



# CONFERENCE CALL Q1 2024

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# Q1 2024 Group Highlights

## Excellent start to the year with RHM backlog surpassing €40 billion mark

### Stellar growth in the first quarter

- Sales €1,581m (+16% YoY)
- Op. Result\* €134m (+60% YoY)
- Margin\* 8.5% (+2.4 pp YoY)
- oFCF €-187m (-€82m YoY)

### Order momentum keeps picking up

- RHM Nomination €3,933m
- RHM Backlog €40.197m
- Top projects:
  - Skyranger Germany and Austria
  - AHEAD ammunition
  - Service contract heavy weapon carrier

### 2024 Guidance confirmed

- Sales: ~€10bn
- Operating margin: 14-15%
- oFCF to operating result: ~40% (“cash conversion rate”)

### Pistons business fully disposed

- Closing of the small-bore pistons business effective 15 April 2024
- Large-bore pistons already closed in 2023
- Exit now fully accomplished

## Q1 2024 Group Highlights

### Major capacity expansions across Europe well on track



- Plant Niedersachsen and Weeze fully on schedule
- SOP in Niedersachsen expected for Spring 2025
- SOP in Weeze scheduled for 2025 with first deliveries in 2027



- New powder factory in Romania in advanced discussion
- Potential annual capacity of up to 1,500t
- Closing of Automecanica acquisition on April 30<sup>th</sup> 2024



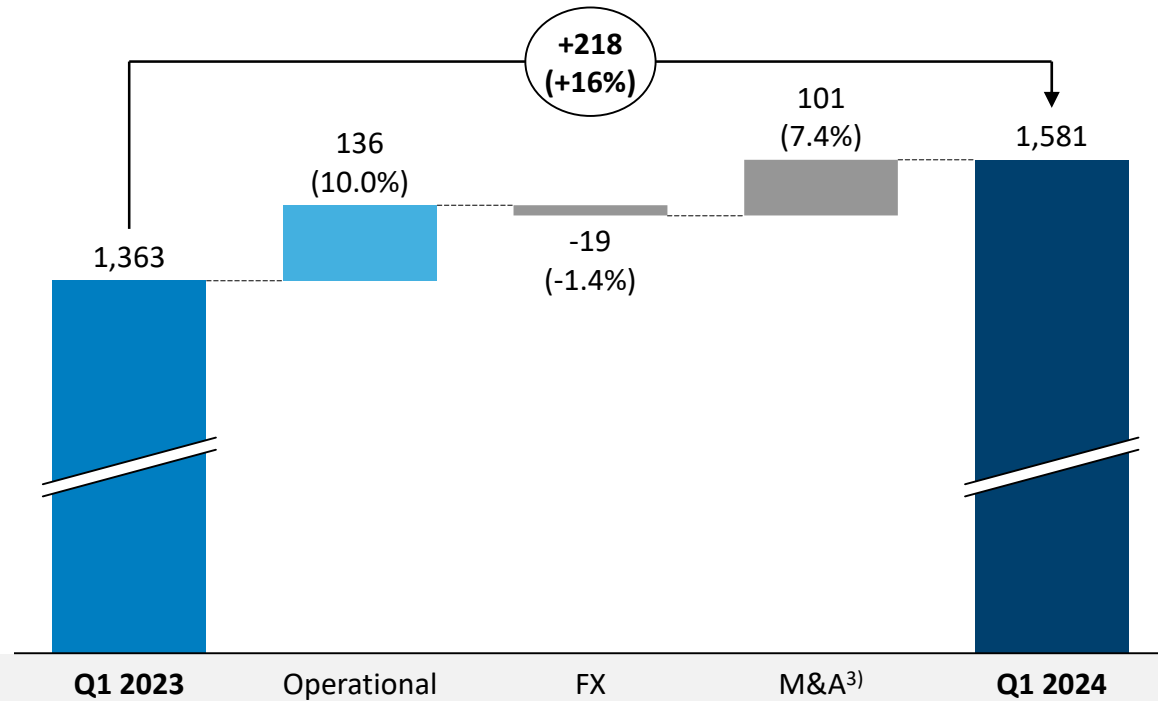
- Additional artillery ammunition plant in Lithuania with up to 100k rounds capacity p.a.
- MoU signed April 16<sup>th</sup> 2024

# Q1 2024 Group Highlights: Key Financial Data

## Double-digit sales growth with strong margin expansion

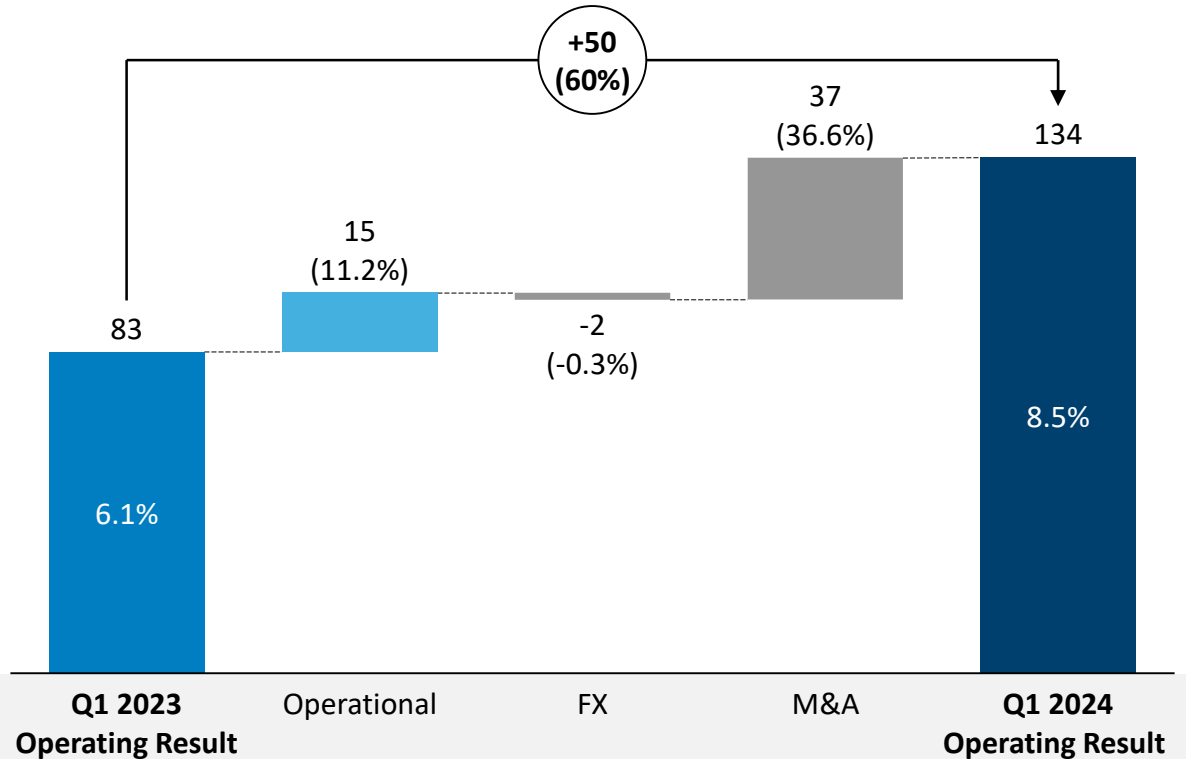
### Sales<sup>1)</sup>

in €m



### Operating result and margin in %<sup>1,2)</sup>

in €m

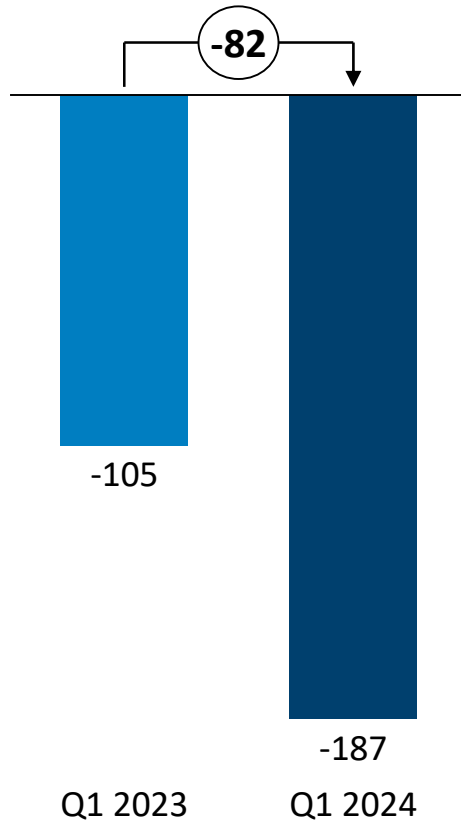


# Q1 2024 Group Highlights: Key Financial Data

## Working capital build-up and new capex projects weigh on oFCF

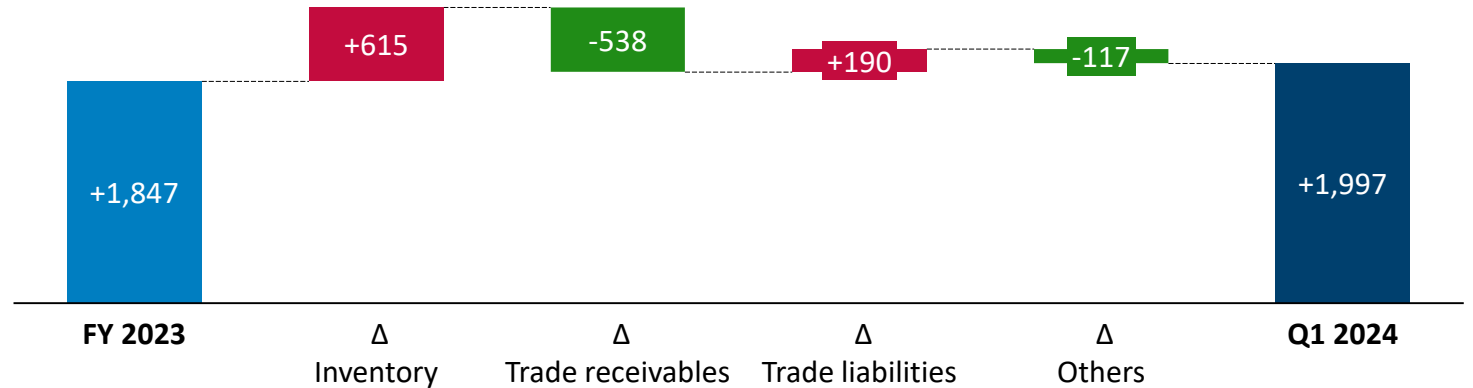
### Operating free cash flow<sup>1)</sup>

in €m



### Working Capital<sup>1)</sup>

in €m



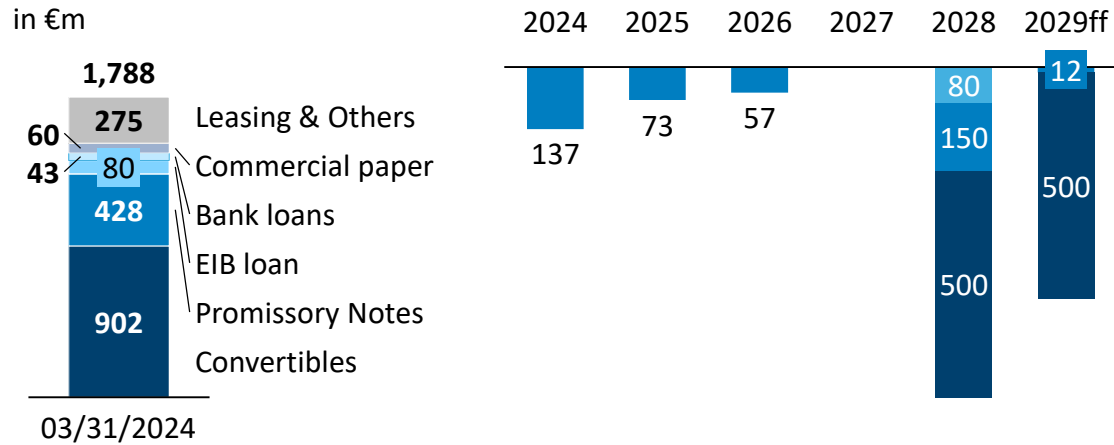
### Comments

- Trucks are the main driver behind the inventory increase
- Others includes mainly customer prepayments
- Seasonality persists

# Q1 2024: Balance Sheet

## Unleveraged balance sheet with ample fire power

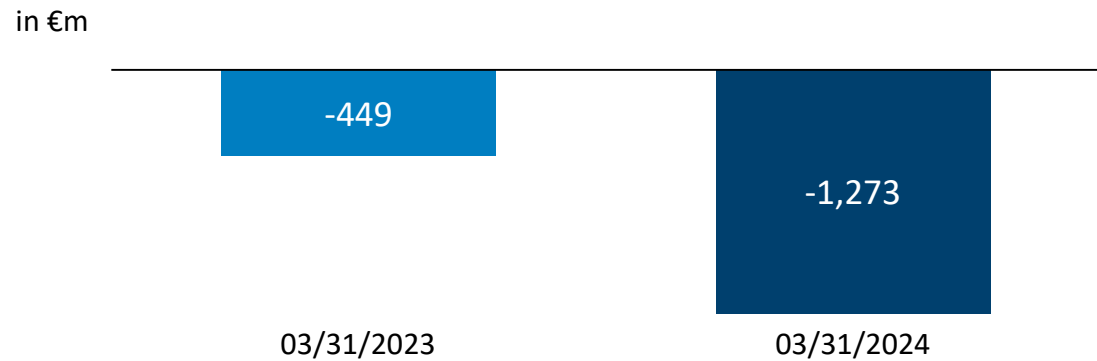
### Gross debt and maturity profile <sup>1)</sup>



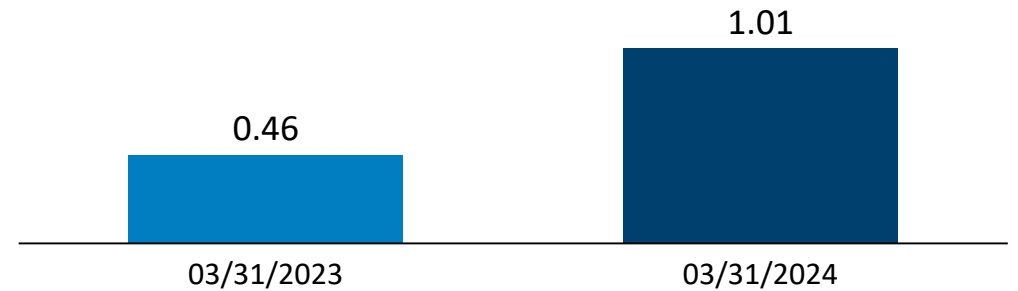
### Comments

- Cash position of €515m per end of Q1
- Undrawn cash credit lines of €1.1bn per end of Q1
- Credit rating Baa2 with stable outlook confirmed by Moody's on April 23<sup>rd</sup>

### Net financial position <sup>2)</sup>

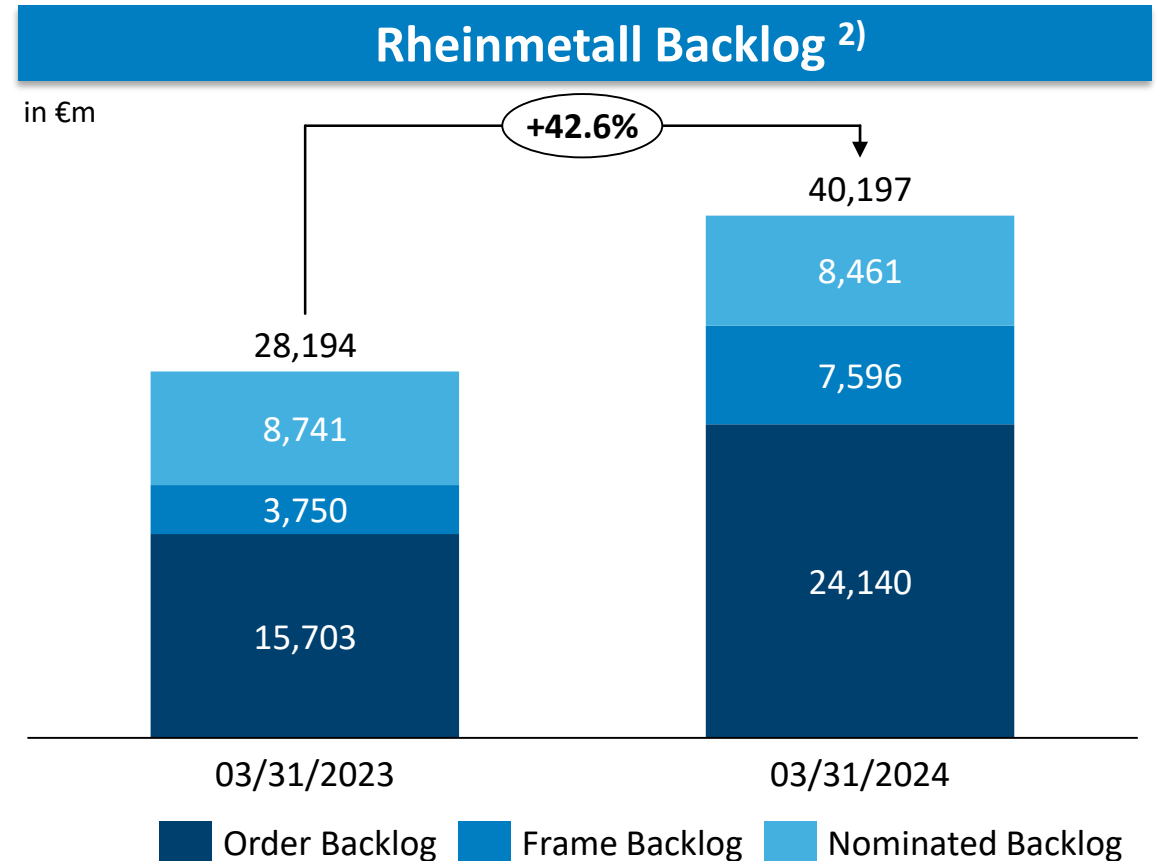
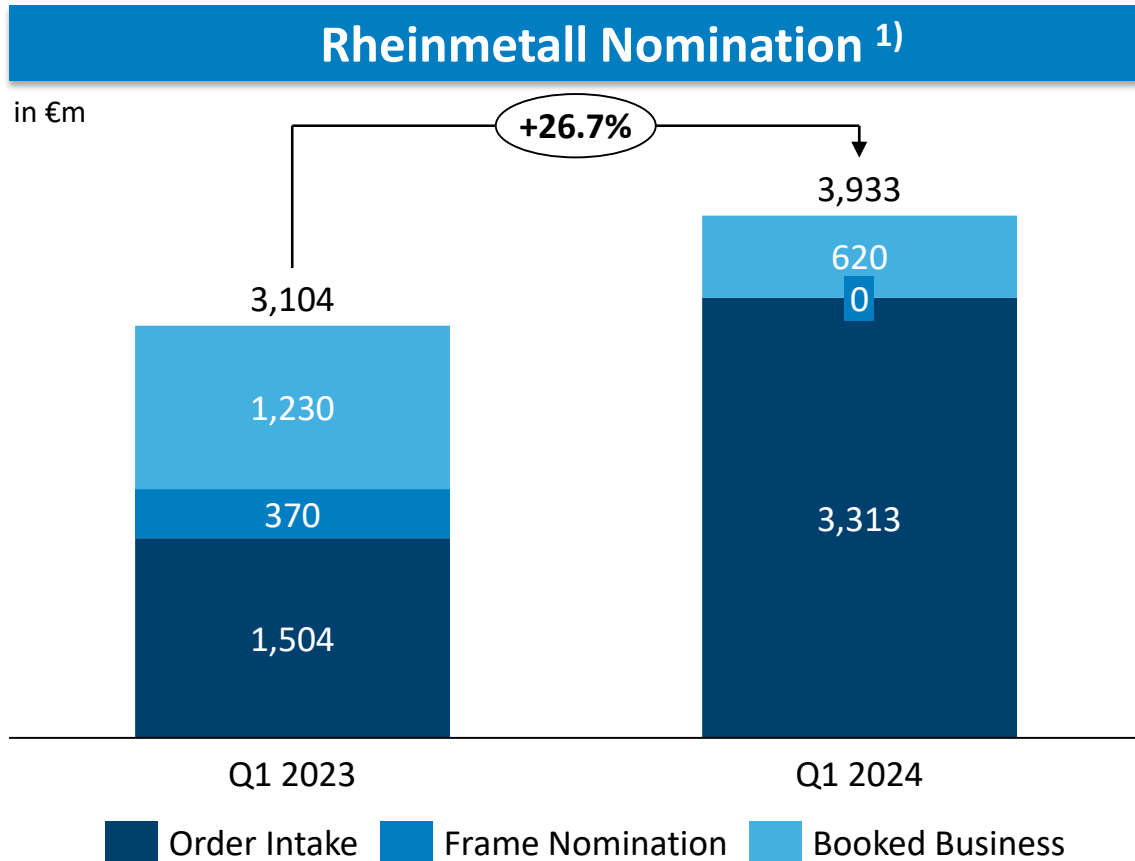


### Net Debt / EBITDA (LTM)



# Q1 2024: Nomination and Backlog

## Air defence orders elevate Rheinmetall Nominations to a new Q1 record



1) Rheinmetall Nomination = Order Intake (W+A, ES, VS: Order intake – call offs from existing frame backlog) + Frame Nomination (W+A, ES, VS:) + Booked Business (PS)

2) Rheinmetall Backlog = Order backlog (signed and fixed contracts) + Frame Backlog (signed frameworks incl. truck and ammunition framework agreements for several years) + Nominated backlog (inventory figure aligned to the annual sales planning PS based on the nomination letters of the booked business)



## Q1 2024: Segments

### Weapon and Ammunition is the main driver for a strong Q1 performance

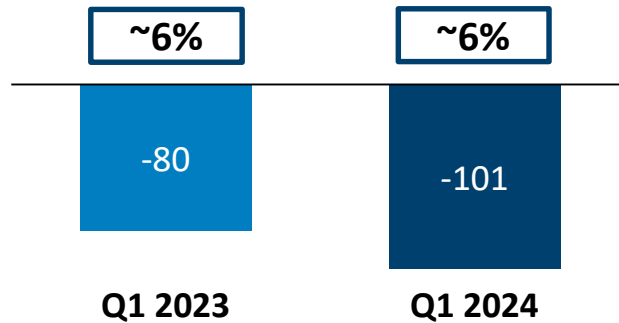
in €m	Sales			Operating Result			Margin	
	Q1 2023	Q1 2024	delta	Q1 2023	Q1 2024	delta	Q1 2023	Q1 2024
<b>Vehicle Systems</b>	462	<b>493</b>	6.7%	43	<b>38</b>	-11.2%	9.2%	<b>7.7%</b>
<b>Weapon and Ammunition</b>	213	<b>362</b>	70.1%	23	<b>53</b>	129.1%	10.9%	<b>14.7%</b>
<b>Electronic Solutions</b>	227	<b>287</b>	26.1%	12	<b>17</b>	40.3%	5.4%	<b>6.0%</b>
<b>Power Systems</b>	541	<b>541</b>	0.1%	24	<b>31</b>	29.3%	4.5%	<b>5.8%</b>
<b>Non-divisional / Consolidation</b>	(80)	<b>(101)</b>	-26.7%	(19)	<b>(6)</b>	68.9%		
<b>Rheinmetall Group</b>	1,363	<b>1,581</b>	16.0%	83	<b>134</b>	60.3%	6.1%	<b>8.5%</b>

## Q1 2024 Key Financial Data

### Operating result consolidation improved significantly year over year

#### Sales consolidation

(in €m / in % of sales)

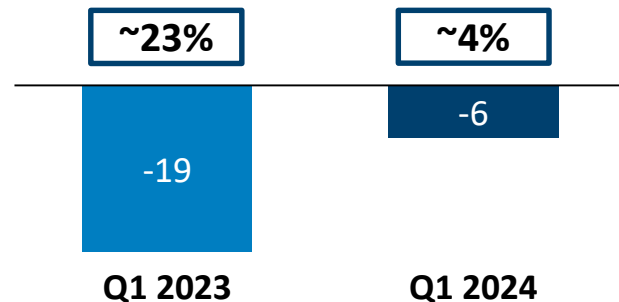


#### YoY decline in consolidation effects due to

- Improved operational performance of 4iG
- Change of allocation logic (mainly IT)
- Disposal of remaining Shriram shares

#### Operating result consolidation

(in €m / in % of operating result)



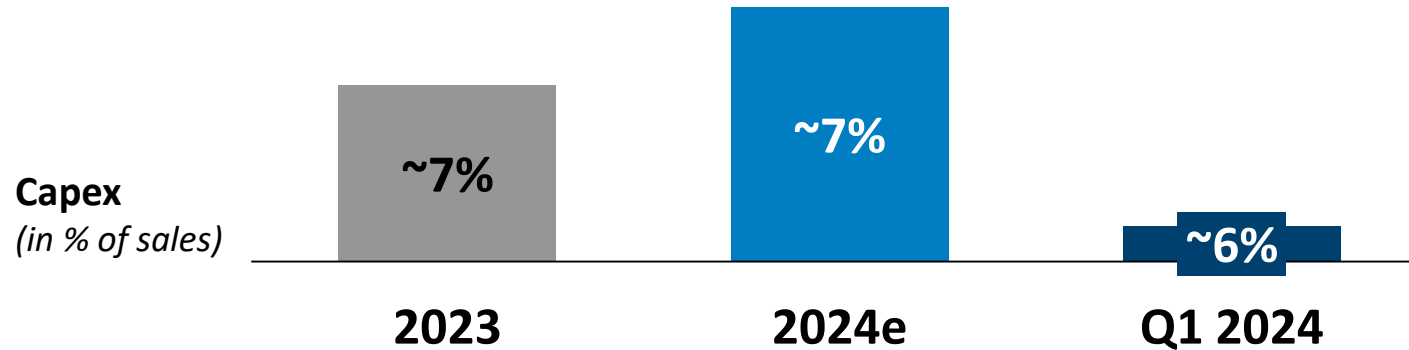
#### Expected FY 2024 impact

- Sales consolidation effect of ~6%
- Operating result consolidation effect of ~5%

# Q1 2024 Key Financial Data

## Fueling growth: 2024 capex powers expansion

<b>Top 2024 projects</b>	Vehicle Systems	Weapon and Ammunition	Electronic Solutions	Power Systems	Non-Divisional
	<ul style="list-style-type: none"> <li>▪ Hungary</li> <li>▪ Panther</li> <li>▪ Vienna</li> </ul>	<ul style="list-style-type: none"> <li>▪ Niedersachsen</li> <li>▪ Expal</li> <li>▪ Hungary</li> <li>▪ Aschau</li> <li>▪ South Africa</li> </ul>	<ul style="list-style-type: none"> <li>▪ F-35</li> <li>▪ Panther</li> </ul>	<ul style="list-style-type: none"> <li>▪ Logistic centre</li> <li>▪ Invent</li> </ul>	<ul style="list-style-type: none"> <li>▪ IT</li> </ul>



## Q2 2024 Outlook

### Business acceleration starts in the second quarter

#### Sales

Sales expected to jump in line with guided annual growth rate, however seasonality with heavy backend loaded second half-year remains in place.

#### RHM Nomination

Order intake expected to double year over year, mainly driven by German orders.

#### Capex

FY capex target remains ~ 7% of sales.



# Q&A

**Thank you for your  
attention!**

## Next events and IR contacts

### Financial calendar and next events



### Documents



Click or scan

### IR Contacts

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# APPENDIX

# Statement of financial position

€ million	3/31/2024	12/31/2023
<b>Assets</b>		
Goodwill	1,126	1,125
Other intangible assets	941	952
Right-of-use assets	265	271
Property, plant and equipment	1,396	1,370
Investment property	22	22
Investments accounted for using the equity method <sup>1</sup>	367	373
Other non-current assets	369	339
Deferred taxes	151	164
<b>Non-current assets</b>	<b>4,636</b>	<b>4,615</b>
Inventories	3,859	3,244
Contract assets	537	516
Trade receivables	1,509	2,021
Other current assets	264	251
Income tax receivables	51	13
Securities held for trade	-	-
Cash and cash equivalents	515	850
Assets held for sale	217	196
<b>Current assets</b>	<b>6,953</b>	<b>7,092</b>
<b>Total assets</b>	<b>11,589</b>	<b>11,707</b>

Note: 1 The figures for the previous year 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.

€ million	3/31/2024	12/31/2023
<b>Equity and liabilities</b>		
Share capital	112	112
Capital reserves	687	676
Retained earnings	2,556	2,533
Treasury shares	(4)	(5)
<b>Rheinmetall AG shareholders' equity</b>	<b>3,350</b>	<b>3,316</b>
Non-controlling interests	331	327
<b>Equity</b>	<b>3,681</b>	<b>3,643</b>
Provisions for pensions and similar obligations	531	562
Other non-current provisions	278	230
Non-current financial debts	1,487	1,503
Other non-current liabilities	51	51
Deferred taxes	243	260
<b>Non-current liabilities</b>	<b>2,589</b>	<b>2,605</b>
Other current provisions	707	690
Current financial debts	301	410
Contract liabilities	2,746	2,594
Trade liabilities	1,029	1,222
Other current liabilities	265	274
Income tax liabilities	123	108
Liabilities directly related to assets held for sale	147	161
<b>Current liabilities</b>	<b>5,319</b>	<b>5,459</b>
<b>Total equity and liabilities</b>	<b>11,589</b>	<b>11,707</b>



# Income Statement

€million	Q1 2024	Q1 2023
<b>Sales</b>	<b>1,581</b>	<b>1,363</b>
Changes in inventories and work performed by the enterprise and capitalized	432	332
<b>Total operating performance</b>	<b>2,013</b>	<b>1,695</b>
Other operating income	42	32
Cost of materials	1,039	893
Personnel costs	581	500
Amortization, depreciation and impairment	91	63
Other operating expenses	228	182
Result from investments accounted for using the equity method <sup>1</sup>	(1)	(10)
Other financial result	(9)	(2)
<b>Earnings before interest and taxes (EBIT)<sup>1</sup></b>	<b>108</b>	<b>78</b>
Interest income	5	16
Interest expenses	26	24
<b>Earnings before taxes (EBT)<sup>1</sup></b>	<b>86</b>	<b>70</b>
Income taxes	(31)	(20)
<b>Earnings from continuing operations<sup>1</sup></b>	<b>55</b>	<b>50</b>
Earnings from discontinued operations <sup>1</sup>	(1)	4
<b>Earnings after taxes<sup>1</sup></b>	<b>54</b>	<b>54</b>
Of which:		
<i>Non-controlling interests</i>	6	(3)
<i>Rheinmetall AG shareholders<sup>1</sup></i>	48	56
<b>Basic earnings per share<sup>1</sup></b>	<b>€1.10</b>	<b>€1.30</b>
Basic earnings per share from continuing operations <sup>1</sup>	€1.13	€1.21
Basic earnings per share from discontinued operations <sup>1</sup>	€(0.03)	€0.09
<b>Diluted earnings per share<sup>1</sup></b>	<b>€1.10</b>	<b>€1.30</b>
Diluted earnings per share from continuing operations <sup>1</sup>	€1.13	€1.21
Diluted earnings per share from discontinued operations <sup>1</sup>	€(0.03)	€0.09

Note: 1 The figures for the previous year 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.

# Cashflow Statement

## Statement of cash flows of the Rheinmetall Group

€ million	Q1 2024	Q1 2023
Earnings after taxes <sup>1</sup>	54	54
Amortization / depreciation / impairment of property, plant and equipment, intangible assets and investment property	91	63
Allocation of CTA assets to secure pension and partial retirement obligations	(3)	(3)
Other changes in pension provisions	(6)	9
Income / expenses from disposals of non-current assets	1	(10)
Changes in other provisions	93	(6)
Changes in working capital	(202)	(101)
Changes in receivables, liabilities (without financial debt) and prepaid & deferred items	(145)	(85)
Pro rata income / loss from investments accounted for using the equity method <sup>1</sup>	1	10
Other non-cash expenses and income	11	(1)
<b>Cash flow from operating activities<sup>2</sup></b>	<b>(106)</b>	<b>(70)</b>
Of which continuing operations	(88)	(53)
Of which discontinued operations	(18)	(18)
Investments in property, plant and equipment, intangible assets and investment property	(105)	(56)
Cash inflows from the disposal of property, plant and equipment, intangible assets and investment property	2	0
Cash inflows from disinvestments in consolidated companies and financial assets	27	56
Cash outflows for investments in consolidated companies and financial assets	-22	-10
<b>Cash flow from investing activities</b>	<b>(98)</b>	<b>(11)</b>
Of which continuing operations	(119)	8
Of which discontinued operations	21	(19)
Borrowing of financial debts	94	165
Repayment of financial debts	(227)	(49)
Cash inflows from the issuance of convertible bond - Addition to equity	-	113
Cash inflows from the issuance of convertible bond - Fair value financial liability	-	887
Transaction costs for the issuance of convertible bond	-	(7)
<b>Cash flow from financing activities</b>	<b>(133)</b>	<b>1,109</b>
Of which continuing operations	(64)	1,131
Of which discontinued operations	(69)	(22)
<b>Changes in cash and cash equivalents</b>	<b>(337)</b>	<b>1,028</b>
Changes in cash and cash equivalents due to exchange rates	(2)	(3)
<b>Total change in cash and cash equivalents</b>	<b>(340)</b>	<b>1,025</b>
<b>Opening cash and cash equivalents January 1</b>	<b>873</b>	<b>568</b>
<b>Closing cash and cash equivalents March 31</b>	<b>533</b>	<b>1,593</b>
Closing cash and cash equivalents March 31 from discontinued operations	18	14
<b>Closing cash and cash equivalents as per consolidated statement of financial position March 31</b>	<b>515</b>	<b>1,579</b>

Note: 1 The previous year's figures were adjusted as a result of the amended disposal plan and the retrospective at-equity valuation of the investment in Shriram Pistons & Rings Ltd., 2 Included therein: Net income tax payments: EUR -61 million (previous year: EUR -23 million); net interest payments: EUR -20 million (previous year: EUR 1 million)

## Derivation of diluted earnings per share

Derivation of diluted earnings per share						
	Continuing Operations	Discontinued Operations	Q1 2024	Continuing Operations	Discontinued Operations	Q1 2023
<b>Earnings after taxes in €million - Rheinmetall AG shareholders<sup>1</sup></b>	<b>49</b>	<b>(1)</b>	<b>48</b>	<b>53</b>	<b>4</b>	<b>56</b>
Adjustment for interest expense in respect of the convertible bond in €million	10	-	10	6	-	6
Tax effects on the adjustment for interest expense in respect of the convertible bond in €million	(3)	-	(3)	(2)	-	(2)
<b>Diluted earnings after taxes in €million - Rheinmetall AG shareholders<sup>1</sup></b>	<b>56</b>	<b>(1)</b>	<b>54</b>	<b>57</b>	<b>4</b>	<b>60</b>
<b>Weighted number of shares in millions - basic</b>	<b>43.42</b>			<b>43.38</b>		
Effect from the potential conversion of the convertible bond in millions	3.22			1.93		
<b>Weighted number of shares in millions - diluted</b>	<b>46.64</b>			<b>45.32</b>		
<b>Basic earnings per share<sup>1</sup></b>	<b>€1.13</b>	<b>€(0.03)</b>	<b>€1.10</b>	<b>€1.21</b>	<b>€0.09</b>	<b>€1.30</b>
Diluted earnings per share <sup>1</sup>	€1.20	€(0.03)	€1.17	€1.26	€0.08	€1.34
<b>Adjusted diluted earnings per share (due to antidilutive effect)<sup>1</sup></b>	<b>€1.13</b>	<b>€(0.03)</b>	<b>€1.10</b>	<b>€1.21</b>	<b>€0.09</b>	<b>€1.30</b>

Note: 1 The figures for the previous year 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.

# **TAKING RESPONSIBILITY** IN A CHANGING WORLD