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Diffusione presunta
Oggetto : LEONARDO: 1Q NEW ORDERS OF € 3.8
BN (+10.8%), REVENUES OF € 3 BN
(+7.7%), EBITA OF € 132 MLN (+38.9%).
FY 2022 GUIDANCE CONFIRMED

Testo del comunicato

Vedi allegato.

PRESS RELEASE

LEONARDO: 1Q NEW ORDERS OF € 3.8 BN (+10.8%), REVENUES OF € 3 BN (+7.7%), EBITA OF € 132 MLN (+38.9%). FY 2022 GUIDANCE CONFIRMED.

Growth path confirmed

- Backlog at € 36.3 bn ensures a coverage in terms of production slightly higher than 2.5 years
- Strong commercial performance, with no jumbo orders included
- Book to Bill at 1.2x
- RoS at 4.4%, up 1 p.p.
- FOCF at € -1.1 bn, an improvement of over 300 million YoY
- Strong liquidity position

FY 2022 Guidance confirmed

Rome, 5 May 2022 – Leonardo's Board of Directors, convened today under the Chairmanship of Luciano Carta, examined and unanimously approved results of the first quarter 2022.

Alessandro Profumo, Leonardo CEO, stated “1Q 2022 showed a good start to the year and results in line with Leonardo's growth path, which we had already restarted in the previous year. The defence and governmental business achieved good order intake in the first quarter, with growing revenues and profitability and improving cash flow. We are well positioned in European co-operation programmes and in markets that are committed to growing defence spending. All this means we confirm the outlook and full year 2022 Guidance. We can also be very confident of our key business strengths and fundamentals supporting our medium term outlook. We also continue to make good progress optimising our portfolio and making us more focused on our core businesses, thanks to the sale of GES and of our 50% stake of AAC JV. At the same time, we continue to execute our disciplined financial strategy and are pleased to see yesterday that S&P revised Leonardo's outlook to positive on improving credit metrics”.

1Q 2022 financial results

The results of these first three months of 2022 reflect the path to growth and increased profitability which was expected. The volume of new orders has continued to increase significantly, as well as Revenues and EBITA in all the main Business areas.

The cash flows, although affected by the usual seasonal profile characterised by significant outflows in the first part of the year, are clearly improving compared to the same period of the prior year, already improving compared to the first quarter of 2020.

The Group Net Debt figure, even though reflecting the acquisition of the 25.1% investment in the German company Hensoldt (€mil. 606, plus related transaction costs), which completed at the beginning of January 2022, has risen only € 148 million compared to the first quarter of 2021 thanks to the significant improvement in the FOCF.

Key Performance Indicator

Group (Euro million)	1Q 2021	1Q 2022	Chg.	Chg. %	2021
New orders	3,421	3,789	368	10.8%	14,307
Order backlog	36,414	36,278	(136)	(0.4%)	35,534
Revenues	2,790	3,006	216	7.7%	14,135
EBITDA(*)	202	251	49	24.3%	1,626
EBITA (**)	95	132	37	38.9%	1,123
ROS	3.4%	4.4%	1.0 p.p.		7.9%
EBIT (***)	75	123	48	64.0%	911
EBIT Margin	2.7%	4.1%	1.4 p.p.		6.4%
Net result before extraordinary transactions	(2)	74	76	3800.0%	587
Net result	(2)	74	76	3800.0%	587
Group Net Debt	4,640	4,788	148	3.2%	3,122
FOCF	(1,422)	(1,080)	342	24.1%	209
ROI	10.0%	10.8%	0.8 p.p.		12.4%
ROE	5.5%	11.0%	5.5 p.p.		10.0%
Workforce	49,780	50,106	326	0.7%	50,413

(*) EBITDA this is EBITA before amortisation, depreciation (net of those relating to goodwill or classified among "non-recurring costs") and adjustments impairment.

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

(***) EBIT is obtained by adding to earnings before financial income and expense and taxes and taxes the Group's share of profit in the results of its strategic Joint Ventures (GIE-ATR, MBDA, Thales Alenia Space and Telespazio).

Commercial Performance

- **New Orders**, amounted to **EUR 3,789 million** significantly increased (+10.8%) compared to the first quarter of 2021
- **Backlog**, amounted to **EUR 36,278 million**, ensures a coverage in terms of production slightly higher than 2.5 years. The book to bill ratio (the ratio of New Orders for the period to Revenues) is higher than 1.2.

Business Performance

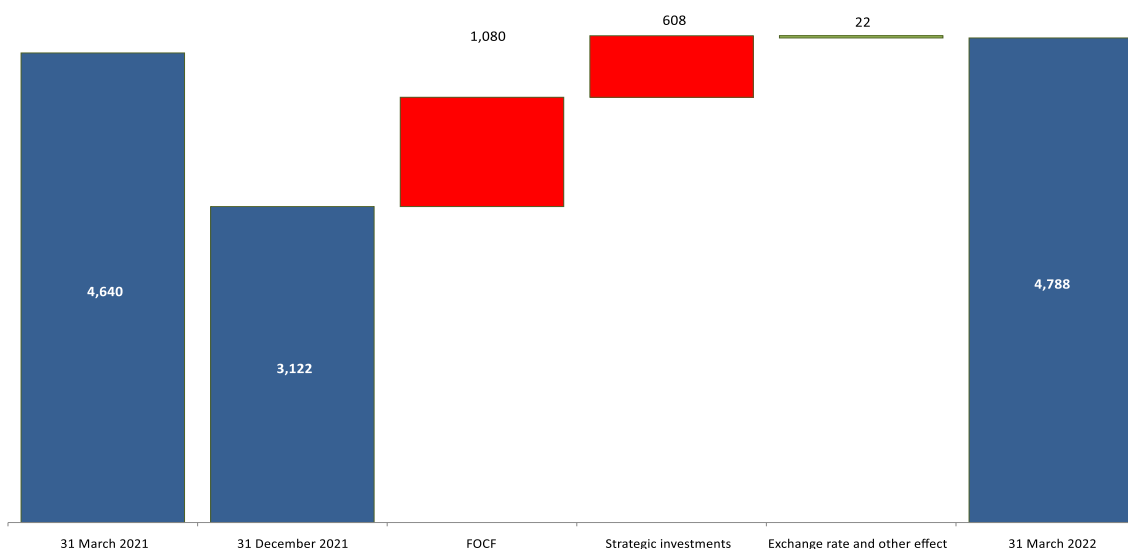
- **Revenues**, amounted to **EUR 3,006 million**, showed a solid increase (about +8%) compared to the first quarter of 2021 (€bil. 2.8) driven by the strong performance of Helicopters and by the higher production volumes of the Aircraft Division
- **EBITA**, amounted to **EUR 132 million**, and recorded, on the whole, strong growth (39%) with a considerable increase in all business segments, with particular reference to the activities of

Electronics in Europe, in addition to the higher contribution provided by all the strategic Joint Ventures. Profitability also improved significantly, with a ROS of 4.4%, up by about 1 percentage point

- **EBIT**, amounted to **EUR 123 million**, benefitted from an improvement of EBITA, compared to the first quarter of 2021 (€mil. 75). At EBIT level, non-recurring costs showed a significant decrease vis-à-vis the decision to stop classifying – starting from 2022 – the charges linked to the COVID-19 emergency within recurring costs included in EBITA. Overall, EBIT showed an increase of 64%.
- **Net Result before extraordinary transactions**, which posted a profit of **EUR 74 million**, (negative for €mil. 2 in the first quarter of 2021), is equal to the **Net Result** and benefitted from the EBIT performance, as well as from lower financial and tax charges.

Financial performance

- **Free Operating Cash Flow (FOCF)**, negative for **EUR 1,080 million**, showed a significant improvement (24%) compared to the first quarter of 2021 (negative for €mil. 1,422). This result, although confirming the usual seasonal trend that is characterised by significant cash absorptions in the first part of the year, reflects the expected positive trend towards improvement
- **Group Net Debt**, of **EUR 4,788 million**, was higher compared to 31 December 2021 (€mil. 3,122), mainly as a result of the abovementioned FOCF performance as well as of the acquisition, completed in January 2022, of the investment in Hensoldt AG and the share of related transaction costs paid. The acquisition of the aforesaid investment is also reflected in the increase in non-current assets



2022 Guidance

In view of the results achieved in the first quarter of 2022 and the expectations for the coming periods, we confirm the guidance for the entire year as drawn up when preparing the annual financial statements as at 31 December 2021.

		FY2021A	FY2022 Guidance**
New Orders	(€ bn)	14.3	ca. 15
Revenues	(€ bn)	14.1	14.5-15
EBITA	(€ mln)	1,123	1,180-1,220*
FOCF	(€ mln)	209	ca. 500
Group Net Debt	(€ bn)	3.1	ca. 3.1

* Including COVID-related costs previously included among non recurring costs below EBITA

** 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
Assuming €/USD exchange rate at 1.18 and €/GBP exchange rate at 0.90

Significant recent developments

At the end of February 2022, Russia launched an offensive - which is still ongoing - against Ukraine, generating profound changes in the world's geopolitical and economic balance.

The process of integration and realisation of European Defence and Security co-operation and, at the same time, the increase in defence spending by EU and neighbouring countries, are accelerating with consequent opportunities for companies operating in the sector. On the other hand, relations with Russia are significantly influenced by the numerous logistical and economic sanctions imposed by the European Union, other countries and other international bodies.

As reported in the 2021 Integrated Report, to which reference is made, Leonardo has no significant exposure to these two countries and is carefully monitoring the situation to identify any consequences on its current and prospective situation.

SECTOR PERFORMANCE

1Q 2021 (Euro million)	New Orders	Order Backlog	Revenues	EBITA	ROS
Helicopters	855	12,377	792	31	3.9%
Defence Electronics & Security	2,133	14,237	1,494	127	8.5%
Aeronautics	621	10,033	611	(13)	(2.1%)
Aircraft (*)	595		510	47	9.2%
Aerostructures (*)	36		111	(46)	(41.4%)
GIE ATR	n.a.		n.a.	(14)	n.a.
Space	-	-	-	3	n.a.
Other activities	56	48	97	(53)	(54.6%)
Eliminations	(244)	(1,161)	(204)	-	n.a.
Total	3,421	35,534	2,790	95	3.4%

1Q 2022 (Euro million)	New Orders	Order Backlog	Revenues	EBITA	ROS
Helicopters	863	12,318	923	36	3.9%
Defence Electronics & Security	2,154	14,632	1,498	146	9.7%
Aeronautics	868	10,206	687	(4)	(0.6%)
Aircraft (*)	781		571	52	9.1%
Aerostructures (*)	94		123	(46)	(37.4%)
GIE ATR	n.a.		n.a.	(10)	
Space	-	-	-	7	n.a.
Other activities	68	295	135	(53)	(39.3%)
Eliminations	(164)	(1,173)	(237)	-	n.a.
Total	3,789	36,278	3,006	132	4.4%

Change %	New Orders	Order Backlog	Revenues	EBITA	ROS
Helicopters	0.9%	(0.5%)	16.5%	16.1%	0.0 p.p.
Defence Electronics & Security	1.0%	2.8%	0.3%	15.0%	1.2 p.p.
Aeronautics	39.8%	1.7%	12.4%	69.2%	1.5 p.p.
Aircraft (*)	31.3%		12.0%	10.6%	(0.1) p.p.
Aerostructures (*)	161.1%		10.8%	0.0%	4.0 p.p.
GIE ATR	n.a.		n.a.	28.6%	n.a.
Space	n.a.	n.a.	n.a.	133.3%	n.a.
Other activities	21.4%	514.6%	39.2%	n.a.	15.3 p.p.
Eliminations	n.a.	n.a.	n.a.	n.a.	n.a.
Total	10.8%	2.1%	7.7%	38.9%	1.0 p.p.

*ante Sector eliminations

Leonardo continued the path to growth in all sectors of its core business. The performance of New Orders, Revenues and EBITA by sector showed the following trend:



Helicopters

The Sector shows an overall positive business performance and increasing financial performance, in line with the plan expectations. In particular, Revenues and EBITA grew by more than 16%, with profitability in line despite a mix of activities with higher pass-through volumes. During the period, 19 new helicopters were delivered, compared to 13 in the first quarter of 2021.

New Orders: The main acquisitions for the period included:

- The contract for the supply of 6 AW189 helicopters for the Rescue and Salvage Bureau of the Chinese Ministry of Transport;
- The order for the supply of 4 AW609 tiltrotors for a commercial flight operator;
- The contract for the Mid Life Upgrade (MLU) of 1 AW101 helicopter of the Japan Maritime Self Defense Force

Revenues: They increased due to the stepping up of activities specifically on the NH90 programme for Qatar.

EBITA: It showed an increase as a result of higher revenues, with profitability in line with that of the first quarter of 2021.

Defence Electronics & Security

The first quarter of 2022 was characterised by a continued strong business performance in line with that of the comparative period, with volumes also basically in line. Profitability was on the rise in all the areas of operation in Europe and at Leonardo DRS, which continued to confirm the growth trend envisaged in the plan.

1Q 2021 (Euro million)	New Orders	Revenues	EBITA	ROS %
Electronics – Europe	1,544	931	79	8.5%
Leonardo DRS	593	565	48	8.5%
Eliminations	(4)	(2)	-	n.a.
Total	2,133	1,494	127	8.5%

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

Change %	New Orders	Revenues	EBITA	ROS %
Electronics – Europe	(3.6%)	2.6%	15.2%	1.0 p.p.
Leonardo DRS	12.1%	(3.5%)	14.6%	1.6 p.p.
Eliminations	n.a.	n.a.	n.a.	n.a.
Total	1.0%	0.3%	15.0%	1.2 p.p.

Average €/USD exchange rate: 1.1225 (1Q 2022) and 1.2056 (1Q 2021)

	New Orders	Revenues	EBITA	ROS %
Leonardo DRS (\$ mln) – 1Q 2021	715	681	58	8.5%
Leonardo DRS (\$ mln) – 1Q 2022	747	612	62	10.1%

New Orders: They were essentially in line with the first quarter of 2021. The main acquisitions in the quarter concerned the Electronics Division and included the order for the supply of naval guns and related logistic support, for the equipping of four F126-class frigates for the German Navy, and the order for the provision of a combat system and related logistics for a special operations support unit, to support underwater operations and to rescue damaged submarines (Special and Diving Operations - Submarine Rescue Ship, SDO-SuRS).

As for Leonardo DRS, additional orders were booked for the production of next-generation U.S. Army mission command computing systems called Mounted Family of Computer Systems (MFoCS), M-SHORAD (Manoeuvre-Short Range Air Defense) order for the initial supply of a Mission Equipment

Package, which will be integrated into heavy Stryker-type vehicles and which will enable the neutralisation of low-altitude aerial threats, including remotely-controlled drones.

Revenues: were basically in line with the comparative period. As regards Leonardo DRS, it should be noted that last year volumes benefitted from the postponement of certain activities from 2020. This decline was partly mitigated by the positive effect of the USD/€ exchange rate.

EBITA: increased in all the main European business areas and in particular in the Defense Systems. For Leonardo DRS, despite lower volumes, the growth in profitability that began last year is continuing, mainly due to the gradual shift from the development phase to the production phase of some programmes.

Aeronautics

The Sector showed an excellent performance in the Defence business area, while also recording the first signs of recovery in the regional transport sector, with the GIE-ATR consortium that recognised an increase in deliveries and orders. The Aerostructures Division continued working at lower capacity due to the slow recovery of the civil aviation business of major customers (Boeing and ATR).

1Q 2021 (Euro million)	New Orders	Revenues	EBITA	ROS %
Aircraft	595	510	47	9.2%
Aerostructures	36	111	(46)	(41.4%)
GIE ATR	n.a.	n.a.	(14)	n.a.
Eliminations	(10)	(10)	-	n.a.
Total	621	611	(13)	(2.1%)

1Q 2022 (Euro million)	New Orders	Revenues	EBITA	ROS %
Aircraft	781	571	52	9.1%
Aerostructures	94	123	(46)	(37.4%)
GIE ATR	n.a.	n.a.	(10)	n.a.
Eliminations	(7)	(7)	-	n.a.
Total	868	687	(4)	(0.6%)

Change %	New Orders	Revenues	EBITA	ROS %
Aircraft	31.3%	12.0%	10.6%	(0.1) p.p.
Aerostructures	161.1%	10.8%	0.0%	4.0 p.p.
GIE ATR	n.a.	n.a.	28.6%	n.a.
Eliminations	n.a.	n.a.	n.a.	n.a.
Total	39.8%	12.4%	69.2%	1.5 p.p.

Aircraft

From a production point of view for the military programmes of the Division, 11 wings and 2 final assemblies were delivered to Lockheed Martin under the F-35 programme (12 wings and 2 final assemblies delivered in the first quarter of 2021). This was in addition to 2 further deliveries of Typhoon aircraft to Kuwait (following the first 2 deliveries in December 2021).

New Orders: the Division recorded orders higher than those of the first quarter of 2021 thanks to the acquisition of the export order for the remotely piloted aircraft system Euromale and for 1 C-27J aircraft to the Slovenian MoD, in addition to further orders on the JSF (Joint Strike Fighter) and logistics support programmes for Typhoon aircraft

Revenues: higher production volumes in the Division, on the business lines of the defence for the Kuwait programme and of the Airlifters for the new C-27J order within Europe

EBITA: benefitted from higher volumes, confirming the high level of profitability

Aerostructures

From a production point of view, 3 fuselage sections and 3 stabilisers were delivered under the B787 programme (10 fuselages and 6 stabilisers were delivered in the first quarter of 2021) and 2 fuselages were delivered under the ATR programme (3 in the first three months of the last year).

New Orders: The Division benefitted from higher orders from Airbus for the A220 and A321 programmes and from the agreement for Tooling Refurbishment on the B767 programme. At the same time, no new orders were placed by customers Boeing (B787 programme) and the GIE-ATR consortium.

Revenues: increase in the Division, which benefitted from higher production rates on the Airbus programmes.

EBITA: with the continuing challenges related to production sites working at lower capacity, this impacted EBITA, as already highlighted in the first quarter of 2021, although profitability showed signs of recovery thanks to a slight increase in production volumes.

GIE-ATR

EBITA: *the consortium* recorded improved results compared to those of the first quarter of 2021 thanks to the deliveries made in the quarter (no. 2 deliveries compared to no deliveries in the first quarter of 2021).

Space

The first quarter of 2022 showed improved results that benefitted from higher production volumes and improved profitability in the manufacturing segment. The segment of satellite services confirmed a solid profitability already recorded in the first quarter of 2021.

Industrial transactions

- **Acquisition of equity investment of 25.1% of Hensoldt AG.** 3 January 2022 saw the completion of the acquisition from Square Lux Holding II S.à r.l., a company controlled by funds advised by Kohlberg Kravis & Roberts & Co. L.P., of a 25.1% stake in Hensoldt AG, a company that is the leading German player in the field of sensor solutions for defence and security applications, with an ever-expanding portfolio in sensors, data management and robotics, at a price of €mil. 606. The transaction is an important step towards achieving the strategic objective of acquiring a leading position in the European Defence Electronics market, as defined in the “Be Tomorrow – Leonardo 2030” Plan, and reflects Leonardo’s determination to play a leading role in the ongoing consolidation process, also with a view to future cooperation programmes at continental Europe level;
- **National Strategic Hub for the Cloud.** On 21 March 2022, the partnership composed of TIM, Leonardo, Cassa Depositi e Prestiti (CDP, through the subsidiary CDP Equity) and Sogei, in compliance with the tender procedure, submitted the final bid for the National Strategic Hub (NSH) for the assignment, through a public-private partnership contract, of the design, implementation and management of an infrastructure for the provision of cloud services for the Public Administration. The offer envisages that, in the event of the tender being awarded, a joint venture will be set up between the members of the partnership in the form of an Italian law stock company for the provision of cloud solutions and services in support of the PA with a view to ensuring the highest possible level of data efficiency, security and reliability;
- **Sale of Global Enterprise Solutions (GES).** On 22 March 2022 the US subsidiary Leonardo DRS signed a definitive agreement to sell its Global Enterprise Solutions (GES) business to SES S.A. for USDmil. 450, gross of taxes, subject to customary working capital adjustments at closing. GES is the largest provider of commercial satellite communications for the US government and offers mission-critical communications and world-class security solutions. The closing of the transaction is expected for the second half of 2022.

Moreover, we note that on 8 February 2022 Leonardo stopped the process of selecting a partner for the automation business, as none of the parties that had expressed interest could guarantee the requirements of a long-term vision and an adequate investment plan that Leonardo had always considered to be essential elements. Leonardo is completing the analysis process to identify targeted actions on processes, organisation and governance in order to better face the reference market.

Following the end of the reporting period, on 26 April 2022, Leonardo DRS signed a binding agreement for the sale of its interest in the joint venture Advanced Acoustic Concepts to TDSI, a subsidiary of Thales. The closing of the transaction, subject to customary regulatory approvals and specific conditions, is expected for the second half of 2022.

Financial transactions

No new transaction was carried out on the financial markets during the first quarter of 2022. However, in January 2022 the remaining amount of €mil. 556 of the bond issued in December 2009 was repaid, having reached its natural expiry. Furthermore, as detailed in the Industrial Transactions, in January 2022 Leonardo acquired 25.1% of Hensoldt AG.

As at 31 March 2022 Leonardo had credit facilities available for a total of about €mil. 3,210 to meet the financing needs of the Group’s recurring operations, broken down as follows: an ESG-linked Revolving Credit Facility totalling €mil. 2,400, divided into two tranches, and additional unconfirmed short-term

lines of credit of about €mil. 810, which were used at the date for about €mil 65. Moreover, the subsidiary Leonardo US Holding had revocable short-term lines of credit in dollars, guaranteed by Leonardo Spa, for a total value of €mil. 225, entirely unused at 31 March 2022. Finally, Leonardo has unconfirmed lines of credit for guarantees for a total of €mil. 10,285, of which €mil. 3,575 available at 31 March 2022.

Outstanding bond issues are given a medium/long-term financial credit rating by the international rating agencies: Moody's Investors Service (Moody's), Standard & Poor's and Fitch. On the reporting date, Leonardo's credit ratings, compared to those preceding the last change, were as follows:

Agency	Last update	Previous		Updated	
		Credit Rating	Outlook	Credit Rating	Outlook
Moody's	October 2018	Ba1	positive	Ba1	stable
Standard&Poor's	May 2022	BB+	stable	BB+	positive
Fitch	January 2022	BBB-	negative	BBB-	stable

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

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

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

CONSOLIDATED INCOME STATEMENT			
<i>€mil.</i>	1Q 2021	1Q 2022	Var. YoY
Revenues	2,790	3,006	216
Purchases and personnel expense	(2,587)	(2,786)	(199)
Other net operating income/(expense)	(2)	18	20
Equity-accounted strategic JVs	1	13	12
Amortisation and depreciation	(107)	(119)	(12)
EBITA	95	132	37
<i>ROS</i>	3.4%	4.4%	1.0 p.p.
Non recurring income (expense)	(11)	(1)	10
Restructuring costs	(4)	(2)	2
Amortisation of intangible assets acquired as part of Business combinations	(5)	(6)	(1)
EBIT	75	123	48
<i>EBIT Margin</i>	2.7%	4.1%	1.4 p.p.
Net financial income/ (expense)	(46)	(30)	16
Income taxes	(31)	(19)	12
Net result before extraordinary transactions	(2)	74	76
Net result related to discontinued operations and extraordinary transactions	-	-	-
Net result	(2)	74	76
<i>attributable to the owners of the parent</i>	(2)	74	76
<i>attributable to non-controlling interests</i>	-	-	-
Earning per share (Euro)			
<i>Basic e diluted</i>	(0.003)	0.129	0.132
Earning per share of continuing operation (Euro)			
<i>Basic e diluted</i>	(0.003)	0.129	0.132
Earning per share of discontinuing operation (Euro)			
<i>Basic e diluted</i>	-	-	-

CONSOLIDATED BALANCE SHEET

<i>€mil.</i>	31.03.2021	31.12.2021	31.03.2022
Non-current assets	12,186	12,810	13,479
Non-current liabilities	(1,986)	(2,216)	(2,150)
Capital assets	10,200	10,594	11,329
Inventories	2,232	1,292	1,547
Trade receivables	2,866	3,203	3,418
Trade payables	(3,164)	(3,372)	(2,859)
Working capital	1,934	1,123	2,106
Provisions for short-term risks and charges	(1,283)	(1,111)	(1,119)
Other net current assets (liabilities)	(710)	(1,046)	(981)
Net working capital	(59)	(1,034)	6
Net invested capital	10,141	9,560	11,335
Equity attributable to the Owners of the Parent	5,491	6,428	6,521
Equity attributable to non-controlling interests	11	27	27
Equity	5,502	6,455	6,548
Group Net Debt	4,640	3,122	4,788
Net (assets)/liabilities held for sale	(1)	(17)	(1)

CONSOLIDATED CASH FLOW STATEMENT

<i>€mil.</i>	1Q 2021	1Q 2022
Cash flows used in operating activities	(1,312)	(978)
Dividends received	-	1
Cash flow from ordinary investing activities	(110)	(103)
Free operating cash flow (FOCF)	(1,422)	(1,080)
Strategic investments	-	(608)
Change in other investing activities	2	1
Net change in loans and borrowings	(402)	(418)
Dividends paid	-	-
Net increase/(decrease) in cash and cash equivalents	(1,822)	(2,105)
Cash and cash equivalents at 1 January	2,213	2,479
Exchange rate gain/losses and other movements	17	9
Cash and cash equivalents at 31 March	408	383

CONSOLIDATED FINANCIAL POSITION

<i>€mil.</i>	31.03.2021	31.12.2021	31.03.2022
Bonds	2,418	2,481	1,875
Bank debt	1,205	1,648	1,706
Cash and cash equivalents	(408)	(2,479)	(383)
Net bank debt and bonds	3,215	1,650	3,198
Current loans and receivables from related parties	(94)	(45)	(32)
Other current loans and receivables	(21)	(16)	(16)
Current loans and receivables and securities	(115)	(61)	(48)
Hedging derivatives in respect of debt items	(12)	(8)	16
Other related-party loans and borrowings	854	856	956
Leasing liabilities	529	538	534
Related-party leasing liabilities	32	30	28
Other loans and borrowings	137	117	104
Group net debt	4,640	3,122	4,788

EARNINGS PER SHARE

	1Q 2021	1Q 2022	Var. YoY
Average shares outstanding during the reporting period (in thousands)	575,174	575,307	133
Earnings/(losses) for the period (excluding non-controlling interests) (€ million)	(2)	74	76
Earnings/(losses) - continuing operations (excluding non-controlling interests) (€ million)	(2)	74	76
Earnings/(losses) - discontinued operations (excluding non-controlling interests) (€ million)	-	-	-
BASIC AND DILUTED EPS (EUR)	(0.003)	0.129	0.132
BASIC AND DILUTED EPS from continuing operations	(0.003)	0.129	0.132
BASIC AND DILUTED EPS from discontinuing operations	-	-	-

1Q 2021 (Euro million)	Helicopters	Defence Electronics & Security	Aeronautics	Space	Other activities	Eliminations	Total
New orders	855	2,133	621	-	56	(244)	3,421
Order backlog 31.12.2020	12,377	14,237	10,033	-	48	(1,161)	35,534
Revenues	792	1,494	611	-	97	(204)	2,790
EBITA	31	127	(13)	3	(53)	-	95
<i>EBITA margin</i>	3.9%	8.5%	(2.1%)	<i>n.a.</i>	(54.6%)	<i>n.a.</i>	3.4%
EBIT	25	117	(16)	3	(54)	-	75
Amortisation	17	34	15	-	18	-	84
Investments	43	46	17	-	3	-	109
Workforce (no.) 31.12.2021	12,392	24,871	11,342	-	1,808	-	50,413

1Q 2022 (Euro million)	Helicopters	Defence Electronics & Security	Aeronautics	Space	Other activities	Eliminations	Total
New orders	863	2,154	868	-	68	(164)	3,789
Order backlog	12,318	14,632	10,206	-	295	(1,173)	36,278
Revenues	923	1,498	687	-	135	(237)	3,006
EBITA	36	146	(4)	7	(53)	-	132
<i>EBITA margin</i>	3.9%	9.7%	(0.6%)	<i>n.a.</i>	(39.3%)	<i>n.a.</i>	4.4%
EBIT	35	140	(5)	7	(54)	-	123
Amortisation	20	39	18	-	21	-	98
Investments	40	44	16	-	7	-	107
Workforce (no.)	12,378	23,990	11,205	-	2,533	-	50,106

Leonardo, a global high-technology company, is among the top world players in Aerospace, Defense and Security and Italy's main industrial company. Organized into five business divisions, Leonardo has a significant industrial presence in Italy, the United Kingdom, Poland and the USA, where it also operates through subsidiaries that include Leonardo DRS (defense electronics), and joint ventures and partnerships: ATR, MBDA, Telespazio, Thales Alenia Space and Avio. Leonardo competes in the most important international markets by leveraging its areas of technological and product leadership (Helicopters, Aircraft, Aerostructures, Electronics, Cyber Security and Space). Listed on the Milan Stock Exchange (LDO), in 2020 Leonardo recorded consolidated revenues of €13.4 billion and invested €1.6 billion in Research and Development. The company has been part of the Dow Jones Sustainability Indices (DJSI) since 2010 and has been confirmed among the global sustainability leaders in 2021. Leonardo is also included in the MIB ESG index.

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