



Goldman Sachs Investor Meeting

Rome

6 April 2022



Electronics



Helicopters



Aircraft



Cyber &
Security



Space



Unmanned
Systems



Aerostructures

Agenda

- **Key messages**
- Industrial review
- Financial review
- Q&A
- Sector results
- Appendix

Alessandro Profumo, Chief Executive Officer

Lucio Valerio Cioffi, General Manager

Alessandra Genco, Chief Financial Officer



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



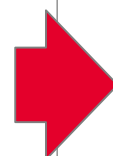
- Solid backlog; **Orders and Revenues** above pre-pandemic (+1.5% and +3.5% vs 2019)
- All key businesses **above pre-pandemic levels** on all metrics, excluding Aerostructures
- Improved **profitability** (+0.9 p.p. vs 2020) and **ROIC** (+1.1 p.p. vs 2020)
- Met or exceeded guidance once again, with **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% CO₂ 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 CO₂ total emissions, market-based

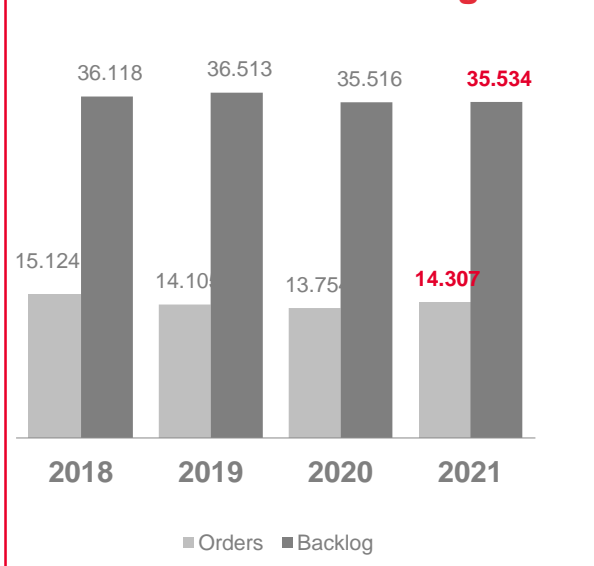


We have delivered results in line or exceeding expectations

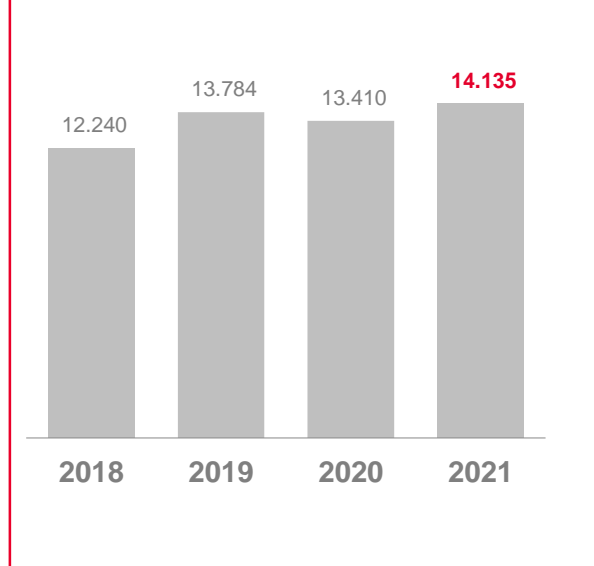
All businesses ahead of 2019 levels, excluding Aerostructures

(€ mil)

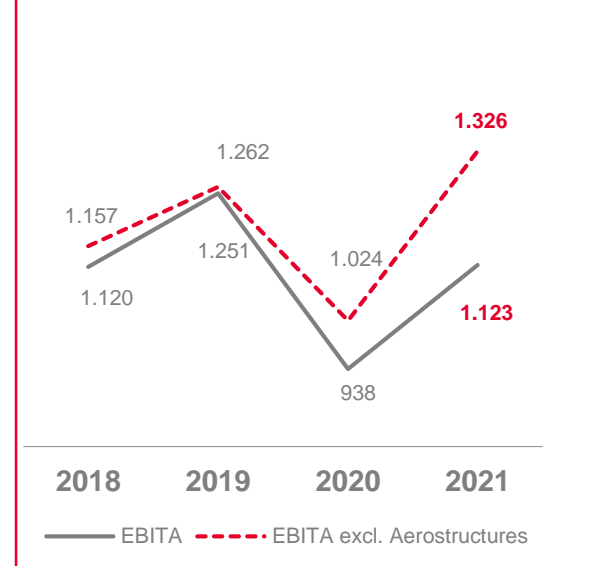
Orders and Backlog



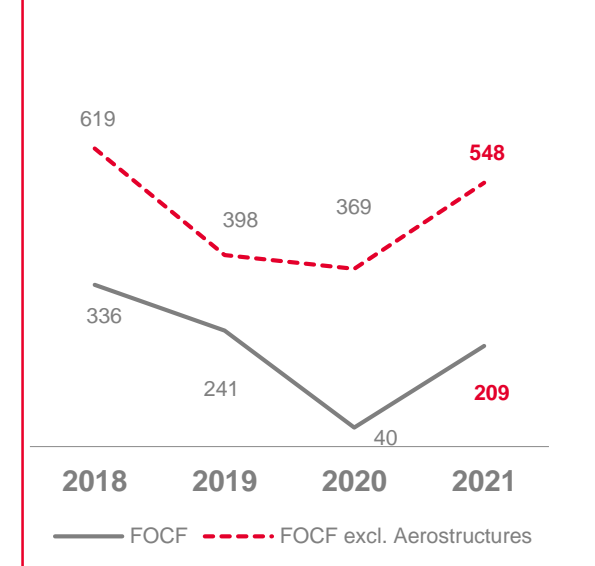
Revenues



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

Proposed⁽¹⁾ dividend reinstatement at € 0.14 per share, reflecting stronger performance and our confidence looking forward



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%**



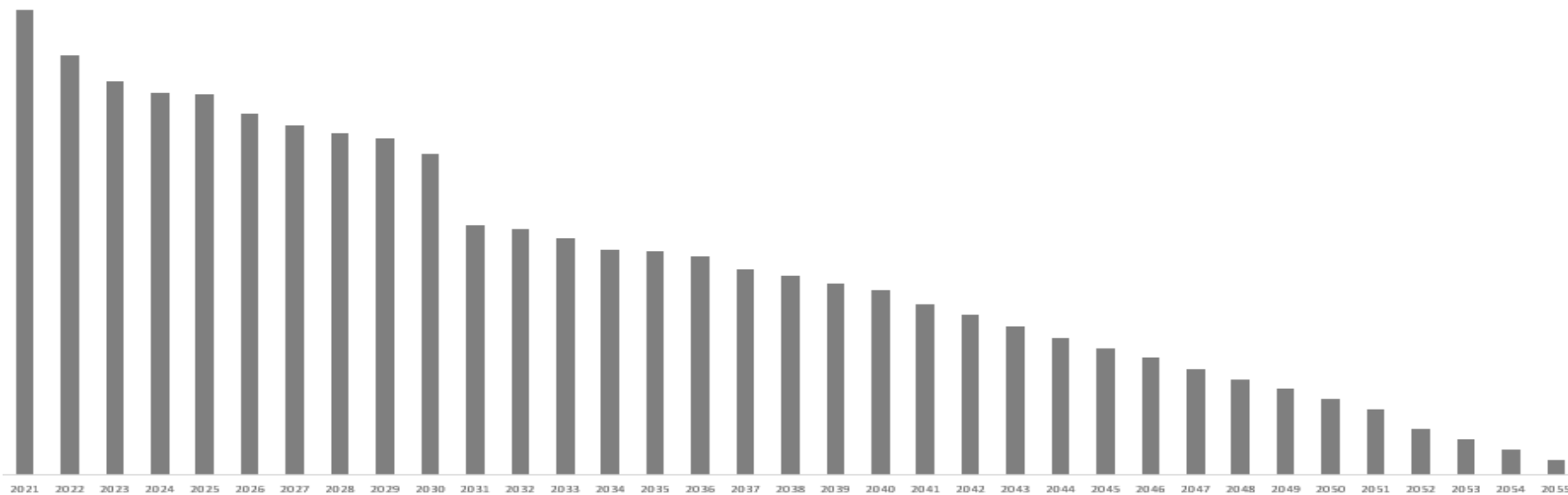
- Strong backlog (funded and unfunded)
- Top line growth confirmed, well positioned towards US DoD key priorities
- Delivering on targets: confirmed significant margin expansion driven by programmes moving from development to production

* 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



Results achieved are showing we are on the right path

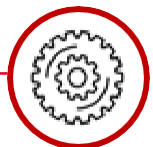
Continuing to execute our strategic plan “Be Tomorrow-2030”



Strengthen our Core



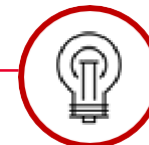
- Acquisition of 25.1% stake in Hensoldt
- AW09 complementing existing helicopter product range
- Continued momentum in International cooperation Programmes (EuroMALE)



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



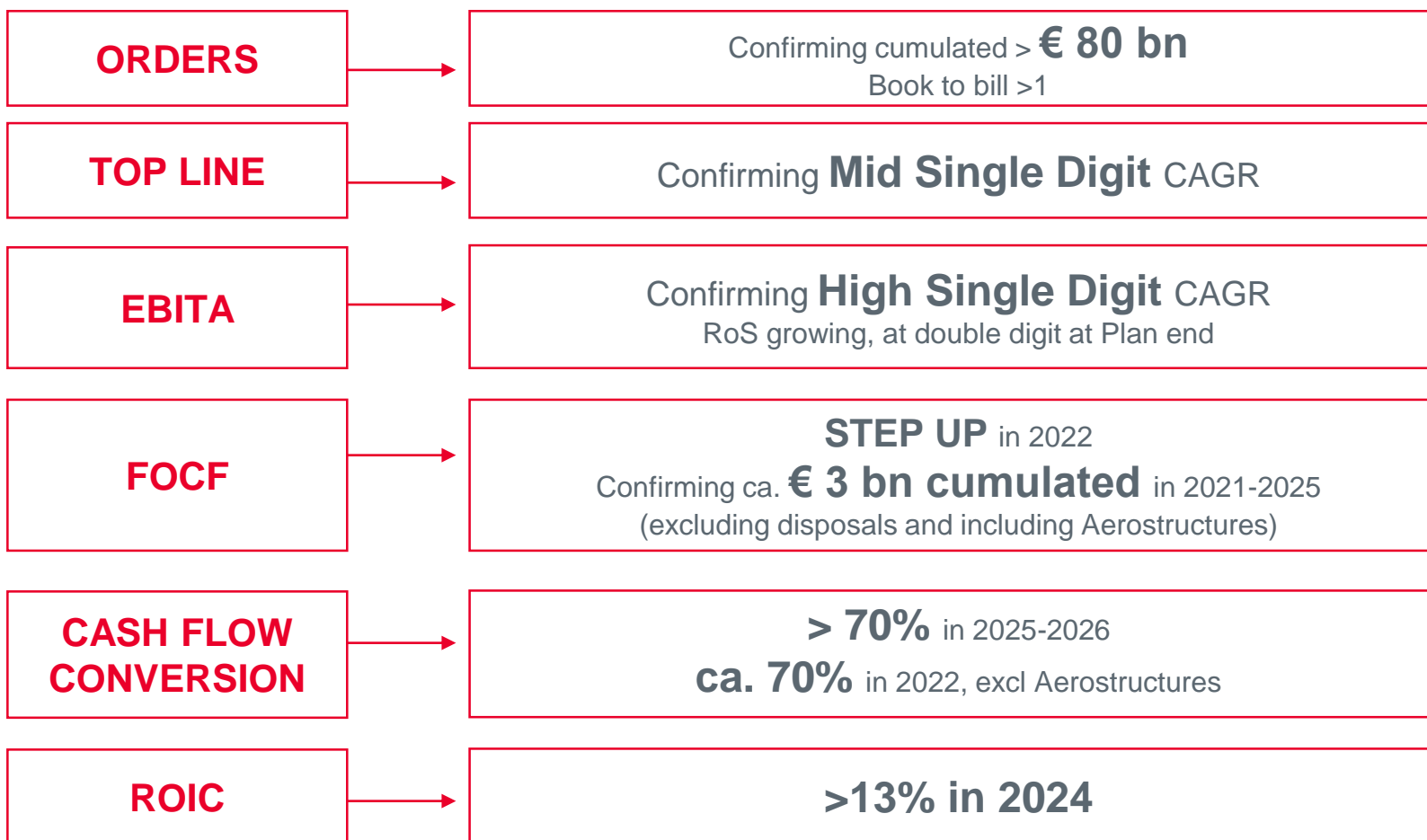
- Transformed R&D focus to capture more growth opportunities driven by technology: Leonardo Labs
- Computing and storage capabilities at the base of our newly integrated approach
- New growth opportunities as a partner in the Italian National Recovery Plan



Strong confidence in the medium-term

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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Alessandra Genco, Chief Financial Officer



Key messages

- Progress and update on the recovery plan for Aerostructures
- Growing commercial opportunities across our core Defence and Governmental business
- New business opportunities across the Group driven by technology and post pandemic recovery



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

ACTION PLAN 	<ul style="list-style-type: none">• Furlough scheme agreed with trade unions• Workforce reduction by ca.800 mainly through new pension scheme• Collaboration with Vertical Aerospace on fuselage development for the Vertical's VX4 electric aircraft• Ongoing diversification business i.e. additional working packages
AIRBUS	<ul style="list-style-type: none">• A321 further rate installation• A220 new "state of art" assembly line
ATR	<ul style="list-style-type: none">• Recovering faster than expected• Deliveries tripled (31 in 2021 vs 10 in 2020)• Clear strategy to strengthen ATR leadership in the regional market, providing sustainable and affordable platforms (i.e. new engine, SAF, etc.)• Portfolio enlargement (i.e. Cargo, STOL)
B787	<ul style="list-style-type: none">• Resuming B787 deliveries• Breakeven from fuselage delivery n. 1,406 thanks to expected rate profile and pricing per contract
OTHER PROGRAMMES	<ul style="list-style-type: none">• EuroMALE agreement just signed - significant industrial fallout on Grottaglie and Foggia plants
DEFENCE	<ul style="list-style-type: none">• Eurofighter and JSF production

AEROSTRUCTURES BREAKEVEN

**Confirmed
at the end of 2025**

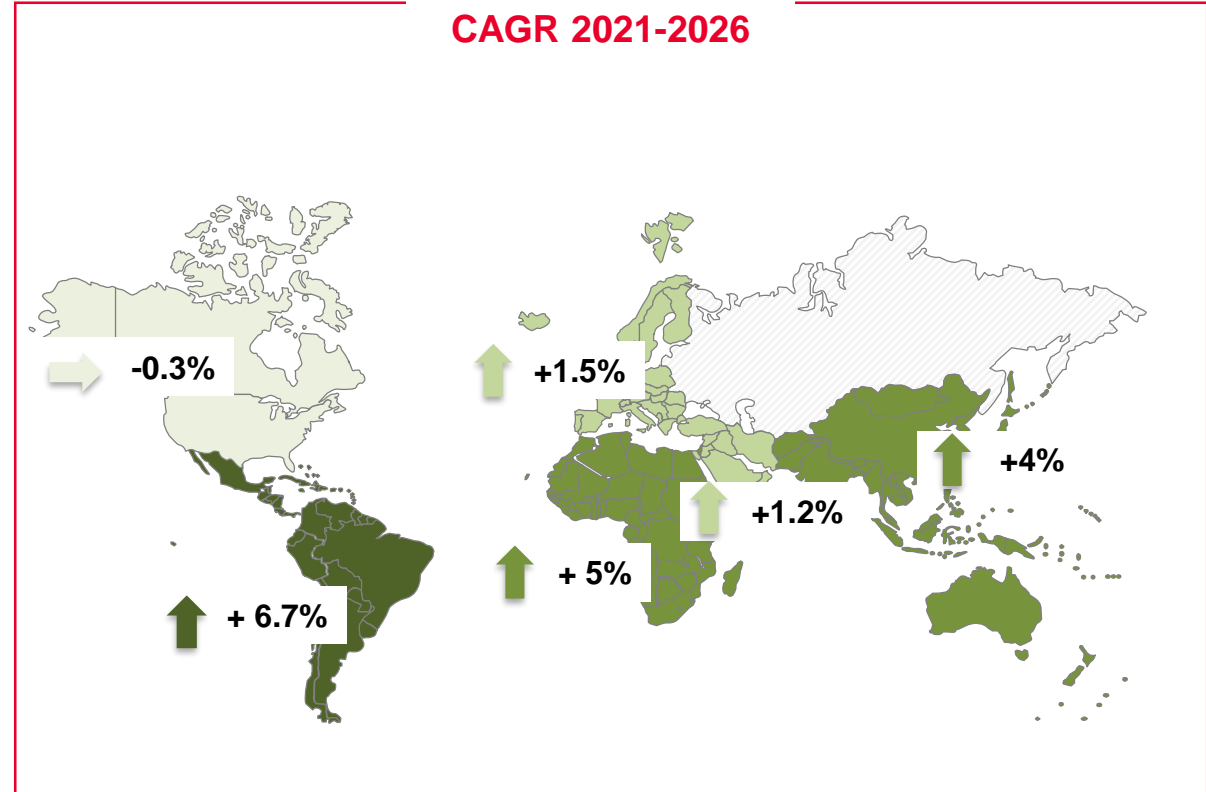


Growing commercial opportunities driven by positive defence market trends as well as our domestic and international strengths

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



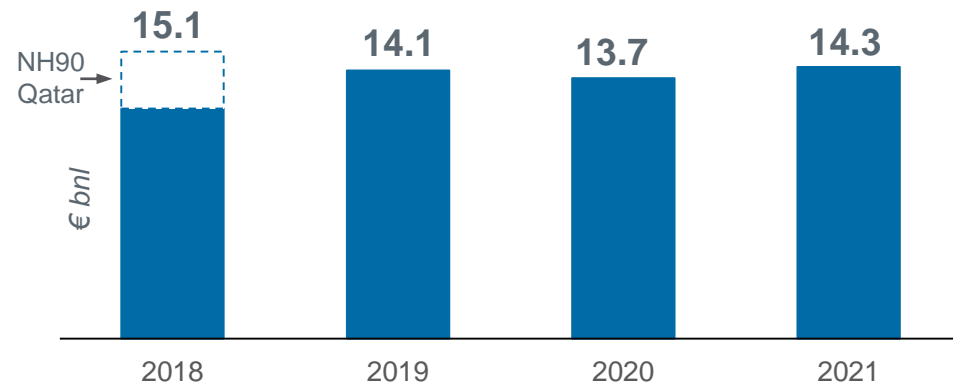
Source: IHS Jane's 2022; Leonardo's analysis



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

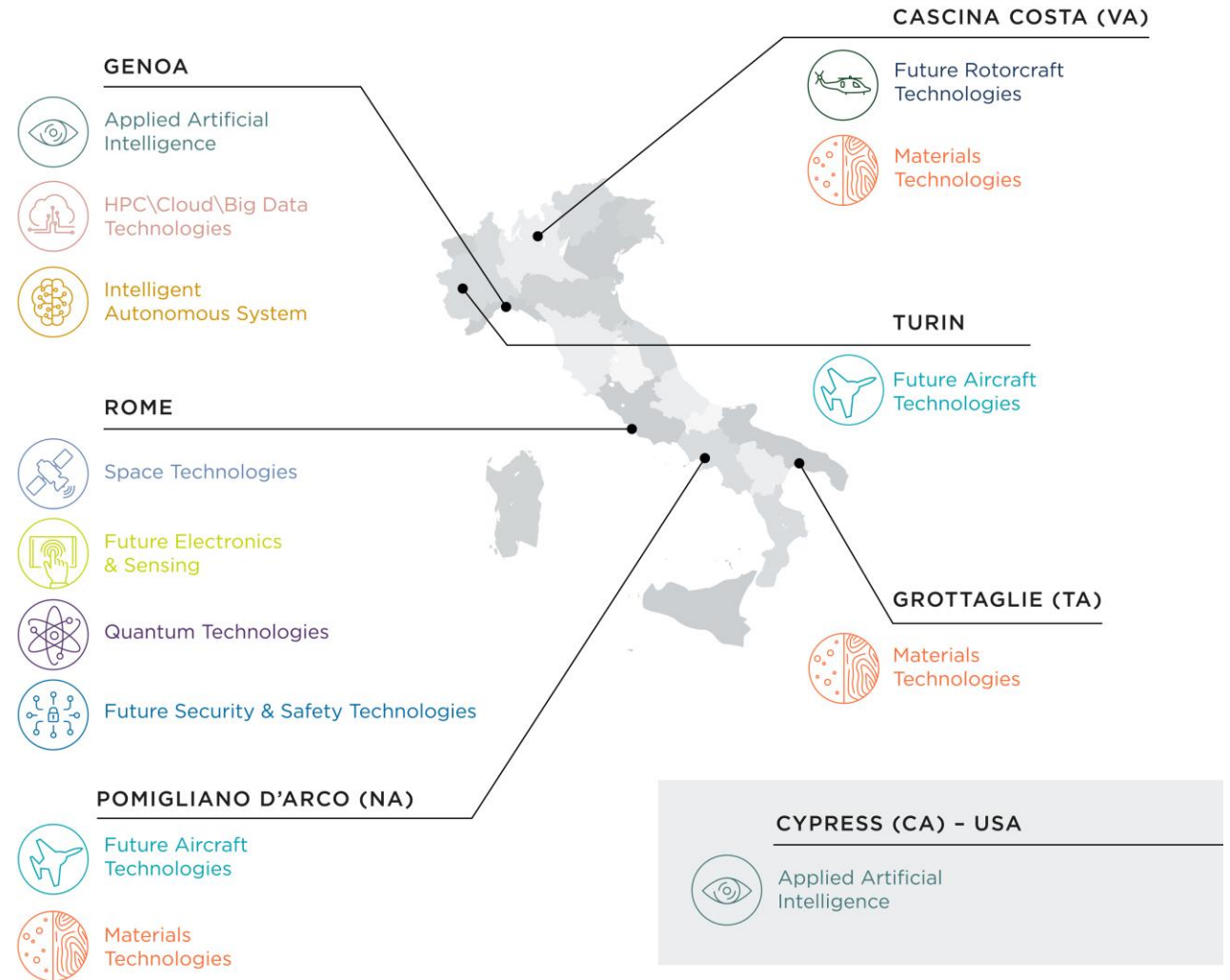
130 research fellows in 2022

DAVINCI-1 HPC

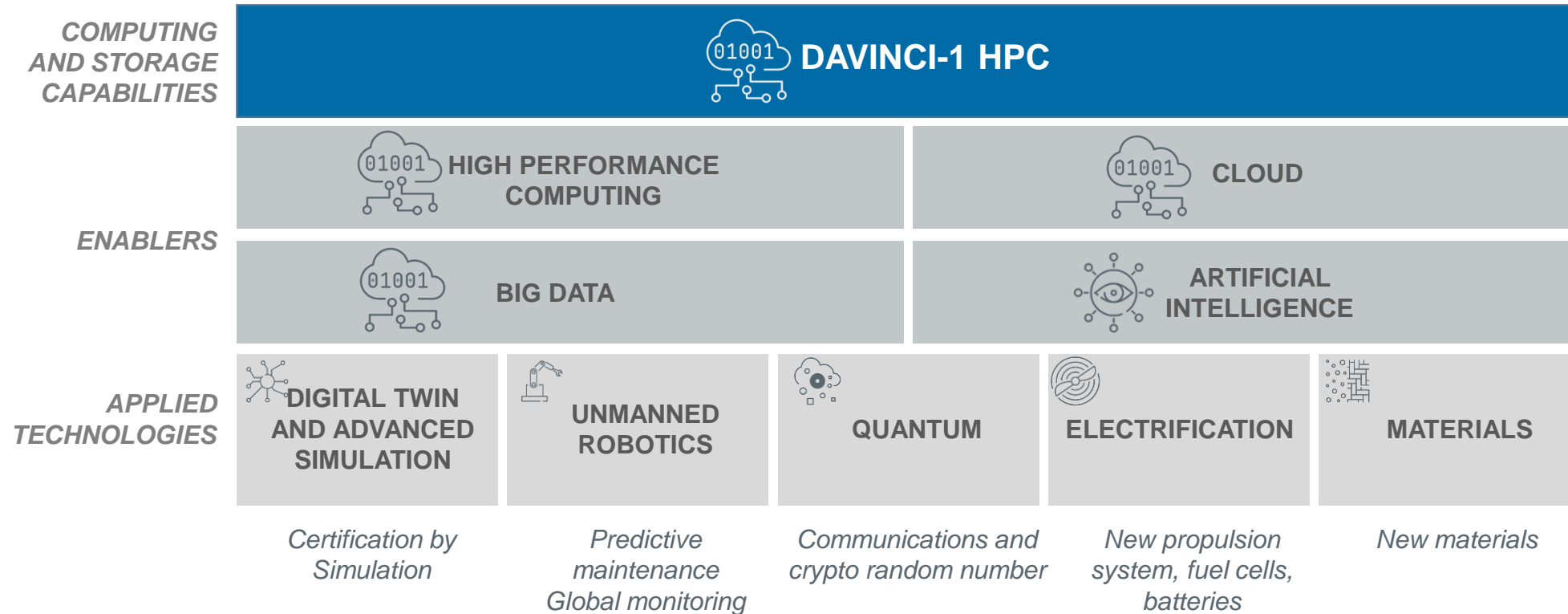
7th in the aerospace sector behind to NASA and JAXA agencies

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**



Key takeaways

- Clear plan and progress on the path of gradual recovery in Aerostructures
- Positive commercial outlook in domestic and international markets based on key products and strengths
- Strong capabilities to seize future growth opportunities driven by R&D tech-focus and post pandemic National Recovery Fund



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FY 2021 Highlights

**IMPORTANT
YEAR
OF DELIVERING ON
PROMISES**



- Met or exceeded 2021 guidance, with FOCF doubling initial guidance
- Back or above 2019 level without Aerostructures
- Strong performance across core defence/governmental businesses
- Civil slightly ahead of target
- Structurally Improving cash flow generation/conversion
- Funding sources 50% ESG linked and minimum cost of funding



Order Intake

Continued strong commercial momentum

	€ mln	Δ % YoY	
FY2020A	13,754		
HELICOPTERS	4,370	-2.8%	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
ELECTRONICS EUROPE	5,392	14.5%	EFA Germany and equipment for 2 U212 Near Future Submarines (NFS); C2D/N Evolution. In Cyber, SICOTE (Territory Control System) phase 4
LEONARDO DRS	2,194	-18.0%	Mounted Family of Computer Systems (MFoCS) for US Army, IM-SHORAD (Initial-Maneuver-Short Range Air Defense)
AIRCRAFT	2,668	31.4%	Major export contracts for 16 M-346, JSF, logistics support for EFA
AEROSTRUCTURES	365	-37.2%	Lower OEM demand from Boeing (B787) and GIE-ATR; growing A220 and A321
ELIMINATIONS & OTHER	-682		
FY2021A*	14,307	4.0%	

* Including ca. € 12 mln of negative forex



Revenues

Growing top line and continued strong programme delivery

	€ mln	Δ % YoY	
FY2020A	13,410		
HELICOPTERS	4,157	4.7%	Ramp-up in defence/governmental (NH90 Qatar and TH-73A US Navy); AW189/AW149; slight decrease in civil
ELECTRONICS EUROPE	4,519	9.0%	Delivery on backlog and capturing new opportunities globally
LEONARDO DRS	2,434	0.8%	+4.4% in USD, confirming growth path – adverse FX effect
AIRCRAFT	3,268	24.1%	Increase driven by M-346 trainers and EFA Kuwait
AEROSTRUCTURES	442	-46.0%	B787 and ATR production slowdown as expected
ELIMINATIONS & OTHER	-685		
FY2021A*	14,135	5.4%	

* Including ca. € 19 mln of negative forex



EBITA and Profitability

Improving Profitability

	€ mln	RoS	Δ % YoY	
FY2020A	938	7.0%		
HELICOPTERS	406	9.8%	6.0%	Higher volumes, profitability in line with 2020
ELECTRONICS EUROPE	485	10.7%	34.7%	Higher volumes and profitability, impacted by COVID 19 restrictions n 2020
LEONARDO DRS	218	9.0%	23.2%	Confirmed margin expansion primarily driven by the transition of development programmes into production
AIRCRAFT	432	13.2%	21.7%	Results mainly driven by volumes
AEROSTRUCTURES	-203	-45.9%	-136.0%	Lower volumes and lower asset utilisation
ATR	-24		65.2%	Higher deliveries (31 in FY21 vs 10 in FY20) and benefitting from cost reduction actions
SPACE	62		169.6%	Higher volumes and improved profitability in Manufacturing, good performance in Services confirmed. One-off tax benefit
CORPORATE & OTHER	-253			
FY2021A*	1,123	7.9%	19.7%	

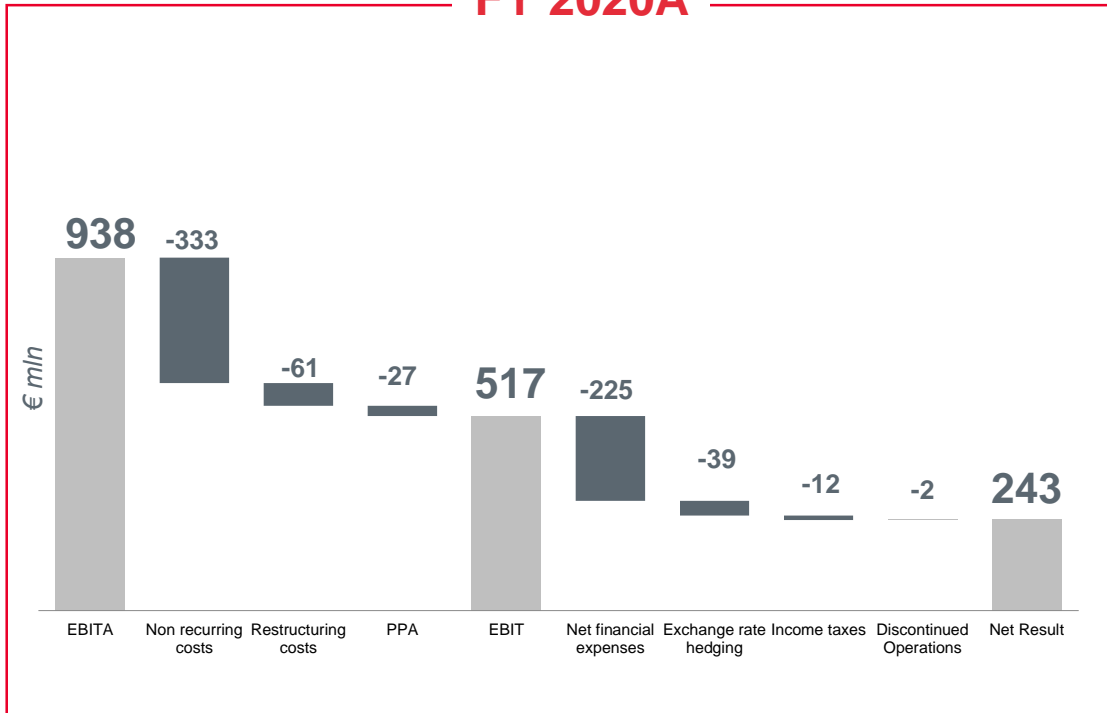
* Including ca. € 2 mln of positive forex



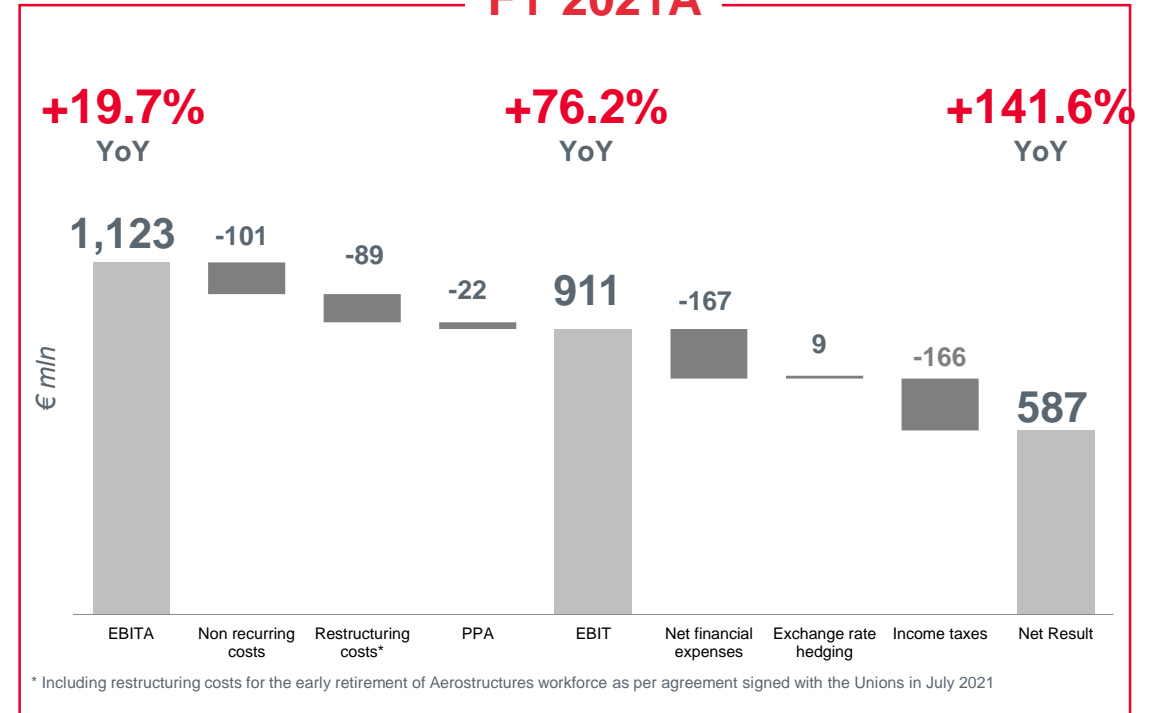
From EBITA to Net Result

Stronger bottom line thanks to EBITA increase

FY 2020A



FY 2021A



- EBIT up 76% due to 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
- Net Result mainly benefitting from EBITA increase, with lower impact from FX hedging activity and lower financial expenses



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⁽¹⁾
- 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

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

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



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



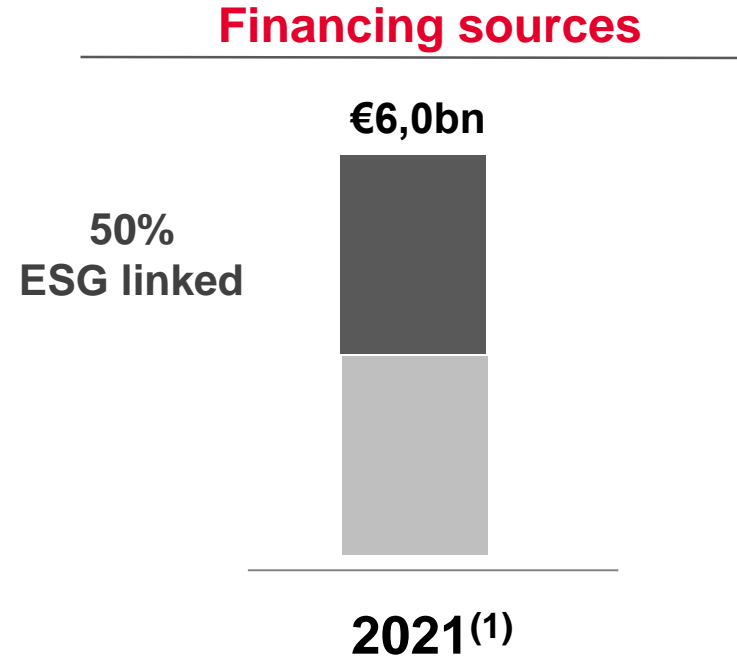
- €3bn including Aerostructures
- Aerostructures at breakeven by 2025
- >70% Group cash flow conversion

(*) 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

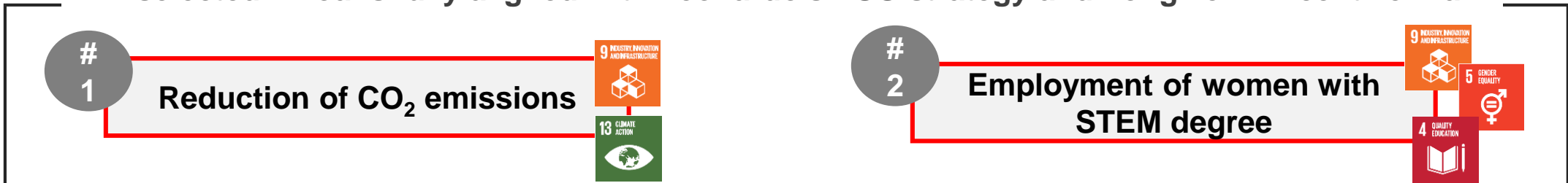


50% of Leonardo funding sources now are “ESG linked”

- 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

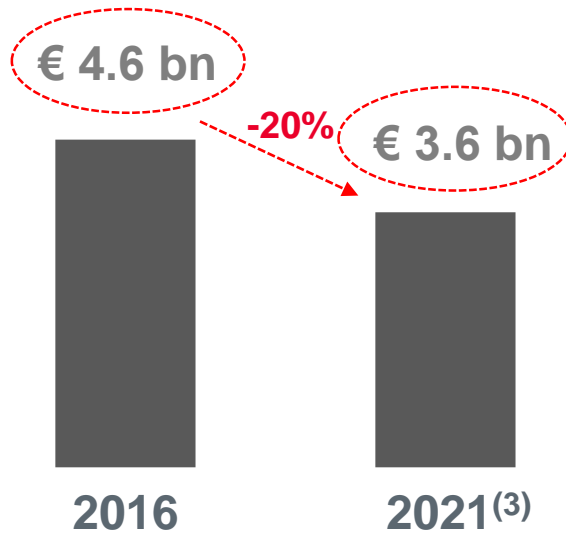


(1) Pro forma for January 2022 bond reimbursement.

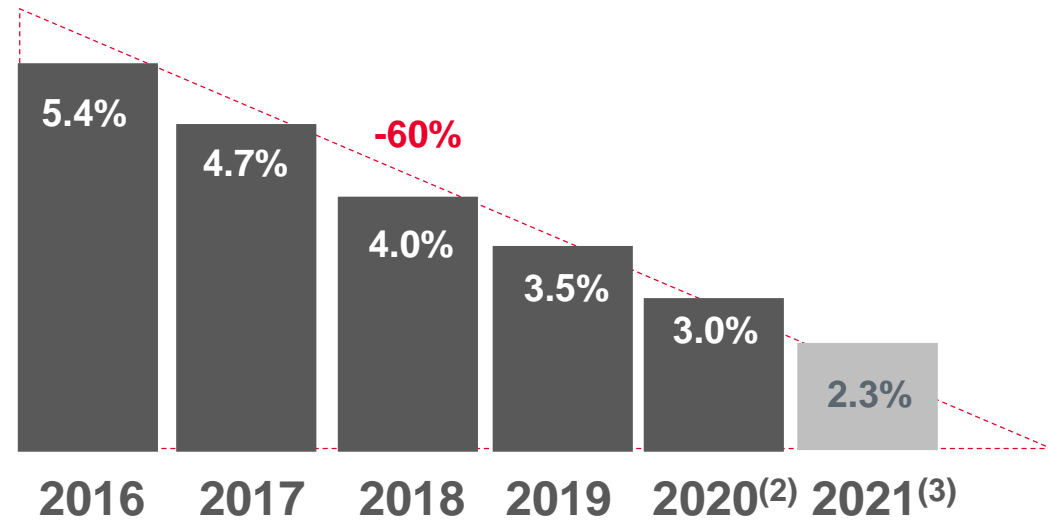


Reduced debt by ca. 20% and decreased cost of funding by ca. 60%

Gross debt⁽¹⁾



Cost of funding⁽¹⁾



**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.



2022 Guidance

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

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.



Closing remarks

- 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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Q&A



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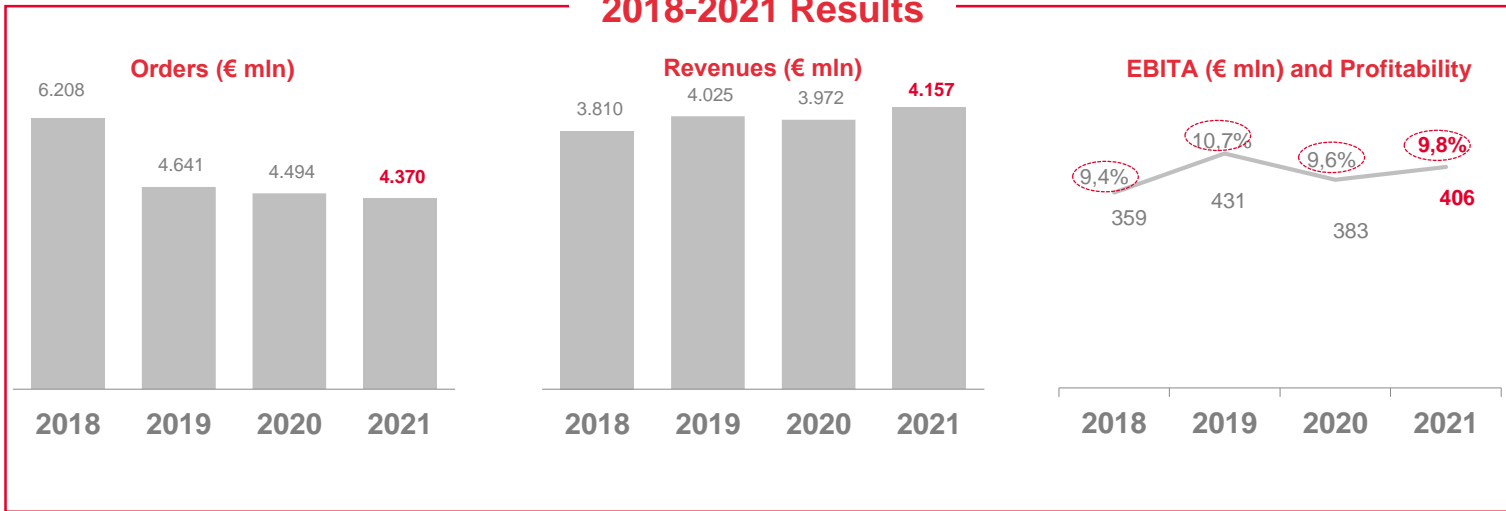
Alessandra Genco, Chief Financial Officer



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.

2022 Outlook(*)

- Growth driven by delivery of programmes in backlog, defence-governmental business and gradual recovery in civil, still affect by the pandemic
- Profitability supported by optimisation of industrial processes and improved competitiveness, despite pass through activities and production mix

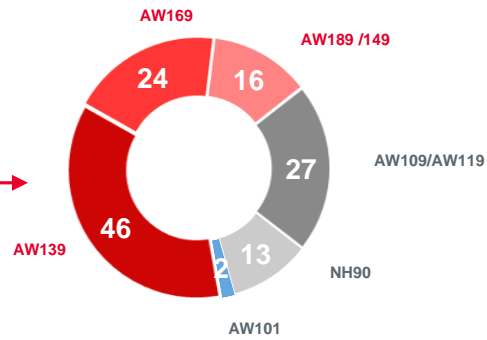
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Helicopters

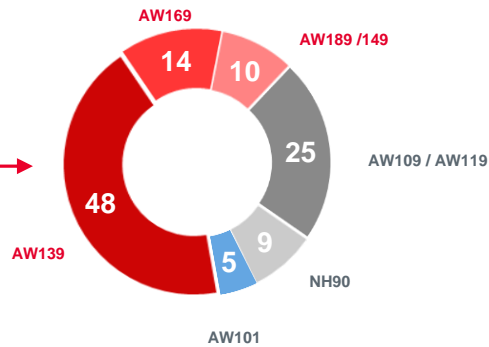
DELIVERIES BY PROGRAMME

FY2021 = 128 new units



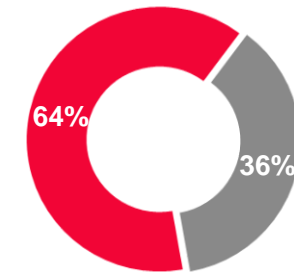
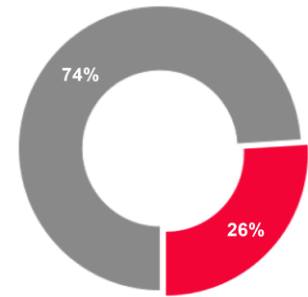
AW FAMILY

FY2020 = 111 new units



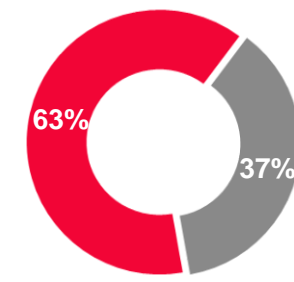
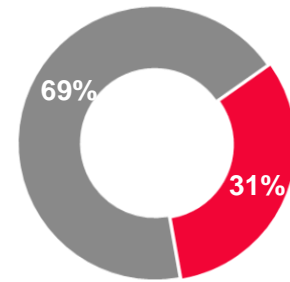
REVENUES BY CUSTOMER/SEGMENT

FY2021



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

FY2020



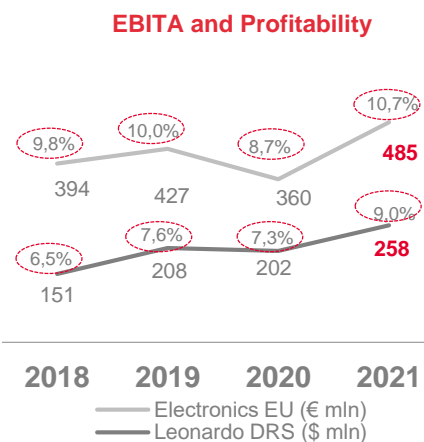
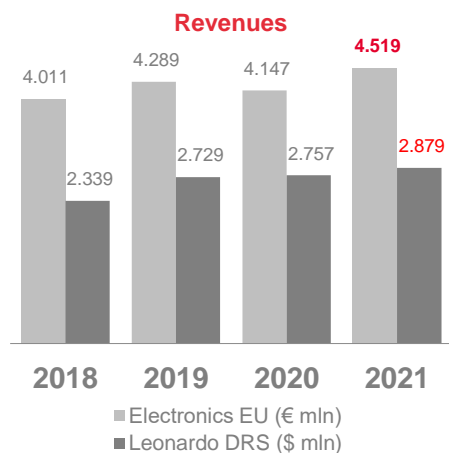
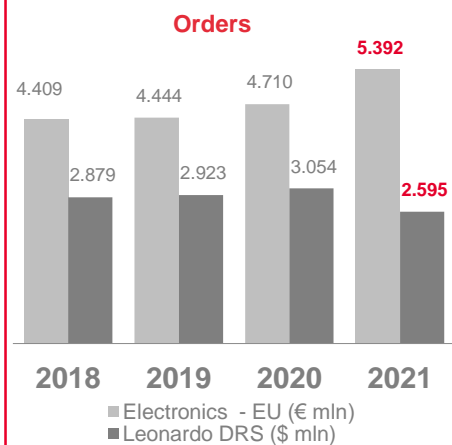
■ Civil ■ Defence/Governmental ■ OE ■ CS&T/Other



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.

2022 Outlook(**)

- Growing volumes supported by solid backlog of existing programmes, further strengthened in 2021
- Profitability improvement driven by execution and efficiency measures, despite pass through and programmes under development transitioning towards a more mature phase

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

** 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

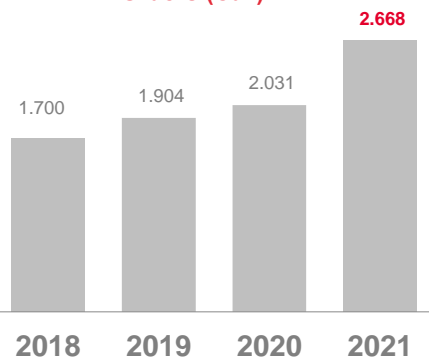


Aircraft

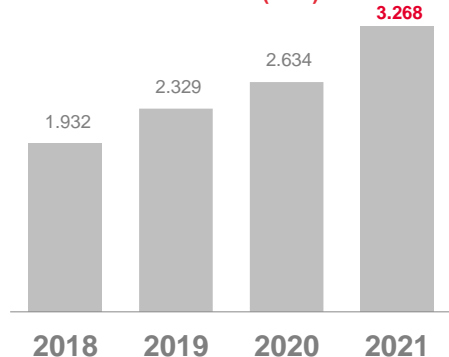
Solid performance

2018-2021 Results

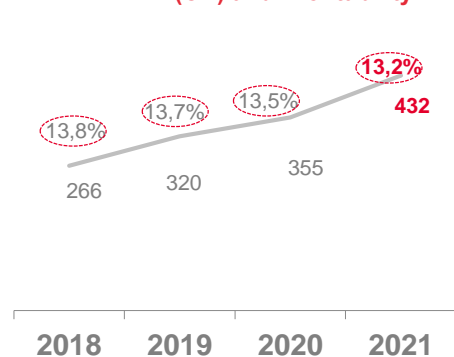
Orders (€bn)



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.

2022 Outlook^(*)

- Aircraft production increase driven by EFA Kuwait and M-345/M-346; Tempest initial R&D activities expected

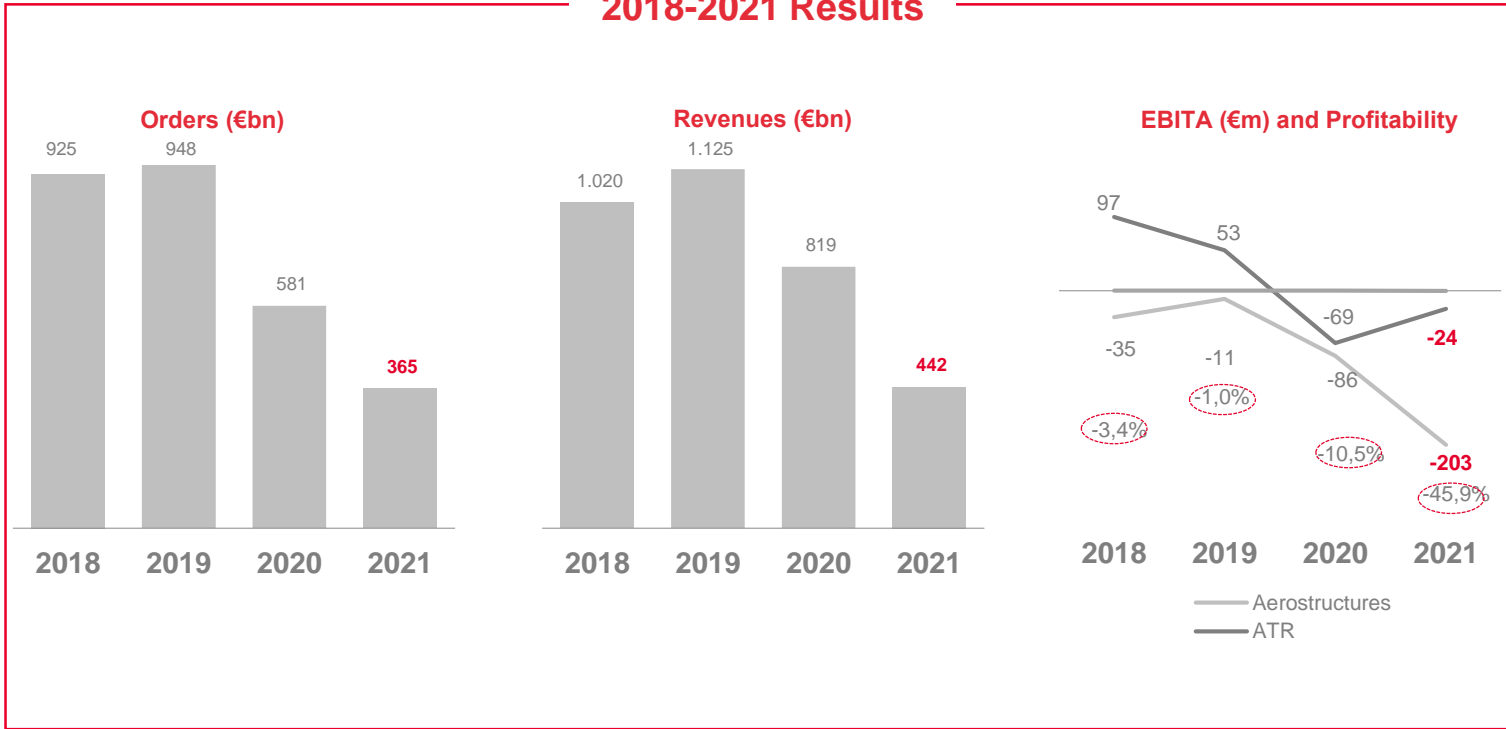
* Based on the current assessment of the effects deriving from the geopolitical and global health situation on the supply chain and the global economy and assuming no additional major deterioration



Aerostructures and ATR

Gradual recovery

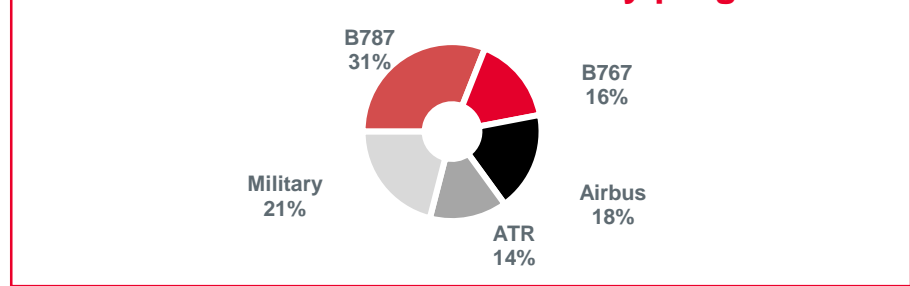
2018-2021 Results



4Q21 Results

Aerostructures		4Q 2020	4Q 2021	% Change
Orders	€ mln	132	66	-49.9%
Revenues		189	37	-80.6%
EBITA		-39	-78	98.9%
RoS		-20.7%	-212.4%	-191.7 p.p.
ATR		4Q 2020	4Q 2021	% Change
EBITA	€ mln	-7	1	114,3%

Aerostructures 2021 revenue by programme



2022 Outlook(**)

- Aerostructures gradual recovery despite continued softness in target civil market; ATR recovering faster, leveraging 2021 results

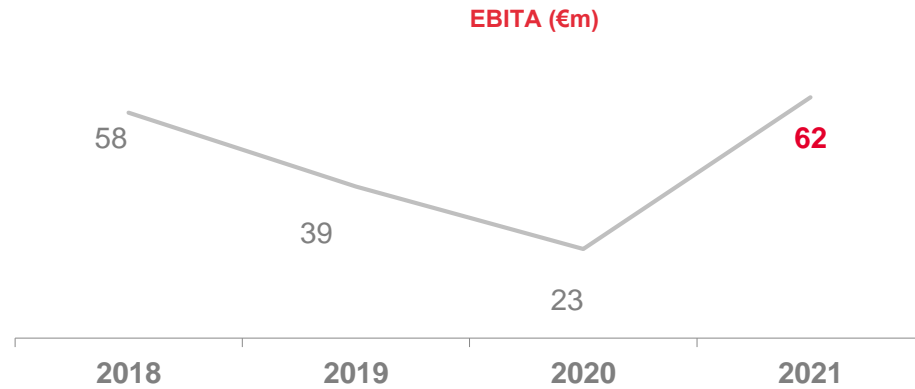
* Based on the current assessment of the effects deriving from the geopolitical and global health situation on the supply chain and the global economy and assuming no additional major deterioration



Space

Recovery of Manufacturing and confirmed solid performance of Satellite services

2018-2021 Results



4Q21 Results

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

2022 Outlook^(*)

- Growing volumes driven by increased backlog and profitability improvement expected in Manufacturing due to efficiency actions in place to recover competitiveness on Telecommunication business

* 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



Agenda

- Key messages
- Industrial review
- Financial review
- Q&A
- Sector results
- **Appendix**

Alessandro Profumo, Chief Executive Officer

Lucio Valerio Cioffi, General Manager

Alessandra Genco, Chief Financial Officer



2021 results exceeding expectations

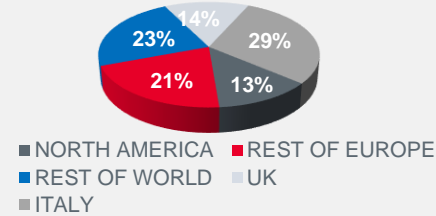
Steady path of growth, with FOCF doubling the original Guidance

CONTINUED STRONG
COMMERCIAL
MOMENTUM



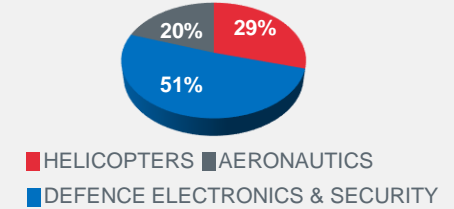
- Strong and resilient defence/governmental (88% revenues in FY21)
- Book to Bill ca. 1

BACKLOG* € 35.5 bn

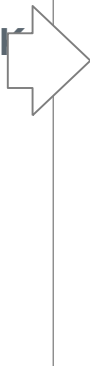


ORDERS € 14.3 bn

+4.0% YOY

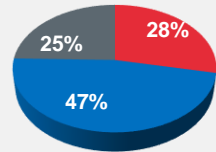


SOLID RESULTS BACK
TO GROWTH PATH



REVENUES € 14.1 bn

+5.4% YOY



■ HELICOPTERS ■ AERONAUTICS
■ DEFENCE ELECTRONICS & SECURITY

EBITA € 1,123 mln

+19.7% YOY

- Driven by volume increase and lower impact from COVID
- Improved performance across the Group
- Aerostructures in line with expectations

ROS 7.9%

+0.9 p.p.

- ROS without pass-through at 9.4% (vs 7.9% in FY20)

ROIC* 12.4%

+1.1p.p.

- FOCF at € 209 m, doubling expectations
- Strong liquidity and financial flexibility

*ROIC (Return on Invested Capital) = EBITA / Average Net Invested Capital



4Q/FY 2021 Results

Group Performance

	4Q 2020	4Q 2021	% Change	FY 2020	FY 2021	% Change
€ mln						
New Orders	5.244	5.039	-3.9%	13.754	14.307	4.0%
Backlog				35.516	35.534	0.1%
Revenues	4.385	4,571	4.2%	13.410	14.135	5.4%
EBITA	441	516	17%	938	1.123	19.7%
RoS	10.1%	11.3%	1.2 p.p.	7.0%	7.9%	+0.9p.p.
EBIT	122	466	282.0%	517	911	76.2%
EBIT Margin	2.8%	10.2%	7.4 p.p.	3.9%	6.4%	2.5 p.p.
Net result before extraordinary transactions	106	357	236.8%	241	587	142.7%
Net result	106	357	236.8%	243	587	143.6%
EPS (€ cents)	0.182	0.621	241.2%	0.419	1.017	141.6%
FOCF	1.257	2.805	123.2%	40	209	422.5%
Group Net Debt				3.318	3.122	-5.9%
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



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

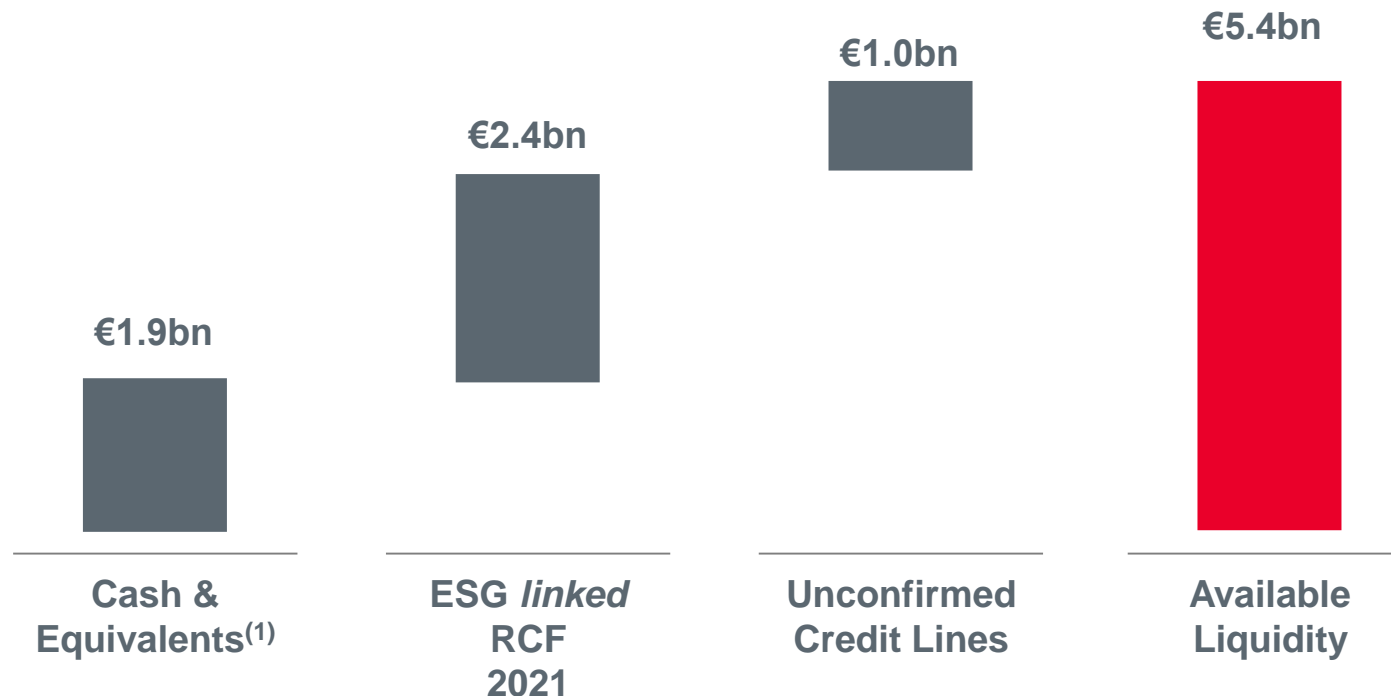
Integrated Sensors Suite

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



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⁽¹⁾ ensure a Group's liquidity of approx. € 5.4 bn



(1) Pro forma for January 2022 bond reimbursement.



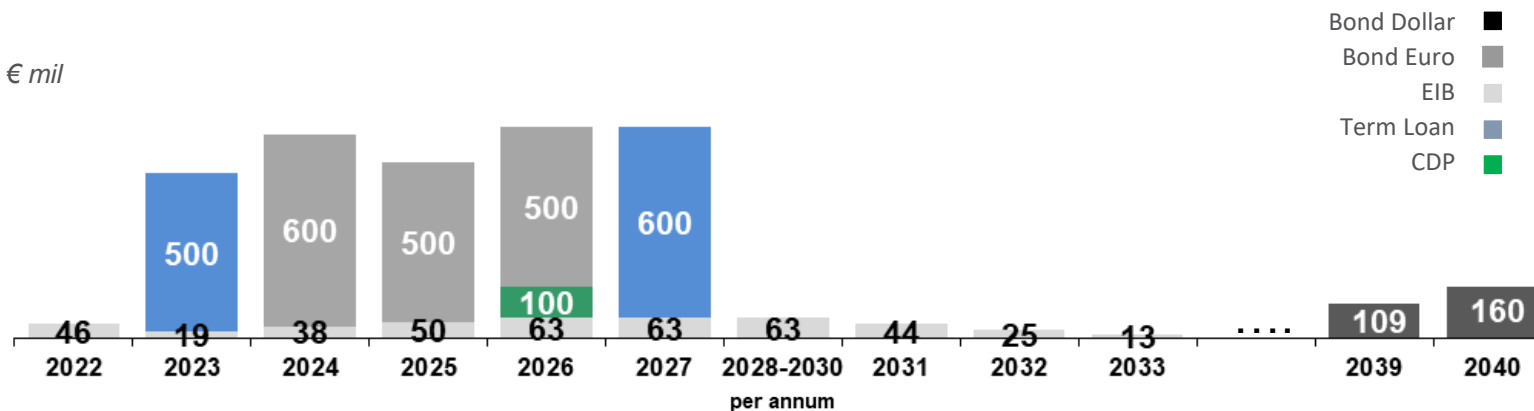
Balanced debt maturity profile

DEBT MATURITY

Average life: ≈ 4,8 years ⁽¹⁾



In € mil



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
Moody's	Ba1 / <i>Stable Outlook</i>	Ba1 / <i>Positive Outlook</i>	October 2018
S&P	BB+ / <i>Stable Outlook</i>	BB+ / <i>Positive Outlook</i>	April 2020
Fitch	BBB- / <i>Stable Outlook</i>	BBB- / <i>Negative Outlook</i>	January 2022



(1) Pro forma for January 2022 bond reimbursement.

Development costs capitalised as intangible assets as at 31 December 2021

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

(*) Movements w/o cash and PL effects



Covenant FY2021

	FY2021A Post IFRS 16
EBITDA*	€ 1,538 mln
Net Interest	€ 138 mln
EBITDA / Net Interest	11.1
THRESHOLD	> 3.25

	FY2021A Post IFRS 16
Group Net Debt	€ 3,122 mln
Leasing (IFRS 16)	- € 568 mln
Financial Debt to MBDA	- € 664 mln
Group Net Debt for Covenant	€ 1,890 mln
EBITDA*	€ 1,538 mln
Group Net Debt / EBITDA	1.2
THRESHOLD	< 3.75

* EBITDA net of depreciation of rights of use



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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