



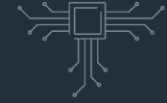
# Annual General Meeting 2022

**Alessandro Profumo**

*Chief Executive Officer*

Rome

31 May 2022



Electronics



Helicopters



Aircraft



Cyber &  
Security



Space



Unmanned  
Systems



Aerostructures

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# Agenda

- **2021 Results**
- Business Performance
- 2022 Guidance and medium-long term outlook
- Industrial review
- Shareholding and share price update
- Appendix



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

*This means preserving peace and stability, safety and democracy, without which social and economic prosperity does not exist ...*



# FY2021: an important year of delivery

## CLOSER COLLABORATION IN EUROPE



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

## BACK TO GROWTH



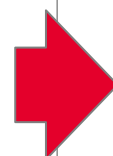
- Solid backlog; **Orders and Revenues** above pre-pandemic (+1.5% and +3.5% vs 2019)
- All key businesses **above pre-pandemic levels** on all metrics, excluding Aerostructures
- Improved **profitability** (+0.9 p.p. vs 2020) and **ROIC** (+1.1 p.p. vs 2020)
- Met or exceeded guidance once again, with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

## CLEAR RECOVERY PATH IN AEROSTRUCTURES



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

## PROGRESS ON SUSTAINABILITY AND ESG



- **23% CO<sub>2</sub> emissions reduction** \*
- **19% hiring of women with STEM degree**
- **>40% hiring of young people (<30 years old)**
- **50% of investments** SDG-aligned
- **50% of financial sources** ESG linked, KPI fully aligned with strategy and LTIP

\* Scope I and II CO<sub>2</sub> total emissions, market-based

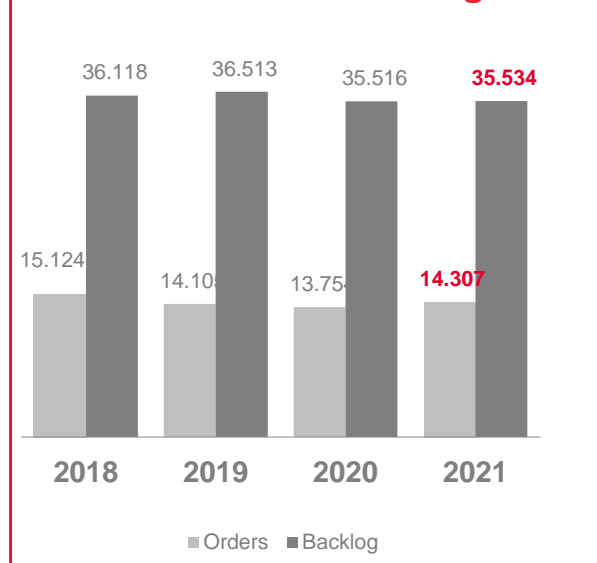


# We have delivered results in line or exceeding expectations

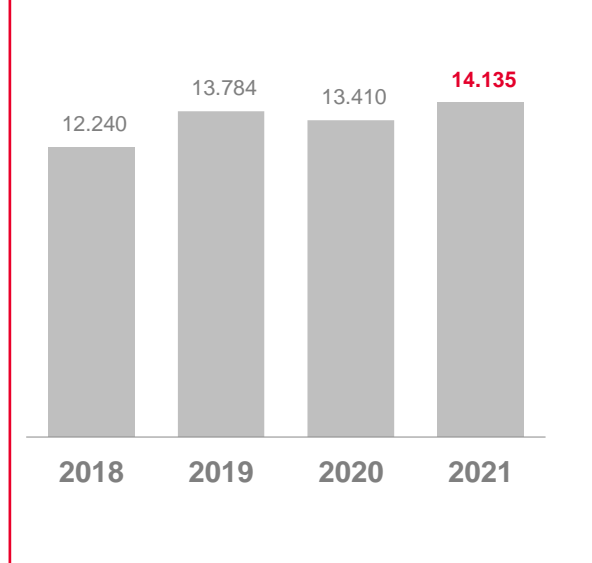
All businesses ahead of 2019 levels, excluding Aerostructures

(€ mil)

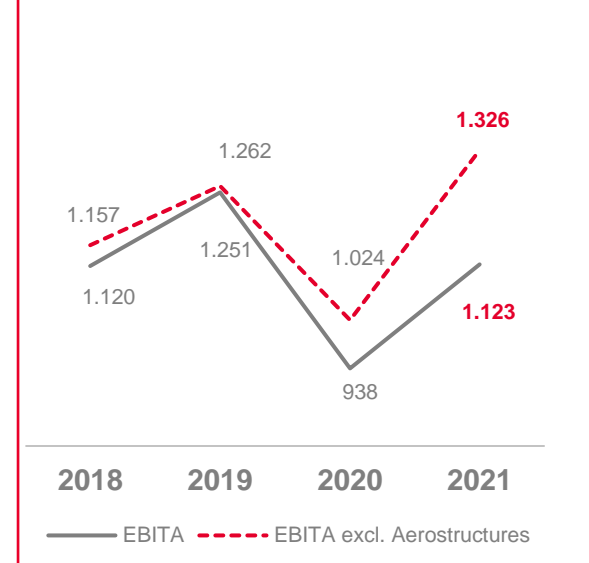
## Orders and Backlog



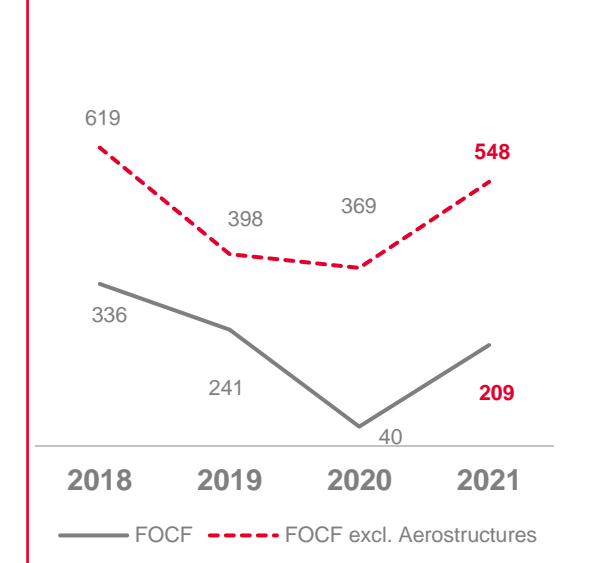
## Revenues



## EBITA



## FOCF



- Solid and well-diversified backlog
- Continued strong commercial momentum
- Book-to-bill ca. 1

- Strong top line growth, above pre-pandemic levels
- 88% revenues in defence and governmental businesses

## 2021

- Higher volumes and better profitability
- EBITA above 2019 level, excluding Aerostructures
- ROS at 7.9% (9.4% without pass-through)
- ROIC 12.4% vs 11.3% in 2020

- FOCF materially up, doubling guidance
- Aerostructures cash drain ca. €330m, lower than expected



# Strong confidence in medium/long term prospects of our main businesses

## Helicopters and Aircraft



### Helicopters

2021 Backlog **€ 12.4 bn**

2018-2021 Revenues\*: **+3%**

2018-2021 EBITA\*: **+4%**



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



### Aircrafts

2021 Backlog **€ 8.9 bn**

2018-2021 Revenues\*: **+19%**

2018-2021 EBITA\*: **+18%**



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

\* CAGR



# Strong confidence in medium/long term potential of our main businesses

## Electronics and Leonardo DRS



### Electronics

2021 Backlog **€ 12.0 bn**

2018-2021 Revenues\*: **+4%**

2018-2021 EBITA\*: **+7%**



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



### Leonardo DRS

2021 Backlog **€ 2.2 bn**

2018-2021 Revenues\*: **+7%**

2018-2021 EBITA\*: **+19%**



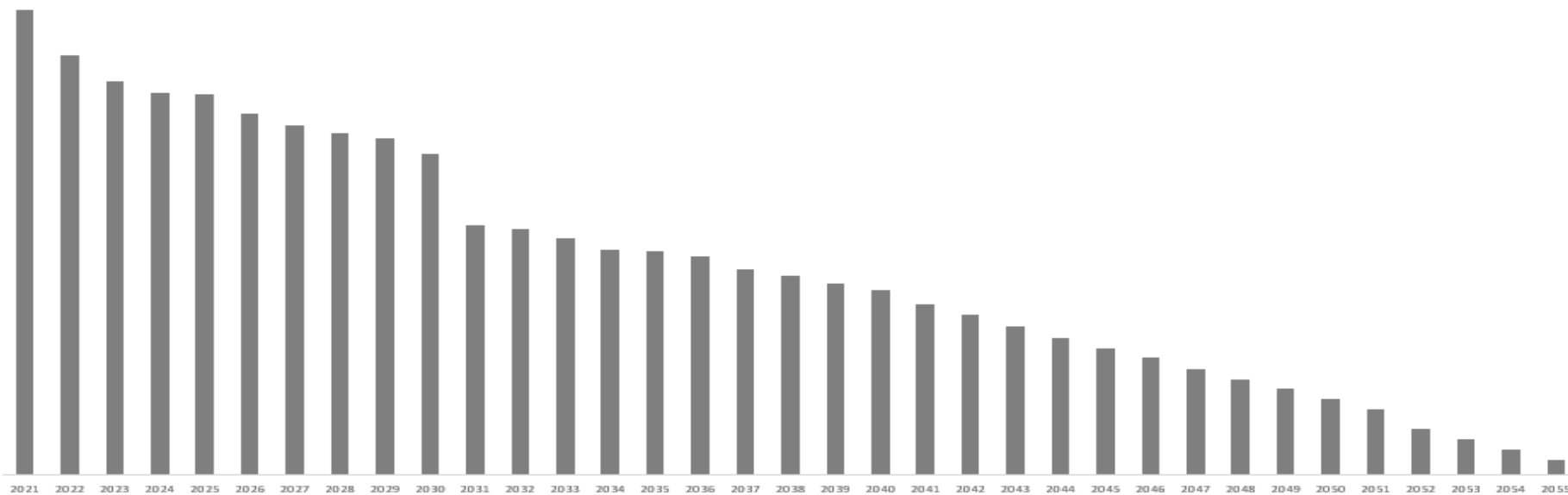
- Strong backlog (funded and unfunded)
- Top line growth confirmed, well positioned towards US DoD key priorities
- Delivering on targets: confirmed significant margin expansion driven by programmes moving from development to production

\* CAGR



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

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



**Attractive and profitable business**  
(30% of 2021 Revenues and Backlog)

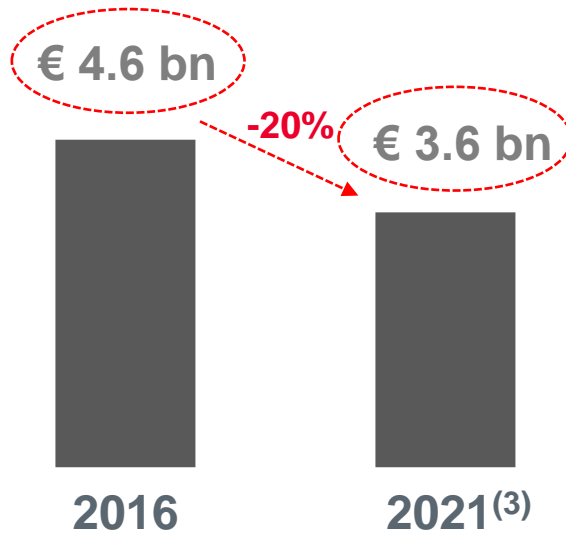
**Resilient during pandemic**



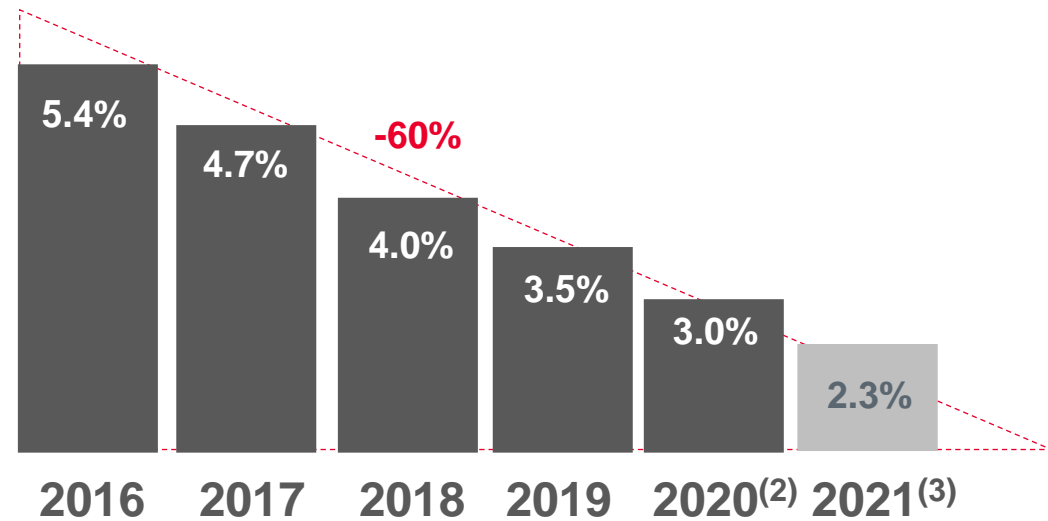


# Reduced debt by ca. 20% and decreased cost of funding by ca. 60%

Gross debt<sup>(1)</sup>



Cost of funding<sup>(1)</sup>



**TARGET  
2022-23E  
≤ 3.0%**

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

(1) Includes Bond, Bei, Term Loan and CDP.

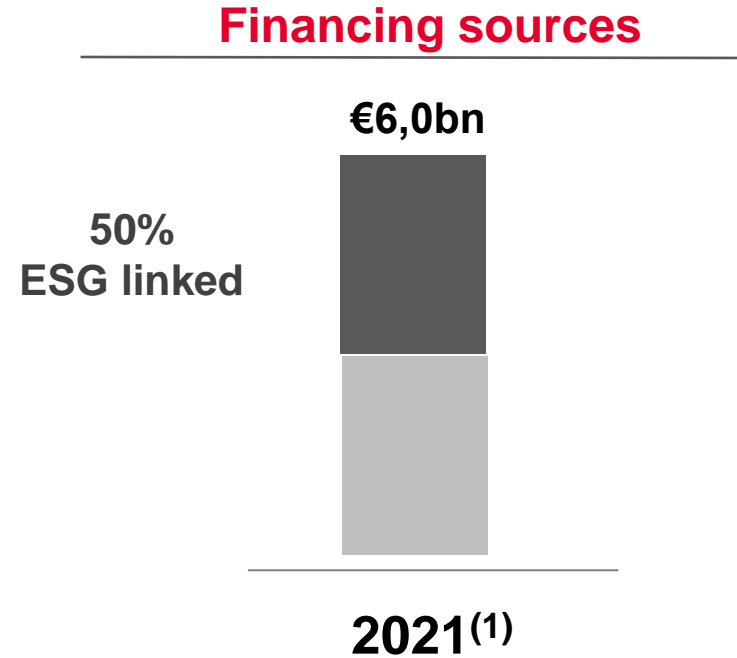
(2) Pro forma for January 2021 bond reimbursement and the EIB financing drawdown.

(3) Pro forma for January 2022 bond reimbursement.

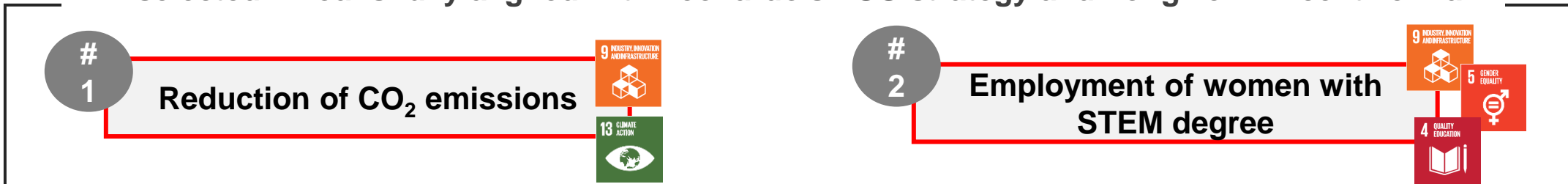


# 50% of Leonardo funding sources now are “ESG linked”

- Two ESG linked financial transactions subscribed in 2021**
- € 2.4 bn **ESG linked Revolving Credit Facility (“RCF”)**
  - € 600 mln **ESG linked Term Loan**  
(to refinance January 2022 debt maturing)



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



(1) Pro forma for January 2022 bond reimbursement.

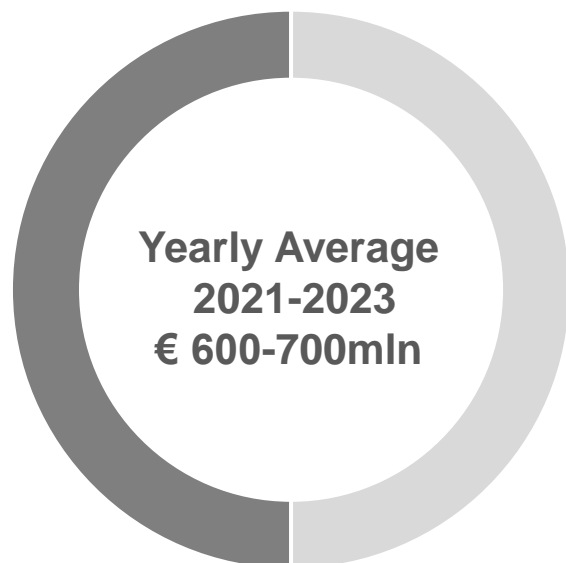


# Leonardo investments and innovation contributes to the alignment with SDG goals

## 50% capex in line with SDG

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

### SDG-aligned investments



■ SDG-aligned Investments      ■ Other Investments

### Our main contribution to SDG

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

(1) Including Capitalized R&D, Capex, Tooling and Other Immaterial



# Results achieved are showing we are on the right path

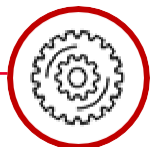
Continuing to execute our strategic plan “Be Tomorrow-2030”



## Strengthen our Core



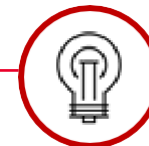
- Acquisition of 25.1% stake in Hensoldt
- AW09 complementing existing helicopter product range
- Continued momentum in International cooperation Programmes (EuroMALE)



## Transform to Grow



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



## Master the New



- Transformed R&D focus to capture more growth opportunities driven by technology: Leonardo Labs
- Computing and storage capabilities at the base of our newly integrated approach
- New growth opportunities as a partner in the Italian National Recovery Plan



# FY 2021 Group Results

## GROUP PERFORMANCE

- **Backlog** covers more than 2.5 years of production
- **New Orders** reflecting strong commercial performance (book to bill 1x)
- Strong **Revenue** growth, above pre-pandemic levels
- **EBITA** above 2019 level, excluding Aerostructures
- **Net Result** benefitting from EBITA increase, partially offset by COVID-related costs and restructuring costs for the early retirement of Aerostructures workforce as per agreement signed with the Unions in July 2021. Lower impact from FX hedging activity and lower financial expenses
- **FOCF** materially up, doubling guidance
- **Group Net Debt** confirming deleveraging path

	FY 2020	FY 2021	% change	Guidance 2021
€ mln				
New Orders	13.754	14.307	4.0%	Ca. 14,000
Backlog	35.516	35.534	0.1%	
Revenues	13.410	14.135	5.4%	13,800–14,300
EBITA	938	1.123	19.7%	1,075–1,125
RoS	7.0%	7.9%	+0.9	
EBIT	517	911	76.2%	
EBIT Margin	3.9%	6.4%	2.5 p.p.	
Net result before extraordinary transactions	241	587	142.7%	
Net result	243	587	143.6%	
EPS (€ cents)	0.419	1.017	141.6%	
FOCF	40	209	422.5%	ca. 100
Group Net Debt	3.318	3.122	-5.9%	ca. 3,200
Headcount	49.882	50.413	1.1%	

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



# FY 2021 Leonardo Spa Results

## LEONARDO SPA PERFORMANCE

	FY 2020	FY 2021	% change
€ mln			
New Orders	8,362	9,206	+10.1%
Backlog	27,160	26,480	-2.5%
Revenues	8,654	9,332	+7.8%
EBITA	404	437	+8.2%
RoS	4.7%	4.7%	0.0 p.p.
EBIT	50	306	+512.0%
EBIT Margin	0.6%	3.3%	0.7 p.p.
Net result before extraordinary transactions	-93	177	+290.3%
Net result/loss	-93	177	+290.3%
FOCF	-48	104	316.7%
Group Net Debt	4,114	4,237	+3.0%
Headcount	29,227	29,730	1.8%



# Proposal to the Shareholders' Meeting

- The Company's Board of Directors resolved to submit the financial statements of Leonardo - Società per azioni at 31 December 2021 for approval to the Shareholders' Meeting, which closed net profit of Euro 177,237,632.93.
- In this regard, the Company's Board of Directors resolved to propose to the Shareholders' Meeting to allocate FY2021 net profit of € 177,237,632.93 as follows:
  - › as to Euro 8,861,881.65, equal to 5% of the profit, to legal reserve;
  - › as to Euro 0.14, on account of dividend, by paying it, including any withholding prescribed by law, as from 22 June 2022, with "detachment date" of coupon no. 12 falling on 20 June 2022 and "record date" (i.e., date on which the dividend is payable, pursuant to Art.83-terdecies of Legislative Decree no. 58 of 24 February 1998 and Art. 2.6.6, paragraph 2, of the Regulations for the Markets organised and managed by Borsa Italiana S.p.A.) falling on 21 June 2022; the above provisions refer to each ordinary share that will be outstanding at the detachment date of the coupon, excluding treasury shares in portfolio at that date, without prejudice to the regime of those that will be actually awarded, under the current incentive plans, during the current financial year;
  - › with regard to the remaining amount, to retained earnings



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# Helicopters

Solid business with civil recovering

## 2018-2021 Results



## 4Q21 Results

	4Q 2020	4Q 2021	% Change
Orders	1,340	1,979	+47.7%
Revenues	1,330	1,438	+8.1%
EBITA	164	183	+11.6%
RoS	12.3%	12.7%	+0.4 p.p.

## 2021 Results

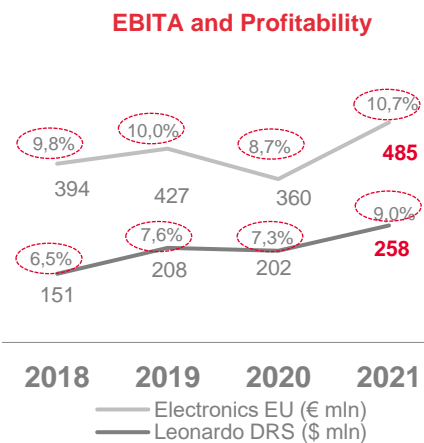
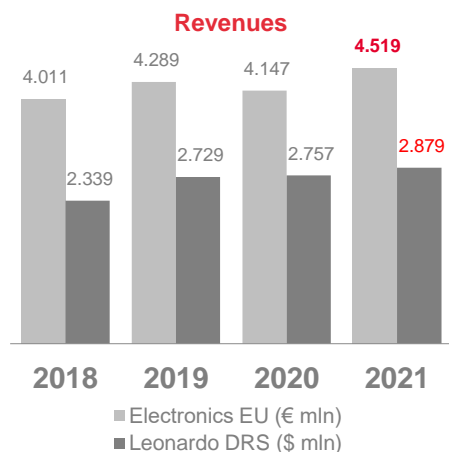
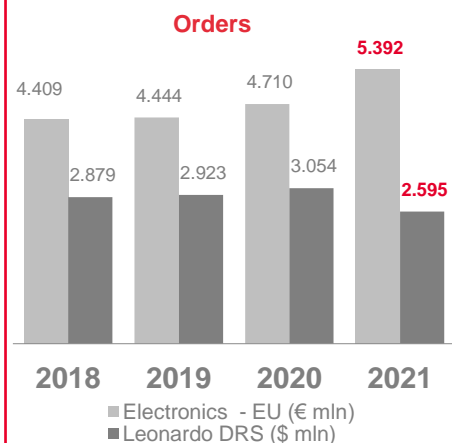
- Growing civil orders. Key orders: 72 TH-73A for the US Navy, follow-on tranche of NEES for Italian Army, 18 AW139 for Saudi, 8 AW139 for Italian Guardia di Finanza. 18 AW169M LUH for Austrian MoD
- Revenues: ramp-up in defence/governmental (NH90 Qatar and TH-73A US Navy); AW189/AW149; slight decrease in civil
- Profitability in line with 2020; higher volumes



# Defence Electronics & Security

## Growing Revenues and Profitability

### 2018-2021 Results



### 4Q21 Results

#### ELECTRONICS - EU

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

#### LEONARDO DRS

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

### 2021 Results

#### Electronics EU

- Orders: EFA Germany and equipment for 2 U212 Near Future Submarines (NFS); C2D/N Evolution. In Cyber, SICOTE (Territory Control System) phase
- Delivery on backlog and capturing new opportunities globally
- Higher volumes and profitability, impacted by COVID 19 restrictions in 2020

#### Leonardo DRS

- Orders: Mounted Family of Computer Systems (MFoCS) for US Army, IM-SHORAD (Initial-Maneuver-Short Range Air Defense)
- Revenues +4.4% in USD, confirming growth path – adverse FX effect
- Confirmed margin expansion primarily driven by the transition of development programmes into production

\* Avg. exchange rate €/€ @ 1.1422 in FY2020; Avg. exchange rate €/€ @ 1.1827 in FY2021



# Aircraft

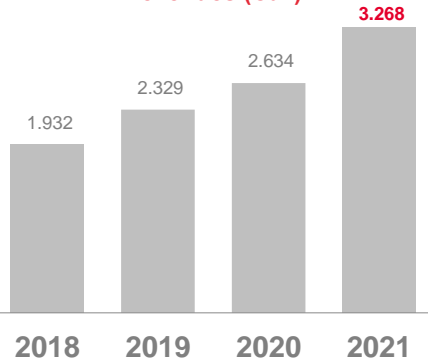
## Solid performance

### 2018-2021 Results

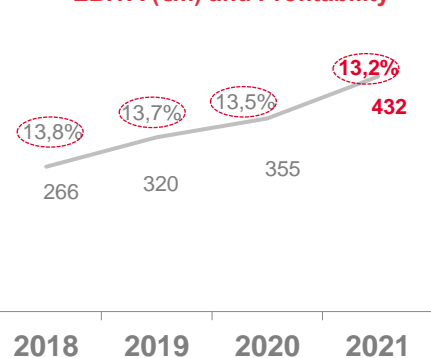
Orders (€bn)



Revenues (€bn)



EBITA (€m) and Profitability



### 4Q21 Results

	4Q 2020	4Q 2021	% Change
Orders	1,259	1,025	-18.6%
Revenues	930	1,147	23.4%
EBITA	151	191	26.7%
RoS	16.2%	16.7%	0.5 p.p.

### 2021 Results

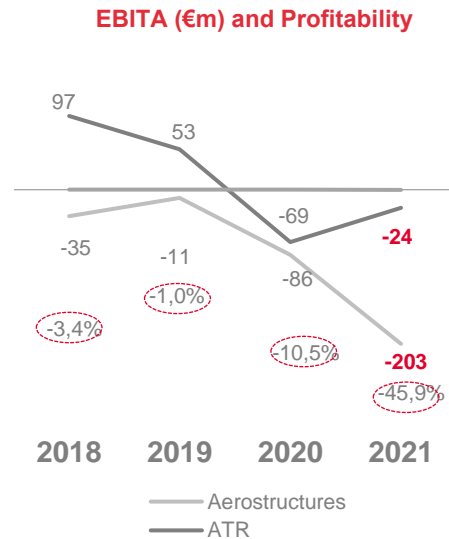
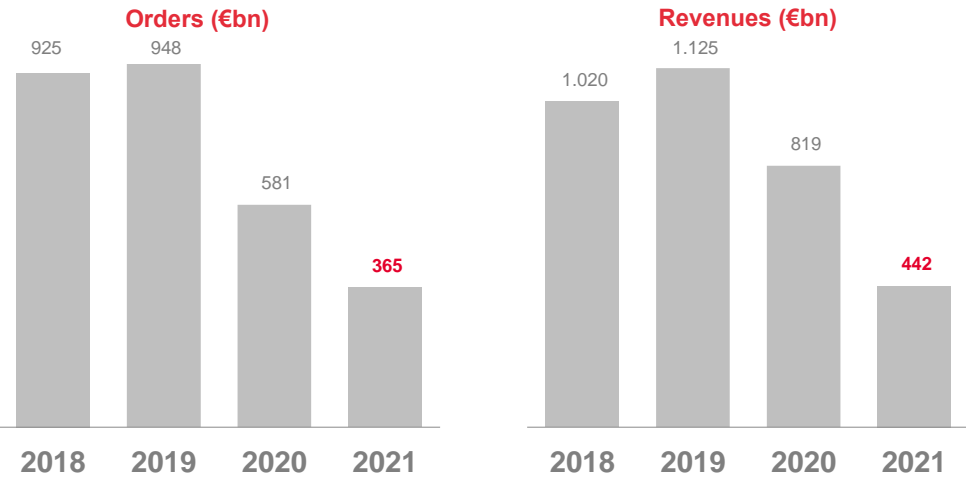
- Orders: Major export contracts for 16 M-346, JSF, logistics support for EFA
- Increase in revenues driven by M-346 trainers and EFA Kuwait
- +22% EBITA mainly driven by volumes



# Aerostructures and ATR

## Gradual recovery

### 2018-2021 Results



### 4Q21 Results

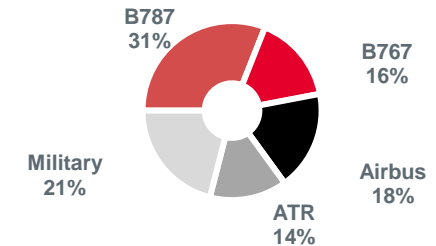
#### Aerostructures

€ mln	4Q 2020	4Q 2021	% Change
Orders	132	66	-49.9%
Revenues	189	37	-80.6%
EBITA	-39	-78	98.9%
RoS	-20.7%	-212.4%	-191.7 p.p.

#### ATR

€ mln	4Q 2020	4Q 2021	% Change
EBITA	-7	1	114,3%

### Aerostructures 2021 revenue by programme



### 2021 Results

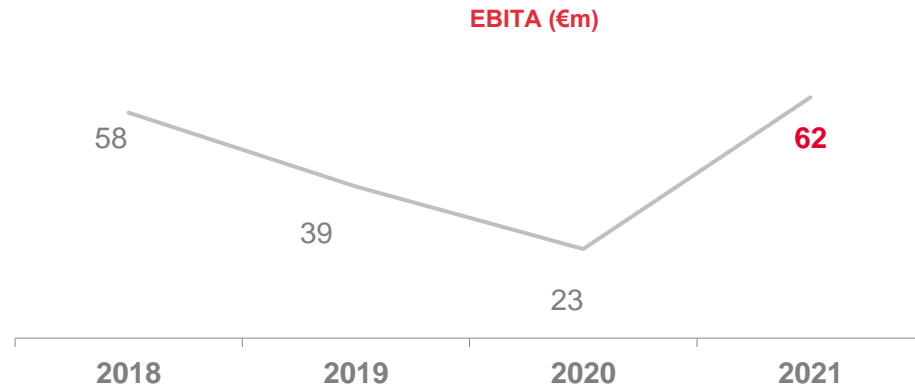
- Lower OEM demand from Boeing (B787) and GIE-ATR; growing A220 and A321
- Revenue softness due to B787 and ATR production slowdown as expected
- Lower volumes and lower asset utilisation



# Space

## Improving results

### 2018-2021 Results



### 4Q21 Results

	4Q 2020	4Q 2021	% Change
EBITA	24	25	4,2%

### 2021 Results

- Recovery of Manufacturing and confirmed solid performance of Satellite services



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# 2022 Guidance

		FY2021A	FY2022 Guidance <sup>(1)</sup>
<b>New Orders</b>	(€ bn)	14.3	ca. 15.0
<b>Revenues</b>	(€ bn)	14.1	14.5-15.0
<b>EBITA</b>	(€ mln)	1,123	1,180-1,220 <sup>(2)</sup>
<b>FOCF</b>	(€ mln)	209	ca. 500
<b>Group Net Debt</b>	(€ bn)	3.1	ca.3.1 <sup>(3)</sup>

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

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

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

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



# Step up in FOCF in 2021 and 2022

cash flow conversion excl Aerostructures at ca. 70% in 2022

## 2021 FOCF

€209mIn

- ca.20% EBITA growth
- Highest focus on cash ins
- Stronger WC management



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

## 2022 FOCF(\*)

ca. €500mIn

- Revenue growth
- EBITA growth
- Continued cash discipline in core



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

## 2021-2025 FOCF(\*)

ca. €3bn cumulated

- Mid single digit Revenue growth
- High single digit EBITA growth
- Continued cash discipline in core
- Back to normal contribution from JVs



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

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

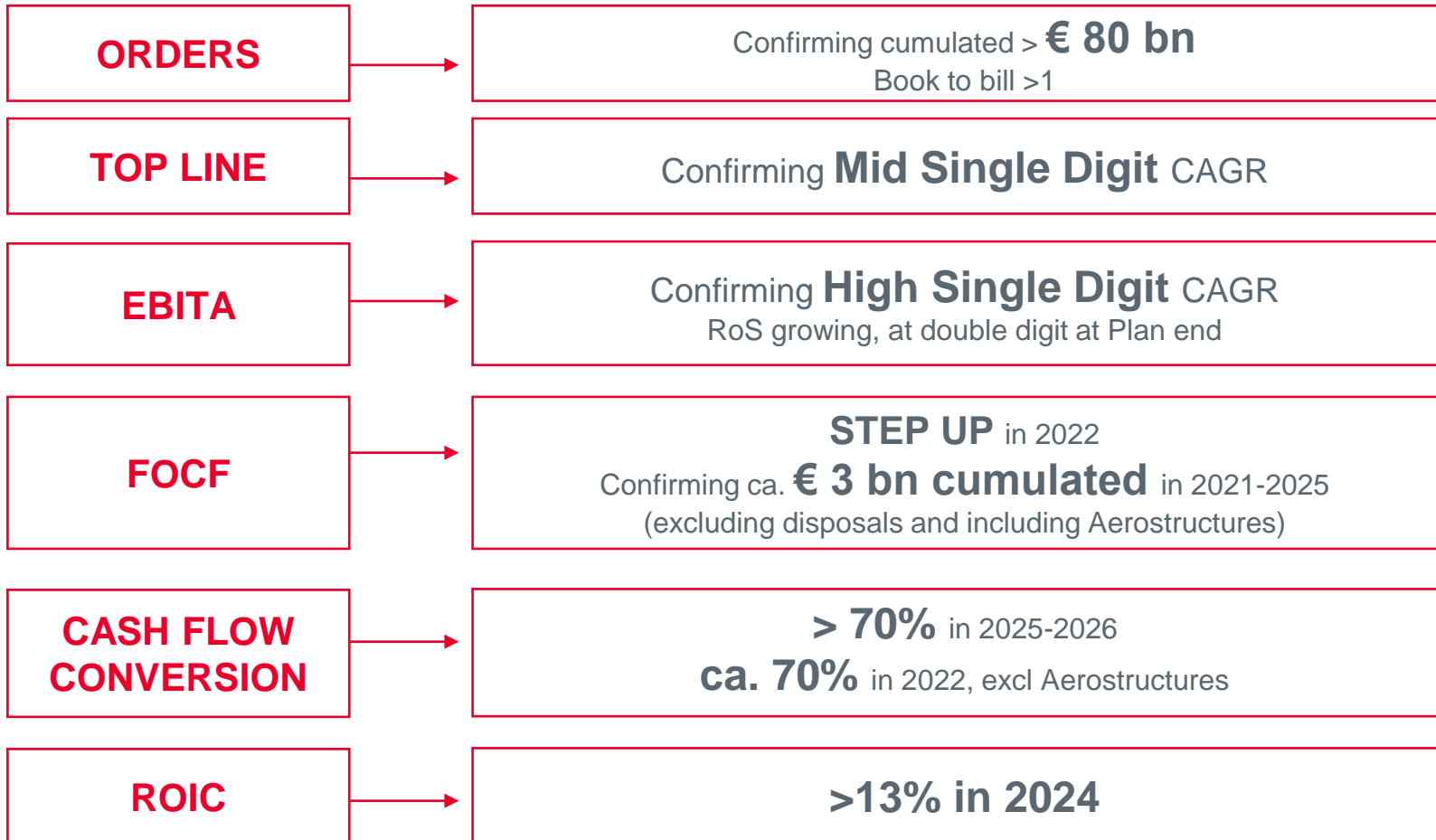




# Medium-long term targets

Based on strong fundamentals of our businesses

## 2022-2026 TARGETS(\*)



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



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## Strong confidence in our core business fundamentals

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



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# Aerostructures business: positive progress on the recovery plan outlined last November

- Clear plan for Aerostructures recovery based on:
  - Business repositioning
  - Profitability improvement
  - Lower cash absorption
- Short medium haul ramping up in production
- Positive signs on ATR
- Long haul still challenging



# Aerostructures recovery plan is on the right way

2021 the bottom year, gradual improvement from 2022

## PROGRESS SO FAR

<b>ACTION PLAN</b> 	
<b>AIRBUS</b>	<ul style="list-style-type: none"><li>• Furlough scheme agreed with trade unions</li><li>• Workforce reduction by ca.800 mainly through new pension scheme</li><li>• Collaboration with Vertical Aerospace on fuselage development for the Vertical's VX4 electric aircraft</li><li>• Ongoing diversification business i.e. additional working packages</li></ul>
<b>ATR</b>	<ul style="list-style-type: none"><li>• Recovering faster than expected</li><li>• Deliveries tripled (31 in 2021 vs 10 in 2020)</li><li>• Clear strategy to strengthen ATR leadership in the regional market, providing sustainable and affordable platforms (i.e. new engine, SAF, etc.)</li><li>• Portfolio enlargement (i.e. Cargo, STOL)</li></ul>
<b>B787</b>	<ul style="list-style-type: none"><li>• Resuming B787 deliveries</li><li>• Breakeven from fuselage delivery n. 1,406 thanks to expected rate profile and pricing per contract</li></ul>
<b>OTHER PROGRAMMES</b>	<ul style="list-style-type: none"><li>• EuroMALE agreement just signed - significant industrial fallout on Grottaglie and Foggia plants</li></ul>
<b>DEFENCE</b>	<ul style="list-style-type: none"><li>• Eurofighter and JSF production</li></ul>

## AEROSTRUCTURES BREAKEVEN

**Confirmed  
at the end of 2025**

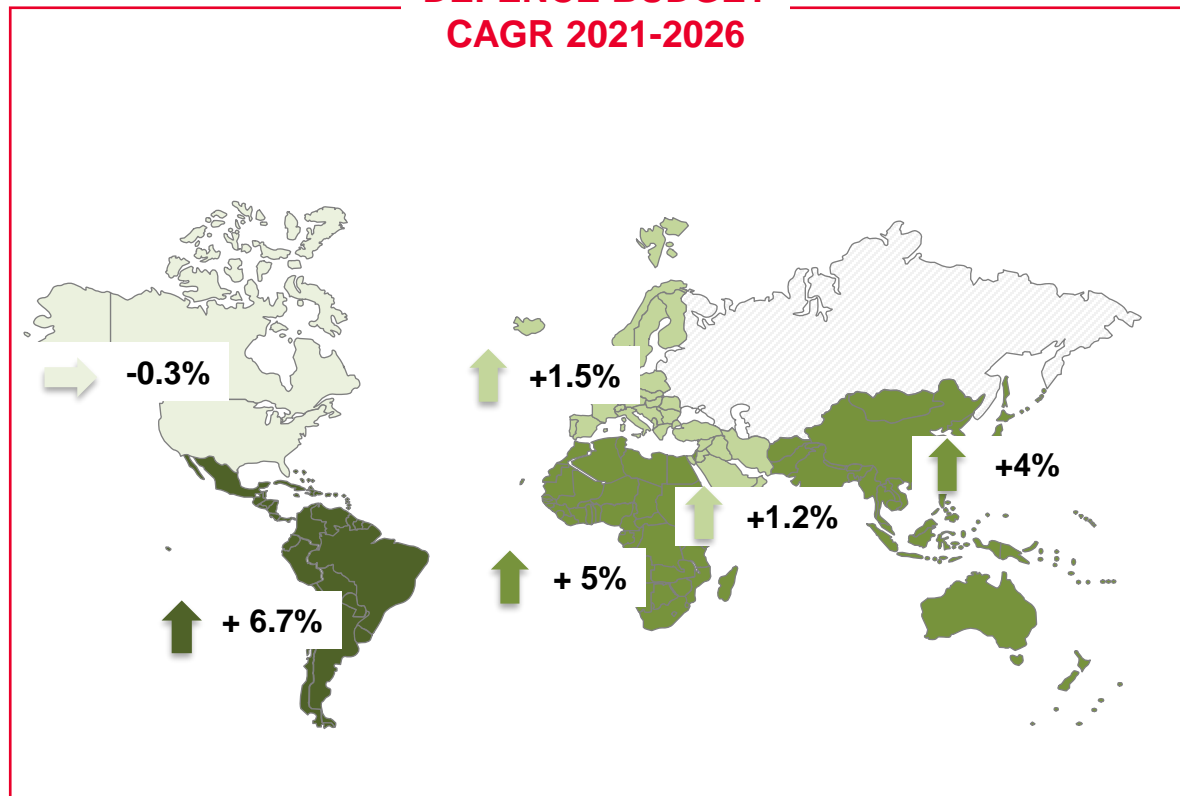


# Growing commercial opportunities driven by positive defence market trends as well as our domestic and international strengths

## A,D&S MARKET TREND

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

## DEFENCE BUDGET CAGR 2021-2026



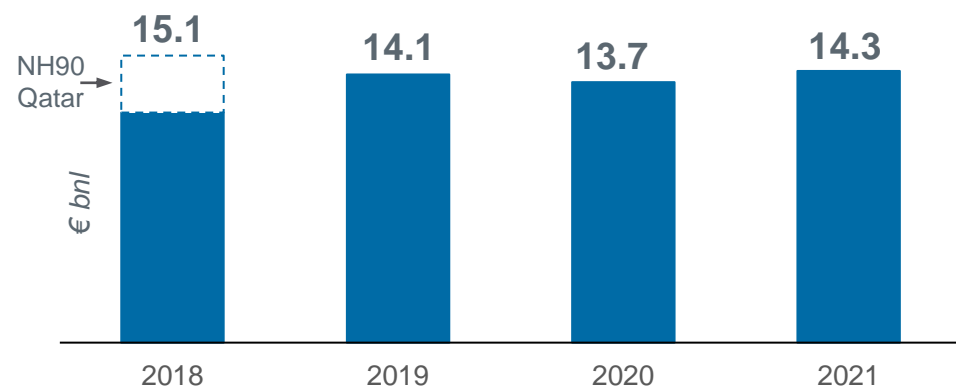
Source: IHS Jane's 2022; Leonardo's analysis



# Order intake increasing trend continues

## STRONG TRACK RECORD ORDER INTAKE 2018-2021

Cumulative value:  
Ca. **€57 bln**



## POSITIVE OUTLOOK SUPPORTED BY COMMERCIAL MODEL

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

## WELL POSITIONED IN INTERNATIONAL AND EU PROGRAMS



- JSF
- Eurofighter
- Eurodrone (EuroMALE)
- Tempest

## 2022-2026 OUTLOOK

Cumulative value:  
Ca. **€80 bln**



# Well positioned with a transformed R&D focus to capture more growth opportunities driven by technology

## LEONARDO LABS

**10** Leonardo Labs (in 6 regions in Italy and 1 in the USA)

**30** research units

**4** joint external laboratories

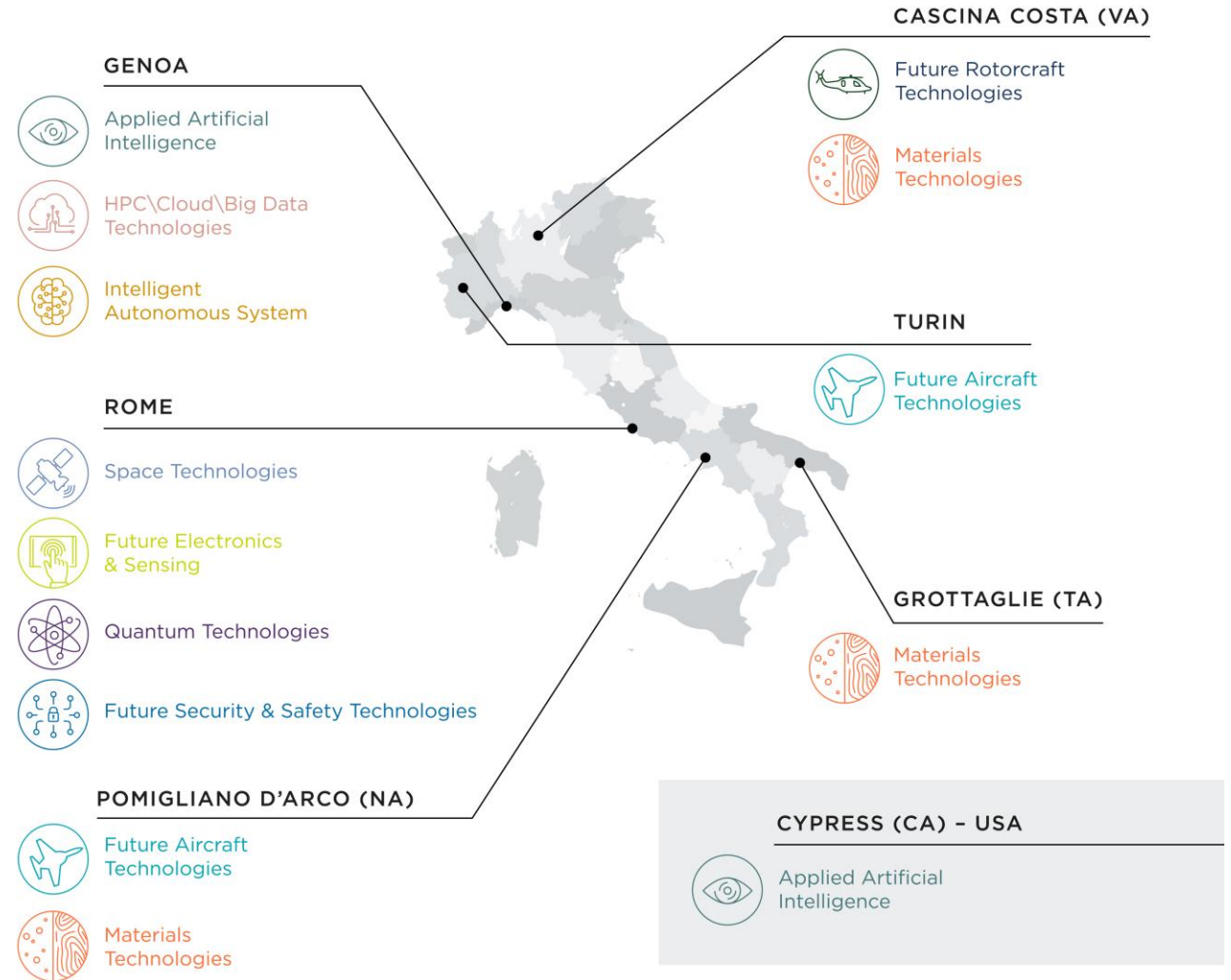
**130** research fellows in 2022

## DAVINCI-1 HPC

**7<sup>th</sup>** in the aerospace sector behind to NASA and JAXA agencies

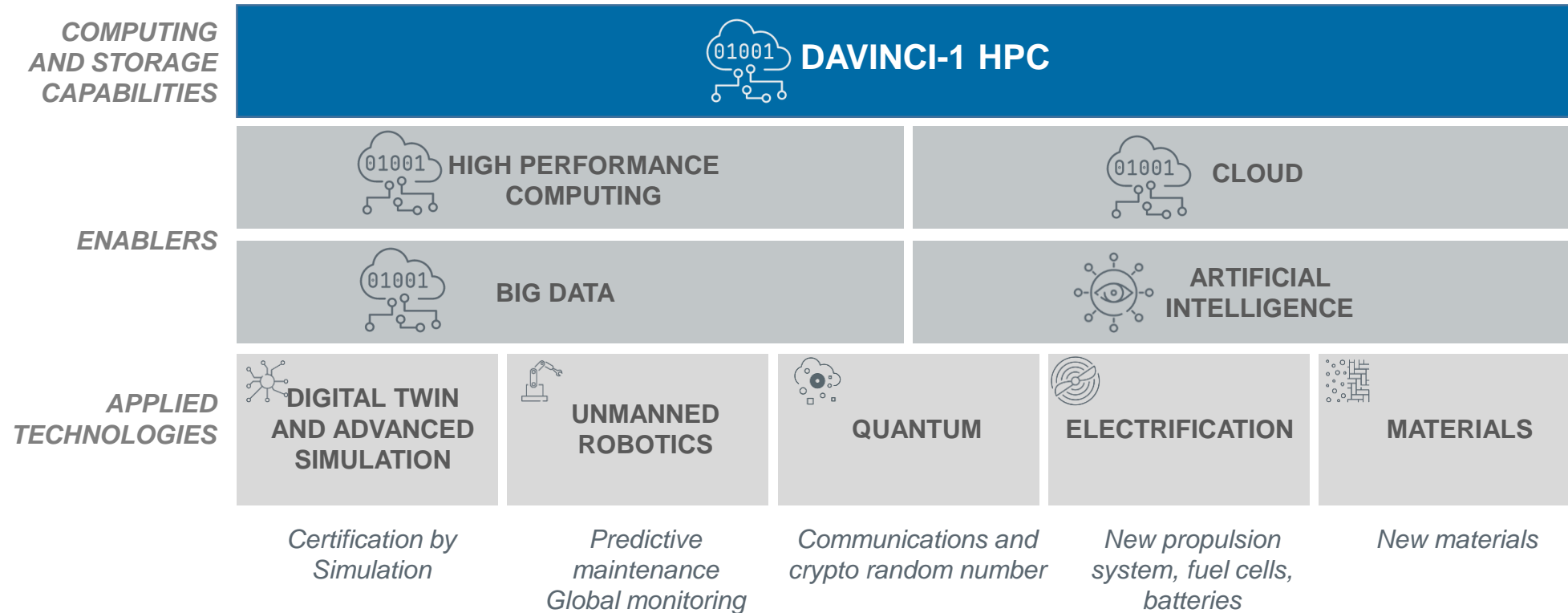
**5** Pflops of computing power

**20** PByte of cumulative storage capacity





# Focused approach across selected domain areas creating value for our customers



- **Reduction of development costs, risks and emissions**
- **New opportunities**



# New growth opportunities as a partner in the Italian National Recovery Plan: playing with core assets and distinctive capabilities

## PROJECT STREAMS IDENTIFIED BY LEONARDO

### Global Monitoring



*Continuously monitoring and securing Country's critical infrastructure*

### Logistics



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

### Space



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

### Digital PA



*Promoting the provision of easily accessible, efficient and secure digital public services*

### Smart City



*Increasing safety and resilience of cities by promoting sustainable mobility and direct communication with citizens*

### Health systems



*Contributing to the development of an efficient and interconnected health system*

### Research



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

**20 SIZEABLE  
OPPORTUNITIES**

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



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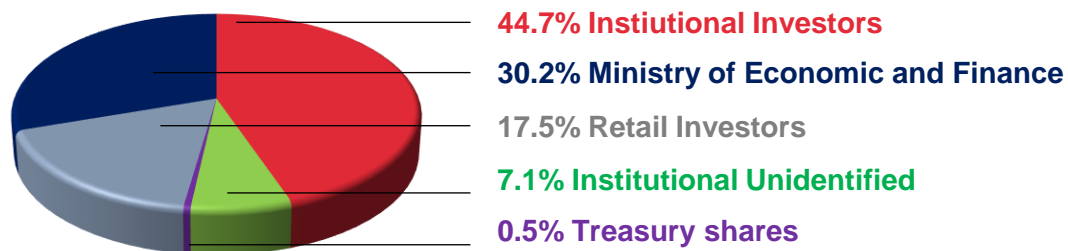
# Agenda

- 2021 Results
- Business Performance
- 2022 Guidance and medium-long term outlook
- Industrial review
- **Shareholding and share price update**
- Appendix



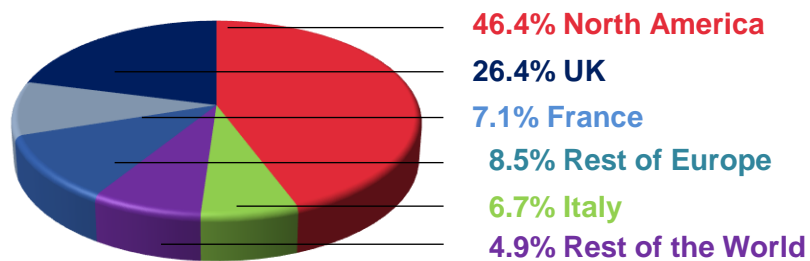
# Shareholding Composition

## DISTRIBUTION OF SHAREHOLDERS



## GEOGRAPHICAL DISTRIBUTION OF INSTITUTIONAL SHAREHOLDERS FLOATING RATE

- Over 90 of the free float is owned by International Funds



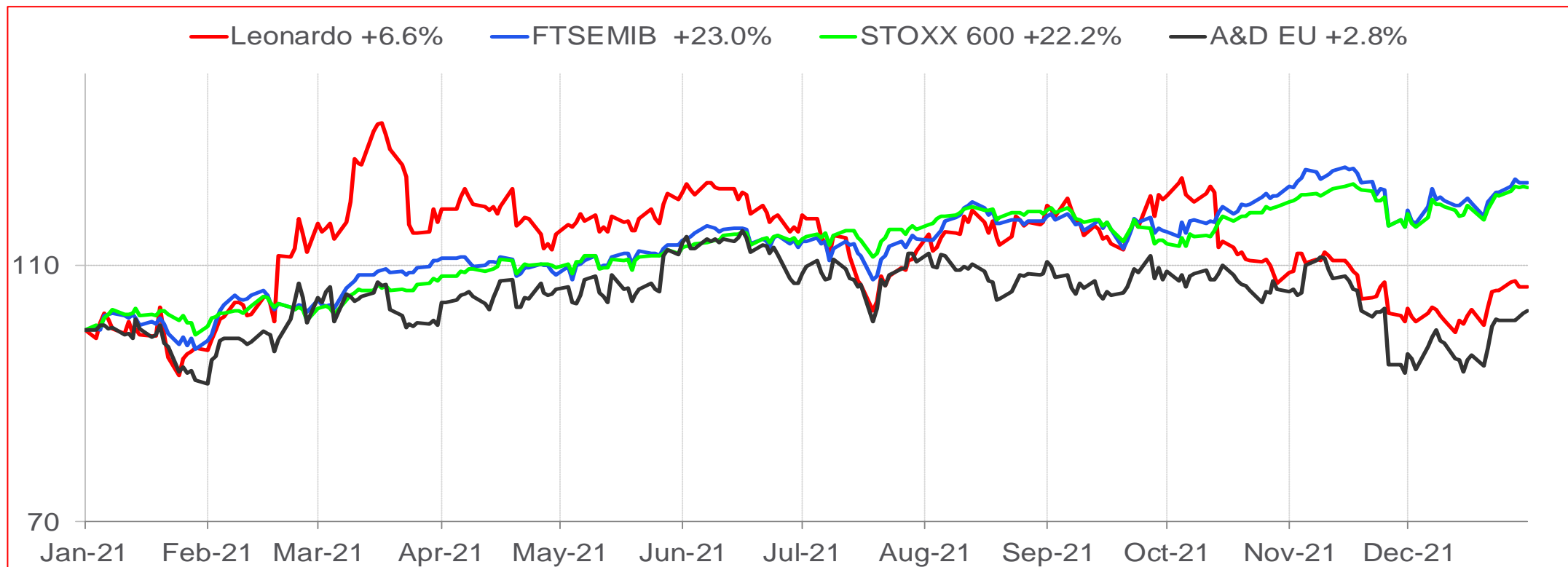
## SIGNATORIES OF THE PRINCIPLES FOR RESPONSIBLE INVESTMENT (PRI)

- 24% of the shareholding is owned by PRI signatories



# 2021 Share price performance

4 gennaio – 31 dicembre 2021



\*A&D EU = Bloomberg EMEA Aerospace Defence Index.



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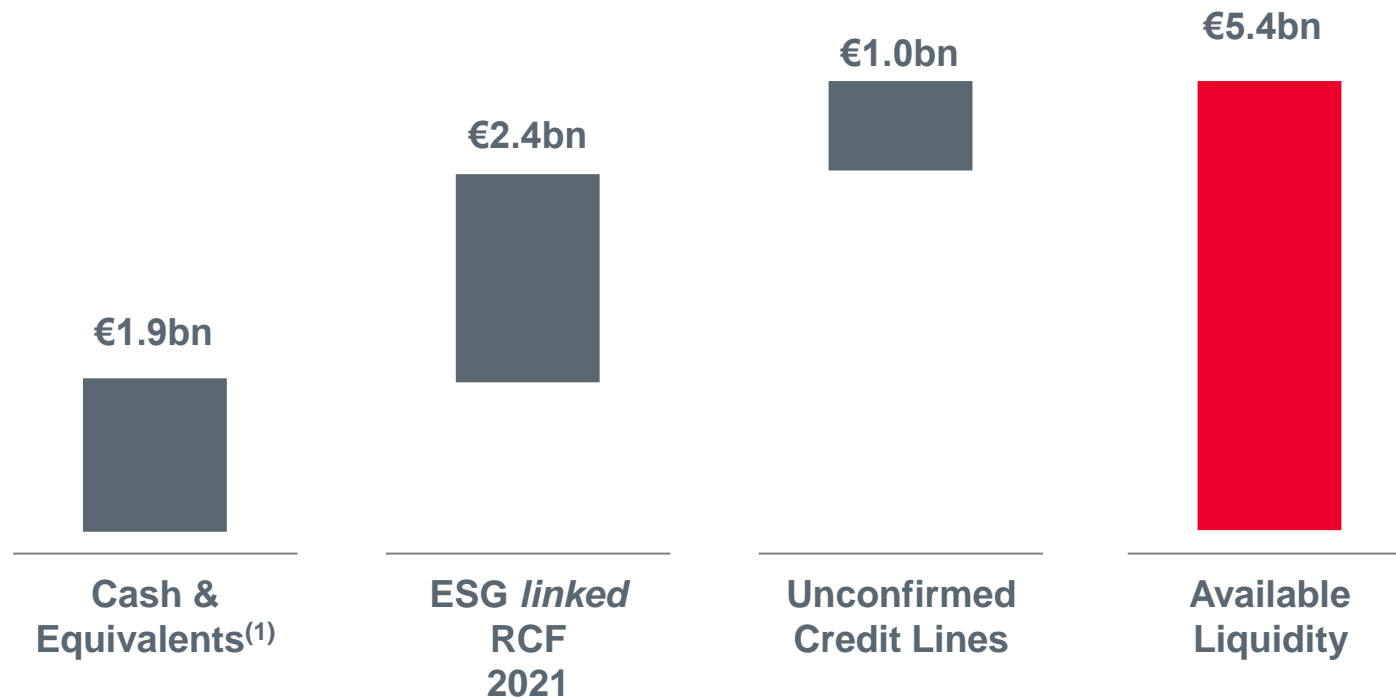
# Agenda

- 2021 Results
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- Shareholding and share price update
- **Appendix**



# Solid Group liquidity ensures adequate financial flexibility

- Available credit lines
    - New ESG Credit Line signed in October 2021 equal to € 2.4 bn
    - Existing credit lines unconfirmed equal to € 1.0 bn
- together with cash in-hands<sup>(1)</sup> ensure a Group's liquidity of approx. € 5.4 bn



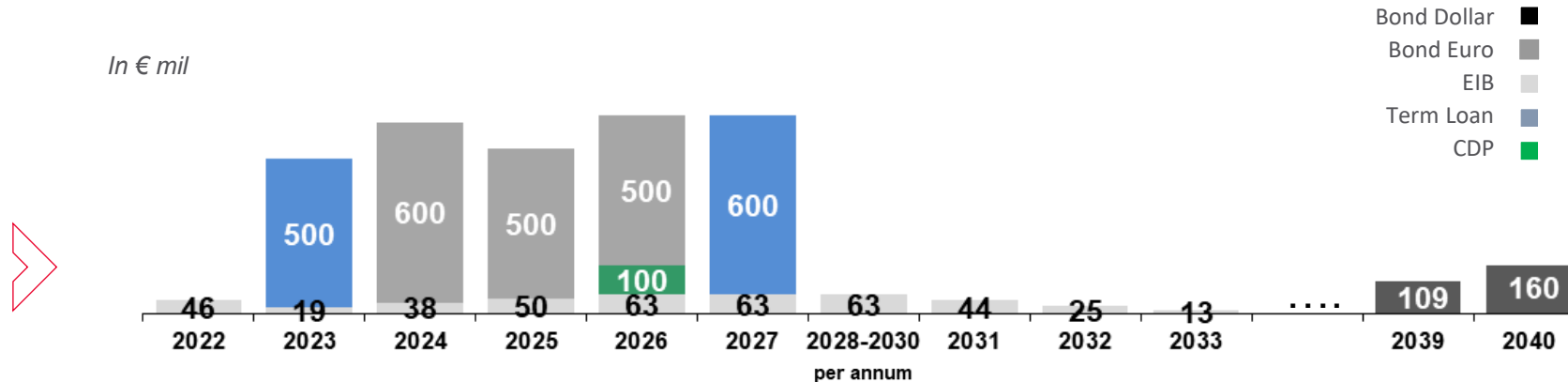
(1) Pro forma for January 2022 bond reimbursement.



# Balanced debt maturity profile

## DEBT MATURITY

Average life: ≈ 4,8 years <sup>(1)</sup>



## Repayment Conditions of New Debt Instruments

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

## CREDIT RATING

	As of today	Before last review	Date of review
<b>Moody's</b>	Ba1 / <i>Stable Outlook</i>	Ba1 / <i>Positive Outlook</i>	October 2018
<b>S&amp;P</b>	BB+ / <i>Positive Outlook</i>	BB+ / <i>Stable Outlook</i>	May 2022
<b>Fitch</b>	BBB- / <i>Stable Outlook</i>	BBB- / <i>Negative Outlook</i>	January 2022



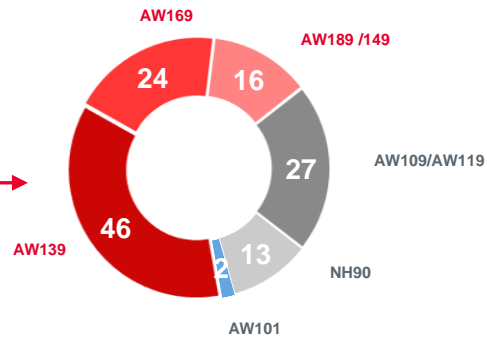
(1) Pro forma for January 2022 bond reimbursement.



# Helicopters

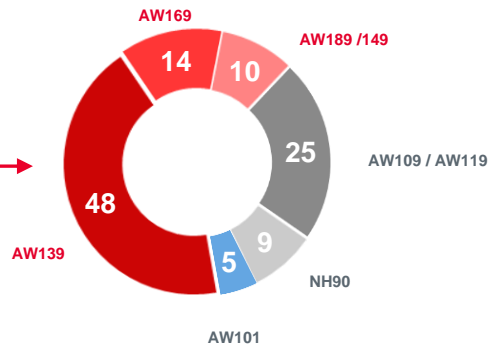
## DELIVERIES BY PROGRAMME

FY2021 = 128 new units



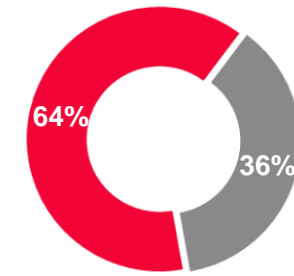
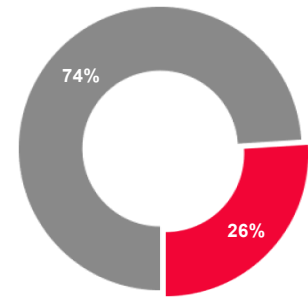
AW FAMILY

FY2020 = 111 new units



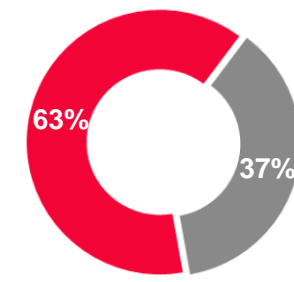
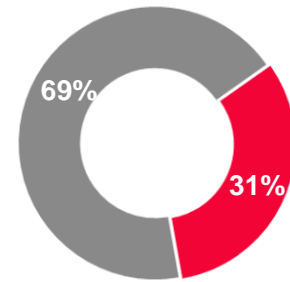
## REVENUES BY CUSTOMER/SEGMENT

FY2021



■ Civil ■ Defence/Governmental ■ OE ■ CS&T/Other

FY2020



■ Civil ■ Defence/Governmental ■ OE ■ CS&T/Other



# Development costs capitalised as intangible assets as at 31 December 2021

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

(\*) Movements w/o cash and PL effects



# Main initiatives enabling 50% contribution to SDG

## New initiatives increasing industrial process efficiency

### Energy efficiency

Transition to LED technology for most industrial plants

### Re-industrialization projects

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

### Barrel production line

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

### Digitalization

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



## New products included in our SDG aligned portfolio

### M-346 and M-345

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

### AW609

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

### AW169

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

### Integrated Sensors Suite

New AESA multifunctional radars suite for naval platforms with state-of-the-art technologies. The new materials and manufacturing process for AESA antennas reduce power consumption and increase sustainable production



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# SAFE HARBOR STATEMENT

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

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

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



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