

Avio 1Q 2022 Results

MAY 11TH, 2022



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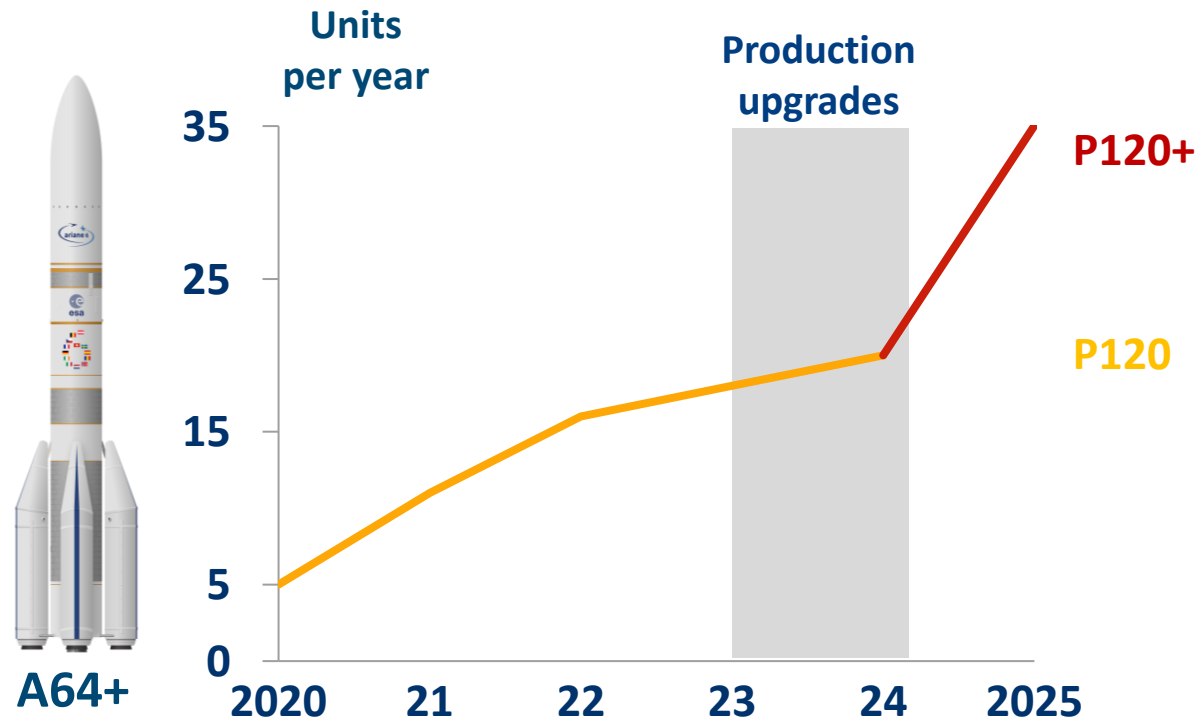
Beginning of 2022 paving the way for sustained long-term business growth

- **Arianespace signed historical contract for 18 Ariane64 launches with Amazon**
- **Successful LOX-Methane M10 engine firing test for Vega E**
- **Arianespace signed new Sentinel 1C contract for Vega C**
- **Vega C MF campaign on track for a launch by the end of June (P120, Z40 and Z9 already integrated on the launch pad)**
- **Italian PNRR projects getting closer to initial contracting phase**
- **Russia-Ukraine conflict causing persisting effects on energy costs impacting profits**
- **FY 2022 guidance confirmed**

Amazon Kuiper contract to provide Long-term visibility for P120 production



P120 production ramp-up schedule



New 4562 Building under construction

- 18 A64 launches booked, of which 16 with the more powerful version A64+ with P120+ engine
- Total expected order for Avio of 72 boosters
- P120+ development to be funded by ESA
- Production of P120+ starting in 2024
- P120+ increasing 10% performance also of Vega C and Vega E

New Sentinel 1C launch contract signed by Arianespace for Vega C



Vega C

Sentinel 1C launch contract

- Purpose: Earth Observation for Earth monitoring
- Technology: SAR
- Mass: 2.3 Tons
- Orbit: SSO @690 Km of altitude
- Expected launch date: by first half of 2023



M10 firing test successfully completed in May

M10 firing test completed at the SPTF

- Thrust class of 10 tons, first of its kind to be successfully tested in Europe
- New-generation green engine, built using additive layer manufacturing (ALM)
- Vega E will replace Vega C starting from 2026:
 - Vega E will have a higher performance and reduced costs
 - 3-stages configuration instead of 4
- The engine will be throttleable and re-startable to enable multiple orbital manoeuvres



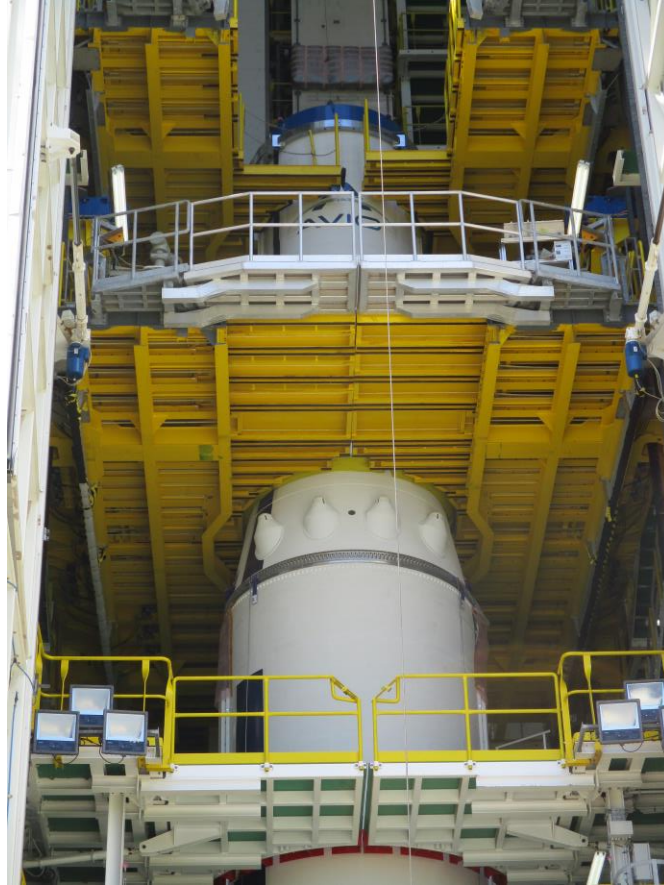
Vega E



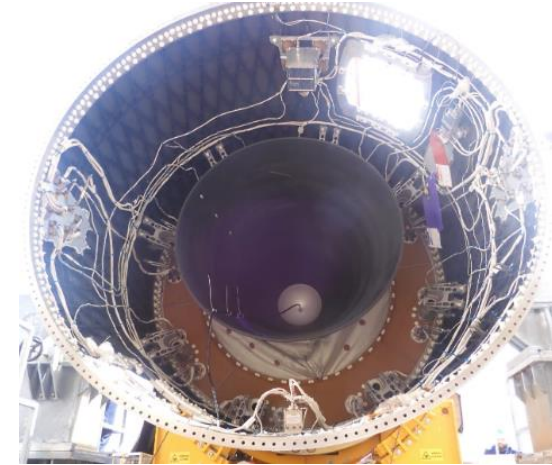
Vega C Maiden Flight targeting launch by end of June



P120 motor flight item



Z40 motor integrated



Z9 motor integrated



A4 upper stage avionics and vibration tests finalization in Colleferro before shipping to Kourou

Q1 2022 results

Q1 2021	MAIN ECONOMICS/ FINANCIALS	Q1 2022	DELTA	DELTA
€ - M		€ - M	€ - M	%
877,0 (*)	NET ORDER BACKLOG	819,3	(57,7)	-6,6%
52,6	NET REVENUES	65,9	13,3	25,2%
3,0	EBITDA REPORTED	0,2	(2,8)	N.M.
5,7%	% on net revenues	0,3%		
4,5	EBITDA ADJUSTED	1,2	(3,3)	N.M.
8,6%	% on net revenues	1,8%		
(2,2)	EBIT REPORTED	(5,1)	(2,9)	N.M.
-4,2%	% on net revenues	-7,8%		
(0,8)	EBIT ADJUSTED	(4,1)	(3,3)	N.M.
-1,5%	% on net revenues	-6,3%		
31 DEC 2021		31 MAR 2021	DELTA	DELTA
€ - M		€ - M	€ - M	%
57,2	NET CASH POSITION	28,5	(28,7)	-50,1%

Comments

- Backlog in line with expectations
 - Increase in P120 production revenues and Vega C/Vega E development revenues
- EBITDA and EBIT lower than in Q1 2021 for persistent high level of energy prices since the end of 2021
NR costs still present for certain Vega C MF extra costs and COVID-19 related costs
- Typical seasonality evolution

Surge in Energy Prices affected EBITDA performance in Q1 2022 compared to PY

Italian average monthly gas purchase prices (€/MWh)

Relevance for Avio

- Use of steam in industrial operations
- Electricity for large-sized buildings



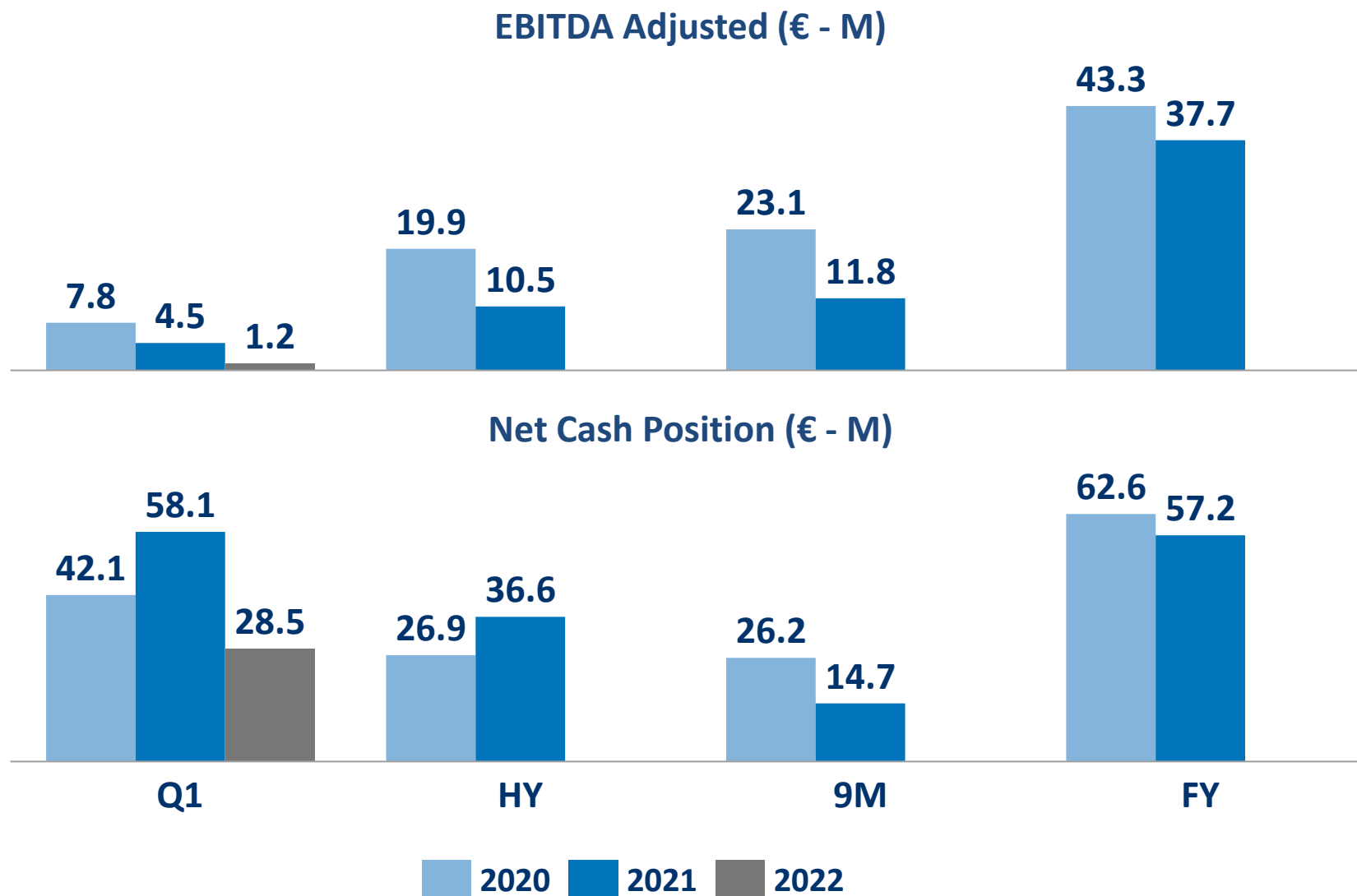
Source: GME (Gestore Mercati Energetici)

Actions already implemented

- New partnership in December 2021 with Cogenio/EnelX for Termica Colleferro to economically manage the thermoelectric cogeneration project financing plant (Cogenio/EnelX 60% - Avio 40%)



EBITDA and Cash generation heavily concentrated on Q4s



FY 2022 Guidance confirmed

• Net Order Backlog • €870M – €920M

• Net Revenues • €330M – €350M

• EBITDA Reported • €24M-30M

• Net Income • €5M - €10M

- New orders expected for both development and production
- ESA MC 2022 subscriptions (although not to be in backlog by 2022 year-end)

- Production activities ramp-up (P120)
- New development projects ramp-up (Vega E, Space Rider, VegaC+, liquid propulsion)

- Enduring impact of high energy costs (hardly predictable)
- Estimated impact of 5M non-recurring costs*
- Strong performance focus on Q4 (Q1 and Q2 soft) as in 2021

- Marginal effect of financial charges and taxation

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