

PRESS RELEASE

LEONARDO: NEW ORDERS OF € 4.9 BN (+29.3%¹), FOCF OF € - 688 MLN, UP ALMOST 400 MLN VS 1Q 2022.

REVENUES OF € 3 BN (+2.6%¹), EBITA OF € 119² MLN (+4.4%³). NET RESULT OF € 54² MLN IN LINE WITH 1Q 2022³.

FY GUIDANCE 2023 CONFIRMED.

LEONARDO UPGRADED TO INVESTMENT GRADE BY MOODY'S.

STRONG COMMERCIAL PERFORMANCE

- *Growing backlog at € 39.1 billion, equal to more than 2.5 years of production*
- *Book to Bill at 1.6x*

SOLID OPERATING RESULT

- *Strong performance in our Divisions*
- *Gradual recovery of Aerostructures*
- *Slower start to the year for strategic JVs, as expected, with a contribution down by 21 million vs 1Q2022*
- *ROS 3.9%² in line with 1Q 2022³*

INCREASED FINANCIAL STRENGTH

- *Group Net Debt down of € 1.1 billion vs 1Q2022, thanks to the strengthening of the Group's cash generation*

Rome, 3 May 2023 – Leonardo's Board of Directors, convened today under the Chairmanship of Luciano Carta, examined and unanimously approved first quarter 2023 results.

*"1Q 2023 commercial and financial performance showed a good start to the year - **Alessandro Profumo, Leonardo CEO**, stated – in line with expectations. Our very positive commercial performance, programme delivery and growing Top-Line are accompanied by a financial performance showing a strong and continued FOCF improvement and further steps forward in the path of debt reduction. In the first quarter we again demonstrated our competitive strength in our main defence and governmental business and the continuing performance improvement in Aerostructures. The Group is solid and sustainable in the long term, in a good position to capture best growth opportunities".*

*"I'm also proud to say – **Alessandro Profumo** concludes – that Moody's has just upgraded Leonardo to Investment Grade recognizing a strong execution through the pandemic, the deleveraging track record, solid growth prospects in Defence activities, in light of a tense geopolitical context, and conservative financial policies with a commitment to further delever the balance sheet".*

(1) Adjusted perimeter to exclude the contribution of Global Enterprise Solutions and including the contribution of Hensoldt in 1Q 2022 that was not included due to financial calendar misalignment

(2) Adjusted perimeter to exclude the contribution of strategic JVs and Hensoldt.

(3) Adjusted perimeter to exclude the effect of Global Enterprise Solutions, strategic JVs and Hensoldt.

2023 Guidance

In view of the results achieved in the first quarter of 2023 and the expectations for the coming periods, we confirm the guidance for the entire year as drawn up when preparing the annual financial statements as at 31 December 2022.

		FY2022A	FY2023 Guidance ⁽¹⁾
New Orders	(€ bn)	17.3	ca. 17
Revenues	(€ bn)	14.7	15-15.6
EBITA	(€ mln)	1,218	1,260-1,310
FOCF	(€ mln)	539	ca. 600
Group Net Debt	(€ bn)	3.0	ca. 2.6 ⁽²⁾

2023 exchange rate assumptions: € / USD = 1.10 and € / GBP = 0.87

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

2) Assuming dividend payment of € 0.14 per share and new leases for ca 100 mln.

Key Performance Indicator with perimeter adjusted

The figures for the first quarter of 2022 shown above included the contribution of the GES business, which was sold in July 2022, and they did not include the Hensoldt¹ result for the quarter. For a better comparability of the Group's operating performance which, vice versa, in 2023 does not include the contribution of the GES business but includes the results for the first quarter of Hensoldt, we report below some adjusted performance indicators for the comparative period:

Group (Euro million)	1Q 2022 Reported	1Q 2022 Adjusted	1Q 2023	Chg. %
Orders	3,789	3,765	4,868	29.3%
Revenues	3,006	2,958	3,034	2.6%
EBITA	132	121	105	(13.2%)
ROS	4.4%	4.1%	3.5%	(0.6) p.p.
FOCF	(1,080)	(1,081)	(688)	36.4%

¹ The investment in Hensoldt was acquired in January 2022. However, due to the different financial calendars, the Group's results for the first quarter of 2022 did not include yet the Hensoldt contribution.

Commercial Performance

- **New Orders**, amounted to **EUR 4,868 million** significantly increased (+28.5%, +29.3 on the Adjusted value) compared to the first quarter of 2022, in particular thanks to the excellent performance of Helicopters mainly linked to orders of no. 18 AW 169 helicopters for the Austrian Ministry of Defence and no. 13 MH 139 helicopters for the US Air Force, with a constant growth of orders in Defence Electronics & Security. The order level for the quarter is equal to a book to bill (the ratio of New orders and Revenues for the period) amounting to about 1.6
- **Backlog**, amounted to **EUR 39,126 million** ensures a coverage in terms of production higher than 2.5 years

Business Performance

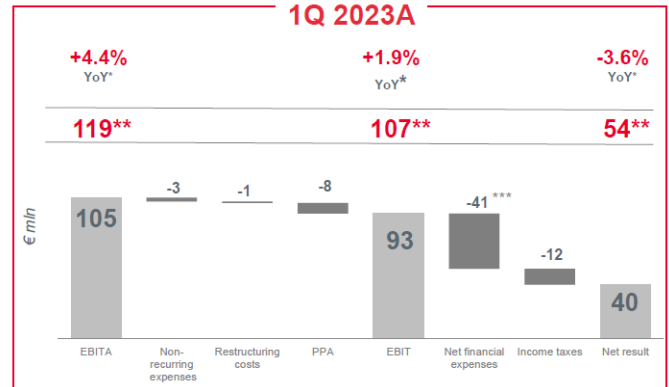
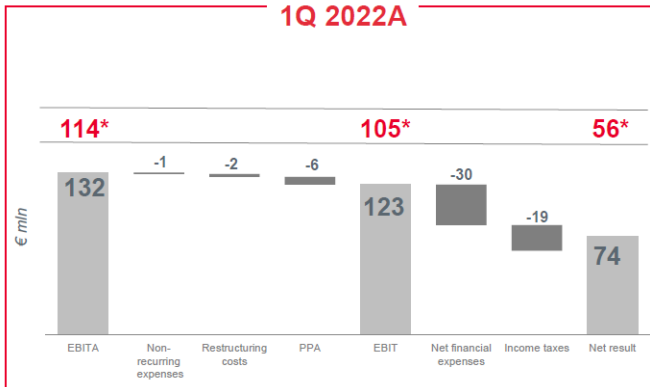
- **Revenues**, amounted to **EUR 3,034 million**, in line with those of the first quarter of 2022 for all the business sectors (+2.6% on the Adjusted value), with an increase in Defence Electronics & Security and a slight increase in Aerostructures
- **EBITA**, amounted to **EUR 105 million**, reflected the solid performance of the Group's businesses and was also affected by the performance of strategic investments which, in the period, posted a negative result of €mil. 14 (positive €mil. 7 in the Adjusted value of first quarter of 2022). The Group's industrial performance – excluding the contribution of the strategic investments – shows an increase of about 4% compared with Adjusted value of first quarter of 2022)

We report below EBITA adjusted performance for the comparative period excluding the contribution of GES, Hensoldt and strategic-investment:

Group (euro million)	1Q 2022 Adjusted	1Q 2023	Chg. %
Revenues	2,958	3,034	2.6%
EBITA	121	105	(13.2%)
<i>of which Divisions and DRS</i>	114	119	4.4%
<i>of which strategic JVs and Hensoldt</i>	7	-14	-21
ROS	4.1%	3.5%	(0.6) p.p.
ROS Divisions and DRS	3.9%	3.9%	-

- **EBIT**, amounted to **EUR 93 million**, (€mil. 123 in the first quarter of 2022) was affected by the EBITA performance and the amortization of the Purchase Price Allocation related to the acquisition of Rada, finalized in 2022
- **Net Result before extraordinary transactions**, amounted to **EUR 40 million**, (€mil. 74 in the comparative period), equal to the **Net Result**, reflected compared to the first quarter of 2022 the performance of non-strategic investments valued at equity

- **Net Result** excluding the EBITA contribution of GES, Hensoldt and strategic JVs (internal estimates), equal to **EUR 54 million** (€mil. 56 in the comparative period)



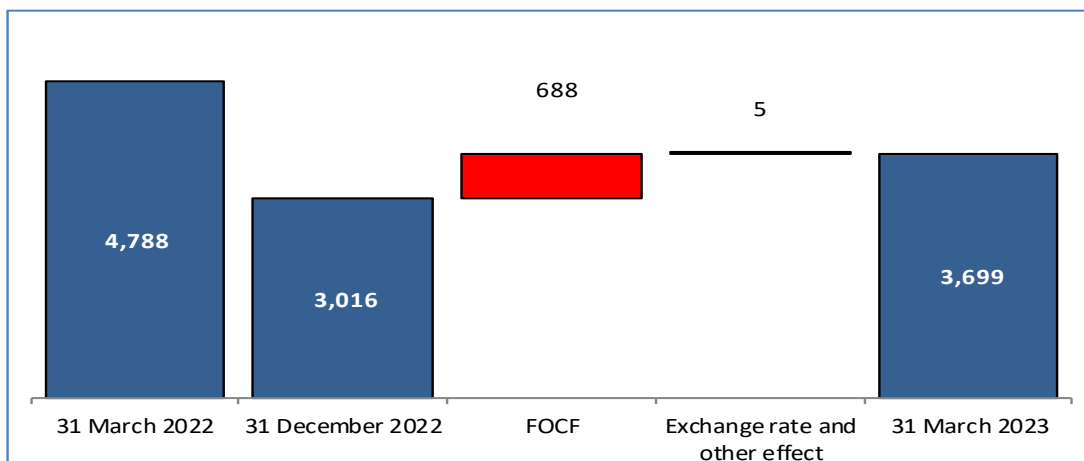
(*) Excluding the contribution of Global Enterprise Solutions, Hensoldt and Strategic JVs

(**) Excluding the contribution of Hensoldt and Strategic JVs

(***) Reflecting the performance of equity holdings

Financial performance

- **Free Operating Cash Flow (FOCF)**, negative for **EUR 688 million**, showed a significant improvement (+36.3%) compared to the first quarter of 2022 (negative for €mil. 1,080).
The figure consolidates the positive results of the initiatives aimed at strengthening the performance of operations, streamlining and making working capital more efficient, and of a careful investment policy in a period of business growth and efficient financial strategy.
The expected positive trend towards improvement however confirmed the usual interim trend that is characterised by significant cash absorptions in the first part of the year
- **Group Net Debt**, of **EUR 3,699 million**, showed a considerable reduction of approx. €bil. 1.1 against March 2022 thanks to the strengthening of the Group's cash generation.
Compared to 31 December 2022 (€mil. 3,016) the figure increased mainly as a result of the abovementioned usual FOCF performance



1Q 2023 financial results

The good commercial performance of the Group already recorded in 2022 continued in the first three months of 2023.

New orders significantly increased, specifically with the contribution of the helicopter sector, thus confirming the strengthening of the Group market positioning.

Revenues are essentially in line with those of the first quarter of 2022, showing signs of recovery in the Aerostructures sector as well.

Solid operating profitability of the business segments, with a lower contribution of the strategic investments.

A marked improvement of over 36% in cash flow for the quarter, with a consequent positive impact on the Group Net Debt.

1Q 2023 Key Performance Indicator

Group (Euro million)	1Q 2022	1Q 2023	Chg.	Chg. %	2022
New Orders	3,789	4,868	1,079	28.5%	17,266
Order backlog	36,278	39,126	2,848	7.9%	37,506
Revenues	3,006	3,034	28	0.9%	14,713
EBITDA	251	238	(13)	(5.2%)	1,763
EBITA	132	105	(27)	(20.5%)	1,218
ROS	4.4%	3.5%	(0.9) p.p.		8.3%
EBIT	123	93	(30)	(24.4%)	961
EBIT Margin	4.1%	3.1%	(1.0) p.p.		6.5%
Net Result before extraordinary transactions	74	40	(34)	(45.9%)	697
Net result	74	40	(34)	(45.9%)	932
Group Net Debt	4,788	3,699	(1,089)	(22.7%)	3,016
FOCF	(1,080)	(688)	392	36.3%	539
ROI	10.8%	10.5%	(0.3) p.p.		12.0%

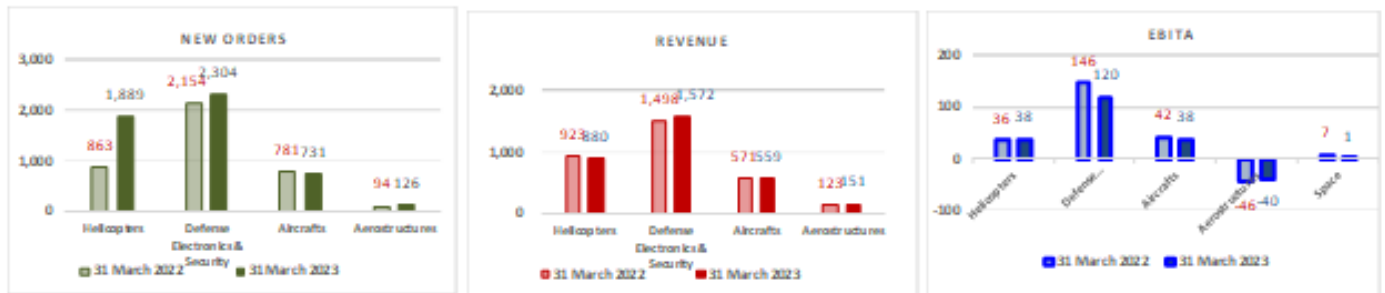
(*) EBITDA is given by EBITA, as defined below, before amortisation and depreciation (excluding amortisation of intangible assets arising from business combinations) and impairment losses (net of those relating to goodwill or classified among "non-recurring costs").

(**) EBITA is obtained by eliminating from EBIT the following items: any impairment in goodwill; amortisation and impairment, if any, of the portion of the purchase price allocated to intangible assets as part of business combinations, restructuring costs that are a part of defined and significant plans; other exceptional costs or income, i.e. connected to particularly significant events that are not related to the ordinary performance of the business.

(***) EBIT 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 investments (MBDA, GIE ATR, TAS, Telespazio and Hensoldt), reported in the "share of profits (losses) of equity-accounted investees".

SECTOR PERFORMANCE

The Key Performance Indicators of the business Sectors are reported below while pointing out that - starting with 2022 financial statements - the Group has set out a method of representing its performance that is increasingly consistent with corporate strategies and underlying business dynamics. The performance in the sectors will therefore be represented and commented on with reference to the operating sectors of Helicopters, Defence Electronics and Security, Aircraft, Aerostructures and Space (the results at 31 March 2022 of Helicopters, Defence Electronics and Security, Aeronautics and Space were restated to facilitate the performance comparison).



1Q 2022 (Euro million)	New Orders	Order Backlog 31.12.2022	Revenues	EBITA	ROS
Helicopters	863	13,614	923	36	3.9%
Defence Electronics & Security	2,154	15,160	1,498	146	9.7%
		<i>Hensoldt + MBDA</i>	-	16	-
Aircraft	781	8,554	571	42	7.4%
		<i>GIE ATR</i>	-	(10)	-
Aerostructures	94	1,075	123	(46)	(37.4%)
Space	-	-	-	7	n.a.
Other activities	68	360	135	(53)	(39.3%)
<i>Eliminations</i>	(171)	(1,257)	(244)	-	n.a.
Total	3,789	37,506	3,006	132	4.4%

1Q 2023 (Euro million)	New Orders	Order Backlog	Revenues	EBITA	ROS
Helicopters	1,889	14,619	880	38	4.3%
Defence Electronics & Security	2,304	15,692	1,572	120	7.6%
		<i>Hensoldt + MBDA</i>	-	1	-
Aircraft	731	8,741	559	38	6.8%
		<i>GIE ATR</i>	-	(16)	-
Aerostructures	126	1,058	151	(40)	(26.5%)
Space	-	-	-	1	n.a.
Other activities	133	391	173	(52)	(30.1%)
<i>Eliminations</i>	(315)	(1,375)	(301)	-	n.a.
Total	4,868	39,126	3,034	105	3.5%

Change %	New Orders	Order Backlog	Revenues	EBITA	ROS
Helicopters	118.9%	7.4%	(4.7%)	5.6%	0.4 p.p.
Defence Electronics & Security	7.0%	3.5%	4.9%	(17.8%)	(2.1) p.p.
		<i>Hensoldt + MBDA</i>	-	(93.8%)	-
Aircraft	(6.4%)	2.2%	(2.1%)	(9.5%)	(0.6) p.p.
		<i>GIE ATR</i>	-	60.0%	-
Aerostructures	34.0%	(1.6%)	22.8%	13.0%	10.9 p.p.
Space	n.a.	n.a.	n.a.	(85.7%)	n.a.
Other activities	95.6%	8.6%	28.1%	1.9%	9.2 p.p.
<i>Eliminations</i>	n.a.	n.a.	n.a.	n.a.	n.a.
Total	28.5%	4.3%	0.9%	(20.5%)	(0.9) p.p.

Helicopters

This sector continues to show an excellent commercial performance, with a particularly significant increase in New orders compared to the same period of 2022. Excluding the declining contribution of pass-through volumes, revenues are up compared to the first quarter of 2022, with profitability essentially in line. During the period, 28 new helicopters were delivered compared to 19 in the first quarter of 2022.

New Orders: up by about 120% as a result of increased acquisitions in both the government and commercial context. Among the main acquisitions for the period we note.

- The contract, entered into within the Italy-Austria Government-to-Government (G2G) Agreement Amendment signed in December 2022, for the supply of additional 18 AW169M LUH (Light Utility Helicopter) helicopters for the Austrian Ministry of Defence;
- The contracts for the Mid Life Upgrade (MLU) of 3 AW159 helicopters and of 2 AW101 helicopters for export customers;
- The contract with Boeing for the supply of 13 helicopters related to the starting of the production phase of the MH-139 programme for the US Air Force;
- Sundry orders, mainly linked to AW139 helicopters within a commercial context

Revenues: slightly decreased due to the lower contribution of the NH90 Qatar programme, as estimated.

EBITA: showed a slight increase compared to the first quarter of 2022.

Defence Electronics & Security

The first quarter of 2023 was characterised by an increasing commercial performance in all the business areas. The volume of revenues also showed an increase in the European component.

Profitability was in line in the European component, while DRS was affected by the different production mix.

1Q 2022 (Euro million)	New Orders	Revenues	EBITA	ROS %
EDS Europe	1,489	955	91	9.5%
Leonardo DRS	665	545	55	10.1%
Eliminations	-	(2)	-	n.a.
Total	2,154	1,498	146	9.7%

1Q 2023 (Euro million)	New Orders	Revenues	EBITA	ROS %
EDS Europe	1,624	1,046	89	8.5%
Leonardo DRS	698	530	31	5.8%
Eliminations	(18)	(4)	-	n.a.
Total	2,304	1,572	120	7.6%

Change %	New Orders	Revenues	EBITA	ROS %
EDS Europe	9.1%	9.5%	(2.2%)	(1.0) p.p.
Leonardo DRS	5.0%	(2.8%)	(43.6%)	(4.3) p.p.
Eliminations	n.a.	n.a.	n.a.	n.a.
Total	7.0%	4.9%	(17.8%)	(2.1) p.p.

Average €/USD exchange rate: 1.07299 (first three months of 2023) and 1.1225 (first three months of 2022)

	New Orders	Revenues	EBITA	ROS %
Leonardo DRS (\$ mln) – 2022	747	612	62	10.1%
Leonardo DRS (\$ mln) – 2023	749	569	33	5.8%

As previously indicated, the figures of the first quarter of 2022 included the contribution of the GES business and did not include the Hensoldt results for the first quarter. Below are the adjusted performance indicators of the sector for the comparative period:

Group (Euro million)	1Q 2022 Reported	1Q 2022 Adjusted	1Q 2023	Chg. %
New Orders	2,154	2,130	2,304	8.2%
Revenues	1,498	1,450	1,572	8.4%
EBITA	146	135	120	(11.1%)
ROS	9.7%	9.3%	7.6%	(1.7) p.p.

New Orders: increased in all the business areas, despite the different perimeter. Among the main acquisitions of the period, we highlight the order for the supply of tented command posts for Brigades and Regiments to the Italian Army, which is part of the broader programme for the modernisation of land-based multi-domain command and control (C2) capabilities in order to provide the above-mentioned units with a modern, highly modular C2 capability for effective deployment across the entire spectrum of Multi-Domain Operations. In the export area, we highlight the order for the supply of defence systems that will equip OPV-class ships for the Philippine Navy and related logistic support. For the Cyber division, note the order for the construction of the Joint Operation Center (JOC) of the Joint Operations Command (Comando Operativo di Vertice Interforze, COVI) of the Italian Defence, through the setting up of Operations Rooms and Data Centres and the development of functionalities such as Joint Common Operational Picture (JCOP), Political Military Economic Social Information Infrastructure (PMESII) and Information Knowledge Management (IKM).

Leonardo DRS, as part of the broader Ohio-submarine class Replacement Programme (ORP), received an additional order to supply integrated electric propulsion components for the next-generation Columbia-class submarine for the US Navy. Moreover, additional orders were placed for the supply of infrared countermeasures to protect rotary and tilt-wing platforms against threats from infrared weapon systems, supplied to the US armed forces.

Revenues: showed growing volumes in the European component of DES (Defence Electronics & Security). The Leonardo DRS volumes slightly reduced mainly due to the different perimeter (last year the GES business left the perimeter in August). Excluding such effect, the volumes of the subsidiary were essentially in line with the first quarter of 2022 (+6.6% on adjusted figures in Euro).

EBITA: in line in all the main business areas of the DES European component. In DRS the profitability decreased compared to the first quarter of 2022, which had specifically benefitted from a favourable mix of activities and the lower absorption of fixed costs in the period.

Aircraft

The Aircraft Sector confirmed the high profitability of the military business.

The GIE-ATR consortium- although confirming same deliveries as in the same period of 2022 - showed a decline in profitability.

From a production point of view:

- For the military programmes of the Aircraft Division 10 wings were delivered to Lockheed Martin for the F-35 programme (11 wings and 2 final assemblies delivered in the first quarter 2022). In addition, 2 Typhoon aircraft were accepted by Kuwait at the Caselle plant compared to the 2 deliveries in 2022;
- For the GIE consortium we highlight 2 deliveries, in line with the 2022 figure

1Q 2022 (Euro million)	New Orders	Revenues	EBITA	ROS %
Aircraft	781	571	52	9.1%
GIE ATR	n.a.	n.a.	(10)	n.a.

1Q 2023 (Euro million)	New Orders	Revenues	EBITA	ROS %
Aircraft	731	559	54	9.7%
GIE ATR	n.a.	n.a.	(16)	n.a.

Change %	New Orders	Revenues	EBITA	ROS %
Aircraft	(6.4%)	(2.1%)	3.8%	0.6 p.p.
GIE ATR	n.a.	n.a.	(60.0%)	n.a.

New Orders: Aircraft Division recorded lower orders compared to the same period of 2022, which benefitted from the important order for the first design phase of the remotely-piloted aircraft system Euromale. In 2023 worth noting are the orders for the logistic component of EFA, for two special version ATR aircraft and the anticipation of orders for the JSF programme.

Revenues: slightly declined, due to lower production volumes of the Kuwait programme.

EBITA:

- For the Aircraft Division the high level of profitability was confirmed, mainly sustained by the international programmes of Typhoon;
- the GIE-ATR consortium recorded a lower result compared with that in 2022 in consequence of the slowdown in the supply chain and in the different mix of the deliveries

Aerostructures

This sector confirmed the improving trend already recorded starting from 2022. Specifically, the Grottaglie site recorded an increase in production workloads which lessened the effects from the site working at lower capacity.

From the production point of view, 10 fuselage sections and 8 stabilisers were delivered for the B787 programme (3 fuselages and 3 stabilisers delivered in 2022) and 6 fuselages delivered for the ATR programme (2 in 2022).

New Orders: an increase compared to last year, benefitting from the orders from Boeing for the B787 programme. Orders for the programmes with GIE-ATR and Airbus customers were substantially stable.

Revenues: on a rise, thanks to the higher deliveries to the GIE ATR consortium and the B787 programme.

EBITA: sector profitability was positively influenced by the improvement in the production sites which were working at lower capacity, in particular the Grottaglie site.

Space

The first quarter of 2023 showed a declining result, due to the operating performance of the manufacturing sector, which in this phase is affected by a higher volume of research and development activities.

The segment of satellite services confirmed a positive trend, with growing results compared to the first quarter of 2022.

Industrial transactions

There were no Industrial transactions in the first quarter of 2023.

With reference to process of concentrating the assets held by Leonardo in the USA in a single legal entity started in 2022, in the first three months of 2023 the following transactions were completed.

- Leonardo US Corporation established Leonardo US Subholding, wholly owned;
- Leonardo US Corporation contributed its stake in Leonardo US Aircraft to Leonardo US Subholding;
- Leonardo International contributed its stake in Selex ES Inc. to Leonardo US Holding. The same stake was subsequently transferred from Leonardo US Holding to Leonardo US Corporation, and from the latter to Leonardo US Subholding

Furthermore, we note that May 2023 saw the finalisation of the disposal of the ATM business of Selex ES Inc. following the obtainment of the usual authorizations required by the law.

Financial transactions

No new transaction was carried out on the financial markets during the first quarter of 2023.

As at 31 March 2023 Leonardo SpA had sources of liquidity for a total of about €mil. 4,210, to meet the financing needs of the Group's recurring operations, all unused at 31 March 2023 and broken-down as follows:

- an ESG-linked Revolving Credit Facility for an amount of €mil. 2,400, divided into two tranches;
- additional unconfirmed short-term lines of credit of about €mil. 810;
- a framework programme for the issue of commercial papers on the European market (Multi-Currency Commercial Paper Programme) for a maximum amount of €bil. 1.

Leonardo DRS held a Revolving Credit Facility for an amount of USDmil. 275 signed at the same time as the finalisation of the merger with RADA, used at 31 March 2023 for USDmil. 215 (€mil. 198).

Leonardo US Holding had revocable short-term lines of credit, guaranteed by Leonardo Spa, for USDmil. 190 (€mil. 175), used as at 31 March 2023 for USDmil. 56 (€mil. 51).

Leonardo has unconfirmed lines of credit for guarantees for a total of €mil. 10,102, of which €mil. 2,841 available as at 31 March 2023.

Furthermore, the Company had a €mil. 260 financing granted by the European Investment Bank (EIB) – with a contract signed in November 2022 – entirely unused at the date of this report.

Finally, Leonardo had in place an EMTN (Euro Medium Term Note) programme for the possible issue of bonds on the European market for a total of €bil. 4 that, at the date of this report, was still available for €mil. 2,400. Outstanding bond issues (equal to a total of €mil 1,600) are given a medium/long-term financial credit rating by the international rating agencies: Moody's Investors Service (Moody's), Standard & Poor's and Fitch.

Taking into account:

- The strong execution of the Industrial Plan conducted by the Group, even during the pandemic,
- The material reduction in financial leverage over the last 12 to 18 months and the commitment to further deleverage its balance sheet,
- a stable shareholder remuneration,
- The strong growth prospects, as evidenced both by the strong commercial activity in 2022 and the solid growth prospects for the Defense Industry as a whole, also in consideration of the complex geopolitical context

On May 3 2023, Moody's improved Leonardo's rating bringing it back to an Investment Grade level, Baa3 compared to the previous Ba1, with a stable outlook.

On the reporting date, Leonardo's credit ratings, compared to those preceding the last change, were as follows:

Agency	Last update	Previous		Updated	
		Credit Rating	Outlook	Credit Rating	Outlook
Moody's	May 2023	Ba1	positive	Baa3	stable
Standard&Poor's	May 2022	BB+	stable	BB+	positive
Fitch	January 2022	BBB-	negative	BBB-	stable

At today's meeting, the Board also resolved to renew the bond issue program EMTN (Euro Medium Term Notes) for additional 12 months, leaving at 4 billion Euro the maximum amount (already overall used for a nominal amount of approximately EUR 1,6 billion). The renewal is performed by Leonardo Group on a yearly basis, as part of its ordinary activities of financial management. As usual, credit rating will be assigned to the Program by Moody's, Standard & Poor's and Fitch.

The officer in charge of the company's financial reporting, Alessandra Genco, hereby declares, in accordance with the provisions of Article 154-bis, paragraph 2, of the Consolidated Law on Finance, that the accounting information included in this press release corresponds to the accounting records, books and supporting documentation.

The interim results, approved today by the Board of Directors, are made available to the public at the Company's registered office, at Borsa Italiana S.p.A., on the Company's website (www.leonardo.com, section Investors/Results and reports), as well as on the website of the authorised storage mechanism eMarket Storage (www.emarketstorage.com).

CONSOLIDATED INCOME STATEMENT

	1Q 2022	1Q 2023	Chg. YoY
<i>€mil.</i>			
Revenues	3,006	3,034	28
Purchases and personnel expense	(2,786)	(2,776)	10
Other net operating income/(expense)	18	(4)	(22)
Equity-accounted strategic JVs	13	(14)	(27)
Amortisation and depreciation	(119)	(135)	(16)
EBITA	132	105	(27)
<i>ROS</i>	4.4%	3.5%	(0.9%) p.p.
Non recurring income (expense)	(1)	(3)	(2)
Restructuring costs	(2)	(1)	1
Amortisation of intangible assets acquired as part of Business combinations	(6)	(8)	(2)
EBIT	123	93	(30)
<i>EBIT Margin</i>	4.1%	3.1%	(1.0) p.p.
Net financial income/ (expense)	(30)	(41)	(11)
Income taxes	(19)	(12)	7
Net result before extraordinary transactions	74	40	(34)
Net result related to discontinued operations and extraordinary transactions	-	-	
Net result	74	40	(34)
<i>attributable to the owners of the parent</i>	74	36	(38)
<i>attributable to non-controlling interests</i>	-	4	4
Earning per share (Euro)			
<i>Basic e diluted</i>	0.129	0.063	(0.066)
Earning per share of continuing operation (Euro)			
<i>Basic e diluted</i>	0.129	0.063	(0.066)
Earning per share of discontinuing operation (Euro)			
<i>Basic e diluted</i>	-	-	

CONSOLIDATED BALANCE SHEET

<i>€mil.</i>	31.03.2022	31.12.2022	31.03.2023
Non-current assets	13,479	13,943	13,901
Non-current liabilities	(2,150)	(2,174)	(2,169)
Capital assets	11,329	11,769	11,732
Inventories	1,547	975	1,102
Trade receivables	3,418	3,338	3,376
Trade payables	(2,859)	(3,054)	(2,582)
Working capital	2,106	1,259	1,896
Provisions for short-term risks and charges	(1,119)	(1,078)	(1,061)
Other net current assets (liabilities)	(981)	(1,260)	(1,144)
Net working capital	6	(1,079)	(309)
Net invested capital	11,335	10,690	11,423
Equity attributable to the Owners of the Parent	6,521	7,183	7,237
Equity attributable to non-controlling interests	27	516	512
Equity	6,548	7,699	7,749
Group Net Debt	4,788	3,016	3,699
Net (assets)/liabilities held for sale	(1)	(25)	(25)

CONSOLIDATED CASH FLOW STATEMENT

<i>€mil.</i>	1Q 2022	1Q 2023
Cash flows used in operating activities	(978)	(558)
Dividends received	1	-
Cash flow from ordinary investing activities	(103)	(130)
Free operating cash flow (FOCF)	(1,080)	(688)
Strategic investments	(608)	-
Change in other investing activities	1	(4)
Net change in loans and borrowings	(418)	255
Dividends paid	-	-
Net increase/(decrease) in cash and cash equivalents	(2,105)	(437)
Cash and cash equivalents at 1 January	2,479	1,511
Exchange rate gain/losses and other movements	9	(4)
Cash and cash equivalents at 31 March	383	1,070

CONSOLIDATED FINANCIAL POSITION

<i>€mil.</i>	31.03.2022	31.12.2022	31.03.2023
Bonds	1,875	1,628	1,603
Bank debt	1,706	1,350	1,570
Cash and cash equivalents	(383)	(1,511)	(1,070)
Net bank debt and bonds	3,198	1,467	2,103
Current loans and receivables from related parties	(32)	(56)	(43)
Other current loans and receivables	(16)	(49)	(17)
Current loans and receivables and securities	(48)	(105)	(60)
Hedging derivatives in respect of debt items	16	19	(7)
Other related-party loans and borrowings	956	962	983
Leasing liabilities	562	570	573
Other loans and borrowings	104	103	107
Group net debt	4,788	3,016	3,699

EARNINGS PER SHARE

	1Q 2022	1Q 2023	Chg. YoY
Average shares outstanding during the reporting period (in thousands)	575,307	575,307	-
Earnings/(losses) for the period (excluding non-controlling interests) (€ million)	74	36	(38)
Earnings/(losses) - continuing operations (excluding non-controlling interests) (€ million)	74	36	(38)
Earnings/(losses) - discontinued operations (excluding non-controlling interests) (€ million)	-	-	-
BASIC AND DILUTED EPS (EUR)	0.129	0.063	(0.066)
BASIC AND DILUTED EPS from continuing operations	0.129	0.063	(0.066)
BASIC AND DILUTED EPS from discontinuing operations	-	-	-

1Q 2022 (Euro million)	Helicopters	Defence Electronics & Security	Aircrafts	Aerostructures	Space	Other activities	Eliminations	Total
New orders	863	2,154	781	94	-	68	(171)	3,789
Order backlog 31.12.2022	13,614	15,160	8,554	1,075	-	360	(1,257)	37,506
Revenues	923	1,498	571	123	-	135	(244)	3,006
EBITA	36	146	42	(46)	7	(53)	-	132
<i>EBITA margin</i>	3.9%	9.7%	7.4%	(37.4%)	<i>n.a.</i>	(39.3%)	<i>n.a.</i>	4.4%
EBIT	35	140	43	(46)	7	(56)	-	123
Amortisation	20	39	7	11	-	21	-	98
Investments	40	44	7	9	-	7	-	107

1Q 2023 (Euro million)	Helicopters	Defence Electronics & Security	Aircrafts	Aerostructures	Space	Other activities	Eliminations	Total
New orders	1,889	2,304	731	126	-	133	(315)	4,868
Orders backlog	14,619	15,692	8,741	1,058	-	391	(1,375)	39,126
Revenues	880	1,572	559	151	-	173	(301)	3,034
EBITA	38	120	38	(40)	1	(52)	-	105
<i>EBITA margin</i>	4.3%	7.6%	6.8%	(26.5%)	<i>n.a.</i>	(30.1%)	<i>n.a.</i>	3.5%
EBIT	37	110	38	(40)	1	(53)	-	93
Amortisation	21	50	5	13	-	23	(2)	110
Investments	45	45	14	10	-	13	-	127

Leonardo, a global high-technology company, is among the top world players in Aerospace, Defense and Security and Italy's main industrial company. Organized into five business divisions, Leonardo has a significant industrial presence in Italy, the United Kingdom, Poland and the USA, where it also operates through subsidiaries that include Leonardo DRS (defense electronics), and joint ventures and partnerships: ATR, MBDA, Telespazio, Thales Alenia Space and Avio. Leonardo competes in the most important international markets by leveraging its areas of technological and product leadership (Helicopters, Aircraft, Aerostructures, Electronics, Cyber & Security Solutions and Space). Listed on the Milan Stock Exchange (LDO), in 2021 Leonardo recorded consolidated revenues of €14.1 billion and invested €1.8 billion in Research and Development. The company has been part of the Dow Jones Sustainability Indices (DJSI) since 2010 and has been confirmed among the global sustainability leaders in 2022. Leonardo is also included in the MIB ESG index.

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