

QUARTERLY STATEMENT

**2023**

3RD QUARTER

## Rheinmetall after nine months of 2023 Profitability increased, especially in the third quarter

- At €387 million, operating result is €56 million higher
- Operating margin of 8.4% above the previous year's figure of 8.1%
- Group sales increased by 12.9% to €4,618 billion
- Rheinmetall nomination more than doubled
- Acquisition of ammunitions manufacturer Expal Systems S.A.U. completed
- Annual forecasts for 2023 confirmed

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# Rheinmetall in figures

## KEY FIGURES

		Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022
<b>SALES / EARNINGS</b>					
Sales	€ million	1,758	1,415	4,618	4,089
<i>Of which generated abroad</i>	%	75.0	70.7	75.4	71.2
Operating result <sup>1</sup>	€ million	191	120	387	331
Operating result margin	%	10.8	8.5	8.4	8.1
EBIT	€ million	170	117	364	302
EBIT margin	%	9.7	8.3	7.9	7.4
EBT	€ million	145	111	316	284
Earnings from continuing operations	€ million	109	82	229	209
Earnings from discontinued operations	€ million	2	5	6	11
Earnings after taxes	€ million	111	86	235	220
<b>ORDER INFORMATION</b>					
<i>Booked Business</i>	€ million	592	832	2,367	2,666
<i>Frame Nomination</i>	€ million	5,877	-	7,042	350
<i>Frame Utilization</i>	€ million	(1,726)	-	(2,364)	-
<i>Order Intake</i>	€ million	2,570	703	7,461	3,308
Rheinmetall Nomination	€ million	7,313	1,534	14,505	6,325
<i>Nominated Backlog</i>	€ million	-	-	8,875	7,637
<i>Frame Backlog</i>	€ million	-	-	8,118	3,269
<i>Order Backlog</i>	€ million	-	-	19,460	14,836
Rheinmetall Backlog (September 30)	€ million	-	-	36,454	25,743
<b>CASH FLOW</b>					
Cash flow from operating activities	€ million	(2)	46	(225)	(511)
Cash flow from investments	€ million	(102)	(91)	(234)	(191)
Operating free cash flow	€ million	(104)	(45)	(459)	(702)
<i>Of which continuing operations</i>	€ million	(102)	(37)	(427)	(678)
<i>Of which discontinued operations</i>	€ million	(2)	(8)	(32)	(24)
<b>STATEMENT OF FINANCIAL POSITION (September 30)</b>					
Equity	€ million	-	-	3,226	2,849
Total assets	€ million	-	-	10,898	7,974
Equity ratio	%	-	-	29.6	35.7
Cash and cash equivalents	€ million	-	-	375	196
Total assets less cash and cash equivalents	€ million	-	-	10,523	7,778
Net financial debt (-) / Net liquidity (+) <sup>2</sup>	€ million	-	-	(2,070)	(958)
<b>HUMAN RESOURCES (capacity, September 30)</b>					
Germany	FTE	-	-	13,258	12,649
Foreign	FTE	-	-	14,640	12,498
Rheinmetall Group	FTE	-	-	27,898	25,147
<i>Of which continuing operations</i>	FTE	-	-	24,263	21,402
<i>Of which discontinued operations</i>	FTE	-	-	3,635	3,745
<b>SHARES</b>					
Stock price (September 30)	€	-	-	243.90	158.20
Basic earnings per share from continuing operations	€	2.31	1.65	4.73	3.93
Basic earnings per share	€	2.34	1.76	4.87	4.19
Diluted earnings per share from continuing operations	€	2.31	1.65	4.73	3.93
Diluted earnings per share	€	2.34	1.76	4.87	4.19

<sup>1</sup> The definition of the operating result performance indicator was modified with retrospective effect in the third quarter of 2023. The prior-period figures have been restated accordingly.

<sup>2</sup> Financial liabilities less cash and cash equivalents



## Significant events up to September 30, 2023

### Further progress made regarding the disposal of the pistons business

The disposal of the pistons business announced as part of the realignment of the Rheinmetall Group, which meant the business was reported as discontinued operations, led to the sale of the large-bore pistons business on October 24, 2022. The share purchase agreement covers Rheinmetall's large-bore pistons business with three production plants in Germany, the US and China as well as the steel pistons line from the small-bore pistons plant in Marinette, US. The transaction was closed on January 27, 2023, and includes the deconsolidation of the Group companies belonging to the large-bore pistons business. The deconsolidation gain based on the final purchase price is €13 million.

On March 22, 2023, Rheinmetall and Riken Corporation, Tokyo, Japan, concluded a purchase agreement for all of the shares previously held by Rheinmetall in the Riken Automobile Parts (Wuhan) Co., Ltd. The sale of shares was completed on April 5, 2023. The transaction did not result in any significant deconsolidation result.

Progress has been made in the process of selling small-bore pistons business in recent months. Negotiations with potential buyers have shown that, contrary to the original goal, the disposal of small-bore pistons business will only be possible with the pension obligations due to retirees excluded. As a result, pension provisions of €41 million have been reclassified from discontinued operations to continuing operations as of September 30, 2023. The other assets and liabilities attributable to the small-bore pistons disposal group and the investments accounted for using the equity method and classified as assets held for sale are still recognized as discontinued operations as of September 30, 2023.

### Expal Systems acquired – Convertible bond used for financing

The acquisition of the munitions manufacturer Expal Systems S.A.U. that was agreed with MaxamCorp Holding S.L. in November 2022 was completed on July 31, 2023. The provisional purchase price is €1.2 billion. In future, the company will operate under the name Rheinmetall Expal Munitions S.A.U. In performing this acquisition, Rheinmetall has secured additional production capacity and further expanded its position as a key supplier for NATO armed forces. Further information can be found in the commentary of the Group's business position.

The acquisition was financed using the proceeds of the convertible bond issued on January 31, 2023 (total nominal amount of €1 billion in two tranches of €500 million). As a result of the issuance of the convertible bond, the authorization of the Executive Board granted by resolution of the Annual General Meeting on May 21, 2021, to issue bonds with warrants and convertible bonds was partially utilized.

### Promissory note loans issued with a total volume of €145 million

Rheinmetall AG issued four promissory note loans with a total volume of €145 million in January 2023. The promissory note loans with terms of three and five years bear a variable rate of interest and serve the Rheinmetall Group's general financing.

### Admission to the DAX40

Rheinmetall AG joined the DAX40 with effect from March 20, 2023. The positive development of its free float market capitalization was key to this development.

### Virtual Annual General Meeting and dividend distribution

On May 9, 2023, Rheinmetall AG's Annual General Meeting was again held as a purely virtual event. 59.9% of the share capital was represented. All resolutions proposed by the Executive Board and the Supervisory Board were approved, including the dividend proposal of €4.30 per share for fiscal 2022. Based on the closing price on the day of the Annual General Meeting, the dividend yield was 1.6%. The dividend of €186.7 million was distributed on May 12, 2023.

### F-35 production facility – Construction begins on state-of-the-art factory

Together with its US partners Northrop Grumman and Lockheed Martin, Rheinmetall has begun construction on the state-of-the-art factory for the production of center fuselages for the F-35 combat aircraft. At the new plant at the Weeze location, more than 400 highly qualified employees will produce F-35 center fuselages for the German Air Force and other friendly nations. Rheinmetall can contribute its experience as an integrated technology group in the production of complex components and as a certified aeronautical company. Production begins in 2025.



## Significant major orders

### **New major order for medium-caliber ammunition**

On behalf of Ukraine, the German Federal Ministry of Defence has awarded Rheinmetall a contract to supply 35mm ammunition for the Gepard anti-aircraft gun tank. A total of 300,000 cartridges are to be supplied. The ammunition is intended to support the Ukrainian armed forces, which use the Gepard. The order value is in the low three-figure million euro range. Rheinmetall will supply 150,000 cartridges each of sabot ammunition (armor-piercing discarding sabot-tracer, APDS-T) and high-explosive incendiary ammunition (HEI-T). The first APDS-T cartridges were delivered in the summer of 2023.

### **Orders with a total value of over €100 million in the electric mobility sector**

In the Materials and Trade division, there are three new major orders for structural components in the electric mobility sector. The orders, which fall under the Castings business unit, are each in the double-figure million euro range. Production of all components will start in 2024. From this date, sets for shock absorber mountings and other structural components will be produced for various automotive manufacturers.

### **New order to supply exhaust gas recirculation valves**

Rheinmetall has acquired its first order to supply exhaust gas recirculation (EGR) valves to an international customer in the truck sector. The order encompasses poppet valves and flap valves for heavy- and medium-duty (HD and MD) truck applications. The order value is in the three-figure million euro range. Full-scale delivery will commence in 2026, including the supply of spare parts.

### **Major order for 50 Puma infantry fighting vehicles for the German armed forces**

Germany's Federal Office for Bundeswehr Equipment, Information Technology and In-Service Support has awarded a joint contract to Rheinmetall and Krauss-Maffei Wegmann (KMW) to build a further 50 Puma infantry fighting vehicles. The order value attributable to Rheinmetall Landsysteme GmbH amounts to €501 million. In addition to the 50 armored fighting vehicles, the order encompasses spare part packages and special tool sets as well as eight MELLs flight-phase simulators. Furthermore, an option exists for additional driver training vehicles and the integration of a turret-independent secondary weapon system (TSWA). Delivery is set to start in December 2025 and be complete by the beginning of 2027.

### **Order to supply the MASS ship protection system to Australia**

The Royal Australian Navy and the Commonwealth of Australia have placed an order for the Multi Ammunition Softkill System (MASS). The order is valued at €125 million. The first systems are to be delivered by the end of 2023, with full operational capability expected to be achieved by 2027. This is Rheinmetall's single-biggest order ever in the area of maritime protection systems.

### **Framework agreement for logistics vehicles for the Austrian armed forces**

Rheinmetall MAN Military Vehicles (RMMV) has signed a framework agreement with the Austrian Federal Procurement Agency to supply various logistics vehicles for the Austrian armed forces. The framework agreement runs for seven years and encompasses the delivery of up to 1,375 HX, TGS and TGM vehicles. The potential order volume could reach up to €525 million.

### **Delivery of infantry fighting vehicle ammunition worth a three-figure million amount**

Rheinmetall has been awarded a contract to deliver infantry fighting vehicle ammunition to a European customer. The value of the contract is more than €200 million. Delivery of the ammunition will take place between 2023 and 2025.

### **Leopard 2 A7 battle tank for Norway**

KMW has subcontracted Rheinmetall to supply key components for the latest version of the Leopard 2 battle tank for Norway (the A7 NOR). These include the tank's 120mm L55A1 main armament, fire control technology and parts of the sensor suite. These will be delivered to KMW over a period of approximately four years. The total value of the order for Rheinmetall is €129 million.

**Leopard 2 battle tanks for Ukraine**

The Dutch government has contracted with Rheinmetall to supply fourteen Leopard 2A4 battle tanks for Ukraine. The Dutch and Danish governments are jointly financing the order, which has now been placed, as part of the international tank coalition to provide effective support for Ukraine. It is worth a figure in the low three-digit million euro range. Delivery is expected to take place over the course of 2024. The vehicles that are being supplied are upgraded Leopard 2A4 tanks acquired by Rheinmetall from the former inventories of various user nations.

**Air assault vehicles for Germany and Netherlands**

Rheinmetall has been commissioned by the German and Dutch armed forces to deliver up to 3,058 Caracal air assault platforms. This is a multi-year framework agreement for up to 2,054 German and 1,004 Dutch vehicles with a gross order volume of up to €1.9 billion. In a first step, a firm order has been placed under the framework agreement for 1,508 vehicles worth around €870 million.

**Expansion of existing framework agreement for 120mm tank ammunition**

The German armed forces have expanded an existing framework agreement with Rheinmetall to deliver tank ammunition to a volume of around €4 billion. Under the framework agreement that has now been entered into, several hundred thousand rounds of 120mm x 570 cal. service and practice ammunition of different types, such as the type fired by the Leopard 2 main battle tank, could be procured by the end of 2030. The first call-off of ammunition worth €309 million came immediately after the contract was signed.

**Order to deliver artillery ammunition**

The German armed forces have commissioned Rheinmetall to deliver large numbers of service and practice artillery ammunition in an order worth around €1.3 billion. Rheinmetall has thus received a new framework agreement to deliver 155mm artillery ammunition, plus an existing framework agreement was expanded. In total, the delivery of several hundred thousand shells of various types, including fuses and propelling charges, is intended.

**Rheinmetall and UVision awarded contract for Hero loitering ammunition in Hungary**

The Rheinmetall Group has secured a key order from Hungary to deliver Hero loitering munitions. The order value of the ammunition is in the low hundreds of million euro. Delivery will begin in 2024 and is scheduled to end in 2025. In October 2021, Rheinmetall and UVision embarked on a strategic partnership to address the rapid growth in the market segment for remotely controlled precision munitions.

**Multi-million U.S. Army contract**

Rheinmetall has reported another success in a key project for the U.S. armed forces. The U.S. Army has commissioned the subsidiary American Rheinmetall Vehicles from Sterling Heights, Michigan, as a member of the industrial "Team Lynx", to proceed with phases 3 and 4 of its Optionally Manned Fighting Vehicle (OMFV) program. The project is now also being referred to as the XM30 Mechanized Infantry Combat Vehicle program. Team Lynx consists of American Rheinmetall Vehicles and the industry-leading U.S. companies Textron Systems, Raytheon Technologies, L3Harris Technologies, Allison Transmission and Anduril Industries. The total contract value for both phases is in excess of USD 700 million (around €650 million).

**Rheinmetall secures major order for structural parts**

The technology group Rheinmetall has received a new order from the automotive industry for structural parts valued in the low hundreds of million euro. The highly complex cast parts will be used by a renowned, international car manufacturer in a fully electric platform. Starting in 2026 and for a period of ten years, lateral girders will be produced as lightweight structural parts for the premium manufacturer's fully electric high-performance models. The scope of delivery comprises hundreds of thousands of these fully processed parts.

**Multi-million contract for Rheinmetall for strategic naval warfare systems for Australia**

Rheinmetall has received a major order from the Commonwealth of Australia to deliver smart sea mines. The order has a volume in the low hundreds of million euro for Rheinmetall.

**Rheinmetall secures delivery contract for new air-supported reconnaissance system LUNA NG**

The German armed forces have commissioned Rheinmetall to supply the new air-supported reconnaissance system LUNA NG. The change agreement signed on September 28, 2023 serves to continue the project with Rheinmetall as the new contractor following the insolvency of the original system manufacturers. LUNA NG, which stands for “air-supported unmanned short-range reconnaissance equipment, next generation” will be launched by the German armed forces as “High-Efficiency Unmanned System for Medium-Range Reconnaissance” (HUSAR). Twelve series systems and a pilot system were ordered in total. The contract has a net value of around €200 million. The initial series system is due to be delivered in the second quarter of 2025. The contract also comprises a spare parts package and training services.

## Business performance of the Rheinmetall Group

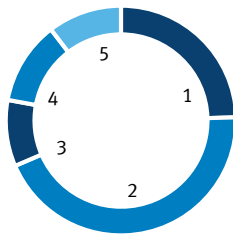
### Key figures Rheinmetall Group (continuing operations)

€ million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change
Sales	1,758	1,415	342	4,618	4,089	529
Operating result <sup>1</sup>	191	120	71	387	331	56
Operating result margin	10.8%	8.5%	2.4%-P	8.4%	8.1%	0.3%-P
Operating free cash flow	(102)	(37)	-65	(427)	(678)	251

<sup>1</sup> The definition of the operating result performance indicator was modified with retrospective effect in the third quarter of 2023. The prior-period figures have been restated accordingly.

### Sales exceed previous year's level

Consolidated sales increased by €529 million or 12.9% year-on-year to €4,618 million in the first three quarters of fiscal 2023 (previous year: €4,089 million). Expal Systems S.A.U., which was acquired on July 31, 2023, generated sales of €41 million. Adjusted for currency effects, sales were 14.3% higher than in the previous year. The share of sales generated abroad increased by 4.2% year-on-year to 75.4% in the first three quarters of 2023.



### Sales by region

€ million	Q1-Q3 2023	Q1-Q3 2022
<b>Rheinmetall Group</b>	<b>4,618</b>	<b>4,089</b>
1 Germany	1,134	1,178
2 Other Europe	2,031	1,344
3 North, Middle and South America	431	417
4 Asia and the Near East	541	733
5 Other regions	480	417

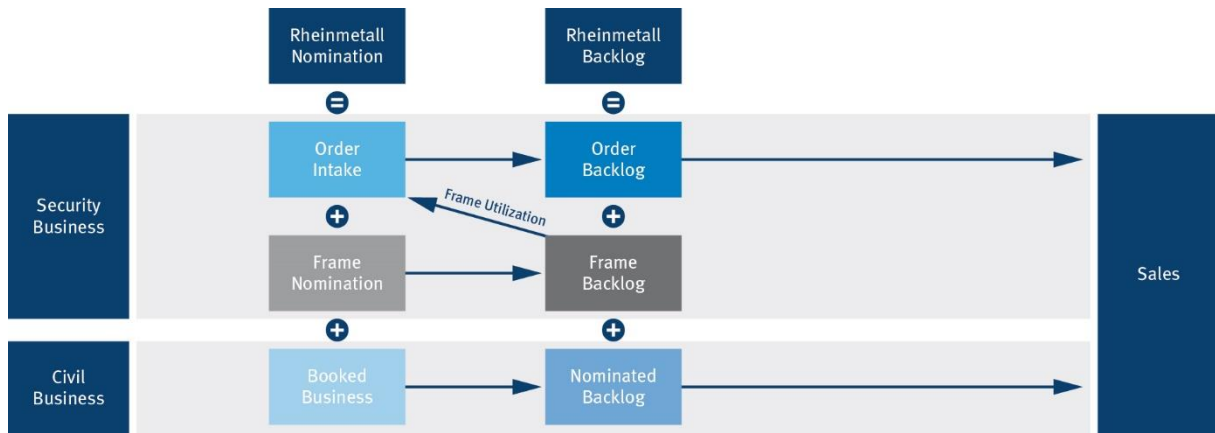
### Rheinmetall Nomination more than doubles year-on-year

At the beginning of fiscal 2023, the existing key order figures were further developed with the aim of establishing a cross-segment indicator for Group-wide sales activity and the future sales potential of the Rheinmetall Group.

As a new order indicator, Rheinmetall Backlog comprises the previously used order backlog key figure as well as the new frame backlog and nominated backlog key figures. The frame backlog reflects the expected future call-offs from existing framework agreements for the security business, which are converted into order backlog when called off by the customer. Based on existing written agreements and framework contracts with customers, the nominated backlog figure shows the future call-offs expected for the civil business from these customer agreements. The sales resulting from the frame backlog and the nominated backlog may differ from the corresponding amounts depending on the final call-off quantities.

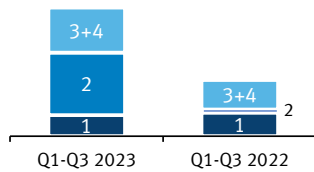
The new Rheinmetall Nomination indicator is composed of the previously used order intake and booked business indicators as well as the new flow indicator for the security business, the frame nomination. Similarly to the booked business indicator used for the civil business, this represents the expected value of new framework agreements concluded with customers. Like booked business, frame nomination does not yet represent binding customer orders, so actual call-off volumes and the resulting sales may vary. The frame backlog is converted into order backlog by way of the call-offs reported as order intake. Within Rheinmetall Nomination, this change is presented as frame utilization.





Rheinmetall Nomination increased by 129.4% year-on-year to €14,505 million in the first three quarters of fiscal 2023 (previous year: €6,325 million). This strong growth was due in particular to orders from Germany and Ukraine. Booked business in the first three quarters was down slightly on the previous year, whereas frame nomination increased significantly over the same period.

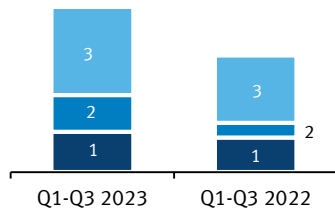
**Rheinmetall Nomination**



**Rheinmetall Nomination**

€ million	Q1-Q3 2023	Q1-Q3 2022	Change
1 Booked Business	2,367	2,666	-299
2 Frame Nomination	7,042	350	6,692
3 Frame Utilization	-2,364	-	-2,364
4 Order intake	7,461	3,308	4,153
<b>Rheinmetall Nomination</b>	<b>14,505</b>	<b>6,325</b>	<b>8,181</b>

**Rheinmetall Backlog**



**Rheinmetall Backlog**

€ million	Q1-Q3 2023	Q1-Q3 2022	Change
1 Nominated Backlog	8,875	7,637	1,238
2 Frame Backlog	8,118	3,269	4,849
3 Order Backlog	19,460	14,836	4,624
<b>Rheinmetall Backlog</b>	<b>36,454</b>	<b>25,743</b>	<b>10,711</b>

**Operating result up significantly on previous year**

In light of the acquisition of the munitions manufacturer Expal Systems S.A.U., which was completed on July 31, 2023, the definition of the operating result performance indicator was modified to take account of the effects of the purchase price allocation for this transaction. Starting from the third quarter of 2023, the operating result is therefore calculated as earnings before interest and taxes (EBIT) adjusted for special items resulting from corporate transactions, remeasurement effects in connection with purchase price allocations, restructuring and other significant items unrelated to operations or the accounting period. The prior-period figures have been restated accordingly.



The operating result amounted to €387 million as at September 30, 2023, up €56 million or 17.0% on the previous year's figure of €331 million. The improvement in the operating result is mainly attributable to dynamic performance on the market for security technology, which led to margin effects and a more profitable product mix. The Group's operating margin rose to 8.4% (previous year: 8.1%).

### Special items Q1-Q3 2023

€ million	Operating result	Others	PPA-effects	EBIT
<b>Rheinmetall Group</b>	<b>387</b>	<b>(2)</b>	<b>(21)</b>	<b>364</b>
Division Vehicle Systems	183	-	(2)	180
Division Weapon and Ammunition	180	-	(17)	163
Division Electronic Solutions	52	-	(1)	51
Division Sensors and Actuators	39	-	-	38
Division Materials and Trade	41	-	-	41
Others/consolidation	(108)	(2)	-	(110)

### Special items Q1-Q3 2022

€ million	Operating result	Others	PPA-effects	EBIT
<b>Rheinmetall Group</b>	<b>331</b>	<b>(21)</b>	<b>(7)</b>	<b>302</b>
Division Vehicle Systems	123	-	(2)	120
Division Weapon and Ammunition	110	-	(3)	107
Division Electronic Solutions	51	-	(1)	50
Division Sensors and Actuators	67	-	-	66
Division Materials and Trade	45	-	-	45
Others/consolidation	(65)	(21)	-	(86)

### Increase in operating free cash flow in first three quarters of 2023

Operating free cash flow from continuing operations improved by €251 million to €-427 million in the first three quarters of 2023 (previous year: €-678 million). Despite the continued growth in inventories, operating free cash flow improved considerably in the first nine months of fiscal 2023 thanks to higher customer payments.

### Derivation of operating free cash flow – continuing operations

€ million	Q1-Q3 2023	Q1-Q3 2022
Earnings from continuing operations (after taxes)	229	209
Amortization, depreciation and impairments	205	185
Allocation of CTA assets to secure pension and partial retirement obligations	(14)	(50)
Changes in working capital and others	(623)	(843)
<b>Cash flows from operating activities</b>	<b>(203)</b>	<b>(499)</b>
Investments in property, plant and equipment, intangible assets and investment property	(224)	(179)
<b>Operating free cash flow (continuing operations)</b>	<b>(427)</b>	<b>(678)</b>



## Earnings per share

As a result of the convertible bond issued in February 2023, diluted earnings per share are calculated in addition to basic earnings per share. The calculation of diluted earnings per share is based on the assumption that all potentially dilutive instruments are converted into ordinary shares at the time of issue, resulting in an increase in the number of shares. At the same time, earnings after taxes are reduced by the effect on earnings of these instruments, such as interest costs. In contrast, indirect effects must be taken into account, which may result, for example, from a possible increase in variable compensation components due to the aforementioned relief in earnings.

Diluted earnings per share are calculated as follows:

### Derivation of diluted earnings per share

	Continuing Operations	Discontinued Operations	Q1-Q3 2023	Continuing Operations	Discontinued Operations	Q1-Q3 2022
<b>Earnings after taxes in € million – Rheinmetall AG shareholders</b>	<b>229</b>	<b>6</b>	<b>235</b>	<b>209</b>	<b>11</b>	<b>220</b>
Adjustment for interest expense in respect of the convertible bond in € million	25	-	25	-	-	-
Effect of adjustment for interest expense in respect of the convertible bond on personnel expenses in € million	-	-	-	-	-	-
Tax effects on the adjustment for interest expense in respect of the convertible bond and on the effect on personnel expenses in € million	(8)	-	(8)	-	-	-
<b>Diluted earnings after taxes in € million – Rheinmetall AG shareholders</b>	<b>247</b>	<b>6</b>	<b>253</b>	<b>209</b>	<b>11</b>	<b>220</b>
<b>Weighted number of shares in millions – basic</b>	<b>43.41</b>			<b>43.36</b>		
Effect from the potential conversion of the convertible bond in millions	2.82			-		
<b>Weighted number of shares in millions – diluted</b>	<b>46.23</b>			<b>43.36</b>		
<b>Basic earnings per share</b>	<b>€ 4.73</b>	<b>€ 0.14</b>	<b>€ 4.87</b>	<b>€ 3.93</b>	<b>€ 0.26</b>	<b>€ 4.19</b>
<b>Diluted earnings per share</b>	<b>€ 4.82</b>	<b>€ 0.14</b>	<b>€ 4.96</b>	<b>€ 3.93</b>	<b>€ 0.26</b>	<b>€ 4.19</b>
<b>Adjusted diluted earnings per share (due to antidilutive effect)</b>	<b>€ 4.73</b>	<b>€ 0.14</b>	<b>€ 4.87</b>	-	-	-

## Net assets and financial position

Compared to December 31, 2022, the Rheinmetall Group's total assets increased by €2,809 million to €10,898 million as at September 30, 2023. The ratio of non-current assets to total assets also increased to 39.4% as at September 30, 2023 (December 31, 2022: 35.6%). This was due in particular to the acquisition of Rheinmetall Expat Munitions.

The equity ratio declined compared with the end of fiscal 2022 to 29.6% as at September 30, 2023 (December 31, 2022: 38.1%) due to the significant increase in total assets. Net financial debt from continuing operations increased to €-2,070 million as at the end of the third quarter of 2023 (December 31, 2022: €-426 million). This change was mainly due to the negative operating free cash flow, the purchase price payment for the acquisition of Rheinmetall Expat Munitions, and the dividend payment of €4.30 per share (€186.7 million) in the first half of 2023.



### Asset and capital structure

€ million	9/30/2023	%	12/31/2022	%
Non-current assets	4,294	39	2,884	36
Current assets	6,604	61	5,206	64
<b>Total assets</b>	<b>10,898</b>	<b>100</b>	<b>8,089</b>	<b>100</b>
Equity	3,226	30	3,083	38
Non-current liabilities	2,559	23	1,341	17
Current liabilities	5,112	47	3,665	45
<b>Total equity and liabilities</b>	<b>10,898</b>	<b>100</b>	<b>8,089</b>	<b>100</b>

### Material acquisitions

On July 31, 2023, Rheinmetall AG acquired 100% of the shares in Expal Systems S.A.U., a Spanish munitions manufacturer, for a preliminary purchase price of €1.2 billion. The purchase price was paid in July 2023 in cash and through the assumption of cash pool liabilities of MaxamCorp Holding S.L. in respect of Expal. The acquisition serves to further increase Rheinmetall's production capacities in the area of large- and medium-caliber ammunition and expand its product range. Thanks to Expal's technologies and order backlog, the transaction will also help to secure Rheinmetall's core business in the area of weapons, ammunition and propulsion systems for the long term. The value of the goodwill is justified by the strong market position and high profitability of Expal Systems S.A.U. and the synergy effects that are expected to be generated as a result of the acquisition. The goodwill, which is not tax-deductible, is allocated to the Weapon and Ammunition division.

The consideration paid for the acquisition is broken down as follows:

### Consideration transferred

€ million	2023
Cash	1,058
Assumption of cash pool liabilities from Maxam against Expal	134
<b>Total purchase price</b>	<b>1,192</b>

The following table shows a breakdown of the assets and liabilities acquired as at the acquisition date:

### Assets acquired and liabilities assumed at fair value

€ million	2023
Intangible assets	341
Property, plant and equipment	107
Other non-current assets	2
Inventories	74
Receivables	53
Other current assets	25
Cash and cash equivalents	137
Liabilities	(283)
Deferred tax liabilities (offset)	(91)
<b>Total identifiable net assets acquired</b>	<b>365</b>
Consideration transferred	1,192
<b>Goodwill</b>	<b>828</b>

These figures are preliminary, as the final valuation of the assets and liabilities for the purposes of purchase price allocation is not yet complete.



Costs of €3 million were incurred in connection with the acquisition up until September 30, 2023. Of this figure, €2 million relates to fiscal 2022 and €1 million to the first three quarters of 2023. These costs are reported in the income statement under other operating expenses.

In the period from August 1, 2023 to September 30, 2023, Expal generated sales of €41 million, of which €28 million was attributable to intragroup sales. Expal therefore contributed sales of €14 million and an operating result of €17 million to the consolidated result of the group in this period.

If the acquisition had already been concluded on January 1, 2023, consolidated sales as at September 30, 2023 would have amounted to €4,823 million and the operating result would have been €452 million.



## Business performance of the divisions

### Vehicle Systems

#### Key figures Vehicle Systems

€ million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change
Sales	659	469	190	1,671	1,320	351
Rheinmetall Nomination	1,164	162	1,002	4,889	842	4,047
<i>Frame Nomination</i>	955	-	955	2,114	-	2,114
<i>Frame Utilization</i>	(734)	-	-734	(1,368)	-	-1,368
<i>Order Intake</i>	943	162	781	4,143	842	3,301
Rheinmetall Backlog (September 30)	-	-	-	15,046	12,330	2,716
<i>Frame Backlog</i>	-	-	-	3,080	2,335	745
<i>Order Backlog</i>	-	-	-	11,966	9,995	1,971
Operating result <sup>1</sup>	82	46	36	183	123	60
Operating result margin	12.5%	9.9%	2.6%-P	10.9%	9.3%	1.6%-P
Capital expenditure	21	27	-7	116	57	59
Operating free cash flow	3	44	-41	(344)	(97)	-247

<sup>1</sup> The definition of the operating result performance indicator was modified with retrospective effect in the third quarter of 2023. The prior-period figures have been restated accordingly.

At €1,671 million, sales in the Vehicle Systems division in the first nine months of 2023 were up €351 million or 26.6% on the same period of the previous year. The increase in sales is attributable in particular to projects for the delivery of tactical vehicles.

Rheinmetall Nomination increased by €4,047 million year-on-year to €4,889 million. This was due in particular to a fivefold increase in order intake as new major orders were obtained (especially air assault vehicles for Germany/the Netherlands, Lynx for the US, the second lot of the Puma infantry fighting vehicle for Germany, the Leopard 2 upgrade for Norway and load-handling systems for Germany). A framework agreement for trucks in Austria was also acquired. At €15,046 million as at September 30, 2023, Rheinmetall backlog was up €2,716 million or 22% on the same period of the previous year.

The operating result improved from €123 million to €183 million year-on-year in the first three quarters of 2023. The positive development of the operating result is attributable to margin effects in projects. The operating margin increased to 10.9% after 9.3% in the previous year.

Investments amounted to €116 million in the first nine months of 2023, up €59 million on the previous year's figure of €57 million. The increase is primarily due to new leases for plant and equipment to expand capacity. Operating free cash flow declined by €247 million to €-344 million as a result of the increase in inventories in particular.



## Weapon and Ammunition

### Key figures Weapon and Ammunition

€ million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change
Sales	437	285	152	1,035	849	186
Rheinmetall Nomination	5,466	460	5,006	7,026	2,352	4,675
<i>Frame Nomination</i>	4,924	-	4,924	4,927	350	4,577
<i>Frame Utilization</i>	(992)	-	-992	(996)	-	-996
<i>Order Intake</i>	1,534	460	1,075	3,095	2,002	1,094
Rheinmetall Backlog September 30)	-	-	-	11,272	4,796	6,476
<i>Frame Backlog</i>	-	-	-	4,860	760	4,100
<i>Order Backlog</i>	-	-	-	6,411	4,036	2,376
Operating result <sup>1</sup>	89	38	51	180	110	70
Operating result margin	20.3%	13.2%	7.1%-P	17.4%	13.0%	4.4%-P
Capital expenditure	25	14	12	45	30	15
Operating free cash flow	63	(51)	114	176	(326)	502

<sup>1</sup> The definition of the operating result performance indicator was modified with retrospective effect in the third quarter of 2023. The prior-period figures have been restated accordingly.

The Weapon and Ammunition division generated sales of €1,035 million in the first three quarters of 2023, up €186 million or 21.9% on the figure for the previous year. The year-on-year increase is due in particular to higher ammunition call-offs by customers and higher sales towards the Vehicle Systems division for protected truck cabins. The Rheinmetall Expal Munitions companies acquired on July 31, 2023 generated sales of €41 million.

Rheinmetall Nomination amounted to €7,026 million in the first three months of 2023, up significantly on the strong figure in the same period of the previous year (€2,352 million). In addition to the conclusion of two multi-year munitions framework agreements and the resulting first call-offs of tank and artillery ammunition, the prior-year figure was exceeded considerably thanks to new orders for the Gepard anti-aircraft gun tank and ammunition for the Marder and Leopard 1 for Ukraine. The major new orders as at September 30, 2023 meant that Rheinmetall Backlog more than doubled, increasing by €6,476 million to €11,272 million (previous year: €4,796 million).

The operating result for the first nine months of 2023 increased by €70 million or 63.4% to €180 million (previous year: €110 million). This development is mainly due to the more profitable product mix. As a result, the operating margin rose from 13.0% to 17.4%. This includes an earnings contribution of €17 million from Rheinmetall Expal Munitions.

Investments increased to €45 million (previous year: €30 million) as a result of the capacity expansion in production at several companies as well as various ESG projects. Rheinmetall Expal Munitions accounted for €6 million of this figure.

In the first nine months of 2023, operating free cash flow increased by €502 million to €176 million (previous year: €-326 million). This was primarily due to the change in working capital, with higher customer payments more than offsetting the effects of the continued growth in inventories in the third quarter.



## Electronic Solutions

### Key figures Electronic Solutions

€ million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change
Sales	278	231	47	729	642	87
Rheinmetall Nomination	334	143	191	987	845	142
<i>Frame Nomination</i>	-	-	-	-	-	-
<i>Frame Utilization</i>	-	-	-	-	-	-
<i>Order Intake</i>	334	143	191	987	845	142
Rheinmetall Backlog (September 30)	-	-	-	3,425	2,834	591
<i>Frame Backlog</i>	-	-	-	178	174	4
<i>Order Backlog</i>	-	-	-	3,247	2,660	588
Operating result <sup>1</sup>	25	25	-	52	51	1
Operating result margin	9.0%	10.9%	-1.9%-P	7.2%	7.9%	-0.8%-P
Capital expenditure	12	6	5	29	18	11
Operating free cash flow	(83)	(4)	-79	(171)	(141)	-30

<sup>1</sup> The definition of the operating result performance indicator was modified with retrospective effect in the third quarter of 2023. The prior-period figures have been restated accordingly.

At €729 million, sales in the Electronic Solutions division in the first nine months of 2023 were higher than in the same period of the previous year (€642 million). This corresponds to an increase of 13.5%.

Rheinmetall Nomination rose by €142 million or 16.8% year-on-year to €987 million. One major new order in the first nine months of 2023 was a follow-up order for the Puma project. Rheinmetall Backlog amounted to €3,425 million as at 30. September 2023, up 20.9% on the prior-year figure (€2,834 million).

The operating result for the first three quarters of 2023 was essentially unchanged year-on-year at €52 million (previous year: €51 million). The operating margin declined to 7.2% (previous year: 7.9%) due to a less favorable product mix.

In the first nine months of fiscal 2023, investments in the Electronic Solutions division increased by €11 million year-on-year to €29 million due to tools required for production. The higher level of working capital meant that operating free cash flow declined by €30 million to €-171 million (previous year: €-141 million).

## Sensors and Actuators

### Key figures Sensors and Actuators

€ million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change
Sales	350	355	-5	1,057	1,045	11
Booked Business	393	651	-258	1,821	2,083	-261
Nominated Backlog (June 30)	-	-	-	8,273	7,034	1,240
Operating result <sup>1</sup>	16	16	-	39	67	-28
Operating result margin	4.7%	4.5%	0.2%-P	3.7%	6.4%	-2.7%-P
Capital expenditure	19	24	-5	56	48	8
Operating free cash flow	10	27	-17	(27)	6	-34

<sup>1</sup> The definition of the operating result performance indicator was modified with retrospective effect in the third quarter of 2023. The prior-period figures have been restated accordingly.

Sales in the Sensors and Actuators division climbed by €11 million or 1.1% to €1,057 million in the first nine months of 2023. The sales growth primarily resulted from higher volumes in Europe.





Booked business in the first nine months of fiscal 2023 was down on the previous year's level at €1,821 million (previous year: €2,083 million). The nominated backlog increased by 17.6% to €8,273 million as at September 30, 2023 (previous year: €7,034 million).

The operating result for the first three quarters of 2023 declined by 41.9% to €39 million (previous year: €67 million). Among other things, this development is attributable to additional business recovery costs following the cyberattack on IT systems in April 2023 as well as increased raw material prices, which can only be passed on to customers after a delay. Accordingly, the operating margin amounted to 3.7% (previous year: 6.4%).

In the first nine months of 2023, investments were up €56 million year-on-year to €8 million (previous year: €48 million). The increase was due to the higher capitalization of development projects and tools in connection with new projects. In the first nine months of 2023, operating free cash flow amounted to €-27 million after €6 million in the previous year. This was due to the reduction in earnings after taxes as well as the higher level of investments.

## Materials and Trade

### Key figures Materials and Trade

€ million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change
Sales	197	188	9	550	562	-12
Booked Business	198	180	18	546	584	-38
Nominated Backlog (September 30)	-	-	-	602	604	-2
Operating result <sup>1</sup>	25	18	6	41	45	-4
Operating result margin	12.4%	9.8%	2.6%-P	7.5%	8.1%	-0.6%-P
Capital expenditure	7	4	3	13	12	1
Operating free cash flow	(7)	12	-19	(21)	(5)	-16

<sup>1</sup> The definition of the operating result performance indicator was modified with retrospective effect in the third quarter of 2023. The prior-period figures have been restated accordingly.

Sales in the Materials and Trade division declined by €12 million or 2.2% to €550 million in the first three quarters of 2023. This development was due in particular to lower volumes in the Bearings and Trade business units due to the cyberattacks on IT systems at locations in Germany and abroad in April 2023.

Booked business of €546 million was generated in the first nine months of fiscal 2023. This represents a decrease of €38 million compared with the same period of the previous year (€584 million). At €602 million, the nominated backlog as at September 30, 2023 was essentially unchanged year-on-year (previous year: €604 million).

The operating result of the Materials and Trade division decreased by €4 million or 9.1% to €41 million in the first nine months of 2023. The operating margin declined to 7.5% (previous year: 8.1%). This was due in particular to a decline in the at-equity result of a Chinese joint venture as well as the earnings effect of the downturn in sales.

Investments in the Materials and Trade division were largely unchanged year-on-year at €13 million (previous year: €12 million). Operating free cash flow fell by €16 million to €-21 million (previous year: €-5 million) due to the reduction in earnings and the increase in inventories.



## Update to the risks and opportunities

### Effective risk management

In the context of a systematic and effective risk management system, the risks in the Rheinmetall Group are limited and manageable. There are no existential risks.

### Key statements on the opportunity and risk situation

The opportunities and risks relating to the expected development of the Rheinmetall Group are essentially unchanged and are described in detail in the Group management report for fiscal 2022.

## Supplementary report

### Change in Group structure

The Vehicle Systems division was split to create the Vehicle Systems Europe and Vehicle Systems International divisions with effect from October 1, 2023. The Vehicle Systems Europe division will primarily focus on the continental European market, while the Vehicles Systems International division will concentrate on the markets of Australia, the US, and Great Britain. This will allow the group to better address the specific challenges and opportunities of the respective markets. Both divisions have their own management team and are directly managed by the Executive Board. However, the two divisions will be presented as the Vehicle Systems segment for the purposes of the Group's external reporting.

To ensure that the structure of the Group better reflects the technologies, products and business areas it covers, individual companies were also allocated to different divisions or to the Group service companies and other non-operating companies in line with their business activity with effect from October 1, 2023.

Furthermore, Rheinmetall will combine the Sensors and Actuators and Materials and Trade divisions to form a single division with effect from January 1, 2024 in order to bundle its business models and innovative strength in civil business more effectively. Going forward, the new division will act as the umbrella organization for the majority of Rheinmetall's technological expertise for civil markets.



## Outlook

### Current annual forecasts confirmed

Rheinmetall is confirming its current annual forecasts after nine months of fiscal 2023. Dynamic performance on the market for security technology – especially in the Weapon and Ammunition division – led to a favorable product and margin mix in the third quarter. In recent months, the company has also used strict cost control, active provisioning, and the mitigation of risks on the energy and procurement markets to enable it to continue taking appropriate measures to successfully counter the general trend of inflation and the situation on the markets for raw materials and primary products.

In light of the extremely positive development in the third quarter and the fact that call-offs are always higher in the final quarter of the year, the Executive Board is confirming its full-year sales and earnings forecasts for 2023, which involve consolidated sales of between €7.4 billion and €7.6 billion and an operating margin of around 12%.

The forecasts for the Group and the divisions are presented in accordance with the new group structure that became effective on October 1, 2023.

### Rheinmetall Group – forecast business performance in 2023

		2022 reported	2022 pro forma <sup>1</sup>	Forecast for fiscal 2023 (Annual Report 2022)	Adjusted Forecast for fiscal 2023 (Q3 2023)
<b>Sales</b>					
Group	€ million	6,410	6,410	sales growth €7.4 bn to €7.6 bn	sales growth €7.4 bn to €7.6 bn
Segment Vehicle Systems	€ million	2,270	2,270	sales growth 25% to 30%	sales growth around 25%
Division Weapon and Ammunition	€ million	1,470	1,359	sales growth 25% to 30%	sales growth 25% to 30%
Division Electronic Solutions	€ million	1,064	1,164	sales growth 15% to 20%	sales growth around 15%
Division Sensors and Actuators	€ million	1,382	1,382	sales growth 5% to 8%	sales growth around 2%
Division Materials and Trade	€ million	743	742	sales growth 4% to 7%	previous year level
<b>Operating result margin</b>					
Group	%	11.8	11.9	operating result margin around 12%	operating result margin around 12%
Segment Vehicle Systems	%	11.4	11.5	operating result margin 11% to 13%	operating result margin 11% to 13%
Division Weapon and Ammunition	%	20.8	21.9	operating result margin 20% to 22%	operating result margin >22%
Division Electronic Solutions	%	11.1	10.4	operating result margin 11% to 13%	operating result margin 11% to 13%
Division Sensors and Actuators	%	6.9	6.8	operating result margin 7% to 9%	operating result margin 4% to 6%
Division Materials and Trade	%	9.2	8.9	operating result margin 9% to 11%	operating result margin 7% to 9%
<b>OFCF (in relation to sales)</b>					
Group	%	-2.4		4% to 6%	4% to 6%

<sup>1</sup> Reorganisation of Group structure as of October 1, 2023

At ≥€190 million, the separately communicated sales forecast for Rheinmetall Expal Munitions S.A.U. will be slightly above the previous expectations of €150 million to €190 million. The operating margin of Rheinmetall Expal Munitions S.A.U. is now expected at above 25%.



## Consolidated statement of financial position

### Statement of financial position of Rheinmetall Group as of September 30, 2023

€ million	09/30/2023	12/31/2022
<b>Assets</b>		
Goodwill	1,308	483
Other intangible assets	684	338
Right-of-use assets	236	209
Property, plant and equipment	1,293	1,137
Investment property	23	24
Investments accounted for using the equity method	383	408
Other non-current assets	226	187
Deferred taxes	141	98
<b>Non-current assets</b>	<b>4,294</b>	<b>2,884</b>
Inventories	3,263	1,976
Contract assets	624	362
Trade receivables	1,503	1,548
Other current assets	255	242
Income tax receivables	132	23
Securities held for trade	131	132
Cash and cash equivalents	375	545
Assets held for sale	320	377
<b>Current assets</b>	<b>6,604</b>	<b>5,206</b>
<b>Total assets</b>	<b>10,898</b>	<b>8,089</b>
<b>Equity and liabilities</b>		
Share capital	112	112
Capital reserves	685	566
Retained earnings	2,153	2,140
Treasury shares	(5)	(6)
<b>Rheinmetall AG shareholders' equity</b>	<b>2,944</b>	<b>2,812</b>
Non-controlling interests	282	271
<b>Equity</b>	<b>3,226</b>	<b>3,083</b>
Provisions for pensions and similar obligations	500	484
Other non-current provisions	202	205
Non-current financial debts	1,572	517
Other non-current liabilities	59	56
Deferred taxes	227	78
<b>Non-current liabilities</b>	<b>2,559</b>	<b>1,341</b>
Other current provisions	672	674
Current financial debts	873	454
Contract liabilities	2,126	1,120
Trade liabilities	957	931
Other current liabilities	216	200
Income tax liabilities	108	67
Liabilities directly related to assets held for sale	161	220
<b>Current liabilities</b>	<b>5,112</b>	<b>3,665</b>
<b>Total equity and liabilities</b>	<b>10,898</b>	<b>8,089</b>



## Consolidated income statement

### Income Statement of the Rheinmetall Group

€ million	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022
<b>Sales</b>	<b>1,758</b>	<b>1,415</b>	<b>4,618</b>	<b>4,089</b>
Changes in inventories and work performed by the enterprise and capitalized	173	138	718	367
<b>Total operating performance</b>	<b>1,931</b>	<b>1,553</b>	<b>5,336</b>	<b>4,456</b>
Other operating income	41	53	96	121
Cost of materials	1,007	797	2,761	2,195
Personnel costs	495	440	1,502	1,361
Amortization, depreciation and impairment	79	63	205	185
Other operating expenses	219	194	584	513
Result from investments accounted for using the equity method	6	8	(11)	23
Other financial result	(8)	(3)	(6)	(43)
<b>Earnings before interest and taxes (EBIT)</b>	<b>170</b>	<b>117</b>	<b>364</b>	<b>302</b>
Interest income	5	1	24	3
Interest expenses	30	7	72	22
<b>Earnings before taxes (EBT)</b>	<b>145</b>	<b>111</b>	<b>316</b>	<b>284</b>
Income taxes	(36)	(30)	(87)	(75)
<b>Earnings from continuing operations</b>	<b>109</b>	<b>82</b>	<b>229</b>	<b>209</b>
Earnings from discontinued operations	2	5	6	11
<b>Earnings after taxes</b>	<b>111</b>	<b>86</b>	<b>235</b>	<b>220</b>
Of which:				
<i>Non-controlling interests</i>	9	10	24	39
<i>Rheinmetall AG shareholders</i>	102	77	212	182
<b>Basic earnings per share</b>	<b>€ 2.34</b>	<b>€ 1.76</b>	<b>€ 4.87</b>	<b>€ 4.19</b>
Basic earnings per share from continuing operations	€ 2.31	€ 1.65	€ 4.73	€ 3.93
Basic earnings per share from discontinued operations	€ 0.04	€ 0.11	€ 0.14	€ 0.26
<b>Diluted earnings per share</b>	<b>€ 2.34</b>	<b>€ 1.76</b>	<b>€ 4.87</b>	<b>€ 4.19</b>
Diluted earnings per share from continuing operations	€ 2.31	€ 1.65	€ 4.73	€ 3.93
Diluted earnings per share from discontinued operations	€ 0.04	€ 0.11	€ 0.14	€ 0.26

## Consolidated statement of comprehensive income

### Statement of comprehensive income of the Rheinmetall Group

€ million	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022
<b>Earnings after taxes</b>	<b>111</b>	<b>86</b>	<b>235</b>	<b>220</b>
Remeasurement of net defined benefit liability from pensions	18	29	4	66
<b>Amounts not reclassified to the income statement</b>	<b>18</b>	<b>29</b>	<b>4</b>	<b>66</b>
Change in value of derivative financial instruments (cash flow hedge)	5	(5)	(17)	(3)
Currency translation difference	20	36	(2)	90
Other comprehensive income / expenses from investments accounted for using the equity method	(6)	2	(8)	7
<b>Amounts reclassified to the income statement</b>	<b>19</b>	<b>33</b>	<b>(27)</b>	<b>94</b>
<b>Other comprehensive income after taxes</b>	<b>36</b>	<b>62</b>	<b>(22)</b>	<b>160</b>
<b>Total comprehensive income</b>	<b>147</b>	<b>148</b>	<b>213</b>	<b>381</b>
Of which:				
<i>Non-controlling interests</i>	14	7	15	40
<i>Rheinmetall AG shareholders</i>	133	141	198	341



## Consolidated statement of cash flows

### Statement of cash flows of the Rheinmetall Group

€ million	Q1-Q3 2023	Q1-Q3 2022
Earnings after taxes	235	220
Amortization / depreciation / impairment of property, plant and equipment, intangible assets and investment property	205	185
Allocation of CTA assets to secure pension and partial retirement obligations	(14)	(50)
Other changes in pension provisions	(11)	(18)
Income / expenses from disposals of non-current assets	(13)	(1)
Changes in other provisions	(23)	(26)
Changes in working capital	(533)	(725)
Changes in receivables, liabilities (without financial debt) and prepaid & deferred items	(129)	(96)
Pro rata income / loss from investments accounted for using the equity method	11	(23)
Dividends received from investments accounted for using the equity method	8	5
Other non-cash expenses and income	38	18
<b>Cash flow from operating activities<sup>1</sup></b>	<b>(225)</b>	<b>(511)</b>
<i>Of which continuing operations</i>	(203)	(499)
<i>Of which discontinued operations</i>	(22)	(12)
Investments in property, plant and equipment, intangible assets and investment property	(234)	(191)
Cash inflows from the disposal of property, plant and equipment, intangible assets and investment property	1	3
Cash inflows from disinvestments in consolidated companies and financial assets	77	-
Cash outflows for investments in consolidated companies and financial assets	(1,063)	(199)
<b>Cash flow from investing activities</b>	<b>(1,220)</b>	<b>(387)</b>
<i>Of which continuing operations</i>	(1,195)	(375)
<i>Of which discontinued operations</i>	(25)	(12)
Dividends paid out by Rheinmetall AG	(187)	(143)
Other profit distributions	(4)	(6)
Borrowing of financial debts	819	353
Repayment of financial debts	(344)	(155)
Cash inflows from the issuance of convertible bonds - Addition to equity	113	-
Cash inflows from the issuance of convertible bonds - Fair value financial liability	887	-
Transaction costs for the issuance of convertible bonds	(7)	-
<b>Cash flow from financing activities</b>	<b>1,277</b>	<b>49</b>
<i>Of which continuing operations</i>	1,245	96
<i>Of which discontinued operations</i>	32	(46)
<b>Changes in cash and cash equivalents</b>	<b>(167)</b>	<b>(849)</b>
Changes in cash and cash equivalents due to exchange rates	(8)	4
<b>Total change in cash and cash equivalents</b>	<b>(176)</b>	<b>(844)</b>
<b>Opening cash and cash equivalents January 1</b>	<b>568</b>	<b>1,058</b>
<b>Closing cash and cash equivalents September 30</b>	<b>392</b>	<b>213</b>
Closing cash and cash equivalents September 30 from discontinued operations	17	17
<b>Closing cash and cash equivalents according to statement of financial position September 30</b>	<b>375</b>	<b>196</b>

<sup>1</sup> Of which: Net income taxes: €-125 million (previous year: €-142 million); net interest: €-22 million (previous year: €-12 million)



## Consolidated statement of changes in equity

### Development of equity

€ million	Share capital	Capital reserve	Total retained earnings	Treasury shares	Rheinmetall AG shareholders' equity	Non-controlling interests	Equity
<b>As of 1/1/2022</b>	<b>112</b>	<b>561</b>	<b>1,755</b>	<b>(9)</b>	<b>2,418</b>	<b>203</b>	<b>2,620</b>
Earnings after taxes	-	-	182	-	182	39	220
Other comprehensive income after taxes	-	-	159	-	159	1	160
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>341</b>	<b>-</b>	<b>341</b>	<b>40</b>	<b>381</b>
Dividend payout	-	-	(143)	-	(143)	(6)	(149)
Disposal of treasury shares	-	-	-	3	3	-	3
Other changes	-	6	(10)	-	(4)	(1)	(6)
<b>As of 9/30/2022</b>	<b>112</b>	<b>566</b>	<b>1,942</b>	<b>(6)</b>	<b>2,614</b>	<b>235</b>	<b>2,849</b>
<b>As of 1/1/2023</b>	<b>112</b>	<b>566</b>	<b>2,140</b>	<b>(6)</b>	<b>2,812</b>	<b>271</b>	<b>3,083</b>
Earnings after taxes	-	-	212	-	212	24	235
Other comprehensive income after taxes	-	-	(13)	-	(13)	(9)	(22)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>198</b>	<b>-</b>	<b>198</b>	<b>15</b>	<b>213</b>
Dividend payout	-	-	(187)	-	(187)	(4)	(191)
Disposal of treasury shares	-	-	-	1	1	-	1
Change in in scope of consolidation	-	-	1	-	1	-	1
Changes in respect of the convertible bond	-	113	-	-	113	-	113
Other changes	-	6	-	-	6	-	6
<b>As of 9/30/2023</b>	<b>112</b>	<b>685</b>	<b>2,153</b>	<b>(5)</b>	<b>2,944</b>	<b>282</b>	<b>3,226</b>

### Composition of retained earnings

€ million	Currency translation difference	Remeasurement of net defined benefit liability from pensions	Hedges	Comprehensive income / loss from investments accounted for using the equity method	Other reserves	Total retained earnings
<b>As of 1/1/2022</b>	<b>8</b>	<b>(330)</b>	<b>25</b>	<b>3</b>	<b>2,047</b>	<b>1,755</b>
Earnings after taxes	-	-	-	-	182	182
Other comprehensive income after taxes	87	66	(1)	7	-	159
<b>Total comprehensive income</b>	<b>87</b>	<b>66</b>	<b>(1)</b>	<b>7</b>	<b>182</b>	<b>341</b>
Dividend payout	-	-	-	-	(143)	(143)
Book transfers	-	-	-	7	(7)	-
Other changes	-	-	-	-	(10)	(10)
<b>As of 9/30/2022</b>	<b>95</b>	<b>(264)</b>	<b>24</b>	<b>18</b>	<b>2,068</b>	<b>1,942</b>
<b>As of 1/1/2023</b>	<b>33</b>	<b>(276)</b>	<b>11</b>	<b>16</b>	<b>2,355</b>	<b>2,140</b>
Earnings after taxes	-	-	-	-	212	212
Other comprehensive income after taxes	3	4	(13)	(8)	-	(13)
<b>Total comprehensive income</b>	<b>3</b>	<b>4</b>	<b>(13)</b>	<b>(8)</b>	<b>212</b>	<b>198</b>
Dividend payout	-	-	-	-	(187)	(187)
Change in scope of consolidation	1	(6)	-	-	6	1
Book transfers	-	-	-	3	(3)	-
<b>As of 9/30/2023</b>	<b>37</b>	<b>(277)</b>	<b>(2)</b>	<b>12</b>	<b>2,382</b>	<b>2,153</b>



## Segment report

### Segment report Q3 2023

€ million	Vehicle Systems	Weapon and Ammunition	Electronic Solutions	Sensors and Actuators	Materials and Trade	Others / Consolidation	Group (continuing operations)
<b>Income statement</b>							
External sales	653	379	204	327	197	(2)	1,758
Internal sales	6	58	74	23	-	(162)	-
Segment sales	659	437	278	350	197	(164)	1,758
Operating result <sup>1</sup>	82	89	25	16	25	(46)	191
Special items	(1)	(15)	-	-	-	(4)	(20)
EBIT	81	74	25	16	25	(50)	170
<i>Of which:</i>							
At-equity result	(1)	2	-	2	4	(1)	6
Amortization and depreciation	16	26	7	21	5	3	79
Impairment	-	-	-	-	-	-	-
Interest income	2	2	2	3	2	(5)	5
Interest expenses	5	8	3	2	2	12	30
EBT	78	68	24	17	24	(66)	145
<b>Other data</b>							
Operating free cash flow	3	63	(83)	10	(7)	(89)	(102)

### Segment report Q3 2022

€ million	Vehicle Systems	Weapon and Ammunition	Electronic Solutions	Sensors and Actuators	Materials and Trade	Others / Consolidation	Group (continuing operations)
<b>Income statement</b>							
External sales	466	228	186	339	187	9	1,415
Internal sales	3	56	45	16	1	(121)	-
Segment sales	469	285	231	355	188	(112)	1,415
Operating result <sup>1</sup>	46	38	25	16	18	(24)	120
Special items	(1)	(1)	-	-	-	-	(2)
EBIT	45	37	25	16	18	(24)	117
<i>Of which:</i>							
At-equity result	(1)	3	1	1	4	-	8
Amortization and depreciation	14	11	8	23	5	3	63
Impairment	-	-	-	-	-	-	-
Interest income	-	-	-	1	-	(1)	1
Interest expenses	2	5	1	1	1	(4)	7
EBT	44	32	24	16	18	(21)	111
<b>Other data</b>							
Operating free cash flow	44	(51)	(4)	27	12	(66)	(37)

<sup>1</sup> The definition of the operating result performance indicator was modified with retrospective effect in the third quarter of 2023. The prior-period figures have been restated accordingly.





## Segment report Q1 - Q3 2023

€ million	Vehicle Systems	Weapon and Ammunition	Electronic Solutions	Sensors and Actuators	Materials and Trade	Others/ Consolidation	Group (continuing operations)
<b>Income statement</b>							
External sales	1,655	856	547	1,001	548	10	4,618
Internal sales	16	179	182	55	2	(433)	-
Segment sales	1,671	1,035	729	1,057	550	(423)	4,618
Operating result <sup>1</sup>	183	180	52	39	41	(108)	387
Special items	2	(17)	(1)	-	-	(2)	(23)
EBIT	180	163	51	38	41	(110)	364
<i>Of which:</i>							
At-equity income	1	4	1	3	(2)	(18)	(11)
Amortization and depreciation	47	48	20	66	14	9	205
Impairment	-	-	-	-	-	-	-
Interest income	8	5	5	7	4	(5)	24
Interest expenses	15	21	8	5	5	18	72
EBT	173	147	49	41	39	(133)	316
<b>Other data</b>							
Operating free cash flow	(344)	176	(171)	(27)	(21)	(40)	(427)
Employees September 30 (FTE)	6,360	6,679	3,716	4,389	2,284	833	24,263

## Segment report Q1 - Q3 2022

€ million	Vehicle Systems	Weapon and Ammunition	Electronic Solutions	Sensors and Actuators	Materials and Trade	Others/ Consolidation	Group (continuing operations)
<b>Income statement</b>							
External sales	1,306	701	508	990	560	23	4,089
Internal sales	14	148	134	55	2	(352)	-
Segment sales	1,320	849	642	1,045	562	(329)	4,089
Operating result <sup>1</sup>	123	110	51	67	45	(65)	331
Special items	(2)	(3)	(1)	-	-	(21)	(28)
EBIT	120	107	50	66	45	(86)	302
<i>Of which:</i>							
At-equity income	2	12	2	2	3	2	23
Amortization and depreciation	39	33	22	69	14	7	185
Impairment	-	-	-	-	-	-	-
Interest income	1	1	1	2	1	(2)	3
Interest expenses	7	14	4	3	3	(9)	22
EBT	115	94	46	66	43	(79)	284
<b>Other data</b>							
Operating free cash flow	(97)	(326)	(141)	6	(5)	(115)	(678)
Employees September 30 (FTE)	5,489	5,004	3,470	4,485	2,275	681	21,402

<sup>1</sup> The definition of the operating result performance indicator was modified with retrospective effect in the third quarter of 2023. The prior-period figures have been restated accordingly.

# Financial calendar and legal information

This quarterly statement was published on November 9, 2023.

## Dates

### **March 14, 2024**

Publication of the 2023 annual report

### **May 14, 2024**

Quarterly Statement on Q1 / 2024

### **May 14, 2024**

Rheinmetall AG Annual General Meeting

### **August 8, 2024**

Report on H1 / 2024

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