

Good afternoon, everyone, and welcome to our Q2 Analyst and Investor Recap Call ahead of the upcoming quiet period. As usual, the purpose of this call is to review recent public developments and ensure the messaging is well-aligned. This call does not provide any new information.

### **Defence Spending**

Starting with the macro environment, end of April, the German Finance Ministry published its new budget draft. This suggests a defence budget spend of close to €145 billion for 2027, representing an approximate 21% increase compared to 2026, which further underpins the mid-term visibility in our domestic market. A more detailed draft is expected to be published in the coming days, before the parliamentary summer recess starts.

### **Trading Update Q2**

Moving to Rheinmetall's financial performance, Rheinmetall remains fully on track to achieve the guided Quarter-over-Quarter growth rate of above 60%. This implies an H1 growth rate of approximately 35% to 40%. Key drivers were planned project ramp-ups for several contracts, as well as €100 million coming from Murcia restart for Weapons & Ammunition and €200 million from trucks for Vehicle Systems.

The portfolio optimisation continued as planned. The disposal of Power Systems was signed on June 3rd for a consideration of €350 million, with the closing expected in Q4. In connection with this transaction, please be reminded of an additional €200 million non-cash impairment for your models.

Next up, I would like to address the cancellation of the F126 frigate program. The German Ministry of Defense issued a press release on June 24<sup>th</sup> and gave three key reasons for their decision. First, mitigating further cost overruns that stem from the past, possible recourse issues with Damen second, and third an assumed shorter delivery timeline for the alternative platforms.

Rheinmetall is assessing the potential implications of the program cancellation for the F126 frigate.

While the company confirms the provided trading update for the second quarter, i.e. meeting the expected revenue growth rate of above 60%, the program cancellation will result in a shortfall of the expected quarterly Rheinmetall Nomination of €20 billion including F126, despite strong order momentum in all other segments, including the first order for loitering ammunition in April and the Romanian order package under the SAFE regime at the end of May. In sum, the total Rheinmetall Nomination volume is expected to reach low double-digit Euro billion level in the second quarter.

The company is currently investigating, whether the order cancellation has any additional impact on the full year guidance and will provide a more detailed update with the Q2 earnings release on August 6<sup>th</sup> 2026.

In case that no mitigating measures can be identified, the 2026 revenue impact could reach a level of up to €300 million.

The F126 made up less than 3% of planned group sales in 2030.

### **Update Arminius**

Looking ahead, the approval for the Boxer order is still expected to be around late Q3 or early Q4. The presented bid structure consists of two components. A €12.5 billion fixed contract for Phase I until 2029 and a €25 billion frame contract for Phase II until 2035.

With that, Rheinmetall now enters its quiet period. Thank you for your time today, and we look forward to presenting our full results to you on August 6th.