

STRENGTHENING HORIZONS INVESTOR PRESENTATION

March 2025

Content

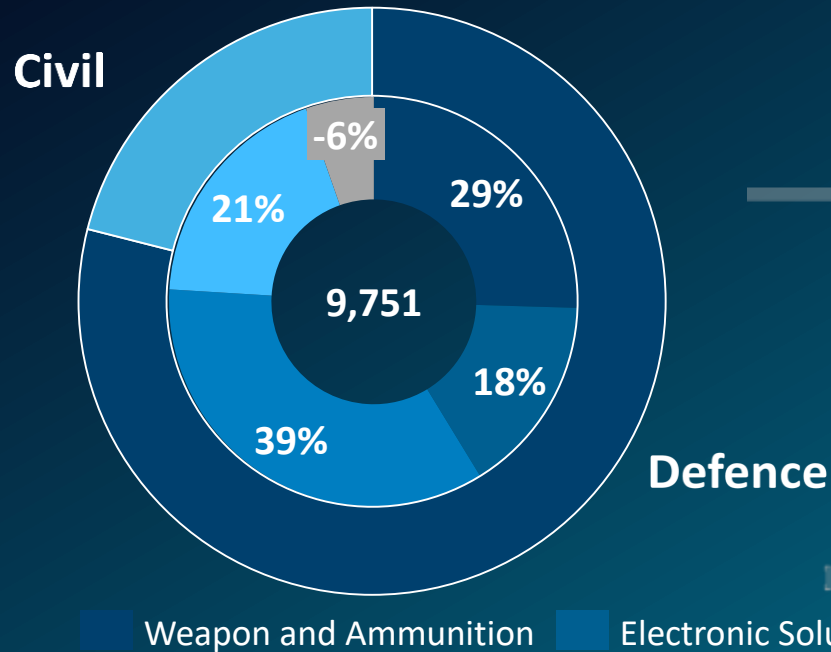
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Rheinmetall at a glance

Selected key business highlights

Sales by segment

In €m, FY 2024

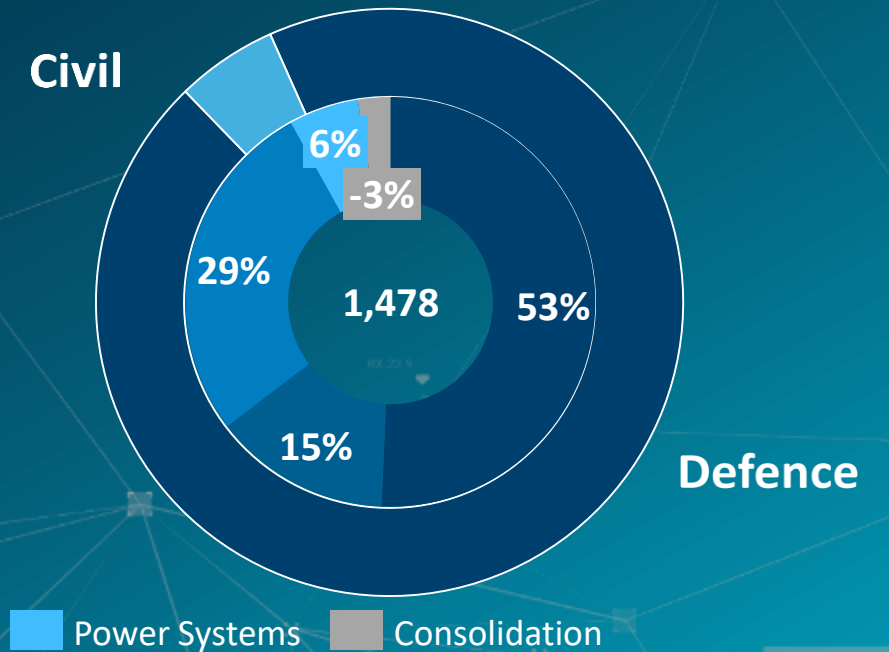


Business Model

- Defence systems house with 85% army focus
- High level of backward integration

Result by segment

In €m, FY2024



Market Driver

- High priority for defence and security
- Increasing defence budgets

Rheinmetall at a glance

Four segments under one roof

Weapon and Ammunition

Defence

Mid & large caliber ammo
Mid & large caliber weapons
Explosives & Propulsions
Protection Systems

Electronic Solutions

Defence

Integrated Electronic Systems
Air Defence & Radar Systems
Avionics
Other projects

Vehicles Systems

Defence

Tactical Vehicles
Logistic Vehicles

Power Systems

Civil

Air management
Thermal management
Electrification & Digitalization
Hydrogen
Trade
Bearings
Castings (50:50 JV)
Invent

Rheinmetall at a glance

Rheinmetall portfolio perfectly matches need for land warfare



Rheinmetall at a glance

Rheinmetall's global production capacities



Rheinmetall at a glance

Defence projects with short-term implementation potential



Ammunition

6-12 months



Logistic vehicles

~12 months



Medium weight wheeled

12-18 months



Medium weight tracked

24 months



Soldier systems

12 months

Lead time

775.05.8

Rheinmetall at a glance

ESG: Taking responsibility in a changing world



ESG Factbook

FRAME-WORKS & INITIATIVES

CSR-DIA¹ Since 2017	GRI Since 2017	UN GC Joined in 2021	CDP Applied in 2021	LkSG 2023	CSRD Pending
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ACTION

ENVIRONMENT

- **Carbon neutral in 2035²**
 - Improve energy efficiency
 - Energy management certificates ISO 50001
 - Increase self-generation of renewables
 - Switch to renewables
 - Environmental certificates ISO 14001

- **Continuous reforestation of FoJaNa³**

SOCIAL

- **Employee well-being**
 - Prioritizing employee well-being through occupational health programs
 - Flexible work arrangements
- **Health protection**
 - LTIR of 5.8 in 2023
 - Extend ISO 45001 certifications for OSH management
 - Extensive and systematic protection of employees
- **Diversity**
 - Promote diversity, equity and inclusion
 - Best practices for female recruitment and careers

GOVERNANCE

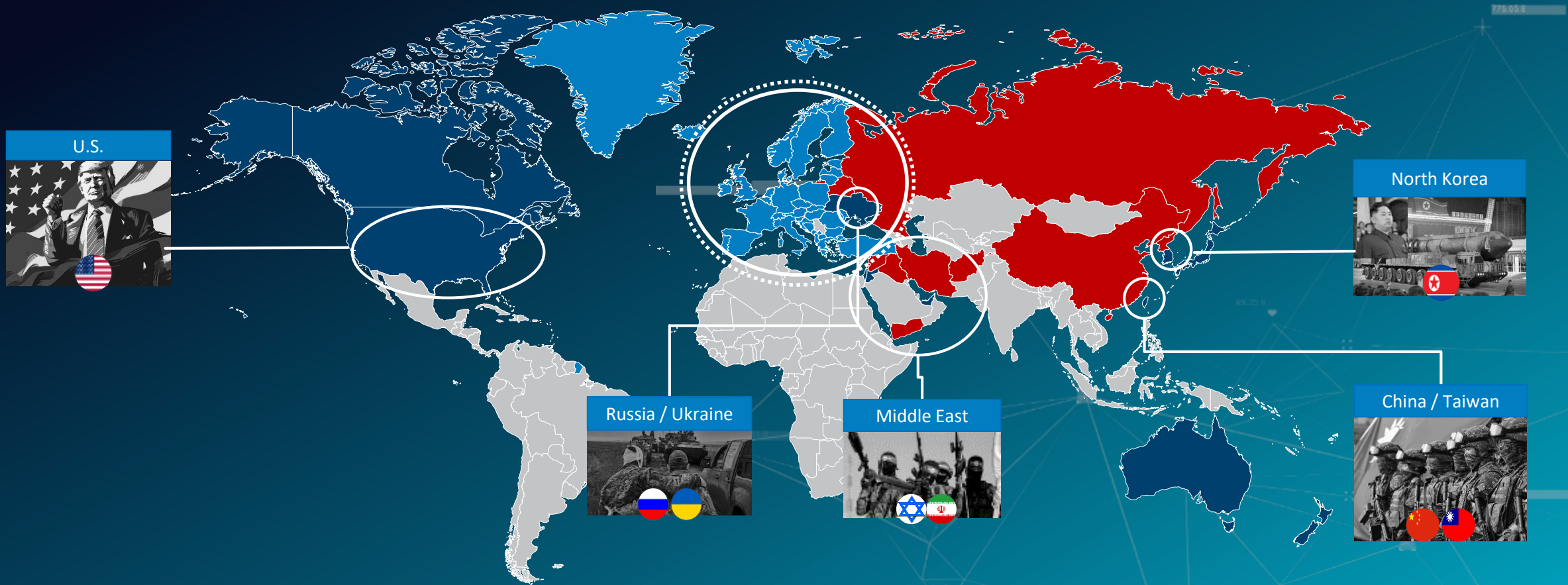
- Rigorous governance structures with strict compliance organization especially for export control, trade and tax compliance
- Continuous improvement of ESG transparency and ratings
- ESG objectives introduced in the variable compensation of top and middle management (Since 2022 as part of the STI and since 2024 also part of the LTI remuneration package)

MAIN RATINGS

MSCI ESG: A	ISS ESG: C-	Sustainalytics⁴: 24.6	S&P Global: 43	CDP⁵ Climate Change B
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Markets & Drivers

Europe must emancipate itself and find its role in a global game of powers



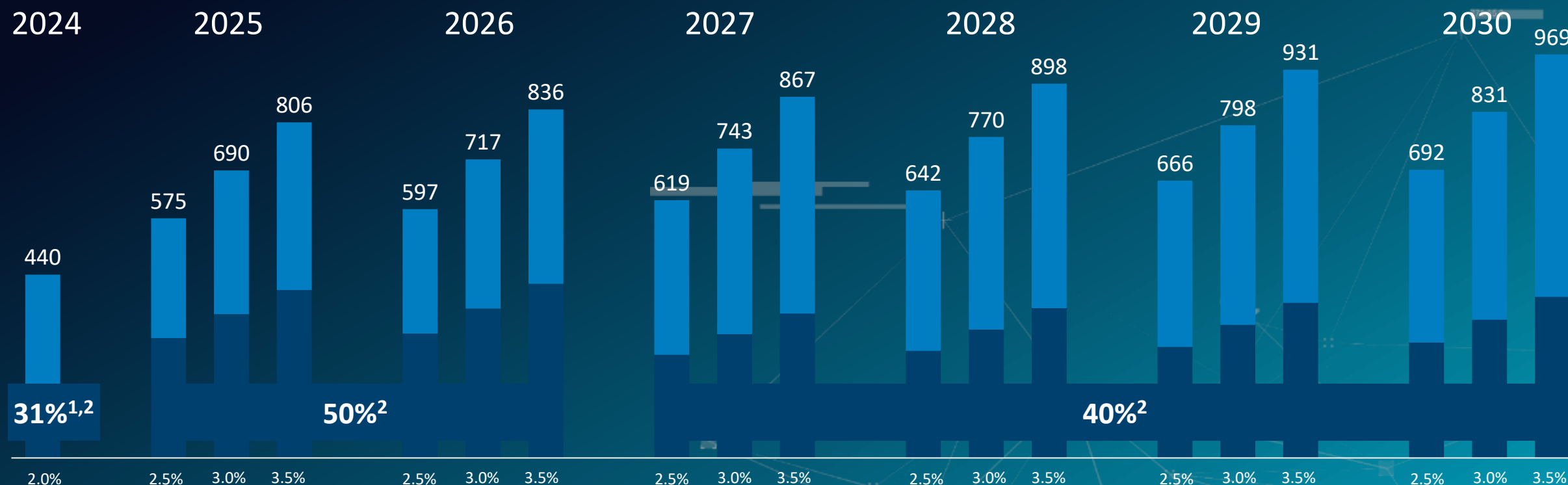
US temporarily stops Ukraine support

„Whatever it takes!“ = Special Fund 2.0

„ReArm Europe“ = €800bn for Europe’s security

Markets & Drivers

European NATO defence spent expected to grow to around 1,000 billion Euros



23

~55 – 100

~60 – 105

~50 – 85

~50 – 90

~55 – 95

~55 – 100

All figures in €bn

Annual RHM Nomination potential in billion Euros³

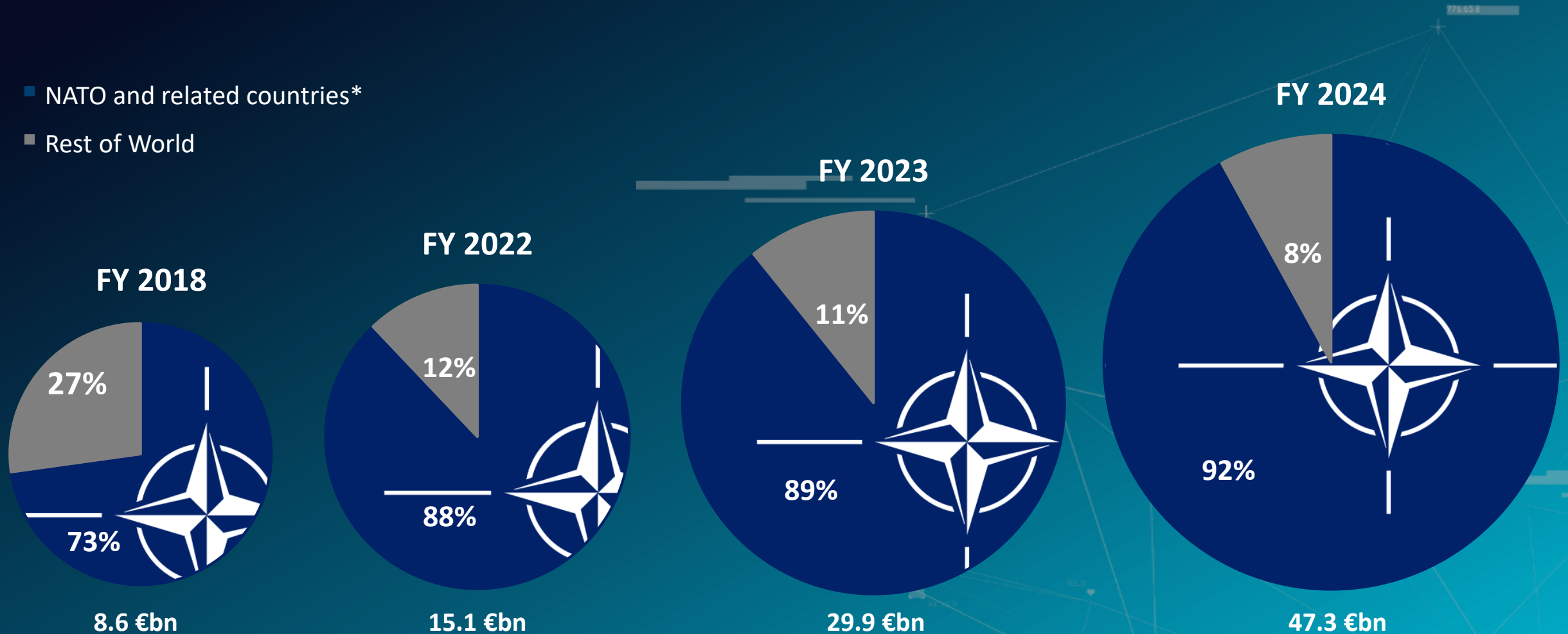
Remaining Defence Spending Equipment Spending

Markets & Drivers

Significant reduction in export risk due to high NATO order backlog

■ NATO and related countries*

■ Rest of World



Markets & Drivers: Italy

New Italian JV increased market potential tenfold

MBT program
in total ~€8bn

SUPPORT VEHICLES
~140 vehicles



PANTHER
~132 vehicles



ITALY
+ EXPORT
+ AMMUNITION

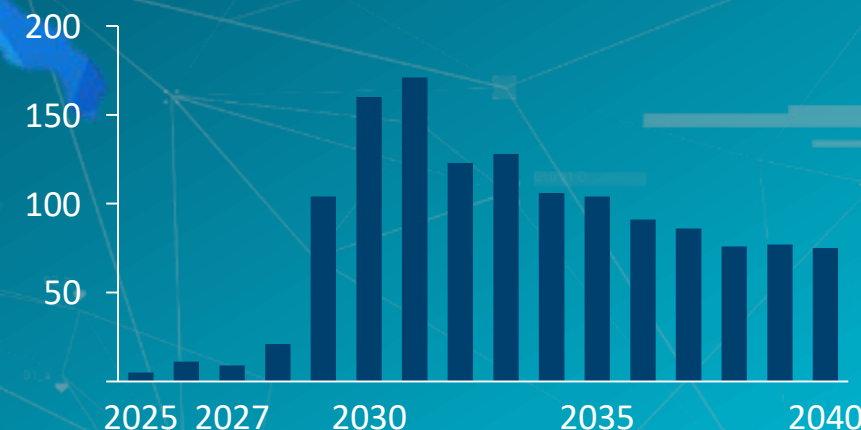
In total €50bn over next 10 years

AICS* program
in total ~€15bn

LYNX
~1,050 vehicles



Number of vehicles p.a.



Markets & Drivers: United Kingdom

New Anglo-German defence cooperation creates new opportunities

GUNS

in total ~0.5bn

155mm Artillery



120mm Tank

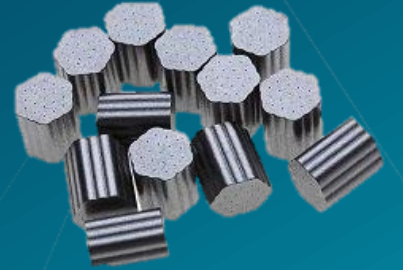


Medium Calibre



POWDER

in total >€2bn



AMMUNITIONS & VEHICLES

in total ~€5bn

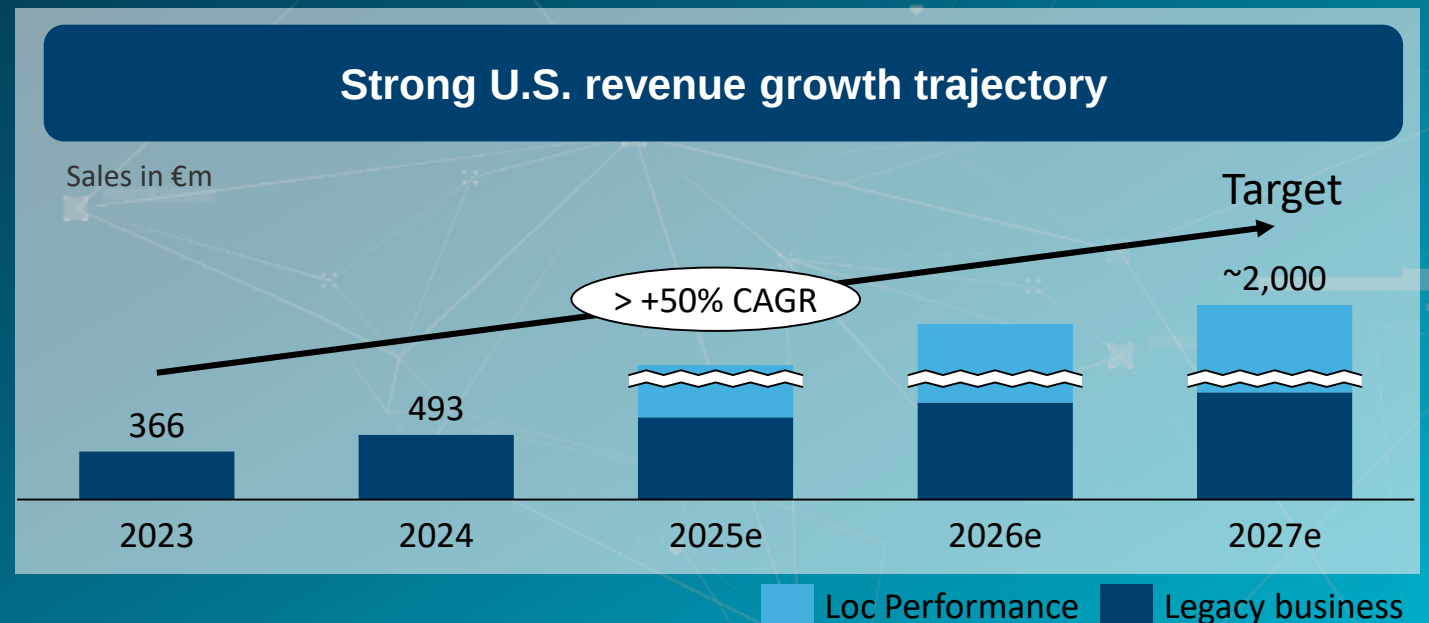


Markets & Drivers: USA

U.S. market entry is a major strategic shift



- U.S. market entry diversifies Rheinmetall's global portfolio
- ARD¹ introduces technology that aligns with key U.S. needs
- New element of competition in the U.S. market
- Gigantic order potential



Markets & Drivers: USA

Numerous promising potentials



Markets & Drivers: USA

Ambition is to quadruple sales over the coming years



Continue organic and inorganic investment to catalyze growth

Effectively integrate Loc Performance and realize growth synergies

Execute key captures

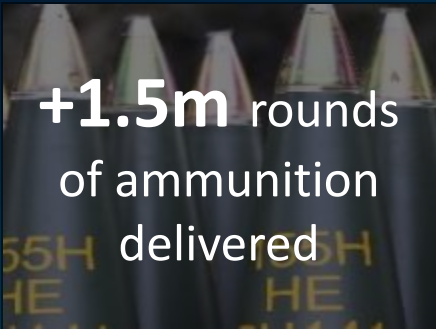
Aggressively pursue opportunities to achieve growth across wider portfolio

Markets & Drivers: Ukraine

Rheinmetall is the leading industrial defence partner of Ukraine



Total orders since 2022
~€6bn



+1.5m rounds
of ammunition
delivered



+120 systems
of air defence,
SatCom and UAVs
delivered



+3 service hubs
+ 1 JV RhuDI



+250 armored
vehicles delivered



+300
trucks
delivered

Markets & Drivers: Ukraine

Lessons learned from the war in Ukraine

- Return to **high intensity conventional warfare**
- Enormous **demand for munitions**
- **Air force alone** does not win wars
- European land forces are **inadequately equipped**
- GDP target of defence spending of **at least 2% necessary**

- **Passive and active protection** (top attack protection) is a decisive combat advantage
- **Local maintenance hub** important to reduce repair times
- **Gun- and rocket-based air defence** is crucial
- **Resilience** against electronic warfare

Markets & Drivers: Ukraine

First industry partner with local footprint in Ukraine



Markets & Drivers: Cooperations

Forging new and strengthening existing alliances



Air defence, missiles, aeronautic systems, simulation & training



Various technology areas, e.g. new visual systems for tactical vehicles



Drone technology



Counter small Unmanned Aerial Systems - C-sUAS



Automated 155mm L52 wheeled self-propelled howitzer



F-35



Laser weapons



SAR satellites



Loitering munition



RHEINMETALL

Markets & Drivers: Cooperations

Successful cooperation with Lockheed Martin enters next phase



&



Expansion of existing collaboration to new technological areas

Estimated market potential over the next ten years

~€5bn

F-35



~€7bn

GMARS

~€0.5bn

Laser weapons

~€0.5-1bn

Simulation & training

~€4bn

SHORAD

~€1bn

Aeronautic systems



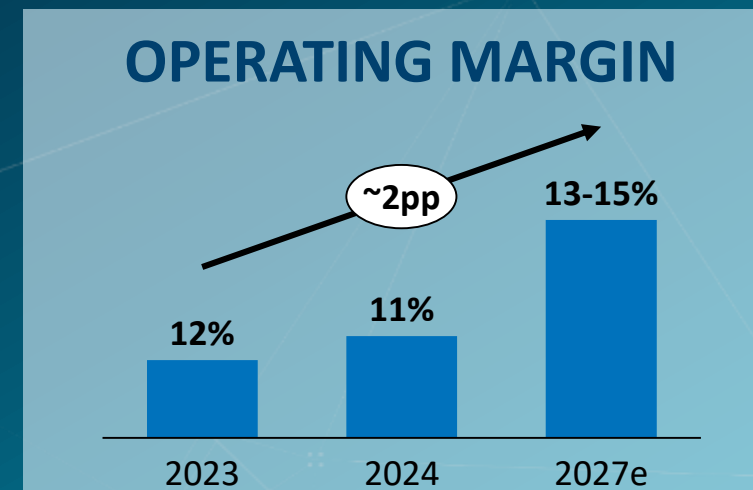
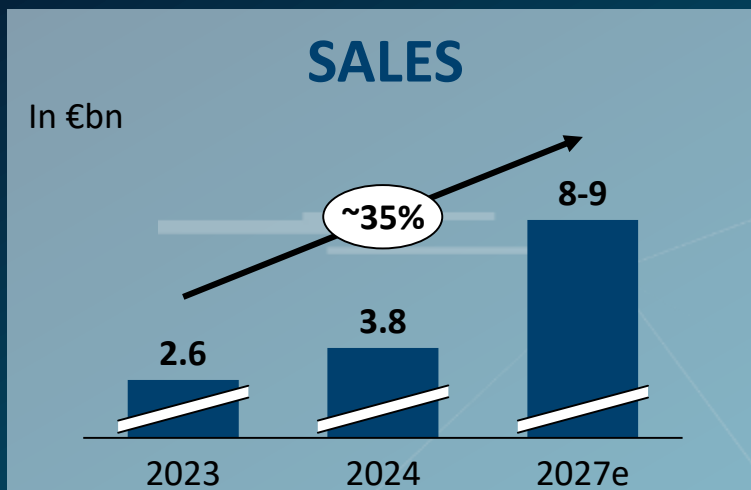
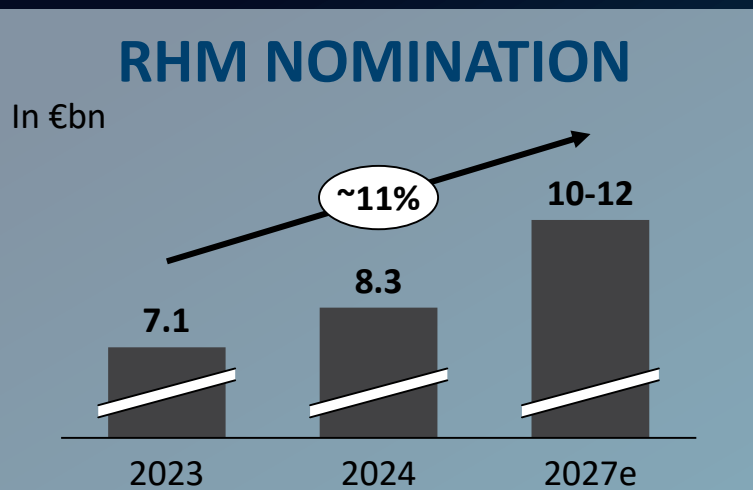
Segment

VEHICLE SYSTEMS

2027 Sales potential **€8-9bn**

Four segments: Vehicle Systems

Multiple programs enter ramp-up phase and create leverage



- ### TOP PROJECTS
- Panther KF51 Hungary
 - XM30 USA
 - Common Tactical Truck USA
 - Trucks Germany
 - Caracal Germany & Netherlands
 - Lynx Hungary
 - Italian tactical vehicles (Lynx & Panther)

MARKET PROFILE

Key competitors

- **Logistic Vehicles**
Scania, IVECO, Daimler, ARQUUS, Oshkosh
- **Tactical Vehicles**
BAE Systems, KNDS, General Dynamics, Hanwha, Patria

Differentiators

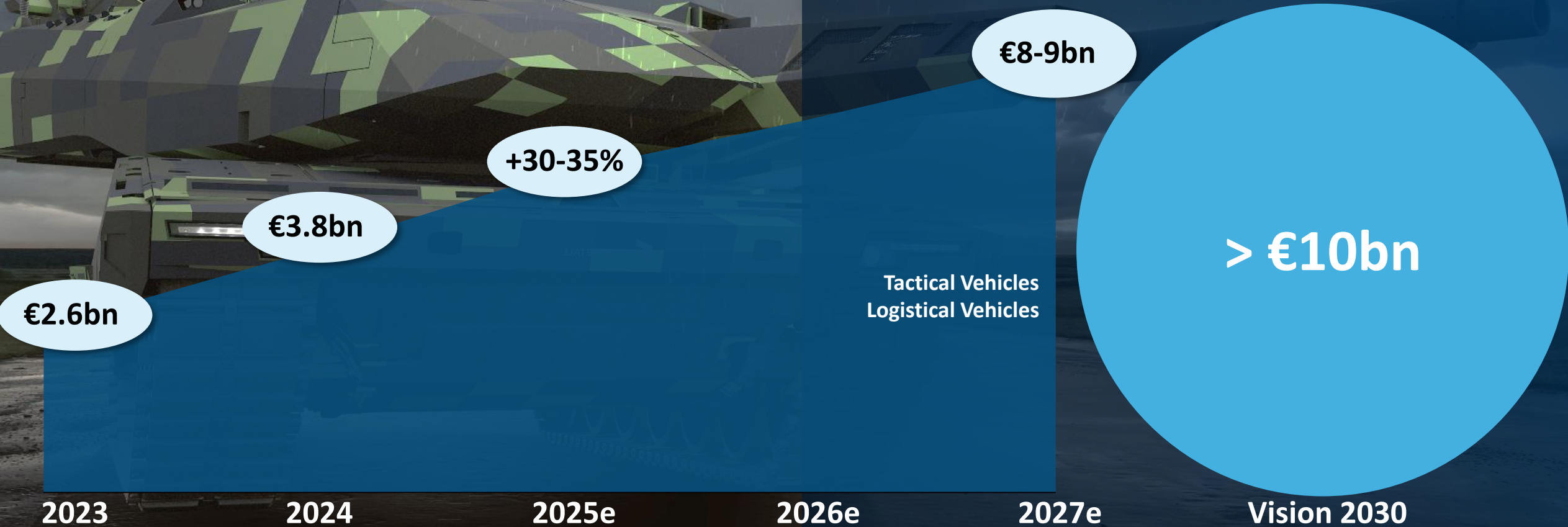
- International footprint
- Broad product portfolio
- System integrator
- Modular and open architecture
- Excellent engineering
- Know-How & capabilities

Value proposition

- High vertical integrated vehicle production
- Diverse portfolio of operationally proven wheeled and tracked vehicles

Four segments: Vehicle Systems

Sales more than double over the next three years



Four segments: Vehicle Systems

Selected product overview

Heavy weight tracked



Panther KF51



Leopard 2*



Challenger 3

Medium weight tracked



Lynx



Puma*



Marder*



XM30

Medium weight wheeled



Boxer*



Fuchs

Artillery systems



Panzerhaubitze 2000*



Wheeled Howitzer



RCH155*

Logistic vehicles



TG-MIL



HX81 with Load Handling System



HX 8x8 Excavator



HX3 WLS

HX User Group



4x4 vehicles



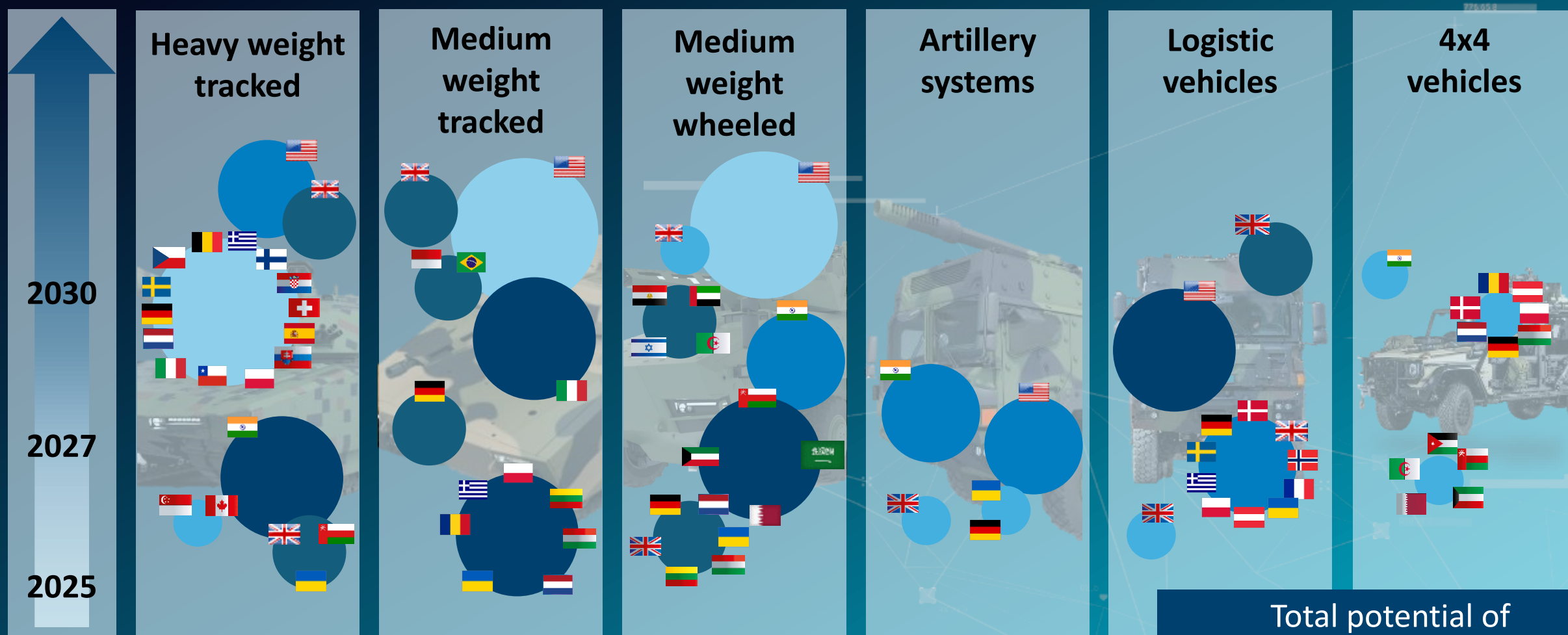
Survivor R



Caracal

Four segments: Vehicle Systems

Gigantic demand for vehicles of all kinds



Total potential of
>€200bn

Four segments: Vehicle Systems

Re-scoped Boxer business opens new possibilities

- Growing demand for wheeled tactical vehicles
- Boxer well positioned to participate in this growth
- Boxer orders will be handled by ARTEC*

Total order potential of up to ~€15bn over the next 10 years



Heavy Weapon Carrier

e.g. GER, NL, UK, RoW



RCH 155

e.g. GER, NL, UK, Ukraine, USA, RoW



BOXER MIV

e.g. GER, UK



Wheeled IFV

e.g. GER, NL

Four segments: Vehicle Systems

Rheinmetall to create one of the biggest military vehicle fleets



and fleets need service

Segment

WEAPON AND AMMUNITION

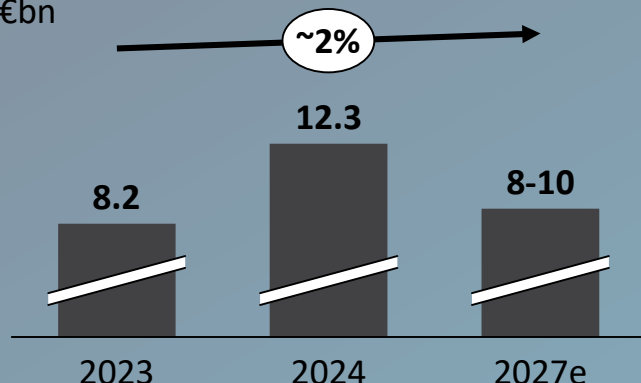
2027 Sales potential **€6-7bn**

Four segments: Weapon and Ammunition

Transforming backlog into profitable sales

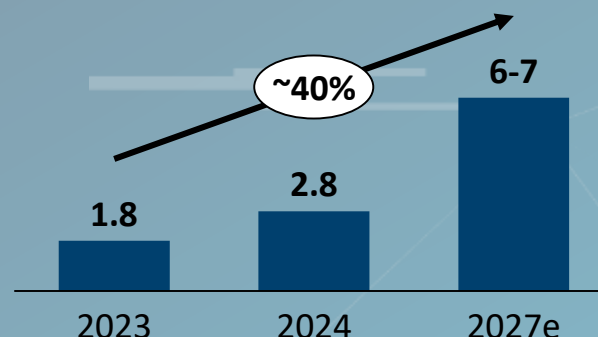
RHM NOMINATION

In €bn

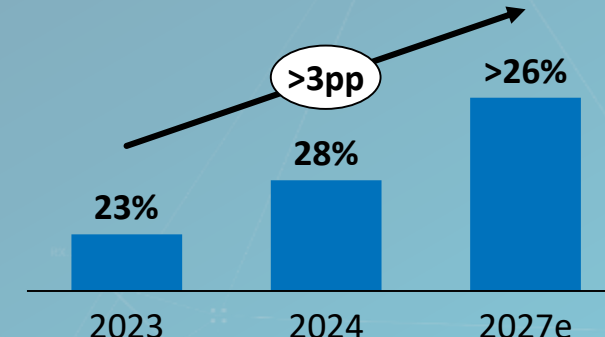


SALES

In €bn



OPERATING MARGIN



TOP PROJECTS

- Large-scale 155mm artillery ammunition capacity increases (i.e. Unterlüß)
- 130mm smooth-bore tank gun testing and ammunition development
- Next generation 155mm howitzer L60 development and testing
- F-35 25mm ammunition under discussion
- Rocket motors

MARKET PROFILE

Key competitors

- Weapon and Ammunition**
Nexter, Plasan, General Dynamics
- Protection Systems**
Elbit, TenCate, Nammo
- Propulsion Systems**
Eurengo, Explosia, Milan Blagojević

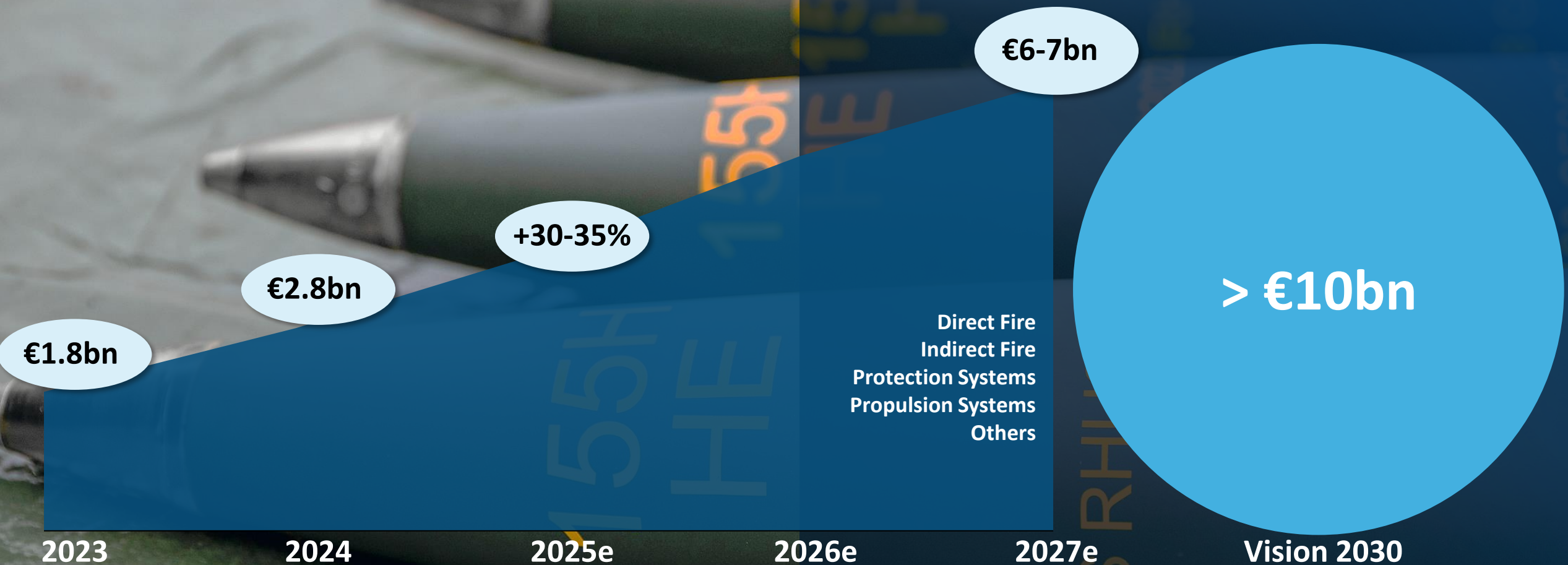
Differentiators

- International footprint
- Broad product portfolio
- System integrator
- Modular and open architecture
- Excellent engineering
- Know-How & capabilities

Value proposition

- Leading global technology provider
- High economies of scale
- Fully integrated supply-chain (full-shot)
- Supreme battle-proven gun technologies

Four segments: Weapon and Ammunition
We are growing into our new capacities



Four segments: Weapon and Ammunition

Selected product overview

Med & large caliber ammo



155mm



120mm



40mm



35mm



20-30mm

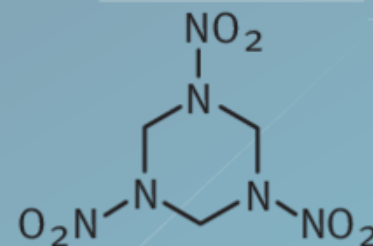


Mortar

Med & large caliber weapons



Explosives & propulsion



Protection systems



Passive



Active

Loitering munition

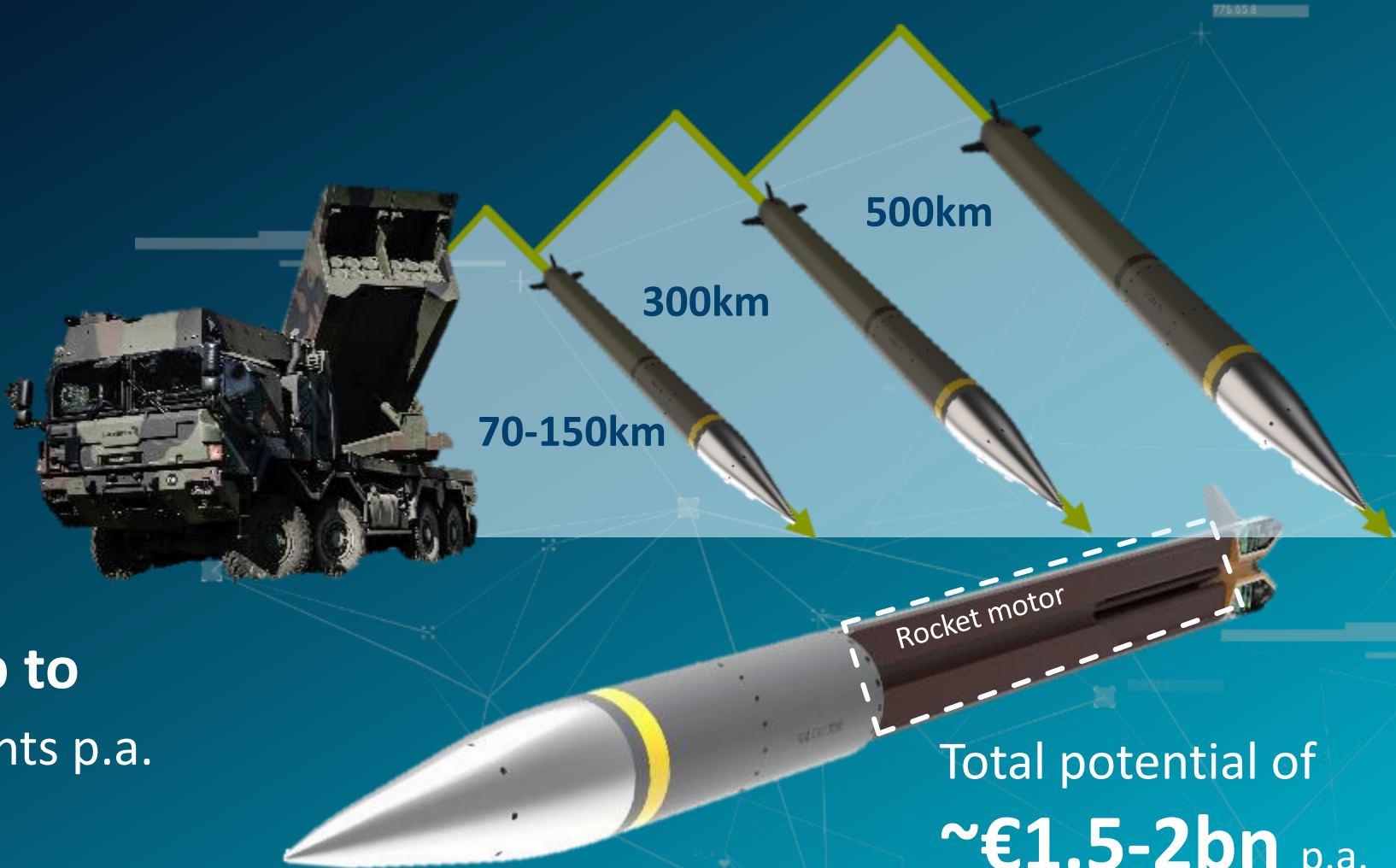


In cooperation with Uvision

Four segments: Weapon and Ammunition

Establishing Rheinmetall as a power house for rocket motors

- Two main suppliers – Lockheed Martin (HIMARS) and Elbit (PULS)
- **EXPAL acquisition** opened rocket artillery market in Europe to Rheinmetall
- New German capacity in Unterlöss



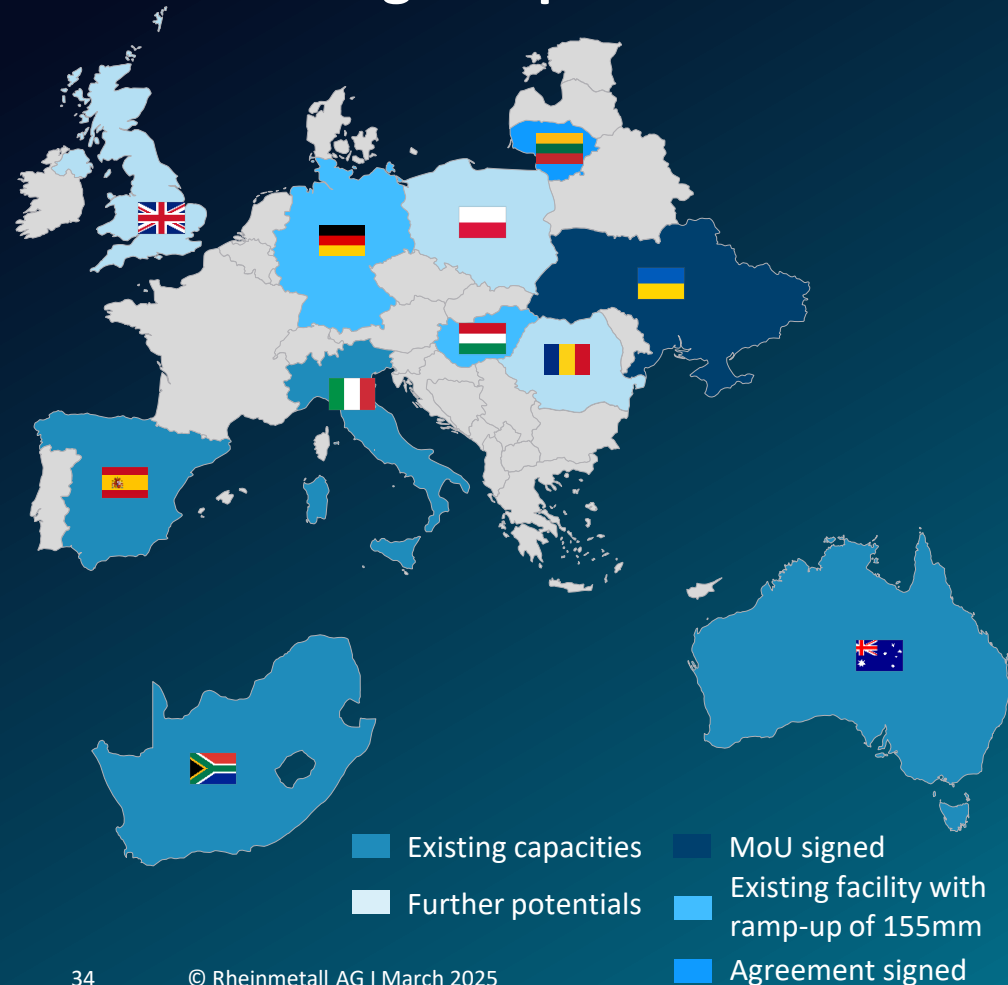
Total production capacity of **up to 5,000 t** rocket motor propellants p.a.

Total potential of
~€1.5-2bn p.a.

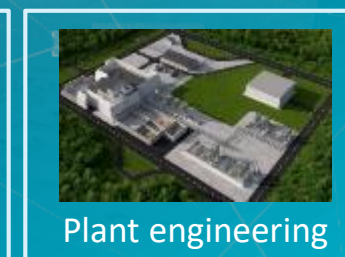
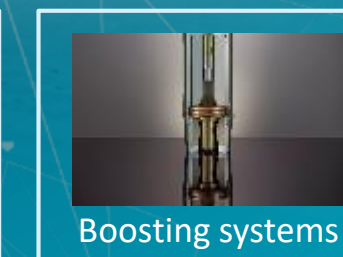
Four segments: Weapon and Ammunition

Strengthening Europe's full shot capacity for 155mm artillery

Scaling footprint



Artillery Ammunition Systems with 30 to 75km+ in range



Four segments: Weapon and Ammunition

On our way to mass production!



Segment

ELECTRONIC SOLUTIONS

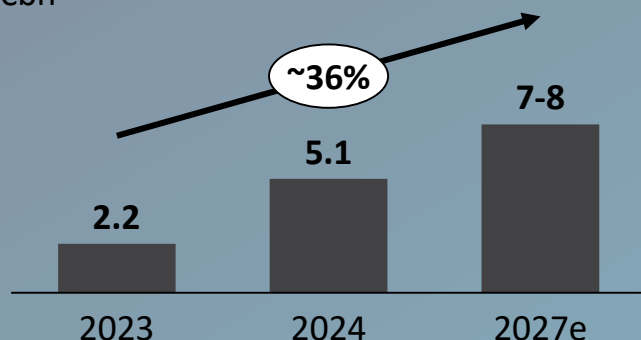
2027 Sales potential **€4-5bn**

Four segments: Electronic Solutions

Air defence and digitalization drive sales to new heights

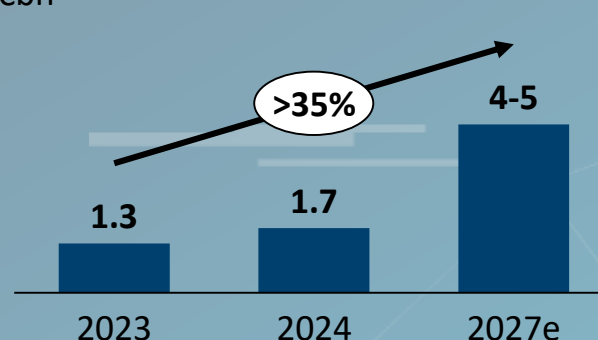
RHM NOMINATION

In €bn

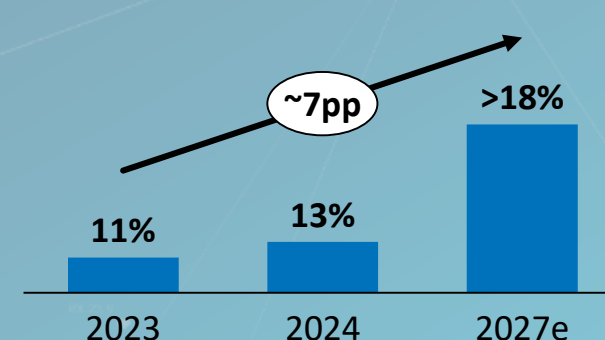


SALES

In €bn



OPERATING MARGIN



TOP PROJECTS

- European Sky Shield Initiative / Skyranger
- NNbS (Nah- und Nächstbereichsschutz / Short-Range Air defence in Germany)
- F-35 center fuselage
- Digitalization of the Army in Germany, Hungary, final down selection phase in Australia

MARKET PROFILE

Key Competitors

- Integrated Electronic Systems**
Hensoldt, Elbit, Thales
- Air Defence**
Norinco, Rosoboron, GDLS, Diehl
- Technical Publications**
CONDOK, ESG

Differentiators

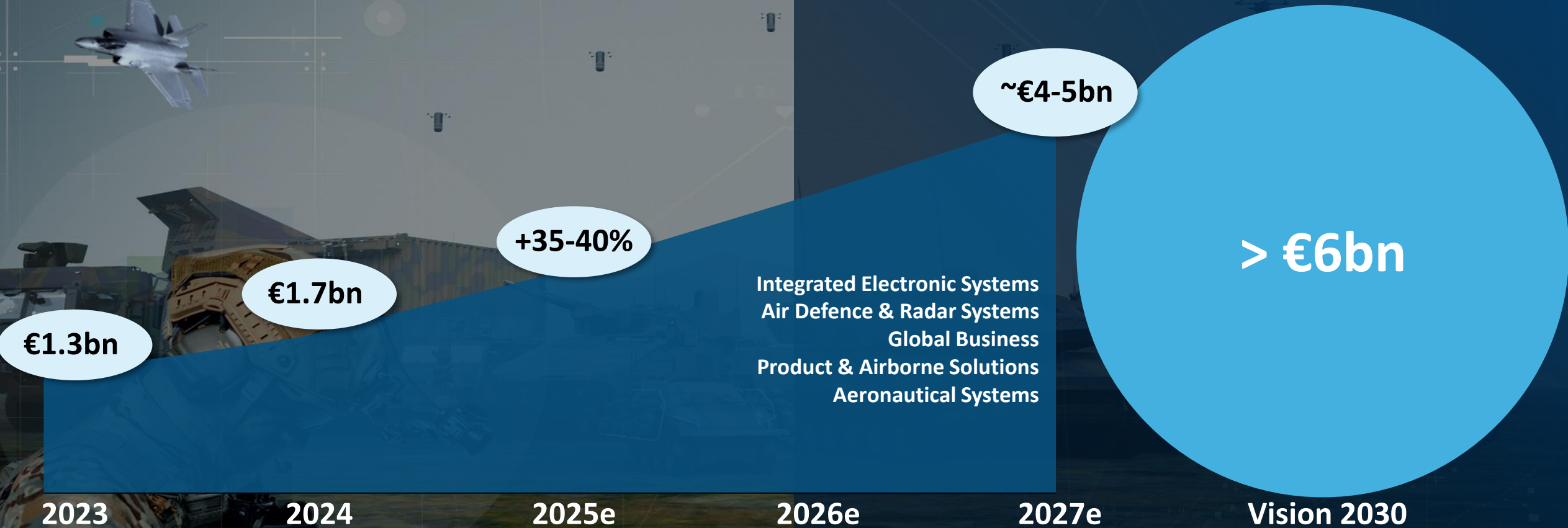
- International footprint
- System integrator
- Modular and open architecture
- Excellent engineering
- Know-How & capabilities

Value proposition

- Sensing the battlefield (Superior situational awareness and intelligence)
- Connecting the battlefield (Digitalization, networking, sensor 2 shooter chains)
- Dominating the battlefield (Smart effects, automation, intelligent empowerment)

Four segments: Electronic Solutions

German digitalization and air defence are the key growth drivers



Four segments: Electronic Solutions

Selected product overview

Air defence



Mobile air defence
Skyranger



Stationary air defence
Skynex / Skyguard



Non-kinetic effectors
Oerlikon High Energy Laser

Digitalization



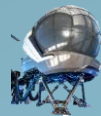
Next generation soldier systems
IdZ / Gladius X



IT system integration
D-LBO (GER), further programs in
HUN and AUS



Unmanned systems
LUNA NG / Mission Master



Virtual / Constructive / Live
Simulation & training

Mission systems



Stabilized sighting system
SEOSS



Driver vision
Trailblazer



Effector integration
ATGM Mission Pod

Aeronautical systems



Aircraft structures
F-35 center fuselage

Four segments: Electronic Solutions

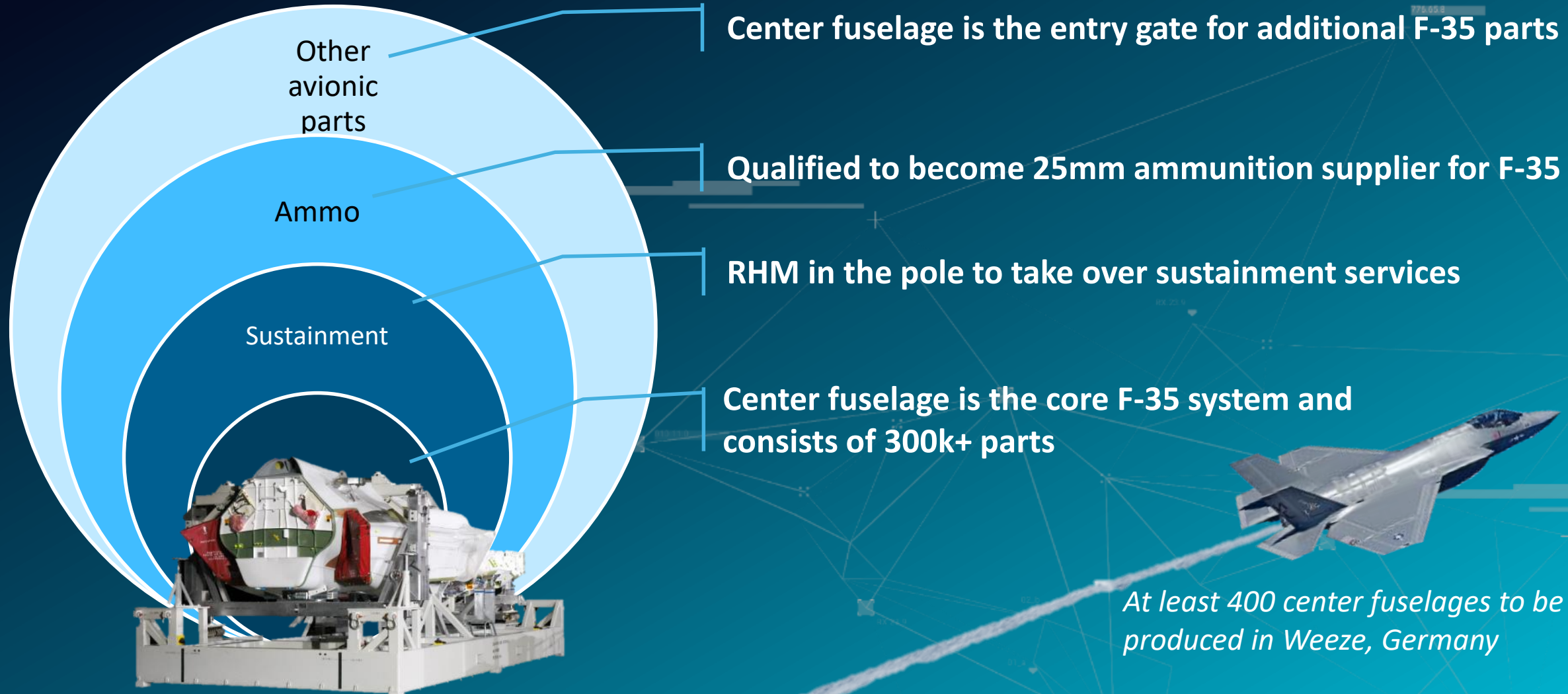
New challenges on the battlefield create huge opportunities



Market potentials until 2030.

Four segments: Electronic Solutions

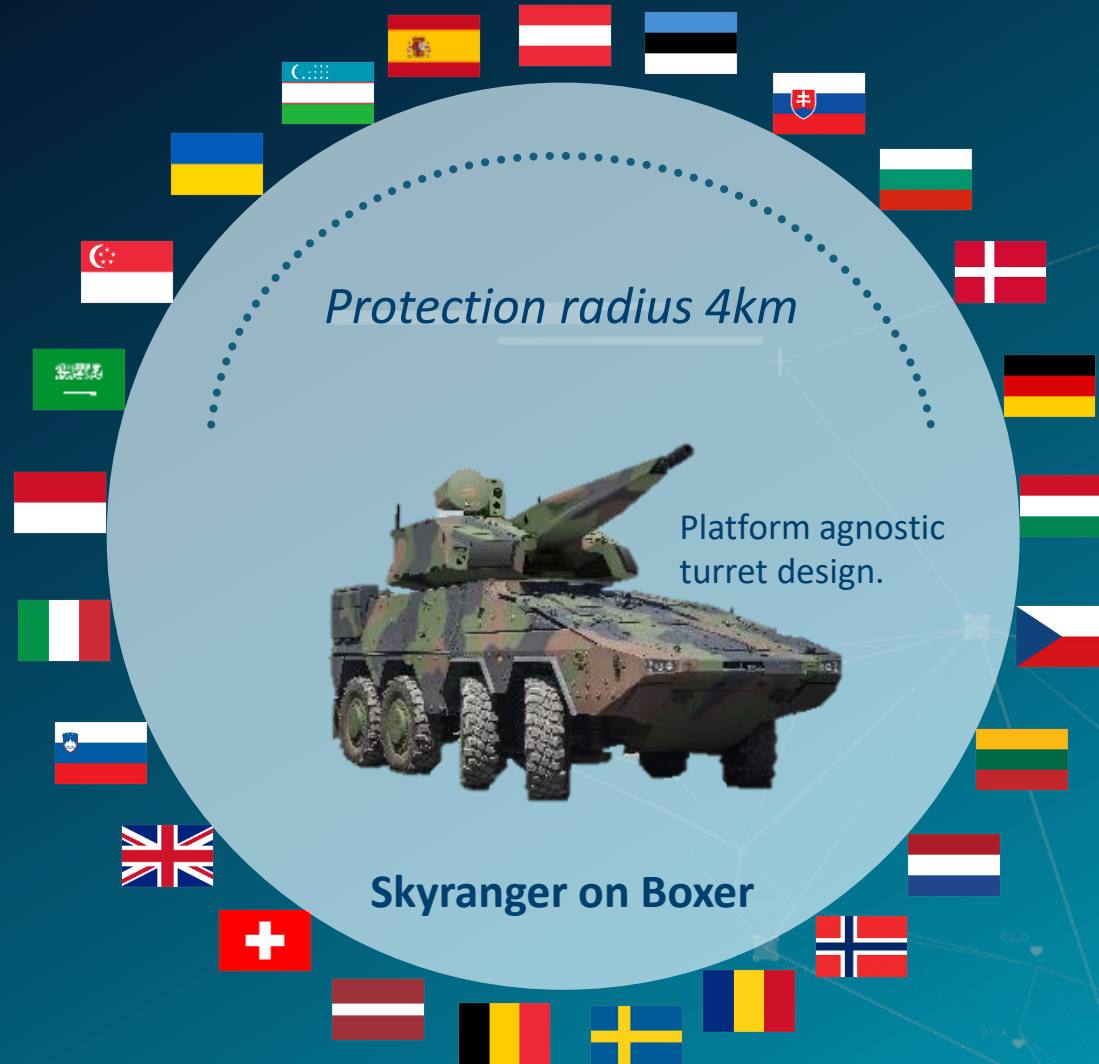
F-35 center fuselage as nucleus to grow domain air



Four segments: Electronic Solutions

Rheinmetall's market leading gun technology is set for VSHORAD

Strong interest in
ESSI and beyond!



Total market
potential:

>€15bn

Four segments: Electronic Solutions

Evolution of warfare will drive growth in the digitalization business

Potential until 2030

D-LBO ✓

TaWAN ✓

IdZ ✓

Total market potential:

>€15bn



Segment

POWER SYSTEMS

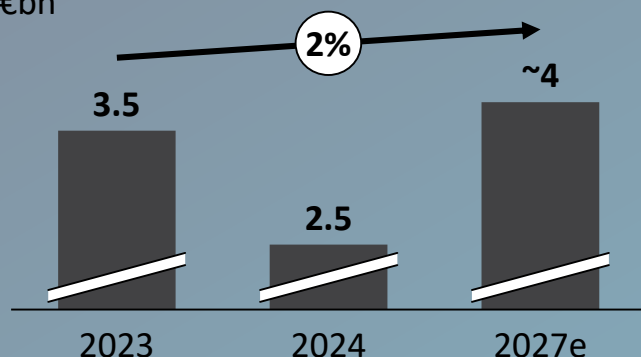
2027 Sales potential **€2-2.5bn**

Four segments: Power Systems

Defying a challenging macro environment

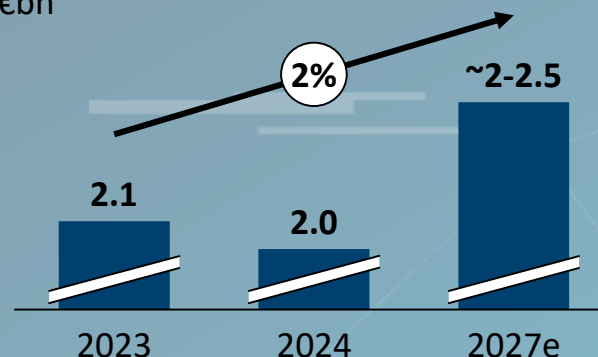
RHM NOMINATION

In €bn

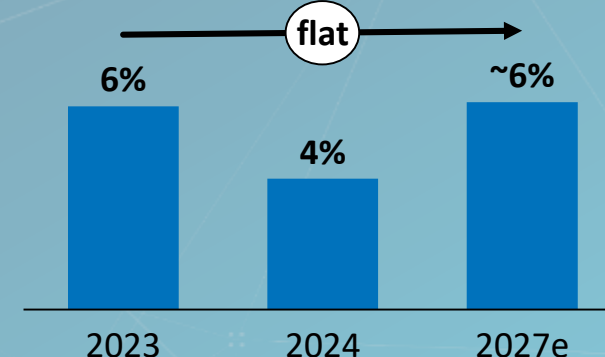


SALES

In €bn



OPERATING MARGIN



TOP PROJECTS

- One face to the customer
- Holistic portfolio for ICE and BEV applications and beyond
- Combining knowledge and expertise
- Technology mergers for more efficient R&D
- Cost reductions and organizational synergies

MARKET PROFILE

Key Competitors

- **Actuators:** Bosch, Conti
- **AES / CDS*:** BorgWarner, Valeo
- **Solenoid Valves:** Bitron, Denso
- **Pump Technology:** Hella, Magna
- **Other:** Daido, Tenneco, Mahle

Differentiators

- Wide technology portfolio
- Extensive material, friction reduction and surface treatment know-How
- Global footprint with broad aftermarket network
- Lightweight technologies: materials and structures

Value proposition

- Leading European Tier-1 supplier
- Technology transfer creates new business opportunities

Four segments: Power Systems

Selected product overview

ICE applications



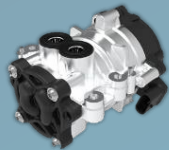
Bearings



Castings

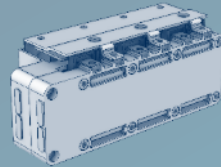


Exhaust control valve



Electric oil pump

BEV applications



Power core



High voltage contractors



EV housing

Aftermarket



Spare parts for cars, vans, buses and off-highway applications

Urban products



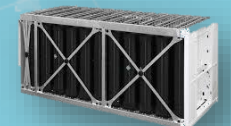
Electric coolant pump



Electric climate compressor



Curbside charger



Fuel cell tanks

Four segments: Power Systems

Continuous transformation of our civil business

Optimization continues

New divisional set-up

Portfolio management
Potential reassignment
of civil capacities

Disposal of the piston business

Materials & Trade and
Sensor & Actuators
merged into Power
Systems

Large-bore pistons
Small-bore pistons



Addressing new markets

Warm house
Curbstone chargers



Financials

Maintaining a balanced capital allocation

Capex



- Supporting rapid growth with increased capex in the short-term
- 5% level targeted in the mid-term

M&A



- Building M&A track record
- Defining key acquisition criteria
- Ongoing portfolio optimization

Debt Leverage



- Low leverage leaves room to be opportunistic
- Maintaining our investment grade rating

Dividend



- Attractive payout ratio between 35-40% of net income before PPA

Buyback



- Authorized capital renewed at the AGM 2024
- Buybacks as last optionality

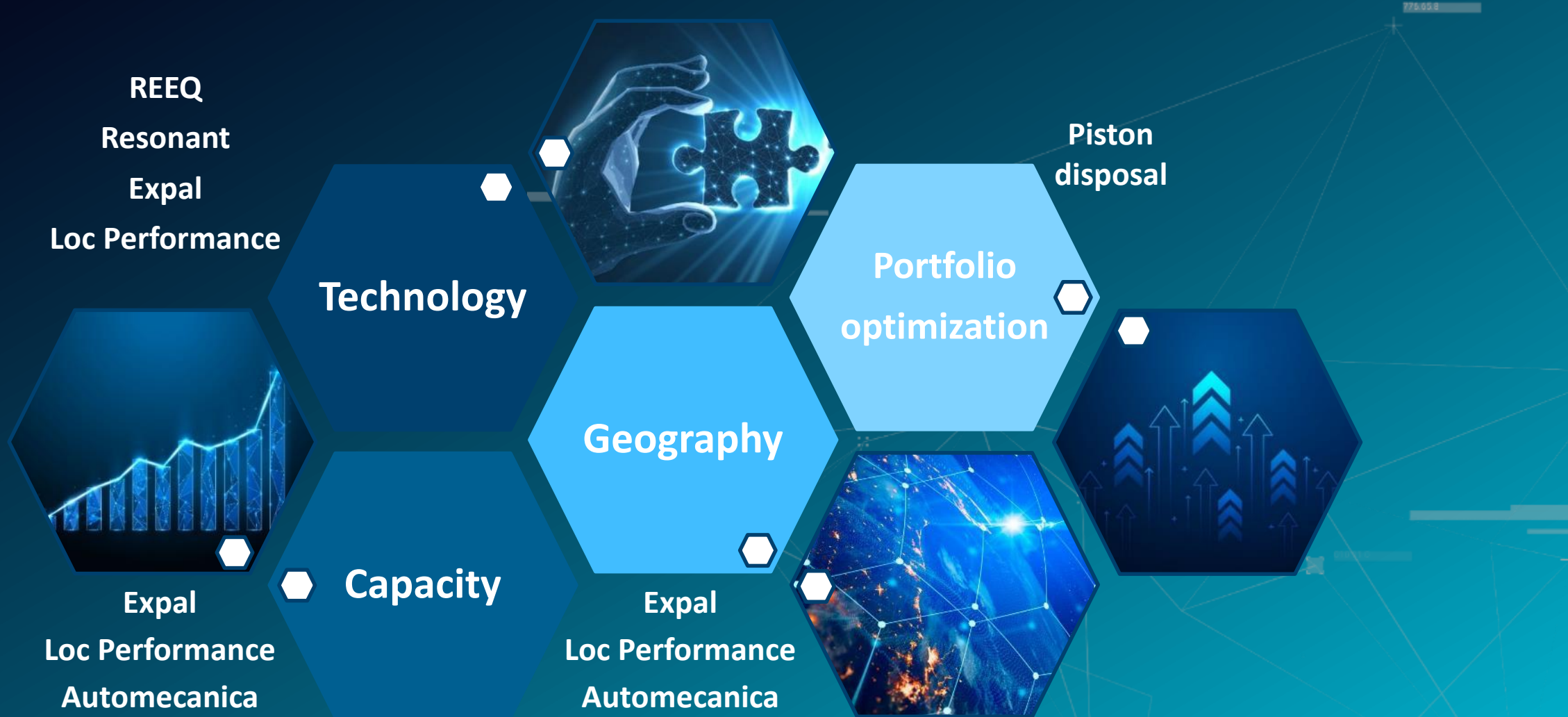
Financials

Growth enabling Capex



Financials

Four key criteria for strategic M&A



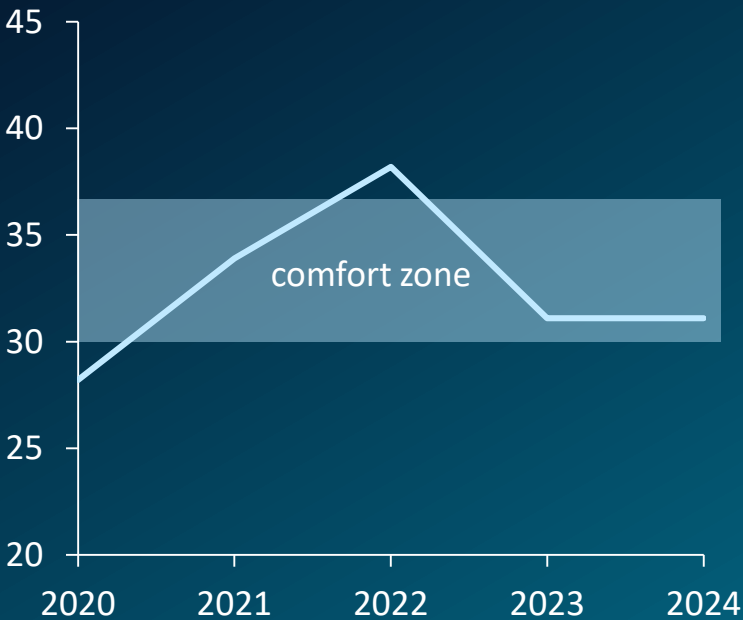
Financials

Low leverage ratio allows us to stay opportunistic

Equity ratio

>30%

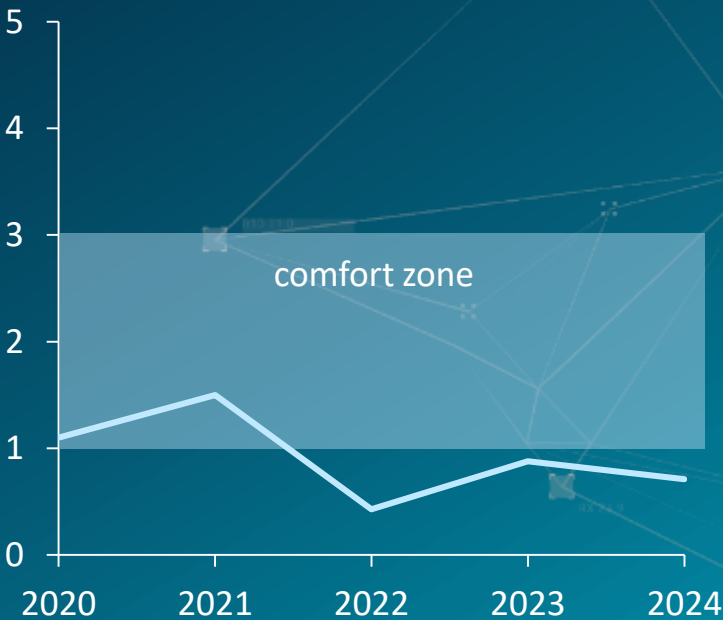
(31.1%)



Net debt / EBITDA

<3

(0.71)



Net financial position

in €m

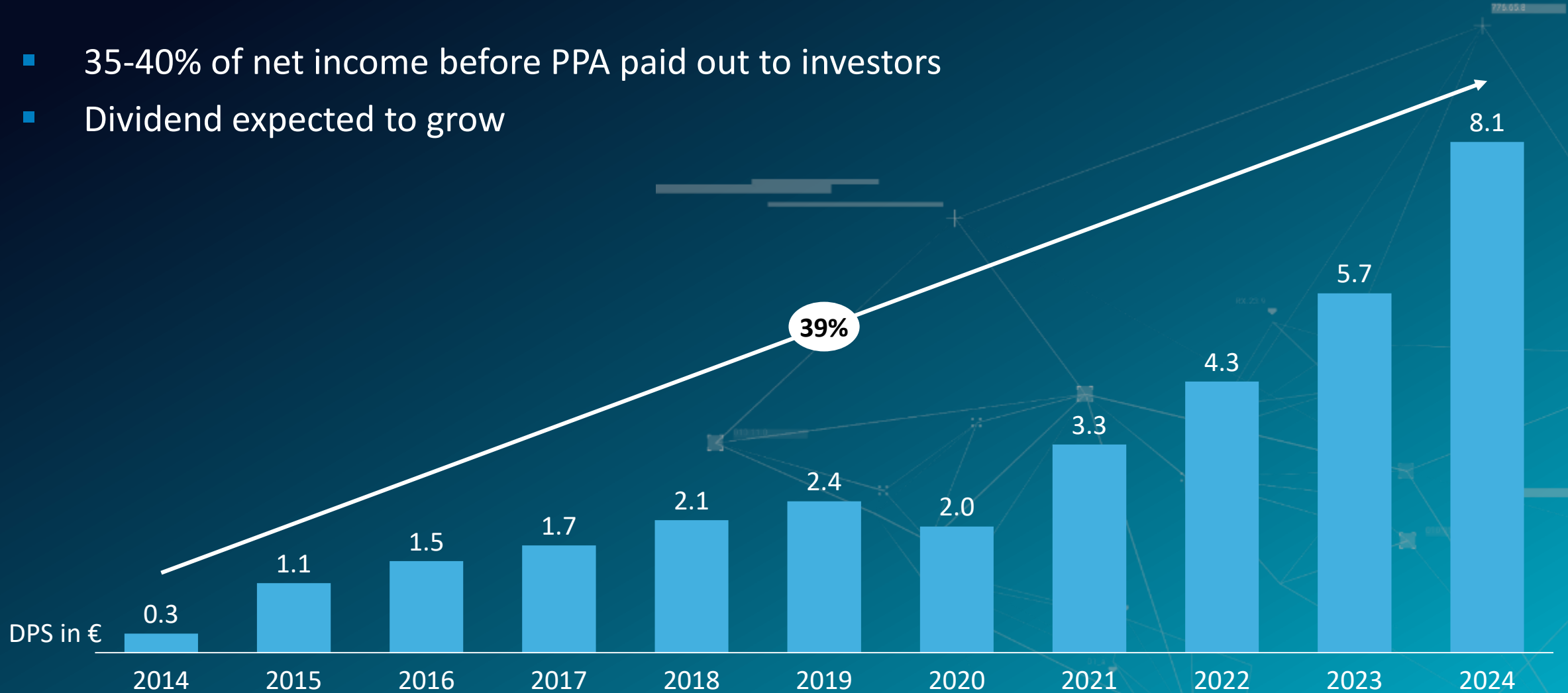
-166	-322	Other
-897	-917	Convertible ¹
-1,063	-1,239	
12/31/2023	12/31/2024	

- ➡ We want to maintain our investment grade rating Baa2 stable outlook
- ➡ Our balance sheet remains strong with undrawn credit lines of €1.2bn

Financials

Strong dividend growth rate over the last decade

- 35-40% of net income before PPA paid out to investors
- Dividend expected to grow



Outlook

Solid growth and profitability 2027

	2027e*	2025e*	2024
Sales	~€20bn	+35-40% defence growth flat civil business	€9.8bn
Operating margin	~18%	~15.5%	15.2%
Cash conversion rate ¹ (OFCF to operating result)	>40%	>40%	71%

Outlook

Solid growth and profitability 2027

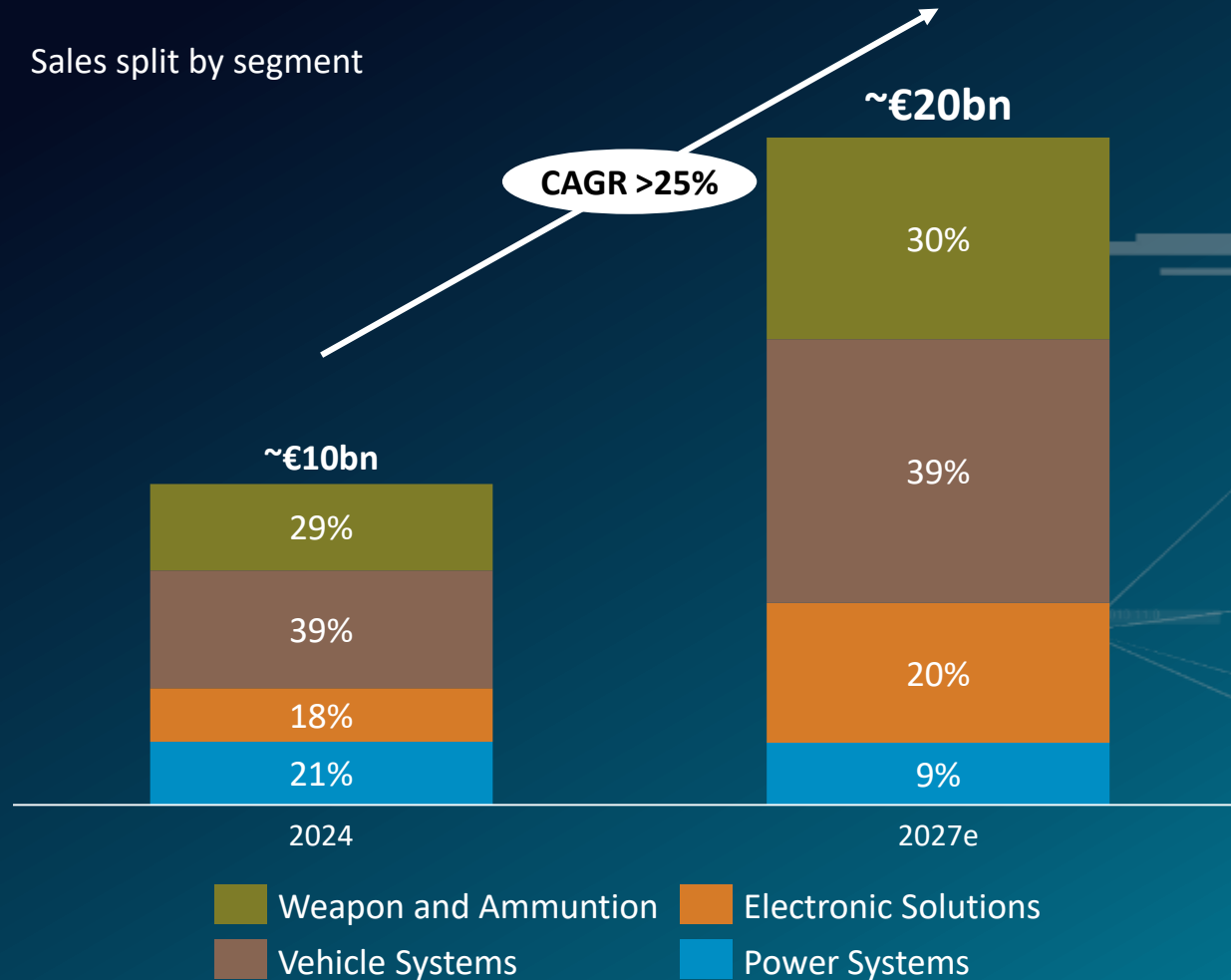
Operating result by segment



Outlook

Accelerated defence growth continues over the next years

Sales split by segment

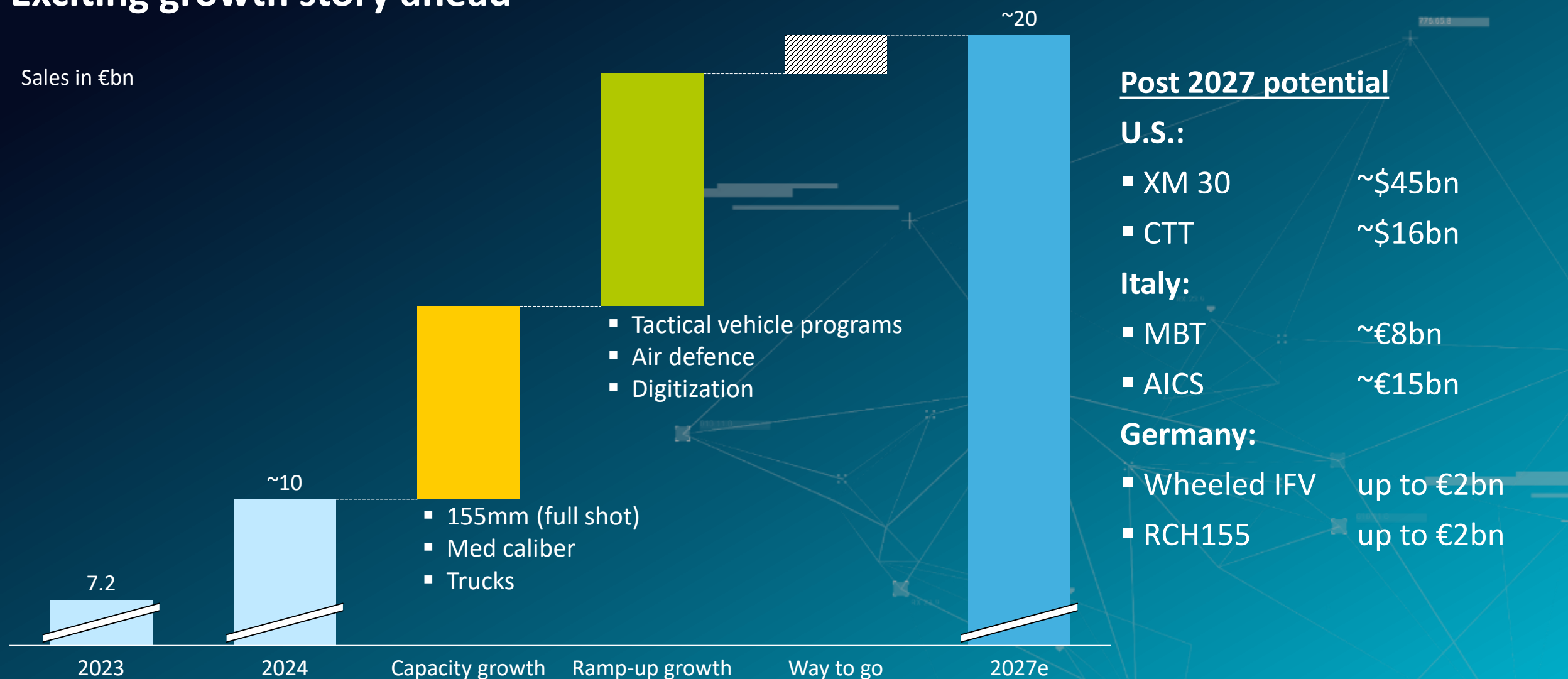


- Business grows by >25%
- Defence segments more than double
- Electronic Solutions highest relative increase
- Power Systems declining to less than 10%

Outlook

Exciting growth story ahead

Sales in €bn



Next events and IR contacts

Financial calendar and next events



Documents



Click or scan

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Key figures

		2024	2023	2022	2021	2020 ¹
SALES/EARNINGS						
Sales	€ million	9,751	7,176	6,410	5,658	5,405
Of which generated abroad	%	69.6	76.0	70.5	65.9	64.4
Operating result ^{2,4}	€ million	1,478	918	769	594	446
Operating margin ⁴	%	15.2	12.8	12.0	10.5	8.3
EBIT pre PPA	€ million	1,469	968	747	-	-
EBIT ⁴	€ million	1,345	897	738	608	398
EBIT margin ⁴	%	13.8	12.5	11.5	10.8	7.4
EBT ⁴	€ million	1,229	815	718	582	367
Earnings from continuing operations ⁴	€ million	896	630	534	432	284
Earnings from discontinued operations ⁴	€ million	(87)	(44)	6	(100)	(283)
Earnings after taxes ⁴	€ million	808	586	540	332	1
Return on capital employed (ROCE) ^{4,5,6}	%	26.4	19.9	21.4	19.5	11.8
CASH FLOW						
Cash flow from operating activities	€ million	1,720	743	174	690	453
Cash flow from investments	€ million	(697)	(398)	(349)	(271)	(237)
Operating free cash flow	€ million	1,023	344	(175)	419	217
Of which continuing operations ⁴	€ million	1,045	356	(151)	458	230
Of which discontinued operations ⁴	€ million	(22)	(12)	(24)	(38)	(13)
STATEMENT OF FINANCIAL POSITION (12/31)						
Equity ⁴	€ million	4,465	3,643	3,090	2,620	2,053
Total assets ⁴	€ million	14,344	11,707	8,096	7,734	7,267
Equity ratio ⁴	%	31.1	31.1	38.2	33.9	28.2
Cash and cash equivalents	€ million	1,184	850	545	1,039	1,027
Total assets less cash and cash equivalents ⁴	€ million	13,159	10,858	7,551	6,695	6,240
Net financial debt (-)/Net liquidity (+) ³	€ million	(1,239)	(1,063)	(426)	118	4
HUMAN RESOURCES (FTE 12/31)						
Germany	FTE	14,589	13,449	12,768	11,979	11,592
Foreign	FTE	13,950	14,606	12,718	11,966	11,675
Rheinmetall Group	FTE	28,539	28,054	25,486	23,945	23,268
Of which continuing operations	FTE	28,539	24,753	21,788	20,185	19,500
Of which discontinued operations	FTE		3,301	3,697	3,760	3,768

1 The previous year's figures for the comparative period 2020 have been restated accordingly, applying IFRS 5.

2 The definition of the key financial management indicator operating result was adjusted retrospectively in the third quarter of 2023. The figure for the previous year 2022 was also adjusted accordingly.

3 Financial liabilities less cash and cash equivalents.

4 The previous year's figures for 2022 were restated as a result of the amended schedule for the disposal of and the retrospective at-equity valuation of the investment in Shriram Pistons & Rings Ltd.

5 EBIT/average capital employed. The prior-year figure for 2021 has been adjusted to reflect the new calculation methodology.

6 The previous year figure for 2023 has been adjusted due to the change in the definition of ROCE in fiscal 2024.

Balance sheet

Statement of financial position of Rheinmetall Group as of December 31, 2024

€million	12/31/2024	12/31/2023
Assets		
Goodwill	1.426	1.125
Other intangible assets	1.376	952
Right-of-use assets	334	271
Property, plant and equipment	1.853	1.370
Investment property	20	22
Investments accounted for using the equity method	346	373
Other non-current assets	585	339
Deferred taxes	172	164
Non-current assets	6.112	4.615
Inventories	3.989	3.244
Contract assets	692	516
Trade receivables	1.959	2.021
Other current assets	350	251
Income tax receivables	57	13
Cash and cash equivalents	1.184	850
Assets held for sale	-	196
Current assets	8.231	7.092
Total assets	14.344	11.707

Equity and liabilities		
Share capital	112	112
Capital reserves	696	676
Retained earnings	3.247	2.533
Treasury shares	(4)	(5)
Rheinmetall AG shareholders' equity	4.050	3.316
Non-controlling interests	414	327
Equity	4.465	3.643
Provisions for pensions and similar obligations	527	562
Other non-current provisions	285	230
Non-current financial debts	1.871	1.503
Other non-current liabilities	58	51
Deferred taxes	356	260
Non-current liabilities	3.097	2.605
Other current provisions	807	690
Current financial debts	552	410
Contract liabilities	3.866	2.594
Trade liabilities	1.151	1.222
Other current liabilities	288	274
Income tax liabilities	118	108
Liabilities directly associated with assets held for sale	-	161
Current liabilities	6.782	5.459
Total equity and liabilities	14.344	11.707

Income statement

Income statement of the Rheinmetall Group for fiscal 2024

€million	2024	2023
Sales	9.751	7.176
Changes in inventories and work performed by the enterprise and capitalized	167	696
Total operating performance	9.918	7.872
Other operating income	228	153
Cost of materials	4.859	3.935
Personnel costs	2.373	2.047
Amortization, depreciation and impairment	403	308
Other operating expenses	1.120	889
Result from investments accounted for using the equity method	(37)	57
Other financial result	(10)	(6)
Earnings before interest and taxes (EBIT)	1.345	897
Interest income	19	29
Interest expenses	135	111
Earnings before taxes (EBT)	1.229	815
Income taxes	(333)	(185)
Earnings from continuing operations	896	630
Earnings from discontinued operations	(87)	(44)
Earnings after taxes	808	586
Of which:		
Non-controlling interests	91	51
Rheinmetall AG shareholders	717	535
Basic earnings per share	€16,51	€12,32
Basic earnings per share from continuing operations	€18,52	€13,34
Basic earnings per share from discontinued operations	€(2,01)	€(1,02)
Diluted earnings per share	€15,96	€12,07
Diluted earnings per share from continuing operations	€17,83	€13,02
Diluted earnings per share from discontinued operations	€(1,87)	€(0,95)

Cashflow statement

Statement of cash flows of Rheinmetall Group for fiscal 2024

€million	2024	2023
Earnings after taxes	808	586
Amortization/depreciation/impairment of property, plant and equipment, intangible assets and investment property	403	308
Impairment/reversal of impairment of non- current assets of discontinued operations	-	63
Allocation of CTA assets to secure pension and partial retirement obligations	(18)	(20)
Proceeds from reimbursements of pension payments made from CTA assets	-	8
Other changes in pension provisions	(6)	(48)
Income/expenses from disposals of non- current assets and disinvestments in consolidated companies	103	(59)
Changes in other provisions	135	29
Changes in working capital	407	(217)
Changes in receivables, liabilities (without financial debt) and prepaid & deferred items	(102)	39
Pro rata income/loss from investments accounted for using the equity method	15	(4)
Dividends received from investments accounted for using the equity method	16	29
Other non- cash expenses and income	(42)	28
Cash flow from operating activities¹	1.720	743
Of which continuing operations	1.737	740
Of which discontinued operations	(17)	3
Cash outflows for property, plant and equipment, intangible assets and investment property	(732)	(398)
Cash inflows from government grants for investments	35	-
Cash inflows from the disposal of property, plant and equipment, intangible assets and investment property	10	2
Cash inflows/outflows from disinvestments in consolidated companies and financial assets	24	155
Cash outflows for investments in consolidated companies and financial assets	(508)	(1.064)
Cash in- /outflows from/for securities held for trade	-	130

Cash flow from investing activities	(1.172)	(1.175)
Of which continuing operations	(1.165)	(1.224)
Of which discontinued operations	(7)	49
Dividends paid out by Rheinmetall AG	(248)	(187)
Other profit distributions	(29)	(3)
Increase in shares in consolidated subsidiaries	22	21
Borrowing of other financial debts ²	793	407
Repayment of other financial debts ²	(773)	(485)
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)
Cash flow from financing activities	(234)	746
Of which continuing operations	(112)	721
Of which discontinued operations	(123)	26
Changes in cash and cash equivalents	313	314
Changes in cash and cash equivalents due to exchange rates	(2)	(9)
Total change in cash and cash equivalents	312	305
Opening cash and cash equivalents January 1	873	568
Closing cash and cash equivalents December 31	1.184	873
Closing cash and cash equivalents December 31 from discontinued operations	-	23
Cash and cash equivalents as per consolidated statement of financial position December 31	1.184	850

Convertible bonds

Transaction Terms

Execution Date 31-Jan-23 | **Effective Date** 07-Feb-23

Total Deal Size €1.0bn (split in 2 equally sized series)

Underlying Shares 3.2m Shares / 7.4% Share Capital

Tenor **Series A: 5 Years** **Series B: 7 Years**

Series Issue Size €500m €500m

Coupon **1.875%** **2.250%**
Interest is payable semi-annually,
firstly due on 07-Aug-23

Premium **45%** **45%**

Conversion Price €309.90

Dividend Protection Above an increasing reference dividend schedule
(FY22: €4.10, FY23: €5.20, thereafter: €6.60 p.a.)

Highlights

- Dual-tranche structure to spread out maturities
- Multiple oversubscription during book-building
- Attractive funding due to annual cash savings of above 2% p.a. vs. comparable straight bonds cash out

Derivation of diluted earnings per share

Derivation of diluted earnings per share						
	Continuing Operations	Discontinued Operations	2024	Continuing Operations	Discontinued Operations	2023
Earnings after taxes in € million - Rheinmetall AG shareholders	804	(87)	717	579	(44)	535
Adjustment for interest expense in respect of the convertible bond in € million	39	-	39	35	-	35
Tax effects on the adjustment for interest expense in respect of the convertible bond and on the effect on personnel expenses in € million	(12)	-	(12)	(10)	-	(10)
Diluted earnings after taxes in € million - Rheinmetall AG shareholders	832	(87)	745	603	(44)	559
Weighted number of shares in millions - basic	43.43			43.41		
Effect from the potential conversion of the convertible bond in millions	3.23			2.93		
Weighted number of shares in millions - diluted	46.66			46.34		
Basic earnings per share	€ 18.52	€ (2.01)	€ 16.51	€ 13.34	€ (1.02)	€ 12.32
Diluted earnings per share	€ 17.83	€ (1.87)	€ 15.96	€ 13.02	€ (0.95)	€ 12.07

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TAKING RESPONSIBILITY IN A CHANGING WORLD