1Q2021 Results Presentation

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Rome, 6 May 2021

Agenda

> **Key messages** — ***Chief Executive Officer***
>
> 1Q 2021 Results — *Chief Financial Officer*
>
> Sector Results
>
> Appendix

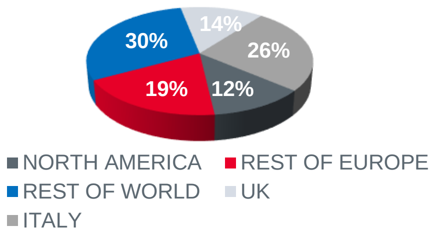
Solid start to the year: progressing well with our plans

First step to achieve our FY2021 Guidance

LEVERAGING OUR BACKLOG IN A COMPLEX GLOBAL CONTEXT

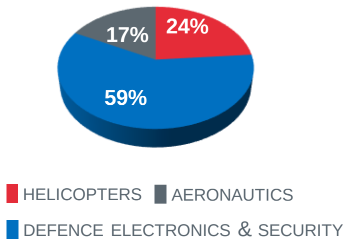
- Benefitting from the resilience of military/governmental and demand in export markets

BACKLOG* € 36.4 bn



*not including Soft Backlog

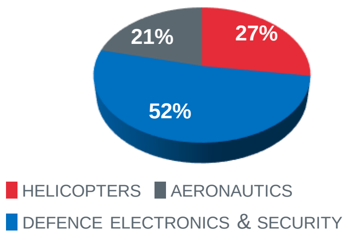
ORDERS € 3.4 bn



SOLID RESULTS CONFIRMING OUR GROWTH PATH

REVENUES € 2.8 bn

+8% YOY



EBITA € 95 mln

- 130% YOY

ROS 3.4%

- Higher profitability across the Group besides Aerostructures

- FOCF at - € 1.4 bn reflecting usual seasonality
- Strong liquidity and financial flexibility

WELL POSITIONED IN THE MEDIUM-LONG TERM

- Although the first quarter is the smallest contributor to YE results, it represented a solid start
  - Military and defence markets remain robust
  - Cautious on the speed of recovery on the civil side
  - Continuing to make good strategic progress in important areas
  - Progress towards ESG goals: ESG targets proposed as part of both short term and long term incentive plan

Strategic progress update

Taking actions on portfolio

AEROSTRUCTURES REVIEW	• Proactive review of options to accelerate transformation and address structural issues • Including rationalising industrial sites; investing to increase efficiency/flexibility; headcount reduction
HENSOLDT ACQUISITION	• Further cooperation in complementary businesses across geographies product and end markets • Establishes a strategic long term presence in the fast growing German defence market
EVALUATING POTENTIAL DISPOSALS (e.g. Automation)	• Critical product portfolio “reshaping", focusing capital on lines of business where we have strongest capabilities • Will contribute to maintaining a solid capital structure
DRS IPO POSTPONEMENT	• Strong investor interest during roadshow but adverse market conditions did not allow adequate valuation of DRS • Fully committed to transaction when market conditions are more favourable so as to highlight the embedded value of DRS

Strategic progress update

Leonardo and HENSOLDT Strategic partnership

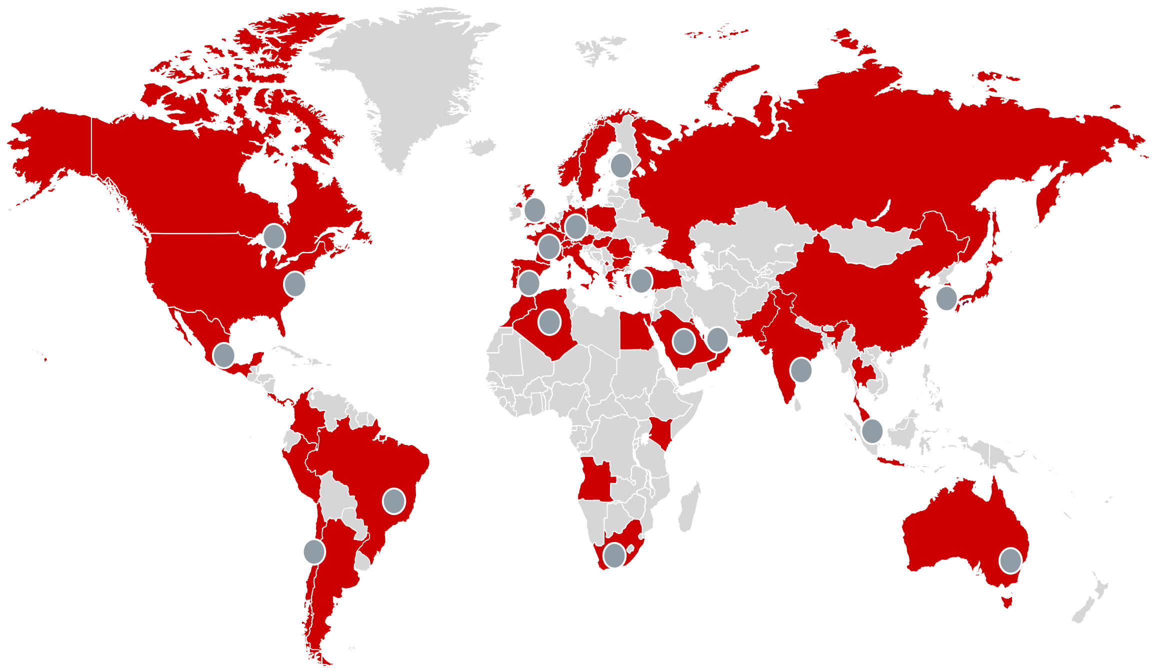
Key transaction terms

- Leonardo to acquire **a 25.1% stake in German HENSOLDT** from KKR
- Total purchase consideration of **€606 million**
- Establishment of a new strategic partnership to optimise ongoing cooperation and maximise future opportunities
- Closing of transaction expected for 2nd half of 2021, subject to customary closing conditions
- Solid capital structure will be maintained also through disposals and DRS listing

Strategic partnership shared objectives

1. Enhancing our combined access to the German, Italian and UK domestic markets
2. Leveraging respective commercial networks to accelerate growth in international markets
3. Leveraging complementary portfolios to offer comprehensive products and solutions to customers
4. Build foundations for common basic future technologies

Access to a wider international customer base



Countries with Leonardo local presence

HENSOLDT presence through sales offices / production facilities

E-MARKET SDIR CERTIFIED

Key business strengths

Confidence in the medium and long term potential in our main businesses

Helicopters

- Demonstrated strength in current conditions
- Well balanced in military and civil with attractive customer support
- Solid backlog and leading product portfolio
- Continue to invest and build for the future (i.e. Kopter acquisition, AW609, Hero, AW169)

Defence Electronics

Electronics

- Strong order book
- Long-term customer relationships
- Won positions on attractive long-term opportunities (e.g. EFA fleets and Tempest)
- Programmes transitioning from development to more mature phases

DRS

- Top line growth confirmed, well positioned towards US DoD key priorities
- Margin expansion driven by programmes moving from development to production

Aircraft

- Structurally strong business
- Well positioned on key long-term programmes (i.e. EFA)
- Best in class profitability
- Growing on all metrics in absolute terms
- Investing in Trainers as a opportunity for growth

Agenda

> Key messages — *Chief Executive Officer*

> **1Q 2021 Results** — ***Chief Financial Officer***

> Sector Results

> Appendix

1Q 2021 highlights
Confirming growing path

- **Continued strong demand for our products supports growing top line**
  - Backlog at € 36.4 bn
  - Order intake of € 3.4 bn, flat YoY, with no jumbo orders included
  - Revenues at € 2.8 bn, up 7.7% YoY
- **Recovery in profitability**
  - EBITA at € 95 mln, more than double 1Q20, notwithstanding Aerostructures issues
- **FOCF in line with plan**
  - FOCF at € -1.4 bn, reflecting usual seasonality
- **Strong liquidity position confirmed; no material refinancing due in 2021**

Order Intake

Commercially strong, reflecting continued strength of domestic military / governmental business

	€ mln	∆ % YoY
1Q2020A	**3,421**	
HELICOPTERS	855	-42.6%
ELECTRONICS EUROPE*	1,544	+79.1%
LEONARDO DRS*	593	-3.6%
AIRCRAFT	595	+15.5%
AEROSTRUCTURES	36	-75.0%
ELIMINATIONS & OTHER	-188	
1Q2021A**	**3,420**	**0%**

YoY performance decrease due to IMOS contract booked in 1Q20. New orders in 1Q21 for the supply of 36 TH-73A (AW119) for the US Navy

EFA Germany and equipment for two U212 Near Future Submarines (NFS). In Cyber, SICOTE phase 4

Mounted Family of Computer Systems (MFoCS) for US Army and IM-SHORAD (Initial-Maneuver-Short Range Air Defense)

Finalisation of a major export contract for M-346

Affected by lower demand from ATR (no aircrafts vs 14 in 1Q20) and from Airbus (A220 and A321)

* Excluding € 4 mln of Defence Electronics & Security eliminations
** Including ca. € 122 mln of negative forex

E-MARKET SDIR CERTIFIED

Revenues

Solid performance confirming growing path

	€ mln	∆ % YoY	
1Q2020A	**2,591**		
HELICOPTERS	792	+12.5%	Ramp-up in military/governmental (NH90 Qatar and TH-73A US Navy)
ELECTRONICS EUROPE*	931	+10.0%	Strong increase across all business areas
LEONARDO DRS*	565	+8.0%	Considerable increase despite a negative impact of the USD/Euro forex
AIRCRAFT	510	+18.3%	Increase driven by M-346 trainers
AEROSTRUCTURES	111	-51.3%	B787 and ATR production slowdown
ELIMINATIONS & OTHER	-107	+1.2%	
1Q2021A**	**2,790**	**+7.7%**	

* Excluding € 2 mln of Defence Electronics & Security eliminations
** Including ca. € 105 mln of negative forex

EBITA and Profitability

Improving profitability across the business; COVID-19 affecting Aerostructures

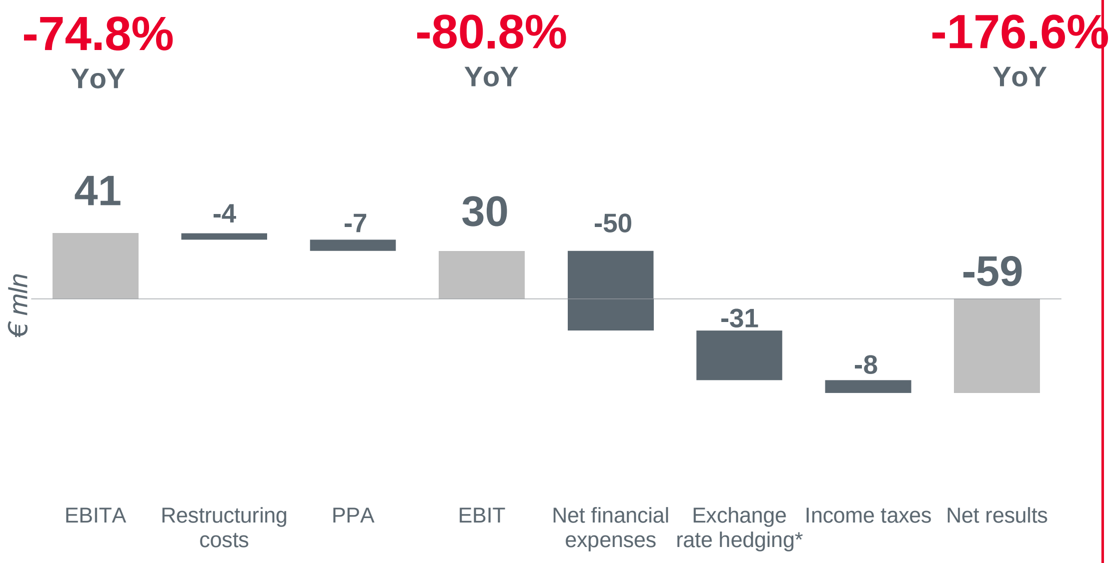
	€ mln (RoS)	RoS	∆ % YoY	
1Q2020A	**41**	**1.6%**		
HELICOPTERS	31	3.9%	+72.2%	Higher volumes and improved industrial efficiency
ELECTRONICS EUROPE	79	8.5%	+71.7%	Higher volumes and improved industrial efficiency
LEONARDO DRS	48	8.6%	+41.2%	Higher volumes and margin expansion
AIRCRAFT	47	9.2%	+80.8%	Higher volumes and improved industrial efficiency
AEROSTRUCTURES	-46	-41.4%	-76.9%	Drop in volumes and under utilization of production sites
ATR	-14	n.a.	+17.6%	Increase due to actions taken to reduce costs (no delivery in 1Q21)
SPACE	3	n.a.	250.%	higher volumes and improved profitability in manufacturing segment; satellite services confirmed a good performance
CORPORATE & OTHER	-53		-39.5%	
1Q2021A*	**95**	**3.4%**	**+131.7%**	

* Including ca. € 21 mln of negative forex

From EBITA to Net Result

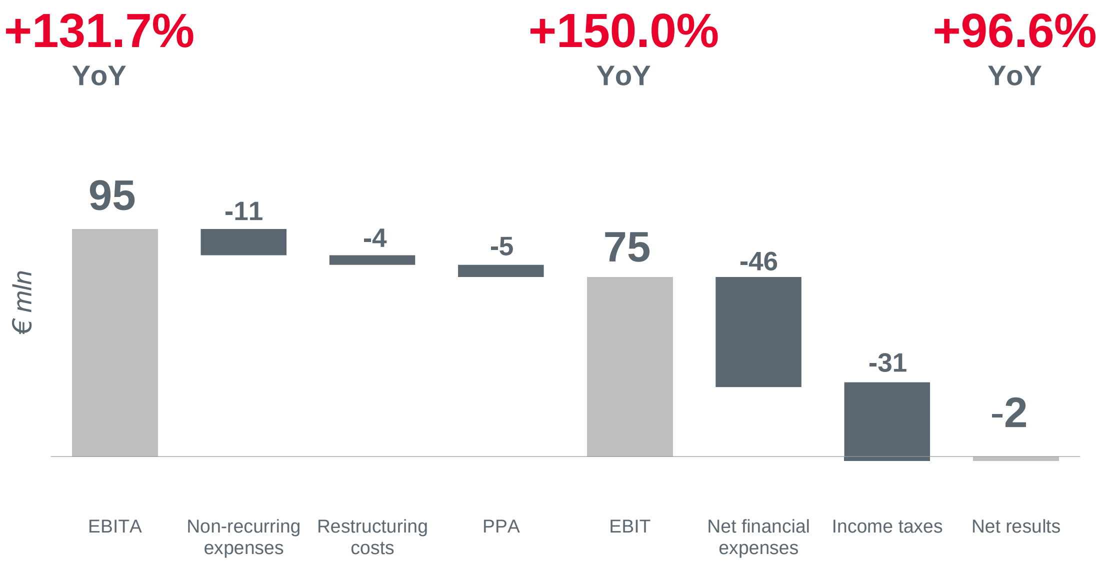
Net Result benefitting from EBITA increase

1Q 2020A



* Including premium paid on forward and exchange rate differencies

1Q 2021A

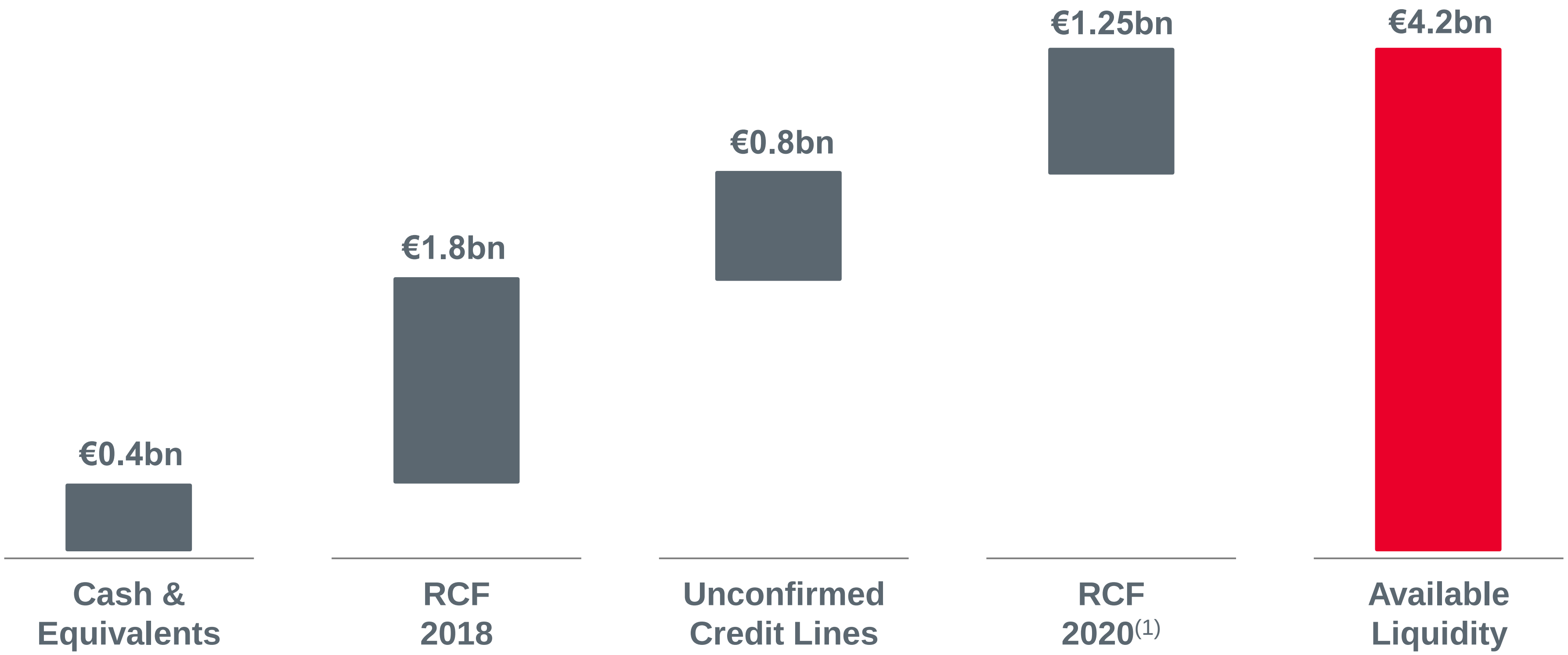


- EBIT up 150% due to EBITA increase
- Net Result mainly benefitting from EBITA increase, with lower FX charges and higher taxes

- 1Q21 FOCF at -€1.4bn in line with plan, reflecting usual seasonality

Strong liquidity position at ca. € 4.2 bn

- Cash availability and credit facilities ensure a Group's liquidity above € 4.2 bn
  - Existing credit lines (confirmed and unconfirmed) equal to € 2.6 bn
  - Credit Line signed in May 2020 equal to € 1.25 bn(1)



(1) €750mln Term Loan fully cancelled at the end of 2020 following the bond issuance and EIB financing

E-MARKET SDIR CERTIFIED

2021 Guidance confirmed

Assuming progressive improvement in the global health situation through the year with consequent normalization of operating / market conditions

		FY2020A	FY2021 Guidance
New Orders	*(€ bn)*	13.8	ca. 14
Revenues	*(€ bn)*	13.4	13.8-14.3
EBITA	*(€ mln)*	938	1,075-1,125
FOCF	*(€ mln)*	40	ca. 100
Group Net Debt	*(€ bn)*	3.3	ca. 3.2*

2021E

- Military/governmental business robust and resilient driving top-line growth, improving profitability and FOCF generation
- Civil Aeronautics expected to continue to be impacted by COVID related market downturn

*Assuming no dividend payable for 2020 results

2021 exchange rate assumptions: € / USD = 1.18 and € / GBP = 0.90

E-MARKET SDIR CERTIFIED

Closing remarks

- Continued good commercial progress with continuous order intake distributed across the Group
- Confirmed growth path in revenues
- Solid industrial performance
- Robust profitability
- Cash flow in line with plan
- Progress towards ESG Goals: ESG targets proposed as part of both short term and Long Term Incentive Plan

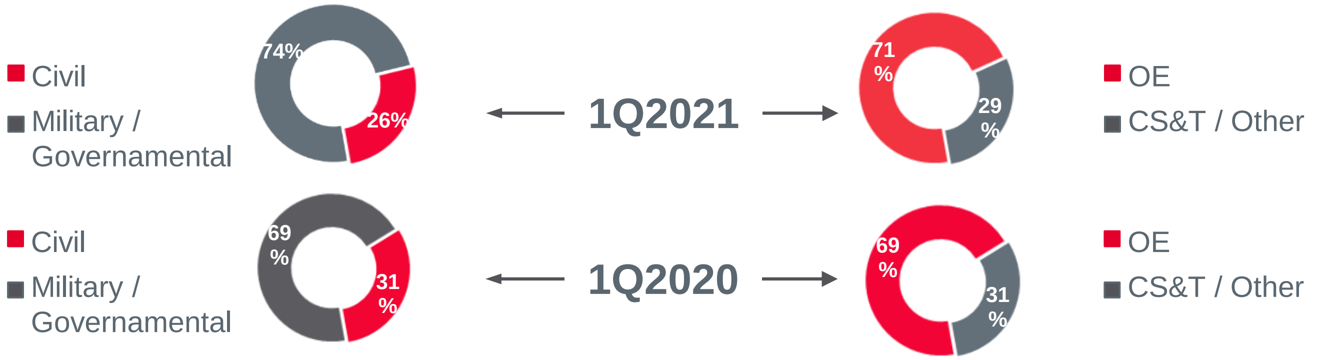
Q&A

SECTOR RESULTS

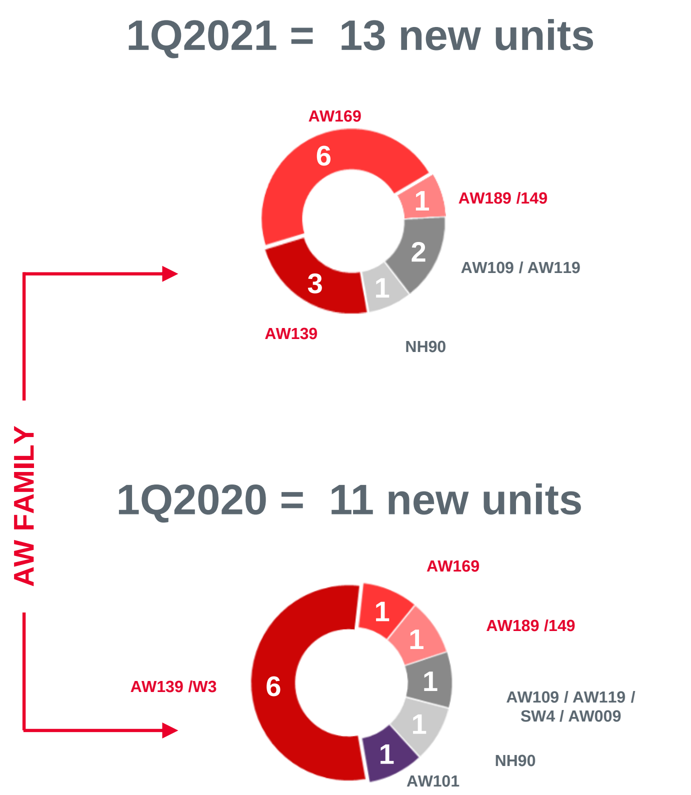
Helicopters

€ mln	1Q 2021	1Q 2020	% Change	FY 2020
Orders	855	1,486	-42.5%	4,494
Revenues	792	704	+12.5%	3,972
EBITA	31	18	+72.2%	383
RoS	*3.9%*	*2.6%*	*+1.3 p.p.*	*9.6%*

REVENUES BY CUSTOMER / SEGMENT



DELIVERIES BY PROGRAMME



2021 OUTLOOK*

- Growth driven by military/governmental business offsetting COVID related civil softness
- Profitability supported by efficiencies initiatives and impacted by prime contractorship margin dilution

*In absence of further worsening of the pandemic and consequent additional restrictions which may compromise current scenario

Defence Electronics & Security

ELECTRONICS – EU

€ mln	1Q 2021	1Q 2020	% Change	FY 2020
Orders	1,544	862	+79.1%	4,710
Revenues	931	846	+10.0%	4,147
EBITA	79	46	+71.8%	360
RoS	*8.5%*	*5.4%*	*+2.6 p.p.*	8.7%

LEONARDO DRS

$ mln	1Q 2021	1Q 2020	% Change	FY 2020
Orders	715	678	+5.5%	3,054
Revenues	681	576	+18.2%	2,757
EBITA	58	37	+56.8%	202
RoS	*8.5%*	*6.4%*	*+2.1 p.p.*	7.3%

Avg. exchange rate €/$ @ 1.12056 in 1Q2021
Avg. exchange rate €/$ @ 1.1023 in 1Q2020

2021 OUTLOOK*

- Slight growth in revenues recovering 2020 pandemic slow down
- Profitability improvement supported by efficiency despite pass through and programmes under development

*In absence of further worsening of the pandemic and consequent additional restrictions which may compromise current scenario

Aeronautics

AIRCRAFT

€ mln	1Q 2021	1Q 2020	% Change	FY 2020
Orders	595	515	+15.5%	2,031
Revenues	510	431	+18.3%	2,634
EBITA	47	26	+80.8%	355
RoS	*9.2%*	*6.0%*	*+3.2 p.p.*	*+13.5%*

AEROSTRUCTURES

€ mln	1Q 2021	1Q 2020	% Change	FY 2020
Orders	36	144	-75.0%	581
Revenues	111	228	-51.3%	819
EBITA	-46	-26	-76.9%	-86
RoS	*-41.4%*	*-11.4%*	*-30.0 p.p.*	*-10.5%*

ATR

€ mln	1Q 2021	1Q 2020	% Change	FY 2020
EBITA	-14	-17	+17.6%	-69

2021 OUTLOOK*

- Aircraft production increase driven by EFA Kuwait, F35 and proprietary products (M-345, M-346)
- Aerostructures and GIE-ATR still heavily impacted by the civil market downturn caused by COVID

*In absence of further worsening of the pandemic and consequent additional restrictions which may compromise current scenario

Space

€ mln	1Q 2021	1Q 2020	% Change	FY 2020
EBITA	3	-2	+250.0%	23

2021 OUTLOOK*

- Volumes an profitability expected to increase supported by gradual recovery of manufacturing
- Confirmed solid performance of satellite services

*In absence of further worsening of the pandemic and consequent additional restrictions which may compromise current scenario

APPENDIX

1Q 2021 Results
Group Performance

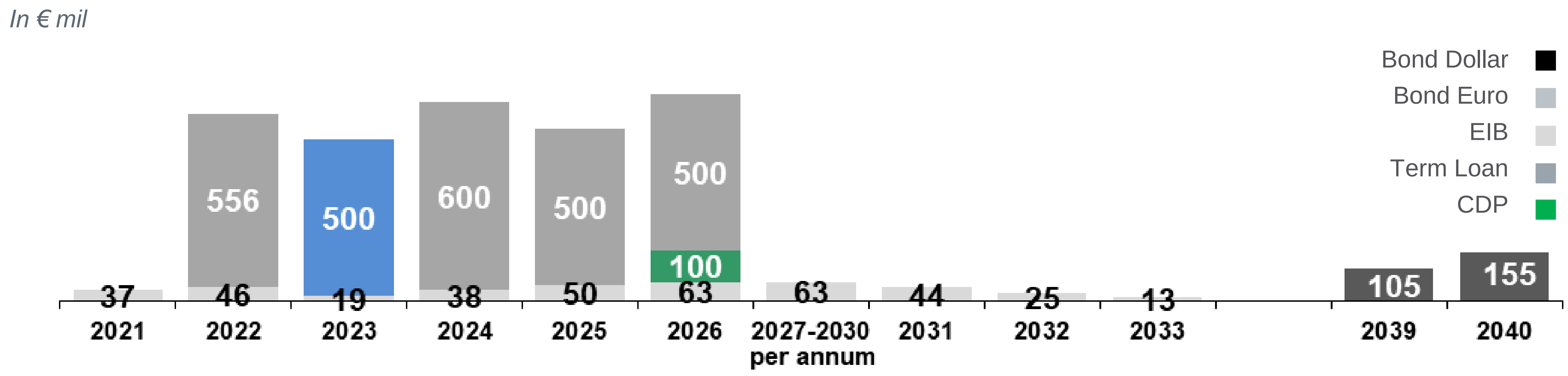
€ mln	1Q 2021	1Q 2020	% Change	FY 2020
New Orders	3,421	3,421	-	13.754
Backlog	36,414	37,000	-1.6%	35.516
Revenues	2,790	2,591	+7.7%	13.410
EBITA	95	41	+131.7%	938
RoS	*3.4%*	*1.6%*	*+1.8 p.p.*	*7%*
EBIT	75	30	*+150%*	517
EBIT Margin	*2.7%*	*1.2%*	*1.5 p.p.*	*3.9%*
Net result before extraordinary transactions	-2	-59	*+96.6%*	241
Net result	-2	-59	*+96.6%*	243
EPS (€ cents)	-0.003	-0.103		0.419
FOCF	-1,422	-1,595	*+10.8%*	40
Group Net Debt	4,640	4,396	*+5.6%*	3.318
Headcount	49,780	49,180	*+1.2%*	49.882

Free Operating Cash-Flow (FOCF): 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

Balanced debt maturity profile

No refinancing needs until 2022

DEBT MATURITY
Average life: ≈ 4,7 years



CREDIT RATING

	As of today	Before last review	Date of review
Moody's	Ba1 / *Stable Outlook*	Ba1 / *Positive Outlook*	October 2018
S&P	BB+ / *Stable Outlook*	BB+ / *Positive Outlook*	April 2020
Fitch	BBB- / *Negative Outlook*	BBB- / *Stable Outlook*	May 2020

Covenant

	FY2020A Post IFRS 16
EBITDA*	€ 1,378 mln
Net Interest	€ 168 mln
EBITDA / Net Interest	8.2
THRESHOLD	**> 3.25**

	FY2020A Post IFRS 16
Group Net Debt	€ 3,318 mln
Leasing (IFRS 16)	- € 555 mln
Financial Debt to MBDA	- € 663 mln
Group Net Debt for Covenant	€ 2,100 mln
EBITDA*	€ 1,378 mln
Group Net Debt / EBITDA	1.5
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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