

PRESS RELEASE

Leonardo announces the early repayment of € 500 million Term Loan and the pricing of the Redemption in full of USD notes due 2039 and 2040.

Rome, 13/12/2022 – Leonardo announces that on 29th December it will provide for the full early repayment of the Term Loan of € 500 million signed in 2018 and maturing in November 2023.

This early repayment is aimed at optimizing the use of cash resources expected during 2022. It also achieves, given the rise in interest rates, a reduction in the variable rate component of the sources of financing available to the Group.

Leonardo also announces the pricing of the Redemption of the entire nominal amount of the 7.375% Notes due 2039 (the "2039 Notes") and 6.25% Notes due 2040 (the "2040 Notes"), for an outstanding principal amount of \$123,626,000 and \$181,457,000, respectively, as disclosed in the related documentation.

Alessandro Profumo, Leonardo CEO, stated: *"These finalized transactions confirm the path to reduce the Group's gross debt, taking advantage of current market opportunities. The early repayment of the Term Loan signed in 2018 will allow us to reduce the gross debt of 500 million euros and to contain the cost of interest in 2023 while, through the redemption of our bonds issued in the US, we will pay down the most expensive financial instruments in our balance sheet."*

The Bonds will be redeemed on 15th December 2022 as follows:

- Notes due 2039 at a redemption price equal to \$ 1,387.69 for \$ 1,000 in nominal value which includes accrued interest equal to \$ 30.73 for a total disbursement equal to \$ 171,555,033.01 including accrued interest equal to \$ 3,798,923.96
- Notes due 2040 at a price equal to \$ 1,276.33 per \$ 1,000 in face value which includes accrued interest equal to \$ 26.04 for a total disbursement of \$ 231,599,231.35 including accrued interest equal to \$ 4,725,442.71

The total cost to Leonardo of the redemption, launched on 3rd November by Leonardo US Holding LLC, was confirmed on 12th December with settlement scheduled for 15th December and amounts to \$ 374,020,319.60 mil, net of accrued interest. This amount reflects the benefit of the hedging put in place by Leonardo US Holding LLC on the launch date of the Make-Whole in consideration of the high volatility of US Treasuries, used to calculate the repayment value of the Bonds.

Leonardo, a global high-technology company, is among the top world players in Aerospace, Defense and Security and Italy's main industrial company. Organized into five business divisions, Leonardo has a significant industrial presence in Italy, the United Kingdom, Poland and the USA, where it also operates through subsidiaries that include Leonardo DRS (defense electronics), and joint ventures and partnerships: ATR, MBDA, Telespazio, Thales Alenia Space and Avio. Leonardo competes in the most important international markets by leveraging its areas of technological and product leadership (Helicopters, Aircraft, Aerostructures, Electronics, Cyber & Security Solutions and Space). Listed on the Milan Stock Exchange (LDO), in 2021 Leonardo recorded consolidated revenues of €14.1 billion and invested €1.8 billion in Research and Development. The company has been part of the Dow Jones Sustainability Indices (DJSI) since 2010 and has been confirmed among the global sustainability leaders in 2021. Leonardo is also included in the MIB ESG index.

Press Office

Ph +39 0632473313
leonardopressoffice@leonardo.com

Investor Relations

Ph +39 0632473512
ir@leonardo.com

leonardo.com