PRESS RELEASE

LEONARDO, BOARD OF DIRECTORS APPROVED RESULTS FOR THE FIRST NINE MONTHS OF 2023:

- **ORDERS +14.8%[1] AT € 13.3 BILLION VS € 11.6 BILLION 9M 2022**
- **RECORD BACKLOG € 40 BILLION; BOOK TO BILL OF CA. 1.3X**
- **REVENUES +4.8%[1] AT € 10.26 BILLION (VS € 9.8 BILLION 9M 2022)**
- **EBITA € 644 MILLION (+6.3%[1] VS € 606 MILLION 9M 2022)**
- **FOCF IMPROVED SIGNIFICANTLY AT € - 604 MILLION (+33.2%[1] VS € - 904 MILLION 9M 2022)**
- **GROUP NET DEBT OF € 3.8 BILLION IN REDUCTION OF € 546 MILLION AGAINST € 4.4 BILLION 9M 2022 DRIVEN BY IMPROVING FOCF**
- **RATED INVESTMENT GRADE BY ALL 3 RATING AGENCIES. STRONG COMMITMENT TO MAINTAIN SOLID FINANCIAL PROFILE**
- **FY 2023 GUIDANCE CONFIRMED**
- **RECOVERY OF THE AEROSTRUCTURES IN LINE WITH EXPECTATIONS. ON TRACK TO BREAKEVEN IN 2025**

Rome, 9/11/2023 – Leonardo's Board of Directors, convened today under the Chairmanship of Stefano Pontecorvo, examined and unanimously approved the results for the first nine months of 2023.

"The nine months 2023 performance confirms the strength of our business in line with our expectations. **– Roberto Cingolani, Leonardo CEO and GM**, stated – *We improved our backlog and confirmed our competitiveness in all business areas. Aerostructures is confirming its recovery path in line with expectations".*

"All the economic and financial indicators – added ***Roberto Cingolani*** *– are performing well, with a good increase in profitability. The expected reduction in intra-year cash absorption had also a positive effect on Group Net Debt reduction".*

"We are implementing the digitisation of processes and products – ended ***Roberto Cingolani*** *– to further strengthen the competitiveness of our offer, integrating to the core our newer growth areas in Cyber and Space. We are working on the new Industrial Plan with the aim to present it with the FY 2023 results".*

(1) Adjusted perimeter to exclude the contribution of Global Enterprise Solutions, sold in July 2022.

9M 2023 economic-financial results

The strong performance already reported by the Group in 2022 continued into the first nine months of 2023. Such performance is far more significant if we compare the adjusted figures, which were restated to make the results of comparison homogeneous and more representative, taking into account the changes in the Group's scope of consolidation, as set out below.

New orders recorded a substantial increase of 13.3% which went up to 14.8% compared with the adjusted figure in September 2022, especially driven by the European component of the Defence Electronics and Security business, thus confirming the strengthening of the Group market positioning in this sector. The commercial growth is even more pronounced considering that new orders in the comparative period reflected the order from the Ministry of Poland related to the AW149 helicopters.

Revenues were up by 3.5% (4.8% against the Adjusted figure), driven by significant recovery in Aerostructures (+32% against the first nine months of 2022) and the performance of the Defence Electronics and Security. The growth of Revenues was accompanied by a growth of EBITA of 4.0%, which appears more evident in the Adjusted figure or 6.3% on an adjusted basis, with sound profitability across all business segments.

Free Operating Cash Flow for the period improved by a significant 32% (33% against the adjusted figure), with a consequent positive impact on the Group Net Debt, which decreased by about 13% compared with the comparative period.

Key Performance Indicator with perimeter adjusted

For a better comparability of the Group's operating performance for the period, we report below some Adjusted performance indicators for the comparative period, excluding the main deconsolidation transactions from the Group's scope of consolidation (GES business which was sold in July 2022). When compared with Adjusted data, the signs of growth in the Group's New Orders, Revenues, Operating Profit and Free Operating Cash Flow previously reported are further strengthened:

Group *(Euro million)*	9M 2022 Reported	9M 2022 Adjusted	9M 2023	Chg. %
Orders	11,719	11,560	13,275	14.8%
Revenues	9,917	9,802	10,269	4.8%
EBITA	619	606	644	6.3%
ROS	6.2%	6.2%	6.3%	0.1 p.p.
FOCF	(894)	(904)	(604)	33.2%

2023 Guidance

In view of the results achieved in the first nine months 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.

Commercial Performance

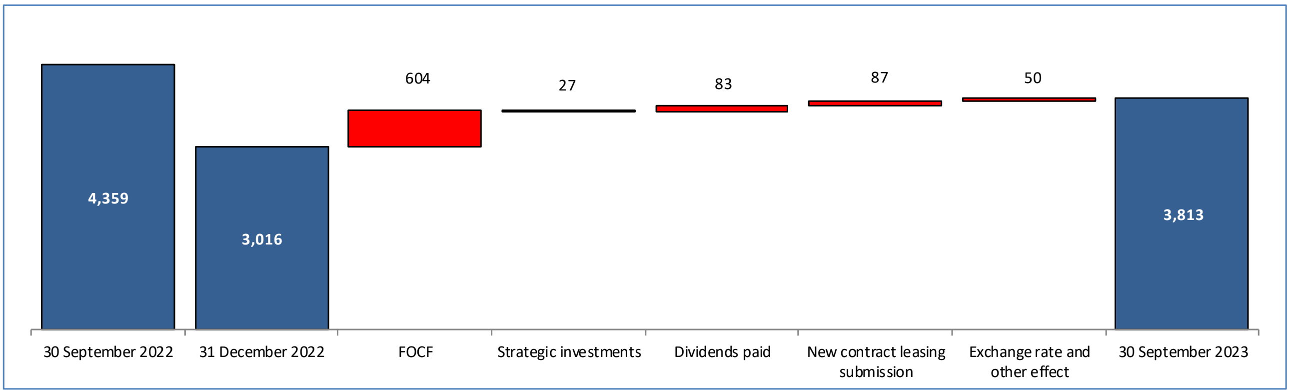
- **New Orders,** amounted to **EUR 13,275 million** significantly increased (+13.3% on the Reported value, +14.8% on the Adjusted value) compared to the first nine months of 2022, thanks to the important contribution of the Defence Electronics and Security sector that recorded – in all the business areas of its European component – a sharp growth compared to the first nine months of 2022. The increase in the period is even more substantial considering that the comparative figure included the important acquisition of the order for the AW149 helicopters received from the Polish Ministry of Defence (€bil. 1.4). The abovesaid Order level is equal to a book to bill (the ratio of New orders to Revenues for the period) of 1.3x
- **Backlog,** amounted to **EUR 40,186 million** ensures a coverage in terms of production higher than 2.5 years. The successful sales campaigns launched in recent years led the Group to reach - for the first time - an Order Backlog exceeding the € 40 billion threshold

Business Performance

- **Revenues,** amounted to **EUR 10,269 million**, increased compared to the first nine months of 2022 (+3.5% on the Reported value, +4.8% on the Adjusted value), in almost all business sectors, including Aerostructures, which benefitted from resuming deliveries of B-787. The European component of the Defence Electronics and Security sector was particularly important
- **EBITA,** amounted to **EUR 644 million,** reflects the solid performance of the Group's businesses, increasing compared to the first nine months of 2022 (+4.0% on the Reported value, +6.3% on the Adjusted value), thanks to the higher volumes recorded especially in Helicopters and in the European component of the Defence Electronics and Security sector
- **EBIT,** amounted to **EUR 537 million**, showed a slight decrease compared to the first nine months of 2022 (€mil. 552), due to higher impacts of the expected restructuring costs related to the additions to the agreement for the early retirement of the workforce in the Corporate and Staff functions (€mil. 20), as well as for the amortisation of the Purchase Price Allocation related to the acquisition of Rada, which was completed in the second half of 2022
- **Net Result before extraordinary transactions,** amounted to **EUR 290 million**, (€mil. 387 in the comparative period) reflected, on the other hand, the increase in borrowing costs, mainly linked to exchange rate operations and the effect of the non-strategic investments valued at equity
- **Net Result,** equal to **EUR 301 million** (€mil. 662 in the comparative period) included, in addition to the Net Result before extraordinary transactions, the capital gain of €mil. 11 arising from the sale of the ATM business unit on the part of Selex ES LLC. The figure of the comparative period reflected, on the other hand, the capital gain arising from the sale of the Global Enterprise Solutions and Advanced Acoustic Concepts businesses of Leonardo DRS, for €mil. 275

Financial performance

- **Free Operating Cash Flow (FOCF),** negative for **EUR 604 million**, improving significantly (+32.4%) compared to the comparative period of 2022 (negative for €mil. 894), thus confirming the path embarked on to reduce interim cash absorptions. 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 during the year
- **Group Net Debt,** of **EUR 3,813 million,** reduced significantly (approx. €bil. 0.5) against September 2022, driven by the Group's cash generation.
  Compared to 31 December 2022 (€mil. 3,016) the figure increased mainly as a result of the seasonal cash outflow, as well as of the payment of dividends in July for an amount of €mil. 83 and the signing of new lease agreements in the period, for a value of €mil. 87



9M 2023 Key Performance Indicator

Group (Euro million)	9M 2022	9M 2023	Chg.	Chg. %	2022
New Orders	11,719	13,275	1,556	13.3%	17,266
Order backlog	37,353	40,186	2,833	7.6%	37,506
Revenues	9,917	10,269	352	3.5%	14,713
EBITDA	1,008	1,070	62	6.2%	1,763
EBITA	619	644	25	4.0%	1,218
ROS	6.2%	6.3%	0.1 p.p.		8.3%
EBIT	552	537	(15)	(2.7%)	961
EBIT Margin	5.6%	5.2%	(0.4) p.p.		6.5%
Net Result before extraordinary transactions	387	290	(97)	(25.1%)	697
Net result	662	301	(361)	(54.5%)	932
Group Net Debt	4,359	3,813	(546)	(12.5%)	3,016
FOCF	(894)	(604)	290	32.4%	539
ROI	10.3%	10.7%	0.4 p.p.		12.0%

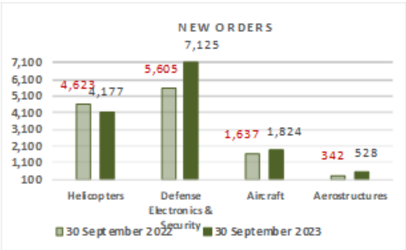
(*) EBITDA is given by EBITA, as defined below, before amortisation and depreciation (excluding amortisation of intangible assets arising from business combinations) and impairment losses (net of those relating to goodwill or classified among "non-recurring costs").

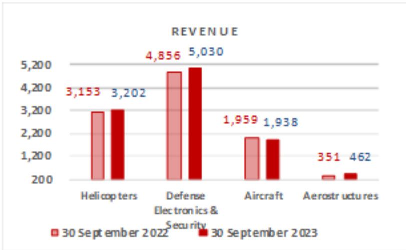
(**) EBITA is obtained by eliminating from EBIT the following items: any impairment in goodwill; amortisation and impairment, if any, of the portion of the purchase price allocated to intangible assets as part of business combinations, restructuring costs that are a part of defined and significant plans;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

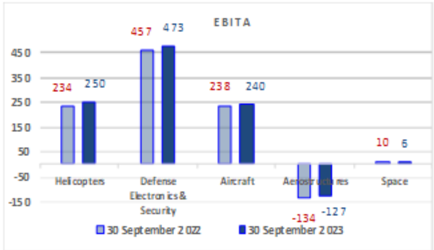
(***) EBIT is obtained by adding to Income before tax and financial expenses (defined as earnings before "financial income and expense", "share of profits (losses) of equity- accounted investees", "income taxes" and "Profit (loss) from discontinued operations") the Group's share of profit in the results 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. Note that starting with 2022 financial statements - the Group defined a mode of representing its performance which is increasingly coherent 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 30 September 2022 of Helicopters, Defence Electronics and Security, Aeronautics and Space were restated to facilitate the performance comparison).







9M 2022 *(Euro million)*		New Orders	Order Backlog 31.12.2022	Revenues	EBITA	ROS
Helicopters		4,623	13,614	3,153	234	7.4%
Defence Electronics & Security		5,605	15,160	4,856	457	9.4%
Aicraft		1,637	8,554	1,959	238	12.1%
	Of which GIE ATR	-	-	-	(4)	-
Aerostructures		342	1,075	351	(134)	(38.2%)
Space		-	-	-	10	n.a.
Other activities		206	360	380	(186)	(48.9%)
Eliminations		*(694)*	*(1,257)*	*(782)*	-	*n.a.*
Total		**11,719**	**37,506**	**9,917**	**619**	**6.2%**

9M 2023 *(Euro million)*		New Orders	Order Backlog	Revenues	EBITA	ROS
Helicopters		4,177	14,570	3,202	250	7.8%
Defence Electronics & Security		7,125	17,060	5,030	473	9.4%
Aircraft		1,824	8,401	1,938	240	12.4%
	Of which GIE ATR	-	-	-	(2)	-
Aerostructures		528	1,137	462	(127)	(27.5%)
Space		-	-	-	6	n.a.
Other activities		347	360	516	(198)	(38.4%)
Eliminations		*(726)*	*(1,342)*	*(879)*	-	*n.a.*
Total		**13,275**	**40,186**	**10,269**	**644**	**6.3%**

Change %		New Orders	Order Backlog	Revenues	EBITA	ROS
Helicopters		(9.6%)	7.0%	1.6%	6.8%	0.4 p.p.
Defence Electronics & Security		27.1%	12.5%	3.6%	3.5%	0.0 p.p.
Aircraft		11.4%	(1.8%)	(1.1%)	0.8%	0.3 p.p.
	Of which GIE ATR	-	-	-	50.0%	-
Aerostructures		54.4%	5.8%	31.6%	5.2%	10.7 p.p.
Space		n.a.	n.a.	n.a.	(40.0%)	n.a.
Other activities		68.4%	0.0%	35.8%	(6.5%)	10.5 p.p.
Eliminations		*n.a.*	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Total		**13.3%**	**7.1%**	**3.5%**	**4.0%**	**0.1 p.p.**

Helicopters

In the first nine months of 2023, this sector continued to show a positive commercial performance in line with expectations. Excluding the major contract signed in 2022 for the supply of 32 AW149 helicopters to the Polish Ministry of Defence, new orders increased significantly compared to the same period of the prior year. Revenues showed a slight increase, with profitability improving marginally. During the period, 120 new helicopters were delivered compared to 87 in the first nine months of 2022.

New Orders: these decreased as a result of the recording in 2022 of the abovesaid order for the Polish Ministry of Defence, partially offset by higher acquisitions in the commercial and the good performance of orders in the government context. Among the main acquisitions for the period we note:

- the contract, signed as part of the Italy-Austria Government-to-Government (G2G) Agreement Amendment, for the supply of additional 18 AW169M LUH (Light Utility Helicopter) helicopters for the Austrian Ministry of Defence;
- the contracts relating to 3 AW159 helicopters and to 10 AW109 Trekker helicopters and the order for AW101 helicopters including mid-life update (MLU) 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;
- the order for 6 AW139 helicopters to be used in offshore transport missions from the operator Abu Dhabi Aviation (ADA), the order for additional 6 AW139 helicopters to be used in VIP rescue and transport missions from the operator The Helicopter Company in Saudi Arabia and other miscellaneous orders for helicopters in the Commercial sector

Revenues: showed a slight growth due to increases in dual use helicopter lines, as well as on the CS&T, mitigated by a lower contribution of the NH90 Qatar programme.

EBITA: increased due to higher revenues and improved profitability, which benefitted from a more favourable mix of activities carried out during the period.

Defence Electronics & Security

The results for the period confirm the growth trend recorded in the previous months and are marked by a substantial commercial performance in all the business areas (+27.1% on the Reported value, +30.8% on the Adjusted value), with volumes and profits mainly increasing in the European component. With particular reference to DRS, excluding the impact of the disposal of the GES business occurred on 1 August 2022, the subsidiary recorded a level of acquisition considerably higher than those of the same period of the prior year with growing volumes and profits.

9M 2022 *(Euro million)*	New Orders	Revenues	EBITA	ROS %
EDS Europe	3,495	3,149	306	9.7%
Leonardo DRS	2,163	1,759	151	8,6%
Eliminations	*(53)*	*(52)*	-	*n.a.*
Total	**5,605**	**4,856**	**457**	**9,4%**

9M 2023 *(Euro million)*	New Orders	Revenues	EBITA	ROS %
EDS Europe	4,855	3,294	327	9.9%
Leonardo DRS	2,309	1,753	146	8.3%
Eliminations	*(39)*	*(17)*	-	*n.a.*
Total	**7,125**	**5,030**	**473**	**9.4%**

Change %	New Orders	Revenues	EBITA	ROS %
EDS Europe	38.9%	4.6%	6.9%	0.2 p.p.
Leonardo DRS	6.7%	(0.3%)	(3.3%)	(0.3) p.p.
Eliminations	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Total	**27.1%**	**3.6%**	**3.5%**	**0.0 p.p.**

Average €/USD exchange rate: 1.08352 (first nine months of 2023) and 1.0650 (first nine months of 2022)

	New Orders	Revenues	EBITA	ROS %
Leonardo DRS ($ mln) – 9M 2022	2,304	1,873	161	8.6%
Leonardo DRS ($ mln) – 9M 2022 Adj.	2,135	1,750	148	8.5%
Leonardo DRS ($ mln) – 9M 2023	2,502	1,900	158	8.3%

	New Orders	Revenues	EBITA	ROS %
Leonardo DRS (€ mln) – 9M 2022	2,163	1,759	151	8.6%
Leonardo DRS (€ mln) – 9M 2022 Adj.	2,004	1,644	138	8.5%
Leonardo DRS (€ mln) – 9M 2023	2,309	1,753	146	8.3%

As previously indicated, the figures of the first nine months of 2022 included the contribution of the GES business disposed of in July 2022. Below are the adjusted performance indicators of the sector for the comparative period:

Group *(Euro million)*	9M 2022 Reported	9M 2022 Adjusted	9M 2023	Chg. %
New Orders	5,605	5,446	7,125	30.8%
Revenues	4,856	4,741	5,030	6.1%
EBITA	457	444	473	6.5%
ROS	9.4%	9.4%	9.4%	0.0 p.p.

New Orders**:** increased in all the business areas, despite the abovementioned different perimeter. Among the main acquisitions of the period in the European component are:

- the order to complete the development and integration of the new ECRS Mk2 (European Common Radar System) radar for the Royal Air Force (RAF) Typhoon fleet in the United Kingdom. The new sensor will ensure that RAF aircraft can simultaneously detect, identify and track multiple targets on land and at sea, thus enabling increased capabilities in terms of air power
- the domestic contract 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
- as part of the broader SAMP/T NG next generation air defence ground systems programme, we note the order for the supply of Kronos Grand Mobile High Power (KGM-HP) radars that will be integrated with the FCU (Fire Control Unit) system provided by MBDA Italia for the Italian Air Force
- 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.

Revenues: showed growing volumes (+3.6% on the Reported value, +6.1% on the Adjusted value), especially in the European component. Despite the different perimeter, the Leonardo DRS volumes were substantially in line compared to the same period of the prior year. These volumes, with the perimeter being equal, would highlight a growth of 6.6%.

EBITA: showed an increase in the main business areas of the European component. Leonardo DRS recorded a profitability in line with the same period of the previous year, despite the aforementioned different business perimeter and a particularly favourable mix of activities in the same period of the previous year.

Aircraft

The Sector confirmed a high profitability level and recorded an important resumption in deliveries on the part of the GIE-ATR consortium.

From a production point of view:

- under the military programmes of the Aircraft Division 30 wings and 8 final assemblies were delivered to Lockheed Martin under the F-35 programme (31 wings and 8 final assemblies delivered in the first nine months of 2022)
  Furthermore, we must note 3 deliveries of Typhoon aircraft to Kuwait, compared to 4 recorded in the same period of 2022
- with regard to GIE, 21 deliveries were recorded compared to 10 in the previous period, thus confirming the recovery trend in volume growth

9M 2022 *(Euro million)*	New Orders	Revenues	EBITA	ROS %
Aircraft	1,637	1,959	242	12.4%
GIE ATR	n.a.	n.a.	(4)	n.a.
Total	**1,637**	**1,959**	**238**	**12.1%**

9M 2023 *(Euro million)*	New Orders	Revenues	EBITA	ROS %
Aircraft	1,824	1,938	242	12.5%
GIE ATR	n.a.	n.a.	(2)	n.a.
Total	**1,824**	**1,938**	**240**	**12.4%**

Change %	New Orders	Revenues	EBITA	ROS %
Aircraft	11.4%	(1.1%)	n.a.	0.1 p.p.
GIE ATR	n.a.	n.a.	50.0%	n.a.
Total	**11.4%**	**(1.1%)**	**0.8%**	**0.3 p.p.**

New Orders: increased compared to the same period of 2022, when the Euromale contract was signed. The sector benefitted from the acquisition of a large export order for no. 2 C-27J aircraft, higher orders for the logistic component of EFA, two special version ATR aircraft and the orders for the JSF programme.

Revenues: volumes were substantially in line with the first nine months of 2022.

EBITA: line with the comparative period with reference to both the Aircraft Division and GIE ATR. Specifically, thanks to the considerable increase in deliveries, the GIE consortium recorded operating results in line with those of the prior year, which benefitted from one-off events reported in 2022 for the finalization of major contractual redefinitions

Aerostructures

The Sector confirms the expected improvement trend, in line with expectations of OEM recovery and effectiveness of the actions taken in terms of manufacturing. The use of the full capacity of industrial sites is gradually improving thanks to a gradual increase in production volumes.
From the production point of view, 27 fuselage sections and 23 stabilisers were delivered for the B787 programme (16 fuselages and 9 stabilisers delivered in 2022) and 21 fuselages delivered for the ATR programme (14 in 2022).
New Orders: commercial performance showed a significant increase, benefitting from the restart of demand for OEM. Orders were recorded for the B787 and ATR series, in addition to contracts related to new programmes.
Revenues: increased by over 30% compared to the same period of the prior year, thanks to higher activities to ready products on all the lines.
EBITA: recovery in production volumes under various programmes entails an improvement in the use of the full capacity of industrial assets (in particular at Grottaglie) and workforce resulting in a recovery of profitability.

Space

The first nine months of 2023 showed a decreasing result compared to the same period of the prior year, attributable to the manufacturing segment with significant costs related to developments of the telecommunications business.
The business segment of satellite services confirmed and consolidated the ongoing positive trend and recorded a growing operating result, which offset the impact of the costs associated with signing the early retirement agreement in accordance with Article 4 of the Fornero Act.

Industrial transactions

With regard to the Industrial Transactions, it should be noted that on 1 May 2023 the US company Selex ES, Llc completed the sale of the business unit of air navigation radio aids (ATM) to Indra Air Traffic, Inc., which is wholly owned by the Spanish company Indra Sistemas S.A., for an amount of, net of costs of disposal, around USDmil. 37. As a result of this transaction the Group recognised a capital gain of about €mil. 11.
During the period work continued on concentrating the assets held by Leonardo in the USA in a single legal entity started in 2022. The following transactions were completed during the nine months:

- 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, Llc 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.

In May 2023 Leonardo made additions to the agreement signed in December 2022 (early retirement plan under Article 4 of Law 92/2012, Fornero Act) up to a maximum of 490 employees and executives working in the Corporate and Staff functions of Leonardo S.p.a., Leonardo Global Solutions and Leonardo Logistics, who will meet any requirement for retirement by 30 November 2028, with planned exits during the two-year period from 2023 to 2024. The expansion of the scope of this measure resulted in the recognition in the period of additional charges of €mil. 20.

On 27 September 2023, Leonardo DRS Inc. announced that it had initiated a process to voluntarily withdraw its ordinary shares from the Tel Aviv Stock Exchange (TASE). Under Israeli law, this transaction is expected to take effect three months after the Company's request. During the transitory period, the ordinary shares of Leonardo DRS will continue to be traded on the TASE. This transaction will not affect Leonardo listing on Nasdaq under the DRS symbol and all the ordinary shares currently traded on the TASE can be transferred to Nasdaq. Furthermore, this transaction will have no impact on the commitment of Leonardo and Leonardo DRS to the Israeli market or any transaction in the country. The Company will continue to file public reports and to public information in compliance with the regulations of the US Securities and Exchange Commission and Nasdaq.

Financial transactions

No new transaction was carried out on the financial markets during the first nine months of 2023. As at 30 September 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 the reporting date and broken-down as follows:

- an ESG-linked Revolving Credit Facility for an amount of €mil. 2,400, divided into two tranches of €mil. 600 and €mil. 1,800 expiring on 7 October 2024 and 7 October 2026 respectively;
- 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 expiring on 2 August 2025.

The Company also has a €mil. 260 Sustainability-linked financing granted by the European Investment Bank (EIB) – with a contract signed in November 2022 – entirely unused at the date of this report.

Furthermore, Leonardo has unconfirmed revocable lines of credit for a total of €mil. 10,735, of which €mil. 3,387, still available as at 30 September 2023.
Finally, other Group subsidiaries have the following credit facilities:

- Leonardo DRS has a Revolving Credit Facility for an amount of USDmil. 275 (€mil. 260), which was entered into at the same time as the completion of the merger with RADA, and was used for USDmil. 110 (€mil. 104) at 30 September 2023;
- Leonardo US Holding has short-term revocable credit lines, guaranteed by Leonardo Spa, for USDmil. 40 (€mil. 38), which were used for USDmil. 21 (€mil. 20) at 30 September 2023;
- Leonardo US Corporation has short-term revocable credit lines, guaranteed by Leonardo Spa, for USDmil. 170 (€mil. 160), which were used for USDmil. 27 (€mil. 25) at 30 September 2023.

Finally, it should be noted that in May 2023 Leonardo renewed the EMTN (Euro Medium Term Note) programme for further 12 months, which regulates possible bond issues on the European market for a maximum nominal value of €bil. 4 that, at the date of this report, was still available for €mil. 2,400. Outstanding bond issues (equal to a total nominal amount 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.
Following the early redemption of bonds issued by Leonardo US Holding in the U.S. market as at the reporting date, Leonardo S.p.A. turns out to be 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. According to 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 also included both in the ESG-linked Revolving Credit Facility and in the Term Loan ESG-linked signed in 2021, which provide for compliance by Leonardo with two financial ratios (Group Net Debt, excluding payables to the joint ventures MBDA and Thales Alenia Space and lease liabilities/EBITDA, including amortisation of the rights of use) of not more than 3.75 and an EBITDA (including amortisation of the rights of use)/Net interest ratio of not less than 3.25), which are tested on an annual basis on consolidated data and which had been complied with in full at 31 December 2022. These covenants, which are always tested on an annual basis, are also included in the loan agreement with CDP for €mil. 100, as well as in any and all EIB loans in place (used for a total amount of €mil. 500 as at 30 September 2023).

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 CO2 emissions of the Group; such KPI is included in the RCF and in the Term Loan signed in 2021 as well as in the Sustainability-Linked Loan granted by the European Investment Bank in 2022
- Promotion of female employment with STEM degrees; such KPI is included in the RCF and 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 bank loans granted in favour of Leonardo DRS, following its listing on the market. 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.

Outstanding bond issues are given a medium/long-term financial credit rating by the international rating agencies: Moody’s, Standard & Poor’s and Fitch. In this regard, it should be noted that:

- on 3 May 2023 Moody's deemed it appropriate to upgrade Leonardo's rating, bringing it back to an Investment Grade level, Baa3, compared to the previous rating Ba1, with stable outlook; this improvement was essentially due to:
    - the Group’s proper execution of the Business Plan, even during the pandemic period;
    - a significant debt reduction achieved in the last 12-18 months and the confirmed commitment to further reduce it at a later time;
    - the maintenance of stable remuneration to shareholders;

- the strong growth prospects for the Group, which are also demonstrated by the profile of new orders gained in 2022, in the geopolitical environment of reference;

- on 4 August 2023, also Standard&Poor's decided to improve Leonardo's rating bringing it to a BBB- Investment Grade level compared to the prior BB+, with stable outlook; such improvement was mainly attributable to:
  - the solid operating performance highlighted by the Group;
  - the commitment shown by management in keeping solid financial statements;
  - the strengthening of profitability and cash flows accompanied by a growing cash generation which will mainly be destined to reduce gross debt

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

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 higher or lower finance costs on certain payables of the Group (Revolving Credit Facility and Term Loan).

Furthermore, it should be noted that the Funding Agreement between MBDA and its shareholders also provides, among other things, that any change in the rating assigned to the shareholders will result in a change in the applicable margin.

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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.

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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).

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CONSOLIDATED INCOME STATEMENT						
€mln.	**9M 2022**	**9M 2023**	***Var. YoY***	**3Q 2022**	**3Q 2023**	***Var. YoY***
Revenues	9,917	10,269	352	3,341	3,375	34
Purchases and personnel expense	(9,005)	(9,223)	(218)	(3,039)	(3,022)	17
Other net operating income/(expense)	59	(29)	(88)	19	(9)	(28)
Equity-accounted strategic JVs	37	53	16	8	24	16
Amortisation and depreciation	(389)	(426)	(37)	(128)	(154)	(26)
EBITA	**619**	**644**	**25**	**201**	**214**	**13**
ROS	*6.2%*	*6.3%*	*0.1 p.p.*	*6.0%*	*6.3%*	*0.3 p.p.*
Non recurring income (expense)	(45)	(49)	(4)	(2)	(36)	(34)
Restructuring costs	(5)	(32)	(27)	(3)	(1)	2
Amortisation of intangible assets acquired as part of Business combinations	(17)	(26)	(9)	(6)	(8)	(2)
EBIT	**552**	**537**	**(15)**	**190**	**169**	**(21)**
EBIT Margin	*5.6%*	*5.2%*	*(0.4) p.p.*	*5.7%*	*5.0%*	*(0.7) p.p.*
Net financial income/ (expense)	(96)	(170)	(74)	(49)	(73)	(24)
Income taxes	(69)	(77)	(8)	(21)	(3)	18
Net result before extraordinary transactions	**387**	**290**	**(97)**	**120**	**93**	**(27)**
Net result related to discontinued operations and extraordinary transactions	*275*	*11*	*(264)*	*275*	-	*(275)*
Net result	**662**	**301**	**(361)**	**395**	**93**	**(302)**
attributable to the owners of the parent	*662*	*278*	*(384)*	*396*	*82*	*(314)*
attributable to non-controlling interests	-	*23*	*23*	*(1)*	*11*	*12*
Earning per share (Euro)						
Basic e diluted	*1.151*	*0.483*	*(0.668)*	*0.689*	*0.142*	*(0.547)*
Earning per share of continuing operation (Euro)						
Basic e diluted	*1.151*	*0.483*	*(0.668)*	*0.689*	*0.142*	*(0.547)*
Earning per share of discontinuing operation (Euro)	-	-	-	-	-	-
Basic e diluted						

CONSOLIDATED BALANCE SHEET			
€mil.	**30.09.2022**	**31.12.2022**	**30.09.2023**
Non-current assets	13,576	13,943	14,007
Non-current liabilities	(2,116)	(2,174)	(2,193)
Capital assets	**11,460**	**11,769**	**11,814**
Inventories	1,731	975	1,534
Trade receivables	3,558	3,338	3,541
Trade payables	(3,026)	(3,054)	(3,057)
Working capital	**2,263**	**1,259**	**2,018**
Provisions for short-term risks and charges	(1,042)	(1,078)	(1,072)
Other net current assets (liabilities)	(1,301)	(1,260)	(946)
Net working capital	**(80)**	**(1,079)**	**-**
Net invested capital	**11,380**	**10,690**	**11,814**
Equity attributable to the Owners of the Parent	6,993	7,183	7,458
Equity attributable to non-controlling interests	34	516	544
Equity	**7,027**	**7,699**	**8,002**
Group Net Debt	**4,359**	**3,016**	**3,813**
Net (assets)/liabilities held for sale	**(6)**	**(25)**	**(1)**

CONSOLIDATED CASH FLOW STATEMENT		
€mil.	**9M 2022**	**9M 2023**
Cash flows used in operating activities	(604)	(333)
Dividends received	124	180
Cash flow from ordinary investing activities	(414)	(451)
Free operating cash flow (FOCF)	**(894)**	**(604)**
Strategic investments	(175)	27
Change in other investing activities	(2)	(36)
Net change in loans and borrowings	(675)	82
Dividends paid	(78)	(83)
Net increase/(decrease) in cash and cash equivalents	**(1,824)**	**(614)**
Cash and cash equivalents at 1 January	2,479	1,511
Exchange rate gain/losses and other movements	76	(2)
Cash and cash equivalents at 30 September	**731**	**895**

CONSOLIDATED FINANCIAL POSITION			
€mil.	**30.09.2022**	**31.12.2022**	**30.09.2023**
Bonds	1,928	1,628	1,619
Bank debt	1,605	1,350	1,465
Cash and cash equivalents	(731)	(1,511)	(895)
Net bank debt and bonds	**2,802**	**1,467**	**2,189**
Current loans and receivables from related parties	(78)	(56)	(195)
Other current loans and receivables	(18)	(49)	(20)
Current loans and receivables and securities	**(96)**	**(105)**	**(215)**
Hedging derivatives in respect of debt items	30	19	4
Related-party loans and borrowings	932	962	1,126
Leasing liabilities	587	570	622
Other loans and borrowings	104	103	87
Group net debt	**4,359**	**3,016**	**3,813**

EARNINGS PER SHARE			
	9M 2022	**9M 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)	662	278	(384)
Earnings/(losses) - continuing operations (excluding non-controlling interests) (€ million)	662	278	(384)
Earnings/(losses) - discontinued operations (excluding non-controlling interests) (€ million)	-	-	-
BASIC AND DILUTED EPS (EUR)	**1.151**	**0.483**	**(0.668)**
BASIC AND DILUTED EPS from continuing operations	**1.151**	**0.483**	**(0.668)**
BASIC AND DILUTED EPS from discontinuing operations	**-**	**-**	**-**

9M 2022 (Euro million)	Helicopters	Defence Electronics & Security	Aircraft	Aerostructures	Space	Other activities	Eliminations	Total
New orders	4,623	5,605	1,637	342	-	206	*(694)*	**11,719**
Order backlog 31.12.2022	13,614	15,160	8,554	1,075	-	360	*(1,257)*	**37,506**
Revenues	3,153	4,856	1,959	351	-	380	*(782)*	**9,917**
EBITA	**234**	**457**	**238**	**(134)**	**10**	**(186)**	**-**	**619**
EBITA margin	*7.4%*	*9.4%*	*12.1%*	*(38.2%)*	*n.a.*	*(48.9%)*	*n.a.*	***6.2%***
EBIT	**204**	**426**	**235**	**(135)**	**10**	**(188)**	**-**	**552**
Amortisation	70	124	17	34	-	65	-	**310**
Investments	151	145	49	34	-	49	-	**428**

9M 2023 (Euro million)	Helicopters	Defence Electronics & Security	Aircraft	Aerostructures	Space	Other activities	Eliminations	Total
New orders	4,177	7,125	1,824	528	-	347	*(726)*	**13,275**
Orders backlog	14,570	17,060	8,401	1,137	-	360	*(1,342)*	**40,186**
Revenues	3,202	5,030	1,938	462	-	516	*(879)*	**10,269**
EBITA	**250**	**473**	**240**	**(127)**	**6**	**(198)**	**-**	**644**
EBITA margin	*7.8%*	*9.4%*	*12.4%*	*(27.5%)*	*n.a.*	*(38.4%)*	*n.a.*	***6.3%***
EBIT	**245**	**386**	**238**	**(128)**	**6**	**(210)**	**-**	**537**
Amortisation	64	164	19	38	-	69	-	**354**
Investments	147	162	56	37	-	65	-	**467**

3Q 2022 (Euro million)	Helicopters	Defence Electronics & Security	Aircraft	Aerostructures	Space	Other activities	Eliminations	Total
New orders	2,440	1,806	147	184	-	38	*(206)*	**4,409**
Revenues	1,043	1,627	698	117	-	120	*(264)*	**3,341**
EBITA	**83**	**143**	**89**	**(46)**	**7**	**(75)**	**-**	**201**
EBITA margin	*8.0%*	*8.8%*	*12.8%*	*(39.3%)*	*n.a.*	*(62.5%)*	*n.a.*	***6.0%***
EBIT	**81**	**134**	**88**	**(46)**	**7**	**(74)**	**-**	**190**
Amortisation	23	41	5	11	-	24	-	**104**
Investments	51	55	27	11	-	22	-	**166**

3Q 2023 (Euro million)	Helicopters	Defence Electronics & Security	Aircraft	Aerostructures	Space	Other activities	Eliminations	Total
New orders	1,372	2,770	327	303	-	24	*(212)*	**4,584**
Revenues	1,042	1,734	590	135	-	153	*(279)*	**3,375**
EBITA	**93**	**164**	**85**	**(55)**	**4**	**(77)**	**-**	**214**
EBITA margin	*8.9%*	*9.5%*	*14.4%*	*(40.7%)*	*n.a.*	*(50.3%)*	*n.a.*	***6.3%***
EBIT	**93**	**121**	**84**	**(56)**	**4**	**(77)**	**-**	**169**
Amortisation	20	63	7	13	-	22	-	**125**
Investments	56	62	16	13	-	32	-	**179**

Leonardo is a leading global Aerospace, Defence and Security (AD&S) company. With 51,000 employees worldwide, it operates in the fields of Helicopters, Electronics, Aircraft, Cyber & Security and Space, and is a key partner in major international programmes including Eurofighter, NH-90, FREMM, GCAP and Eurodrone. Leonardo has significant industrial capabilities in Italy, the UK, Poland, the US and Israel and also operates through subsidiaries, joint ventures and stakes, including Leonardo DRS (80.9%), MBDA (25%), ATR (50%), Hensoldt (25.1%), Telespazio (67%), Thales Alenia Space (33%) and Avio (29.6%). Listed on the Milan Stock Exchange (LDO), Leonardo reported new orders of €17.3 billion in 2022, with an order backlog of €37.5 billion and consolidated revenues of €14.7 billion. The company is included in the MIB ESG index and has been part of the Dow Jones Sustainability Indices (DJSI) since 2010.

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