HALF-YEAR FINANCIAL REPORT

at 30 June 2026

Disclaimer:

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LEONARDO

TECHNOLOGY FOR A SAFER FUTURE

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BOARDS AND COMMITTEES

BOARD OF DIRECTORS
(for the three-year period 2026 - 2028)

FRANCESCO MACRÍ
Chairman

LORENZO MARIANI
Chief Executive Officer and General Manager

TRIFONE ALTIERI
Director (a, b)

ROSINA VELTRI
Director (a, c)

ENRICA GIORGETTI
Director (c, e)

DOMINIQUE LEVY
Director (a, d, e)

ROBERTO DIACETTI
Director (a, b)

ELENA GRIFONI
Director (c, d, e)

CRISTINA MANARA
Director (b, d)

FRANCESCO SORO
Director (b, d)

MAURIZIO TUCCI
Director (b, c, d)

ELENA VASCO
Director (a, e)

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DOMENICA LISTA
Secretary of the Board of Directors

BOARD OF STATUTORY AUDITORS
(for the three-year period 2024 - 2026)

Regular Statutory Auditors

LUCA ROSSI
Chairman

MARCO FAZZINI

GIULIA PUSTERLA

PAOLA SIMONELLI

ALESSANDRO ZAVAGLIA

Alternate Statutory Auditors
GIUSEPPE CERATI

MONICA SCIPIONE

SERENELLA ROSSANO

FABRIZIO PEZZANI

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INDEPENDENT LEGAL AUDITORS
EY S.p.A.
(for the period 2021 - 2029)

* The previous Board of Directors, whose mandate expired with the Assembly of May 7, 2026, was composed as follows: Stefano Pontecorvo (President), Roberto Cingolani (CEO and General Manager), Trifone Altieri, Giancarlo Ghislanzoni, Enrica Giorgetti, Dominique Levy, Francesco Macrì, Cristina Manara, Marcello Sala, Silvia Stefini, Elena Vasco and Steven Duncan Wood.

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a. Member of the Control and Risks Committee
b. Member of the Nomination and Remuneration Committee
c. Member of the Sustainability Committee
d. Member of the Geopolitical, Industrial Scenarios and Technological Innovation Committee
e. Member of the Governance and Related Parties Committee

GROUP RESULTS AND FINANCIAL POSITION

The first half of 2026 ended with further significant growth for the Group, confirming the effectiveness of the commercial initiatives implemented and underscoring a marked improvement in economic and financial results compared with the same period of 2025.

Key Performance Indicators ("KPI")

(€mil.)	June 2026	June 2025	% Change	2025
New orders	16,259	11,243	44.6%	23,782
Order backlog	58,581	45,030	30.1%	46,624
Revenue	10,003	8,919	12.2%	19,503
EBITA	780	581	34.3%	1,752
ROS	*7.8%*	*6.5%*	*1.3 p.p.*	*9.0%*
Net result adjusted	476	273	74.4%	1,015
Group Net Debt	3,248	2,173	49.5%	1,001
FOCF	(249)	(408)	39.0%	1,011
Workforce	66,510	61,265	8.6%	62,762
Earning per share adjusted (€)	0.733	0.402	82.3%	1.569

For definitions of the KPIs, please refer to section: "Non-GAAP Performance Indicators".

On 18 March 2026, Leonardo completed the acquisition of the Iveco Group's Defence Business (IDV), marking a significant step in Leonardo's plan to strengthen its leading position in land defence, and consolidated its role as an integrated Original Equipment Manufacturer. The transaction, whose price was equal to about €bil. 1.6, was financed through available cash resources and the IDV business was fully consolidated in this accounting information of the Leonardo Group from the acquisition date. In order to make the Group's operational performance more comparable, for some performance indicators we report below the figure of the comparative period – and the related change compared to the current period – excluding the contribution of the IDV business (like-for-like perimeter):

(€mil.)	June 2026 isoperimeter	June 2025	% Change
New orders	15,604	11,243	38.8%
Order backlog	52,643	45,030	16.9%
Revenue	9,647	8,919	8.2%
EBITA	731	581	25.8%
FOCF	(226)	(408)	44.6%

New Orders reached €bil. 16.3, highlighting a broad, overall improvement compared to the first six months of 2025 (+44.6%, +38.8%, compared to the like-for-like figure), confirming the consolidated position of the Group in the markets in which it operates, with a book to bill in the period (the ratio of New Orders to Revenues for the period) equal to about 1.6. The figure of this half-year was affected by the contract, as part of the Aeronautics sector, for the supply of 12 new M-346 F Block 20 aircraft in the light fighter configuration to the Austrian Air Force and for the training of its pilots, as well as, within the Helicopters sector, the contract with the UK Ministry of Defence, in relation to the New Medium Helicopter (NMH) programme, for the supply of 23 AW149 helicopters.

The **Order Backlog** exceeded €bil. 58, also as a result of the consolidation of the IDV business, which determined an impact equal to approximately €bil. 6, ensuring a coverage in terms of production of over 2.6 years.

Revenues (€bil. 10.0) also showed an improvement compared to the first six months of 2025 in all the business sectors (+12.2%, +8.2% like-for-like perimeter), despite the negative impact of exchange rate on the contribution from U.S. components, mainly Leonardo DRS in the Defence Electronics sector. Excluding this component, Revenues increased by about 10.0% over the corresponding like-for-like figure of the prior year period.

The performance of Revenues together with an increase in operating profitability and a ROS for the period equal to 7.8% (+1.3 p.p. compared to 30 June 2025), sustained the solid increase in **EBITA**, amounting to €mil. 780 (+34.3%, +25.8% like-for-like perimeter) as at 30 June 2026. The indicator, which continued to show a marked increase across all business sectors, was particularly affected by the performances of the Defence Electronics sector, despite the previously mentioned negative exchange rate impact , of the Helicopters and Aeronautics sectors, thanks to the consistent upward trend of Aircraft and to the improvement of Aerostructures and of the investee GIE-ATR.

Net result adjusted, equal to €mil. 476 (+74.4% against the comparative period), showed a significant increase, benefitting from the performance of EBITA and lower net financial expenses.

Free Operating Cash Flow (FOCF), negative for €mil. 249 (negative for €mil. 226 like-for-like perimeter), showed a cash absorption situation, which is characteristic in the first months of the year, sharply improving compared to the first half of the previous year (+39.0%, +44,6% like-for-like perimeter), as proof of the effectiveness of the actions undertaken by the Group.

The **Group Net Debt**, equal to €mil. 3,248 up on 30 June 2025 (+49.5%), was affected by the outlay incurred to acquire the IDV business, equal to about €bil. 1.6, partially mitigated by the abovementioned FOCF performance.

A thorough analysis can be found in the section covering the trends in each business segment.

Other performance indicators

(€mil.)	June 2026	June 2025	% Change	2025
EBITDA	1,122	884	26.9%	2,429
EBIT	661	432	53.0%	1,447
EBIT Margin	*6.6%*	*4.8%*	*1.8 p.p.*	*7.4%*
Net result	456	542	(15.9%)	1,334
ROI	*14.8%*	*12.8%*	*2.0 p.p.*	*14.9%*

For definition of the KPIs, please refer to section; “Non-GAAP Performance Indicators”.

Financial and economic performance in the first half-year and statement of financial position

Reclassified income statement

(€ mil.)	Note	*For the 6 months ended 30 June* 2026	2025	*Change*	*% Change*
Revenue		10,003	8,919	**1,084**	12.2%
Purchases and personnel expenses	*1*	(8,892)	(8,049)		
Other net operating income/(expenses)	*2*	(37)	(2)		
Equity-accounted strategic investments	*3*	48	16		
Amortisation, depreciation and write-offs	*4*	(342)	(303)		
EBITA		**780**	**581**	**199**	**34.3%**
ROS		*7.8%*	*6.5%*	1.3 p.p.	
Non-recurring income/(expenses)		(65)	(103)		
Restructuring costs		(19)	(10)		
Amortisation of intangible assets acquired as part of business combinations		(35)	(36)		
EBIT		**661**	**432**	**229**	**53.0%**
EBIT Margin		*6.6%*	*4.8%*	1.8 p.p.	
Net financial income/(expenses)	*5*	(45)	(59)		
Income taxes		(160)	(100)		
Net result related to extraordinary transactions and discontinued operations	*6*	-	269		
Net result		**456**	**542**	**(86)**	**(15.9%)**

Notes to the reconciliation between the reclassified income statement and the statutory income statement (for more details, reference should be made to the Note on "Non-GAAP performance indicators):

1. *Includes "Purchases and Personnel expense" (excluding restructuring costs and non-recurring costs) and "Accruals (reversals) for onerous contracts (final losses on orders)".*
2. *Includes the net amount of "Other operating income" and "Other operating expenses" (excluding restructuring costs, non-recurring income/(expense), gains and losses and income/expenses relating to extraordinary transactions (key acquisitions and disposals) and accruals (reversals) for onerous contracts (final losses on orders).*
3. *Includes the effects of the valuation, classified under the "Share of profits (losses) of equity-accounted investees", of strategic investments only. The valuation at equity of strategic investments is determined by their net result attributable to the Group, excluding "Non-recurring income/(expenses)", "Restructuring costs," and "Amortisation of intangible assets acquired as part of business combinations," net of related tax effects.*
4. *Includes "Amortisation, depreciation and impairment losses and value adjustments to financial assets", excluding the amortisation charge referable to intangible assets acquired as part of business combinations, goodwill impairment and write-downs regarded as "Non-recurring costs".*
5. *Includes "Financial income", "Financial expenses" (net of the gains and losses relating to extraordinary transactions) and "Share of profits (losses) of equity-accounted investees" (net of the valuation of strategic investments).*
6. *Includes "Profit (loss) from discontinued operations" and gains, losses, income and expenses relating to extraordinary transactions (key acquisitions and disposals), classified under "Other operating income", "Other operating expenses", "Financial income" and "Financial expenses".*

EBIT (€mil. 661) showed an increase compared to the first half of 2025 (+53.0%), benefitting from an improvement in EBITA and lower non-recurring expenses.

The **Net Result** (€mil. 456) decreased despite the positive trend of EBIT and lower net financial expenses, due to the fact that the figure of the comparative period (€mil. 542) included the capital gain – equal to about €mil. 283 – recognized following the sale of the Underwater Armaments & Systems business to Fincantieri.

In this respect, below is the reconciliation with the **Net result adjusted**:

(€ mil.)	*For the 6 months ended 30 June*		*Change*	*% Change*
	2026	*2025*		
Net result	**456**	**542**	**(86)**	**(15.9%)**
Net result related to discontinued operations and extraordinary transactions	-	(269)		
Non-recurring income/(expenses)	28	-		
Tax effect on non-cash components	(8)	-		
Net result adjusted	**476**	**273**	**203**	**74.4%**
- of which members of the parent company	423	232		

Reclassified cash flow statement

(€ mil.)	*Note*	*For the 6 months ended 30 June*		*Change*	*% Change*
		2026	*2025*		
Cash flows generated/(used) from operating activities	*1*	211	(271)		
Dividends received		24	238		
Cash flows from ordinary investing activities	*2*	(484)	(375)		
Free Operating Cash Flow (FOCF)		**(249)**	**(408)**	**159**	**39.0%**
Strategic transactions	*3*	(1,555)	446		
Change in other investing activities	*4*	(12)	(1)		
Net change in loans and borrowings		(62)	(388)		
Dividends paid		(391)	(327)		
Net increase (decrease) in cash and cash equivalents		**(2,269)**	**(678)**		
Cash and cash equivalents at 1 January		3,238	2,556		
Exchange rate differences and other changes		17	(62)		
Net increase/(decrease) in cash and cash equivalents of discontinued operations		-	(8)		
Cash and cash equivalents at 30 June		**986**	**1,808**		

Notes to the reconciliation between the reclassified cash flow and the statutory cash flow (for more details, reference should be made to the section on "Non-GAAP performance indicators"):

1. *Includes "Cash flows generated from (used in) operating activities", excluding debt payments pursuant to Law 808/1985;*
2. *Includes "Cash flow generated from (used in) investing activities", including payments and collections pursuant to Law 808/1985, net of dividends collected;*
3. *Includes "Other investing or divesting activities" classified as "Strategic transactions";*
4. *Includes "Other investing or divesting activities", excluding dividends collected, the effect of transactions classified as "Strategic transactions" and collections pursuant to Law 808/1985.*

The **FOCF** of the first half of 2026, negative for €mil. 249 (negative for €mil. 226 in the like-for-like figure), improved by approximately 39.0% compared to the performance of the comparative period, negative for €mil. 408, confirming the positive results reached thanks to the initiatives aimed at strengthening the operating performance and managing working capital. However, the figure highlighted the usual interim trend, characterised by cash absorptions during the first part of the year.

Strategic transactions included, beside the abovementioned acquisition of the IDV Group, the further acquisitions carried out by the Group in the reporting period and mainly related to the remaining 35% of GEM Elettronica, and to 100% of the UK company BeCrypt Ltd, the latter acquisition carried out through the subsidiary Leonardo UK Ltd.

The net change in loans and borrowings included the repayments, occurred in January 2026, of the bonded loan of Leonardo S.p.a. amounting to €mil. 500 and of the Term Loan signed with Cassa Depositi e Prestiti of €mil. 100, in addition to the early repayment of the Term Loan signed by Leonardo DRS in 2022, which was outstanding for an amount equal to about USDmil. 191 (€mil.163), partially offset by the drawing of the ESG linked amortizing Term Loan of €mil. 600, signed with a pool of primary international and domestic banks on 10 March 2026.

Reclassified statement of financial position

(€ mil.)	*Note*	30 June 2026	31 December 2025	30 June 2025
Non-current assets		17,176	15,418	14,938
Non-current liabilities		(2,367)	(2,293)	(2,367)
Capital assets	*1*	**14,809**	**13,125**	**12,571**
Inventories	*2*	1,146	578	1,564
Trade receivables	*3*	4,636	3,893	3,634
Trade payables	*4*	(3,922)	(3,504)	(3,511)
Working capital		**1,860**	**967**	**1,687**
Provisions for short-term risks and charges		(1,169)	(1,002)	(961)
Other net current assets (liabilities)	*5*	(1,396)	(1,361)	(1,003)
Net working capital		**(705)**	**(1,396)**	**(277)**
Net invested capital		**14,104**	**11,729**	**12,294**
Equity attributable to the Owners of the Parent		9,670	9,560	8,999
Equity attributable to non-controlling interests		1,196	1,180	1,122
Equity		**10,866**	**10,740**	**10,121**
Group Net Debt		**3,248**	**1,001**	**2,173**
Net (assets)/liabilities held for sale	*6*	**(10)**	**(12)**	-

Notes to the reconciliation between the reclassified and the statutory statements of financial position (for more details, reference should be made to the section on "Non-GAAP performance indicators"):

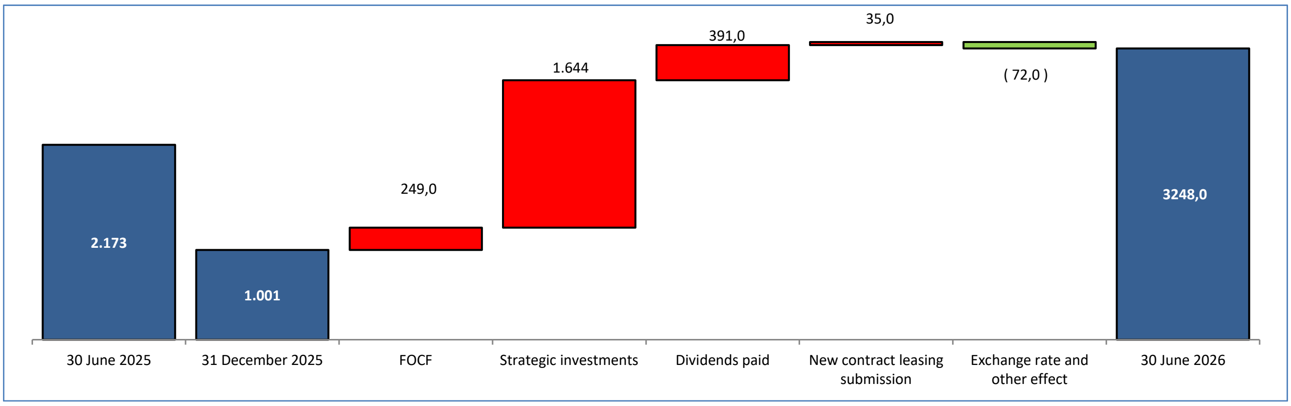
1. *Includes all non-current assets and all non-current liabilities, excluding "Non-current loans and borrowings".*
2. *Includes "Inventories", "Contract Assets" and "Contract Liabilities".*
3. *Includes trade receivables classified among "Trade receivables, including contract assets".*
4. *Includes trade payables classified among "Trade payables, including contract liabilities".*
5. *Includes "Other current assets" and "Other current liabilities" (excluding "Hedging derivatives in respect of debt items") and "Income tax payables".*
6. *Includes the net amount of "Non-current assets held for sale" and "Liabilities associated with assets held for sale".*

Net invested capital increased compared to 31 December 2025 as a result of the acquisition of IDV and the usual business dynamics.

Assets and liabilities of IDV were determined on a provisional basis because, as of the date of preparation of this document, the main evaluation processes had not yet been finalised, in compliance with the applicable standards. The excess of the purchase price over the fair value of the acquired equity was provisionally recognized as goodwill, quantified in about €bil. 1.3.

The **Group Net Debt**, equal to €mil. 3,248, increased by about €bil. 1.1 compared to 30 June 2025, as a result of the outlay incurred to acquire the IDV business. Compared to 31 December 2025 (€mil. 1,001) this indicator mainly increased as a result of the abovementioned strategic transactions and the usual FOCF performance, in addition to the payment of dividends for an amount of €mil. 391 (of which €mil. 361 related to Leonardo S.p.a. that, in line with what was communicated in the Industrial Plan 2026-2030, paid a dividend equal to €0.63 per share in 2026, up by 20% compared to €0.52 per share in 2025) as highlighted below:

Changes in the Group Net Debt



The Group Net Debt breaks down as follows:

(€ mil.)	30 June 2026	*of which current*	31 December 2025	*of which current*	*30 June 2025*	of which current
Bonds	-	-	512	512	505	505
Bank debt	1,885	725	1,428	82	1,522	126
Other loans and borrowings (*)	134	91	388	349	219	176
Cash and cash equivalents	(986)	(986)	(3,238)	(3,238)	(1,808)	(1,808)
Other current loans and receivables (*)	(159)	(159)	(23)	(23)	(28)	(28)
Hedging derivatives in respect of debt items	(2)	(2)	(6)	(6)	7	7
Group net debt, excluding lease liabilities and net financial payables/(receivables) to joint venture	**872**		**(939)**		**417**	
Borrowings/(receivables) to joint venture	1,752	1,752	1,332	1,332	1,147	1,147
Lease liabilities	624	101	608	97	609	88
Group Net Debt	**3,248**		**1,001**		**2,173**	

(*) Includes the portion related to loans and borrowings from related parties, excluding joint ventures.
The reconciliation with the net financial position required by CONSOB Communication no. DEM/6064293 of 28 July 2006, updated by the provisions of ESMA Guideline 32-382-1138 of 4 March 2021 as implemented by CONSOB warning notice no. 5/21 of 29 April 2021, is provided in the section on "Non-GAAP performance indicators”.

With reference to bonded loans, the decrease compared to 31 December 2025 is attributable to the repayment of the bond issued by Leonardo S.p.a. for €mil. 500, which reached its natural expiry date in January 2026. Furthermore, in that same month Leonardo repaid the €mil. 100 Term Loan entered into with Cassa Depositi e Prestiti.

During the first half of 2026 Leonardo S.p.a. refinanced such debt through the five-year ESG linked amortizing Term Loan amounting to €mil. 600 signed with a pool of primary international and domestic banks, on 10 March 2026. The repayment plan includes a two-year pre-amortization period and payments in equal instalments starting in the third year, with final maturity in 2031. The negotiated financial terms of the loan underscore the Group's strengthened creditworthiness recognized by the rating agencies and reflect the growing interest of banking market towards Leonardo, perceived as a leading player in the European AD&S sector. Furthermore, the new Term Loan is aligned with the Group's sustainability strategy and its first Transition Plan, as well as with Leonardo's incentive system, while also incorporating CO2 emissions reduction targets. Including these parameters helps position the Term Loan among Leonardo's sustainable financing sources, which now represent about 80% of the total available funding.

Compared to what is described in the 2025 consolidated financial statements, there were no changes in the period to regulations governing the Leonardo issues, or to the financial covenants contained in the ESG-linked Term Loan signed in 2021 or to the loan agreements with EIB (equal to a total of €mil. 623 at 30 June 2026). These same covenants are included in the ESG linked Revolving Credit Facility renewed in advance in October 2025 and in the ESG linked amortizing Term Loan signed in March 2026. However, such covenants will be tested only if the credit rating assigned to Leonardo by at least two out of the three credit rating agencies should go below the Investment Grade. Financial covenants were complied with in full at 31 December 2025.

Moreover, ESG-linked loans include margin adjustment clauses based on the achievement of certain indicators (KPIs) related to ESG targets. Compared to the situation at 31 December 2025, an additional KPI was included in the ESG linked amortizing Term Loan signed in March 2026, regarding the reduction of scope 3 CO2 emissions of the Group for equivalent flight hours.

As at 30 June 2026, Leonardo S.p.a. had sources of liquidity available for a total of about €mil. 2,605 to meet the financing needs of the Group's recurring operations, which were all unused at the reporting date and composed of the ESG-linked Revolving Credit Facility for an amount of €bil. 1.8, in addition to uncommitted short-term cash credit lines equal to about €mil. 805 (€mil. 820 at 31 December 2025). Furthermore, Leonardo S.p.a. has uncommitted lines of credit for guarantees for a total of €mil. 13,470, of which €mil. 3,735 still available as at 30 June 2026.

With reference to subsidiaries, in January 2026 Leonardo DRS closed ahead of time the Revolving Credit Facility and the Term Loan raised in 2022, the latter being outstanding for an amount equal to approximately USDmil. 191 (€mil. 163), signing a new Revolving Credit Facility for an amount of USDmil. 500 (€mil. 439 at 30 June 2026) with a duration of 5 years. Financial covenants, in line with U.S. standard practices, are also provided for in the Revolving Credit Facility of Leonardo DRS; also such financial ratios were met at the date of the last reported data.

Other Group companies have short-term revocable credit lines, guaranteed by Leonardo S.p.a., for whose details reference is made to the 2025 consolidated financial statements. At 30 June 2026, the subsidiary Leonardo US Corporation used such facilities for USDmil. 51 (€mil. 45).

KEY PERFORMANCE INDICATORS BY SECTOR

Leonardo confirms its growth path in all core areas of its business. The business sectors are commented on below in terms of business and financial performance:

	30 June 2026				
	New orders	Order backlog	Revenue	EBITA	ROS
Defence Electronics	7,033	27,631	4,512	557	12.3%
Helicopters	4,529	16,629	2,904	210	7.2%
Aeronautics	4,148	12,787	2,004	108	5.4%
Cyber & Security Solutions	519	1,441	420	39	9.3%
Space	461	1,606	499	18	3.6%
Other activities	413	337	395	(152)	(38.5%)
Eliminations	*(844)*	*(1,850)*	*(731)*	-	*n.a.*
Total	**16,259**	**58,581**	**10,003**	**780**	**7.8%**

	30 June 2025				
	New orders	Order backlog at 31 Dec. 2025	Revenue	EBITA	ROS
Defence Electronics	5,385	19,305	3,795	425	11.2%
Helicopters	3,396	15,020	2,789	202	7.2%
Aeronautics	2,212	10,633	1,913	55	2.9%
Cyber & Security Solutions	453	1,326	359	29	8.1%
Space	413	1,664	436	17	3.9%
Other activities	267	192	302	(147)	(48.7%)
Eliminations	*(883)*	*(1,516)*	*(675)*	-	*n.a.*
Total	**11,243**	**46,624**	**8,919**	**581**	**6.5%**

	Change %				
	New orders	Order backlog	Revenue	EBITA	ROS
Defence Electronics	30.6%	43.1%	18.9%	31.1%	*1.1 p.p.*
Helicopters	33.4%	10.7%	4.1%	4.0%	*0.0 p.p.*
Aeronautics	87.5%	20.3%	4.8%	96.4%	*2.5 p.p.*
Cyber & Security Solutions	14.6%	8.7%	17.0%	34.5%	*1.2 p.p.*
Space	11.6%	(3.5%)	14.4%	5.9%	*(0.3) p.p.*
Other activities	54.7%	75.5%	30.8%	(3.4%)	*10.2 p.p.*
Eliminations	*n.a.*	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Total	**44.6%**	**25.6%**	**12.2%**	**34.3%**	***1.3 p.p.***

1. Defence Electronics

From the date of acquisition, the sector has included the IDV business, operating in land defence, in the broader scope of the European component of Electronics.

The first half of 2026 was characterised by a good commercial performance with volumes and profitability growing compared to the same period of the prior year, with particular reference to the like-for-like component of the European Electronics. The subsidiary Leonardo DRS recorded a good performance, whose contribution to the sector was affected by an unfavourable USD/€ exchange rate effect. The IDV performance was positive as was the contribution from the strategic investees.

Key Performance Indicators of the sector

30 June 2026	New orders	Revenue	EBITA	ROS
Electronics Europe	5,378	3,010	393	13.1%
Leonardo DRS	1,688	1,507	164	10.9%
Eliminations	*(33)*	*(5)*	-	*n.a.*
Total	**7,033**	**4,512**	**557**	**12.3%**
30 June 2025	New orders	Revenue	EBITA	ROS
Electronics Europe	3,706	2,312	294	12.7%
Leonardo DRS	1,687	1,489	131	8.8%
Eliminations	*(8)*	*(6)*	-	*n.a.*
Total	**5,385**	**3,795**	**425**	**11.2%**
Change %	New orders	Revenue	EBITA	ROS
Electronics Europe	45.1%	30.2%	33.7%	0.4 p.p.
Leonardo DRS	0.1%	1.2%	25.2%	2.1 p.p.
Eliminations	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Total	**30.6%**	**18.9%**	**31.1%**	**1.1 p.p.**

Average €/USD exchange rate: 1.1670 (first six months of 2026) and 1.0930 (first six months of 2025)

New Orders. These increased compared to the first six months of 2025 (+30.6%), with particular reference to the like-for-like component of the European Electronics, which recorded a book to bill equal to about 1.8. The subsidiary IDV and Leonardo DRS recorded a good performance, with a book to bill of about 1.9 and 1.1, respectively. Leonardo DRS was affected in particular by the negative impact of the USD/€ exchange rate. Among the main acquisitions of the period, we point out:

For the European component:

- the order for SAMP-T envisaging the supply of Kronos Ground Mobile High Power (KGMHP) radars, as part of a broader order for the supply of SAMP-T NG systems for the Italian Army. The KGMHP radar features the most advanced electronically scanned radar technology (AESA);
- the BMD+ (Ballistic Missile Defence plus) national contract providing for the development, supply and installation of fixed and mobile Ground-Based AESA-L radar sensors for surveillance and tracking against SRBM (Short Range Ballistic Missile) and MRBM (Medium Range Ballistic Missile) threats, and a study to define a System-of-Systems architecture that integrates additional capabilities and array for the Missile Defence;
- the export order for the supply of Raven radars that will be installed on Gripen vehicles designed by SAAB. RAVEN is an AESA radar designed to meet the radar detection requirements of fire-control and target-tracking to resist radar countermeasures;

- the contract with Abu Dhabi Ship Building (ADSB), the naval division of the EDGE Group, for the supply of next-generation naval combat systems in the Falaj 3 configuration, intended for the "Al Dorra" programme for new naval vessels of the Kuwaiti Navy.

With reference to the newly-acquired IDV business, note:

- as part of the wider framework agreement signed on 30 December 2019 with the Romanian Ministry of Defence, covering a total of more than 2,900 lorries, an additional order for 860 high-mobility tactical military lorries, one third of which will be fitted with an armoured cab;
- the contract that provides for the supply of 34 8x8 SUPERAV armoured amphibious platforms, the new Amphibious Combat Vehicle for the Marine Corps (*VACIM*), which will then be integrated and configured by Indra into four variants: troop transport, command and control, recovery and ambulance, as required by the Spanish Ministry of Defence under the Special Modernisation Programme (PEM).

For the subsidiary Leonardo DRS:

- the additional order, as part of the M-SHORAD (Maneuver-Short Range Air Defense) programme, a system in direct support of Brigade Combat Teams (BCT) essential for neutralizing or deterring low-flying aerial threats, including big size Group 3 UAS, rotary-wing and fixed-wing vehicles;
- the additional order, as part of the broader Ohio-submarine class Replacement Programme (ORP), to supply integrated electric propulsion components for the next-generation Columbia-class submarine for the US Navy.

Revenues. Volumes increased from the first half of 2025 (+18.9%) in all the main business areas, with particular reference to the like-for-like component of the European Electronics (+15%), also as a result of the good level of the order backlog. The subsidiary Leonardo DRS recorded increasing volumes (+8%), although its contribution to the Group was affected by the negative impact of the USD/€ exchange rate.

EBITA. Improving in all the main business areas, mainly due to higher volumes and the solid execution of programmes both in the like-for-like component of the European Electronics and the subsidiary Leonardo DRS, despite the already mentioned negative impact of the USD/€ exchange rate. A positive contribution to profitability of the perimeter was given by the strategic investees MBDA and Hensoldt.

Leonardo DRS data in USD

	New orders	Revenue	EBITA	ROS
Leonardo DRS ($mil.) June 2026	1,970	1,758	191	10.9%
Leonardo DRS ($mil.) June 2025	1,844	1,628	143	8.8%

2. Helicopters

The first half of 2026 was characterised by an excellent commercial performance. Particularly important was the acquisition of the New Medium Helicopter (NMH) programme for the Ministry of Defence of the United Kingdom, for the supply of 23 AW149 helicopters for the UK armed forces. Business performance was in line with expectations, with increased Revenues and EBITA compared to the first half of 2025. 81 new helicopters were delivered in the period (72 in the same period of 2025).

New Orders. They increased on the first half of 2025 (+33.4%) with a book to bill equal to 1.6. Among the main acquisitions for the period, we note:

- the abovementioned NMH contract for the Ministry of Defence of the United Kingdom for 23 AW149 helicopters;
- orders for a total of additional 101 dual use helicopters (a total of 77 dual use helicopters acquired in the first half of 2025), mainly for export customers;
- the order for the extension of the Integrated Merlin Operational Support (IMOS) programme, for the Ministry of Defence of the United Kingdom.

Overall, government orders account for 69% of the total, compared with 31% for the commercial sector.

Revenues. These increased compared to the first half of 2025 (+4.1%), for higher activities on some helicopter lines and on CSS&T (Customer Support, Services & Training). The activities of the CSS&T accounted for 40% of total revenues.

EBITA. Up mainly due to higher revenues. ROS, in line with expectation, amounted to 7.2%, equal to the value recorded in the first half of the prior year.

3. Aeronautics

The excellent commercial and earnings performance recorded in the first half of 2026, in line with the growing path of the Sector, showed a significant increase compared to the first half of 2025.

Key Performance Indicators of the sector

30 June 2026	New orders	Revenue	EBITA	ROS
Aircraft	3,623	1,597	183	11.5%
Aerostructures	610	481	(66)	(13.7%)
GIE ATR	n.a.	n.a.	(9)	n.a.
Eliminations	*(85)*	*(74)*	-	
Total	**4,148**	**2,004**	**108**	**5.4%**
30 June 2025	**New orders**	**Revenue**	**EBITA**	**ROS**
Aircraft	1,578	1,616	180	11.1%
Aerostructures	698	334	(96)	(28.7%)
GIE ATR	n.a.	n.a.	(29)	n.a.
Eliminations	*(64)*	*(37)*	-	
Total	**2,212**	**1,913**	**55**	**2.9%**
Change %	**New orders**	**Revenue**	**EBITA**	**ROS**
Aircraft	129.6%	(1.2%)	1.7%	0.4 p.p.
Aerostructures	(12.6%)	44.0%	31.3%	15.0 p.p.
GIE ATR	n.a.	n.a.	69.0%	n.a.
Eliminations	*n.a.*	*n.a.*	*n.a.*	
Total	**87.5%**	**4.8%**	**96.4%**	**2.5 p.p.**

New Orders. These increased significantly compared to the first half of 2025 (+87.5%), with a book to bill equal to about 2.1. In particular, the Aircraft BU confirmed its significant contribution, stemming from the important acquisitions in the Trainers (M-346) segment for Austria and for the future vehicle of the National Acrobatic Team (*Pattuglia Acrobatica Nazionale, PAN*) for Italy, in addition to orders for Typhoon aircraft for Germany and Italy. With reference to the Aerostructures BU, orders were in line with expectations, with the main Original Equipment Manufacturers (OEMs) still carrying on with deliveries.

Revenues. Volumes were slightly improving compared to the comparative period (+4.8%). The Aircraft BU recorded revenues basically in line with 2025; the delays in the Kuwait programme caused by the crisis were offset by growth in other business lines, with proprietary platforms standing out in particular. As for the Aircraft BU, note the increase in the contribution of the Service, which in the first half of 2026 stood at about 38% of total revenues, benefitting from the increase in the supporting activities of the Kuwait programme. With reference to the Aerostructure BU, we note higher revenues (+44.0%) on all the business lines, which benefitted from the increase in OEM demand, in particular for the B787 and ATR programmes. From the production point of view:

- for the military programmes of the Aircraft BU 26 wings were delivered to Lockheed Martin under the F-35 programme (against 27 wings delivered in the first half of 2025), 6 fuselages and 6 wings for the Typhoon programme to the Eurofighter Consortium (against 5 fuselages and 5 wings delivered in the same period of 2025). 1 delivery was recorded to the Kuwait costumer, compared to 4 ones recorded in 2025;
- as part of the civil programmes of the Aerostructures BU, 39 fuselage sections and 39 stabilizers for the B787 programme were delivered (against 30 fuselages and 28 stabilizers in 2025) and 20 fuselages were delivered for the ATR programme (against 9 fuselages in 2025);
- for the GIE ATR consortium, we highlight 8 deliveries, compared to 7 deliveries recorded in the same period of 2025.

EBITA. The operating result recorded in the first half of 2026 (+96.4%) improved considerably compared to the same period of 2025. Worth of notice was the significant improvement of the result of the Aerostructures BU, which confirmed the recovery trend as a result of higher volumes with an increase of production sites working at higher capacity. The result of the Aircraft BU was in line with the first half of 2025. As concerns the GIE ATR consortium, we note an important improvement compared to the same period of 2025, thanks to an increase in deliveries and the efficiency actions that have been implemented.

4. Cyber & Security Solutions

The first half of 2026 recorded a good commercial performance, with increased volumes and profitability against the comparative period, confirming the positive trend already started in the first quarter of the year.

New Orders. These were on a rise compared to the first half of 2025 (+14.6%), highlighting a book to bill equal to 1.2. Major acquisitions in the period included various orders as part of a broader *Polo Strategico Nazionale* (*PSN*), aimed at supporting Public Administrations in their digital transformation process by adopting a Cloud model, rationalising Data Centres and adapting connectivity infrastructures, with consequent strengthening of the security levels of managed data.

Revenues. These increased significantly compared to the comparative period (+17.0%), mainly as a result of the higher contribution from the Italian component of the Leonardo division.

EBITA. Solid execution of programmes with increasing profitability, mainly as a result of higher volumes and better overhead costs abortion.

5. Space

The sector showed an improved commercial performance, confirming the business profitability compared to the first half of 2025.

New Orders. The sector recorded orders higher than the first half of 2025 (+11.6%), benefitting from the growth in the manufacturing segment of Leonardo on all the business lines. In particular, it should be noted the acquisition of the ESA contracts on the NGGM (Next Generation Gravity Mission), Vigil (space weather satellite) and AEOLUS (satellite for studying winds) programmes. Regarding Telespazio, which reported a slight reduction on the comparative period, we note the acquisition of the contract for constellation services for the Canary Islands.

Revenues. These were up compared to the first six months of 2025 (+14.4%), mainly for higher volumes recorded in all the business lines of Telespazio. Revenues of the Leonardo manufacturing segment remained consistent.

EBITA. Slightly higher than the performance of the first half of 2025, as a result of the higher contribution of Telespazio, while the results of the manufacturing business of Leonardo and of the joint venture Thales Alenia Space were basically in line with the prior year.

OUTLOOK

The outstanding performance of the Group continued in the second quarter of the year, supported by standout commercial momentum across all divisions, together with strong growth in profitability and cash generation.

As a consequence the Group upgrades its full year 2026 Guidance, also including expected contribution from IDV consolidation, as follows:

- New order intake from approximately € 26.2 billion to approximately € 28.2 billion;
- EBITA from approximately € 2.15 billion to approximately € 2.21 billion, targeting double digit ROS;
- FOCF from approximately € 1.32 billion to approximately € 1.37 billion;
- Net Debt down from approximately € 2.3 billion to approximately € 2.2 billion.

Full year 2026 Revenues guidance of approximately €22.1 billion is confirmed.

Group full year 2026 Guidance:

	FY 2025	*Guidance 2026 (*)*	*IDV contribution (9-months)*	*Guidance 2026 (including IDV) (*)*	*Guidance 2026 update (*)*
New Orders (€bn.)	23.8	ca. 25	ca. 1.2	ca. 26.2	ca. 28.2
Revenues (€bn.)	19.5	ca. 21	ca. 1.1	ca. 22.1	ca. 22.1
EBITA (€bn.)	1.75	ca. 2.03	ca. 0.12	ca. 2.15	ca. 2.21
FOCF (€bn.)	1.01	ca. 1.11	ca. 0.22	ca. 1.32	ca. 1.37
Group Net Debt (€bn.)	1.0	ca. 0.8 (**)	n.a.	ca. 2.3(***)	ca. 2.2(***)

(*) Based on USD/€ exchange rate at 1.18 and €/GBP exchange rate at 0.86. Based on the current assessments of the impacts of the geopolitical situation on supply chain, inflationary levels and the global economy, subject to any further significant effects.
(**) Excluding cash outflows related to the acquisition of Iveco Defence Vehicles.
(***) Does not include Raft Leonardo DRS announced acquisition or additional M&A transactions.

INDUSTRIAL AND FINANCIAL TRANSACTIONS

With reference to **industrial transactions**, as described above, the acquisition of the Defence business of the Iveco Group (IDV) was finalised on 18 March 2026 for an amount equal to €bil. 1.6, which strengthened Leonardo's position as a leading player in the land defence sector and its role as integrated Original Equipment Manufacturer, broadening the product portfolio with tracked and wheeled platforms and enabling the integration of vehicles with electronic systems. Furthermore:

- on 18 February 2026, a Memorandum of Understanding was signed with the Indra Group aimed at consolidating the cooperation in cyber defence. The agreement calls for the joint development of advanced solutions, training programs and the integrated management of cybersecurity services for public and private customers, as well as strengthening coordinated response capabilities to complex threats;
- 23 March 2026 saw the acquisition, for a consideration equal to about €mil. 33, of the remaining 35% stake in GEM Elettronica, which is now wholly owned by Leonardo. The transaction enabled Leonardo to strengthen its full suite of radar and systems for naval and coastal applications thanks to the full integration of the product portfolio;
- 30 April 2026 marked the final acquisition of the UK company BeCrypt Ltd, which operates in developing cybersecurity solutions for high-classified environments, through the subsidiary Leonardo UK Ltd, for a consideration of about €mil. 37 (GBPmil. 32). The transaction forms part of the strategic plan of Leonardo Cyber & Security Solutions, in continuity with the recent acquisitions of Axiomatics and SSH Communication Security, and strengthens the Group's position in strategic markets, starting from the United Kingdom, up to NATO and Europe.

Other minor acquisitions were finalised during the first six months of 2026, also through subsidiary companies.

Finally, it should be noted that, after the reporting period, Leonardo DRS has signed a definitive agreement to acquire Raft, which provides open-architecture mission software. The closing is expected in the fourth quarter of 2026 for a consideration of about $mil. 450.

Financial transactions. A new ESG linked amortizing Term Loan worth €mil. 600 was signed during the period under review, details of which are largely provided in the Group's reclassified statement of financial position section.

After the end of the first six months of 2026 and in accordance with the resolution passed by the Shareholders' Meeting on 7 May 2026, Leonardo has launched a share buy-back programme, in line with the terms previously communicated to the market, purchasing a total of 880,000 shares for approximately €mil.42. It should be noted that the programme, authorised for a maximum of 2,000,000 Leonardo ordinary shares (representing approximately 0.345% of the share capital) and for a maximum period of eighteen months from the date of the aforementioned resolution, is intended to meet the requirements of the current Long-Term Incentive and Employee Share Ownership Plans, as well as any other stock purchase plans.

It should be recalled that Leonardo has in place an EMTN (Euro Medium Term Note) programme renewed for a further period of 12 months in June 2026 on the Italian Stock Exchange and under the CONSOB supervision for the possible issue of bonds on the European market for a total of €bil. 4, entirely unused at

30 June 2026. Outstanding bond issues are given a medium/long-term financial credit rating by the international rating agencies Moody's, Standard&Poor's and Fitch.

It should be noted that, in April 2026, based on the solid operating and financial performance demonstrated in recent years together with the outlook for growth, Moody's upgraded the rating to Baa2 (from Baa3) confirming the positive outlook, while S&P upgraded the outlook from "stable" to "positive" confirming the BBB rating.

At the date of presentation of this report, Leonardo's credit ratings, compared to those preceding the last change, were then as follows:

Agency	Last update	Updated		Previous	
		Credit Rating	*Outlook*	*Credit Rating*	*Outlook*
Moody's	April 2026	Baa2	positive	Baa3	positive
Standard&Poor's	April 2026	BBB	positive	BBB	stable
Fitch	August 2025	BBB	stable	BBB-	positive

With regard to the impact of positive or negative changes in Leonardo's credit ratings, the only possible effects deriving from further changes, if any, to the credit ratings refer to rate margins applied to certain payables of Leonardo (Revolving Credit Facility and Term Loan). Moreover, it should be noted that also the Funding Agreement between MBDA and its shareholders provides, among other things, that any change in the rating assigned to the shareholders will result in a change in the applicable margin.

Information pursuant to articles 70 and 71 of the Consob Issuers Regulations

By resolution of the Board of Directors on 23 January 2013, the Company adopted the simplification regime under Articles 70/8 and 71/1-*bis* of the Issuers' Regulations, adopted with CONSOB Resolution no. 11971/1999, as subsequently amended and supplemented. By this resolution, the Company chose the option to make exceptions to the obligation to issue the documents required by the law when transactions of greater importance (such as mergers, spin-offs, capital increases by means of the contribution of assets in kind, acquisitions or disposals) occur.

Main Risks for the remaining months of the financial year

The main risks identified to which the Group is likely to be exposed in the following six months of the financial year are those already described in the section "Risk management" of the 2025 Integrated Annual Report.

Any updates related to specific risk positions are described in Note 17 to the condensed Consolidated Half-Year Financial Statements as of 30 June 2026.

RELATED-PARTY TRANSACTIONS

In 2010 Leonardo adopted a specific “Procedure for Related Parties Transactions” (hereinafter referred to as the “Procedure”), which was recently updated in May 2026, pursuant to CONSOB Regulation no. 17221 of 12 March 2010, as amended and supplemented, containing provisions on “related party transactions” (hereinafter referred to as the “Regulation”), as well as in implementation of Article 2391-bis of the Italian Civil Code. The abovementioned Procedure is available on the Company’s website (www.leonardo.com, Investors/Corporate Governance/Related Parties).

Pursuant to Article 5.8 of the Regulation, it should be noted that no transaction of greater importance (as defined by Article 4.1.a) of the Regulation and identified by the abovementioned Procedure pursuant to Annex 3 attached to the Regulation was carried out during the first half of 2025, nor were carried out other related-party transactions which considerably impacted on the consolidated financial situation or on the results of the Leonardo Group in the reporting period.

No changes or developments took place in relation to the related party transactions described in the 2025 Report on Operations.

"NON-GAAP" PERFORMANCE INDICATORS

Leonardo's Management assesses the Group's performance and that of its business segments based on a number of indicators that are not envisaged by the IFRSs. Specifically, EBITA is used as the primary indicator of profitability, since it allows us to analyse the Group's marginality by eliminating the impacts of the volatility associated with non-recurring, extraordinary items or items unrelated to ordinary operations. These components are deducted, net of the tax effect, from the Leonardo Group's share of the net result of strategic investees, classified within EBITA, consistently with the treatment applied to fully consolidated companies.

As required by CONSOB Communication no. 0092543 of 3 December 2015 in adopting the ESMA 2015/1415 guidelines on alternative performance indicators, below is a description of the components of each of these indicators:

- **New Orders:** this includes contracts entered into with customers during the period that have commercial substance and represent an obligation for both parties to fulfil the contract.
- **Order backlog:** this figure is the sum of the order backlog for the preceding period and new orders, less revenues during the reference period.
- **EBITDA:** this is given by EBITA, as defined below, before amortization (excluding amortization of intangible assets from business combinations), depreciation and impairment losses (net of those relating to goodwill or classified among "non-recurring costs").
- **EBITA:** it is arrived at by eliminating from EBIT, as defined below, the following items:

– any impairment in goodwill, including the Group's share, net of tax, of the strategic investees;

– amortization and impairment, if any, of the portion of the purchase price allocated to intangible assets as part of business combinations, as required by IFRS 3, including the Group's share, net of tax, of the strategic investees;

– restructuring costs that are a part of defined and significant plans. This item includes personnel costs as well as any and all other costs deriving from the reorganization (e.g., impairment of assets, costs for the closure of sites, relocation costs, etc.), including the Group's share, net of tax, of the strategic investees;

– other non-recurring or unusual costs or income, i.e., connected to particularly significant or exceptional events that are not related to the ordinary performance of the business, such as charges incurred during M&A transactions, charges linked to disposed businesses and/or products and systems, the effects arising from the final conclusion of significant disputes and/or contracts, impairment of significant and extraordinary assets, the recognition of losses on contracts that have become onerous as a result of non-operating events, including the Group's share of the strategic investees, net of tax.

EBITA is then used to calculate return on sales (ROS) and return on investment (ROI).

A reconciliation of Income before tax and financial expense, EBIT and EBITA is shown below:

(€ mil.)	*For the 6 months ended 30 June*	
	2026	*2025*
Income before tax and financial expenses	624	701
Result of strategic investees	37	-
Effect of extraordinary transactions	-	(269)
EBIT	**661**	**432**
Amortisation of intangible assets acquired as part of business combinations	35	36
Restructuring costs	19	10
Non-recurring (income) expense	65	103
EBITA	**780**	**581**

Non-recurring charges improved compared to the prior year and reflect costs incurred in connection with major industrial transactions, as well as the effects of programme disruptions and disputes to which the Group may be exposed.

- **Return on Sales (ROS):** this is calculated as the ratio of EBITA to revenue.
- **EBIT:** this is obtained by adding to Income before tax and financial expenses (defined as earnings before "financial income and expense", "share of profits (losses) of equity-accounted investees", "income taxes" and "Profit (loss) from discontinued operations") the Group's share of profit in the results of its strategic investees (MBDA, GIE ATR, Thales and Hensoldt), reported in the "share of profits (losses) of equity-accounted investees", net of the effects related to the main acquisitions and disposals (extraordinary transactions).
- **Net result adjusted:** this is the Net Result after the "result from discontinued operations and extraordinary transactions" and the non-cash portion, net of tax, of "Non-recurring income (expenses)". Net result adjusted is then used to calculate Earnings per share adjusted for the owners of the parent.
- **Net result**: it coincides with the net profit (loss).
- **Group Net Debt:** this includes cash, financial receivables and current securities, net of (current and non-current) loans and borrowings and of the fair value of foreign exchange derivatives covering financial debt items. The reconciliation with the net financial position required under CONSOB communication DEM/6064293 of 28 July 2006, updated in accordance with the ESMA guidelines 32-382-1138 of 4 March 2021 as implemented in the CONSOB warning notice no. 5/21 of 29 April 2021, is provided below:

	30 June 2026	31 December 2025
Net financial debt com. CONSOB n. DEM/6064293/ESMA	**3,509**	**1,263**
Payables to MEMiT (Law no. 808/85)	(261)	(262)
Group net debt (KPI)	**3,248**	**1,001**

- **Free Operating Cash-Flow (FOCF):** this is the sum of the cash flows generated by (used in) operating activities (excluding the changes in the Group Net Debt), the cash flows generated by (used in) ordinary investing activities (investment and divestment of intangible assets, property, plant and equipment, and equity investments, net of cash flows from the purchase or sale of equity investments that, due to their nature or significance, are considered "strategic investments"), dividends received and collections received pursuant to Law 808/1985. The calculation of FOCF is presented in the reclassified statement of cash flows shown in the section “Group results and financial position”.

- **Return on Investments (ROI):** this is calculated as the ratio of EBITA, calculated on an annual basis for the period from 1 July 2025 to 30 June 2026, and the average net capital invested in the two comparative periods presented in this report.
- **Workforce:** the number of employees recorded in the register on the last day of the period.

Below are the statements of reconciliation of the items in the reclassified schedules provided in the Report on Operations and the schedules of Income Statement, Balance Sheet and Cash Flow Statement with reference to the current reporting period:

	Scheme	PPA amortis.	Restruct. and non recurring costs	Strategic investments	Onereous contracts (losses at completion)	Extraord. transactions.	**Reclassified scheme**
Revenue	10,003						10,003
Purchase and personnel expenses	(8,945)		34		19		(8,892)
Other net operating income/(expenses)	(65)		19		9		(37)
Equity-accounted strategic investments				48			48
Amortisation, depreciation and financial assets value adjustments	(369)	27	-				(342)
EBITA							**780**
Non-recurring income/(expenses)			(34)	(3)	(28)		(65)
Restructuring costs			(19)	-			(19)
Amortisation of intangible assets acquired as part of business combinations		(27)		(8)			(35)
EBIT							**661**
Financial income/(expenses)	(8)			(37)		-	(45)
Income taxes	(160)						(160)
Net result related to extraordinary transactions and discontinued operations	-					-	-
Net result	**456**	-	-	-	-	-	**456**

	Scheme	Financial receivables and cash	Financial payables	Hedging derivatives on debt items	Reclassified scheme
Non-current assets	17,176				17,176
Non-current liabilities	(4,093)		1,726		(2,367)
Capital assets					**14,809**
Current assets	19,875	(1,263)		(2)	18,610
Current liabilities	(22,102)		2,787		(19,315)
Net working capital					**(705)**
Equity attributable to the owners of the parent	9,670				9,670
Equity attributable to non-controlling interests	1,196				1,196
Total equity	**10,866**				**10,866**
Group Net Debt		(1,263)	4,513	(2)	**3,248**
Net (assets)/liabilities held for sale	**(10)**				**(10)**

	Scheme	Dividends received	Royalties / Law no. 808 payable and receipts	Strategic investments	Reclassified scheme
Gross cash flows from operating activities	1,210				
Change in trade receivables/payables, contract assets/liabilities and inventories	(592)				
Change in other operating assets and liabilities and provisions for risks and charges	(149)				
Net Interests paid	(58)				
Income taxes received/(paid)	(200)				
Cash flows generated/(used) from operating activities	**211**		-		211
Dividends received		24			24
Investments in property, plant and equipment and intangible assets	(488)				
Sales of property, plant and equipment and intangible assets	4				
Cash flows from ordinary investing activities	(484)		-		(484)
Free Operating Cash Flow (FOCF)					**(249)**
Strategic transactions				(1,555)	(1,555)
Other investing activities	(1,543)	(24)	-	1,555	(12)
Cash flows generated (used) from investing activities	**(2,027)**				
Dividends paid	(391)				(391)
Term Loan signed	600				
Bond repayment	(500)				
Net change in other loans and borrowings	(162)				
Net change in loans and borrowings	(62)				(62)
Cash flows generated (used) from financing activities	**(453)**				
Net increase (decrease) in cash and cash equivalents	**(2,269)**				**(2,269)**
Cash and cash equivalents at 1 January	3,238				3,238
Exchange rate differences and other changes	17				17
Net increase (decrease) in cash of discontinued operations	-				-
Cash and cash equivalents at 30 June	**986**	-	-		**986**

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2026

CONDENSED CONSOLIDATED SEPARATE INCOME STATEMENT

(€ mil.)	Note	For the 6 months ended 30 June 2026	*of which with related parties*	2025	*of which with related parties*
Revenue	*21*	10,003	*1,708*	8,919	*1,850*
Purchase and personnel expenses	*23*	(8,945)	*(291)*	(8,079)	*(303)*
Amortisation, depreciation and financial assets value adjustments	*24*	(369)		(330)	
Other net operating income/(expenses)	*22*	(65)	*5*	191	*286*
Income before tax and financial expenses		**624**		**701**	
Financial income/(expenses)	*25*	(60)	*(29)*	(70)	*(29)*
Share of profits/(losses) of equity-accounted investees	*26*	52		11	
Operating profit (loss) before income taxes and discontinued operations		**616**		**642**	
Income taxes	*27*	(160)		(100)	
Profit (loss) from discontinued operations		-		-	
Net profit/(loss) for the period attributable to:		**456**		**542**	
- owners of the parent		*403*		*501*	
- non-controlling interests		*53*		*41*	
Earnings/(losses) per share	*29*	*0.698*		*0.869*	
- basic and diluted from continuing operations		*0.698*		*0.869*	
- basic and diluted from discontinued operations		*n.a*		*n.a*	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		For the 6 months ended 30 June			
(€ mil.)	*Note*		**2026**		**2025**
Profit (loss) for the period			**456**		**542**
Other comprehensive income (expenses):					
Comprehensive income/expenses which will not be subsequently reclassified within the profit (loss) for the period:					
- Measurement of defined-benefit plans:	*15*		45		10
- revaluation		46		4	
- exchange rate gains (losses)		(1)		6	
- Tax effect	*15*		(11)		(2)
			34		8
Comprehensive income/expenses which will or might be subsequently reclassified within the profit (loss) for the period:					
- Changes in cash flow hedges:	*15*		(64)		224
- change generated in the period		(64)		259	
- transferred to the profit (loss) for the period		-		(35)	
- Translation differences	*15*		140		(470)
- change generated in the period		140		(470)	
- transferred to the profit (loss) for the period		-		-	
- Tax effect	*15*		14		(53)
			90		(299)
Current portion of “Other comprehensive income (expense)”, equity-accounted investees			6		14
Total other comprehensive income (expenses), net of tax:			**130**		**(277)**
Total comprehensive income (expenses), attributable to:			**586**		**265**
- *Owners of the parent*			510		316
- *Non-controlling interests*			76		(51)
Total comprehensive income (expenses), attributable to Owners of the parent			**510**		**316**
- from continuing operations			510		316
- from discontinued operations			-		-

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ mil.)	*Note*	30 June 2026	*of which with related parties*	31 December 2025	*of which with related parties*
Intangible assets	*8*	10,021		8,546	
Property, plant and equipment and investment properties	*9*	3,325		3,126	
Right of use	*10*	548		541	
Deferred tax assets		1,076		1,001	
Other non-current assets	*11*	2,206	-	2,204	-
Non-current assets		**17,176**		**15,418**	
Inventories		8,488		7,028	
Trade receivables, including contract assets	*13*	9,020	*804*	7,592	*1,052*
Loans and receivables		277	*122*	244	*225*
Other current assets	*14*	1,104	*40*	977	*10*
Cash and cash equivalents		986		3,238	
Current assets		**19,875**		**19,079**	
Non-current assets held for sale	*28*	10		12	
Total assets		**37,061**		**34,509**	
Share capital	*15*	2,514		2,490	
Other reserves		7,156		7,070	
Equity attributable to the owners of the parent		**9,670**		**9,560**	
Equity attributable to non-controlling interests		1,196		1,180	
Total equity		**10,866**		**10,740**	
Loans and borrowings (non-current)	*16*	1,726	-	1,896	-
Employee benefits	*18*	300		306	
Provisions for risks and charges	*17*	652		627	
Deferred tax liabilities		405		402	
Other non-current liabilities	*19*	1,010	-	958	-
Non-current liabilities		**4,093**		**4,189**	
Trade payables, including contract liabilities	*20*	15,648	*368*	13,653	*369*
Loans and borrowings (current)	*16*	2,787	*1,922*	2,593	*1,875*
Income tax payables		219		200	
Provisions for short-term risks and charges	*17*	1,169		1,002	
Other current liabilities	*19*	2,279	*8*	2,132	*149*
Current liabilities		**22,102**		**19,580**	
Liabilities associated with assets held for sale	*28*	-		-	
Total liabilities		**26,195**		**23,769**	
Total liabilities and equity		**37,061**		**34,509**	

CONSOLIDATED STATEMENT OF CASH FLOWS

(€ mil.)		*For the 6 months ended 30 June*			
	Note	**2026**	*of which with related parties*	**2025**	*of which with related parties*
Gross cash flows from operating activities	*30*	1,210		941	
Change in trade receivables/payables, contract assets/liabilities and inventories	*30*	(592)	*95*	(924)	*(60)*
Change in other operating assets and liabilities and provisions for risks and charges		(149)	*(167)*	(129)	*(63)*
Net Interests paid		(58)	*(29)*	(90)	*(29)*
Income taxes received/(paid)		(200)		(73)	
Cash flows generated/(used) from operating activities		**211**		**(275)**	
Investments in property, plant and equipment and intangible assets		(488)		(374)	
Sales of property, plant and equipment and intangible assets		4		3	
Other investing activities	*30*	(1,543)	-	683	-
Cash flows generated (used) from investing activities		**(2,027)**		**312**	
Dividends paid		(391)		(327)	
Term Loan signed		600		-	
Bond repayment		(500)		(500)	
Net change in other loans and borrowings		(162)	*143*	112	*(101)*
Cash flows generated (used) from financing activities		**(453)**		**(715)**	
Cash and cash equivalents at 1 January		3,238		2,556	
Net increase (decrease) in cash and cash equivalents		(2,269)		(678)	
Exchange rate differences and other changes		17		(62)	
Net increase (decrease) in cash of discontinued operations		-		(8)	
Cash and cash equivalents at 30 June		**986**		**1,808**	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(€ mil.)	Share capital	Retained earnings and other reserves	Cash flow hedge reserve	Revaluation reserve of defined-benefit plans	Translation reserve	Equity attributable to owners of the parent	Non-controlling interests	Total equity
1 January 2025	**2,509**	**6,555**	**(54)**	**(82)**	**62**	**8,990**	**1,210**	**10,200**
Profit (loss) for the period		501				501	41	542
Other comprehensive income (expenses)		5	184	16	(390)	(185)	(92)	(277)
Total comprehensive income (expenses)	**-**	**506**	**184**	**16**	**(390)**	**316**	**(51)**	**265**
Dividends resolved		(300)	-	-	-	**(300)**	(31)	(331)
Repurchase of treasury shares less shares sold						-		-
Acquisition (Disposal) of NCI without change in control						-		-
Share-based payment plans		(7)				(7)	1	(6)
Third-party interests related to business combinations								-
Total transactions with owners of the parent, recognised directly in equity	**-**	**(307)**	**-**	**-**	**-**	**(307)**	**(30)**	**(337)**
Other changes		-	(1)	1		-	(7)	(7)
30 June 2025	**2,509**	**6,754**	**129**	**(65)**	**(328)**	**8,999**	**1,122**	**10,121**
1 January 2026	**2,490**	**7,430**	**65**	**(55)**	**(370)**	**9,560**	**1,180**	**10,740**
Profit (loss) for the period		403				403	53	456
Other comprehensive income (expenses)		16	(63)	33	121	107	23	130
Total comprehensive income (expenses)	**-**	**419**	**(63)**	**33**	**121**	**510**	**76**	**586**
Dividends resolved		(364)				(364)	(32)	(396)
Repurchase of treasury shares less shares sold	24					24		24
Acquisition (Disposal) of NCI without change in control		(12)				(12)	(21)	(33)
Share-based payment plans		(42)				(42)	(2)	(44)
Third-party interests related to business combinations						-		-
Total transactions with owners of the parent, recognised directly in equity	**24**	**(418)**	**-**	**-**	**-**	**(394)**	**(55)**	**(449)**
Other changes		(7)	1			(6)	(5)	(11)
30 June 2026	**2,514**	**7,424**	**3**	**(22)**	**(249)**	**9,670**	**1,196**	**10,866**

EXPLANATORY NOTES

1. GENERAL INFORMATION

Leonardo S.p.A. is a company limited by shares based in Rome (Italy), at Piazza Monte Grappa 4, and is listed on the Italian Stock Exchange (FTSE MIB).

The Group is a major Italian high technology organization operating in the Defence Electronics, Helicopters, Aeronautics, Cyber & Security Solutions and Space sectors.

2. FORM, CONTENT AND APPLICABLE ACCOUNTING STANDARDS

The half-year financial report of the Group at 30 June 2026 was prepared in accordance with Article 154-ter, paragraph 2 of Legislative Decree 58/98 (Consolidated Law on Financial Intermediation), as subsequently amended and supplemented. The condensed consolidated half-year financial statements at 30 June 2026, included in the half-year financial report, were prepared in accordance with IAS 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB) and comprise the condensed consolidated separate income statement, consolidated statement of comprehensive income, condensed consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and the related explanatory notes.

In accordance with IAS 34, these notes are presented in condensed form and do not include all disclosures required for annual financial statements, as they refer only to those items that are essential to understand the Group's financial position, results of operations and cash flows given their amount, breakdown or changes therein. This half-year financial report should, therefore, be read in conjunction with the 2025 annual consolidated financial statements. The statement of financial position and income statement are likewise presented in a condensed format compared to the annual financial statements. The related explanatory notes include a reconciliation with year-end schedules for items aggregated in condensed schedules.

This half-year financial report has been prepared by using the same accounting policies, recognition and measurement criteria, as well as consolidation methods as used to prepare the consolidated financial statements at 31 December 2025 and the half-year financial report at 30 June 2025. Should certain information on lawsuits be considered seriously detrimental to the Group's interest, this is not provided.

It is pointed out that the Group adopts a six-month period as the interim reporting period for the purposes of IAS 34 and for the definition of interim financial statements therein reported.

The exchange rates for the major currencies used in preparing this half-year financial report are shown below:

	30 June 2026		31 December 2025	30 June 2025	
	average	final	final	average	final
US dollar	1.1670	1.1394	1.1750	1.0930	1.1720
Pound sterling	0.8673	0.8618	0.8726	0.8423	0.8555

The Leonardo Group's condensed consolidated half-year financial statements at 30 June 2026 were approved and authorised for publication by the Board of Directors' meeting held on 30 July 2026.

Amounts are shown in millions of euros unless stated otherwise.

These condensed consolidated half-year financial statements have been subjected to a review on the part of EY S.p.A..

3. SIGNIFICANT ISSUES AND CRITICAL ESTIMATES BY MANAGEMENT

There are no changes in the reporting of particularly significant issues that require critical estimates by management, as is in respect of the impacts of the international foreign policies and armed conflicts, compared to what is described in Note 4 to the 2025 consolidated financial statements, to which reference should be made.

4. BUSINESS SEASONALITY

Cash flows relating to operations

The Group's key business segments usually feature a high concentration of deliveries and cash receipts from customers in the last few months of the year. This has an impact on both interim cash flows and the variability of the Group's debt over the various interim periods, which improve substantially in the last few months of the calendar year.

5. EFFECTS OF CHANGES IN ACCOUNTING POLICIES ADOPTED

During the period there were no significant changes in the accounting standards applied by the Group in comparison with the standards applied in preparing the consolidated financial statements at 31 December 2025. In particular, the Amendments to IFRS 9 and IFRS 7, which became effective staring from 1 January 2026, had no significant impacts on the Group's half-year data.

As of today, the EU Legislator has implemented certain standards and interpretations, not yet mandatory, which will be adopted by the Group in the following periods, if applicable. Among these, we note IFRS 18 «Presentation and Disclosure in Financial Statements», applicable from 1 January 2027, which will replace IAS 1 «Presentation of Financial Statements» and will amend IAS 7 «Statement of Cash Flows». IFRS 18 will introduce new requirements for the presentation of the statement of profit or loss, a new definition of management-defined performance measures and new principles for aggregation and disaggregation of financial information. The Group is carrying out an analysis of the impacts related to the adoption of the new standard which is currently underway. Based on the evaluations conducted to date, the effects are mainly expected to concern financial statement presentation and disclosure.

6. MAIN EVENTS AND TRANSACTIONS OF THE FIRST SIX MONTHS OF 2026 AND SIGNIFICANT EVENTS OCCURRED AFTER THE PERIOD-END

With reference to the transactions occurred in the first six months of 2026, the acquisition of the Defence business of the Iveco Group (IDV) was finalised on 18 March 2026, for a consideration equal to €bil. 1.6. The company was consolidated on a line-by-line basis from the acquisition date. For further details, as well as for a description of the other acquisitions completed in the period under review, reference is made to Note 12 "business combinations".

After the reporting period Leonardo DRS has signed a definitive agreement to acquire Raft, a company that provides open-architecture mission software. The closing is expected in the fourth quarter of 2026 for a consideration of about $mil. 450

7. SEGMENT INFORMATION

The Divisions and the companies through which the Group operates are combined together, for the purposes of the internal and external reporting, into the relevant five business sectors: Defence Electronics, Helicopters, Aeronautics, Cyber & Security Solutions and Space. The Other Activities segment includes the corporate activities and the residual ones. The IDV business, acquired during the first half of 2026, has been included in the Defence Electronics sector from the acquisition date.

The Group assesses the performance of its operating segments and the allocation of financial resources on the basis of revenues and EBITA (reference should also be made to the section on "NON-GAAP performance indicators" in the Report on Operations). For the purpose of a correct interpretation of the information provided we note that the results of the equity-accounted strategic investees (MBDA, GIE ATR, Thales Alenia Space and Hensoldt), net of non-recurring, exceptional or non-routine items in the income statement, have been included within the EBITA of the sectors to which they belong; however, these sectors do not reflect the relevant share of revenues.

The results for each sector at 30 June 2026, as compared with those of the first half of 2025, are as follows:

For the 6 months ended 30 June 2026	Defence Electronics	Helicopters	Aeronautics	Cyber & Security Solutions	Space	Other Activities	Elimin-ations	Total
Revenue	4,512	2,904	2,004	420	499	395	(731)	**10,003**
Inter-segment revenue (*)	(437)	(5)	(4)	(49)	(9)	(227)	731	-
Third party revenue	4,075	2,899	2,000	371	490	168	-	**10,003**
EBITA	**557**	**210**	**108**	**39**	**18**	**(152)**	**-**	**780**
Investments	136	115	56	10	76	58	-	**451**

For the 6 months ended 30 June 2025	Defence Electronics	Helicopters	Aeronautics	Cyber & Security Solutions	Space	Other Activities	Elimin-ations	Total
Revenue	3,795	2,789	1,913	359	436	302	(675)	**8,919**
Inter-segment revenue (*)	(412)	(5)	(3)	(42)	(6)	(207)	675	-
Third party revenue	3,383	2,784	1,910	317	430	95	-	**8,919**
EBITA	**425**	**202**	**55**	**29**	**17**	**(147)**	**-**	**581**
Investments	129	134	55	8	14	46	-	**386**

(*) Inter-segment revenue includes revenue among Divisions and the consolidated undertakings of the Group belonging to various business sectors

Below is the breakdown of revenue by geographical area and sector:

For the 6 months ended 30 June 2026	Defence Electronics	Helicopters	Aeronautics	Cyber & Security Solutions	Space	Other Activities	Elimin-ations	Total
Italy	1,120	415	825	312	337	313	(574)	**2,748**
United Kingdom	499	351	-	53	21	1	(38)	**887**
Rest of Europe	758	843	279	13	103	41	(82)	**1,955**
United States of America	1,519	199	496	12	3	37	(4)	**2,262**
Rest of world	616	1,096	404	30	35	3	(33)	**2,151**
Revenue	**4,512**	**2,904**	**2,004**	**420**	**499**	**395**	**(731)**	**10,003**
Inter-segment revenue (*)	(437)	(5)	(4)	(49)	(9)	(227)	731	-
Third party revenue	**4,075**	**2,899**	**2,000**	**371**	**490**	**168**	**-**	**10,003**

For the 6 months ended 30 June 2025	Defence Electronics	Helicopters	Aeronautics	Cyber & Security Solutions	Space	Other Activities	Elimin-ations	Total
Italy	891	448	228	257	145	235	(628)	**1,576**
United Kingdom	554	283	-	43	34	9	(34)	**889**
Rest of Europe	472	714	947	19	228	35	(8)	**2,407**
United States of America	1,525	246	396	11	4	13	(4)	**2,191**
Rest of world	353	1,098	342	29	25	10	(1)	**1,856**
Revenue	**3,795**	**2,789**	**1,913**	**359**	**436**	**302**	**(675)**	**8,919**
Inter-segment revenue (*)	(412)	(5)	(3)	(42)	(6)	(207)	675	-
Third party revenue	**3,383**	**2,784**	**1,910**	**317**	**430**	**95**	**-**	**8,919**

(*) Inter-segment revenue includes revenue among Divisions and the consolidated undertakings of the Group belonging to various business sectors

The reconciliation between EBITA and income before taxes and financial expenses for the periods compared is as follows:

For the 6 months ended 30 June 2026	Defence Electronics	Helicopters	Aeronautics	Cyber & Security Solutions	Space	Other Activities	Total
EBITA	**557**	**210**	**108**	**39**	**18**	**(152)**	**780**
Amortisation of intangible assets acquired as part of business combinations	(22)	(2)	-	-	(11)	-	**(35)**
Restructuring costs	-	-	-	-	-	(19)	**(19)**
Non-recurring income/(expenses)	(3)	(18)	(27)	(2)	-	(15)	**(65)**
EBIT	**532**	**190**	**81**	**37**	**7**	**(186)**	**661**
Equity-accounted strategic investments	(60)	-	9	-	14	-	**(37)**
Effect of extraordinary transactions	-	-	-	-	-	-	**-**
Income before tax and financial expenses	**472**	**190**	**90**	**37**	**21**	**(186)**	**624**

For the 6 months ended 30 June 2025	Defence Electronics	Helicopters	Aeronautics	Cyber & Security Solutions	Space	Other Activities	Total
EBITA	**425**	**202**	**55**	**29**	**17**	**(147)**	**581**
Amortisation of intangible assets acquired as part of business combinations	(24)	(2)	-	-	(10)	-	**(36)**
Restructuring costs	-	(3)	-	-	(5)	(2)	**(10)**
Non-recurring income/(expenses)	(10)	(87)	-	-	-	(6)	**(103)**
EBIT	**391**	**110**	**55**	**29**	**2**	**(155)**	**432**
Equity-accounted strategic investments	(46)	-	29	-	17	-	**-**
Effect of extraordinary transactions	283	-	-	-	-	(14)	**269**
Income before tax and financial expenses	**628**	**110**	**84**	**29**	**19**	**(169)**	**701**

8. INTANGIBLE ASSETS

Below is the breakdown of the item and investments for the period:

	30 June 2026	31 December 2025	*Investments for the 6 months at*	
			30 June 2026	30 June 2025
Goodwill	5,654	4,312	-	-
Development costs	1,347	1,288	67	71
Non-recurring costs	1,898	1,860	89	84
Concessions, licences and trademarks	310	291	2	2
Acquired through business combinations	547	559	-	-
Other intangible assets	265	236	27	23
	10,021	**8,546**	**185**	**180**

The net increase in intangible assets was mainly due to the first-time consolidation of the IDV business, which led to the recognition of goodwill preliminarily determined in €bil. 1.3; for further details thereof, please refer to Note 12 on "business combinations". Moreover, the increase in goodwill was due to the positive impact of the translation differences on assets denominated in USD and GBP and the first-time consolidation of BeCrypt Ltd for €mil. 34 in addition to the impact of other minor acquisitions.

The impairment tests carried out at 31 December 2025 showed significant positive margins (headroom) for all the Cash Generating Units (CGUs) to which goodwill is allocated. The largely positive margins were also confirmed by the sensitivity analyses carried out on the main assumptions underlying the tests. Considering the foregoing and the performance of the CGUs, as at 30 June 2026 there were no impairment indicators that could require a revision of these tests.

With reference also to non-recurring charges and development costs, no impairment indicators emerged compared to the valuations conducted during the preparation of the 2025 financial statements.

Commitments are in place for the purchase of intangible assets for €mil. 29 (€mil. 19 at 31 December 2025).

9. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

	30 June 2026	31 December 2025	*Investments for the 6 months at*	
			30 June 2026	30 June 2025
Land and buildings	1,145	1,076	6	4
Plant and machinery	613	544	10	7
Equipment	427	391	23	15
Other tangible assets	1,140	1,115	227	180
	3,325	**3,126**	**266**	**206**

Purchase commitments of property, plant and equipment amounted to €mil. 390 (€mil. 278 at 31 December 2025).

10. RIGHTS OF USE

	30 June 2026	31 December 2025	Contracts submission for the 6 months at	
			30 June 2026	30 June 2025
Right of use of land and buildings	487	481	23	8
Right of use of plant and machinery	20	19	3	3
Right of use of other tangible assets	41	41	9	7
	548	**541**	**35**	**18**

Net rights of use increased as a result of the inclusion in the perimeter of IDV Defence, the signing of new contracts and the impact of exchange rates, partially offset by the amortisation for the period.

11. OTHER NON-CURRENT ASSETS

	30 June 2026	31 December 2025
Defined benefit plan assets, net	281	224
Other non-current receivables	34	27
Non-current receivables	**315**	**251**
Prepayments - non-current portion	78	61
Equity investments	1,776	1,864
Non-recurring costs pending under Law no. 808/1985	37	28
Non-current assets	**1,891**	**1,953**
	2,206	**2,204**

The decrease in equity investments was influenced, in particular, by the dividends resolved in the period from the equity-accounted investees (about of €mil. 161).

12. BUSINESS COMBINATIONS

On 18 March 2026, Leonardo completed the acquisition of the Defence business from the Iveco Group (now IDV) for a consideration of €bil. 1.6, which strengthened its position as a leading player in the land defence sector and its role as integrated Original Equipment Manufacturer, broadening the product portfolio with tracked and wheeled platforms and enabling the integration of vehicles with electronic systems.

The company was consolidated on a line-by-line basis from the acquisition date and the assets and liabilities of IDV were provisionally determined, since at the date of preparation of this report the purchase price allocation process has not yet been completed, as permitted by IFRS 3. Therefore, the fair value of the single assets and liabilities may be different at the end of the purchase price allocation process, which is expected to be finalized within 12 months from the acquisition date.

The portion of purchase price exceeding the fair value of the equity acquired was temporarily recognised as goodwill, amounting to about €bil. 1.3, as reported below:

€mil.	***Temporary fair value***
Non-current assets	224
Inventories and contract assets	880
Trade receivables	221
Other current assets	94
Cash and cash equivalents	136
	1,555
Non-current liabilities	(43)
Trade payables	(514)
Loans and borrowings (current)	(93)
Contract liabilities	(328)
Other current liabilities	(215)
Net assets acquired	**362**
Cash paid	1,614
Goodwill from business combination	**1,252**

Considering that the closing of the transaction occurred in the second half of March 2026, this half-year financial report included the economic and financial contribution from the IDV business starting from the second quarter of 2026, with Revenues, equal to about €mil. 357, and the operating result, amounting to about €mil. 49. If IDV had been consolidated for the entire first half of 2026, its contribution in terms of Revenues and operating result would have been around €mil. 596 and about €mil. 84, respectively.

During the first half of 2026, purchase price allocation activities continued on the acquisition values of the Swedish company Axiomatics AB, a transaction completed at the end of the prior year. The provisional effects of the net assets acquired is shown below:

€mil.	***Temporary fair value***
Non-current assets	3
Current assets	2
Current liabilities	(4)
Net assets acquired, excluding Goodwill	**1**
Cash paid	32
FV of earn out	2
Intangible assets deriving from business combination, net of related deferred tax liabilities	9
Temporary goodwill resulting from the acquisition	**24**

At the reporting date, intangible assets acquired for business combinations amounted to about €mil. 15, consisting in the value of proprietary technology. Goodwill, recognised in the Cyber & Security Solutions CGU, was provisionally determined in €mil. 24 and the purchase price allocation process will be completed by the year-end.

Moreover, 30 April 2026 marked the final acquisition of the UK company BeCrypt Ltd, which operates in developing cybersecurity solutions for high-classified environments, through the subsidiary Leonardo UK Ltd. The transaction forms part of the strategic plan of Leonardo Cyber & Security Solutions, in continuity with the recent acquisitions of Axiomatics and SSH Communication Security, and strengthens the Group's position in strategic markets, starting from the United Kingdom, up to NATO and Europe. The purchase price was GBPmil. 32 (€mil. 37) and the company was consolidated on a line-by-line basis from the acquisition date. The transaction generated goodwill provisionally determined in €mil. 34, recognised in the Cyber & Security Solutions CGU. The purchase price allocation process has not yet been completed, as permitted by IFRS 3. Therefore, the fair value of the single assets and liabilities could be different at the end of the allocation process, which is expected to be completed for the 2026 financial statements.

Finally, note that during the reporting period the Group acquired the remaining 35% stake in GEM Elettronica, for a consideration of about €mil. 33. Such transaction entailed a negative impact of approximately €mil. 12, directly recognised in the Group equity.

13. TRADE RECEIVABLES, INCLUDING CONTRACT ASSETS

	30 June 2026	31 December 2025
Trade receivables	3,832	2,841
Related party trade receivables (Note 31)	804	1,052
	4,636	**3,893**
Contract assets	4,384	3,699
	9,020	**7,592**

For the primary credit risks related to the Group's business, reference is made to Note 37 to the consolidated financial statements at 31 December 2025. The net increase compared to 31 December 2025 was due to the acquisition of the IDV business, for further details thereof please see Note 12 on business combinations, in addition to the ordinary business performance.

14. OTHER CURRENT ASSETS

	30 June 2026		31 December 2025	
Income tax receivables		133		85
Derivatives		179		253
Other current assets:		792		639
Prepaid expenses - current portion	*175*		*175*	
Receivables for grants	*108*		*101*	
Receivables from employees and social security	*54*		*44*	
Indirect tax receivables	*181*		*94*	
Other related party receivables (Note 31)	*40*		*10*	
Other assets	*234*		*215*	
		1,104		**977**

The table below shows the fair value hierarchy for the financial assets and liabilities of the Group measured at fair value. The fair value of derivatives (classified under other current assets and liabilities) is determined on the basis of measurement techniques which consider directly observable market inputs (the so-called "Level 2").

	30 June 2026			31 December 2025		
	Level 2	Level 3	Total	Level 2	Level 3	Total
Non-current assets			-			-
Current assets	179		179	253		253
Non-current liabilities		6	6		2	2
Current liabilities	128		128	129		129

The total fair value of pension plan assets amounted to €mil. 2,108 (€mil. 2,104 at 31 December 2025), classified under non-current assets and deducted from Employee benefits.

15. EQUITY

Share capital

	Number of shares	Par value	Treasury shares	Costs incurred (net of tax effect)	Total
Ordinary shares	578,150,395	2,544	-	(19)	2,525
Treasury shares	(1,206,222)	-	(35)	-	(35)
Outstanding shares at 31 December 2025	**576,944,173**	**2,544**	**(35)**	**(19)**	**2,490**
Repurchase of treasury shares less shares sold	821,697	-	24	-	24
Outstanding shares at 30 June 2026	**577,765,870**	**2,544**	**(11)**	**(19)**	**2,514**
broken down as follows:					
Ordinary shares	578,150,395	2,544	-	(19)	2,525
Treasury shares	(384,525)	-	(11)	-	(11)

The share capital, fully subscribed and paid-up, is represented by no. 578,150,395 ordinary shares with nominal value of €4.40 each, including no. 384,525 treasury shares (1,206,222 at 31 December 2025).

At 30 June 2026, the Ministry of Economy and Finance owned about 30.204% of the share capital. Moreover, the Company was informed during the period that BlackRock Inc. was holding a 5.07% interest, of which 4.49% consisting of shares and the remaining of other capital transactions. It should be noted that Capital Research and Management Company, which at 31 December 2025 owned a 5.06% stake, during that period, however, fell below the ownership threshold laid down under Article 120 of Legislative Decree 58/98 (Consolidated Law on Financial Intermediation, *TUF*). During the first half of 2026, the Company did not receive any other communications concerning the exceeding of the ownership threshold of the share capital provided for in the mentioned decree.

The statement of changes in equity attributable to the owners of the parent and to non-controlling interests is presented in the accounting statements section. Below is a breakdown of the tax effects on the profit and loss items recognised in equity of the Group, as well as the other comprehensive income/expense relating to investments valued at equity:

	Group - consolidated entities			*Group - equity accounted investments*		
	Amount before taxes	Tax effect	Net amount	Amount before taxes	Tax effect	Net amount
For the 6 months ended 30 June 2026						
Revaluation of defined-benefit plans	46	(11)	35	(3)	1	(2)
Changes in cash-flow hedges	(63)	14	(49)	(15)	1	(14)
Foreign currency translation difference	115		115	6		6
Fair value to OCI			-	16		16
Total	**98**	**3**	**101**	**4**	**2**	**6**
For the 6 months ended 30 June 2025						
Revaluation of defined-benefit plans	6	(1)	5	16	(5)	11
Changes in cash-flow hedges	223	(53)	170	15	(1)	14
Foreign currency translation difference	(374)		(374)	(16)		(16)
Fair value to OCI			-	5		5
Total	**(145)**	**(54)**	**(199)**	**20**	**(6)**	**14**

Changes in the Cost of Hedge reserve and the related tax effects are recognised in the changes in cash-flow hedge.

Below are the details of profit and loss recognised in equity attributable to non-controlling interests, net of tax effects, if any:

	Non-controlling interest		
	Amount before taxes	Tax effect	Net amount
For the 6 months ended 30 June 2026			
Revaluation of defined-benefit plans	(1)		(1)
Changes in cash-flow hedges	(1)		(1)
Foreign currency translation difference	25		25
Total	**23**	**-**	**23**
For the 6 months ended 30 June 2025			
Revaluation of defined-benefit plans	4	(1)	3
Changes in cash-flow hedges	1		1
Foreign currency translation difference	(96)		(96)
Total	**(91)**	**(1)**	**(92)**

Comprehensive income/expense which cannot be reclassified to profit (loss) for the period, equal to €mil. 34 at 30 June 2026 (€mil. 8 at 30 June 2025), include the portion of the owners of the parent– consolidated companies and the portion attributable to non-controlling interests of the "Revaluation of defined-benefit plans"; Comprehensive income/expense which can be reclassified to profit (loss) for the period, equal to €mil. 90 at 30 June 2026 (-€mil. 299 at 30 June 2025), include the portion of the owners of the parent– consolidated companies and the portion attributable to non-controlling interests of the "Changes in cash-flow hedge" and the "Foreign currency translation difference".

16. LOANS AND BORROWINGS

	30 June 2026		31 December 2025	
	Non-current	Current	Non-current	Current
Bonds	-	-	-	512
Bank loans and borrowings	1,160	725	1,346	82
Lease liabilities	523	101	511	97
Other related party loans and borrowings (Note 31)	-	1,922	-	1,875
Other loans and borrowings	43	39	39	27
	1,726	**2,787**	**1,896**	**2,593**

The decrease in bonded loans compared to 31 December 2025 is attributable to the repayment of the bond issued by Leonardo S.p.a. for €mil. 500, which reached its natural expiry date in January 2026. The change in bank loans and borrowings included the drawdown of the ESG linked amortizing Term Loan amounting to €mil. 600, signed with a pool of primary international and domestic banks, on 10 March 2026, partially offset by repayments, occurred in January 2026, of the Term Loan entered into with Cassa Depositi e Prestiti of €mil. 100 and the Term Loan entered into by Leonardo DRS in 2022, which was outstanding for an amount of about USDmil. 191 (€mil. 163).

Leonardo S.p.a. represents the Group's only issuer in the bond market. Leonardo’s issuance programmes are governed by regulations laying down standard legal clauses for this type of transactions carried out by corporate entities in institutional markets, which do not require any commitment with respect to specific financial covenants, while they include, among others, negative pledge and cross default clauses. With specific reference to the negative pledge clauses, Leonardo and its Material Subsidiaries (i.e. entities in which Leonardo holds more than 50% of the capital and whose gross revenues and total assets account for at least 10% of consolidated gross revenues and total assets) are specifically prohibited from creating collaterals or any other encumbrance as security for their debt comprised of bonds or financial instruments that are either listed or capable of being listed, unless these guarantees are extended to all the bondholders. This prohibition shall not apply to securitisation transactions and to any set of assets intended for specific businesses pursuant to Articles 2447-bis and ff. of the Italian Civil Code. On the contrary, cross default clauses grant the bondholders the right to request early repayment of bonds in their possession upon the occurrence of an event of default on the part of Leonardo and/or any of its Material Subsidiaries, the result of which would be their failure to make payments above the established limits.

Financial covenants are included in the ESG-linked Term Loan signed in 2021 and in all the existing EIB loans (used for a total of €mil. 623 at 30 June 2026) which require Leonardo to comply with two Financial ratios (the ratio of Group net debt - excluding payables to the joint ventures MBDA and Thales Alenia Space and lease liabilities /EBITDA, including amortisation of the right of use assets, must be no higher than 3.75, and the ratio of EBITDA, including amortisation of the right of use assets / Net interest must be no lower than 3.25), tested annually based on consolidated data and which had been complied with in full at 31 December 2025. These same covenants are included in the ESG linked Revolving Credit Facility renewed in advance in October 2025 and in the ESG linked amortizing Term Loan signed last March. However, such covenants will be tested only if the credit rating assigned to Leonardo by at least two out of the three credit rating agencies should go below the Investment Grade.

In addition, the ESG-linked loans illustrated above envisaged margin adjustment clauses based on the achievement of certain indicators (KPIs) related to ESG objectives. Specifically:

- reduction in scope 1 and 2 CO_2 emissions of the Group; such KPI is included in the Term Loan signed in 2021 and in the RCF signed in 2025, as well as in the Sustainability-Linked Loan granted by the European Investment Bank in 2022;

- reduction in scope 3 CO_2 emissions of the Group for equivalent flight hours; such KPI is included in the ESG linked amortizing Term Loan signed in March 2026;
- increase in the percentage of suppliers, calculated on the basis of emissions, which set science-based decarbonisation targets; such KPI is included in the ESG linked RCF signed in 2025;
- promotion of female employment with STEM degrees; such KPI is included in the Term Loan signed in 2021;
- increase in per capita computing power of the Group; such KPI is included in the Sustainability Linked Loan granted by the European Investment Bank in 2022.

Financial covenants, in line with U.S. standard practices, are also provided for in the Revolving Credit Facility of Leonardo DRS. Also such financial ratios (Net debt / adj. EBITA no higher than 3.75 and adj. EBITA /Net interest no lower than 3.0, to be determined based on the data obtainable from the US GAAP financial statements of the Leonardo DRS Group) were met at the date of the last reported data.

During this half-year no receivables were assigned without recourse (€mil. 32 in the first half of 2025).

Below is the financial information prepared in accordance with the scheme required under CONSOB communication DEM/6064293 of 28 July 2006 and updated in accordance with the ESMA guidelines 32-382-1138 of 4 March 2021 as implemented in the CONSOB warning notice no. 5/21 of 29 April 2021:

(€ mil.)	**30 June 2026**	**31 December 2025**
A - Cash	(986)	(3,238)
C - Other current financial assets	(277)	(244)
D - Liquidity	**(1,263)**	**(3,482)**
E - Current financial debt (*)	2,787	2,081
F - Current portion of non-current financial debt	-	512
G - Current financial debt	**2,787**	**2,593**
H - Net current financial debt (funds)	**1,524**	**(889)**
I - Non-current financial debt (*)	1,726	1,896
J - Debt instruments (**)	(2)	(6)
K- Trade payables and other non-current debt	261	262
L - Non-current financial debt	**1,985**	**2,152**
M - Total financial debt	**3,509**	**1,263**

(*) Includes payables for leases of €mil. 624, of which €mil. 101 current (€mil. 608 as at 31 December 2025, of which €mil. 97 current)
(**) Includes the fair value of hedging derivatives in respect of debt items

17. PROVISIONS FOR RISKS AND CONTINGENT LIABILITIES

	30 June 2026		31 December 2025	
	Non-current	Current	Non-current	Current
Guarantees given	-	24	-	25
Restructuring	35	18	35	34
Product guarantees	102	355	101	275
Onereous contracts (losses at completion)	-	312	-	316
Other provisions	515	460	491	352
	652	**1,169**	**627**	**1,002**

The item “Other provisions” mainly included provisions related to critical issues on contracts. The decrease of the “Restructuring” provision mainly reflects expenditure relating to the early retirement agreements signed in previous financial years.

The notes to the consolidated financial statements as at 31 December 2025 gave an account, with regard to risks, of the criminal proceedings that involved, for various reasons, companies of the Group or of Leonardo and certain former directors and executives, concerning acts committed during the performance of their duties in Group’s companies or in Leonardo. Compared to what was represented in those financial statements, to which reference is made for a broader description, we highlight below the updates occurred during the first half of 2026 and until the date when this Financial Report was published:

- With reference to the notice of termination of the preliminary investigations under Article 415 bis of the Italian Code of Criminal Procedure, served on 8 February 2026 on the then Manager responsible for the Venegono plant of the Aeronautics Division of Leonardo as well as delegate of the Employer – Environmental Manager of the abovesaid plant, as a suspect for the crime under Article 137, paragraph 5 of Legislative Decree 152/2006, the Judge for Preliminary Investigations of the Court of Varese, in granting the Public Prosecutor’s request, issued a ruling on 9 March 2026 ordering the case to be dismissed;
- With reference to the notice of termination of the preliminary investigations under Article 415 bis of the Italian Code of Criminal Procedure served, inter alia, on Leonardo as a suspect pursuant to Article 25 septies of Legislative Decree 231/01, in relation to an accident that occurred in September 2022 at the Torino Caselle plant involving an employee of a third-party firm during the performance of a contract awarded by the Aeronautics Division, the Public Prosecutor’s Office at the Court of Ivrea issued a decision to dismiss the case against Leonardo pursuant to Article 58 of Legislative Decree 231/01. Proceedings are continuing, at the trial stage, against the then Manager of the Torino Caselle plant as well as delegate of the Employer of the Aircraft Division (now Aeronautics Division), charged with the crime under Article 590, paragraphs 1, 2 and 3 of the Italian Criminal Code (“culpable personal injury”);
- With reference to the proceedings pending beore the Court of Lecco in relation to the accident occurred on 16 March 2022 to the M-346FA (Fighter Attack) aircraft at Monte Legnone in the municipality of Colico (Lecco), during which one of the two pilots on board the aircraft involved in the flight died, the preliminary hearing is continuing and the next hearing is scheduled for 9 September 2026.

Based upon the information gathered and the results of the analysis carried out so far, the Directors of Leonardo did not allocate any specific provisions in relation to these cases. Any negative developments - which cannot be foreseen, nor determined to date - arising from any internal investigations or judicial investigations being conducted, will be subject to consistent assessment for the purposes of provisions (if any).

* * * * * * * *

With reference to the risks deriving from civil, tax and administrative disputes, it is underlined that the operations of the Leonardo Group's companies regard industries and markets where many disputes, both as petitioner and plaintiff, are settled only after a considerable period of time, especially in cases where the customer is a government entity. Pursuant to the IFRSs, provisions have been set aside for risks deemed probable and quantifiable. No specific provisions have been set aside for certain disputes in which the Group is defendant as these disputes are reasonably expected to be settled, based on current knowledge, satisfactorily and without significantly impacting the Group. Compared to what already described during the preparation of the 2025 consolidated financial statements, to which reference is made, we highlight the following disputes:

- With reference to the proceedings brought by writ of summons served on 24 September 2024 by the Bankruptcy bodies of Fallimento della Moreggia & C. S.p.a., at the end of the hearing of 9 June 2026, the Judge formally appointed a court-appointed expert and authorised the parties to appoint a party-appointed expert. The case was adjourned until the hearing of 30 March 2027 for the report to be examined;
- With reference to the proceedings brought before the "Technology and Construction Court", a specialised section of the High Court of England and Wales, following the AW169 helicopter crash that occurred on 27 October 2018 near King Power Stadium in Leicester City, as a result of which the five people on board died, including the then President of Leicester City Football Club, on 20 May 2026 the plaintiff filed its answer brief, challenging the previous notice of appearance and defence submitted by Leonardo;
- In relation to the sale of 98% of Menarini to Seri Industrial S.p.A., in which Leonardo S.p.A. held a stake of approximately 40%, on 14 May 2026 the Company received a third-party complaint from Seri Industrial S.p.A. as part of a lawsuit brought by the other seller, in its capacity as shareholder, against Menarini and and Seri industrial S.p.A. By this complaint, Seri industrial S.p.A. requested, inter alia, that the Court assigned to the case determine the sellers' liability for damages pursuant to Article 1440 of the Italian Civil Code or, in the alternative, for breach of the duties of fairness and good faith or, in the further alternative, for the breach of certain Representations and Warranties under the contract, and consequently order the sellers to pay Seri Industrial and/or Menarini the sum of approximately €mil. 82, by way of indemnity and/or compensation for damage. Leonardo appeared before the court on 10 July 2026, requesting, as a preliminary matter, authorisation for the intervention of the parent company SE.R.I. S.p.A.. On the merits of the case, the Company sought the dismissal of the opposing party's claim and sued back Menarini, Seri Industrial S.p.A. and SE.R.I. S.p.A. on the grounds of a breach of the obligations undertaken under the share sale agreement signed and finalised in 2024, for a sum of approximately €mil. 70, in addition to compensation for damage, to be quantified at a later date.

* * * * * * * *

It should also be noted that the Group's long-term contracts, by virtue of their complexity, their advanced technological content and the nature of the customers, are sometimes subject to disputes with customers regarding the conformity of the work carried out with the specifications requested by the customer and the performance of the products supplied. In view of these foreseeable issues, the Group takes steps to adjust the estimated costs for the performance of the contracts, whilst also taking into account the possible outcomes of such disputes.

With regard to contracts currently being performed which are characterised by uncertainties and issues under discussion with customers, no updates are reported compared to what was outlined in the consolidated financial statements at 31 December 2025.

18. EMPLOYEE BENEFITS

	30 June 2026			*31 December 2025*		
	Liabilities	Assets	Net	Liabilities	Assets	Net
Severance pay provision	183	-	183	187	-	187
Defined-benefit plans	57	281	(224)	59	224	(165)
Defined contribution plans	60	-	60	60	-	60
	300	**281**	**19**	**306**	**224**	**82**

The increase in the surplus of the foreign pension plans is mainly linked to the performance of the plans of the UK area.

19. OTHER CURRENT AND NON-CURRENT LIABILITIES

	30 June 2026		31 December 2025	
	Non-current	Current	Non-current	Current
Employee obligations	56	810	45	633
Deferred income	79	288	80	186
Amounts due to social security institutions	-	284	-	284
Payables to MEMiT (Law no. 808/85)	261	11	262	8
Payables to MEMiT for royalties (Law no. 808/85)	196	30	192	32
Indirect tax liabilities	-	146	-	153
Derivatives	-	128	-	129
Other liabilities	418	574	379	558
Other payables to related parties (Note 31)	-	8	-	149
	1,010	**2,279**	**958**	**2,132**

Other non-current liabilities include, in particular, the payable due to Bell Helicopter of €mil. 318 (€mil. 297 at 31 December 2025), deriving from the acquisition of the AW609 programme, which also encompasses the reasonably determinable estimate of the variable consideration that will be due to Bell Helicopter on the basis of the commercial performance of the programme.

20. TRADE PAYABLES, INCLUDING CONTRACT LIABILITIES

	30 June 2026	31 December 2025
Suppliers	3,554	3,135
Trade payables to related parties (Note 31)	368	369
Trade payables	**3,922**	**3,504**
Contract liabilities	11,726	10,149
	15,648	**13,653**

The increase in contract liabilities compared to 31 December 2025 was affected by the acquisition of the IDV business, further details of which can be found in Note 12 about business combinations, and by the ordinary business performance.

21. REVENUES

	For the 6 months ended 30 June	
	2026	2025
Revenue from contract with customers	8,180	6,924
Change in contract assets	115	145
Revenue from related parties (Note 31)	1,708	1,850
	10,003	**8,919**

The breakdown by recognition timing is reported below:

	2026	2025
Revenues at point in time	2,125	1,510
Revenues over time	7,878	7,409
	10,003	**8,919**

The breakdown by geographical area and business sector is reported in Note 7.

22. OTHER OPERATING INCOME (EXPENSES)

	For the 6 months ended 30 June					
	2026			2025		
	Income	Expenses	Net	Income	Expenses	Net
Grants for research and development costs	77	-	77	50	-	50
Exchange rate differences on operating items	74	(81)	(7)	113	(116)	(3)
Indirect taxes	-	(24)	(24)	-	(24)	(24)
Reversal of (accruals to) provisions for risks	99	(211)	(112)	93	(202)	(109)
Other income (expenses)	20	(24)	(4)	11	(20)	(9)
Other from/to related parties (Note 31)	5	-	5	286	-	286
	275	**(340)**	**(65)**	**553**	**(362)**	**191**

The figure of the first half of 2025 included the capital gain recognised after the sale of the UAS business to Fincantieri, equal to approximately €mil. 283, finalized in January 2025.

23. PURCHASES AND PERSONNEL EXPENSES

	For the 6 months ended 30 June			
	2026		2025	
Purchases		3,414		3,121
Services		2,776		2,372
Costs to related parties (Note 31)		291		303
Personnel expenses		2,979		2,734
Wages, salaries and contributions	*2,698*		*2,497*	
Defined-benefit plans costs	*3*		*5*	
Defined contribution plans costs	*134*		*122*	
Net restructuring costs	*19*		*7*	
Other personnel expenses	*125*		*103*	
Change in finished goods, work in progress and semi-finished products		(294)		(279)
Work performed by the Group and capitalised		(221)		(172)
		8,945		**8,079**

The Group recorded short-term lease rentals for €mil. 18 and lease rentals for low-value assets for €mil. 37 during the half-year.

The workforce number showed an increase on 31 December 2025 mainly attributable to Defence Electronics arising from the acquisition of the Defence business of Iveco Group (IDV Group), which was finalised on 18 March 2026.

The total workforce broken-down by category is as follows:

	Total Workforce		
	30 June 2026	31 December 2025	Change
Senior managers (*)	1,334	1,303	31
Middle managers	8,506	7,854	652
Clerical employees	41,023	39,295	1,728
Manual labourers (**)	15,647	14,310	1,337
	66,510	**62,762**	**3,748**

(*) include pilots
(**) include senior manual labourers

The breakdown of the total workforce by sector is as follows:

	Total Workforce by sector		
	30 June 2026	31 December 2025	Change
Defence Electronics	28,195	25,028	3,167
Helicopters	14,511	14,644	(133)
Aeronautics	12,700	12,368	332
Cyber & Security Solutions	3,292	2,991	301
Space	4,194	4,139	55
Other	3,618	3,592	26
	66,510	**62,762**	**3,748**

24. AMORTISATION, DEPRECIATION, WRITE-DOWNS AND FINANCIAL ASSETS VALUE ADJUSTMENTS

	For the 6 months ended 30 June			
	2026		2025	
Amortisation of intangible assets		135		118
Development costs	*26*		*23*	
Non-recurring costs	*33*		*25*	
Acquired through business combinations	*27*		*27*	
Concessions, licences and trademarks	*20*		*19*	
Other intangible assets	*29*		*24*	
Depreciation of property, plant and equipment and investment properties		169		156
Depreciation of right of use		53		48
Impairment of other assets		2		-
Financial assets value adjustments		10		8
		369		**330**

Amortisation and depreciation for the period showed a slight increase compared with the figure at 30 June 2025.

Financial assets value adjustments refer to evaluations periodically carried out in order to assess the recoverability of the financial assets recognised in the consolidated financial statements, in compliance with the provisions of IFRS 9 on impairment.

25. FINANCIAL INCOME AND EXPENSES

	For the 6 months ended 30 June					
	2026			2025		
	Income	Expenses	Net	Income	Expenses	Net
Interest	28	(27)	1	26	(37)	(11)
Interest on lease liabilities	-	(13)	(13)	-	(13)	(13)
Loan fees	-	(5)	(5)	-	(5)	(5)
Fair value gains (losses) through profit or loss	2	(2)	-	8	(3)	5
Premiums (paid) received on forwards	29	(37)	(8)	31	(40)	(9)
Exchange rate differences	20	(18)	2	34	(37)	(3)
Financial income (expenses) - related parties (Note 31)	2	(31)	(29)	4	(33)	(29)
Other financial income and expenses	4	(12)	(8)	3	(8)	(5)
	85	**(145)**	**(60)**	**106**	**(176)**	**(70)**

Net financial expenses benefitted from the lower balance of interest expenses, in line with the performance reported in the recent years in the Group’s financial exposure. Specifically, the Group incurred lower interest in the period linked to the €mil. 500 bonded loan, repaid in January 2026.

26. SHARE OF PROFITS (LOSSES) OF EQUITY-ACCOUNTED INVESTEES

	For the 6 months ended 30 June	
	2026	**2025**
Thales Alenia Space	(14)	(17)
MBDA + Hensoldt	60	46
GIE ATR	(9)	(29)
Strategic investments	**37**	**-**
Other	15	11
	52	**11**

The share of profits (losses) of equity-accounted investees showed an improvement on the comparative period mainly as a result of the positive performance of the strategic investments. Non-strategic investments showed a good performance as well, in comparison with the first six months of the previous year.

27. INCOME TAXES

	For the 6 months ended 30 June	
	2026	**2025**
Current taxes	(175)	(93)
Tax related to previous periods	(8)	3
(Provisions) reversal for tax disputes	-	(1)
Deferred tax - net	23	(9)
	(160)	**(100)**

28. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Assets held for sale (€mil. 10 at 30 June 2026, €mil. 12 at 31 December 2025) chiefly included the investment in CNBM Leonardo (Shanghai) Aerostructures co. Ltd., the disposal of which is expected to be finalised during FY 2026.

There were no discontinued operations as at 30 June 2026 and 2025.

29. EARNINGS PER SHARE

	For the 6 months ended 30 June	
	2026	**2025**
Average shares outstanding during the reporting period (in thousands)	577,092	576,437
Earnings for the period (excluding non-controlling interests) (€mil.)	403	501
Earnings from continuing operations (excluding non-controlling interests) (€mil.)	403	501
Earnings from discontinued operations (excluding non-controlling interests) (€mil.)	-	-
Basic and Diluted EPS (€)	**0.698**	**0.869**
Basic and Diluted EPS from continuing operations (€)	*0.698*	*0.869*
Basic and Diluted EPS from discontinued operations (€)	*n.a.*	*n.a*

Basic earnings per share at 30 June 2026, as well as those relating to the comparative period, were equal to diluted earnings per share, since there were no dilutive elements.

30. CASH FLOW FROM OPERATING ACTIVITIES AND INVESTING ACTIVITIES

	For the 6 months ended 30 June	
	2026	**2025**
Net result	456	542
Amortisation, depreciation and write-offs	369	330
Share of profits/(losses) of equity-accounted investees	(52)	(11)
Income taxes	160	100
Costs for defined-benefit plans	3	5
Net financial expenses/(income)	60	70
Net allocations to the provisions for risks and inventory write-downs	172	152
Gain on sale of business	-	(283)
Other non-monetary items	42	36
	1,210	**941**

The changes in working capital are as follows:

	For the 6 months ended 30 June	
	2026	**2025**
Inventories	(731)	(657)
Contract assets and liabilities	385	(141)
Trade receivables and payables	(246)	(126)
	(592)	**(924)**

Changes in other investing or disinvesting activities include dividends received and the effects of acquisitions and sales of equity investments and are broken down as follows:

	2026	2025
Strategic transactions	(1,555)	446
Dividends received	24	238
Change of other investing or disinvesting activities	(12)	(1)
	(1,543)	**683**

Strategic transactions included the acquisition of the IDV business, the acquisition of the British company BeCrypt Ltd and of the remaining 35% in GEM Elettronica, beside the impact of other minor acquisitions.

31. RELATED PARTY TRANSACTIONS

Related party transactions are carried out at arm's length, as is settlement of the interest-bearing receivables and payables when not governed by specific contractual conditions. The relevant financial statement amounts are shown below. The statement of cash flows presents the impact of related party transactions on cash flows.

RECEIVABLES at 30 June 2026	Non-current loans and receivables	Other non-current receivables	Current loans and receivables	Trade receivables	Other current receivables	Total
Associates						
NHIndustries SAS				240		240
Eurofighter Jagdflugzeug GmbH				45		45
HENSOLDT AG				17		17
AgustaWestland Aviation Services LLC				16		16
Macchi Hurel Dubois SAS				15		15
Other with unit amount lower than €mil. 10			2	23		25
Joint Ventures						
Polo Strategico Nazionale SpA				105		105
MBDA SAS				68		68
Orizzonte - Sistemi Navali SpA				55		55
GIE ATR				45	35	80
Edgewing Systems Ltd				39		39
Spaceopal GmbH				15		15
Thales Alenia Space SAS			118	13		131
Other with unit amount lower than €mil. 10				14	1	15
Other companies and consortiums						
Consorzio Protezioni Balistiche Italia						
Other with unit amount lower than €mil. 10			2	8		10
Companies subject to the control or considerable influence of the MEF						
Fincantieri Spa Group				51	4	55
ENAV SpA				12		12
Other with unit amount lower than €mil. 10				23		23
Total	**-**	**-**	**122**	**804**	**40**	**966**
% against total for the period	*-*	*-*	*44.0%*	*17.3%*	*10.4%*	

RECEIVABLES at 31 December 2025	**Non-current loans and receivables**	**Other non-current receivables**	**Current loans and receivables**	**Trade receivables**	**Other current receivables**	**Total**
Associates						
NHIndustries SAS				289		289
Iveco - Oto Melara Scarl				118		118
Eurofighter Jagdflugzeug GmbH				169		169
AgustaWestland Aviation Services LLC				14		14
HENSOLDT AG				14		14
Macchi Hurel Dubois SAS				13		13
CNBM LEONARDO (SHANGHAI) AEROSTRUCTURES CO., LTD.				17		17
Other with unit amount lower than €mil. 10			2	27		29
Joint Ventures						
Thales Alenia Space SAS			221	14		235
Polo Strategico Nazionale SpA				112		112
GIE ATR				41		41
MBDA SAS				20		20
Orizzonte - Sistemi Navali SpA				21		21
Spaceopal GmbH				8		8
Other with unit amount lower than €mil. 10				13	1	14
Other companies and consortiums						
Consorzio Protezioni Balistiche Italia				16		16
Other with unit amount lower than €mil. 10			2	11		13
Companies subject to the control or considerable influence of the MEF						
Fincantieri Spa Group				88	9	97
Ministero dell'Economia e delle Finanze				7		7
ENAV SpA				15		15
Other with unit amount lower than €mil. 10				25		25
Total	**-**	**-**	**225**	**1,052**	**10**	**1,287**
% against total for the period	*-*	*-*	*92.2%*	*27.0%*	*4.0%*	

PAYABLES at 30 June 2026	Non-current loans and borrowings	Other non-current borrowings	Current loans and borrowings	Trade payables	Other current payables	Total
Associates						
NHIndustries SAS				125		125
Eurofighter Jagdflugzeug GmbH			51	65		116
Gulf System Logistic Services Company WLL				36		36
HENSOLDT AG				27		27
Elettronica SpA				17		17
Other with unit amount lower than €mil. 10			1	8		9
Joint Ventures						
MBDA SAS			1,818	15	7	1,840
Edgewing Systems Ltd			51			51
Thales Alenia Space SAS				30		30
Other with unit amount lower than €mil. 10			1	10		11
Other companies and consortiums						
Other with unit amount lower than €mil. 10				2		2
Companies subject to the control or considerable influence of the MEF						
Enel SpA				21		21
Cassa Depositi e Prestiti SpA				9	1	10
Fincantieri Spa Group				1		1
Other with unit amount lower than €mil. 10				2		2
Total	**-**	**-**	**1,922**	**368**	**8**	**2,298**
% against total for the period	*-*	*-*	*69.0%*	*9.4%*	*0.4%*	

PAYABLES at 31 December 2025	Non-current loans and borrowings	Other non-current borrowings	Current loans and borrowings	Trade payables	Other current payables	Total
Associates						
NHIndustries SAS				137	113	250
Eurofighter Jagdflugzeug GmbH			221	73		294
Gulf System Logistic Services Company WLL				36		36
HENSOLDT AG				15		15
Elettronica SpA				13		13
Other with unit amount lower than €mil. 10				6	3	9
Joint Ventures						
MBDA SAS			1,553	7		1,560
Thales Alenia Space SAS				10		10
GIE ATR				4	30	34
Other with unit amount lower than €mil. 10				11	1	12
Other companies and consortiums						
Other with unit amount lower than €mil. 10			1	5	1	7
Companies subject to the control or considerable influence of the MEF						
Cassa Depositi e Prestiti SpA			100	2	1	103
Fincantieri Spa Group				20		20
Enel SpA				30		30
Other with unit amount lower than €mil. 10						-
Total	**-**	**-**	**1,875**	**369**	**149**	**2,393**
% against total for the period	*-*	*-*	*72.3%*	*10.5%*	*8.2%*	

Trade receivables are commented on later, along with revenue from related parties.

Loans and receivables mainly refer to receivables from the joint venture Thales Alenia Space. Related-party loans and borrowings include in particular the amount of €mil. 1,818 (€mil. 1,553 at 31 December 2025) due by Group companies to the joint venture MBDA and payables for €mil. 51 (€mil. 221 at 31 December 2025) to Eurofighter. The financial debt to Cassa Depositi e Prestiti (€mil. 100) relates to the loan raised in 2020 (a current loan in 2025 and repaid in 2026) aimed at supporting investments in research, development and innovation envisaged in the Industrial Plan.

For the 6 months ended 30 June 2026	Revenue	Other operating income	Costs	Other operating costs	Financial income	Financial expenses
Associates						
Eurofighter Jagdflugzeug GmbH	632		17			1
NHIndustries SAS	102					
HENSOLDT AG	38		85			
Iveco-Oto Melara Scarl	72		1			
AgustaWestland Aviation Services LLC	22	1				
Macchi Hurel Dubois SAS	20					
Elettronica SpA	1		26			
Other with unit amount lower than €mil. 10	15		7			
Joint Ventures						
Edgewing Systems Ltd	199		(1)			
Orizzonte - Sistemi Navali SpA	127	1				
MBDA SAS	104		20			30
Polo Strategico Nazionale SpA	101					
GIE ATR	93		8			
Spaceopal GmbH	41	1				
Thales Alenia Space SAS	21		39		2	
Rotorsim Srl		2	10			
Other with unit amount lower than €mil. 10			2			
Other companies and consortiums						
Consorzio Protezioni Balistiche Italia	10					
Other with unit amount lower than €mil. 10	10		10			
Companies subject to the control or considerable influence of the MEF						
Fincantieri Spa Group	36		13			
ENAV SpA	13					
Ferrovie dello Stato	12					
Poste Italiane SpA	11					
ENI SpA	10					
Ministero dell'Economia e delle Finanze	5					
Enel SpA	4		53			
Other with unit amount lower than €mil. 10	9		1			
Total	**1,708**	**5**	**291**	**-**	**2**	**31**
% against total for the period	*17.1%*	*1.8%*	*3.3%*	*-*	*2.4%*	*21.4%*

For the 6 months ended 30 June 2025	Revenue	Other operating income	Costs	Other operating costs	Financial income	Financial expenses
Associates						
Eurofighter Jagdflugzeug GmbH	713		59			1
NHIndustries SAS	171					
Iveco-Oto Melara Scarl	141		1			1
AgustaWestland Aviation Services LLC	20					
Macchi Hurel Dubois SAS	19					
Euromids SAS	16					
HENSOLDT AG	14		48			
Elettronica SpA			40			
Other with unit amount lower than €mil. 10	12		5			
Joint Ventures						
Orizzonte - Sistemi Navali SpA	77		1			
MBDA SAS	70		53			29
GIE ATR	54		5			
Polo Strategico Nazionale SpA	46					
Spaceopal GmbH	36	1				
Thales Alenia Space SAS	22		15		4	
Rotorsim Srl		2	10			
Other with unit amount lower than €mil. 10			4			
Other companies and consortiums						
Consorzio Protezioni Balistiche Italia	13					
Panavia Aircraft Gmbh	10					
Other with unit amount lower than €mil. 10	1		3			
Companies subject to the control or considerable influence of the MEF						
Fincantieri Spa Group	364	283				
Poste Italiane SpA	10					
Enel SpA	4		54			
Other with unit amount lower than €mil. 10	37		5			2
Total	**1,850**	**286**	**303**	**-**	**4**	**33**
% against total for the period	*20.7%*	*51.7%*	*3.8%*	*-*	*3.8%*	*18.8%*

The most significant trade receivables and revenues, in addition to those from joint ventures, are related to the following companies:

- Eurofighter Jagdflugzeug GmbH in the scope of the EFA aeronautical programme;
- NHIndustries SAS in the scope of the NH90 helicopter programme;

Costs, in addition to those to joint ventures, are mainly related to:

- Eurofighter Jagdflugzeug GmbH as part of the above-mentioned EFA programme;
- Elettronica Spa for the support to the EFA aircraft fleet and as part of the GCAP programme.

For the Board of Directors

The Chairman

(Francesco Macrì)

ANNEX: SCOPE OF CONSOLIDATION

List of companies consolidated on a line-by-line basis (amounts in foreign currency)

Company name	Registered office	Partecipating company	Currency	Share capital	% Group ownership		% Group shareholding
					Direct	Indirect	
3083683 NOVA SCOTIA LIMITED	Halifax, Nova Scotia (Canada)	ENGINEERED SUPPORT SYSTEMS INC	CAD	-		100	71.38
AGUSTAWESTLAND INDIA PRIVATE LTD (IN LIQ.)	New Delhi (India)	LEONARDO GLOBAL SOLUTIONS SPA AGUSTAWESTLAND LTD	INR	11,519,450		100	100
AGUSTAWESTLAND INTERNATIONAL LTD	Yeovil, Somerset (UK)	AGUSTAWESTLAND LTD	GBP	511,000		100	100
AGUSTAWESTLAND LTD	Yeovil, Somerset (UK)	LEONARDO UK LTD	GBP	1,520,304		100	100
ALEA SRL	Pordenone	LEONARDO SPA	EUR	120,000	100		100
AXIOMATICS AB	Stoccolma (Sweden)	LEONARDO SPA	SEK	338,025	100		100
AXIOMATICS CANADA INC	Toronto (Canada)	AXIOMATICS AB	CAD	100		100	100
AXIOMATICS FEDERAL INC	Reston (USA)	AXIOMATICS INC	USD	50		100	100
AXIOMATICS INC	Chicago (USA)	AXIOMATICS AB	USD	50		100	100
BECRYPT LTD	London (UK)	LEONARDO UK LTD	GBP	207		100	100
DAYLIGHT DEFENCE LLC	Wilmington, Delaware (USA)	DAYLIGHT SOLUTIONS INC	USD	-		100	71.38
DAYLIGHT SOLUTIONS INC	Wilmington, Delaware (USA)	LEONARDO DRS INC	USD	1		100	71.38
DISPOSITIVI PROTEZIONE INDIVIDUALE D.P.I. SRL	Rome	LARIMART SPA	EUR	309,600		77.92	46.75
DRS ADVANCED ISR LLC	Wilmington, Delaware (USA)	DRS DEFENSE SOLUTIONS LLC	USD	-		100	71.38
DRS DEFENSE SOLUTIONS LLC	Wilmington, Delaware (USA)	LEONARDO DRS INC	USD	-		100	71.38
DRS ENVIRONMENTAL SYSTEMS INC	Wilmington, Delaware (USA)	ENGINEERED SUPPORT SYSTEMS INC	USD	2		100	71.38
DRS HOMELAND SECURITY SOLUTIONS INC	Wilmington, Delaware (USA)	LEONARDO DRS INC	USD	1		100	71.38
DRS INTERNATIONAL INC	Wilmington, Delaware (USA)	LEONARDO DRS INC	USD	1		100	71.38
DRS NAVAL POWER SYSTEMS INC	Wilmington, Delaware (USA)	ENGINEERED SUPPORT SYSTEMS INC	USD	1		100	71.38
DRS NETWORK & IMAGING SYSTEMS LLC	Wilmington, Delaware (USA)	LEONARDO DRS INC	USD	-		100	71.38
DRS SIGNAL SOLUTIONS INC	Wilmington, Delaware (USA)	DRS DEFENSE SOLUTIONS LLC	USD	10		100	71.38
DRS SURVEILLANCE SUPPORT SYSTEMS INC	Wilmington, Delaware (USA)	LEONARDO DRS INC	USD	1		100	71.38
DRS SUSTAINMENT SYSTEMS INC	Wilmington, Delaware (USA)	ENGINEERED SUPPORT SYSTEMS INC	USD	1,000		100	71.38
DRS SYSTEMS MANAGEMENT LLC	Wilmington, Delaware (USA)	LEONARDO DRS INC	USD	1		100	71.38
DRS SYSTEMS INC	Wilmington, Delaware (USA)	LEONARDO DRS INC	USD	1		100	71.38
DRS RADA TECHNOLOGIES LTD	Netanya (Israel)	LEONARDO DRS INC	ILS	1,491,527		100	71.38
DRS TECHNOLOGIES CANADA INC	Wilmington, Delaware (USA)	LEONARDO DRS INC	USD	1		100	71.38
DRS TECHNOLOGIES CANADA LTD	Kanata, Ontario (Canada)	DRS TECHNOLOGIES CANADA INC	CAD	100		100	71.38
DRS TECHNOLOGIES SAUDI ARABIA LLC	Riyadh (Saudi Arabia)	LEONARDO DRS INC	SAR	2,000,000		49	34.98

DRS TRAINING & CONTROL SYSTEMS LLC	Tallahassee, Florida (USA)	DRS DEFENSE SOLUTIONS LLC	USD	510		100	71.38
DRS UNMANNED TECHNOLOGIES INC	Wilmington, Delaware (USA)	DRS TRAINING & CONTROL SYSTEMS LLC	USD	1		100	71.38
E2E ENGINEERING LIMITED	Luton (UK)	TELESPAZIO UK LTD	GBP	489		100	67
E2E SATCOM LIMITED	Luton (UK)	E2E ENGINEERING LIMITED	GBP	900		100	67
E2E SERVICES LIMITED	Luton (UK)	E2E ENGINEERING LIMITED	GBP	300		100	67
E - GEOS SPA	Matera	TELESPAZIO SPA	EUR	5,000,000		80	53.60
EARTHLAB LUXEMBOURG SA	Mamer (Luxembourg)	TELESPAZIO BELGIUM SRL E - GEOS SPA	EUR	4,875,000		100	64.72
ENGINEERED COIL COMPANY	Jefferson City, Missouri (USA)	ENGINEERED SUPPORT SYSTEMS INC	USD	1,000		100	71.38
ENGINEERED SUPPORT SYSTEMS INC	Jefferson City, Missouri (USA)	LEONARDO DRS INC	USD	1		100	71.38
ENTERPRISE ELECTRONICS CORPORATION	Montgomery (USA)	LEONARDO US CORPORATION	USD	95,219		100	100
ESSI RESOURCES LLC	Frankfort, Kentucky (USA)	DRS SUSTAINMENT SYSTEMS INC	USD	-		100	71.38
GAF GEOSPATIAL GmbH (ex GAF AG)	Munich (Germany)	E - GEOS SPA	EUR	256,000		100	53.60
G.E.M. ELETTRONICA SRL	San Benedetto del Tronto (Ascoli Piceno)	LEONARDO SPA	EUR	4,500,000	100		100
IDV GROUP SRL	Bolzano	LEONARDO SPA	EUR	340,000	100		100
ASTRA VEICOLI INDUSTRIALI S.P.A.	Piacenza	IDV GROUP SRL	EUR	10,400,000		100	100
IDV BRASIL LTDA	Sete Lagoas (Brazil)	IDV GROUP SRL	BRL	370,460,241		100	100
IDV DEFENCE VEHICLES ESPAÑA SL	Madrid (Spain)	IDV GROUP SRL	EUR	4,695,144		100	100
IDV DEFENCE VEHICLES FRANCE S.A.S.	Guyancourt (France)	IDV DEFENCE VEHICLES ITALIA SPA	EUR	2,800,000		100	100
IDV DEFENCE VEHICLES ITALIA S.P.A.	Bolzano	IDV GROUP SRL	EUR	25,000,000		100	100
IDV DEFENCE VEHICLES ROMANIA SRL	Petresti (Romania)	IDV DEFENCE VEHICLES ITALIA SPA	RON	20,086,000		100	100
IDV DEFENCE VEHICLES UK LTD	Nuneaton (UK)	IDV DEFENCE VEHICLES ITALIA SPA	GBP	417,001		100	100
IDV DEUTSCHLAND GMBH	Ulm (Germany)	IDV GROUP SRL	EUR	25,000		100	100
IDV NEDERLAND BV	Andelst (Netherlands)	IDV GROUP SRL	EUR	1		100	100
IDV USA INC	York (USA)	IDV DEFENCE VEHICLES ITALIA SPA	USD	250,000		100	100
ITALWATT SRL	San Mauro Torinese	IDV DEFENCE VEHICLES ITALIA SPA	EUR	20,000		100	100
IDV - OTO MELARA SC A RL (ex Iveco - Oto Melara Sc a rl)	Rome	LEONARDO SPA IDV DEFENCE VEHICLES ITALIA SPA	EUR	40,000	50	50	100
KOPTER GERMANY GMBH	HÖHENKIRCHEN-Siegertsbrunn (Germany)	KOPTER GROUP AG	EUR	25,000		100	100
KOPTER GROUP AG	Mollis, North Glarus (Switzerland)	LEONARDO SPA	CHF	32,000,000	100		100
LARIMART SPA	Rome	LEONARDO SPA	EUR	2,500,000	60		60
LAUREL TECHNOLOGIES PARTNERSHIP	Wilmington, Delaware (USA)	DRS SYSTEMS MANAGEMENT LLC DRS SIGNAL SOLUTIONS INC	USD	-		100	71.38
LEONARDO AUSTRALIA PTY LTD	Essendon, Victoria (Australia)	LEONARDO INTERNATIONAL SPA	AUD	8,366,301		100	100
LEONARDO BELGIUM SA	Grace Hollogne (Belgium)	LEONARDO INTERNATIONAL SPA SELEX ES INTERNATIONAL LTD	EUR	500,000		100	100
LEONARDO CAE ADVANCED JET TRAINING SRL	Villasor (Cagliari)	LEONARDO SPA	EUR	49,040,000	50		50

LEONARDO CANADA INC (ex TTI Tactical Technologies Inc)	Ottawa, Ontario (Canada)	LEONARDO INTERNATIONAL SPA	CAD	2,500,001		100	100
LEONARDO (CHINA) CO. LTD	Beijing (China)	LEONARDO INTERNATIONAL SPA	USD	800,000		100	100
LEONARDO DO BRASIL LTDA	Itapevi (Brazil)	LEONARDO INTERNATIONAL SPA SELEX ES INTERNATIONAL LTD	BRL	48,241,788		100	100
LEONARDO DRS INC	Wilmington, Delaware (USA)	LEONARDO US HOLDING LLC	USD	262,454,115		71.38	71.38
LEONARDO DRS UNITED KINGDOM LTD	Bramhall Stockport (UK)	DRS RADA TECHNOLOGIES LTD	GBP	1		100	71.38
LEONARDO ELECTRONICS US INC	Wilmington, Delaware (USA)	LEONARDO US CORPORATION	USD	32,750,000		100	100
LEONARDO FOR AVIATION SERVICES (SPC)	Kuwait City (Kuwait)	LEONARDO SPA	KWD	300,000	100		100
LEONARDO GERMANY GMBH	Neuss (Germany)	LEONARDO INTERNATIONAL SPA SELEX ES INTERNATIONAL LTD	EUR	2,500,000		100	100
LEONARDO GLOBAL SOLUTIONS SPA	Rome	LEONARDO SPA	EUR	51,000,000	100		100
LEONARDO GMBH	Cologne (Germany)	LEONARDO INTERNATIONAL SPA	EUR	25,700		100	100
LEONARDO HELICOPTERS US CO (ex Agustawestland Philadelphia Co)	Wilmington, Delaware (USA)	LEONARDO US CORPORATION	USD	20,000,000		100	100
LEONARDO HELICOPTERS USA INC	Wilmington, Delaware (USA)	LEONARDO HELICOPTERS US CO (ex Agustawestland Philadelphia Co)	USD	-		100	100
LEONARDO INTERNATIONAL SPA	Rome	LEONARDO SPA	EUR	1,000,000	100		100
LEONARDO LOGISTICS SPA	Rome	LEONARDO SPA	EUR	100,000	100		100
LEONARDO LOGISTICS POLAND SP Z O.O	Swidnik (Poland)	LEONARDO LOGISTICS SPA	PLN	5,000		100	100
LEONARDO MALAYSIA SDN BHD	Kuala Lumpur (Malaysia)	LEONARDO INTERNATIONAL SPA	MYR	2,500,000		100	100
LEONARDO PZL-SWIDNIK SPÓLKA AKCYJNA (ex Wytwornia Sprzetu Komunikacyjnego “Pzl-Swidnik” Spolka Akcyjna)	Swidnik (Poland)	LEONARDO SPA	PLN	137,401,350	100		100
LEONARDO ROMANIA AEROSPACE, DEFENCE & SECURITY SA	Ploiesti (Romania)	LEONARDO INTERNATIONAL SPA SELEX ES INTERNATIONAL LTD	RON	10,847,960		100	100
LEONARDO SAUDI LTD	Riyadh (Saudi Arabia)	LEONARDO INTERNATIONAL SPA	SAR	30,000,000		100	100
LEONARDO SOUTH AFRICA (PTY) LTD	Pretoria (South Africa)	LEONARDO INTERNATIONAL SPA	ZAR	1,500		100	100
LEONARDO TECHNOLOGIES & SERVICES LTD	Nairobi (Kenya)	LEONARDO INTERNATIONAL SPA	KES	109,600,000		100	100
LEONARDO TURKEI HAVACILIK SAVUNMA VE GUVENLIK SISTEMLERI AS	Ankara (Turkey)	LEONARDO INTERNATIONAL SPA SELEX ES INTERNATIONAL LTD	TRY	79,557,009		100	100
LEONARDO UK LTD	London (UK)	LEONARDO SPA	GBP	314,500,100	100		100
LEONARDO US AIRCRAFT LLC	Wilmington, Delaware (USA)	LEONARDO US SUBHOLDINGS LLC	USD	100		100	100
LEONARDO US AUTOMATION INC	Wilmington, Delaware (USA)	LEONARDO US CORPORATION	USD	10		100	100
LEONARDO US CORPORATION	Wilmington, Delaware (USA)	LEONARDO US HOLDING LLC	USD	10		100	100
LEONARDO US HOLDING LLC	Wilmington, Delaware (USA)	LEONARDO SPA LEONARDO INTERNATIONAL SPA	USD	10	53.53	46.47	100
LEONARDO US SUBHOLDING LLC	Wilmington, Delaware (USA)	LEONARDO US CORPORATION	USD	100		100	100
OTO MELARA NORTH AMERICA LLC	Wilmington, Delaware (USA)	LEONARDO DRS INC	USD	-		100	71.38
PIVOTAL POWER INC	Halifax, Nova Scotia (Canada)	3083683 NOVA SCOTIA LIMITED	CAD	-		100	71.38
PRECISION AVIATION PROPERTY PTY LTD	Pretoria (South Africa)	LEONARDO SOUTH AFRICA (PTY) LTD	ZAR	100		100	100
RADA INNOVATIONS LLC	Germantown (USA)	RADA SENSORS INC	USD	1		100	71.38

RADA SENSORS INC	Delaware (USA)	DRS RADA TECHNOLOGIES LTD	USD	100		100	71.38
RADA TECHNOLOGIES LLC	Germantown (USA)	RADA SENSORS INC	USD	1		100	71.38
RARTEL SA	Bucharest (Romania)	TELESPAZIO SPA	RON	468,500		61.06	40.91
REGIONALNY PARK PRZEMYSLOWY SWIDNIK SP Z O.O	Swidnik (Poland)	PZL-SWIDNIK SA	PLN	7,722,000		76.08	76.08
SELEX ELSAG LTD	Basildon, Essex (UK)	LEONARDO UK LTD	GBP	25,800,100		100	100
LEONARDO US CYBER AND SECURITY SOLUTIONS LLC (ex Selex ES Llc)	Wilmington, Delaware (USA)	LEONARDO US SUBHOLDINGS LLC	USD	100		100	100
SELEX ES INTERNATIONAL LTD	Basildon, Essex (UK)	LEONARDO INTERNATIONAL SPA	GBP	100		100	100
SELEX ES MALAYSIA SDN BHD	Kuala Lumpur (Malaysia)	LEONARDO INTERNATIONAL SPA	MYR	500,000		100	100
T - S HOLDING CORPORATION	Austin, Texas (USA)	TECH-SYM LLC	USD	280,000		100	71.38
TECH-SYM LLC	Carson City, Nevada (USA)	LEONARDO DRS INC	USD	10		100	71.38
TELESPAZIO ARGENTINA SA	Buenos Aires (Argentina)	TELESPAZIO SPA TELESPAZIO BRASIL SA	ARS	9,950,000		100	66.96
TELESPAZIO BELGIUM SRL	Bastogne (Belgium)	TELESPAZIO SPA TELESPAZIO FRENCH GUIANA SARL	EUR	1,282,750		100	67
TELESPAZIO BRASIL SA	Rio de Janeiro (Brazil)	TELESPAZIO LATIN AMERICA LTDA	BRL	58,724,000		98.77	66.18
TELESPAZIO FRANCE SAS	Toulouse (France)	TELESPAZIO SPA	EUR	33,670,000		100	67
TELESPAZIO FRENCH GUIANA SARL	Kourou (Guyana of France)	TELESPAZIO SPA	EUR	7,625		100	67
TELESPAZIO GERMANY GMBH	Darmstadt (Germany)	TELESPAZIO SPA TELESPAZIO FRANCE SAS	EUR	44,150		100	67
TELESPAZIO IBERICA SL	Madrid (Spain)	TELESPAZIO SPA	EUR	2,230,262		100	67
TELESPAZIO LATIN AMERICA LTDA	Rio de Janeiro (Brazil)	TELESPAZIO SPA	BRL	56,444,390		100	67
TELESPAZIO SPA	Rome	LEONARDO SPA	EUR	50,000,000	67		67
TELESPAZIO UK LTD	Luton (UK)	TELESPAZIO SPA	GBP	14,400,048		100	67
TELESPAZIO UK SL	Madrid (Spain)	TELESPAZIO IBERICA SL	EUR	3,100		100	67

List of companies consolidated using the equity method (amounts in foreign currency)

Company name	*Registered office*	*Partecipating company*	*Currency*	*Share capital*	*% Group ownership*		*% Group shareholding*
					Direct	*Indirect*	
ADVANCED AIR TRAFFIC SYSTEMS SDN BHD	Shah Alam (Malaysia)	SELEX ES INTERNATIONAL LTD	MYR	10,000,000		30	30
AGUSTAWESTLAND AVIATION SERVICES LLC	Abu Dhabi (United Arab Emirates)	LEONARDO SPA	AED	58,010,000	30		30
AMSH BV	Rotterdam (the Netherlands)	LEONARDO SPA	EUR	36,296,316	50		50
AVIO SPA	Rome	LEONARDO SPA	EUR	158,506,883	19.30		19.30
BLCAT INC	Ottawa, Ontario (Canada)	LEONARDO CANADA INC (ex TTI Tactical Technologies Inc)	CAD	100		50	50
CNBM LEONARDO (SHANGHAI) AEROSTRUCTURES CO. LTD	Shanghai (China)	LEONARDO SPA	USD	200,000,000	30		30
C-27J AVIATION SERVICES INC	Ottawa, Ontario (Canada)	LEONARDO CANADA INC (ex TTI Tactical Technologies Inc)	CAD	10,000		30	30
CONSORZIO ATR GIE	Toulouse (France)	LEONARDO SPA	USD	-	50		50
D-FLIGHT SPA	Rome	LEONARDO SPA	EUR	83,333	40		40

EDGEWING SYSTEMS LIMITED	Reading (UK)	LEONARDO SPA	GBP	2,999,970	33.33		33.33
ELETTRONICA SPA	Rome	LEONARDO SPA	EUR	9,000,000	31.33		31.33
EUROFIGHTER JAGDFLUGZEUG GMBH	Hallbergmoos (Germany)	LEONARDO SPA	EUR	2,556,459	21		21
EUROMIDS SAS	Paris (France)	LEONARDO SPA	EUR	40,500	25		25
GULF SYSTEMS LOGISTICS SERVICES COMPANY WLL	Kuwait City (Kuwait)	LEONARDO SPA	KWD	75,000	40		40
HELIVERT JOINT STOCK COMPANY	Moscow (Russia)	LEONARDO SPA	RUB	325,010,000	50		50
HENSOLDT AG	Taufkirchen (Germany)	LEONARDO SPA	EUR	115,500,000	22.80		22.80
IAMCO - INTERNATIONAL AEROSPACE MANAGEMENT COMPANY SCRL	Venice	LEONARDO SPA	EUR	208,000	25		25
INMOVE ITALIA SRL	Rome	LEONARDO SPA	EUR	14,441	100		100
JIANGXI CHANGHE AGUSTA HELICOPTER CO LTD	Jingdezhen (China)	LEONARDO SPA	CNY	6,000,000	40		40
LEONARDO AEROSPACE DEFENSE & SECURITY INDIA PRIVATE LTD	New Delhi (India)	LEONARDO INTERNATIONAL SPA SELEX ES INTERNATIONAL LTD	INR	30,000,000		100	100
LEONARDO ELECTRONICS PENSION SCHEME (TRUSTEE) LTD	Yeovil, Somerset (UK)	LEONARDO UK LTD	GBP	100		100	100
LEONARDO FOR TRADING OF MACHINERY EQUIPMENT AND DEVICES WLL	Kuwait City (Kuwait)	LEONARDO INTERNATIONAL SPA	KWD	303,000		93	93
LEONARDO FUTUREPLANNER (TRUSTEE) LIMITED	Yeovil, Somerset (UK)	LEONARDO UK LTD	GBP	1		100	100
LEONARDO GULF TECHNOLOGIES LLC	Abu Dhabi (United Arab Emirates)	LEONARDO INTERNATIONAL SPA	AED	50,000		100	100
LEONARDO HELICOPTERES ALGERIE SPA	Bir Mourad Rais (DZ) (Algerie)	LEONARDO SPA LEONARDO INTERNATIONAL SPA	EUR	55,000,000	39	10	49
LEONARDO HELICOPTERS PENSION SCHEME (TRUSTEE) LTD	Yeovil, Somerset (UK)	LEONARDO UK LTD	GBP	1		100	100
LEONARDO HISPANIA SAU (IN LIQ.)	Loriguilla, Valencia (Spain)	LEONARDO INTERNATIONAL SPA	EUR	5,189,019		100	100
LEONARDO MW Ltd	Basildon, Essex (UK)	LEONARDO UK LTD	GBP	1		100	100
LEONARDO PENSION SCHEME (TRUSTEE) LIMITED	Yeovil, Somerset (UK)	LEONARDO UK LTD	GBP	1		100	100
LEONARDO POLAND SP Z O.O	Varsavia (Poland)	LEONARDO INTERNATIONAL SPA	PLN	850,000		100	100
LEONARDO RHEINMETALL MILITARY VEHICLES SRL	Rome	LEONARDO SPA	EUR	3,000,000	50		50
LEONARDO SINGAPORE PTE. LTD	Singapore (Singapore)	LEONARDO INTERNATIONAL SPA	USD	150,000		100	100
LEONARDO TECHNOLOGIES AND MARKETING SERVICES EGYPT LLC	Cairo (Egypt)	LEONARDO INTERNATIONAL SPA SELEX ES INTERNATIONAL LTD	USD	150,000		100	100
LEONARDO TECHNOLOGY PAKISTAN (SMC-PRIVATE) LIMITED (IN LIQ.)	Islamabad (Pakistan)	LEONARDO INTERNATIONAL SPA	PKR	30,000,000		100	100
LEONARDO UKRAINE LLC	Kiev (Ukraine)	LEONARDO INTERNATIONAL SPA	UAH	5,129,700		100	100
MACCHI HUREL DUBOIS SAS	Versailles (France)	LEONARDO SPA	EUR	100,000	50		50
MBDA SAS	Paris (France)	AMSH BV	EUR	53,824,021		50	25
NHINDUSTRIES SAS	Aix en Provence (France)	LEONARDO SPA	EUR	306,000	32		32
ORIZZONTE - SISTEMI NAVALI SPA	Genoa	LEONARDO SPA	EUR	20,000,000	49		49
POLO STRATEGICO NAZIONALE SPA	Rome	LEONARDO SPA	EUR	3,000,000	25		25
REBEL ALLIANCE SRL	Florence	LARIMART SPA	EUR	250,000		50	30
ROTORSIM SRL	Sesto Calende (Varese)	LEONARDO SPA	EUR	9,800,000	50		50

ROTORSIM USA LLC	Wilmington, Delaware (USA)	LEONARDO HELICOPTERS US CO (ex Agustawestland Philadelphia Co)	USD	12.607.452		50	50
SELEX ES (PROJECTS) LTD	Basildon, Essex (UK)	LEONARDO UK LTD	GBP	100		100	100
SPACEOPAL GMBH	Munich (Germany)	TELESPAZIO SPA	EUR	500,000		50	33.50
SSH COMMUNICATIONS SECURITY OYJ	Helsinki (Finland)	LEONARDO SPA	EUR	1,629,041	24.55		24.55
THALES ALENIA SPACE SAS	Cannes (France)	LEONARDO SPA	EUR	918,037,500	33		33
TORPEDO SOUTH AFRICA (PTY) LTD	Gauteng (South Africa)	LEONARDO SPA	ZAR	-	49		49
VITROCISET JADWALEAN LTD	Riyadh (Saudi Arabia)	LEONARDO SPA	SAR	2,000,000	45		45

List of subsidiaries and associates valued at cost (amounts in foreign currency)

Company name	*Registered office*	*Partecipating company*	*Currency*	*Share capital*	*% Group ownership*		*% Group shareholding*
					Direct	*Indirect*	
ADVANCED MALE AIRCRAFT LLC	Al Ain, Muwaiji (United Arab Emirates)	LEONARDO SPA	AED	200,000	49		49
ELSACOM - UKRAINE JOINT STOCK COMPANY	Kiev (Ukraine)	LEONARDO GLOBAL SOLUTIONS SPA	UAH	7,945,000		49	49

Below are the changes in the scope of consolidation at 30 June 2026 in comparison with 30 June 2025:

Company	Event	Month
Companies which entered the scope of consolidation:		
SSH Communications Security Oyj (*)	acquired	October 2025
Axiomatics Ab	acquired	December 2025
Axiomatics Canada Inc	acquired	December 2025
Axiomatics Inc	acquired	December 2025
Axiomatics Federal Inc	acquired	December 2025
Enterprise Electronics Corporation	acquired	February 2026
IDV Group Srl	acquired	March 2026
Astra Veicoli Industriali Spa	acquired	March 2026
IDV Brasil Ltda	acquired	March 2026
IDV Defence Vehicles España Sl	acquired	March 2026
IDV Defence Vehicles Italia Spa	acquired	March 2026
IDV Defence Vehicles France Sas	acquired	March 2026
IDV Defence Vehicles Romania Srl	acquired	March 2026
IDV Defence Vehicles UK Ltd	acquired	March 2026
IDV Usa Inc	acquired	March 2026
Italwatt Srl	acquired	March 2026
IDV Deutschland Gmbh	acquired	March 2026
IDV Nederland BV	acquired	March 2026
Leonardo Gulf Technologies Llc	acquired	March 2026
Rebel Alliance Srl (*)	acquired	April 2026
BeCrypt Ltd	acquired	April 2026
Leonardo Ukraine Llc (*)	newly established	May 2026
Companies which left the scope of consolidation:		
Partech Systems Pty Ltd	struck off	September 2025
Leonardo Portugal SA	struck off	September 2025
Airbus Telespazio Capacity Operator Sas (in liq.) (*)	struck off	September 2025
Libyan Italian Advanced Technology Co (*)	struck off	October 2025
Precision Aviation Training Academy Pty Ltd	struck off	December 2025
Selex Es Australia Pty Ltd	struck off	December 2025
Drs Technologies UK Limited	struck off	March 2026
Leonardo Limited (*)	struck off	April 2026

Companies involved in merger transactions:

Merged company	Merging company	Month
Leonardo Canada Incorporated	TTI Tactical Technologies Inc	November 2025

Companies which changed their name:

Old name	New name	Month
Leonardo Canada Corporation	Leonardo Canada Incorporated	September 2025
TTI Tactical Technologies Inc	Leonardo Canada Incorporated (ex TTI Tactical Technologies Inc)	November 2025
Wytwornia Sprzetu Komunikacyjnego “Pzl-Swidnik” Spolka Akcyjna	Leonardo Pzl-Swidnik Spólka Akcyjna	March 2026
Iveco - Oto Melare SC A RL	IDV - Oto Melare SC A RL	April 2026
Agustawestland Philadelphia Co	Leonardo Helicopters US Co	June 2026
Gaf AG	Gaf Geospatial GmbH	June 2026

(*): companies valued at equity

STATEMENT ON THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS AT 30 JUNE 2026 PURSUANT TO ART. 154 BIS, PARAGRAPH 5 OF LEGISLATIVE DECREE NO. 58/98 AS AMENDED AND SUPPLEMENTED

1. The undersigned Lorenzo Mariani as Chief Executive Officer and General Manager and Giuseppe Aurilio as the Officer in charge of financial reporting for Leonardo Società per azioni, certify, in accordance with Art. 154-bis, paragraphs 3 and 4 of Legislative Decree 58 of 24 February 1998:
   - the appropriateness of the financial statements with regard to the nature of the business and
   - the effective application of administrative and accounting procedures in preparing the condensed consolidated half-year financial statements at 30 June 2026.
2. In this respect it is noted that no significant matters arose.
3. It is also certified that:

   3.1 The condensed consolidated half-year financial statements:
   - were prepared in accordance with International Financial Reporting Standards endorsed by the European Community pursuant to Regulation (EC) 1606/2002 of the European Parliament and of the Council of 19 July 2002;
   - correspond to the entries in the books and accounting records;
   - were prepared in accordance with Article 154-ter of the aforesaid Legislative Decree 58/98 and subsequent amendments and integrations and they provide a true and fair view of the financial position and results of operations of the issuer and the companies included in the scope of consolidation.

   3.2 The directors’ interim report on operations provides a reliable analysis of the important events taking place in the first six months of the year and their impact on the condensed consolidated half-year financial statements, together with a description of the key risks and uncertainties for the remaining six months of the year. The directors’ interim report on operations also includes a reliable analysis of significant transactions with related parties.

This statement is also made pursuant to and for the purposes of Art. 154-bis, paragraph 2, of Legislative Decree 58 of 24 February 1998.

Rome, 30 July 2026

Chief Executive Officer and General Manager	Officer in charge of financial reporting
(Lorenzo Mariani)	(Giuseppe Aurilio)

INDEPENDENT AUDITORS’ REPORT ON THE REVIEW OF THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS AT 30 JUNE 2026

Leonardo S.p.A.

Review report on the interim condensed consolidated financial statements as of 30 June 2026

(*Translation from the original Italian text*)

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Review report on the interim condensed consolidated financial statements
(*Translation from the original Italian text*)

To the Shareholders of
Leonardo S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of Leonardo S.p.A. and subsidiaries (Leonardo Group), which comprise the condensed statement of financial position as of 30 June 2026, the condensed separate income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flow for the six month period then ended, and the related explanatory notes. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of Leonardo Group as of 30 June 2026 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union.

Rome, 31 July 2026

EY S.p.A.
Signed by: (Riccardo Rossi), Statutory Auditor

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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