



Growing in and from the UK: Partnering with our customers for future prosperity

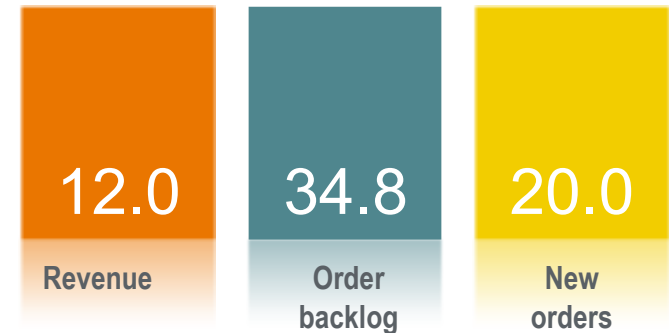
September 2017



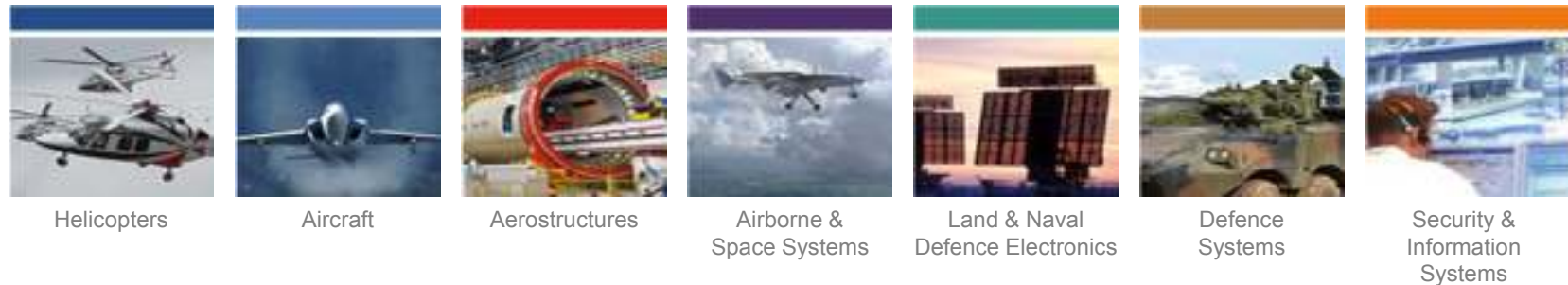
A top 10 Global Defence & Aerospace Company

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

2016 Results €bn



Divisions



Subsidiaries/Joint Ventures

DRS Technologies
100% Leonardo

Telespazio
67% Leonardo
33% Thales

Thales Alenia Space
67% Thales
33% Leonardo

MBDA
37.5% BAE Systems
37.5% Airbus Group
25% Leonardo

ATR
50% Leonardo
50% Airbus Group

Significant international presence

150+
COUNTRIES
USE OUR
PRODUCTS,
SYSTEMS AND
SERVICES

4 Domestic
Markets

ITALY



UK



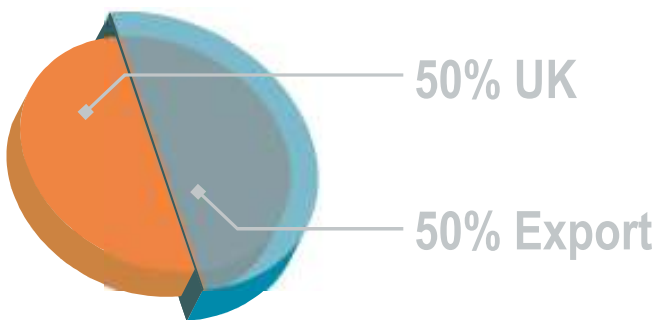
USA



POLAND



Building the UK's future



UK supply chain sustains 25,000 jobs over 1700 companies (1300 SMEs)



Major UK presence

Edinburgh

Radar, Lasers , Infra-Red Counter Measures, Electro-Optic Targeting

Luton

Defensive Aid Suites, Radar Warning Receivers, Jammers, EW Cyber, Mission Systems Integration, Satellite services, Geo-information and ground systems

Bristol

Cyber and Information Assurance, Critical Infrastructure, Training & Simulation

Yeovil

End-to-end helicopter capability

Basildon

Optronics, Defence Communications Systems, Critical National Infrastructure (CNI), Land Systems, Acoustics

Southampton

Infra-Red Detection, Defence Communications Systems, Traffic Control Systems

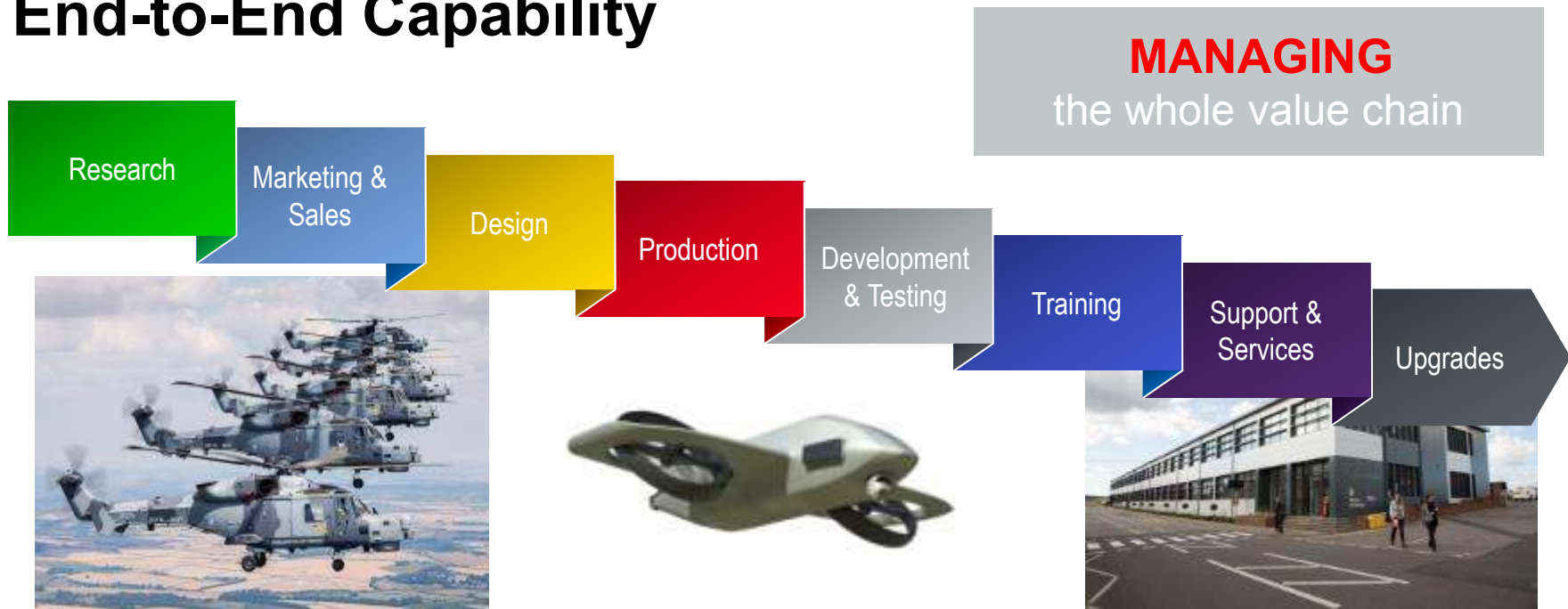




Helicopters



End-to-End Capability



Product & Capability

- Military Product Range
- Highly integrated helicopter systems
- Helicopters bespoke to customer specific requirements
- Blades and transmissions

Looking to the future...

- British Experimental Rotorcraft Programme (BERP) IV
- Active blades
- Rotary Wing Unmanned Air Systems (RWUAS)

Service & Support

- Delivery of integrated Customer Support and Training programmes
- 24 hour Fleet Operations Centre
- 350 MoD personnel based on site
- Delivering customer training at their operational bases

Over 100 years of expertise



Extensive International Support network

34
CUSTOMERS

26
COUNTRIES

501
AIRCRAFT

UK MoD

Merlin Mk2 • Merlin Mk4 • Wildcat AW159 • Sea King Mk7 • Lynx Mk9

Canada

AW101

Portugal

AW101 • Lynx Mk95

Algeria

AW101 SAR • SL300 Mk130 • SL300 Mk140 • AW101 VVIP

Turkmenistan

AW101 VVIP

Brazil

Lynx Mk21

Nigeria

AW101 VVIP

South Africa

SL300

Egypt

Sea King Mk70 • Sea King Mk72

Denmark

AW101 • Lynx Mk86

Norway

AW101 SAR • Sea King Mk43A

Belgium

Sea King Mk43B

Italy

AW101 MMI • AW101 AMI CSAR

France

Lynx Mk4

Korea

Lynx Mk99 • AW159

Germany

Lynx Mk88 • Sea King Mk41

Japan

AW101CHF • AW101MCM • AW101 TMP

Philippines

AW159

Malaysia

Lynx Mk100

Indonesia

AW101 VVIP

India

Sea King Mk42B

Oman

SL300

Pakistan

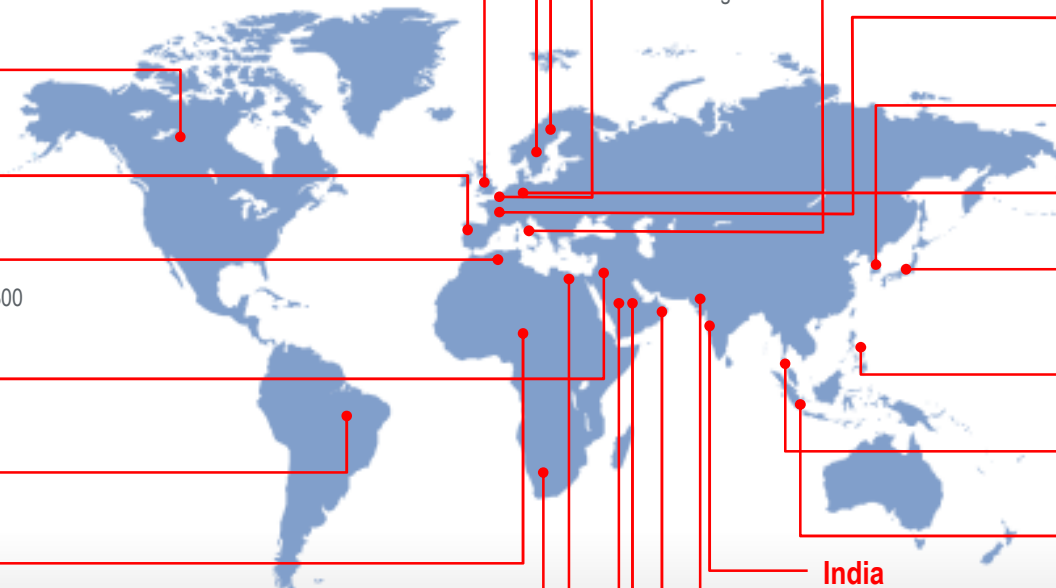
Sea King Mk45

Saudi Arabia

AW101 VVIP

Qatar

Sea King Mk74 • Sea King Mk92



Strategic Partnering with the UK MoD

Fighting Fit

Transformation Programme underway focused on delivering increased value to both the UK MoD and Export customers.

Innovation & Exploitation

Leonardo works closely with the UK MoD on the development of new capabilities for current platforms, Wildcat & Merlin and new platforms, with VTOL unmanned the principle focus through RWUAS Phase II.

Innovation & Exploitation - RWUAS Phase II

RWUAS Phase II is a jointly funded programme between Leonardo and the UK MoD to establish the requirement for a Rotary Wing UAS in both land and maritime environments and the optimum solution for a concept design.

Innovation & Exploitation - Phase III

Subject to a successful Phase II, Phase III is anticipated to see the concept design developed as a programme.

Prosperity

Strengthened approach to the export market place between Leonardo and UK Government.

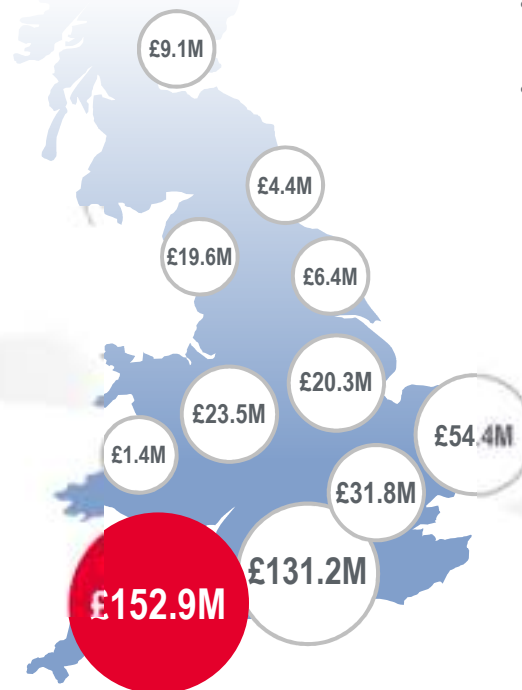
Developing the UK's Prosperity Agenda

The UK Government focus is on National Prosperity, led by increasing exports with a particular emphasis on world leading technologies.

- Spends over £450M with 815 UK supply chain of which 35% are SMEs
- £850M GVA = £66,900 per employee
- Over 17,000 jobs supported in UK
- 60 Apprenticeships and 20 Graduate training programs/year

Source: PWC report 2013

REGIONAL PROCUREMENT SPEND



- Delivers £600M of export revenues annually to the UK – approx. 10% of UK Defence Exports
- Competitive globally
- 20-25% of cost taken out of Merlin and Apache Integrated Operational Support contracts
- Export orders being won against US FMS offerings, which have very strong U.S. Government support globally





Defence Electronics, Cyber and Security



Sensing, Engaging and Protecting...

Airborne & Space Systems



Radars, Infrared Counter Measures and Lasers, Defensive Aid Suites, Electronic Support/Counter Measures and Electronic Warfare Operational Support

Land & Naval Defence Electronics



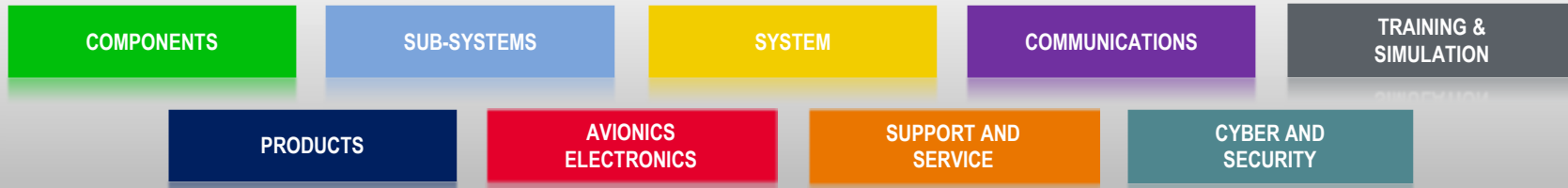
Naval Systems, Force Protection and Soldier Radios, Land Systems, Infrared Detectors, Cameras, Precision Guidance and Vehicle Mission Systems

Security & Information Systems

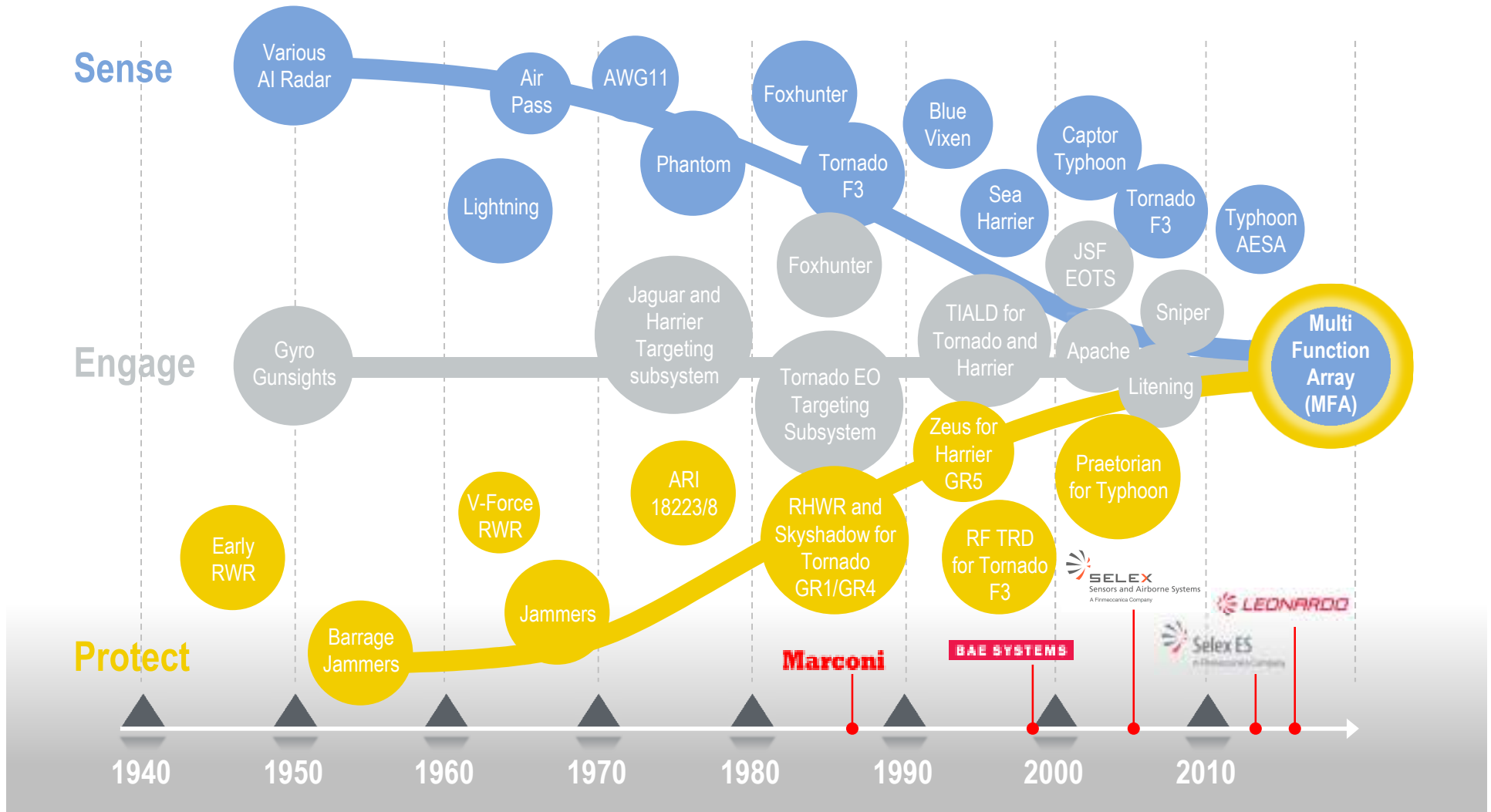


Homeland Security, Cyber Security and ICT Solutions, Traffic Control Solutions, Automation Systems

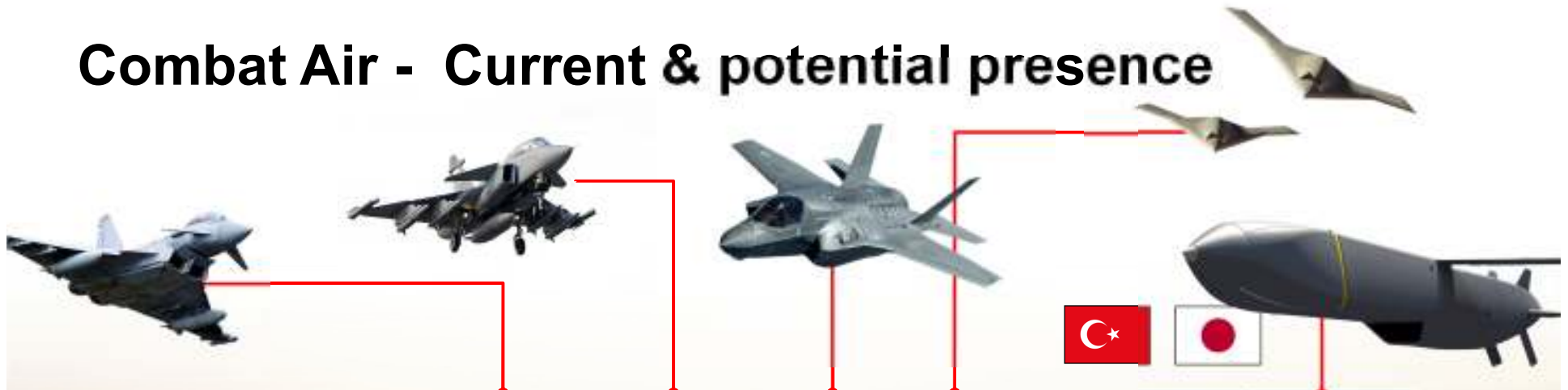
EXPERTISE ACROSS THE FULL SYSTEM SPECTRUM



Recognising the past, protecting the future...



Combat Air - Current & potential presence



| | Typhoon | Gripen | JSF | FCAS | TF-X / J-FX | Complex Weapons |
|---|---|-------------|-----------------|--|---------------|-----------------|
| Sense Radars, EW, EO | Captor M-Scan E-scan radar Praetorian ESM | Raven Radar | | Integrated multi-function system (Radar, EW, Comms., IFF, Datalink) | Radar ESM | |
| Engage Targeting & Weapon subsystems | Captor IRST | | Targeting Laser | | Radar IRST | 'EW' Seeker |
| Protect EW, Weapons | Praetorian ECM BriteCloud New jammers | BriteCloud | BriteCloud | | RF ECM | 'EW' Payloads |
| Command & Control | Computers Cockpit | | | | C2 sub-system | |
| Communicate | Radios IFF | IFF | | | | Datalink |

Partnerships to deliver excellence

BriteCloud



Dragonfire



Guardian



CIRCM



Missile Seekers



Gripen



Typhoon



TyTAN



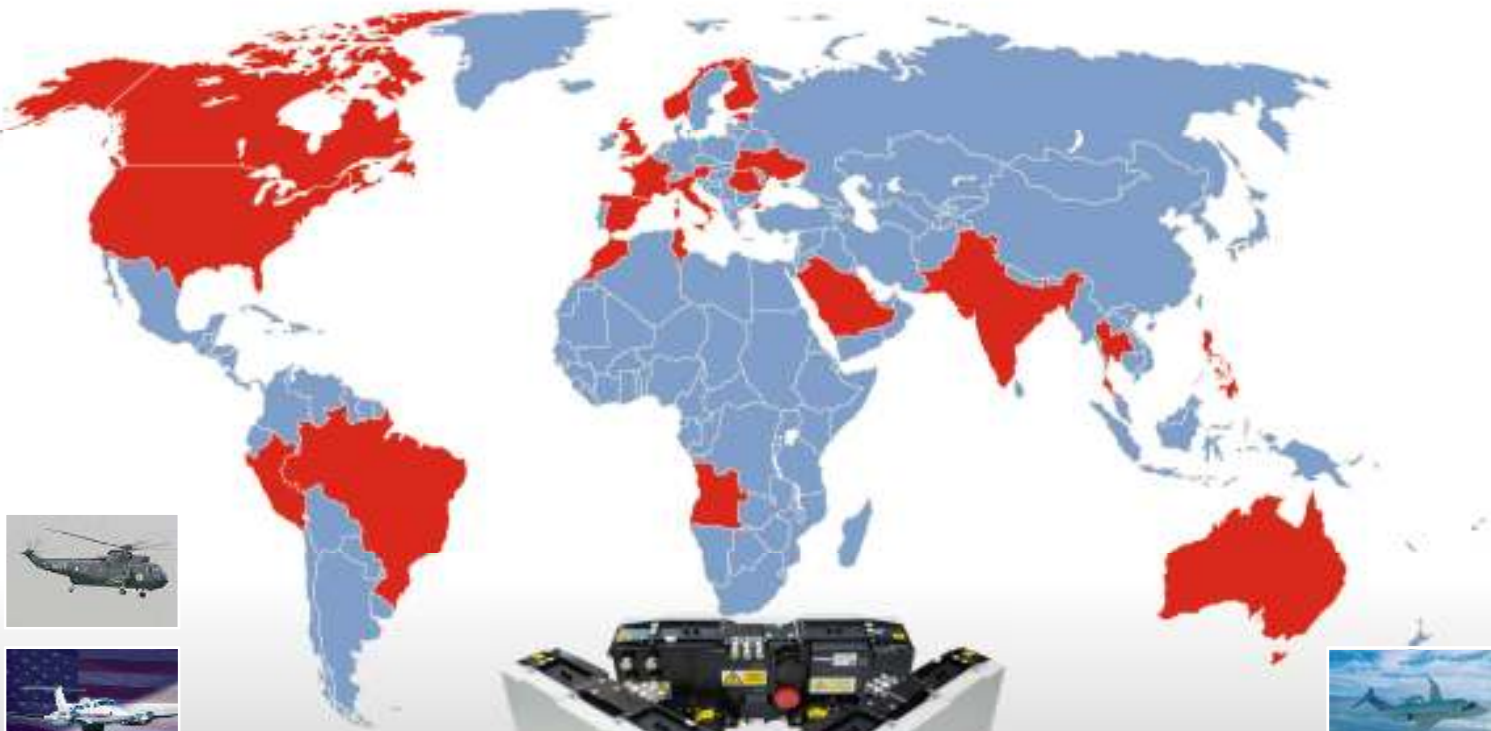
Osprey Firescout



Team Skytale



AESA Surveillance Radar



Trusted Partner for NATO's Global Cyber Defence



Leonardo leads a Consortium to deliver NCIRC's Full Operating Capability

Full Operating Capability

NCIRC Expansion Phase
20+ New Sites, Systems and Platforms Globally

Contract Renewal & Technology Refresh

2011

2012

2013

2014

2015

2016

2017

2018

2019



Conclusion



Growing in and from the UK. Partnering with our customers for future prosperity.



Intelligent Partnerships

Innovation

Targeted investment in the right skills and capabilities

Optimum solutions for UK and export customers

THANK **YOU** FOR YOUR ATTENTION

