Investor Presentation

Gabelli 25th Annual Aerospace & Defense Conference

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Avio : a pure player in Space launchers

ariane 6

AVIO

- 400 M€ revenues (15% CAGR 2014-18)
- 1,000 employees
- 320M€ Mkt Cap
- 70% free float
- 4% Mgmt share

NEW 2020

Ariane 6

Vega C

VEGA

- European heavy launcher (10.5 tons in GTO)
- Avio: partner and supplier for strap-on boosters

- European light launcher (1.5 tons in LEO)
- Avio: developer, manufacturer, launcher system integrator

50 years of expertise in Space technologies with consistent track record

Part of industrial groups → Private Equity owned → Public Company

1st listed Company in Space Launchers

Ammunitions	Ariane 1-3	Ariane 4	Ariane 5	Vega	Vega C / Ariane 6
					
Ammunitions	Separation motors	9.5 ton boosters	230 ton boosters	Launch system	Launcher family

1912 — 1968 — 1990 — 2003 — 2017

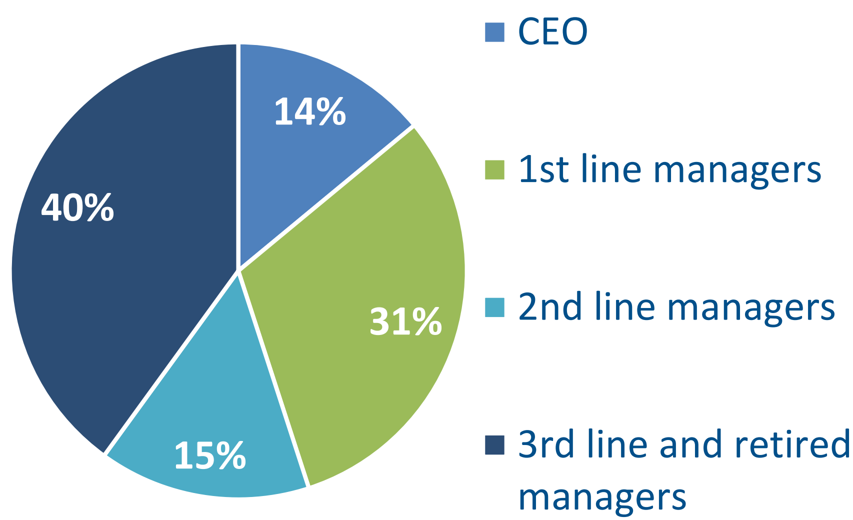
Managed by a team of Investors

inOrbit

4% share in Avio

70 Avio managers as equity partners

InOrbit shareholding breakdown

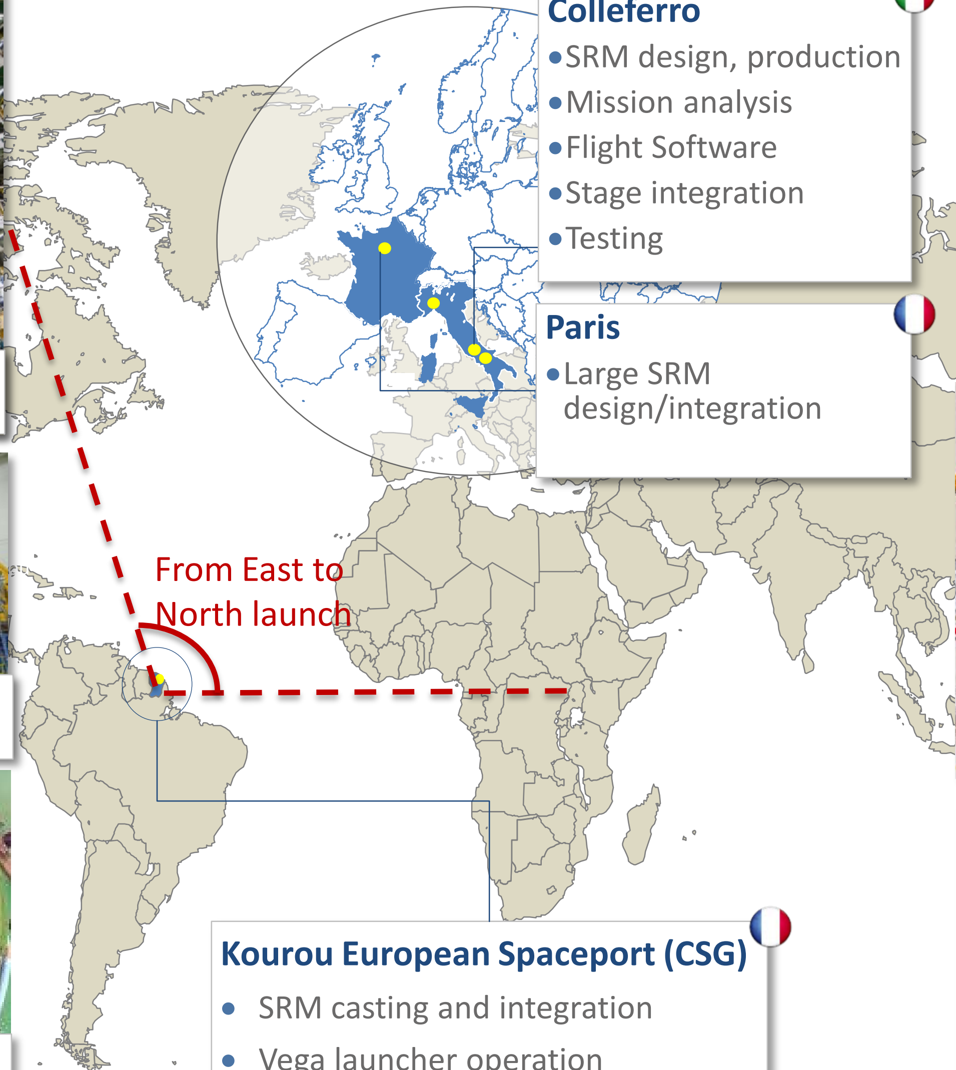


Industrial operations in Europe and French Guyana

Launcher integration

Main stage integration

Propellant casting



Colleferro
- SRM design, production
- Mission analysis
- Flight Software
- Stage integration
- Testing

Paris
- Large SRM design/integration

Kourou European Spaceport (CSG)
- SRM casting and integration
- Vega launcher operation

SRM Manufacturing

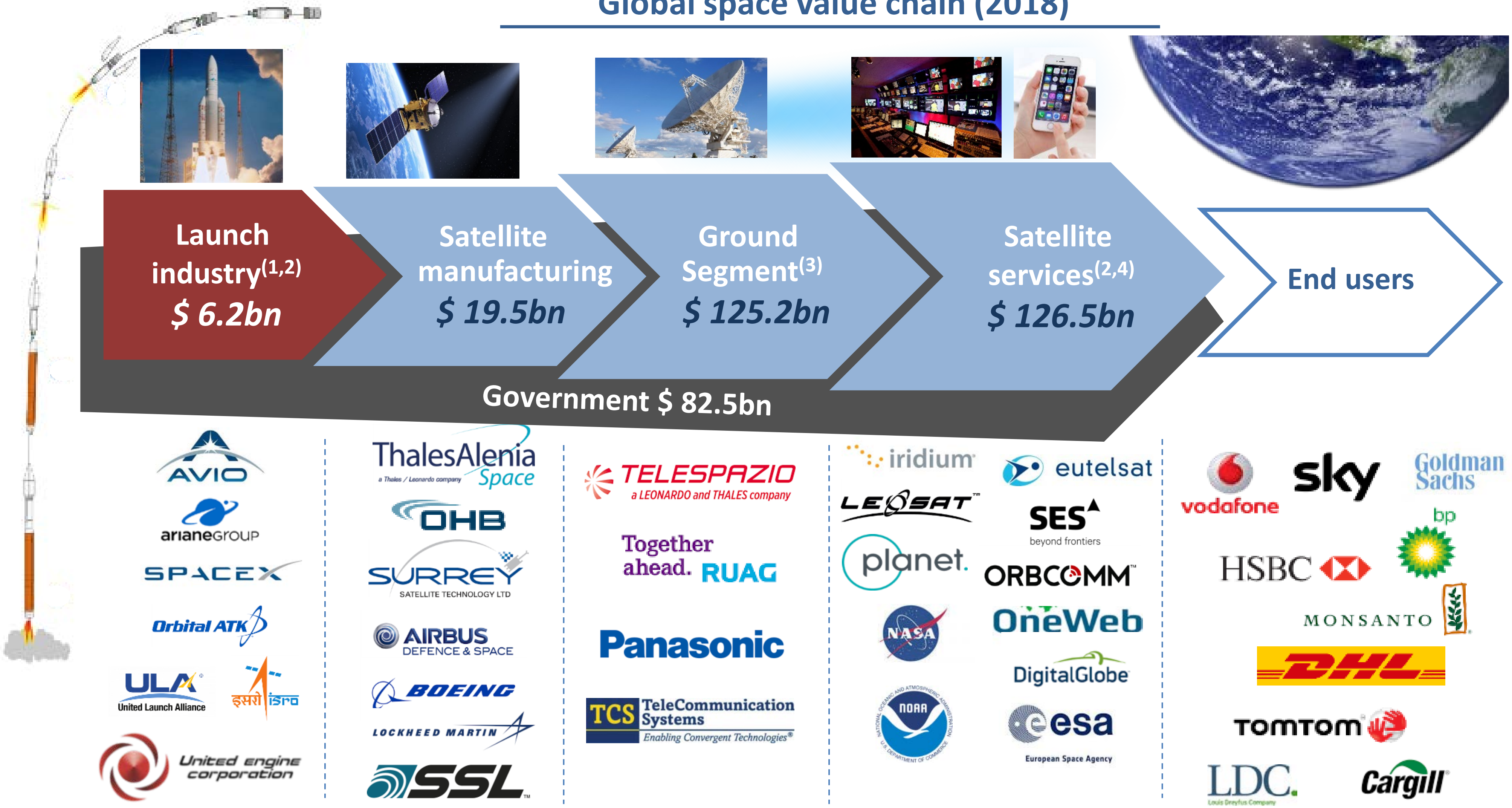
Upper stage integration

Firing tests

Source: Company information

Launch industry is the gateway to the Space economy

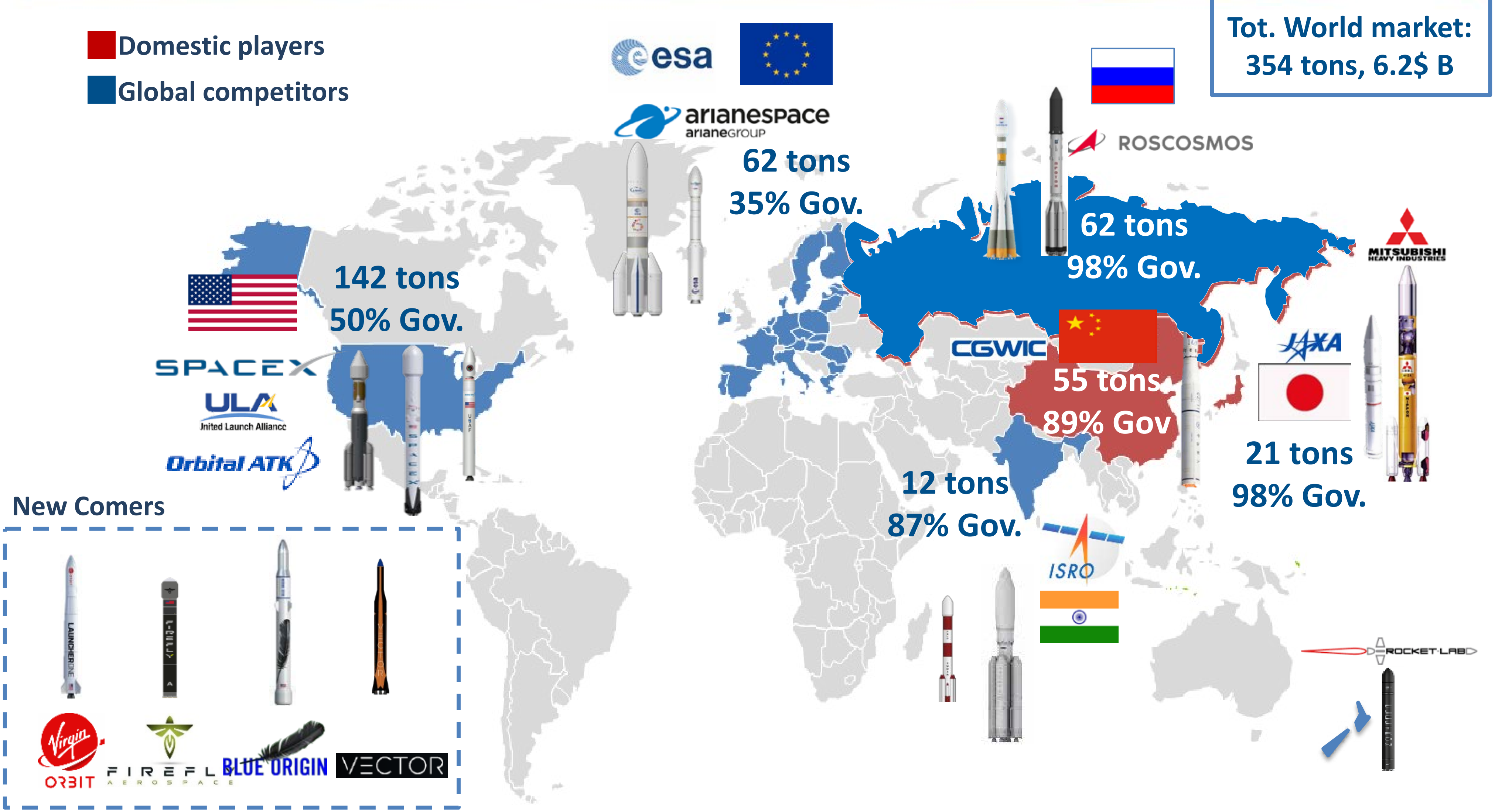
Global space value chain (2018)



(1): Includes launcher manufacturing and launch service activities
(2): Commercial services revenues only
(3): Includes GNSS chipsets and Related
(4): Includes commercial humanflight

Source: Satellite Industry Association (2018)

Global competition is concentrated on a few players and domestic Governmental demand plays a major role



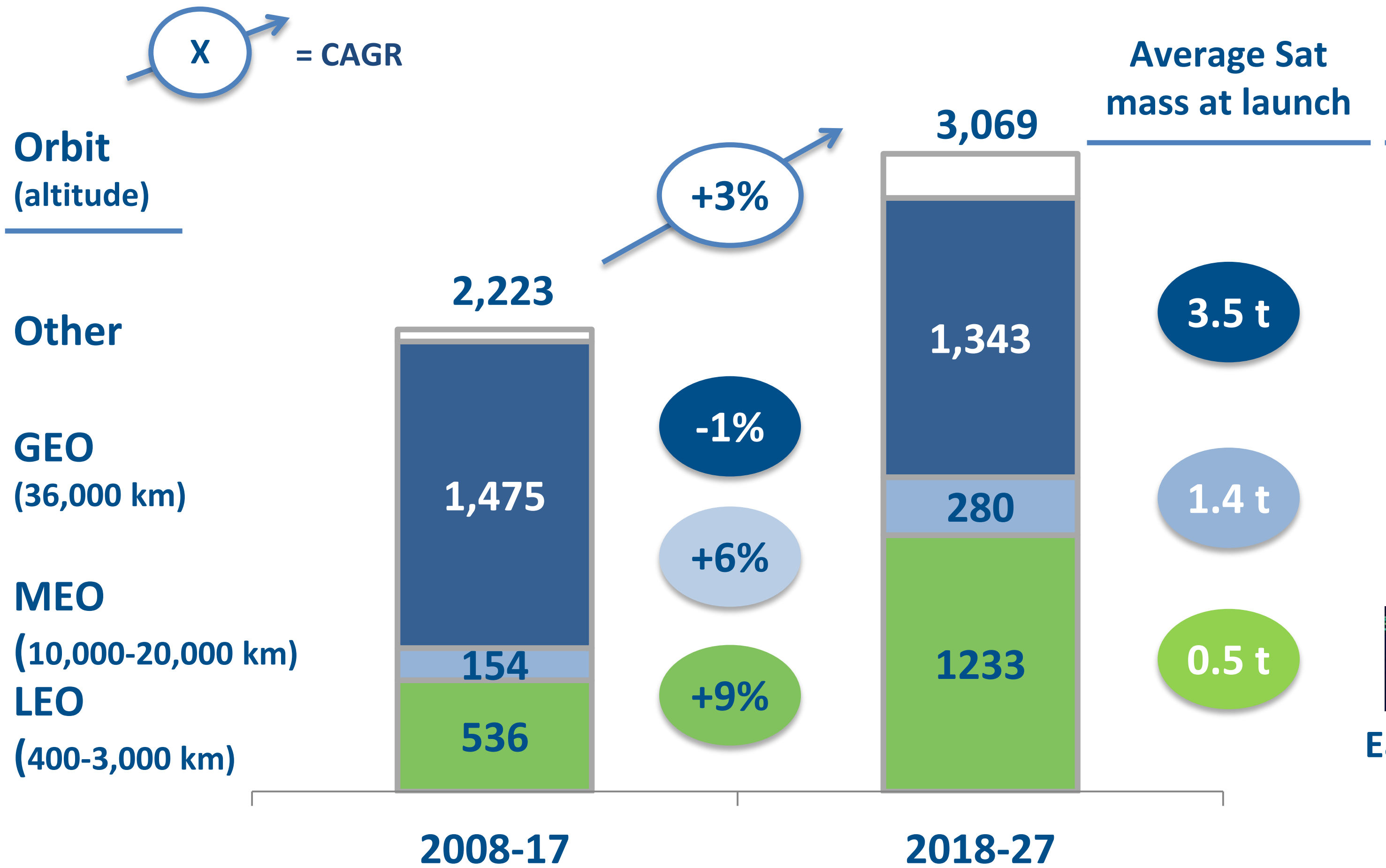
* Computed on addressable market (excludes government market of USA, China, Russia, Japan)

SOURCE: Avio elaboration on Gunter Space data

For the next decade: stable launch demand in MEO-GEO, fast-growing in LEO

World Market

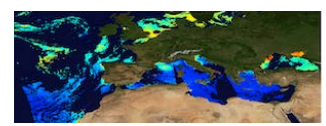
World total mass at launch (tons)



Key applications

Telecom

Navigation



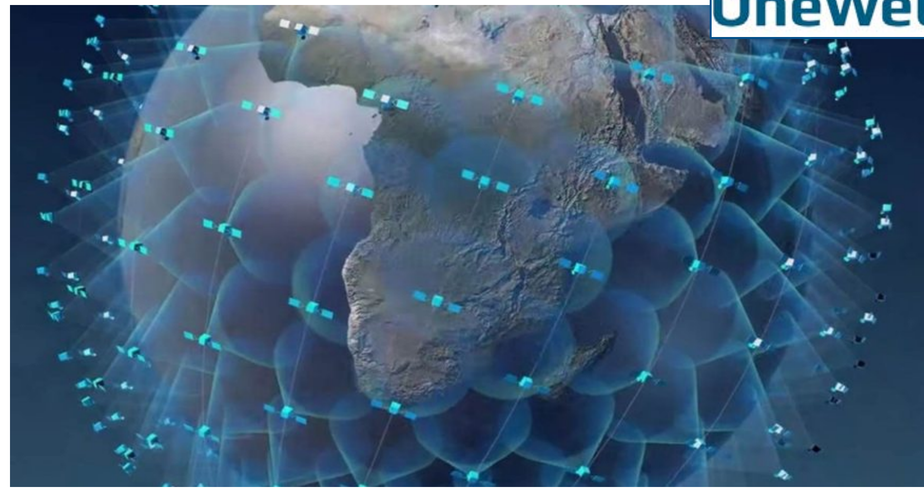
Earth Observation

Source : Avio estimate on Euroconsult data; Excludes sats with mass <50 Kg

New services driving rapid growth in LEO

Earth Observation

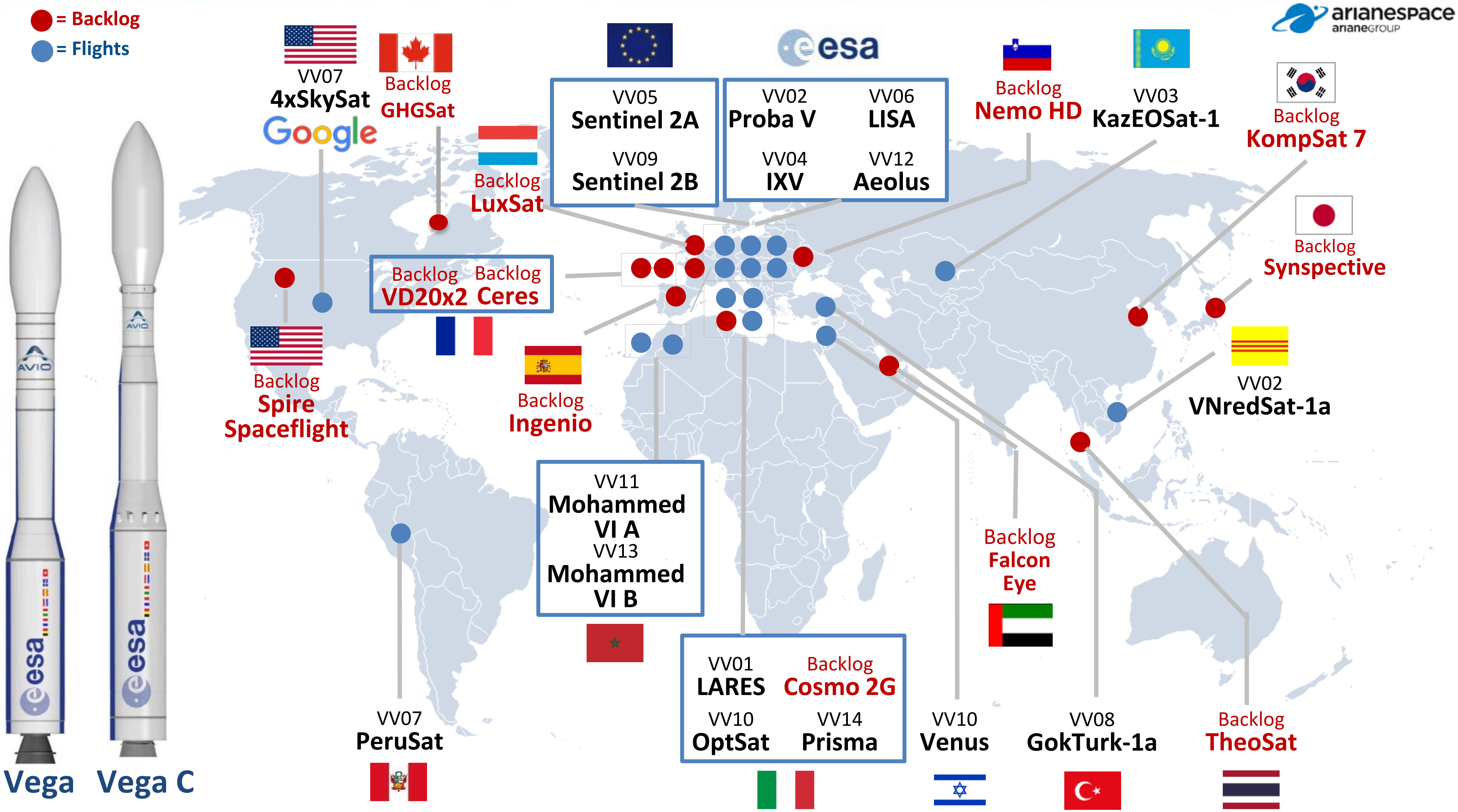
Internet/data connectivity



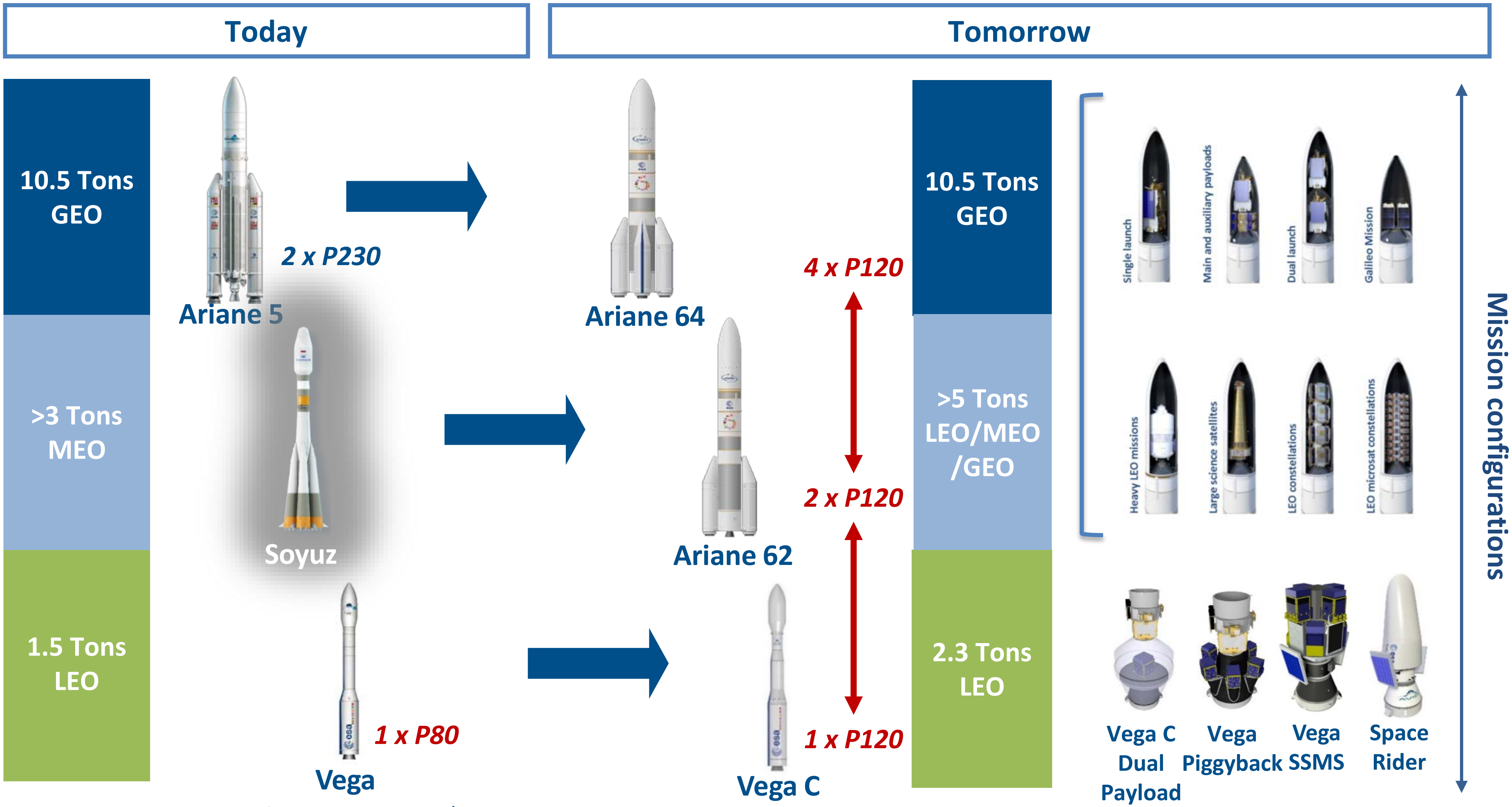
Internet of Things (Ship tracking)

Military Airfield monitoring

Vega global customer base since its 2012 maiden flight



European Launchers evolving to better meet market demand

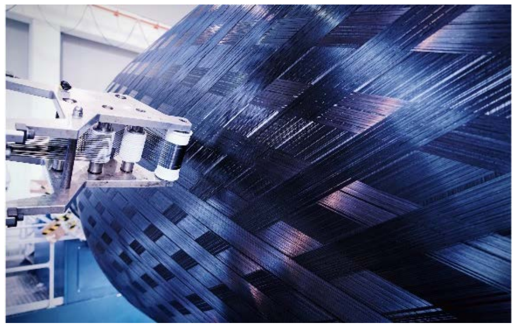


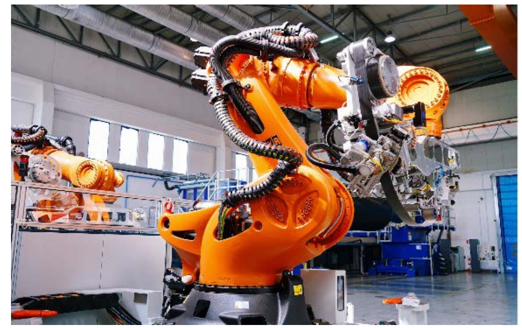
Source: Ariane 6 user manual

Revolutionary automation, advanced materials, streamlined process for the main stage (P120) production

Vega Ariane 5

P80 **P230**





Vega C Ariane 62 Ariane64

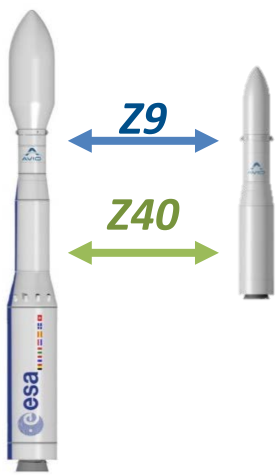
P120

Single main-stage, higher volumes, economies of scale

2018	2019	2020	2021	2022	2023
First flight items production		Vega C MF	Ariane 6 MF		*P120 Full volume production*

Further growth opportunities beyond 2020

2021: Vega Light



300 kg to LEO

- Dedicated launch service for smallsats
- Leverage of 2nd and 3rd stages of Vega C
- Rapid deployment

2022: Space Rider

800 kg to and from LEO

- Re-entry vehicle
- Space Debris removal
- Sub-orbital experiments

2024: Vega E

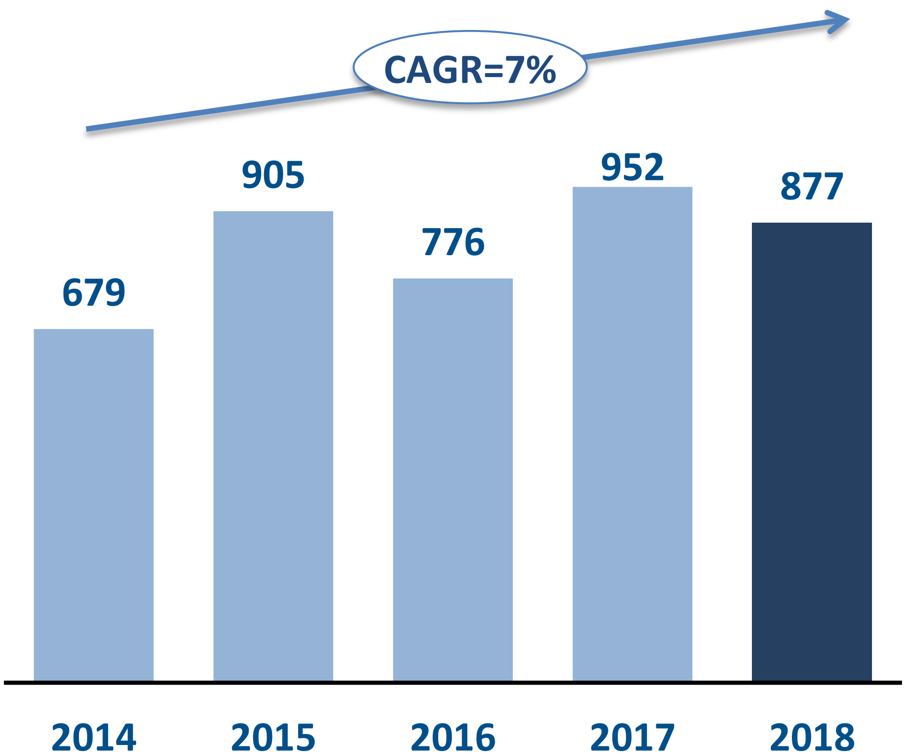
M10 LOX
Methane Engine

2,900 kg to LEO

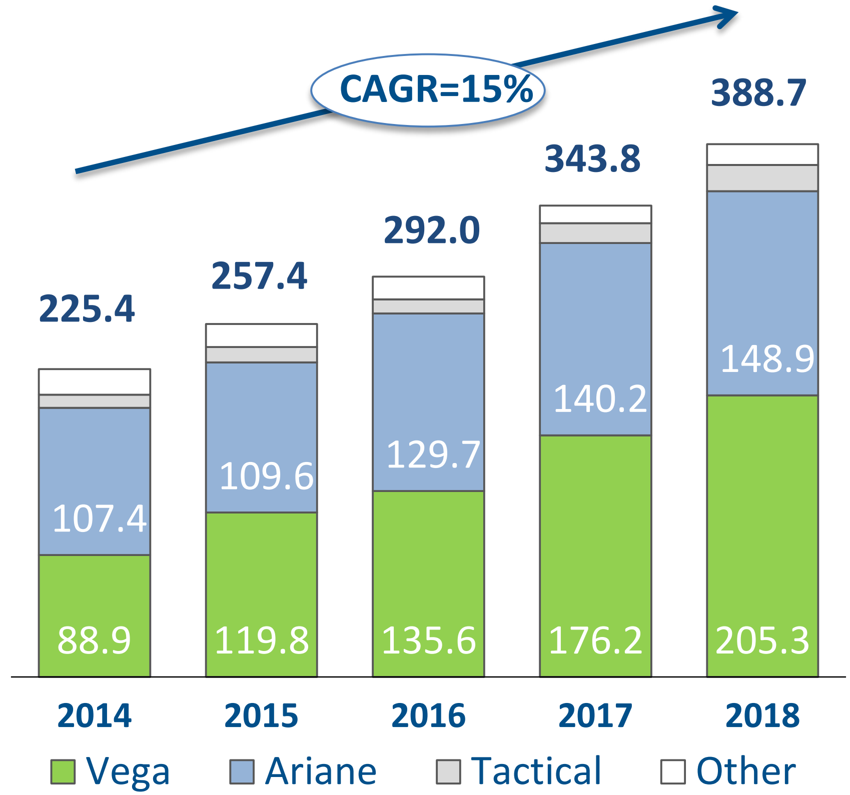
- Lower cost/kg than Vega C
- Increased in-orbit flexibility

Net Order Backlog and Revenues

Net Order Backlog Evolution (€ - M)

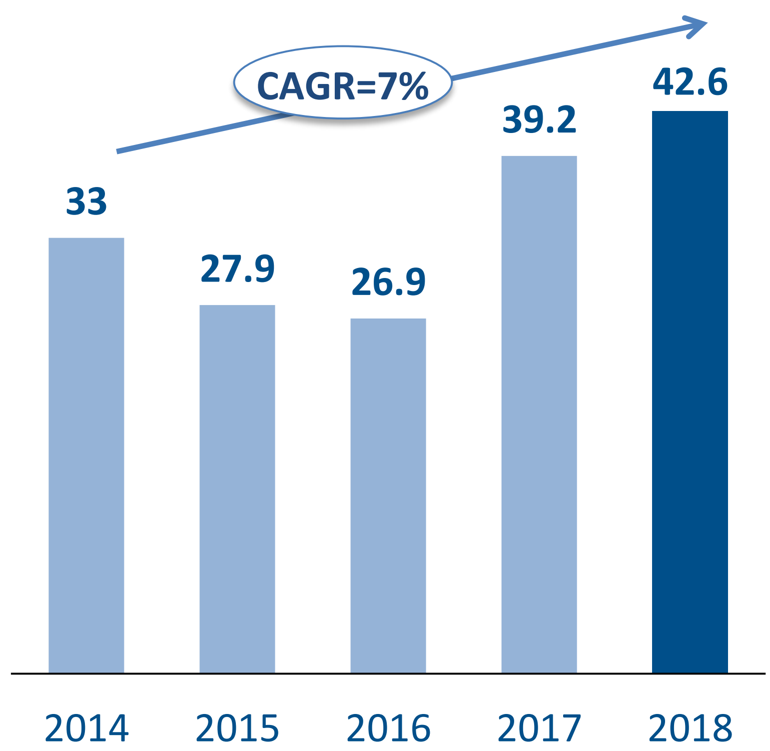


Revenues by Line of Business (€ - M)

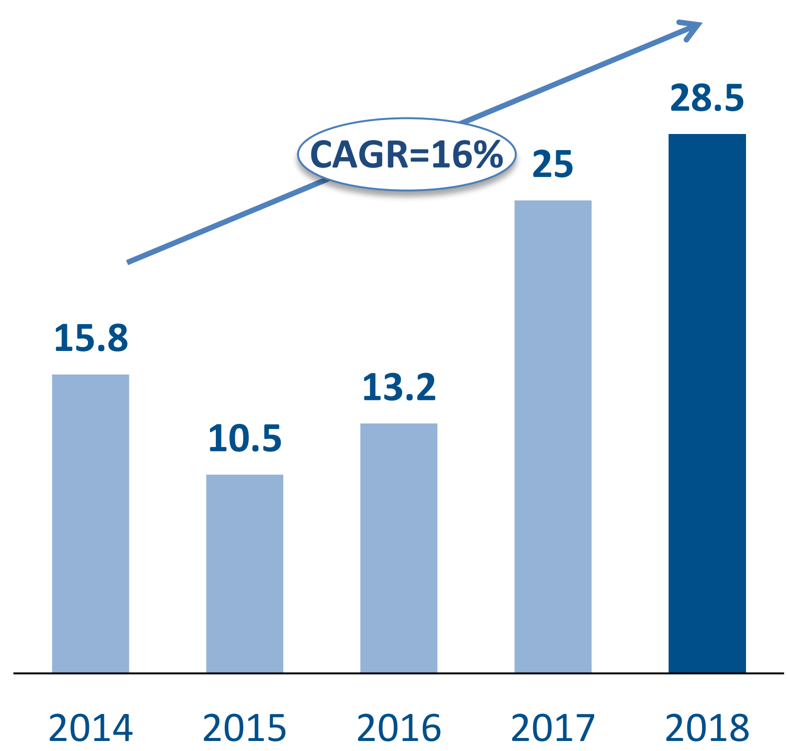


EBITDA and EBIT growing – High operating leverage

EBITDA (€ - M)

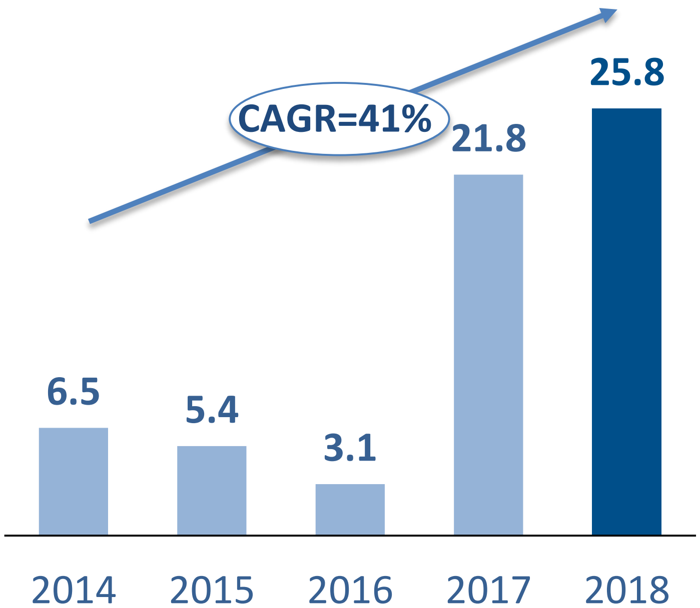


EBIT (€ - M)



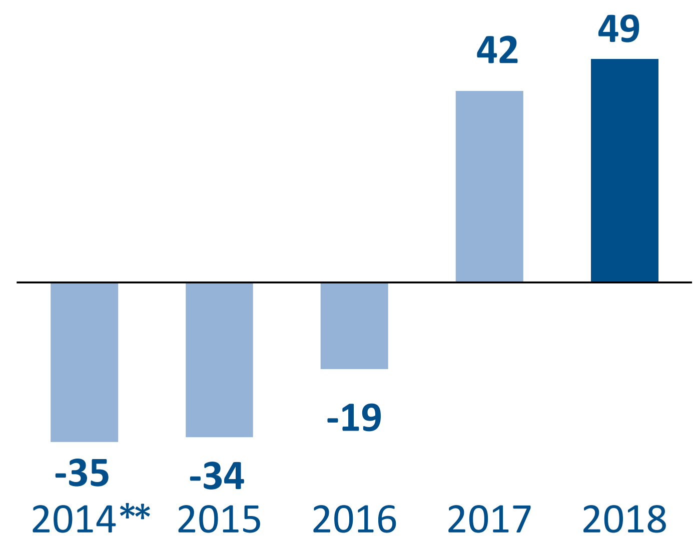
Growing Earnings and Cash supporting dividends and capex

Net Income (€ - M)



Dividends (€ - M)	2014	2015	2016	2017	2018
	-	220*	-	10	11.5

Net Financial Position (€ - M)



CAPEX (€ - M)	2014**	2015	2016	2017	2018
	17	14	25	29	23

Share buyback program launched in August (max €9M) to offer additional shareholder return along with dividends and use cash generation for medium-long term investment

* Extraordinary dividend ** Pro-forma to account for extraordinary dividend financing

Contacts
+39 0697285158
+39 3420726648
investor.relations@avio.com