

MARCH 12, 2026

Avio FY 2025 Results



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Agenda

1.

Highlights

Giulio Ranzo, Chief Executive Officer

2.

FY 2025 Financials

Roberto Carassai, Chief Financial Officer

3.

Outlook and opportunities

Giulio Ranzo, Chief Executive Officer

Record-high economic and financial performance in 2025

- **Record-high backlog over €2bn and revenues over €500m. Net income above guidance**
- **VV28 flight completed in December, four Vega C missions successfully completed in twelve months**
- **Four Ariane missions successfully completed in 2025, increase in cadence and new four-booster Ariane 64 pave the way for growth of production rates in 2026**
- **Ministerial Council 2025 secures more than €600m new contracts expected to be awarded by Avio in the period 2026-2027**
- **>€250m of new orders in the defense propulsion business. Defense propulsion backlog over €600m (28% of total backlog)**
- **Capital increase successfully completed: ready to execute the long-term plan**
- **Dividend proposal to the Shareholders' meeting for 2026**
- **Guidance 2026: continued growth as per long-term plan with potential upside**

Summary of 2023 - 2025 results

Figures in €m

	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 ACTUAL	GROWTH '24 - '25	GUIDANCE 2025
BACKLOG	1.359	1.724	2.166	+26%	2.100 – 2.200 <i>1.700 – 1.800 ⁽¹⁾</i>
NET REVENUES	338,7	441,6	541,7	+23%	510 – 540 ⁽¹⁾ <i>450 – 480 ⁽¹⁾</i>
EBITDA	REPORTED 20,5  +22,4  -1,9	REPORTED 25,8  +29,6  -3,7	REPORTED 32,3  +36,5  -4,2	+25%	27 – 33
	ADJUSTED ⁽²⁾ 25,5	ADJUSTED ⁽²⁾ 26,6	ADJUSTED 34,8	+31%	30 – 36
NET INCOME	6,6	6,4	11,6	+82%	7 – 10
NFP	76,1	90,1	591,7	+6,5x	

(1) Previous Guidance valid before upgrade on January 29, 2026

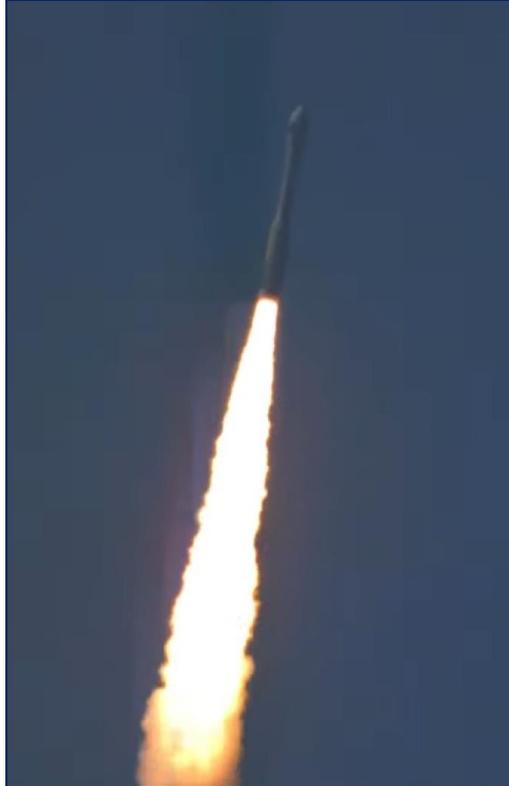
(2) Costs for exploration of new potential business in the US reported as recurring

Success for Vega C VV28 mission

- On December 1st Vega C successfully deployed in orbit the **KOMPSAT-7 (Korea Multi-Purpose SATellite-7)** for the Korean Aerospace Research Institute (KARI)
- The satellite, weighting about 1,810 kg, is designed to support detailed observation of the Korean Peninsula and to meet the growing national demand for high-quality satellite imagery



VV28 liftoff #1



VV28 liftoff #2



Kompsat-7 nose-cone fairing

Ariane 6 VA265 and VA266 flights successfully completed

- On November 4th and December 17th, Ariane 6 launcher successfully put in orbit EU's Copernicus Sentinel-1D and satellites SAT 33 and SAT 34, part of the 14th launch of the Galileo program
- Avio is partner of the Ariane 6 program **providing the first stage solid rocket boosters and the liquid oxygen turbopumps for the core stage Vulcain 2.1 engine and the upper stage Vinci engine**



Ariane 6 VA265 lift-off



Ariane 6 VA266 lift-off



Galileo satellites

New contracts in space boost production and ensure continuity in the pipeline of future Vega C launches

>€200m contract signed with ArianeGroup

- On November 14th ArianeGroup and Avio concluded a **>€200m** contract for the production of Ariane 6 items up to 2029, including P120/P160 boosters and turbopumps

With Airbus for the future of Earth Observation

- In January 2026 Airbus announced it will launch its first Pléiades Neo Next satellite early 2028 on an Avio's Vega C launcher



Integration facility in French Guiana transferred to Avio

- On December 2nd, ArianeGroup officially transferred to Avio the Bâtiment d'Intégration Lanceur ("BIL"), a facility previously used to assemble Ariane 5 launchers
- By adapting the BIL for Vega C, Avio can optimize the preparation flow for future launch campaigns, increasing launch cadence up to 6 flights/year

Launcher
Integration («BIL»)



Vega C
launch pad



BIL transfer ceremony in French Guiana

P160C booster ready for lift-off

PROGRESS STATUS

PRELIMINARY DESIGN REVIEW

CRITICAL DESIGN REVIEW

IMC SHIPMENT

LMC CASTING

LMC DELIVERY

QUALIFICATION TEST ON QM3

GROUND QUALIFICATION REVIEW

FULL OPERATIONAL CAPABILITY DEMONSTRATION

Customer: European Space Agency

Objective: P160C Solid Rocket Motor (SRM) is the evolution of Qualified P120C SRM. P160C will be devoted to Ariane 6 Block 2, Vega C and Vega E launcher

Status update:

Firing test successfully completed in April 2025

Expected increase in Ariane boosters' production rate⁽¹⁾ from 14 in 2025 to 22 in 2026



P160C test fire



P160 integration

Vega E program ongoing

PROGRESS STATUS



Customer: European Space Agency

Objective: Vega E launcher aims to increase the payload launch capability by 20% with respect to Vega C, leveraging the MR10 Liquid Oxygen and Liquid Methane engine for the upper stage

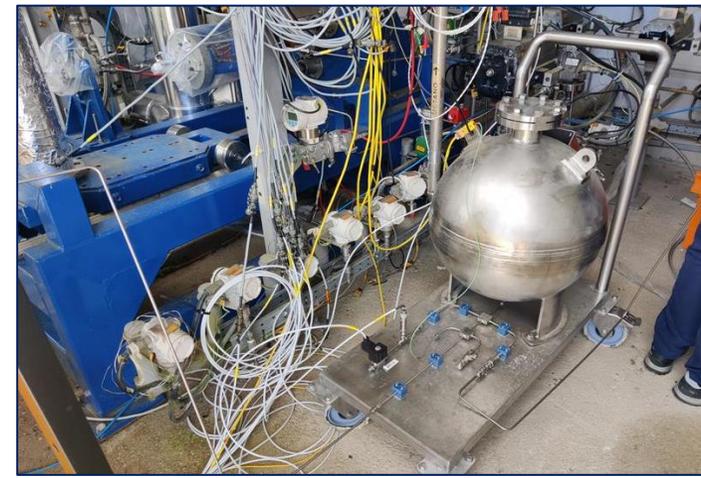
Status update:

Vacuum system small scale firing test completed

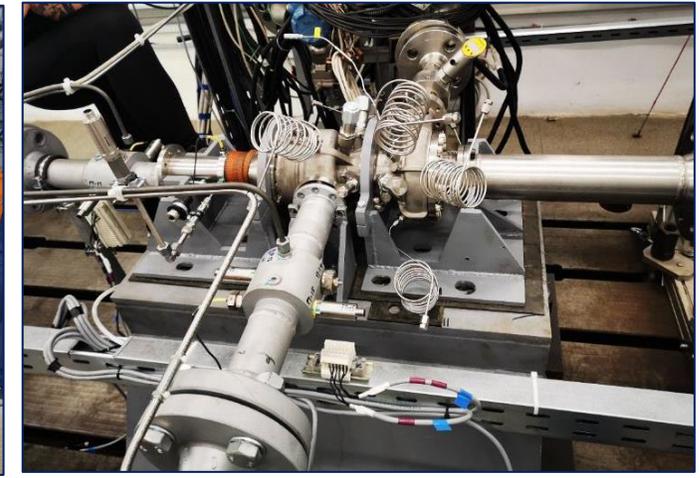
PDR completed

PMM test completed in June 2025

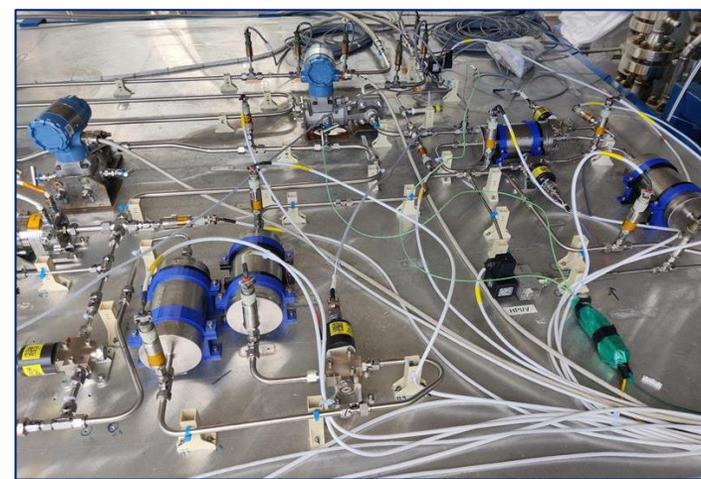
MR10 engine subsystem test completed (for Oxygen Turbopump and bearings), in water, gas nitrogen and cryo conditions



PMM test #1



MR10 TPO Water & Gas Nitrogen Test



PMM test #2



MR10 engine Bearing Cryo Test

Space Rider: integration of flight module in progress

PROGRESS STATUS



Customer: European Space Agency

Objective: Development of a reusable orbital and re-entry system aimed to manage multiple commercial and institutional applications (e.g. microgravity, IOV/IOD, Earth and Space Observation applications, etc.)

Status update:

Flight module integration ongoing

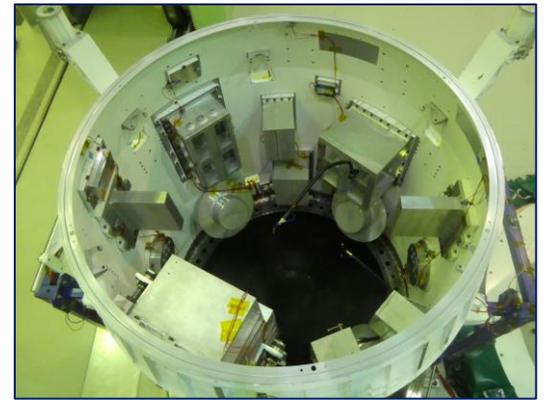
Delivery scheduled by end of 2026 to start combined test with re-entry module



AVUM Life Extension Kit (ALEK)



Artist's view of Space Rider



View of internal equipment

Technological development project progressing

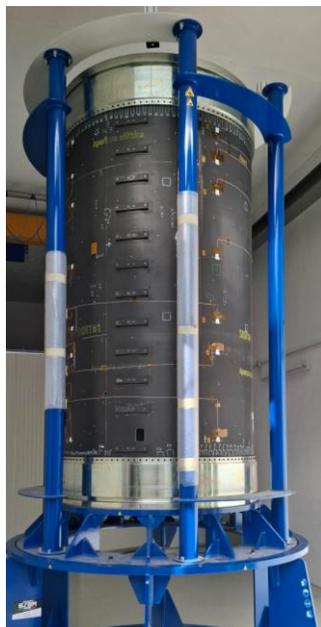
Innovative LOX-CH technology

Orbital propulsion technology

Space Transportation Systems

Design, manufacturing & launch of a demonstrator

- ✓ Firing tests successfully completed in 2025
 - ✓ Cryotank static load test completed
- Demonstrator integration ongoing



High Thrust Engine

Advanced upper stage propulsion

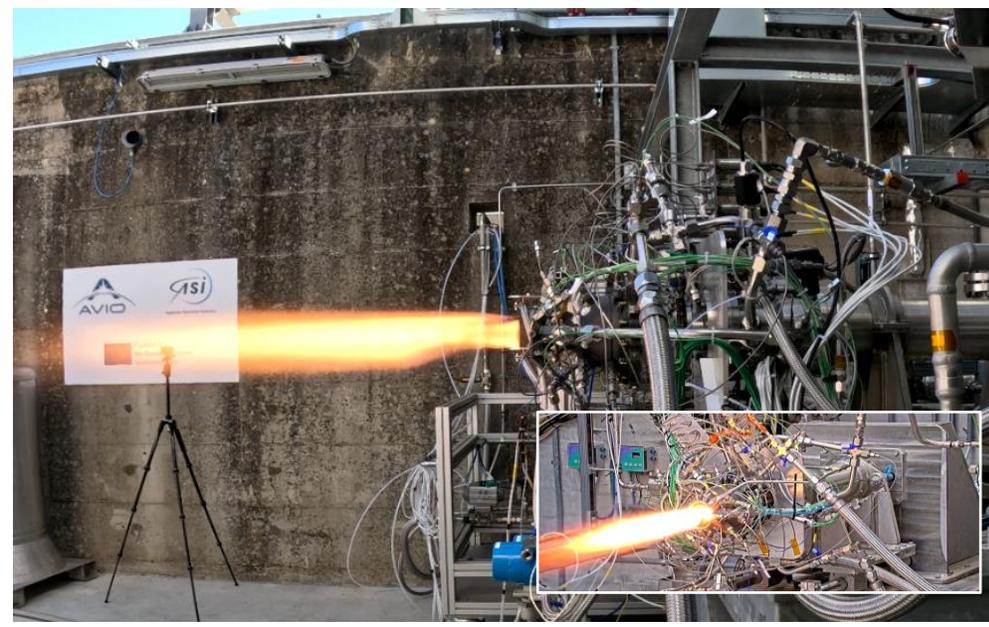
- ✓ Manufacturing of main Engine components completed in 2025
- Firing test of subsystems scheduled for 1H2026



Multi-Purpose Green Engine

"Green" engine for orbital propulsion and in-orbit services

- ✓ Firing test successfully completed in Jul '25
 - ✓ Endurance test performed in Jan '26
- New firing tests expected in 2026





Continued momentum on defense, with orders booked exceeding €250m in 2025



Solid partnership with MBDA Group in Europe



Strengthening of the partnership with MBDA, through signing of multiple production orders



Main defense contracts in USA stepping into production phase



Purchase order for funding of **up to \$26 million** for continued engineering work on the **Mk 104**



Multi-year agreement for Manufacturing, Assembly, Integration and Testing of tactical missiles solid rocket motors



\$65m contract signed with DSS (acting as a prime contractor for **US Department of War**) for the development, qualification and initial production of a SRM for air defense applications



Governor of Virginia

Up to USD 97,7m incentive package for Virginia production facility, subject to approval by the Virginia General Assembly



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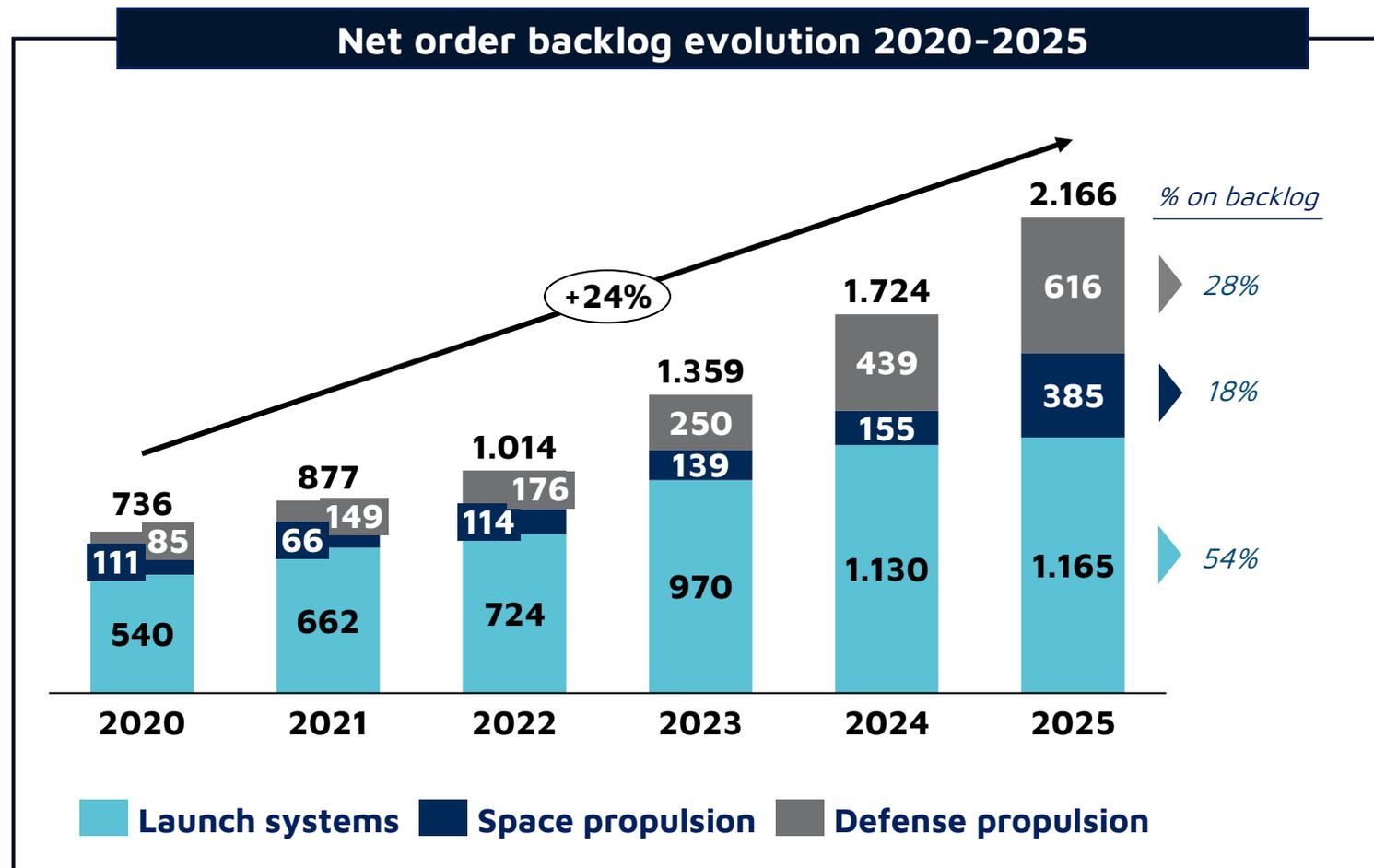
3.

Outlook and opportunities

Giulio Ranzo, Chief Executive Officer

Record-high backlog exceeding €2.0bn in 2025

Figures in €m



Main comments

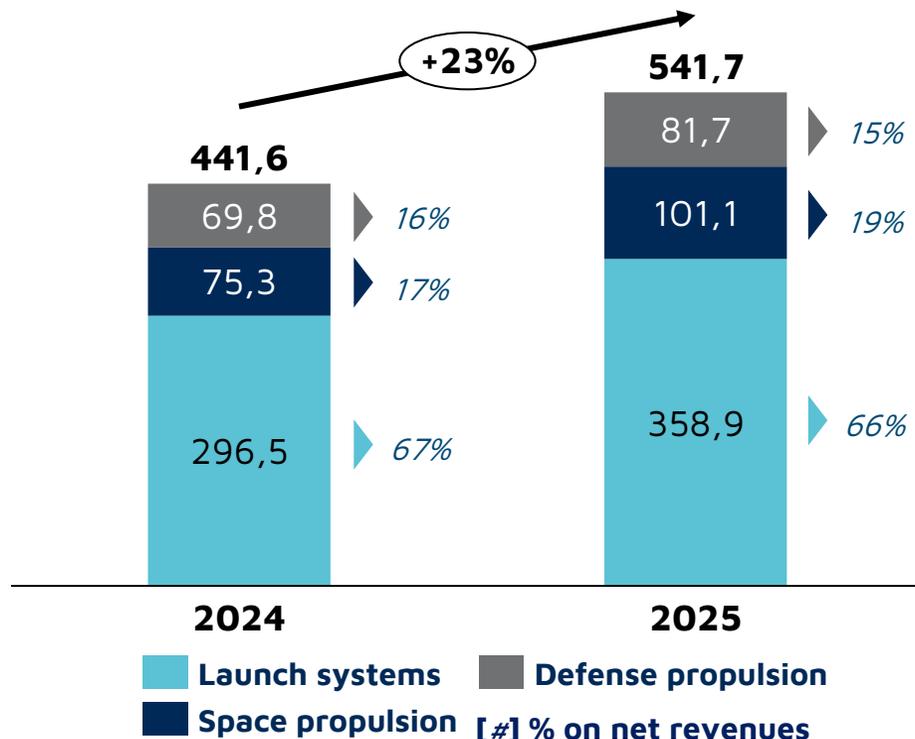
- **Record backlog level of €2.2bn** (+26% vs. 2024)
- **Order intakes** in 2025 amounting to **~€1.0bn** including:
 - **Launch systems ~€400m**: mainly related to the Vega C contracts transferred to Avio within the framework of the Launch Service Provider activities
 - **Space propulsion ~€330m**: mainly related to the major contract (>€200m) signed for production of boosters and equipment for Ariane 6 up to 2029
 - **Defense propulsion ~€260m**: mainly related to Aster missiles propulsion production and contracts signed with U.S. Govt' Armed Forces

- **Production** accounts for **~70%** of 2025 backlog, **Development** for **~30%**

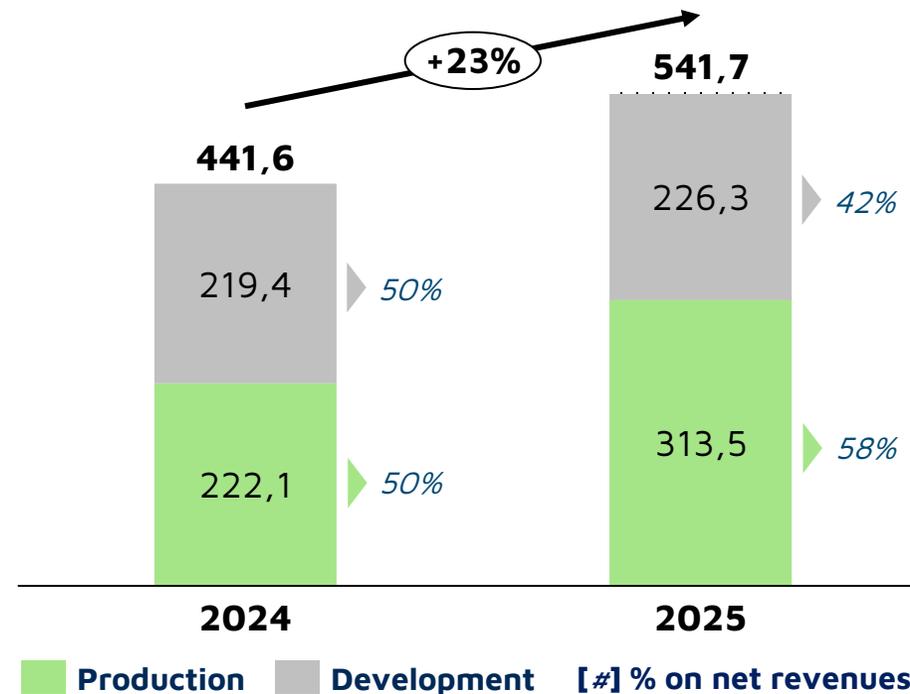
Revenues increased by >20% compared to previous year

Figures in €m

Net revenues | Breakdown by Line of Business



Net revenues | Breakdown by Activity



~€100m of revenues growth vs. 2024, mainly due to the increase in production activities in Launch systems (Vega production), in Space propulsion (boost of motors' production for Ariane 6) and in Defense propulsion (higher production rate)

FY 2025 results vs. 2024

AVIO Group | Main financials

	FY 2024 Actual (€m)	FY 2025 Actual (€m)	Delta (€m)	Delta (%)
NET REVENUES	441,6	541,7 ①	100,1	22,7%
EBITDA REPORTED	25,8	32,3 ②	6,4	24,9%
% on net revenues	5,8%	6,0%		
EBITDA ADJUSTED	26,6	34,8 ③	8,2	30,8%
% on net revenues	6,0%	6,4%		
EBIT REPORTED	8,4	12,0 ④	3,6	42,7%
% on net revenues	1,9%	2,2%		
EBIT ADJUSTED	9,1	14,5	5,3	58,3%
% on net revenues	2,1%	2,7%		
NET INCOME	6,4	11,6 ⑤	5,2	81,6%
% on net revenues	1,4%	2,1%		

N/R
0,8⁽¹⁾N/R
2,5

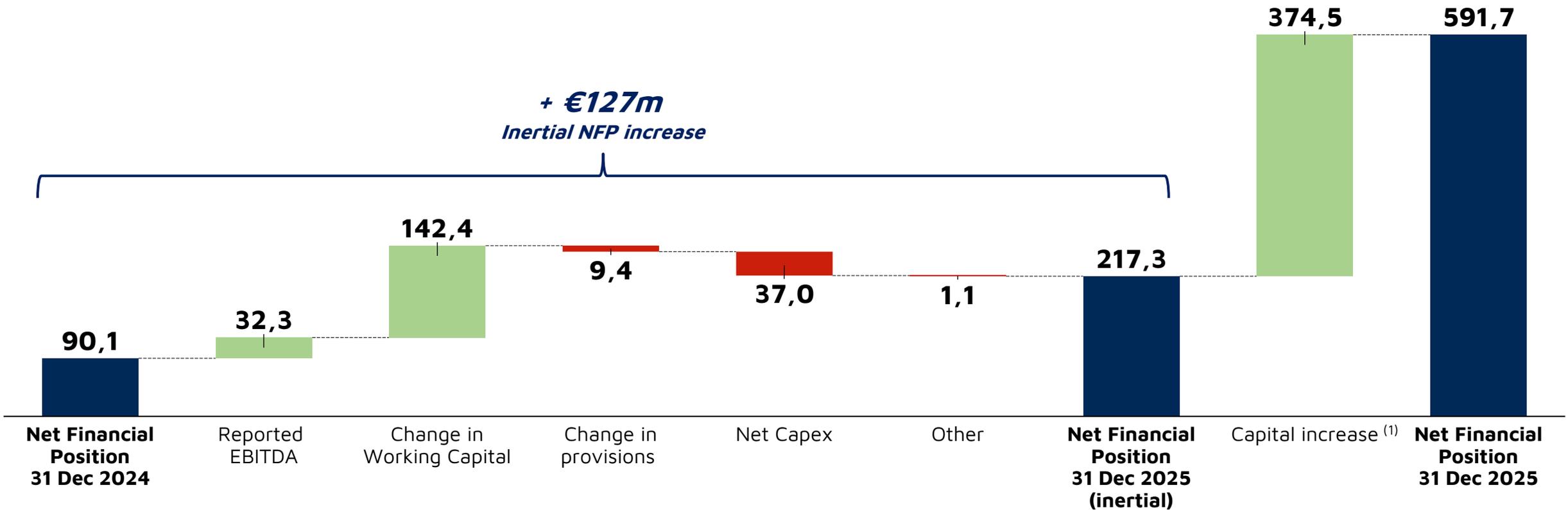
Main comments

- 1. Increase in revenues (+€100m, +23%)** mainly driven by the space business
- 2. EBITDA reported increase (+€6,4m, +25%)** driven by higher revenues and mostly dependent on the profitability of the space business
- 3.** Non-recurring costs mainly due to severance costs and advisory expenses for Avio's new role as launch service provider
- 4. EBIT reported increase (+€3,6m, +43%)** partially offset by higher depreciations for increased Vega C flight cadence and IT improvement projects
- 5. Net Income increase (+€5,2m, +82%)** reflects improved operating performance and financial income on average cash available

(1) Costs for exploration of new potential business in the US reported as recurring in both periods

2024 – 2025 Net Financial Position bridge

Figures in €m



(1) Net of transaction costs

FY 2025 results vs. 2024 | Sources and uses

Figures in €m

AVIO Group | Sources and uses

	31 DEC 2024 Actual (€m)	31 DEC 2025 Actual (€m)	Delta (€m)
WORKING CAPITAL	(212,9)	(355,2) ①	(142,4)
DEFERRED TAX ASSETS	87,5	87,6	0,0
PROVISIONS	(51,8)	(42,4)	9,4
GOODWILL AND OTHER INTANGIBLE	86,1	83,0	(3,1)
FIXED ASSETS	311,8	342,7 ②	30,9
FINANCIAL RECEIVABLES	2,0	1,2	(0,8)
NET INVESTED CAPITAL	222,8	116,8	(106,0)
NET FINANCIAL POSITION	90,1	591,7 ③	501,6
EQUITY	(312,9)	(708,5) ④	(395,6)
TOTAL SOURCES	(222,8)	(116,8)	106,0

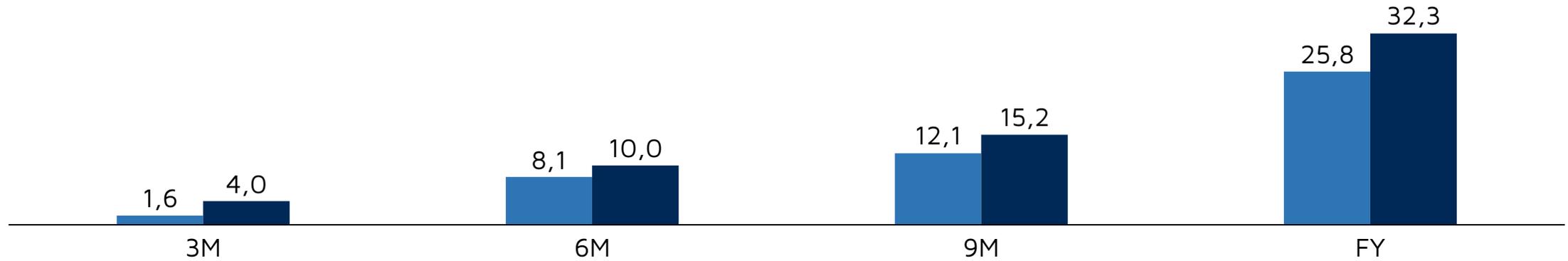
Main comments

- ① Increase in negative **working capital** mostly due to advances largely collected at year-end, expected to be partially flown down to suppliers in 2026
- ② **Net Fixed assets** increase mainly related to capex for higher Vega cadence, initial capex related to the Avio USA project, and IT improvement
- ③ **Net financial position** strongly improved thanks to high cash advances from growing order intakes and net proceeds of the share capital increase
- ④ **Change in equity** mainly reflecting the completion of the share capital increase

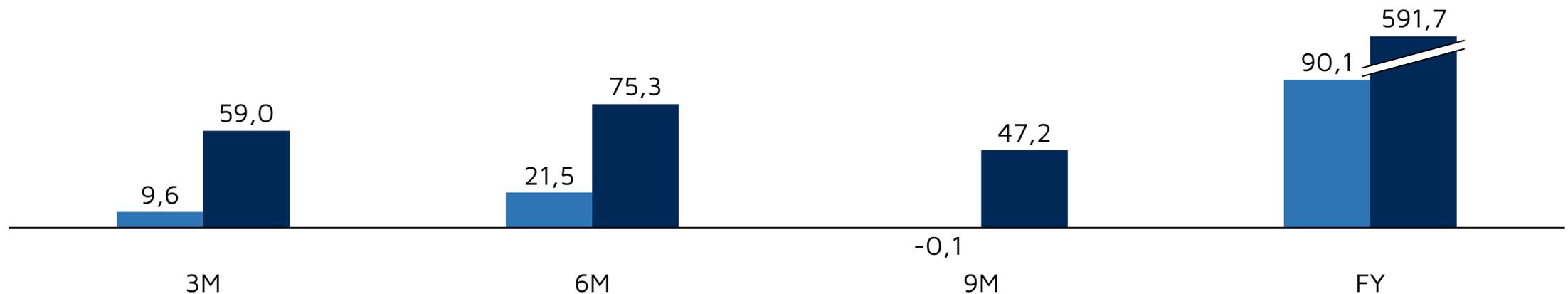
Quarterly evolution of EBITDA and Net Financial Position

Figures in €m

EBITDA Reported | Quarterly evolution



Net Financial position | Quarterly evolution



■ 2024 ■ 2025

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Rights offering successfully completed: ready for a new plant in the US to capture the full market potential

- €400m rights offering successfully completed in November 2025, unlocking potential investment in a new SRM plant in Virginia, USA

Key Highlights

Engineering and production

Greenfield SRM facility

Merchant supplier for OEMs / Armed Forces

>3

Customers

10+

Programs

Up to
700 Tons
of propellant
annual
production

2028
Start of
Production
in US

Operations

Site identified

Preliminary design done

Procurement started



Rendering of the plant

Key Contracts

Customer	Production Site	Contract Overview
		<p>New agreement for manufacturing, assembly, and testing</p>
		<p>Signed non-binding MoU Under contract to achieve qualification of Mk 104 SRM</p>
		<p>Signed non-binding term-sheet In discussion on multiple programs to become a second-source supplier</p>
		<p>Letter of Intent signed with an international solid rocket motor manufacturer</p>

Our strategy in USA: what's next in 2026?



Milestones achieved

- MoU signed with Raytheon and Lockheed Martin ahead of the start of the construction of the US facility
- Contracts with Raytheon on Mk 104 and second contract from US Gov't Armed Forces consolidate trend for defense business growth
- Up to ~USD 100m of incentive package for Virginia production facility



Next steps in 2026

- Securing new orders for further product qualifications and binding long term commitments from customers
- Pursuing government grants / financing facilities
- Initial activities to secure land and to place Long Lead Items orders, continued plant design efforts in order to start deploying capital
- Staffing of Avio USA personnel started

Ariane and Vega current view of flight manifest

2025

2026



Ariane

#4 launches

VA267

✓ Feb 12

1st launch operated by Avio



Vega

#3 launches

VV29

Scheduled in Q2

~30 flights currently in backlog

Future launches:

- Satcom mega-constellations
- Galileo (EU)
- Military sats

IRIS² major upside

~15 flights currently in backlog

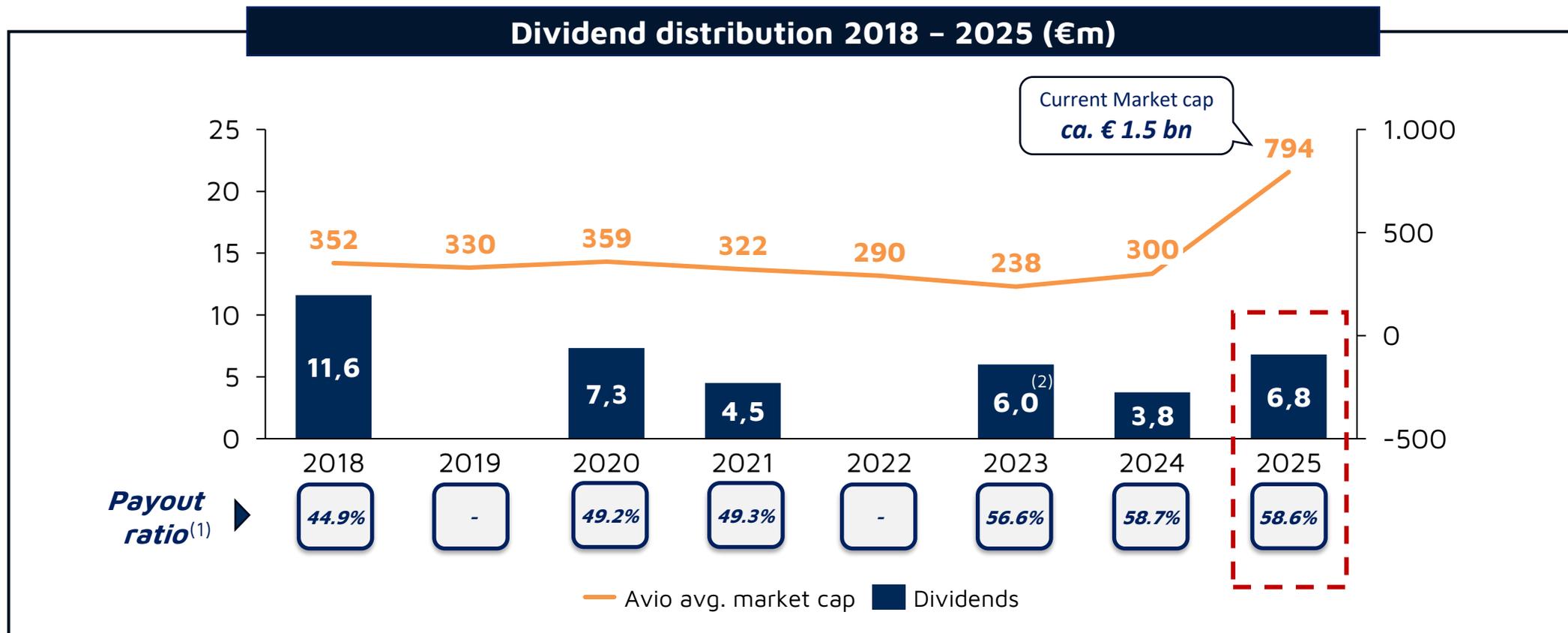
Future launches:

- Sentinel-3C (EU)
- IRIDE (EU)
- PLATiNO
- ... more opportunities in pipeline



Proposed dividend distribution for 2026

- Proposal to the Shareholders' Meeting of April 28, 2026 for a **dividend distribution of €6.8m, with payout ratio in line with 2024**



(1) Calculated as ordinary dividends out of consolidated net income

(2) Includes €2,250m of extraordinary dividend from distributable reserves

FY 2026 Guidance



BACKLOG

€m	€m
2.000	2.100

- *Backlog expected to remain high after record level achieved in 2025 ⁽¹⁾. Not incorporating potential upsides for additional defense order intake*



NET REVENUES

€m	€m
560	590

- *Further growth driven largely by defense business acceleration and partly by Ariane 6 motors' rate increase*



EBITDA REPORTED⁽²⁾

€m	€m
27	35

- *Group EBITDA aligned with the Business Plan*
- *EU activities EBITDA growing*
- *AVIO USA operating costs growing (€7-9m in 2026)*
- *Potential risk on higher energy costs*



NET INCOME

€m	€m
8	13

- *Net income driven by both operating performance and financial performance on available cash*

(1) Backlog 2025 affected by one-off >€200m order for Ariane 6 equipment up to 2029

(2) Implying an EBITDA Adjusted ranging from €29m to €37m assuming €2m as non recurring costs

THANK YOU FOR YOUR ATTENTION



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