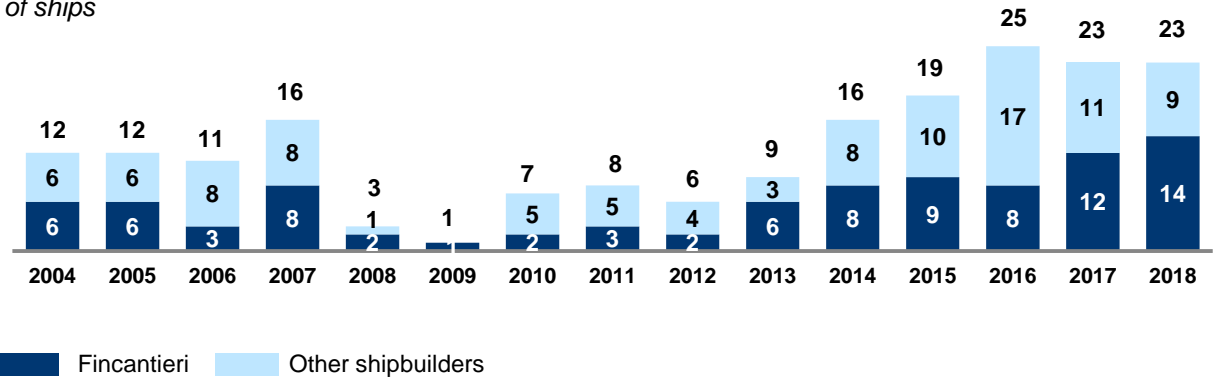
Shipbuilding – Cruise: from buyer's market to builder's market

Cruise ships demand

- After a long period of high and constant level of orders characterized by a substantial balance between demand and production capacity of European yards, **in 2008 the economic crisis caused a sudden and severe demand drop**
- Due to the investment programs' cuts and the complete freeze of the credit market, **in 2008-2009 only 4 ships were ordered causing progressive workload reduction**
- **2010-2013 was still a very challenging period** characterized by:
 - **ship-owners reluctance to order** which caused shipbuilders to accept orders at challenging prices
 - **introduction of new safety regulations**, which make obsolete the previously developed projects, forcing shipyards to offer several prototypes, with substantial technological breakthrough and operational complexity

Cruise ship orders

of ships



2014 - today: from «Buyer's Market» to «Builder's Market»

- **Recovery in demand for cruises and increase of cruise prices in the "traditional" market** in relation to the improvement of the US and European economic situation
- **Opening of new cruise markets** (e.g. China and Australia): major players decided to invest heavily in these markets, **to get first mover advantages**
- **Replacement of vessels built in the years 1990-2000**, now obsolete and less attractive for the final customers
- **Entry of new cruise operators with strategic and innovative approaches**, aiming to differentiate from competitors, delivering a new type of cruise experience to specific target customers
- **Production capacity already filled through 2022: no slots available before 2023/2024**
- For the shipyards, **balanced ratio of prototypes vs sister ships**

Shipbuilding – Cruise: market clustering trends

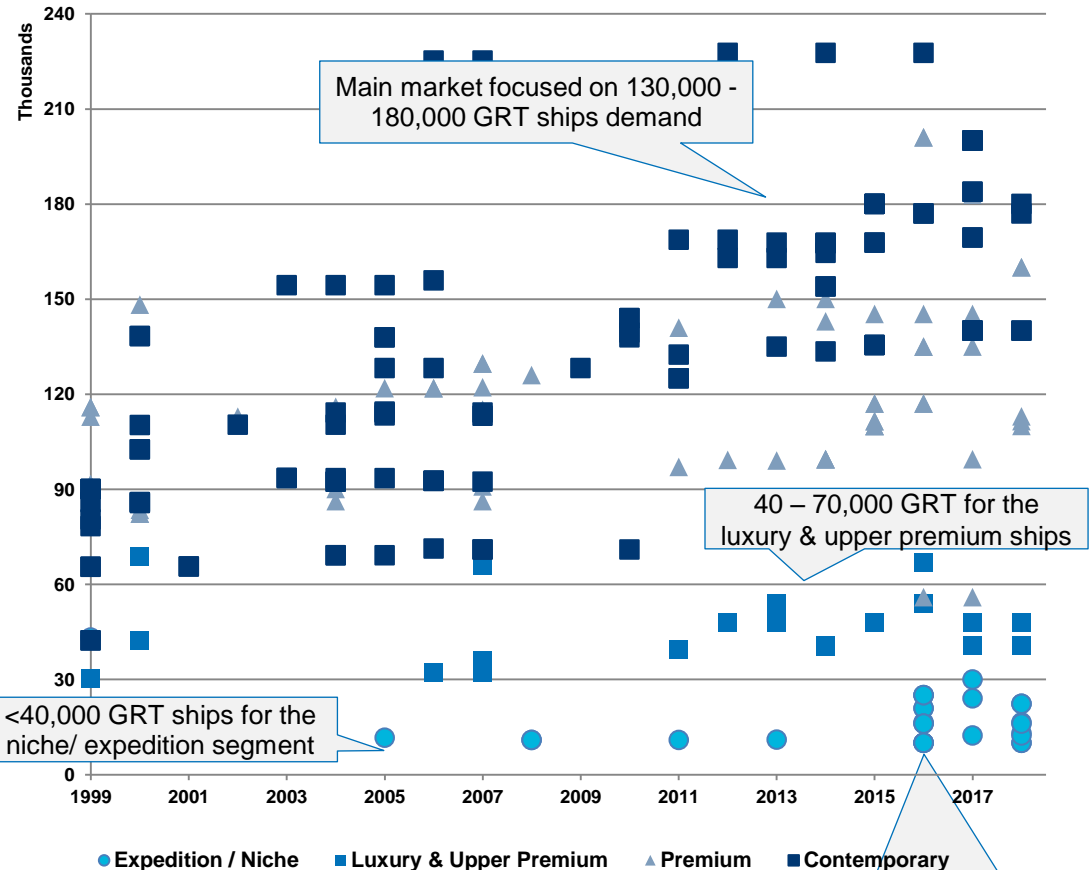
Description

Trend by ship type

- **Clustering of ship sizes towards:**
 - Large ships (>130,000 GRT) for premium and contemporary segments, focused on broadening of on-board entertainment
 - Medium-small size ships (<70,000 GRT) for luxury, niche and upper premium segments
- **Evolution of service to clients:**
 - Higher passenger expectations for on board entertainment
 - Enrichment of “wow” features ("ship as a destination")
 - New premium with fee services (e.g. food, SPA and wellness)
- **Higher technological complexity due to:**
 - New safety rules (Safe Return to Port)
 - New strict environmental rules

Market clustering trends

Size (GRT)










From 2012 to 2018 Fincantieri & VARD acquired 30 out of a total of 42 orders for luxury, upper premium and niche segments

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Shipbuilding – Cruise: competitive positioning

Competitors overview

	<div>   </div>	<div>  </div>	<div>  </div>	<div>  </div>	<div>   </div>
# of dedicated shipyards	8 ⁽¹⁾	<div>Flexible operations</div> 1	1	1	3 newbuilding + 1 repair & outfit
Ships in orderbook ⁽²⁾	40 ⁽³⁾	10	12	8	6
Product offering	<ul style="list-style-type: none"> Luxury / Niche Upper premium Premium Contemporary <div>Widest product portfolio</div>	<ul style="list-style-type: none"> Premium Contemporary 	<ul style="list-style-type: none"> Premium Contemporary 	<ul style="list-style-type: none"> Premium Contemporary 	<ul style="list-style-type: none"> Contemporary Luxury / Niche

Cruise shipbuilding segment is strongly dominated by European players with occasional presence of other shipbuilders

Fincantieri is the world leader with a solid track record of 87 delivered cruise ships since 1990 (at December 31, 2018)

Source: company information, Fincantieri analysis
 (1) Including 4 VARD shipyards reporting into the Cruise business unit: Langsten, Søviknes, Tulcea and Braila
 (2) At December 31, 2018
 (3) Excluding 1 cruise ship below 10.000 Gross Tons.



1.2 Shipbuilding – Naval

Products

Aircraft carriers



- Air operations, air power projection and dual use operations for disaster relief

Destroyers



- Other ships defense in multi threats environments

Frigates



- Multi-mission vessels with anti-surface and anti-submarine warfare

Corvettes



- Fast vessel for coastal defense, sea patrol, search and rescue

Patrol vessels



- Littoral missions, sea patrol, search and rescue, anti pollution and fishery control

Submarines



- AIP⁽¹⁾ unit for surveillance and open sea operations

Target Market / Positioning

- Sole supplier of the Italian Navy⁽²⁾ and one of the major mid-sized vessel suppliers of US Navy and US Coast
- Pursuing opportunities in foreign accessible markets
- Signed ~ € 4.0 bln program with Qatar Emiri Naval Forces

Client Portfolio

 ITALIAN NAVY	 ITALIAN COAST GUARD	 US NAVY	 US COAST GUARD
 QATAR EMIRI NAVAL FORCES	 UAE NAVY	 IRAQI NAVY	 INDIAN NAVY
 PERUVIAN NAVY	 TURKISH COAST GUARD	 ALGERIA NAVY	 BANGLADESH COAST GUARD
 KENYA NAVY	 ARMED FORCES OF MALTA	 SAUDI ARABIA NAVY	

Shipyards

Italy

- Riva Trigoso - Muggiano

USA

- Marinette
- Green Bay
- Sturgeon Bay⁽³⁾

(1) Air independent propulsion
(2) For all the large ships and excluding minesweepers and small ships below 45 m in length
(3) Focused on the construction of offshore support and other specialized ships

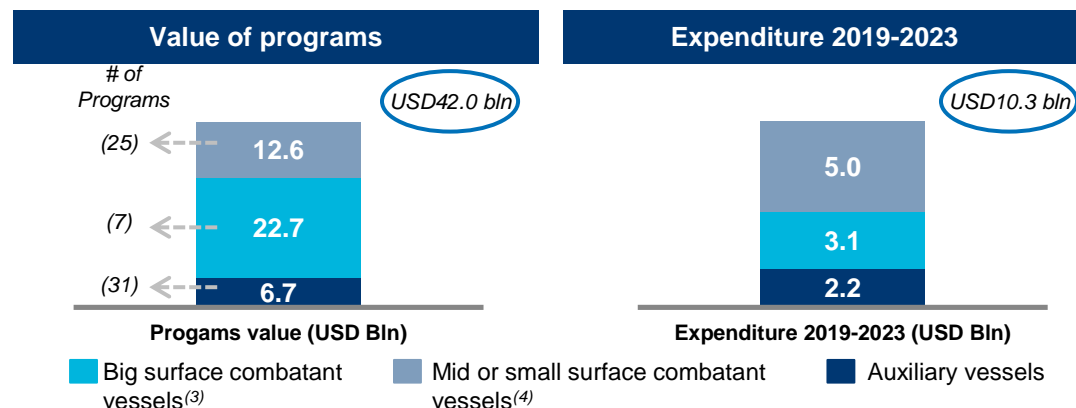
Shipbuilding – Naval: market opportunities

Description

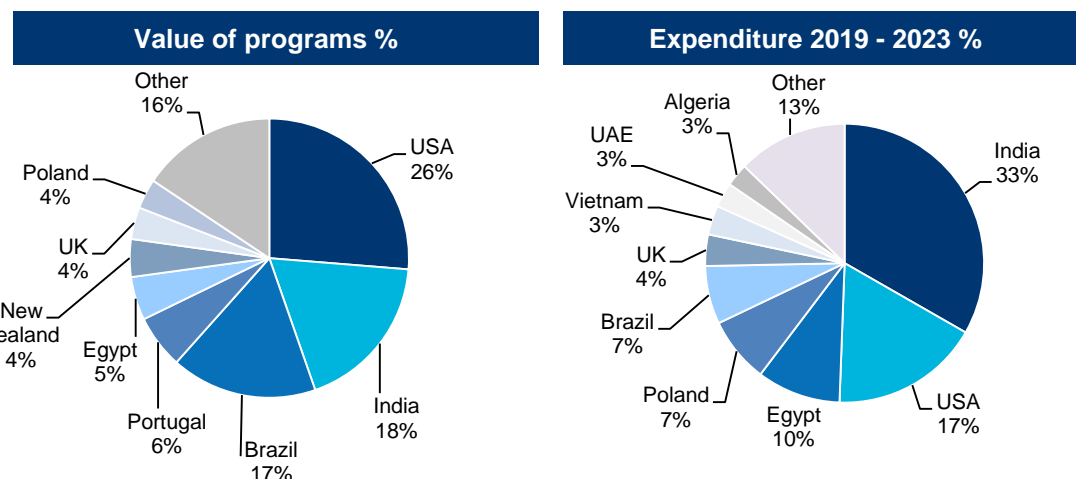
Fincantieri's accessible export markets⁽¹⁾

- The value of high-likelihood programs⁽²⁾, with expected allocation date in the 2019-2023 period, amounts to approx. USD42.0 billion
- In the 2019-2023 period **these programs should generate a commitment to expenditures approaching USD10.3 billion**
- **8 countries make for 84% of the orders:** USA, India, Brazil, Portugal, Egypt, New Zealand, UK, Poland.
- The main programs expected to be assigned in 2019-2023 include:
 - USA: LCS, FFG (X) Future Frigates, Icebreakers
 - India: Corvette (Next Generation Missile Corvettes. GC, batch 2 Kamorta class corvettes-Project 28), Future OPV
 - Brazil: Future General Purpose Frigate, OPV NPa 500-BR
 - Portugal: Future Frigate
 - Egypt: Future Frigate
 - New Zealand: Ice strengthen OPV, Future Frigate, Logistic support ship MRV Canterbury
 - UK: MARS Solid-Support Ship (support ship/replenishment)
 - Poland: Coastal patrol (Czapla), Corvettes (Miecznik), AOR Supply, AGS Future Hydrograf

Programs value and expenditure



Programs value, expenditure and number of units



Source: IHJ Military Ships Forecast Market as of 25th March 2019, Fincantieri analysis

(1) Excluding submarines, minehunters and programs of self-sufficient / non accessible countries

(2) High likelihood programs are considered to be those with a probability of actual deployment greater than or equal to 75%. This percentage represents the chance that a program has of successfully achieving its programmatic objective. Impediments could be: a low funding priority; performance or configuration/technical issues, schedule or political problems.

(3) Including aircraft carriers, destroyers and frigates

(4) Including patrol vessels and corvettes

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Shipbuilding – Naval: key programs of the Italian Navy

Fleet renewal program

- Multi-year program known as the "Defence Act" that will employ a total funding of € 5.4 bln
- Orders for a total of 9 new generation multi-purpose vessels already placed with the consortium consisting of Fincantieri, agent, and Leonardo, principal, for € 5.4 bln (Fincantieri share ~ € 3.6 bln)
 - 7 multi-purpose offshore patrol vessels (PPA - Pattugliatore Polivalente d'Altura) with 3 more in option, scheduled for delivery in 2021, 2022, 2023, 2024 (two units), 2025 and 2026
 - 1 Logistic Support Ship (LSS)
 - 1 multi-purpose amphibious unit (LHD - Landing Helicopter Dock), scheduled for delivery in 2022
- In addition, Fincantieri will provide **support over the lifecycle of the vessels**, through the supply of logistic services during the construction and of ISS or In Service Support, during post-delivery operations, as well as components and naval machinery
- The fleet renewal is the **first significant shipbuilding program** since 2006 and will have **potential for export to other accessible markets**



Other programs

- FREMM program
 - Program launched in 2005 sponsored jointly by the French and Italian governments to design and build the European Multipurpose Frigate
 - Naval Group manufactures for the French government, while Fincantieri manufactures for the Italian government and the two companies cooperate on the design
 - The program provides for the **construction of ten vessels** for the Italian Navy and is completed with the acquisition in 2015 of the **orders for the last two vessels, to be delivered after 2020**
- U212A submarines
 - Program launched in the nineties as part of an **Italian-German governmental cooperation that has led to the construction of four U212A submarines** with similar features for the Italian Navy (in two batches) and four for the German Navy
 - **Fincantieri delivered in July 2016 the third submarine** to the Italian Navy and **the fourth in May 2017**



Source: Company information

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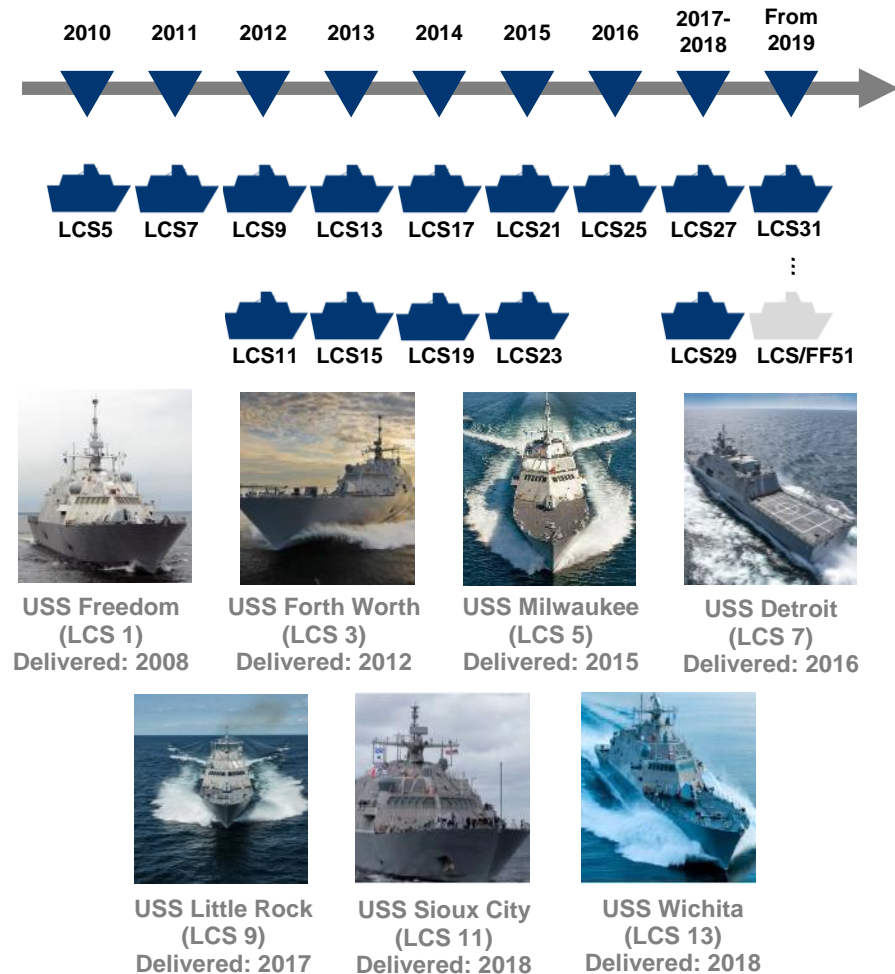
Shipbuilding – Naval: key programs of the US Navy

Description

- In 2009, Fincantieri together with Lockheed Martin Corporation (as minority investor) acquired for ~ USD 120 mln the marine business unit of the Manitowoc Company, Inc. (renamed Fincantieri Marine Group)
 - ~ USD 100 mln invested for the facility upgrade making the acquired shipyard among the best ones in the USA for the construction of mid-sized vessels
 - Recognized contribution to the enhancement of local know how and authorization by DSS to operate the yard with company's own staff
- In 2010 Fincantieri was awarded with the contract for the construction of up to 10 units of Freedom class of the Littoral Combat Ship program⁽¹⁾
 - First multi-purposes vessels : vessels capable of serving three missions with interchangeable modules within one day
 - Highly technological and efficient vessels allowing substantial operating costs reduction matching the declared effort of the US Navy to increase efficiency of the fleet
- In 2018 Fincantieri was awarded a contract to build LCS 29, followed by a contract for LCS 31 in early 2019
- Fincantieri was awarded a USD 15 mln contract to develop the study of a customized version of its FREMM project for the FFG (X) program (future generation multi-role frigates)
- To adapt and make the FREMM version compliant with US design standards, Marinette Marine collaborates with Gibbs & Cox and Trident Maritime Systems. In case of award, the ships would be built at Fincantieri's US shipyards
- The program involves the construction of 20 ships for an average value of about USD 950 mln per ship

LCS program⁽²⁾

Orders of "Freedom" class built by Fincantieri



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Shipbuilding – Naval: contract with Qatari Ministry of Defence

- In June 2016 Fincantieri and the Qatari Ministry of Defence have signed a contract for the construction of **seven new generation units (surface vessels)** included in the national naval acquisition programme of the Qatar Emiri Naval Forces:
 - **Four corvettes** of over 100 meters in length
 - **One amphibious vessel** (LPD - Landing Platform Dock)
 - **Two patrol vessels** (OPV - Offshore Patrol Vessel)
 - **Support services** in Qatar for further 15 years after the delivery of the vessels
- All the units will be entirely built in Fincantieri Italian shipyards starting from 2018
- **Value for Fincantieri close to € 4.0 bln**
- In June 2018 the **steel cutting ceremony of the first Doha Class corvette** took place, followed in January 2019 by the **steel cutting ceremony of the first OPV**

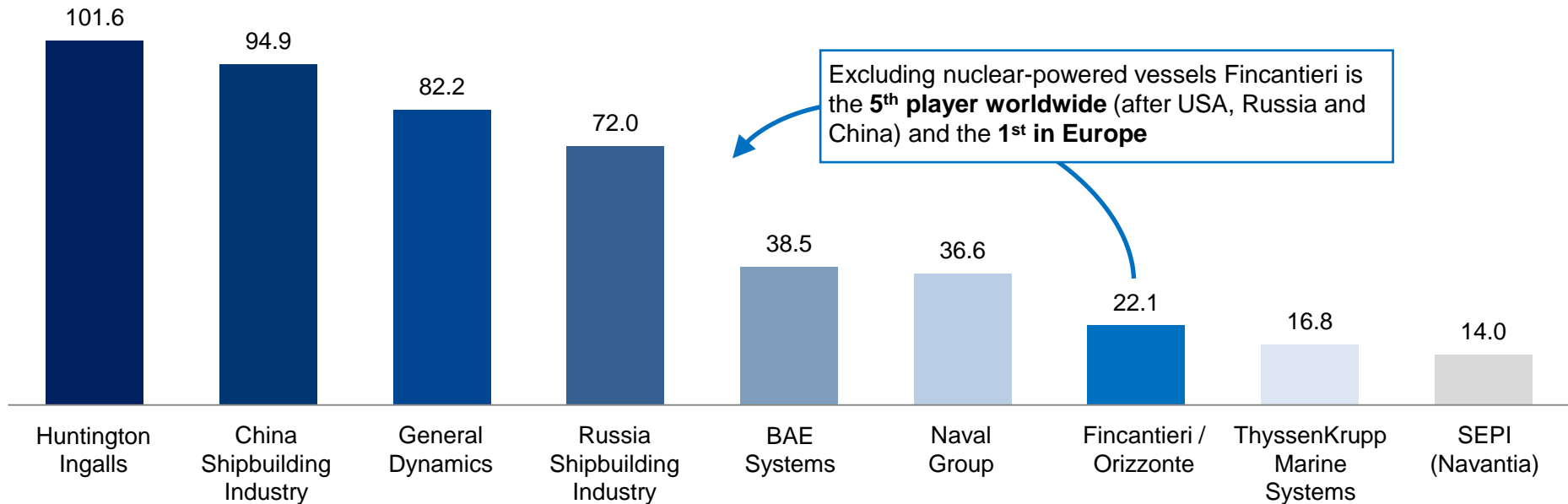


- **This large program falls within the company's strategy to expand into new naval markets, leveraging well-proven expertise with new potential clients**
- **It is the largest order for a foreign Navy acquired by Fincantieri over the last 30 years**

Shipbuilding – Naval: competitive positioning

Top suppliers based on work projected in 2019-2028

USD Bln



- **Despite strong European national players bidding in the export market, Fincantieri is among the world leaders in Naval shipbuilding**
- Global market value of naval programs to be developed in 2019-2028 is USD 892 bln
- Considering the value of the finalized or assigned contracts that will be developed in the period 2019-2028 **Fincantieri is ranking 7th in the world**
- Deducting the nuclear component, **Fincantieri rises to 5th position, qualifying as the 1st European military shipbuilder**, behind the major world powers: United States, China and Russia

1.3 Other Shipbuilding – Mega-Yachts

Products

Serene (134 m)



Victory (140 m)



- **Large luxury customized mega yachts** resulting from a special synergy of advanced technical, design and construction capabilities of the Group

Concept

Fortissimo (145 m)



Mars (92 m)



Xvintage (99 m)



Ottantacinque (85 m)



Target Market / Positioning

- Worldwide mega yachts market (> 80 m)
- First Fincantieri mega yacht (Serene, 134 m) delivered in 2011 and awarded with “World Superyacht Award 2012”



- In December 2014 Fincantieri delivered “Victory” (140m), the largest yacht ever built in Italy and one of the ten largest motor yachts in the world

Commercial strategy

- Clients: Ultra High Net Worth Individuals on worldwide basis

Shipyards

Italy

- Riva Trigoso - Muggiano

1.3 Other Shipbuilding – Ferries

Products

Dual Fuel Ferries



- Mixed diesel and LNG (Liquefied Natural Gas) propulsion

Cruise Ferries



- Ferries with high comfort level for the transportation of passengers

Ro-pax



- Vessels built for freight vehicle transport along with passenger accommodation

Target Market / Positioning

- Large ferries (length > 150 m) dedicated to the European market (Mediterranean Sea, Baltic Sea and North Sea)
- Innovative ferries adopting the most advanced solutions in terms of energy saving and low environmental impact

Client Portfolio



Shipyards

Italy

- Castellammare di Stabia
- Ancona

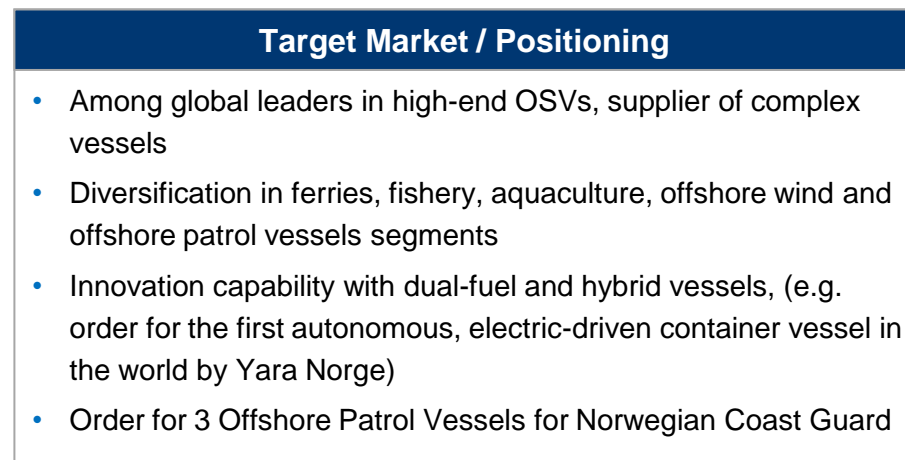
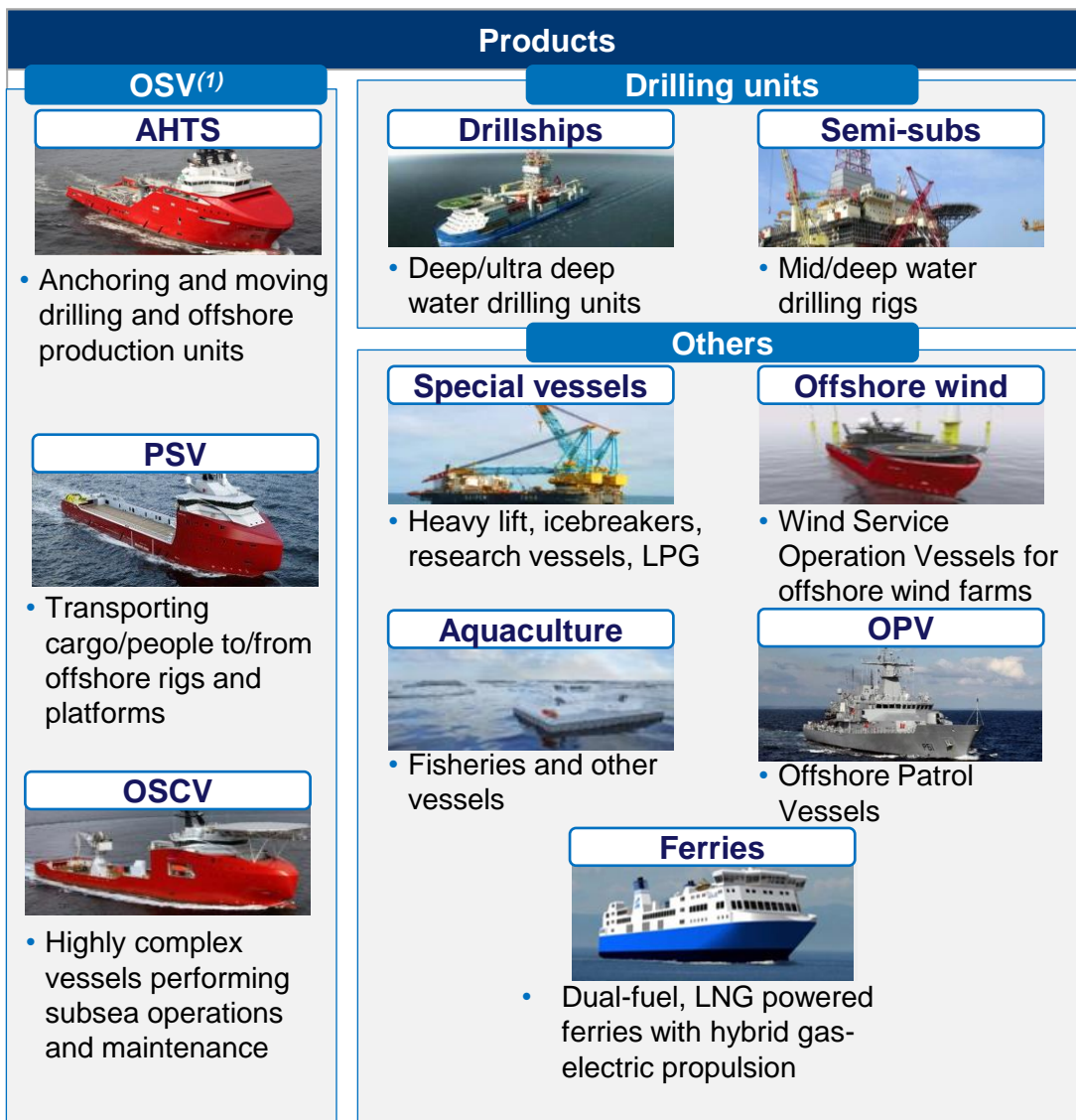
Romania (hull construction)

- Braila

Norway (outfitting)

- Brevik

2 Offshore & Specialized Vessels



(1) AHTS = Anchor Handling Tug Supply, PSV = Platform Supply Vessels, OSCV = Offshore Subsea Construction Vessels

(2) For reasons connected with the organization of production and the proximity of market/customers the Group's Italian (Palermo e Ancona) and US (Sturgeon Bay) yards offer offshore products

Offshore & Specialized Vessels: market overview

Description

Offshore Oil&Gas: forecast

- Exploration & Production Expenditure is expected to increase by 6% in 2019, slowly returning to growth
- **Negative outlook for PSV and AHTS demand** due to oversupply following oil price fall and significant postponements of drilling projects
- **VARD uses a tender driven approach to establish itself** in other market segments of the offshore business

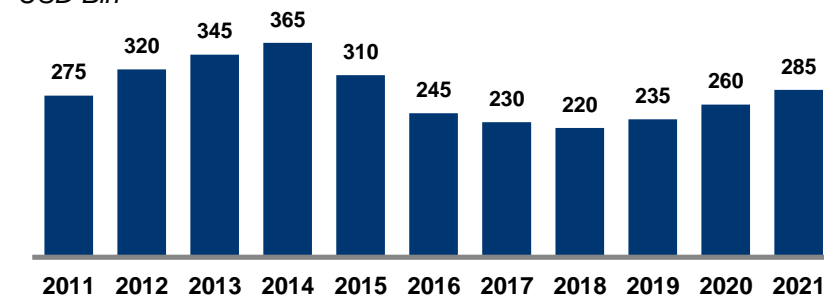
Focus on new business opportunities

Investments in the offshore sector are moving towards the creation of vessels and infrastructures for the exploitation of existing hydrocarbon fields, towards energy transformation aimed at reducing CO₂ emissions (eg. biomass, methanol, wind power, current/waves/tides...) and transformation and distribution of natural gas.

- **FPSO:** Oil Companies are putting into production offshore fields with existing wells
- **Gas (LNG):** increase in demand, also thanks to new environmental rules. The market for smaller FLNG and LNG carriers will likely ramp up.
- **Offshore wind:** expected to almost triple to nearly 52 GW in 2023 (2018-2023 CAGR at 12%)
- **Norwegian coastal ferries:** sector characterized by aging fleet and new stringent environmental rules
- **Aquaculture & fisheries:** sustained market growth with increasing complexity related to higher technological and industrial contents
- **Specialized vessels:** old fleet of cable layers, pipe layers, and similar, with new market for mining vessels. The demand is focused on very few skilled shipbuilders

E&P Expenditure

USD Bln



New business opportunity



FPSO



Gas



Offshore wind



Norwegian coastal ferries



Aquaculture & fisheries



Specialized vessels

FINCANTIERI
The sea ahead

3 Equipment, Systems and Services

Products / Services

Systems & Components

Stabilization, propulsion, positioning and generation syst.



- Retractable/fixed stabilization systems, propellers, thrusters, engines

Steam turbines



- Energy generation and naval application

Interiors



- Design, refitting and delivery of turnkey cabins, public areas and complete accommodation solutions

Automation systems



- Platform automation, navigation and dynamic positioning systems

Electric & Electronic Systems



- Integrated electric and electronic packages

Services

Naval services



- Life Cycle Management (ILS & ISS)

Ship repairs & conversions



- Repairs, conversions & refitting

Target Market / Positioning













- One of the reference players in the design, construction and service of marine systems, components and turnkey solution in cruise, offshore and naval sectors
- One of the reference providers of after sales services (mainly naval vessels) and repairs & conversions
- Worldwide major player in ship interiors segment

Client Portfolio

Plants / Subsidiaries

- | | | |
|------------------------------------|--------------------|------------------|
| • Riva Trigoso – Muggiano | • Palermo | • Trieste |
| • Fincantieri Infrastructure | • Delfi S.r.l. | • Sturgeon Bay. |
| • Fincantieri Services US | • Seastema S.p.A. | • FMSNA Inc. |
| • Fincantieri Services Middle East | • Issel Nord | • Fincantieri SI |
| • Isotta Fraschini Motori S.p.A. | • Marine Interiors | |

Equipment, Systems & Services: Systems & Mechanical Components

Segments	Products	Client focus				Key applications	Key clients
		Shipbuilders	Industrials ⁽³⁾	EPC contr. ⁽⁴⁾	Navies		
Systems for stabilization, propulsion, dynamic positioning and generation ⁽¹⁾	Stabilization systems	✓	N.a.		✓	<ul style="list-style-type: none"> • New ships <ul style="list-style-type: none"> – Cruise ships – Ferries – Naval vessels – Mega-Yachts (> 60 m) – Offshore vessels 	           
	Propulsion systems and shaft lines						
	Positioning systems						
	Diesel engines						
Automation systems ⁽²⁾	Platform automation systems	✓	N.a.	N.a.	✓	<ul style="list-style-type: none"> • Repair, transformation and after sales services <ul style="list-style-type: none"> – Maintenance – Substitution of obsolete parts – Spare parts 	
	Navigation systems						
	Dynamic positioning systems						
Steam turbines	Turbines < 30 MW	✓	✓	✓		<ul style="list-style-type: none"> • Power plants <ul style="list-style-type: none"> – Refineries, paper mills, incinerators • Renewable energies plants (biomass) 	
	Turbines 30 – 50 MW						

✓ Current

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(1) Generation systems through Isotta Fraschini Motori
(2) Automation systems through Seastema
(3) Engineering companies active in the construction of small power plants
(4) EPC contractors in Oil & Gas sector that provide turnkey complex projects

Equipment, Systems & Services: interiors, electric & electronic systems, infrastructures



- **Marine Interiors**, established to enable Fincantieri to **integrate the cabin design and production** into its design and construction flow, is specialized in **designing, refitting and delivering turnkey cabins**
- Further expansion into **complete accommodation and after-sales services**



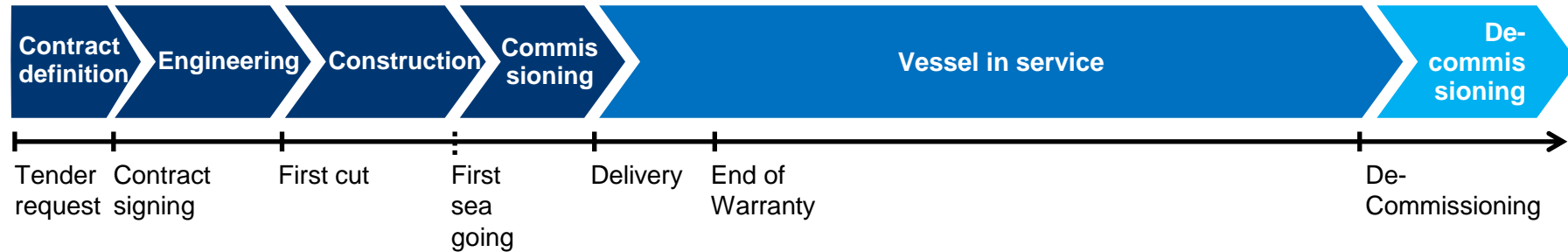
- **Fincantieri SI** activities are focused on the design, production and supply of **innovative and integrated electrical, electronic and electromechanical systems**, allowing Fincantieri to take advantage of the integration with its mechanical capabilities
- Marine and Navy solutions, Land solutions, Smart power management and energy storage solutions



- **Fincantieri Infrastructure** is specialized in the **design, fabrication and installation of steel structures** for large-scale projects such as bridges, stadiums, port facilities, industrial, commercial and institutional projects
- Contractor with **unique project management, engineering and construction skills** developed also in the complex shipbuilding sector

Equipment, Systems & Services: Naval services

Product Lifecycle Management



ILS

- **Engineering activities**
 - Logistic engineering
 - Bill of materials & configuration
 - Manuals & technical specifications
- **Training (Fincantieri Training Academy)**
 - Base & board operations
 - Computer-based
- **Spare parts provisioning**
 - On board
 - Ashore/base



ISSEL NORD



In Service Support

- **Maintenance & repair**
 - Preventive
 - Predictive
 - Corrective
- **Change & obsolescence management**

ISS

- **Documentation updates**
- **Archives**
- **Follow-on training**
- **Spare replenishment**

Life Cycle Management services

Key clients



Italian Navy



Qatar Emiri Naval Forces



UAE Navy



Iraqi Navy



Bangladesh Coast Guard



Algeria Navy

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Equipment, Systems & Services: Ship repairs & conversions

Segments

Ordinary repair services

- Ordinary maintenance and interventions required by international classification registers (e.g. dry docking and special surveys)

Extraordinary services

- Damage repair and upgrading of ship standards in order to adapt ships pursuant to new regulations

Conversion

- Structural changes of ships modifying their final use (conversion), upgrading of ship machineries and technologies and increase in the ship payload

Target market & positioning

- Repair and conversion of cruise ships, mega-yachts, offshore units, other commercial vessels and naval vessels leveraging **on presence in strategic geographical areas** (e.g. Mediterranean Sea and North America)

- **One of the key players in the Mediterranean Sea area and the main operator for ship repairs and conversions in the Great Lakes area of the US**

Main projects



- Windstar (Cruise): lengthening by 26m, complete renewal of machinery and equipment engine-room arrangements and modernization of public rooms and cabins of 3 cruise ships (*Star Breeze*, *Star Legend*, *Star Pride*)



- Al Said (Mega-Yachts): extensive refitting and repair of machinery, propulsion system, power generation and HVAC



- Scarabeo 8 (Offshore): all phases, from hull construction to outfitting starting from bare deck



- Conversion from Corvette to OPV

Key clients

WINDSTAR
CRUISES

MSC
CROCIERE

Carnival
Cruise Lines

Costa
CROCIERE

SILVERSEA

AtwoodOceansics

SAIPEM

MAERSK

EDISON

eni

GE

LEONARDO

NATO
QIAN

GNV

Italian
Navy

Bangladesh
Coast Guard

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