

TAKING RESPONSIBILITY



SECURING TOMORROW FINANCIALS

Dagmar Steinert, CFO

21. November 2023

Agenda

- OUR KPIS
- OUR MID-TERM GUIDANCE
- OUR CAPITAL ALLOCATION
- OUR BALANCE SHEET AND MATURITIES



SECURING TOMORROW

Let's start with the boring part first - a new KPI approach

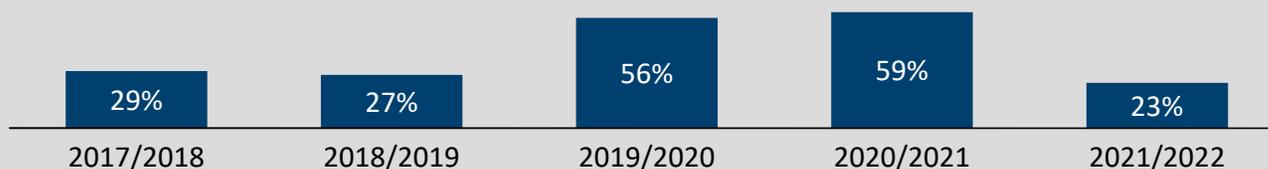
OPERATING RESULT PRE PPA

- The operating result will be reported pre PPA post Expal acquisition
- Preliminary PPA effect of €7m per month

CASH CONVERSION RATE

Cash conversion will be guided as percentage of operating result

2 years rolling cash conversion
(in % of operating result)



SECURING TOMORROW

Consolidated and adjusted income statement

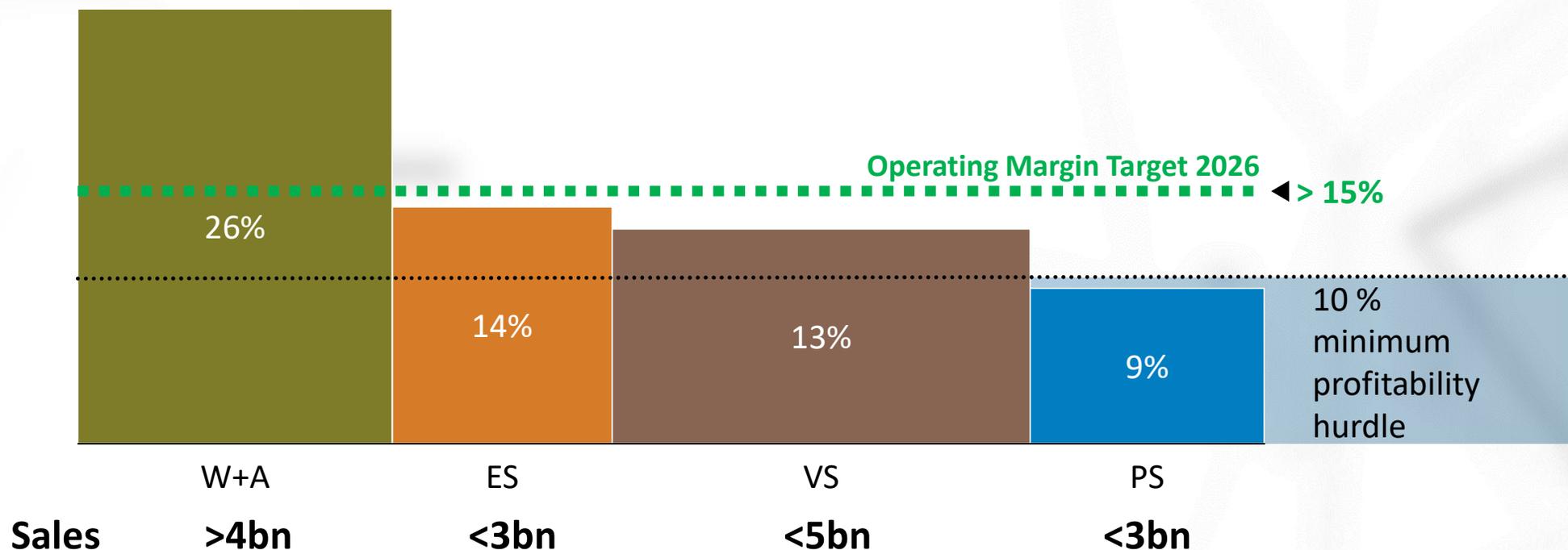
In €m	Reported	Special effects	PPA effects	Adjusted
Sales	4,618			4,618
Total operating performance	5,336			5,336
Cost of materials	2,761			2,761
Gross profit	2,576			2,575
Other operating income	96			96
Personnel costs	1,502			1,502
Depreciation and amortization	205		21	184
Other operating expense	573			573
Other financial result	-6	2		-4
EBIT	364	2	21	387 Operating result pre-ppa
EBT	316	2	21	339
EPS	4.73	0,04	0,35	5.12

SECURING TOMORROW

Mid-term guidance drill-down

Operating result by Division

(in €, in %)

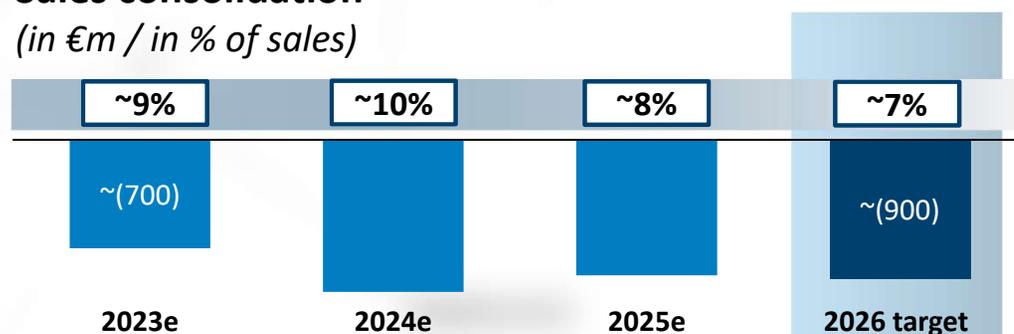


SECURING TOMORROW

Successfully structuring growth

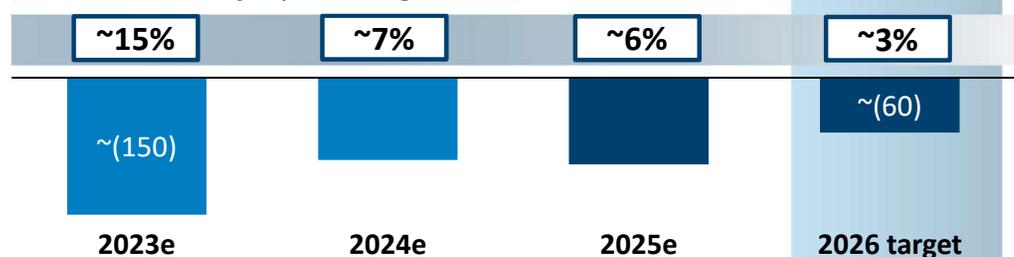
Sales consolidation

(in €m / in % of sales)



Operating result consolidation

(in €m / in % of operating result)



Increased consolidation driven by growing structures

- ➔ Growth momentum reflected in higher sales consolidation
- ➔ Intra-divisional projects continuing to increase
- ➔ IT transformation ongoing

SECURING TOMORROW

Diversified capital allocation continues

Capex



- Supporting growth with **peak in 2024** and then gradually return to 5% level

M&A



- **Fire power** remains **high** with focus on continued **portfolio optimization** and **strategic acquisitions**

Debt Leverage



- Setting **leverage targets** and maintaining our **investment grade rating**

Dividend



- **Payout ratio of 35-40% of net income before PPA**

Buyback

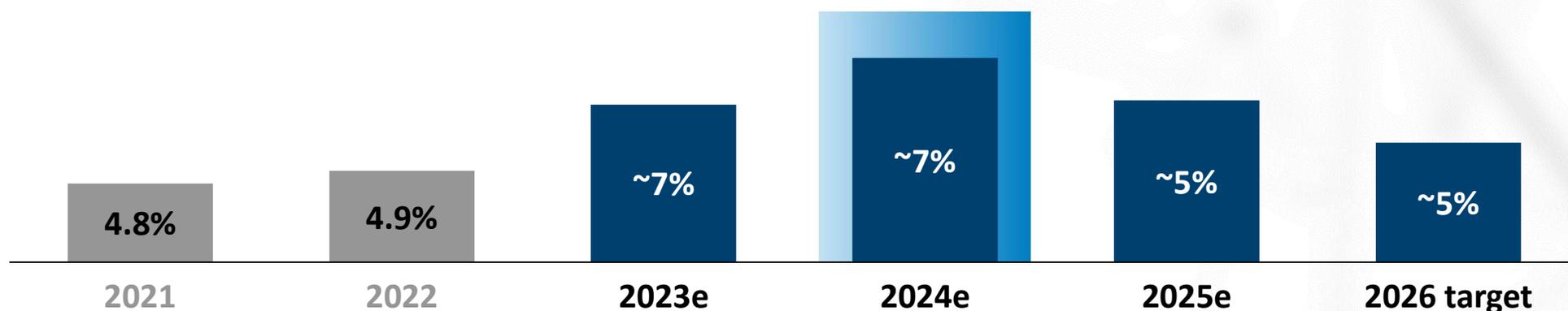


- **Renewal of the authorized capital at AGM 2024**

SECURING TOMORROW

Capex peak in 2024 to support our strong growth trajectory

Top 2024 projects	Vehicle Systems	Weapon and Ammunition	Electronic Solutions	Power Systems	Non-Divisional
	<ul style="list-style-type: none"> ▪ Hungary ▪ Panther ▪ Vienna 	<ul style="list-style-type: none"> ▪ Expal ▪ Hungary ▪ Aschau ▪ South Africa 	<ul style="list-style-type: none"> ▪ F-35 ▪ Panther 	<ul style="list-style-type: none"> ▪ Logistic centre ▪ Invent 	<ul style="list-style-type: none"> ▪ IT



SECURING TOMORROW

M&A with focus on strategic acquisitions and portfolio optimization



SECURING TOMORROW

We feel comfortable with our current leverage ratio

Equity ratio:

>30%
(29.6%)

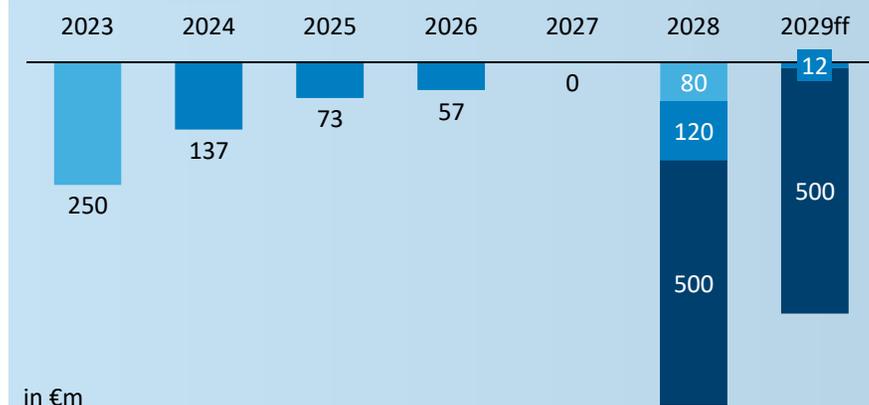
Net debt / Ebitda:

< 3
(1.95)

Investment Grade rating:

Baa2 stable outlook
(Moody's)

Maturity profile ¹⁾



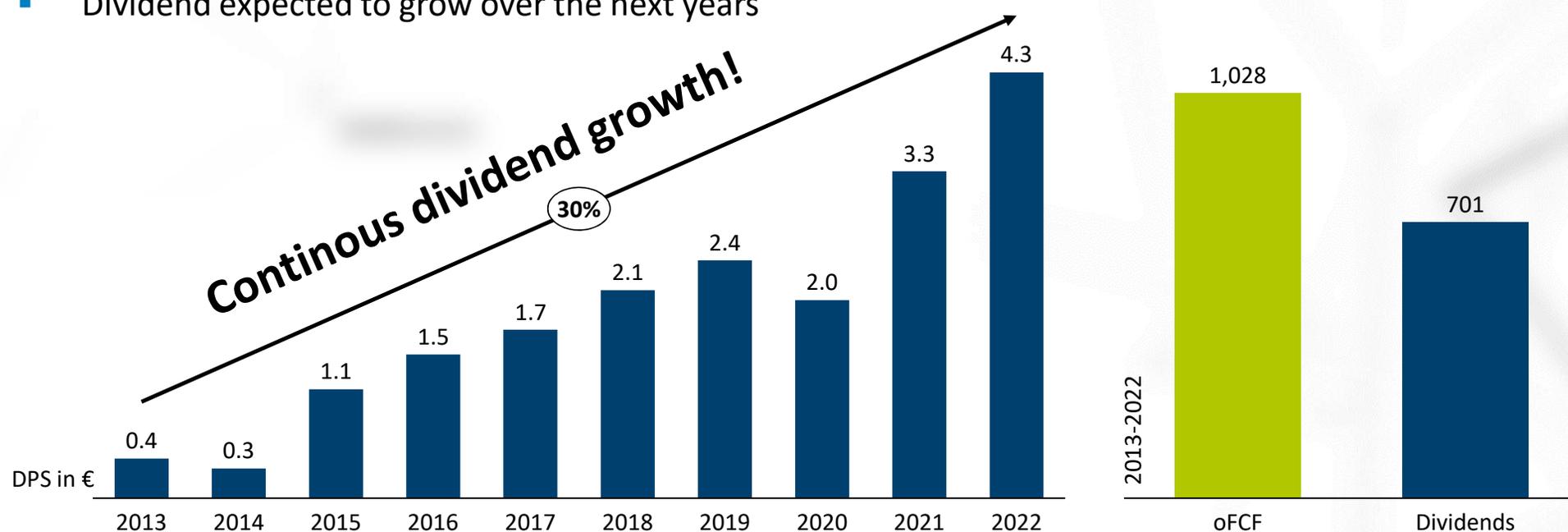
in €m

- ➔ We feel comfortable with 30% + equity ratio
- ➔ We want to maintain our investment grade
- ➔ Our balance sheet remains strong with undrawn credit lines of €900m
- ➔ Long-term maturity profile

SECURING TOMORROW

Almost 70% of our oFCF paid out to shareholders over the last decade

- Increase of payout ratio to at least 35-40% of net income (before PPA)
- Continued shareholder value creation
- Dividend expected to grow over the next years



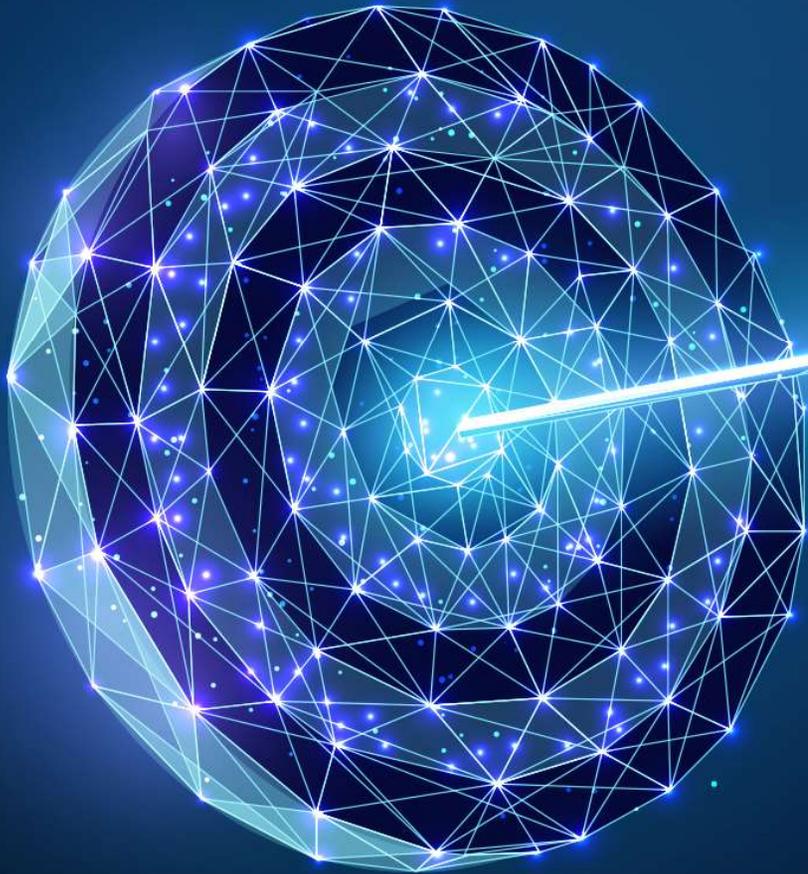
SECURING TOMORROW

Share buyback remains on the agenda

New authorization on the agenda for the **AGM 2024** in order to strengthen the instrument **share buyback** in the future

SECURING TOMORROW

Key Messages



- **Strong book to bill ratio >1**
- **Backlog coverage secured**
- **Financials to support growth in place**
- **Enough fire power for additional M&A**
- **Continued shareholder value creation**

Time for a short lunch break...



SECURING TOMORROW

Our new financial Group targets 2026 are...

Growth continues Sales target	13-14 €bn
Improved profitability Operating margin target*	>15%
CASH CONVERSION RATE Cash flow to operating result*	>50%

...we will continue in 60 minutes

Disclaimer

This presentation contains “forward-looking statements” within the meaning of the US Private Securities Litigation Reform Act of 1995 with respect to Rheinmetall’s financial condition, results of operations and businesses and certain of Rheinmetall’s plans and objectives. These forward-looking statements reflect the current views of Rheinmetall’s management with respect to future events.

In particular, such forward-looking statements include the financial guidance contained in the outlook.

Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as “will”, “anticipates”, “aims”, “could”, “may”, “should”, “expects”, “believes”, “intends”, “plans” or “targets”. By their nature, forward-looking statements are inherently predictive, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. In particular, such factors may have a material adverse effect on the costs and revenue development of Rheinmetall. Further, the economic downturn in Rheinmetall’s markets, and changes in interest and currency exchange rates, may also have an impact on Rheinmetall’s business development and the availability of financing on favorable conditions. The factors that could affect Rheinmetall’s future financial results are discussed more fully in Rheinmetall’s most recent annual and quarterly reports which can be found on its website at www.rheinmetall.com.

All written or oral forward-looking statements attributable to Rheinmetall or any group company of Rheinmetall or any persons acting on their behalf contained in or made in connection with this presentation are expressly qualified in their entirety by factors of the kind referred to above. No assurances can be given that the forward-looking statements in this presentation will be realized. Except as otherwise stated herein and as may be required to comply with applicable law and regulations, Rheinmetall does not intend to update these forward-looking statements and does not undertake any obligation to do so.

This presentation does not constitute an offering of securities or otherwise constitute an invitation or inducement to any person to underwrite, subscribe for or otherwise acquire or dispose of securities in Rheinmetall AG or any of its direct or indirect subsidiaries.

Rheinmetall AG and its affiliates are neither associated with nor provide any support to American Depository Receipts programs (ADR) or comparable offerings or investment schemes related to shares in Rheinmetall AG in the United States of America or any other jurisdiction. Therefore, neither Rheinmetall AG nor any of its affiliates has and or will accept any responsibility or liability whatsoever in relation to such ADR programs or comparable investment schemes.

Please note that all figures in this presentation have been rounded on a standalone basis. This can result in minor differences when adding figures together or calculating % shares.