

HENSOLDT continues growth trajectory in first quarter of 2023 and confirms guidance

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- Revenue up by around 18% at EUR 338 million
- Order backlog of EUR 5,362 million remains at previous year's high level
- Adjusted EBITDA has risen to EUR 30 million
- Adjusted EBITDA margin significantly improves year over year to 9.0%
- Guidance for the 2023 financial year confirmed for all relevant key performance indicators

Taufkirchen, May 9, 2023 – The HENSOLDT Group (“HENSOLDT”) again delivered positive overall business performance in the first three months of the current financial year. In the first quarter of 2023 the company significantly increased its revenue by a significant 18% year over year to EUR 338 million (Q1 2022: EUR 286 million). This growth was driven mainly by key major projects. Adjusted EBITDA also increased significantly to EUR 30 million (Q1 2022: EUR 17 million). The strong increase in adjusted EBITDA is mainly due to the increased revenue volume. The slower rise in costs had also a positive influence on results in the first quarter.

The order backlog was at EUR 5,362 million and remained, as expected, stable at about the same level as the previous year (full year 2022: EUR 5,366 million). The key drivers of order intake in the first three months of the current financial year were orders for TRML-4D radars to support Ukrainian air defence and to equip PUMA and Leopard 2 platforms. For the 2023 financial year, HENSOLDT expects overall moderate growth in its order intake, driven by the initial orders from the German armed forces special defence fund and by general budget increases.

With the company's promotion to the MDAX in March 2023, HENSOLDT has been able to further build on its strategic position and reputation as a leading provider in the field of sensor systems and defence electronics.

Thomas Müller, Chief Executive Officer of the HENSOLDT Group, says: “The positive

business performance in the first quarter of 2023 confirms our sustainable growth path and shows how seriously we at HENSOLDT take the new role and special responsibility of the defence industry. This was recently emphasized through our promotion to the MDAX, too. With our innovative technologies, we are already making a valuable contribution to greater security in Europe and the world. We stand ready to supply the German armed forces and those of our partners comprehensively, reliably and quickly in order to provide them with the best possible equipment for the new challenges ahead. HENSOLDT maintains a close dialogue with the German federal government and allies in order to support a securer future together.”

Christian Ladurner, Chief Financial Officer of the HENSOLDT Group, says: “Stability and security are what HENSOLDT stands for. Despite the global economy’s slow recovery in light of the ongoing war in Ukraine, high inflation and impact of the COVID-19 pandemic, our again positive business performance demonstrates robust and sustainable growth. HENSOLDT’s promotion to the MDAX will also help us to increase our brand awareness. On top of that, it attests to how the defence industry is increasingly gaining acceptance and relevance in society as a whole.”

Order intake influenced by demand for Ground Based Systems

The main factors driving the order intake in the first three months of 2023 included orders for TRML-4D radars to support Ukraine and, above all, orders received for the PUMA and Leopard 2 platforms in the Ground Based Systems product line of the Optronics segment. Overall, the order intake in the reporting period was, as expected, lower than the first quarter of the previous year, which had been influenced by an extraordinarily large order intake involving, among others, the C3 service contract for the Eurofighter and orders to equip the F126 multipurpose frigate.

Revenue, net income and free cash flow develop as expected

The HENSOLDT Group was able to increase its adjusted EBITDA to EUR 30 million in the first three months of the new financial year (Q1 2022: EUR 17 million). The adjusted EBITDA margin, at 9.0%, exceeds the level of the same period in the previous year (5.8%). Adjusted free cash flow before taxes and interest is developing as expected and is slightly below the level of the previous year at EUR -126 million (Q1 2022: EUR -114 million).

Guidance for 2023 confirmed

For the 2023 financial year, HENSOLDT is expecting further positive business performance and moderately growing order intake due to budget increases and initial contracts from the German armed forces special defence fund. Consequently, HENSOLDT expects moderate organic revenue growth between 7% and 10% as well as moderately rising adjusted EBITDA. For the Optronics segment, the management is expecting percentage growth in its revenue, order intake and adjusted EBITDA that is stronger than the Sensors segment due to catch-up effects resulting from temporary supply chain disruptions in the 2022 financial year.

Key financials

<i>€ million</i>	Q1 2022	Q1 2023
Revenue	286	338
Adjusted EBITDA	17	30
Adjusted EBITDA margin	5.8%	9.0%
Order intake	681	347
Order backlog	5,509	5,362
Adjusted free cash flow (before taxes and interest)	-114	-126

HENSOLDT's quarterly press release for the first three months of the 2023 financial year is available to view on the HENSOLDT AG Investor Relations website. The business results for the first half of 2023 will be published on July 28, 2023. The Annual General Meeting of HENSOLDT AG will be held in person at the Haus der Bayerischen Wirtschaft in Munich on Friday, May 12, 2023.

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 approximately 6,500 employees, HENSOLDT achieved a turnover of EUR 1.7 billion in 2022. HENSOLDT is listed in the MDAX on the Frankfurt Stock Exchange.