Rheinmetall Today

**Mobility and Security under one roof, but not integrated**

Rheinmetall AG
The Technology Group for Mobility and Security

€5.2bn
23,000

Target 2016
€5.6bn

Rheinmetall Automotive
Our heart beats for your engine

€2.6bn
12,200

Target 2016

Rheinmetall Defence
Force protection is our mission

€2.6bn
10,600

Target 2016
€2.7bn
€2.9bn

Data show sales and headcount as per 31 December 2015, targets as of 3 November 2016
Rheinmetall today under total management view
Including China JV Automotive is bigger than Defence
How do markets and the public perceive Rheinmetall?

Rheinmetall = Tank
Rheinmetall = Weapons
Rheinmetall = Defence
Rheinmetall public perception tomorrow
As an integrated technology group for Mobility and Security

Rheinmetall Group

Transfer positive image from Automotive to Group level

Rheinmetall Defence

Rheinmetall Automotive
Launch of ONE Rheinmetall

The strategy program to achieve our future targets
ONE Rheinmetall

The targets of the strategy program

- Repositioning of Rheinmetall as an integrated technology group for Mobility and Security

- Realization of growth potentials in the changing market environments

- Leveraging the Group’s strengths by bundling and channeling our expertise and competencies, e.g. with regard to strategy and M&A processes, human resources development and different technologies

- Change perception and increase attractiveness as an employer
Corporate Identity

A good strategy is based on clear guidelines

Compelling vision

We are one group for leading technologies in mobility and security.

Clear mission

Mobility technologies to drive. Security technologies to protect. Passion for both.

Ardent Claim

MOBILITY. SECURITY. PASSION.

Corporate Statement

TRUST

We walk our talk!

TRANSPARENCY

We communicate openly!

RESPECT

We value others!
Corporate Identity
Evolution of a brand

Until 2006

2007

2011

2016

KSPG AG → Rheinmetall Automotive AG
Corporate Identity

Unify our market presence under ONE brand
Strategic Objectives
ONE Rheinmetall for realization of growth in changing market conditions

- Rising number of vehicles globally...
- ...but additional alternative drives & digitalization

- Increasing conflicts combined with new threats
- Long-lasting market growth

Alternative Drives
- Hybrid
- Fuel cell
- EV

Digitalization
- Autonomous driving
- Integrated data

Optimized Combustion Engines

Increasing defence/security spending

Change of international responsibilities

Global security environment changing
Strategic move Automotive
Move focus from combustion engine to mobility with powertrain neutrality
Rheinmetall Automotive tomorrow

**Mobility focus and powertrain neutrality**

- **Light-weight -/ Structural Components**
- **Electrical actuators**
- **Thermal management module**
- **Bearings**
- **Electrical solenoid valves**
- **Electrical vacuum pump**
- **Electrical oil pumps**
- **Electrical coolant pumps**
- **Battery module**
- **Traction motor**
Strategic move Defence
Establish Rheinmetall as a system house for defence AND security
Rheinmetall Defence tomorrow
System provider for civil security solutions

Body armor for Police Forces  Armored Vehicles  Protected Special Purpose Vehicles  UAV Detection

Protected Helicopters  Mobile CBRN System  Cyber Security  Airport Security
ONE Rheinmetall

Two approaches – ONE ambition

GAIN POWERTRAIN NEUTRALITY

- Technology to cope with stricter regulations
- Innovate products to gain powertrain neutrality

⇒ Diversify portfolio for future needs

SYSTEMATIC EXPANSION TO SECURITY MARKETS

- Innovations and system solutions
- Expand to civil applications

⇒ Diversify end markets
ONE Rheinmetall objectives and initiatives

Corporate initiatives have been established to achieve our objectives

Selected examples

**Next HR**

- Integrated global HR management
- Group-wide strategic HR planning
- Start of Rheinmetall Academy

**Technology and Innovation Roadmap**

- Transparent technology landscape
- Common strategy and innovation process
- Utilize available technology across the group
ONE Rheinmetall
Technologies across the group

- Autonomous Driving
- Car2Car Remote Control Cyber Security
- Battery systems / Thermal Management
- E-Drive / Traction
- Competency exchange for electronics
ONE Rheinmetall objectives and initiatives

10 corporate initiatives have been established to achieve our objectives

Selected examples

**Next Sourcing**
- Harmonize sourcing organization
- Standardize processes
- Pool sourcing volumes and realize savings potentials

**Rheinmetall New Ventures**
- Create creativity
- Support entrepreneurship
- Transfer of technologies
Corporate Initiative
Intrapreneur Award 2016

- 186 business ideas by 220 participants (groups or individuals) from 12 countries
- 5 business ideas awarded in the finals
- Implementation of Rheinmetall „Startups“ just begun
ONE Rheinmetall – Corporate Initiative

Rheinmetall New Ventures as a catalyst for new ideas

Rheinmetall New Ventures

- Encourage creativity
- Support entrepreneurship
- Transfer of technologies

First projects in development

3D Printing
Cyber Security
Health Detection
...
TECHNOLOGIES FOR MOBILITY.
TECHNOLOGIES FOR SECURITY.
PASSION FOR BOTH.

MOBILITY. SECURITY. PASSION.
MOBILITY. SECURITY. PASSION.