

Capital Markets Day 2016  
**Rheinmetall Group – ONE Rheinmetall**

Armin Papperger, CEO  
Düsseldorf, 9 December 2016

# Rheinmetall Today

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

	<p><b>Rheinmetall AG</b> The Technology Group for Mobility and Security</p> <p>€5.2bn </p> <p>23,000 </p>	<p>Target 2016</p> <p>€5.6bn</p>
---	---	----------------------------------

**Rheinmetall Automotive**  
Our heart beats for your engine

€2.6bn 

12,200 

Target 2016

€2.7bn

**Rheinmetall Defence**  
Force protection is our mission

€2.6bn 

10,600 

Target 2016

€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





**Rheinmetall AG**  
The Technology Group for Mobility and Security

**€6.2bn** 

**27,000** 



**Rheinmetall Automotive**  
Our heart beats for your engine

**€3.6bn** 

**16,200** 

**Rheinmetall Defence**  
Force protection is our mission

**€2.6bn** 

**10,600** 

How do markets and the public  
perceive Rheinmetall?

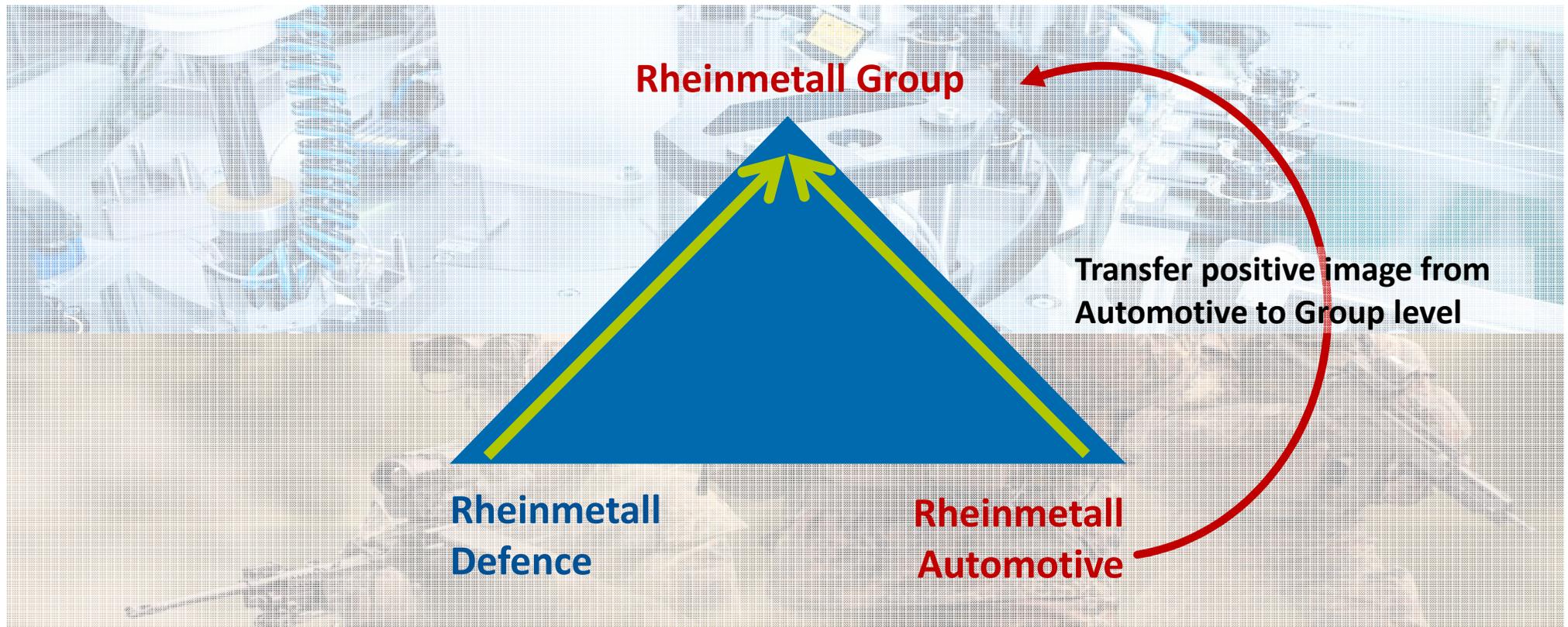
Rheinmetall = **Tank**

Rheinmetall = **Weapons**

Rheinmetall = **Defence**

# Rheinmetall public perception tomorrow

## As an integrated technology group for Mobility and Security



# Launch of **ONE Rheinmetall**

The strategy program to  
achieve our future targets

**CHANGE PERCEPTION**

## 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



**Corporate Statement**

**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.**

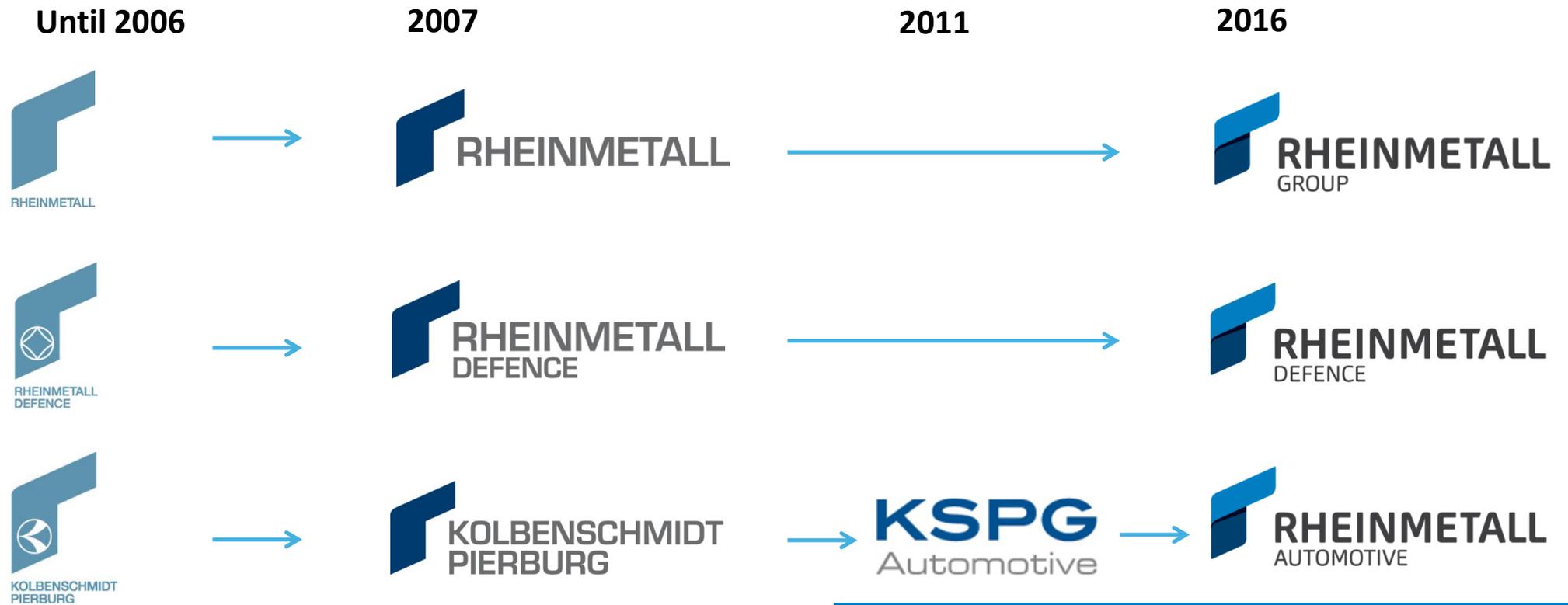
**Ardent Claim**

**MOBILITY. SECURITY. PASSION.**

**Common Values**

**TRUST** We walk our talk!  
**TRANSPARENCY** We communicate openly!  
**RESPECT** We value others!

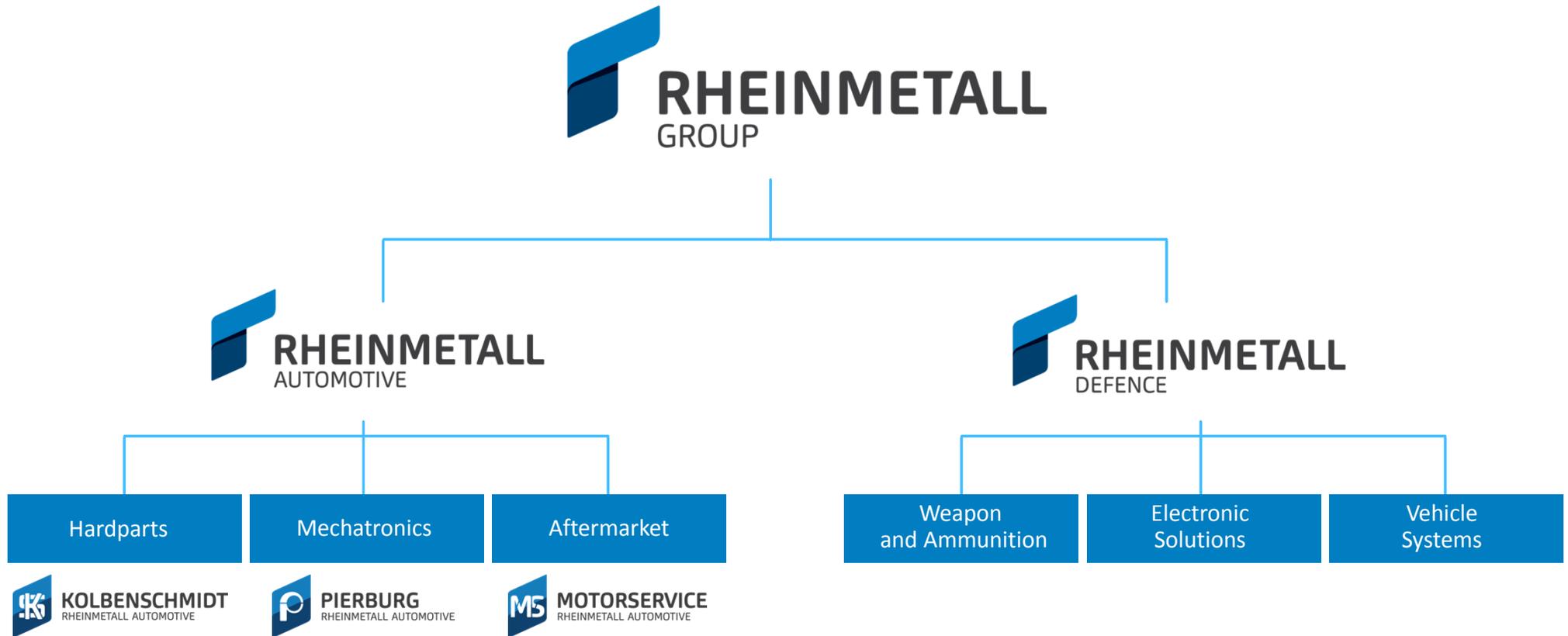
# Corporate Identity Evolution of a brand



KSPG AG → Rheinmetall Automotive AG

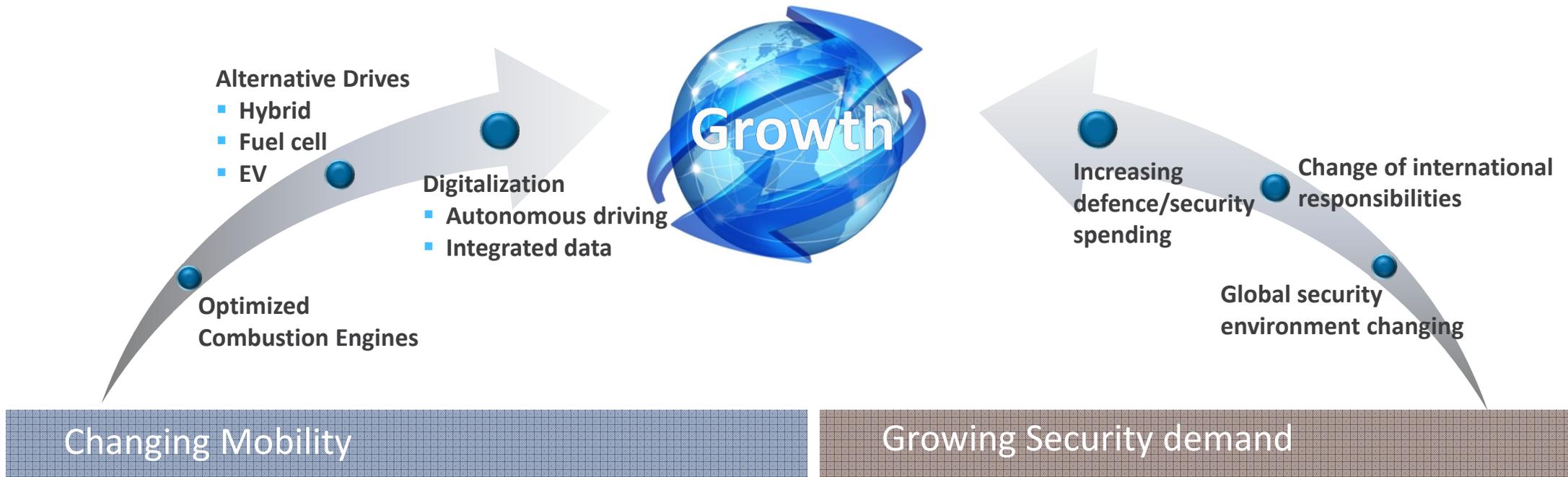
# Corporate Identity

## Unify our market presence under ONE brand



## Strategic Objectives

# ONE Rheinmetall for realization of growth in changing market conditions

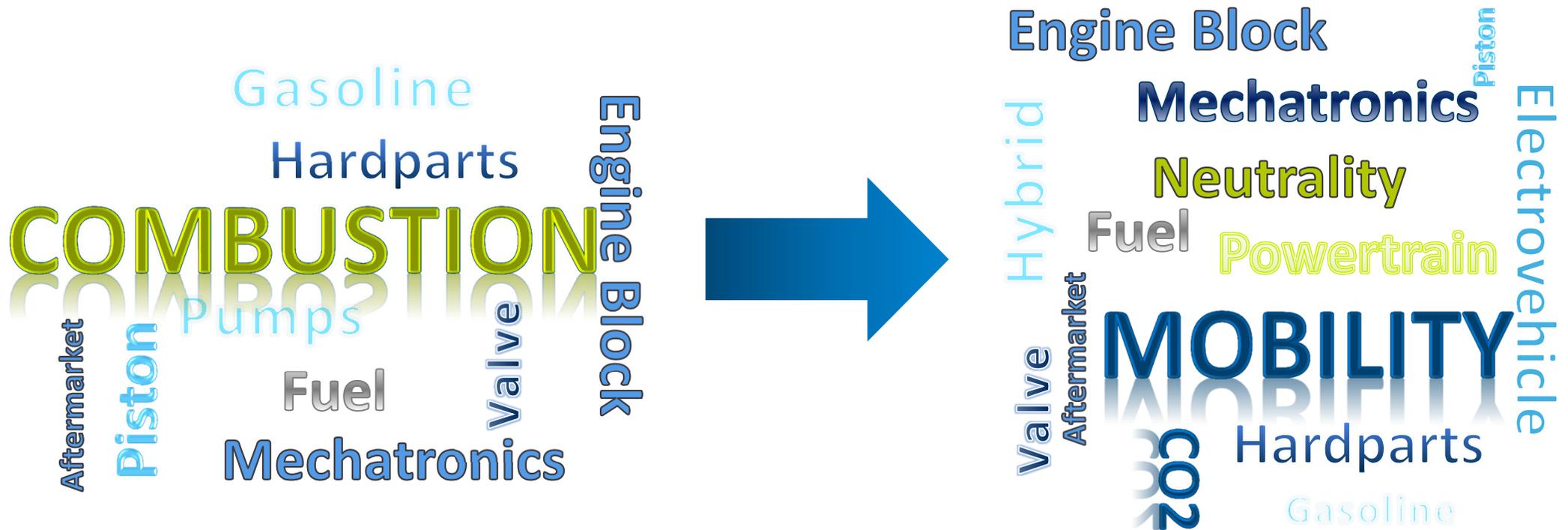


- Rising number of vehicles globally...
- ...but additional alternative drives & digitalization

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

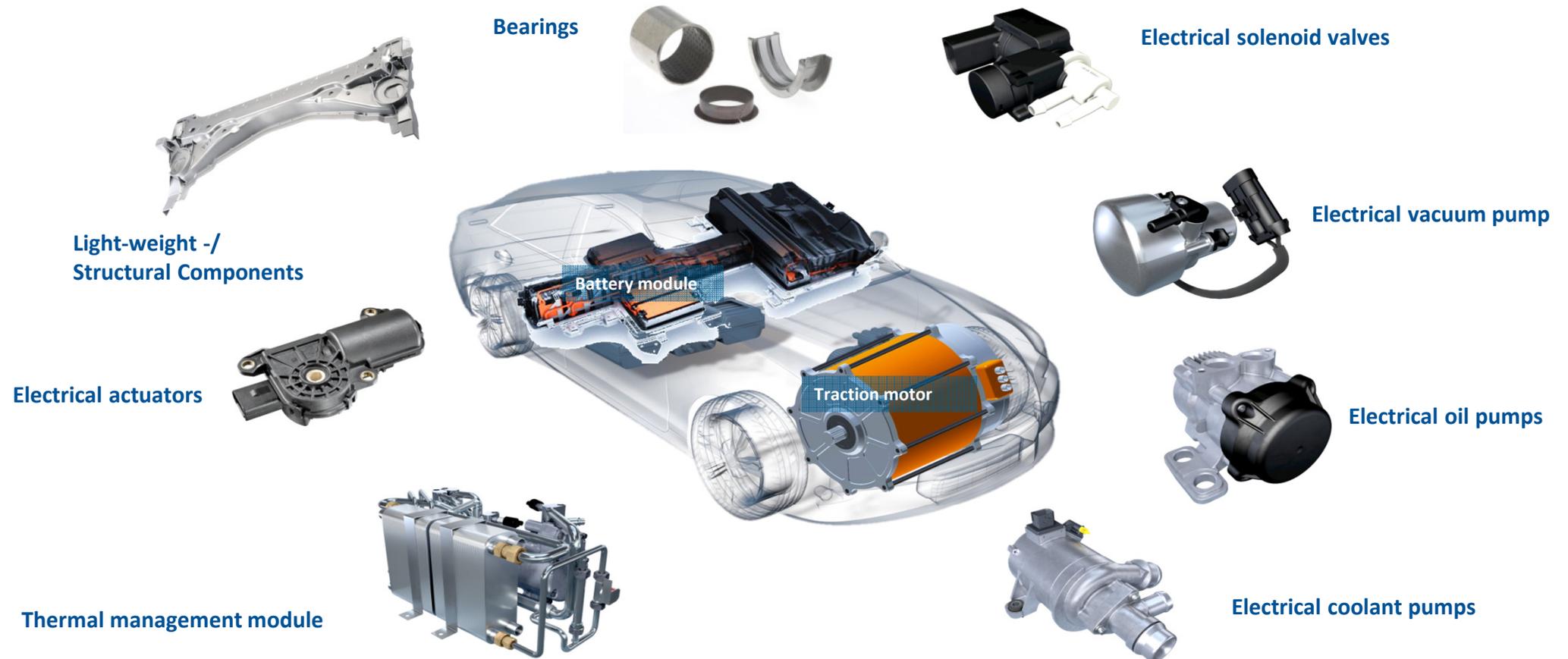
Strategic move Automotive

**Move focus from combustion engine to mobility with powertrain neutrality**



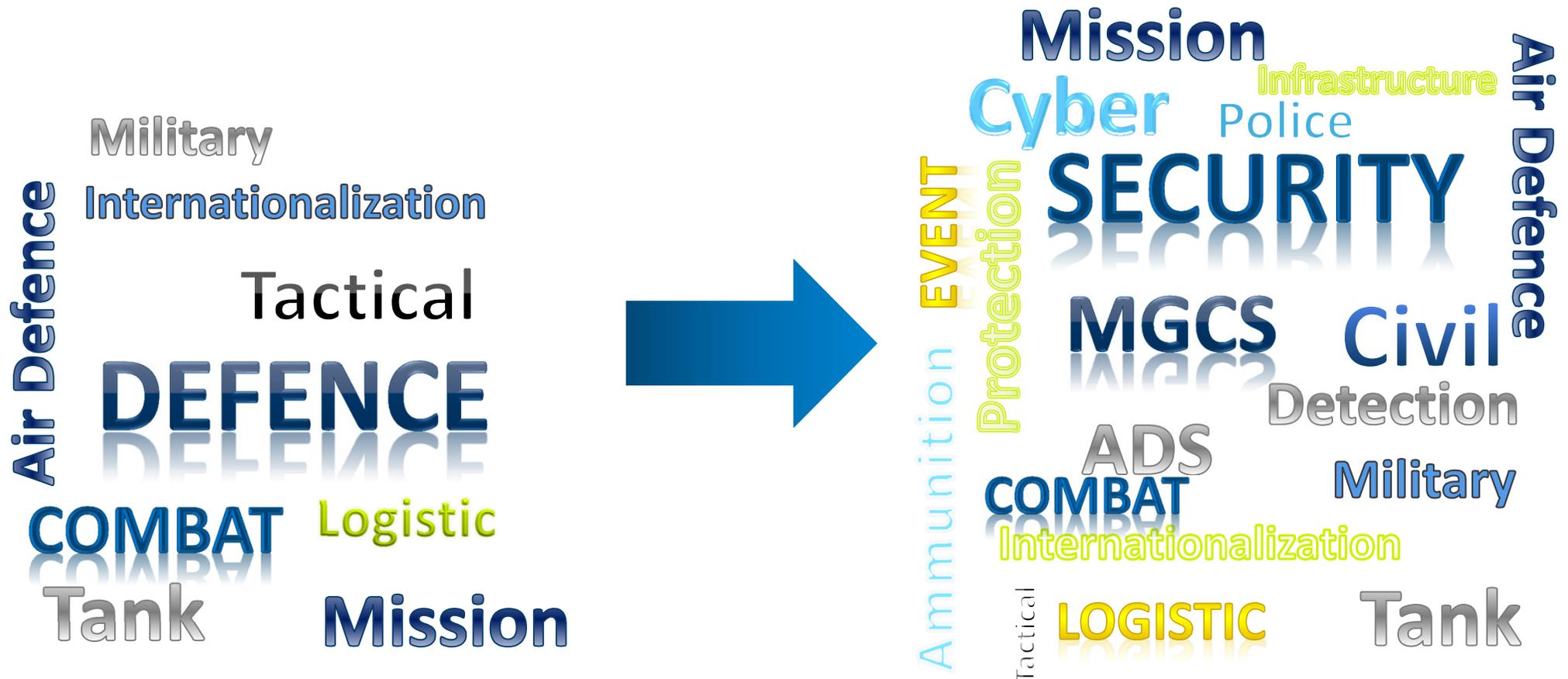
# Rheinmetall Automotive tomorrow

## Mobility focus and powertrain neutrality



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



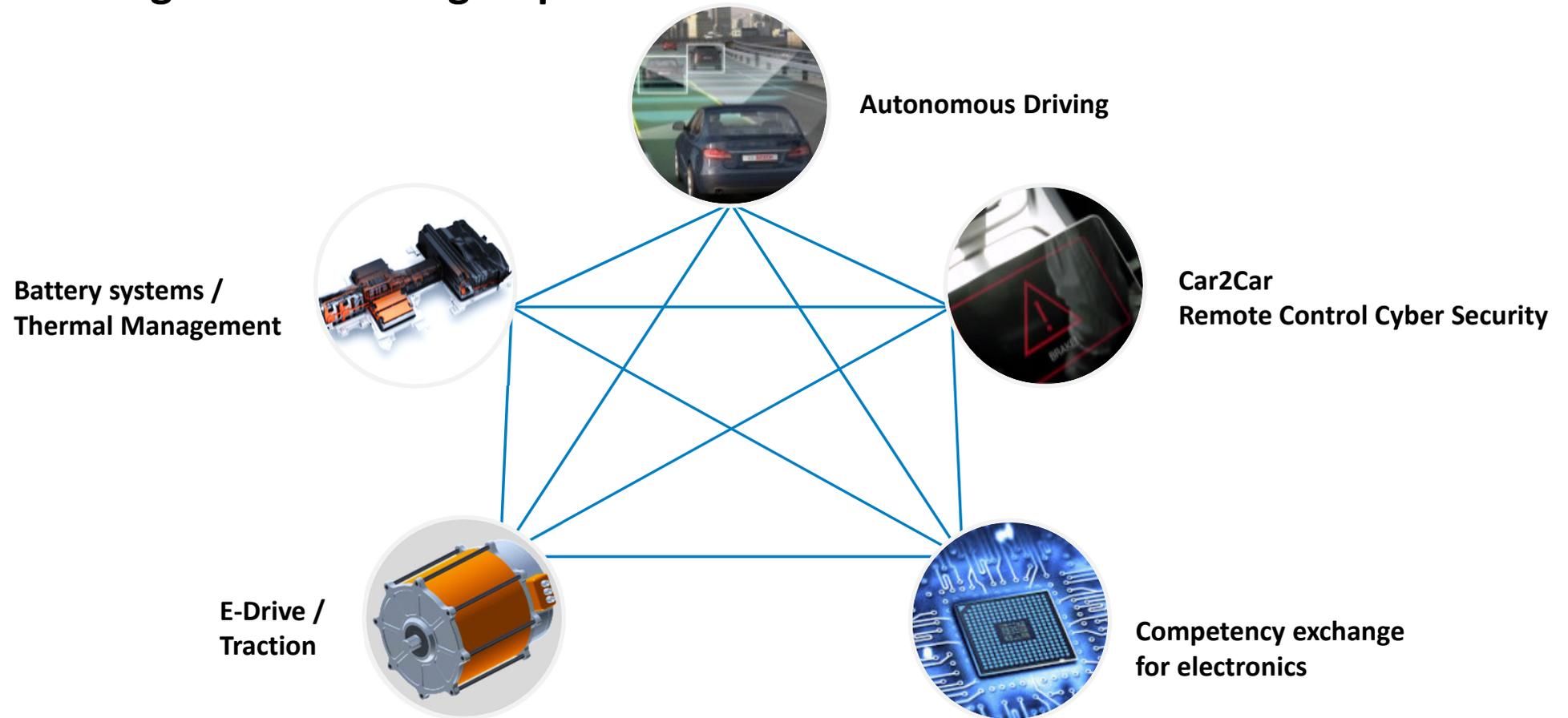
- Integrated global HR management
- Group-wide strategic HR planning
- Start of Rheinmetall Academy

### Technology and Innovation Roadmap



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

# ONE Rheinmetall Technologies across the group



# ONE Rheinmetall objectives and initiatives

## **10 corporate initiatives have been established to achieve our objectives**

Selected examples

### Next Sourcing



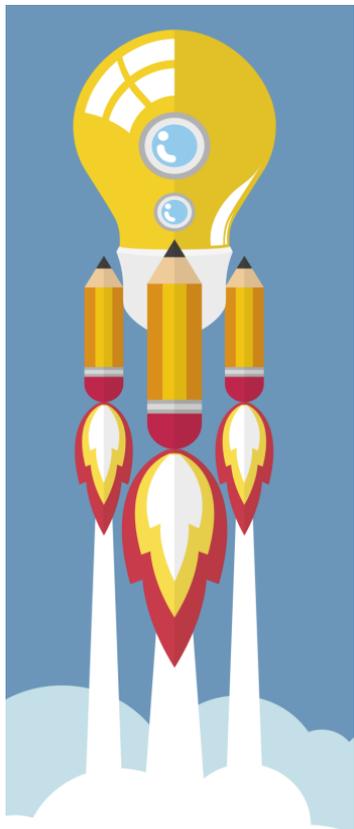
- Harmonize sourcing organization
- Standardize processes
- Pool sourcing volumes and realize savings potentials

### Rheinmetall New Ventures



- Create creativity
- Support entrepreneurship
- Transfer of technologies

## Corporate Initiative Intrapreneur Award 2016

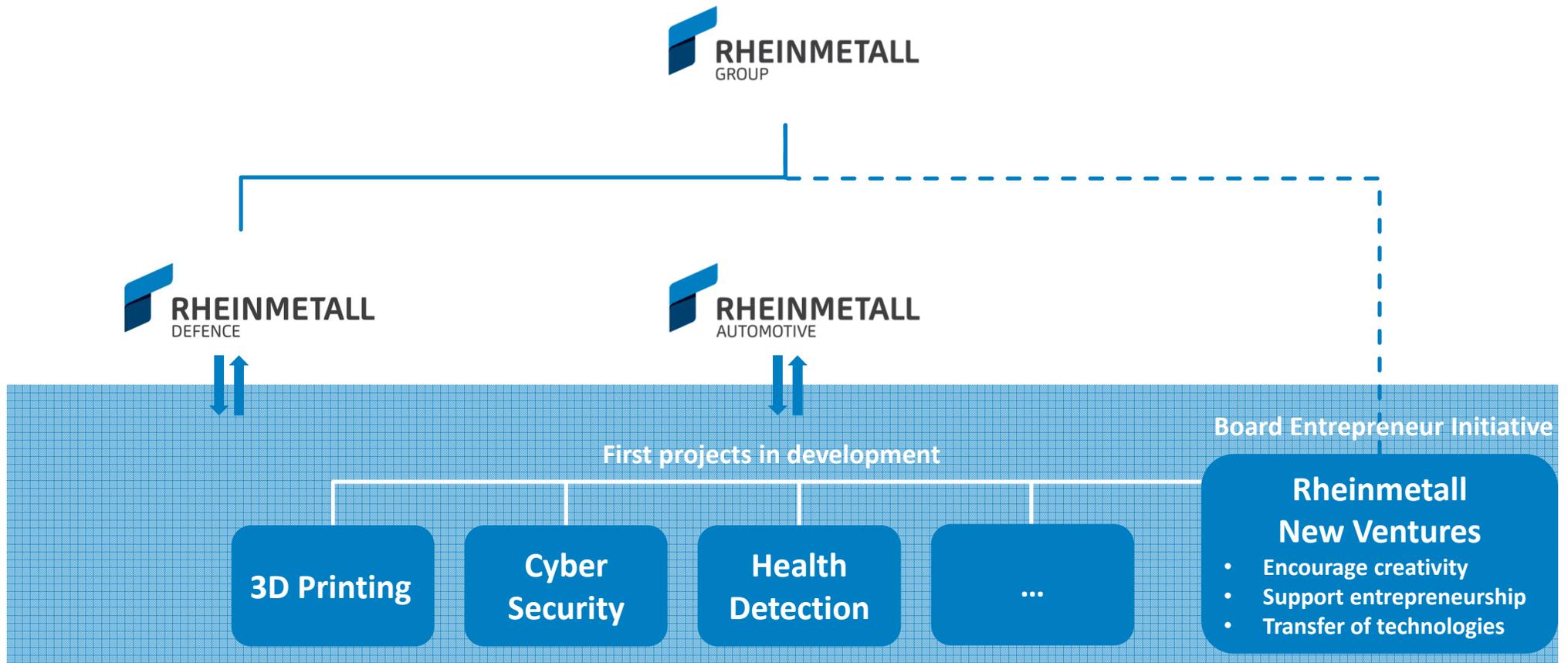


- 186 business ideas by 220 participants (groups or individuals) from 12 countries
- 5 business ideas awarded in the finals
- Implementation of Rheinmetall „Startups“ just begun



# ONE Rheinmetall – Corporate Initiative

## Rheinmetall New Ventures as a catalyst for new ideas





TECHNOLOGIES FOR MOBILITY.  
TECHNOLOGIES FOR SECURITY.  
PASSION FOR BOTH.

MOBILITY. SECURITY. **PASSION.**



MOBILITY. SECURITY. PASSION.