

# HENSOLDT

## FY 2023 Preliminary Results – Analyst & Investor Presentation

Taufkirchen, 23<sup>rd</sup> of February 2024

Thomas Müller, CEO

Oliver Dörre, designated CEO

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# We have fully delivered on our FY 2023 guidance

	2023 preliminary	Change vs 2022	vs guidance
<b>Book-to-bill ratio<sup>(1)</sup></b>	1.1x	-0.1x	
<b>Revenue</b>	€1,847m	+16% in core revenue	
<b>Adjusted EBITDA<sup>(2)</sup></b>	€329m	+€37m	
<b>Adjusted EBITDA margin<sup>(3)</sup></b>	19.9%	-0.5%-point	
<b>Adjusted pre-tax unlevered FCF<sup>(4)</sup></b>	€259m	+€40m	
<b>Net leverage <sup>(5)</sup></b>	0.2x	-	-
<b>Net leverage before capital raise<sup>(6)</sup></b>	0.9x	-0.3x	

(1) Book-to-Bill ratio is defined as order intake / reported revenue for the relevant period, (2) Adjusted EBITDA is defined as EBIT adjusted for depreciation and amortization (including effects on earnings from purchase price allocations), as well as certain special items relating to transaction costs, OneSAPnow-related special items and other special items. (3) Excl. pass-through revenue, (4) Adjusted pre-tax unlevered free cash flow is defined as free cash flow adjusted for special items as well as interest, income tax and M&A activities. The free cash flow is defined as sum of the cash flows from operating and investing activities as reported in the Consolidated Statement of Cash Flow. (5) Net leverage including lease liabilities, excluding pensions. (6) Net leverage before capital raise for acquisition of ESG.

# Key Strategic Achievements 2023



Visit of chancellor Scholz to our Ulm site in January



Admission to MDAX in March



Oliver Dörre nominated to succeed Thomas Müller as CEO



Signing of ESG acquisition in December 2023

# Key orders received in 2023 – Sensors segment



**TRML-4D radars**



TRML-4D radars for Ukraine,  
Germany and Baltic states  
~ €350m



**NNbS**



Radars for short and very short  
range air defence system  
~ €280m  
(booked in January 2024)



**EF MK1 re-baselining**



Additional features  
required by customer  
~ €100m



**FCAS**



Demonstrator Phase 1B and  
R&D for national capabilities  
~ €70m



**TRS-4D radars**



TRS-4D radars for  
Taiwan and Indonesia  
~€40m



# Key orders received in 2023 – Optronics segment



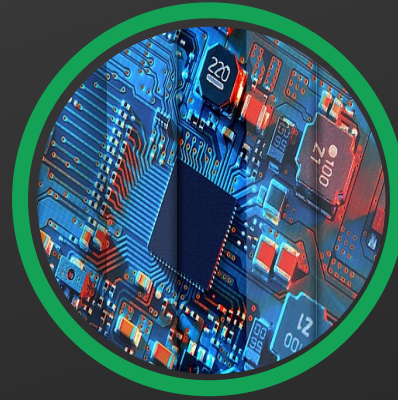
## Puma IFV

Sights and self-protection  
for Puma 2<sup>nd</sup> batch  
and Puma retrofit  
~ €160m



## Leopard 2 MBT

Leopard 2 Optronics  
for Norway, Sweden and  
Germany  
~ €90m



## Final Focus Metrology

Next generation of high  
precision measurement  
technology FFM  
~ €45m



## Ula class submarine

Periscopes and  
Optronic Mast Systems  
for Norwegian submarines  
~ €40m

# German defence spending consists of three components

## Regular Defence Budget

**~52**

EUR billion  
in 2024

## Special Fund

**~20**

EUR billion  
in 2024

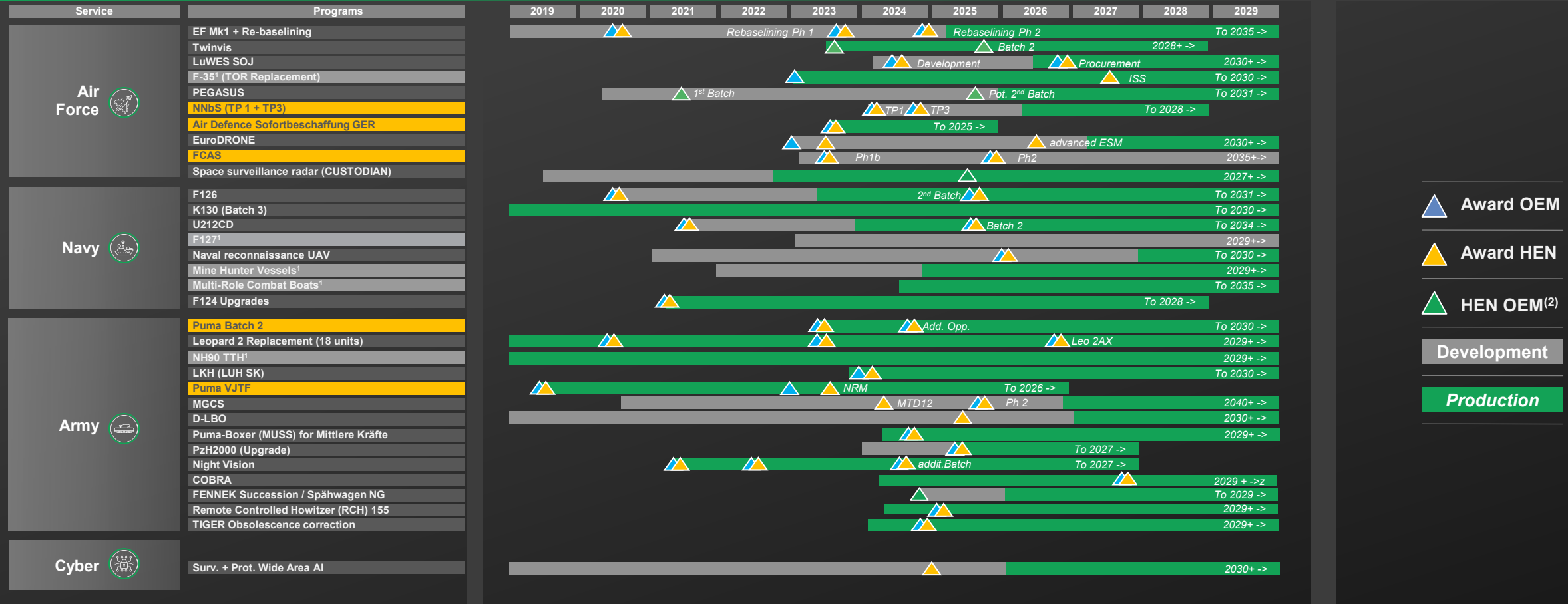
## Military support for Ukraine

**~8**

EUR billion  
in 2024

**German defence spending at historic high with more than 2% of GDP in 2024**

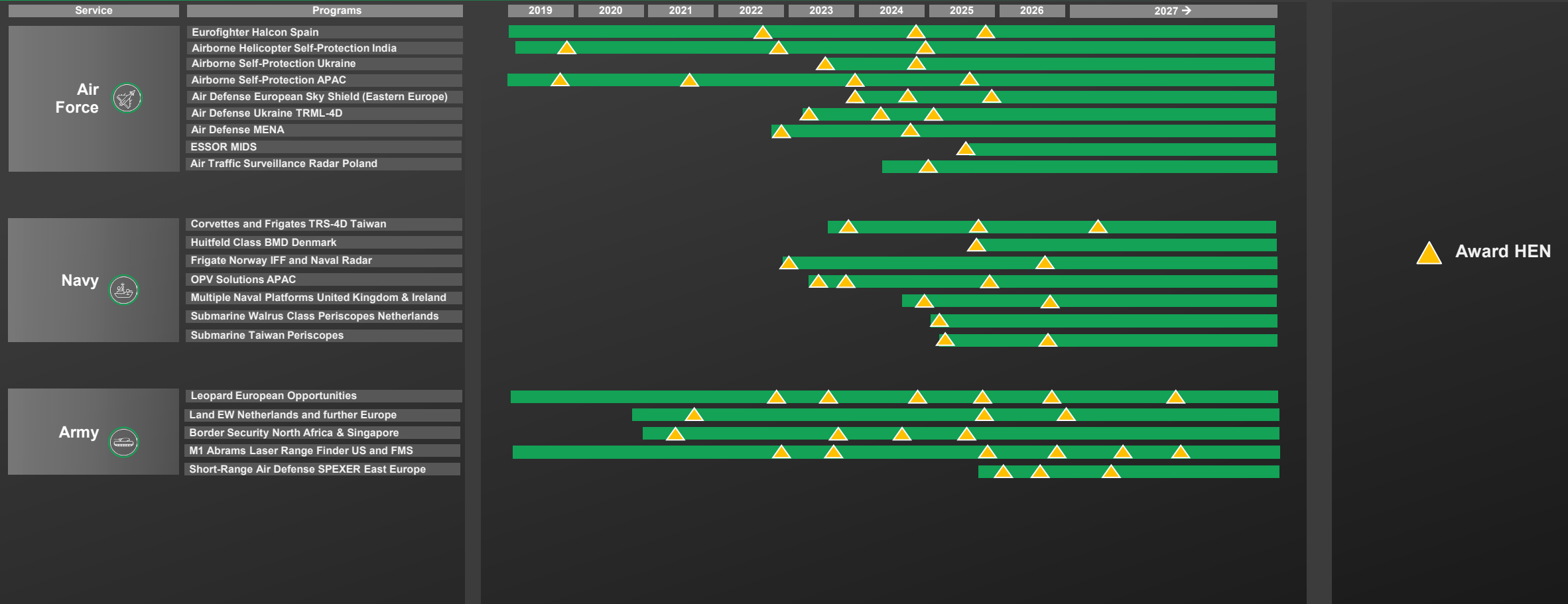
# Domestic German position strong and broad



Source: Renaissance Strategic Advisors, Bundeswehr, HENSOLDT AG. Note: All based on current estimates and subject to change. (1) No Award/no order intake planned for HENSOLDT yet; (2) Original equipment manufacturer



# International program landscape



Source: Renaissance Strategic Advisors, Bundeswehr, HENSOLDT AG. Note: All based on current estimates and subject to change.

# Top orders expected in 2024



## Air defence radars

TRML-4D and Spexer radars  
within ESSI and beyond  
> €350m



## Eurofighter

Radars and self-protection  
systems for Eurofighter  
~ €300m



## Armoured vehicles

Optronics and self-protection  
systems for Leopard 2,  
Boxer etc.  
> €200m



## Airborne self-protection

Self-protection systems for  
Germany, Ukraine, India, and  
other export customers  
> €150m



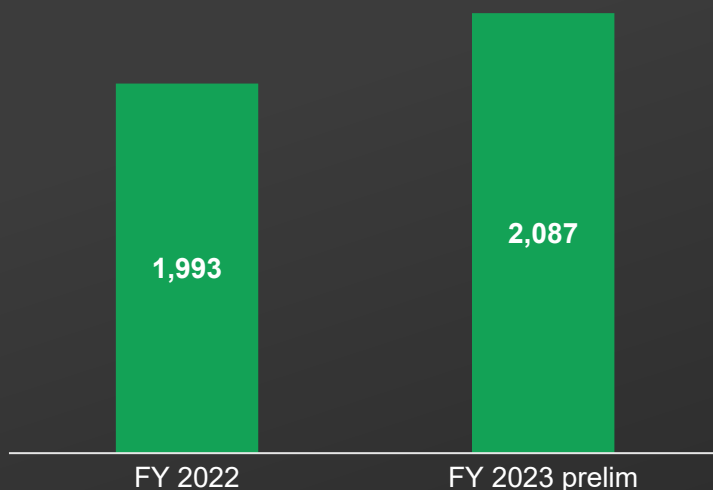
# HENSOLDT

## Financials

# FY 2023 – excellent performance in top line

in €m

## Order intake in line with guidance

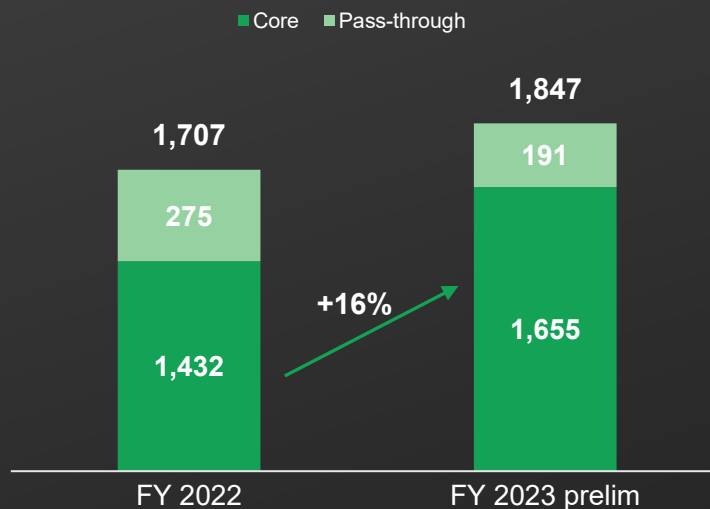


### Order intake<sup>(1)</sup>

Order intake driven by strong baseline business, TRML-4D radars, systems for PUMA and Leopard 2 platforms and Eurofighter MK1

Well balanced between Germany and Europe

## Significant increase of core revenue

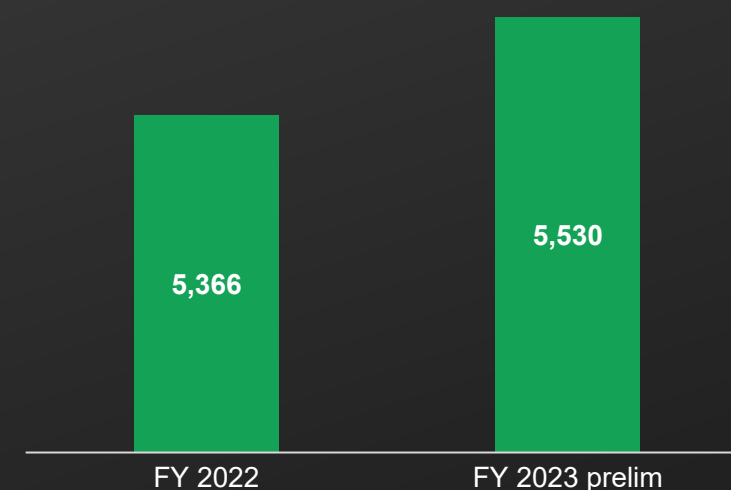


### Revenue

Excellent development driven by Sensors segment  
Key programs Eurofighter MK1 & PEGASUS on track

Strong growth of baseline business

## Order backlog further increased



### Order backlog<sup>(2)</sup>

Book-to-bill ratio at 1.1x per FY 2023  
Strong order backlog provides excellent visibility

(1) Order intake shows the future revenue potential from orders where a contract becomes effective and enforceable. (2) Order backlog is defined as the value of the order book as of the respective reporting date by recording customer orders starting with the opening backlog, taking into account revenue and adjustments for the respective reporting period, and ending with the ending backlog.

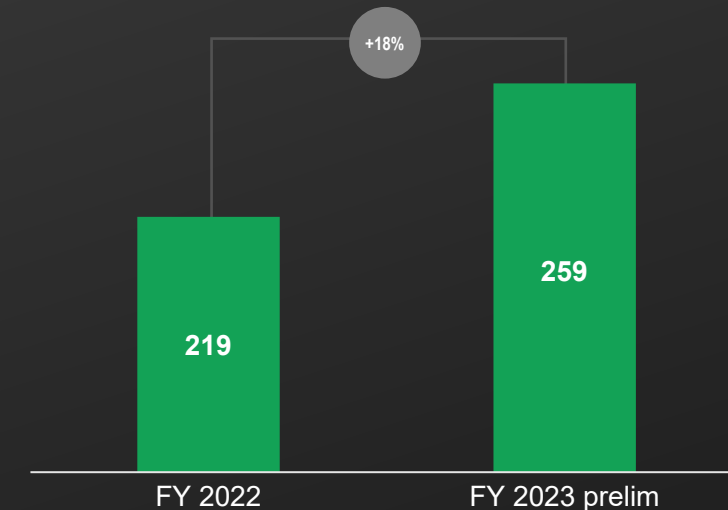
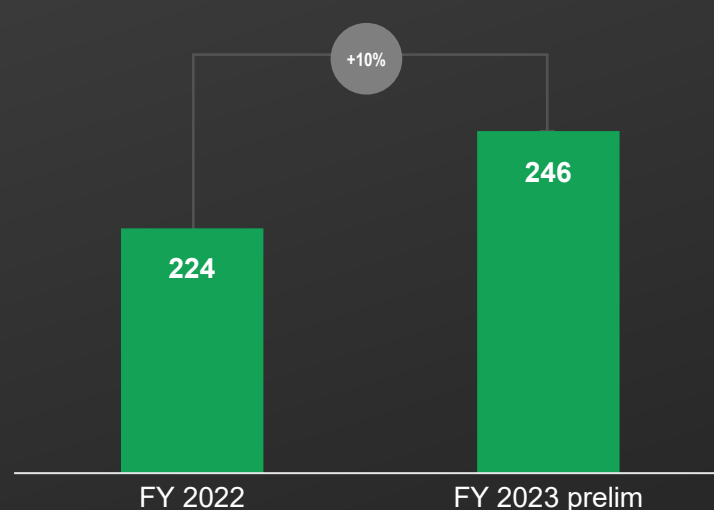
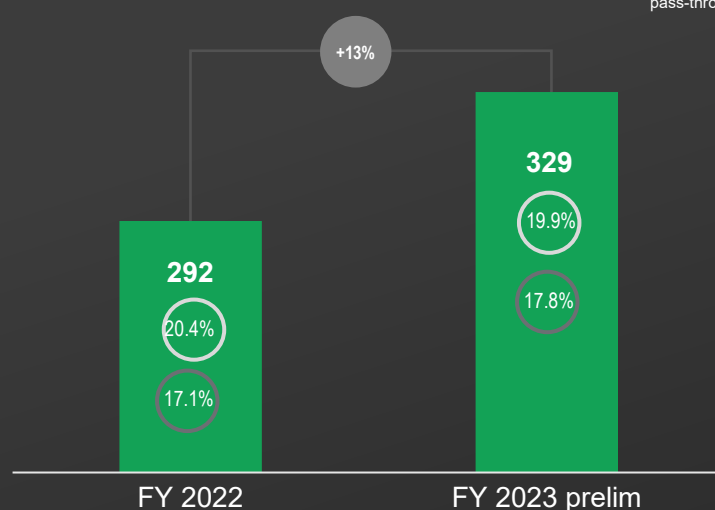
# FY 2023 – strong growth in bottom line

in €m

## Profitability outperforms guidance

## Cash conversion exceeds guidance

○ Core margin excluding pass-through revenue  
○ Reported margin



Adj. EBITDA<sup>(1)</sup>

Adj. EBIT<sup>(2)</sup>

Adj. pre-tax unli. FCF<sup>(3)</sup>

Profitability is driven by higher volumes supported by economies of scale partly offset by investment in growth and product portfolio

Margin increased due to growth of core business

High cash generation from operating activities supported by achievement of major milestones

Continuous investments in working capital to support upcoming growth

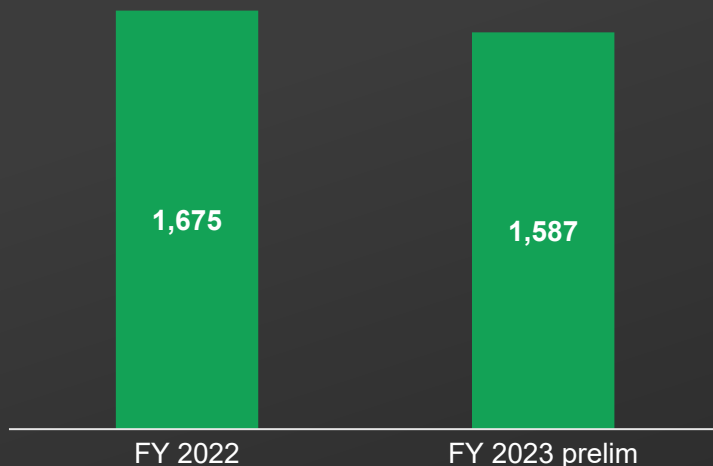
(1) Adjusted EBITDA is defined as EBIT adjusted for depreciation and amortization (including effects on earnings from purchase price allocations), as well as certain special items relating to transaction costs, OneSAPnow-related special items as well as other special items. (2) Adjusted EBIT is defined as EBIT adjusted for certain special items relating to effects on earnings from purchase price allocations, transaction costs, OneSAPnow-related special items as well as other special items. (3) Adjusted pre-tax unlevered free cash flow is defined as free cash flow adjusted for special items as well as interest, income tax and M&A activities. The free cash flow is defined as sum of the cash flows from operating and investing activities as reported in the Consolidated Statement of Cash Flow.



# FY 2023 – Sensors segment

in €m

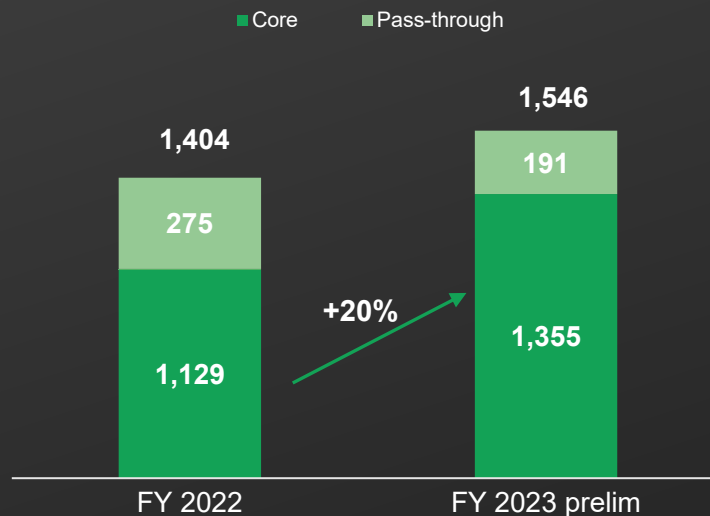
## Strong order intake



### Order intake<sup>(1)</sup>

Order intake at very high level driven by TRML-4D, EF MK1 re-baselining and FCAS

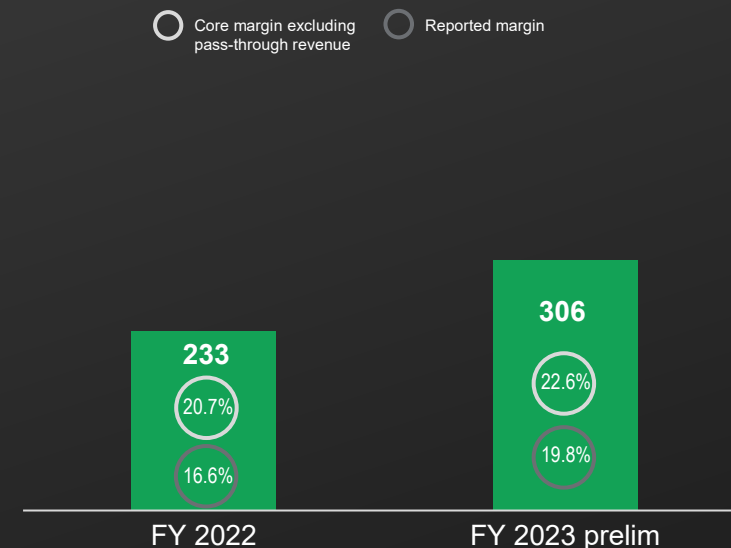
## Significant increase of core revenue



### Revenue

Considerable growth of baseline business  
Main revenue drivers are key programs Eurofighter and PEGASUS as well as TRML-4D radars

## Excellent margin performance



### Adj. EBITDA<sup>(2)</sup>

Higher volumes and economies of scale drive absolute margin uplift

(1) Order intake shows the future revenue potential from orders where a contract becomes effective and enforceable. (2) Adjusted EBITDA is defined as EBIT adjusted for depreciation and amortization (including effects on earnings from purchase price allocations), as well as certain special items relating to transaction costs, OneSAPnow-related special items as well as other special items.

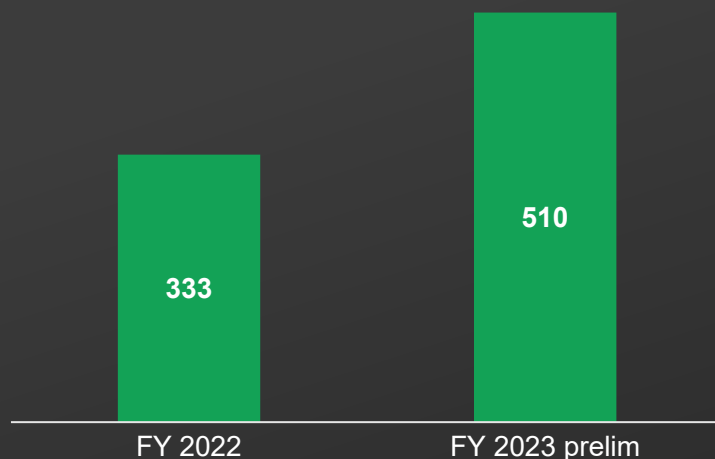
# FY 2023 – Optronics segment

in €m

## Significant increase of order intake

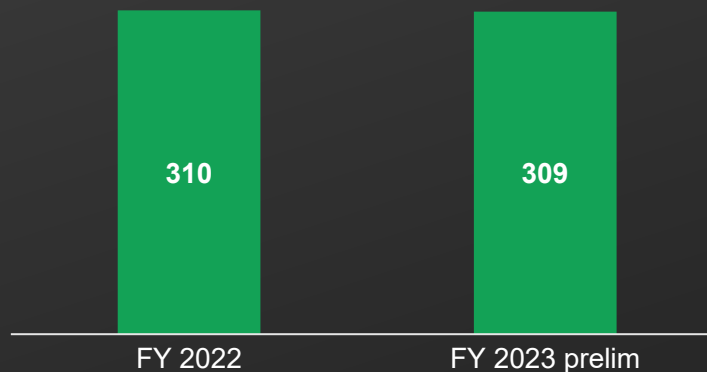
## Revenue follows OI development

## Investments in digitalization and growth



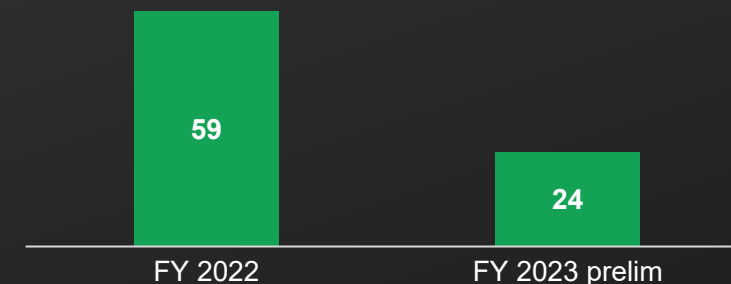
**Order intake<sup>(1)</sup>**

Main order intake drivers are PUMA 2nd batch and retrofit, Leopard 2 MBT, Ula class submarine optronics for Norway and FFM (High performance optics)



**Revenue**

Main drivers are FFM, M1 Abrams laser rangefinder as well as periscopes and optronic mast systems for submarines



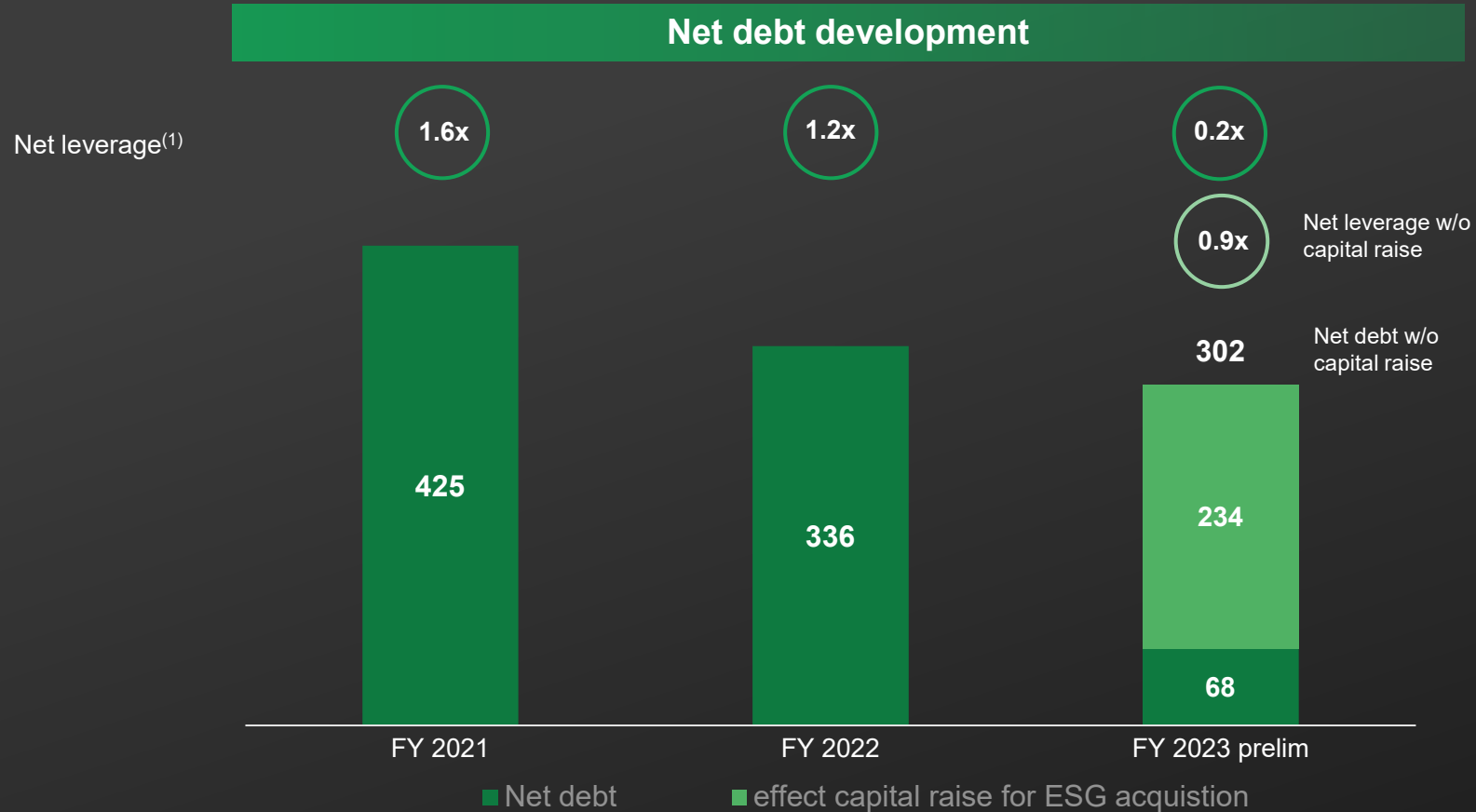
**Adj. EBITDA<sup>(2)</sup>**

Margin impacted by ramp-up of production and investments in digitalization of portfolio

(1) Order intake shows the future revenue potential from orders where a contract becomes effective and enforceable. (2) Adjusted EBITDA is defined as EBIT adjusted for depreciation and amortization (including effects on earnings from purchase price allocations), as well as certain special items relating to transaction costs, OneSAPnow-related special items as well as other special items.

# Deleveraging from FY 2021 to FY 2023

in €m



- Deleveraging on track
- Continuous improvement of net leverage
- Strong cash flow generation in Q4/2023
- High visibility of financing cost due to hedging of 3 months EURIBOR

(1) Net leverage including lease liabilities, excluding pensions. (2) Includes Non-current financing liabilities, Other non-current financial liabilities, Current financing liabilities and Other current financial liabilities.

# Dividend proposal 2023



Guidance outlines  
a dividend  
of up to **30% - 40%**  
of adjusted net income 2023



Adjusted net income of  
**€119m** preliminary



Due to the excellent business  
development, the management board  
intends to propose to the **supervisory  
board and the AGM** a dividend per  
share of **€0.40**

# 2024 preliminary guidance specified – *before ESG acquisition*

	2024 preliminary guidance <sup>(5)</sup>
Book-to-bill ratio	1.1 - 1.2x
Revenue growth <sup>(1)</sup>	~2 bn€ with stronger growth in core revenue excl. pass-through
Adjusted EBITDA margin <sup>(2)</sup>	19% - 20% before pass-through revenue
Adjusted FCF <sup>(3)</sup>	~50% conversion on adjusted EBITDA
Adjusted pre-tax unlevered FCF <sup>(4)</sup>	70% - 80% conversion on adjusted EBITDA
Dividend	30% - 40% of adjusted net income

➔ Switch of guidance KPI from Adjusted pre-tax unlevered FCF to Adjusted FCF but financial performance unchanged

(1) Average share of pass-through revenue of total revenue was ~9% between 2020A and 2023E; pass-through share of total revenue is expected to be in the mid single-digit percentage range between 2024E and 2026E. (2) Adjusted EBITDA margin excluding certain special items relating to transaction costs, OneSAPnow-related special items and other special items. (3) Adjusted Free Cash Flow is defined as free cash flow excluding certain special items as well as M&A activities. (4) Adjusted pre-tax unlevered free cash flow is defined as free cash flow adjusted for special items as well as interest, income tax and M&A activities. (5) excluding contributions from the ESG acquisition which is likely to be closed (=first time consolidation) around end of Q1 2024; the 2024 guidance will be updated upon first-time consolidation of ESG and will then also include the ESG acquisition; for details on ESG, see slides 20 and 21 below.



# Updated preliminary medium term guidance – *before ESG acquisition*

	Previous medium term target	New medium term target
<b>Order intake</b>	Orders to grow significantly faster than revenue	Orders to grow significantly faster than revenue
<b>Revenue growth<sup>(1)</sup></b>	<b>10%</b> average annual growth	<b>10%<sup>(5)</sup></b> average annual growth
<b>Adjusted EBITDA margin<sup>(2)</sup></b>	<b>&gt;19%</b> before pass-through revenue	<b>19% - 20%</b> before pass-through revenue
<b>Adjusted FCF<sup>(3)</sup></b>	n/a	<b>50% - 60%</b> average conversion on adjusted EBITDA
<b>Adjusted pre-tax unlevered FCF<sup>(4)</sup></b>	70% - 80% average conversion on adjusted EBITDA	70% - 80% average conversion on adjusted EBITDA
<b>Dividend</b>	<b>30% - 40%</b> of adjusted net income	<b>30 - 40%</b> of adjusted net income

(1) Average share of pass-through revenue of total revenue was ~9% between 2020A and 2023E; pass-through share of total revenue is expected to be in the mid single-digit percentage range between 2024E and 2026E. (2) Adjusted EBITDA margin excluding certain special items relating to transaction costs, OneSAPnow-related special items and other special items. (3) Adjusted Free Cash Flow is defined as free cash flow excluding certain special items as well as M&A activities; (4) Adjusted pre-tax unlevered free cash flow is defined as free cash flow adjusted for special items as well as interest, income tax and M&A activities. (5) excluding material M&A

# Re-cap ESG

Strong growth and cash flow profile (IFRS, €m 2023E)		
Revenue	~€330m	Low double-digit annual growth
EBITDA	~14% margin	<1.5% maintenance capex <sup>(3)</sup>
Seasonal profile 2024	<ul style="list-style-type: none"><li>▪ More balanced revenue profile than HENSOLDT organic</li><li>▪ Cash profile heavily Q1 weighted</li></ul>	

Significant growth opportunity driven by 5-year pipeline of ~€5bn<sup>(2)</sup>

(1) For further details on the ESG acquisition see the presentation for the analyst call on 6 December 2023 which is available on our website. (2) Unweighted pipeline for 2024-28E. (3) % of revenue

# ESG acquisition - Compelling strategic rationale for combination

## Attractive business...



State-of-the-art innovation, software engineering and system integration capabilities



Trusted partner to the German Armed Forces and international allies



MDO<sup>(1)</sup> enabler with cross-domain and cross-divisional capabilities



Proven management leading large, highly skilled engineering workforce



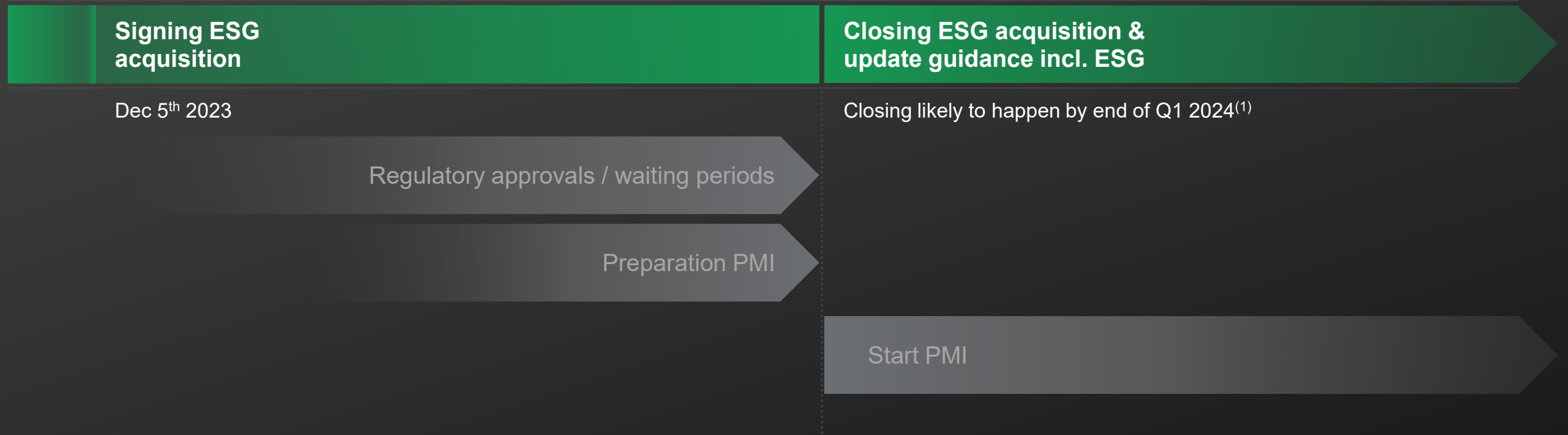
High growth with strong outlook from order backlog and large pipeline

## ...Even stronger together

- Highly complementary expansion of integrated sensor solutions offering
- Transformed innovation capacity for battlefield digitalisation and MDO<sup>(1)</sup>
- Attractive combined positioning for future defence programmes
- Significant cost and revenue synergies
- Great cultural fit with shared vision for accelerated profitable growth

(1) Multi-Domain Operations

# Next steps



(1) All closing conditions under the ESG share purchase agreement have been fulfilled except for one regulatory approval which is pending and one regulatory waiting period that runs until mid-March 2024. We are confident that the outstanding approval will be given in due course and expect closing likely to happen around end of Q1/2024.

# Capital allocation



**Fund our growth**



**Dividends**



**M&A**

**While preserving a conservative financial debt profile**



# Key financial takeaways

<b>Visibility</b>	<ul style="list-style-type: none"> <li>• Strong order intake in all divisions</li> <li>• High revenue coverage from firm order backlog</li> </ul>	<b>2024 revenue backed by order backlog <sup>(1)</sup></b> <span style="float: right; border: 1px solid white; border-radius: 50%; padding: 5px; color: white; font-weight: bold;">85%</span>
<b>Top-line growth</b>	<ul style="list-style-type: none"> <li>• Again, excellent conversion into revenue</li> </ul>	<b>Core revenue growth 2022 – 2023 preliminary</b> <span style="float: right; border: 1px solid white; border-radius: 50%; padding: 5px; color: white; font-weight: bold;">+16%</span>
<b>Profitability</b>	<ul style="list-style-type: none"> <li>• Relative margins on high level</li> <li>• Further investments in bid budgets and R&amp;D covered</li> </ul>	<b>Adj. EBITDA<sup>(2)</sup> 2023 preliminary</b> <span style="float: right; border: 1px solid white; border-radius: 50%; padding: 5px; color: white; font-weight: bold;">19.9%</span> <small style="margin-left: 10px;">excl. pass-through</small>
<b>Liquidity</b>	<ul style="list-style-type: none"> <li>• Strong operating cash generation</li> <li>• Deleveraging in line with plan</li> </ul>	<b>Net leverage before capital raise<sup>(3)</sup> 2023 preliminary</b> <span style="float: right; border: 1px solid white; border-radius: 50%; padding: 5px; color: white; font-weight: bold;">0.9x</span>
<b>Outlook</b>	<ul style="list-style-type: none"> <li>• Short- and medium term guidance updated for top and bottom line</li> <li>• Dividend policy confirmed</li> </ul>	<b>Proposal for €0.40 per share +33% compared to FY 2022</b>

(1) Order backlog is defined as the value of the order book as of the respective reporting date by recording customer orders starting with the opening backlog, taking into account revenue and adjustments for the respective reporting period, and ending with the ending backlog. (2) Adjusted EBITDA is defined as EBIT adjusted for depreciation and amortization (including effects on earnings from purchase price allocations), as well as certain special items relating to transaction costs, OneSAPnow-related special items and other special items. (3) Targeted net financial leverage including lease liabilities, excluding pensions.

# Introducing Oliver Dörre



# What we will focus on in 2024 to secure the growth and go beyond



**Execution  
and Delivery**



**Internationalization**



**Digitalization**

# Thank you!





# HENSOLDT

Q&A session

**Detect and Protect.**

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# HENSOLDT

## Financial Section

**Detect and Protect.**

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# Consolidated Income Statement

in € million	Fiscal year	
	2023 (preliminary)	2022
Revenue	1,847	1,707
Cost of sales	-1,431	-1,314
<b>Gross profit</b>	<b>416</b>	<b>393</b>
Selling and distribution expenses	-111	-107
General administrative expenses	-118	-92
Research and development costs	-30	-36
Other operating income	22	21
Other operating expenses	-21	-21
Other result from investments	5	8
<b>Earnings before finance result and income taxes (EBIT)</b>	<b>162</b>	<b>166</b>
Interest income	18	9
Interest expense	-82	-44
Other finance income/costs	-7	-1
<b>Finance result</b>	<b>-72</b>	<b>-37</b>
<b>Earnings before income taxes (EBT)</b>	<b>91</b>	<b>130</b>
Income taxes	-35	-49
<b>Group result</b>	<b>56</b>	<b>80</b>
<i>thereof attributable to the owners of HENSOLDT AG</i>	54	78
<i>thereof attributable to non-controlling interests</i>	2	2

# Consolidated Statement of Financial Position – Assets

in € million	31 Dec.	
	2023 (preliminary)	2022
<b>Non-current assets</b>	<b>1,405</b>	<b>1,335</b>
Goodwill	658	658
Intangible assets	380	384
Property, plant and equipment	140	121
Right-of-use assets	189	140
Investments and other financial assets <sup>(1)</sup>	26	23
Other non-current assets	3	2
Deferred tax assets	9	6
<b>Current assets</b>	<b>2,155</b>	<b>1,644</b>
Other <sup>(2)</sup>	34	30
Inventories	625	516
Contract assets	196	182
Trade receivables	382	323
Other current assets	116	133
Cash and cash equivalents	802	460
<b>Total assets</b>	<b>3,560</b>	<b>2,979</b>

(1) Includes Other investments and other non-current financial assets and Non-current other financial assets.

(2) Includes Other non-current financial assets, due on short-notice, Other current financial assets and Income tax receivables.

# Consolidated Statement of Financial Position – Equity & Liabilities

in € million	31 Dec.	
	2023 (preliminary)	2022
Share capital	116	105
Capital reserve and other reserves	730	554
Retained earnings	-37	-55
<b>Equity held by shareholders of HENSOLDT AG</b>	<b>808</b>	<b>604</b>
Non-controlling interests	16	13
<b>Equity, total</b>	<b>824</b>	<b>616</b>
<b>Non-current liabilities</b>	<b>1,263</b>	<b>1,160</b>
Non-current provisions	354	282
Non-current financing liabilities <sup>(1)</sup>	631	621
Non-current contract liabilities	–	11
Non-current lease liabilities	191	140
Other non-current liabilities	14	11
Deferred tax liabilities	74	94
<b>Current liabilities</b>	<b>1,473</b>	<b>1,203</b>
Current provisions	214	181
Current financing liabilities <sup>(2)</sup>	30	16
Current contract liabilities	578	488
Current lease liabilities	20	18
Trade payables	457	379
Other current liabilities	136	101
Tax liabilities	39	19
<b>Total equity and liabilities</b>	<b>3,560</b>	<b>2,979</b>

(1) Includes Non-current financing liabilities and Other non-current financial liabilities.

(2) Includes Current financing liabilities and Other current financial liabilities.

# Consolidated Statement of Cash Flows (1/2)

in € million	Fiscal year	
	2023 (preliminary)	2022
<b>Group result</b>	<b>56</b>	<b>80</b>
Depreciation, amortisation and impairments of non current assets	120	103
Financial expenses (net)	41	27
Change in		
Provisions	45	-22
Inventories	-128	-75
Contract balances	65	-25
Trade receivables	-66	-13
Trade payables	78	110
Other assets and liabilities	52	42
Interest paid	-44	-26
Interest received	9	1
Income tax payments (-) / refunds (+)	-27	-11
Other <sup>(1)</sup>	66	52
<b>Cash flow from operating activities</b>	<b>267</b>	<b>244</b>
Acquisition / addition of intangible assets and property, plant and equipment	-115	-95
Acquisition of associates, other investments and other non-current financial assets	-9	-5
Acquisition of subsidiaries net of cash acquired	-1	-1
Other <sup>(2)</sup>	2	0
<b>Cash flow from investing activities</b>	<b>-122</b>	<b>-101</b>

(1) Includes impairments/reversals of impairments of inventories, trade receivables and contract assets, Profit / loss from disposals of non-current assets, Other non-cash expenses/income and Income tax expense/income.

(2) Includes Proceeds from sale of intangible assets and property, plant and equipment, proceeds from disposals of associates, other investments and non-current financial assets and Other cash flows from investing activities.

# Consolidated Statement of Cash Flows (2/2)

in € million	Fiscal year	
	2023 (preliminary)	2022
<b>Cash flow from operating activities</b>	<b>267</b>	<b>244</b>
<b>Cash flow from investing activities</b>	<b>-122</b>	<b>-101</b>
Proceeds/repayment of financing liabilities <sup>(1)</sup>	10	-169
Payment of lease liabilities	-19	-19
Dividend payments	-32	-26
Dividends on non-controlling interest	-0	-0
Issue of shares	241	–
Transaction costs paid on issue of equity	-3	–
Other	–	0
<b>Cash flow from financing activities</b>	<b>197</b>	<b>-214</b>
Effects of movements in exchange rates on cash and cash equivalents	0	2
<b>Net changes in cash and cash equivalents</b>	<b>342</b>	<b>-69</b>
<b>Cash and cash equivalents</b>		
Cash and cash equivalents on 1 January	460	529
Cash and cash equivalents on 31 December	802	460

(1) Proceeds / repayment from financing liabilities to banks, Change in other financing liabilities

# Reconciliation to group figures

in € million	Fiscal year	
	2023 (preliminary)	2022
<b>Order intake</b>	<b>2,087</b>	<b>1,993</b>
Sensors	1,587	1,675
Optronics	510	333
Elimination/Transversal/Others	-9	-15

in € million	Fiscal year	
	2023 (preliminary)	2022
<b>Revenue</b>	<b>1,847</b>	<b>1,707</b>
Sensors	1,546	1,404
Optronics	309	310
Elimination/Transversal/Others	-8	-7

in € million	Fiscal year	
	2023 (preliminary)	2022
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>329</b>	<b>292</b>
Sensors	306	233
Optronics	24	59
Elimination/Transversal/Others	–	–

(1) Adjusted EBITDA is defined as EBIT adjusted for depreciation and amortisation (including effects on earnings from purchase price allocations), as well as certain special items relating to transaction costs, OneSAPnow-related special items as well as other special items.



# Overview of EBITDA and EBIT adjustments

EBITDA adjustments	Fiscal year	
	2023 (preliminary)	2022
in € million		
<b>EBIT</b>	<b>162</b>	<b>166</b>
(+) Depreciation	48	44
(+) Amortisation	66	59
<b>EBITDA</b>	<b>276</b>	<b>270</b>
(+) Transaction costs	10	0
(+) Effects on earnings from purchase price allocations	6	–
(+) OneSAPnow related special items	12	1
(+) Other special items	25	21
<b>Adjusted EBITDA</b>	<b>329</b>	<b>292</b>

EBIT adjustments	Fiscal year	
	2023 (preliminary)	2022
in € million		
<b>EBIT</b>	<b>162</b>	<b>166</b>
(+) Effect on earnings from purchase price allocations	37	36
<i>thereof intangible assets</i>	36	36
<i>thereof property, plant and equipment</i>	0	0
<i>thereof inventories</i>	–	–
(+) Transaction costs	10	0
(+) OneSAPnow related special items	12	1
(+) Other special items	25	21
<b>Adjusted EBIT</b>	<b>246</b>	<b>224</b>

# Reconciliation of reported to adjusted pre-tax unlevered FCF

in € million	Fiscal year	
	2023 (preliminary)	2022
<b>Cash flow from operating activities</b>	<b>267</b>	<b>244</b>
<b>Cash flow from investing activities</b>	<b>-122</b>	<b>-101</b>
<b>Free cash flow</b>	<b>145</b>	<b>143</b>
(+) Transaction costs	4	19
(+) OneSAPnow related special items	12	0
(+) Other special items	30	15
(+) M&A-activities <sup>(1)</sup>	7	6
(+) Interest <sup>(2)</sup> and income taxes <sup>(3)</sup>	62	36
<b>Adjusted pre-tax unlevered free cash flow</b>	<b>259</b>	<b>219</b>
<b>Cash flow from financing activities</b>	<b>197</b>	<b>-214</b>

(1) Defined as sum of 'Acquisition of associates, other investments and other non-current financial assets', 'Proceeds from sale of intangible assets and property, plant and equipment',

'Acquisition of subsidiaries net of cash acquired', 'Proceeds from disposals of associates, other investments and non-current financial assets' and 'Other cash flows from investing activities' as reported in the Consolidated Statement of Cash Flows.

(2) Defined as 'Interest paid' (including interest on lease liabilities) and 'Interest received' as reported in the Consolidated Statement of Cash Flows.

(3) Defined as 'Income tax payments / refunds' as reported in the Consolidated Statement of Cash Flows.

# Q4 Financial Overview HENSOLDT Group

in € million	Fourth quarter	
	2023 (preliminary)	2022
Order intake	806	616
Book-to-bill ratio <sup>(1)</sup>	1.1x	1.0x
Revenue	711	607
Adjusted EBIT <sup>(2)</sup>	151	149
Adjusted EBITDA <sup>(3)</sup>	178	166
Adjusted EBITDA margin	25.1 %	27.3 %
Adjusted pre-tax unlevered free cash flow <sup>(4)</sup>	386	268

(1) Book-to-bill ratio is defined as order intake / reported revenue for the relevant period (2) Adjusted EBIT is defined as EBIT adjusted for certain special items relating to effects on earnings from purchase price allocations, transaction costs, OneSAPnow-related special items as well as other special items.

(3) Adjusted EBITDA is defined as EBIT adjusted for depreciation and amortisation (including effects on earnings from purchase price allocations), as well as certain special items relating to transaction costs, OneSAPnow-related special items as well as other special items.

(4) Adjusted pre-tax unlevered free cash flow is defined as free cash flow adjusted for special items as well as interest, income tax and M&A activities. The free cash flow is defined as sum of the cash flows from operating and investing activities as reported in the Consolidated Statement of Cash Flow

# Reconciliation of reported to adjusted net income

in € million	Fiscal year	
	2023 (preliminary)	2022
<b>Group result</b>	<b>56</b>	<b>80</b>
(+) Effect on earnings from purchase price allocations	37	36
(+) Transaction costs	10	0
(+) OneSAPnow related special items	12	1
(+) Other special items	26	24
<b>Adjusted net income pre-tax adjustment</b>	<b>140</b>	<b>141</b>
(+) Tax adjustments <sup>(1)</sup>	-21	-17
<b>Adjusted net income</b>	<b>119</b>	<b>124</b>

(1) Includes tax adjustments for effects on earnings from PPA, OneSAPnow-related special items as well as other special items.



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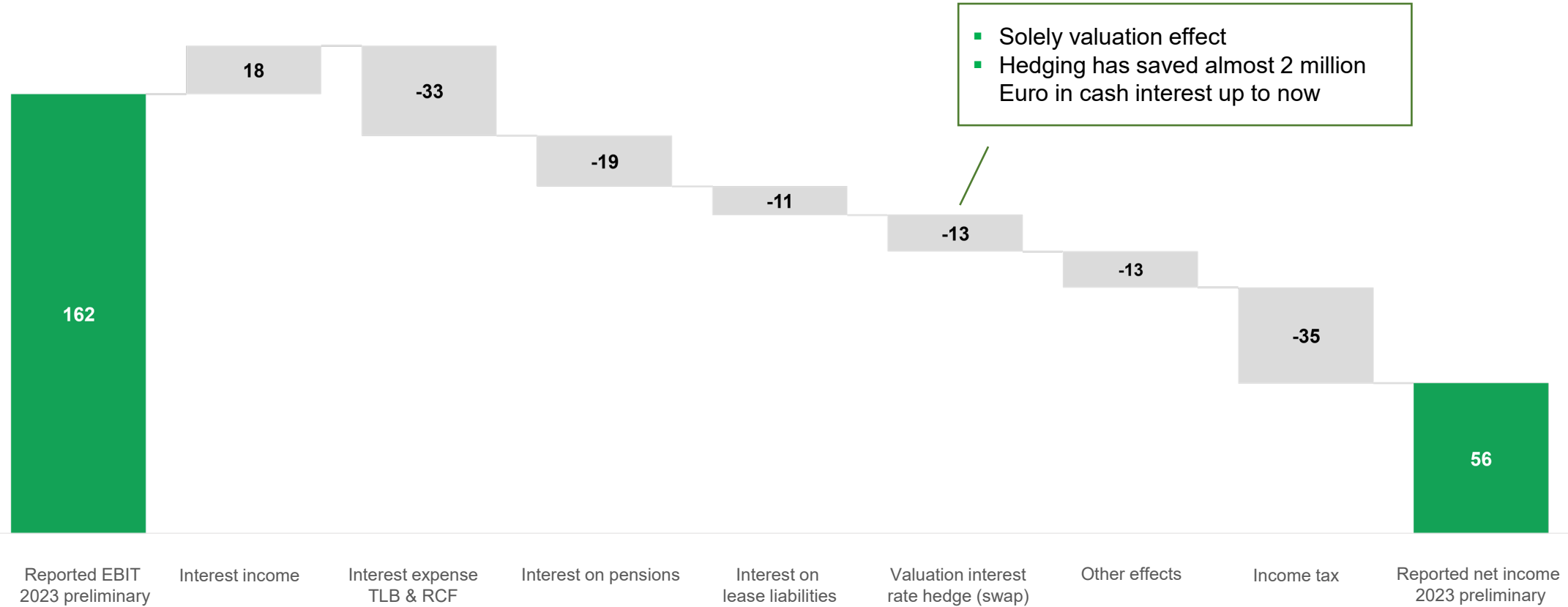
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# EBIT to net income bridge



# Upcoming IR events\*



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## HENSOLDT share

- **Type of share:**  
Bearer shares
- **Stock Exchange:**  
Frankfurt Stock Exchange
- **Security reference number:**  
ISIN DE000HAG0005

## Reports

- **Financial Reports:**  
<https://investors.hensoldt.net>
- **Annual Report:**  
<https://annualreport.hensoldt.net>
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