



FOR IMMEDIATE RELEASE

FINCANTIERI INVESTING IN ITS U.S. YARDS

Marinette, WI—November, 5, 2009. Fincantieri Cantieri Navali Italiani S.p.A is investing and committing more than \$40 million in 2009-10 facility improvements at its premier mid-tier United States shipyards, Marinette Marine Corporation (MMC) and Bay Shipbuilding Company.

The currently approved improvements are the beginning of a five-year \$100 million plan to modernize the shipyards to support the construction of the U.S. Navy's Littoral Combat Ship (LCS) and other government and commercial projects.

"We are honoring the commitment we made when we bought the U.S. yards," said Giuseppe Bono, Fincantieri's CEO. "We are not just transferring our experience in designing and building complex vessels. Through these capital expenditures, which also will benefit our other U.S. facilities in addition to the Marinette yard, we will further expand our production capacities and improve our infrastructure and processes. This will increase our competitiveness and foster synergies among our facilities in light of the challenges that we will face in the future"

The USS Freedom (LCS-1), a first-in-class ship built at MMC by the Lockheed Martin-led team and delivered to the U.S. Navy in September 2008, has successfully logged more than 7,000 nautical miles since its delivery. The Lockheed Martin-led team is currently constructing the Fort Worth (LCS-3) at MMC for the U.S. Navy and has achieved several critical milestones including the most recent setting of the gas turbines in the engine room.

The MMC facility improvements include installing state-of-the-art CNC controlled pipe-bending equipment, doubling the lifting capacity in the module construction and outfit buildings, increasing the main erection facility lifting capacity to 200 tons in each bay, and significantly lengthening MMC's largest erection building.

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Fincantieri's five-year modernization plan strategically targets improvements at MMC that will reduce cycle time, improve quality and reduce overall ship construction cost. The engineering and design effort has already begun for lengthening MMC's largest erection building by 183 feet. This will provide an additional 35,000 square feet of erection space and support the simultaneous indoor construction of two complete LCS hulls, along with the keel-laying of two additional LCS ships. The construction is expected to be completed in 2010.

Capital improvements for Bay Shipbuilding include a new floating dock, panel line and other efficiency related items to support the LCS program.

Fincantieri intends to provide an additional \$60 million in capital expenditures over the next four years to improve capacity, reduce construction cycle times and reduce overall costs.

"The Fincantieri capital commitment and support to improve the MMC facility and make it world-class in shipbuilding productivity is very impressive." said Richard McCreary, MMC President and CEO.

About MMC

Founded in 1943, MMC is a premier mid-tier shipyard that has built more than 1,400 vessels for the U.S. Navy, United States Coast Guard, commercial and other government agencies. Headquartered in Marinette, Wisconsin, and located on the Great Lakes, MMC provides a fresh water construction location that is not impacted by hurricanes. MMC, now a Fincantieri company, is incorporating best-in-class practices from two continents.

About Fincantieri

Fincantieri (www.fincantieri.com), heir to the great tradition of Italian shipbuilding, is today one of the largest groups in the world in the design and construction of merchant and naval vessels. The company's core business is the construction of complex ships with high technological content, such as cruise ships and large ferries. Moreover, it is a reference builder in the naval field, providing a wide range of surface vessels (aircraft carriers, frigates, corvettes, patrol vessels, etc.) and submarines.