



Rheinmetall Group Corporate Presentation

July 2019



Rheinmetall Group structure

<p>Group performance indicator</p> <table border="0"> <tr> <td style="background-color: #003366; color: white; padding: 5px;">Grow sales around 8%</td> <td style="background-color: #003366; color: white; padding: 5px;">~8% op. margin</td> </tr> <tr> <td style="background-color: #003366; color: white; padding: 5px;">Targeted 2-4% Cash on sales</td> <td style="background-color: #003366; color: white; padding: 5px;">30-35% payout ratio</td> </tr> </table>	Grow sales around 8%	~8% op. margin	Targeted 2-4% Cash on sales	30-35% payout ratio	<h2>RHEINMETALL GROUP</h2>	<p>Strategy roadmap</p> <table border="0"> <tr> <td style="background-color: #0070C0; color: white; padding: 5px;">Organic growth</td> <td style="background-color: #0070C0; color: white; padding: 5px;">International expansion</td> </tr> <tr> <td style="background-color: #0070C0; color: white; padding: 5px;">Leading by innovations</td> <td style="background-color: #0070C0; color: white; padding: 5px;">Targeted acquisitions</td> </tr> </table>	Organic growth	International expansion	Leading by innovations	Targeted acquisitions
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Targeted 2-4% Cash on sales	30-35% payout ratio									
Organic growth	International expansion									
Leading by innovations	Targeted acquisitions									

<p style="text-align: center;">AUTOMOTIVE <i>Our heart beats for your engine</i></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 15%;">Op. margin</td> <td style="width: 35%;">€2,930m</td> <td style="width: 15%; border: 1px solid white; border-radius: 10px; text-align: center;">48%</td> </tr> <tr> <td>8.9%</td> <td>€265m</td> <td style="border: 1px solid white; border-radius: 10px; text-align: center;">53%</td> </tr> <tr> <td></td> <td>*€478m</td> <td></td> </tr> <tr> <td></td> <td>11,710</td> <td style="border: 1px solid white; border-radius: 10px; text-align: center;">51%</td> </tr> </table> <p style="font-size: small; margin-top: 5px;">* Short-term; **Headcount at capacities;</p>	Op. margin	€2,930m	48%	8.9%	€265m	53%		*€478m			11,710	51%	<h1 style="color: #0070C0;">2018</h1> <table border="0" style="width: 100%; margin-top: 20px;"> <tr> <td style="width: 30%;">Sales</td> <td style="width: 10%; text-align: center;">52%</td> <td style="width: 60%;"></td> </tr> <tr> <td>Oper. Result</td> <td style="text-align: center;">47%</td> <td></td> </tr> <tr> <td>Order backlog</td> <td style="text-align: center;">49%</td> <td></td> </tr> <tr> <td>Headcount**</td> <td></td> <td></td> </tr> </table>	Sales	52%		Oper. Result	47%		Order backlog	49%		Headcount**			<p style="text-align: center;">DEFENCE <i>Force protection is our mission</i></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 15%;"></td> <td style="width: 35%;">€3,221m</td> <td style="width: 15%;"></td> <td style="width: 35%; text-align: right;">Op. margin</td> </tr> <tr> <td></td> <td>€247m</td> <td></td> <td style="text-align: right;">7.9%</td> </tr> <tr> <td></td> <td>€8,577m</td> <td></td> <td></td> </tr> <tr> <td></td> <td>10,948</td> <td></td> <td></td> </tr> </table>		€3,221m		Op. margin		€247m		7.9%		€8,577m				10,948		
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Q1 2019 Group commercial highlights

Solid operational performance and improved cash flow

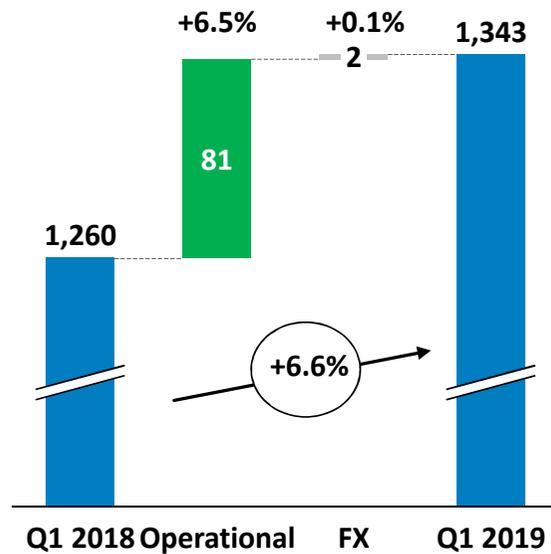
Order backlog	Sales	Operating result	EPS	oFCF
€9.1bn  +26%	€1.3bn  +6%*	€54m  +15%	€0.74  +35%	€-128m  +55%

- Order backlog increased 26% y-o-y
- Sales climbed 6.5% at *constant exchange rates (reported 6.6%) to €1,343m
- Operating result progressed €7m to €54m lifting margin to 4.0%
- EPS increased by 35% to €0.74
- Operating FCF improved materially from €-287m to €-128m
- FY Guidance confirmed

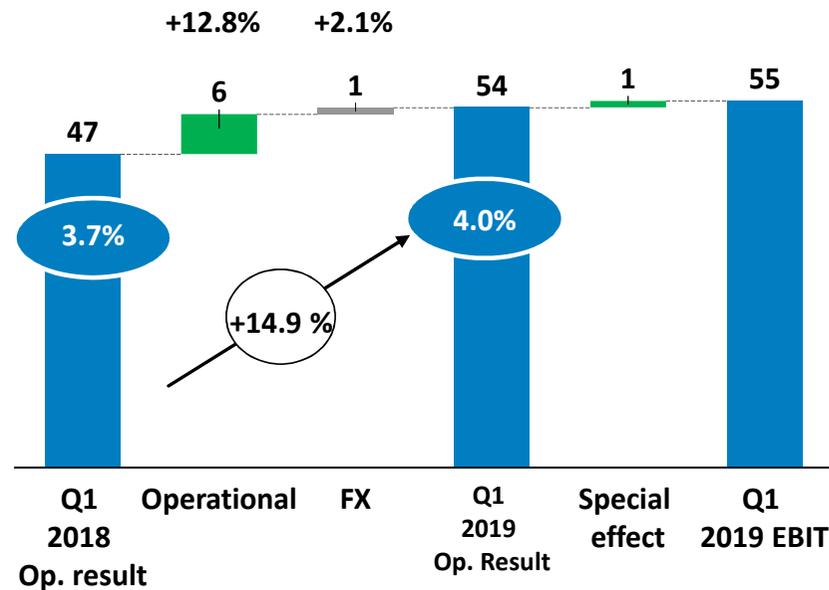
Q1 2019 Group commercial highlights

Higher operating result drove EPS by almost 35%

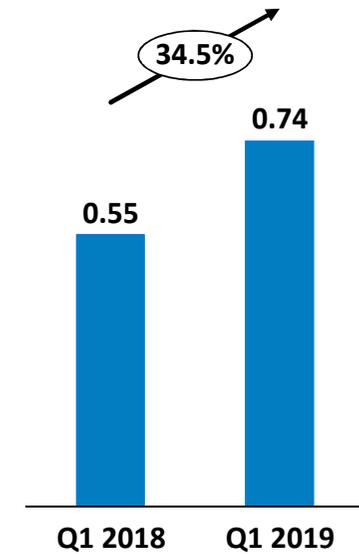
Sales
in €m



Operating result in €m
Operating margin in %



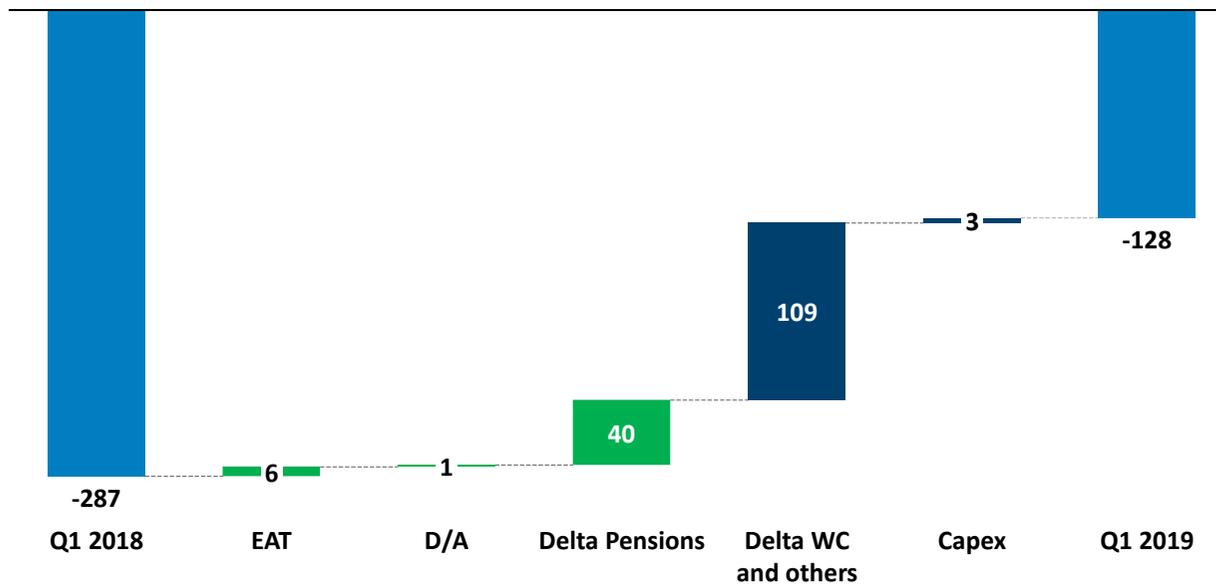
Earnings per share
in €



Q1 2019 Group commercial highlights

Working capital optimization main driver for cash flow improvement

■ Operating free cash flow bridge
in €m

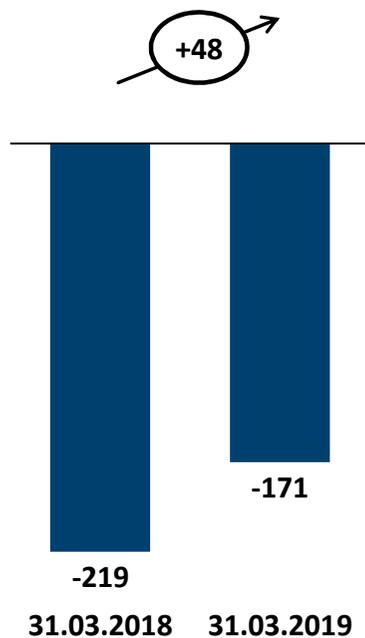


- No CTA funding in Q1 2019
- Working capital inflow especially from Defence

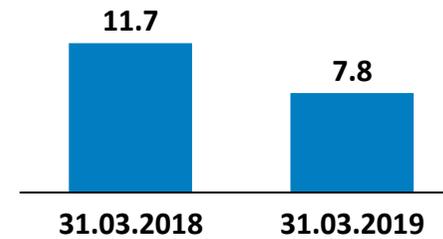
Q1 2019 Group commercial highlights

KPI improvement continues

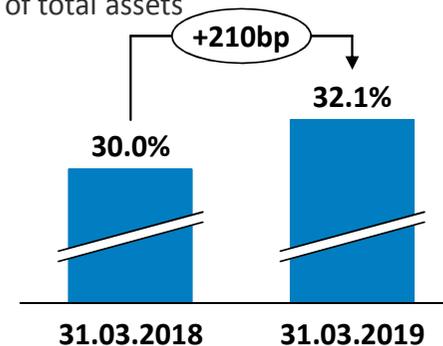
Net debt
in €m



Net Gearing
Net debt in % of total equity



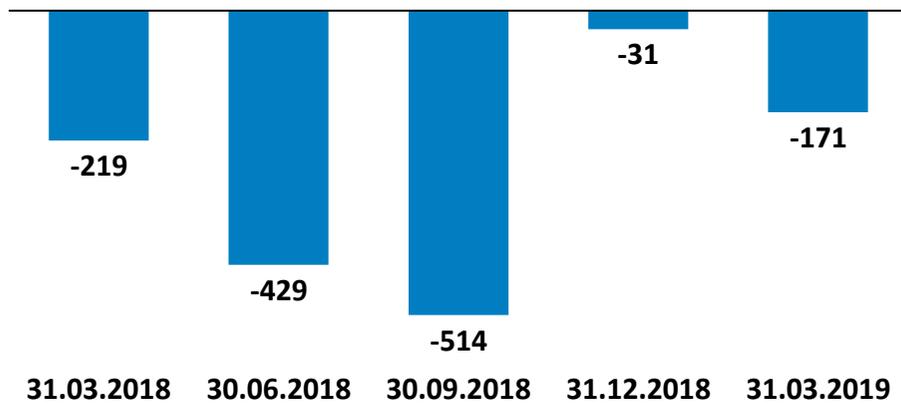
Equity ratio
in % of total assets



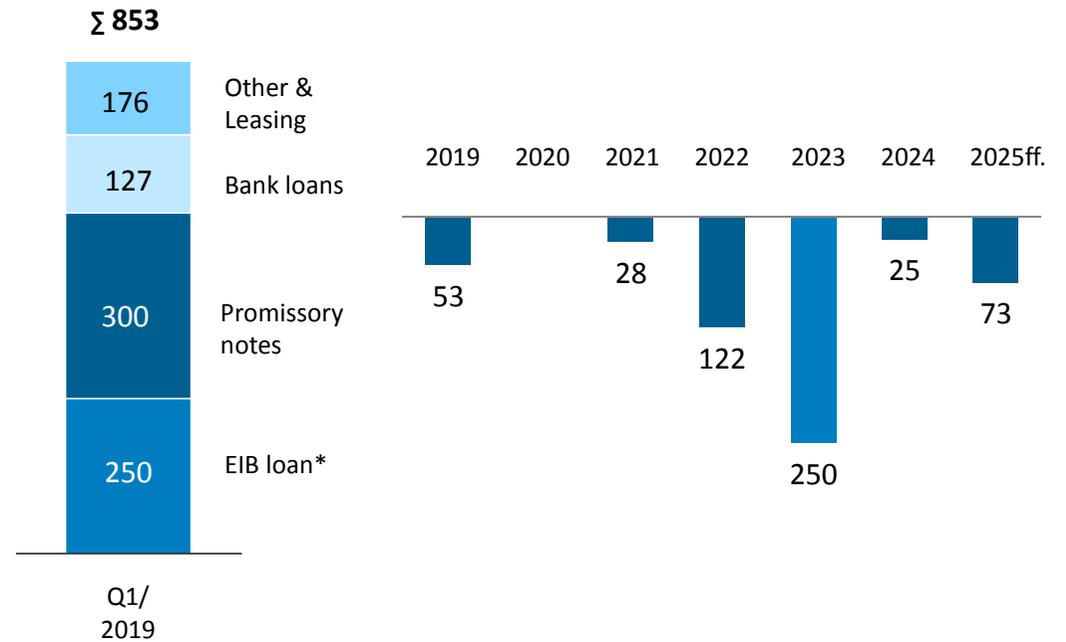
Q1 2019 Group commercial highlights

Typical seasonal increase of net debt

■ Net financial debt
in €m at quarter-end



■ Debt composition and maturity profile
in €m



*€250 m EIB loan (0.962% coupon) maturing in August 2023

FY 2019 Guidance

Guidance confirmed

	Sales		Operating margin	
	2018 Growth y/y in % at constant FX	2019e Growth y/y in % at constant FX	2018 in %	2019e in %
Group	6.1	4 – 6	8.0	around 8
Automotive 	4.2	0 – 1	8.9	around 8
Defence 	7.9	9 – 11	7.9	8.0 – 8.5

Operational growth at constant FX; Assumptions: no hard Brexit; no escalation of trade wars



Automotive – Focus on innovation

Automotive with leading technology and market positions

Key Figures

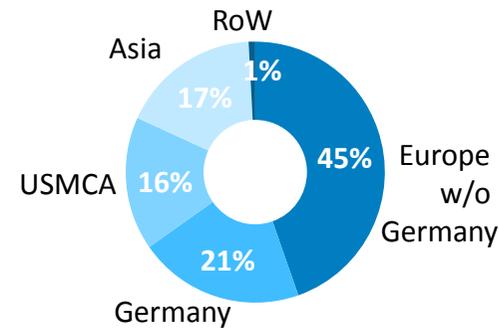
Sales:	€2.9bn
Op. result:	€262m
Op. margin:	8.9%
R&D:	€157m
Capex:	€161m
Headcount:	11.710

All figures refer to FY 2018

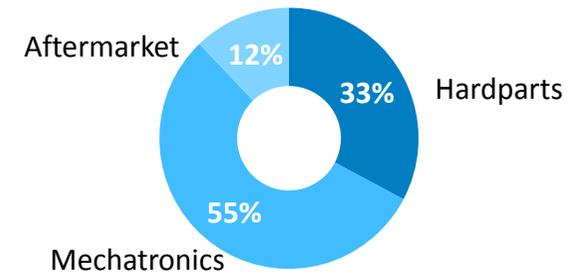
Structure

Hardparts	
Pistons	Large-bore Pistons
Bearings	Castings
Mechatronics	
Pump Technology	Automotive Emission Systems
Solenoid Valves	Commercial Diesel Systems
Actuators	
Aftermarket	

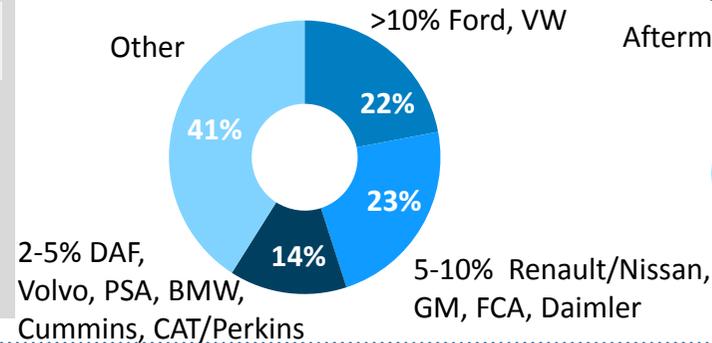
Sales by region



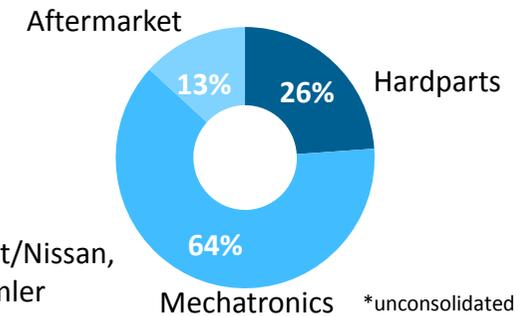
Sales by division*



Sales by customer

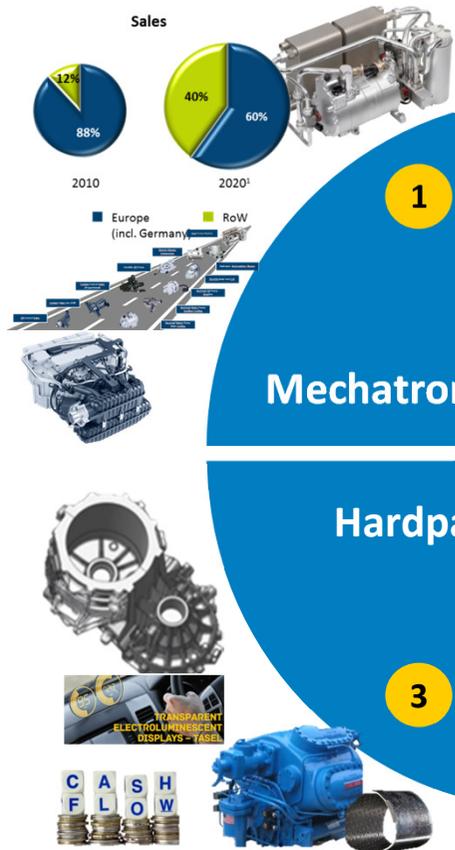


Operating result by division*



*unconsolidated

Overview Rheinmetall Automotive



1

Mechatronics

- **Legislation** is driving the business
- **International** market offer great **growth potentials**
- E-Mob and Diesel impacts
- Preserve **technological leadership** (thermo-mgmt., HV/EV competences)
- **New products** pipeline fully loaded

3

Hardparts

- **Manage-for-cash** strategy for engine component segment
- Re-investment and growth by **diversification** & transformation
- **Optimize** global footprint

2

China

- Gain bigger share in **NEV** market
- Growth strategy outperforming Chinese market development
- Build up strong **local engineering / R&D** capabilities
- Environmental challenges

4

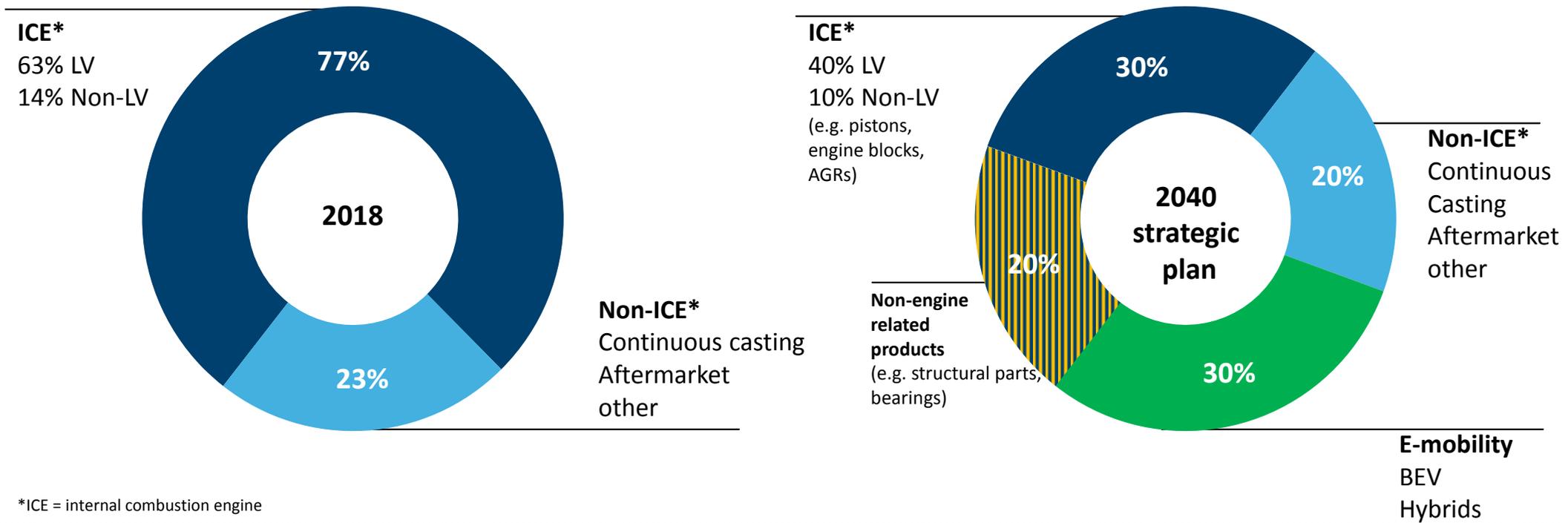
Aftermarket

- Optimize In-house production
- Focus on high tech products and **expand product portfolio**
- Increase sales through **new sales channels** and customers
- Implement BU (Matrix) organization and optimize processes / project management

Strategic outlook

Increase independence from combustion engine

■ Sales split in %

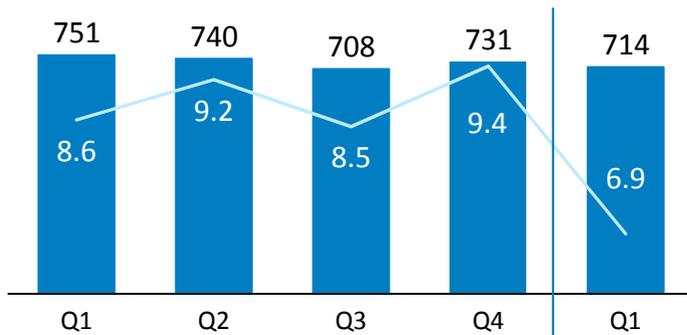


*ICE = internal combustion engine

Q1 2019 Highlights: Automotive

Q1 sales in line with expectations, operating result slightly better

Quarterly sales and margin development



Comments on quarterly performance

- Sales decline of -4.9% (FX-adjusted -5.4%) in line with a contracting market environment (Global LV production: -5.7%) and comparing to a strong previous year quarter
- Expected reduction of operating result to €49m, with margin declining to 6.9%, but better than anticipated
- OCF impacted by preparation of SOP later this year and extended supply chains

In €m	Q1 2018	Q1 2019	Δ
Sales	751	714	-4.9%
Operating result	65	49	-24.6%
Operating margin in %	8.6%	6.9%	-174 bp
Operating Free Cash Flow	-50	-76	-52.0%
Operating FCF / Sales	-6.7%	-10.6%	-399 bp

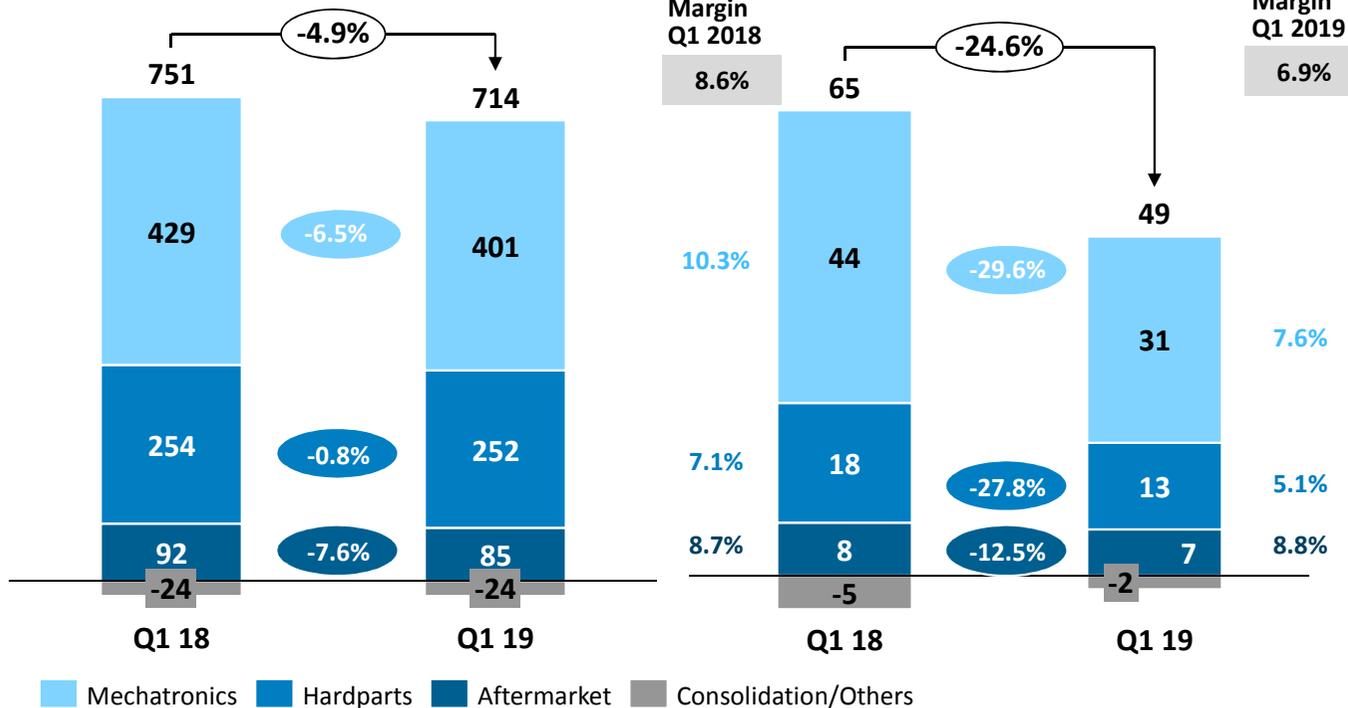
Q1

Q1 2019 Highlights: Automotive

All three divisions impacted by a slow market environment

Sales Automotive
in €m

Operating result Automotive
in €m



Mechatronics

- Sales slower than market on particular customer order pattern
- Negative leverage additionally held back by start up cost and E-mobility R&D expenses

Hardparts

- Bearings suffered from Diesel related sales decline
- Ramp-up and lower at equity contribution burden result

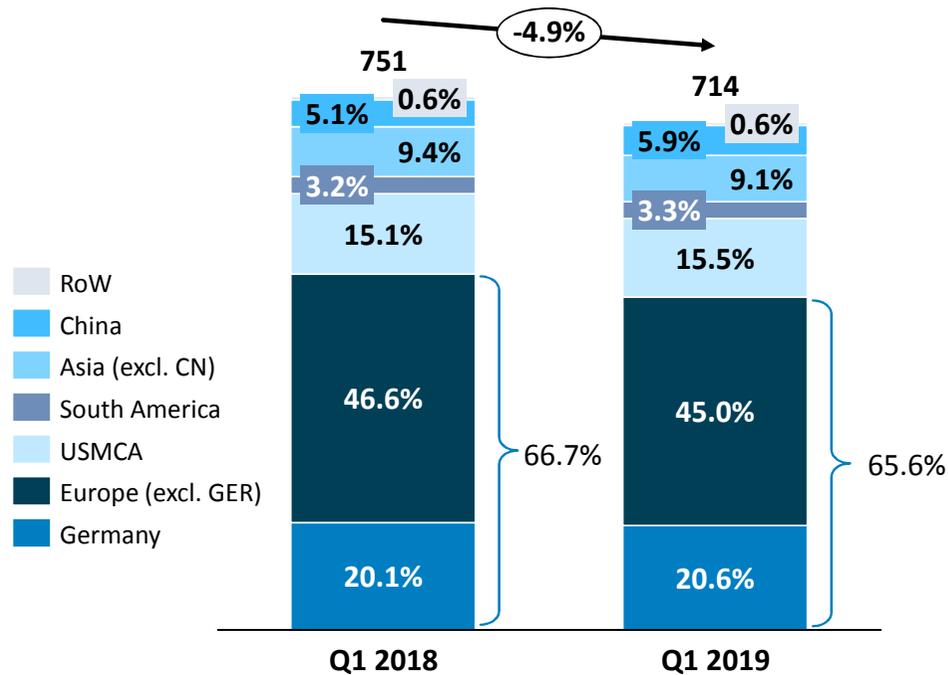
Aftermarket

- Slow start to the year, mainly in Western Europe and Asia

Q1 2019 Highlights: Automotive

Automotive sales follow weak global LV production pattern

Regional sales development Automotive in €m

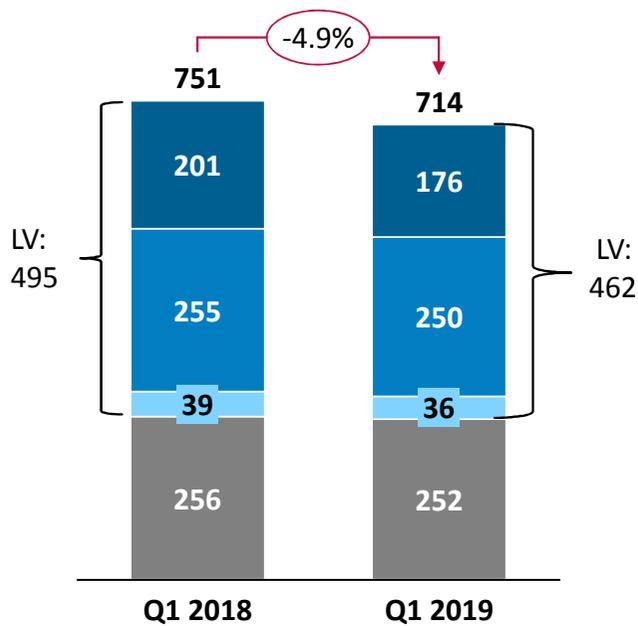


- Weak market environment, global LV production declined by 5.7% ↓
- Diesel and WLTP still burdened Europe in Q1 ↓
- Ramp-up of electrical pumps in Germany and China supportive ↑

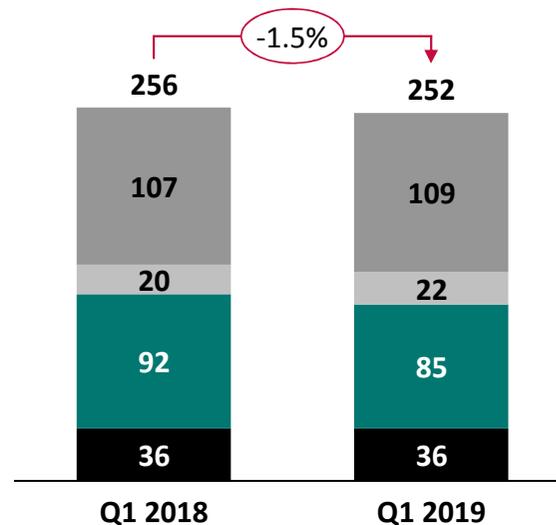
Q1 2019 Highlights: Automotive

Truck and other businesses helped mitigating the LV sales decline

■ Sales split LV/ Non-LV
in €m / in %



■ Sales split Non-LV
in €m / in %



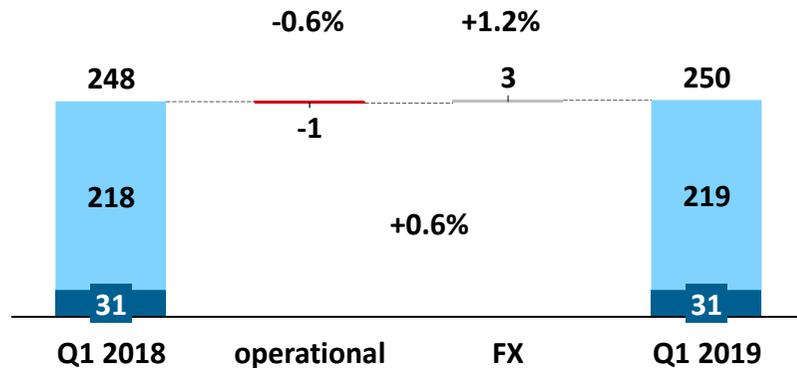
	absolut	Delta in %
Diesel	-25	-12.4%
Gazoline	-5	-1.9%
other LV	-3	-7.7%
<hr/>		
LV Business	-33	-6.7%
Truck	+2	+1.9%
Large Bore	+2	+10.0%
Aftermarket	-7	-7.5%
other	+/-0	+/-0 %
<hr/>		
Non-LV Business	-4	-1.5%

3.1% (Net change in Non-LV Business)

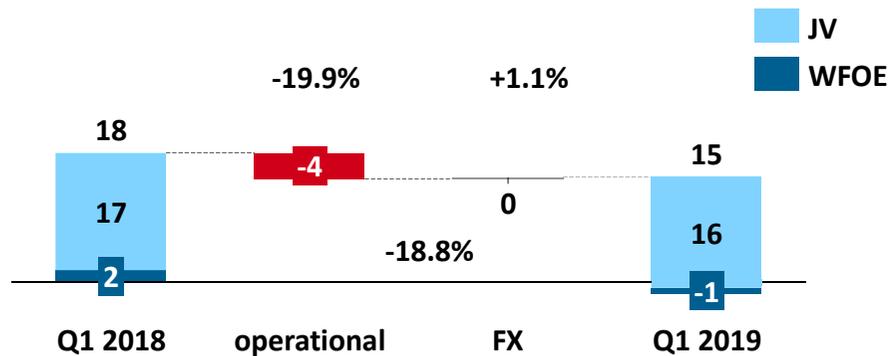
China

Rheinmetall successfully managed China market crash in Q1

Sales in €m



EBIT in €m

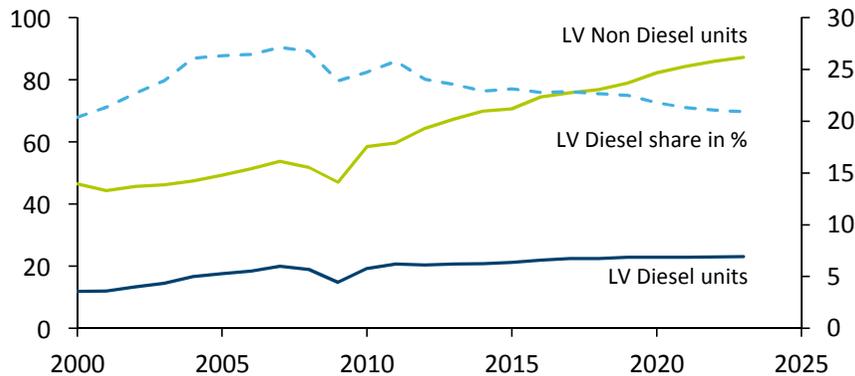


- Sales stable on previous year level (-0.6% FX-adjusted) vs. a crashing Chinese LV-market of -12.1%
- Q1 without major adverse FX-effects on sales and EBIT
- JV sales include higher demand for Mechatronics products continued, e.g. ramp up of electronic pumps
- Hardparts suffered from market driven sales decline
- EBIT impacted by low margin WFOE trading sales

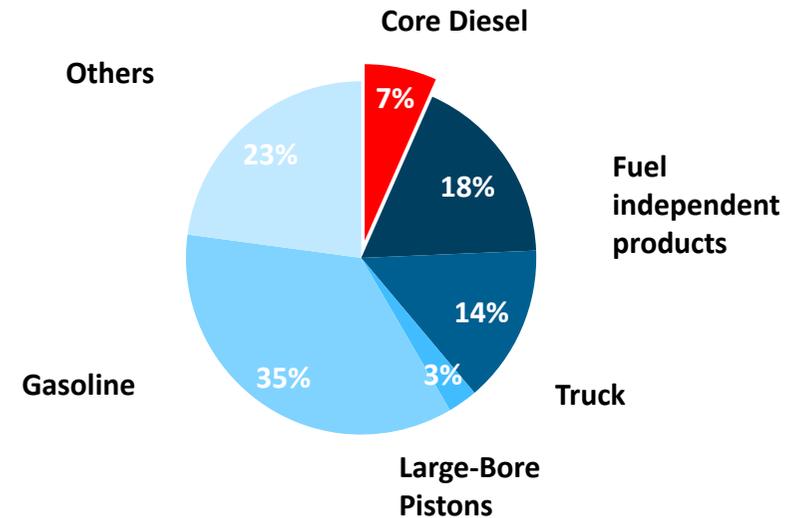
Including 100% figures of 50/50 JV, consolidated at equity

LV Diesel exposure limited; powertrain neutrality is the strategic target

■ Combined global engine production forecast*



■ Automotive sales distribution by engine type**



■ Further regulatory pressure expected

- Next regulation deadline approaching in 2020
- Real driving emission(RDE) testing will create further pressure to reduce emissions by hardware installation
- First city ban for diesel engines announced in Germany

Benefitting from OEM's effort to reduce emissions and to avoid penalties

* IHS: Combined Engine Production Forecast April 2017

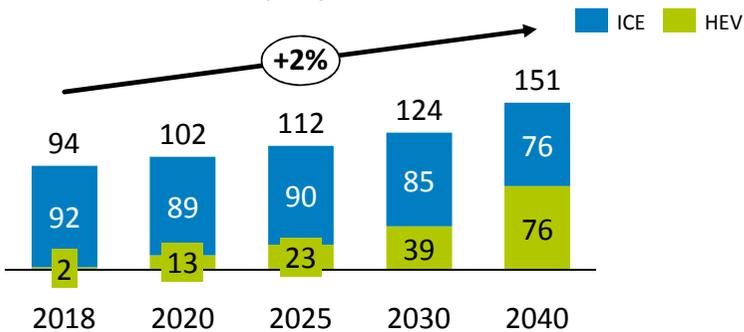
** Rheinmetall Automotive sales FY 2018

Drivers for growth

Rising global fleet and regulatory restrictions are supporting our growth

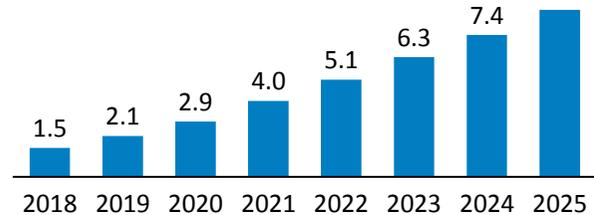
Light vehicle production grows

million vehicles per year



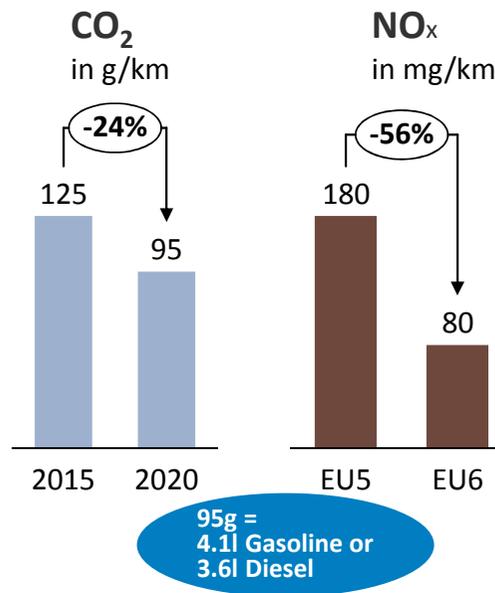
BEV 2017-2025

million vehicles per year



IHS and company estimates

Emission thresholds decrease



Stricter emission testing



Mainly EU!



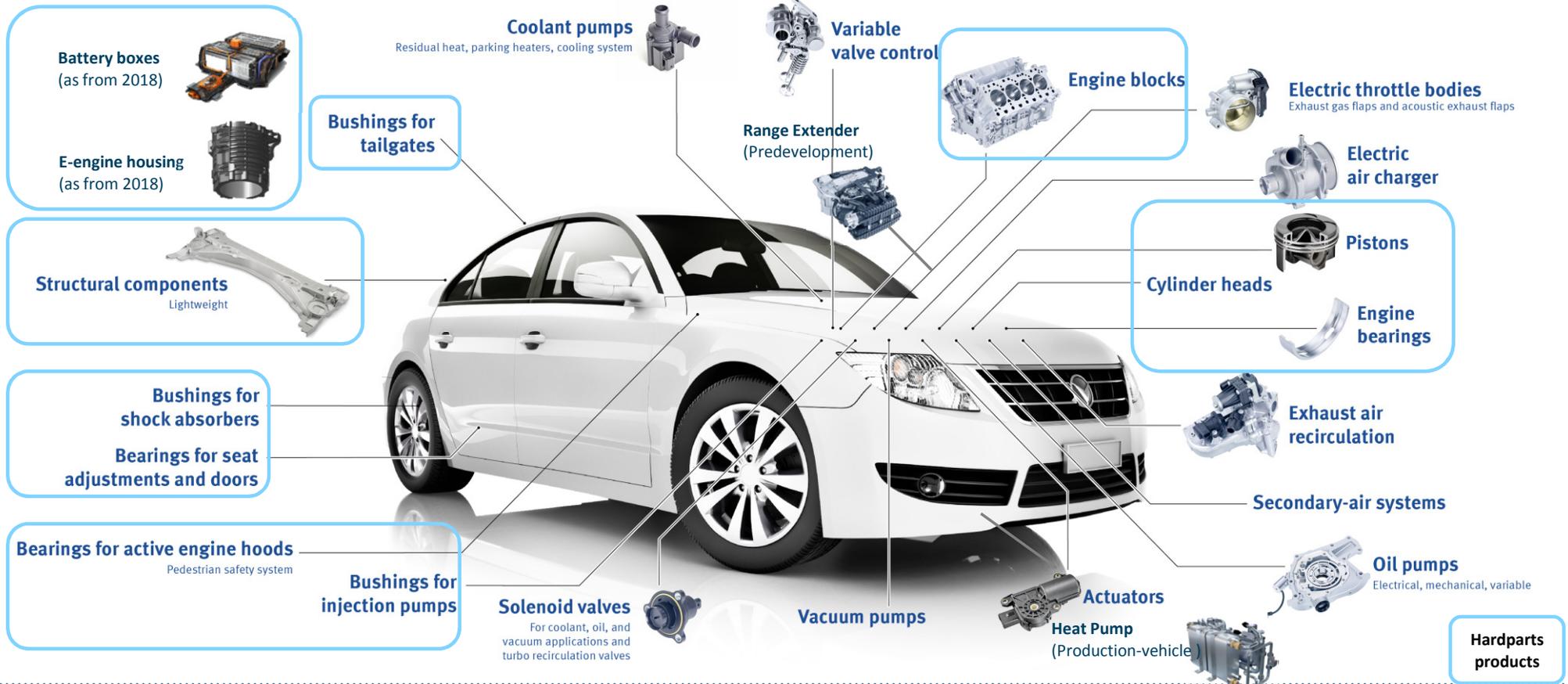
Stricter testing sets the benchmark even higher!

Broad product range for alternative drive systems

Enlarging the traditional product portfolio for combustion engines ...

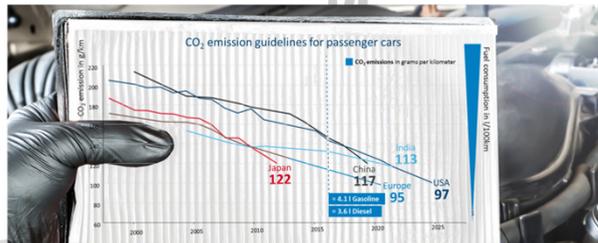
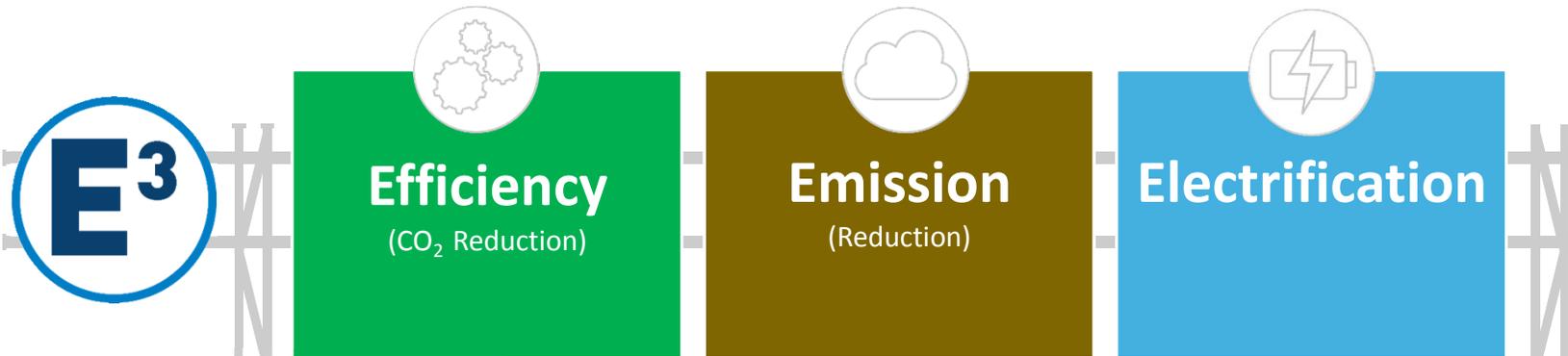


... by products for hybrid and electric engines



Market trends

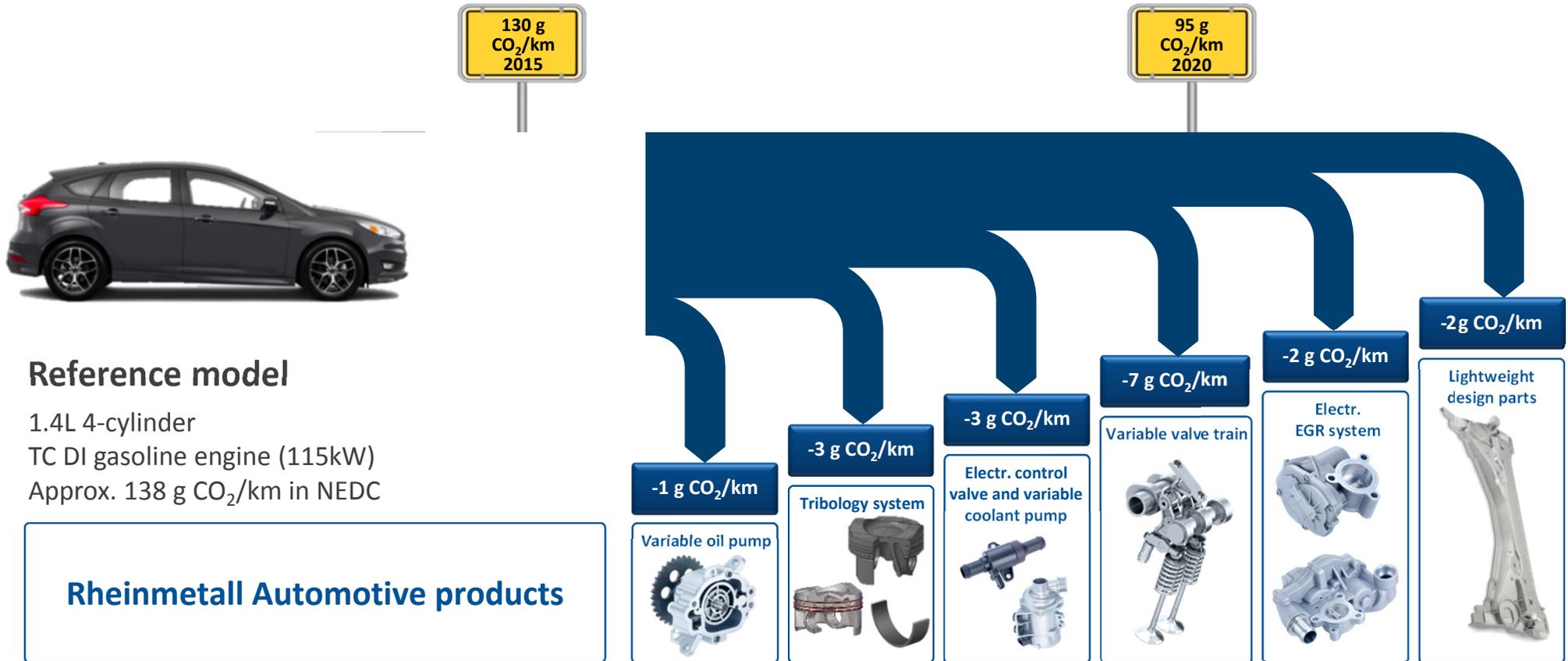
The growth drivers of Rheinmetall Automotive



The innovation pipeline for all three trends is packed!

Efficiency

CO₂ - reduction with Automotive products – gasoline engine vehicle



Reference model

1.4L 4-cylinder
TC DI gasoline engine (115kW)
Approx. 138 g CO₂/km in NEDC

Rheinmetall Automotive products

E-mobility competence underlined by contracts and by initiatives for new solutions

■ Contract volume for electric vehicles (EV)*

€ ~800 m

- Lifetime order value
€ ~250m BEV, € ~550 m Hybrid

E-Taxi London

Pump technology for pure electric taxis



Battery cell boxes

Aluminum battery boxes for German premium OEM



Electric engine housing

Electric engine housing for German premium OEM to serve the Chinese market



* Rheinmetall Automotive and Joint Ventures

Truck

Our current product portfolio

Truck sales in €m

	2014	2016	2018
	275	386	424

Main coolant pumps
Auxiliary coolant pumps
Electrical oil pumps
Bearings for seat adjustments and doors
Permaglide bearings for truck compressors and truck hydraulics
Exhaust gas flaps
Hydraulic valves
Bushings for injection pumps
Coolant valves
Variable valve control
Aluminum pistons
Steel pistons
Piston rings Cooperation with Riken
Cylinder bore coating
Main-bearings
Connecting rod bearings
EGR cooler modules and mixer modules
Dual poppet valves
EGR reed valves
High performance actuators
Pressure regulating valves
Electrical bypass valves

Diversification

Increasing portfolio for non-LV applications

Trucks



Diverse portfolio for truck applications

Large bore pistons



E.g. ship and locomotive pistons

Bearings & continuous casting



Sanitary application

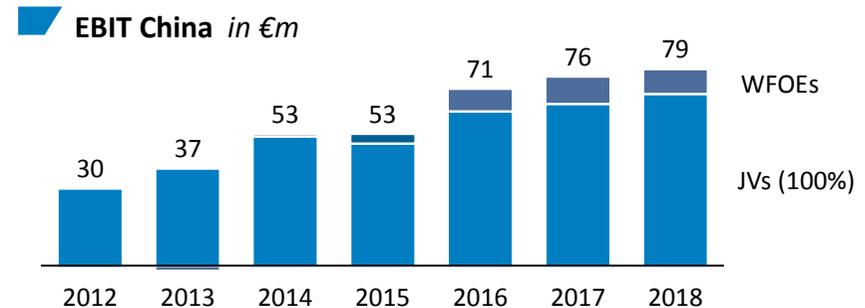
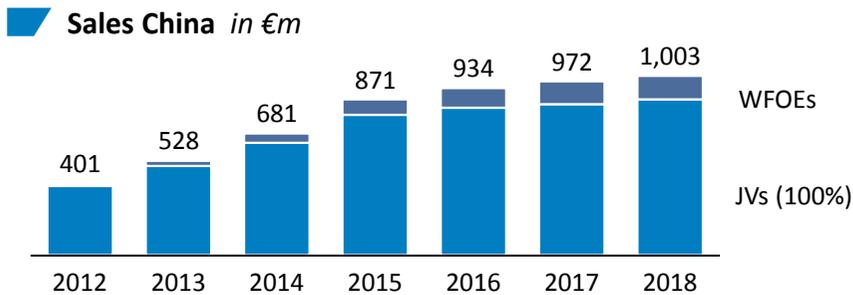
Aftermarket



Global supply of spare parts

Automotive in China

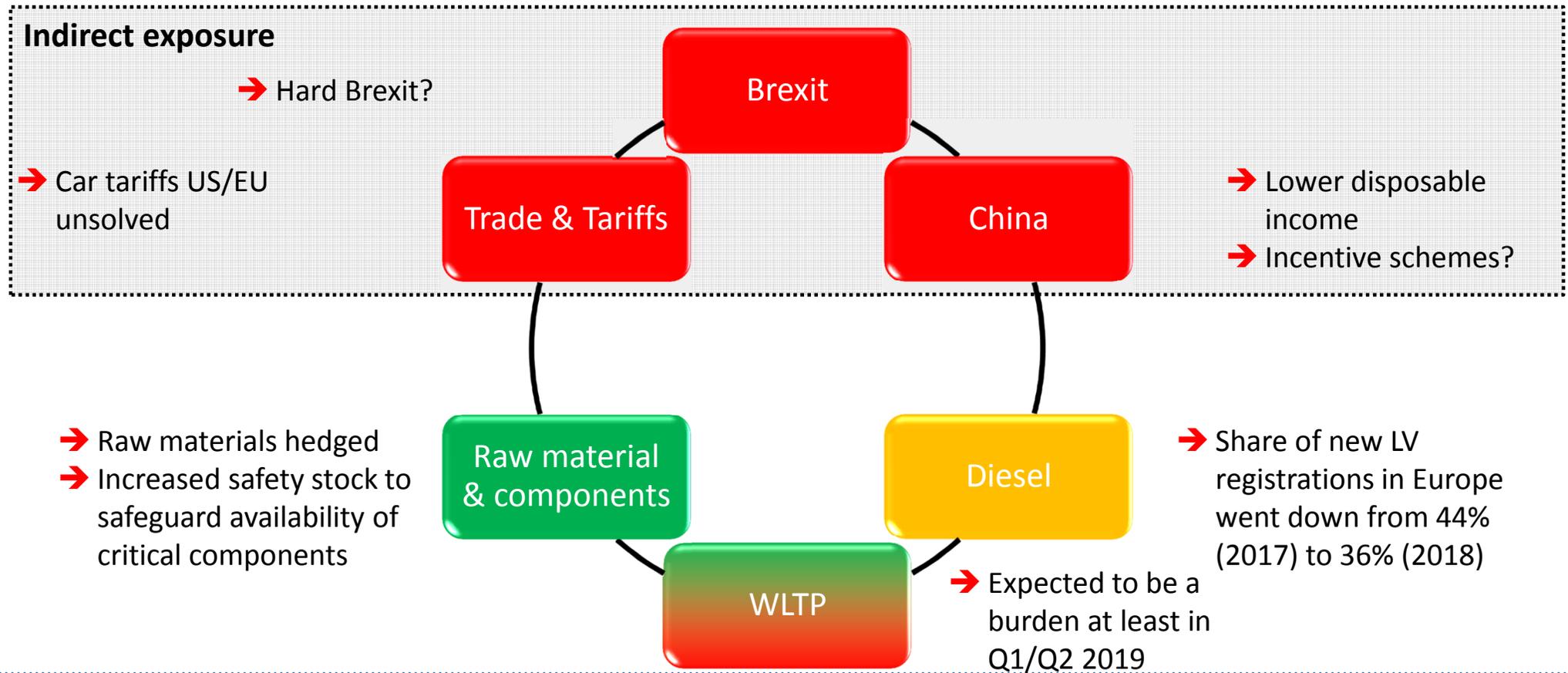
50/50 joint ventures with HASCO (SAIC group)				Wholly Foreign-Owned Enterprises (100% Rheinmetall Automotive)			JV subsidiary
Castings (KSHA)	Pistons (KSSP)	Castings (KPSNC)	Pumps (PHP)	Aftermarket	Pierburg	Large-bore pistons	Pumps (PMP Ch.)
2014	1997	2001	2012	2008	2009	2013	2012
Engine blocks and structural body parts	Pistons	Engine blocks, cylinder heads and structural body parts	Electrical and mechanical pumps	Spare parts	EGR modules and electric throttle bodies	Large-bore pistons	Electrical and mechanical pumps
Germany/ Europe	China			China			China



KSHA: KS Huayu Alutech GmbH, Neckarsulm | KPSNC: Kolbenschmidt Pierburg Shanghai Nonferrous Components Co., Ltd., Shanghai | PMP: Pierburg Mikuni Pump Technology (Shanghai) Corp., Shanghai
 KSSP: Kolbenschmidt Shanghai Piston Co., Ltd., Shanghai | PHP: Pierburg Huayu Pump Technology Co., Ltd., Shanghai

Outlook Automotive: 2019

The risk map for Automotive has gained complexity



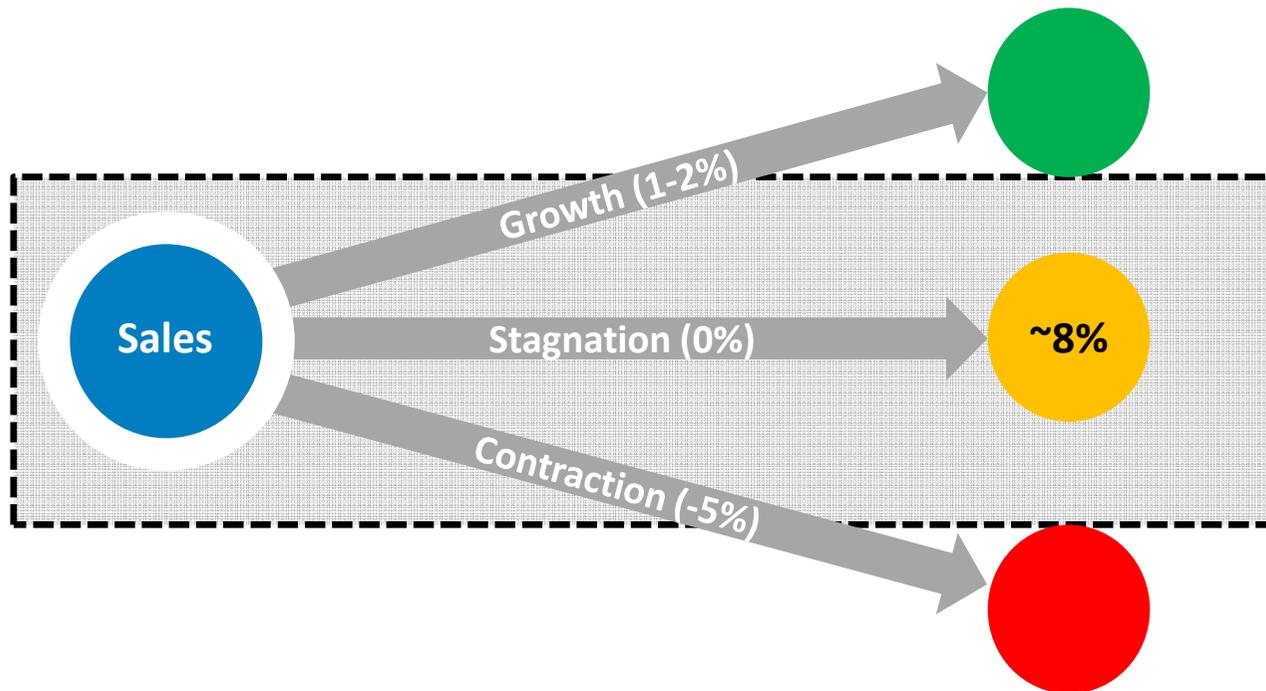
Outlook Automotive: 2019 and mid-term

Various instruments available to limit impact of negative markets

■ Sales scenarios

■ Impact on operating result

■ Possible measures



Short-term

- Reduction of leased work force
- Flexibility of working hours
- Prioritization of projects (internal)
- General cost saving programs (e.g. travel, marketing)
- No new hires (replacement or additional)

Structural

- Adjustment of capacities (e.g. line or plant closure)



Defence – at the beginning of a “super cycle”

Defence is a leading supplier with an increasing international presence

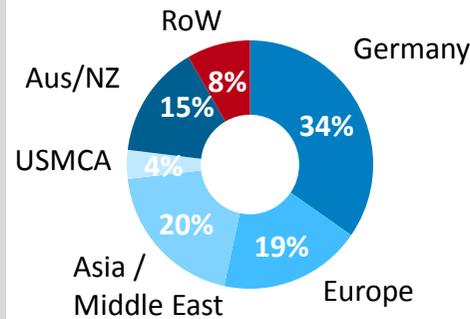
Key Figures

Sales:	€3.2bn
Op. result:	€254m
Op. margin:	7.9%
R&D:	€75m
Capex:	€101m
Headcount:	10,948

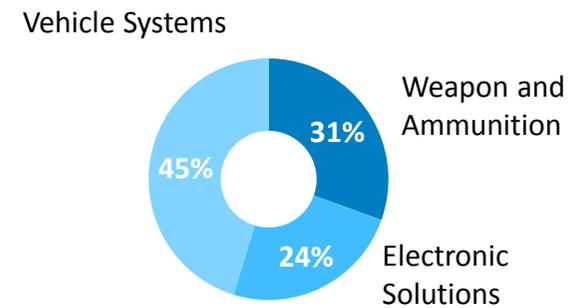
Structure

Weapon and Ammunition	
Weapon and Ammunition	Protection Systems
Propulsion Systems	
Electronic Solutions	
Air Defence & Radar Systems	Mission Equipment
Simulation and Training	Technical Publications
Vehicle Systems	
Logistic Vehicles	Tactical Vehicles

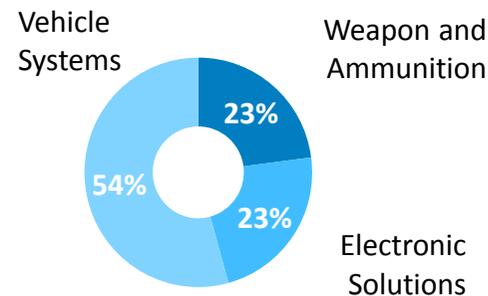
Sales by region



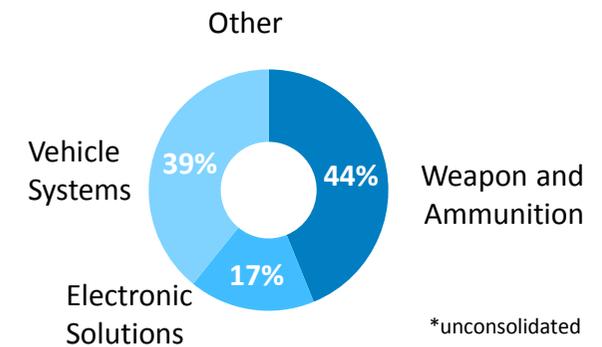
Sales by division*



Order backlog by division



Operating result by division*



All figures refer to FY 2018

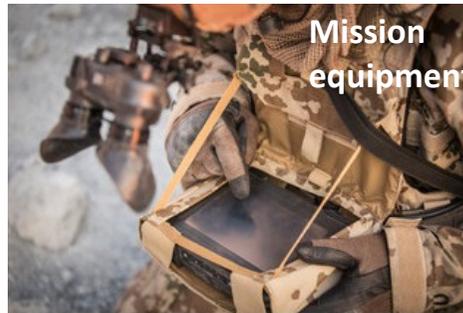
*unconsolidated

Top products per division

■ Weapon & Ammunition



■ Electronic Solutions



■ Vehicle Systems

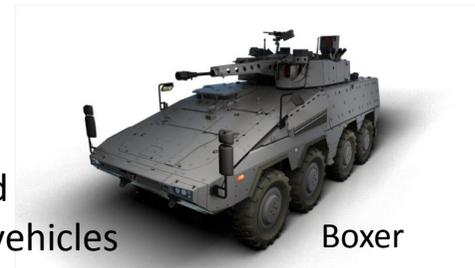
Logistical vehicles



Tracked tactical vehicles



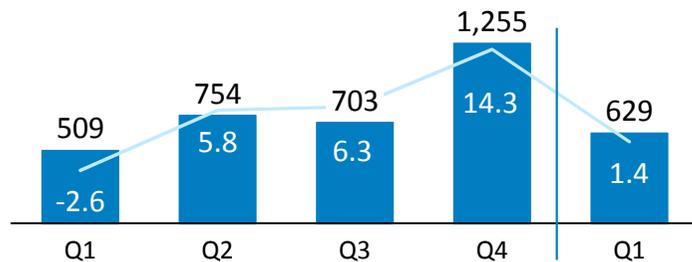
Wheeled tactical vehicles



Q1 2019 Highlights: Defence

Profit turnaround and improved operating FCF

Quarterly sales and margin development



Comments on quarterly performance

- Order intake of €564m despite absence of major single order
- Strong sales growth of 24% to €629m with easy comparables
- Favorable leverage and product mix drive Q1 to positive result
- Expected OFCF improvement due to better working capital

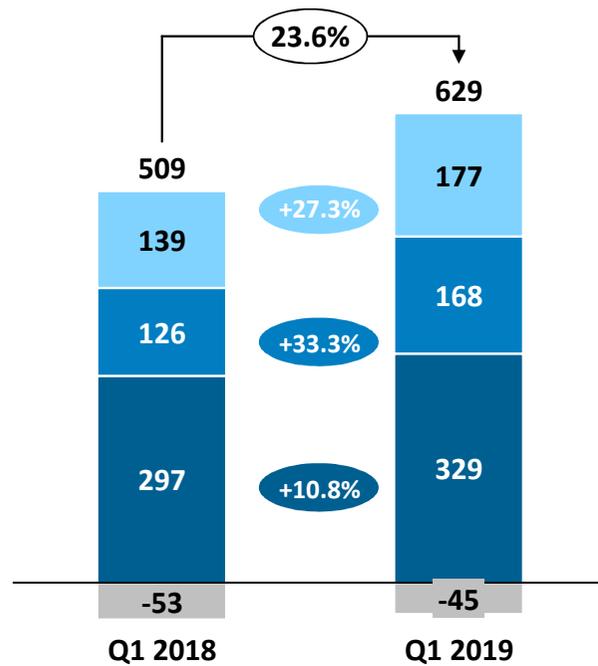
In €m	Q1 2018	Q1 2019	Δ
Order intake	857	564	-34.2%
Sales	509	629	23.6%
Operating result	-13	9	n.a.
Operating margin in %	-2.6%	1.4%	n.a.
Operating Free Cash Flow	-239	-93	61.1%
Operating FCF / Sales	-47.0%	-14.8%	3,217 bp



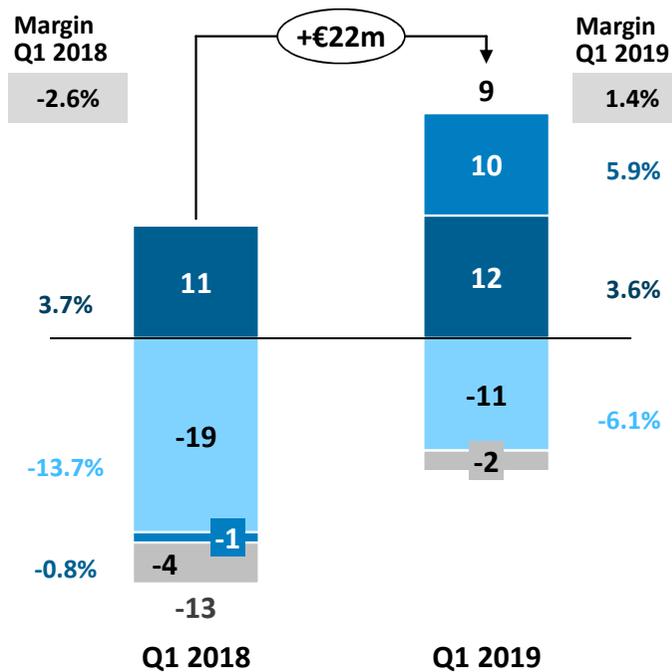
Q1 2019 Highlights: Defence

Strong sales increase drives considerable margin improvement

Sales Defence
in €m



Operating result Defence
in €m



Weapon and Ammunition

- Sales increased supported by higher German demand
- Solid leverage supported by favorable mix effects

Electronic Solutions

- Higher sales benefited also from German shipments
- Good leverage and benefit from cost optimization

Vehicle Systems

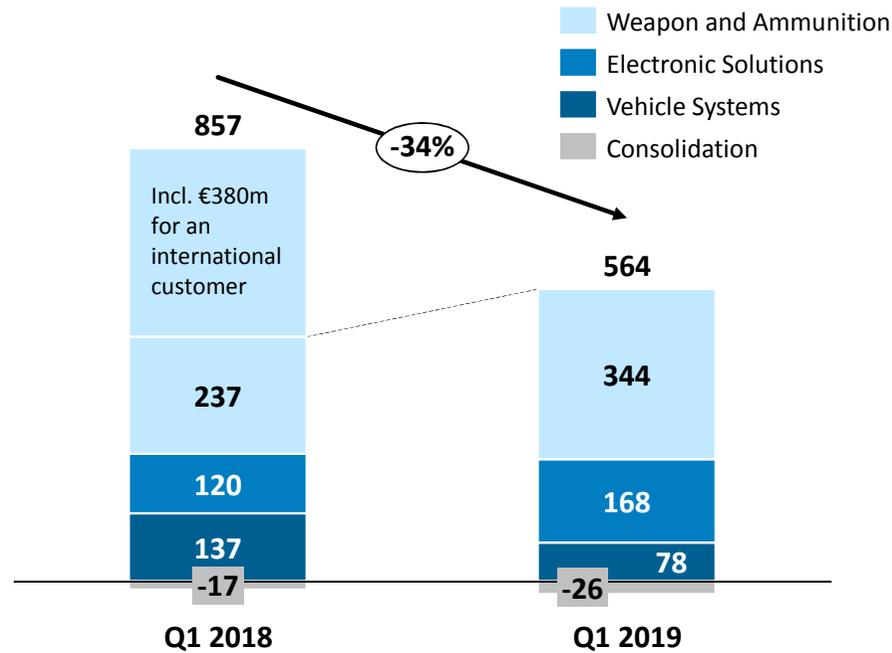
- Increased sales, especially in logistic vehicles and stable margin

■ Weapon & Ammunition
 ■ Electronic Solutions
 ■ Vehicle Systems
 ■ Consolidation

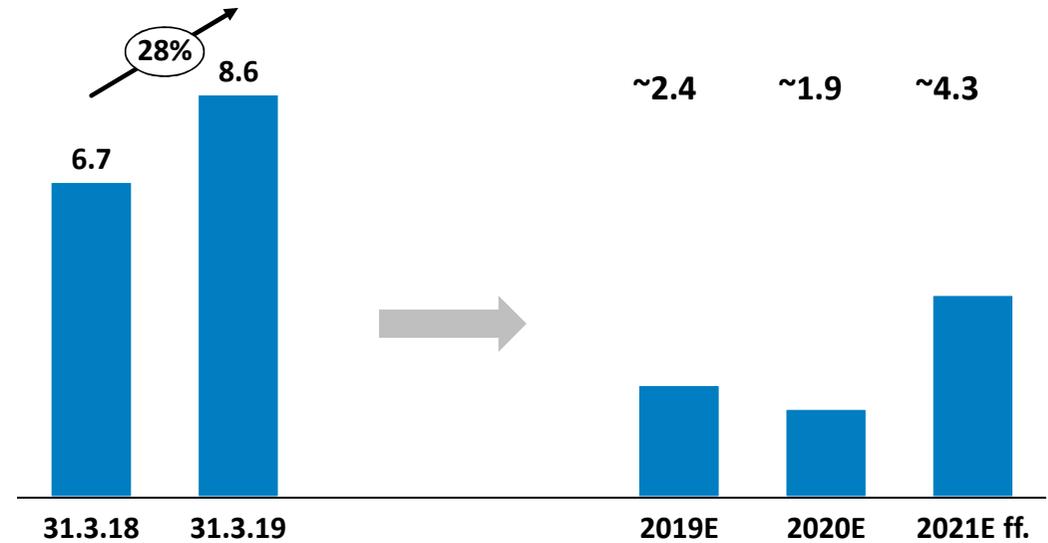
Q1 2019 Highlights: Defence

Major orders expected for later in the year

Order intake by division
in €m



Order backlog profile
in €bn
change in %



Update M&A

Rheinmetall with next consolidation steps

	RBLs Rheinmetall BAE Land Systems	IBD Group	RMMV
Transaction scope	Formation of JV with BAE Systems for land based systems of which Rhm holds of 55%	Buy out of minority shareholdings in existing long-term cooperation* and acquisition of the operational assets of IBD Group	Acquisition of MAN share in tactical wheeled vehicles business
Goal	Create strategic production platform for the UK	Strategic move to fully in-house technologies for active and passive protection	Improved development chances of tactical wheeled vehicles after 100% integration into Rhm
Status	Merger control approved JV foundation July 1st	Closing effective June 1 st	Closing expected for second half 2019 with commercially effective date Jan 1 st 2019

*Chempro GmbH and Rheinmetall Active Protection GmbH

1990

“Peace dividend”

DECLINING BUDGETS
(ESPECIALLY IN THE WEST)

Downscaling
of forces and
armament

Out of
area
missions

INFLECTION
POINT
2014

Annexation of the Crimean peninsula

GLOBALLY RISING
BUDGETS

NATO 2%
target

Return to
alliance and
territorial
defence

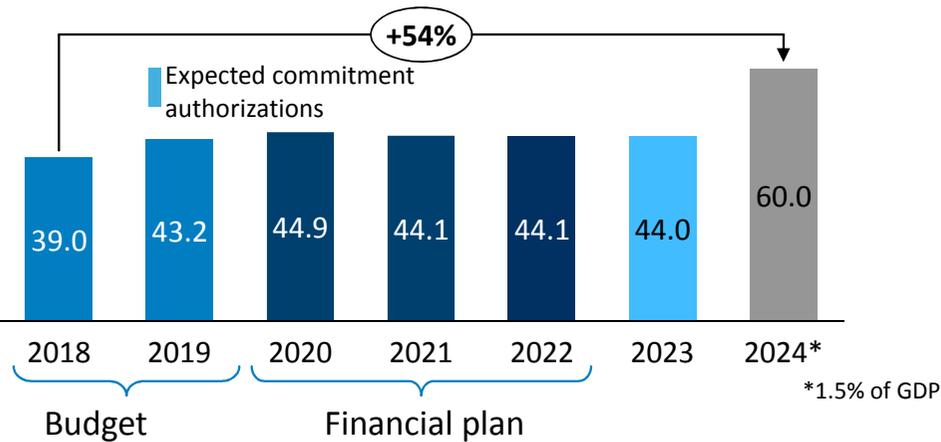
2035

Upscaling of
forces and
modernization

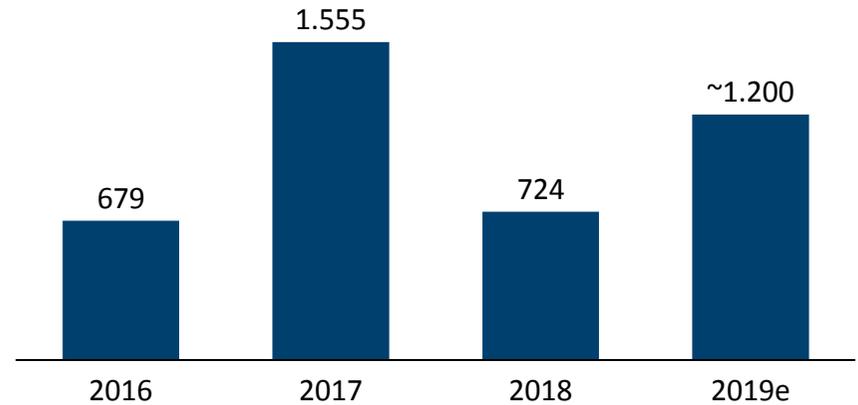
German Defence

Strong German commitment to 1.5% with increased demand starting in 2019

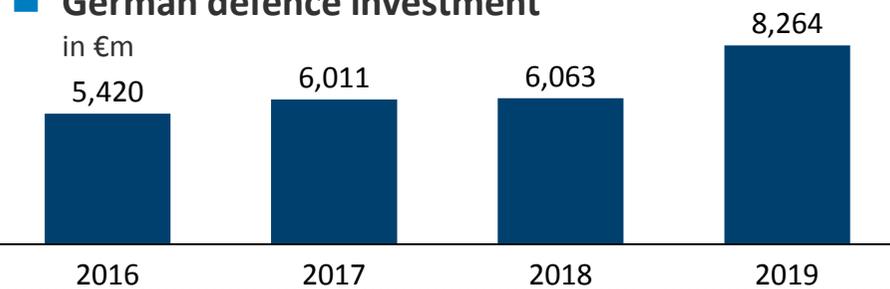
German defence expenditure
in €bn



German order intake
in €m



German defence investment
in €m

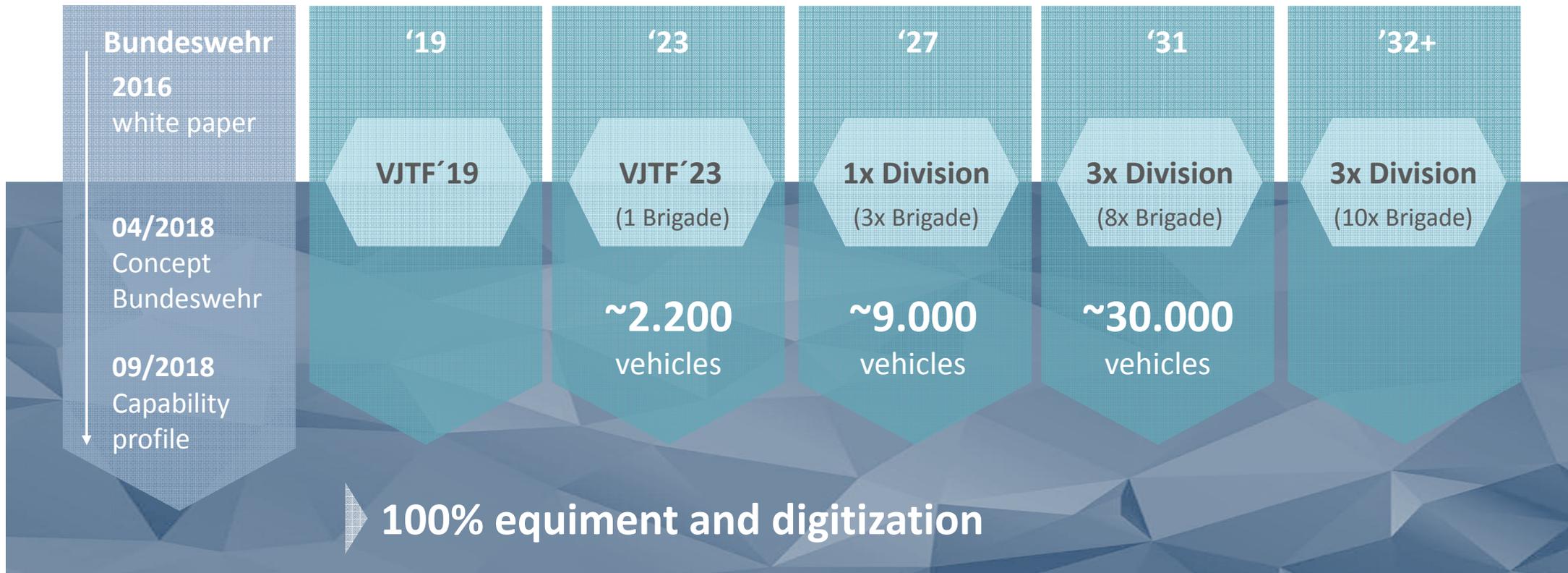


19.1% investment share in 2019 budget complies with NATO's 20% investment target

German Defence

NATO commitment key driver for German demand

Lead role in Very High Readiness Joint Task Force (VJTF)

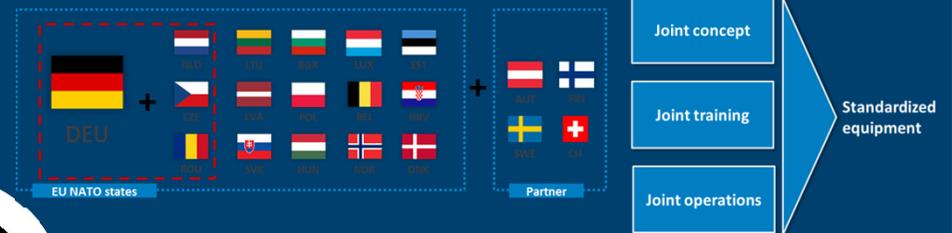


German Defence Drivers behind budget increase

“Turnarounds” in Germany

- Personnel:
Mid-term return to 220,000 soldiers
- Material:
100% equipment level and additional division
- Finance:
Increase of defence budget 54% from 2018 to 2024

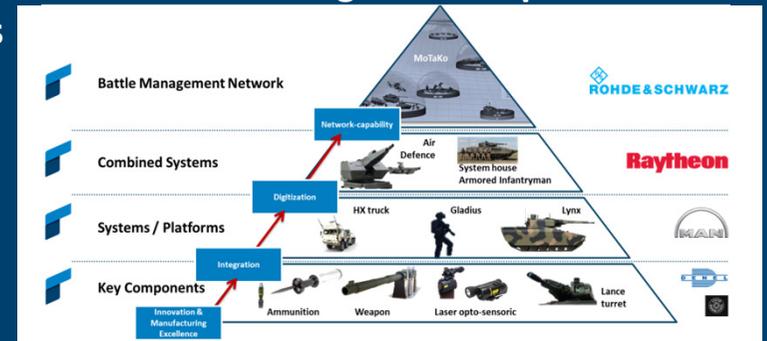
Framework nation concept triggers standardization of equipment



Enhanced future profile

- Anchor army for smaller neighbor armies
- Leading role in „enhanced Forward Presence“ in Lithuania
- Framework nation in „Very High Readiness Joint Task Force as of 2019
- Currently 14 international mandates

Army 4.0: Rheinmetall integrates components to systems



German Defence

Additional structural demand of German army under discussion

■ Vehicles – mid-to-long term potential



FOX (400 vehicles)



Boxer (300-400 vehicles)



Trucks (> 10.000 vehicles)



Puma (~250 vehicles)

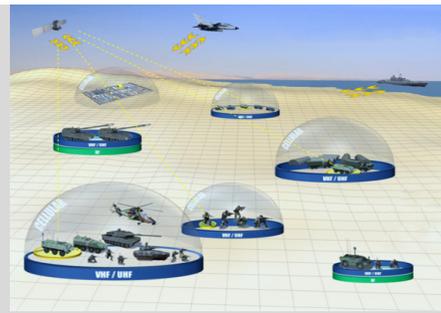
■ Equipment and ammunition – multi billion programs



NNBS (Short range air defence)



TLVS (Tactical air defence)



D-LBO (> €5 bn net) (MoTaKo)



Ammunition (~€2 bn net)

Mission Australia

Establishing a new “home market” down under



Australia timing and order size of Land programs

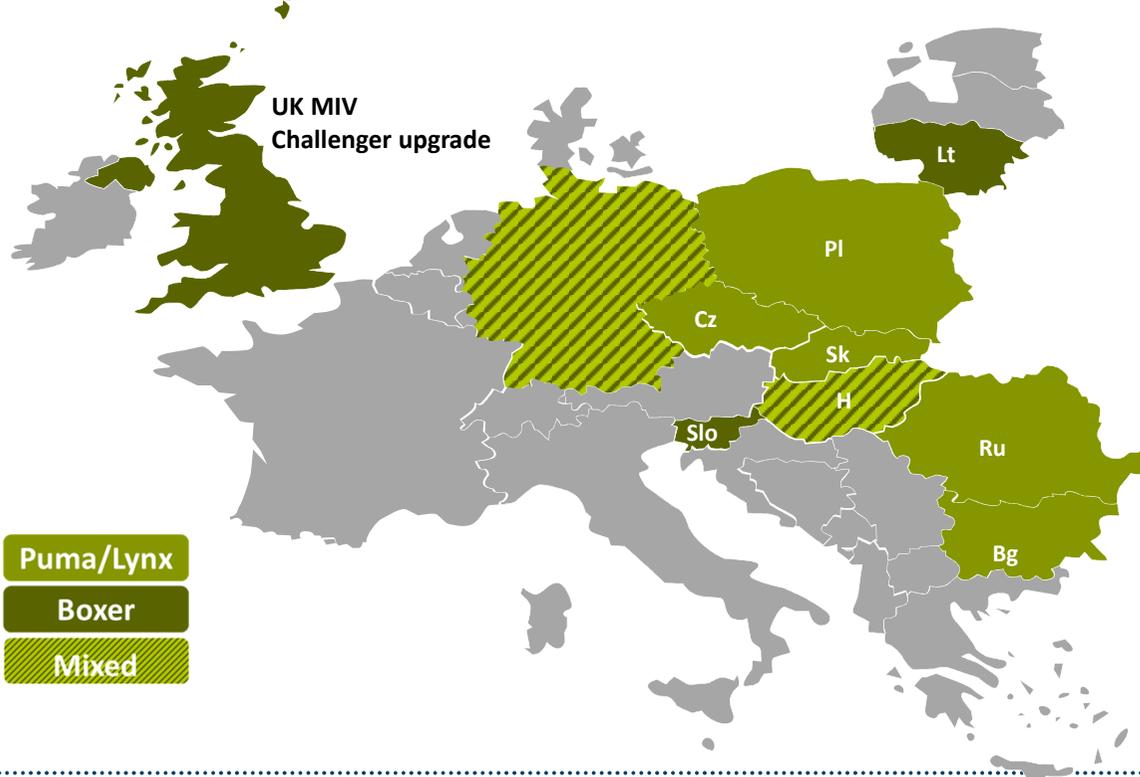
Trucks 1 st & 2 nd order ✓	2016-2024	€2.0bn & €0.4bn
Boxer CRV ✓	2019-2026	€2.1bn
Ammunition ✓	2018/19	€65m*
Lynx tender	2024-2031	€4-5bn

*initial assessment, option for 5 year contract

European Defence

Rheinmetall is a key beneficiary of large European vehicle programs

Current or expected tenders tactical vehicles



Drivers for European vehicle programs

- Return to territorial and treaty defence
- Standardization of NATO equipment
- Modernization and upgrades

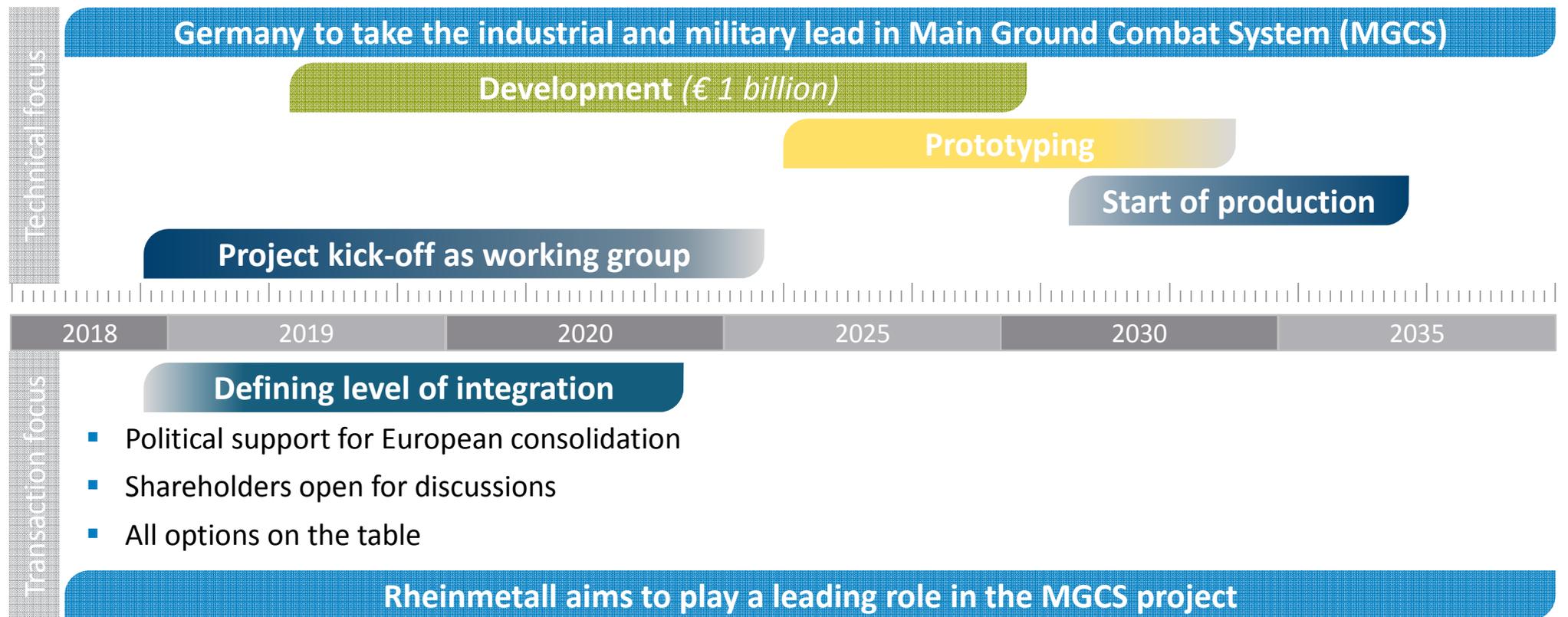
Estimate for European tactical vehicles demand (number of vehicles)

	Germany	Rest of Europe
Tracked	~250	>600
Wheeled	700-800*	>900** (includes UK, Hungary, Lithuania and Slovenia)

* Fox and Boxer
 ** only Boxer

European Defence

Future Main Battle Tank system MGCS will be a milestone for the industry



Defence International Creation of new hubs in 2018



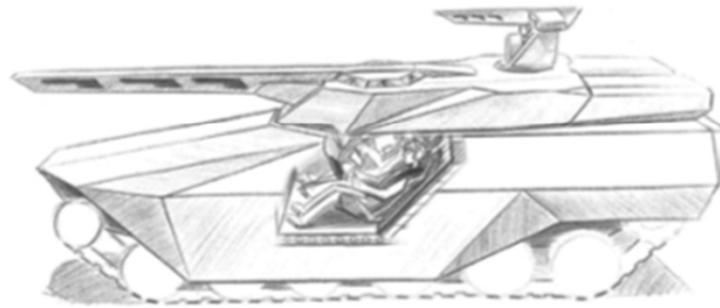
Innovations

Demand-driven product development and targeted cooperations



New logistical platforms

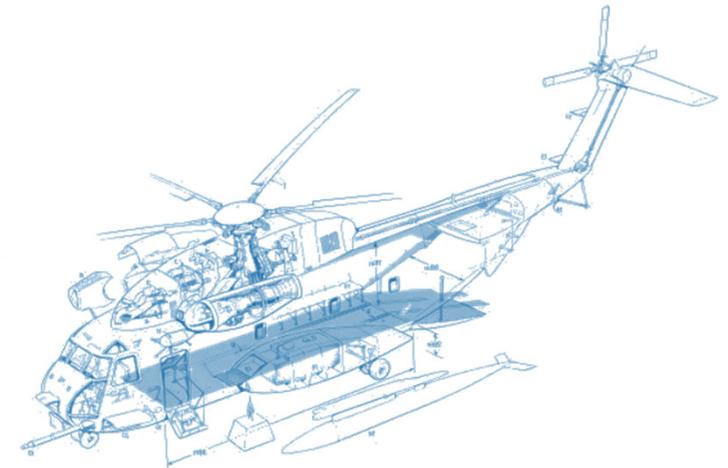
Groundbreaking sub-systems



New tactical platforms

Innovative weapon and ammunition

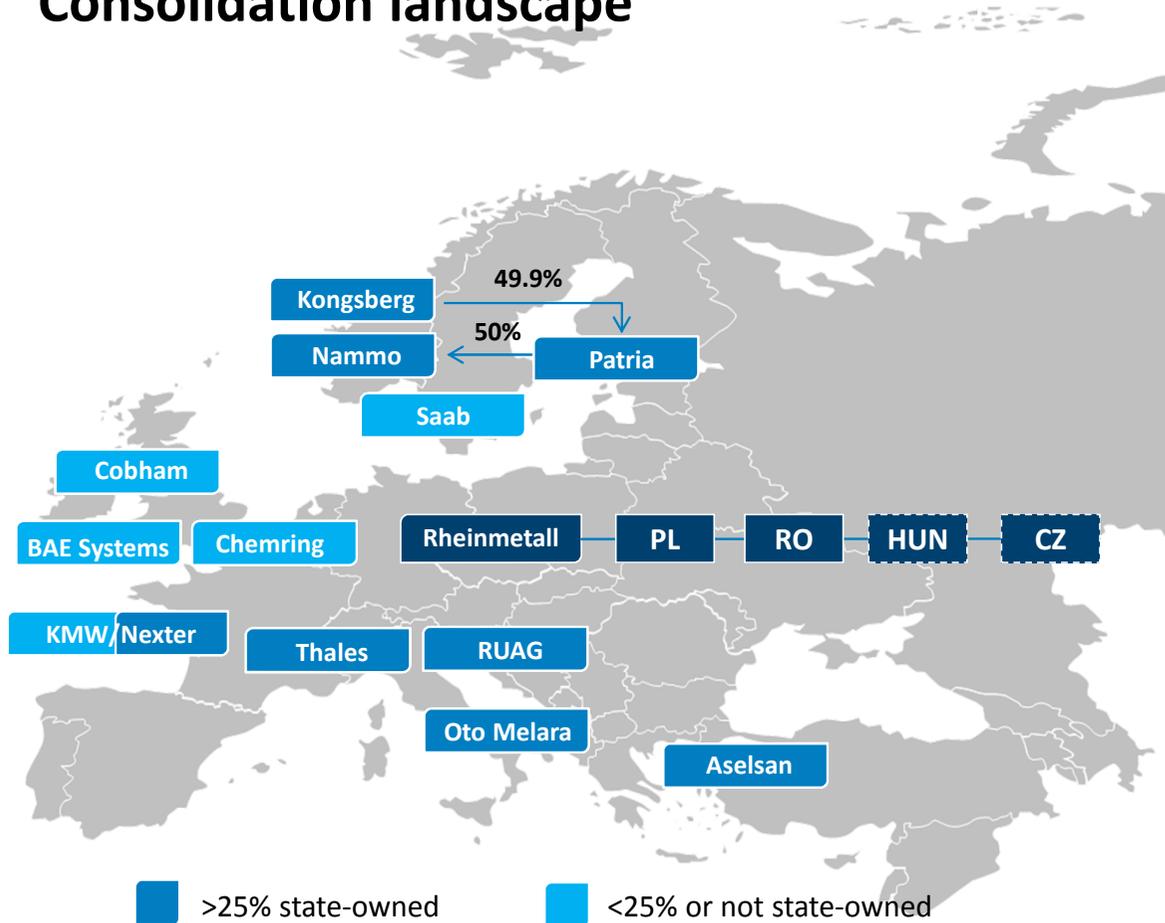
Digitized command and reconnaissance



New business models

New cooperations with
Sikorsky, Raytheon

European Defence Consolidation landscape



- **Governmental shareholding** restricts room for cross-border consolidation
- **Big common armament programs** could be catalysts for further consolidation

Rheinmetall’s approach:

- **JV partnerships with companies in different nations** instead of “putting all eggs in one basket”
- **Sufficient organic growth potential**, but suitable M&A transactions are possible

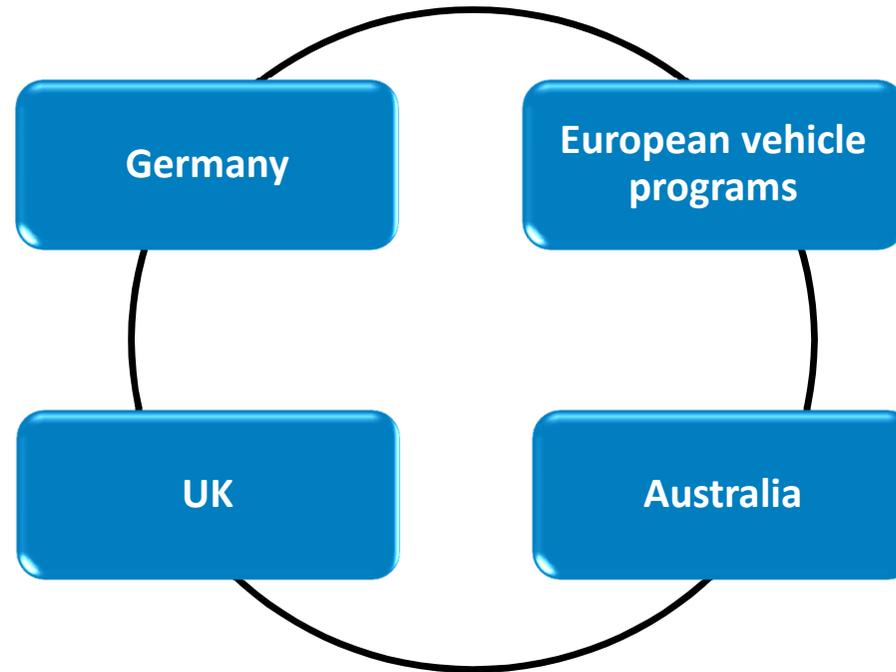
Outlook Defence: 2019

Solid pipeline of projects in our home markets

■ Key projects and potentials

- Participation in budget increase
- German order entry (~€1.2bn)

- Challenger life extension, expected 2020 (€0.8 – 1.2bn)
- UK Boxer expected end of 2019 (~€1bn]



- Czech Republic: Lynx (€1 – 1.5bn)
- Hungary: Boxer/Lynx (~€2bn)
- Hungary: Leopard & tank howitzer sub contract (€0.3 – 0.4bn)
- Land 400 Phase 3 (2022; €4 – 5bn)



GROUP APPENDIX

Select key data: outlook 2019

Rheinmetall Group In % (Previous Year)		Automotive 	Defence 
Holding cost	~€25-30m (€24m)	Capex <small>(w/o IFRS 16)</small>	5.5-6% (5.5%) 3.5-4.5%(3.1%)
Tax rate	Comparable level (27%)	D&A	~5.5% (5.3% reported, scheduled 5.2%) 3-3.5% (4.8% reported, scheduled D&A 3.7%)
Interest result	~-€40m (-€33m)	R&D	5-6% (5.4%) 2-2.5% (2.3%)

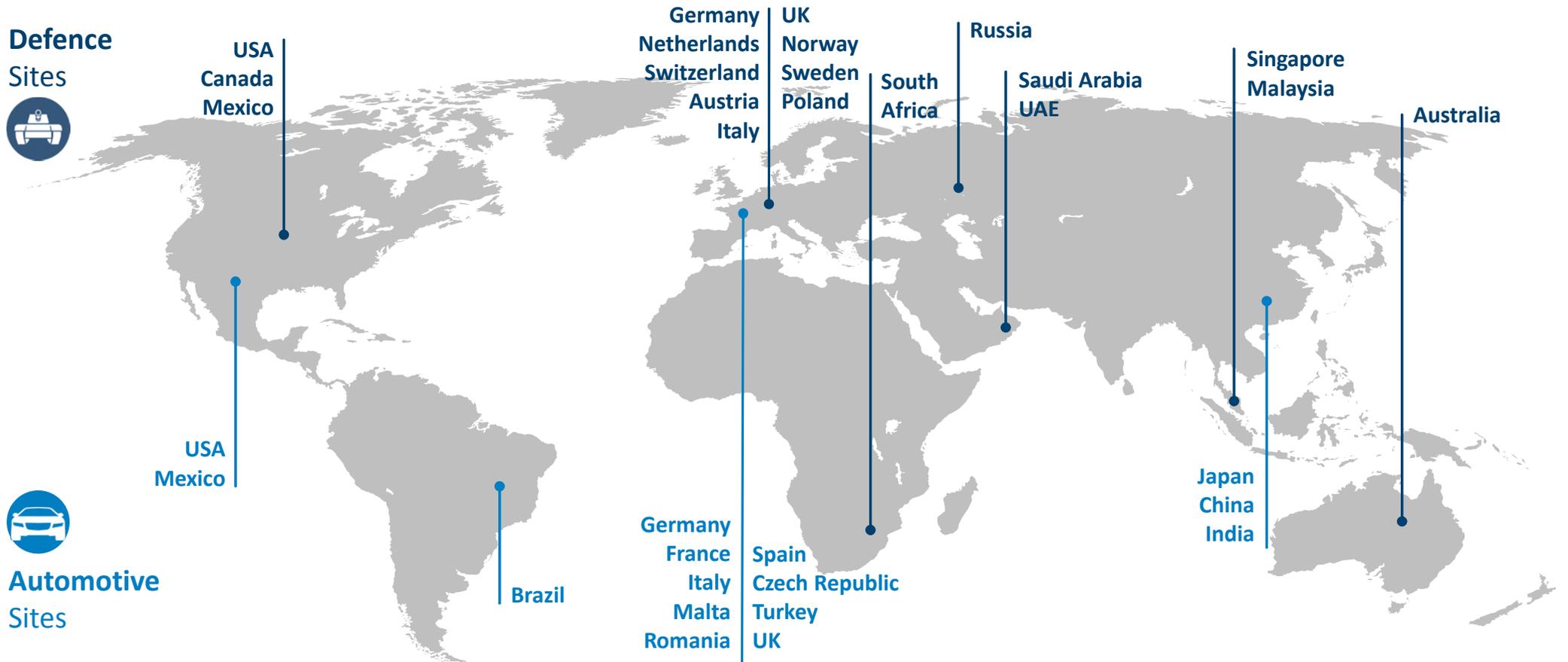
Group 2014 – 2018: Key figures (as reported)

in €m		2014	2015	2016	2017	2018
Balance sheet	Total assets	5,271	5,730	6,150	6,101	6,759
	Shareholder's equity	1,197	1,562	1,781	1,870	2,172
	Equity ratio (in %)	22.7	27.3	29.0	30.7	32.1
	Pension liabilities	1121	1,128	1,186	1,080	972
	Net financial debt	-330	-81	19	230	-31
	Net gearing (in %)	27.6	5.2	-1.1	-12.3	1.4
Income statement	Sales	4,688	5,183	5,602	5,896	6,148
	Operating result	160	287	353	400	492
	Operating margin (in %)	3.4	5.5	6.3	6.8	8.0
	EBITDA	299	490	581	626	836
	EBIT	102	287	353	385	518
	EBIT margin (in %)	2.2	5.5	6.3	6.5	8.4
	EBT	22	221	299	346	485
	Net income	21	160	215	252	354
	Earnings per share (in EUR)	0.47	3.88	4.69	5.24	7.10
	Dividend per share (in EUR)	0.3	1.1	1.45	1.70	2.10
	ROCE (in %)	3.9	10.1	12.3	13.8	17.1
Cash flow statement	Free cash flow from operations	-182	29	161	276	-35
Headcount	Employees (Dec 31) according to capacity	20,166	20,676	20,993	21,610	22,899

Segments 2014 – 2018 Key figures

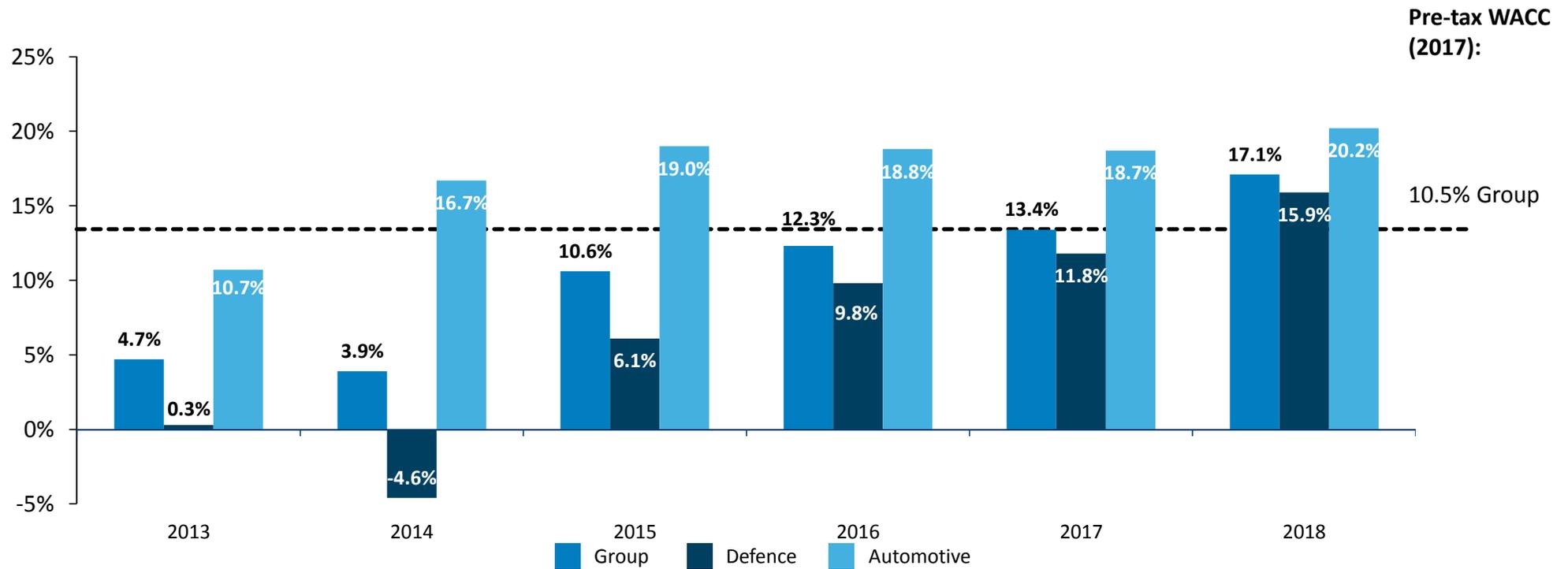
AUTOMOTIVE								DEFENCE				
2014	2015	2016	2017	2018	in €m			2014	2015	2016	2017	2018
2,466	2,621	2,670	2,922	2,889	Order intake			2,812	2,693	3,050	2,963	5,565
416	445	459	520	478	Order backlog (Dec. 31)			6,516	6,422	6,656	6,415.8	8,577
2,448	2,592	2,656	2,861	2,930	Sales			2,240	2,591	2,946	3,036	3,221
184	216	223	248.8	262	Operating result			-9	90	147	174	254
7.5	8.3	8.4	8.7	8.9	Operating margin (in %)			-0.4	3.5	5.0	5.7	0.1
295	332	356	366.8	420	EBITDA			17	175	239	268	403
184	216	223	227	265	EBIT			-67	90	147	172	247
7.5	8.3	8.4	7.9	9.0	EBIT margin (in %)			-3	3.5	5.0	5.7	7.7
158	167	149	154	161	Capex			76	96	95	89	87
34	96	105	106	26	OFCF			-132	-38	103	238	-29
10,830	10,934	10,820	11,166	11,710	Employees (Dec 31) according to capacity			9,184	9,581	10,002	10,251	10,948
1,322	1,450	1,527	1,621	1,664	Mechatronics	Sales	Weapon & Ammunition	977	881	1,112	1,175	1,056
96	119	142	176	171		EBIT		-4	74	108	117	121
7.3	8.1	9.3	10.9	10.3		EBIT margin		-0.4	8.4	9.7	10.0	11.5
934	952	921	968	989	Hardparts	Sales	Electronic Solutions	705	759	745	691	839
72	73	62	60	65		EBIT		-53	26	25	20	47
7.7	7.7	6.7	6.2	6.6		EBIT margin		-7.5	3.4	3.4	2.9	5.6
269	285	305	359	367	Aftermarket	Sales	Vehicle Systems	667	1,195	1,392	1,480	1,568
26	27	27	33	36		EBIT		-9	3	29	53.2	108
9.7	9.5	8.9	9.2	9.8		EBIT margin		-1.4	0.3	2.1	3.6	6.9

More than 100 production sites and offices on all continents



Continuing ROCE improvement

■ ROCE
in %



Board remuneration based on three building blocks

Annual target salary (100%)		
Fixum (60%)	Performance-related variable remuneration (40%)	
<ul style="list-style-type: none"> Twelve equal portions of monthly payments <p>Fringe benefits:</p> <ul style="list-style-type: none"> Pension insurance (or comparable) Company car 	<ul style="list-style-type: none"> Short term incentive <ul style="list-style-type: none"> KPI: EBT, ROCE (each 50%) Reference: Budget Range: 0 - 200% Escalators: 0% - <70% - < 110% 0% linear to max. 200% Payout: cash 	<ul style="list-style-type: none"> Long-term incentive <ul style="list-style-type: none"> KPI: Average adjusted EBT of the last three years (EBT capped at €300m) Payout: In shares and cash* with 4 year lock-up period <p><small>*for related tax payments</small></p>

ESG with high importance for Rheinmetall

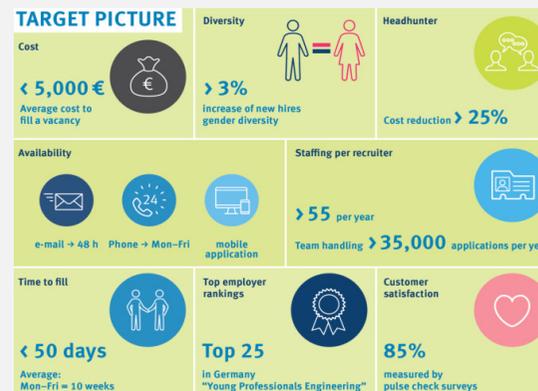
Environment

- **Reduction of the ecological footprint**
 - Decrease of energy needed
 - Selective use of raw materials
- **„Road to 95“ and E-mobility**
 - Our products increase fuel efficiency
 - New e-bike, e-motor and battery pack
- **Support of conservation**
- **Transformation of the former production site in Düsseldorf**



Social

- **Clear statement against cluster munition**
- **Promoting education and training**
- **Support of gender diversity**
 - Women in management
- **Workforce**
 - Integration of refugees via apprenticeships
 - Support of employee families



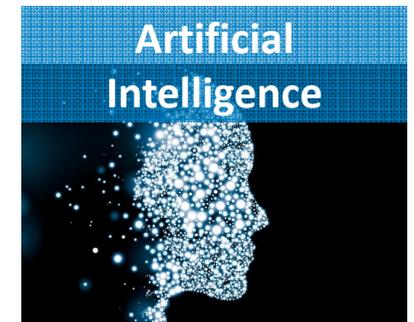
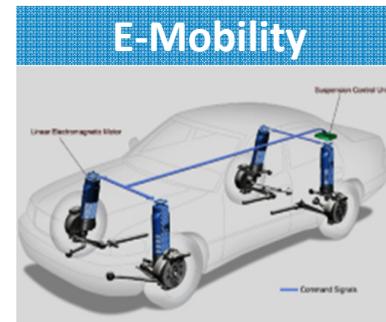
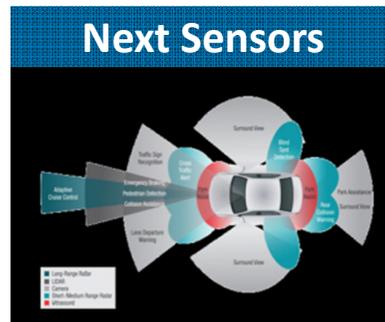
Governance

- **Transparency towards customer, investors and other stakeholder**
- **Non-compliant business behavior is unacceptable**
- **Zero tolerance of corruption and fraud**
- **Central Compliance Management System**
 - Employee awareness initiative



Rheinmetall Technology Cluster

Top five technology cluster identified



- Advanced assistant systems for driving, sensing, protection and weaponing

- New, digitalized vehicle architectures
- Virtual prototyping and digital twins
- System / health monitoring, predictive maintenance, logistics

- New LIDAR* / Radar sensors
- Resistant to jamming / spoofing
- Next generation IR sensors

- Hybrid drive
- E-drive
- Micro mobility

- AI supported technologies
 - to handle complex situations
 - for decision support
 - for information superiority

*LIDAR=light detection and ranging

Next events and IR contacts

■ Next Events

RS Paris

1 July

Q2 Earnings release

1 August

Capital Markets Day 2019, Unterlüß

19/20 November

■ Quick link to documents

Corporate Presentation



Interim Reports



Annual Reports



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