



# Avio – Financial Update

*6<sup>th</sup> December 2019*

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# Highlights



- **Vega return to flight in March 2020 confirmed**
- **Vega C development on track for Maiden Flight in 2020**
- **Positive outcome of ESA 2019 Ministerial Council**
- **2019 Guidance confirmed**

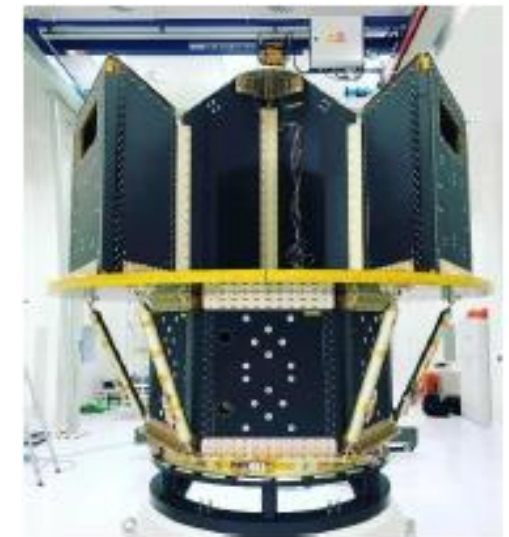
# Vega : getting ready for Return-to-Flight in March 2020 with SSMS



- **VV15 Independent Inquiry Commission work finalized in Nov.**
- **Corrective actions implementation well under way**
- **ESA development team supporting Avio for implementation**
- **Production of VV16 flight items started in late September**
- **Z23 motor with improved specifications manufactured and successfully tested with reinforced acceptance process**
- **Transport of new flight items to Kourou in January**
- **Launcher Integration campaign on the Launch Pad in February**
- **VV16 in March with SSMS / 1<sup>st</sup> European smallsat rideshare**



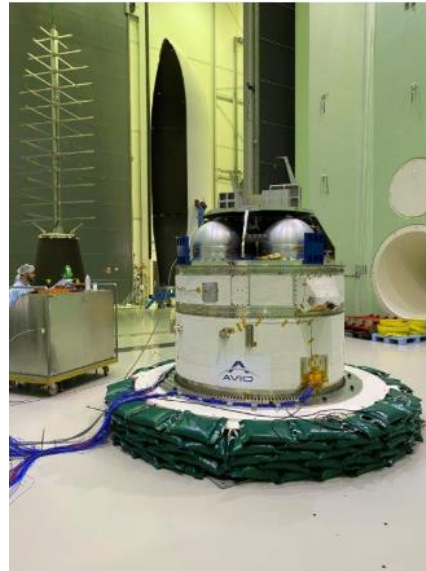
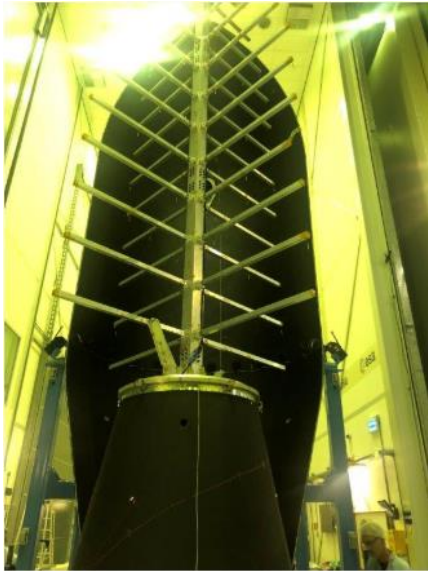
**Z23 for VV16**



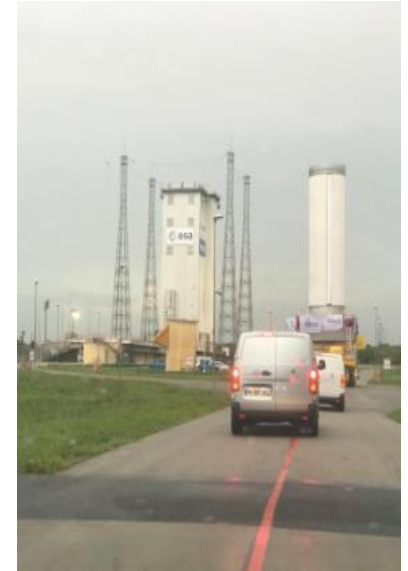
**SSMS Adapter**



# Vega C : getting ready for Maiden Flight



**Acoustic test successfully completed in November**



**P120 in position in the Mobile Gantry for launch pad test**

# Effective cooperation with Arianespace for Vega C exploitation



Vega / Vega C launch complex in Kourou



## ESA-Arianespace-Avio exploitation protocol for Vega C

- Arianespace Launch Service Provider and Operator, responsible for commercial activities
- Avio responsible for all launch campaign activities and for launch complex assets, operations and maintenance
- Avio to hold technical responsibility for launcher system and launch complex compliance with requirements
- Guiding principles defined by ESA for complementary exploitation of Ariane 6 and Vega C for ESA and European Institutional missions

## Arianespace recent success on new launch Service contracts for Vega

- ESA Biomass signed for launch in 2022
- New Undisclosed export customer under contract finalization (Arianespace to announce soon)
- Active discussions in good progress for additional new launch services



SOURCE: ESA and Arianespace

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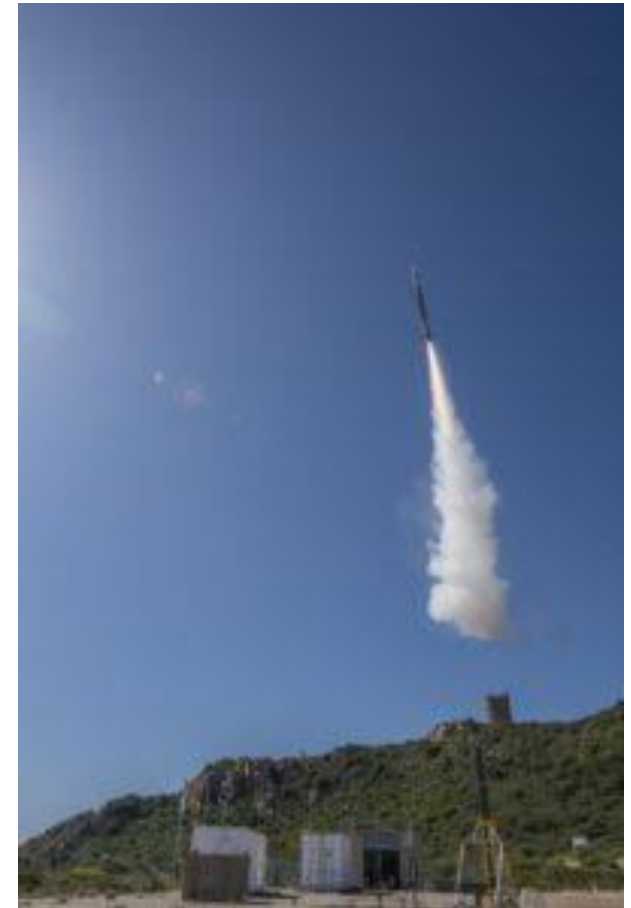


# Tactical propulsion: Successful Camm-ER tests



**MBDA**

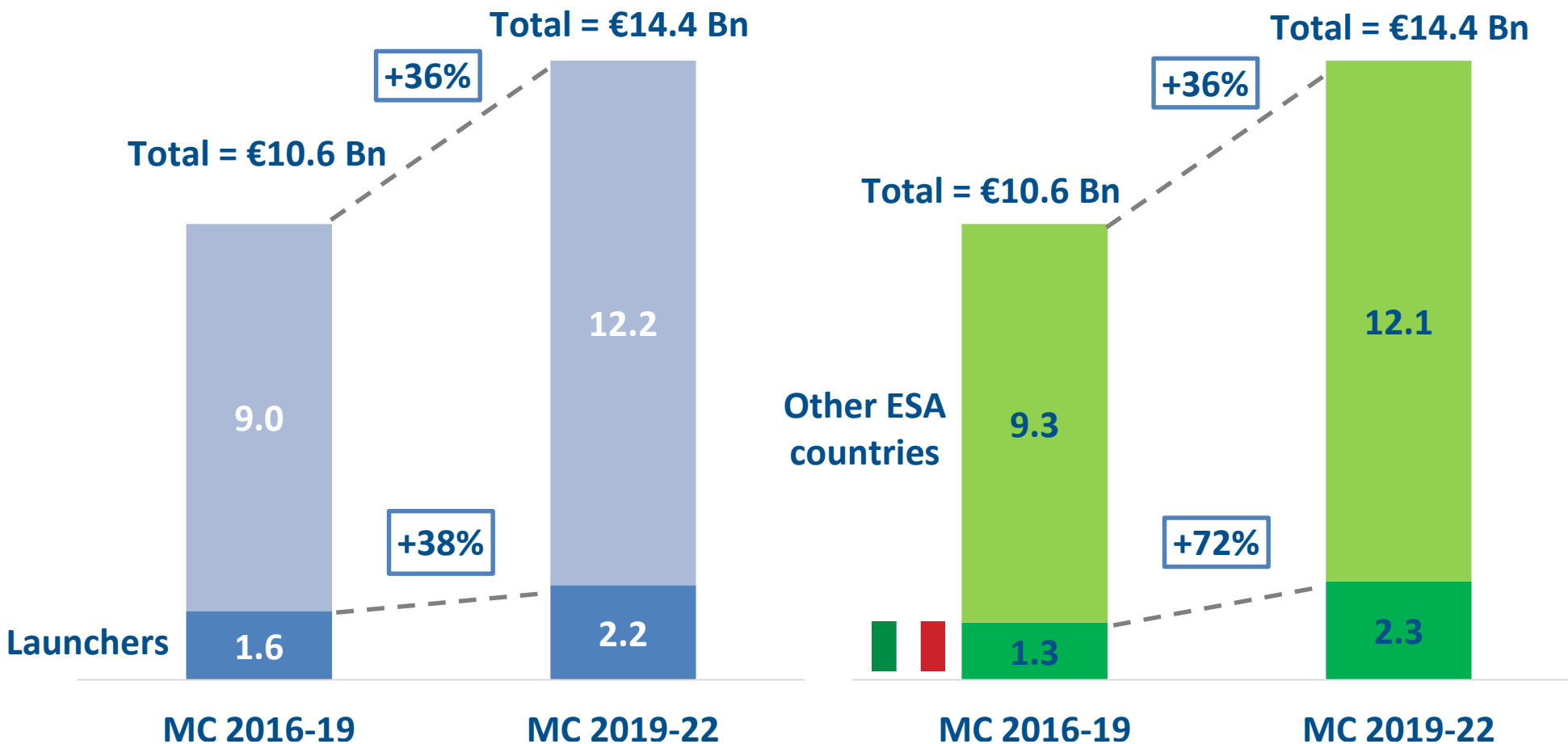
- MBDA successfully completed trials of the CAMM-ER air defence missile
- Series of firings proving performance at extended ranges and high altitudes
- CAMM-ER features a larger rocket motor to provide extended range beyond 40 km
- Avio responsible for the propulsion of the CAMM-ER defence system



# Positive outcome of the 2019 ESA Ministerial Council



## ESA Ministerial Council Subscriptions





# Positive outlook for the evolution of Vega programs



## Key ESA Space transportation programs under Italian leadership



Vega C

2.3 ton in LEO



- Cost reduction (Target 2023)
- Maint. of Op.Conditions

Space Rider

0.8 ton / re-entry



Development (Step 2)  
Target 2022

Vega E

2.8 ton in LEO



Development (Step 2)  
Target 2025

Vega C light

0.3 ton in LEO



Technology  
Development  
(Initial)

Total expected amount of R&D contracts to be assigned to Avio = € >400 Mln



SOURCE: ESA and ASI

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# Update on 2019 progress : guidance confirmed



- **Order backlog slightly lower than anticipated (but only due to timing)**
  - Full Ariane 6 production order to be completed after year-end
  - Other smaller orders also slipping towards beginning of 2020 but coming
  
- **Revenues close to guidance**
  - Progress on production and development activities partially slowed down by unforeseen work conducted for VV15 investigation activities
  - Catchup expected in 2020 upon completion of key milestones
  
- **EBITDA / EBIT guidance confirmed**
  
- **Net income guidance confirmed**
  - Positive upside from better than anticipated balance of financial expenses/income
  
- **VV15 impact balanced with ESA program devoted to treatment of flight anomalies**