

Rome, 17 March 2014

Finmeccanica: Contract with India - The Civil Court of Milan confirms the prohibition to pay collateral

Finmeccanica informs that today the Court of Milan – upholding the appeal lodged by its subsidiaries AgustaWestland S.p.A. and AgustaWestland International Ltd seeking an emergency interim ruling on the resolution by the Indian Defence Ministry of the contract to supply 12 AW 101 VVIP/VIP helicopters – confirmed the ruling issued last January 8, prohibiting, as a preventive measure, Deutsche Bank S.p.A. to pay the collateral of over EUR 278 million deposited in relation to the contract.

The decision of the Milan Court upheld almost all the claims made by the two companies, recognizing the patently abusive behaviour of the Indian Defence Ministry in demanding the payment of the collateral on the grounds of generic allegations in relation to the unspecified non-performance of contractual obligations.

Limitedly to the roughly EUR 28 million in warranty bonds, which have already been paid out by the State Bank of India and by Deutsche Bank A.G., and to the earnest money deposit of approximately EUR 350,000, the Court of Milan declared lack of jurisdiction and refrained from deciding on the issue.

AgustaWestland is represented by Cleary Gottlieb Steen & Hamilton Law Firm.

Finmeccanica is Italy's main industrial group, leader in the high technology field, and ranks among the top ten groups at world level in the Aerospace, Defence and Security sectors. Listed on the Milan Stock Exchange (FNC IM; SIFI.MI), with revenues of approximately 17 billion Euro, over 68,000 employees, 150 operating and commercial locations and 345 production facilities in 50 different countries world-wide, Finmeccanica is an international and multicultural group with an important presence in its four domestic markets: Italy, United Kingdom, the United States and Poland. Finmeccanica's success is based on its technological excellence, which springs from conspicuous investments in Research & Development (amounting to 12% of the revenues), and the constant efforts it makes to develop and integrate the skills, know-how and values of its operating companies. Finmeccanica is active in the following sectors: Helicopters (AgustaWestland), Defence Electronics and Security (Selex ES, DRS) and Aeronautics (Alenia Aermacchi) – which represent its core business – and it is also well positioned in the sectors of Space (Telespazio, Thales Alenia Space), Defence Systems (Oto Melara, WASS, MBDA) and Transportation (Ansaldo STS, AnsaldoBreda, BredaMenarinibus).