Rheinmetall Group
Corporate Presentation
April 2020
Rheinmetall Group
Mobility and security form the DNA of the business model

RHEINMETALL GROUP
INTEGRATED TECHNOLOGY GROUP FOR SECURITY AND MOBILITY

Automotive  *Our heart beats for your engine*
- Tier 1 supplier
- High-tech products for global markets
- Gaining powertrain neutrality

Defence  *Force protection is our mission*
- System house for land based operations
- Leading provider of innovative solutions
- Internationalization focused on home markets

Business Model
- Megatrend mobility
- Growing demand for clean mobility
- Global LV production with growth
- Increased regulation

Market driver
- Increasing demand for security
- Geostrategical powershifts
- Constantly changing conflict situations
- Rising defence/security budgets
### Rheinmetall Group

**Highlights**

**Group performance indicator**

- **Grow sales around 8%**
- **~8% op. margin**
- **Targeted 2-4% Cash on sales**
- **30-35% payout ratio**

**RHEINMETALL GROUP**

**Strategy roadmap**

- Organic growth
- International expansion
- Leading by innovations
- Targeted acquisitions

**AUTOMOTIVE** *Our heart beats for your engine*

- **Op. margin:** 6.7%
- **Sales:** €2,736m
- **Oper. Result:** €184m
- **Order backlog:** *€447m*
- **Headcount:** 11,405
- **2019**
  - **Op. margin:** 44%
  - **Oper. margin:** 35%
  - **Headcount:** 49%

**DEFENCE** *Force protection is our mission*

- **Sales:** 56%
- **Oper. Result:** 65%
- **Order backlog:** €3,522m
- **Headcount: €343m**
- **Op. margin:** 51%
- **Headcount: €10,399m**
- **12,100**

* Short-term; **Headcount at capacities;
Rheinmetall Group
Financial overview - Growth in all relevant KPI

Sales, operating result and operating margin
In €m


Earnings and dividend per share
In € / in %


Operating FCF and operating FCF to Sales
In €m / in %

- OCF/Sales: 2015: 1.17x, 2016: 3.0x, 2017: 0.04x, 2018: -0.07x

Net financial debt and Net debt to EBITDA
In €m

Rheinmetall Automotive
Products per division

MECHATRONICS
- PUMP TECHNOLOGY
- AUTOMOTIVE EMISSION SYSTEMS
- SOLENOID VALVES
- COMMERCIAL DIESEL SYSTEMS
- ACTUATORS

HARDEPARTS
- SMALL BORE PISTONS
- BEARINGS
- LARGE BORE PISTONS
- CASTINGS

AFTERMARKET
- HARDPARTS
- MECHATRONICS
WEAPON AND AMMUNITION
- MID & LARGE CALIBER AMMO
- MID & LARGE CALIBER WEAPONS
- PROTECTION SYSTEMS
  - ACTIVE
  - PASSIVE
  - SOFTKILL

ELECTRONIC SOLUTIONS
- INTEGRATED ELECTRONIC SYSTEMS
- AIR DEFENCE & RADAR SYSTEMS
- TECHNICAL PUBLICATIONS

VEHICLE SYSTEMS
- TACTICAL VEHICLES
- LOGISTIC VEHICLES
- HX-FAMILY
  - Medium wheeled
  - Medium tracked
  - Heavy tracked

Rheinmetall Defence
Products per division

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One Rheinmetall
Realization of growth in changing market conditions

✓ Positioning as integrated technology group for Mobility and Security
✓ Realization of growth potentials in changing market environments
✓ Leveraging strengths by bundling and channeling our expertise and competencies, e.g. different technologies
✓ Change perception and increase attractiveness as an employer

One Rheinmetall Phase I
Initiatives addressing culture and cooperation 2016-2018

One Rheinmetall Phase II
Focus on technologies 2018 ff.

One Rheinmetall Phase III
Commercialization starting 2021
Automotive – A changing world
Automotive
Leading technology and market positions

Key Figures 2019

- Sales: €2.7bn
- Op. result: €184m
- Op. margin: 6.7%
- Op. FCF: €73m
- R&D: €143m
- Capex: €163m
- Headcount: 11,405

Sales by division*

- Mechatronics: 54%
- Aftermarket: 13%
- Hardparts: 33%

Operating result by division*

- Mechatronics: 64%
- Aftermarket: 19%
- Hardparts: 26%

Sales by region

- Asia: 18%
- Europe w/o Germany: 43%
- USMCA: 16%
- Global: 4%
- RoW: 4%

Sales by customer

- >10% Ford, VW: 23%
- 5-10% Renault/Nissan, GM, FCA: 16%
- 2-5% Daimler, DAF, Volvo, PSA, BMW, CAT/Perkins: 17%
- Other: 44%

Sales Total Management View

- China JV-Sales in €bn: 1.1
- Consolidated Sales: 2.7

Global set up

- Sites per continent: 12, 27, 3, 12

*unconsolidated
Automotive
Leading technology and market positions

<table>
<thead>
<tr>
<th>Sales driver</th>
<th>Segment Structure</th>
<th>Key Competitor</th>
<th>Differentiator</th>
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<tbody>
<tr>
<td>Megatrend mobility</td>
<td>Hardparts</td>
<td>Hardparts</td>
<td>Strong brand</td>
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<tr>
<td>Growing demand for clean mobility</td>
<td>Mechatronics</td>
<td>Mahle, Nemak, GGB, Tenneco (Federal Mogul), Dong Yang</td>
<td>Global footprint</td>
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<tr>
<td>Global LV production with further growth</td>
<td>Aftermarket</td>
<td>Magna, Bosch, Denso, Valeo, Schaeffler</td>
<td>Strong partnerships</td>
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<tr>
<td>Increased regulation</td>
<td></td>
<td>Aftermarket</td>
<td>(Hasco, Shriram, Riken, ZYNP)</td>
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<tr>
<td></td>
<td>Hardparts</td>
<td>Tenneco (Federal Mogul), Mahle, Bosch, Valeo</td>
<td>Wide technology portfolio</td>
</tr>
<tr>
<td></td>
<td>Mechatronics</td>
<td></td>
<td>Extensive product Know-How</td>
</tr>
</tbody>
</table>

- Pump Technology
- Auto. Emission Systems
- Commercial Diesel Systems
- Solenoid Valves
- Actuators

- Pistons
- Castings
- Bearings

- Strong brand
- Global footprint
- Strong partnerships
- Wide technology portfolio
- Extensive product Know-How
Automotive overview
Product portfolio by division and engine type
Drivers for growth

Rising global fleet and regulatory restrictions are supporting our growth

LV production forecast*

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<th>2019</th>
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<tr>
<td>Electric</td>
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<tr>
<td>Plug-in hybrid</td>
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<tr>
<td>Full hybrid</td>
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<tr>
<td>Gasoline mild hybrid</td>
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<tr>
<td>Diesel</td>
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</table>

* IHS 02/2020 and company estimates
** Rheinmetall Automotive sales FY 2019
*** 95g = 4.1l Gasoline or 3.6l Diesel, 2030 estimates based on Regulation (EU) 2019/631

Further regulatory pressure***

- Next regulation deadline approaching in 2020
- Real driving emission (RDE) testing will create further pressure to reduce emissions by hardware installation
- First city ban for diesel engines announced in Germany

Fuel independent products

- Core Diesel
- Fuel independent products
- Others

Automotive sales distribution by engine type**

- Truck
- Large-Bore Pistons
- Gasoline

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Automotive Market trends
The growth drivers remain strong

The innovation pipeline is packed!
Efficiency

CO2 - reduction with Automotive products – gasoline engine vehicle

130 g
CO2/km 2015

-1 g CO2/km

-3 g CO2/km

-3 g CO2/km

-7 g CO2/km

-2 g CO2/km

-2 g CO2/km

95 g
CO2/km 2021

Variable oil pump

Tribology system

Electr. control valve and variable coolant pump

Variable valve train

Electr. EGR system

Lightweight design parts

*Reference: 1.4L 4-cylinder. TC DI gasoline engine (115kW), approx. 138 g CO2/km in NEDC
Facing technological disruption
Rheinmetall needs to manage the transition
Electrification

Rheinmetall Automotive products

**ELECTRIFICATION**
Peripheral system and components

**CAR**
(HV) 400VPLUS
50-125KW

**FIRST-/LAST-MILE**
48V
15-20KW

**MICRO E-DRIVE SYSTEM**
48V
0,25-0,7KW

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Life time order value of €1.3bn booked*

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* Rheinmetall Automotive and Joint Ventures, incl. BEV and Hybrid
# Mechatronic Innovation pipeline

## Innovative products for a variety of applications

![Diagram showing sales and order intake for various products](image)

### Key Products
- **High Voltage Contactor**
- **El. Vapor Pump**
- **El. Climate Compressor**
- **El. Cooling Pumps**
- **High Voltage Recirculation Blower**
- **Multi Purpose Valve**
- **Compact Door Actuator**

### Sales and Order Intake

<table>
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<tr>
<th>Year</th>
<th>Sales</th>
<th>Order Intake</th>
<th>Book to Bill Ratio</th>
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<tr>
<td>2015</td>
<td>&gt;€0.6bn</td>
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<td>2016</td>
<td>€700m until 2026</td>
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<tr>
<td>2017</td>
<td>&gt;€2.5bn</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>2018</td>
<td>&gt;€1.5bn</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>2019</td>
<td>&gt;€1.5bn</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

### Estimated Market Potential
- **>4m vehicles**
- **>€0.6bn**
- **>€2.5bn**
- **>€700m**

### Examples
- **ICE + HYBRID**
- **H₂**
- **B**

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**Innovative products for a variety of applications**
Micro Mobility
Starting with competitive product into a booming market

High growth market
- European market with 10% CAGR between 2018 and 2030
- High market concentration with Bosch representing almost 50% of market share
- E-bike market price averaged at €3,000 last 3 years

Unique Selling Proposition
- Smooth phasing of engine support
- Excellent freewheeling
- Low weight and compact build
- Low noise emission
- High thermic stability
- Interesting connectivity features
- Speedy service concept
Diversification

Increasing portfolio for non-LV applications

- Trucks
- Large bore pistons
- Bearings & continuous casting
- Aftermarket

Diverse portfolio for truck applications
E.g. ship and locomotive pistons
Sanitary application
Global supply of spare parts
Trucks
Diverse portfolio for truck applications

Main coolant pumps
Auxiliary coolant pumps
Electrical oil pumps
Coolant valves
Variable valve Control
Exhaust gas flaps
Hydraulic valves
Cylinder bore coating

HARDPARTS
Permaglide bearings for truck compressors and truck hydraulics
Aluminum pistons
Steel pistons
Piston rings Cooperation with Riken
Bushings for injection pumps
Main-bearings
Connecting rod bearings
Bearings for seat adjustments and doors
EGR cooler modules and mixer modules
EGR reed valves
Dual poppet valves
EGR pass valves
High performance actuators

MECHATRONICS

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2015 2016 2017 2018 2019
351 338 386 436 404

Sales in €m
CAGR +4%
New Markets Telecommunication
Diversification into new growth areas

5G-Data safety:
Major production contract for manufacturing aluminum housings for 5G network

- Rheinmetall JV with HASCO in China is the leading supplier of die-casting capacities in China
- High technological competence
- Great opportunity to diversify in growth markets

Contract value of €150m for six-digit number of boxes in 2020
Additional demand for 10,000,000 boxes until 2030 creates further potential
Automotive China
Outperforming the market

**Highlights**

- Partner of local big players SAIC and HASCO (50/50 joint ventures)
- Biggest casting capacities in China – technology leader
- Regulation (China 6) – provides substantial growth potential for mechatronics division
- Strong demand for NEV products
- China Story on track: product pipeline supports growth ambitions
- Demand for Mechatronics products key driver

### Sales China

**in €m**

- 2012: 401
- 2013: 528
- 2014: 681
- 2015: 871
- 2016: 934
- 2017: 972
- 2018: 1,003
- 2019: 1,149

**WFOEs**

**JVs (100%)**

### Sales China by division

**in €m**

- CAGR +9%

- **Mechatronics**
  - 2016: 30
  - 2017: 37
  - 2018: 53
  - 2019: 53
- **Hardparts**
  - 2016: 71
  - 2017: 76
  - 2018: 79
  - 2019: 76
- **Aftermarket**

**WFOEs**

**JVs (100%)**
Defence – Managing the “super cycle”
Defence
Leading supplier with an increasing international presence

Key Figures 2019

Sales: €3.5bn
Op. result: €343m
Op. margin: 9.8%
Op. FCF: €266m
R&D: €75m
Capex: €166m
Headcount: 12,100

Sales by division*

- Weapon and Ammunition: 27%
- Vehicle Systems: 48%
- Electronic Solutions: 25%

Sales by region

- Germany: 41%
- Europe: 20%
- Asia / Middle East: 23%
- USMCA: 13%
- RoW: 1%
- Aus/NZ: 13%

Order backlog by division

- Weapon and Ammunition: 21%
- Vehicle Systems: 60%
- Electronic Solutions: 22%

Order backlog by region

- Germany: 22%
- RoW: 1%
- Aus/NZ: 27%
- USMCA: 3%
- Asia / Middle East: 19%
- Europe: 28%

Operating result by division*

- Weapon and Ammunition: 35%
- Vehicle Systems: 27%
- Electronic Solutions: 22%

Global set up

- Sites per continent: 9, 80, 1, 5, 10

*unconsolidated
Defence
Leading technology and market position

Sales driver
- Increasing demand for security
- Geostrategic power shifts
- Constantly changing conflict situations
- Rising defence/security budgets

Structure of Corporate Segments
- **Vehicle Systems**
  - Tactical Vehicles
  - Logistic Vehicles
- **Weapon and Ammunition**
  - Weapon and Munition
  - Protection Systems
  - Propulsion Systems
- **Electronic Solutions**
  - Integrated Electronic Solutions
  - Air Defence and Radar Systems
  - Technical Publications

Key Competitor
- **Vehicle Systems**
  - General Dynamics, BAE, KNDS, Scania, Iveco, Hanwha
- **Weapon and Ammunition**
  - Nammo, Northrop Grumman, Plasan, Eurenco, GD, Kongsberg
- **Electronic Solutions**
  - R&S, CAE, Saab, Thales, Rafael, Elbit Systems, Safran, Hensoldt

Differentiator
- Reputation as trustful and reliable company
- International footprint
- Broad product portfolio
- International presence
- System integrator
- Modular and open architecture
  - Weapon and sensor platforms
- Excellent engineering
  - Know-How & capabilities
Defence
Managing the super cycle

- 1990: Downscaling of forces and armament
- 2014: Annexation of Crimea
- Inflection point
- 2% target commitment
- Return to treaty and territorial defence
- Upscaling of forces and modernization
- Demand for next generation systems

Increase of global defence budgets
Declining budgets
Out of area missions
Defence super cycle
Successful internationalization provides diverse sources of growth

Our home markets

Germany
- Largest customer
- Budget increase: Commitment to 1.5% in 2024
- 100% Equipment level
- More personnel

Australia
- Established „home market“
- Land 400 program as demand driver
- Ammunition framework contract

United Kingdom
- JV with BAE serves „home market“
- MIV and Challenger LEP program
- Ammunition framework contract

Eastern Europe
- Modernization to NATO standards
- VJTF participation
- IFV tender pipeline
Defence tender overview
High demand could lead to promising super cycle

**UK**
- MIV Boxer
- Challenger

**France**
- Trucks
- MGCS

**Germany**
- Trucks
- IDZ
- VJTF Puma
- Leopards
- Load Handling System
- Heavy transport helicopter
- 2. Puma lot
- 2. IDZ lot
- Boxer variants
- Ammunition
- Fox
- TEN (D-LBO)
- Indirect fire
- MGCS

**Eastern Europe**
- Lithuania: Boxer
- Poland: Leopard II
- Hungary: Leopard, Howitzer, IFV (wheeled/tracked)
- Czech Rep: IFV (wheeled)
- Slovakia: IFV
- Bulgaria: IFV (wheeled)
- Romania: IFV (wheeled)
- Slovenia: APC (wheeled)

**USA**
- Ammunition
- Fuzes
- OMFV

**International Customers**
- MENA
- South-East Asia
- Algeria

*Green: booked business / black: potential*
German defence
NATO commitment key driver for German demand

Lead role in Very High Readiness Joint Task Force (VJTF)

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<tr>
<th>Bundeswehr</th>
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<th>’32+</th>
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<tr>
<td>2016</td>
<td>VJTF´19</td>
<td>VJTF´23 (1 Brigade)</td>
<td>1x Division (3x Brigade)</td>
<td>3x Division (8x Brigade)</td>
<td>3x Division (10x Brigade)</td>
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<td>White paper</td>
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<td>~2.200 vehicles</td>
<td>~9.000 vehicles</td>
<td>~30.000 vehicles</td>
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<td>04/2018</td>
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100% equipment and digitization
German defence budget

Investment expenses and Rheinmetall-share - budgets become sizeable

_in €m_

Expense increase based on 3 pillars:

- **More budget**, investment share increased by 36% from 2018 to 2019: if political 1.5% commitment is to be achieved in 2024 this could lead to €~12 bn investment spend

- **More personnel**, return to ~200,000 soldiers

- **More equipment** (100% equipment level)

NATO and VJTF commitments as strong drivers for budget increase

*based on BMWi GDP forecast Oct. 19; assumption 20% of German defence budget investive
German Defence

Additional structural demand of German armed forces

**Vehicles**

- **Fox**
  - (>500 vehicles)

- **Boxer**
  - (~150 vehicles)

- **Trucks**
  - (>10,000 vehicles)

- **Puma**
  - (~250 vehicles)

- **Leopard 2**
  - (>200 vehicles)

**Programs and ammunition**

- **NNBS**
  - (Short range air defence)

- **TLVS/Next Gen. Patriot**
  - (Tactical air defence)

- **DLBO TEN**
  - (former MoTaKo)

- **Ammunition**
  - Long term doubling potential

- **Military Camps**
  - Build, operate and rebuild
Australia

Successful establishment of a new “home market”

- **2013**
  - TRUCKS
  - LAND 121 Phase 3B / 5B
    - 1st & 2nd order
    - Delivery 2016-2024, €2bn & 0.4bn

- **2017**
  - JV Rheinmetall NIOA Munition
    - 51% Rheinmetall
  - Supashock
    - 49% Rheinmetall
    - „Brain-Trust“

- **2018**
  - Land 17: 155mm Munition Framework Contract:
    - EUR 60m p.a.
    - 2018-2023
  - BOXER
    - Land 400 Phase 2
    - Delivery 2019 - 2026
    - EUR 2.1bn
    - (SOP Australia 2021)

- **2020**
  - MilVehCoE
    - Military Vehicle Center of Excellence

- **2022/2023**
  - LYNX
    - Land 400 Phase 3
    - 2019 Down selected
    - Delivery exp. 2023-2032
    - EUR 5.6bn
United Kingdom - Joint Venture with BAE
Creating a new “home market” and strengthening our position

LEGACY BUSINESS
- BAE UK business
- Armoured engineering vehicles and bridge-laying tanks
- AS 90 self-propelled artillery system
- Force protection components
- Services
  - 7,500 MAN vehicles under service

EXPANSION OF PRODUCT PORTFOLIO

Future
- Boxer Mechanized Infantry Vehicle (MIV)
  - 500 vehicles @ € 1.4bn
- Challenger 2 Life Extension Program
  - potential order size 148 MBT @ € 0.8-1.2bn
- Next generation of battle tanks
System house for land based operations

Integrating components to systems

- System house
- Protection
- Ammunition
- Laser opto-sensoric
- Lance turret
- Gladius
- Puma
- System house Armored Infantryman

VJTF

System-of-Systems

Systems

Platforms

Key Components

From components to systems
Total life cycle potential
Platform sales are just the tip of the iceberg – success creates opportunities

Rheinmetall creates additional business opportunities over the entire life cycle of 50 years

- Ammunition
- Spare parts
- Service & Maintenance
- Training & Simulation
- Technical Documentation
- Upgrades (Life time extension)
FINANCIALS
FY 2019 Group: Highlights

Strong operating performance with high shareholder return

- **Order backlog**: €10.8bn, +20%
- **Sales**: €6.3bn, +2%
- **Operating result**: €505m, +3%
- **EPS**: €7.77, +9%
- **Dividend proposal**: €2.40, +14%
- **Operating FCF**: €314m, >100%
FY 2019 Highlights: Automotive

Strong cash flow generation under difficult market conditions

- Sales drop beyond market slow down especially in Diesel and unfavorable customer mix with additional impact of net negative ramp-ups
- Cost reduction measures limited further leverage driven result decline
- FY margin decreased 2.2%p to 6.7%
- Cash flow improved on working capital and diligent capex management
FY 2019 Highlights: Defence
Excellent performance of our Defence business

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<tr>
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<th>2018</th>
<th>2019</th>
<th>Change</th>
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<tr>
<td>Order intake</td>
<td>5,565</td>
<td>5,186</td>
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<tr>
<td>Sales</td>
<td>3,221</td>
<td>3,522</td>
<td>+9.4%</td>
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<tr>
<td>Operating result</td>
<td>254</td>
<td>343</td>
<td>+35.3%</td>
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<tr>
<td>Operating FCF</td>
<td>-29</td>
<td>266</td>
<td>&gt;100%</td>
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- Another year with order intake > €5bn
- Sales increased 9% to new record
- Result growth of €89m accelerated margin by almost 2%p to 9.8%
- Cash flow benefited from milestone payments
FY 2019 Group: EPS and dividend
Shareholders to benefit from increased dividend

- **Earnings and dividend per share** in €

- EPS increased notably due to improved results and minorities declining structurally on M&A by €0.71
- Underlying EPS growth of 14%
- Payout ratio around 31%
- Dividend increased for the 5th consecutive year
- Total payout mounts to just above €100m
FY 2019 Group: Highlights

Solid margin development

Sales
in €m

<table>
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<tr>
<th></th>
<th>FY 2018</th>
<th>Operational</th>
<th>FX</th>
<th>M&amp;A</th>
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<td>6,148</td>
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<td>6,255</td>
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<tr>
<td></td>
<td>+0.5%</td>
<td>+0.4%</td>
<td>+0.9%</td>
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<td>+1.7%</td>
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Operating result
in €m

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<tr>
<th></th>
<th>FY 2018</th>
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<th>FX</th>
<th>M&amp;A</th>
<th>FY 2019</th>
<th>Special items</th>
<th>EBIT 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>491</td>
<td>11</td>
<td>5</td>
<td>-2</td>
<td>505</td>
<td>7</td>
<td>512</td>
</tr>
<tr>
<td></td>
<td>+2.3%</td>
<td>+1.1%</td>
<td>-0.5%</td>
<td></td>
<td>+2.9%</td>
<td></td>
<td>8.2%</td>
</tr>
</tbody>
</table>

Margin in %

|     | FY 2018 | Operational | FX | M&A | FY 2019 | | |
|-----|---------|-------------|----|-----|---------| | |
| 2018| 8.0%    |             |    |     |         | | |
|     |         |             |    |     |         | | |
| 2019| 8.1%    |             |    |     |         | | |
|     |         |             |    |     |         | | |
FY 2019 Group: Key financials

Sound balance sheet

- Equity increase was held back by OCI (lower pension discount factor) and last year’s M&A activities
- Investment grade Baa3 (stable) confirmed
- Net-debt remains on low level
- Solid credit KPIs
- Adequate liquidity available
FY 2019 Group: Key financials
Sufficient liquidity and credit lines available, no significant maturities in 2020

Debt composition and maturity profile per 31.12.2019 in €m

- No significant debt maturity in 2020
- 90% of the financial liabilities are long-term

Current liquidity position of around 940€m (incl. liquid financial assets)
- Unused cash credit lines from banks of 430€m
- Unused commercial paper program of 500€m
- Unused 500€m syndicated credit line with 13 banks can be drawn (i.a. back-up line for the commercial paper program)
FY 2019 Group: OFCF

Considerable working capital improvement as main driver

- Operating free cash flow per quarter in €m
  - Typical seasonal pattern of cash flow
  - Absence of unscheduled D&A (PY €42m)
  - Pension driven by lower CTA funding
  - Working capital improved strongly on milestone payments
  - Higher tax payments

- Operating free cash flow bridge in €m

<table>
<thead>
<tr>
<th></th>
<th>FY 2018</th>
<th>EAT</th>
<th>D&amp;A</th>
<th>Delta Pension</th>
<th>Delta WC</th>
<th>other</th>
<th>Capex</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2019</td>
<td>-35</td>
<td>0</td>
<td>-38</td>
<td>31</td>
<td>429</td>
<td>-61</td>
<td>-11</td>
<td>314</td>
</tr>
</tbody>
</table>

Corporate Presentation April 2020
FY 2019: Capex

Segmental growth path reflected in different capex development

- **Automotive with diligent capex approach**
  - in €m and in (% of sales)

<table>
<thead>
<tr>
<th>Year</th>
<th>Capex (€m)</th>
<th>Capex (% of sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>142</td>
<td>(5.5%)</td>
</tr>
<tr>
<td>2019</td>
<td>115</td>
<td>(5.2%)</td>
</tr>
</tbody>
</table>

- **Defence preparing for growth**
  - in €m and in (% of sales)

<table>
<thead>
<tr>
<th>Year</th>
<th>Capex (€m)</th>
<th>Capex (% of sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>83</td>
<td>(3.1%)</td>
</tr>
<tr>
<td>2019</td>
<td>89</td>
<td>(4.7%)</td>
</tr>
</tbody>
</table>

*IFRS 16 (non-cash) / Capitalized development costs / Capital expenditure*
FY 2019: R&D
Innovation remains key in both segments

**Automotive**
in €m and in (% of sales)

<table>
<thead>
<tr>
<th>Year</th>
<th>Customer-financed R&amp;D</th>
<th>Capitalized development costs</th>
<th>Self-financed R&amp;D</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>145 (4.9%)</td>
<td>12</td>
<td>123</td>
</tr>
<tr>
<td>2019</td>
<td>154 (5.6%)</td>
<td>17</td>
<td>137</td>
</tr>
</tbody>
</table>

**Defence**
in €m and in (% of sales)

<table>
<thead>
<tr>
<th>Year</th>
<th>Customer-financed R&amp;D</th>
<th>Capitalized development costs</th>
<th>Self-financed R&amp;D</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>143 (4.4%)</td>
<td>4</td>
<td>139</td>
</tr>
<tr>
<td>2019</td>
<td>145 (4.1%)</td>
<td>23</td>
<td>122</td>
</tr>
</tbody>
</table>

(2.2%) (2.1%)
Automotive: Q4 2019 Highlights
Strong cash generation in a slow sales quarter with burdening one-offs

Comments on quarterly performance

- Sharp sales decline of -12.9% (FX-adjusted -13.2%) significantly higher than global LV production decrease of -4.2%* aggravated by negative ramp effects, the drop in truck markets and GM strike; Diesel on new low
- Roughly €10m burden in Q4 result (GM, malware, CZ quality issues)
- OFCF doubled on efficient working capital management and diligent capex spending

Quarterly sales and margin development

<table>
<thead>
<tr>
<th></th>
<th>Q4 2018</th>
<th>Q4 2019</th>
<th>Δ</th>
<th>FY 2018</th>
<th>FY2019</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>731</td>
<td>637</td>
<td>-12.9%</td>
<td>2.930</td>
<td>2.736</td>
<td>-6.6%</td>
</tr>
<tr>
<td>Operating result</td>
<td>69</td>
<td>40</td>
<td>-42.0%</td>
<td>262</td>
<td>184</td>
<td>-29.8%</td>
</tr>
<tr>
<td>Operating margin in %</td>
<td>9.5%</td>
<td>6.2%</td>
<td>-330 bp</td>
<td>8.9%</td>
<td>6.7%</td>
<td>-220 bp</td>
</tr>
<tr>
<td>Operating Free Cash Flow</td>
<td>42</td>
<td>81</td>
<td>92.9%</td>
<td>26</td>
<td>73</td>
<td>180.8%</td>
</tr>
<tr>
<td>Operating FCF / Sales</td>
<td>5.8%</td>
<td>12.8%</td>
<td>700 bp</td>
<td>0.9%</td>
<td>2.7%</td>
<td>180 bp</td>
</tr>
</tbody>
</table>

*IHS Markit: March 2020
Automotive: Q4 2019 Highlights
Negative leverage intensified by special effects

### Sales Automotive in €m

<table>
<thead>
<tr>
<th></th>
<th>Q4 2018</th>
<th>Q4 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>731</td>
<td>637</td>
</tr>
<tr>
<td>Margin</td>
<td>233</td>
<td>92</td>
</tr>
</tbody>
</table>

### Operating result Automotive in €m

<table>
<thead>
<tr>
<th></th>
<th>Q4 2018</th>
<th>Q4 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margin</td>
<td>43</td>
<td>16</td>
</tr>
</tbody>
</table>

### Margin

- **Q4 2018**
  - Sales: 731 €m (down 12.9%)
  - Operating result: 69 €m (down 42.0%)
  - Margin: 9.5% (down 0.1%)

- **Q4 2019**
  - Sales: 637 €m
  - Operating result: 40 €m
  - Margin: 6.2% (down 100%)

---

**Mechatronics**
- Weak Truck and Diesel demand in combination with ramp down effects
- Negative leverage

**Hardparts**
- Small bore pistons declined on weak markets and GM strike
- Bearings hit by soft endmarkets
- Negative leverage and special burden

**Aftermarket**
- Solid markets and robust margin improvement
Q4 2019 Highlights: Automotive Decline in all business areas except Aftermarket

Sales split LV/ Non-LV in €m / in %
- LV: 65%
- Non-LV: 35%

Sales split Non-LV in €m / in %
- Diesel: -24 / -14.7%
- Gazoline: -21 / -7.7%
- other LV: -10 / -20.8%
- LV Business: -55 / -11.2%
- Truck: -34 / -29.6%
- Large Bore: -3 / -15.2%
- other: -5 / -16.7%
- Aftermarket: +5 / +5.7%

Non-LV Business: -38 / -14.9%
Automotive: FY 2019
Diesel decline had the biggest single impact on sales

- Diesel decline had the biggest single impact on sales

### Sales by fuel type

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>LV Diesel</td>
<td>41%</td>
<td>-89</td>
</tr>
<tr>
<td>LV Gasoline</td>
<td>35%</td>
<td>-32</td>
</tr>
<tr>
<td>other LV</td>
<td>25%</td>
<td>-26</td>
</tr>
<tr>
<td>Truck Diesel</td>
<td>59%</td>
<td>-32</td>
</tr>
<tr>
<td>Non-LV</td>
<td>26%</td>
<td>-15</td>
</tr>
</tbody>
</table>

### EU registrations by fuel type

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diesel</td>
<td>35.9</td>
<td>30.5</td>
</tr>
<tr>
<td>Gasoline</td>
<td>56.6</td>
<td>58.9</td>
</tr>
<tr>
<td>Hybrid</td>
<td>1.5</td>
<td>4.0</td>
</tr>
<tr>
<td>Electric</td>
<td>2.0</td>
<td>1.7</td>
</tr>
<tr>
<td>Other</td>
<td>1.5</td>
<td>4.0</td>
</tr>
</tbody>
</table>

Source: ACEA.be
Automotive: Q4 2019 China performance
Strong finish to the year

**Sales**
in €m

- **Q4 '18:** 211
- **op.:** 37
- **FX:** 4
- **M&A:** 19
- **Q4 '19:** 288

**EBIT**
in €m

- **Q4 '18:** 18
- **op.:** 5
- **FX:** -1
- **M&A:** 3
- **Q4 '19:** 21

**Comments on the quarter**

- Strong operational performance supported by FX and favorable M&A effect vs. market growth of 3.2%
  (IHS Markit 4 March 2020)
- Successful ramp-ups of pump business and strong sales for casting incl. non-automotive products
- EBIT development held back by startup cost

Including 100% figures of 50/50 JV, consolidated at equity
DEFENCE FINANCIALS
Defence: Q4 2019 Highlights
Best closing quarter in history

- Order intake jumped to ~€3bn with large share for 2020
- Sales increase of 5.5% on an already strong Q4 ’18
- WA and VS were the driver behind the margin expansion of 160bp to 15.8%
- Working capital improved due to milestone payments lifting cash to sales ratio to ~45%

Quarterly sales and margin development

<table>
<thead>
<tr>
<th>In €m and %</th>
<th>Q4</th>
<th>1.4</th>
<th>Q2</th>
<th>Q3</th>
<th>15.8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>1.255</td>
<td>629</td>
<td>746</td>
<td>823</td>
<td>1,324</td>
</tr>
<tr>
<td>Sales</td>
<td>1.255</td>
<td>1.324</td>
<td>5.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating result</td>
<td>179</td>
<td>210</td>
<td>17.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating margin in %</td>
<td>14.2%</td>
<td>15.8%</td>
<td>160 bp</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Free Cash Flow</td>
<td>479</td>
<td>595</td>
<td>24.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating FCF / Sales</td>
<td>38.2%</td>
<td>44.9%</td>
<td>680 bp</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Comments on quarterly performance

- Order intake jumped to ~€3bn with large share for 2020
- Sales increase of 5.5% on an already strong Q4 ’18
- WA and VS were the driver behind the margin expansion of 160bp to 15.8%
- Working capital improved due to milestone payments lifting cash to sales ratio to ~45%

<table>
<thead>
<tr>
<th>In €m</th>
<th>Q4 2018</th>
<th>Q4 2019</th>
<th>Δ</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>1.094</td>
<td>2.985</td>
<td>172.9%</td>
<td>5.565</td>
<td>5.186</td>
<td>-6.8%</td>
</tr>
<tr>
<td>Sales</td>
<td>1.255</td>
<td>1.324</td>
<td>5.5%</td>
<td>3.221</td>
<td>3.522</td>
<td>9.4%</td>
</tr>
<tr>
<td>Operating result</td>
<td>179</td>
<td>210</td>
<td>17.3%</td>
<td>254</td>
<td>343</td>
<td>35.0%</td>
</tr>
<tr>
<td>Operating margin in %</td>
<td>14.2%</td>
<td>15.8%</td>
<td>160 bp</td>
<td>7.9%</td>
<td>9.8%</td>
<td>190 bp</td>
</tr>
<tr>
<td>Operating Free Cash Flow</td>
<td>479</td>
<td>595</td>
<td>24.2%</td>
<td>-29</td>
<td>266</td>
<td>&gt;100%</td>
</tr>
<tr>
<td>Operating FCF / Sales</td>
<td>38.2%</td>
<td>44.9%</td>
<td>680 bp</td>
<td>-0.9%</td>
<td>7.6%</td>
<td>850 bp</td>
</tr>
</tbody>
</table>

Corporate Presentation April 2020 54
Q4 2019 Highlights: Defence
Closing quarter with notable outperformance

Sales Defence in €m

<table>
<thead>
<tr>
<th></th>
<th>Q4 2018</th>
<th>Q4 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weapon &amp; Ammunition</td>
<td>471</td>
<td>346</td>
<td>-35</td>
</tr>
<tr>
<td>Electronic Solutions</td>
<td>501</td>
<td>608</td>
<td>+107</td>
</tr>
<tr>
<td>Vehicle Systems</td>
<td>-63</td>
<td>-85</td>
<td>+22</td>
</tr>
<tr>
<td>Margin Q4 2018</td>
<td>14.2%</td>
<td>9.9%</td>
<td>-4.3%</td>
</tr>
<tr>
<td>Margin Q4 2019</td>
<td>17.3%</td>
<td>15.8%</td>
<td>-1.5%</td>
</tr>
</tbody>
</table>

Operating result Defence in €m

<table>
<thead>
<tr>
<th></th>
<th>Q4 2018</th>
<th>Q4 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weapon &amp; Ammunition</td>
<td>438</td>
<td>363</td>
<td>-75</td>
</tr>
<tr>
<td>Electronic Solutions</td>
<td>608</td>
<td>107</td>
<td>+411</td>
</tr>
<tr>
<td>Vehicle Systems</td>
<td>-85</td>
<td>-7</td>
<td>+78</td>
</tr>
<tr>
<td>Margin Q4 2018</td>
<td>210</td>
<td>179</td>
<td>-31</td>
</tr>
<tr>
<td>Margin Q4 2019</td>
<td>26.1%</td>
<td>15.8%</td>
<td>-10.3%</td>
</tr>
</tbody>
</table>

**Weapon & Ammunition**
- Sales held back by export restrictions
- Excellent order execution

**Electronic Systems**
- Solid growth
- Unfavorable product mix effects

**Vehicle Systems**
- Strong growth of higher margin tactical vehicles
Regional overview FY 2019

Success in “home markets” is key driver

- **Order intake by region** in %
  - **FY 2018**: 5,565 (2% Germany, 20% Europe (w/o G), 52% Australia / NZ, 9% Asia / ME, 13% Row)
  - **FY 2019**: 5,186 (2% Germany, 1% Europe (w/o G), 47% Australia / NZ, 9% Asia / ME, 36% Row)
  - -7%

- **Sales by region** in %
  - **FY 2018**: 3,221 (2% Germany, 26% Europe (w/o G), 15% Australia / NZ, 3% North America, 35% Row)
  - **FY 2019**: 3,522 (1% Germany, 23% Europe (w/o G), 20% Australia / NZ, 3% North America, 41% Row)
  - +9%

- **Order backlog by region** in %
  - **FY 2018**: 8,577 (1% Germany, 27% Europe (w/o G), 36% Australia / NZ, 3% North America, 13% Row)
  - **FY 2019**: 10,399 (1% Germany, 19% Europe (w/o G), 28% Australia / NZ, 3% North America, 22% Row)
  - +21%
**Q4 2019 : Defence**

*Strong Q4 order intake with high share for 2020*

<table>
<thead>
<tr>
<th>Order intake by division</th>
<th>in €m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2018</td>
<td>1,094</td>
</tr>
<tr>
<td>Q4 2019</td>
<td>2,985</td>
</tr>
<tr>
<td>2018</td>
<td>2,276</td>
</tr>
<tr>
<td>2019</td>
<td>2,276</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Weapon and Ammunition</th>
<th>+173%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,094</td>
<td>2,985</td>
</tr>
<tr>
<td>2,276</td>
<td>2,276</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Electronic Solutions</th>
<th>-53</th>
</tr>
</thead>
<tbody>
<tr>
<td>485</td>
<td>485</td>
</tr>
<tr>
<td>474</td>
<td>474</td>
</tr>
<tr>
<td>580</td>
<td>580</td>
</tr>
<tr>
<td>-445</td>
<td>-445</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vehicle Systems</th>
<th>+173%</th>
</tr>
</thead>
<tbody>
<tr>
<td>403</td>
<td>1,094</td>
</tr>
<tr>
<td>1,200</td>
<td>2,276</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consolidation</th>
<th>-53</th>
</tr>
</thead>
<tbody>
<tr>
<td>-445</td>
<td>-445</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Order backlog profile</th>
<th>in €m per 31/12/2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020E</td>
<td>3,040</td>
</tr>
<tr>
<td>2021E</td>
<td>1,890</td>
</tr>
<tr>
<td>2022E ff.</td>
<td>5,469</td>
</tr>
</tbody>
</table>

| 2018                   | 8,577                 |
| 2019                   | 10,399                |

| 2018                   | +21%                  |
| 8,577                 | 2,308                 |
| 2,122                 | 2,117                 |
| 5,030                 | 6,722                 |

Corporate Presentation April 2020
Corona update (1)

Early adoption of preventive measures to contain the situation

Growing catalogue of preventive measures

- Installation of global corona action team at each site
- Daily updates on corona situation from all 6 divisions
- Increased level of disinfection and hygienic measures
- Initial travel restrictions to risk regions expanded to global foreign travel ban
- Switch to virtual meetings internally and externally with supplier and customer
- Cancellation of internal events until further notice
- 100% functionality with 50% presence (e.g. mobile office, shift models)
- Action teams analyze the supply chain and identify remedies
- Intense dialog across the supply chain
Corona update (2)

**Situation very dynamic, first priority to protect employees and supply chains**

**Virus containment measures proven effective**
- China production restarted, current activity level >60%, but no reported incidents
- Germany with five incidents, but no production impact
- Italy with one incident, fully operational
- Several employees in preventive quarantine (e.g. holiday returns)

**Supply chains still stable**
- Critical parts and suppliers under evaluation
- Alternative sourcing and logistics in process
- As of today no supply shortage and no delivery impact reported
- Plant closure announcement of European OEM under assessment

Automotive
Q1 impact from China expected Europe and US business until today not affected

Defence is 100% operational
Further growth in Q1 expected
## 2020 Guidance

### Guidance without Corona effect

<table>
<thead>
<tr>
<th>Sales</th>
<th>Operating margin</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019 in €bn</td>
</tr>
<tr>
<td>GROUP</td>
<td>6.3</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>AUTOMOTIVE</td>
<td>2.7</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>DEFENCE</td>
<td>3.5</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FY guidance will be updated earliest with Q1 earnings release
Sustainability
Path to climate neutrality already started

2014
Global compliance organisation

2009
Statement on cluster munition and anti-personnel landmines

2015
First non financial data

2017
First CSR ratings selection
MSCI: BBB
ISS-oekom: D
Sustainalytics: 51

2017
GRI-Report

2018
Statement on white phosphorous ammunition

2020
Reporting analogous to UN Global Compact

2020
GRI-Report

2020
Triple Bottom Line

2021
Report on contribution to Sustainable Development Goals

2022
TCFD (Task Force on Climate-related Financial Disclosures)

2023
CDP

2020 - 2040
Milestone plan re CO₂ neutrality
3 years increments

2021
Updated CSR ratings selection
MSCI: AA
ISS-oekom: D+
Sustainalytics: 60

2020
Reporting analogous to UN Global Compact

2018
Updated CSR ratings selection
MSCI: AA
ISS-oekom: D+
Sustainalytics: 60

2017
First CSR ratings selection
MSCI: BBB
ISS-oekom: D
Sustainalytics: 51

2015
First non financial data

2009
Statement on cluster munition and anti-personnel landmines

2014
Global compliance organisation

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Sustainability
ESG @Rheinmetall

2040
CO₂ neutral

Automotive Product portfolio actively reduces CO₂ emission
Reduction energy intensity (MWh/EUR m revenue) 2015: 229,4 | 2019: 157,2
Reduction THG intensity (tCO₂/EUR m revenue) 2015: 101,2 | 2019: 65,7
Revenue coverage ISO 14001 72,4 %
Revenue coverage ISO 50001 84,4 %
Environmental issues | Part of Business Partner Check

Social
Responsible

Transparency in the Supply Chain | Suppliers EU-registered: PM: ~ 60 % and NPM: ~ 56 %
Human Rights | In-house DD 2019 as per DIHR | Part of Business Partner Check since 2019
Health & Safety | ISO 45001 | 14 companies certified
Diversity | Goals 2020-2025 | Women in management development programs
Corporate Citizenship | Sponsoring 2019: EUR 876k | Donations 2019: EUR 486k

Robust
Governance
Model

Compliance Management System - IDW PS 980 approved | Extensive training
Data Privacy | Set-up of network infrastructure as part of CMS
Strict regime | 2019: 33,529 entries in War Weapons Book | 104 export licenses german weapons of war control act (KWKG) | 752 export licenses Foreign Trade and Payments Ordinance (AWG)
Product responsibility
Reporting | Contribution to SDGs & GRI Reporting | Annually from 2020 onwards
CSR Ratings | 10 agencies

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### Active board remuneration schemes

#### Current and new remuneration policy for contracts starting in 2020

<table>
<thead>
<tr>
<th>Fixed annual remuneration</th>
<th>Current policy</th>
<th>New policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>60% over 12 months, including fringe benefits</td>
<td>Fix 39%</td>
<td>Fix 33%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>STI 1)</th>
<th>40%</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBT</td>
<td>50%</td>
</tr>
<tr>
<td>ROCE</td>
<td>50%</td>
</tr>
<tr>
<td>Threshold Payout (linear)</td>
<td>≤70% 0% 100% 200% (cap)</td>
</tr>
<tr>
<td>STI 27%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LTI 3 years ØEBT</th>
<th>(100% at €500m, cap at €750m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual factor Payout</td>
<td>(50% shares deferred) +50% cash + 20% of share value in cash</td>
</tr>
<tr>
<td>ØEBT 34%</td>
<td></td>
</tr>
</tbody>
</table>

#### Variable performance payment

<table>
<thead>
<tr>
<th>Financial targets (EBT, ROCE) &amp; non-financial targets (e.g. strategy implementation and sustainability)</th>
<th>STI 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Threshold ≤80% Payout 0% 100% 250% (cap w/o Modifier)</td>
<td>40%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TSR vs peer performance (adj. TSR MDAX)</th>
<th>LTI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ø last 12 months (div. adjusted) TSR vs adjusted MDAX; ranking of companies by percentile; payout calculated by base LTI value multiplied by % linked to percentile performance</td>
<td>50%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Percentile</th>
<th>0</th>
<th>50</th>
<th>75</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payout (linear)</td>
<td>0%</td>
<td>100%</td>
<td>150%</td>
</tr>
</tbody>
</table>

### Special bonus in exceptional cases at the discretion of the supervisory board

#### Current report 2019, p. 144-155

1) Calculated on target achievement 100%

---

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European Defence Consolidation landscape

- Governmental shareholding restricts room for cross-border consolidation
- Big common armament programs could be catalysts for further consolidation

Rheinmetall’s approach:
- JV partnerships with companies in different nations instead of “putting all eggs in one basket”
- Sufficient organic growth potential, but suitable M&A transactions are possible
Capital allocation

Our capital allocation policy is geared towards further growth

- Funding of growth (organic and M&A)
- Dividend to shareholders (Payout ratio 30-35%)
- Improvement of pension funding via CTA (target level 50-60%)
**Select key data: outlook 2020**

<table>
<thead>
<tr>
<th>Rheinmetall Group</th>
<th>In %(PY)</th>
<th>Automotive</th>
<th>Defence</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Holding cost</strong></td>
<td>€20-25 (PY: €25m)</td>
<td>Around 5.5% (5.5%)</td>
<td>Around 5% (4.7%)</td>
</tr>
<tr>
<td><strong>Tax rate</strong></td>
<td>Comparable level (PY: 26%)</td>
<td>5.5-6.0% (5.9%)</td>
<td>3-3.5% (3.1%)</td>
</tr>
<tr>
<td><strong>Interest result</strong></td>
<td><del>€45m (PY:</del>€35m)</td>
<td>Around 6% (5.9%)</td>
<td>2-2.5% (2.0%)</td>
</tr>
</tbody>
</table>
## Group 2015 – 2019: Key figures (as reported)

<table>
<thead>
<tr>
<th>in €m</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance Sheet</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total assets</td>
<td>5.730</td>
<td>6.150</td>
<td>6.101</td>
<td>6.759</td>
<td>7.415</td>
</tr>
<tr>
<td>Shareholder's equity</td>
<td>1.562</td>
<td>1.781</td>
<td>1.870</td>
<td>2.173</td>
<td>2.272</td>
</tr>
<tr>
<td>Equity ratio (in %)</td>
<td>27,3</td>
<td>29,0</td>
<td>30,7</td>
<td>32,1</td>
<td>30,6</td>
</tr>
<tr>
<td>Pension liabilities</td>
<td>1.128</td>
<td>1.186</td>
<td>1.080</td>
<td>972</td>
<td>1.169</td>
</tr>
<tr>
<td>Net financial debt</td>
<td>-81</td>
<td>19</td>
<td>230</td>
<td>-30</td>
<td>-52</td>
</tr>
<tr>
<td>Net financial debt / EBITDA</td>
<td>0,17</td>
<td>-0,03</td>
<td>-0,37</td>
<td>0,04</td>
<td>0,07</td>
</tr>
<tr>
<td>Net gearing (in %)</td>
<td>5,2</td>
<td>-1,1</td>
<td>-12,3</td>
<td>1,4</td>
<td>2,3</td>
</tr>
<tr>
<td><strong>Income statement</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>5.183</td>
<td>5.602</td>
<td>5.896</td>
<td>6.148</td>
<td>6.255</td>
</tr>
<tr>
<td>Operating result</td>
<td>287</td>
<td>353</td>
<td>400</td>
<td>491</td>
<td>505</td>
</tr>
<tr>
<td>Operating margin (in %)</td>
<td>5,5</td>
<td>6,3</td>
<td>6,8</td>
<td>8,0</td>
<td>8,1</td>
</tr>
<tr>
<td>EBITDA</td>
<td>490</td>
<td>581</td>
<td>626</td>
<td>836</td>
<td>792</td>
</tr>
<tr>
<td>EBIT</td>
<td>287</td>
<td>353</td>
<td>385</td>
<td>518</td>
<td>512</td>
</tr>
<tr>
<td>EBIT margin (in %)</td>
<td>5,5</td>
<td>6,3</td>
<td>6,5</td>
<td>8,4</td>
<td>8,2</td>
</tr>
<tr>
<td>EBT</td>
<td>221</td>
<td>299</td>
<td>346</td>
<td>485</td>
<td>477</td>
</tr>
<tr>
<td>Net income</td>
<td>160</td>
<td>215</td>
<td>252</td>
<td>354</td>
<td>354</td>
</tr>
<tr>
<td>Earnings per share (in EUR)</td>
<td>3,88</td>
<td>4,69</td>
<td>5,24</td>
<td>7,10</td>
<td>7,77</td>
</tr>
<tr>
<td>Dividend per share (in EUR)</td>
<td>1,10</td>
<td>1,45</td>
<td>1,70</td>
<td>2,10</td>
<td>2,40</td>
</tr>
<tr>
<td>ROCE (in %)</td>
<td>10,6</td>
<td>12,3</td>
<td>13,8</td>
<td>17,1</td>
<td>15,4</td>
</tr>
<tr>
<td><strong>CF statement</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Free cashflow from operations</td>
<td>29</td>
<td>161</td>
<td>276</td>
<td>-35</td>
<td>314</td>
</tr>
<tr>
<td><strong>Headcount</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees (Dec. 31) according to capacity</td>
<td>20676</td>
<td>20993</td>
<td>21610</td>
<td>22899</td>
<td>23780</td>
</tr>
</tbody>
</table>
**Segments 2015 – 2019 Key figures**

<table>
<thead>
<tr>
<th>Automotive</th>
<th>Defence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>2.621</td>
</tr>
<tr>
<td>Sales</td>
<td>2.592</td>
</tr>
<tr>
<td>Operating result</td>
<td>216</td>
</tr>
<tr>
<td>Operating margin (in %)</td>
<td>8,3</td>
</tr>
<tr>
<td>EBITDA</td>
<td>335</td>
</tr>
<tr>
<td>EBIT</td>
<td>216</td>
</tr>
<tr>
<td>EBIT margin (in %)</td>
<td>8,3</td>
</tr>
<tr>
<td>Capex</td>
<td>167</td>
</tr>
<tr>
<td>OFCF</td>
<td>96</td>
</tr>
<tr>
<td>Employees (Dec. 31) according to capacity</td>
<td>10,934</td>
</tr>
<tr>
<td>Sales</td>
<td>1,450</td>
</tr>
<tr>
<td>Operating Result</td>
<td>118</td>
</tr>
<tr>
<td>Margin</td>
<td>8,1%</td>
</tr>
<tr>
<td>Sales</td>
<td>952</td>
</tr>
<tr>
<td>Operating Result</td>
<td>73</td>
</tr>
<tr>
<td>Margin</td>
<td>7,7%</td>
</tr>
<tr>
<td>Sales</td>
<td>285</td>
</tr>
<tr>
<td>Operating Result</td>
<td>27</td>
</tr>
<tr>
<td>Margin</td>
<td>9,5%</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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Continuing ROCE improvement

ROCE in %

-5% 0% 5% 10% 15% 20% 25%


Group  Defence  Automotive

-4.6%  0.3%  3.9%  6.1%  10.6%  11.8%  15.9%

10.7%  19.0%  12.3%  18.8%  13.4%  11.8%  15.4%

16.7%  9.8%  17.1%  18.7%  19.0%  18.8%  19.6%

11.0 % Group

Corporate Presentation April 2020
Next events and IR contacts

Next Events

Bank of America, Global Industrials Conference 19 March 2020
Bankhaus Metzler, Frankfurt 31 March 2020
Roadshow Zurich 02 April 2020

Q1 2020 Earnings call 30 April 2020
Annual Stockholder’s Meeting Rheinmetall AG 05 May 2020
H1 2020 Earnings call 30 July 2020
Q3 2020 Earnings call 04 November 2020

All investor meetings will be conducted as telephone conferences.

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Quick link to documents

Corporate Presentation
Interim Reports
Annual Reports
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