Our Business

Leonardo is a global high-tech company and one of the key actors in Aerospace, Defence and Security worldwide.

- Helicopters
- Aircraft
- Aerostructures
- Airborne & Space Systems
- Land & Naval Defence Electronics
- Defence Systems
- Security & Information Systems

SUBSIDIARIES AND JOINT VENTURES

- Leonardo DRS (100% Leonardo)
- Telespazio (67% Leonardo and 33% Thales)
- Thales Alenia Space (67% Thales and 33% Leonardo)
- MBDA (37.5% BAE Systems, 37.5% Airbus Group, 25% Leonardo)
- ATR (50% Leonardo and 50% Airbus Group)
- Avio (28%)
- Elettronica (31.33%)
KEY FIGURES 2017

Group Results Full Year 2017 (in €bln.)

**RESULTS 2017 in €mln.**

<table>
<thead>
<tr>
<th>Item</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>11,527</td>
</tr>
<tr>
<td>New Orders</td>
<td>11,595</td>
</tr>
<tr>
<td>Order Backlog</td>
<td>33,578</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>1,539</td>
</tr>
<tr>
<td>Workforce (no.)</td>
<td>45,134</td>
</tr>
</tbody>
</table>

**TOTAL SHAREHOLDER COMPOSITION**

- **51.8%** Institutional Investors
- **30.2%** Italian Ministry of Economy and Finance
- **17.2%** Retail Investors (Italy only)
- **0.6%** Treasury Shares
- **0.2%** Unidentified

**REVENUES**

- 47.8% Electronics, Defence and Security Systems
- 28.3% Helicopters
- 27.0% Aeronautics
- 2.9% Other Activities
- -6.0% Eliminations

**ORDER BACKLOG**

- 37.3% Aeronautics
- 35.9% Electronics, Defence and Security Systems
- 28.9% Helicopters
- 0.6% Other Activities
- -2.7% Eliminations

**NEW ORDERS**

- 53.0% Electronics, Defence and Security Systems
- 27.2% Helicopters
- 22.5% Aeronautics
- 1.9% Other Activities
- -4.6% Eliminations
About 150 countries use our products, systems and services.
Customer-Focused Culture

Every day, in each business sector, Leonardo puts its customers’ needs first in order to anticipate their requirements:

- committing to the research and the development of advanced technologies
- monitoring and improving product quality and process efficiency
- supporting products, systems, and services throughout the entire lifecycle
### Key International Cooperation Programmes

<table>
<thead>
<tr>
<th>Programme</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EUROFIGHTER TYPHOON</strong></td>
<td>Advanced air defence and superiority fighter with multi-role capabilities.</td>
</tr>
<tr>
<td><strong>F-35</strong></td>
<td>New generation multi-role fighter with advanced air-to-ground capabilities and stealth characteristics.</td>
</tr>
<tr>
<td><strong>NH90</strong></td>
<td>Medium lift, multi-role military helicopter developed from NATO Staff requirements.</td>
</tr>
<tr>
<td><strong>FREMM (European Multimission Frigate)</strong></td>
<td>New generation frigates programme developed by a joint Italian-French cooperation project.</td>
</tr>
<tr>
<td><strong>GALILEO</strong></td>
<td>European global navigation satellite system.</td>
</tr>
<tr>
<td><strong>nEUROn</strong></td>
<td>European programme for a new unmanned combat air vehicle (UCAV) with stealth capabilities.</td>
</tr>
<tr>
<td><strong>NATO-AGS (Alliance Ground Surveillance)</strong></td>
<td>NATO system for intelligence, surveillance and recognition activities.</td>
</tr>
<tr>
<td><strong>CLEAN SKY</strong></td>
<td>European research programme for the development of breakthrough technologies to increase the environmental performances of air transport.</td>
</tr>
<tr>
<td><strong>SESAR (Single European Sky ATM Research)</strong></td>
<td>European research programme for the modernisation of the air traffic management system.</td>
</tr>
</tbody>
</table>
• Design, production and management of the entire system helicopter cycle.

• Extensive range of all the main helicopter weight categories (from 1.8 to 16 tonnes).

• Dual use helicopters.

• A family of helicopters (AW139, AW169, and AW189) with the same design philosophy and the same certification and safety standards.

• Development of innovative technologies and platforms (AW609 tiltrotor and remotely controlled/optionally piloted helicopters).

• Logistic and maintenance customer support; training programmes.
AIRCRAFT

- **Military training**
  - trainer aircraft *(SF-260, M-345 HET, M-346)*;
  - *Ground Based Training System* (GBTS) for pilots and ground crew.

- **Military aircraft**
  - tactical airlifter *C-27J*, and special versions *MC-27J* and *SAR*;
  - *ATR 42/72 MP* (Maritime Patrol) and *ATR 72 ASW* (Anti-Submarine Warfare).

- **International collaborative programmes**
  - Eurofighter Typhoon, F-35 Lightning II.

- **UAS**
  - technology demonstrators *(Sky-X* and *Sky-Y)*;
  - European programmes *nEUROn* and *MALE*.

- **Regional transport aircraft**
  - *ATR 42 and 72* turboprop realised in partnership.
AEROSTRUCTURES

Large structural components in composite and traditional material for the major civil aircraft programmes in Europe and in the US:

- **Boeing**, advanced composite aerostructures for the 787 Dreamliner (2 fuselage sections and the horizontal stabilizer), 767 and 777.

- **Airbus**, aerostructures for the A380, A320 and A321.

- **ATR** (joint partnership), production of all fuselages complete with tail surfaces.
AIRBORNE & SPACE SYSTEMS

- **ISTAR solutions** (Intelligence, Surveillance, Target Acquisition & Reconnaissance), and **integrated mission systems** (such as ATOS-Airborne Tactical Observation and Surveillance).

- **Radars and sensors** *(Seaspray and Osprey* radars, based on **AESA** (Active Electronically Scanned Array) technology; **Gabbiano** radar family, with mechanically scanning array antenna.

- **Electronic warfare systems** *(BriteCloud)*.

- **On-board avionics** and **CNI** (Communication, Navigation and Identification) systems.

- **Remotely piloted** aircraft systems *(Falco family)*, **aerial target systems** and **simulation** systems.

- **Sensors and space systems** *(mission payloads, advanced robotic systems and star trackers)*.
LAND & NAVAL DEFENCE ELECTRONICS

- **C4I** (Command, Control, Communications, Computer, Intelligence) solutions for Battlefield Management, Force Protection, Border, Territory & Maritime Control.

- **Naval Combat Management System (ATHENA).**

- **Radar Systems:** multifunctional electronically scanned array systems – AESA (KRONOS), Surveillance (RAT/RAN), Air Defence (RAT), Fire Control, Precision Approach and IFF (Identification Friend or Foe) radars.

- **Optronic Systems:** thermal cameras and imaging system designed for land, naval and avionic platforms.

- **Communications systems and solutions** protected and interoperable in fixed, portable and mobile versions.

- **Integrated solutions for logistics support**
DEFENCE SYSTEMS

- **Land and naval artilleries** (small, medium and large calibre); guided and conventional **ammunition** (DART and VULCANO family) of various calibres.

- **Unmanned ground, sea and underwater vehicles.**

- **Armaments** for military helicopters and aircraft.

- **Heavy and light weight torpedoes** (Black Shark, A244 and MU90).

- **Anti-torpedo countermeasure systems** and **sonar systems**.

- **Surface and underwater protection systems** for naval platforms and **underwater surveillance systems** for ports, coastal areas and strategic sites.

- **Tracked and wheeled armoured vehicles** (VBM Freccia and Centauro) through the CIO consortium (IVECO – Oto Melara).
SECURITY & INFORMATION SYSTEMS

• **Air and Vessel Traffic** Management and Control systems.

• **Systems for security and control of the territory**, critical infrastructure, borders, major events (Milan Expo 2015).

• **Mobility solutions** to support traffic and transport in urban areas.

• Innovative **cybersecurity** solutions (e.g. NATO Computer Incident Response Capability (NCIRC) provides services to over 70,000 NATO users in 29 countries).

• **Automation systems** for sorting, handling and tracking for postal operators, couriers and airports.

• **E-Government solutions** to support digital transformation processes.
Leonardo operates in the Space sector through:

- **Telespazio** (67% Leonardo and 33% Thales).
- **Thales Alenia Space** (67% Thales and 33% Leonardo).
- **Airborne & Space Systems Division**.

Leonardo has a minority shareholding in **Avio** (space launcher and spacecraft propulsion).

**Main programmes**: Galileo, COSMO-SkyMed, Copernicus, SICRAL, ATHENA-FIDUS, Rosetta, International Space Station, ExoMars.


- The offer includes:
  - satellite manufacturing
  - orbiting infrastructures
  - design and development of space systems
  - management of satellite services
  - a wide range of high-tech **instruments**, **subsystems**, and **sensors**.
Leonardo DRS

Leonardo DRS, a US based subsidiary, is a leading supplier of integrated products, services and support to military forces, intelligence agencies and prime defence contractors worldwide.

The offer includes:

- thermal devices
- power systems and marine propulsion
- tactical communication solutions
- electronic sensor systems
- support services and integrated logistics.
MBDA

**MBDA** (37.5% BAE Systems, 37.5% Airbus Group, 25% Leonardo) is a world leader in missiles and missile systems.

The company designs and produces products that meet the full range operational needs worldwide, such as the **MARTE** medium range anti-ship missile family and the **METEOR** Beyond Visual Range air-to-air missile, meant to meet the requirements of six European nations for future air combat scenarios and capable of being integrated on Europe’s major fighter platforms (Eurofighter Typhoon, Gripen, Rafale).
**ATR**

**ATR** (50% Leonardo and 50% Airbus Group) is the most successful in the global market for regional twin-engine turboprop aircraft.

Over 1,500 aircraft sold and more than 200 operators in nearly 100 countries worldwide.

The latest version in production, known as the -600 series, features digital avionics, new interiors and reduced operational costs.

The aircraft is now available in the 50-seat version (**ATR 42**) and 70-seat version (**ATR 72**).

All fuselages, complete with tail surfaces, are built and fitted out by the **Aerostructure Division** in Italy.
Key Technologies and Capabilities

SOFTWARE
Embedded, Middleware, Cyber, Application Layer

MATERIALS
Metal, Ceramic, Composite, Coating

ELECTRONICS
Microelectronics, RF/IF, Power Electronics, Digital HW

OPTRONICS
Passive, Active

MECHANICS
Precision Mechanics, Thermal Management, Mechatronics

MODELLING & SIMULATION
Integrated Test Bed, Virtual Environments and Tools

COMPLEX SYSTEM DESIGN
Design, development and integration of complex systems

UNMANNED SYSTEMS
Artificial Intelligence, Cognitive Sensing, Autonomous Decision Software

ICT & CYBERSECURITY
Big Data and Analytics, Application Developments, Threat Intelligence, Secure Infrastructure, Protection Services

Leonardo invests 11% of revenues in Research & Development and has ongoing research projects with Italian and European universities and research centres.
## AIR CAPABILITIES

### INTEGRATED PLATFORMS

<table>
<thead>
<tr>
<th>MILITARY AIRCRAFT</th>
<th>MILITARY HELICOPTERS</th>
<th>REMOTELY PILOTED AIRCRAFT SYSTEMS</th>
<th>MISSION PLANNING</th>
<th>SIMULATORS AND BATTLE LAB</th>
<th>DEFENCE AIRCRAFT SYSTEMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Combat</td>
<td>Attack</td>
<td>Tactical</td>
<td></td>
<td></td>
<td>Air to Air</td>
</tr>
<tr>
<td>Trainer</td>
<td>Naval</td>
<td>Aerial Target</td>
<td></td>
<td></td>
<td>Air to Surface</td>
</tr>
<tr>
<td>Multi-Mission and Transport</td>
<td>Transport</td>
<td>New gen MALE and UCAV</td>
<td></td>
<td></td>
<td>Weapon Systems</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Helicopters (also optionally piloted)</td>
<td></td>
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</tr>
</tbody>
</table>

### MISSION ELECTRONICS

<table>
<thead>
<tr>
<th>AIRBORNE RADARS</th>
<th>AIRBORNE ELECTRONIC WARFARE</th>
<th>AIRBORNE ELECTRO-OPTICS</th>
<th>ISTAR MISSION SYSTEMS</th>
<th>COMMUNICATION, NAVIGATION AND IDENTIFICATION (CNI) AND DISPLAY</th>
</tr>
</thead>
</table>
LAND CAPABILITIES

INTEGRATED SYSTEMS

DISMOUNTED SOLDIER | SITE PROTECTION | BATTLESPACE MANAGEMENT | C4I SYSTEMS | AIR DEFENCE | FIGHTING VEHICLES | UNMANNED GROUND VEHICLES

GUIDED AMMUNITION | TURRETS | RADAR, OPTRONICS AND FIRE CONTROL SYSTEMS | COMMUNICATION NETWORKS AND EQUIPMENT | COUNTER IED (IMPROVISED EXPLOSIVE DEVICE) | OPERATIONS SUPPORT
MARITIME CAPABILITIES

INTEGRATED SYSTEMS

INTEGRATED NAVAL SYSTEMS
Combat System Integration
Combat Management System

MARITIME AND COASTAL SURVEILLANCE AND SECURITY

POWER AND PROPULSION (DRS)
Environmental Systems
Motors and Generators
Conversion and Distribution
Propulsion System Integration

UNMANNED SYSTEMS
USV / UUV / RUAV

NAVAL HELICOPTERS

SENSORS & EQUIPMENT

NAVAL SENSORS, SURVEILLANCE AND FIRE CONTROL SYSTEMS
Radar
Electro-Optics

NAVAL COMMUNICATIONS

UNDERWATER SYSTEMS
Torpedoes
Torpedo Carrier System
Countermeasures
Sonars

NAVAL DEFENCE SYSTEMS
Guns
Launchers
Ordnance & Ammunitions

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SPACE SOLUTIONS

SPACE SYSTEMS

Satellite Systems  |  Ground Segment  |  Space Infrastructures (International Space Station)  |  Satellite Equipment & Payloads

SPACE SERVICES

Geo Information  |  Space Operations Ground Segment  |  Satellite Operations  |  Satellite Communications

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# SECURITY AND RESILIENCE

## PHYSICAL

<table>
<thead>
<tr>
<th>Secure Professional Communications</th>
<th>Major Events</th>
<th>Air and Vessel Traffic Control Systems</th>
<th>Border Control</th>
<th>Critical Infrastructure Protection</th>
</tr>
</thead>
</table>

## LOGICAL

<table>
<thead>
<tr>
<th>Intelligence and Analytics</th>
<th>Info Assurance</th>
<th>Extensive Know-How in Cyber Security Services</th>
</tr>
</thead>
</table>

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Responsibility

We fully embrace the responsibilities that come with being a corporate citizen. We develop our business with a focus on sustainability, a key driver of our strategy; every phase of operations is informed by this, from the design to the production and support, to the impact on the end user and supply chain.

All our activities are planned with a view to the impact on the company, stakeholders, people and the environment.

Leonardo’s ability to be proactive in the processes of development defines us as a sustainable business and a socially responsible Group.

Member of DJSI since 2009-2010
Accession to CDP since 2008
THANK YOU FOR YOUR ATTENTION