

# Growth in a challenging environment

Conference Call Fiscal Year 2019  
Düsseldorf, 18 March 2020

MOBILITY. SECURITY. **PASSION.**

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## FY 2019 Group: Highlights

### Strong operating performance with high shareholder return

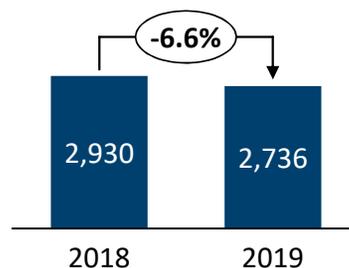


## FY 2019 Highlights: Automotive

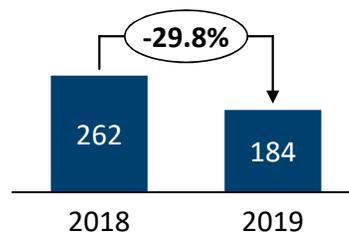
### Strong cash flow generation under difficult market conditions



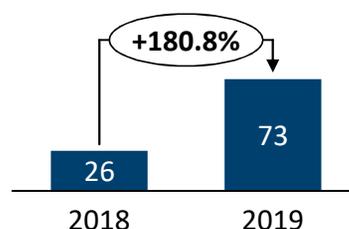
#### Sales



#### Operating result



#### Operating FCF



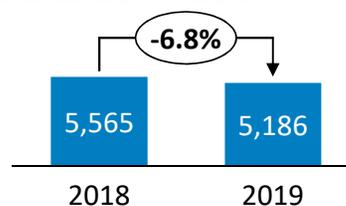
- Sales drop beyond market slow down especially in Diesel and unfavorable customer mix with additional impact of net negative ramp-ups
- Cost reduction measures limited further leverage driven result decline
- FY margin decreased 2.2%p to 6.7%
- Cash flow improved on working capital and diligent capex management

## FY 2019 Highlights: Defence

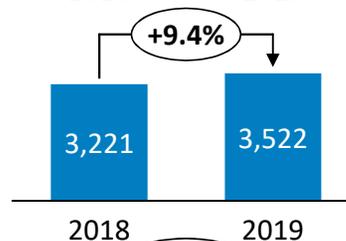
### Excellent performance of our Defence business



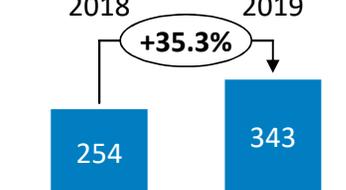
#### Order intake



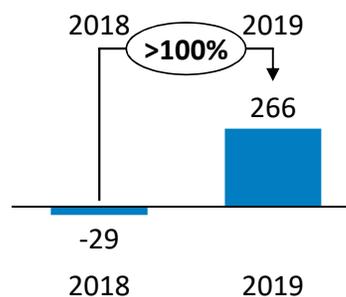
#### Sales



#### Operating result



#### Operating FCF

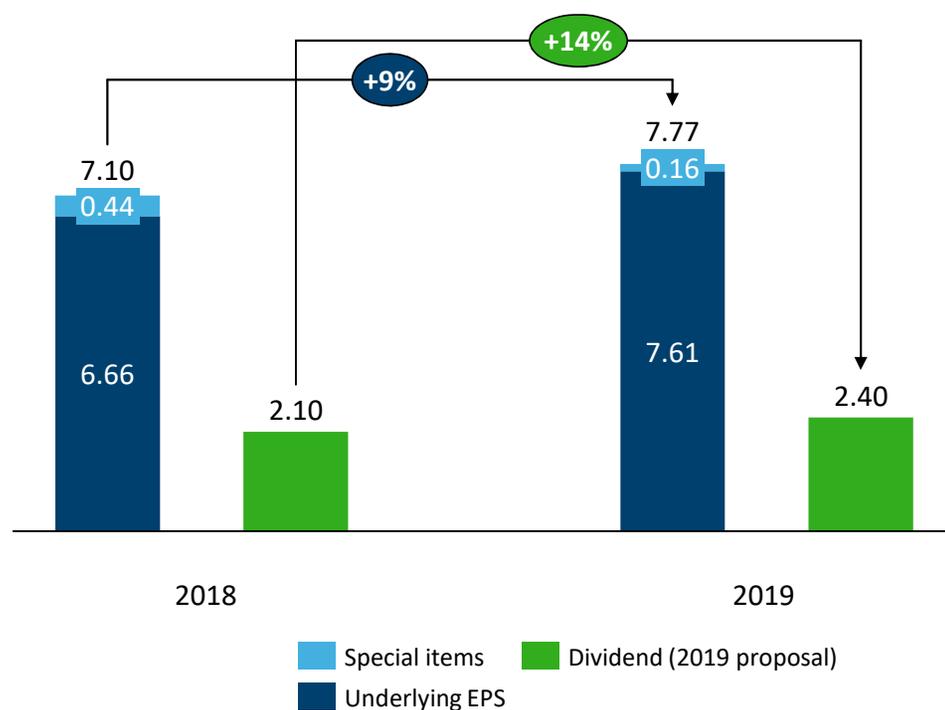


- Another year with order intake > €5bn
- Sales increased 9% to new record
- Result growth of €89m accelerated margin by almost 2%p to 9.8%
- Cash flow benefited from milestone payments

## FY 2019 Group: EPS and dividend

### Shareholders to benefit from increased dividend

■ Earnings and dividend per share  
in €



- EPS increased notably due to improved results and minorities declining structurally on M&A by €0.71
- Underlying EPS growth of 14%
- Payout ratio around 31%
- Dividend increased for the 5<sup>th</sup> consecutive year
- Total payout mounts to just above €100m

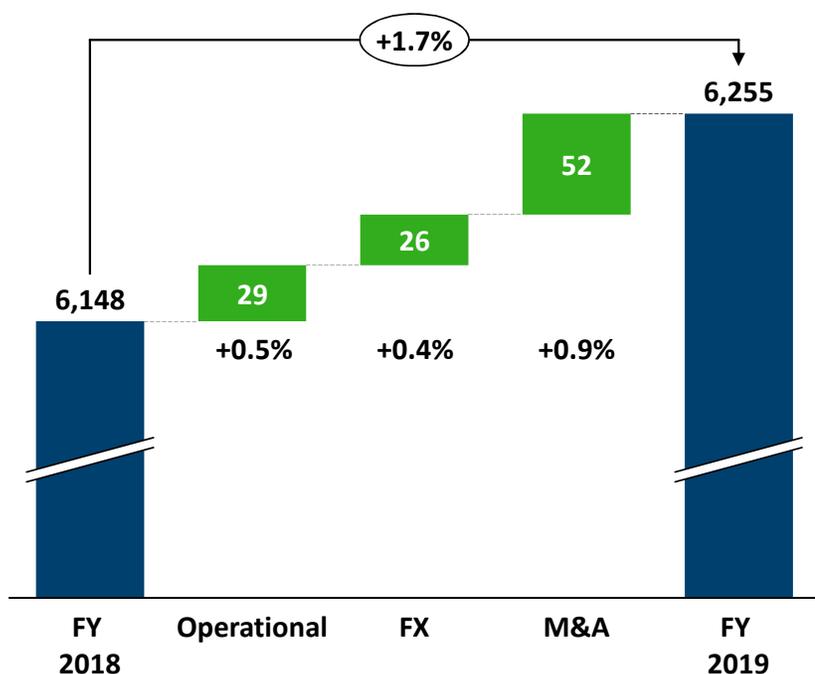


# FY 2019 **GROUP FINANCIALS**

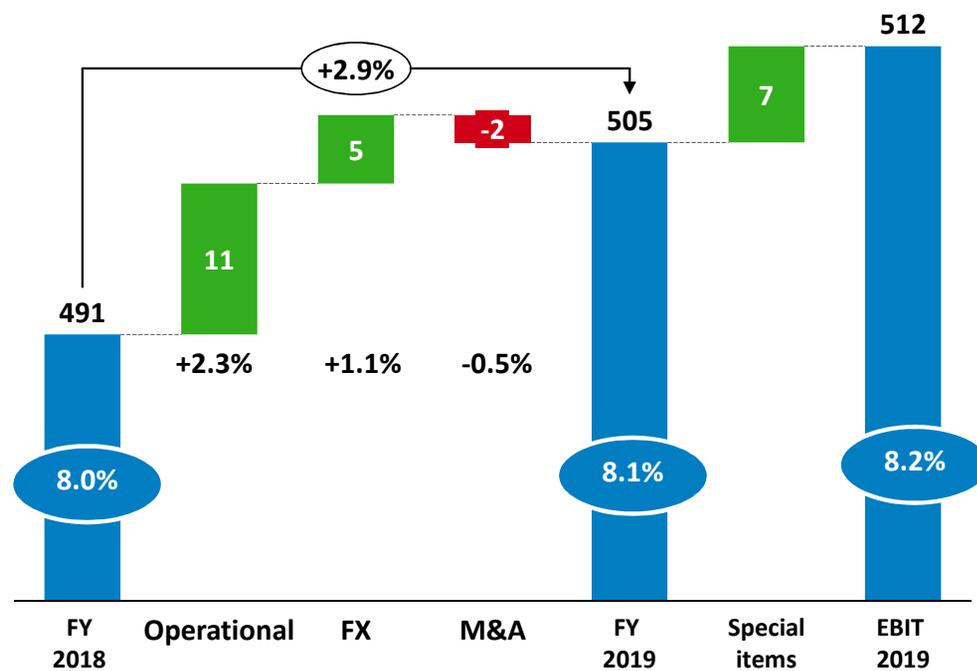
# FY 2019 Group: Highlights

## Solid margin development

■ Sales  
in €m



■ Operating result in €m  
Margin in %

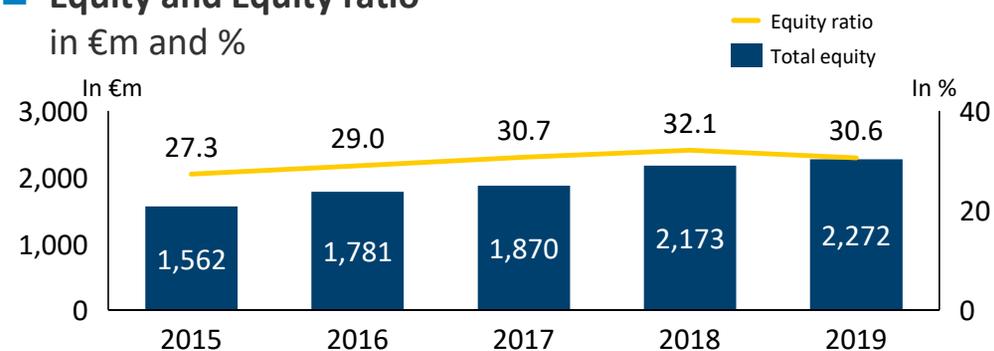


## FY 2019 Group: Group key financials

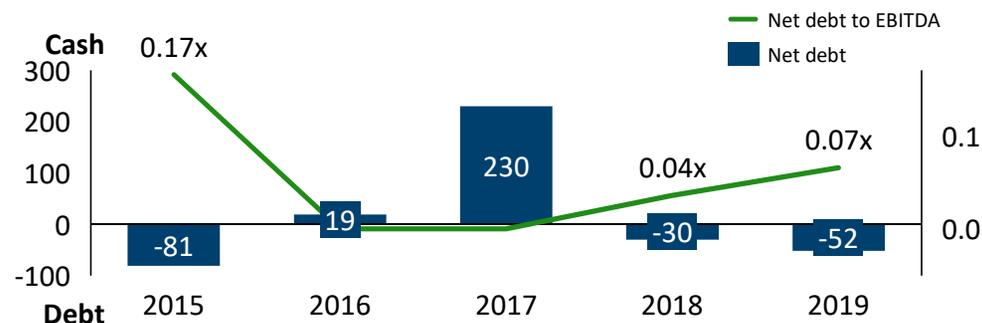
### Sound balance sheet

- Equity increase was held back by OCI (lower pension discount factor) and last year's M&A activities
- Investment grade Baa3 (stable) confirmed
- Net-debt remains on low level
- Solid credit KPIs
- Adequate liquidity available

#### Equity and Equity ratio in €m and %



#### Net financial debt and Net debt/EBITDA in €m and ratio



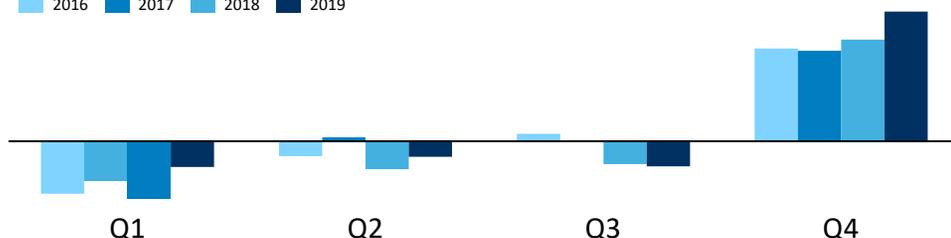
## FY 2019 Group: OFCF

### Considerable working capital improvement as main driver

#### Operating free cash flow per quarter

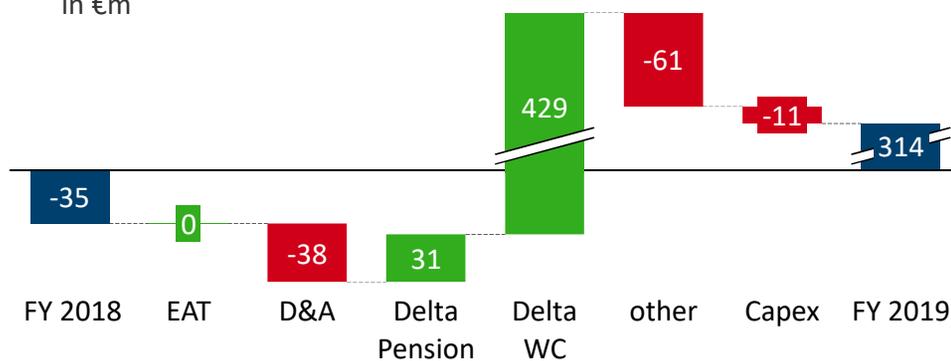
in €m

2016 2017 2018 2019



#### Operating free cash flow bridge

in €m

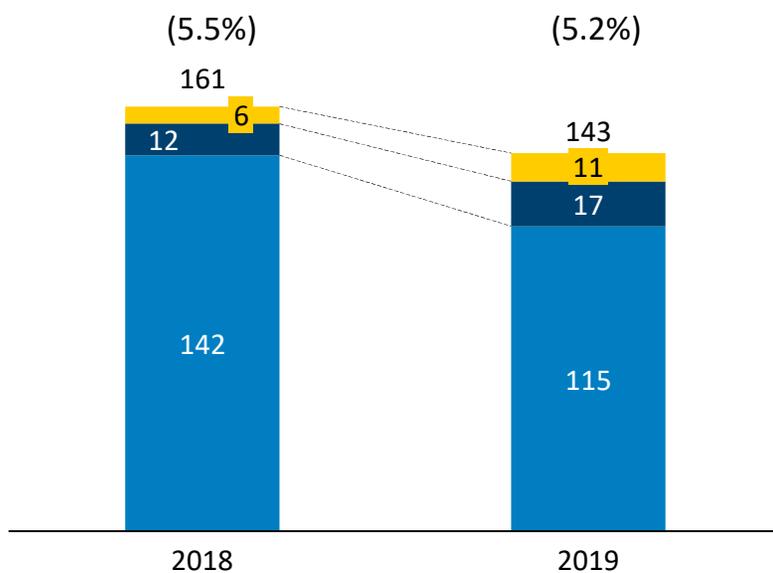


- Typical seasonal pattern of cash flow
- Absence of unscheduled D&A (PY €42m)
- Pension driven by lower CTA funding
- Working capital improved strongly on milestone payments
- Higher tax payments

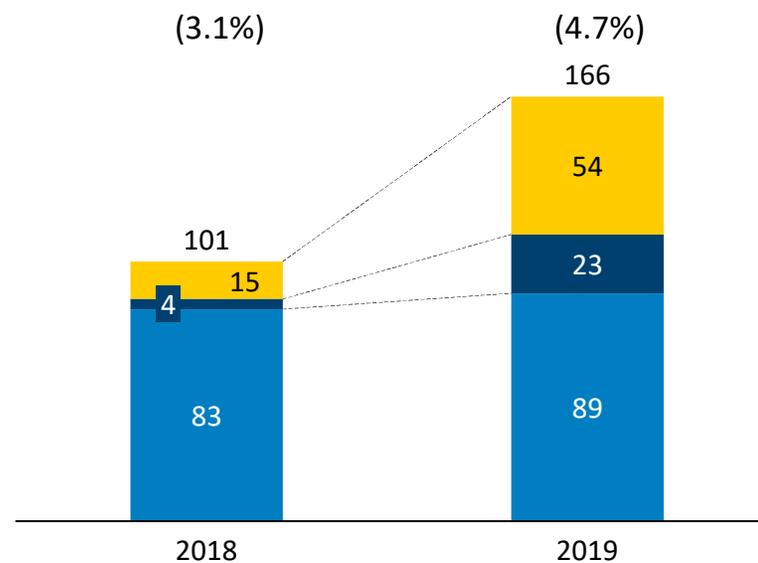
## FY 2019 Group: Capex

### Segmental growth path reflected in different capex development

■ **Automotive with diligent capex approach**  
in €m and in (% of sales)



■ **Defence preparing for growth**  
in €m and in (% of sales)



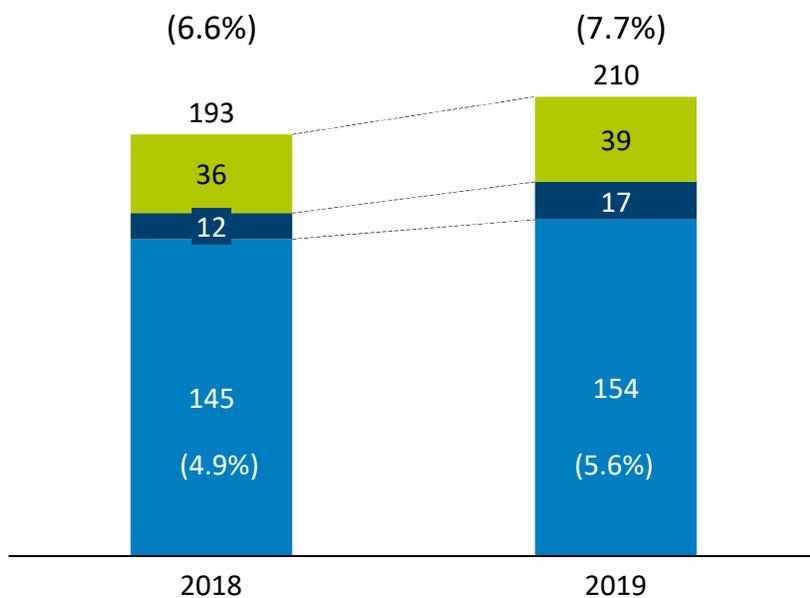
■ IFRS 16 (non-cash)  
■ Capitalized development costs  
■ Capital expenditure

# FY 2019 Group: R&D

## Innovation remains key in both segments

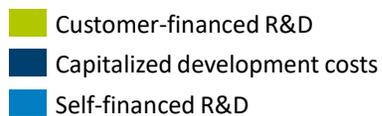
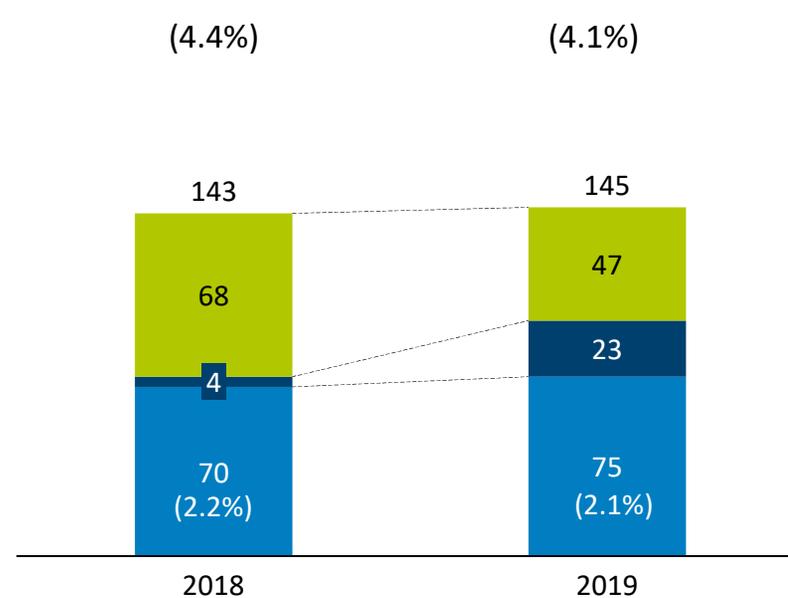
### Automotive

in €m and in (% of sales)



### Defence

in €m and in (% of sales)





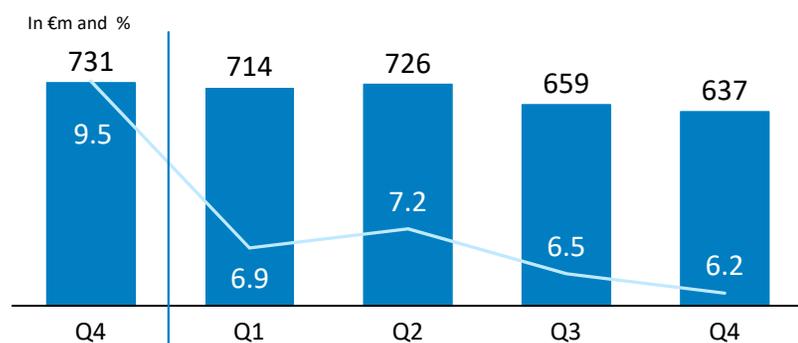
# AUTOMOTIVE FINANCIALS

Analyst Conference Call FY 2019

## Automotive: Q4 2019 Highlights

### Strong cash generation in a slow sales quarter with burdening one-offs

#### Quarterly sales and margin development



#### Comments on quarterly performance

- Sharp sales decline of -12.9% (FX-adjusted -13.2%) significantly higher than global LV production decrease of -4.2%\* aggravated by negative ramp effects, the drop in truck markets and GM strike; Diesel on new low
- Roughly €10m burden in Q4 result (GM, malware, CZ quality issues)
- OCF doubled on efficient working capital management and diligent capex spending

In €m	Q4 2018	Q4 2019	Δ	FY 2018	FY2019	Δ
Sales	731	637	-12.9%	2.930	2.736	-6.6%
Operating result	69	40	-42.0%	262	184	-29.8%
Operating margin in %	9.5%	6.2%	-330 bp	8.9%	6.7%	-220 bp
Operating Free Cash Flow	42	81	92.9%	26	73	180.8%
Operating FCF / Sales	5.8%	12.8%	700 bp	0.9%	2.7%	180 bp

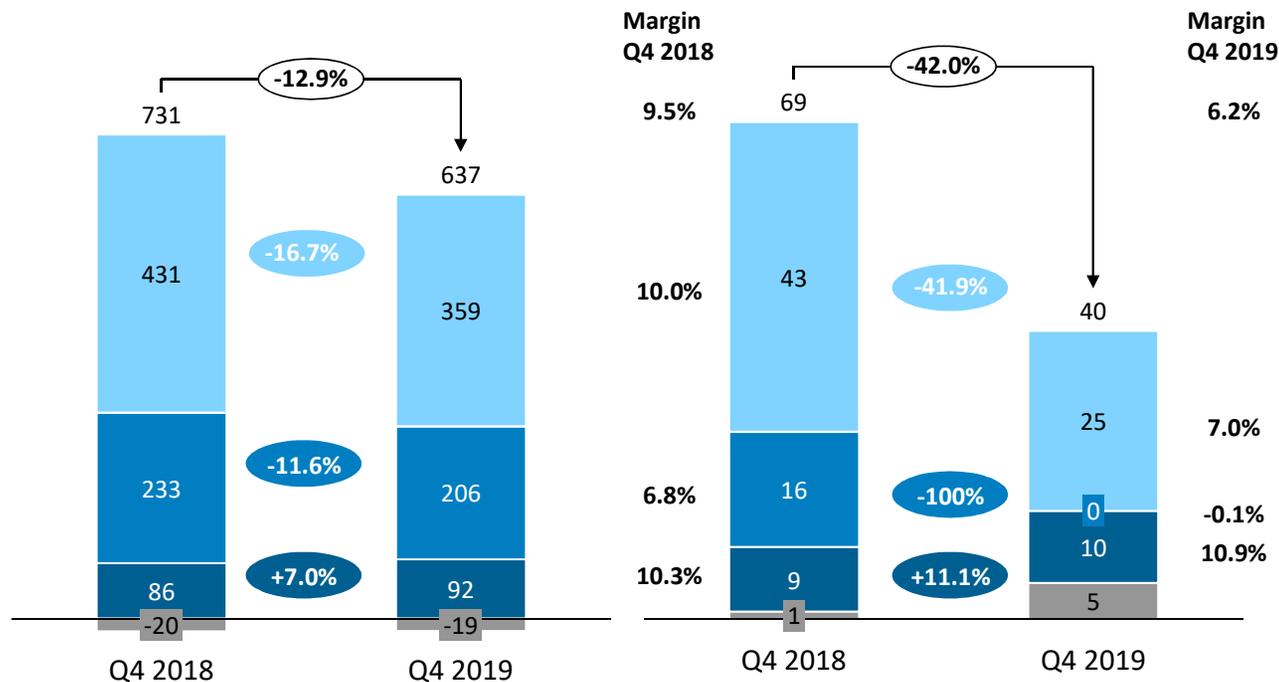
\*IHS Markit: March 2020

# Automotive: Q4 2019 Highlights

## Negative leverage intensified by special effects

■ Sales Automotive  
in €m

■ Operating result Automotive  
in €m



**Mechatronics**

- Weak Truck and Diesel demand in combination with ramp down effects
- Negative leverage

**Hardparts**

- Small bore pistons declined on weak markets and GM strike
- Bearings hit by soft endmarkets
- Negative leverage and special burden

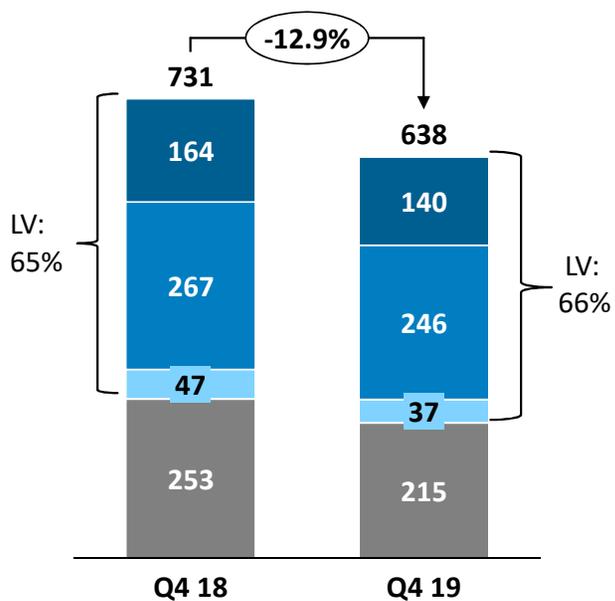
**Aftermarket**

- Solid markets and robust margin improvement

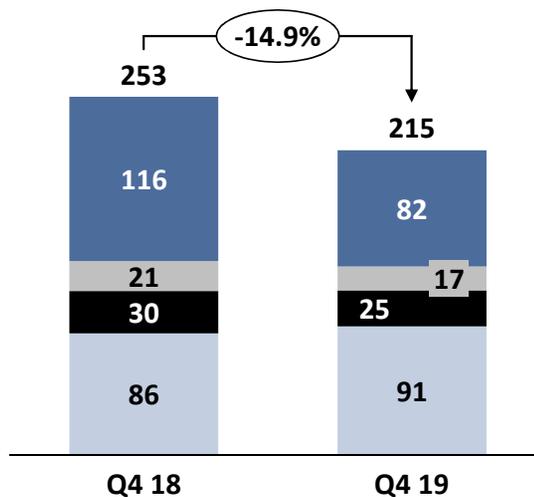
# Q4 2019 Highlights: Automotive

## Decline in all business areas except Aftermarket

■ Sales split LV/ Non-LV  
in €m / in %



■ Sales split Non-LV  
in €m / in %

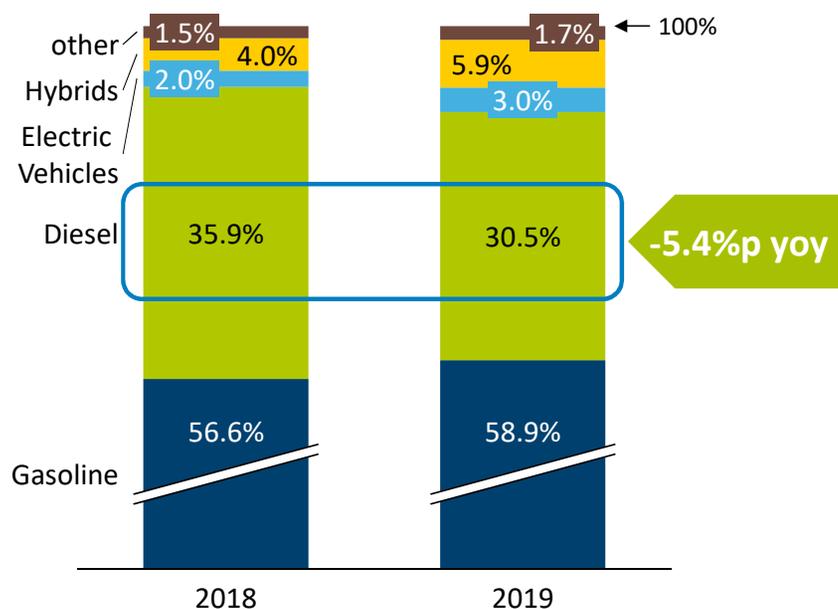


	Delta absolute	Delta in %
Diesel	-24	-14.7%
Gazoline	-21	-7.7%
other LV	-10	-20.8%
<hr/>		
<b>LV Business</b>	<b>-55</b>	<b>-11.2%</b>
Truck	-34	-29.6%
Large Bore	-3	-15.2%
other	-5	-16.7%
Aftermarket	+5	+5.7%
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<b>Non-LV Business</b>	<b>-38</b>	<b>-14.9%</b>

# Automotive: FY 2019

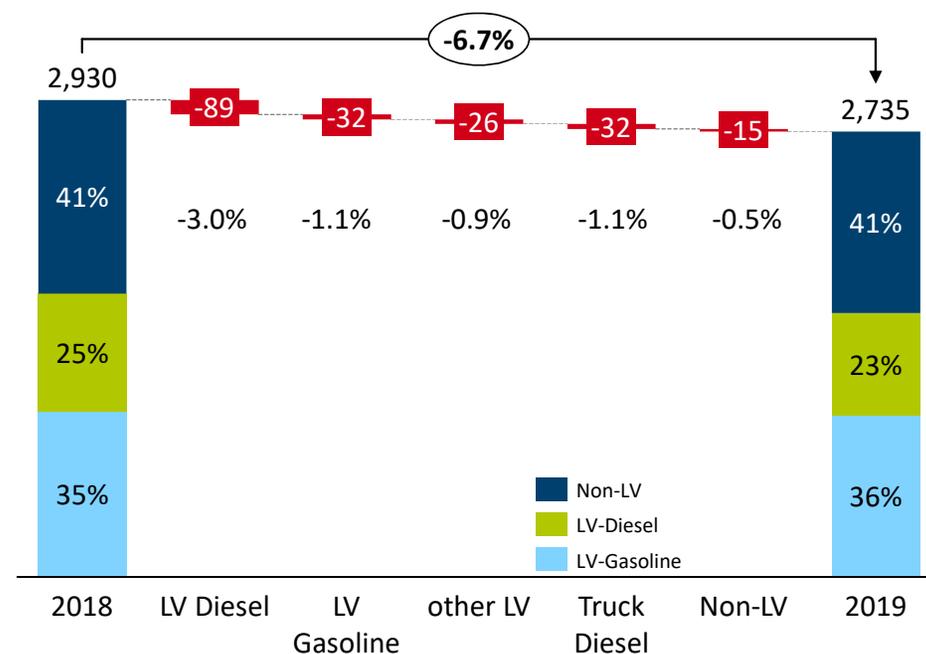
## Diesel decline had the biggest single impact on sales

■ EU registrations by fuel type  
in % of total registrations



Source: ACEA.be

■ Sales by fuel type  
in €m

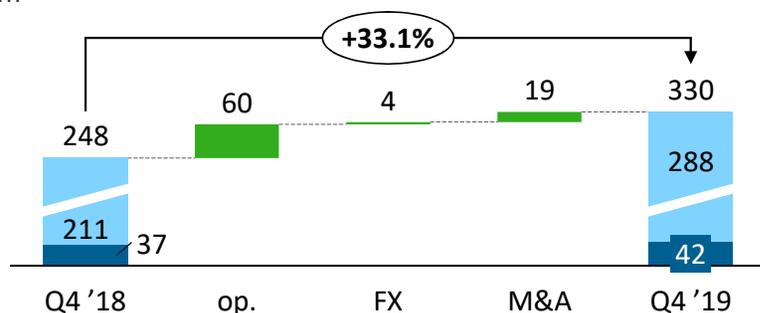


# Automotive: Q4 2019 China performance

## Strong finish to the year

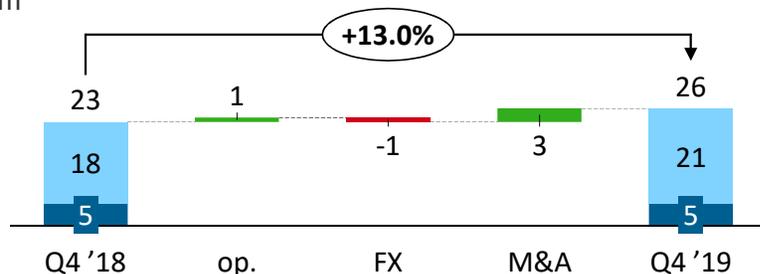
### Sales

in €m



### EBIT

in €m



### Comments on the quarter

- Strong operational performance supported by FX and favorable M&A effect vs. market growth of 3.2%  
(IHS Markit 4 March 2020)
- Successful ramp-ups of pump business and strong sales for casting incl. non-automotive products
- EBIT development held back by startup cost

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



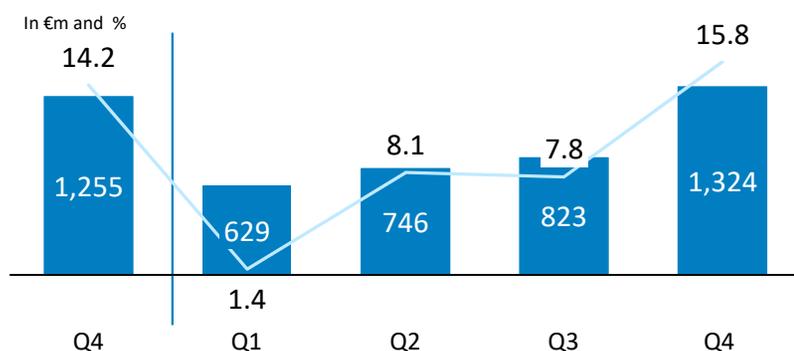
# DEFENCE FINANCIALS

Analyst Conference Call FY 2019

## Defence: Q4 2019 Highlights

### Best closing quarter in history

#### Quarterly sales and margin development



#### Comments on quarterly performance

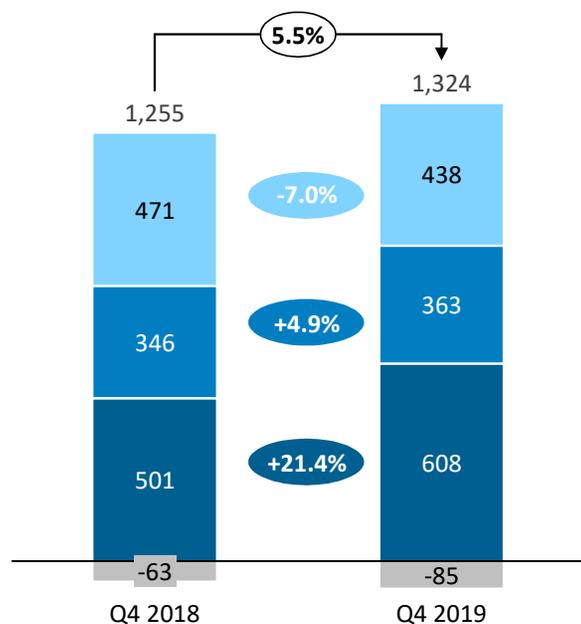
- Order intake jumped to ~€3bn with large share for 2020
- Sales increase of 5.5% on an already strong Q4 '18
- WA and VS were the driver behind the margin expansion of 160bp to 15.8%
- Working capital improved due to milestone payments lifting cash to sales ratio to ~45%

In €m	Q4 2018	Q4 2019	Δ	FY 2018	FY 2019	Δ
Order intake	1.094	2.985	172.9%	5.565	5.186	-6.8%
Sales	1.255	1.324	5.5%	3.221	3.522	9.4%
Operating result	179	210	17.3%	254	343	35.0%
Operating margin in %	14.2%	15.8%	160 bp	7.9%	9.8%	190 bp
Operating Free Cash Flow	479	595	24.2%	-29	266	>100%
Operating FCF / Sales	38.2%	44.9%	680 bp	-0.9%	7.6%	850 bp

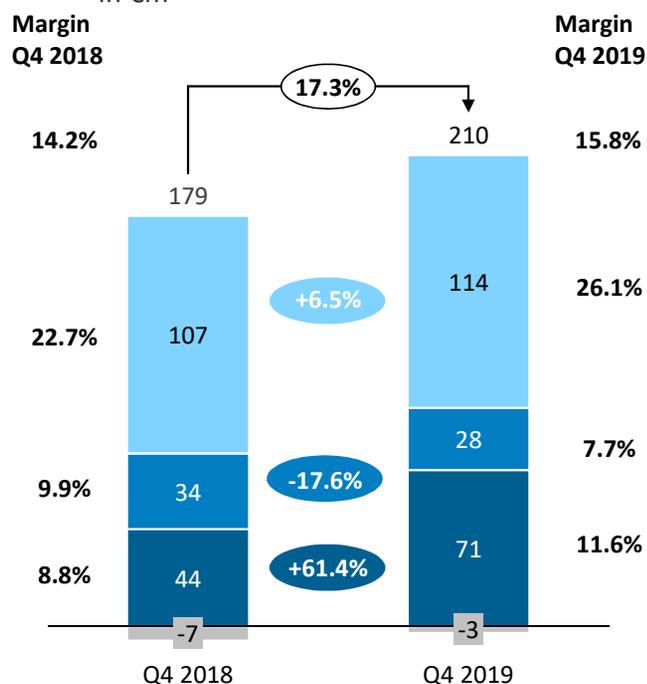
# Q4 2019 Highlights: Defence

## Closing quarter with notable outperformance

**Sales Defence**  
in €m



**Operating result Defence**  
in €m



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

**Weapon & Ammunition**

- Sales held back by export restrictions
- Excellent order execution

**Electronic Systems**

- Solid growth
- Unfavorable product mix effects

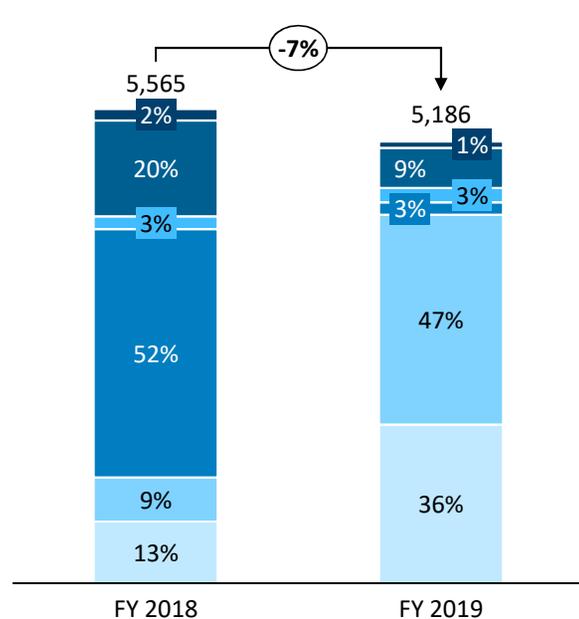
**Vehicle Systems**

- Strong growth of higher margin tactical vehicles

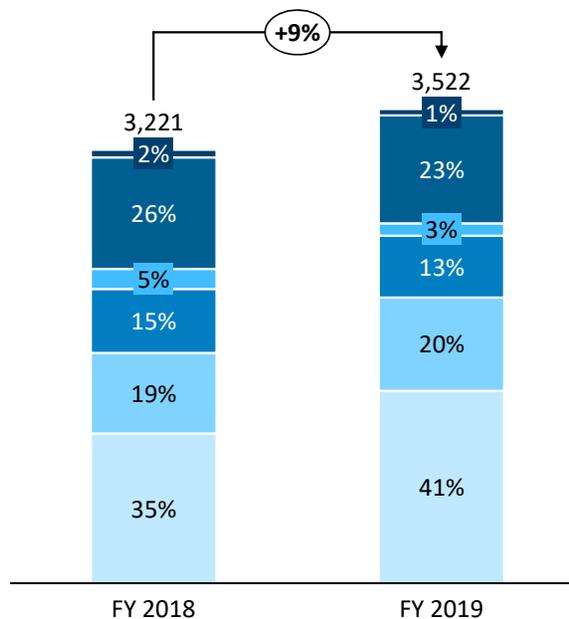
# Regional overview FY 2019

## Success in “home markets” is key driver

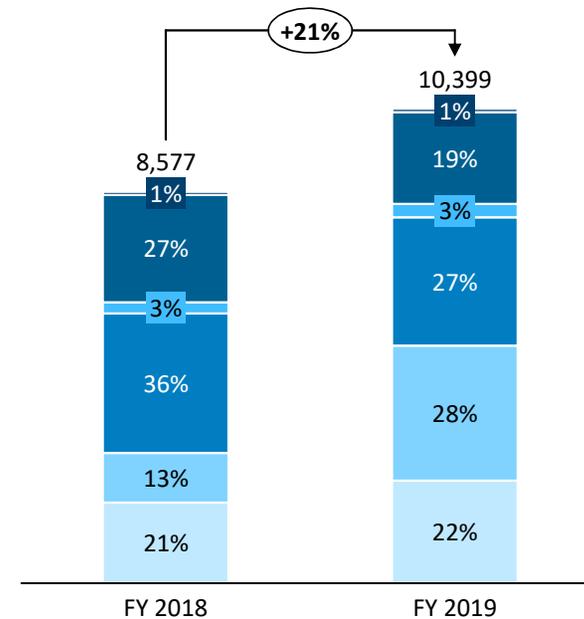
**Order intake by region**  
in %



**Sales by region**  
in %



**Order backlog by region**  
in %

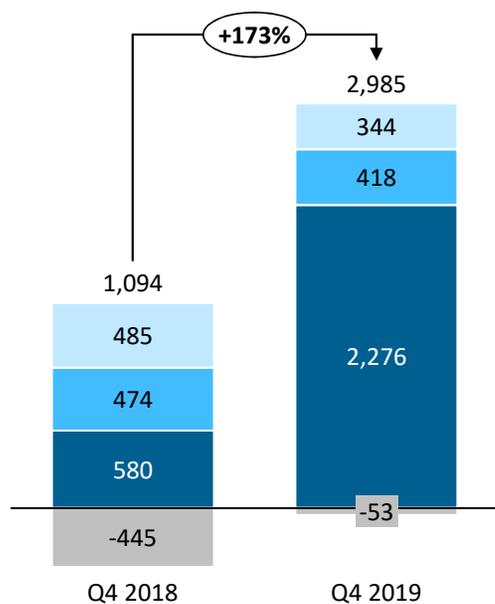


■ Germany 
 ■ Europe (w/o G) 
 ■ Australia / NZ 
 ■ North America 
 ■ Asia / ME 
 ■ Row

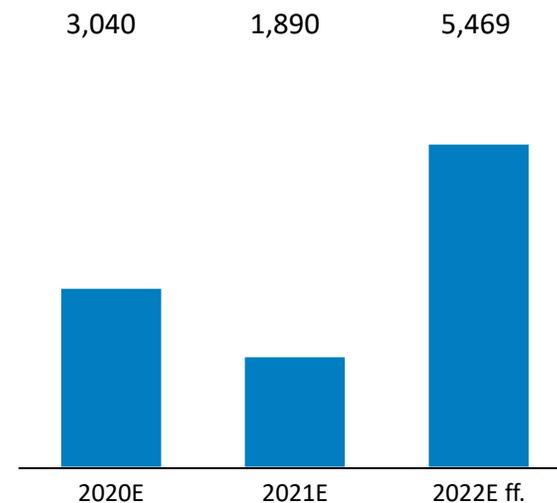
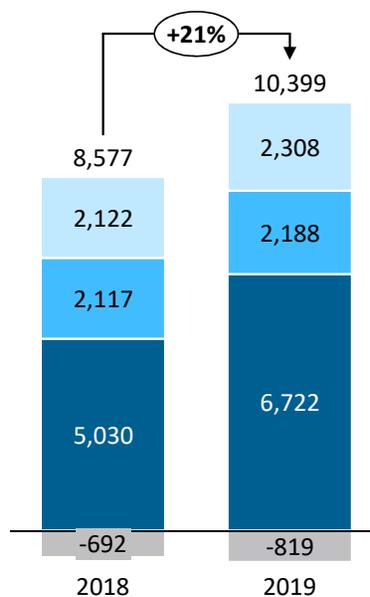
# Q4 2019 : Defence

## Strong Q4 order intake with high share for 2020

**Order intake by division**  
in €m



**Order backlog profile**  
in €m per 31/12/2019





# OUTLOOK **2020**

## Corona update (1)

# Early adoption of preventive measures to contain the situation

### Growing catalogue of preventive measures

- Installation of global corona action team at each site
- Daily updates on corona situation from all 6 divisions
- Increased level of disinfection and hygienic measures
- Initial travel restrictions to risk regions expanded to global foreign travel ban
- Switch to virtual meetings internally and externally with supplier and customer
- Cancellation of internal events until further notice
- 100% functionality with 50% presence (e.g. mobile office, shift models)
- Action teams analyze the supply chain and identify remedies
- Intense dialog across the supply chain

## Corona update (2)

### Situation very dynamic, first priority to protect employees and supply chains

#### Virus containment measures proven effective

- China production restarted, current activity level >60%, but no reported incidents
- Germany with five incidents, but no production impact
- Italy with one incident, fully operational
- Several employees in preventive quarantine (e.g. holiday returns)

#### Supply chains still stable

- Critical parts and suppliers under evaluation
- Alternative sourcing and logistics in process
- As of today no supply shortage and no delivery impact reported
- Plant closure announcement of European OEM under assessment



Automotive  
Q1 impact from China expected  
Europe and US business until today  
not affected



Defence is 100% operational  
Further growth in Q1 expected

# 2020 Guidance

## Guidance without Corona effect

- GROUP**
- AUTOMOTIVE** 
- DEFENCE** 

Sales			Operating margin	
2019 in €bn	2019 Operational growth yoy in % at constant FX	2020e Operational growth yoy in % at constant FX	2019 in %	2020e in %
6.3	0.5	1 – 3	8.1	around 7
2.7	-7.4	-2 to -3	6.7	around 5
3.5	7.6	5 – 7	9.8	9 – 10

**FY guidance will be updated earliest with Q1 earnings release**

## Next events and IR contacts

### Next Events

Bank of America, Global Industrials Conference	} All investor meetings will be conducted as telephone conferences	19 March 2020
Bankhaus Metzler, Frankfurt		31 March 2020
Roadshow Zurich		02 April 2020
Q1 2020 Earnings call		30 April 2020
Annual Stockholder's Meeting Rheinmetall AG		05 May 2020
H1 2020 Earnings call		30 July 2020
Q3 2020 Earnings call		04 November 2020

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### Quick link to documents

Corporate Presentation



Interim Reports



Annual Reports



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# APPENDIX

## Select key data: outlook 2020

Rheinmetall Group		In %(PY)	Automotive 	Defence 
Holding cost	€20-25 (PY: €25m)	Capex (w/o IFRS 16)	Around 5.5% (5.5%)	Around 5%(4.7%)
Tax rate	Comparable level (PY: 26%)	D&A	5.5-6.0% (5.9%)	3-3.5% (3.1%)
Interest result	~-€45m (PY:-€35m)	R&D (self-funded)	Around 6% (5.9%)	2-2.5% (2.0%)

## Group 2015 – 2019: Key figures (as reported)

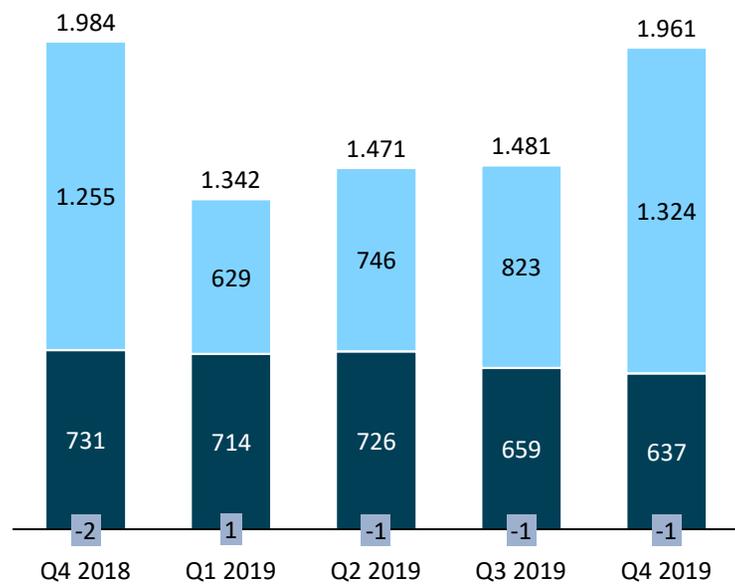
in €m		2015	2016	2017	2018	2019
<b>Balance Sheet</b>	Total assets	5.730	6.150	6.101	6.759	7.415
	Shareholder's equity	1.562	1.781	1.870	2.173	2.272
	Equity ratio (in %)	27,3	29,0	30,7	32,1	30,6
	Pension liabilities	1.128	1.186	1.080	972	1.169
	Net financial debt	-81	19	230	-30	-52
	Net financial debt / EBITDA	0,17	-0,03	-0,37	0,04	0,07
	Net gearing (in %)	5,2	-1,1	-12,3	1,4	2,3
<b>Income statement</b>	Sales	5.183	5.602	5.896	6.148	6.255
	Operating result	287	353	400	491	505
	Operating margin (in %)	5,5	6,3	6,8	8,0	8,1
	EBITDA	490	581	626	836	792
	EBIT	287	353	385	518	512
	EBIT margin (in %)	5,5	6,3	6,5	8,4	8,2
	EBT	221	299	346	485	477
	Net income	160	215	252	354	354
	Earnings per share (in EUR)	3,88	4,69	5,24	7,10	7,77
	Dividend per share (in EUR)	1,10	1,45	1,70	2,10	2,40
	ROCE (in %)	10,6	12,3	13,8	17,1	15,4
<b>CF statement</b>	Free cashflow from operations	29	161	276	-35	314
<b>Headcount</b>	Employees (Dec. 31) according to capacity	20676	20993	21610	22899	23780

## Segments 2015 – 2019 Key figures

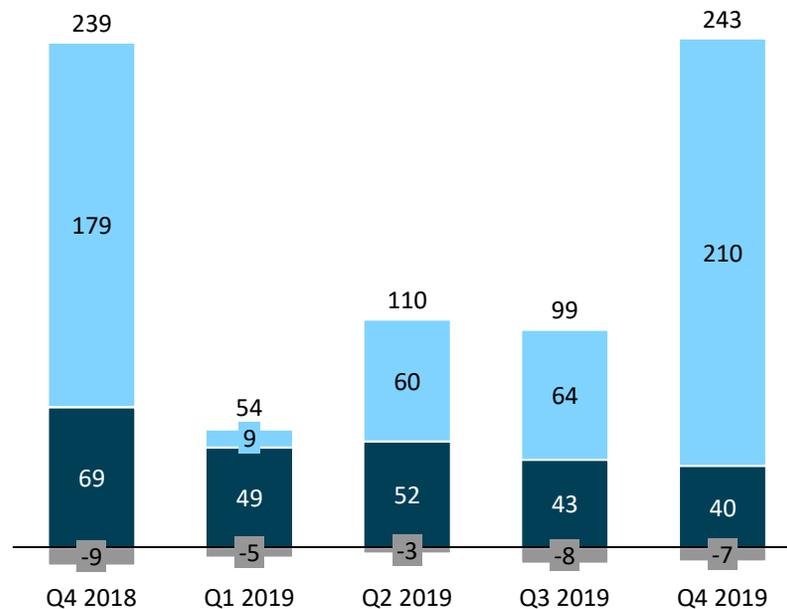
Automotive						Defence					
2015	2016	2017	2018	2019		in €m	2015	2016	2017	2018	2019
2.621	2.670	2.922	2.888	2.705			2.693	3.050	2.963	5.565	5.186
445	458	520	478	447			6.422	6.656	6.416	8.577	10.399
2.592	2.656	2.861	2.930	2.736			2.591	2.946	3.036	3.221	3.522
216	223	249	262	184			90	147	174	254	343
8,3	8,4	8,7	8,9	6,7			3,5	5,0	5,7	7,9	9,8
335	356	367	421	348			175	239	268	403	450
216	223	227	266	186			90	147	172	247	341
8,3	8,4	7,9	9,1	6,8			3,5	5,0	5,7	7,7	9,7
167	149	154	161	143			96	95	89	101	166
96	105	106	26	73			-38	103	238	-29	266
10.934	10.820	11.166	11.710	11.405			9.581	10.002	10.251	10.948	12.100
1.450	1.499	1.621	1.664	1.525			881	1.111	1.175	1.056	1.018
118	140	176	171	118	<b>Mechatronics</b>		73	108	117	121	123
8,1%	9,3%	10,9%	10,3%	7,7%			8,3%	9,7%	10,0%	11,5%	12,1%
952	921	968	988	937			759	745	691	839	948
73	62	60	65	28	<b>Hardparts</b>		12	25	20	46	75
7,7%	6,7%	6,2%	6,5%	3,0%			1,5%	3,4%	2,9%	5,5%	7,9%
285	319	358	367	361			1.195	1.392	1.480	1.568	1.787
27	29	33	36	35	<b>Aftermarket</b>		-9	29	53	108	150
9,5%	9,1%	9,2%	9,7%	9,8%			-0,8%	2,1%	3,6%	6,9%	8,4%

# Quarterly development Group

**Sales**  
in €m



**Operational results**  
in €m



■ Defence ■ Automotive ■ Consolidation/Others

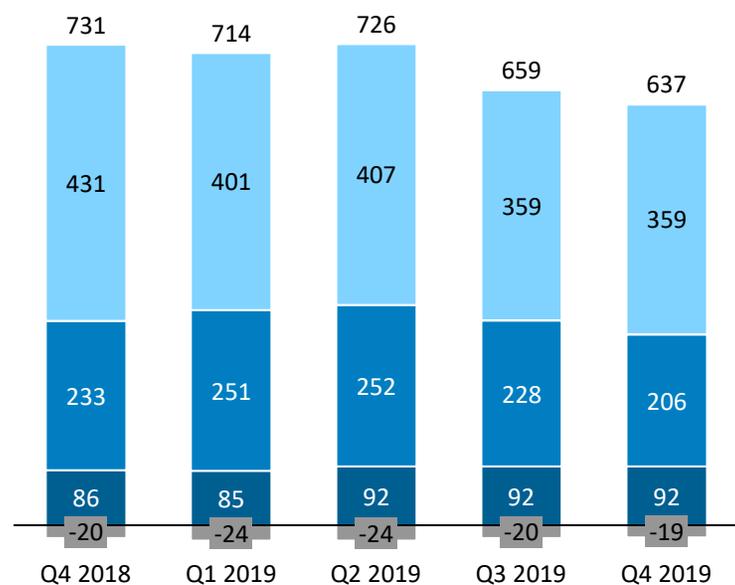
## Free Cash Flow summary Group

YTD 2018	YTD 2019	Δ YTD '18/'19		in €m	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q4 2018	Δ Q4 '18/'19
<b>354</b>	<b>354</b>	-	<b>Net Income</b>		<b>33</b>	<b>76</b>	<b>60</b>	<b>184</b>	<b>177</b>	<b>7</b>
318	280	-38	Amortization / depreciation		65	68	71	75	96	-21
-48	-17	31	Change in pension accruals		-2	1	-15	-1	-8	7
<b>624</b>	<b>617</b>	<b>-7</b>	<b>Cash Flow</b>		<b>96</b>	<b>145</b>	<b>116</b>	<b>258</b>	<b>265</b>	<b>-7</b>
-398	31	429	Changes in working capital and other items		-125	-108	-159	423	257	166
15	-46	-61	Changes in other items		-55	-57	-22	87	95	-8
<b>242</b>	<b>602</b>	<b>360</b>	<b>Net cash used in operating activities</b>		<b>-84</b>	<b>-19</b>	<b>-64</b>	<b>769</b>	<b>618</b>	<b>151</b>
-277	-288	-11	Cash outflow for additions to tangible and intangible assets		-44	-60	-63	-120	-110	-10
<b>-35</b>	<b>314</b>	<b>349</b>	<b>Free Cash Flow from Operations</b>		<b>-129</b>	<b>-79</b>	<b>-127</b>	<b>648</b>	<b>508</b>	<b>140</b>

# Quarterly development Automotive

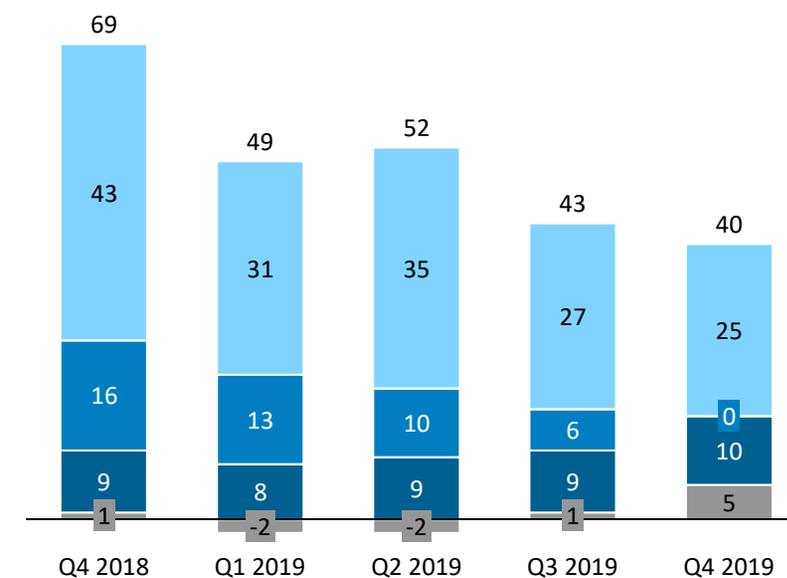
## Sales by division

in €m



## Operational result by division

in €m



■ Mechatronics 
 ■ Hardparts 
 ■ Aftermarket 
 ■ Consolidation/Others

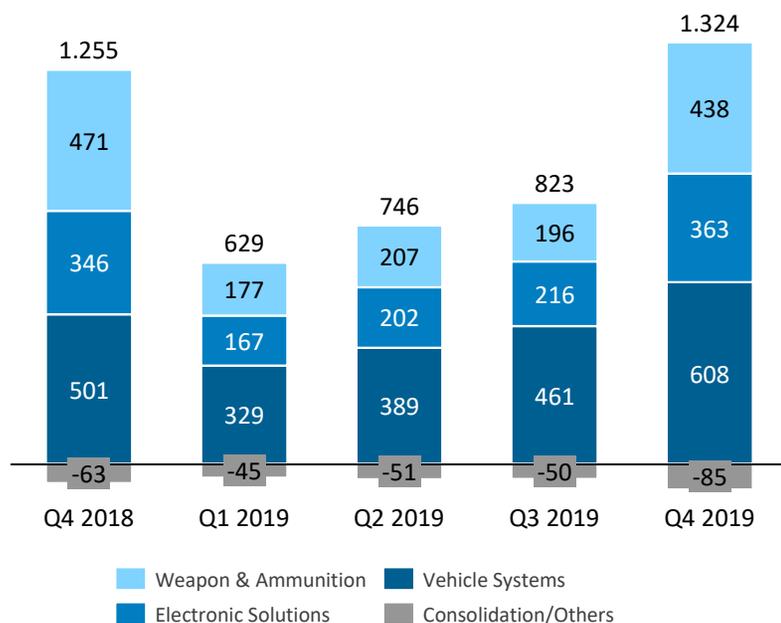
## Free Cash Flow summary Automotive

YTD 2018	YTD 2019	Δ YTD '18/'19		in €m	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q4 2018	Δ Q4 '18/'19
<b>194</b>	<b>133</b>	-61	<b>Net Income</b>		<b>34</b>	<b>38</b>	<b>30</b>	<b>30</b>	<b>55</b>	<b>-25</b>
155	162	7	Amortization / depreciation		38	41	41	43	43	-
-27	-18	9	Change in pension accruals		-1	-	-15	-2	-6	4
<b>322</b>	<b>277</b>	<b>-45</b>	<b>Cash Flow</b>		<b>71</b>	<b>79</b>	<b>56</b>	<b>71</b>	<b>92</b>	<b>-21</b>
-70	31	101	Changes in working capital and other items		-88	29	-3	92	45	47
-41	-65	-24	Changes in other items		-31	-8	-8	-18	-15	-3
<b>211</b>	<b>242</b>	<b>31</b>	<b>Net cash used in operating activities</b>		<b>-47</b>	<b>99</b>	<b>45</b>	<b>145</b>	<b>122</b>	<b>23</b>
-185	-169	16	Cash outflow for additions to tangible and intangible assets		-29	-38	-39	-63	-80	17
<b>26</b>	<b>73</b>	<b>47</b>	<b>Free Cash Flow from Operations</b>		<b>-76</b>	<b>62</b>	<b>6</b>	<b>81</b>	<b>42</b>	<b>39</b>

# Quarterly development Defence

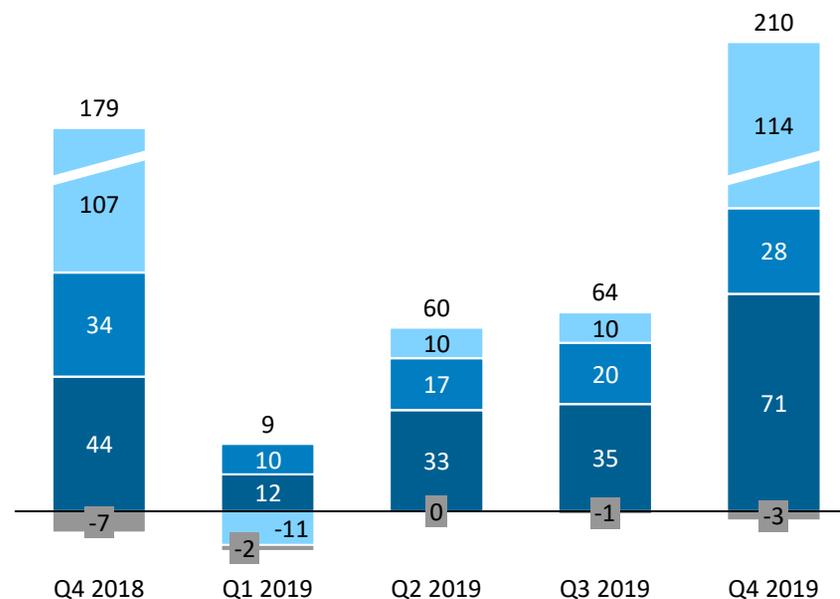
## Sales by division

in €m



## Operational result by division

in €m



## Free Cash Flow summary Defence

YTD 2018	YTD 2019	Δ YTD '18/'19		in €m	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q4 2018	Δ Q4 '18/'19
160	245	85	<b>Net Income</b>		1	35	37	172	131	41
156	109	-47	Amortization / depreciation		25	26	29	30	51	-21
1	4	3	Change in pension accruals		-1	2	1	1	-1	2
<b>317</b>	<b>358</b>	<b>41</b>	<b>Cash Flow</b>		<b>25</b>	<b>63</b>	<b>67</b>	<b>203</b>	<b>181</b>	<b>22</b>
-324	-	324	Changes in working capital and other items		-44	-136	-151	331	214	117
64	20	-44	Changes in other items		-61	-35	5	111	111	-
<b>57</b>	<b>379</b>	<b>322</b>	<b>Net cash used in operating activities</b>		<b>-79</b>	<b>-108</b>	<b>-80</b>	<b>646</b>	<b>506</b>	<b>140</b>
-87	-112	-25	Cash outflow for additions to tangible and intangible assets		-14	-22	-24	-52	-28	-24
<b>-29</b>	<b>266</b>	<b>295</b>	<b>Free Cash Flow from Operations</b>		<b>-93</b>	<b>-131</b>	<b>-104</b>	<b>595</b>	<b>479</b>	<b>116</b>

## Income Statement

Q4 2018	Q4 2019	Δ		FY 2018	FY 2019	Δ
1.984	1.961	-23	Sales	6.148	6.255	107
-187	-35	152	Changes in inventory and other own work capitalized	44	236	192
<b>1.797</b>	<b>1.926</b>	<b>129</b>	<b>Total operating performance</b>	<b>6.192</b>	<b>6.491</b>	<b>299</b>
54	77	23	Other operating income	179	186	7
890	988	98	Cost of materials	3.209	3.444	235
397	428	31	Personnel expenses	1.574	1.678	104
96	75	-21	Amortization, depreciation and impairment	318	280	-38
230	270	40	Other operating expenses	775	781	6
17	15	-2	Income from investments carried at equity	37	37	-
-11	-14	-3	Other net financial income	-13	-20	-7
<b>244</b>	<b>243</b>	<b>-1</b>	<b>Earnings before interests and taxes (EBIT)</b>	<b>518</b>	<b>512</b>	<b>-6</b>
2	7	5	Net interest income	6	11	5
-6	-8	-2	Interest expenses	-39	-46	-7
<b>241</b>	<b>242</b>	<b>1</b>	<b>Earnings before taxes (EBT)</b>	<b>485</b>	<b>477</b>	<b>-8</b>
-63	-58	5	Income taxes	-131	-123	8
<b>177</b>	<b>184</b>	<b>7</b>	<b>Earnings after taxes</b>	<b>354</b>	<b>354</b>	<b>-</b>
			Of which:			
26	12	-14	Minority interests	49	19	-30
151	172	21	Rheinmetall AG shareholders	305	335	30
<b>340</b>	<b>318</b>	<b>-22</b>	<b>EBITDA</b>	<b>836</b>	<b>792</b>	<b>-44</b>

## Cash Flow Statement Group

Q4 2018	Q4 2019	Δ		FY 2018	FY 2019	Δ
177	184	7	<b>Net income</b>	354	354	-
95	75	-20	Amortization, depreciation and impairments	318	280	-38
-	-5	-5	Allocation of CTA assets to secure pension and partial retirement obligations	-40	-20	20
-8	-1	7	Changes in pension provisions	-8	-2	6
2	1	-1	Income from disposition of non-current assets	-32	0	32
-6	63	69	Changes in other provisions	28	23	-5
257	423	166	Changes in inventories	-398	31	429
111	11	-	Changes in receivables, liabilities (without financial debts) and prepaid & deferred items	52	-68	-120
-16	-15	1	Pro rata income from investments carried at equity	-37	-37	-
5	9	4	Dividends received from investments carried at equity	7	17	10
1	19	18	Other non-cash expenses and income	-3	24	27
<b>618</b>	<b>769</b>	<b>151</b>	<b>Cashflows from operating activities</b>	<b>242</b>	<b>602</b>	<b>360</b>
<b>-123</b>	<b>-103</b>	<b>20</b>	<b>Cashflows from investing activities</b>	<b>-208</b>	<b>-252</b>	<b>-44</b>
<b>-29</b>	<b>-100</b>	<b>-71</b>	<b>Cashflows from financing activities</b>	<b>-66</b>	<b>-158</b>	<b>-92</b>
465	566	101	Changes in financial resources	-32	191	223
-1	-1	-	Changes in cash and cash equivalents due to exchange rates	-	4	4
<b>465</b>	<b>565</b>	<b>100</b>	<b>Total change in financial resources</b>	<b>-33</b>	<b>195</b>	<b>228</b>
<b>259</b>	<b>355</b>	<b>96</b>	<b>Cash and cash equivalents 31.12.2018</b>	<b>757</b>	<b>724</b>	<b>-33</b>
<b>724</b>	<b>920</b>	<b>196</b>	<b>Cash and cash equivalents 31.12.2019</b>	<b>724</b>	<b>920</b>	<b>196</b>

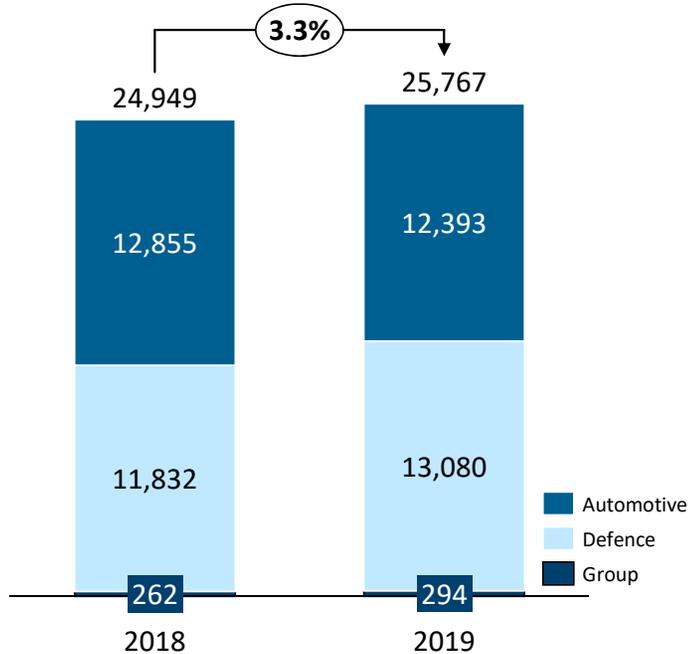
## Balance Sheet Group

	31.12.2018	31.12.2019	Δ
<b>Non-current assets</b>	<b>2.951</b>	<b>3.195</b>	<b>244</b>
Goodwill	550	567	17
Other intangible assets	173	233	60
Usage rights	170	204	34
Property, plant and equipment	1.309	1.361	52
Investment property	43	42	-1
Investments carried at equity	285	309	24
Other non-current financial assets	205	255	50
Deferred taxes	218	224	6
<b>Current assets</b>	<b>3.808</b>	<b>4.220</b>	<b>412</b>
Inventories	1.259	1.463	204
Contractual assets	338	388	50
Trade receivables	1.185	1.147	-38
Liquid financial assets	178	242	64
Other current financial assets	22	41	19
Income tax receivables	100	20	-80
Cash and cash equivalents	724	920	196
Assets for disposal	2	0	-2
<b>Total assets</b>	<b>6.759</b>	<b>7.415</b>	<b>656</b>

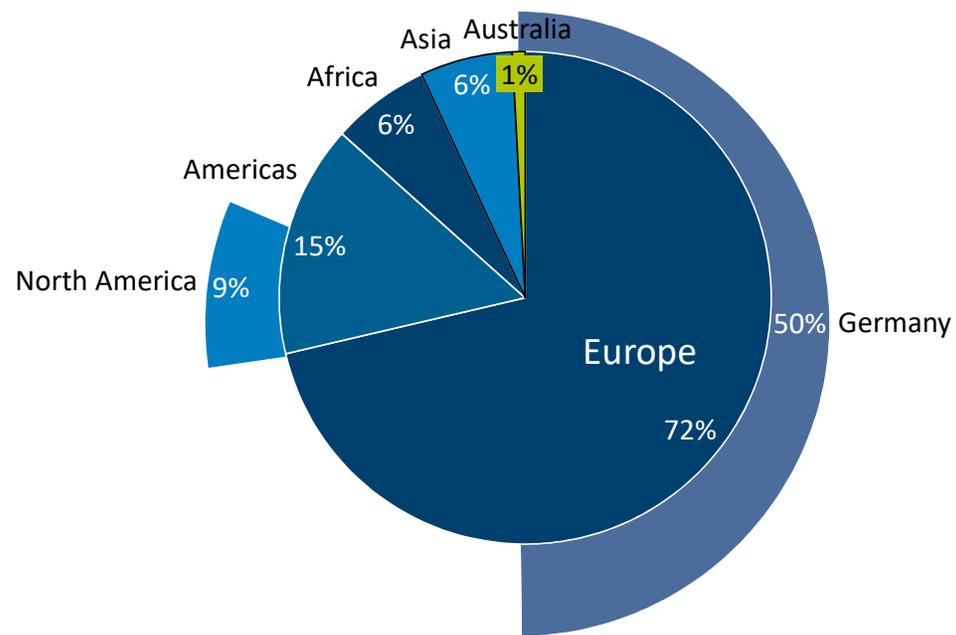
	31.12.2018	31.12.2019	Δ
<b>Equity</b>	<b>2.173</b>	<b>2.272</b>	<b>99</b>
Share capital	112	112	-
Additional paid-in capital	547	553	6
Retained earnings	1.384	1.478	94
Treasury shares	-21	-17	4
Rheinmetall AG shareholders' equity	2.022	2.125	103
Minority interests	151	146	-5
<b>Non-current liabilities</b>	<b>1.980</b>	<b>2.365</b>	<b>385</b>
Provisions for pensions and similar obligations	972	1.169	197
Other non-current provisions	210	214	4
Non-current financial debts	704	880	176
Other non-current liabilities	79	86	7
Deferred taxes	15	16	1
<b>Current liabilities</b>	<b>2.607</b>	<b>2.779</b>	<b>172</b>
Other current provisions	656	709	53
Current financial debts	151	112	-39
Contractual liabilities	650	948	298
Trade liabilities	797	695	-102
Other current liabilities	231	215	-16
Income tax liabilities	120	99	-21
<b>Total liabilities</b>	<b>6.759</b>	<b>7.415</b>	<b>656</b>

# Headcount details

■ **Headcount per segment**  
in capacities at year end



■ **Headcount per region**  
in capacities



# Glossary

bn	billions	LBP	Large bore piston
bp	basis points	LEP	Life extension programme
CAGR	compounded average growth rate	LV	Light vehicle
CER	Constant Exchange Rates	m	million
CP	Commercial Paper	MIV	Mechanized Infantry Vehicle
CTA	Contractual trust agreement	MGCS	Main Ground Combat Vehicle
D&A	Depreciation & Amortization	NWC	Net working capital
E	expected	OEM	Original Equipment Manufacturer
EA	Export approval	Op.	operational
EBIT	Earnings before Interest and Tax	Operating FCF	Operating free cash flow
EBITDA	Earnings before Interest, Tax , Depreciation and Amortization	Op. margin	Operating margin
EBT	Earnings before Tax	P&L	Profit & Loss Account
EIB	European Investment Bank	PY	Previous Year
EPS	Earnings per share	rep	reported
EPL	Einzelplan	ROCE	Return on capital employed
EV	Electric Vehicle	RoW	Rest of the World
FTE	Full Time Equivalents	SOP	Start of production
FX	Foreign exchange rate	USMCA	USA, Mexico, Canada
GDP	Gross Domestic Product	WACC	Weighted average cost of capital
HEV	Hybrid and Electric Vehicles	WLTP	Worldwide Harmonized Light-Duty Vehicles Test Procedure
IDZ	Infanterist der Zukunft	WFOE	Wholly foreign owned enterprise
IFRS	International Financial Reporting Standards		
IFV	Infantry Fighting Vehicle		
JV	Joint Venture		