

HENSOLDT AG continues profitable growth in third quarter and confirms guidance

- **Revenue** grows by a significant 29.5 percent to EUR 1.1 billion in first nine months of 2022
- **Order backlog** consistently high at EUR 5.372 billion
- Adjusted **EBITDA** improved by 14.3 percent to EUR 126 million
- **Guidance** for full year 2022 **confirmed**

Taufkirchen/Germany, 10 November 2022 – HENSOLDT AG (“HENSOLDT”) continued its growth trajectory in the first nine months of 2022 and further strengthened its strategic position in the European security and defence industry.

The company recorded double-digit revenue and earnings growth in the first three quarters. HENSOLDT’s revenue increased by 29.5 percent year on year to EUR 1.1 billion (9M 2021: EUR 850 million). Adjusted EBITDA improved to EUR 126 million (9M 2021: EUR 110 million). Continued high customer demand for the sensor specialist’s products and solutions is reflected in a strong order intake of EUR 1.377 billion. Order intake in the prior year was EUR 2.821 billion, due to the milestone order for the delivery of the PEGASUS electronic signals intelligence and airborne reconnaissance system worth around EUR 1.25 billion. In the current financial year, the order backlog amounts thus EUR 5.372 billion (previous year: EUR 5.092 billion).

Thomas Müller, CEO of HENSOLDT AG: “Our new orders for the Eurofighter and the F126 frigate prove that we are setting the right priorities in our business. With our TRML-4D multifunction radar, we, together with Diehl Defence and Airbus, supported the delivery of the IRIS-T SLM air defence system to Ukraine, thus enabling the defence of Ukrainian cities with state-of-the-art technology. Thereby, we are contributing significantly to the protecting of the Ukrainian civilian population. This is yet further proof of the huge importance of a strong and innovative industrial base in the European defence sector.”

Christian Ladurner, CFO of HENSOLDT AG: “In the first three quarters, we have successfully continued our path and are delighted to report an increase in revenue of almost 30 percent. This puts us right on track to achieve our targets for the current financial year and to make HENSOLDT even stronger. In view of the current inflationary trend, we are focusing more closely than ever on the cost side at HENSOLDT to secure our strong profitability for the long term and to economically pave the way for innovation. We are pleased to report a further reduction in our net financial leverage over the past nine months compared with the prior-

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year period. In addition, we were able to repay our revolving credit facility, which was fully drawn in 2020, by a further EUR 100 million in October 2022.”

Strong order development

Order intake in the year to date notably included a service contract for the Eurofighter worth EUR 270 million and orders to equip the F126 frigate with TRS-4D radars. In September 2022, HENSOLDT also won an order in the Sensors segment for Mk1 radars under the Eurofighter Halcon programme. Total order intake in the first three quarters amounted EUR 1.377 billion, compared with EUR 2.821 billion in the prior-year period which was bolstered by the milestone order for delivery of the PEGASUS electronic signals intelligence and airborne reconnaissance system worth around EUR 1.25 billion.

Significant revenue growth and sustainable profitability

The significant increase in adjusted EBITDA (EUR 126 million; 9M 2021: EUR 110 million) primarily resulted from volume and project mix effects. At the same time, the adjusted EBITDA margin of 11.5 percent is moderately lower than in the prior-year period (9M 2021: 13 percent). This was mainly a result of slimmer project margins on lower value-added revenue.

Despite the on-scheduled launch of major projects out of the very large order backlog, adjusted free cash flow before interest and taxes up to the end of the third quarter was on a similar level to the prior year at EUR -49 million (9M 2021: EUR -48 million).

Guidance confirmed

Given the company's successful business performance in the first three quarters, HENSOLDT has confirmed its full-year guidance for all key performance indicators. The Management Board expects strong revenue growth. Adjusted EBITDA is anticipated to increase sharply in the 2022 financial year. Management expects a sharp drop in order intake due to the very large order intake in the previous year. Overall, management forecasts a book-to-bill ratio of between 1.1 and 1.2.

The turning point in security policy announced by the Federal Government of the Federal Republic of Germany, the main customer of HENSOLDT, and the associated EUR 100 billion special fund hold major opportunities for HENSOLDT. As the medium and long-term implications of this cannot yet be reliably estimated, the HENSOLDT Group is analysing them on an ongoing basis. There was no significant impact on HENSOLDT's project business in the first nine months of 2022. Nevertheless, the action areas specified by the German government are becoming increasingly clearly defined for HENSOLDT, thus paving the way for more stable planning.

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HENSOLDT will provide more specific information on the expectations for medium to long-term business performance at its Capital Markets Day in London on 14 December 2022.

Key figures

EUR million	Q3 2021	Q3 2022
Revenue	850	1,100
Adjusted EBITDA	110	126
Adjusted EBITDA margin	13%	11.5%
Order intake	2,821	1,377
Order backlog	5,363	5,372
Adjusted pre-tax unlevered cash flow	- 48	- 49

The results for the first nine months of the 2022 financial year are available on the HENSOLDT AG Investor Relations website. HENSOLDT's Capital Markets Day (CMD) will be held in London on 14 December 2022.

About HENSOLDT

HENSOLDT is a leading company in the European defence industry with global reach. Based in Taufkirchen near Munich, the company develops complete sensor solutions for defence and security applications. As a technology leader, HENSOLDT drives the development of defence electronics and optronics and is continuously expanding its portfolio based on innovative approaches to data management, robotics and cyber security. With more than 6,400 employees, HENSOLDT achieved a turnover of 1.5 billion euros in 2021. HENSOLDT is listed on the Frankfurt Stock Exchange. www.hensoldt.net

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