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Update post 9M 2016 Results

December 2016

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

Pursuant to art. 154-BIS, par. 2, of the Unified Financial Act of February 24, 1998, the executive in charge of preparing the corporate accounting documents at Fincantieri, Carlo Gainelli, declares that the accounting information contained herein correspond to document results, books and accounting records.

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Royal Princess
Princess Cruises
1° cruise ship fully compliant with the new safety and environmental rules

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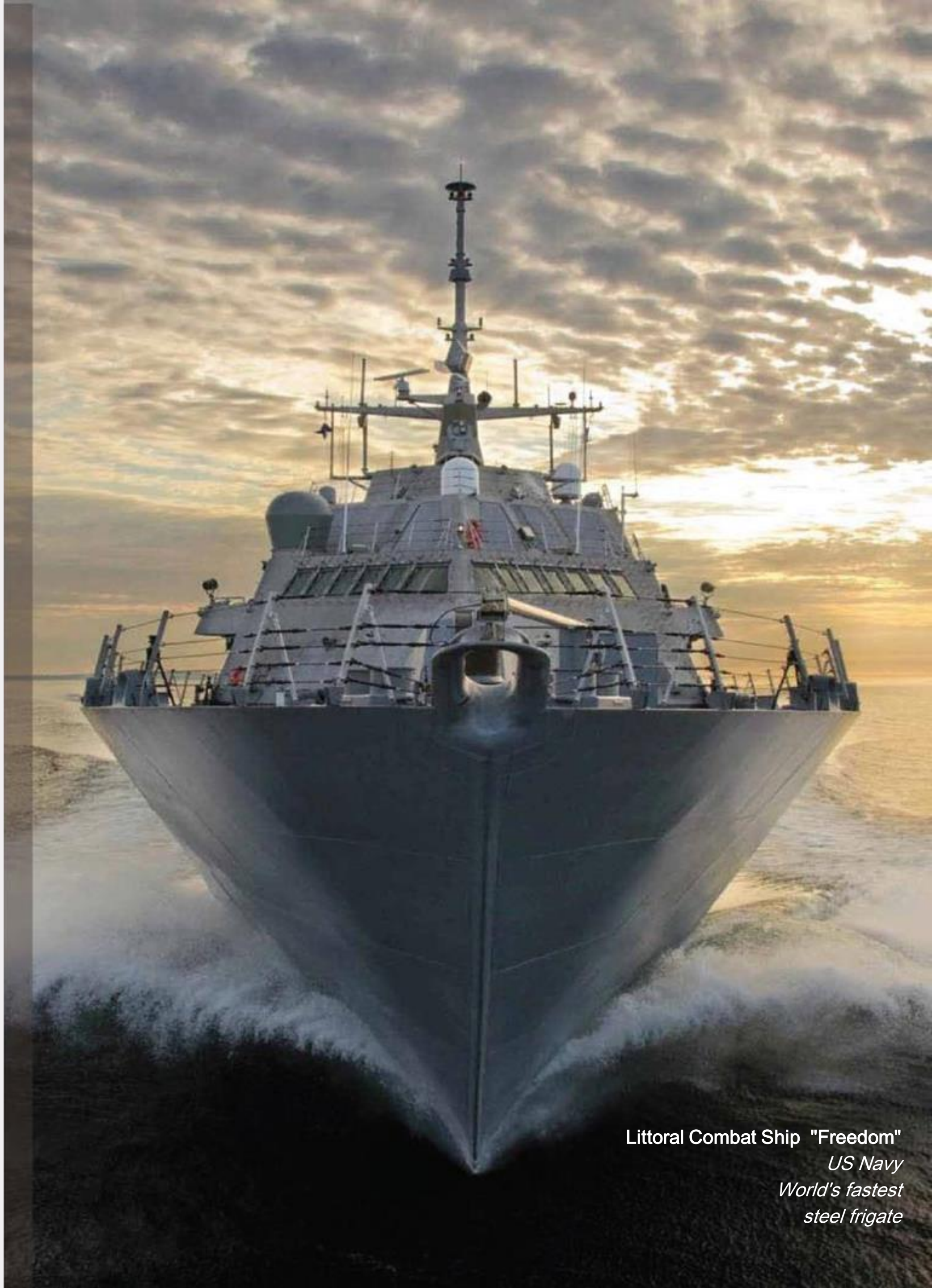
Section 1

Introduction



Littoral Combat Ship "Freedom"
US Navy
World's fastest
steel frigate

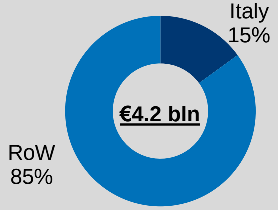
Fincantieri at a glance

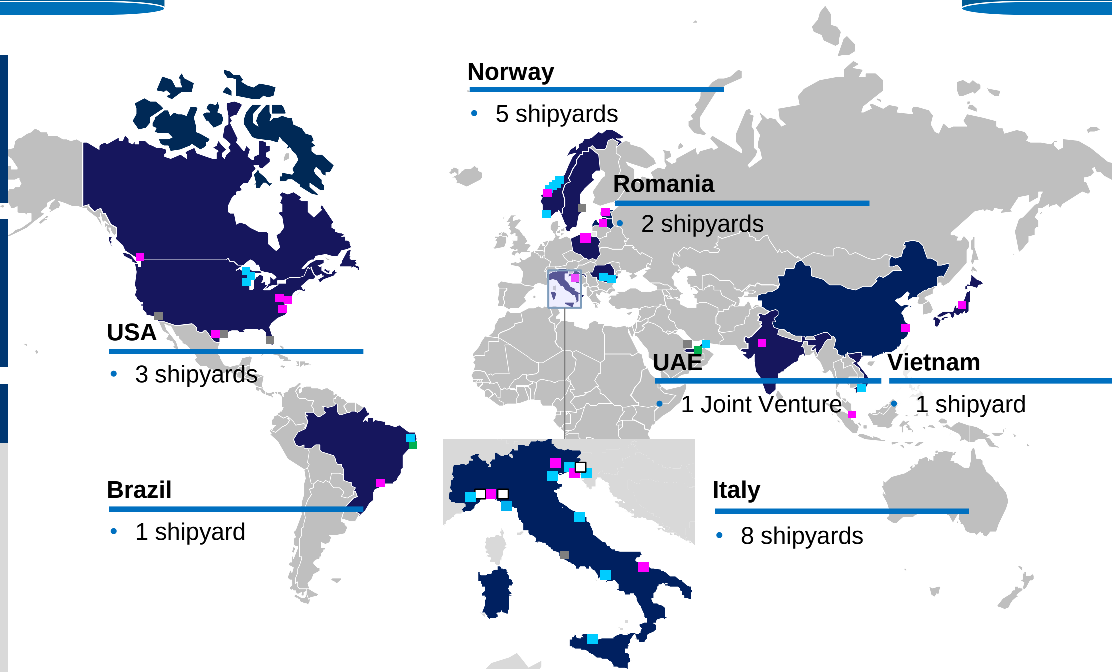
#1 Western designer & shipbuilder(1)
with 230 years of history & >7,000 ships built

€ 4,183 mln revenues

~ € 21.8 bln total backlog(2,3)
- **€ 19.0 bln backlog**
- **€ 2.8 bln soft backlog**

Revenues by geography

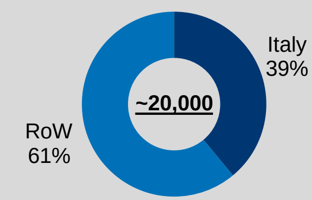




20 shipyards
4 continents

~ 20,000 employees
~ 80,000 subcontractors

Employees by location



Note: all figures reported at December 31, 2015, except for backlog and soft backlog which are referred to 9M 2016 (at September 30, 2016)
(1) By revenues, excluding naval contractors in the captive military segment. Based on Fincantieri estimates of shipbuilders' revenues in 2015
(2) At September 30, 2016
(3) 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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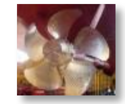
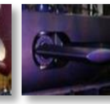
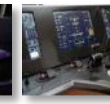
Products and end-markets

= *Key area*

	SHIPBUILDING			OFFSHORE	EQUIPMENT, SYSTEMS & SERVICES
	Cruise	*Naval*	*Others*		
End markets	***Leisure*** 	***Defence*** 	***Transportation / Luxury / Maintenance***   	***Oil & Gas / Other*** 	***Equipment / Life Cycle Management***   
Main products / Services	• **All cruise ships** *(from contemporary to luxury)*	• **All surface vessels** *(also stealth)* • **Support & Special vessels** • **Submarines**	• **High tech ferries** • **Large mega-yachts** • **Ship repair & conversion services**	• **Offshore Support Vessels** • **Drilling units** • **Fisheries/aquaculture** • **Offshore wind** • **Offshore Patrol Vessels** • **Expedition cruise** • **Special vessels**	• **Marine systems, components & turnkey solutions** • **After sales services**
Positioning	• **#1 worldwide (~50% market share*[1]*)**	• **Leader:** – **#1 in Italy*[2]*** – **Key supplier for US Navy & Coast Guard*[3]*** – **Key supplier for Qatar Emiri Naval Forces**	• **Leading player:** – **High tech ferries** – **Large mega-yachts** – **Repair & conversion**	• **Leading player in high-end OSVs**	• **Leading player worldwide**
2015 Revenues *(% on total)[4]*	**€ 1,649 mln** *(39%)*	**€ 1,056 mln** *(25%)*	**€ 142 mln** *(3%)*	**€ 1,199 mln** *(28%)*	**€ 226 mln** *(5%)*
9M 2016 Backlog	**€ 17,054 mln**			**€ 1,501 mln**	**€ 908 mln**

(1) By oceangoing cruise ships > 10,000 gross tons ordered in the 2004 – 2015 period. Source: Fincantieri analysis based on IHS Lloyd's Fairplay – Shippax data (2015) and Company press releases
(2) For all the large ships and excluding minesweepers and small ships below 45 m in length (2015)
(3) For medium size ships, e.g. patrol vessels and corvettes
(4) Breakdown calculated based on revenues gross of consolidation effects

Track record, top clients and technological leadership

	SHIPBUILDING – Cruise	SHIPBUILDING – Naval	OFFSHORE
Track record *ships deliveries*	• 1990 – 2001: 23 • 2002 – 2015: 47 • 9M 2016: 4	• 1990 – 2001: 51(1) • 2002 – 2015: 50(1) • 9M 2016: 6	• 1990 – 2001: 72(2) • 2002 – 2015: 279(2) • 9M 2016: 9
Top clients	• Carnival Group(3) • MSC Crociere • Prestige Cruise Holdings • Silversea Cruises • Viking Ocean Cruises • Ponant • Virgin Cruises	• Italian Navy and Coast Guard • US Navy • Qatar Emiri Naval Forces • United Arab Emirates Navy • Algerian Navy • Indian Navy	• Topaz Energy and Marine • Technip • DOF • Solstad Offshore • Island Offshore • Farstad
Technological leadership	• *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	• *LCS Freedom:* **world's fastest steel frigate**	• *Normand Maximus:* **largest offshore vessel ever built in Norway** • *Skandi Africa:* **"Ship of the Year 2015"(4)** • *AMC Connector:* **world's largest cable layer(5)** • *Far Samson:* **most powerful offshore vessel(6)**

(1) 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
(2) Includes other products delivered by Offshore business unit. Includes VARD and predecessor companies
(3) Parent company of several brands: Carnival Cruise Lines, Costa Crociere, Cunard, Holland America Line, P&O Cruises, Princess Cruise Lines and Seabourn Cruise Lines
(4) Award instituted by the major Nordic shipping magazine Skipsrevyen
(5) In terms of loading capacity (2011)
(6) In terms of bollard pull at the date of construction (423 tons)

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Section 2

Financial performance

AMC Connector
AMC Connector / Ezra
World's largest cable layer

Overview of financial performance indicators[1]

€ mln	FY 2014	FY 2015	9M 2015	9M 2016
Order intake	**5,639**	**10,087**	**4,852**	**6,308**
Backlog	**9,814**	**15,721**	**11,558**	**18,977**
Soft backlog	**5,000**	**3,000**	**8,200**	**2,800**
Revenues	**4,399**	**4,183**	**3,032**	**3,230**
EBITDA	**297**	**(26)**	**6**	**185**
As a % of revenues	*6.8%*	*-0.6%*	*0.2%*	*5.7%*
EBIT	**198**	**(137)**	**(74)**	**105**
As a % of revenues	*4.5%*	*-3.3%*	*-2.4%*	*3.3%*
Net result before extr. and non recurring items[2]	**87**	**(252)**	**(169)**	**30**
Attributable to owners of the parent	*99*	*(141)*	*(73)*	*35*
Net result for the period	**55**	**(289)**	**(195)**	**7**
Attributable to owners of the parent	*67*	*(175)*	*(96)*	*16*
Net fixed assets	**1,417**	**1,453**	**1,427**	**1,577**
Net working capital[3]	**69**	**251**	**454**	**322**
Of which construction loans	*(847)*	*(1,103)*	*(995)*	*(833)*
Equity	**1,530**	**1,266**	**1,375**	**1,274**
Net financial position *Net cash/ (Net debt)*	**44**	**(438)**	**(506)**	**(625)**
Employees	**21,689**	**20,019**	**20,868**	**18,727**

(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

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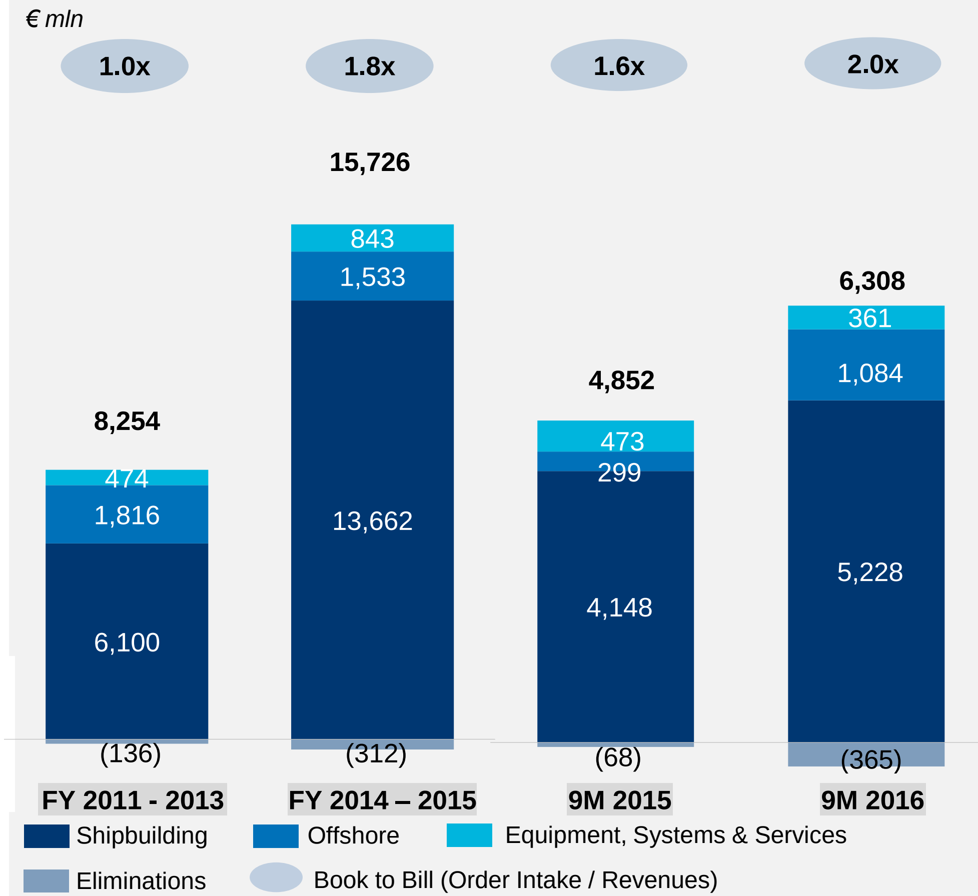
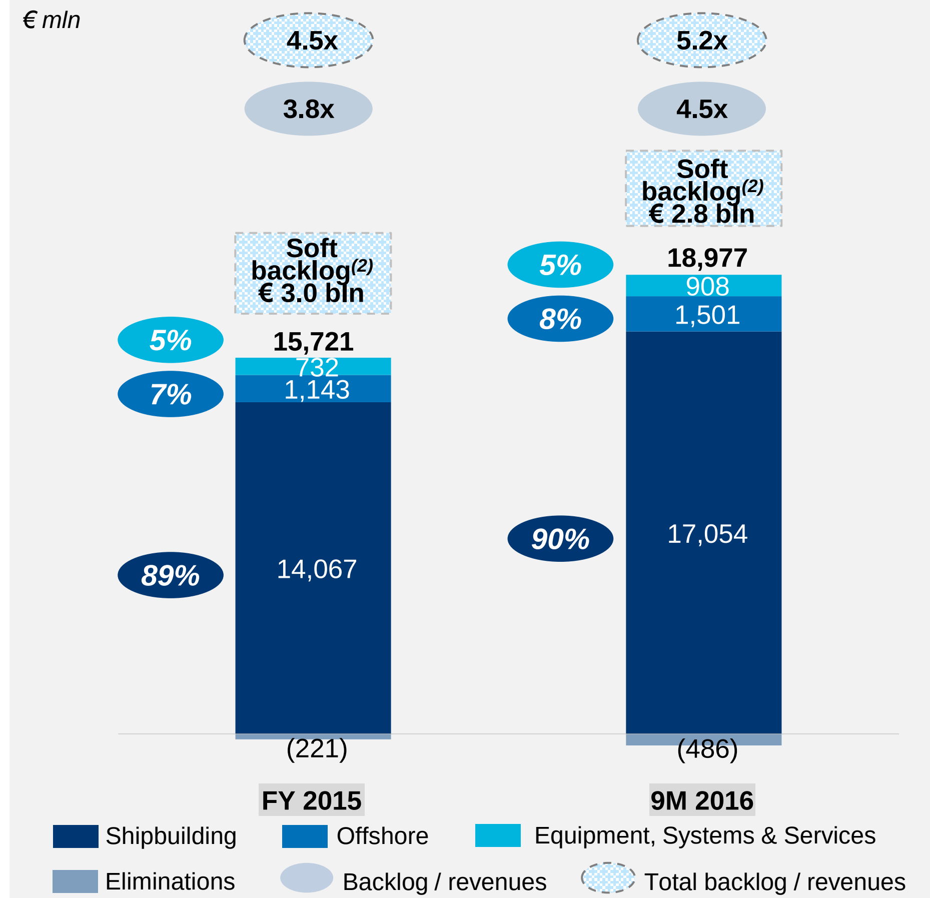
Order intake and backlog

Order Intake



Backlog[1]



- **Total backlog**[3] at September 30, 2016 **represents ~ 5.2 years of work** in relation to revenue generated in 2015 – Group's ability to finalize contracts under negotiation, contract options and commercial opportunities and to transform them into backlog

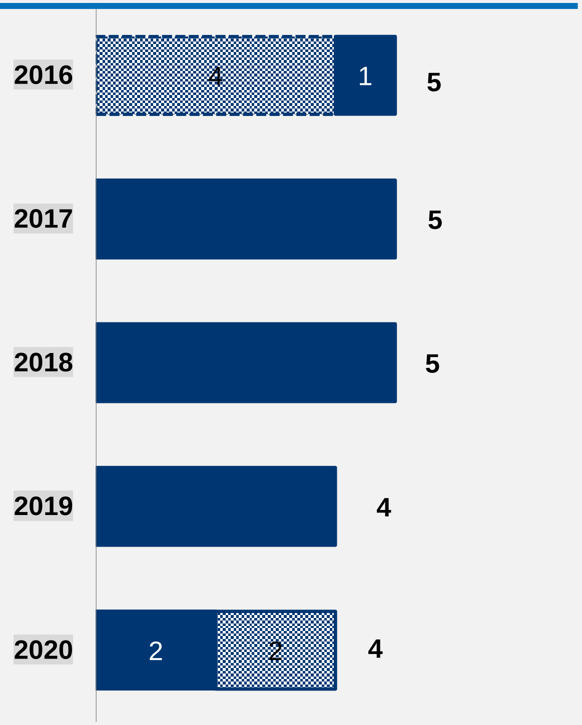
(1) Breakdown calculated based on total backlog (after eliminations)
(2) Soft backlog represents the value of existing contract options and letters of intent as well as contracts in advanced negotiation, none of which yet reflected in the order backlog
(3) Sum of backlog and soft backlog

Backlog deployment

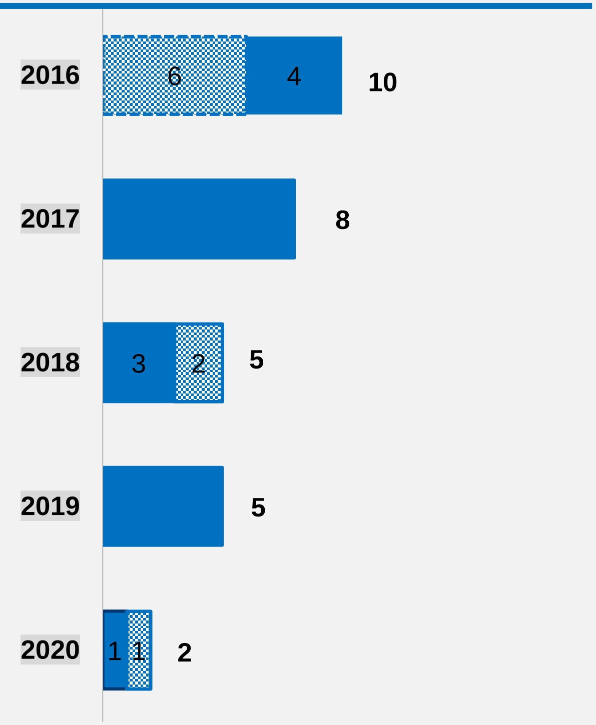
Shipbuilding

 # ships deliveries(1)

Cruise



Naval(2)

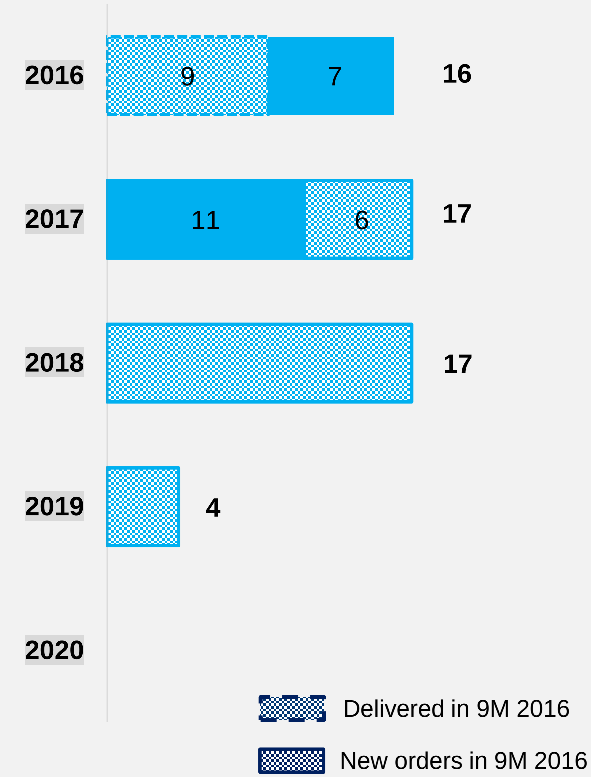


- Additional 2 units scheduled after 2020
- **21 vessels in backlog**
- Visibility of deliveries up to 2022

- Additional 16 units scheduled after 2020
- **40 vessels in backlog**
- Visibility of deliveries up to 2026

Offshore

 # ships deliveries

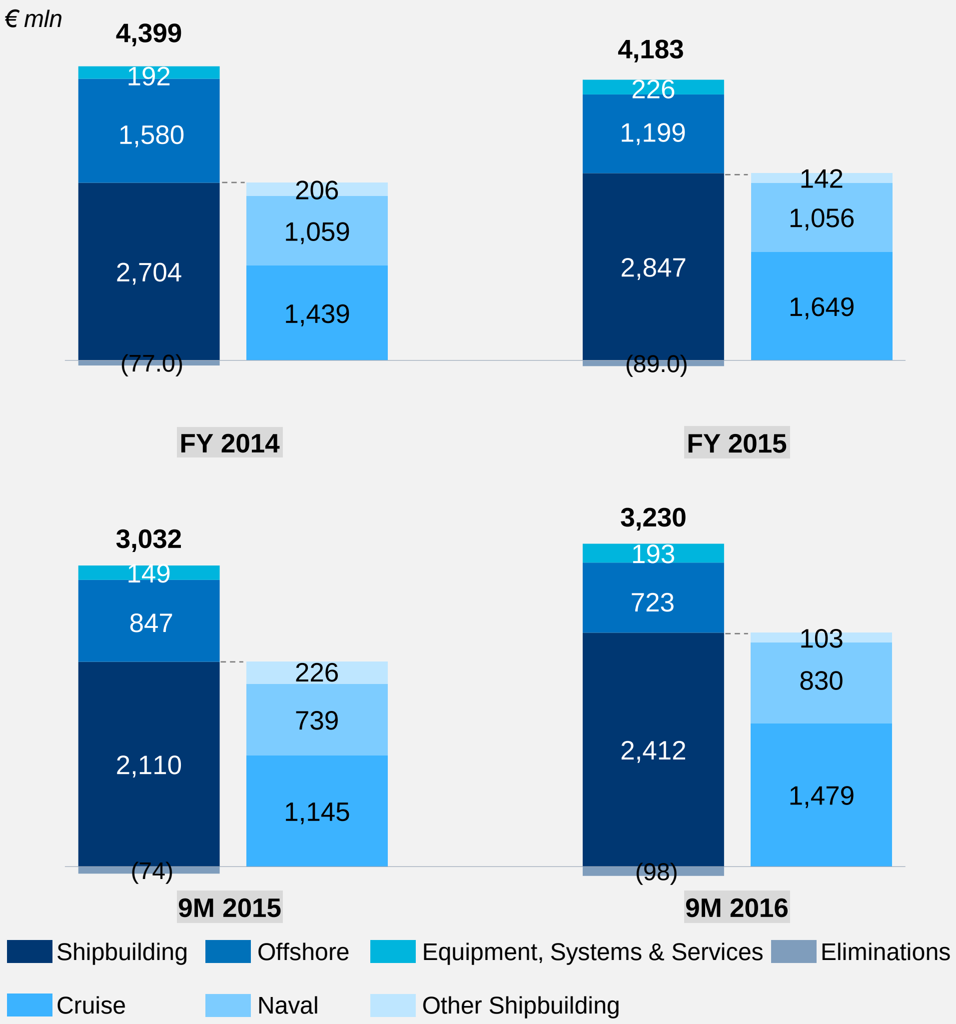


- **45 vessels in backlog**

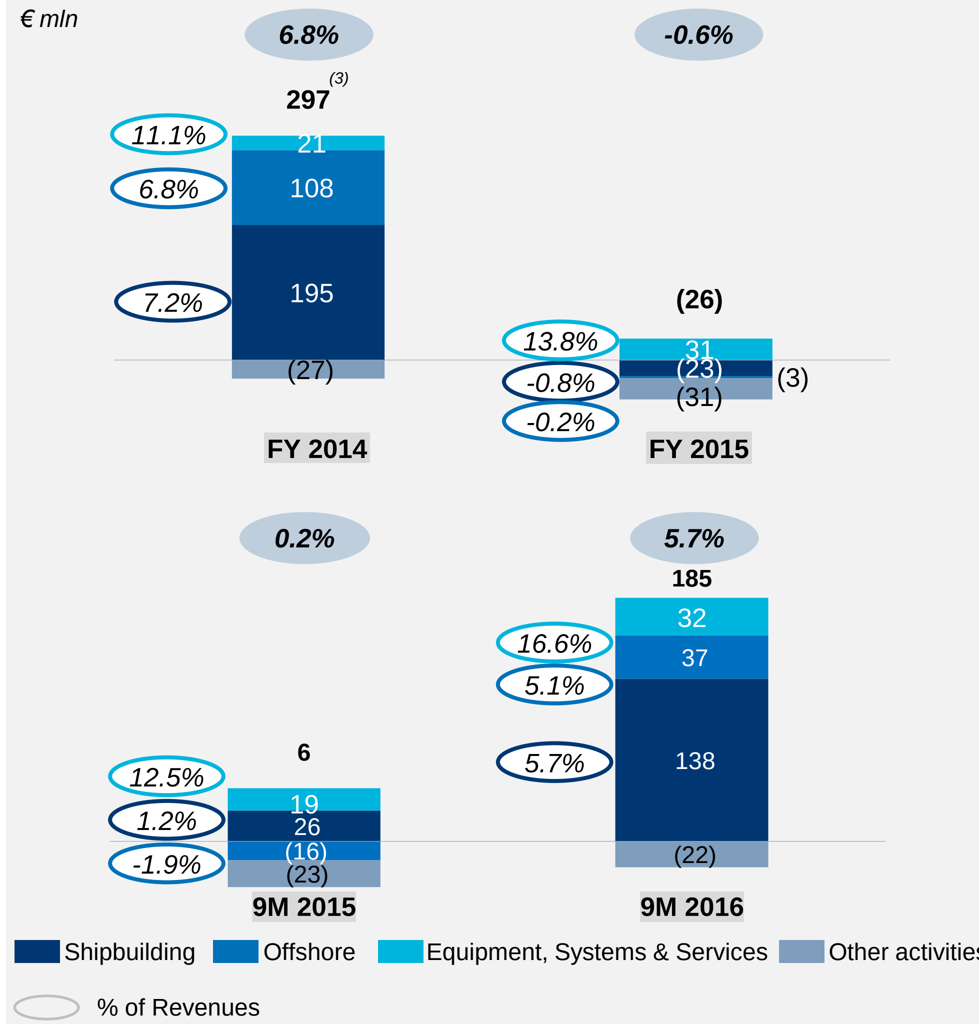
(1) Articulated Tug Barge (ATB) is an articulated unit consisting of a barge and a tug, thus being counted as two vessels in one unit
(2) Ships with length > 40 m

Financial performance

Revenues(1)



EBITDA / margins(2)

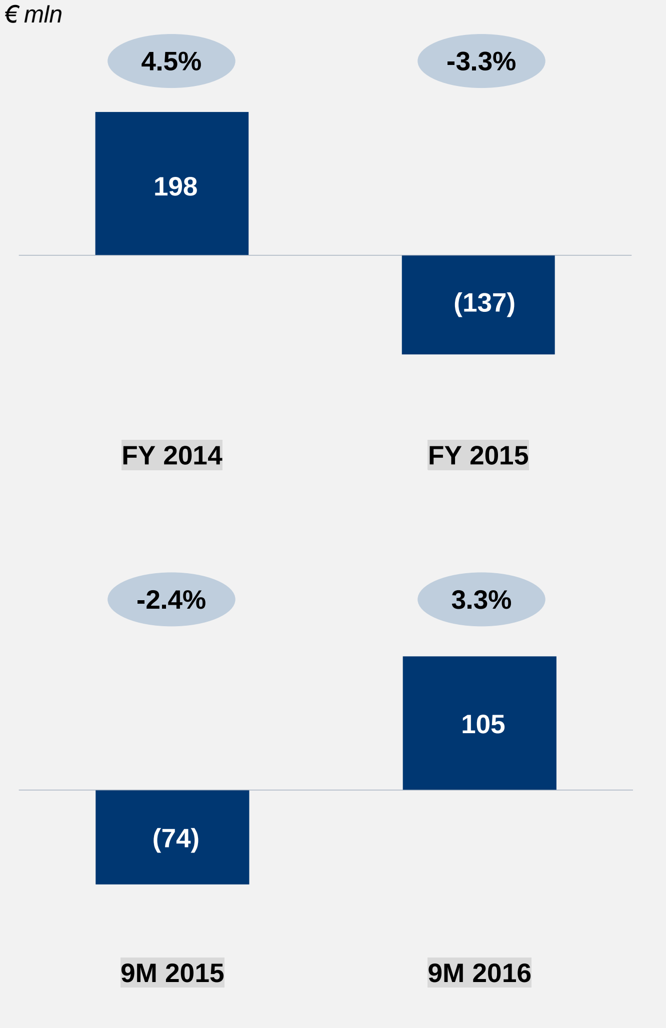


(1) Breakdown calculated gross of consolidation effects
(2) EBITDA is a Non-GAAP Financial Measure. The Company defines EBITDA as profit/(loss) for the period before (i) income taxes, (ii) share of profit/(loss) from equity investments, (iii) income/expense from investments, (iv) finance costs, (v) finance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

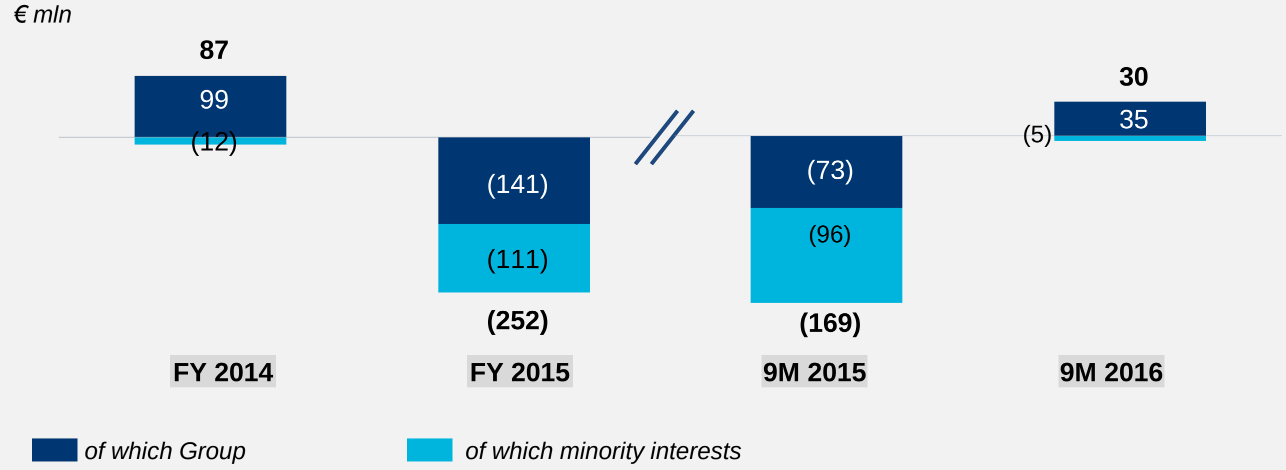
(3) Including the release of orders risk fund referred to the provisions accrued at VARD business combination for expected losses on construction contracts in Brazil (€ 35 mln in 2014)

Financial performance

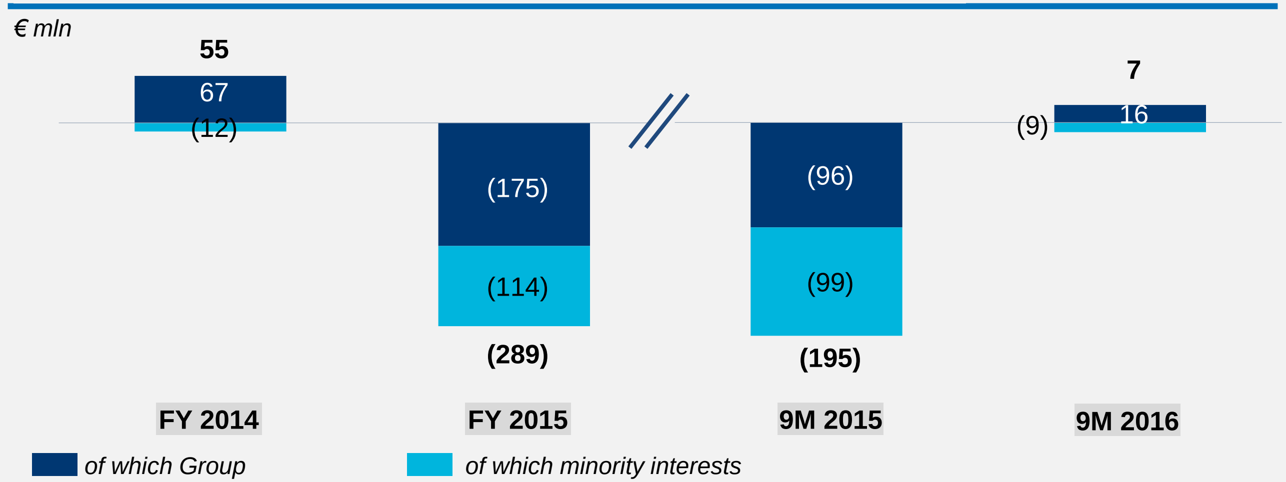
EBIT / margins



Net result before extraordinary and non recurring items[1]



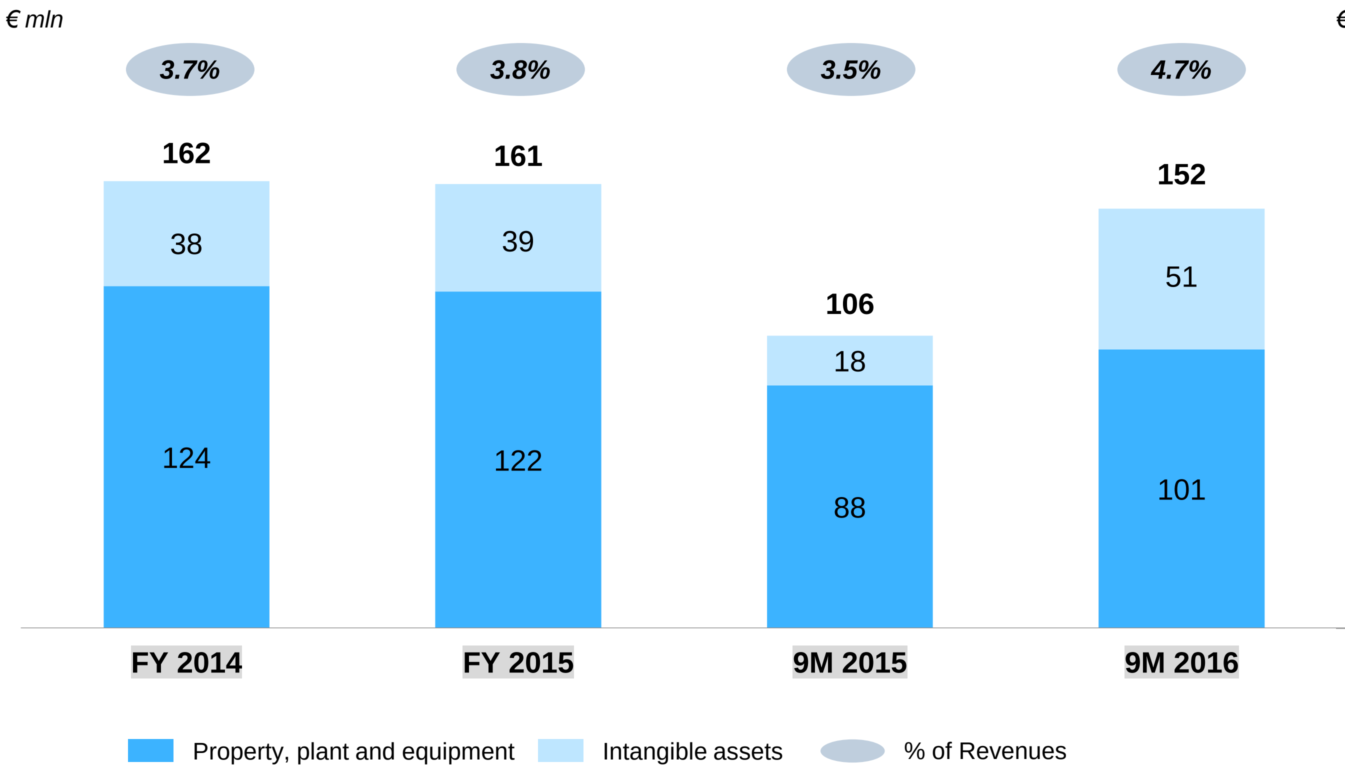
Net result



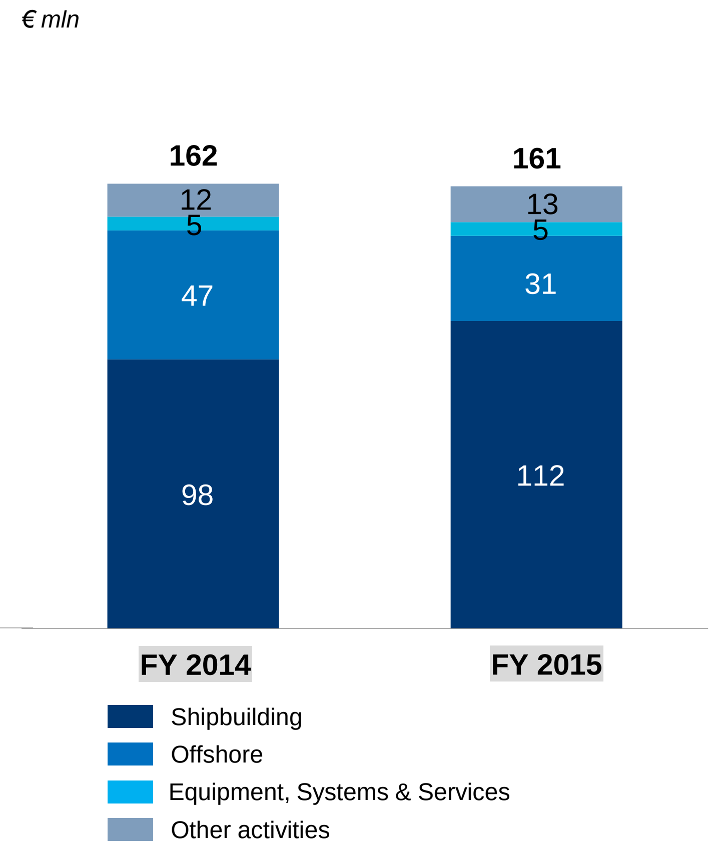
(1) Extraordinary and non recurring costs net of tax effect amounted to € 32 mln in 2014, € 37 mln in 2015, € 26 mln in 9M 2015 and € 23 mln in 9M 2016

Capex

Capex evolution



Capex by segment



- **2014 and 2015 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

Section 3

Working capital, Net financial position and key ratios

Serene
Private owner
2012 World Super Yacht Award
(134 meters)

Working capital dynamics

Indicative payment terms	Main phases of the shipbuilding process[1]				Impact on net working capital
		Signing A → *First Cut* B: Design / Project Development	*First Cut* B → *Launch* C: Hull Assembly and Pre-Outfitting	*Launch* C → *Delivery* D: Outfitting and Sea Trials	
Cruise — • 20% during construction • 80% on delivery	*Duration (months)*	10-12	10-17	8-12	• Increases during construction • Impact on net debt
	POC[2]	3%-5%	50%-55%	40%-45%	
Naval[3] — • According to % of completion	*Duration (months)*	6-15	23-30	6-10	• Neutral profile
	POC[2]	3%-5%	65%-75%	20%-30%	
Offshore[3] — • 20% during construction • 80% on delivery	*Duration (months)*	3-6	5-26	6-15	• Increases during construction • VARD generally uses construction loans (guaranteed by the ship as collateral)
	POC[2]	3%-5%	35%-40%	55%-60%	

(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

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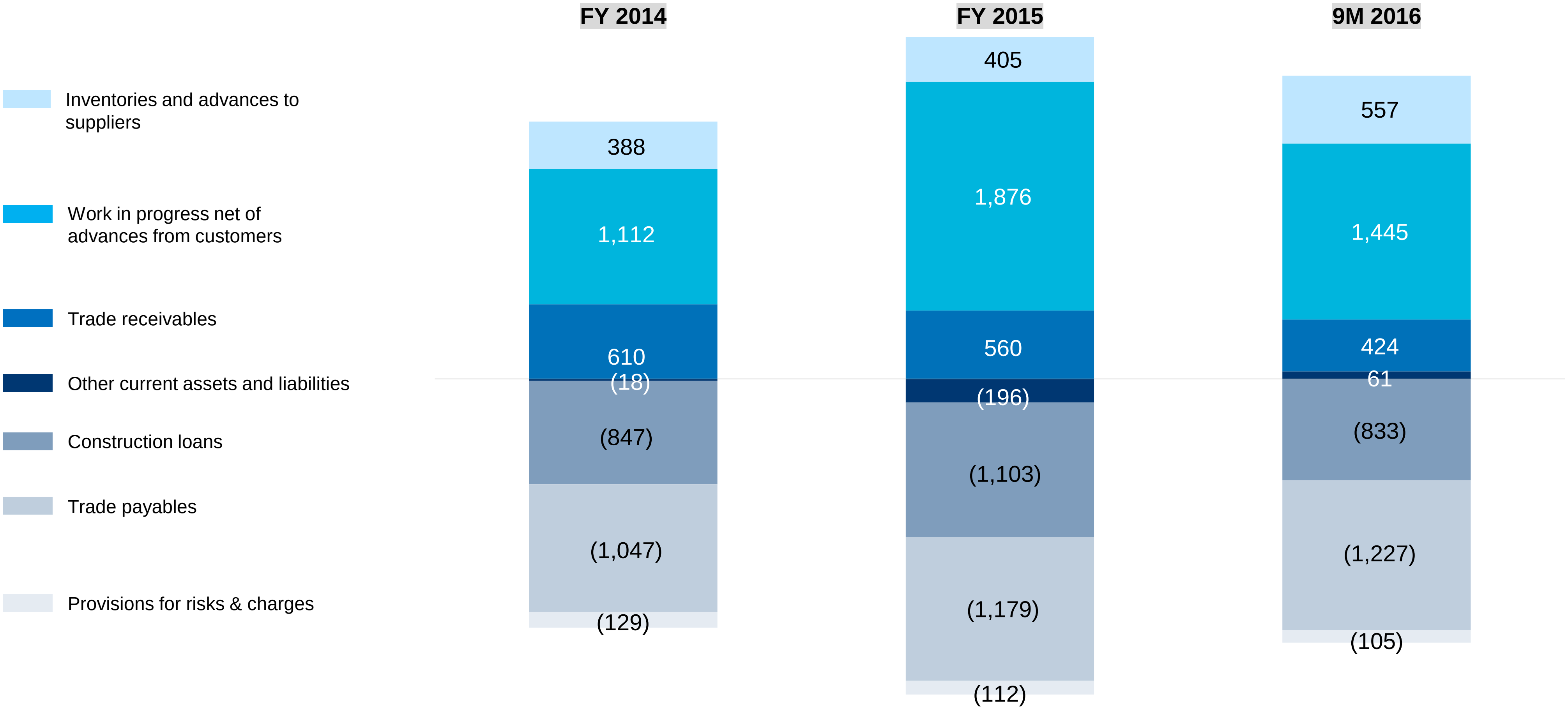
Net working capital(1)

Breakdown by main components

€ mln



	FY 2014	FY 2015	9M 2016
Net working capital	**69**	**251**	**322**

(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

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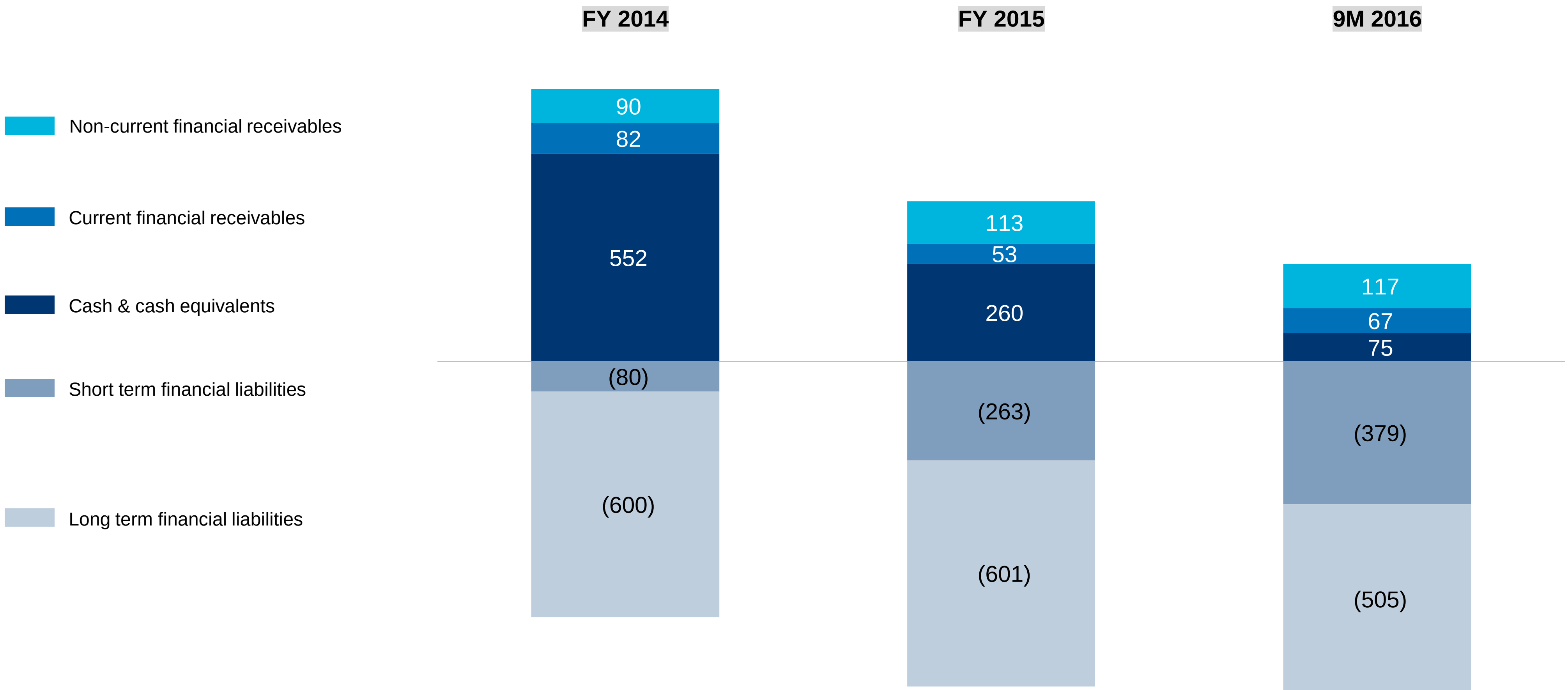
Net financial position[1]

Breakdown by main components

€ mln – Net cash / (Net debt)



	FY 2014	FY 2015	9M 2016
Net financial position	**44**	**(438)**	**(625)**

(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

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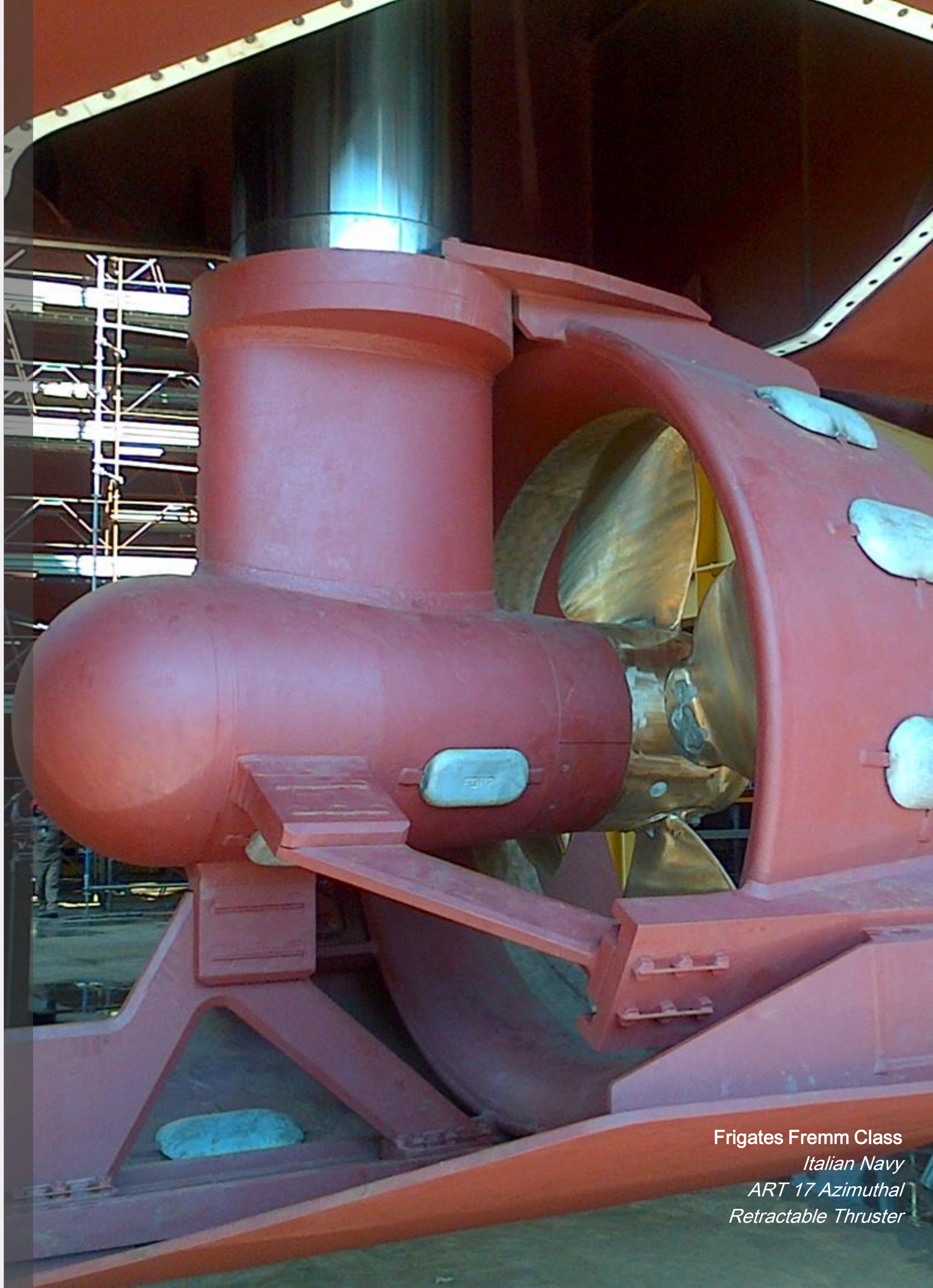
Q&A



Frigates Fremm Class
Italian Navy
ART 17 Azimuthal
Retractable Thruster

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Appendix
9M 2016 results

9M 2016 Key Messages

- **Business plan targets confirmed:** 9M 2016 results, with 5.7% EBITDA margin and positive net result at € 7 mln, mark a substantial improvement compared with 9M 2015 (EBITDA margin 0.2%) and are in line with the targets set out in the Business Plan 2016-2020

- **Total backlog[(1)] at € 21.8 bln covering ~ 5.2 years of work if compared to 2015 revenues**; **backlog at € 19.0 bln** (€ 11.6 bln in 9M 2015 and € 15.7 bln in FY 2015) **with 106 ships in orderbook** and **soft backlog[(2)] at € 2.8 bln** (€ 8.2 bln in 9M 2015 and € 3.0 bln in FY 2015)

- **Successful implementation of VARD Business Plan:** shut down of Vard Niterói yard and increase of the stake in Vard Promar to 95.15% in Brazil, along with the progress of the diversification strategy with the award of 6 expedition cruise vessels; yards in Romania well utilized and now hiring again

- **Contract with the Qatari Ministry of Defense: a true commercial milestone.** The contract value is close to € 4.0 bln and includes the supply of 7 naval vessels and support services for 15 years after delivery. It is the largest order in naval business acquired by Fincantieri over the last 30 years

- **New supplementary labor agreement:** approved by the trade unions and by the workers, entered into force in July 2016. The agreement, based on incentive tools linked to individual performance and overall Company results, represents a key step towards greater efficiency

(1) Sum of backlog and soft backlog
(2) Soft backlog which 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

9M 2016 main orders

Orders acquired in Q3

	Vessel		Client	Delivery
Shipbuilding		**1 ultra-luxury cruise ship (“Seven Seas Explorer” sister ship)**	*Regent Seven Seas Cruises (Norwegian Cruise Line Holdings)*	2020
		**1 Littoral Combat Ship**	*US Navy*	2020
		**1 cruise ship (fifth “Royal Princess” class vessel)**	*Princess Cruises (Carnival Corporation)*	2020
	CONFIDENTIAL	**7 new generation surface vessels (4 corvettes, 1 amphibious vessel, 2 Offshore Patrol Vessels)**	*Qatari Ministry of Defense*	after 2020
Offshore (Vard)		**1 Stern Trawler**	*Havfisk ASA*	2018
		**4 expedition cruise vessels**	*Ponant*	2018 - 2019
		**2 expedition cruise vessels**	*Hapag-Lloyd Cruises*	2019
		**20 Module Carrier Vessels(1)**	*Topaz Energy and Marine/ Kazmortransflot*	2017 - 2018

(1) 15 ordered in Q2 2016 (for Topaz Energy and Marine), 5 ordered in Q3 2016 (2 for Topaz Energy and Marine and 3 for Kazmortransflot)

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9M 2016 main deliveries (1/2)

Deliveries in Q3

	Vessel		Client	Shipyard
Shipbuilding		**Cruise ship “Viking Sea”**	*Viking Ocean Cruises*	Ancona
		**Cruise ship “Koningsdam” (prototype)**	*Holland America Line (Carnival Corporation)*	Marghera
		**Cruise ship “Carnival Vista” (prototype)**	*Carnival Cruise Lines*	Monfalcone
		**Cruise ship “Seven Seas Explorer” (prototype)**	*Regent Seven Seas Cruises (Norwegian Cruise Line Holdings)*	Sestri Ponente
		**Submarine “Pietro Venuti”**	*Italian Navy*	Muggiano

9M 2016 main deliveries (2/2)

Deliveries in Q3

		Vessel	Client	Shipyard
Shipbuilding		**Littoral Combat Ship "USS Detroit" (LCS 7)**	*US Navy*	Marinette
Shipbuilding		**FREMM "Alpino"**	*Italian Navy*	Muggiano
Offshore (Vard)		**OSCV "Skandi Açu"**	*Techdof Brasil*	Vard Søviknes
Offshore (Vard)		**AHTS "Skandi Paraty"**	*DOF*	Vard Niterói
Offshore (Vard)		**3 LPG carriers "Barbosa Lima Sobrinho", "Darcy Ribeiro" and "Lucio Costa"(1)**	*Transpetro*	Vard Promar

(1) One delivered in Q1 2016, one in Q2 2016 and one in Q3 2016

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Outlook

Guidance	• **Guidance 2016 confirmed** – Revenue increase 4-6% vs. 2015 – EBITDA margin approx. 5% – Positive net result – Net debt at approx. € 0.7-0.8 bln*	• **Guidance 2018 confirmed** – Revenue increase 16-23% vs. 2016 – EBITDA margin approx. 6-7% – Net debt at approx. € 0.4-0.6 bln*	• **Guidance 2020 confirmed** – Revenue increase 16-21% vs. 2018 – EBITDA margin approx. 7-8% – Net debt at approx. € 0.1-0.3 bln*

Shipbuilding

- **Delivery of 1 prototype remaining for 2016** (4 ships already delivered) and focus on activities related to the delivery of 3 cruise ships in the first three months of 2017
- **Continuing effort, on track with expectations, to develop significant production synergies with VARD** through the utilization of Tulcea shipyard to support Italian facilities
- Ongoing construction of the first unit of the Italian Navy's fleet renewal program and beginning of the design activities related to the Qatar order will lead to **gradual increase in naval volumes going forward**

Offshore

- **OSV market continuously monitored, but no significant rebound in demand expected in the near term:** working with clients on cost-effective solutions without compromising innovation, performance and quality
- **Continuous implementation of the diversification strategy and reorganization measures already started,** including leads in aquaculture business, offshore wind and OPV markets

Equipment, Systems & Services

- **Expected confirmation of positive results achieved in 9M 2016 with the consolidation of the growth trend both in terms of revenues and margins**

** Net debt partly used to finance net working capital*

Shipbuilding

Highlights

€ mln	FY 2015	9M 2015	9M 2016
Order intake	**9,262**	**4,148**	**5,228**
Order book	**18,540**	**13,817**	**20,993**
Backlog	**14,067**	**9,437**	**17,054**
Revenues	**2,847**	**2,110**	**2,412**
EBITDA	**(23)**	**26**	**138**
% on revenues	*-0.8%*	*1.2%*	*5.7%*
Capex	**112**	**74**	**118**
Ships delivered	**9**	**7**	**10**

- 1 cruise ship for Princess Cruises
- 1 cruise ship for Regent Seven Seas Cruises (Norwegian Cruise Line Holdings)
- 7 naval vessels for Qatar Emiri Naval Forces
- 1 LCS unit for US Navy
- 1 ATB unit to be built in US

Delivery of 1 prototype remaining for 2016 (4 ships already delivered) and focus on activities related to the delivery of 3 cruise ships in the first three months of 2017

Continuing effort, on track with expectations, to develop significant production synergies with VARD through the utilization of Tulcea shipyard to support Italian facilities

Ongoing construction of the first unit of the Italian Navy's fleet renewal program and beginning of the design activities related to the Qatar order will lead to **gradual increase in naval volumes going forward**

Comments

- Orders: order intake at € 5,228 mln taking backlog to € 17,054 mln
- Revenues: at € 2,412 mln, up 14.3%
  - Growth of volumes in cruise (13 units under construction vs. 11 in the same period of 2015)
  - Decrease in other activities primarily due to the lower contribution of repairs and conversions
- EBITDA at € 138 mln, margin at 5.7%
  - Gradual margin recovery with the delivery of highly complex prototypes
  - Positive performance of naval business unit, in particular on ships delivered in Q3 2016
- Capex: at € 118 mln

(1) 4 cruise ships (Viking Sea for Viking Ocean Cruises, Koningsdam for Holland America Line, Carnival Vista for Carnival Cruise Lines and Several Seas Explorer for Regent Seven Seas Cruises), 1 semisubmersible floating platform (Itarus for the Russian RosRAO), 1 submarine (Pietro Venuti for the Italian Navy, 1 LCS (LCS 7 "USS Detroit" for the US Navy), 1 FREMM (Alpino for Ithe talian Navy) and 2 vessels for petrol-chemical transportation

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Offshore

Highlights

€ mln	FY 2015	9M 2015	9M 2016
Order intake	**402**	**299**	**1,084**
Order book	**2,729**	**2,975**	**2,778**
Backlog	**1,143**	**1,589**	**1,501**
Revenues	**1,199**	**847**	**723**
EBITDA	**(3)**	**(16)**	**37**
% on revenues	*-0.2%*	*(1.9)%*	*5.1%*
Capex	**31**	**24**	**19**
Ships delivered	**12**	**11**	**9**

- 4 expedition cruise vessels for Ponant
- 2 expedition cruise vessels for Hapag-Lloyd
- 17 module carrier vessels for Topaz Energy & Marine
- 3 module carrier vessels for Kazmortransflot
- 1 Stern Trawler for Havfisk ASA

OSV market continuously monitored, but no significant rebound in demand expected in the near term: working with clients on cost-effective solutions without compromising innovation, performance and quality

Continuous implementation of the diversification strategy and reorganization measures already started, including leads in aquaculture business, offshore wind and OPV markets

Comments

- Orders: order intake at € 1,084 mln taking backlog to € 1,501 mln
- Revenues: at € 723 mln, down 14.6%
  - Revenue decrease driven by the reduction of activities at VARD yards in Europe and in Brazil, where phasing out of Niterói yard has been completed and key resources were relocated to Promar
  - Negative effect of NOK/EUR exchange rate (€ 43 mln)
- EBITDA: at € 37 mln, with margin at 5.1%
  - De-risking of activities in Brazil in line with business plan: delivery of 4 vessels, shut down of Niterói yard and increase of the ownership stake in Vard Promar to 95.15%
  - Margins in Europe affected by order slowdown started in Q4 2014 pending the effects of the diversification strategy
- Capex: at € 19 mln

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Equipment, Systems and Services

Highlights

€ mln	FY 2015	9M 2015	9M 2016
Order intake	**639**	**473**	**361**
Order book	**1,181**	**1,083**	**1,450**
Backlog	**732**	**634**	**908**
Revenues	**226**	**149**	**193**
EBITDA	**31**	**19**	**32**
% on revenues	*13.8%*	*12.5%*	*16.6%*
Capex	**5**	**4**	**2**

Expected confirmation of positive results achieved in 9M 2016 with the consolidation of the growth trend both in terms of revenues and margins

Comments

- Orders: order intake at € 361 mln taking backlog at € 908 mln
- Revenues: up to € 193 mln
  - Increase of volumes in after sales services for naval vessels, but also in sales of automation systems and other naval equipment
- EBITDA: at € 32 mln with margin at 16.6%
  - Continuing positive trend in all business areas

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Financial Appendix

Destriero
World record for the fastest crossing of the Atlantic Ocean without refueling
(58 hours at an average speed of 53.1 knots)

Profit & Loss and Cash flow statement

Profit & Loss statement (€ mln)	FY 2014	FY 2015	9M 2015	9M 2016
Revenues	**4,399**	**4,183**	**3,032**	**3,230**
Materials, services and other costs	(3,234)	(3,337)	(2,368)	(2,403)
Personnel costs	(843)	(865)	(658)	(626)
Provisions(1)	(25)	(7)	-	(16)
EBITDA	**297**	**(26)**	**6**	**185**
Depreciation, amortization and impairment	(99)	(111)	(80)	(80)
EBIT	**198**	**(137)**	**(74)**	**105**
Finance income / (expense)(2)	(66)	(135)	(109)	(52)
Income / (expense) from investments	6	(3)	-	(5)
Income taxes(3)	(51)	23	14	(18)
Net result before extraordinary and non recurring items	**87**	**(252)**	**(169)**	**30**
Attributable to owners of the parent	*99*	*(141)*	*(73)*	*35*
Extraordinary and non recurring items(4)	(44)	(50)	(34)	(29)
Tax effect on extraordinary and non recurring items	12	13	8	6
Net result for the period	**55**	**(289)**	**(195)**	**7**
Attributable to owners of the parent	*67*	*(175)*	*(96)*	*16*

Cash flow statement (€ mln)	FY 2014	FY 2015	9M 2015	9M 2016
Beginning cash balance	**385**	**552**	**552**	**260**
Cash flow from operating activities	33	(287)	(406)	(20)
Cash flow from investing activities	(157)	(172)	(117)	(152)
Free cash flow	**(124)**	**(459)**	**(523)**	**(172)**
Cash flow from financing activities	303	167	149	(18)
Net cash flow for the period	**179**	**(292)**	**(374)**	**(190)**
Exchange rate differences on beginning cash balance	(12)	-	(8)	5
Ending cash balance	**552**	**260**	**170**	**75**

(1) The line "Provisions and impairment" has been modified in "Provisions" and includes provisions and reversal for risks and writedowns. It excludes impairment of Intangible assets and Property, plant and equipment, which is included in "Depreciation, amortization and impairment" (previously "Depreciation and amortization"). This change had no effect on the comparative information.
(2) Includes interest expense on construction loans for € 28 mln in 9M 2015 and € 27 mln in 9M 2016
(3) Excluding tax effect on extraordinary and non recurring items
(4) Extraordinary and non recurring items gross of tax effect

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Net result before extraordinary and non recurring items(1)

Net result before extraordinary and non recurring items (€ mln)	FY 2014	FY 2015	9M 2015	9M 2016
A **Net result before extraordinary and non recurring items(1)**	**87**	**(252)**	**(169)**	**30**
Attributable to owners of the parent	*99*	*(141)*	*(73)*	*35*
B Extraordinary and non recurring items gross of tax effect	(44)	(50)	(34)	(29)
– *Of which extraordinary wages*	*(10)*	*(3)*	*(3)*	*(1)*
– *Of which restructuring costs*	*(9)*	*(17)*	*(9)*	*(9)*
– *Of which asbestos claims*	*(21)*	*(30)*	*(22)*	*(19)*
– *Of which other non recurring items*	*(4)(2)*	-	-	*(0)*
C Tax effect on extraordinary and non recurring items	12	13	8	6
A + B + C **Net result for the period**	**55**	**(289)**	**(195)**	**7**
Attributable to owners of the parent	*67*	*(175)*	*(96)*	*16*

- **Extraordinary wages** - costs related to CIGS (Cassa Integrazione Guadagni Straordinaria) for employees in temporary layoff
- **Restructuring costs** - extraordinary costs, such as severance, related to workforce reduction under the Reorganization Plan in Italy and Vard
- **Asbestos claims** - provisions or costs for asbestos related to claims by employees
- **Other non recurring items** - mainly write-downs; in 2014 IPO related costs

(1) Extraordinary and non recurring items net of tax effect
(2) Mainly IPO related costs

Balance sheet

Balance sheet (€ mln)	FY 2014	FY 2015	9M 2015	9M 2016
Intangible assets	508	518	504	569
Property, plant and equipment	959	974	958	1,032
Investments	60	62	65	58
Other non-current assets and liabilities	(48)	(44)	(43)	(21)
Employee benefits	(62)	(57)	(57)	(61)
Net fixed assets	**1,417**	**1,453**	**1,427**	**1,577**
Inventories and advances	388	405	479	557
Construction contracts and advances from customers	1,112	1,876	1,726	1,445
Construction loans	(847)	(1,103)	(995)	(833)
Trade receivables	610	560	500	424
Trade payables	(1,047)	(1,179)	(975)	(1,227)
Provisions for risks and charges	(129)	(112)	(116)	(105)
Other current assets and liabilities	(18)	(196)	(165)	61
Net working capital	**69**	**251**	**454**	**322**
Net invested capital	**1,486**	**1,704**	**1,881**	**1,899**
Equity attributable to Group	*1,310*	*1,137*	*1,223*	*1,108*
Non-controlling interests in equity	*220*	*129*	*152*	*166*
Equity	**1,530**	**1,266**	**1,375**	**1,274**
Cash and cash equivalents	(552)	(260)	(170)	(75)
Current financial receivables	(82)	(53)	(58)	(67)
Non-current financial receivables	(90)	(113)	(97)	(117)
Short term financial liabilities	80	263	232	379
Long term financial liabilities	600	601	599	505
Net debt / (Net cash)	**(44)**	**438**	**506**	**625**
Sources of financing	**1,486**	**1,704**	**1,881**	**1,899**

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