FY 2021 Results Presentation

Rome
11 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

Orders and Backlog

<table>
<thead>
<tr>
<th>Year</th>
<th>Orders (€ mil)</th>
<th>Backlog (€ mil)</th>
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</thead>
<tbody>
<tr>
<td>2018</td>
<td>36,118</td>
<td>15,124</td>
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<tr>
<td>2019</td>
<td>36,513</td>
<td>14,105</td>
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<td>13,754</td>
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<tr>
<td>2021</td>
<td>35,534</td>
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Revenues

<table>
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<th>Revenues (€ mil)</th>
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EBITA

<table>
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<tr>
<th>Year</th>
<th>EBITA (€ mil)</th>
<th>EBITA excl. Aerostructures (€ mil)</th>
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</thead>
<tbody>
<tr>
<td>2018</td>
<td>1,157</td>
<td>1,157</td>
</tr>
<tr>
<td>2019</td>
<td>1,262</td>
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FOCF

<table>
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<tr>
<th>Year</th>
<th>FOCF (€ mil)</th>
<th>FOCF excl. Aerostructures (€ mil)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>619</td>
<td>619</td>
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<tr>
<td>2019</td>
<td>336</td>
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<td>40</td>
<td>40</td>
</tr>
<tr>
<td>2021</td>
<td>209</td>
<td>209</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 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

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

- 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

Aircrafts

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

- 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%

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

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

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

* 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
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• 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 MARKET TREND**

- 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

**DEFENCE BUDGET CAGR 2021-2026**

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>Cumulative Value (€ bln)</th>
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<tbody>
<tr>
<td>2018</td>
<td>15.1</td>
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<tr>
<td>2019</td>
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<tr>
<td>2020</td>
<td>13.7</td>
</tr>
<tr>
<td>2021</td>
<td>14.3</td>
</tr>
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</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
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**

- **7th** 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**
  - High Performance Computing
  - Cloud

- **Enablers**
  - Big Data
  - Artificial Intelligence

- **Applied Technologies**
  - Digital Twin and Advanced Simulation
  - Unmanned Robotics
  - Quantum
  - Electrification
  - Materials

- **Certification by Simulation**
- **Predictive maintenance**
- **Global monitoring**
- **Communications and crypto random number**
- **New propulsion system, fuel cells, batteries**
- **New 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
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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>Δ % YoY</th>
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<tr>
<td>FY2020A</td>
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<td>HELICOPTERS</td>
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<td>5,392</td>
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<tr>
<td>LEONARDO DRS</td>
<td>2,194</td>
<td>-18.0%</td>
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<tr>
<td>AIRCRAFT</td>
<td>2,668</td>
<td>31.4%</td>
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<td>AEROSTRUCTURES</td>
<td>365</td>
<td>-37.2%</td>
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<tr>
<td>ELIMINATIONS &amp; OTHER</td>
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<td>FY2021A*</td>
<td>14,307</td>
<td>4.0%</td>
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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 GIE-ATR; growing A220 and A321

* Including ca. € 12 mln of negative forex
# Revenues
Growing top line and continued strong programme delivery

<table>
<thead>
<tr>
<th></th>
<th>€ mln</th>
<th>∆ % YoY</th>
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<tbody>
<tr>
<td><strong>FY2020A</strong></td>
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<tr>
<td>HELICOPTERS</td>
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<td>4.7%</td>
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<td><strong>FY2021A</strong></td>
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<td>5.4%</td>
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* Including ca. € 19 mln of negative forex

- Ramp-up in defence/governmental (NH90 Qatar and TH-73A US Navy); AW189/AW149; slight decrease in civil
- Delivery on backlog and capturing new opportunities globally
- +4.4% in USD, confirming growth path – adverse FX effect
- Increase driven by M-346 trainers and EFA Kuwait
- B787 and ATR production slowdown as expected
## EBITA and Profitability

### Improving Profitability

<table>
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<tr>
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<th>RoS</th>
<th>Δ % YoY</th>
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<td>ATR</td>
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<tr>
<td>SPACE</td>
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<td>169.6%</td>
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<tr>
<td>CORPORATE &amp; OTHER</td>
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<td>1,123</td>
<td>7.9%</td>
<td>19.7%</td>
</tr>
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</table>

* Including ca. € 2 mln positive of forex

Higher volumes, profitability in line with 2020
Higher volumes and profitability, impacted by COVID 19 restrictions in 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 benefitting 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

FY 2020A

€ mln

<table>
<thead>
<tr>
<th>EBITA</th>
<th>Non recurring costs</th>
<th>Restructuring costs</th>
<th>PPA</th>
<th>EBIT</th>
<th>Net financial expenses</th>
<th>Exchange rate</th>
<th>Income taxes</th>
<th>Discontinued Operations</th>
<th>Net Result</th>
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<td>-333</td>
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<td>-225</td>
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FY 2021A

€ mln

<table>
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<tr>
<th>EBITA</th>
<th>Non recurring costs</th>
<th>Restructuring costs</th>
<th>PPA</th>
<th>EBIT</th>
<th>Net financial expenses</th>
<th>Exchange rate</th>
<th>Income taxes</th>
<th>Discontinued Operations</th>
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<td>-89</td>
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<td>911</td>
<td>-167</td>
<td>9</td>
<td>-166</td>
<td>587</td>
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+19.7% YoY

+76.2% YoY

+141.6% YoY

• 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
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**

**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

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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

**2022 FOCF(*)**

- ca. €500mln
- Revenue growth
- EBITA growth
- Continued cash discipline in core

**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

(*) 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)

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

1. Reduction of CO₂ emissions
2. Employment of women with STEM degree

Financing sources

€6,0bn

50% ESG linked

2021(1)

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

Gross debt

- 20% debt reduction from €4.6 bn to €3.6 bn

Cost of funding

- Average cost of funding at "minimum level"
- Cost of funding will remain under control, despite expected interest rate increases

- Important deleveraging achieved in 2021 vs 2016

TARGET 2022-23E ≤ 3.0%

(1) Includes Bond, Bei, 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>
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<th>FY2022 Guidance (1)</th>
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<td><strong>New Orders</strong></td>
<td>14.3</td>
<td>ca. 15.0</td>
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<tr>
<td>(€ bn)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td>14.1</td>
<td>14.5-15.0</td>
</tr>
<tr>
<td>(€ bn)</td>
<td></td>
<td></td>
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<tr>
<td><strong>EBITA</strong></td>
<td>1,123</td>
<td>1,180-1,220 (2)</td>
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<tr>
<td>(€ mln)</td>
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<td></td>
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<tr>
<td><strong>FOCF</strong></td>
<td>209</td>
<td>ca. 500</td>
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<tr>
<td>(€ mln)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Group Net Debt</strong></td>
<td>3.1</td>
<td>ca. 3.1 (3)</td>
</tr>
<tr>
<td>(€ bn)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

(1) 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

(2) Including COVID-related costs previously included among non recurring costs below EBITA

(3) 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
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- Q&A
- Sector Results
- Appendix
Helicopters
Solid business with civil recovering

2018-2021 Results

<table>
<thead>
<tr>
<th>Year</th>
<th>Orders (€ mln)</th>
<th>Revenues (€ mln)</th>
<th>EBITA (€ mln) and Profitability</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>6,208</td>
<td>3,810</td>
<td>359 9.4% 4Q 2020</td>
</tr>
<tr>
<td>2019</td>
<td>4,641</td>
<td>4,025</td>
<td>431 10.7% 4Q 2021</td>
</tr>
<tr>
<td>2020</td>
<td>4,494</td>
<td>3,972</td>
<td>383 9.8% 2020</td>
</tr>
<tr>
<td>2021</td>
<td>4,370</td>
<td>4,157</td>
<td>406 9.8% 2021</td>
</tr>
</tbody>
</table>

4Q21 Results

<table>
<thead>
<tr>
<th>Metric</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
  - AW169: 24 units
  - AW189/149: 16 units
  - AW109/AW119: 27 units
  - NH90: 46 units
  - AW139: 13 units
  - AW101: 2 units

- **FY2020** = 111 new units
  - AW169: 14 units
  - AW189/149: 10 units
  - AW109/AW119: 25 units
  - NH90: 48 units
  - AW139: 9 units
  - AW101: 5 units

**REVENUES BY CUSTOMER/SEGMENT**

- **FY2021**
  - Civil: 64%
  - Defence/Governamental: 36%
  - OE: 74%
  - CS&T/Other: 26%

- **FY2020**
  - Civil: 63%
  - Defence/Governamental: 37%
  - OE: 69%
  - CS&T/Other: 31%
Defence Electronics & Security
Growing Revenues and Profitability

2018-2021 Results

2018 2019 2020 2021
Orders
4,011 4,289 4,147 4,519
Revenues
2,339 2,729 2,757 2,879

EBITA and Profitability

2018 2019 2020 2021
Electronics EU (€ mln)
394 427 360 485
Leonardo DRS ($ mln)
151 208 202 258

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

4Q21 Results

ELECTRONICS - EU

Orders
4Q 2020 4Q 2021 % Change
€ mln
2,464 1,529 -38.0%
Revenues
1,416 1,496 5.6%
EBITA
145 203 40.0%
RoS
10.2% 13.6% 3.4 p.p.

LEONARDO DRS

Orders
4Q 2020 4Q 2021 % Change
$ mln (*)
511 676 32.3%
Revenues
825 820 -0.6%
EBITA
88 85 -3.4%
RoS
10.7% 10.4% -0.3 p.p.

* 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

<table>
<thead>
<tr>
<th>Year</th>
<th>Orders (€bn)</th>
<th>Revenues (€bn)</th>
<th>EBITA (€) and Profitability</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1,700</td>
<td>1,302</td>
<td>266 (13.6%)</td>
</tr>
<tr>
<td>2019</td>
<td>1,904</td>
<td>2,329</td>
<td>320 (13.7%)</td>
</tr>
<tr>
<td>2020</td>
<td>2,031</td>
<td>2,634</td>
<td>355 (13.7%)</td>
</tr>
<tr>
<td>2021</td>
<td>2,668</td>
<td>3,268</td>
<td>432 (13.2%)</td>
</tr>
</tbody>
</table>

### Orders

- **2018**: €1,700
- **2019**: €1,904
- **2020**: €2,031
- **2021**: €2,668

### Revenues

- **2018**: €1,302
- **2019**: €2,329
- **2020**: €2,634
- **2021**: €3,268

### 2022 Outlook

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

### 4Q21 Results

<table>
<thead>
<tr>
<th></th>
<th>4Q 2020</th>
<th>4Q 2021</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders (€mn)</td>
<td>1,259</td>
<td>1,025</td>
<td>-18.6%</td>
</tr>
<tr>
<td>Revenues (€mn)</td>
<td>930</td>
<td>1,147</td>
<td>23.4%</td>
</tr>
<tr>
<td>EBITA (€mn)</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>

* 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>97</td>
</tr>
<tr>
<td>2019</td>
<td>948</td>
<td>1,125</td>
<td>53</td>
</tr>
<tr>
<td>2020</td>
<td>581</td>
<td>819</td>
<td>-35</td>
</tr>
<tr>
<td>2021</td>
<td>365</td>
<td>442</td>
<td>-11</td>
</tr>
</tbody>
</table>

**4Q21 Results**

<table>
<thead>
<tr>
<th>Category</th>
<th>Orders</th>
<th>Revenues</th>
<th>EBITA</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aerostructures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4Q 2020</td>
<td>132</td>
<td>189</td>
<td>-39</td>
<td>-49.9%</td>
</tr>
<tr>
<td>4Q 2021</td>
<td>66</td>
<td>37</td>
<td>-78</td>
<td>-80.6%</td>
</tr>
<tr>
<td>% Change</td>
<td>-20.7%</td>
<td>-212.4%</td>
<td>98.9%</td>
<td></td>
</tr>
<tr>
<td><strong>ATR</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4Q 2020</td>
<td>-24</td>
<td>-203</td>
<td>10.5%</td>
<td></td>
</tr>
<tr>
<td>4Q 2021</td>
<td>1</td>
<td>1</td>
<td>114.3%</td>
<td></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

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• 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

BACKLOG* € 35.5 bn

ORDERS € 14.3 bn
+4.0% YOY

ROS 7.9%
+0.9 p.p.

ROIC* 12.4%
+1.1 p.p.

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

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FY 2021 Results
# 4Q/FY 2021 Results

## Group Performance

<table>
<thead>
<tr>
<th></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><strong>New Orders</strong></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><strong>Backlog</strong></td>
<td></td>
<td></td>
<td></td>
<td>35,516</td>
<td>35,534</td>
<td>0.1%</td>
</tr>
<tr>
<td><strong>Revenues</strong></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><strong>EBITA</strong></td>
<td>441</td>
<td>516</td>
<td>17%</td>
<td>938</td>
<td>1,123</td>
<td>19.7%</td>
</tr>
<tr>
<td><strong>RoS</strong></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><strong>EBIT</strong></td>
<td>122</td>
<td>466</td>
<td>282.0%</td>
<td>517</td>
<td>911</td>
<td>76.2%</td>
</tr>
<tr>
<td><strong>EBIT Margin</strong></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><strong>Net result before extraordinary transactions</strong></td>
<td>106</td>
<td>357</td>
<td>236.8%</td>
<td>241</td>
<td>587</td>
<td>142.7%</td>
</tr>
<tr>
<td><strong>Net result</strong></td>
<td>106</td>
<td>357</td>
<td>236.8%</td>
<td>243</td>
<td>587</td>
<td>143.6%</td>
</tr>
<tr>
<td><strong>EPS (€ cents)</strong></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><strong>FOCF</strong></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><strong>Group Net Debt</strong></td>
<td></td>
<td></td>
<td></td>
<td>3,318</td>
<td>3,122</td>
<td>-5.9%</td>
</tr>
<tr>
<td><strong>Headcount</strong></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 enable 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

**DEBT MATURITY**
Average life: ≈ 4.8 years (1)

![Debt Maturity Graph](image)

**Repayment Conditions of New Debt Instruments**
- €600mln 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></th>
<th>Self Funded National Security</th>
<th>Self Funded Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€ mln</td>
<td>€ mln</td>
<td>€ mln</td>
</tr>
<tr>
<td>01 January 2021 Opening Balance</td>
<td>1,710</td>
<td>713</td>
<td>2,423</td>
</tr>
<tr>
<td>Gross R&amp;D capitalised</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and write offs</td>
<td>118</td>
<td>160</td>
<td>278</td>
</tr>
<tr>
<td>Disposals</td>
<td>(75)</td>
<td>(44)</td>
<td>(119)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(2)</td>
<td>(2)</td>
</tr>
<tr>
<td>Subtotal</td>
<td>43</td>
<td>114</td>
<td>157</td>
</tr>
<tr>
<td>Other Changes (*)</td>
<td>7</td>
<td>22</td>
<td>29</td>
</tr>
<tr>
<td>Net R&amp;D capitalised</td>
<td>50</td>
<td>136</td>
<td>186</td>
</tr>
<tr>
<td>31 December 2021</td>
<td>1,760</td>
<td>849</td>
<td>2,609</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>FY2021A Post IFRS 16</th>
<th>FY2021A Post IFRS 16</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBITDA</strong> *</td>
<td>€ 1,538 mln</td>
</tr>
<tr>
<td><strong>Net Interest</strong></td>
<td>€ 138 mln</td>
</tr>
<tr>
<td><strong>EBITDA / Net Interest</strong></td>
<td>11.1</td>
</tr>
</tbody>
</table>

| **Group Net Debt**   | € 3,122 mln          |
| **Leasing (IFRS 16)**| - € 568 mln          |
| **Financial Debt to MBDA** | - € 664 mln   |
| **Group Net Debt for Covenant** | € 1,890 mln |
| **EBITDA** \*        | € 1,538 mln          |
| **Group Net Debt / EBITDA** | 1.2                |

**Threshold**

- **> 3.25**
- **< 3.75**

* 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.
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