

THE TECHNOLOGY GROUP FOR SECURITY AND MOBILITY



Corporate Presentation
September 2016

Highlights H1 2016

Increased sales, strong order backlog, earnings progressing

Sales	Increased by 9%, FX-adjusted by 10%
Order backlog	Further increase from EUR 7.1 billion to EUR 7.3 billion
Earnings	Up to EUR 103 million, margin raised from 3.3% to 4.0%
Automotive	Solid Q2 overcompensates sales decline of Q1
Defence	Strong upswing in sales and again strong order intake in Q2
Outlook	Confirmed for group and segments

Key figures H1 2016

<i>in EUR million</i>	H1 2015	H1 2016	Δ H1 2016/ H1 2015	
Sales	2,394	2,599	+ 205	+ 9%
EBITDA	177	212	+ 35	+ 20%
Operational earnings	79	103	+ 24	+ 30%
EBIT (reported)	79	103	+ 24	+ 30%
EBIT margin <i>in %</i>	3.3	4.0	+ 0.7pp	
EBT	48	75	+ 27	+ 56%
Group net income	34	53	+ 19	+ 56%
Earnings per share <i>in EUR</i>	1.03	1.26	+ 0.23	+ 22%
Free cash flow from operations	- 279	- 338	- 59	- 21 %
Employees (June 30)	20,642	20,954	+ 312	+ 2%

Key figures Q2 2016 per segment

Rheinmetall Group <i>in EUR million</i>	Q2 2015	Q2 2016	Δ Q2 2016 /2015	
Sales	1.221	1.419	+ 198	+ 16%
EBITDA	106	126	+ 20	+ 19%
EBIT (reported)	57	72	+ 15	+ 26%
EBIT margin <i>in %</i>	4.7	5.1	+ 0.4pp	
Automotive				
Sales	676	695	+ 19	+ 3%
EBITDA	87	91	+ 4	+ 5%
EBIT (reported)	59	60	+ 1	+2%
EBIT margin <i>in %</i>	8.7	8.6	- 0.1pp	
Defence				
Order intake	693	803	+ 110	+ 16%
Sales	545	724	+ 179	+ 33%
EBITDA	22	41	+ 19	+ 86%
EBIT (reported)	1	19	+ 18	+ 1800%
EBIT margin <i>in %</i>	0.2	2.6	+ 2.4pp	

The Technology Group for Security and Mobility

Addressing the basic needs and megatrends in Defence and Automotive

RHEINMETALL AG

Sales: EUR 5.2 billion

Employees: 20,800

RHEINMETALL DEFENCE

Sales: EUR 2.6 billion

Employees: 9,900

RHEINMETALL AUTOMOTIVE

Sales: EUR 2.6 billion

Employees: 10,900

SECURITY

Accumulating international conflict areas challenge the community of states ...
... and lead to rising needs of armed forces.

Basic need



Megatrend



Demand on markets

MOBILITY

Increasing world population, global trade, higher welfare and climate change ...
... lead to higher mobility and enhanced need for environmental-friendly powertrain technologies.

Figures: FY 2015

One Rheinmetall

Continuing the successful strategic development of both segments

2016: One Rheinmetall

- Rebranding/repositioning as an integrated technology group for security and mobility
- Changing the public perception of Rheinmetall as primarily a supplier of military equipment

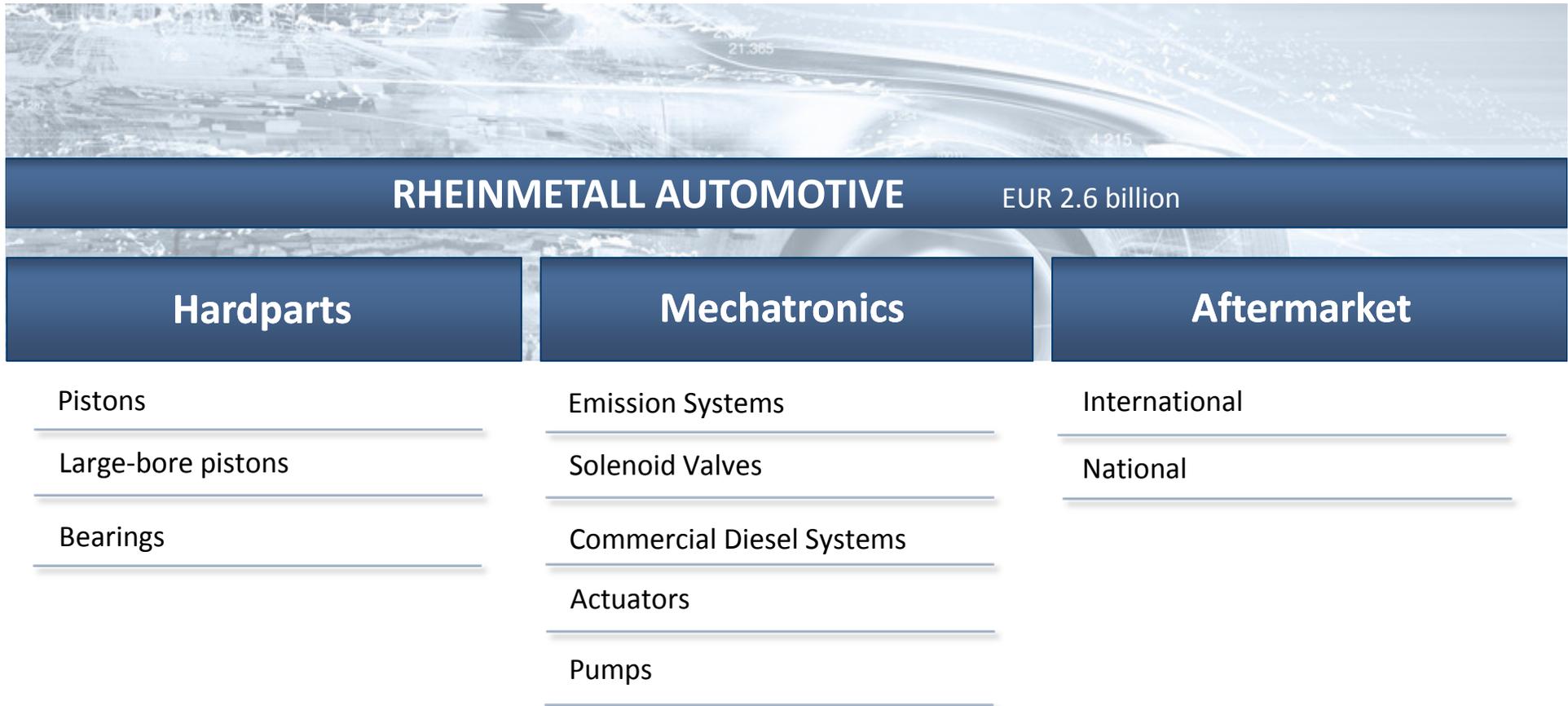


Existing synergies:

- Procurement of energy, IT
- Financials/Rating

- Integration of holding functions
- Technology: enhancing cooperation between Automotive and Defence businesses
- Creation of opportunities for exchange of know-how between areas like cyber security and electric propulsion

The divisional structure of Automotive Focused on the attractive segment of powertrain technology



Joint ventures with HASCO in China/Europe (50:50; consolidated at equity)

Sales figure FY 2015

Highlights H1 2016

Automotive gaining momentum after a soft start into the year

Sales

Growth in Q2 stabilizes H1 sales slightly above previous year's level

New orders

Ramp-up of new products begin to show positive topline impact

Earnings

Margin of 8.6% in Q2 reached again the high level of the previous year

China

Solid at-equity contribution from JVs in China

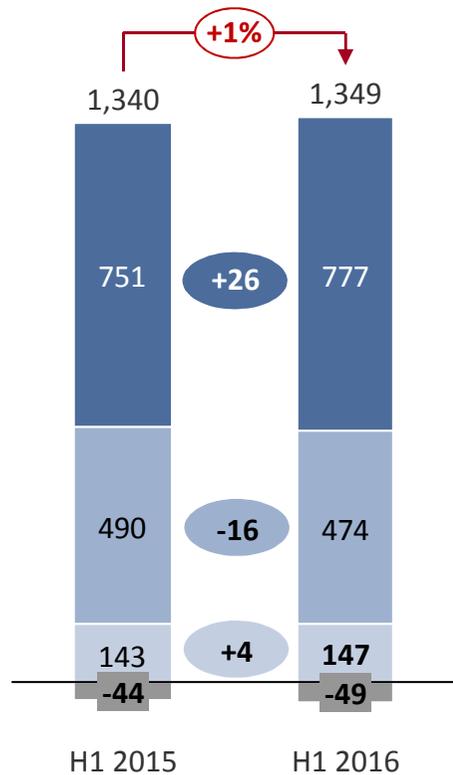
Key figures H1 2016

<i>in EUR million</i>	H1 2015	H1 2016	Δ H1 2016 /2015	
Order intake	1.320	1.304	- 16	- 1%
Order backlog (June 30)	397	401	+ 4	+ 1%
Sales	1.340	1.349	+ 9	+ 1%
EBITDA	170	176	+ 6	+ 4%
EBIT	114	112	- 2	- 2%
EBIT margin <i>in %</i>	8.5	8.3	- 0.2pp	
Free cash flow from operations	15	-88	- 103	
Employees (June 30)	11,066	10,941	- 125	- 1%

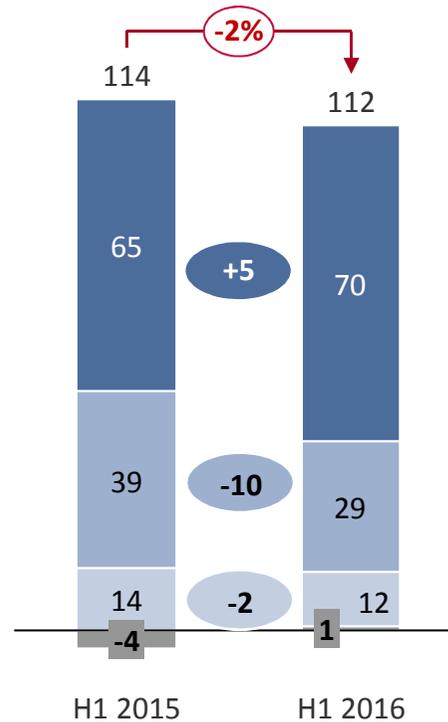
Sales growth in Mechatronics continues

Strong Q2 shift sales and earnings in H1 on previous year's level

Sales Automotive
in EUR million



Operational earnings Automotive
in EUR million



Reasons for earnings development

Mechatronics

- Strong sales drive margin

Hardparts

- Decline of sales and earnings in Brazil and in the large-bore piston business

Aftermarket

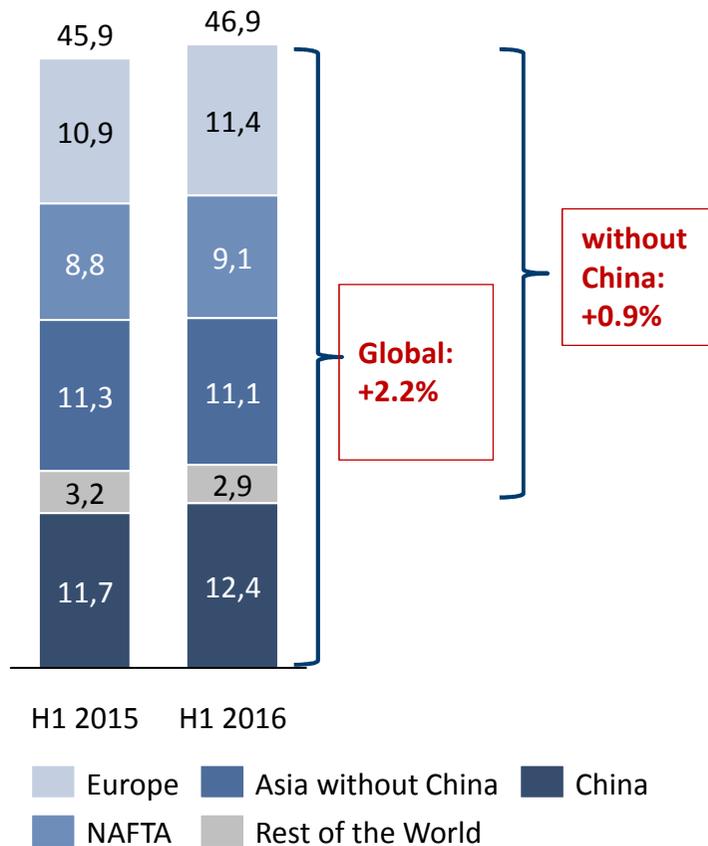
- Start-up costs of new factory in Ustí/CZ

■ Mechatronics ■ Aftermarket
■ Hardparts ■ Consolidation

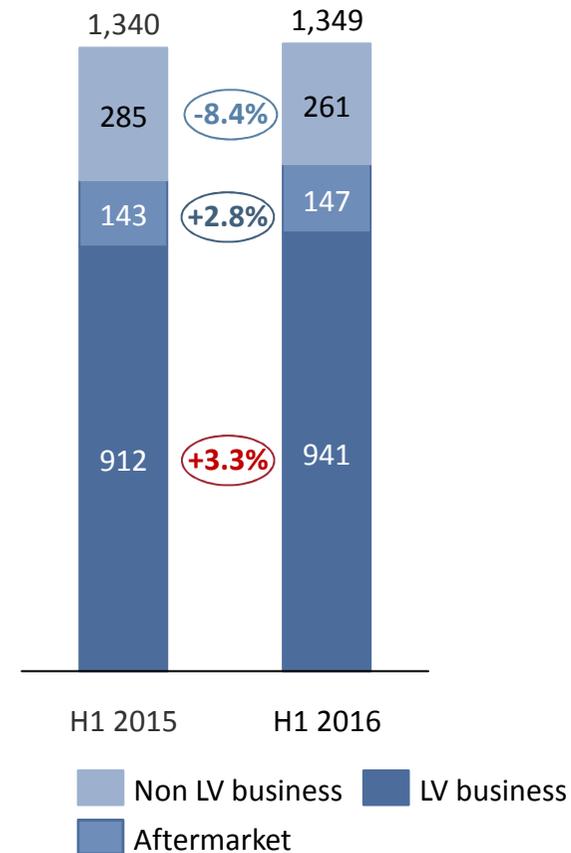
Automotive LV sales development

H1 LV-sales above growth of global LV production

Global LV production
in million units



Sales Automotive LV/Non-LV
in EUR million



Source: IHS Automotive, July 2016

Organic growth Main strategic drivers

AUTOMOTIVE

O R G A N I C G R O W T H

**Market growth
Light Vehicles (LV)**
Globally rising production

More content
Increasing number of
Rheinmetall products per
car due to tightening
environmental standards

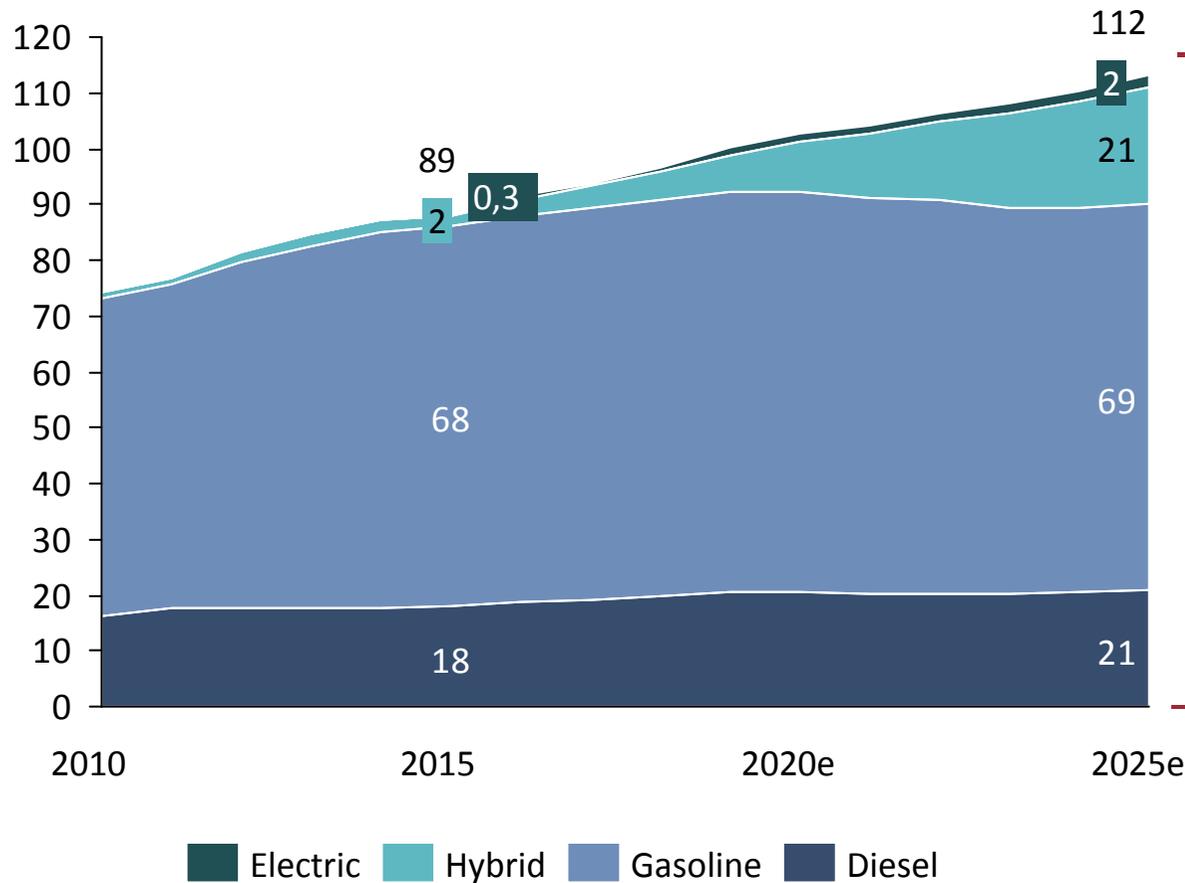
and
Trend of Electrification
esp. Hybridization

Higher value of products
Innovative solutions with
higher price level, driven by
rising demand for
components which offer
improved energy-efficiency
and/or lower fuel
consumption

Growth driver “Market growth”

Ongoing increase of global demand for light vehicles

Forecast global light vehicle (LV) production
in million units



– Light vehicles remain on growth path

2014-2015: 1%

2015-2025 (CAGR): 3%

– Combustion engines losing market shares, but defend dominant position

– Market share of combustion engines:

- 2015: 97%

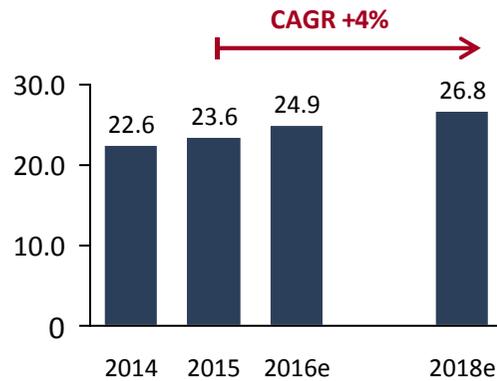
- 2025: 80%

Source: IHS Automotive (February 2016)

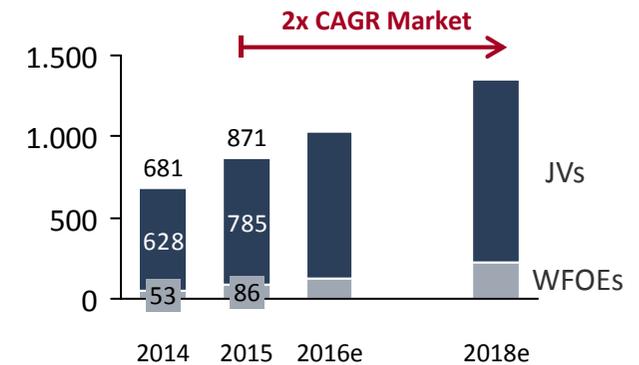
Growth driver “Market growth”

China: Continuing growth, but with lower rates

LV production
in million units



Sales
in EUR million



- Expected **recovery of the Chinese car market**: Growth expectation 5.6% in 2016 after 4.3% in 2015
- Growth rate expected to normalize but to remain **above global average** growth
- **Double-digit sales increase** of 100%-subsidiaries (WFOE) expected

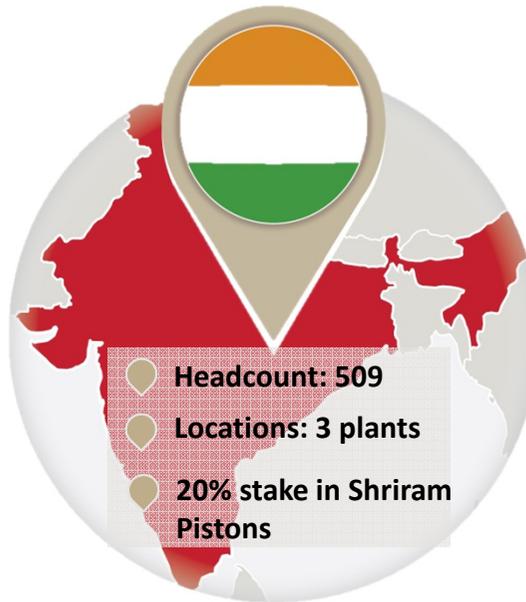
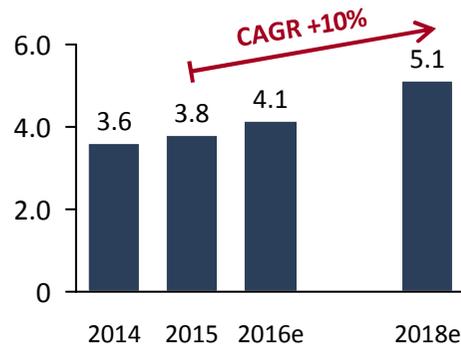
JV: 100% figures shown of Joint Ventures, Rheinmetall Automotive owns 50% of JV; consolidated at-equity
WFOE: Wholly Foreign-Owned Enterprise, 100% subsidiaries, fully consolidated

Source: IHS Automotive (February 2016)

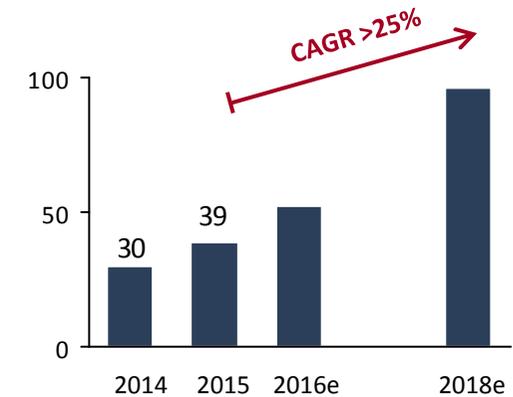
Growth driver “Market growth”

India: Well prepared to take advantage of increasing demand for mobility

LV production
in million units



Sales
in EUR million



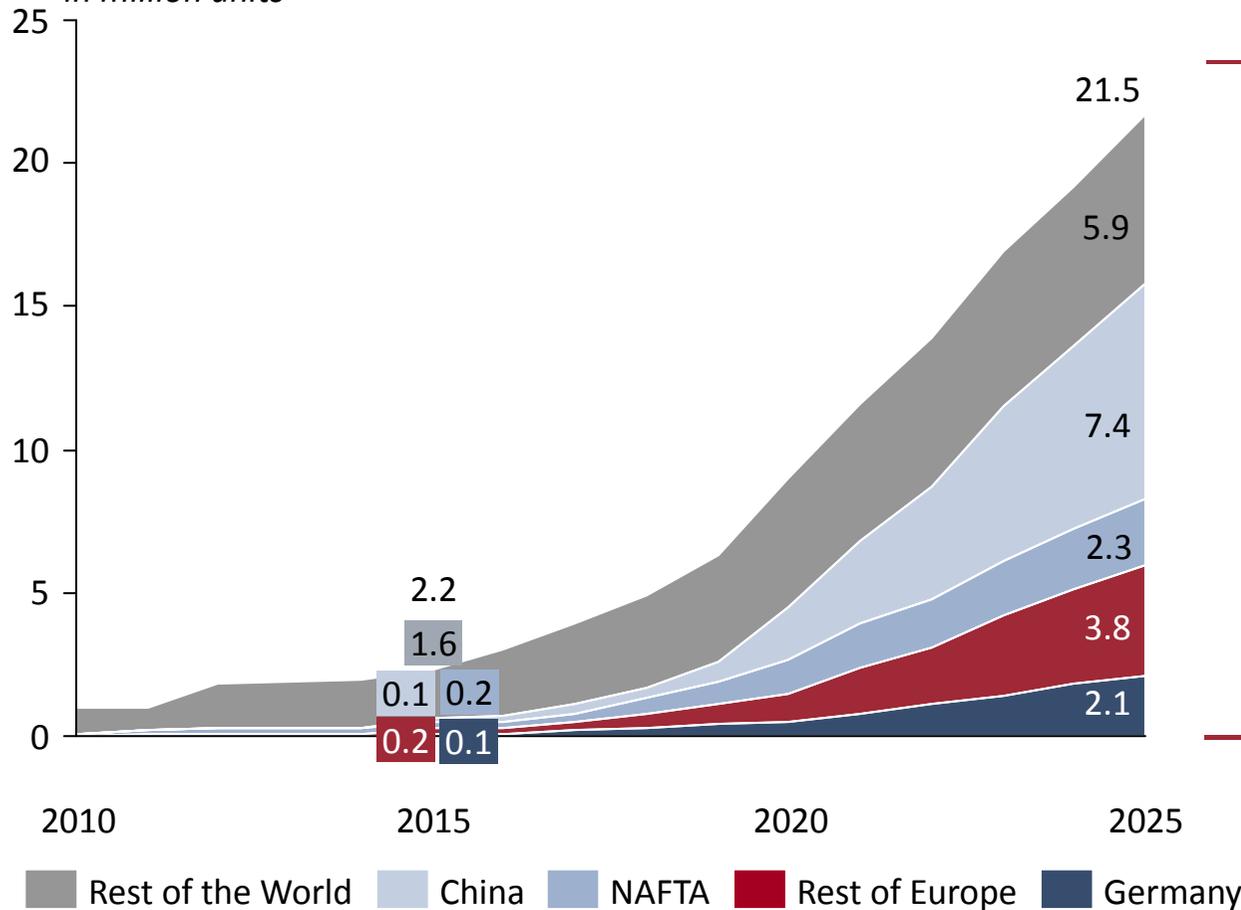
- Expected **market growth** 2016 of 9% with a meaningful share of Diesel engines (~35%)
- **Automotive subsidiaries** leaving start-up phase and moving into growth phase

Source: IHS Automotive (February 2016)

Growth driver “More content per car/hybridization”

Trend to hybrid vehicles expected to accelerate

Forecast production of hybrid vehicles*
in million units



- **Stricter emission regulations** increase attractiveness of alternative energy concepts
- **Hybrid powertrains** will raise significantly and become a major market
- Estimated market share of **hybrid vehicles**:
 - 2015: 2%
 - 2025: 19%

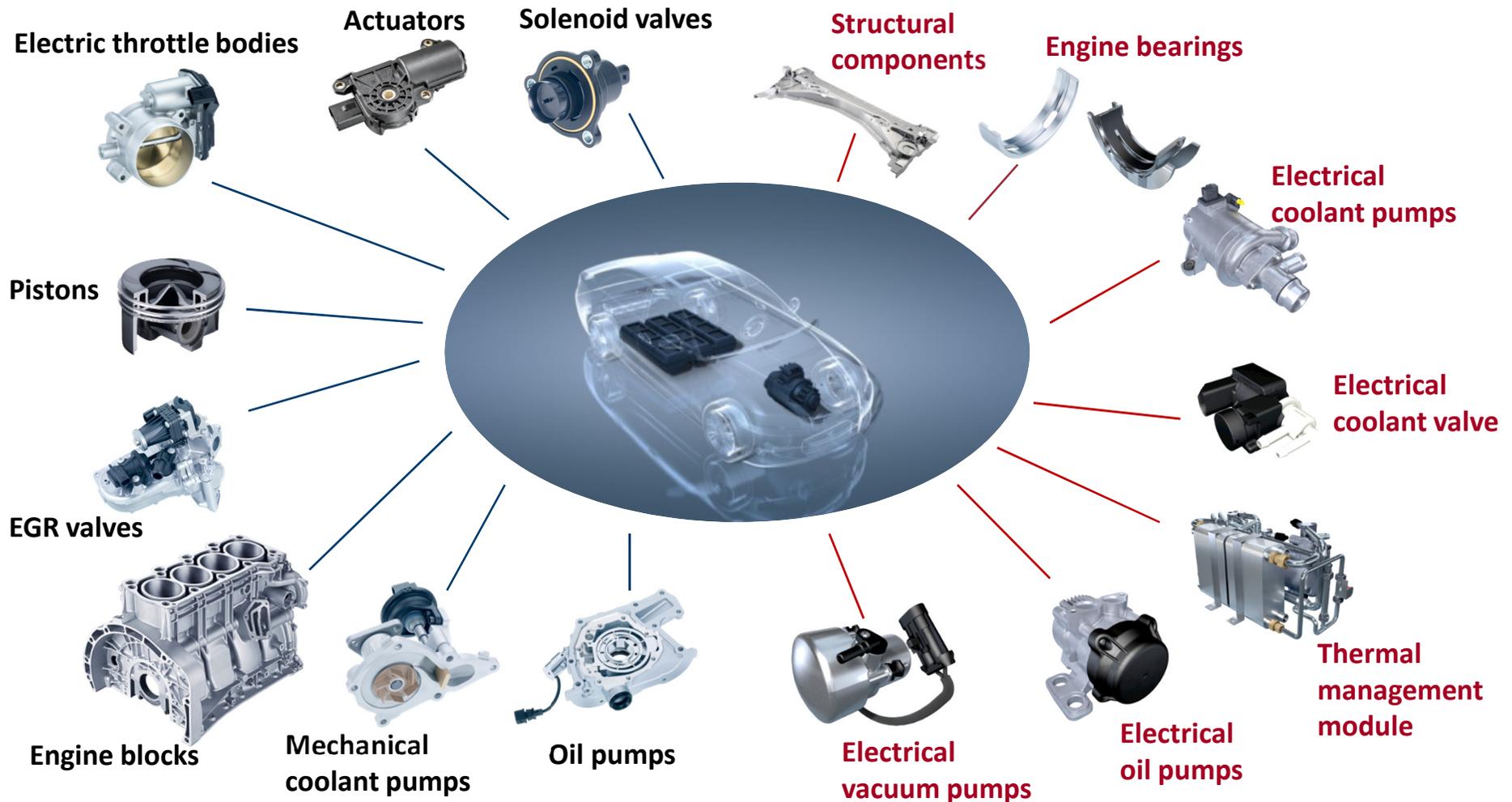
*Mild hybrid, full hybrid, plug-in hybrid

Source: IHS Automotive (October 2015)

Growth driver “More content per car/hybridization”

Trend of hybridization opens potential for more Rheinmetall products

Enlarging the traditional product portfolio for combustion engines ... **... by products for hybrid and electric engines.**



Growth driver “Higher value of products”

Electrification and downsizing require more sophisticated products

Coolant pump



Mechanical

>6x

Electrical

Exhaust gas recirculation



Valve

>3x

Valve, cooler, bypass and bypass actuator



Oil pump



Mechanical

>3x

Variable

Piston



Aluminum

>3x

Steel

Growth drivers “More content per car” and “Higher value of products”

Strategic target: Engine neutrality

Product Portfolio / Divisions	Gasoline	Diesel	Hybrid	E-drive
Mechatronics	✓	✓	✓	✓

- Technological developments in line with customer requirements (e.g., electric and/or variable pumps, “E-Booster”)

Hardparts	✓	✓	✓	(✓)
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- Extension of the existing product portfolio for vehicle engines (e.g. steel pistons) and for products independent on engines (e.g. structural casting parts) for light vehicles; E-Drive-specific products (e.g. battery case)
- Further extension of the non-LV-business (e.g. large-bore pistons)

-
- **Flexible R&D and production capacities, adjusted to the need of the customers:**
Gasoline-, Diesel-, hybrid-engines, electro-mobility
 - **Reducing dependency on specific LV-engine types**



New divisional structure of Defence

Transfer of Combat Platforms



* after consolidation

Sales figure FY 2015

Rheinmetall Defence

The new Vehicle Systems Division – a competitive international supplier



- **Leading European supplier** of military vehicle systems with expected sales of EUR 1.4 billion (in 2016) and a strong order backlog of EUR 4.0 billion (end of 2015)
- **Sole provider of the complete product portfolio** of military vehicles (tracked, wheeled, tactical, logistical) and turrets in the Western world
- **New vehicles are ready for market launch:** amphibious wheeled vehicle, infantry fighting vehicle
- Strong market position setting a **solid basis in the further consolidation** process of the industry

Highlights H1 2016

Strong performance in orders, sales and earnings

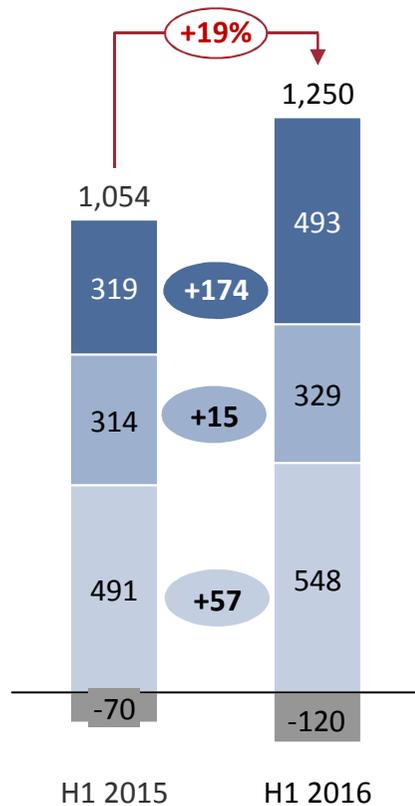
Order intake	▶	Soared by roughly EUR 500 million pushing the book-to-bill ratio to 1.4
Order backlog	▶	Increased to EUR 6.9 billion
Sales	▶	Up by EUR 200 million or 19%
Earnings	▶	Trend of improving earnings continues; with H1, Defence is reaching the profit zone
New products	▶	Launch of several new products on the Eurosatory fair in Paris, e.g. tracked vehicle Lynx and 130mm cannon

Key figures H1 2016

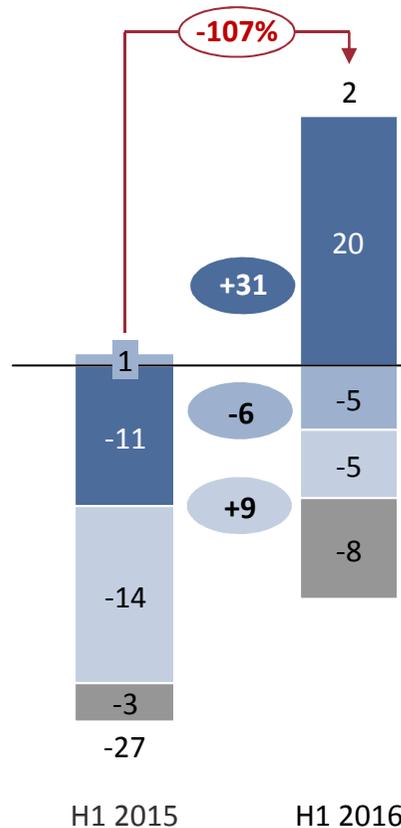
<i>in EUR million</i>	H1 2015	H1 2016	Δ H1 2016/2015	
Order intake	1,235	1,751	+ 516	+ 42%
Order backlog (June 30)	6,728	6,905	+ 177	+ 3%
Sales	1,054	1,250	+ 196	+ 19%
EBITDA	15	46	+ 31	+ 207%
EBIT	- 27	+ 2	+ 29	- 107%
EBIT margin <i>in %</i>	- 2.6	+ 0.2	+ 2.8pp	
Free cash flow from operations	- 279	- 221	+ 58	+ 21%
Employees (June 30)	9,422	9,857	+ 435	+ 5 %

Sales increase in all divisions H1 earnings significantly improved

Sales Defence
in EUR million



Operational earnings Defence
in EUR million



Reasons for earnings development

Weapon and Ammunition

— Higher sales in all business units

Electronic Solutions

— Less favorable product-mix

Vehicle Systems

— Higher sales, e.g. Puma and better capacity utilization

- Weapon and Ammunition
- Electronic Solutions
- Vehicle Systems
- Others/Consolidation

Organic growth Main strategic drivers

DEFENCE

ORGANIC GROWTH

Global market growth

Increase of Defense budgets due to changing security situation

High order potential
in German home market

High order backlog

Secures solid future growth of Rheinmetall Defence in mid-term perspective

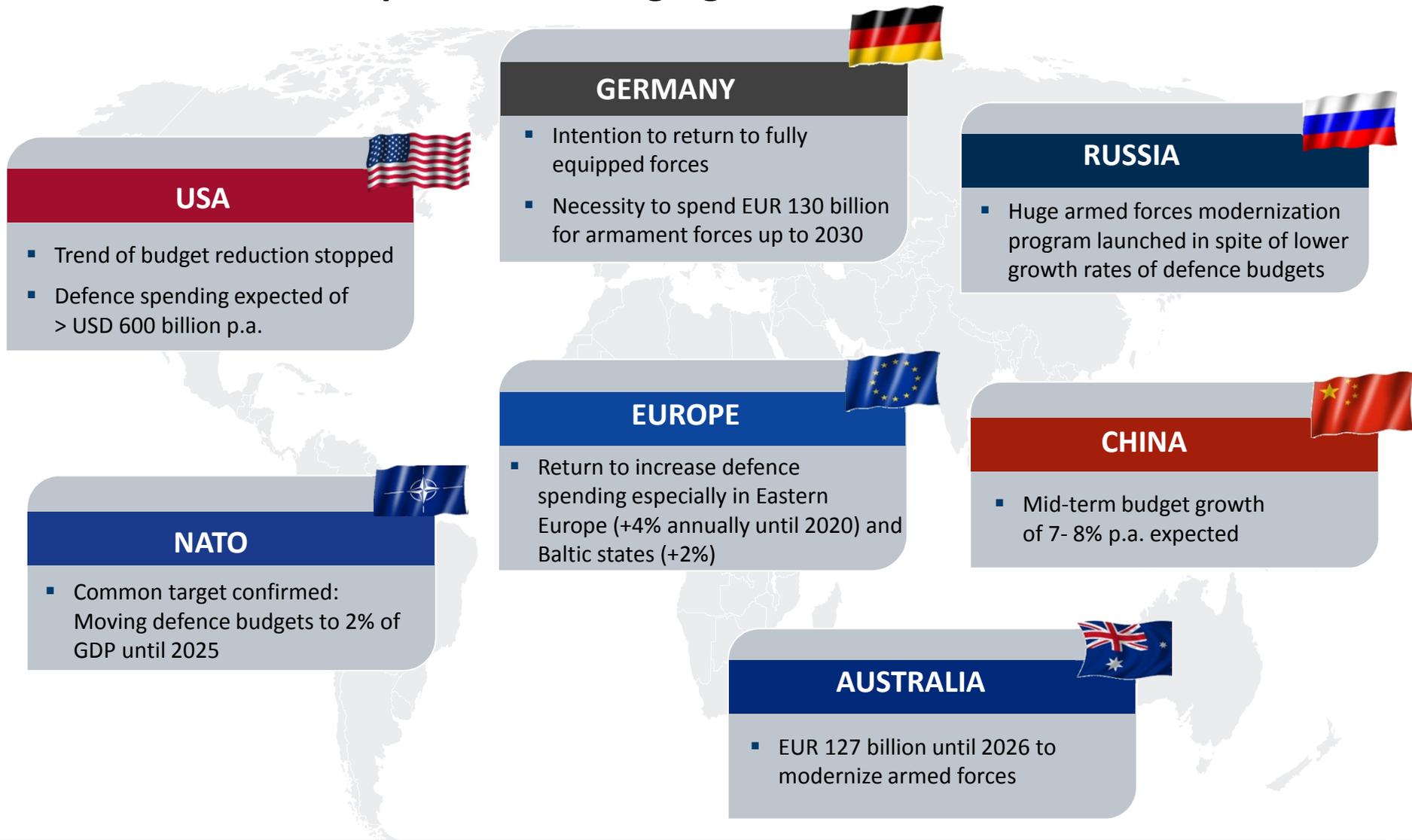
New markets

Approaching new markets with local partners and with

Innovative products and developments
(e.g. laser technology)

Growth driver: Global markets

The defence macro picture is changing

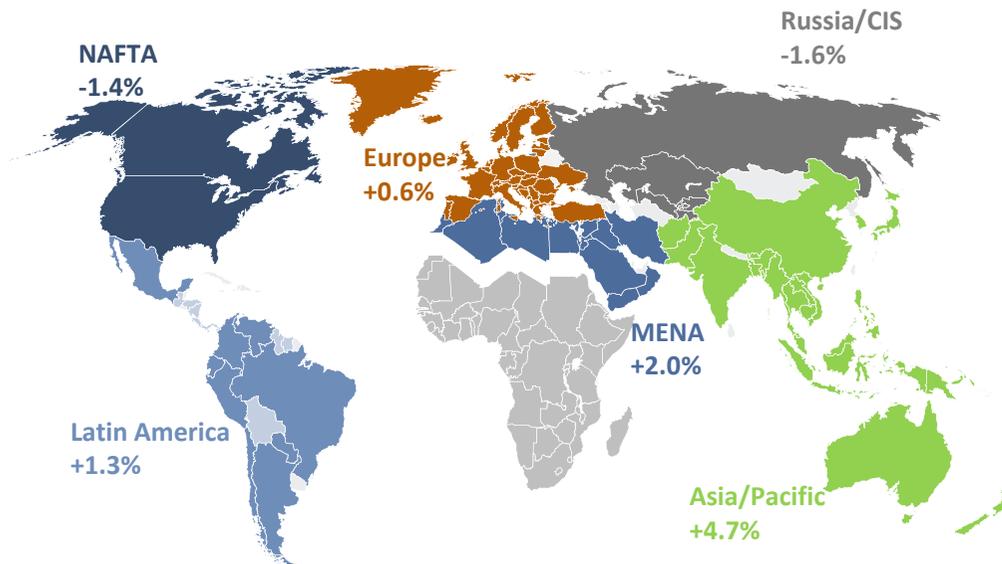


Global defence budget growth

Defence is a growing market due to globally increasing need for security

Globally increasing, particularly in the MENA/Asian region

(Development of defence budgets 2015e-2019e in % p.a.)



Current conflicts changing the security needs

Russia/Ukraine crisis

- Armed military conflict on the Eastern border of NATO
- National and alliance defence moving back into focus

Islamic State

- Asymmetric conflict on the South-Eastern NATO border
- Increasing threat of terrorism for western countries

Ending missions in Afghanistan and Iraq

- Vacuum of power after troops withdrawals
- Risk of civil wars due to a lack of effective governments

Failing states in the MENA region and in Africa

- Local destabilization, e.g. Libya, Syria, Yemen
- Europe facing higher migration pressure

Conflicts in the South China Sea

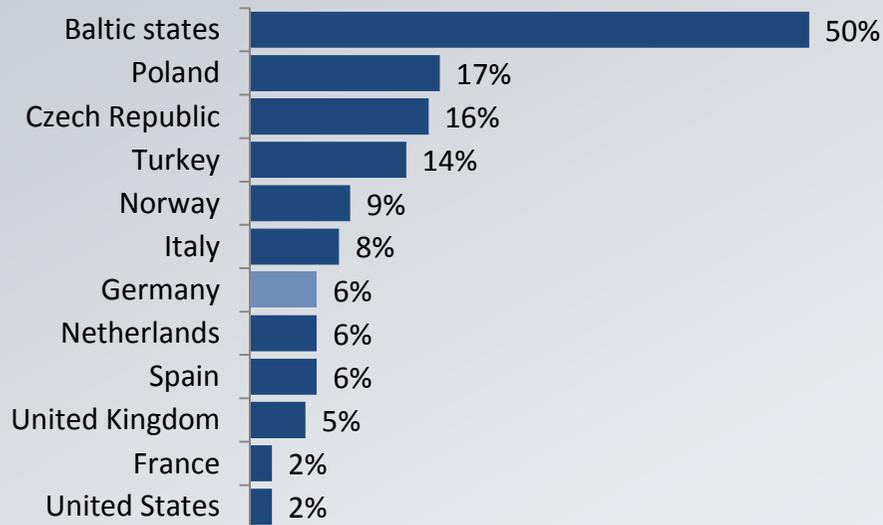
- Neighbouring countries perceive Chinese expansion strategy as a threat
- Military and economic dimension, particularly regarding USA and Japan

Positive macro picture for defence industry

Rising defence budgets in NATO countries

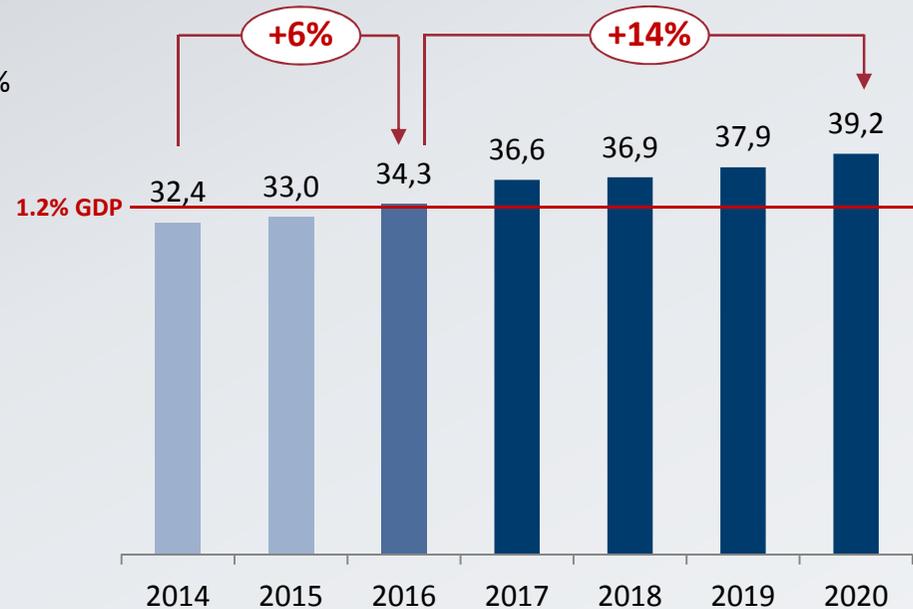
Increase of defence expenditures of NATO countries from 2014 to 2016 in %

Increasing budgets in 22 of 28 NATO countries



Source: Federal Ministry of Finance, Federal budget 2017

German defence budget 2014-2020 in EUR billion



Source: NATO, Defence Expenditures of NATO Countries 2016

Growth driver “High order potential - International”

A number of projects targeted by Rheinmetall

✓ Order received

2016	BEYOND
 <p>International customer Air defence system Modernization Volume: €390 mill. ✓</p>	 <p>Australia Land 400 program Boxer with Lance turret Potential: ~ €2.5 bn. Decision expected: during 2018</p>
 <p>Poland Leopard 2 Upgrade of 128 tanks Volume: €180 mill. ✓</p>	 <p>Australia Logistic Vehicle Demand for further orders Potential: > €300 mill. Decision expected: 2018/19</p>
 <p>International customer Ammunition Short and mid-term Volume: €410 mill. ✓</p>	 <p>United Kingdom Challenger 2 Life extension and upgrade Potential: 3-digit mill. Euro amount Decision expected: 2016 (assessment), 2018/19</p>
 <p>Lithuania Boxer Armored fighting vehicles Volume: €176 mill.</p>	 <p>Asian customer Air Defence Potential: > €200 mill. Decision expected: 2017/18</p>
 <p>MENA customer Simulation technology for military training center Volume: 2-digit mill. Euro amount ✓</p>	

Growth driver “High order potential - Germany”

A number of projects targeted by Rheinmetall

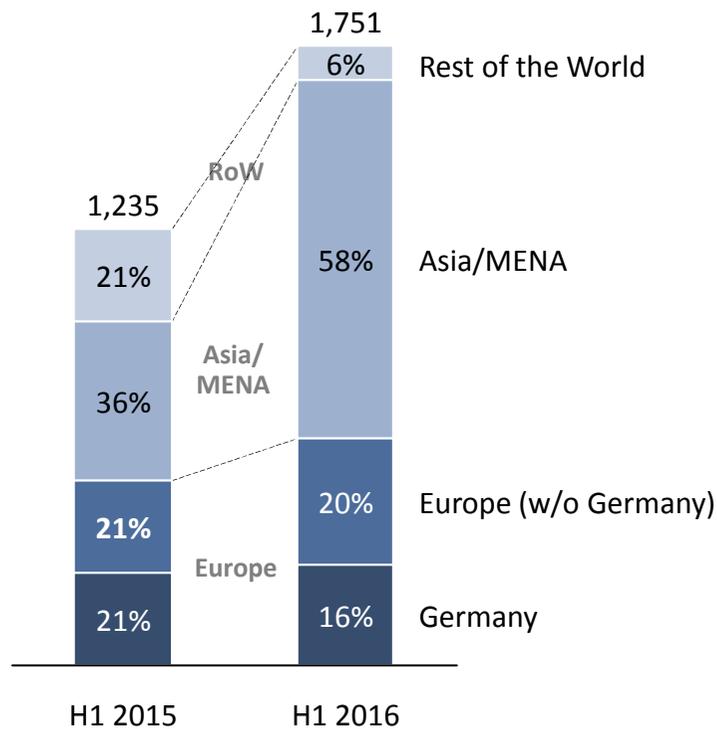
✓ Order received

2016	BEYOND	
 <p>Boxer (12/2015) Order for 131 Boxers Volume: €130 mill.</p>	 <p>Gladius soldier system Order expected for 2017 Potential: ~ €250 mill. Further Soldier systems Long-term potential: ~ €500 mill.</p>	 <p>Combat Training Center Additional equipment Potential: > €50 mill. Service contract Potential: €50-100 mill.</p>
 <p>Fox (Q4 2016) Upgrade order Potential: > €100 mill. Further upgrades Long-term potential: > €700 mill.</p>	 <p>Leopard 2 Upgrade order for 104 tanks Potential: up to €200 mill. Additional upgrades Potential: > €200 mill.</p>	 <p>Puma Additional equipment Potential: € 600 mill. Demand for additional IFVs Long term: €900 mill.</p>
 <p>Military trucks 1.lot: 558 vehicles, volume: €250 mill. 2.lot: further 1,700 vehicles Long-term potential: ~ €600 mill.</p>	 <p>Ammunition Restocking expected (from 2018 onwards) Short and mid term potential: ~ €500 mill.</p>	

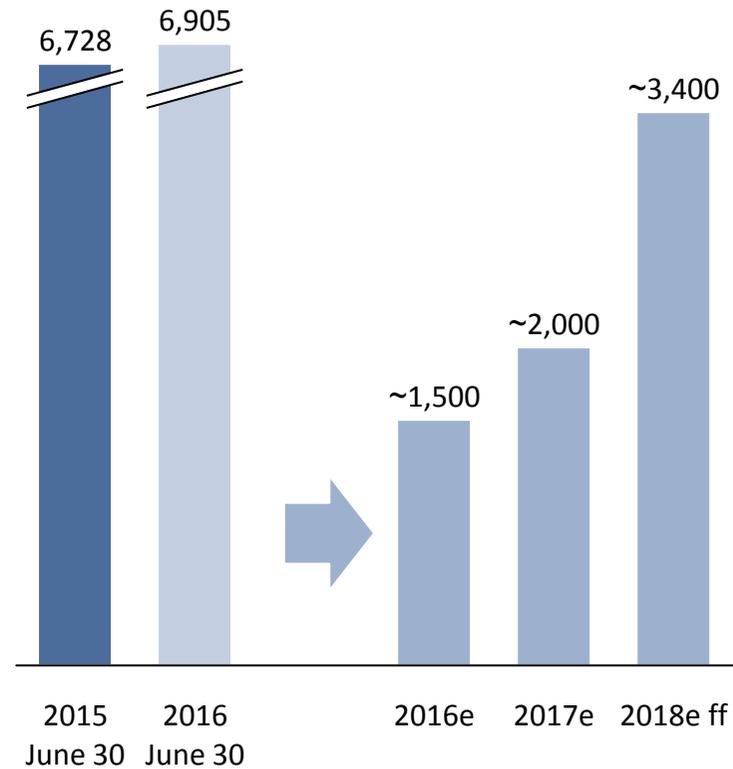
Growth driver “High order backlog”

High order book coverage of mid-term future sales

Order intake by region
in EUR million



Order backlog ... turning into sales
in EUR million



Growth driver “New markets” Expanding local footprint by individual industrial partnerships

POLAND



- **Cooperation with the Polish defence industry** for a major Leopard modernization program
- Foundation of **Rheinmetall Defence Polska** (Warsaw, Gliwice)

TURKEY



- Rheinmetall Turk as a local entity is a **partner of joint ventures with Turkish defence companies** for vehicle systems (✓) and ammunition

AUSTRALIA: LAND 400 PROGRAM



- Tender submitted in 2015, offering Boxer with Lance turret
- Down-selection in 8/2016, final decision not before 2018
- Total volume: approx. EUR 2.5 billion
- Strong international competition

Growth driver “New products”

New technologies and products ready for market launch

MBT MODERNIZATION/NEW CALIBER



— **Digital turret core system**

- New high-pressure **120mm cannon**, performance increase: **+20%**
- New cannon with a **larger caliber**, performance increase: **50%**

NEW CONCEPT MGCS*



- **MGCS concept** for new main battle tank **started**
- **Currently in concept phase** until 2017 in cooperation with the industry
- **Participation of several nations** expected, currently common project of Germany and France

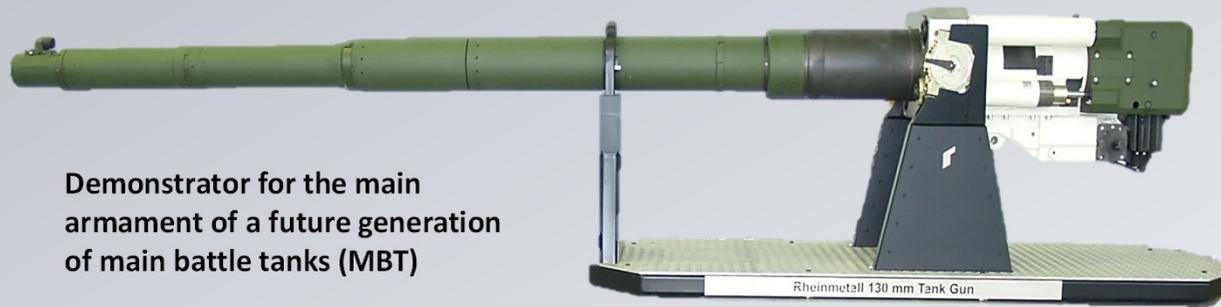
*Main Ground Combat System

HIGH ENERGY LASER



- **Laser technology developed**, ready for operations in 3-5 years
- **Domestic R&D orders** of EUR ~40 million **received**
- **Qualification phase ongoing**: Successfully tested by German Navy

Growth driver “New products” Proposition of a 130mm tank gun for future MBT



Demonstrator for the main armament of a future generation of main battle tanks (MBT)

130mm tank gun



8% larger caliber leads to
50% higher performance

- Quantum leap in performance compared with the tank main armament currently in use: extended ranges and superior firepower against better protected targets
- Weight: 3 tons, barrel length: 6.6 m;
for comparison: 120mm smooth-bore canon weighs 1.2tons with 5.3 m length
- Additional business potential by the development of corresponding types of ammunition

Growth driver “New products” Launch of the new infantry fighting vehicle (IFV) Lynx

Two versions:
38t and 44t
for 9 and 11 soldiers

560-700 kW engine;
performance >30%
compared to Marder

Rubber tracks:
Reduction of noise,
vibration and ground
pressure

Enhanced ballistic and
mine protection



Lance turret
30/35mm

Secondary armament
in caliber 7.62mm

Remote controlled
weapon station

Anti-tank guided
missile MELS

- Globally high demand for medium tracked vehicles
- In Rheinmetall’s product portfolio, Lynx is pricewise positioned between modernized versions of the traditional Marder tank and the high-end Puma
- Modular platform concept especially designed for export markets



Short-term perspective Outlook fiscal year 2016 confirmed

		<i>Sales in EUR billion</i>		Operational margin	
		2015	2016	2015	2016
	Group	5.2	~ 5.5	5.5%	~ 6%
	Defence	2.6	~ 2.8	3.5%	4.5-5%
	Automotive	2.6	~ 2.7	8.3%	~ 8%

Assumptions

- Key large-scale projects in Defence to be realized as scheduled, no significant one-offs
- Global automotive industry growing as forecast

Mid-term perspective

Looking ahead: Markets and Rheinmetall

Markets with good mid-term perspectives: Global growth in Defence and Automotive

		Market CAGR 2015-2018e	Sales	Operational Margin
	Automotive	2.8%	~ 4-5%	~ 8%
	Defence	1.1%	~ 8%	~ 6-7%

Changing markets



- Sustainable growth of global car production
- Gradually rising importance of hybridization
- R&D efforts in order to create higher independency from engine concepts



- Increasing number of global tensions and conflicts lead to enhanced efforts to modernize ground forces
- Broad existing product portfolio covers increasing demand of land forces

Source: IHS Automotive/IHS Jane's (February 2016)



Key figures: Group 2011 - 2015

<i>in EUR million</i>		2011	2012	2013	2014	2015
Balance sheet	Total assets	4,832	4,899	4,866	5,271	5,730
	Shareholder's equity	1,546	1,465	1,339	1,197	1,562
	Equity ratio (in %)	32.0	29.9	27.5	22.7	27.3
	Pension liabilities	729	919	891	1,121	1,128
	Net financial debt	130	98	147	330	81
	Net gearing (in %)	8.4	6.7	11.0	27.6	5.2
Income statement	Sales	4,454	4,704	4,417	4,688	5,183
	Operating result	342	268	211	160	287
	Operating margin (in %)	7.7	5.7	4.8	3.4	5.5
	EBITDA	538	490	315	299	490
	EBIT	354	296	121	102	287
	EBIT margin (in %)	7.9	6.3	2.7	2.2	5.5
	EBT	295	216	45	22	221
	Net income after minorities	213	173	29	18	151
	Earnings per share (in EUR)	5.55	4.55	0.75	0.47	3.88
	Dividend per share (in EUR); 2015: proposal	1.80	1.80	0.40	0.30	1.10
	ROCE (in %)	14.9	11.5	4.7	3.9	10.1
Cash flow statement	Free cash flow from operations	93	125	20	-182	29
Headcount	Employees (Dec 31) according to capacity	21,516	21,767	20,264	20,166	20,676

2013 figures adjusted according to IFRS 5 (Discontinued Operations) with regard to the formation of the ATAG JV and according to IFRS 11 (Joint Arrangements)

Key figures: Segments 2011 – 2015

AUTOMOTIVE				
2011	2012	2013	2014	2015
2,357	2,378	2,270	2,466	2,621
409	418	392	416	445
2,313	2,369	2,262	2,448	2,592
151	139	158	184	216
6.5	5.9	7.0	7.5	8.3
254	243	225	295	332
151	139	124	184	216
6.5	5.9	5.5	7.5	8.3
104	148	142	158	167
11,548	12,003	10,927	10,830	10,934
1,025	1,091	1,171	1,322	1,450
69	69	66	96	118
6.7	6.3	5.6	7.3	8.1
1,092	1,087	889	934	952
65	57	27	72	73
6.0	5.2	3.0	7.7	7.7
258	265	268	269	285
24	25	27	26	27
9.3	9.4	10.1	9.7	9.5

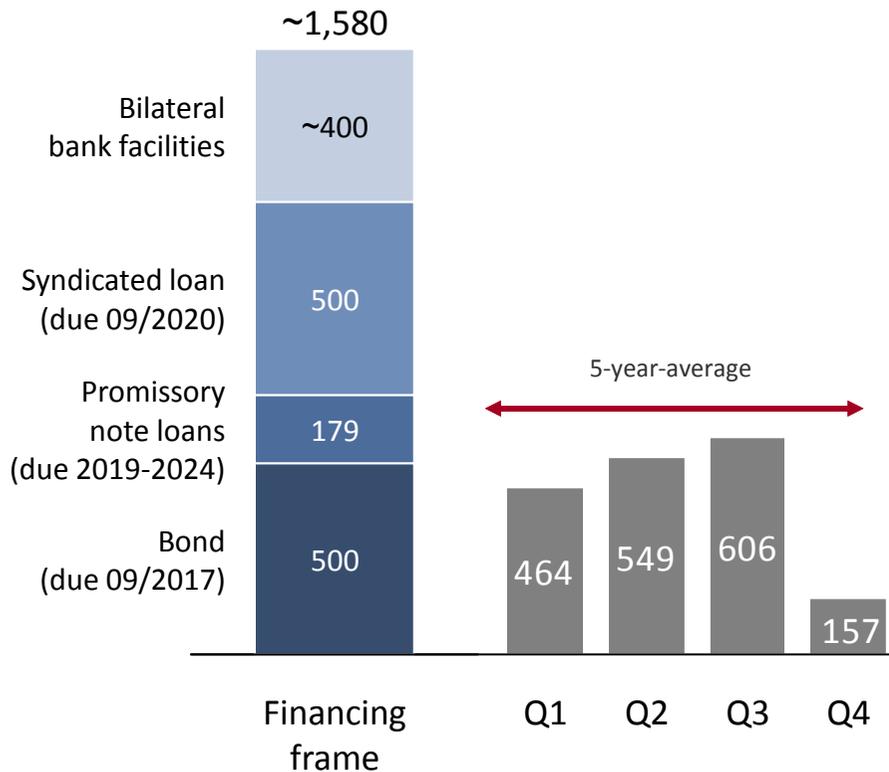
in EUR million		
Order intake		
Order backlog (Dec. 31)		
Sales		
Operating result		
Operating margin (in %)		
EBITDA		
EBIT		
EBIT margin (in %)		
Capex		
Employees (Dec 31) according to capacity		
Mechatronics	Sales	Combat
	EBIT	Systems
	EBIT margin	
Hardparts	Sales	Electronic
	EBIT	Solutions
	EBIT margin	
Aftermarket	Sales	Wheeled
	EBIT	Vehicles
	EBIT margin	

DEFENCE				
2011	2012	2013	2014	2015
1,831	2,933	3,339	2,812	2,693
4,541	4,987	6,050	6,516	6,422
2,141	2,335	2,155	2,240	2,591
212	146	60	-9	90
9.9	6.3	2.8	-0.4	3.5
303	262	96	17	175
223	173	4	-67	90
10.4	7.4	0.2	-3.0	3.5
102	90	62	76	96
9,833	9,623	9,193	9,184	9,581
1,198	1,136	1,027	977	1,382
146	102	31	-4	88
12.2	9.0	3.0	-0.4	6.4
799	748	710	705	759
86	97	11	-53	26
10.8	13.0	1.5	-7.5	3.4
255	567	539	667	600
-12	-25	-35	-9	-11
-4.7	-4.4	-6.5	-1.4	-1.8

2013 figures adjusted according to IFRS 5 (Discontinued Operations) with regard to the formation of the ATAG JV and according to IFRS 11 (Joint Arrangements)

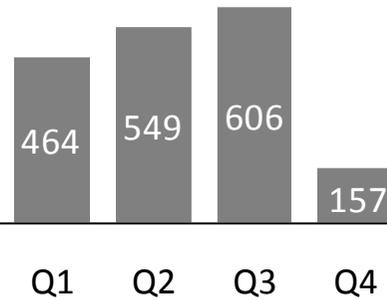
Cash credit facilities and net financial debt

Cash credit facilities
(as of Dec. 31, 2015)
in EUR million

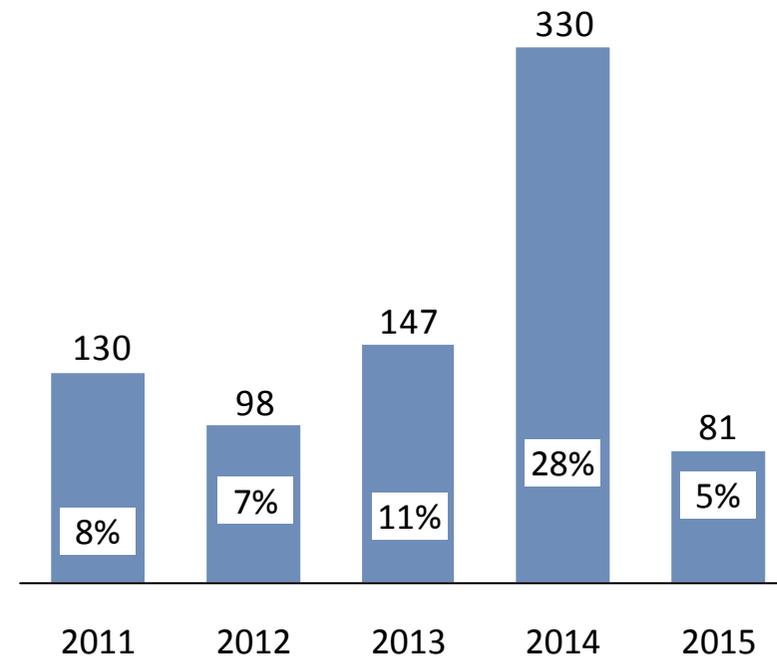


Net financial debt
(at quarter end)
in EUR million

5-year-average



Net financial debt (at year-end) in EUR million
Net gearing* in %

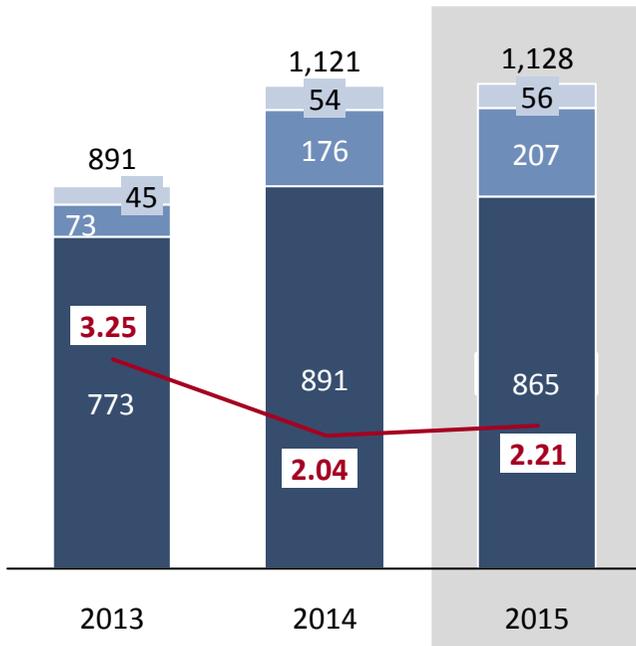


* Net debt in % of equity

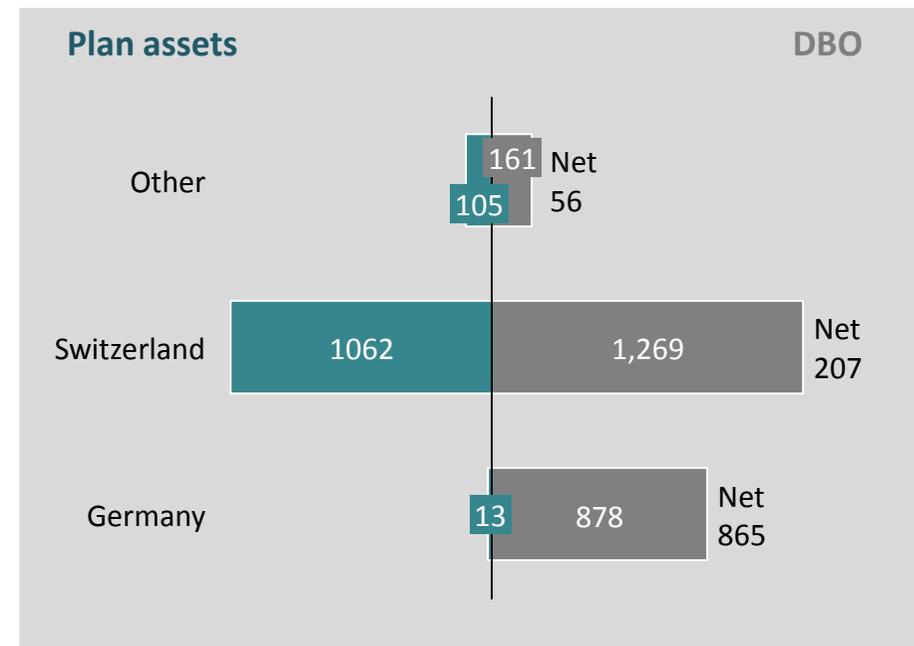
Pension obligations

Internal funding in Germany, external funding in Switzerland

Pension obligations by country
in EUR million



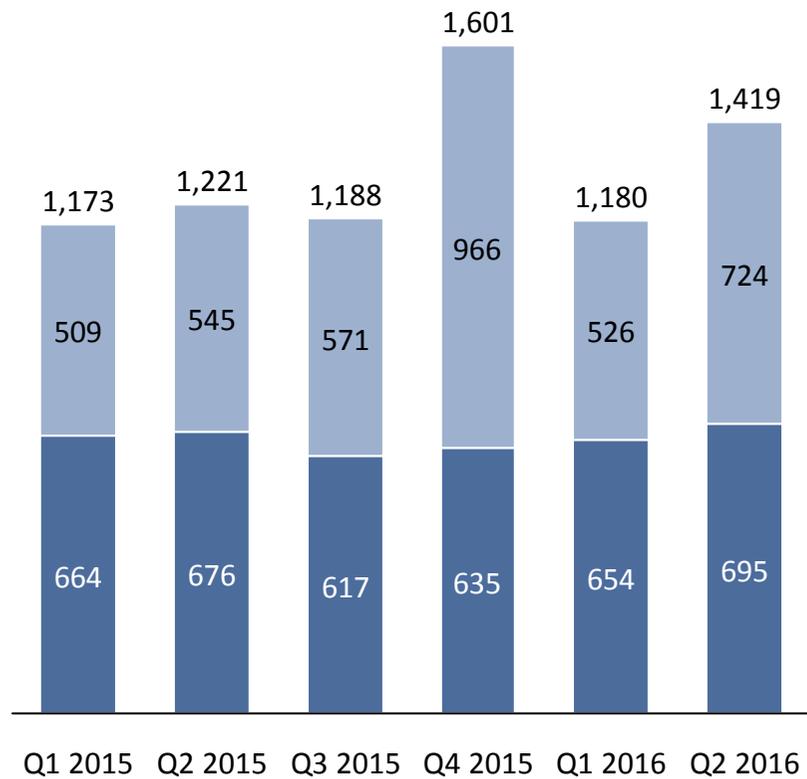
Plan assets and Defined Benefit Obligation (DBO)
by country (per Dec 31 2015)
in EUR million



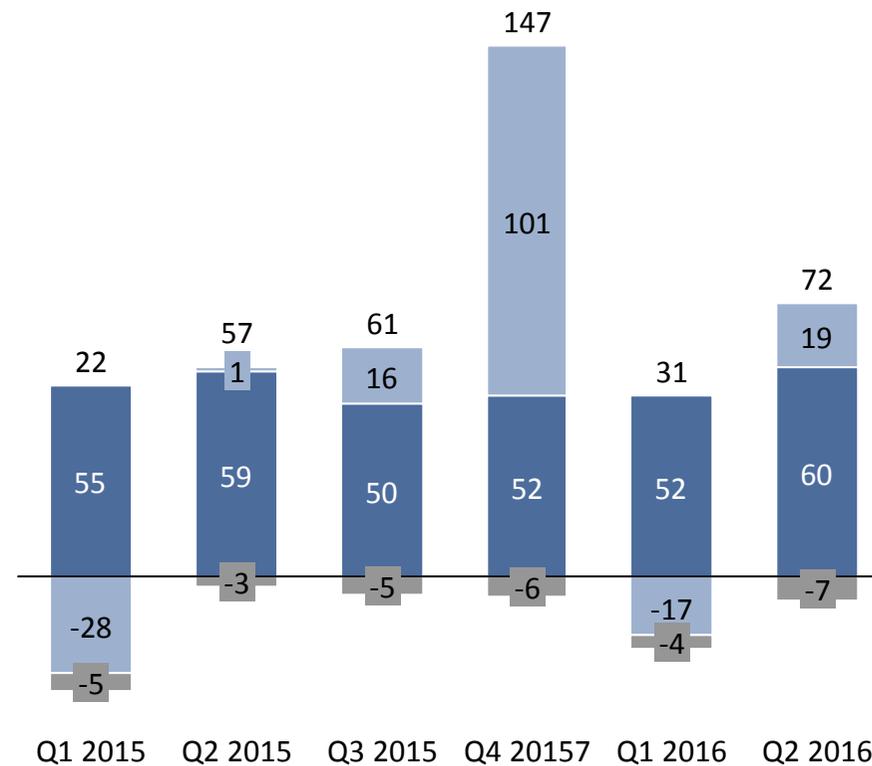
■ Other
 ■ Switzerland
 ■ Germany
 — Discount rate (for German pension liabilities of Rheinmetall)

Quarterly development

Sales
in EUR million



Operational earnings
in EUR million

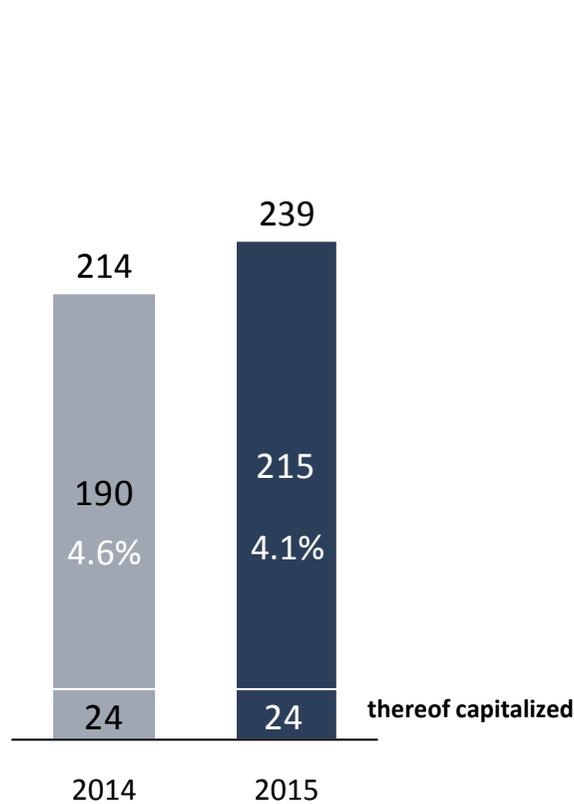


Defence Automotive Consolidation/Others

Research & development, capex, depreciation & amortization

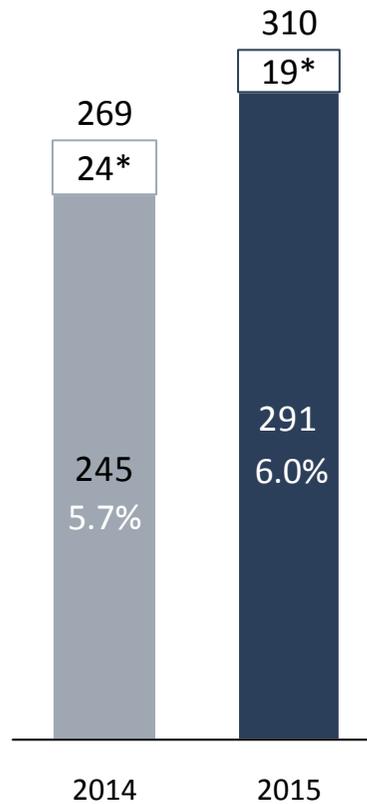
R&D

in EUR million; in % of sales



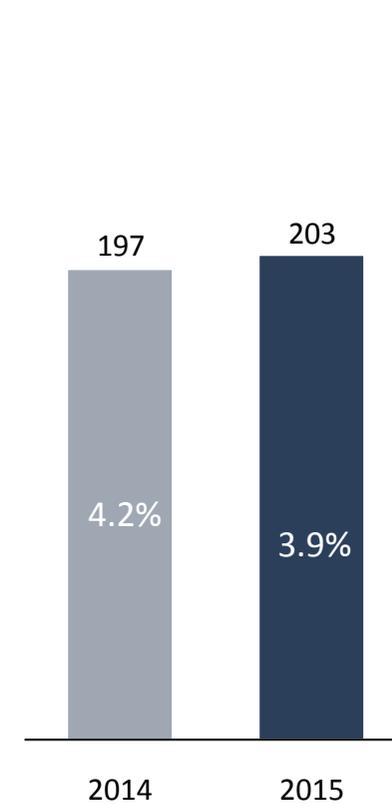
Capex

in EUR million; in % of sales



D&A

in EUR million; in % of sales

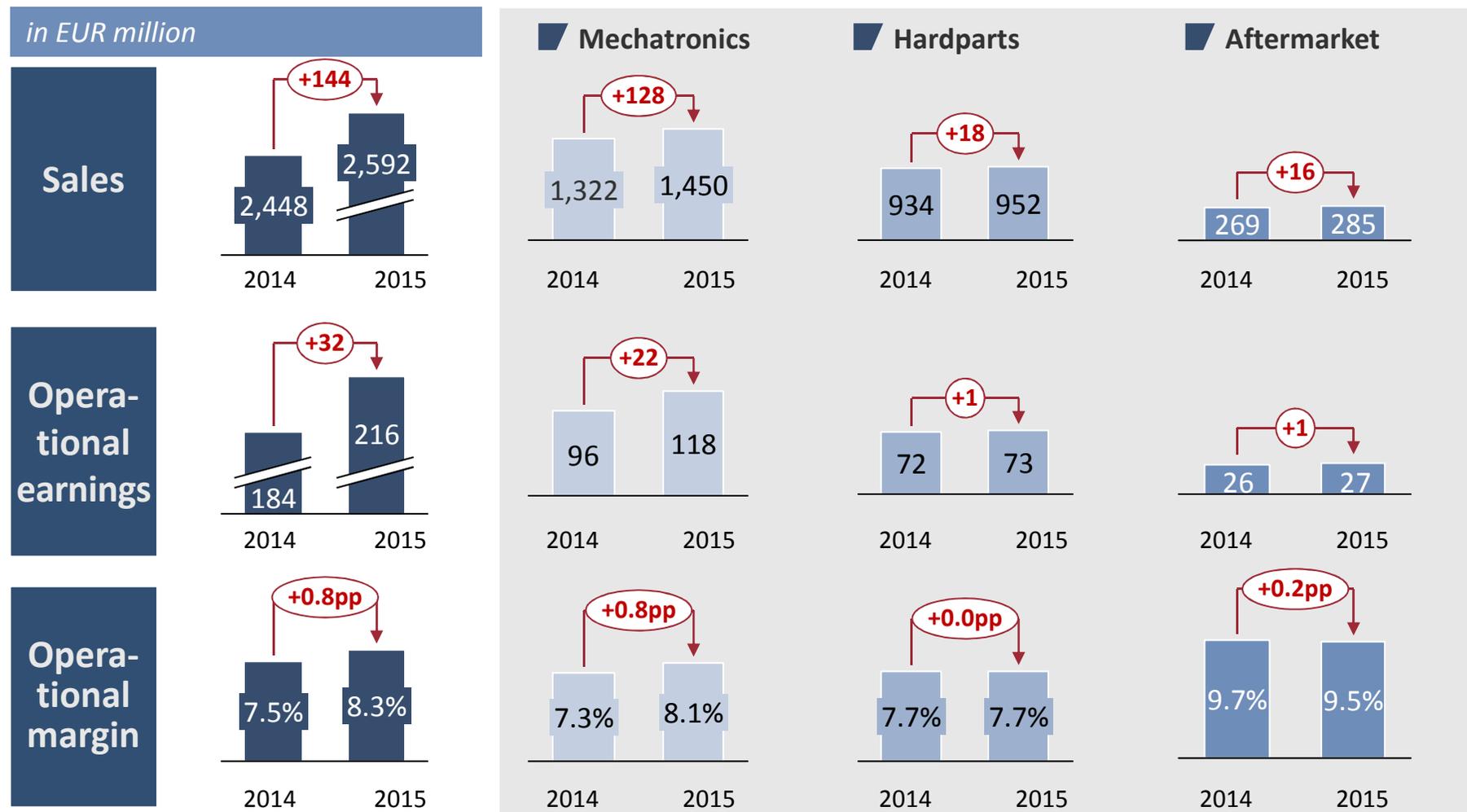


* Subsidies for tooling costs

Cash flow statement: Group

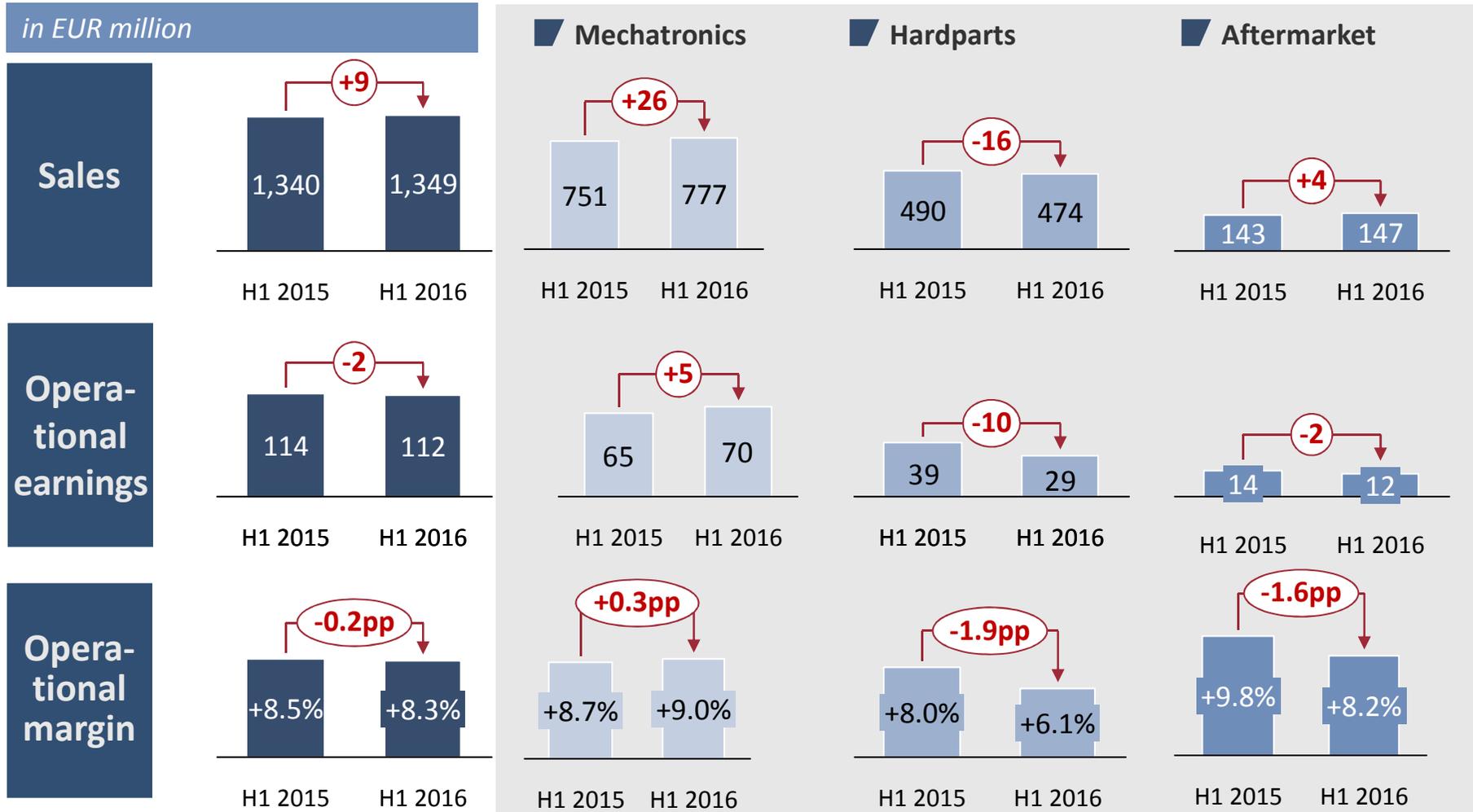
<i>in EUR million</i>	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Δ Q2 2016/2015
Group net income	5	29	30	96	12	41	+ 12
Amortization / depreciation	49	50	49	55	55	54	+ 4
Change in pension accruals	0	1	0	2	-16	2	+ 1
Cash flow	54	80	79	153	51	97	+ 17
Changes in working capital and other items	- 202	- 100	8	267	- 262	- 112	- 12
Net cash used in operating activities	- 148	- 20	87	420	- 211	- 15	+ 5
Cash outflow for additions to tangible and intangible assets	- 56	- 55	- 78	- 121	- 52	- 60	- 5
Free cash flow from operations	- 204	- 75	9	299	- 263	- 75	± 0

Key figures by division: Automotive FY 2014/2015



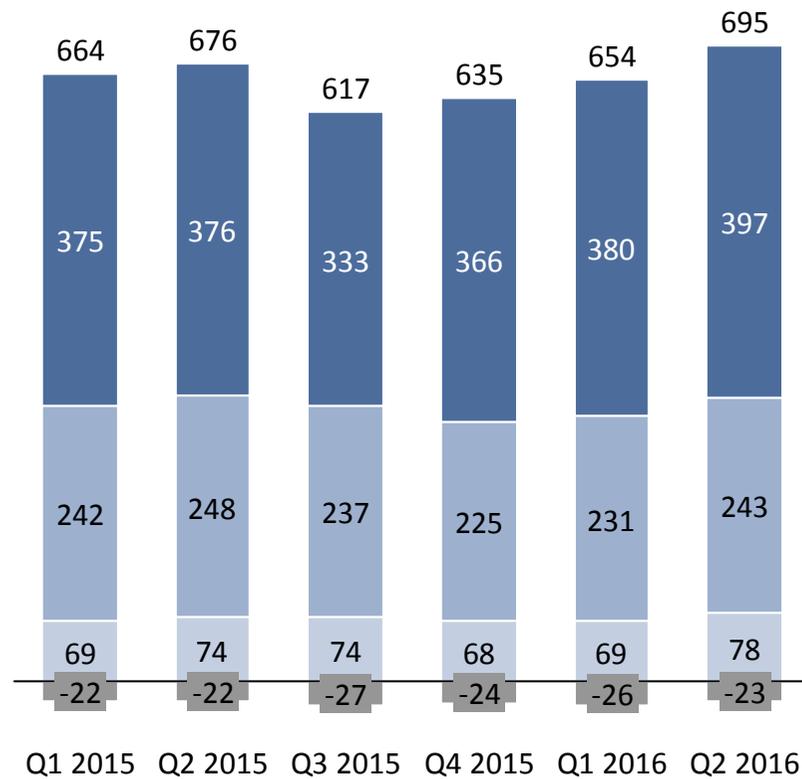
Figures before intra-segmental consolidation

Key figures by division: Automotive H1 2015/2016

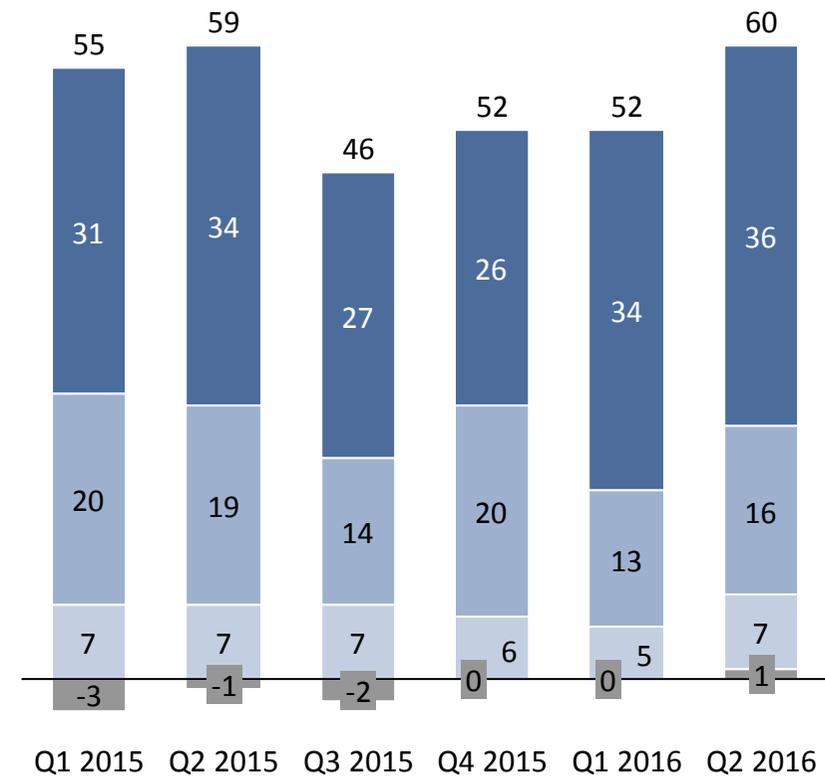


Quarterly development

Sales Automotive
in EUR million



Operational earnings Automotive
in EUR million



■ Mechatronics ■ Hardparts ■ Aftermarket ■ Consolidation/Others

Figures 2014 adjusted for retrospective application of IFRS 5 „Discontinued Operations“

Research & development, capex, depreciation & amortization

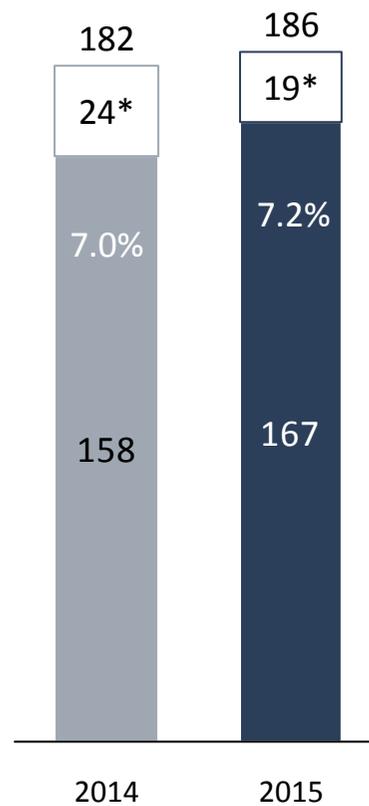
R&D

in EUR million; in % of sales



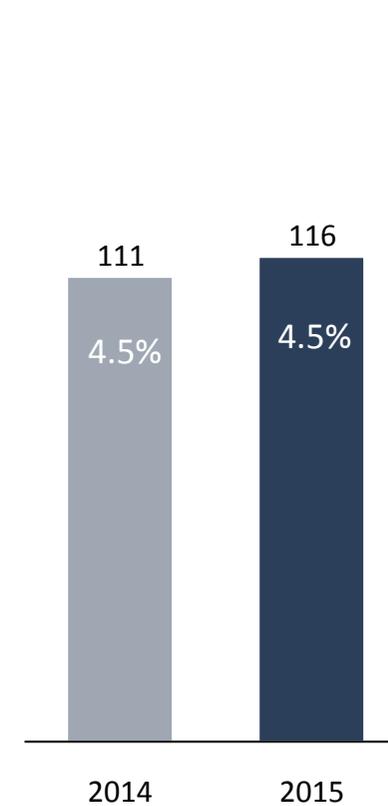
Capex

in EUR million; in % of sales



D&A

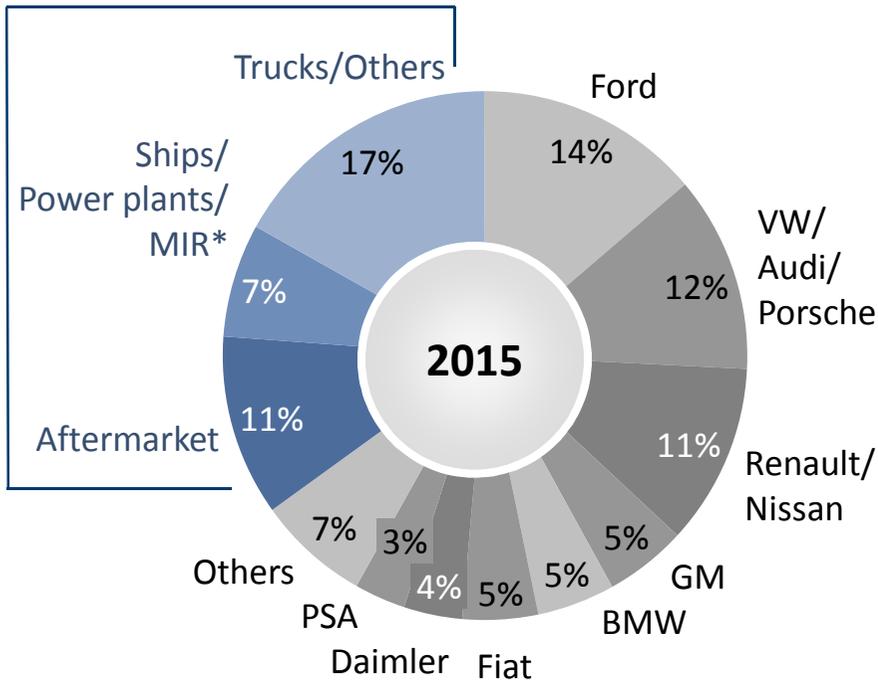
in EUR million; in % of sales



* Subsidies for tooling costs

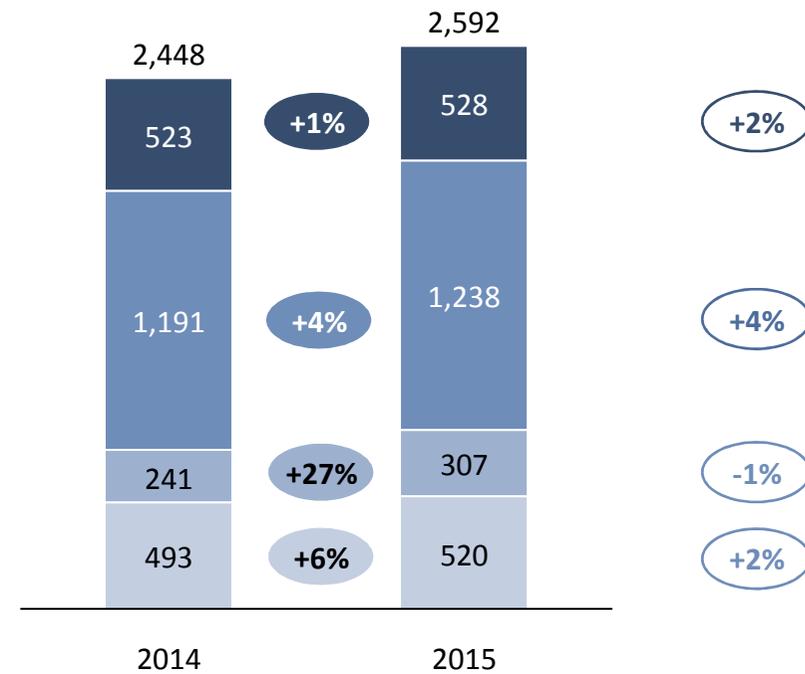
Sales by customers and by regions

Sales by customer
in %



* MIR: Marine, Industrial, Recreational
 ** Source: IHS Automotive (February 2016)

Sales by region in EUR million
Sales growth in %



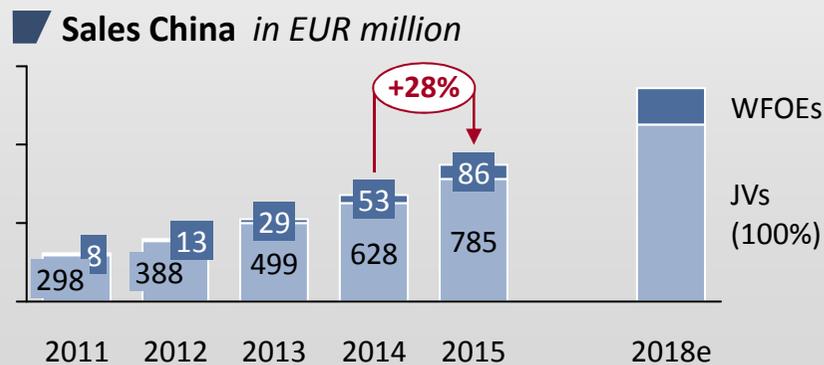
Market Growth**
in %

Automotive in China

50/50 joint ventures with HASCO (SAIC group)			
Castings (ATAG)	Pistons (KSSP)	Castings (KPSNC)	Pumps (PHP)
2014	1997	2001	2012
Engine blocks and structural body parts	Pistons	Engine blocks, cylinder heads and structural body parts	Electrical and mechanical pumps
Germany/Europe	China		

Wholly Foreign-Owned Enterprises (100% Rheinmetall Automotive)		
Aftermarket	Pierburg	Large-bore pistons
2008	2009	2013
Spare parts	EGR modules and electric throttle bodies	Large-bore pistons
China		

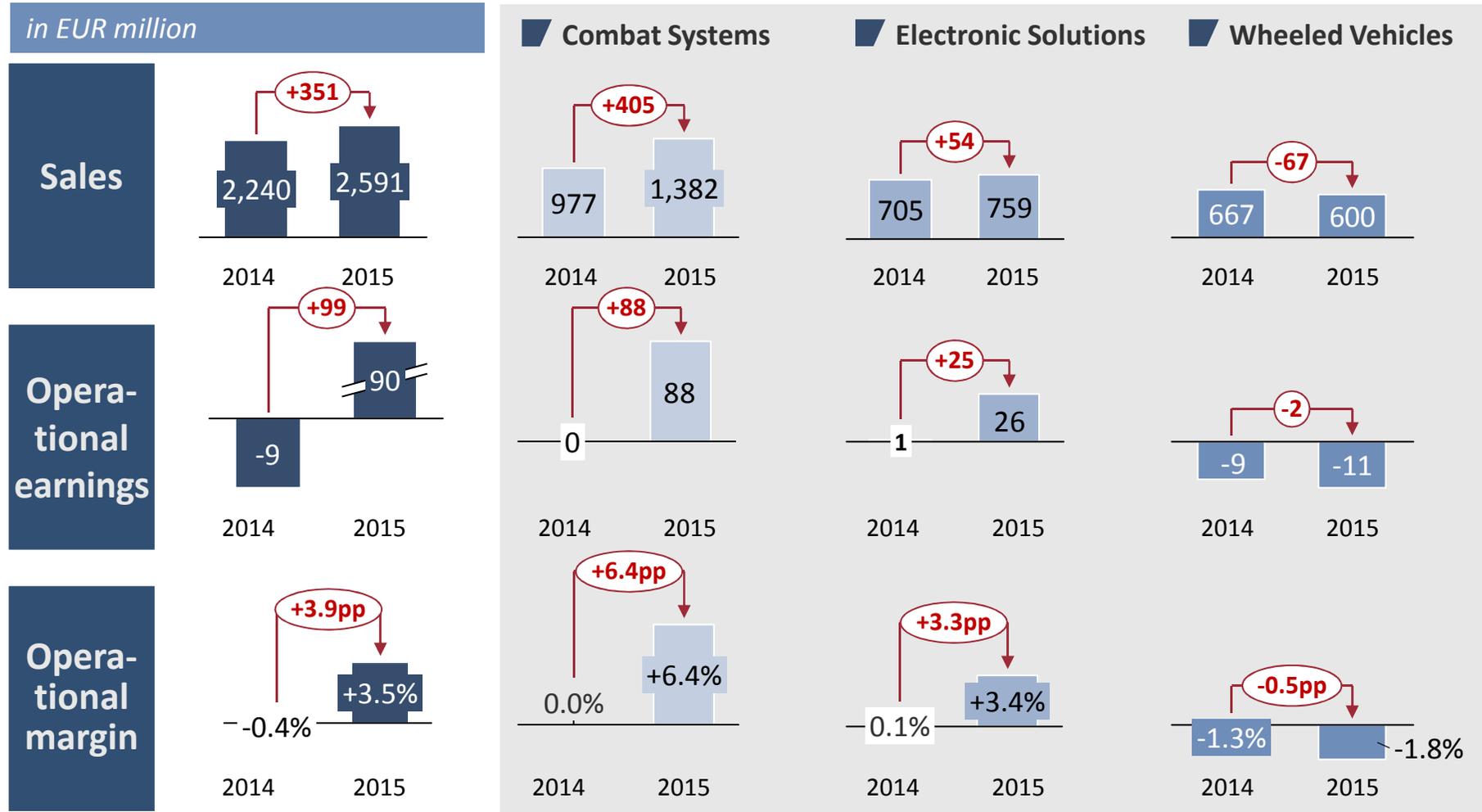
JV subsidiary
Pumps (PMP Ch.)
2012
Electrical and mechanical pumps
China



Cash flow statement: Automotive

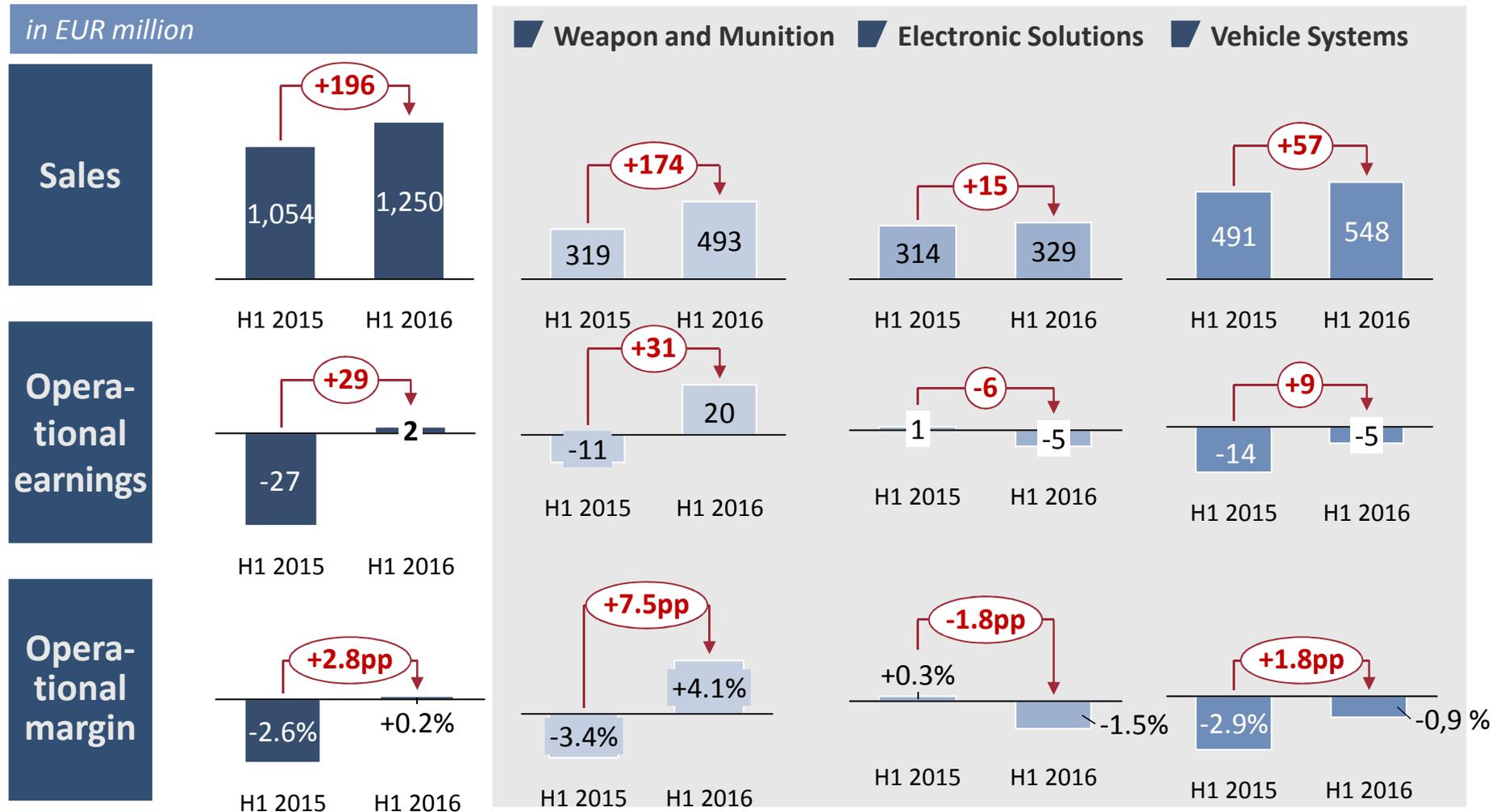
<i>in EUR million</i>	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Δ Q2 2016/2015
Net income	40	43	35	43	38	42	- 1
Amortization / depreciation	28	28	28	32	33	31	+ 3
Change in pension accruals	0	0	-2	0	0	0	± 0
Cash flow	68	71	61	75	71	73	+ 2
Changes in working capital and other items	- 60	4	40	23	- 178	14	+ 10
Net cash used in operating activities	8	75	101	98	- 107	87	+ 12
Cash outflow for additions to tangible and intangible assets	- 34	- 34	- 46	- 72	- 32	- 36	- 2
Free cash flow from operations	- 26	41	55	26	- 139	51	+ 10

Key figures by division: Defence FY 2014/2015



Figures before intra-segmental consolidation

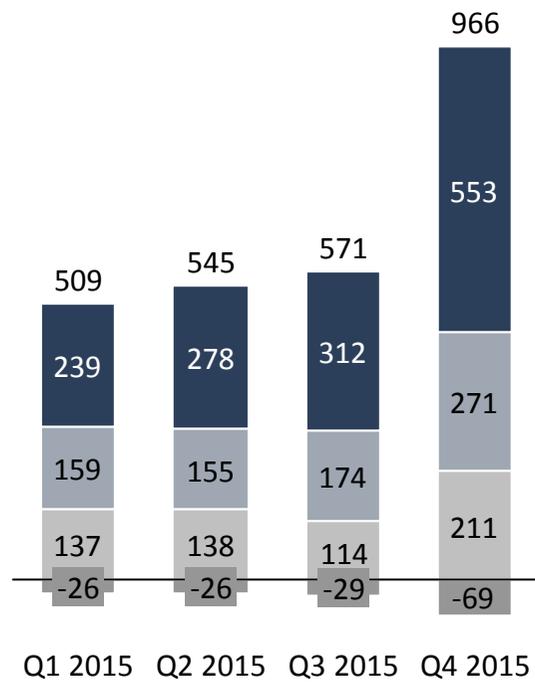
Key figures by division: Defence H1 2015/2016



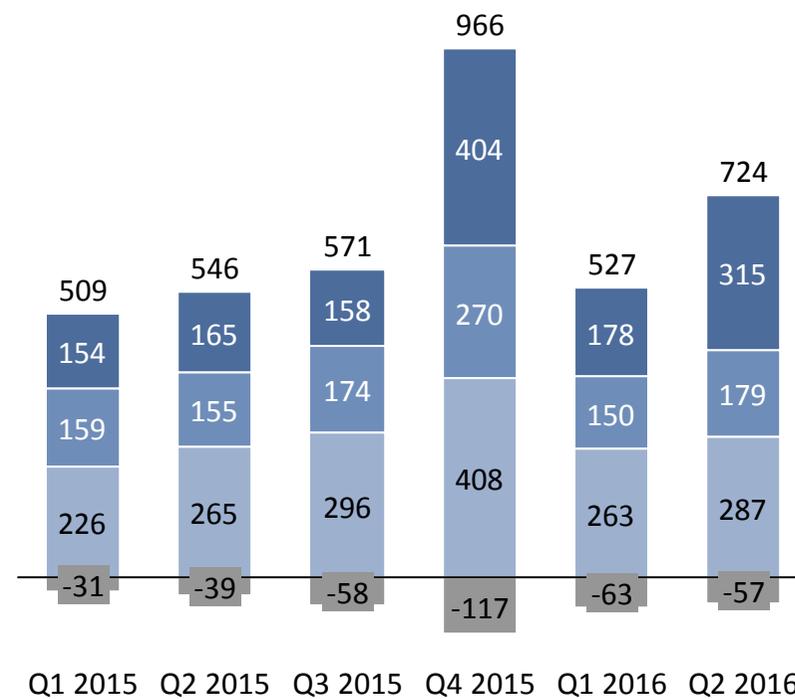
Figures before intrasegmental consolidation

Quarterly development: Sales

Sales Defence – old divisional structure
in EUR million



Sales Defence – new divisional structure
in EUR million

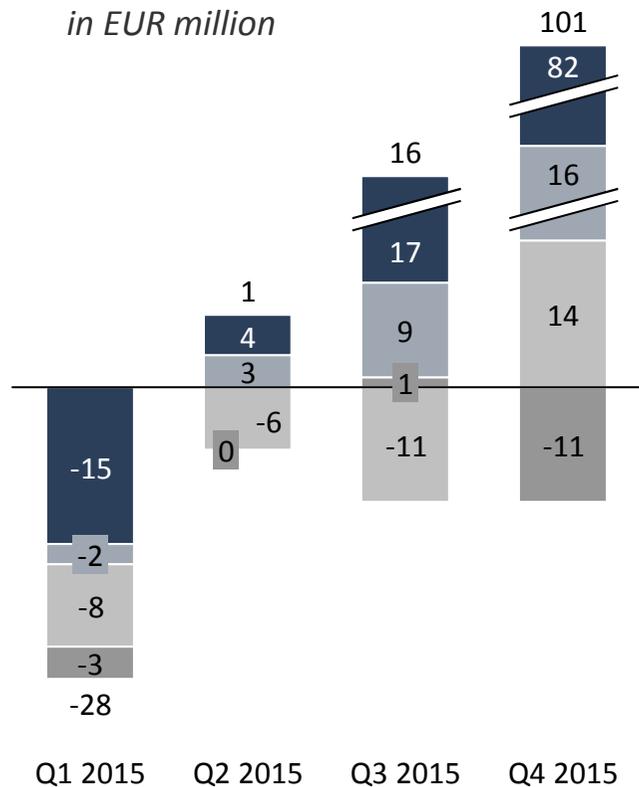


Combat Systems
 Wheeled Vehicles
 Electronic Solutions
 Consolidation/Others

Weapon and Ammunition
 Vehicle Systems
 Electronic Solutions
 Consolidation/Others

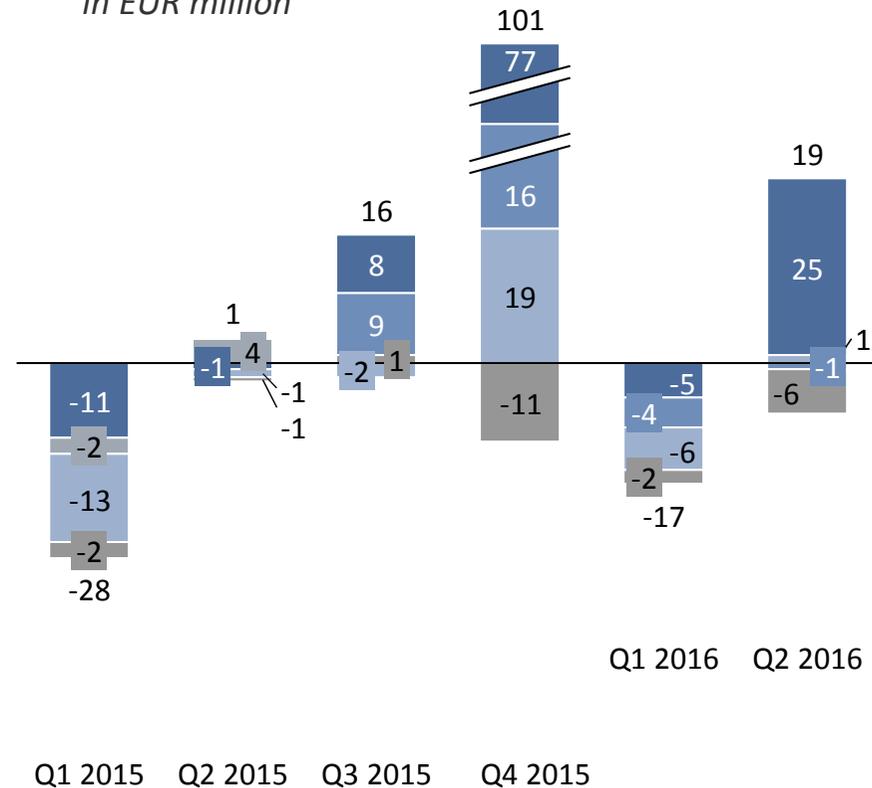
Quarterly development: Operational earnings

Operational earnings Defence – old divisional structure
in EUR million



Combat Systems
 Wheeled Vehicles
 Electronic Solutions
 Consolidation/Others

Operational earnings Defence – new divisional structure
in EUR million

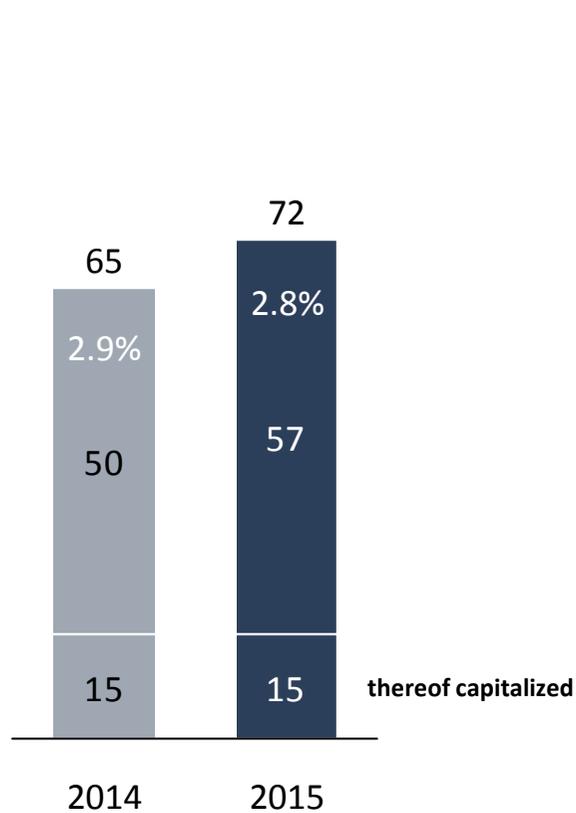


Weapon and Ammunition
 Vehicle Systems
 Electronic Solutions
 Consolidation/Others

Research & development, capex, depreciation & amortization

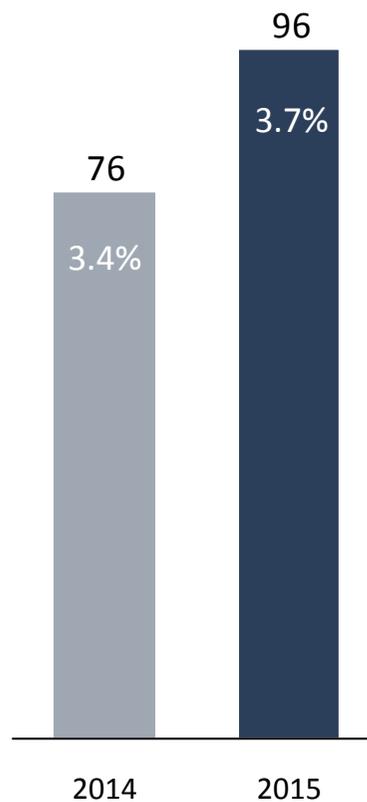
R&D

in EUR million; in % of sales



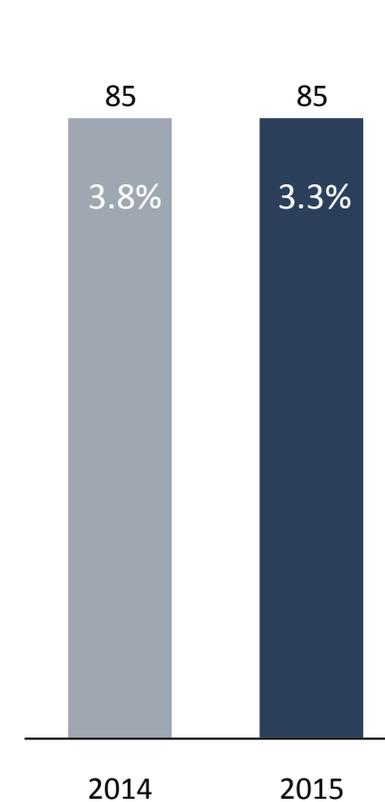
Capex

in EUR million; in % of sales



D&A

in EUR million; in % of sales



Cash flow statement: Defence

<i>in EUR million</i>	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Δ Q2 2016/2015
Net income	- 30	- 8	3	67	- 20	3	+ 11
Amortization / depreciation	21	21	21	22	22	22	+ 1
Change in pension accruals	0	3	2	3	1	2	- 1
Cash flow	- 9	16	26	92	3	27	+ 11
Changes in working capital and other items	- 142	- 112	- 25	212	- 90	- 123	- 11
Net cash used in operating activities	- 151	- 96	1	304	- 87	- 96	± 0
Cash outflow for additions to tangible and intangible assets	- 17	- 15	- 26	- 38	- 17	- 21	- 6
Free cash flow from operations	- 168	- 111	- 25	266	- 104	- 117	- 6

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