

Avio market update

21ST OCTOBER 2026



Avio USA now positioned on major US Defense programs

Avio USA signed **binding agreement with more to come...**



**SCA¹ for
production
of ER-GMLRS
and PrSM**



During the US groundbreaking ceremony, it was anticipated that **RTX will partner with Avio USA** on major SRMs (SM-6, SM-3, SM-2 and Tomahawk)



...while the DoW signed **multi-year production deals with primes**

Selection of contracts – Non-exhaustive



PrSM

Contract for PrSM
Increment 2 system

\$1.2B

September 2026

In addition to
\$13B+ PrSM
Inc. 1 contracts
awarded in
2025-2026



ER-GMLRS

Sources Sought Notice
including ER-GMLRS missiles

\$21.0B

August 2026



**SM-6 & SM-3
(MK104)**

5y+2y option contracts for
SM-6 & SM-3 interceptors

\$24.4B + \$6.3B

October 2026



**Tomahawk
(MK135)**

7y contract of up to 1k
Tomahawks per year

\$22.9B

August 2026

U.S. ARMY
+
Primes

**Multiple
defense items**

Contracts for multiple defense
items (e.g., PAC-3, AMRAAM)

>\$70.0B

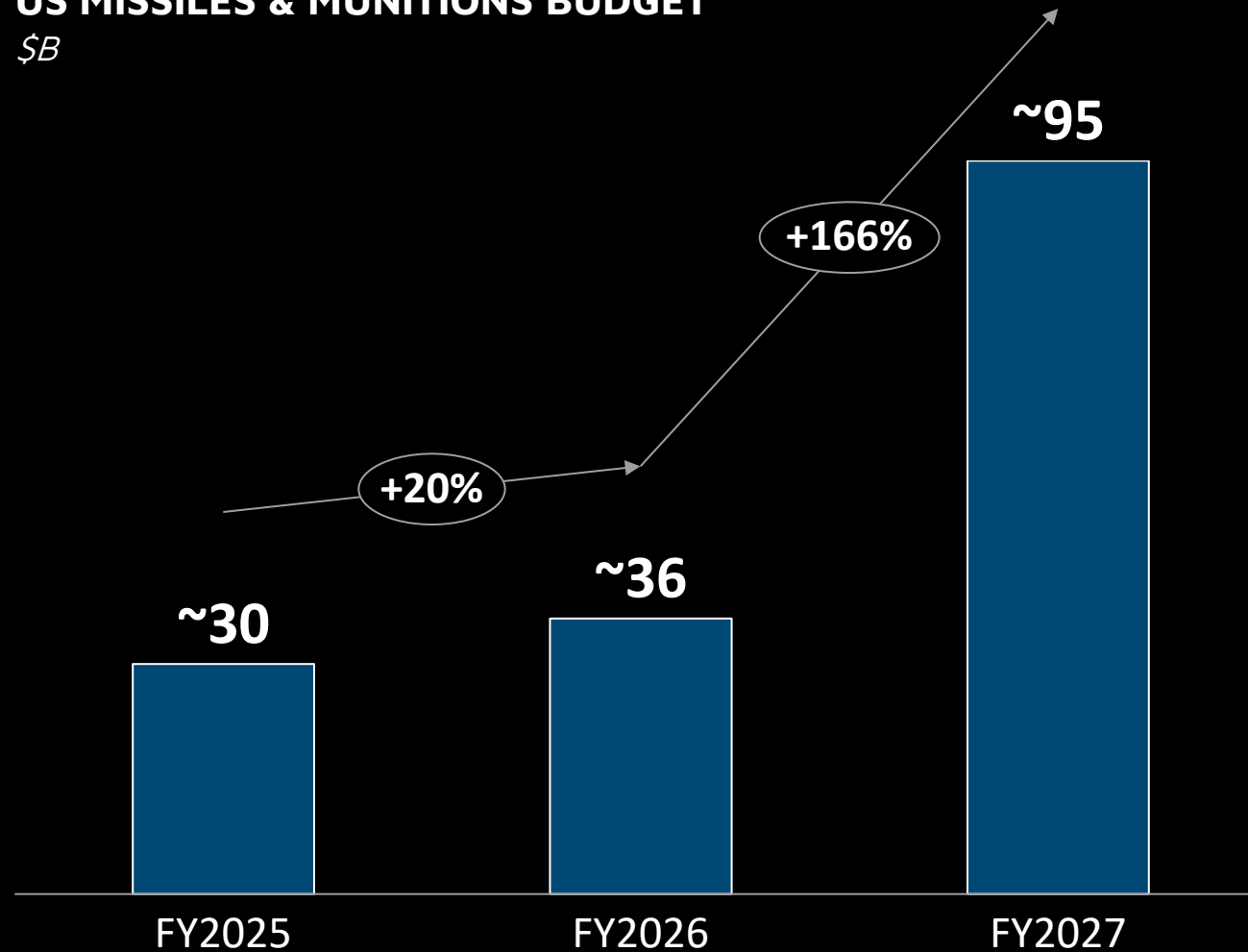
July-September 2026

1. Strategic Cooperation Agreement
Source: Press release

US defense supply wave is moving at 8x speed vs. previous year

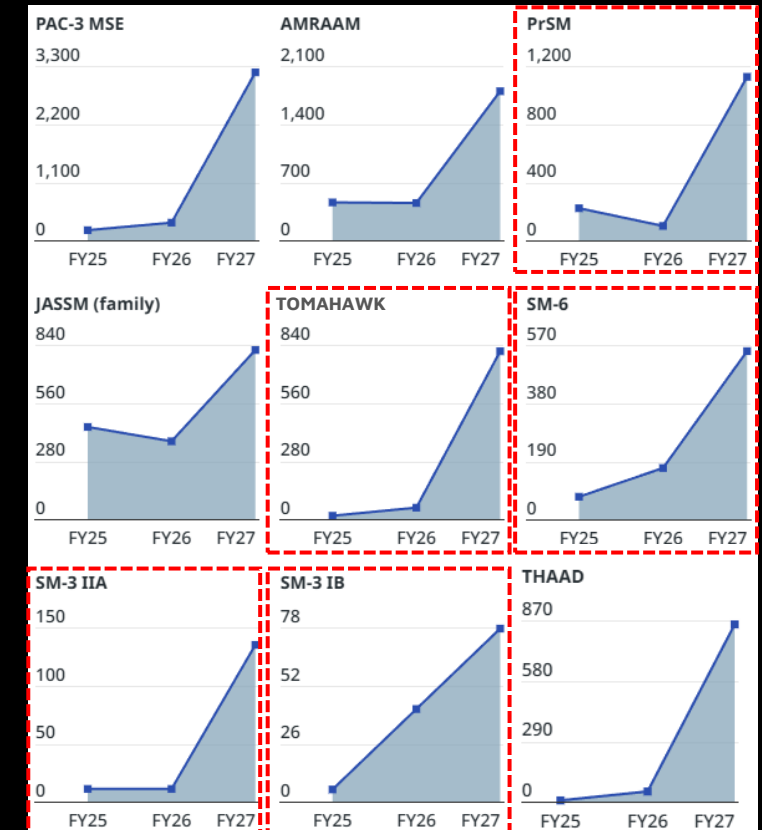
US MISSILES & MUNITIONS BUDGET

\$B



US MISSILES TOP PROGRAMS DEMAND

No. of units



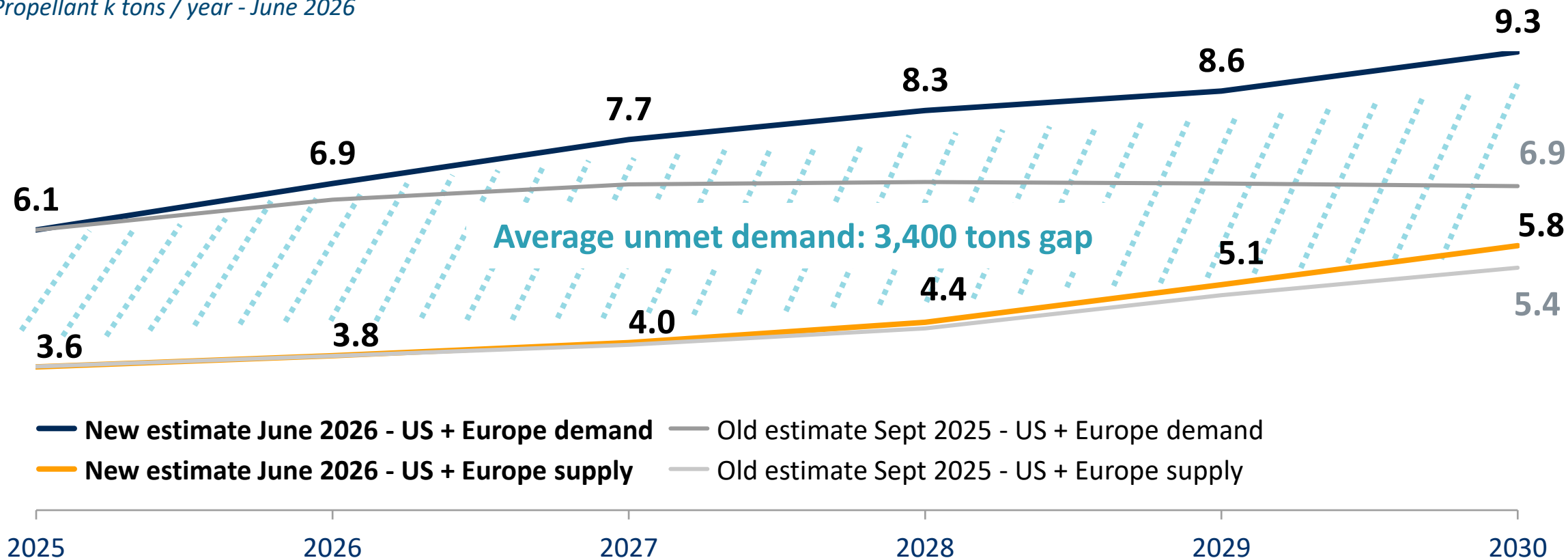
Avio perimeter

Source: US DoW Budget Weapons, Center for a New American Security (CNAS)

SRM unmet demand is now up to 40% wider vs. last year's estimate

US & EU MISSILE PROPULSION SUPPLY AND DEMAND

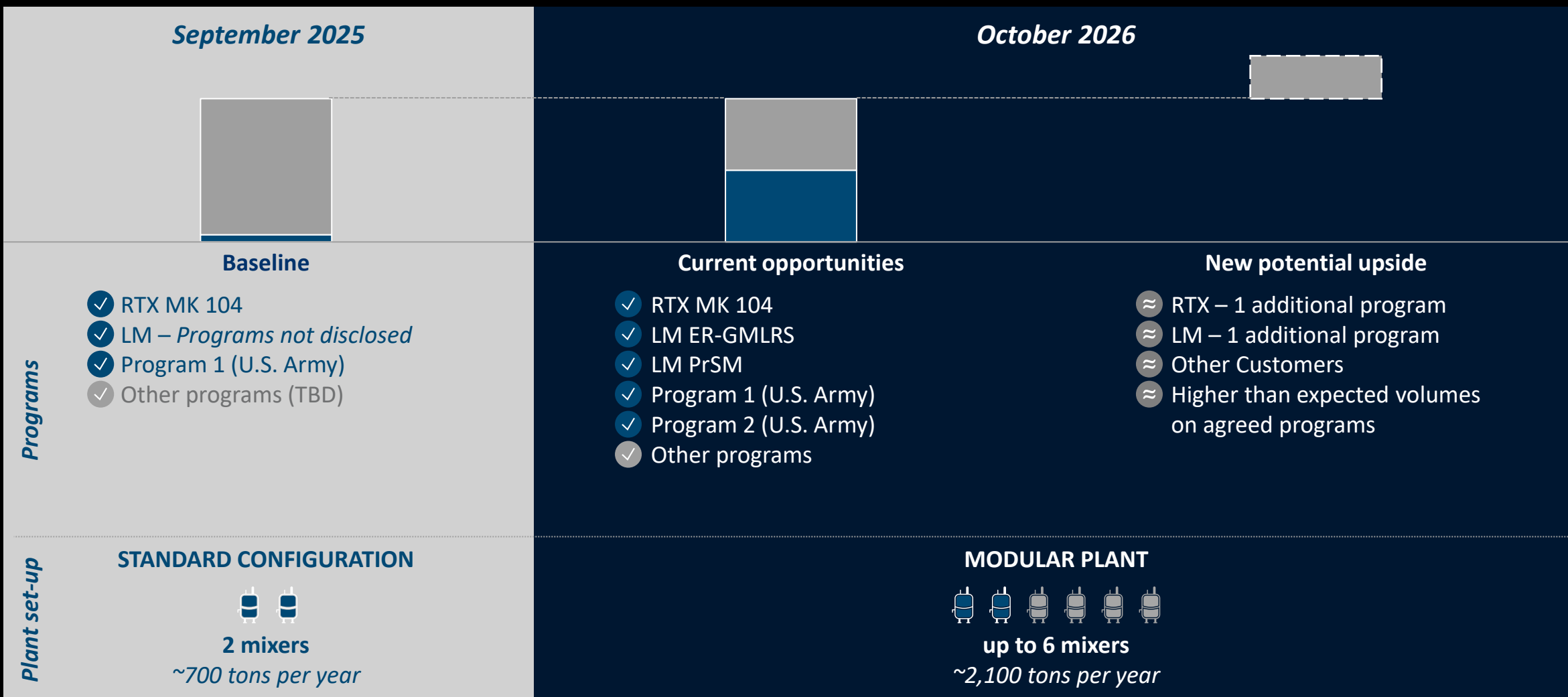
Propellant k tons / year - June 2026



+40% of average unmet demand 2025 - 2030 vs. last year's estimate of 2,400 tons per year

Avio today with more visibility and potential upside than 1 year ago

AVIO US BUSINESS RUN-RATE REVENUE OPPORTUNITY



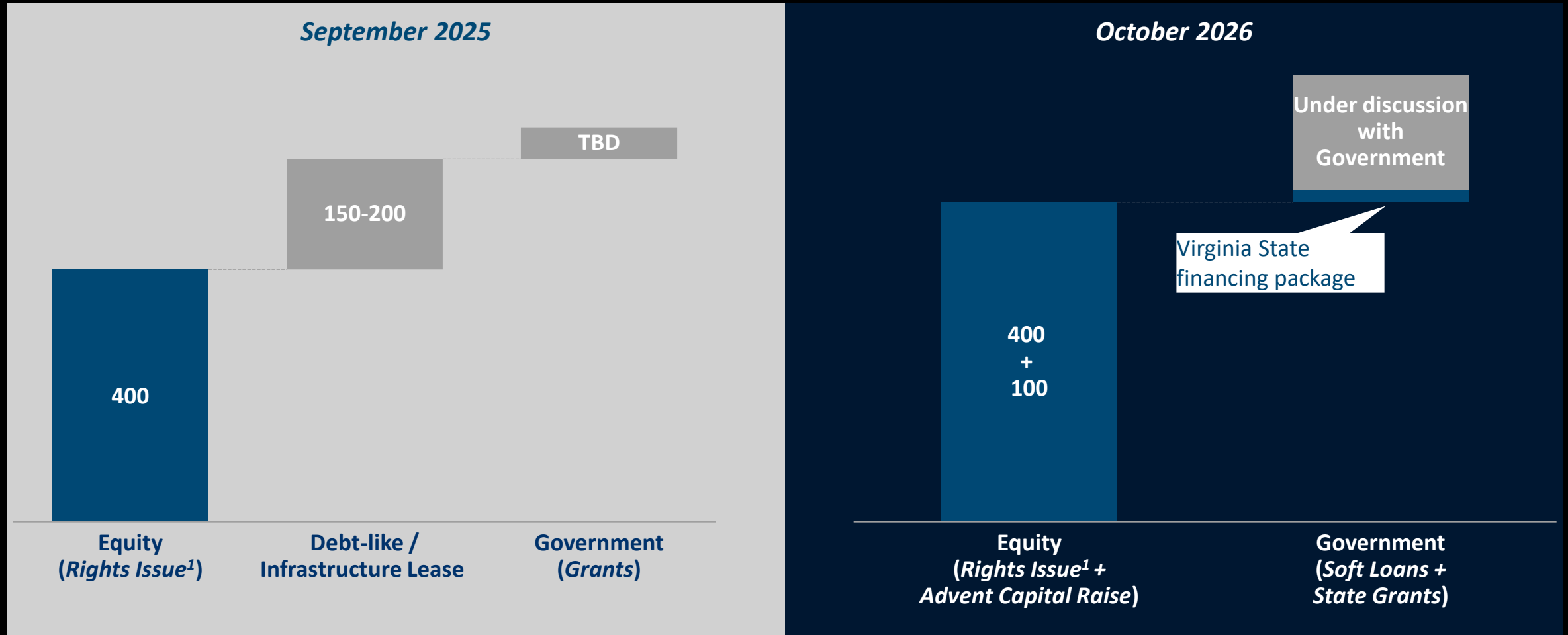
Source: Avio analysis

✓ Factored in BP – Initial contract signed ✓ Factored in BP – Contract not signed ≈ Not factored in BP – Contract not signed

To-be plant capacity will be modulated on actual upside and funding

AVIO US BUSINESS SOURCES EVOLUTION

€M



1. Gross proceeds inclusive of offering expenses

Source: Avio analysis

In EU, market opportunities are improving vs. 1 year ago



Space



ESA's Director of Space Transportation Geraldine Naja:
"ESA plans to ramp up Ariane 6 to 12 launches per year by end-2029, then to 15. Vega-C would go up to 6 launches per year, and to 9"



Ariane 6

From 9 to 12-15
run-rate launches/yr
beyond 2030

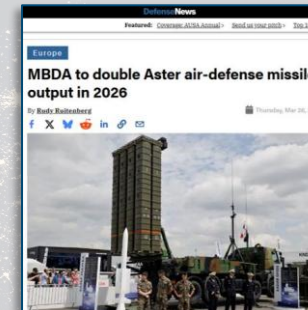


Vega-C

From 6 up to 9
run-rate launches/yr
beyond 2030

Selection of news – Non-exhaustive

Defense



Aster 30

Increased rate due
to surging market
demand

EU institutional satellites demand significantly growing vs. 1 year ago

Selection of news – Non-exhaustive

New EU Earth observation programs

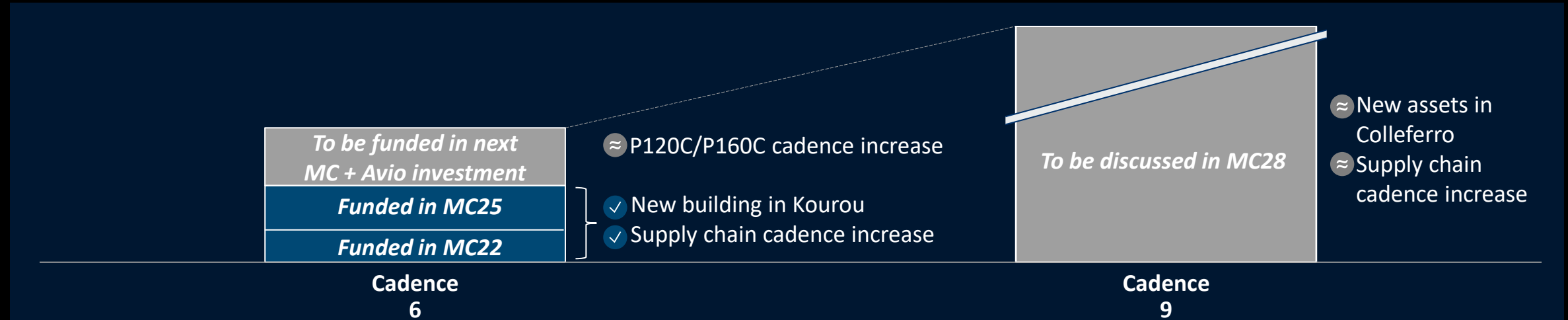
- **EOGS / EU governmental EO**
NEW ARCHITECTURE CONTRACTS - SEP 2026
- **Copernicus next generation**
SENTINEL-1 NG CONTRACT - JUN 2026
- **ESA: wider EO satellite pipeline**
ERS-EO + NEW SCIENCE MISSIONS - 2026
- **National and industry-led constellations**
Italy / Germany - 2025–2026

New EU Connectivity programs

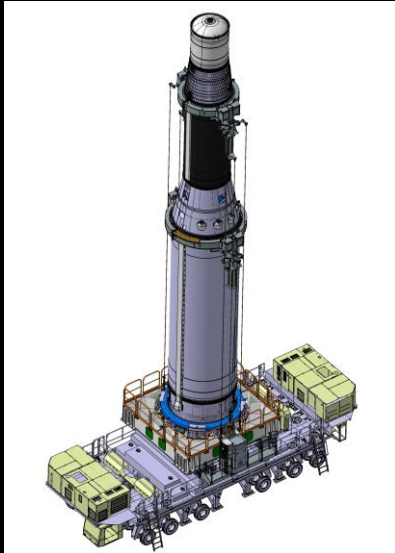
- **IRIS² scale-up**
EU IMPLEMENTATION DEAL - AUG 2026
- **Sovereign national LEO**
ICEYE & NOKIA - OCT 2026
- **French secure communications**
EUTELSAT & DGA - 2025–2026

Vega cadence increase to 6 and 9 requiring further investments

VEGA INVESTMENTS NEEDED FOR CADENCE INCREASE



Vega transport configuration



Transporter



Vega Assembly Building



Source: Avio analysis

✓ Funded ≈ To be funded

