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PRESS RELEASE

Leonardo and Hanwha Systems team in South Korea for avionics technologies

- The companies will initially work together to develop and provide avionics and mission systems for the Republic of Korea and export customers
- The partnership agreement includes an intention to explore opportunities for future collaboration in the airborne systems sector
- Leonardo is an international leader in exportable electronics for combat jets, with sensors and integrated systems equipping aircraft including the Eurofighter Typhoon and Saab Gripen-E

Seoul, 17 October 2017 – At a ceremony held during the 2017 edition of the Seoul ADEX exhibition, Leonardo has signed a Memorandum of Understanding (MoU) with Hanwha Systems, one of South Korea's leading aerospace systems manufacturers, to jointly provide avionics and mission systems for the Republic of Korea and other international customers. The agreement will initially see the two companies working together to develop and deliver targeting systems. Leonardo is contributing expertise and experience gained from fast-jet programmes such as the Eurofighter Typhoon and Saab Gripen E, where the company provides avionics systems.

As part of the teaming, Leonardo plans localise parts of sensor production with Hanwha Systems in South Korea and will help develop the company's capabilities in a number of areas of advanced technology.

Leonardo's expertise in electronics for combat jets is well established. In the field of IRST, the company provides its 'Skyward-G' system for the Saab Gripen-E jet and leads the EuroFIRST consortium to deliver the 'PIRATE' IRST sensor for the Eurofighter Typhoon. The latter has been tested extensively by the Air Forces of the United Kingdom and Italy and will be delivered for the Typhoon's newest customer Kuwait. Having invested for years in the signal processing and analysis software that is at the heart of an IRST system, Leonardo will be able to work with Hanwha Systems to deliver an effective sensor that can accurately recognise and track targets, even maintaining tracking on two separate targets that are very close together.

For EO targeting pod technology, Leonardo will bring to bear its experience providing targeting lasers for a wide range of advanced aircraft systems. This includes laser designators for the Sniper® and LITENING targeting pods and for the F-35 and Apache EO targeting systems. Worldwide, Leonardo's laser business encompasses around 75% of the global market for highenergy military lasers and this latest collaboration will translate this leadership position into a world-class electro-optical targeting system for Korea and export markets.

The agreement will expand Leonardo's already substantial activities in the Republic of Korea, which the company identifies as a strategic market. Leonardo has already had notable success in

supplying its AW159 helicopters to the Republic of Korea Navy (RoKN) to meet its maritime operational helicopter requirement. The AW159 operated by the RoKN carries Leonardo avionics such as the Helicopter Defensive Aids Suite (HIDAS), which has been extensively proven on operations with UK Armed Forces in Afghanistan, Leonardo's Seaspray 7000E active electronically scanned array (AESA) radar and the firm's latest electronic warfare equipment, called 'SAGE'. Including the AW159, approximately 50 Leonardo helicopters of various types are now in service or on order for military, parapublic and commercial roles in the Republic of Korea, including for emergency medical service, search and rescue, law enforcement, firefighting and VIP/corporate transportation.