

Rome, July 27th 2004

Finmeccanica: derivative transactions to protect the value of its STMicroelectronics shares

Finmeccanica has today entered into derivative transactions in order to protect the value of its indirect holding in STMicroelectronics NV (“STM”).

Together with previous derivative transactions entered into, Finmeccanica has now hedged a total of 55 million STM shares. Such hedges were carried out within the framework of the Shareholders’ Agreement entered among Areva, France Télécom and Finmeccanica with respect to their indirect interest in STM.

During the period of these derivative transactions Finmeccanica has agreed to lend to the bank counterparties 23 million of STM shares received from STMicroelectronics Holding II B.V..

As previously communicated, Finmeccanica intends to transfer between 50 and 55 million STM shares at market prices, directly or through derivative instruments, to Italian related parties, also in relation to foreseen strategic investments.

Lehman Brothers and Merrill Lynch were counterparties to Finmeccanica in this transaction.