



THE EUROPEAN GATEWAY TO SPACE

Cowen 41st Annual Aerospace/Defense & Industrials Conference

Lotte New York Palace - February 13th, 2020

Giulio Ranzo - CEO

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Avio: a pure player in Space launchers



European heavy launcher (10.5 tons in GTO)
Avio: Strap-on boosters



400 € Mln
Mkt Cap

1,000
Employees

70%
Free Float

4%
Mgmt Share

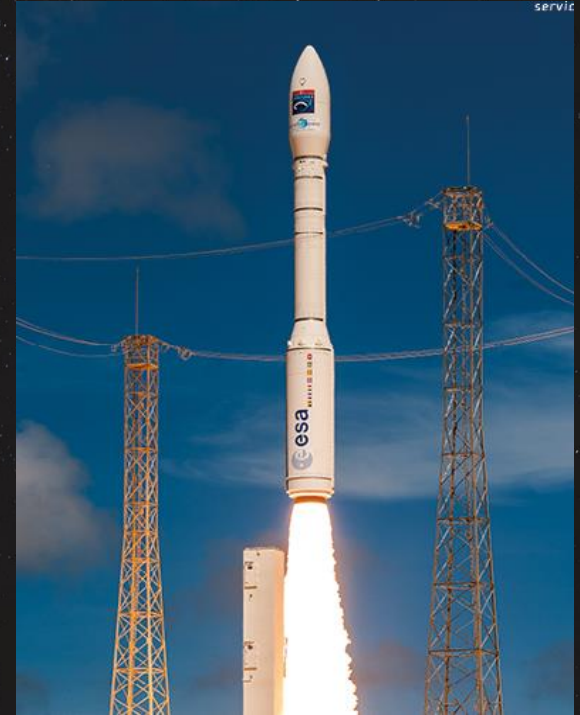
NEW 2020



Ariane 6



Vega C



European light launcher (1.5 tons in LEO)
Avio: System integrator

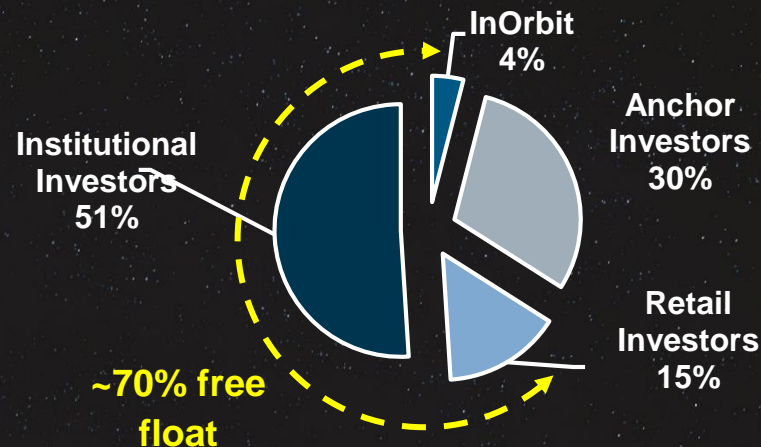
A public company managed by a team of investors



Milan Stock Exchange

Ticker: AVIO.MI – ISIN: IT0005119810

Avio shareholders' breakdown

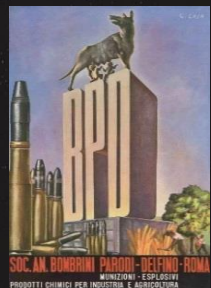


4% share in Avio
70 Avio managers

50 years of track record in Space launch



Ammunitions



1912

Ariane 1-3
Separation
motors



1968

Ariane 4
9.5 ton
boosters



1990

Ariane 5
230 ton
boosters



2003

Vega
launch
system



2012

Vega C



2020

Ariane 6



Vega Space
light Rider

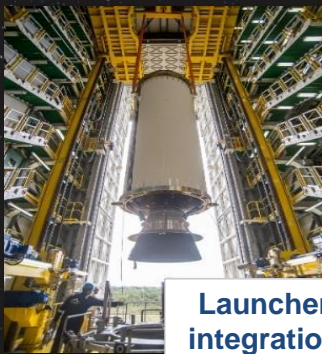


Vega E



2025

Industrial operations in Europe and French Guyana




Launcher integration




Main stage integration



Propellant casting

 Colleferro, Rome
(GMT +1) N41.727 E13.0030

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

 French Guiana
(GMT -3) N4.003 E52.999

Avio runs three facilities at the European Spaceport :

- SRM casting and integration
- Vega launcher operation

Paris 
(GMT +2) N48.856 E2.351

Large SRM design/integration



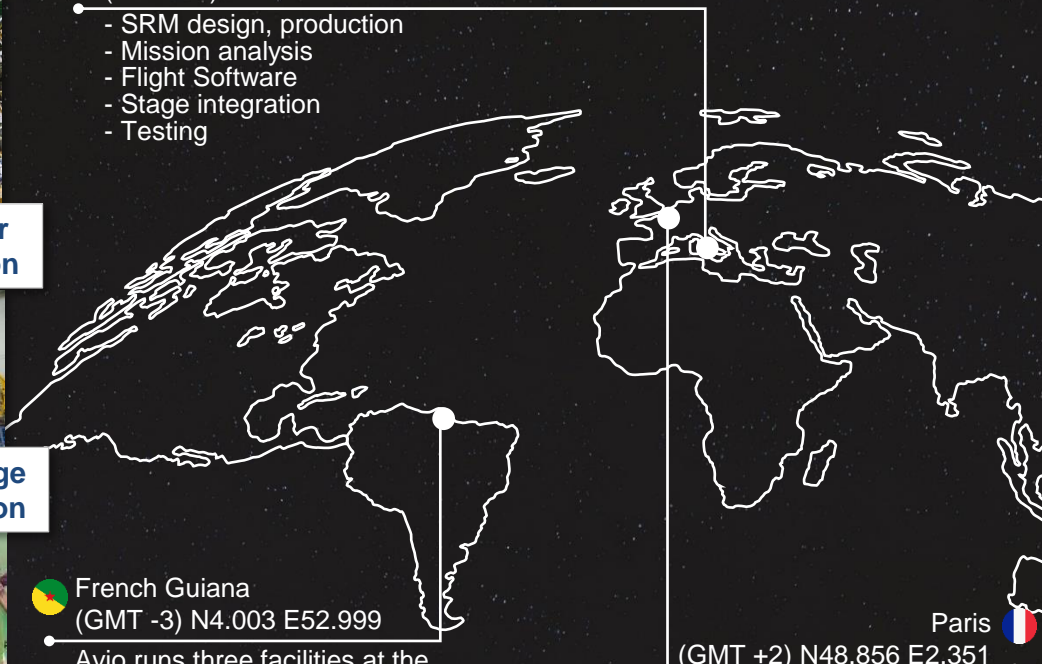
SRM Manufacturing



Upper stage integration



Firing tests

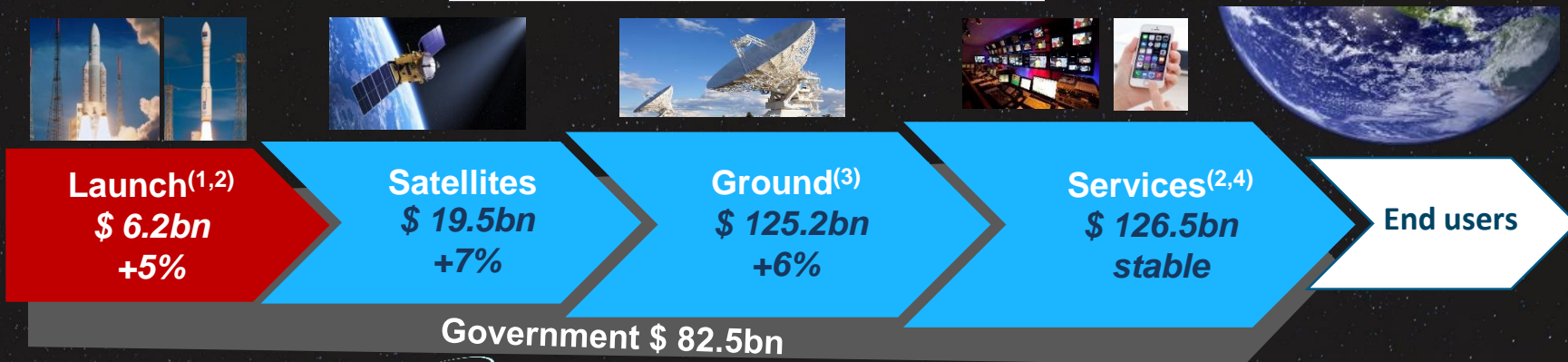


The launch segment : the gateway to the Space economy



Global space value chain (2018)

x% = 2015-18 CAGR



A MAXAR COMPANY



Telespazio

A Finmeccanica/Thales Company



Enabling Convergent Technologies



Earth Observation and Connectivity services drive demand growth



Application

Example

End Users

Infrastructure & Transportation



ICEYE



- Investors & financial analysts (Quant, Commodity)
- Intelligence analysts
- Customs & Border agents

Environment & Climate



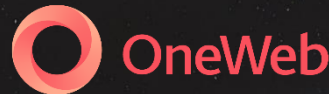
- Farmers
- Insurance companies
- Meteorological agencies
- Civil Protection agencies

Security & Intelligence



- Defense
- Intelligence agencies
- Rescue operations

Connectivity - IOT

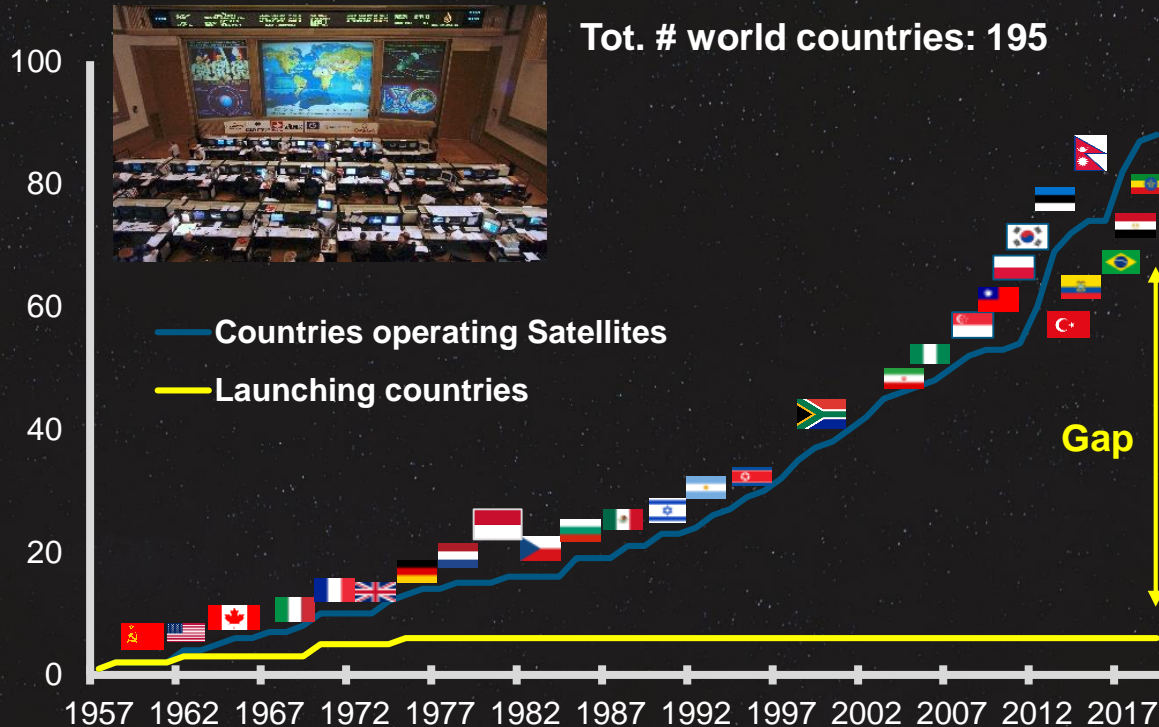


- Investors & financial analysts (Quant, Commodity)
- Insurance companies

Increasing gap between launch demand and supply



of Countries

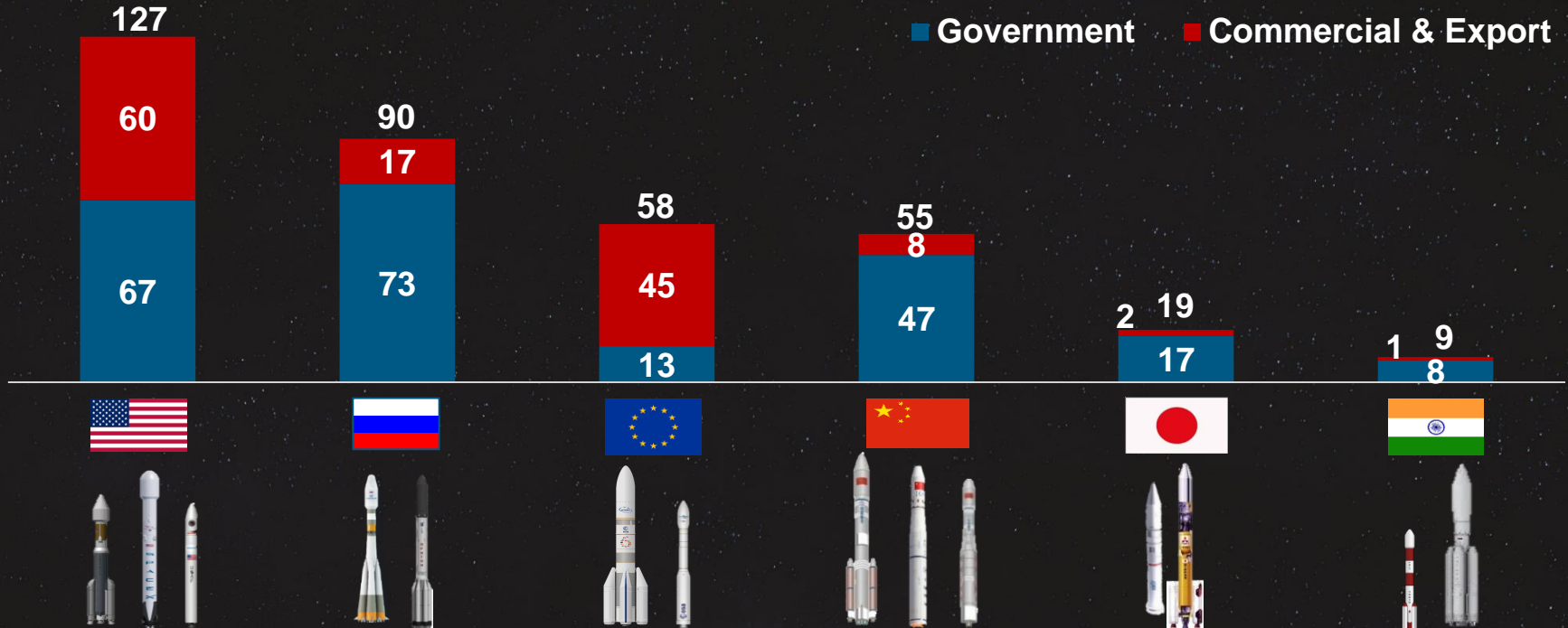


Source: Web Search; United Nations

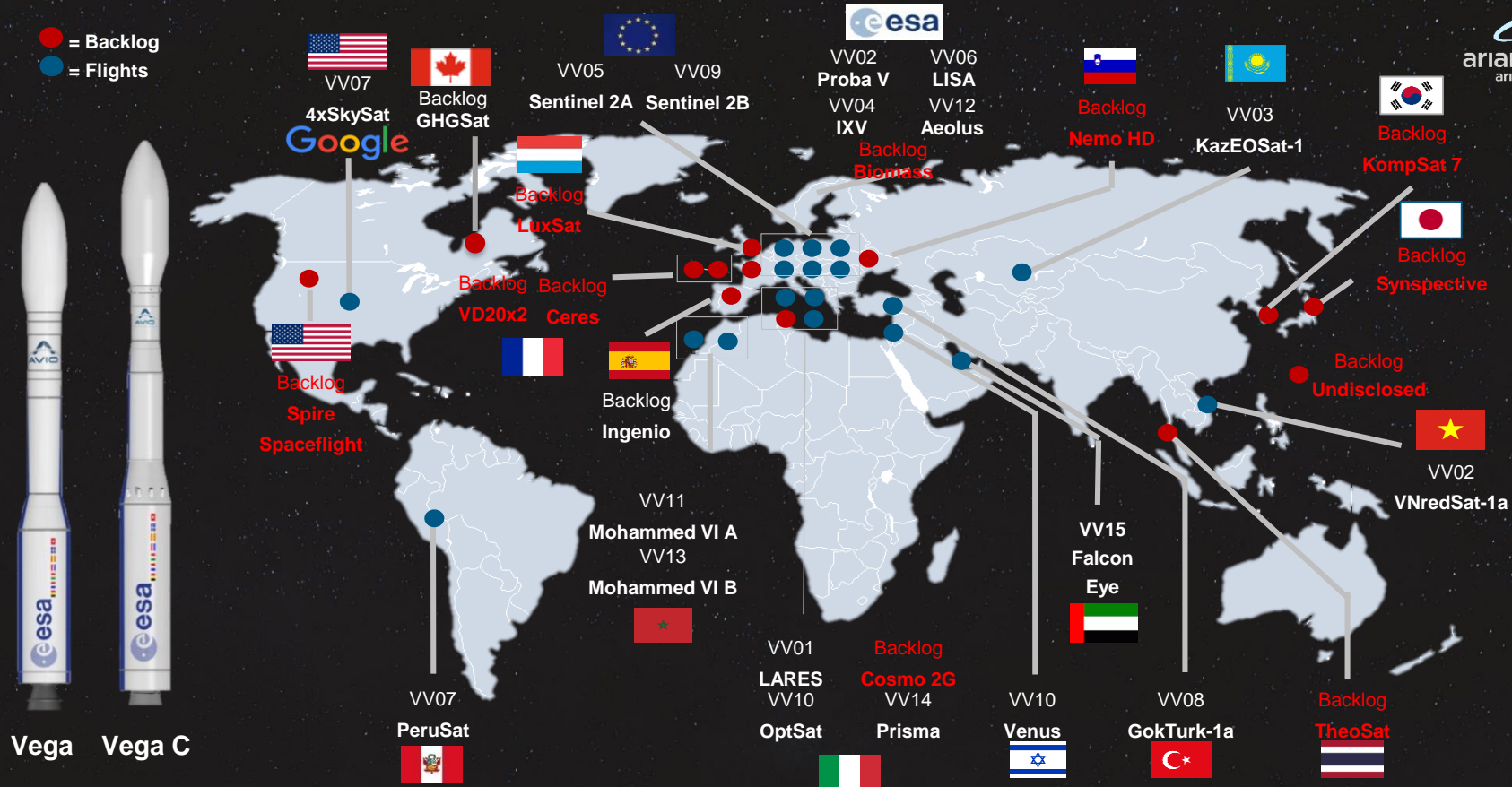
Launch capabilities highly concentrated. Export mostly from Europe and USA



Average Annual Mass Launched in 2015-19 (Tons)



Vega: global customer base for LEO launch

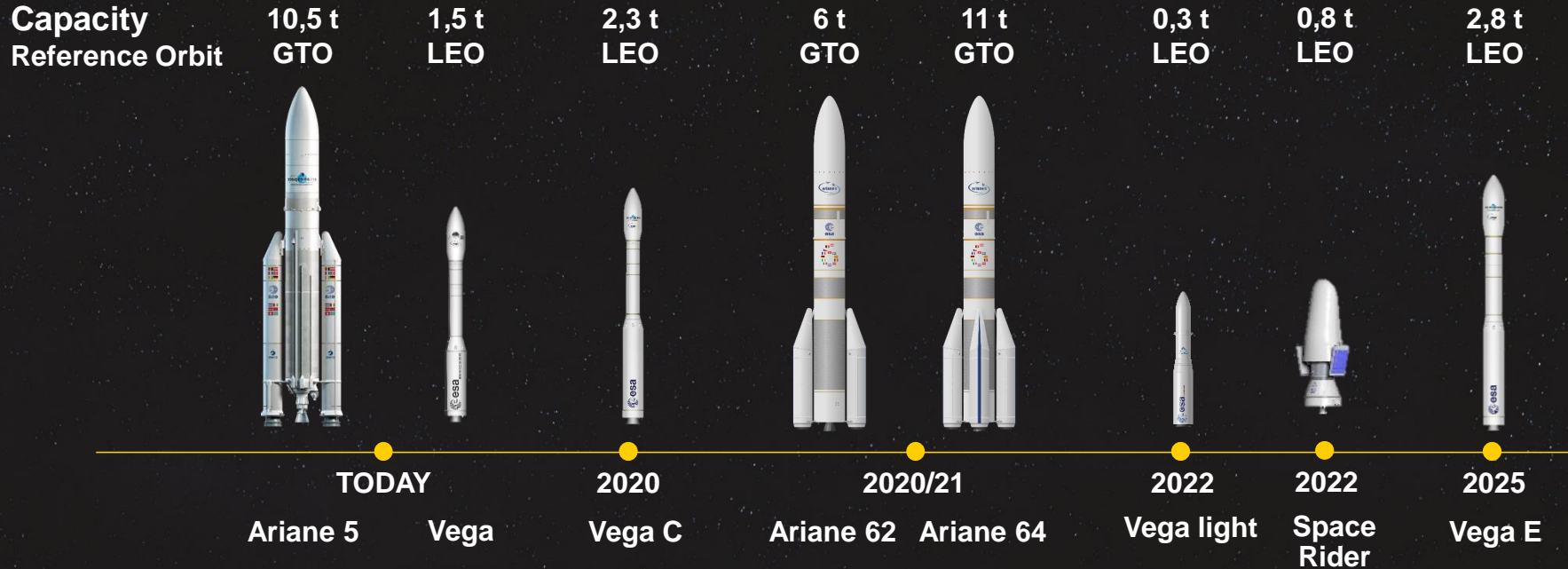


Vega Vega C

Ariane: global customer base for GEO launch



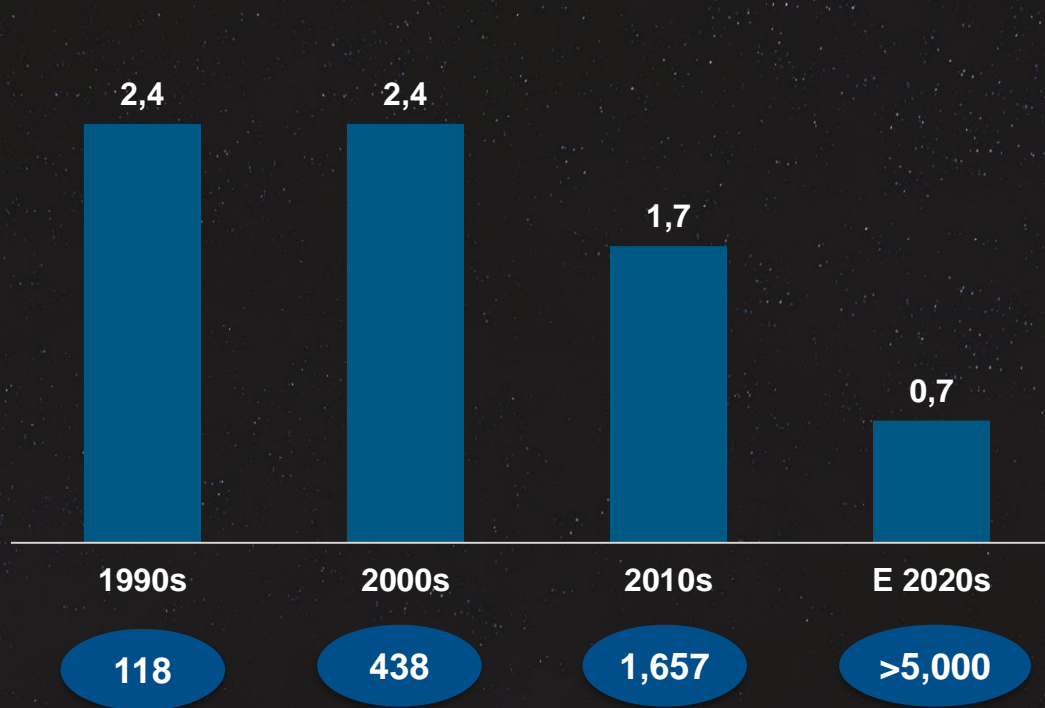
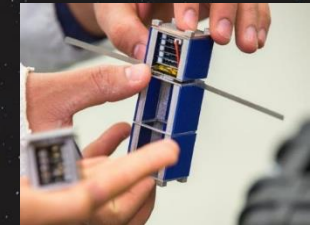
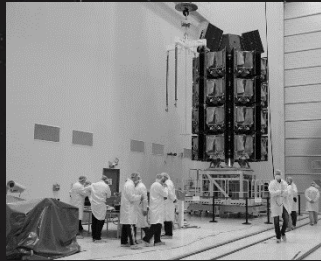
European Launch capabilities evolving to meet demand



Average satellite mass shrinking quickly



Average satellite mass (tons)

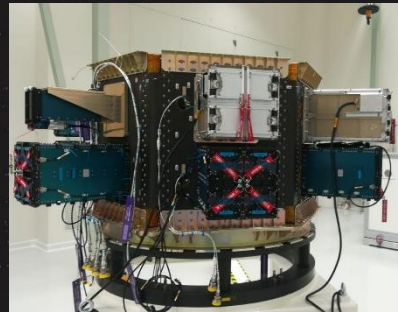
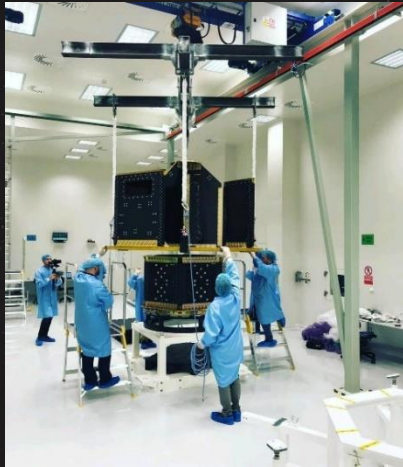


Source : Avio estimate on Euroconsult and UCS data. For 2020s includes also OneWeb and Starlink

SSMS : the Avio breakthrough solution for smallsats

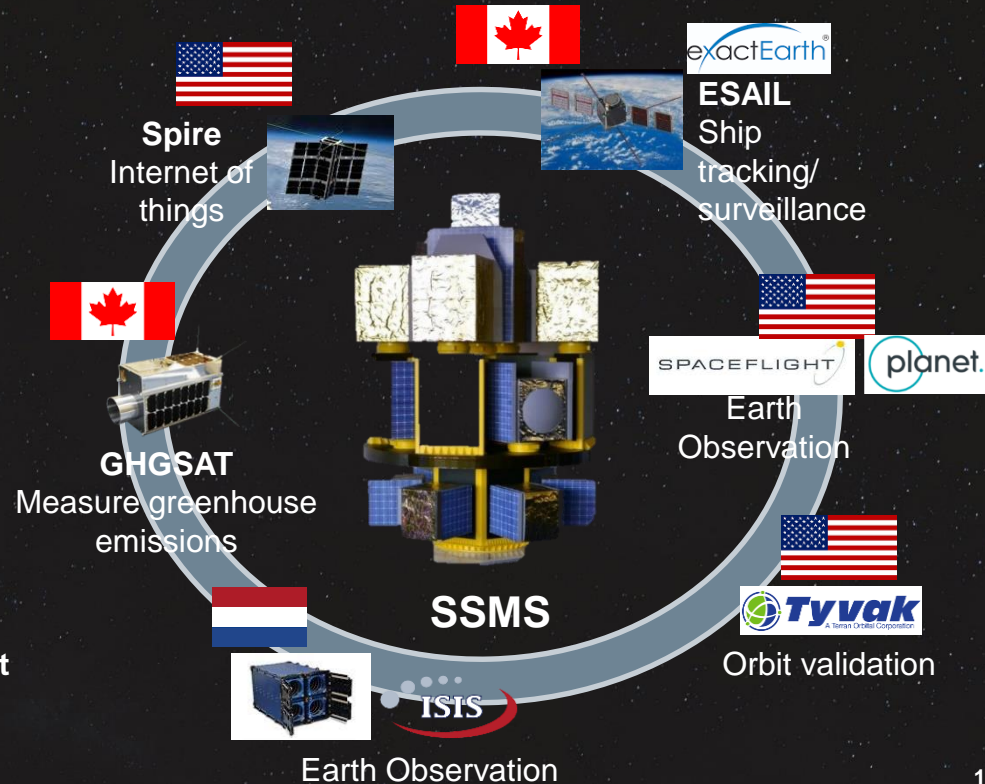


SSMS Integration completed



Maximum flexibility for rideshare missions, allowing multiple satellite releases in many orbits with different altitudes and changes of inclination

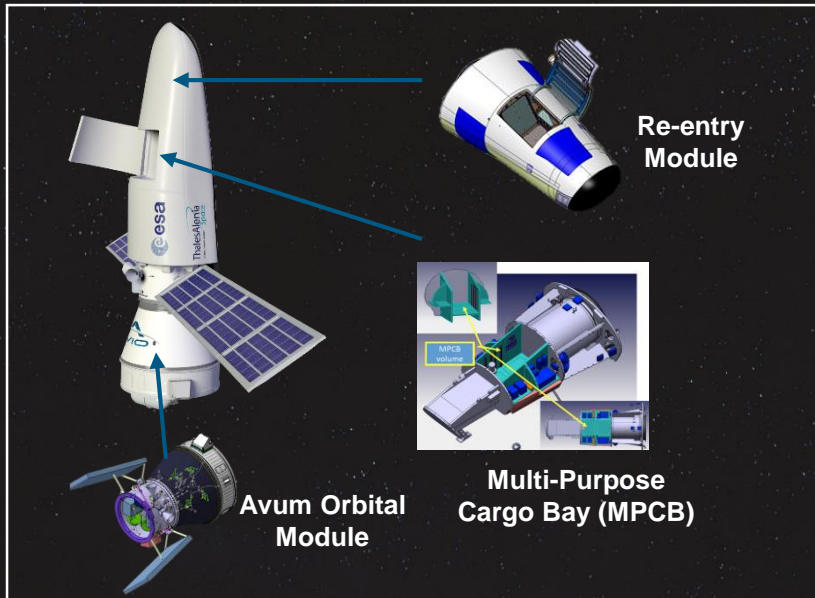
1st Vega SSMS flight - fully booked with 44 Satellites



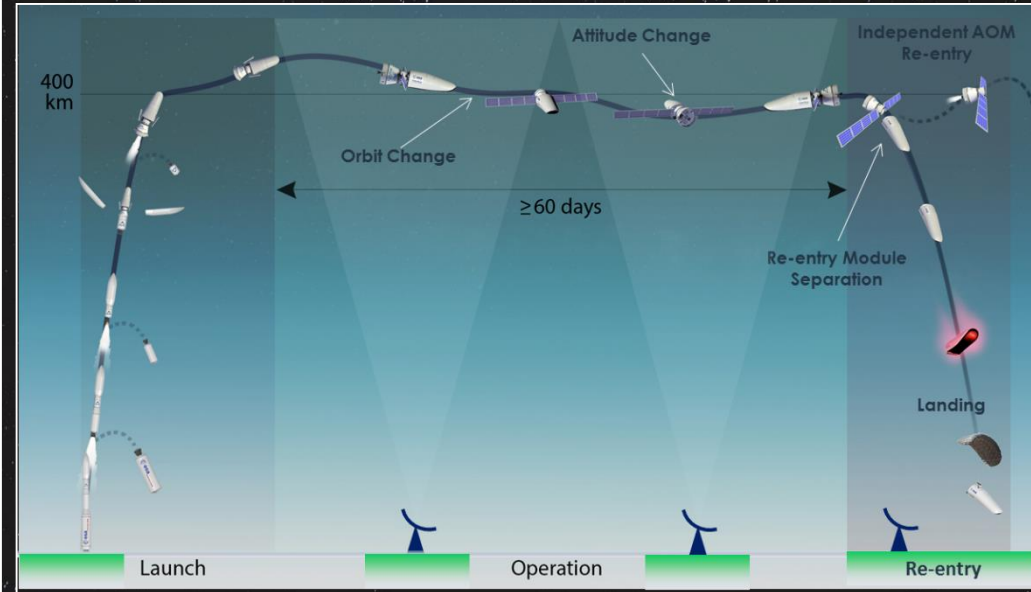
Space Rider: orbital and re-entry vehicle



Space Rider Configuration



Typical Mission Profile



- Provides highly customizable recoverable and reusable orbital space laboratory for
- Microgravity, Earth Observation, Science, Research, Robotic exploitation
- Launched on Vega-C ranging from equatorial to SSO orbits
- Performs in-orbit PL operations, de-orbits, re-enters, lands and re-flies after limited refurbishment

Overview of Galileo and Copernicus programs



Navigation



- GNSS (Global Navigation Satellite System) civil system
- 26 operating satellites + 4 spares
- Positioning: MEO Orbit
- Satellite mass: 675 kg
- 6 launches for Ariane 6.2 already contracted



Ariane 6



Vega C

Earth Observation



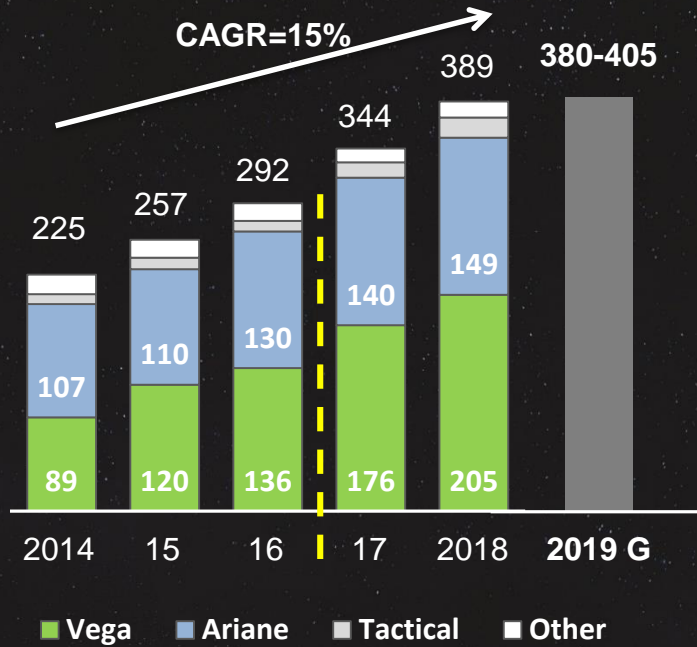
- Earth Observation constellation of the European Union
- Positioning: SSO Orbit
- Satellite mass: 1,000<->2,000 kg
- 20 further Sentinel satellites expected to be launched in orbit by 2030

Additional funding expected of €16 Bn by the European Union in the 2021-27 Budget to support Galileo and Copernicus

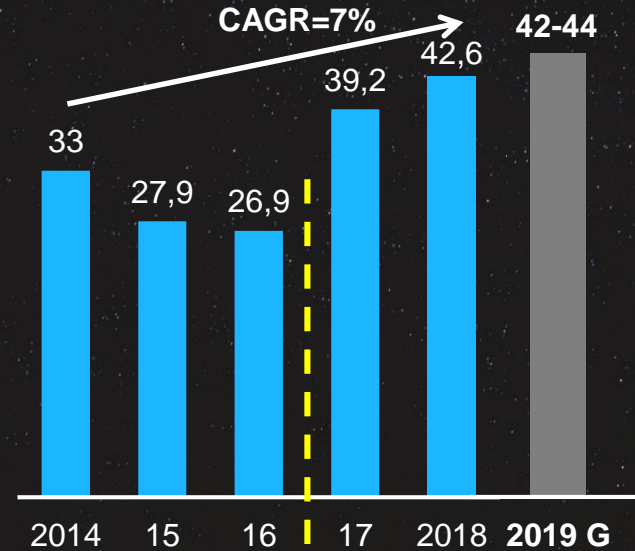
Growing Revenues and EBITDA



Revenues by Line of Business (€ - M)



EBITDA (€ - M)

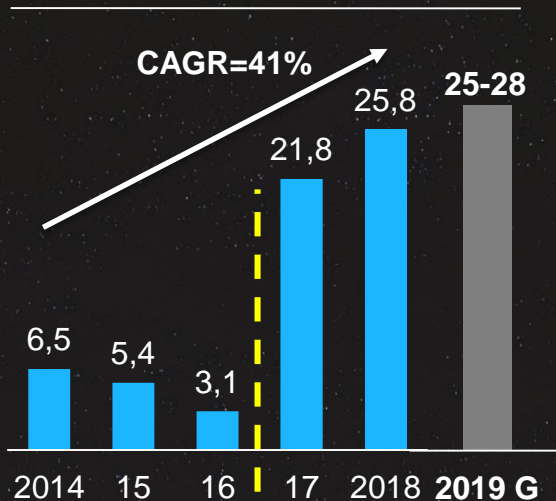


! = IPO

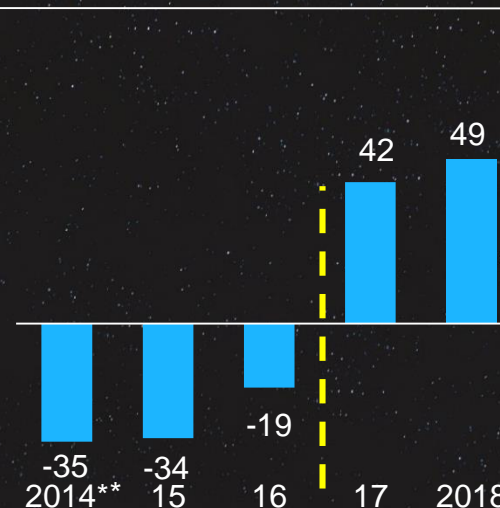
Growing Earnings and Cash supporting dividends and capex



Net Income (€ - M)



Net Financial Position (€ - M)



Dividends
(€ - M)

- 220* - 10 11.5

CAPEX
(€ - M)

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

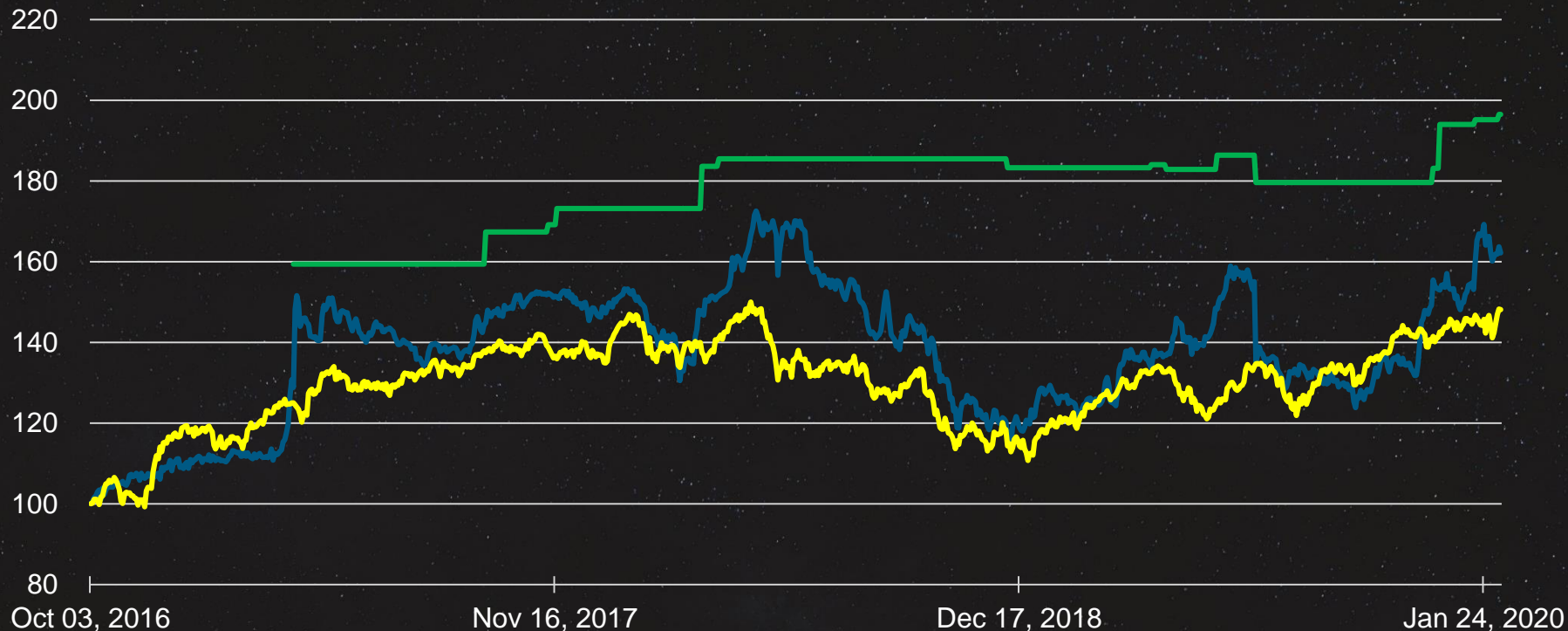
** Pro-forma to account for extraordinary dividend financing

Avio stock price vs Consensus Target Price and Benchmarks

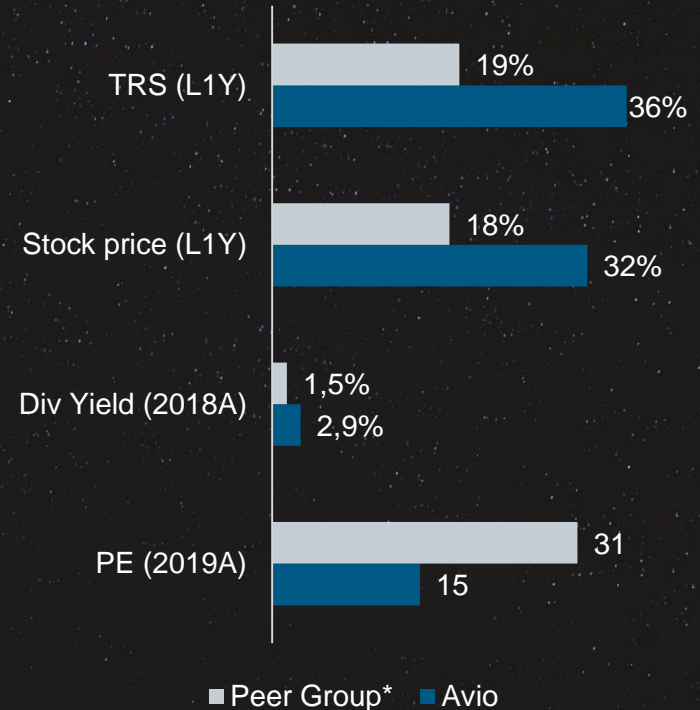
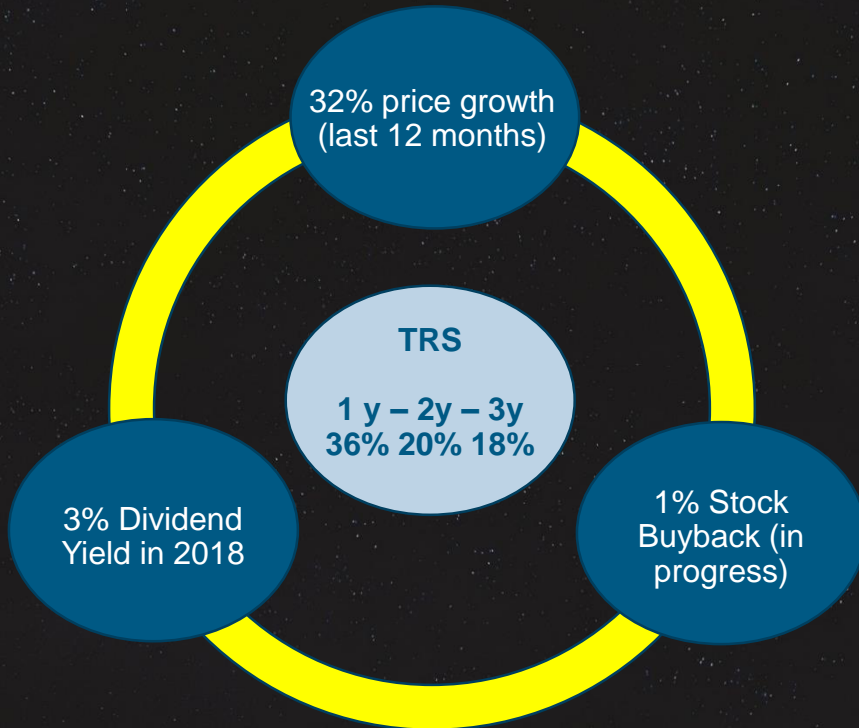


Avio Stock Price (Index = 100 = 9.2 €)

- = Avio
- = Analyst consensus
- = FTSE All Share ITA Index



Avio providing top-in-class return to shareholders



* Peer group includes OHB, Safran, Aerojet Rocketdyne, Rolls-Royce, Boeing



THANK YOU

avio.com

