

HENSOLDT AG with strong start to the year in the first quarter of 2022

- Revenue grows by a significant 37 percent to EUR 286 million
- Order intake increases by a substantial 25 percent year-on-year to EUR 681 million
- Adjusted EBITDA improves by 11 percent to EUR 17 million
- Adjusted EBITDA margin below prior-year level due to increased revenues with a lower share of added value
- Outlook for the 2022 fiscal year confirmed for all key performance indicators

Taufkirchen/Germany, 5 May 2022 – HENSOLDT AG (“HENSOLDT”) has started the new fiscal year with continued strong growth in orders intake, revenue and earnings. In the first quarter of 2022, the company again won important major orders, increasing its order intake year on year by 25 percent to EUR 681 million (Q1 2021: EUR 546 million). Thus, the order backlog grew to a new record level of EUR 5,509 million (Q1 2021: EUR 3,770 million). Revenue of EUR 286 million (Q1 2021: EUR 209 million) significantly exceeded the prior-year figure by 37 percent. Adjusted EBITDA improved by 11 percent to EUR 17 million (Q1 2021: EUR 15 million). On the basis of the substantial growth and positive business performance in the first quarter, HENSOLDT is confirming its outlook for the 2022 fiscal year for all key performance indicators.

Thomas Müller, CEO of HENSOLDT AG, said: “Our successful start to the fiscal year proves once again that we are setting the right strategic priorities. Our high-tech portfolio makes us the right technology partner to tackle the security challenges of tomorrow. This is even more crucial as Europe currently faces an entirely new security situation. The war against Ukraine is not only a human tragedy but has led to a turning point in European and German security policy within a few days. The special fund initiated by the German government represents an important step towards quickly and comprehensively equipping the country’s armed forces to cope with the new reality posed by the security situation and to prepared them for the future. HENSOLDT is ready for this joint effort. As a leading defence technology company, we are aware of our special role.”

Axel Salzmann, CFO of HENSOLDT AG, said: “Robust and sustainable growth has always been a hallmark of HENSOLDT – in our business and in our corporate development. This is a key prerequisite when it comes to successfully confronting what is a dramatically changed security situation. Our strong order backlog will ensure long-term revenue transparency in the years ahead, thus creating a stable platform for HENSOLDT’s onward development. To reliably execute our orders and convert them into revenue, we are making selective investments in production and development. Although these growth investments are currently reflected in our earnings, they are still essential to ensuring the sustained future development of our business.”

Continued positive order development

Based on its leading technologies and solutions in sensor technology, optronics, cyber security and data analysis, HENSOLDT was again able to assert itself as a technology partner in important defence projects in the first quarter of 2022 and accordingly won a number of new orders. For example, HENSOLDT is supplying four TRS-4D radars for the German Navy’s F126 (formerly MKS180) multi-purpose frigates. The contract to supply the high-performance radars is worth EUR 168 million; the first F126 frigate is expected to be delivered in 2028. Additionally, a long-term

service contract for the Eurofighter with an order intake of EUR 270 million was booked in the first quarter. HENSOLDT's total order intake in the first quarter amounted to EUR 681 million, compared with EUR 546 million in the same quarter last year.

Revenue, earnings and free cash flow development in line with expectations

HENSOLDT AG's earnings in the first quarter were in line with the positive development of revenue: adjusted EBITDA rose by 11 percent to EUR 17 million (Q1 2021: EUR 15 million). As expected, the adjusted EBITDA margin of 5.8 percent (Q1 2021: 7.2 percent) did not match the prior-year level; the same applies to the adjusted pre-tax unlevered free cash flow of EUR -114 million (Q1 2021: EUR -32 million).

Outlook for 2022 confirmed

For the 2022 fiscal year, HENSOLDT expects business development to remain positive along with a growing order backlog. It is anticipated that revenue will increase by 15 percent to EUR 1.7 billion and adjusted EBITDA from EUR 85 million to EUR 300 million. Net financial leverage is also likely to be reduced further. HENSOLDT is assuming a dividend amounting to 20 percent of adjusted net income.

Key figures

<i>EUR million</i>	Q1 2021	Q1 2022
Revenue	209	286
Adjusted EBITDA	15	17
Adjusted EBITDA margin (excluding business volume with low share of added value)	7.2%	5.8%
Order intake	546	681
Order backlog	3,770	5,509
Adjusted pre-tax unlevered free cash flow	-32	-114