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PRESS RELEASE

LEONARDO: BOARD OF DIRECTORS APPROVED THE 1H2025 RESULTS. NEW ORDERS € 11.2 BN (+9.7%¹), REVENUES € 8.9 BN (+12.9%¹), EBITA € 581 MLN (+15%^{1,2}). FOCF € - 408 MLN, UP 19%¹.

FY 2025 GUIDANCE UPGRADED ON ORDERS AND FOCF. NET DEBT REDUCED

- **Order Backlog came to € 45 billion. Book-to-Bill ratio at 1.3x**
- **Revenues and EBITA growth in line with expectations and the sustainable growth path envisaged in the Industrial Plan**
- **Net Result before extraordinary transactions € 273 million (+44.4% vs 1H2024)**
- **Improvement of Free Operating Cash Flow (FOCF), demonstrating the effectiveness of the actions undertaken**
- **Group Net Debt improves to € 2,173 million (-27.6% vs 1H2024)**

(1) Not including the contribution from the Underwater Armaments & Systems (UAS) business (like-for-like perimeter)

(2) 2024 restated figure as a result of the revision of the KPI with reference to the valuation of strategic investments

Rome, 30/07/2025 – Leonardo's Board of Directors, convened today under the Chairmanship of Stefano Pontecorvo, examined and unanimously approved 2025 first half results.

"Execution of the Industrial Plan is progressing in line with the Group's strategic priorities. First-half 2025 results confirm the Group's solid industrial momentum, with a further reduction in debt, validating the effectiveness of the actions undertaken. Based on first half performance and growth expectations, we have revised our 2025 guidance upwards, setting new targets for orders, FOCF, and net debt. We are strengthening our competitive positioning across domestic and international markets, reaffirming our role as a leading player in the ongoing consolidation of the Defense industry. The development of joint ventures with Rheinmetall and Baykar is advancing, and the GCAP program has entered its operational phase. Recent M&A transactions in the cybersecurity domain mark another step forward in the expansion of our product portfolio, underscoring our commitment to inorganic growth", stated **Roberto Cingolani, Chief Executive Officer and General Manager of Leonardo**.

1H2025 financial results

The good performance of the Group continued in the first six months of 2025, with the gradual strengthening of its competitive positioning in both domestic and international markets supported by a further growth of volumes and a solid profitability. The good performance of the period, compared with the same period of the prior year, is even more significant inasmuch as it does not include the contribution from the Underwater Armaments & Systems (UAS) business, which had been recognised under the Defence Electronics & Security sector until 2024 and sold to Fincantieri in early 2025.

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In the first six months of 2025 **New Orders** reached €bil. 11.2 (+8.9% compared to the figure of the comparative period, +9.7% on a like-for-like perimeter), confirming the continuing strengthening of the core businesses as a result of the commercial successes and good positioning of the Group's products, technologies and solutions, as well as the ability to effectively cover key markets in a market environment where demand for security remains high. The book-to-bill stood at 1.3.

Revenues came to €bil. 8.9 showing a significant increase (+11.7% compared to the figure of the comparative period, +12.9% on a like-for-like perimeter), and **EBITA** was €mil. 581 (+10.9% compared to the restated (*) figure of the comparative period, +15.0% on a like-for-like perimeter), in line with expectations and the sustainable growth path envisaged in the Industrial Plan of Leonardo.

Free Operating Cash Flow, negative for €mil. 408 as a result of the usual interim trend that is characterised by cash absorptions in the first part of the year, showed an improvement (+18.7% compared to the figure of the previous half year, +19.0% on a like-for-like perimeter) demonstrating the effectiveness of the actions undertaken. The FOCF performance and the consideration received as part of the sale of the UAS business, equal to about €mil. 446, result in a positive effect on the **Group Net Debt**, down by about 27.6% compared to 30 June 2024.

(*) The figure for the comparative period is presented in restated form as a result of the revision of EBITA, starting from the 2024 Financial Statements, with reference to the valuation of strategic investments.



Key Performance Indicators (KPIs)

(€ millions)	June 2024	June 2025	% Change	2024
New orders	10,324	11,243	8.9%	20,945
Order backlog	43,346	45,030	3.9%	44,178
Revenue	7,985	8,919	11.7%	17,763
EBITDA (*)	849	884	4.1%	2,219
EBITA (*)	524	581	10.9%	1,525
ROS (*)	6.6%	6.5%	(0.1) p.p.	8.6%
EBIT	390	432	10.8%	1,271
EBIT Margin	4.9%	4.8%	(0.1) p.p.	7.2%
Net Result before extraordinary transactions	189	273	44.4%	786
Net result	555	542	(2.3%)	1,159
Group Net Debt	3,000	2,173	(27.6%)	1,795
FOCF	(502)	(408)	18.7%	826
ROI (*)	11.8%	12.8%	1.0 p.p.	13.4%
Workforce	58,280	61,265	5.1%	60,468

(*) The 2024 figure is presented in restated form as a result of the revision of the KPI with reference to the valuation of strategic investments. Specifically, starting from the 2024 Financial Statements, the share of net result of strategic investees, which is already recognised within the Group's EBITA as part of their valuation at equity, now no longer includes any non-recurring, extraordinary or non-routine items in the income statement; in line with Leonardo's policies and the approach already applied to companies consolidated on a line-by-line basis, these items are deducted from EBITA in order to show profit margins that are not affected by volatility elements. The revision described above impacted also EBITDA and the performance indicators ROS and ROI, while it had no effects on other indicators.

As indicated above, following the finalisation of the sale to Fincantieri of the Underwater Armaments & Systems (UAS) line of business, occurred on 14 January 2025, the figures of the first six months of 2025 do not include the contribution from such business that, vice versa, was recognised within the Defence Electronics & Security sector until 2024. In order to make the Group's operational performance more comparable, for some performance indicators we report below the figure of the comparative period – and the related change compared to the current period – excluding the contribution of the UAS business (like-for-like perimeter):

(€ millions)	June 2024 reported	June 2024 isoperimeter	June 2025	% Change
New orders	10,324	10,252	11,243	9.7%
Revenue	7,985	7,902	8,919	12.9%
EBITA (*)	524	505	581	15.0%
ROS (*)	6.6%	6.4%	6.5%	0.1 p.p.
FOCF	(502)	(504)	(408)	19.0%

(*) 2024 restated figure as a result of the revision of the KPI with reference to the valuation of strategic investments.



2025 Guidance

The good performance of the Group continued in the first half of the year, with a gradual strengthening of its competitive position in both domestic and international markets, supported by further volume growth and solid profitability.

The increased demand for defence and security, linked to the geopolitical scenario, generates positive outlook for the defence sector.

In this context, based on the performance recorded in the six months to June and the revision of estimates for the second half of the year, in light of greater visibility on the prospects for order acquisition, the Group updates its full year 2025 Guidance as disclosed in March 2025 as follows:

- Increase in new order intake guidance from ca. € 21 billion to ca. € 22.25 – 22.75 billion, factoring in the acquisition of jumbo orders
- Upward revision of the FOCF guidance from ca. € 870 million to ca. € 920-980 million, as a result of good operating performance and cash advances related to additional orders
- Reduction of the Group's Net Debt, from ca. € 1.6 billion to ca. € 1.1 billion thanks to the positive impact of stronger cash generation and the postponement to 2026 of some M&A transactions expected during the year
- The guidance in terms of revenues of approximately €18.6 billion and EBITA of approximately € 1,660 million are confirmed

This is summarised in the table below:

		FY2024A	FY2025 Guidance ⁽¹⁾	Guidance 2025 update ⁽¹⁾
New Orders	(€ mld)	20.9	ca. 21	22.25 -22.75
Revenue	(€ mld)	17.8	ca. 18.6	ca. 18.6
EBITA	(€ mln)	1,525	ca. 1,660	ca. 1,660
FOCF	(€ mln)	826	ca. 870	920-980
Group Net Debt	(€ mld)	1.8	ca. 1.6	ca. 1.1²

Based on USD/€ exchange rate at 1.08 and €/GBP exchange rate at 0.86

(1) Based on the current assessments of the impacts of the geopolitical situation also on supply chain, inflationary levels and the global economy, subject to any further significant effects.

(2) Assuming the increased dividend payments of €0.52 per share, M&A transaction of ca. €100 million, DRS shareholders remuneration, new leasing contracts and other minor movements.



Commercial performance

- **New Orders** reached €bil. 11.2, highlighting an increase compared to the first six months of 2024 (+8.9%, +9.7% on a like-for-like perimeter), driven by Defence Electronics & Security, especially the European component, and by the excellent performance of Aeronautics (+53.4% against the comparative period). The contribution to new orders from Space and Cyber & Security Solutions was also increasing. The level of new orders for the six months is equal to **a book to bill** (the ratio of New orders to Revenues for the period) of about 1.3.
- The **Order Backlog** came to €bil. 45 ensuring a coverage in terms of production exceeding 2.5 years.

Business performance

- **Revenues** (€bil. 8.9) increased compared to the first six months of 2024 (+11.7%) in all the business sectors, despite the change in the perimeter related to the sale of the UAS business (+12.9% on a like-for-like perimeter). Worth noting is the contribution from the Defence Electronics & Security, Helicopters and Aeronautics.
- **EBITA** (€mil. 581), increased significantly compared to the first six months of 2024 in almost all sectors (+10.9% against the restated figure), reflects the growth of volumes and the solid performance of the Group's businesses. The period was particularly affected by the result of the Helicopters and the Defence Electronics and Security sectors, which more than offset the drop in Aeronautics, which was affected by the expected performance of the Aerostructures and of the strategic investee GIE ATR. An improvement was also reported by the Space sector, which started to benefit from the efficiency-improvement actions on the manufacturing segment of the Space Alliance. The good performance of the Group is even more evident if we exclude the contribution of the UAS business from the comparative figure (+15.0% on a like-for-like perimeter).
- **EBIT** (€mil. 432) was affected by the improvement of EBITA and reported an increase compared to the first half-year of 2024 (+10.8%). Non-recurring costs stood at a level close to that of the previous year and reflected the accruals for litigation on international legacy programmes, including the NH90 one.
- The **Net Result before extraordinary transactions** (€mil. 273, +44.4% compared to the first six months of 2024) benefitted from the performance of EBIT and from the improvement of the net financial costs.
- The **Net Result** (€mil. 542) showed a decrease against the comparative figure (€mil. 555) which included the capital gain (€mil. 366) recognised following the fair value measurement of the Telespazio group performed for the purpose of the line-by-line consolidation of the latter. The data for the first six months of 2025, equal to €mil. 542, included, in addition to the Net Result before extraordinary transactions, the capital gain recognised following the sale of the UAS business to Fincantieri, equal to about €mil. 283, partially offset by the costs of the disposals finalized in the previous periods.



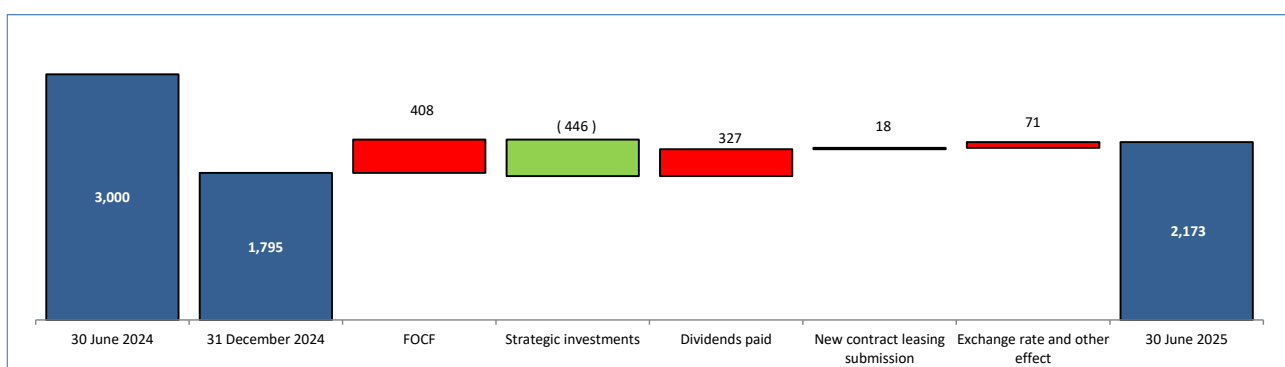
Financial performance

- **FOCF** in the first six months of 2025, negative for €mil. 408, showed an improvement compared to the performance of the previous year's comparative period (negative for €mil. 502, negative for €mil. 504 on a like-for-like perimeter), confirming the positive results reached thanks to the effect of initiatives to strengthen operational performance and collection cycle, a careful investment policy in a period of business growth with stringent priorities, an efficient financial strategy and the management of working capital. The figure, which is however impacted by the usual interim trend characterised by cash absorptions during the first part of the year, is also affected, compared with the first six months of 2024, by higher dividends received, higher investments and an acceleration in supplier payments to underpin the growth path.
- The net change in loans and borrowings included the repayment, occurred in March 2025, of the bonded loan of Leonardo S.p.a. issued in 2005 and amounting to €mil. 500, which reached its natural maturity date, partially offset by the drawing of the €mil. 260 Sustainability-Linked loan granted by the European Investment Bank (EIB).

The **Group Net Debt**, equal to €mil. 2,173, decreased by about €bil. 0.8 against June 2024 thanks to the strengthening of the Group's cash generation and to the cash-in of the total amount of €mil. 446 arising from the sale of the UAS business.

Compared to 31 December 2024 (€mil. 1,795) the figure increased mainly as a result of the abovementioned FOCF performance, net of the effect of the abovementioned sale of the UAS business, in addition to the dividends paid for an amount of €mil. 327 (€mil. 296 of which related to Leonardo S.p.a., which, in line with that communicated on the occasion of the "2025-2029 Industrial Plan", paid a dividend almost doubled compared to the 2024 data equal to € 0.52 per share in 2025 vs € 0.28 per share in 2024).

Changes in the Group Net Debt





Key performance indicators by Sector

Leonardo confirms its growth path in all core Sectors of its business. The business sectors are commented on below in terms of business and financial performance:

		30 June 2024	30 June 2025	Change	Change %
1. Helicopters	New orders	3,584	3,396	(188)	(5.2%)
	Order backlog at 31 Dec. 2024	15,146	15,511	365	2.4%
	Revenue	2,425	2,789	364	15.0%
	EBITA (*)	172	202	30	17.4%
	ROS (*)	7.1%	7.2%		0.1 p.p.
2. Defence Electronics & Security (**)	New orders	4,941	5,385	444	9.0%
	Order backlog at 31 Dec. 2024	17,889	18,779	890	5.0%
	Revenue	3,377	3,795	418	12.4%
	EBITA (*)	363	425	62	17.1%
	ROS (*)	10.7%	11.2%		0.5 p.p.
3. Cyber & Security Solutions	New orders	427	453	26	6.1%
	Order backlog at 31 Dec. 2024	1,091	1,177	86	7.9%
	Revenue	301	359	58	19.3%
	EBITA (*)	16	29	13	81.3%
	ROS (*)	5.3%	8.1%		2.8 p.p.
4. Aeronautics	New orders	1,442	2,212	770	53.4%
	Order backlog at 31 Dec. 2024	9,076	9,328	252	2.8%
	Revenue	1,680	1,913	233	13.9%
	EBITA (*)	94	55	(39)	(41.5%)
	ROS (*)	5.6%	2.9%		(2.7) p.p.
5. Space	New orders	335	413	78	23.3%
	Order backlog at 31 Dec. 2024	1,722	1,646	(76)	(4.4%)
	Revenue	399	436	37	9.3%
	EBITA (*)	1	17	16	1600.0%
	ROS (*)	0.3%	3.9%		3.6 p.p.

(*) 2024 restated figure as a result of the revision of the KPI with reference to the valuation of strategic investments.

(**) 2024 figure not including the contribution from the Underwater Armaments & Systems (UAS) business (like-for-like perimeter)



Helicopters

In the first six months of 2025, the Sector reported Revenues and EBITA showing a significant increase compared to the first half of 2024 and a volume of new orders in line with expectations. During the period 72 new helicopters were delivered (77 in the same period of 2024).

New Orders. Slightly up compared to the first half of 2024, which had recorded a higher concentration of new orders compared with the second part of the year. Among the main acquisitions for the period we note:

- the contract for the supply of further standard helicopters and for the development of further helicopter capabilities with reference to the AW249 NEES (*Nuovo Elicottero da Esplorazione e Scorta*, new exploration and escort helicopter) programme for the Italian Army;
- the order from Weststar for various types of helicopters including AW149 helicopters, for government bodies in Malaysia;
- the order from GD Helicopter Finance (GDHF) for 10 AW189 helicopters, for its customers in the offshore transport sector;
- the order as part of the Integrated Merlin Operational Support (IMOS) programme for the supply to the UK Ministry of Defence of logistic support and maintenance services of the AW101 Merlin helicopter fleet;
- the order for the manufacturing in Italy of the Ground based training system (GBTS) for the training of pilots of the Military Aviation and other Armed Forces and State Forces.

Revenues. These increased by 15% compared with the first half of 2024, with a higher contribution from the AW family dual-use helicopter lines, as well as on CSS&T (Customer Support, Services & Training).

EBITA. Up due to higher Revenues, with profitability substantially in line.



Defence Electronics & Security

The first half of the year was characterised by an excellent performance, with particular regard to the scope of the European Electronics which recorded volumes and profitability sharply growing compared to the same period of the prior year, although the figure excluded the contribution from the Underwater Armaments and Systems business sold at the beginning 2025. Revenues and profitability were increasing also for the subsidiary Leonardo DRS.

Key Performance Indicators of the sector

30 June 2024 reported	New orders	Revenue	EBITA (*)	ROS (*)
Electronics Europe	3,391	2,136	270	12.6%
Leonardo DRS	1,624	1,333	112	8.4%
Eliminations	(2)	(9)	-	n.a.
Total	5,013	3,460	382	11.0%
30 June 2024 isoperimeter	New orders	Revenue	EBITA (*)	ROS (*)
Electronics Europe	3,319	2,053	251	12.2%
Leonardo DRS	1,624	1,333	112	8.4%
Eliminations	(2)	(9)	-	n.a.
Total	4,941	3,377	363	10.7%
30 June 2025	New orders	Revenue	EBITA	ROS
Electronics Europe	3,706	2,312	294	12.7%
Leonardo DRS	1,687	1,489	131	8.8%
Eliminations	(8)	(6)	-	n.a.
Total	5,385	3,795	425	11.2%
Change % isoperimeter	New orders	Revenue	EBITA (*)	ROS (*)
Electronics Europe	11.7%	12.6%	17.1%	0.5 p.p.
Leonardo DRS	3.9%	11.7%	17.0%	0.4 p.p.
Eliminations	n.a.	n.a.	n.a.	n.a.
Total	9.0%	12.4%	17.1%	0.5 p.p.

Average €/USD exchange rate: 1.0930 (first six months of 2025) and 1.0812 (first six months of 2024)

(*) Restated figure as a result of the revision of the KPI, with reference to the valuation of strategic investments.

New orders. These increased compared to the first half of 2024, with particular reference to the European component of Electronics, which recorded a book to bill equal to 1.6. Among the main acquisitions of the period, we point out:

For the European component:

- the additional order for the European Common Radar System (AESA Active Electronically Scanned Array radar) which will be installed on the Eurofighter Typhoon aircraft of the Royal Air Force. The ECRS Mk2 radar has a newly-developed multi-functional array (MFA) which enhances traditional radar functions, such as searching and tracking targets, and electronic warfare capabilities;



- as part of the broader contract for the supply of 16 EFA aircraft (first tranche) for the Italian Air Force, the Electronics Division will provide the Defensive Aids Sub-System (DASS), which protects the Typhoon aircraft from infrared and radar-guided threats by providing the pilot with a complete tactical picture and equipping the aircraft with digital stealth capability achieved through advanced electronic deception techniques;
- in the naval domain, the order for the supply of Combat Systems equipping the 2 PPA (*Pattugliatori Polivalenti d'Altura*, multipurpose offshore patrol vessels) naval units for the Indonesian Navy. The CMS Athena includes all the functions required for the surveillance, management of sensors and tactical images, support to navigation, assessment of threats and weapon assignment, management of the weapon system, mission planning, multi-tactical data connection and on-board training.

For the subsidiary Leonardo DRS:

- the additional order, as part of the broader Ohio-submarine class Replacement Programme (ORP), to supply integrated electric propulsion components for the next-generation Columbia-class submarine for the US Navy;
- as part of the broader IBAS (*Improved Bradley Acquisition Subsystem*) programme, the additional order for the supply of electro-optical sensors that will equip the M2 Bradley vehicles of the US Army. The second-generation infrared system for Bradley armored fighting vehicles includes advanced functionalities for early detection of long-range threats;
- as part of the broader CDS (*Common Display Systems*) programme, the order for the supply of hardware, including multi-screen console, displays and peripherals designed to support the AEGIS combat system and the Ship Self-Defense System (SSDS) installed on various large- and small-size vessels of the USA Navy, of the allied naval forces and of the coast guard of the United States of America.

Revenues. Volumes showed a sharp increase from the same period of the previous year, also as a result of the acquisitions made during 2024, both in the European Electronics component (which recorded an increase of 12.6% on a like-for-like perimeter) and within the subsidiary Leonardo DRS (which recorded an increase of +11.7%).

EBITA. Profitability was increasing in all the main business areas, mainly due to higher volumes from both the European Electronics component (up 17.1% compared with the like-for-like figure of the comparative period), and from the subsidiary Leonardo DRS (+ 17.0%). The contribution given to profitability by the strategic investees was in line with expectations.

Leonardo DRS data in USD

	New orders	Revenue	EBITA	ROS
Leonardo DRS (\$mil.) June 2024	1,756	1,441	121	8.4%
Leonardo DRS (\$mil.) June 2025	1,844	1,628	143	8.8%



Cyber & Security Solutions

The Cyber & Security Solutions sector reported an excellent performance in the first six months, with volumes and profitability increasing significantly compared to the same period of the prior year.

New orders. These were on a rise compared to the first six months of 2024, with a book to bill equal to 1.3. Major acquisitions in the period included:

- various orders as part of a broader Polo Strategico Nazionale (PSN) aimed at supporting Public Administration companies in their digital transformation by adopting a Cloud model, rationalising Data Centres and adapting connectivity by increasing the level of security of managed data;
- as part of safe communications, i.e. Narrowband & Broadband systems and machines for mission critical users, different contracts were finalised with police, defence and emergency forces both in Italy, such as the platform for safe and integrated communication for 11 national provinces and the Emergency network for the Liguria region, and at international level, such as the underground lines of Singapore and Taipei and the Vietnamese Ministry of Defence;
- in the UK, as part of the broader Cyclamen programme, i.e. the radiological and nuclear (RN) border detection devices, the order for support and maintenance of mobile and fixed equipment across the United Kingdom and in the neighboring ports to detect and prevent the illicit export of radiological and nuclear materials which plays a key role in the UK border protection.

Revenues Volumes showed a sharp increase against the previous half-year period, also as a result of the orders obtained during 2024 and in the first months of 2025.

EBITA. Profitability was sharply increasing, mainly due to higher volumes (ROS up by about +2.8 p.p. on the comparative period).



Aeronautics

As mentioned earlier, in 2025 the Aircraft and Aerostructures Business Units, which had been recognised as separate Sectors until the 2024 Financial Statements, have been brought together into the Aeronautics Sector which includes, within the Aircraft BU, the Global Combat Air Programme (GCAP), previously recognised among the Other Activities, and the strategic investee GIE ATR. In order to make comparable the performance of operations, the indicators of the Aeronautics Sector for the comparative period have been restated.

The Sector reported an excellent commercial performance in the first six months of 2025, in line with the Sector's growth path, highlighting a significant increase compared with the first half of 2024. From a production point of view:

- for the military programmes of the Aircraft BU no. 27 wings were delivered to Lockheed Martin for the F-35 programme (compared to no. 23 wings delivered in the first half of 2024) and no. 5 fuselages to the Eurofighter consortium and no. 5 wings for the Typhoon programme (compared to no. 4 fuselages and no. 3 wings delivered in the same period of 2024). Moreover, the Sector recorded 4 deliveries of aircraft to Kuwait during the period (compared to 2 deliveries in the first half of 2024);
- for the civil programmes of the Aerostructures BU, 30 fuselage sections and 28 stabilizers for the B787 were delivered (against 23 fuselages and 19 stabilizers in 2024); 9 fuselages were also delivered under the ATR programme (against 16 fuselages in 2024);
- for the GIE ATR, we report no. 7 deliveries compared with no. 11 recorded in the same period of 2024.

Key Performance Indicators of the sector

30 June 2024	New orders	Revenue	EBITA (*)	ROS (*)
Aircraft	1,113	1,363	170	12.5%
Aerostructures	364	353	(71)	(20.1%)
GIE ATR	n.a.	n.a.	(5)	n.a.
Eliminations	(35)	(36)	-	
Total	1,442	1,680	94	5.6%
30 June 2025	New orders	Revenue	EBITA	ROS
Aircraft	1,578	1,616	180	11.1%
Aerostructures	698	334	(96)	(28.7%)
GIE ATR	n.a.	n.a.	(29)	n.a.
Eliminations	(64)	(37)	-	
Total	2,212	1,913	55	2.9%
Change %	New orders	Revenue	EBITA (*)	ROS (*)
Aircraft	41.8%	18.6%	5.9%	(1.4) p.p.
Aerostructures	91.8%	(5.4%)	(35.2%)	(8.6) p.p.
GIE ATR	n.a.	n.a.	(480.0%)	n.a.
Eliminations	n.a.	n.a.	n.a.	
Total	53.4%	13.9%	(41.5%)	(2.7) p.p.

(*) Restated figure as a result of the revision of the KPI, with reference to the valuation of strategic investments.



New orders. These were increasing on the first half of 2024 in the Aircraft and Aerostructures BUs. With reference to Aerostructures, we highlight an important increase in new orders for fuselages to Boeing (100 s.s. in 2025 vs 50 s.s. in 2024), while Aircraft benefitted from higher orders for the Global Combat Air Programme (GCAP) and from the acquisition of 2 C-27J multi-role aircraft for an export client.

Revenues. These showed an increase on the first half of 2024, mainly for the Aircraft BU especially in relation to the C-27J, GCAP and JSF programmes, vis-à-vis a slight decline in the Aerostructures BU as a result of the planned concentration of production activities of the B787 aircraft in the second half-year compared to 2024. Within the Aircraft BU, the contribution from the Service segment remained stable representing about 30% of total revenues in the first six months of 2025.

EBITA. The decline compared with the first six months of 2024 is due to the lower contribution from the Aerostructures BU, as expected, owing to the lower volumes of activities, to the production sites working at lower capacity, and the effect of inflation on the cost of labour, as well as to the impact of the lower deliveries on the results of the strategic investee GIE ATR. The Aircraft BU confirmed very good level of profitability despite a different mix of activities with a growth of volumes under the GCAP programme, characterised by a considerable share of pass-through activities.

Space

In the first six months of 2025 this Sector showed an improvement of profitability, benefitting also from the partial recovery of the manufacturing component of the Space Alliance.

New orders. These were up compared to the comparative period, benefitting from the growth of Telespazio in the Satellite Systems and Operations (SSO) business. Major acquisitions included a contract with the Italian Space Agency (ASI) for the COSMO-SkyMed follow-on, with the Italian MoD (Ministry of Defence) for the Maintenance in Operational Conditions (MOC) programme within the SSO and the contract for data supply with the Ministry of Environment and Energy Security (the Italian MASE). For the manufacturing segment, we note the order obtained by the Space BU of Leonardo for the supply to the European Space Agency (ESA) of a tool supporting the SBG (Surface, Biology and Geology) mission.

Revenues. These were increasing on all the lines of business of Telespazio and on the manufacturing component of Leonardo.

EBITA. On the rise compared to first half of 2024, confirming profitability of the service component of Telespazio and of the manufacturing business of Leonardo, while also benefitting from the partial recovery in the performance of the investee Thales Alenia Space.



Industrial transactions

Below are the main industrial transactions occurred during 2025:

- **Disposal of the Underwater Armaments & Systems (UAS) business.** 14 January 2025 saw the closing of the disposal transaction of the Underwater Armaments & Systems (UAS) line of business to Fincantieri. According to the binding agreement of 9 May 2024, at the closing Leonardo received the payment of about €mil. 287 as the first tranche of the acquisition price, based on the fixed component of the Enterprise Value (EV) equal to €mil. 300, while the second tranche of about €mil. 159 was paid on 30 June 2025 as variable component and taking account the price adjustment mechanism agreed by the parties.
- **Incorporation of Leonardo Rheinmetall Military Vehicles S.r.l.** On 24 February 2025, following the previous agreements signed between Leonardo and Rheinmetall with the aim of forming a new European nucleus for the development and production of military combat vehicles in Europe, the company Leonardo Rheinmetall Military Vehicles S.r.l. was established, equally held by the two partners.
- **Memorandum of Understanding with Baykar Technologies.** Following the signature on 6 March 2025 of a Memorandum of Understanding with Baykar Technologies to cooperate in the development of unmanned systems, on 16 June 2025 an agreement was signed for the establishment of a company having equal shareholders (50% each), named LBA Systems S.r.l., with operational headquarters in Italy. The company's purpose is the design, development, production, and maintenance of new-generation unmanned aerial systems, leveraging strong technological and industrial synergies of the two partners. Leonardo will provide cutting-edge electronic systems and payloads, implement Manned-Unmanned Teaming and Swarming capabilities, and oversee qualification and certification activities. The company will operate in both the European and international market.
- **Incorporation of Nuclitalia S.r.l.** 14 May 2025 marked the incorporation of Nuclitalia Srl, whose stakes in the capital are held by Enel (51%), Ansaldo Energia (39%) and Leonardo (10%). The aim is to develop innovative nuclear power technologies, with a focus on the Small Modular Reactors (SMRs) and on state-of-the art fourth-generation reactors. Nuclitalia will play the role of reference technology and industrial hub, will preside over research, engineering and development activities of the supply chain, and promote the sale business in support of the energy transition and the national energy security.
- **Incorporation of Edgewing Ltd.** 20 June 2025 saw the establishment of Edgewing Ltd., a company invested by Leonardo, BAE Systems and Mitsubishi Heavy Industries, an industrial milestone of the Global Combat Air Programme (GCAP) to deliver sixth generation combat aircraft. The company, whose shareholders hold equal stakes (33.3% each), will guide the development of the aircraft, and will remain the design authority for the life of the product, whose in-service date is expected in 2035 and the go-out beyond 2070.
- **Acquisition of SSH Communications Security Corporation.** On 1 July 2025 Leonardo announced the acquisition of 24.55% in the capital of the Finnish company SSH Communications Security Corporation, worth of about €mil. 20. The acquisition aims to strengthen the cyber portfolio



and develop a Zero Trust European ecosystem. The transaction also entails a cooperation agreement that provides Leonardo the worldwide exclusivity, with exception of the Scandinavian countries, for the integration of the SSH solutions. The finalisation is subject to the corporate and regulatory approvals provided for by the Finnish laws.

- **Acquisition of Axiomatics AB.** On 9 July 2025 Leonardo announced the 100% acquisition of the Swedish company Axiomatics AB, specializing in authorisation management and data security systems based on the Zero Trust architecture. The transaction enables the expansion of the portfolio of Leonardo's proprietary solutions as part of the Data Centric Security and of the ABAC (Attribute-Based Access Control) model. The integration between Axiomatics' capacity with the Global Cybersecurity Platform (GCC Platform) and with Leonard's commercial network further consolidates the company industrial strategy in the northern countries and strengthens Leonard's role as an international key player in digital security in accordance with its Industrial Plan. The finalization is subject to the usual regulatory approvals.

In addition, it should be noted that on 26 May 2025 the Shareholders' Meeting approved the "2025-2027 Share Ownership Plan of Leonardo" (the "Plan"), with the purpose of strengthening the engagement and sense of belonging of the Group's resources, fostering their active participation in the long-term growth, spreading the ownership culture at all and every level, while being aligned with the Italian and foreign best practices. The Plan is divided into three annual cycles – that can be started in 2025, 2026 and 2027 – to which the employees of Leonardo Spa and of the other Group companies based in Italy, in the USA (except Leonardo DRS), in the UK and in Poland can voluntarily have access. Participants, with respect to the allocation of an individual contribution to be used for the purchase of Leonardo S.p.a.'s shares on their behalf ("Purchased Shares"), will receive free shares of Leonardo S.p.a., partially in proportion to the number of shares they have acquired ("Matching shares") and partly on a one-off basis at the time they first subscribe the Plan (the incentive will not be renewed if the employee joins more than one allocation cycle). All shares received for free are subject to a lock-up period (which in Italy lasts three years), the termination of which is subordinated to the employee continuing to maintain his/her employment relationship with Leonardo. 30 June 2025 marked the conclusion of the first period for participation in the 2025 cycle, reserved to the employees of Leonardo S.p.a. and of the Italian companies. The first free shares, together with the Purchased Shares, will be allocated in September 2025.



Financial transactions

No new transaction was carried out on the capital market during the first half of 2025. However:

- in March 2025, Leonardo S.p.a. repaid €mil. 500 of the bond issued in 2005 which had reached its natural expiry;
- in May Leonardo entirely utilized €mil. 260 Sustainability-linked financing granted by the European Investment Bank (EIB) – with a contract signed in November 2022. This 12 year-term financing, of which 4 years of pre-amortisation, is aimed to finance 50% of certain investment projects envisaged in the Leonardo Industrial Plan.

As at 30 June 2025 Leonardo SpA. had sources of liquidity for a total of about €mil. 3,620 to meet the financing needs of the Group's recurring operations, all unused at that date and broken-down as follows:

- an ESG-linked Revolving Credit Facility for an amount of €mil. 1,800, expiring on 7 October 2026;
- additional unconfirmed short-term lines of credit of about €mil. 820;
- a framework programme for the issue of commercial papers on the European market (Multi-Currency Commercial Paper Programme) for a maximum amount of €bil. 1 expiring on 2 August 2025.

Furthermore, Leonardo has unconfirmed bank lines of credit for a total of €mil. 11,704, of which €mil. 3,915 still available as at 30 June 2025.

Finally, other Group subsidiaries have the following credit facilities:

- Leonardo DRS has a Revolving Credit Facility for an amount of USDmil. 275 (€mil. 235) which was entered into at the same time as the completion of the merger with RADA, entirely unused at 30 June 2025;
- Leonardo US Corporation has short-term revocable credit lines, guaranteed by Leonardo S.p.a., for USDmil. 210 (€mil. 179), USDmil. 69 (€mil. 59) of which were used at 30 June 2025;
- Leonardo US Holding has short-term revocable credit lines, guaranteed by Leonardo S.p.a., for USDmil. 5 (€mil. 4), which were unused at 30 June 2025.

Finally, Leonardo had in place an EMTN (Euro Medium Term Note) programme, renewed for a further 12-month period in June 2025 on the Luxembourg Stock Exchange, for the possible issue of bonds on the European market for a total of €bil. 4, to which this year a similar programme for the same amount was added on the Italian Stock Exchange. At the date of this report, both programmes were still available for a total of €mil. 3,500. Outstanding bond issues are given a medium/long-term financial credit rating by the international rating agencies Moody's, Standard&Poor's and Fitch.

It should be noted that:

- in April 2025, bearing in mind the solid performance of operations achieved by Leonardo, driven by a significant volume of new orders, especially in the defence segment, the margin improvement and the growth of the Free Operating Cash Flow (FOCF), together with the expected improvement



of the credit metrics and management's commitment to keep on with a prudent financial policy and an investment grade rating, Standard&Poor's upgraded the rating of Leonardo from "BBB-" to "BBB" with "stable" outlook;

- in May 2025, based on the robust performance of operations of the Group (from the upgrade to Baa3 in May 2023), the further growth prospects for the Group in a context of increased defence spending, and a regulated financial policy accompanied by a set of actions to strengthen the core business and expand the Cyber & Security Solutions and Space divisions, Moody's confirmed the "Baa3" rating and upgraded the outlook on Leonardo from "stable" to "positive".

At the date of presentation of this report, Leonardo's credit ratings, compared to those preceding the last change, were then as follows:

Agency	Last update	Previous		Updated	
		Credit Rating	Outlook	Credit Rating	Outlook
Moody's	May 2025	Baa3	stable	Baa3	positive
Standard&Poor's	April 2025	BBB-	positive	BBB	stable
Fitch	November 2024	BBB-	stable	BBB-	positive

With regard to the impact of positive or negative changes in Leonardo's credit ratings, the only possible effects deriving from further changes, if any, to the credit ratings refer to rate margins applied to certain payables of Leonardo (Revolving Credit Facility and Term Loan).

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

At the date of this report, Leonardo S.p.a. turns out to be the Group's only issuer in the bond market. Leonardo's issuance programmes are governed by regulations laying down standard legal clauses for this type of transactions carried out by corporate entities in institutional markets, which do not require any commitment with respect to specific financial covenants, while they include, among others, negative pledge and cross default clauses. According to negative pledge clauses, Leonardo and its Material Subsidiaries (i.e. entities in which Leonardo holds more than 50% of the capital and whose gross revenues and total assets account for at least 10% of consolidated gross revenues and total assets) are specifically prohibited from creating collaterals or any other encumbrance as security for their debt comprised of bonds or financial instruments that are either listed or capable of being listed, unless these guarantees are extended to all the bondholders. This prohibition shall not apply to securitisation transactions and to any set of assets intended for specific businesses pursuant to Articles 2447-bis and ff. of the Italian Civil Code. On the contrary, cross default clauses grant the bondholders the right to request early repayment of bonds in their possession upon the occurrence of an event of default on the part of Leonardo and/or any of its Material Subsidiaries, the result of which would be their failure to make payments above the established limits.

Financial covenants are included in the ESG-linked Revolving Credit Facility and in the ESG-linked Term Loan signed in 2021 which require Leonardo to comply with two Financial ratios (the ratio of Group net debt - excluding payables to the joint ventures MBDA and Thales Alenia Space and lease liabilities /EBITDA, including amortisation of the right of use assets, must be no higher than 3.75 and the ratio of



EBITDA, including amortisation of the right of use assets / Net interest must be no lower than 3.25), tested annually based on consolidated data and which had been complied with in full at 31 December 2024. These covenants are tested annually and are included in the loan agreement with CDP of €mil. 100, as well as in all EIB loans in place (they had been used for a total amount of €mil. 685 at 30 June 2025).

In addition, the ESG-linked loans illustrated above envisaged margin adjustment clauses based on the achievement of certain indicators (KPIs) related to ESG objectives. Specifically:

- Reduction in CO2 emissions of the Group (*); such KPI is included in the RCF and in the Term Loan signed in 2021 as well as in the Sustainability-Linked Loan granted by the European Investment Bank in 2022;
- Promotion of female employment with STEM degrees; such KPI is included in the RCF and in the Term Loan signed in 2021;
- Increase in per capita computing power of the Group (**); such KPI is included in the Sustainability-Linked Loan granted by the European Investment Bank in 2022.

Financial covenants, in line with U.S. standard practices, are also provided for in bank loans granted in favour of Leonardo DRS, following its listing on the market. Also such financial ratios (Net debt / adj. EBITA no higher than 3.75 and adj. EBITA / Net interest no lower than 3.0, to be determined based on the data obtainable from the US GAAP financial statements of the Leonardo DRS Group) were largely met at the date of the last reported data.

(*) Calculated as the ratio between the intensity of emissions/revenues generated by the Group.

(**) Calculated as number of flops (Floating Point Operations Per Second)/ number of the Group employees in Italy.

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, 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						
	1H 2025	1H 2024	Var. YoY	2Q 2025 (unaudited)	2Q 2024 (unaudited)	Var. YoY
Revenues	8,919	7,985	934	4,760	4,321	439
Purchases and personnel expense	(8,049)	(7,193)	(856)	(4,257)	(3,874)	(383)
Other net operating income/(expense)	(2)	27	(29)	14	31	(17)
Equity-accounted strategic investments *	16	30	(14)	16	28	(12)
Amortisation and depreciation	(303)	(325)	22	(163)	(170)	7
EBITA (*)	581	524	57	370	336	34
ROS (*)	6.5%	6.6%	(0,1) p.p.	7.8%	7.8%	0.0 p.p.
Non recurring income (expense) *	(103)	(81)	(22)	(100)	(78)	(22)
Restructuring costs *	(10)	(17)	7	(9)	(12)	3
Amortisation of intangible assets acquired as part of Business combinations *	(36)	(36)	-	(18)	(24)	6
EBIT	432	390	42	243	222	21
EBIT Margin	4.8%	4.9%	(0,1) p.p.	5.1%	5.1%	0.0 p.p.
Net financial income (expense)	(59)	(90)	31	(24)	(46)	22
Income taxes	(100)	(111)	11	(61)	(80)	19
Net result before extraordinary transactions	273	189	84	158	96	62
Net result related to discontinued operations and extraordinary transactions	269	366	(97)	(12)	-	(12)
Net result	542	555	(13)	146	96	50
attributable to the owners of the parent	501	526	(25)	124	79	45
attributable to non-controlling interests	41	29	12	22	17	5
Earning per share (Euro)						
Basic and diluted	0.869	0.914	(0.045)	0.214	0.137	0.077
Earning per share of continuing operation (Euro)						
Basic and diluted	0.869	0.914	(0.045)	0.214	0.137	0.077
Earning per share of discontinuing operation (Euro)						
Basic and diluted	-	-	-	-	-	-

* 2024 Restated figure



CONSOLIDATED BALANCE SHEET			
€mil.	30.6.2025	31.12.2024	30.6.2024
Non-current assets	14,938	15,469	15,037
Non-current liabilities	(2,367)	(2,296)	(2,353)
Capital assets	12,571	13,173	12,684
Inventories	1,564	900	1,219
Trade receivables	3,634	3,838	3,856
Trade payables	(3,511)	(3,763)	(3,299)
Working capital	1,687	975	1,776
Provisions for short-term risks and charges	(961)	(1,018)	(986)
Other net current assets (liabilities)	(1,003)	(1,287)	(1,138)
Net working capital	(277)	(1,330)	(348)
Net invested capital	12,294	11,843	12,336
Equity attributable to the Owners of the Parent	8,999	8,990	8,306
Equity attributable to non-controlling interests	1,122	1,210	1,091
Equity	10,121	10,200	9,397
Group Net Debt	2,173	1,795	3,000
Net (assets)/liabilities held for sale	-	(152)	(61)

CONSOLIDATED CASH FLOW STATEMENT		
	1H 2025	1H 2024
€mil.		
Cash flows used in operating activities	(271)	(294)
Dividend received	238	136
Cash flow from ordinary investing activities	(375)	(344)
Free operating cash flow (FOCF)	(408)	(502)
Strategic investments	446	-
Change in other investing activities	(1)	7
Net change in loans and borrowings	(388)	(686)
Dividend Paid	(327)	(175)
Net increase/(decrease) in cash and cash equivalents	(678)	(1,356)
Cash and cash equivalents at 1 January	2,556	2,407
Exchange rate gain/losses and other movements	(62)	16
Net increase/(decrease) in cash and cash equivalents of discontinued operations	(8)	-
Cash and cash equivalents at 30 June	1,808	1,067



CONSOLIDATED GROUP NET DEBT				
	€mil.	30.6.2025	31.12.2024	30.6.2024
Bonds		505	1.029	1.009
Bank debt		1,522	1,248	1,277
Cash and cash equivalents		(1,808)	(2,556)	(1,067)
Net bank debt and bonds		219	(279)	1,219
Current loans and receivables from related parties		(251)	(330)	(276)
Other current loans and receivables		(23)	(22)	(27)
Current loans and receivables and securities		(274)	(352)	(303)
Hedging derivatives in respect of debt items		7	3	(4)
Related-party loans and borrowings		1,546	1,724	1,376
Leasing liabilities		609	641	641
Other loans and borrowings		66	58	71
Group net debt		2,173	1,795	3,000

EARNINGS PER SHARE			
	1H 2025	1H 2024	Var YoY
Average shares outstanding during the reporting period (in thousands)	576,437	575,307	1,130
Earnings/(losses) for the period (excluding non-controlling interests) (€ million)	501	526	(25)
Earnings/(losses) - continuing operations (excluding non-controlling interests) (€ million)	501	526	(25)
BASIC AND DILUTED EPS (EUR)	0.869	0.914	(0.045)
BASIC AND DILUTED EPS from continuing operations	0.869	0.914	(0.045)



1H 2025 (in Euro million)	Helicopters	Defence Electronics & Security	Cyber & Security Solutions	Aeronautics	Space	Other activities	Eliminations	Total
New orders	3,396	5,385	453	2,212	413	267	(883)	11,243
Orders backlog	15,511	18,779	1,177	9,328	1,646	307	(1,718)	45,030
Revenues	2,789	3,795	359	1,913	436	302	(675)	8,919
EBITA	202	425	29	55	17	(147)	-	581
ROS	7.2%	11.2%	8.1%	2.9%	3.9%	(48.7%)	n.a.	6.5%
EBIT	110	391	29	55	2	(155)	-	432
Amortisation	56	107	7	38	20	46	-	274
Investments	134	129	8	55	14	46	-	386
Workforce	14,559	24,405	2,795	12,062	3,937	3,507	-	61,265

1H 2024 (in Euro million)	Helicopters	Defence Electronics & Security***	Cyber & Security Solutions	Aeronautics	Space	Other activities	Eliminations	Total
New orders	3,584	4,941	427	1,442	335	247	(724)	10,252
Orders backlog (31.12.2024)	15,146	17,889	1,091	9,076	1,722	238	(1,339)	43,823
Revenues	2,425	3,377	301	1,680	399	286	(566)	7,902
EBITA*	172	363	16	94	1	(141)	-	505
ROS*	7.1%	10.7%	5.3%	5.6%	0.3%	(49.3%)	n.a.	6.4%
EBIT	170	304	(14)	90	(13)	(147)	-	390
Amortisation	47	107	6	38	22	48	-	268
Investments	132	111	4	50	8	44	-	349
Workforce**	14,479	24,071	2,754	11,846	3,867	3,451	-	60,468

* 2024 restated figure as a result of the revision of the KPI, with reference to the valuation of strategic investments.

** As of 31.12.2024

*** Figures for Orders, Revenues, EBITA, ROS, and Orders Backlog for 2024 are reported excluding the contribution of the UAS business



2Q 2025 (in Euro million)	Helicopters	Defence Electronics & Security	Cyber & Security Solutions	Aeronautics	Space	Other activities	Eliminations	Total
New orders	1,034	2,322	233	829	220	127	(408)	4,357
Revenues	1,530	1,952	191	1,067	236	157	(373)	4,760
EBITA	132	238	18	58	13	(89)	-	370
ROS	8.6%	12.2%	9.4%	5.4%	5.5%	(56.7%)	n.a.	7.8%
EBIT	41	217	18	58	4	(95)	-	243
Amortisation	31	47	4	22	10	23	-	137
Investments	67	65	5	26	9	31	-	203

2Q 2024 (in Euro million)	Helicopters	Defence Electronics & Security**	Cyber & Security Solutions	Aeronautics	Space	Other activities	Eliminations	Total
New orders	1,541	2,184	223	530	233	76	(245)	4,542
Revenues	1,340	1,764	162	911	239	143	(277)	4,282
EBITA*	118	201	8	81	3	(85)	-	326
ROS*	8.8%	11.4%	4.9%	8.9%	1.3%	(59.4%)	n.a.	7.6%
EBIT	118	152	(22)	77	(11)	(92)	-	222
Amortisation	23	50	3	18	17	25	-	136
Investments	70	65	3	27	6	26	-	197

* 2024 restated figure as a result of the revision of the KPI, with reference to the valuation of strategic investments.

** Figures for Orders, Revenues, EBITA, ROS, and Orders Backlog for 2024 are reported excluding the contribution of the UAS business

Leonardo is an international industrial group, among the main global companies in Aerospace, Defence, and Security (AD&S). With 60,000 employees worldwide, the company approaches global security through the Helicopters, Electronics, Aeronautics, Cyber & Security and Space sectors, and is a partner on the most important international programmes such as Eurofighter, JSF, NH-90, FREMM, GCAP, and Eurodrone. Leonardo has significant production capabilities in Italy, the UK, Poland, and the USA. Leonardo utilises its subsidiaries, joint ventures, and shareholdings, which include Leonardo DRS (71.6%), MBDA (25%), ATR (50%), Hensoldt (22.8%), Telespazio (67%), Thales Alenia Space (33%), and Avio (29.6%). Listed on the Milan Stock Exchange (LDO), in 2024 Leonardo recorded new orders for €20.9 billion, with an order book of €44.2 billion and consolidated revenues of €17.8 billion. Included in the MIB ESG index, the company has also been part of the Dow Jones Sustainability Indices (DJSI) since 2010.

