



Avio 9M 2019 results

7 November 2019

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9M 2019 Highlights :

Revenue and EBITDA grow, net cash position is stable



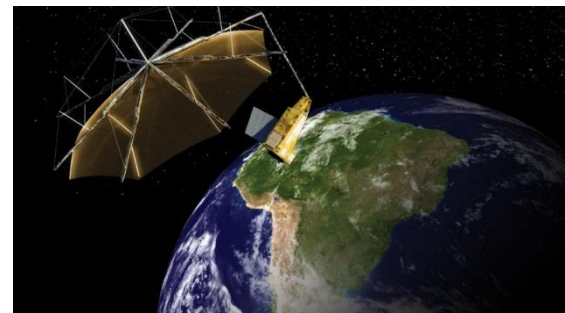
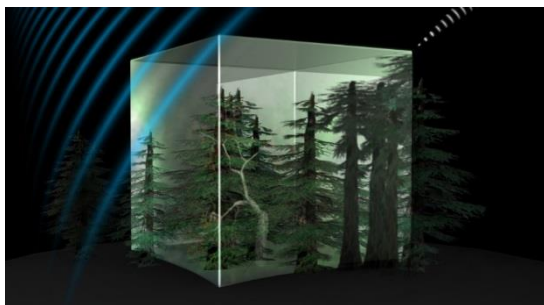
- **Net Revenues: €270.3M (up 3% vs 9M 2018)**
 - Increase in development activities on Vega
- **Reported EBITDA: €23.5M (up 5% vs 9M 2018)**
 - Further reduction in non-recurring expenses
- **Reported EBIT: €11.7M (down 4% vs 9M 2018)**
 - Higher impact of depreciation for previous years' CAPEX
- **Net Financial Position: €49.3M (+€0.2M on 31 December 2018)**
 - Cash dynamics in line with typical business seasonality
- **Most relevant business facts occurred in 9M 2019**
 - **3 Ariane 5 successful launches, VA250 scheduled on 22nd November**
 - **1 Vega successful launch in March; VV15 anomaly in July**
 - **On track to go back to flight with Vega in 1Q 2020;**
 - **Vega C Maiden Flight expected by 1H 2020**
 - **New contracts signed:**
 - **Biomass satellite with ESA**
 - **Production order for P120 engines for first 14 Ariane 6 launchers**

New commercial success highlights customers' confidence in Vega for Earth Observation satellites



Earth Explorer Biomass

- Earth Observation satellite to **monitor forests degradation and fires through the analysis of carbon dioxide stored into forests worldwide**
- Weight: **1.2 tons**
- Orbit: **SSO @666 Km**
- Launch vehicle: **Vega**
- Launch window: starting **from October 2022**



Most relevant business activities during 9M 2019



4 launches expected in 2019



SAUDI GEO
HELLAS SAT 4
GSAT-31
KACST

5 FEBRUARY

VA247



T-16
EUTELSAT 7C

20 June

VA248



EDRS-C



25 September

VA249



TIBA-1



22 November

VA250

2 launches in 2019



21 March

VV14



FalconEye-1

11 July

VV15

Development & Complementary

- Ariane 5:
 - 3 missions completed in 2019 YtD, next mission on 22nd November
- Ariane 6:
 - Signed order for first P120 production batch for 14 launchers
 - New launch pad construction in progress. Maiden flight expected by 2020
- Vega:
 - Signed ESA Biomass launch contract
 - SSMS module ready to welcome customers in Kourou
- Vega C:
 - Completed UC EMC test
 - Software and avionics test in progress
 - Maiden Flight confirmed in 1H 2020

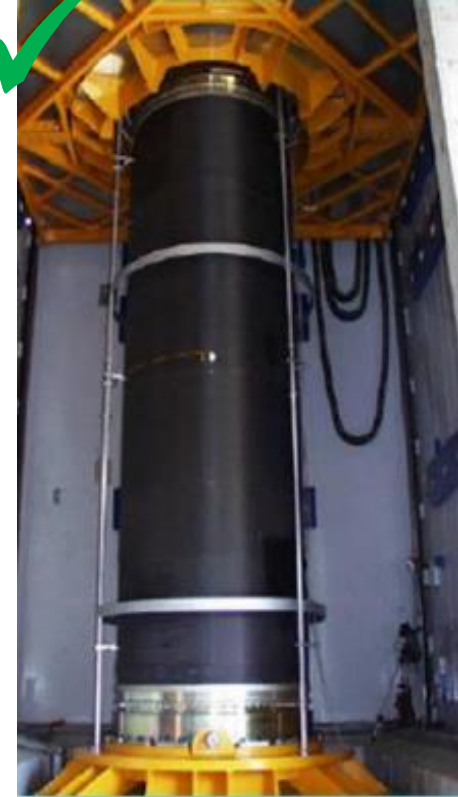
Good progress on VV16 manufacturing to support Vega's return to flight by March 2020



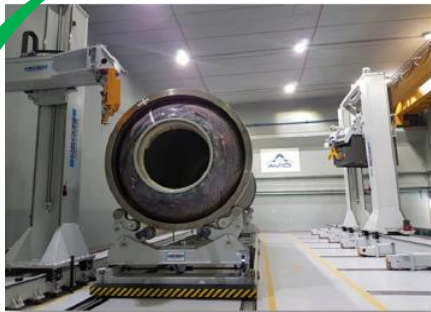
Z23 ITP Vulcanization



Z23 Filament winding completion



Z23 IMC Proof testing



Z23 IMC X-Ray inspection



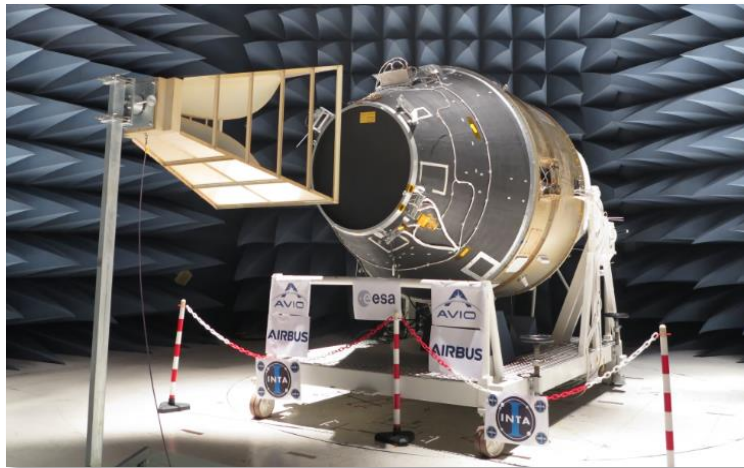
Z23 ITP application

- The Independent Enquiry Commission (IEC) work has come to a conclusion
- Recommendations have been established for corrective actions
- The IEC considers that a rigorous implementation of these recommendations will allow a safe return to flight
- Implementation of recommendations is well underway at Avio for flight by 1Q 2020 ⁶

Vega C development on track – working on system-level tests in view of a Maiden Flight by mid 2020



System tests



- UC EMC test completed
- HWIL test ongoing

Launch Mechanical Pad test



- Launch Pad weight load test completed

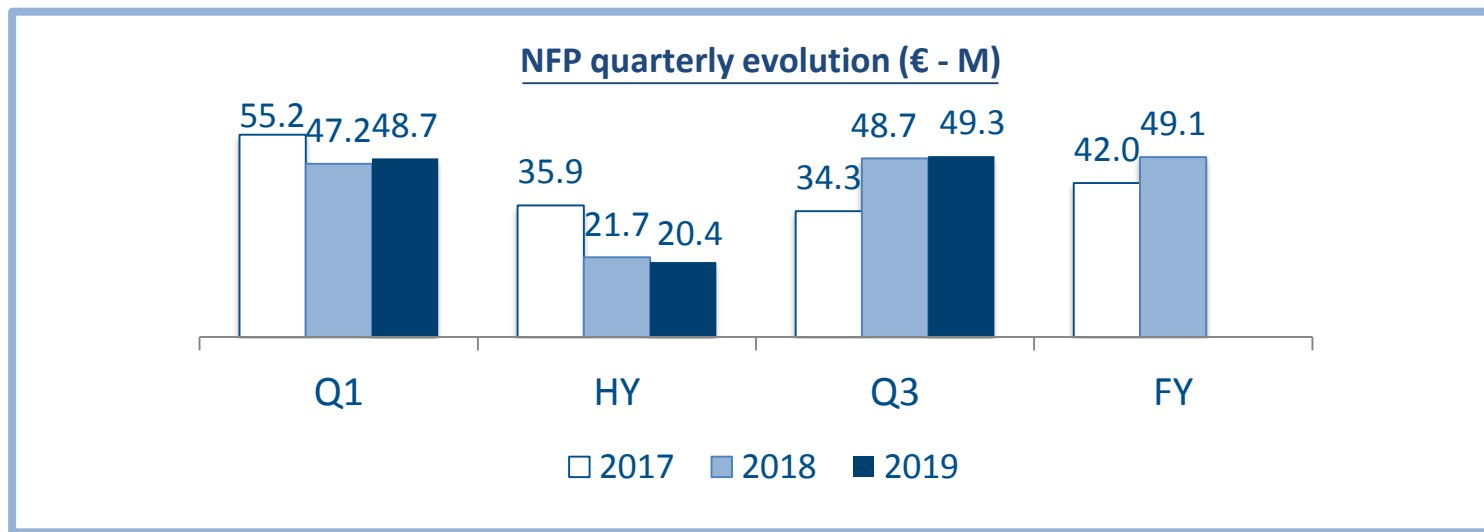
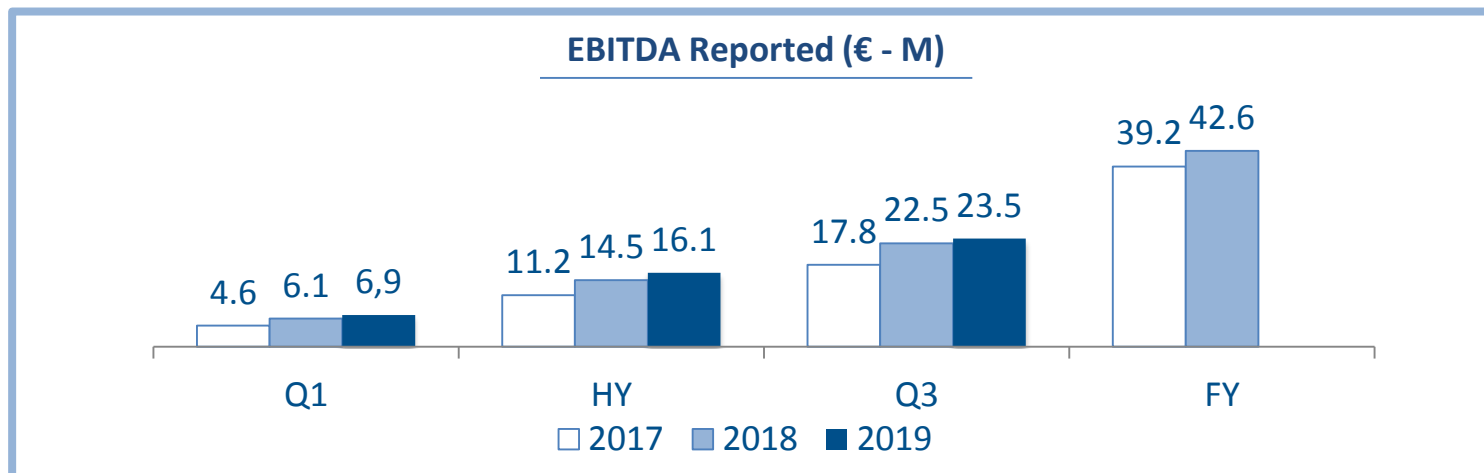


9M economic and financial highlights



9M 2018 ACTUAL	MAIN ECONOMICS/ FINANCIALS	9M 2019 ACTUAL	Delta	Delta	Comments
€ - M		€ - M	€ - M	%	
261.5	NET REVENUES	270.3	8.8	3%	<ul style="list-style-type: none"> • Growth in Vega development • Higher depreciation expenses (including IFRS 16) • Non-recurring costs reduced by 20% vs 2018
22.5 8.6%	EBITDA REPORTED <i>% on net revenues</i>	23.5 8.7%	1.0	5%	
24.9 9.5%	EBITDA ADJUSTED <i>% on net revenues</i>	25.4 9.4%	0.5	2%	
12.3 4.7%	EBIT REPORTED <i>% on net revenues</i>	11.7 4.5%	(0.5)	-4%	
14.6 5.6%	EBIT ADJUSTED <i>% on net revenues</i>	13.6 5.2%	(1.0)	-7%	
31 DEC 2018 ACTUAL		30 SEP 2019 ACTUAL	Delta	Delta	
€ - M		€ - M	€ - M	%	
49.1	NET FINANCIAL POSITION	49.3	0.2	0%	<ul style="list-style-type: none"> • 30 Sep 19 NFP in line with Dec 18 following typical seasonality (including IFRS 16)

Annual pattern of Reported EBITDA and NFP





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