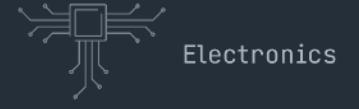




Leonardo: Technologies for a Safer Future

Industrial Plan 2024-2028 - Executive summary



Electronics



Helicopters



Aircraft



Cyber & Security



Space



Unmanned Systems



Aerostructures

The evolution of our KPIs

Financial KPI		2023 ¹	2028 ²
Orders, €bn	(+26%)	17.9	22.6
Revenue, €bn	(+39%)	15.3	21.3
EBITA, €bn	(+92%)	1.3	2.5
FOCF, €bn	(+111%)	0.64	1.35
ROIC, %	(+76%)	11.9%	21.0%
ROS, %	(+37%)	8.4%	11.5% <i>Double digit 2026</i>

1. Does not include consolidated Telespazio figures
2. Includes consolidated Telespazio figures



Doubled Dividend from 0.14 € to 0.28 € per share in 2024



Agenda

1. Architecture of the Industrial Plan

2. Business overview

3. Group's targets

4. Relevant new initiatives



Lessons learnt in recent years: the three-fold challenge of Defense

Lesson Warfare is changing

#1

combination of traditional weapons and new digital technologies, satellite applications, and drones (to destroy targets valued 1,000x)



Bullets and bytes

Lesson Globalization as an element of fragility

#2

regional wars directly impact on global security (energy, food, cyber, and infrastructure security)

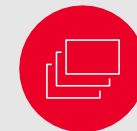


**From Defense to
“Global Security”**

Lesson No single European Country can make it on its own

#3

fragmented expenditure makes Europe even weaker



**Security as a
continental problem**



Lessons learnt in recent years: the three-fold challenge of Defense

Lesson Warfare is changing

#1

combination of traditional weapons and new digital technologies, satellite applications, and drones (to destroy targets valued 1,000x)



Bullets and bytes

Lesson Globalization as an element of fragility

#2

regional wars directly impact on global security (energy, food, cyber, and infrastructure security)

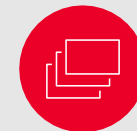


**From Defense to
“Global Security”**

Lesson No single European Country can make it on its own

#3

fragmented expenditure makes Europe even weaker



**Security as a
continental problem**



Lesson #1: Bullets and bytes

Key features

Multi domain interoperability

Command and control

Communications and standards

Modelling, simulation, and training

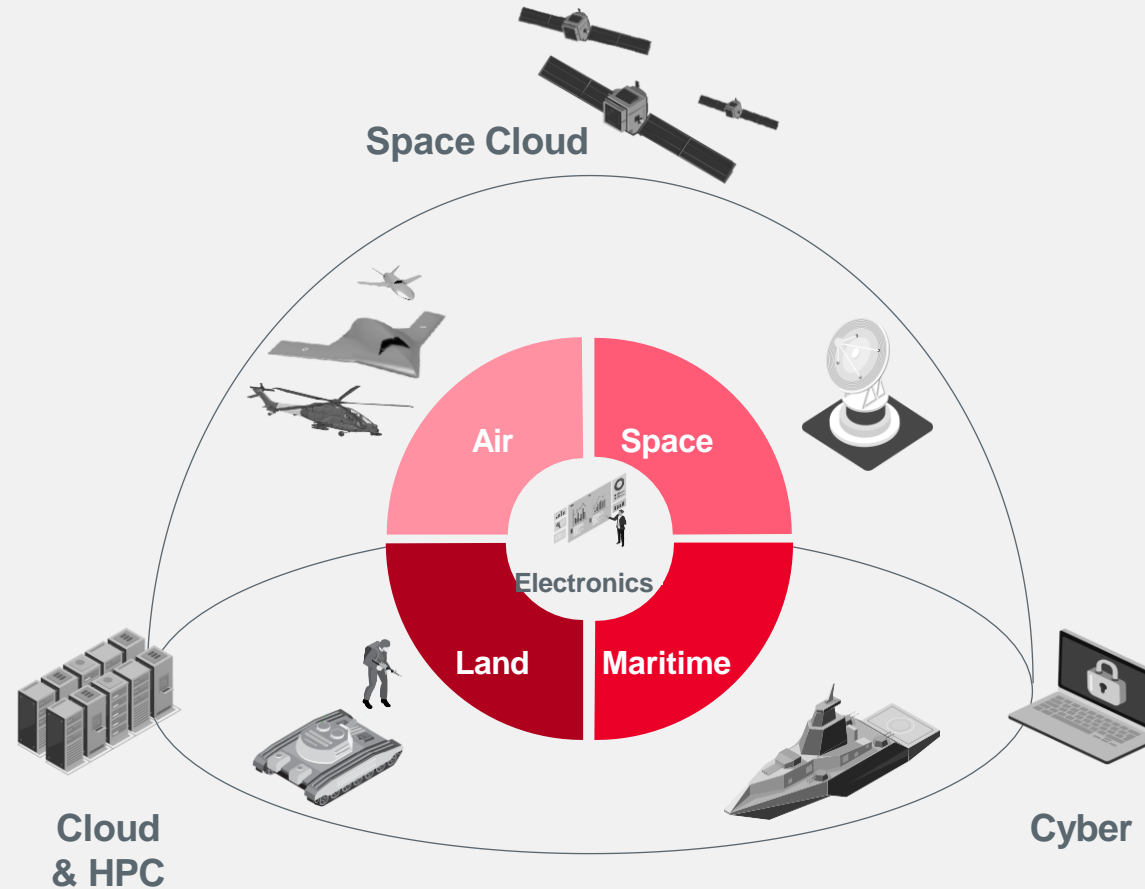
Global monitoring

System-of-systems architectures

Cyber and resilience

Autonomous systems

AI-powered Multi-domain interoperability



Enablers

Digital Continuum

Cloud (petabytes)

Computing power (petaflops)

Resilient broadband communications

Satellites & sensors

Digital Twin

Artificial intelligence

Lessons learnt in recent years: the three-fold challenge of Defense

Lesson Warfare is changing

#1

combination of traditional weapons and new digital technologies, satellite applications, and drones (to destroy targets valued 1,000x)



Bullets and bytes

Lesson Globalization as an element of fragility

#2

regional wars directly impact on global security (energy, food, cyber, and infrastructure security)



**From Defense to
“Global Security”**

Lesson No single European Country can make it on its own

#3

fragmented expenditure makes Europe even weaker



**Security as a
continental problem**



Lesson #2: From Defense to “Global Security”

Market outlook

CAGR 23-28

Defense expenditure in NATO Europe

4.5%



Cyber as a way to protect data

8.8%

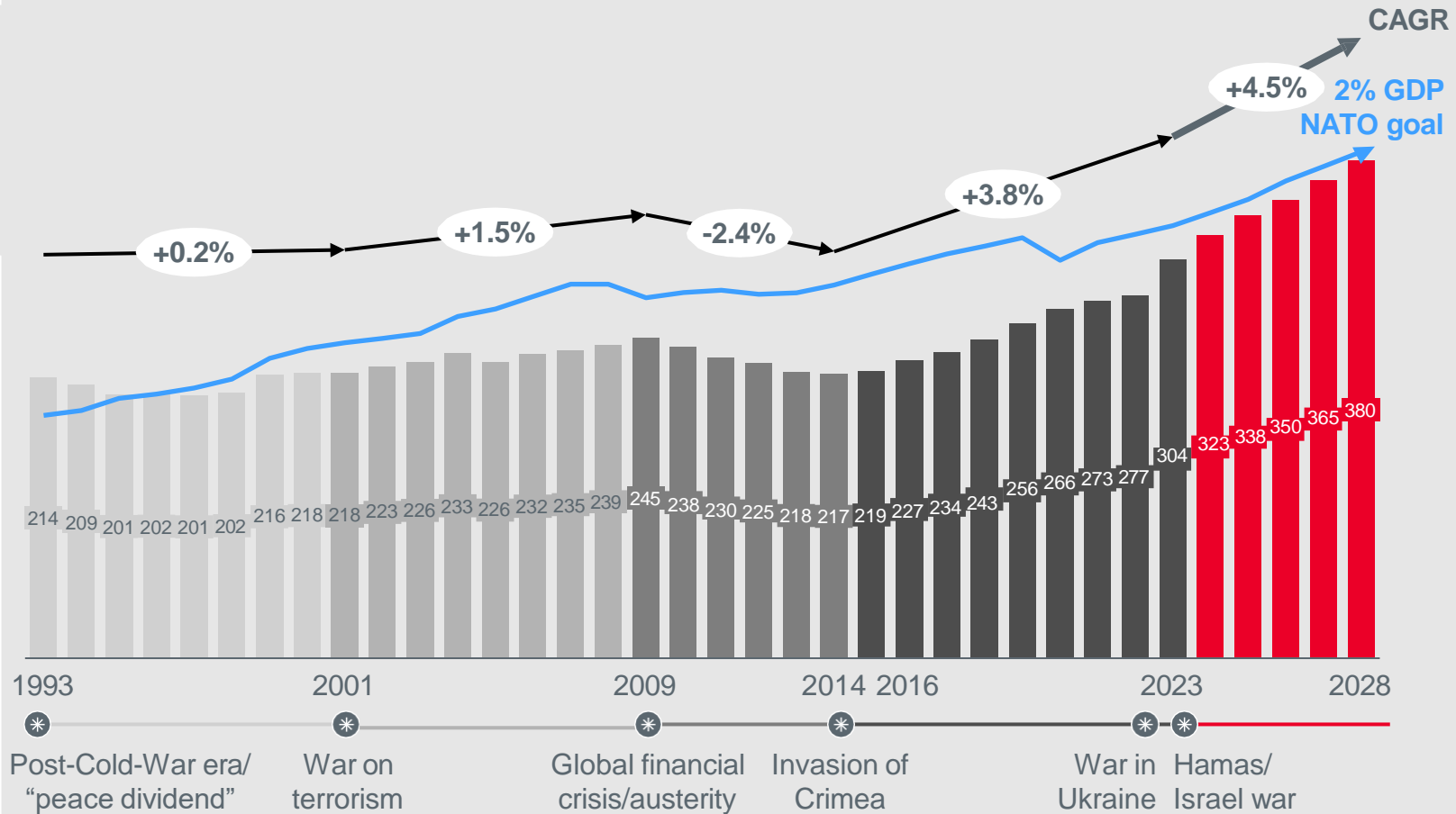


Space as a tool to monitor and generate data and knowledge

7.6%



Total Defense expenditure in NATO Europe¹, €bn



1. Real values (2020 values), excluding Finland as NATO statistics are not available back to 1993; for 2022 and 2023 preliminary estimates since NATO has not published final numbers

Source: NATO statistics; IMF; IHS; SIPRI; Leonardo competitive intelligence

Lessons learnt in recent years: the three-fold challenge of Defense

Lesson Warfare is changing

#1

combination of traditional weapons and new digital technologies, satellite applications, and drones (to destroy targets valued 1,000x)



Bullets and bytes

Lesson Globalization as an element of fragility

#2

regional wars directly impact on global security (energy, food, cyber, and infrastructure security)

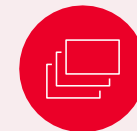


**From Defense to
“Global Security”**

Lesson No single European Country can make it on its own

#3

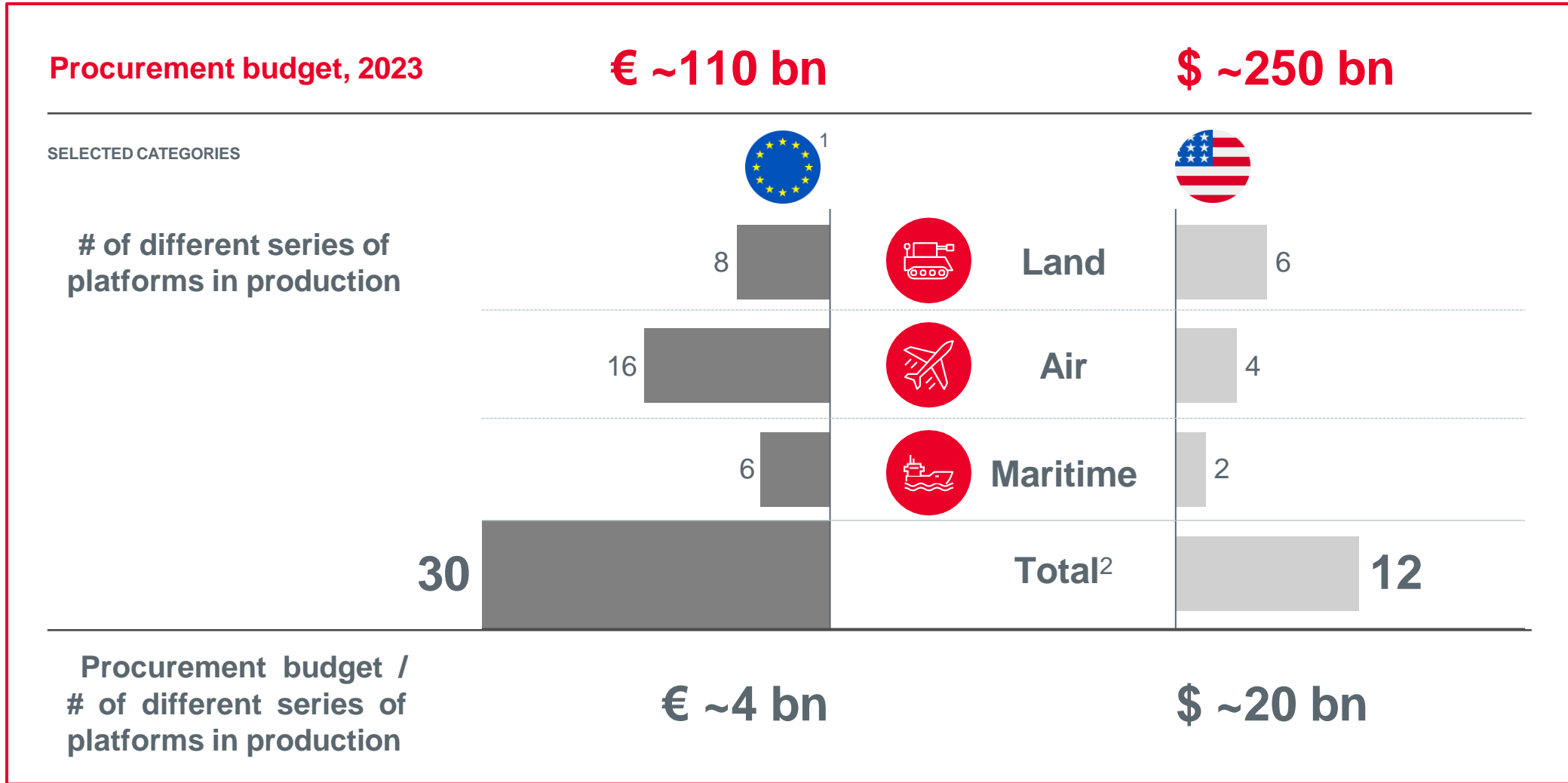
fragmented expenditure makes Europe even weaker



**Security as a
continental problem**



Lesson #3: Security as a continental problem



1. NATO Europe plus UK and Norway | 2. Land includes: MBT, infantry fighting vehicles, and 152-mm/155-mm howitzers; air includes: attack helicopters and fighters; maritime includes: destroyers/frigates, conventional submarines, and nuclear submarines

Source: European Defense Agency; US Department of Defense; SIPRI; Leonardo competitive intelligence

Is Leonardo ready to face those challenges?

Actions

Lesson

Strengthen the core business

Rationalize/optimize the portfolio, focus R&D, and implement massive digitalization



Bullets and bytes

Forge international alliances and JVs



Security as a continental problem

Pave the way to the global security challenge

Enhance cyber capabilities on Defense, Space, and national strategic organizations



From Defense to “Global Security”

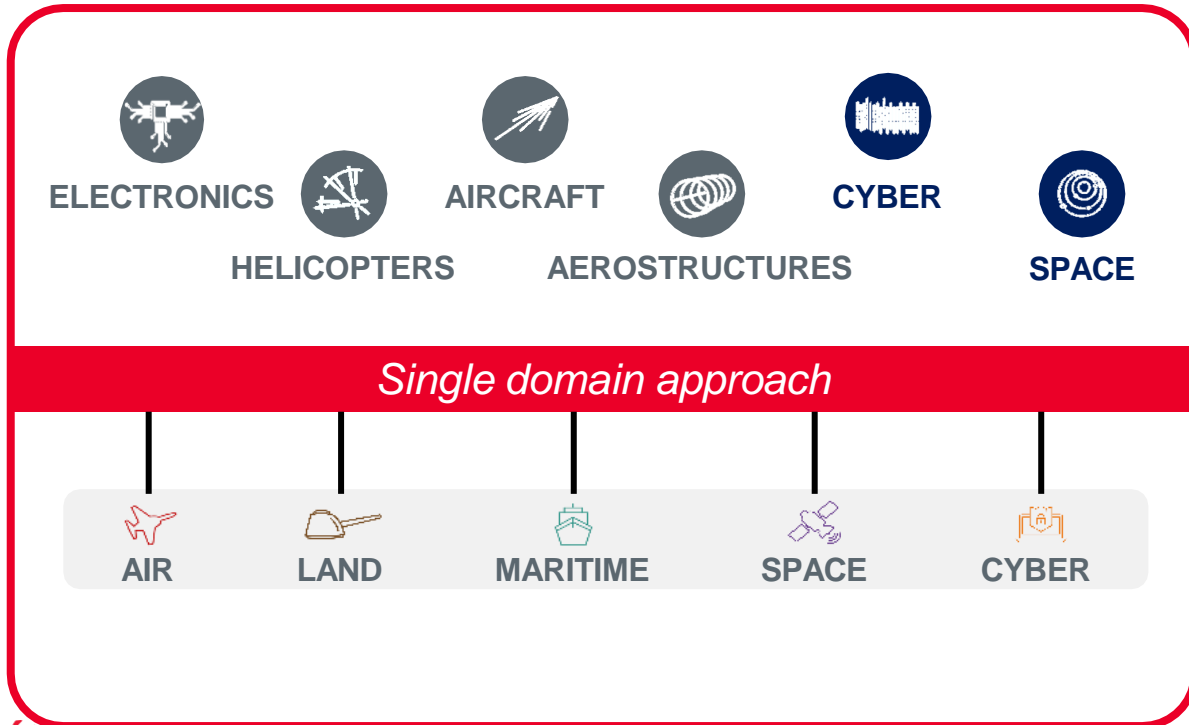
Create the Space Division, boost the Space Alliance focusing on high-value segments



This means...

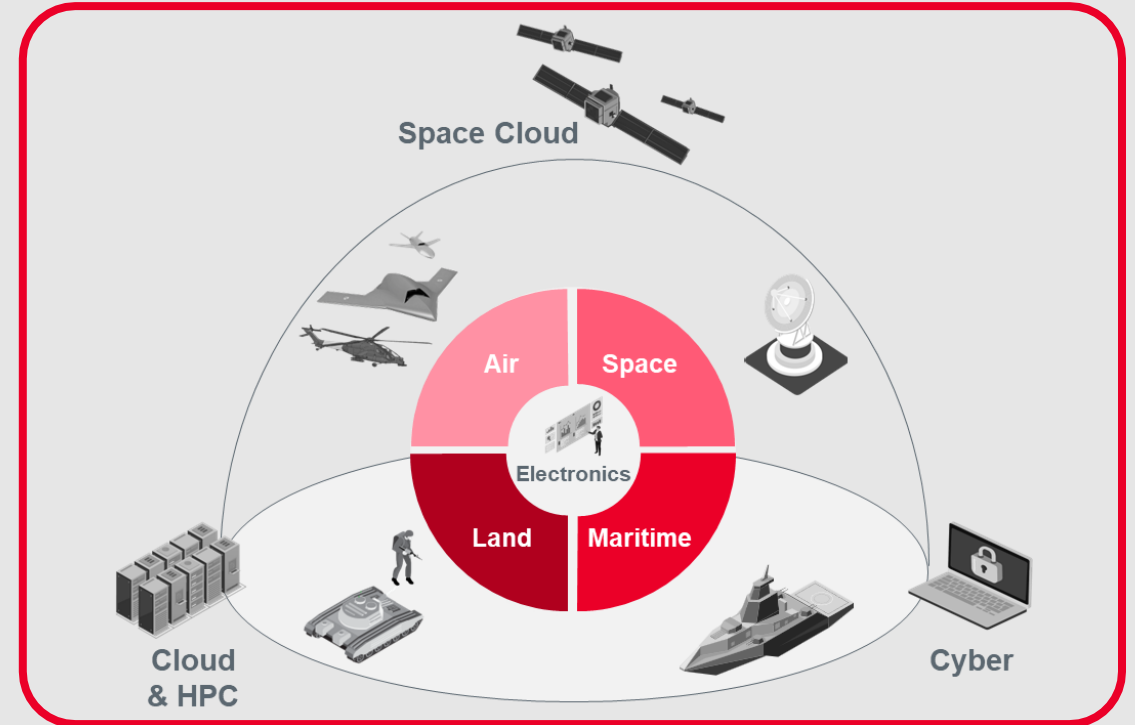
Now...

Transforming a **Company** working in **multiple Divisions** and related domains...



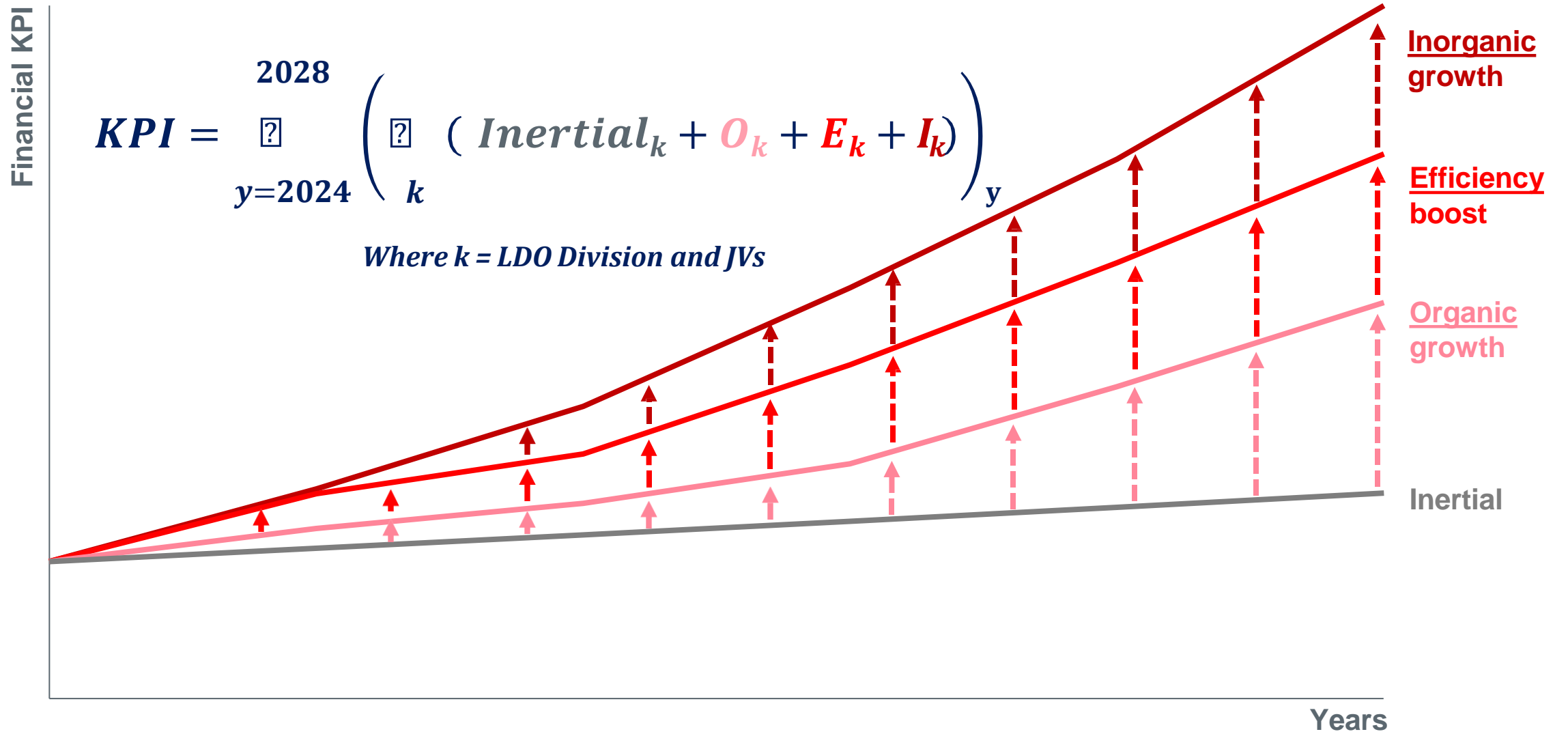
...Then

... into a **Company** working in a **cross-divisional multi-domain** environment powered by the **Digital Continuum**



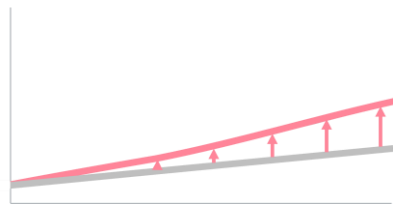
Our growth model

ILLUSTRATIVE



How we will implement it: the “arsenal” of initiatives

Organic growth



Focused R&D and technological innovation

Focus on digital technologies such as AI, digital twin, and cloud computing

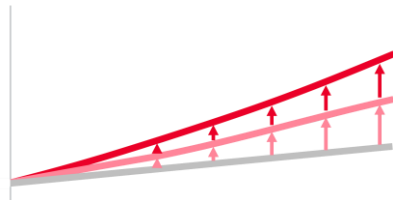
Massive digitalization of solutions and operations

Key enabler for increased product competitiveness, streamlined processes across the Group

Servitization and customer proximity

New digital services and international business development via the Leonardo Logistic Network

Efficiency boost



Group-wide efficiencies and Corporate cost reduction

Optimization of procurement and cost reduction of the headquarter (organization and processes)

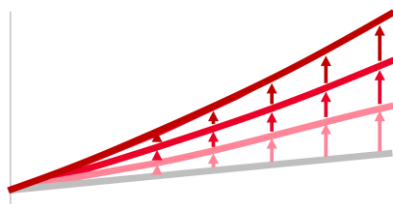
Business and product focus/rationalization

Investment prioritization and divestment from selected businesses, products, and participated/JVs

Broad optimization of manufacturing

Accelerated backlog conversion via exploitation of digital capabilities and automation

Inorganic growth



Steering of global alliances

Synergies through international cooperation

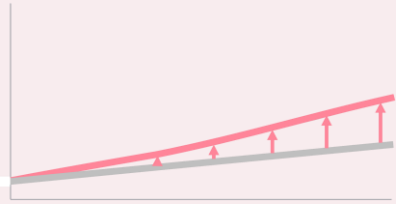
M&A in emerging technologies and markets

Improved capabilities, positioning, and offering



How we will implement it: the “arsenal” of initiatives

Organic growth



Focused R&D and technological innovation

Focus on digital technologies such as AI, digital twin, and cloud computing

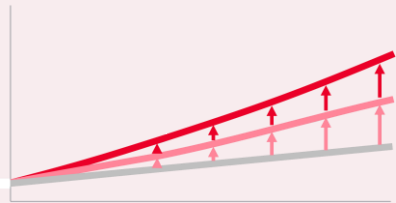
Massive digitalization of solutions and operations

Key enabler for increased product competitiveness, streamlined processes across the Group

Servitization and customer proximity

New digital services and international business development via the Leonardo Logistic Network

Efficiency boost



Group-wide efficiencies and Corporate cost reduction

Optimization of procurement and cost reduction of the headquarter (organization and processes)

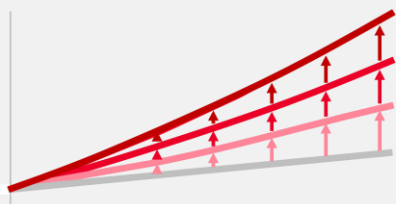
Business and product focus/rationalization

Investment prioritization and divestment from selected businesses, products, and participated/JVs

Broad optimization of manufacturing

Accelerated backlog conversion via exploitation of digital capabilities and automation

Inorganic growth



Steering of global alliances

Synergies through international cooperation

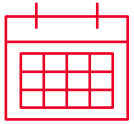
M&A in emerging technologies and markets

Improved capabilities, positioning, and offering

Current **financial forecast** for the plan takes into account only **Organic growth** and **Efficiency boost**

Financial impact of **Inorganic growth** will be quantified ongoing





Agenda

1. Architecture of the Industrial Plan

2. Business overview

3. Group's targets

4. Relevant new initiatives



The strategy menu: a glance at the Industrial Plan

Where we are... (Now)

...where we want to go (Then)

Strengthen core business



Electronics **Second largest European player in Defense electronics** with a qualified US presence

Global player with European leadership and catalyst for European cooperation, leveraging GCAP spillovers, alliances/JV (land and naval Defense systems), and a rationalized portfolio, with a distinctive US presence

Helicopters **Global civil player and growing in military**, with a comprehensive portfolio from light to heavy (dual use/specialized)

Global civil leader and military key player, upgrading our portfolio, pioneering new technologies, and exploring strategic partnerships

Aircraft **Recognized international player** involved in military aircraft programs, also relying on proprietary platforms

Leading player in cooperative programs (next-gen combat aircraft and UAV), with evolved proprietary products and boosted training services

Aero-structures **Trusted supplier on the path to recovery** after the Covid-19 impact on civil aviation

Profitable supplier thanks to operational excellence and market recovery, further scaling up via diversification and strategic partnerships

Pave the way to the global security challenge



Cyber **Domestic player** with a recognized positioning in selected segments

European key player in cyber security, secure digital platforms and mission critical communications, focused on Defense, space, and national strategic organizations

Space **Domestic leader** and European key player part of the Space Alliance, covering the entire value chain

European leader on high-value segments, leveraging Group-wide and Space Alliance capabilities, with an active role on a potential European consolidation



Strengthen core business



Where we are... (Now)



...where we want to go (Then)

Electronics

Second largest European player in Defense electronics with a qualified US presence

Global player with European leadership and catalyst for European cooperation, leveraging GCAP spillovers, alliances/JV (land and naval Defense systems), and a rationalized portfolio, with a distinctive US presence

Helicopters

Global civil player and growing in military, with a comprehensive portfolio from light to heavy (dual use/specialized)

Global civil leader and military key player, upgrading our portfolio, pioneering new technologies, and exploring strategic partnerships

Aircraft

Recognized international player involved in military aircraft programs, also relying on proprietary platforms

Leading player in cooperative programs (next-gen combat aircraft and UAV), with evolved proprietary products and boosted training services

Aero-structures

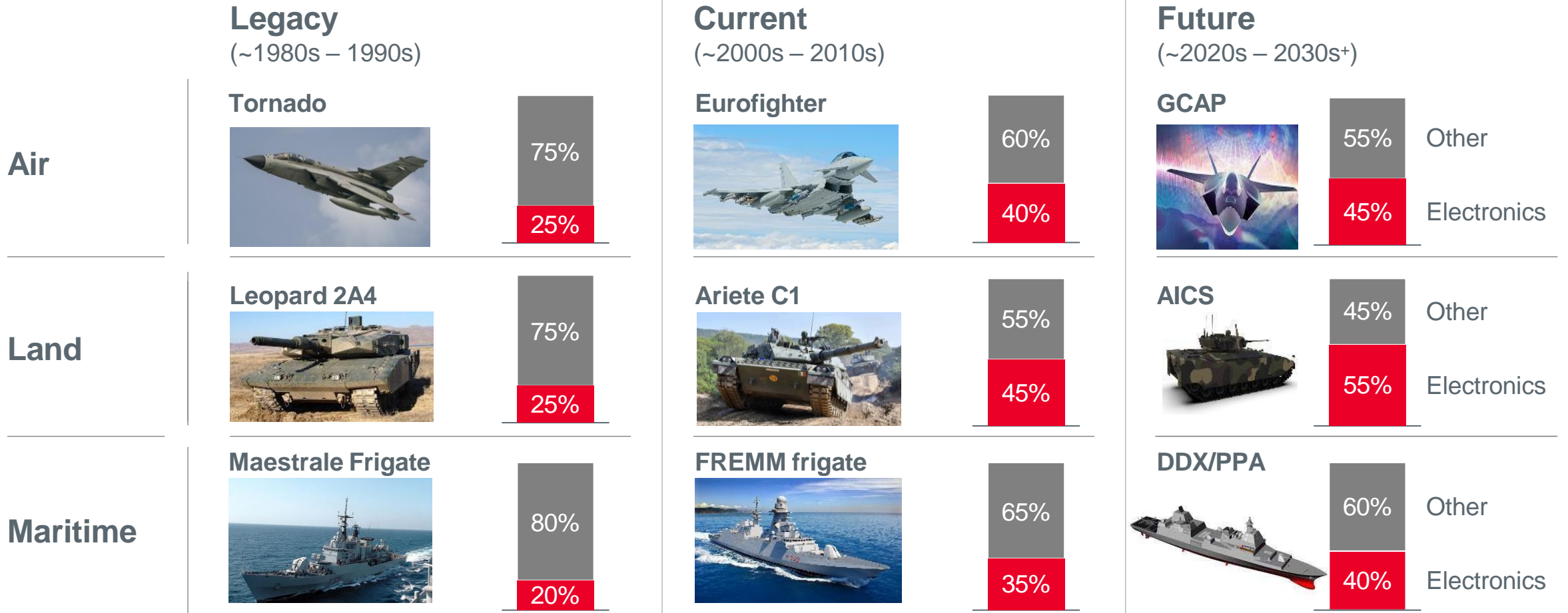
Trusted supplier on the path to recovery after the Covid-19 impact on civil aviation

Profitable supplier thanks to operational excellence and market recovery, further scaling up via diversification and strategic partnerships



The role of electronics today and in the future

ILLUSTRATIVE



Our actions going forward

Global player with **European leadership** and a distinctive US presence

- 1 **Rationalize 20% of the current portfolio** in order to focus on the core offering and optimize the capital allocation (main area of rationalization being custom C2, communications, airborne, land & naval radars, and other legacy products)
- •2 **Increase competitiveness** across all domains (airborne, land, naval), through:
 - Update core platforms (EFA) enable disruptive new programs (GCAP, AICS¹)
 - Invest/update leading products: radars and other sensors, communications, C2, ...

Catalyst for European cooperation, expanding the international reach

- 3 **Wider access to the European market** and unlock synergies in terms of product portfolio and R&D: (1) radars and EW² for airborne, (2) combat systems for next gen frigates, (3) networked land sensor solutions, (4) advanced air defense systems and sensors, (5) optronics (in progressing cooperation with **Hensoldt**)
- •4 **Contribute to the Land Defense** European space based on armored vehicles (also thanks to the MBT³ program with **KNDS**)
- 5 Consolidate **naval combat systems technologies**, providing OSN⁴ with “**whole-warship**” capabilities, and **progress collaboration with Fincantieri** for underwater Defense systems



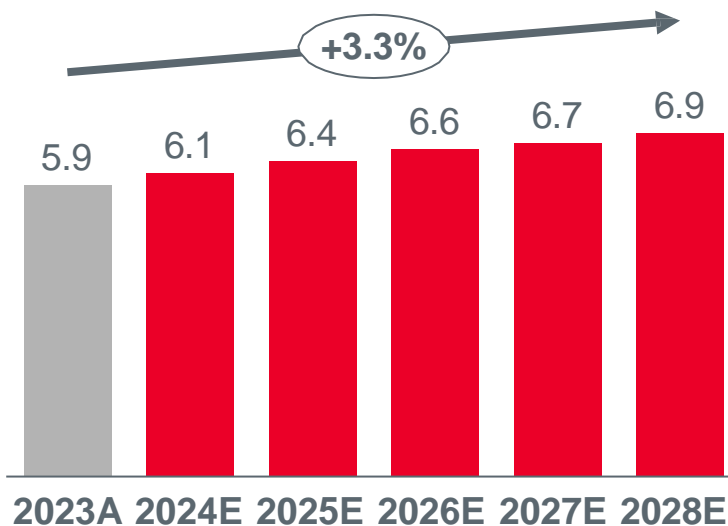
Facts and figures

Financials (estimated values for 2024 and beyond), €bn¹

Orders

Backlog²

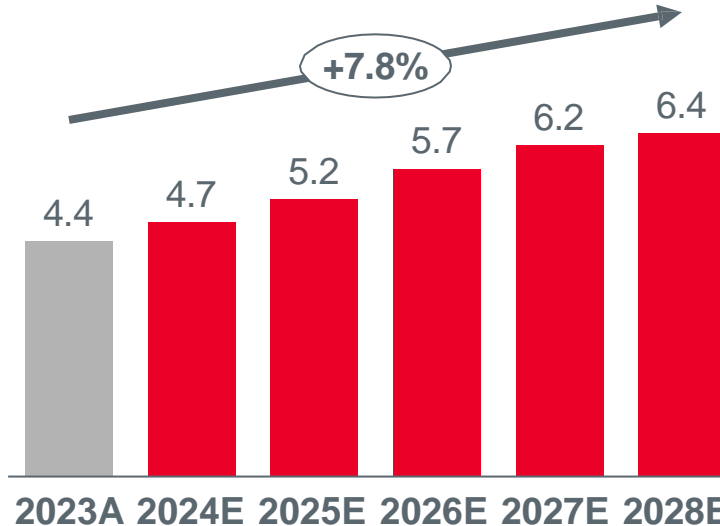
12.8	13.8	15.0	15.9	16.5	17.1
------	------	------	------	------	------



Steadily growing orders

reaching € 6.9 bn, also benefiting from GCAP, Leopard and AICS

Revenue



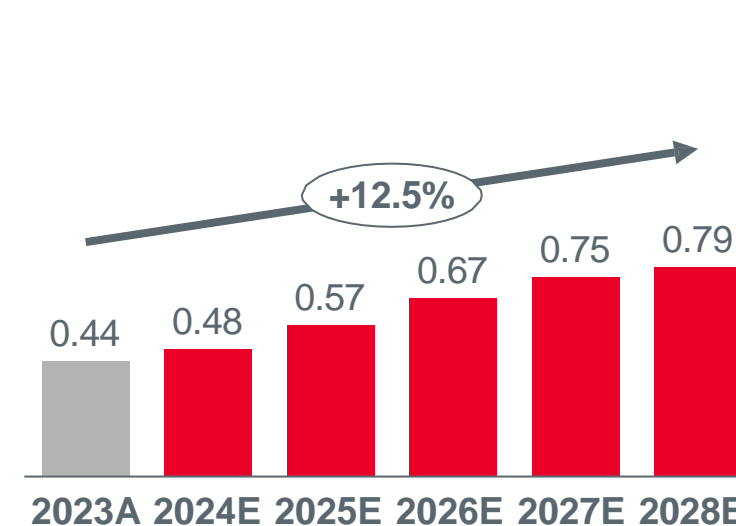
7.8% CAGR₂₀₂₃₋₂₈

of revenue driven by an accelerated backlog conversion

EBITA

ROS

10.0%	10.2%	11.1%	11.8%	12.2%	12.4%
-------	-------	-------	-------	-------	-------



+2.4 p.p. ROS 2023 vs. 2028

thanks to business/ product focus/ rationalization, optimization of manufacturing and procurement





Strengthen core business

Where we are... (Now)



...where we want to go (Then)

Electronics

Second largest European player in Defense electronics with a qualified US presence

Global player with European leadership and catalyst for European cooperation, leveraging GCAP spillovers, alliances/JV (land and naval Defense systems), and a rationalized portfolio, with a distinctive US presence

Helicopters

Global civil player and growing in military, with a comprehensive portfolio from light to heavy (dual use/specialized)

Global civil leader and military key player, upgrading our portfolio, pioneering new technologies, and exploring strategic partnerships

Aircraft

Recognized international player involved in military aircraft programs, also relying on proprietary platforms

Leading player in cooperative programs (next-gen combat aircraft and UAV), with evolved proprietary products and boosted training services


Aero-structures

Trusted supplier on the path to recovery after the Covid-19 impact on civil aviation

Profitable supplier thanks to operational excellence and market recovery, further scaling up via diversification and strategic partnerships



Our Helicopter portfolio today and for the future

		Now...	...Then
Dual use	Light	AW09  Development and new product certification	Mature new product reaffirming superiority in the segment
		AW109  Weaponization for military, revamping for VIP market	Avionics upgrades for continued attractiveness in VIP market
		AW119  Development of military (trainer) market leveraging US Navy & Israeli wins	Manage market demand and positioning in military trainer fleet management
	Family	AW139  Avionics phase 9 development	Mission capability update (dual-use) as per market demand
		AW169  Performance upgrades	Established as reference “Super Medium” in the OGP & SAR market
	AW189  Replacement for S-92 & H225		
	AW149	AW149  Focus on UK and export	Expansion of military applications
Specialized		NH-90  Naval specialization suitable for future international cooperations	Acquisition of desired position for MLU¹ , Bridge to ENGRT² fast rotorcraft ⁶
		AW249  Design and development finalization	Certification of new attack product, LHD platform of reference for combat
		AW101  Development of DAS, ASW, AFCS⁵ capabilities, MGB ⁷ rating upgrade (all customer funded)	FAL³ sustainability evaluation and evolution towards MLU ¹
		AW159/ Lynx  Commercial opportunity for future developments	FAL³ and program sustainability evaluation , future MLU ¹ s by opportunity ⁴
Cutting-edge technologies		AW609  Development towards civil certification Tilt-rotor technology selected by the US DoD as the preferred and only solution for fast rotorcraft	First civil certified tilt-rotor and the first building block towards LHD fast rotorcraft positioning
		RUAS  AWHero: established credible platform , key to experiment MUM-T Proteus: exploratory effort towards heavier RUAS platforms (technology demonstrator)	AWHero: potential improvements based on market demand Proteus: potential transition to product also in the light of logistic connector developments



Our actions going forward

Confirm **record-level orders** and accelerate **backlog conversion** to revenue



1. **Optimize industrial model** by scaling industrial capacity (more standardization of configurations) and improving industrialization process (digitalization and supply chain)
2. **Reinforce product portfolio** both services and platforms: AW09, Smart Helicopter (connectivity and autonomous capabilities) and generational upgrades (AW family)

Become the **global civil market leader** and a **military key player** leveraging cutting-edge products and strategic partnerships



3. **Boost tilt-rotor:** FLRAA₁ selection, FARA₂ cancelation and latest US and NATO requirements indicate the Tilt Rotor as the only viable and mature technology. In addition **RUAS** is confirmed also by US Army as the main system for exploration in battlefield scenario.
4. **Explore international cooperations** for future global markets (and **AAM₃**)

1. Future Long - Range Assault Aircraft | 2. Future Attack Reconnaissance Aircraft | 3. Advanced Air Mobility

The MoU signed by Leonardo & Bell during Heli-Expo 2024 in Anaheim outlines the perimeter for a potential wide-ranging cooperation on the tilt-rotor technology, spanning from joint advocacy of the technology for future European/NATO requirements to industrial cooperation across the value chain on potential future international programs

Facts and figures

Financials (estimated values for 2024 and beyond), €bn¹

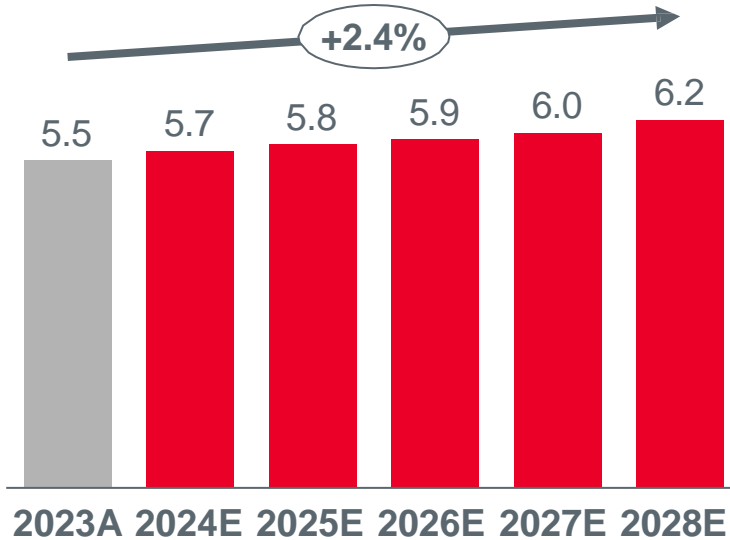


NOT TO SCALE

Orders

Backlog²

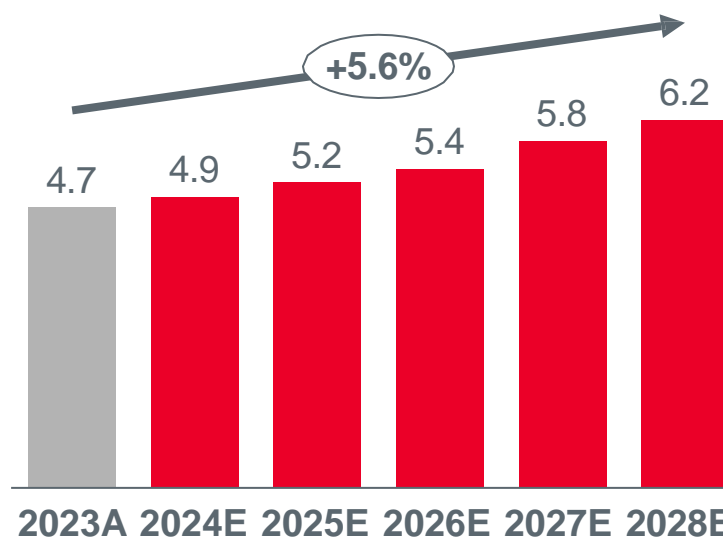
14.4 15.2 15.9 16.4 16.7 16.7



Stable orders

at 2028 record level (€ 6.2 bn) led by continuous improvements of product portfolio

Revenue



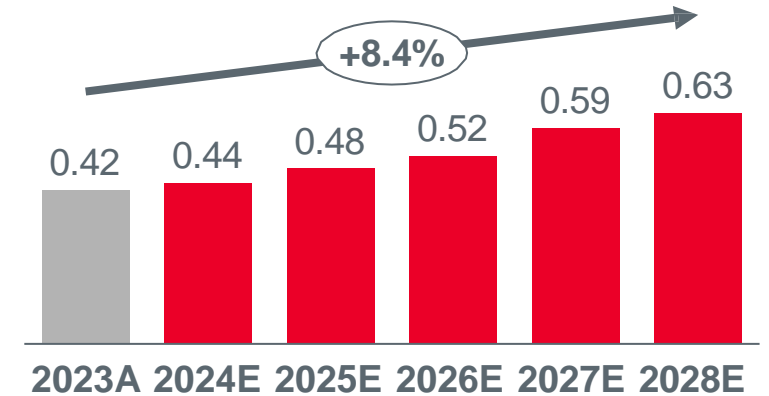
5.6% CAGR₂₀₂₃₋₂₈

of revenue driven by an acceleration of backlog conversion

EBITA

ROS

8.9% 9.0% 9.3% 9.6% 10.2% 10.2%



+1.3 p.p. ROS₂₀₂₃₋₂₈

with EBITA growing faster than revenue



1. Not including elisions | 2. At the end of each period



Strengthen core business

Where we are... (Now)



...where we want to go (Then)

Electronics

Second largest European player in Defense electronics with a qualified US presence

Global player with European leadership and catalyst for European cooperation, leveraging GCAP spillovers, alliances/JV (land and naval Defense systems), and a rationalized portfolio, with a distinctive US presence

Helicopters

Global civil player and growing in military, with a comprehensive portfolio from light to heavy (dual use/specialized)

Global civil leader and military key player, upgrading our portfolio, pioneering new technologies, and exploring strategic partnerships

Aircraft

Recognized international player involved in military aircraft programs, also relying on proprietary platforms

Leading player in cooperative programs (next-gen combat aircraft and UAV), with evolved proprietary products and boosted training services









Aero-structures

Trusted supplier on the path to recovery after the Covid-19 impact on civil aviation

Profitable supplier thanks to operational excellence and market recovery, further scaling up via diversification and strategic partnerships



Our Aircraft portfolio today and for the future

		Now...	...Then
Combat	EFA	 Primary role in production and sales campaigns	Long-term operational capabilities evolution , bridging next-gen fighter
	F-35	 Full wing and aircraft assembly production and logistics ramp-up	Production and logistics full capacity, business growth including MRO and training
Trainers	GCAP	 Concept study and definition	Core platform development and delivery within system of systems
	M345/ M346 Dual Role	 Training and light fighter full capacity and partnerships	Platforms evolution to play central role in next gen training and light combat domains
	Full ITS	 Advanced integrated pilot training systems	Exploitation of full-scale turn-key training services, through digital-driven solutions and synthetic environment
Airlifters & Spec. Ver.	C-27J & ATR Special Versions	 Avionics upgrade and maritime patrol capabilities enhancement	Key role in next-gen airlifters and multi-mission evolution
UAV	EuroDrone	 Development in strategic European partnership	Product and service full capacity, and multi-mission capabilities evolution
	Next-Gen UAV	 Aerial targets, tactical and light MALE capabilities maturation	Portfolio capabilities evolution and next-gen combat (Adjunct) and surveillance products in integrated multi-domain



Our actions going forward

Secure, in the short-term, **orders for sustainable growth** and boost the high-margin **service business**



- 1 **Acquire sustainable order levels** leveraging:
 - **primary role** in Eurofighter campaigns and platform evolutions
 - upgraded **platforms portfolio** (e.g., M345, M346, and UAV) also through **strategic cooperations**
- 2 **Boost integrated simulation and training** services - business (e.g., IFTS model)

Become, in the medium-term, a **leading player** in major **cooperative international programs**



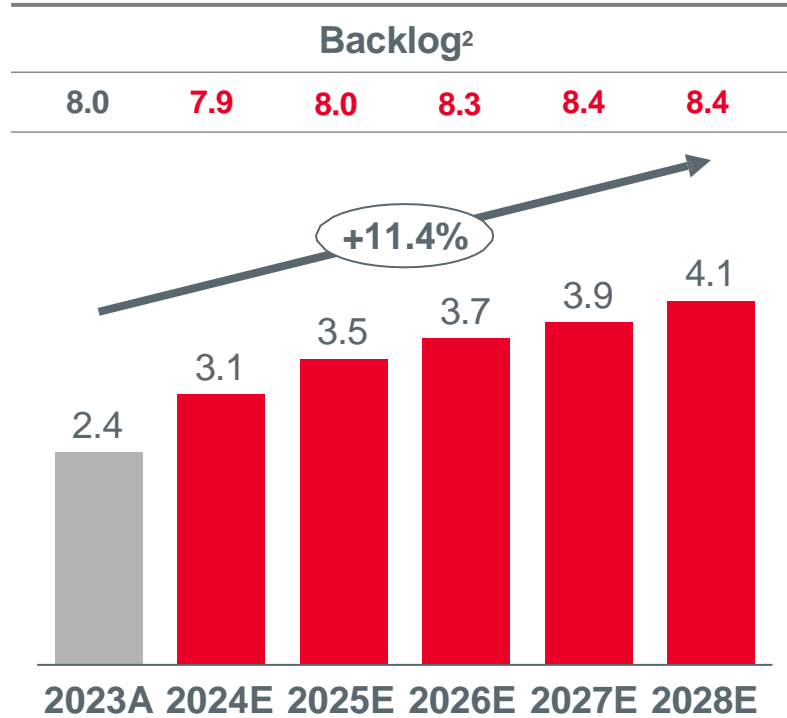
- 3 **Secure a key role in GCAP**, with a leading presence on core platform and adjunct unmanned development, air combat cloud and system of systems
- 4 **Nurture international partnership** with Leonardo platforms and ground systems and services, and UAVs for future applications



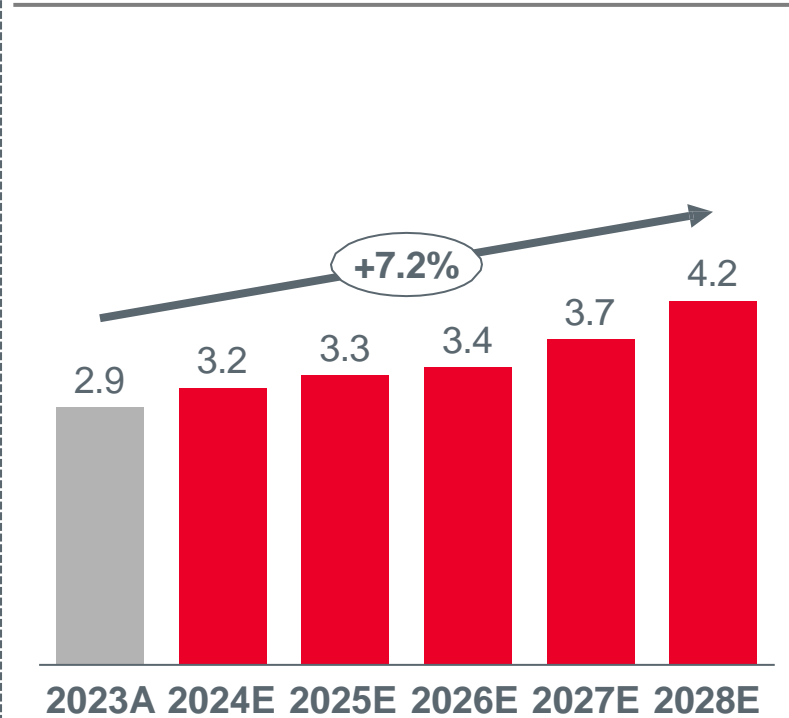
Facts and figures

Financials (estimated values for 2024 and beyond), €bn¹

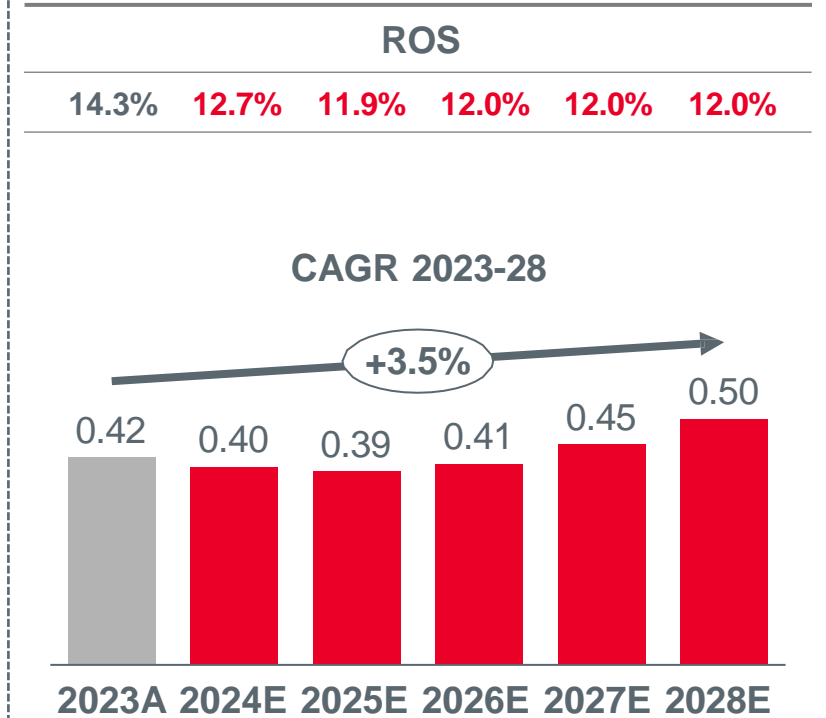
Orders



Revenue



EBITA



11.4% CAGR₂₀₂₃₋₂₈ for orders and **7.2% CAGR₂₀₂₃₋₂₈ for revenue**
 driven by strong fighter business and supported by proprietary platforms

Best-in-class profitability
 with a double-digit ROS across the Industrial Plan horizon



1. Not including elisions | 2. At the end of each period

Strengthen core business



Where we are... (Now)

Electronics

Second largest European player in Defense electronics with a qualified US presence

Helicopters

Global civil player and growing in military, with a comprehensive portfolio from light to heavy (dual use/specialized)

Aircraft

Recognized international player involved in military aircraft programs, also relying on proprietary platforms

Aero-structures

Trusted supplier on the path to recovery after the Covid-19 impact on civil aviation



...where we want to go (Then)

Global player with European leadership and catalyst for European cooperation, leveraging GCAP spillovers, alliances/JV (land and naval Defense systems), and a rationalized portfolio, with a distinctive US presence

Global civil leader and military key player, upgrading our portfolio, pioneering new technologies, and exploring strategic partnerships

Leading player in cooperative programs (next-gen combat aircraft and UAV), with evolved proprietary products and boosted training services


Profitable supplier thanks to operational excellence and market recovery, further scaling up via diversification and strategic partnerships



Our Aerostructures portfolio today and for the future

Diversifying external product portfolio by entering in high potential segments...

... and leveraging intragroup opportunities on leading platforms

Legacy segments	Wide-body	<i>Boeing 787</i> <i>Boeing 777X</i>		Fighters	<i>EFA/F-35</i>			
		<i>Boeing 767</i>			GCAP			
		<i>Comac 929</i>			Airlifters	<i>C-27J</i>		
	Narrow-body	<i>A220</i>				UAVs	<i>EuroDrone</i>	
		<i>A321</i>					<i>Falco Xplorer</i>	
	Regional	<i>ATR 42/72</i>			Helicopters		<i>AW 249</i>	
New segments	SST¹	<i>Boom Overture</i>		<i>AAM</i>				
	AAM²	<i>Vertical VX4</i>						



Our actions going forward

Confirm **breakeven by 2025**, thanks to market recovery and operational excellence



- 1 **Capture new orders** deriving from the recent OEMs' strategy to mitigate geo-political/industrial risks
- 2 **Exploit investments in digital/automation** carried out during Covid-19 (NEMESI program) to (i) shorten production time cycle, (ii) reduce inefficiencies, and (iii) increase production flexibility

Scale-up to achieve strategic relevance in the medium-term, via a diversified portfolio and partnerships



- 3 **Diversify current product portfolio** by entering in selected high-potential segments such as EuroDrone, supersonic aviation, AAM
- 4 **Evaluate potential industrial partnerships** to increase production scale while ensuring long-term stable order acquisition



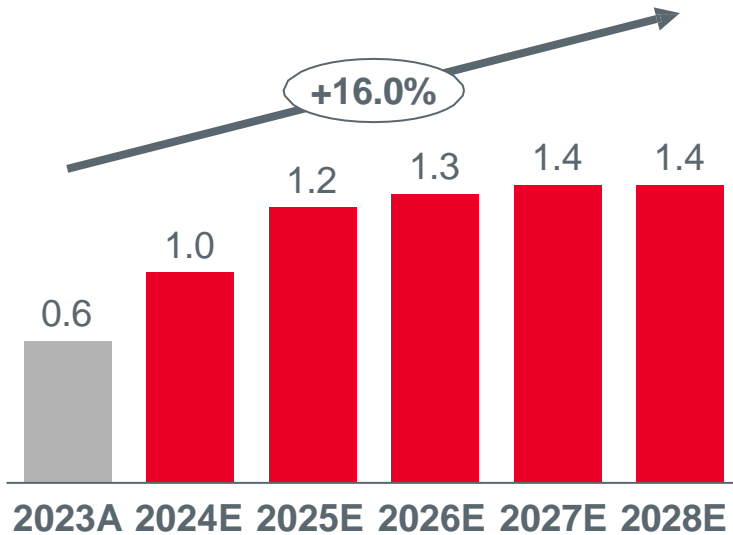
Facts and figures

Financials (estimated values for 2024 and beyond), €bn¹

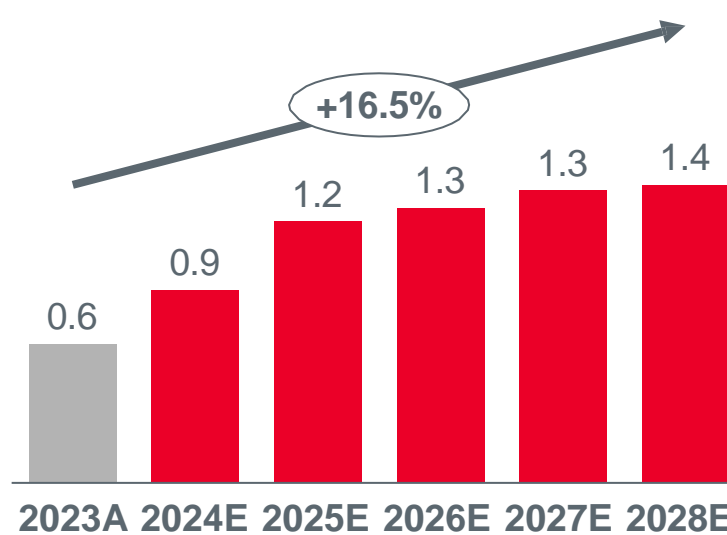
Orders

Backlog²

1.1	1.2	1.2	1.3	1.3	1.3
-----	-----	-----	-----	-----	-----



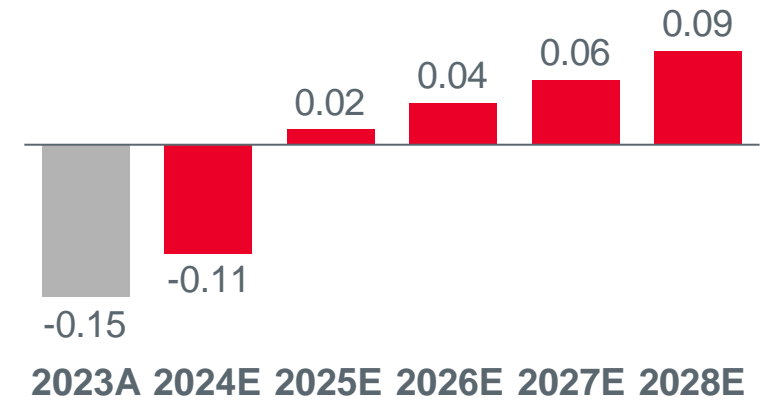
Revenue



EBITA³

ROS

-23.7%	-12.3%	1.3%	3.2%	4.8%	6.8%
--------	--------	------	------	------	------



~2x orders and revenue

thanks to market recovery after Covid-19 demand contraction and implementation of operational excellence levers

EBITA break even

by 2025, thanks to increasing revenue and lower unitary costs





Pave the way to the broader security challenge

Where we are... (Now)



...where we want to go (Then)

Cyber

Domestic player with a recognized positioning in selected segments

European key player in cyber security, secure digital platforms and mission critical communications, focused on Defense, space, and national strategic organizations

Space

Domestic leader and European key player part of the Space Alliance, covering the entire value chain

European leader on high-value segments, leveraging Group-wide and Space Alliance capabilities, with an active role on a potential European consolidation



Our actions going forward

European key player in cyber security & resilience, secure digital platforms and mission critical communications focused on Defense, space, and national strategic organizations



1. **Rationalize and focalize the existing product portfolio**, leveraging big data and AI, targeting:

 - Cyber & resilience** Accelerate the evolution towards an “AI-intensive cyber products ecosystem” for Defense, space, and strategic organizations: (1) **predictive** threat intelligence, (2) extended detection and response, (3) cyber operations and C2¹
 - Secure digital platforms** Rationalize all current digital platforms into one single AI-driven architecture and orchestrate/secure private/hybrid/multi-cloud solutions to match Defense and governmental customers sovereign needs
 - Mission critical comms** Enable technology transition from narrowband to broadband with market reference **Mission Critical Communications** interoperability solutions
2. Become market reference for “**cyber secure by design**” for products such as radars, helicopters, aircraft, and provide final customers with solutions and services for full lifecycle protection
3. Accelerate **growth acquiring** key technologies and accessing selected geographical markets through **M&A and strategic partnerships**



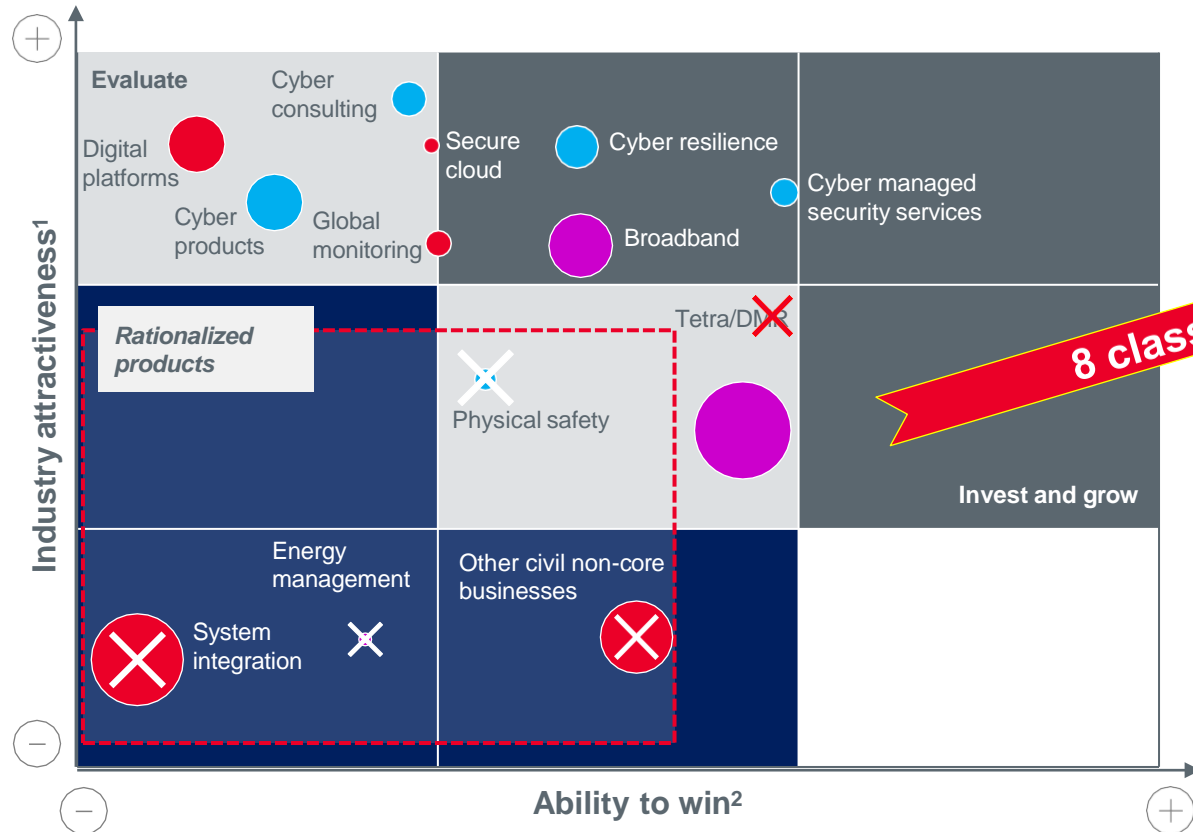
Our Cyber portfolio today and for the future

● Cyber & resilience ● Secure digital platforms ● Mission critical comms

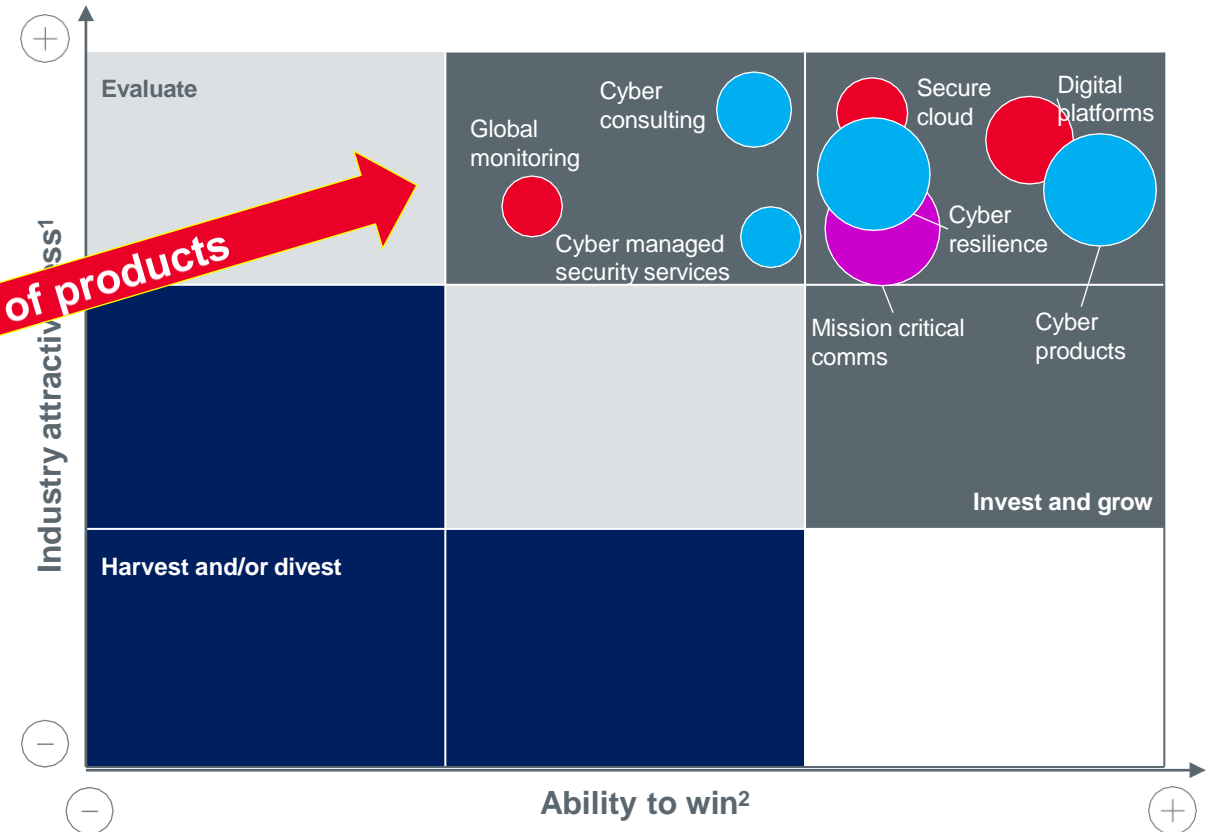
QUALITATIVE

✗ Stop investments ⊕ Order intake

Now...



...Then



87% orders form from “cyber & resilience” and “secure digital platforms” in 2028

4x orders from Defense business (32% CAGR₂₀₂₃₋₂₈)

6x orders generated by “proprietary products” (from 30% to 70% of the total)



1. Profitability and desirability of the target industry | 2. Competitive advantage held by Leonardo in the target industry (including market share and growth potential)

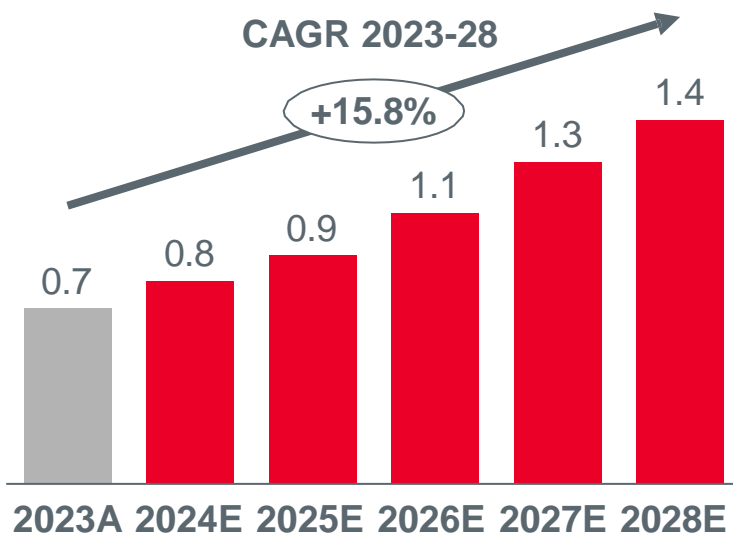
Facts and figures

Financials (estimated values for 2024 and beyond), €bn¹

Orders

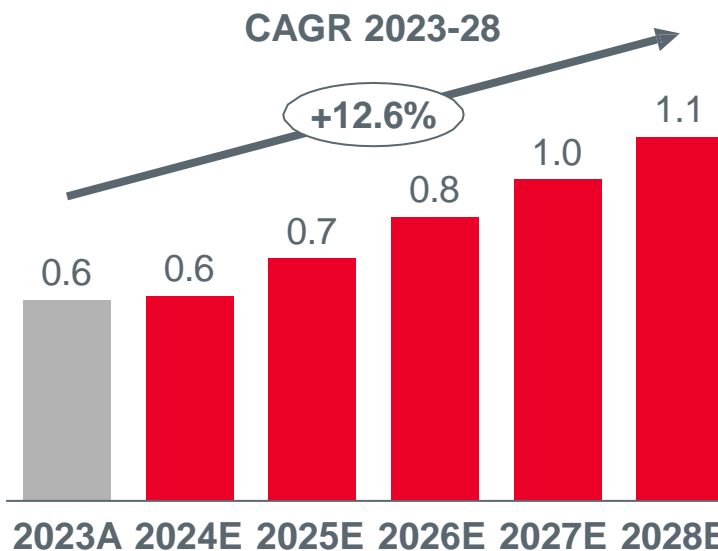
Backlog²

1.0 1.2 1.3 1.6 1.9 2.2



15.8% CAGR₂₀₂₃₋₂₈
for total order intake

Revenue

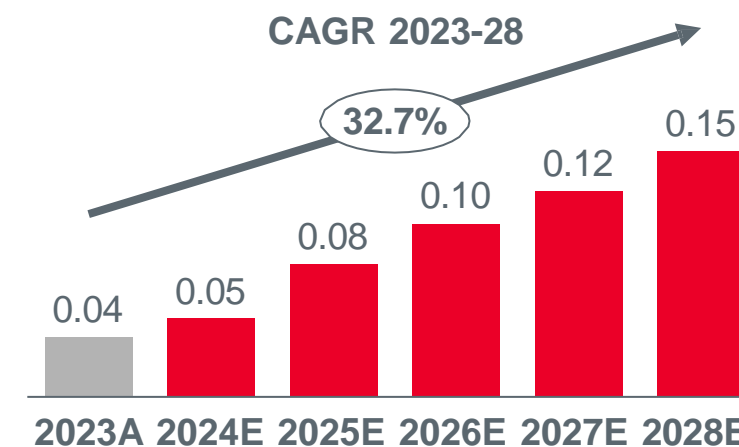


~2x revenue 2028 vs. 2023

EBITA

ROS

6.1% 7.8% 11.2% 12.4% 13.0% 13.7%



~4x EBITA 2028 vs. 2023

>2x ROS 2028 vs. 2023
double digit from 2025





Pave the way to the broader security challenge

Where we are... (Now)

Cyber

Domestic player with a recognized positioning in selected segments



...where we want to go (Then)

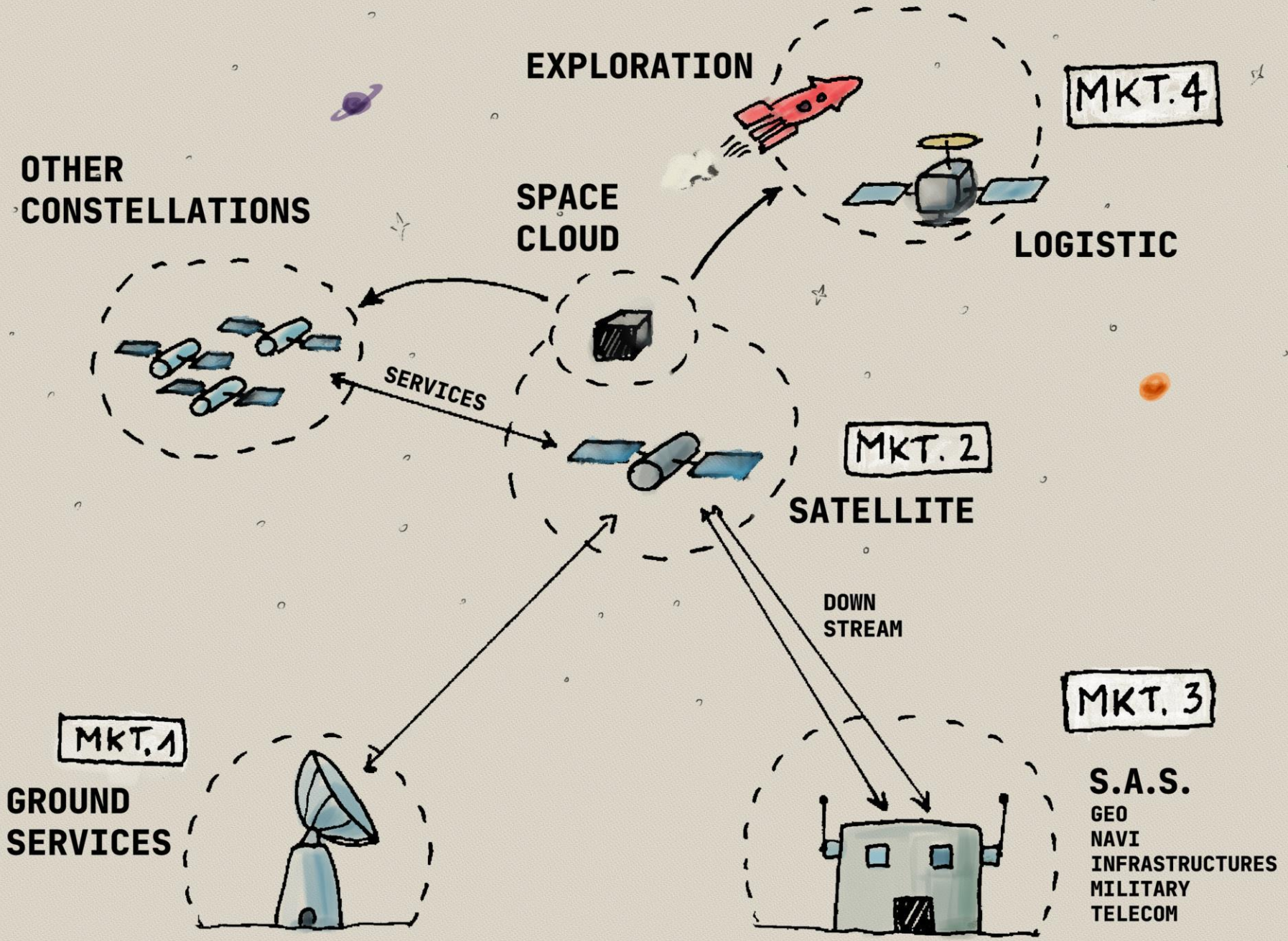
European key player in cyber security, secure digital platforms and mission critical communications, focused on Defense, space, and national strategic organizations

Space

Domestic leader and European key player part of the Space Alliance, covering the entire value chain

European leader on high-value segments, leveraging Group-wide and Space Alliance capabilities, with an active role on a potential European consolidation





R.C.24

Our actions going forward

European leader on **high-value segments**, leveraging **Group-wide** and **Space Alliance** capabilities, with an active role on a potential European consolidation



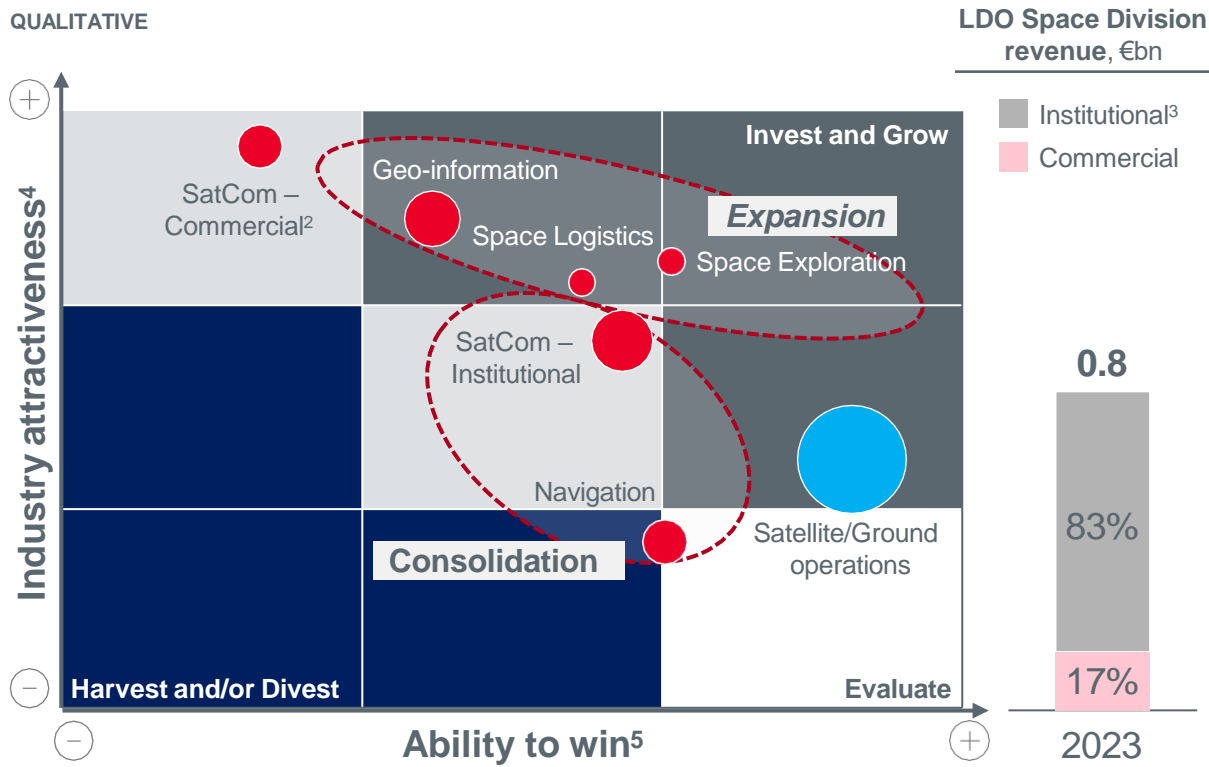
- 1 Establish the **Space Division** through the re-organization of the Group space activities and the **consolidation of Telespazio**
- 2 Consolidate **leadership** in **European institutional** segment, and expand the business in **Defense** and **commercial** segments by:
 - Consolidate as National/Eu **Mission&Satellite Operator** and **Ground segment Provider**
 - Consolidate **end-to-end integrated space-as-service offer** for Earth Observation data and infrastructures
 - Reinforce **Geo Observation data & Geo Intelligence** for global data and downstream service
 - Expanding footprint in **exploration** and **logistics** markets
- 3 Embed **cyber security into space applications** providing secure communications for upcoming broadband constellations
- 4 Accelerate growth with **inorganic levers** to acquire distinctive capabilities/assets and secure access to new geographies

In the Space Alliance with Thales we see high growth potential in satellite services and infrastructures for Earth observation, satellite and mission operations, position, navigation and timing, and in exploration logistics

With Thales we plan to develop Telespazio also through M&A to accelerate the growth path of the Alliance

Our Space portfolio today and for the future

Now...



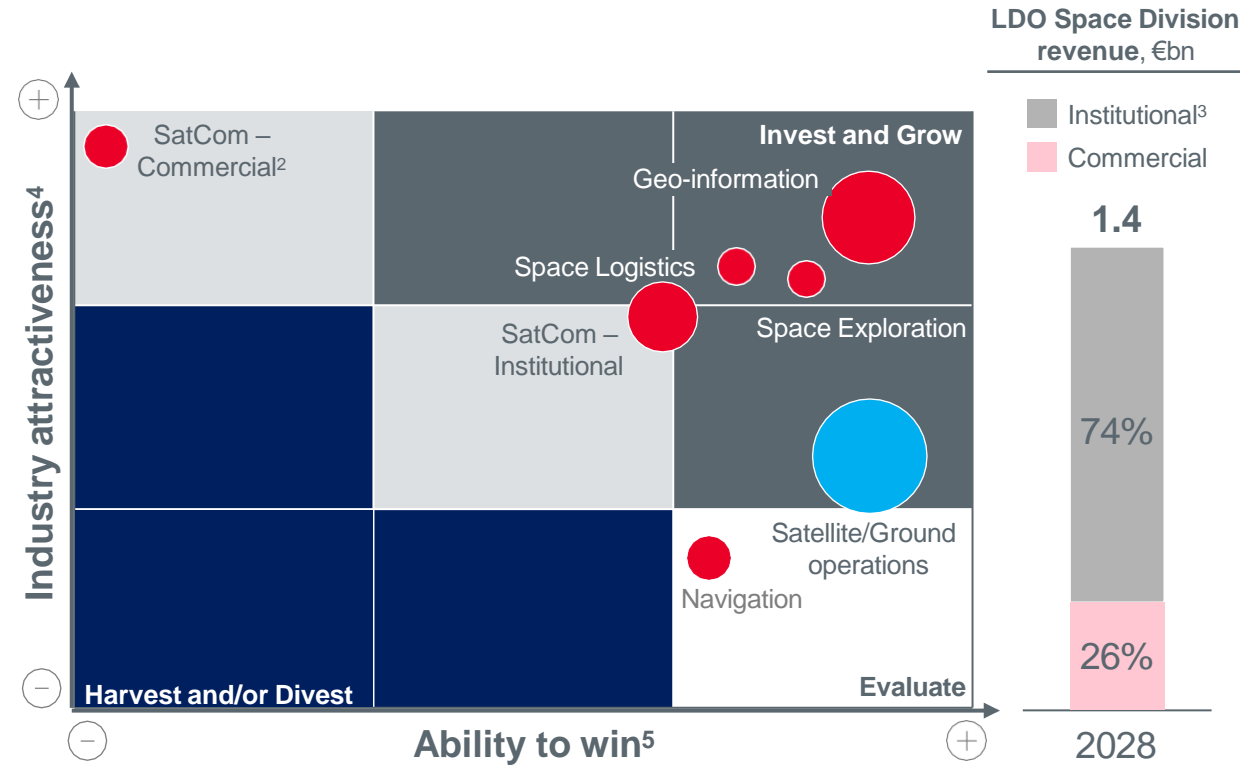
Unfocused market presence with absence of a solid ability to win in highly attractive markets



Strong relevance of institutional clients across all markets verticals

...Then

⊕ Revenue ● Market verticals ● Transversal markets¹



Focused market presence investing in highly attractive markets (focus on **Geo-information**), while evolving solutions delivery models (**Cloud-in-space**)



More balanced client base growing in the **Commercial** segment

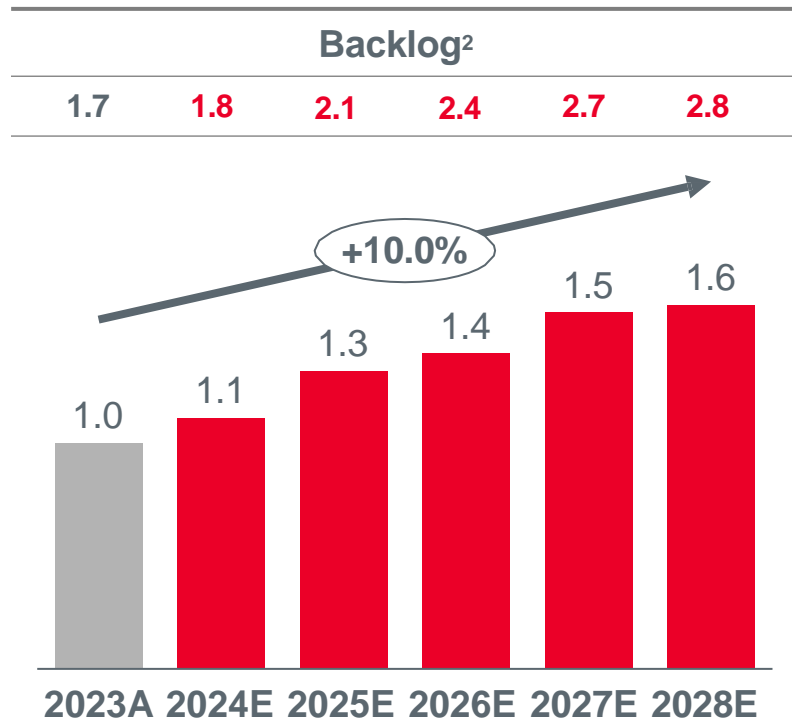


1. Includes operations and services for satcom, navigation, geo-information, space explorations, space logistics and launcher systems | 2. Includes all non-government/military communications | 3. Civil and Military | 4. Profitability and desirability of the target industry | 5. Competitive advantage held by Leonardo in the target industry (including market share and growth)

Facts and figures

Financials (estimated values for 2024 and beyond), €bn¹

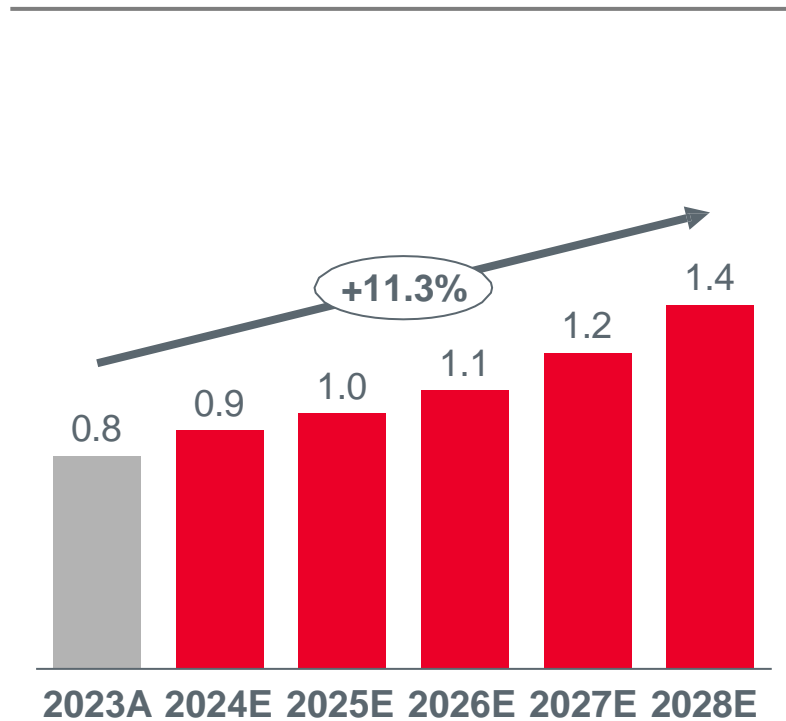
Orders



>1.5x orders

leveraging an increased coordination with the rest of the Group and Space Alliance

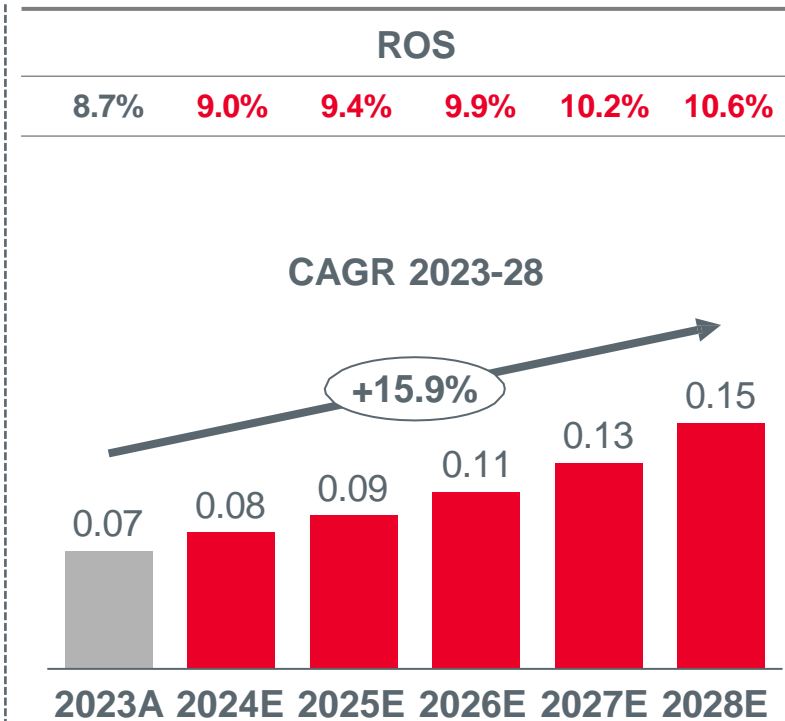
Revenue



>1.5x revenue

thanks to a sustained growth of both Telespazio and LDO Space B.U.

EBITA³



>2.0x EBITA

Especially thanks to the increase in ROS of Telespazio (11.0% ROS in 2028)



1. Not including elisions, includes financials of LDO Space Business Unit from 2023 despite formal consolidation process to start from 2024 | 2. At the end of each period | 3. Not including EBITA from Thales Alenia Space and Avio



Agenda

1. Architecture of the Industrial Plan

2. Business overview

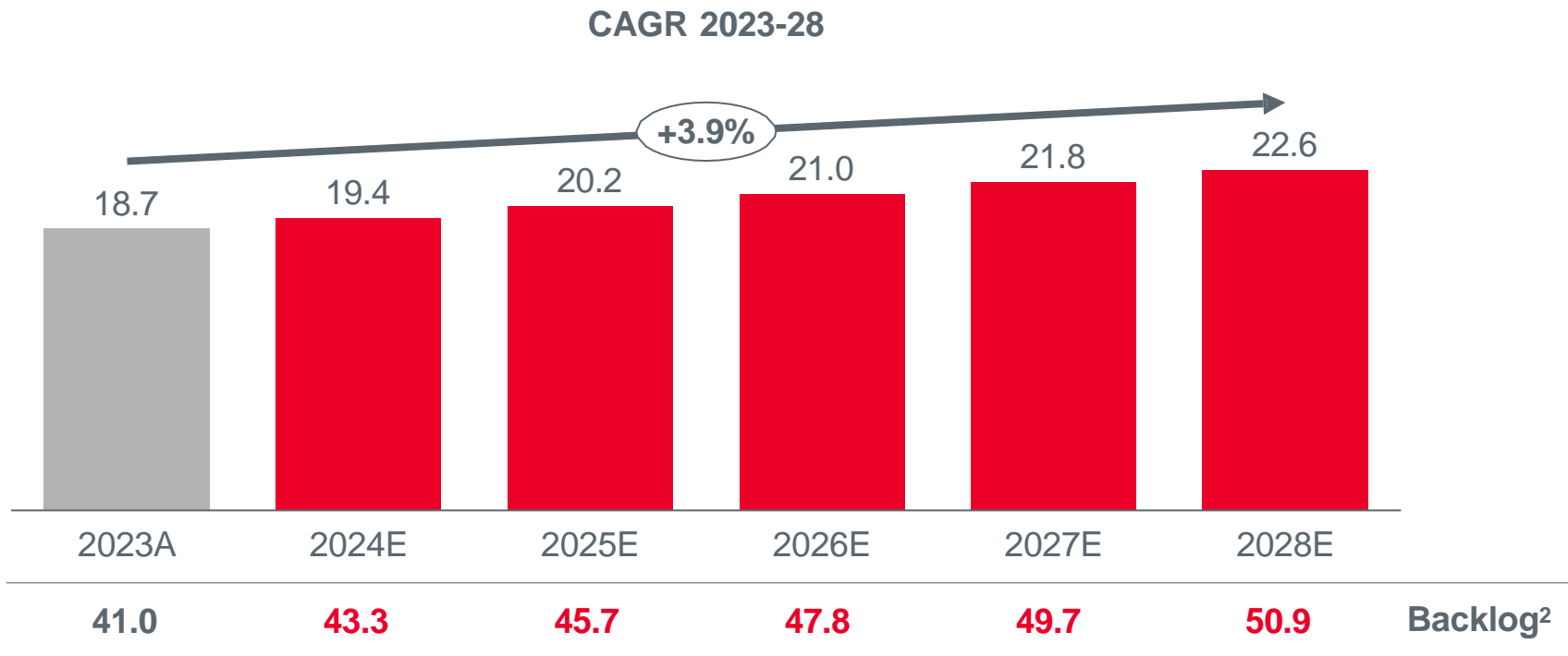
3. Group's targets

4. Relevant new initiatives



Orders will exceed € 22 bn in 2028

Orders of Leonardo Group (estimated values for 2024 and beyond), €bn¹



- Order growth anchored on portfolio of products and solutions responding to evolving customer needs
- Supportive market backdrop driving domestic and export orders, **without concentration of exposure to single country/customer**
- Book to bill consistently >1.1, growing back from € ~40 bn to € ~50 bn at the end of the Industrial Plan

Figures do not include the impact of the inorganic boost

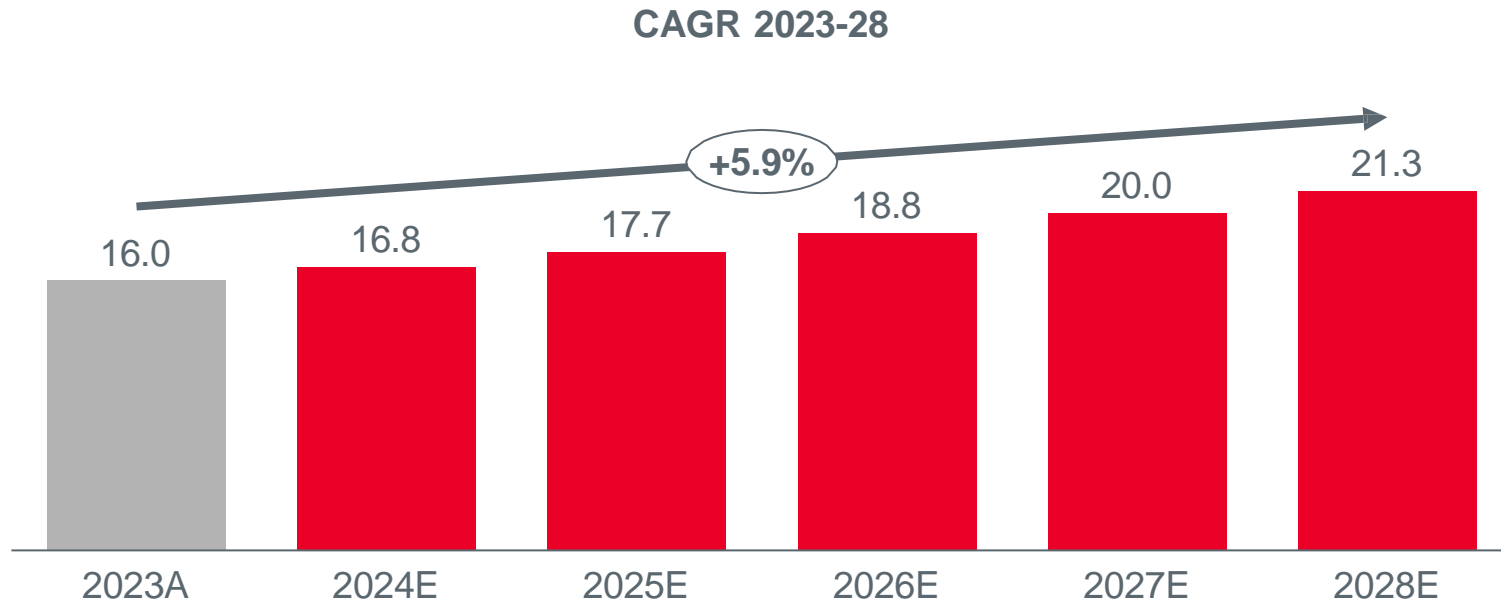
€ ~105 bn
2024-2028
expected
cumulated orders

>1.1
2024-2028
book to bill

1. Includes consolidation of Telespazio starting from 2023 | 2. At the end of each period

Revenue will surpass € 21 bn in 2028

Revenue of Leonardo Group (estimated values for 2024 and beyond), €bn



Figures do not include the impact of the inorganic boost

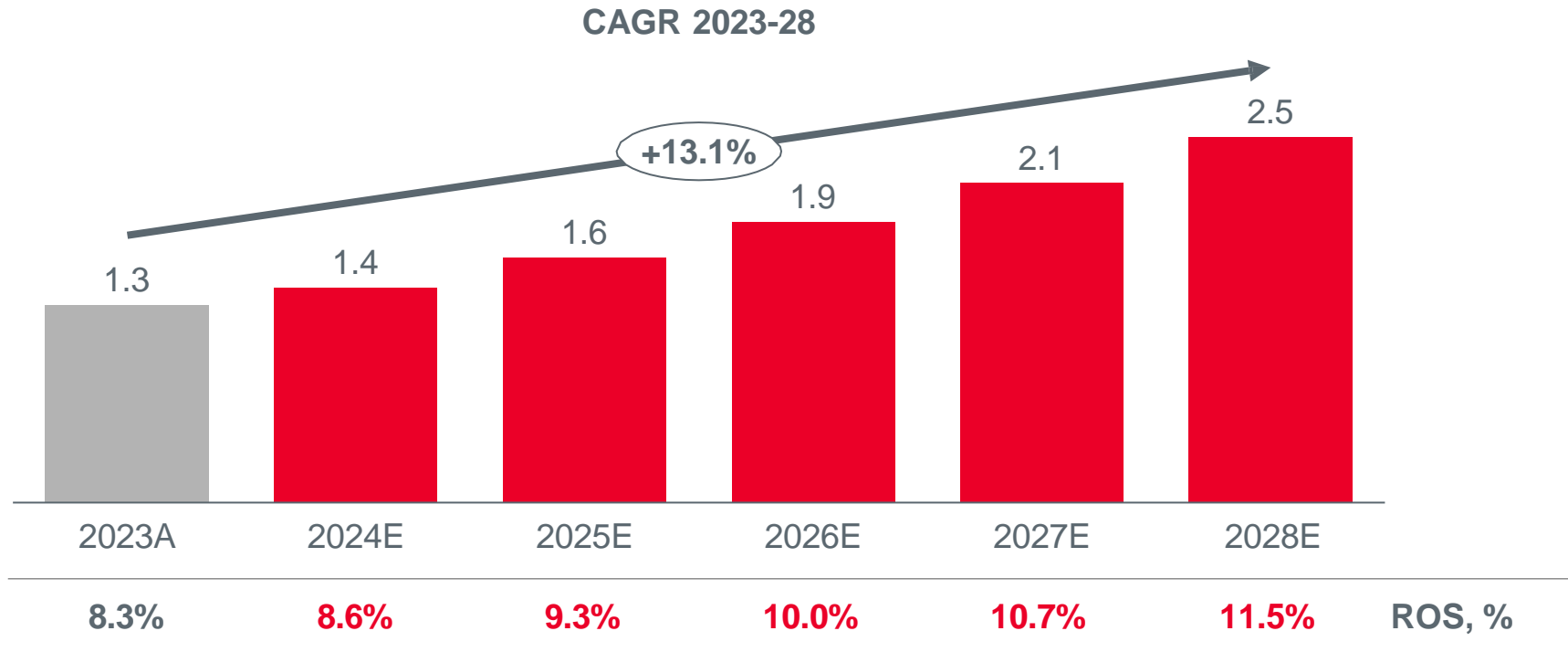
€ ~95 bn
2024-2028
expected
cumulated revenue

- Revenue growing at 5.9% expected CAGR through backlog delivery and new wins
- **Balanced growth across businesses** with synergic effect between platforms and sensors/systems operating in a multi-domain environment
- Proven track record of delivering growth successfully managing exogenous challenges in the supply chain



EBITA will almost double by 2028

EBITA of Leonardo Group (estimated values for 2024 and beyond), €bn



Figures do not include the impact of the inorganic boost

~1.8x

expected EBITA
in 2028 vs. 2023

Double digit

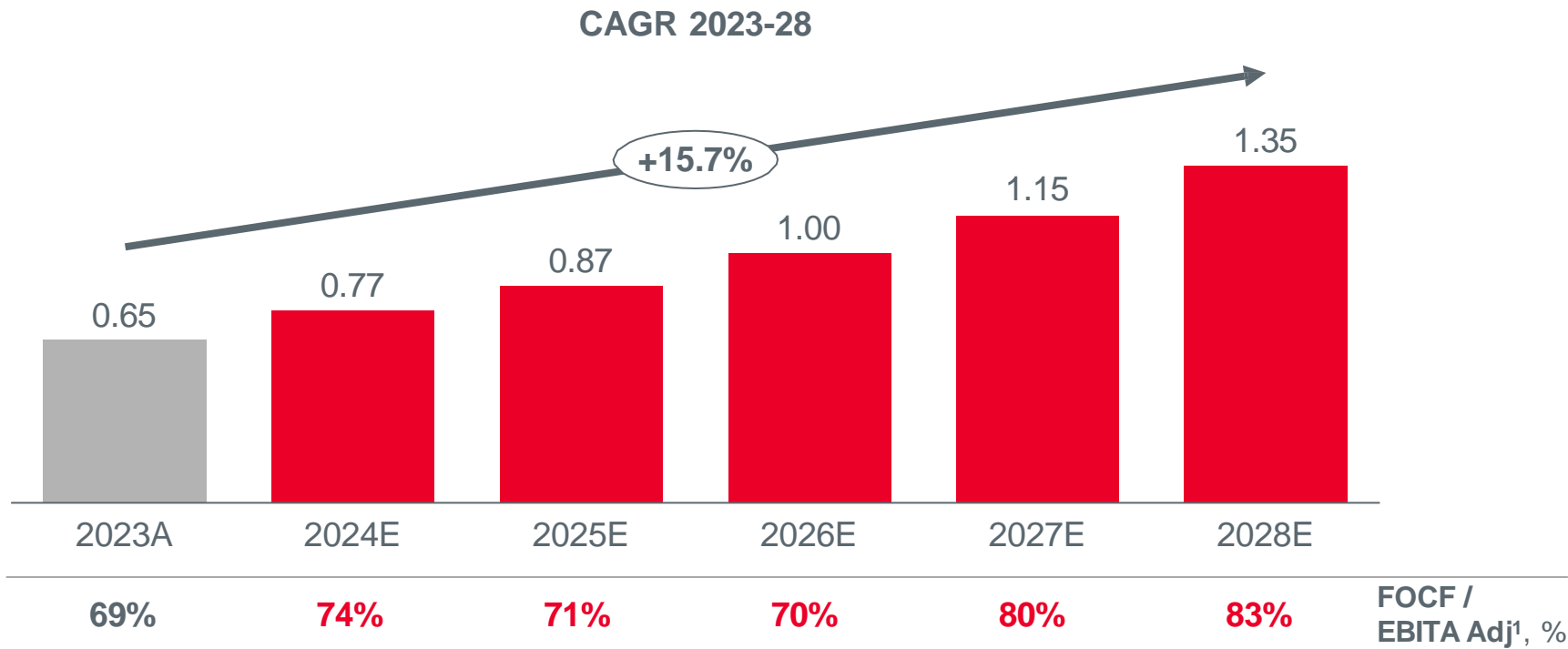
RoS by 2026

- Profitability growing at 2x revenue growth rate
- Operating leverage, stringent program management, and Group-wide efficiency plan supporting 10% ROS target in 2026 and 11.5% in 2028
- Advanced technological offering and portfolio refocus resulting in higher margins on projects



FOCF will more than double by 2028

FOCF of Leonardo Group (estimated values for 2024 and beyond), €bn



Figures do not include the impact of the inorganic boost

>2.0x

expected FOCF
in 2028 vs. 2023

~83%

FOCF/EBITA Adj¹
by 2028

**Cash flow
supporting
disciplined capital
allocation strategy**

- Doubling cashflows derived from higher EBITA, while investing in key programs representing the future product portfolio (e.g., AW609, AW09, trainers, advanced sensors, and systems) and boosting digital capabilities and infrastructure
- Significant impact in cash taxes from 2027 onwards reflecting full utilization of NOLs by 2026
- Disciplined working capital to support business growth



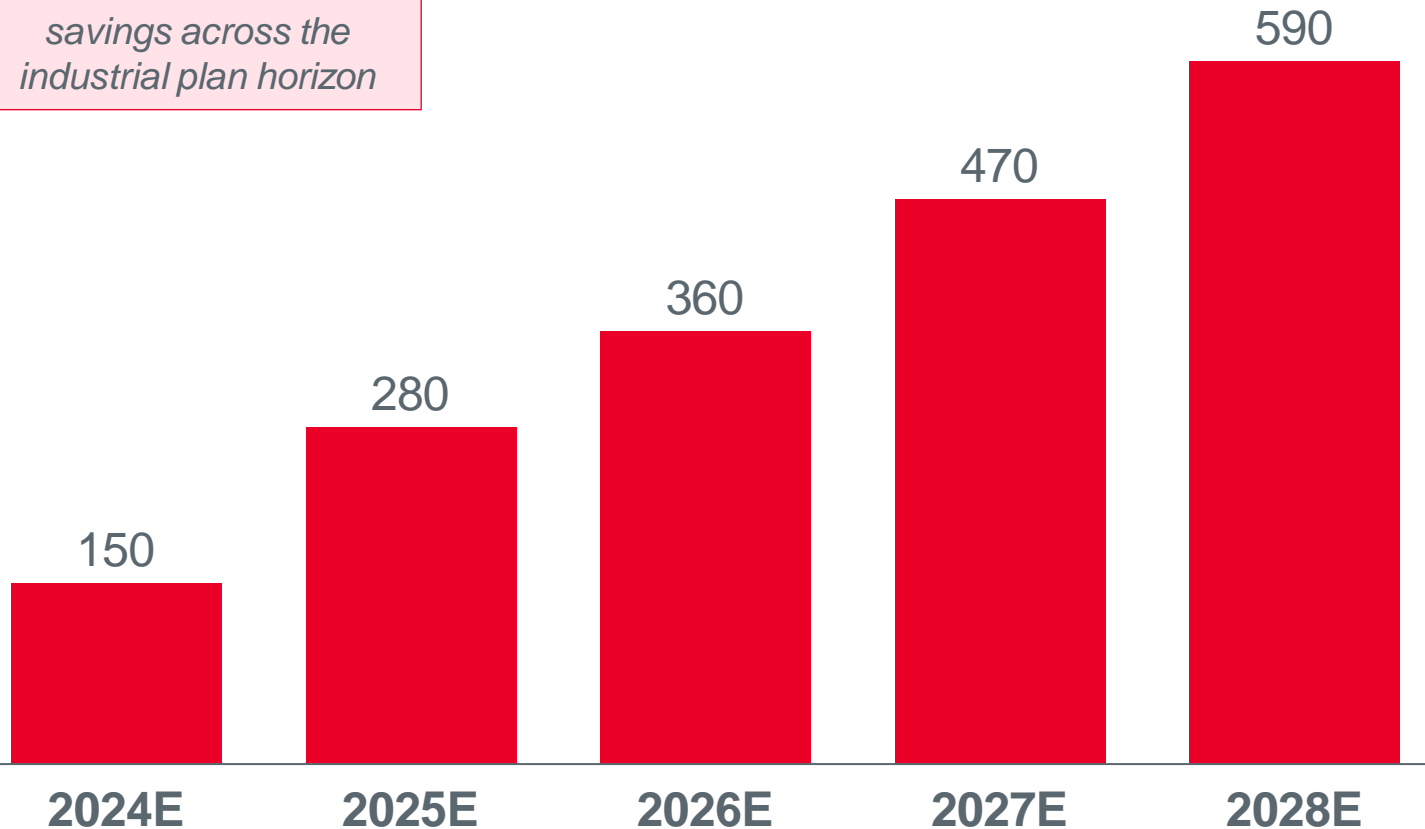
1. EBITA adjusted with post interest expenses and taxes paid

Efficiency boosting

2024-2028 plan, €M

€ ~1.8 bn

savings across the industrial plan horizon



Saving category

Efficiency measures: **70%**

- Direct procurement (e.g., offload, production) **13%**
- Travel **13%**
- Energy **12%**
- Real estate **9%**
- IT **8%**
- Other indirect procurement (e.g., advisory, sponsorship) **15%**

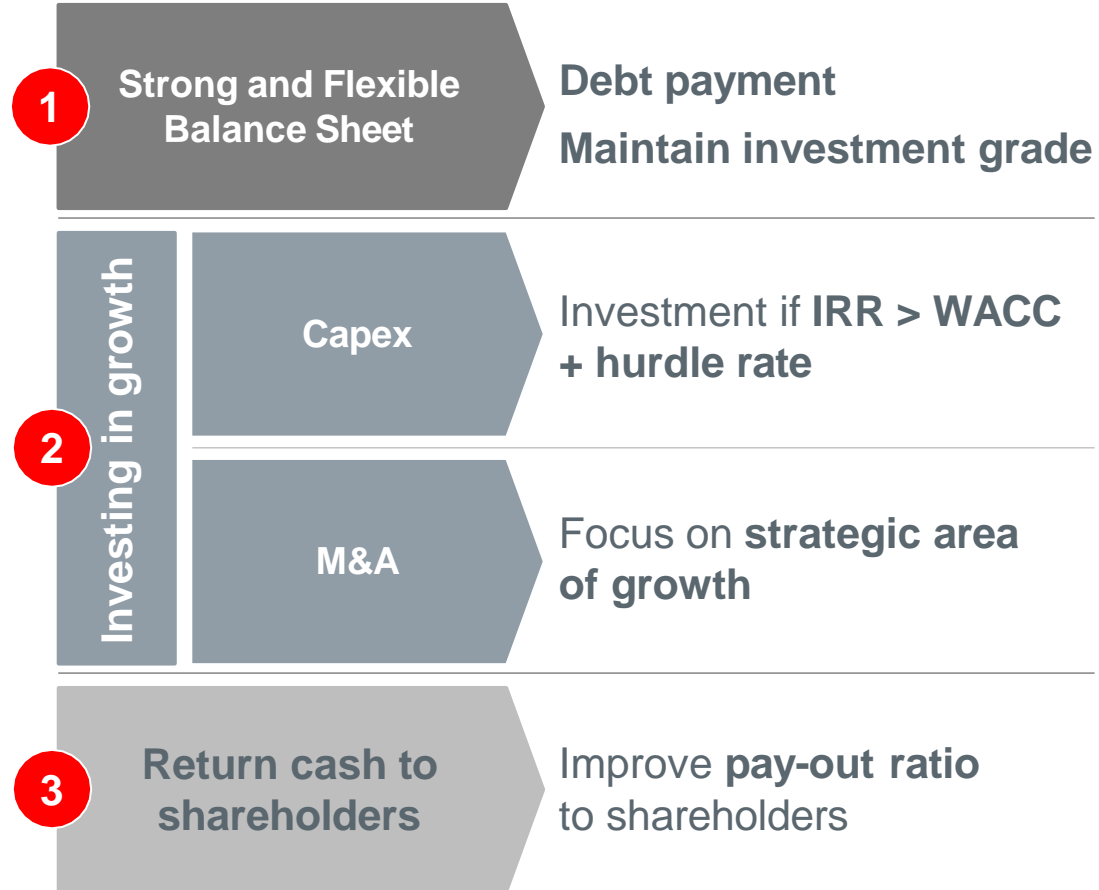
Corporate Center restructuring **20%**

Business/product disposal **10%**



Disciplined capital allocation strategy supporting growth

Principle



2024-2026 Capital deployment

Debt repayment	Pay down ~50% of maturing debt while preserving liquidity
Organic growth	€ 750-850 M annual investments (Electronics + Cyber 40%, Helicopters 30%, Aeronautics 20%, Space 10%)
Inorganic growth	Up to 15-20% of Division turnover
Shareholder returns	Doubled Dividend in 2024 Share BuyBack over the plan horizon to support growth





Agenda

1. Architecture of the Industrial Plan

2. Business overview

3. Group's targets

4. Relevant new initiatives



Selected enabling factors underpinning the strategic plan

Main objectives

1 Sustainability

Sustainability to create shared value

Integration of **sustainability along the entire value chain**, leveraging technological innovation as a cross driver to generate shared value

Increase of i) the competitiveness by creating **new business opportunities** and ii) the resilience by **mitigating ESG** environmental, social, and reputational risks

2 AI driven business intelligence

Embedding of AI use cases

Equipment of Business intelligence system with **AI capabilities** such as predictive data analysis and derivation of business insights

Key tool for business plan implementation

Availability and transparency of granular and real-time KPIs for an effective business planning and capital allocation strategy at a product-level

3 HPC and cloud

Digital continuum

Development of an overwhelming wave that conveys **Leonardo Labs' most disruptive technologies** throughout the entire company's organization and value chain, enabled by **HPC and cloud**

4 Outreach, digital content & brand

Digital STEM dissemination

Emphasis on Leonardo's **contribution to society at large**, with a focus on science, technology, engineering, and mathematics

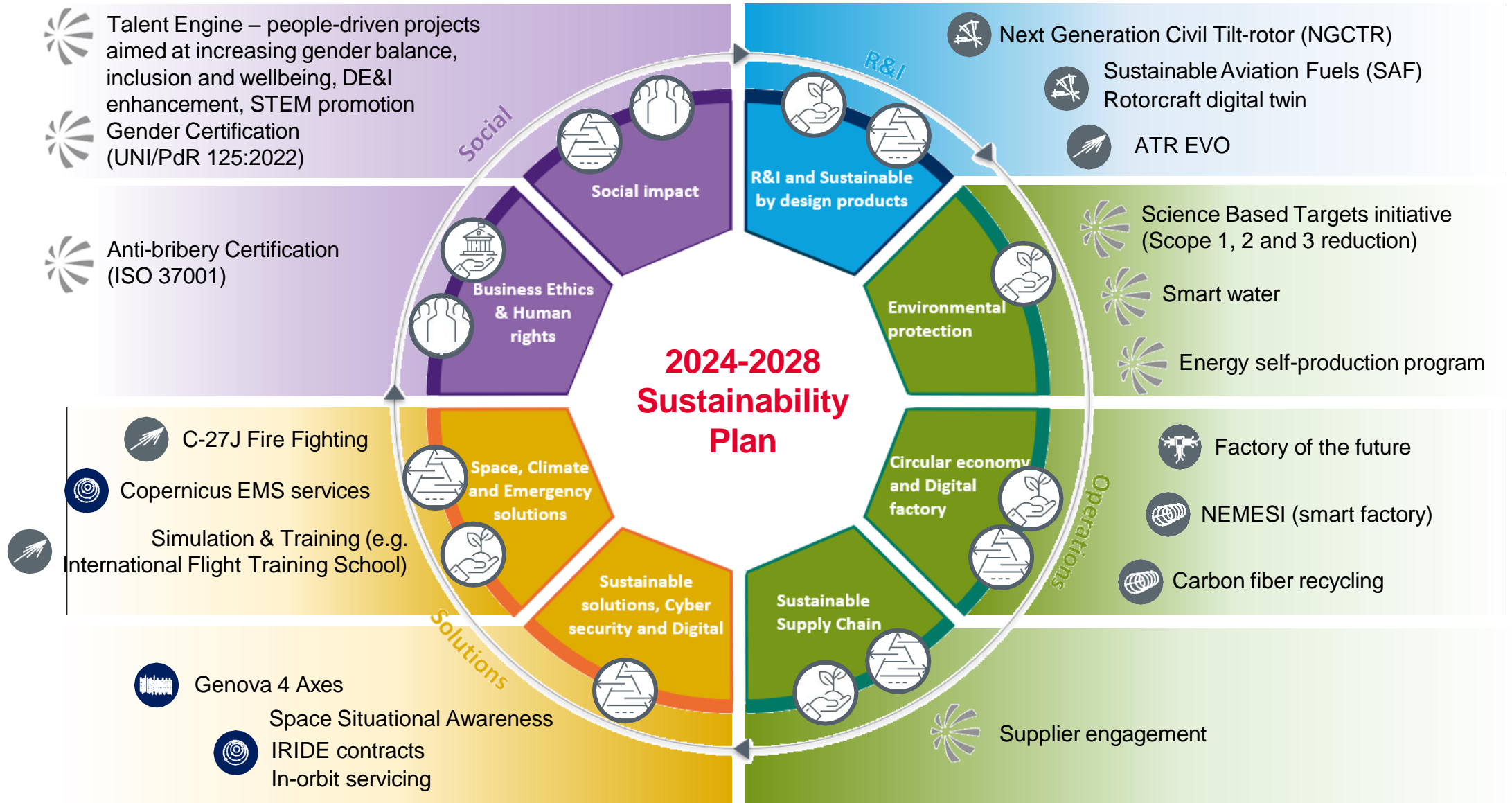
5 Human capital strategy

Capability enhancement

Workforce upskilling to strengthen digital capabilities (e.g., artificial intelligence, cloud, data analytics)



Sustainability across the value chain: key projects



Committed to sustainable business



Main Group Sustainability Targets

- **Sustainable supply chain**
 - **≥500** key suppliers trained on strategic sustainability topics by 2027
 - **>70%** of major tenders including ESG criteria by 2028
- **Digitalization**
 - **+40%** computing & storage capacity per capita by 2025
- **Decarbonization**
 - **-50%** emissions by 2030 to decouple growth from environmental impacts
- **Diversity, equity & inclusion**
 - **20%** of women in employees and management by 2025
 - **30%** of women in STEM new hires by 2025

2024-2028 Sustainability plan

- **€ 270 M** for Sustainability Plan's projects in Group budget plan, concentrated in the first 3 years
- Top **10** projects accounting for over **80%** of total budget planned
- **55%** of budget planned focused on sustainable products and solutions



Selected enabling factors underpinning the strategic plan

Main objectives

Sustainability to create shared value

Integration of **sustainability along the entire value chain**, leveraging technological innovation as a cross driver to generate shared value

Increase of i) the competitiveness by creating **new business opportunities** and ii) the resilience by **mitigating ESG** environmental, social, and reputational risks

Embedding of AI use cases

Equipment of Business intelligence system with **AI capabilities** such as predictive data analysis and derivation of business insights

Key tool for business plan implementation

Availability and transparency of **granular and real-time KPIs** for an effective business planning and capital allocation strategy at a product-level

Digital continuum

Development of an overwhelming wave that conveys **Leonardo Labs' most disruptive technologies** throughout the entire company's organization and value chain, enabled by **HPC and cloud**

Communication amplification

Emphasis on Leonardo's **contribution to society at large**, with a focus on science, technology, engineering, and mathematics

Capability enhancement

Workforce upskilling to strengthen digital capabilities (e.g., artificial intelligence, cloud, data analytics)

1 Sustainability

2 AI driven business intelligence

3 HPC and cloud

4 Outreach and digital communication

5 Human capital strategy



Selected enabling factors underpinning the strategic plan

Main objectives

Sustainability to create shared value

Integration of **sustainability along the entire value chain**, leveraging technological innovation as a cross driver to generate shared value

Increase of i) the competitiveness by creating **new business opportunities** and ii) the resilience by **mitigating ESG** environmental, social, and reputational risks

Embedding of AI use cases

Equipment of Business intelligence system with **AI capabilities** such as predictive data analysis and derivation of business insights

Key tool for business plan implementation

Availability and transparency of granular and real-time KPIs for an effective business planning and capital allocation strategy at a product-level

Digital continuum

Development of an overwhelming wave that conveys **Leonardo Labs' most disruptive technologies** throughout the entire company's organization and value chain, enabled by **HPC and cloud**

Communication amplification

Emphasis on Leonardo's **contribution to society at large**, with a focus on science, technology, engineering, and mathematics

Capability enhancement

Workforce upskilling to strengthen digital capabilities (e.g., artificial intelligence, cloud, data analytics)

1 Sustainability

2 AI driven business intelligence

3 HPC and cloud

4 Outreach and digital communication

5 Human capital strategy



Selected enabling factors underpinning the strategic plan

Main objectives

Sustainability to create shared value

Integration of **sustainability along the entire value chain**, leveraging technological innovation as a cross driver to generate shared value

Increase of i) the competitiveness by creating **new business opportunities** and ii) the resilience by **mitigating ESG** environmental, social, and reputational risks

Embedding of AI use cases

Equipment of Business intelligence system with **AI capabilities** such as predictive data analysis and derivation of business insights

Key tool for business plan implementation

Availability and transparency of granular and real-time KPIs for an effective business planning and capital allocation strategy at a product-level

Digital continuum

Development of an overwhelming wave that conveys **Leonardo Labs' most disruptive technologies** throughout the entire company's organization and value chain, enabled by **HPC and cloud**

Digital STEM dissemination

Emphasis on Leonardo's **contribution to society at large**, with a focus on science, technology, engineering, and mathematics

Capability enhancement

Workforce upskilling to strengthen digital capabilities (e.g., artificial intelligence, cloud, data analytics)

1 Sustainability

2 AI driven business intelligence

3 HPC and cloud

4 Outreach, digital content and brand

5 Human capital strategy



Selected enabling factors underpinning the strategic plan

Main objectives

Sustainability to create shared value

Integration of **sustainability along the entire value chain**, leveraging technological innovation as a cross driver to generate shared value

Increase of i) the competitiveness by creating **new business opportunities** and ii) the resilience by **mitigating ESG** environmental, social, and reputational risks

Embedding of AI use cases

Equipment of Business intelligence system with **AI capabilities** such as predictive data analysis and derivation of business insights

Key tool for business plan implementation

Availability and transparency of granular and real-time KPIs for an effective business planning and capital allocation strategy at a product-level

Digital continuum

Development of an overwhelming wave that conveys **Leonardo Labs' most disruptive technologies** throughout the entire company's organization and value chain, enabled by **HPC and cloud**

Communication amplification

Emphasis on Leonardo's **contribution to society at large**, with a focus on science, technology, engineering, and mathematics

Capability enhancement

Workforce upskilling to strengthen digital capabilities (e.g., artificial intelligence, cloud, data analytics)

1 Sustainability

2 AI driven business intelligence

3 HPC and cloud

4 Outreach and digital communication

5 Human capital strategy

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.



CONTACTS

Valeria Ricciotti

Head of Investor Relations and Credit Rating Agencies

+39 06 32473.697

valeria.ricciotti@leonardo.com

Leonardo Investor Relations and Credit Rating Agencies

+39 06 32473.512

ir@leonardo.com

