Jefferies Pan-European Mid-Cap Virtual Conference

Rome
31 March 2022
Agenda

- Key messages
  * Alessandro Profumo, Chief Executive Officer

- Industrial review
  * Lucio Valerio Cioffi, General Manager

- Financial review
  * Alessandra Genco, Chief Financial Officer

- Q&A

- Sector results

- Appendix
We provide essential Security and Protection, security for people and nations....

This means preserving peace and stability, safety and democracy, without which social and economic prosperity does not exist ...
FY2021: an important year of delivery

CLOSER COLLABORATION IN EUROPE

• Well positioned in key markets committed to grow defence spending
• 25,1% Hensoldt acquisition enhancing cooperation in EU Defence Electronics Industry
• EuroMale promoting EU collaboration in Security and Defence
• Playing a key role in Next Generation Civil Tiltrotor
• Continued momentum in international cooperation programmes (EFA, Tempest)

BACK TO GROWTH

• Solid backlog; Orders and Revenues above pre-pandemic (+1.5% and +3.5% vs 2019)
• All key businesses above pre-pandemic levels on all metrics, excluding Aerostructures
• Improved profitability (+0.9 p.p. vs 2020) and ROIC (+1.1 p.p. vs 2020)
• Met or exceeded guidance once again, with FOCF doubling expectations
• Solid financial structure

CLEAR RECOVERY PATH IN AEROSTRUCTURES

• Actions in place and progress in ATR and other programmes
• 2021 as a bottom year and gradual improvement from 2022

PROGRESS ON SUSTAINABILITY AND ESG

• 23% CO₂ emissions reduction *
• 19% hiring of women with STEM degree
• >40% hiring of young people (<30 years old)
• 50% of investments SDG-aligned
• 50% of financial sources ESG linked, KPI fully aligned with strategy and LTIP

* Scope I and II CO₂ total emissions, market-based
We have delivered results in line or exceeding expectations

All businesses ahead of 2019 levels, excluding Aerostructures

(€ mil)

Orders and Backlog

<table>
<thead>
<tr>
<th>Year</th>
<th>Orders</th>
<th>Backlog</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>36.118</td>
<td>15.124</td>
</tr>
<tr>
<td>2019</td>
<td>36.513</td>
<td>14.105</td>
</tr>
<tr>
<td>2020</td>
<td>35.516</td>
<td>13.754</td>
</tr>
<tr>
<td>2021</td>
<td>35.534</td>
<td>14.307</td>
</tr>
</tbody>
</table>

Revenues

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
</table>

EBITA

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.157</td>
<td>1.262</td>
<td>1.024</td>
<td>1.326</td>
</tr>
</tbody>
</table>

FOCF

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>619</td>
<td>398</td>
<td>369</td>
<td>548</td>
</tr>
</tbody>
</table>

- Solid and well-diversified backlog
- Continued strong commercial momentum
- Book-to-bill ca. 1
- Strong top line growth, above pre-pandemic levels
- 88% revenues in defence and governmental businesses
- Higher volumes and better profitability
- EBITA above 2019 level, excluding Aerostructures
- ROS at 7.9% (9.4% without pass-through)
- ROIC 12.4% vs 11.3% in 2020
- FOCF materially up, doubling guidance
- Aerostructures cash drain ca. €330m, lower than expected

Proposed\(^{(1)}\) dividend reinstatement at € 0.14 per share, reflecting stronger performance and our confidence looking forward

\(^{(1)}\) Proposal to be submitted to next 2022 AGM
Strong confidence in medium/long term prospects of our main businesses
Helicopters and Aircraft

**Helicopters**

- Leading product portfolio and solid backlog
- Strong defence/governmental and resilient civil business
- Continue to invest to build the future (i.e. AW09, AW609, Hero)
- Attractive Customer Support & Training

2021 Backlog € 12.4 bn
2018-2021 Revenues*: +3%
2018-2021 EBITA*: +4%

**Aircrafts**

- Leadership position in key European and International cooperation programmes (i.e. EFA, JSF, EuroMale, Tempest)
- Leading position in training through M345 and M346 platforms
- Advanced training solutions addressing customer needs
- Best in class profitability, above 13%

2021 Backlog € 8.9 bn
2018-2021 Revenues*: +19%
2018-2021 EBITA*: +18%

*CAGR
Strong confidence in medium/long term potential of our main businesses
Electronics and Leonardo DRS

**Electronics**

- Strong order book
- Established trusted relationships with customers globally and recognized heritage
- Well balanced presence and positioned in highest growing markets
- Well positioned in key international programmes (i.e. EFA, EuroMale, Tempest)
- Leading edge in sensors and systems for multidomain applications

2021 Backlog € 12.0 bn
2018-2021 Revenues*: +4%
2018-2021 EBITA*: +7%

**Leonardo DRS**

- Strong backlog (funded and unfunded)
- Top line growth confirmed, well positioned towards US DoD key priorities
- Delivering on targets: confirmed significant margin expansion driven by programmes moving from development to production

2021 Backlog € 2.2 bn
2018-2021 Revenues*: +7%
2018-2021 EBITA*: +19%

* CAGR
Customer Support on installed fleet accounting for € 5.3 bn of cash present value

• Inertial intrinsic value embedded in customer support: a cornerstone of future cash generation
  • Impressive installed base of ca. 4,000 helicopters and more than 1,000 aircraft
  • Tangible value and inertial visible income over the next decades
  • Without any additional sale, in the next 30 years Customer support activities from existing fleet to generate net cash flows, net of costs, > € 10bn, equivalent to NPV of ca. € 5.3 bn
    • Majority generated by Helicopters and Aircraft, due to the longevity of platforms
    • Electronics useful life of equipment (Sensors and systems) ca. 10 years on average

Attractive and profitable business
(30% of 2021 Revenues and Backlog)
Resilient during pandemic
Results achieved are showing we are on the right path
Continuing to execute our strategic plan “Be Tomorrow-2030”

**Strengthen our Core**
- Acquisition of 25.1% stake in Hensoldt
- AW09 complementing existing helicopter product range
- Continued momentum in International cooperation Programmes (EuroMALE)

**Transform to Grow**
- Clear Plan for Aerostructures recovery and relaunch
- Proposal to create a National Strategic Hub for the national cloud infrastructure

**Master the New**
- Transformed R&D focus to capture more growth opportunities driven by technology: Leonardo Labs
- Computing and storage capabilities at the base of our newly integrated approach
- New growth opportunities as a partner in the Italian National Recovery Plan
Strong confidence in the medium-term
Based on strong fundamentals of our businesses

2022-2026 TARGETS(*)

ORDERS
- Confirming cumulated > €80 bn
- Book to bill >1

TOP LINE
- Confirming Mid Single Digit CAGR

EBITA
- Confirming High Single Digit CAGR
- RoS growing, at double digit at Plan end

FOCF
- STEP UP in 2022
- Confirming ca. €3 bn cumulated in 2021-2025
  (excluding disposals and including Aerostructures)

CASH FLOW CONVERSION
- >70% in 2025-2026
- ca. 70% in 2022, excl Aerostructures

ROIC
- >13% in 2024

(*) Based on the current assessment of the effects deriving from the geopolitical and global health situation on the supply chain and the global economy and assuming no additional major deterioration
Agenda

• Key messages  
  Alessandro Profumo, Chief Executive Officer

• **Industrial review**  
  Lucio Valerio Cioffi, General Manager

• Financial review  
  Alessandra Genco, Chief Financial Officer

• Q&A

• Sector results

• Appendix
Key messages

• Progress and update on the recovery plan for Aerostructures

• Growing commercial opportunities across our core Defence and Governmental business

• New business opportunities across the Group driven by technology and post pandemic recovery
Aerostructures business: positive progress on the recovery plan outlined last November

- Clear plan for Aerostructures recovery based on:
  - Business repositioning
  - Profitability improvement
  - Lower cash absorption
- Short medium haul ramping up in production
- Positive signs on ATR
- Long haul still challenging
Aerostructures recovery plan is on the right way
2021 the bottom year, gradual improvement from 2022

**PROGRESS SO FAR**

**ACTION PLAN**
- Furlough scheme agreed with trade unions
- Workforce reduction by ca.800 mainly through new pension scheme
- Collaboration with Vertical Aerospace on fuselage development for the Vertical’s VX4 electric aircraft
- Ongoing diversification business i.e. additional working packages

**AIRBUS**
- A321 further rate installation
- A220 new “state of art” assembly line

**ATR**
- Recovering faster than expected
- Deliveries tripled (31 in 2021 vs 10 in 2020)
- Clear strategy to strengthen ATR leadership in the regional market, providing sustainable and affordable platforms (i.e. new engine, SAF, etc.)
- Portfolio enlargement (i.e. Cargo, STOL)

**B787**
- Resuming B787 deliveries
- Breakeven from fuselage delivery n. 1,406 thanks to expected rate profile and pricing per contract

**OTHER PROGRAMMES**
- EuroMALE agreement just signed - significant industrial fallout on Grottaglie and Foggia plants

**DEFENCE**
- Eurofighter and JSF production

**AEROSTRUCTURES BREAKEVEN**
Confirmed at the end of 2025
Growing commercial opportunities driven by positive defence market trends as well as our domestic and international strengths

- A,D&S annual average market value: €780 bln
- A,D&S market CAGR over the next 5 years: ca. 6%
- Leonardo’s target market: 20% of the A,D&S market

Source: IHS Jane's 2022; Leonardo’s analysis
Order intake increasing trend continues

**STRONG TRACK RECORD**

**ORDER INTAKE 2018-2021**

- Cumulative value: Ca. €57 bln

<table>
<thead>
<tr>
<th>Year</th>
<th>Value (€ bln)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>15.1</td>
</tr>
<tr>
<td>2019</td>
<td>14.1</td>
</tr>
<tr>
<td>2020</td>
<td>13.7</td>
</tr>
<tr>
<td>2021</td>
<td>14.3</td>
</tr>
</tbody>
</table>

**POSITIVE OUTLOOK**

**SUPPORTED BY COMMERCIAL MODEL**

- Strong positioning in key domestic markets
- Competitive position in key strategic countries
- International footprint enhancement

**WELL POSITIONED IN INTERNATIONAL AND EU PROGRAMS**

- JSF
- Eurofighter
- Eurodrone (EuroMALE)
- Tempest

**2022-2026 OUTLOOK**

- Cumulative value: Ca. €80 bln

**NH90 Qatar**

Cumulative value: Ca. €57 bln

Cumulative value: Ca. €80 bln
Well positioned with a transformed R&D focus to capture more growth opportunities driven by technology

**LEONARDO LABS**
- 10 Leonardo Labs (in 6 regions in Italy and 1 in the USA)
- 30 research units
- 4 joint external laboratories
- 130 research fellows in 2022

**DAVINCI-1 HPC**
- 7\textsuperscript{th} in the aerospace sector behind to NASA and JAXA agencies
- 5 Pflops of computing power
- 20 PByte of cumulative storage capacity
Focused approach across selected domain areas creating value for our customers

- **COMPUTING AND STORAGE CAPABILITIES**
  - DAVINCI-1 HPC
  - HIGH PERFORMANCE COMPUTING
  - CLOUD
  - BIG DATA
  - ARTIFICIAL INTELLIGENCE

- **ENABLERS**
  - Certification by Simulation
  - Predictive maintenance
  - Global monitoring
  - Communications and crypto random number
  - New propulsion system, fuel cells, batteries
  - New materials

- **APPLIED TECHNOLOGIES**
  - DIGITAL TWIN AND ADVANCED SIMULATION
  - UNMANNED ROBOTICS
  - QUANTUM
  - ELECTRIFICATION
  - MATERIALS

- **Reduction of development costs, risks and emissions**
- **New opportunities**
New growth opportunities as a partner in the Italian National Recovery Plan: playing with core assets and distinctive capabilities

PROJECT STREAMS IDENTIFIED BY LEONARDO

Global Monitoring
- Continuously monitoring and securing Country’s critical infrastructure

Logistics
- Contributing to a connected, automated and safe multimodal logistics for people, vehicles and goods

Space
- Contributing to the Space Economy growth as a strategic activity for the Country economic development

Digital PA
- Promoting the provision of easily accessible, efficient and secure digital public services

Smart City
- Increasing safety and resilience of cities by promoting sustainable mobility and direct communication with citizens

Health systems
- Contributing to the development of an efficient and interconnected health system

Research
- Promoting innovation and technology supporting the transition to a knowledge-based economy

20 SIZEABLE OPPORTUNITIES

- National Strategic Hub for the national cloud infrastructure
- Road Infrastructures Monitoring
- Sustainable Mobility Systems
- Environmental Monitoring
Key takeaways

• Clear plan and progress on the path of gradual recovery in Aerostructures

• Positive commercial outlook in domestic and international markets based on key products and strengths

• Strong capabilities to seize future growth opportunities driven by R&D tech-focus and post pandemic National Recovery Fund
Agenda

• Key messages
  Alessandro Profumo, Chief Executive Officer

• Industrial review
  Lucio Valerio Cioffi, General Manager

• Financial review
  Alessandra Genco, Chief Financial Officer

• Q&A

• Sector results

• Appendix
FY 2021 Highlights

- Met or exceeded 2021 guidance, with FOCF doubling initial guidance
- Back or above 2019 level without Aerostructures
- Strong performance across core defence/governmental businesses
- Civil slightly ahead of target
- Structurally Improving cash flow generation/conversion
- Funding sources 50% ESG linked and minimum cost of funding
## Order Intake

**Continued strong commercial momentum**

<table>
<thead>
<tr>
<th></th>
<th>€ mln</th>
<th>∆ % YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY2020A</strong></td>
<td>13,754</td>
<td></td>
</tr>
<tr>
<td>HELICOPTERS</td>
<td>4,370</td>
<td>-2.8%</td>
</tr>
<tr>
<td>ELECTRONICS EUROPE</td>
<td>5,392</td>
<td>14.5%</td>
</tr>
<tr>
<td>LEONARDO DRS</td>
<td>2,194</td>
<td>-18.0%</td>
</tr>
<tr>
<td>AIRCRAFT</td>
<td>2,668</td>
<td>31.4%</td>
</tr>
<tr>
<td>AEROSTRUCTURES</td>
<td>365</td>
<td>-37.2%</td>
</tr>
<tr>
<td>ELIMINATIONS &amp; OTHER</td>
<td>-682</td>
<td></td>
</tr>
<tr>
<td><strong>FY2021A</strong></td>
<td>14,307</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

* Including ca. € 12 mln of negative forex

- Growing civil orders. Key orders: 72 TH-73A for the US Navy, follow-on tranche of NEES for Italian Army, 18 AW139 for Saudi, 8 AW139 for Italian Guardia di Finanza. 18 AW169M LUH for Austrian MoD
- EFA Germany and equipment for 2 U212 Near Future Submarines (NFS); C2D/N Evolution. In Cyber, SICOTE (Territory Control System) phase 4
- Mounted Family of Computer Systems (MFoCS) for US Army, IM-SHORAD (Initial-Maneuver-Short Range Air Defense)
- Major export contracts for 16 M-346, JSF, logistics support for EFA
- Lower OEM demand from Boeing (B787) and GE-ATR; growing A220 and A321
## Revenues

Growing top line and continued strong programme delivery

<table>
<thead>
<tr>
<th></th>
<th>€ mln</th>
<th>Δ % YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2020A</td>
<td>13,410</td>
<td></td>
</tr>
<tr>
<td>HELICOPTERS</td>
<td>4,157</td>
<td>4.7%</td>
</tr>
<tr>
<td>ELECTRONICS EUROPE</td>
<td>4,519</td>
<td>9.0%</td>
</tr>
<tr>
<td>LEONARDO DRS</td>
<td>2,434</td>
<td>0.8%</td>
</tr>
<tr>
<td>AIRCRAFT</td>
<td>3,268</td>
<td>24.1%</td>
</tr>
<tr>
<td>AEROSTRUCTURES</td>
<td>442</td>
<td>-46.0%</td>
</tr>
<tr>
<td>ELIMINATIONS &amp; OTHER</td>
<td>-685</td>
<td></td>
</tr>
<tr>
<td>FY2021A*</td>
<td>14,135</td>
<td>5.4%</td>
</tr>
</tbody>
</table>

* Including ca. € 19 mln of negative forex
## EBITA and Profitability

### Improving Profitability

<table>
<thead>
<tr>
<th></th>
<th>€ mln</th>
<th>RoS</th>
<th>Δ % YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY2020A</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HELICOPTERS</td>
<td>938</td>
<td>7.0%</td>
<td></td>
</tr>
<tr>
<td>ELECTRONICS EUROPE</td>
<td>485</td>
<td>10.7%</td>
<td>34.7%</td>
</tr>
<tr>
<td>LEONARDO DRS</td>
<td>218</td>
<td>9.0%</td>
<td>23.2%</td>
</tr>
<tr>
<td>AIRCRAFT</td>
<td>432</td>
<td>13.2%</td>
<td>21.7%</td>
</tr>
<tr>
<td>AEROSTRUCTURES</td>
<td>-203</td>
<td>-45.9%</td>
<td>-136.0%</td>
</tr>
<tr>
<td>ATR</td>
<td>-24</td>
<td></td>
<td>65.2%</td>
</tr>
<tr>
<td>SPACE</td>
<td>62</td>
<td></td>
<td>169.6%</td>
</tr>
<tr>
<td>CORPORATE &amp; OTHER</td>
<td>-253</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>FY2021A</strong></td>
<td>1,123</td>
<td>7.9%</td>
<td>19.7%</td>
</tr>
</tbody>
</table>

* Including ca. € 2 mln of positive forex

Higher volumes, profitability in line with 2020

Higher volumes and profitability, impacted by COVID 19 restrictions n 2020

Confirmed margin expansion primarily driven by the transition of development programmes into production

Results mainly driven by volumes

Lower volumes and lower asset utilisation

Higher deliveries (31 in FY21 vs 10 in FY20) and benefiting from cost reduction actions

Higher volumes and improved profitability in Manufacturing, good performance in Services confirmed. One-off tax benefit
From EBITA to Net Result
Stronger bottom line thanks to EBITA increase

- EBIT up 76% due to EBITA increase partially offset by COVID-related costs and restructuring costs for the early retirement of Aerostructures workforce as per agreement signed with the Unions in July 2021
- Net Result mainly benefitting from EBITA increase, with lower impact from FX hedging activity and lower financial expenses

FY 2020A

<table>
<thead>
<tr>
<th></th>
<th>€ mln</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITA</td>
<td>938</td>
</tr>
<tr>
<td>Non recurring costs</td>
<td>-333</td>
</tr>
<tr>
<td>Restructuring costs</td>
<td>-61</td>
</tr>
<tr>
<td>PPA</td>
<td>-27</td>
</tr>
<tr>
<td>EBIT</td>
<td>517</td>
</tr>
<tr>
<td>Net financial expenses</td>
<td>-225</td>
</tr>
<tr>
<td>Exchange rate hedging</td>
<td>-39</td>
</tr>
<tr>
<td>Income taxes</td>
<td>-12</td>
</tr>
<tr>
<td>Discontinued Operations</td>
<td>-2</td>
</tr>
<tr>
<td>Net Result</td>
<td>243</td>
</tr>
</tbody>
</table>

FY 2021A

<table>
<thead>
<tr>
<th></th>
<th>€ mln</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITA</td>
<td>1,123</td>
</tr>
<tr>
<td>Non recurring costs</td>
<td>-101</td>
</tr>
<tr>
<td>Restructuring costs*</td>
<td>-89</td>
</tr>
<tr>
<td>PPA</td>
<td>-22</td>
</tr>
<tr>
<td>EBIT</td>
<td>911</td>
</tr>
<tr>
<td>Net financial expenses</td>
<td>-167</td>
</tr>
<tr>
<td>Exchange rate hedging</td>
<td>9</td>
</tr>
<tr>
<td>Income taxes</td>
<td>-166</td>
</tr>
<tr>
<td>Net Result</td>
<td>587</td>
</tr>
</tbody>
</table>

* Including restructuring costs for the early retirement of Aerostructures workforce as per agreement signed with the Unions in July 2021
Leonardo investments and innovation contributes to the alignment with SDG goals

50% capex in line with SDG

- Investments in 2021-2023 on yearly average around € 600-700 mln\(^1\)
- Leonardo commits to around 50% of SDGs-aligned investments
- The initiatives mainly impact SDG 9 “Industry, Innovation & Infrastructure” followed by SGD 8 “Decent work and economic growth” and SGD 11 “Sustainable Cities & Communities”

### SDG-aligned investments

<table>
<thead>
<tr>
<th>Yearly Average 2021-2023</th>
<th>€ 600-700mln</th>
</tr>
</thead>
</table>

### Our main contribution to SDG

- Ensuring resilient infrastructures, increasing efficient and digital processes and developing technologies with green impact
- Improving resources efficiency and productivity by innovation & promoting safety at work
- Supporting safe and resilient cities, preventing disasters and intervening in emergency situations
- Promoting waste reduction, recycling, reuse and therefore reducing the impact on environment
- Enhancing skills & competencies
- Improving energy efficiency and increasing the share of renewable energy

---

\(^1\) Including Capitalized R&D, Capex, Tooling and Other Immaterial
Step up in FOCF in 2021 and 2022
cash flow conversion excl Aerostructures at ca. 70% in 2022

2021 FOCF
€209mln
- ca.20% EBITA growth
- Highest focus on cash ins
- Stronger WC management

- €548m FOCF ex Aerostructures
- ca. 50% cash flow conversion excl. Aerostructures
- 24% Group cash flow conversion

2022 FOCF(*)
ca. €500mln
- Revenue growth
- EBITA growth
- Continued cash discipline in core

- Slightly lower cash absorption from Aerostructures
- ca. 70% cash flow conversion excl. Aerostructures
- ca. 55% Group cash flow conversion

2021-2025 FOCF(*)
ca. €3bn cumulated
- Mid single digit Revenue growth
- High single digit EBITA growth
- Continued cash discipline in core
- Back to normal contribution from JVs

- €3bn including Aerostructures
- Aerostructures at breakeven by 2025
- >70% Group cash flow conversion

(*) Based on the current assessment of the effects deriving from the geopolitical and global health situation on the supply chain and the global economy and assuming no additional major deterioration
50% of Leonardo funding sources now are “ESG linked"

Two ESG linked financial transactions subscribed in 2021

€ 2.4 bn ESG linked Revolving Credit Facility (“RCF”)

€ 600 mln ESG linked Term Loan (to refinance January 2022 debt maturing)

Financing sources

€6,0bn

50% ESG linked

2021\(^{(1)}\)

KPI selected in loans fully aligned with Leonardo's ESG strategy and Long Term Incentive Plan

# 1
Reduction of CO\(_2\) emissions

# 2
Employment of women with STEM degree

(1) Pro forma for January 2022 bond reimbursement.
Reduced debt by ca. 20% and decreased cost of funding by ca. 60%

- Important deleveraging achieved in 2021 vs 2016
- Average cost of funding at "minimum level"
- Cost of funding will remain under control, despite expected interest rate increases

(1) Includes Bond, Bel, Term Loan and CDP.
(2) Pro forma for January 2021 bond reimbursement and the EIB financing drawdown.
(3) Pro forma for January 2022 bond reimbursement.
## 2022 Guidance

<table>
<thead>
<tr>
<th></th>
<th>FY2021A</th>
<th>FY2022 Guidance&lt;sup&gt;(1)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Orders (€ bn)</td>
<td>14.3</td>
<td>ca. 15.0</td>
</tr>
<tr>
<td>Revenues (€ bn)</td>
<td>14.1</td>
<td>14.5-15.0</td>
</tr>
<tr>
<td>EBITA (€ mln)</td>
<td>1,123</td>
<td>1,180-1,220&lt;sup&gt;(2)&lt;/sup&gt;</td>
</tr>
<tr>
<td>FOCF (€ mln)</td>
<td>209</td>
<td>ca. 500</td>
</tr>
<tr>
<td>Group Net Debt (€ bn)</td>
<td>3.1</td>
<td>ca. 3.1&lt;sup&gt;(3)&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

2022 exchange rate assumptions: € / USD = 1.18 and € / GBP = 0.9

<sup>(1)</sup> Based on the current assessment of the effects deriving from the geopolitical and global health situation on the supply chain and the global economy and assuming no additional major deterioration

<sup>(2)</sup> Including COVID-related costs previously included among non recurring costs below EBITA

<sup>(3)</sup> Assuming 25.1% acquisition of Hensoldt for € 606 mln, disposals for ca. € 300 mln and dividend payment for € 0.14 p.s.
 Closing remarks

• Back on the growth path
• Continued strong commercial activity globally building our backlog
• Top line growth across all defence/governmental sectors
• Robust profitability benefitting from increasing volumes and solid industrial performance
• Structurally more solid and increasing cash flow
Agenda

• Key messages
  Alessandro Profumo, Chief Executive Officer

• Industrial review
  Lucio Valerio Cioffi, General Manager

• Financial review
  Alessandra Genco, Chief Financial Officer

• Q&A

• Sector results

• Appendix
Q&A
Agenda

• Key messages
  - Alessandro Profumo, Chief Executive Officer

• Industrial review
  - Lucio Valerio Cioffi, General Manager

• Financial review
  - Alessandra Genco, Chief Financial Officer

• Q&A

• Sector Results

• Appendix
Helicopters
Solid business with civil recovering

2018-2021 Results

2018 2019 2020 2021
Orders (€ mln) 6,208 4,641 4,494 4,370
Revenues (€ mln) 3,810 4,025 3,972 4,157
EBITA (€ mln) and Profitability
2018 2019 2020 2021
359 40,7% 383 9,6% 406 9,8%
4Q21 Results

<table>
<thead>
<tr>
<th>€ mln</th>
<th>4Q 2020</th>
<th>4Q 2021</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td>1,340</td>
<td>1,979</td>
<td>+47.7%</td>
</tr>
<tr>
<td>Revenues</td>
<td>1,330</td>
<td>1,438</td>
<td>+8.1%</td>
</tr>
<tr>
<td>EBITA</td>
<td>164</td>
<td>183</td>
<td>+11.6%</td>
</tr>
<tr>
<td>RoS</td>
<td>12.3%</td>
<td>12.7%</td>
<td>+0.4 p.p.</td>
</tr>
</tbody>
</table>

2022 Outlook(*)

• Growth driven by delivery of programmes in backlog, defence-governmental business and gradual recovery in civil, still affect by the pandemic
• Profitability supported by optimisation of industrial processes and improved competitiveness, despite pass through activities and production mix

(*) Based on the current assessment of the effects deriving from the geopolitical and global health situation on the supply chain and the global economy and assuming no additional major deterioration
Helicopters

DELIVERIES BY PROGRAMME

FY2021 = 128 new units

AW139: 46 units
AW169: 24 units
AW189/149: 27 units
NH90: 16 units
AW101: 13 units

FY2020 = 111 new units

AW139: 48 units
AW169: 14 units
AW189/149: 25 units
NH90: 9 units
AW101: 5 units

REVENUES BY CUSTOMER/SEGMENT

FY2021

Civil: 74%
Defence/Governmental: 26%
OE: 64%
CS&T/Other: 36%

FY2020

Civil: 69%
Defence/Governmental: 31%
OE: 63%
CS&T/Other: 37%
Defence Electronics & Security
Growing Revenues and Profitability

2018-2021 Results

2022 Outlook**

- Growing volumes supported by solid backlog of existing programmes, further strengthened in 2021
- Profitability improvement driven by execution and efficiency measures, despite pass through and programmes under development transitioning towards a more mature phase

* Avg. exchange rate €/$ @ 1.1422 in FY2020; Avg. exchange rate €/$ @ 1.1827 in FY2021
** Based on the current assessment of the effects deriving from the geopolitical and global health situation on the supply chain and the global economy and assuming no additional major deterioration
**Aircraft**

**Solid performance**

### 2018-2021 Results

**Orders (€bn)**
- 2018: 1.700
- 2019: 1.904
- 2020: 2.031
- 2021: 2.668

**Revenues (€bn)**
- 2018: 1.932
- 2019: 2.329
- 2020: 2.634
- 2021: 3.268

**EBITA (€m) and Profitability**
- 2018: 13.8%
- 2019: 13.7%
- 2020: 13.5%
- 2021: 13.2%

### 4Q21 Results

<table>
<thead>
<tr>
<th>Category</th>
<th>4Q 2020</th>
<th>4Q 2021</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td>1,259</td>
<td>1,025</td>
<td>-18.6%</td>
</tr>
<tr>
<td>Revenues</td>
<td>930</td>
<td>1,147</td>
<td>23.4%</td>
</tr>
<tr>
<td>EBITA</td>
<td>151</td>
<td>191</td>
<td>26.7%</td>
</tr>
<tr>
<td>RoS</td>
<td>16.2%</td>
<td>16.7%</td>
<td>0.5 p.p.</td>
</tr>
</tbody>
</table>

### 2022 Outlook(*)

- Aircraft production increase driven by EFA Kuwait and M-345/M-346; Tempest initial R&D activities expected

---

* Based on the current assessment of the effects deriving from the geopolitical and global health situation on the supply chain and the global economy and assuming no additional major deterioration
**Aerostructures and ATR**

**Gradual recovery**

### 2018-2021 Results

<table>
<thead>
<tr>
<th>Year</th>
<th>Orders (€bn)</th>
<th>Revenues (€bn)</th>
<th>EBITA (€m) and Profitability</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>925</td>
<td>1,020</td>
<td>-35</td>
</tr>
<tr>
<td>2019</td>
<td>948</td>
<td>1,125</td>
<td>-11</td>
</tr>
<tr>
<td>2020</td>
<td>581</td>
<td>819</td>
<td>-69</td>
</tr>
<tr>
<td>2021</td>
<td>365</td>
<td>442</td>
<td>-24</td>
</tr>
</tbody>
</table>

### 2022 Outlook**

- Aerostructures gradual recovery despite continued softness in target civil market; ATR recovering faster, leveraging 2021 results

---

**Based on the current assessment of the effects deriving from the geopolitical and global health situation on the supply chain and the global economy and assuming no additional major deterioration**
Space
Recovery of Manufacturing and confirmed solid performance of Satellite services

2018-2021 Results

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITA (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>58</td>
</tr>
<tr>
<td>2019</td>
<td>39</td>
</tr>
<tr>
<td>2020</td>
<td>23</td>
</tr>
<tr>
<td>2021</td>
<td>62</td>
</tr>
</tbody>
</table>

4Q21 Results

<table>
<thead>
<tr>
<th>Quarter</th>
<th>EBITA (€m)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>4Q 2020</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>4Q 2021</td>
<td>25</td>
<td>4.2%</td>
</tr>
</tbody>
</table>

2022 Outlook(*)

- Growing volumes driven by increased backlog and profitability improvement expected in Manufacturing due to efficiency actions in place to recover competitiveness on Telecommunication business

* Based on the current assessment of the effects deriving from the geopolitical and global health situation on the supply chain and the global economy and assuming no additional major deterioration
Agenda

- Key messages  
  Alessandro Profumo, Chief Executive Officer

- Industrial review  
  Lucio Valerio Cioffi, General Manager

- Financial review  
  Alessandra Genco, Chief Financial Officer

- Q&A

- Sector results

- Appendix
2021 results exceeding expectations
Steady path of growth, with FOCF doubling the original Guidance

CONTINUED STRONG COMMERCIAL MOMENTUM

- Strong and resilient defence/governmental (88% revenues in FY21)
- Book to Bill ca. 1

SOLID RESULTS BACK TO GROWTH PATH

REVENUES € 14.1 bn
+5.4% YOY

- Driven by volume increase and lower impact from COVID
- Improved performance across the Group
- Aerostructures in line with expectations

EBITA € 1,123 mln
+19.7% YOY

- FOCF at € 209 m, doubling expectations
- Strong liquidity and financial flexibility

ORDERS € 14.3 bn
+4.0% YOY

- ROS without pass-through at 9.4% (vs 7.9% in FY20)

BACKLOG* € 35.5 bn

- ROIC* 12.4%
+1.1p.p

ROS 7.9%
+0.9 p.p.

*ROIC (Return on Invested Capital) = EBITA / Average Net Invested Capital

© 2022 Leonardo - Società per azioni
# 4Q/FY 2021 Results

## Group Performance

<table>
<thead>
<tr>
<th>€ mln</th>
<th>4Q 2020</th>
<th>4Q 2021</th>
<th>% Change</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Orders</td>
<td>5,244</td>
<td>5,039</td>
<td>-3.9%</td>
<td>13,754</td>
<td>14,307</td>
<td>4.0%</td>
</tr>
<tr>
<td>Backlog</td>
<td></td>
<td></td>
<td></td>
<td>35,516</td>
<td>35,534</td>
<td>0.1%</td>
</tr>
<tr>
<td>Revenues</td>
<td>4,385</td>
<td>4,571</td>
<td>4.2%</td>
<td>13,410</td>
<td>14,135</td>
<td>5.4%</td>
</tr>
<tr>
<td>EBITA</td>
<td>441</td>
<td>516</td>
<td>17%</td>
<td>938</td>
<td>1,123</td>
<td>19.7%</td>
</tr>
<tr>
<td>RoS</td>
<td>10.1%</td>
<td>11.3%</td>
<td>1.2 p.p.</td>
<td>7.0%</td>
<td>7.9%</td>
<td>+0.9 p.p.</td>
</tr>
<tr>
<td>EBIT</td>
<td>122</td>
<td>466</td>
<td>282.0%</td>
<td>517</td>
<td>911</td>
<td>76.2%</td>
</tr>
<tr>
<td>EBIT Margin</td>
<td>2.8%</td>
<td>10.2%</td>
<td>7.4 p.p.</td>
<td>3.9%</td>
<td>6.4%</td>
<td>2.5 p.p.</td>
</tr>
<tr>
<td>Net result before extraordinary transactions</td>
<td>106</td>
<td>357</td>
<td>236.8%</td>
<td>241</td>
<td>587</td>
<td>142.7%</td>
</tr>
<tr>
<td>Net result</td>
<td>106</td>
<td>357</td>
<td>236.8%</td>
<td>243</td>
<td>587</td>
<td>143.6%</td>
</tr>
<tr>
<td>EPS (€ cents)</td>
<td>0.182</td>
<td>0.621</td>
<td>241.2%</td>
<td>0.419</td>
<td>1.017</td>
<td>141.6%</td>
</tr>
<tr>
<td>FOCF</td>
<td>1.257</td>
<td>2.805</td>
<td>123.2%</td>
<td>40</td>
<td>209</td>
<td>422.5%</td>
</tr>
<tr>
<td>Group Net Debt</td>
<td></td>
<td></td>
<td></td>
<td>3.318</td>
<td>3.122</td>
<td>-5.9%</td>
</tr>
<tr>
<td>Headcount</td>
<td></td>
<td></td>
<td></td>
<td>49,882</td>
<td>50,413</td>
<td>1.1%</td>
</tr>
</tbody>
</table>

Free Operating Cash-Flow (FOCF): this is the sum of the cash flows generated by (used in) operating activities (which includes interests and income taxes paid) and the cash flows generated by (used in) ordinary investment activity (property, plant and equipment and intangible assets) and dividends received.
Main initiatives enabling 50% contribution to SDG

New initiatives increasing industrial process efficiency

Energy efficiency
Transition to LED technology for most industrial plants

Re-industrialization projects
Implementation of automated equipment and digital solutions in order to increase competitiveness and product reliability for both existing and upcoming programs (ATR and EuroMALE)

Barrel production line
Production line improvement with machines substitution in order to increase production rate and to reduce waste in the process

Digitalization
Digitalization of manufacturing and engineering processes driven by upgrade applications (such as SAP and Product Life-cycle Management) in order to reduce waste and improve quality

New products included in our SDG aligned portfolio

M-346 and M-345
Our trainers through a greater use of simulation systems allow a reduction of the flight-hours resulting in benefits on carbon footprint and emissions

AW609
First civil tiltrotor to be certified which will represent and enabler technology for prosperity and progress combining into one aircraft the benefits of helicopter and fixed-wing aircraft

AW169
Light Intermediate helicopter with class-leading technology that guarantees the highest performance also representing a solution for a healthier planet along with operating capability in the most challenging conditions

Integrated Sensors Suite
New AESA multifunctional radars suite for naval platforms with state-of-the-art technologies. The new materials and manufacturing process for AESA antennas reduce power consumption and increase sustainable production
Solid Group liquidity ensures adequate financial flexibility

- Available credit lines
  - New ESG Credit Line signed in October 2021 equal to €2.4 bn
  - Existing credit lines unconfirmed equal to €1.0 bn
- Together with cash in-hands\(^{(1)}\) ensure a Group’s liquidity of approx. €5.4 bn

\(^{(1)}\) Pro forma for January 2022 bond reimbursement.
Balanced debt maturity profile

Repayment Conditions of New Debt Instruments

- €600mn ESG linked Term Loan subscribed in December 2021 has a bullet repayment in 2027

Credit Rating

<table>
<thead>
<tr>
<th></th>
<th>As of today</th>
<th>Before last review</th>
<th>Date of review</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moody’s</td>
<td>Ba1 / Stable Outlook</td>
<td>Ba1 / Positive Outlook</td>
<td>October 2018</td>
</tr>
<tr>
<td>S&amp;P</td>
<td>BB+ / Stable Outlook</td>
<td>BB+ / Positive Outlook</td>
<td>April 2020</td>
</tr>
<tr>
<td>Fitch</td>
<td>BBB- / Stable Outlook</td>
<td>BBB- / Negative Outlook</td>
<td>January 2022</td>
</tr>
</tbody>
</table>

(1) Pro forma for January 2022 bond reimbursement.
## Development costs capitalised as intangible assets as at 31 December 2021

<table>
<thead>
<tr>
<th>Date</th>
<th>€ mln</th>
<th>Self Funded National Security</th>
<th>Self Funded Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>01 January 2021 Opening Balance</td>
<td>1,710</td>
<td>713</td>
<td>2,423</td>
<td></td>
</tr>
<tr>
<td>Gross R&amp;D capitalised</td>
<td>118</td>
<td>160</td>
<td>278</td>
<td></td>
</tr>
<tr>
<td>Depreciation and write offs</td>
<td>(75)</td>
<td>(44)</td>
<td>(119)</td>
<td></td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>(2)</td>
<td>(2)</td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td>43</td>
<td>114</td>
<td>157</td>
<td></td>
</tr>
<tr>
<td>Other Changes (*)</td>
<td>7</td>
<td>22</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>Net R&amp;D capitalised</td>
<td>50</td>
<td>136</td>
<td>186</td>
<td></td>
</tr>
<tr>
<td>31 December 2021</td>
<td>1,760</td>
<td>849</td>
<td>2,609</td>
<td></td>
</tr>
</tbody>
</table>

(*) Movements w/o cash and PL effects
## Covenant FY2021

<table>
<thead>
<tr>
<th>EBITDA*</th>
<th>FY2021A Post IFRS 16</th>
<th>Group Net Debt</th>
<th>FY2021A Post IFRS 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Interest</td>
<td>€ 1,538 mln</td>
<td>Leasing (IFRS 16)</td>
<td>€ 3,122 mln</td>
</tr>
<tr>
<td>Net Interest</td>
<td>€ 138 mln</td>
<td>Financial Debt to MBDA</td>
<td>- € 568 mln</td>
</tr>
<tr>
<td>EBITDA / Net Interest</td>
<td>11.1</td>
<td>Group Net Debt for Covenant</td>
<td>- € 664 mln</td>
</tr>
<tr>
<td>THRESHOLD</td>
<td>&gt; 3.25</td>
<td>EBITDA*</td>
<td>€ 1,538 mln</td>
</tr>
<tr>
<td>THRESHOLD</td>
<td></td>
<td>Group Net Debt / EBITDA</td>
<td>1.2</td>
</tr>
</tbody>
</table>

* EBITDA net of depreciation of rights of use
SAFE HARBOR STATEMENT

NOTE: Some of the statements included in this document are not historical facts but rather statements of future expectations, also related to future economic and financial performance, to be considered forward-looking statements. These forward-looking statements are based on Company’s views and assumptions as of the date of the statements and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Given these uncertainties, you should not rely on forward-looking statements.

The following factors could affect our forward-looking statements: the ability to obtain or the timing of obtaining future government awards; the availability of government funding and customer requirements both domestically and internationally; changes in government or customer priorities due to programme reviews or revisions to strategic objectives (including changes in priorities to respond to terrorist threats or to improve homeland security); difficulties in developing and producing operationally advanced technology systems; the competitive environment; economic business and political conditions domestically and internationally; programme performance and the timing of contract payments; the timing and customer acceptance of product deliveries and launches; our ability to achieve or realise savings for our customers or ourselves through our global cost-cutting programme and other financial management programmes; and the outcome of contingencies (including completion of any acquisitions and divestitures, litigation and environmental remediation efforts).

These are only some of the numerous factors that may affect the forward-looking statements contained in this document. The Company undertakes no obligation to revise or update forward-looking statements as a result of new information since these statements may no longer be accurate or timely.
CONTACTS

Valeria Ricciotti
Head of Investor Relations and Credit Rating Agencies
+39 06 32473.697
valeria.ricciotti@leonardo.com

Leonardo Investor Relations and Credit Rating Agencies
+39 06 32473.512
ir@leonardo.com