MEDIA RELEASE

▶ *RHEINMETALL AG*

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Rheinmetall's H1: Strong sales growth and record profitability

- Record growth: consolidated sales increase by 39% to €5.2 billion in the first half of the year
- Consolidated operating result climbs by €333 million from €453 million to €786 million – growth of or 74%
- Operating result margin of 15.0% at Group level
- Rheinmetall Nomination significantly higher than last year at €16.2 billion
- Operating free cash flow at €-1,616 million – due to a shift in advance payments, inventory build-up and continued high levels of investment activity
- Revised annual guidance for 2026 following the decision on the F126

Rheinmetall AG, Düsseldorf, has closed the first half of 2026 with record growth in sales and earnings. In the first six months of the 2026 fiscal year, the Group considerably expanded its sales volume and significantly increased its profitability. The technology group's order backlog remains at a very high level.

The security policy situation with significantly increased defence budgets in numerous countries ensures demand in the military business. The promising market situation and the persistently strong order book remain unchanged.

However, the business development previously anticipated for the current 2026 fiscal year is being affected by the cancellation of the F126 frigate programme. As a result, the sales forecast for the naval business – and consequently for the Group as a whole – is being reduced by €300 million in the current fiscal year. The Group now expects sales for the 2026 fiscal year to be in the range of €13.7 billion to €14.2 billion, with organic sales growth remaining unchanged at between 28% and 31%. The Group's operating result margin is expected to be around 19%.

Armin Papperger, Chief Executive Officer of Rheinmetall AG, on the company's performance: "We have achieved record growth and are well on the way to meeting our annual targets, which remain very ambitious. We owe this not only to a very strong order book and the significant expansion of capacity, but also, above all, to the outstanding performance of our workforce. I would like to thank the men and women in our plants who achieve these results with great dedication and team spirit."

"We are maintaining our solid growth trajectory and continuing to improve profitability, partly through a significant expansion of our capacity. In the second quarter, we were even able to increase the operating result margin to 17.1% – a new high."

"Demand remains strong, and we continue to succeed in securing major orders both at home and abroad. At over 3, our book-to-bill ratio is remarkably high, also compared with our competitors. Our position as a significant player – on land, at sea, in the air and also in space – and our capacity for innovation, which is reflected in promising new projects, provides a solid foundation for further

▶ Key facts

- Consolidated sales reach €5.2 billion – growth of 39% year on year
- Rheinmetall Nomination at €16.2 billion
- Consolidated operating result increases by 74% or €333 million
- Operating result margin at 15.0%
- Annual guidance for 2026 adjusted following the F126 decision

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growth," says Armin Papperger. "In the naval business, too, we are looking to the future and are working hard to fulfil our current maritime orders as a reliable partner with a high level of expertise, and to secure new ones on the international stage as well."

Rheinmetall Group: sales growth of 39% – consolidated operating result up 74%

In the first half of 2026, consolidated sales climbed by €1,477 million or 39% year on year to €5,227 million (previous year: €3,749 million). The share of sales generated in Germany rose by 5 percentage points year on year to 38% in the first half of the year. Thus, the international share amounts to 62%.

The operating result rose even faster in the reporting period, reaching €786 million and exceeding the previous year's figure of €453 million by €333 million or 74%. In the second quarter alone, the operating result rose by 115% from €262 million to €562 million. This higher growth in earnings is attributable to a favourable product mix and to leverage effects resulting from the significant increase in production. The operating result margin at Group level climbed to 15.0% in the first half of the year, compared with 12.1% previously (H1 2025).

In the first six months of the 2026 fiscal year, earnings per share from continuing operations improved from 4.69 EUR in the same period of the previous year to 8.43 EUR.

Compared with the same period of the previous year, operating free cash flow fell significantly by €985 million to €-1,616 million (previous year: €-631 million), as the timing of advance payments shifted. At the same time, measures to expand capacity continued to be implemented. Increased receivables from customers – driven by the high volume of sales invoiced at the end of the quarter – and the build-up of inventories for subsequent quarters also had a negative impact on operating free cash flow.

At €16.2 billion (previous year: €12.7 billion), Rheinmetall Nomination was 28% higher than the previous year's figure. Rheinmetall Nomination comprises both traditional order intake and the volume of new framework agreements.

As at 30 June 2026, Rheinmetall Backlog increased significantly to €80.5 billion (previous year: €56.0 billion). In addition to the order backlog, Rheinmetall Backlog also includes the call-offs expected from existing framework agreements.

Vehicle Systems: Rheinmetall Nomination significantly increases year on year

Sales in Vehicle Systems segment, which primarily operates in wheeled and tracked tactical vehicles as well as logistics vehicles, increased by €533 million or 28% year on year to €2,431 million in the first half of the 2026 fiscal year. The positive development is essentially due to the delivery of tactical vehicle programmes for Germany, wheeled armoured vehicles for German and European customers, and logistics vehicles for the German customer.

After the first half of the 2026 fiscal year, the segment's Rheinmetall Nomination increased by €5,262 million compared with the previous year to €6,691 million. This was significantly influenced by the expansion of the German customer contract for the Puma infantry fighting vehicle, of which an additional 200 units were ordered in a second batch in early 2026, and the order for 298 Lynx infantry fighting vehicles for Romania financed by the European SAFE programme. The segment's Rheinmetall Backlog amounted to €28,829 million (30 June 2026), significantly up on the previous year's figure by €8,372 million or 41%.

The operating result improved from €179 million to €275 million. Essentially, the increase is attributable to higher sales and a change in the product mix in the logistics vehicles business. At 11.3%, the operating margin is higher than the previous year's figure of 9.4%.

Weapon and Ammunition: capacity expansion continues

In the first six months of 2026, Weapon and Ammunition's activities in weapon systems, ammunition and protection systems generated sales of €1,757 million, up by 33% from the previous year's figure (previous year: €1,323 million). The main sales drivers were an ammunition package for Hungary and artillery and medium-calibre ammunition for Ukraine.

At €3,097 million after the first six months of the 2026 fiscal year, Rheinmetall Nomination is around 44% higher than the previous year's figure (previous year: €2,151 million). Significant new orders relate to a medium-calibre ammunition order from Romania as part of the EU SAFE programme, tank ammunition orders for Poland, and artillery shells and artillery weapon systems for Germany and several Eastern European countries.

Rheinmetall Backlog amounted to volume of €25,274 billion as at 30 June 2026. Compared with the previous year's figure (30 June 2025: €21,593 million), this represents growth of €3,681 million or 17%.

At the end of the first six months of 2026, the operating result significantly exceeded the previous year's level at €417 million (previous year: €280 million). This was mainly driven by the significant increase in sales volume. The operating result margin therefore increased to 23.7% (previous year: 21.2%).

This year, the division's business activities were once again accompanied by extensive investments, which, at a volume of €184 million, were level with the previous year (previous year: €188 million). The focus was on transformation and capacity expansion projects at several companies. These essentially include the expansion of pipe production capacity in the United Kingdom, the construction of a new plant in Lithuania and the expansion of powder production at Nitrochemie Aschau.

Air Defence: Rheinmetall Nomination increases sixfold

Air Defence, with products in ground-based air defence and complex systems including drone defence, increased its sales by €183 million to €478 million after six months of the 2026 fiscal year (previous year: €295 million). This equates to growth of 62%. The considerable sales growth is essentially due to progress on projects relating to the manufacture of Skynex and Skyranger air defence systems projects for European customers.

Rheinmetall Nomination increased by €1,285 million or 517% year on year to €1,534 million. Major individual orders related to the delivery of further Skyranger and Skynex air defence systems to one European and one international customer. Rheinmetall Backlog amounted to €4,218 million as at 30 June 2026, a significant year-on-year increase of 80% (previous year: €2,349 million).

The operating result improved significantly to €76 million by the end of the first half of 2026 after €36 million in the previous year. This was mainly driven by the significant increase in sales volume and operational optimisations, which pushed the operating result margin to 16.0% (previous year: 12.4%).

Digital Systems: significant improvement in Rheinmetall Backlog

Digital Systems, with products in the digitalisation of armed forces, satellite technology, manned and unmanned aircraft systems and simulation, increased its sales by €156 million to €820 million after six months of the 2026 fiscal year (previous year: €664 million); this equates to growth of 23%. The sales growth is essentially to the TaWAN and D-LBO digitalisation projects and to the ramp-up of the short- and very short-range air defence projects.

Rheinmetall Nomination amounted to €4,702 million, which is a significant decline of €5,042 million or 52% compared with the same period of the previous year. The previous year's period was characterised by major orders worth billions, namely large orders under the framework agreements for the TaWAN digitalisation programme and the replacement procurement of the IdZ-ES soldier systems. In the first half of the 2026 fiscal year, Digital Systems secured a framework agreement worth billions to supply loitering munition systems (FV-014) and an order to supply reconnaissance vehicles, both for the German armed forces. Furthermore, Digital Systems – as a member of an international consortium – obtained an order to digitalise combat training for the British armed forces. Rheinmetall Backlog amounted to €20,646 million as at 30 June 2026, a significant year-on-year increase of 80% (previous year: €14,829 million).

The operating result rose significantly to €63 million by the end of the first half of 2026 after €35 million in the previous year. This was mainly driven by the significant increase in sales volume and operational improvements. The operating result margin therefore climbed to 7.7% (previous year: 5.3%).

Naval Systems: Rheinmetall Nomination increases

Naval Systems, responsible for maritime solutions in manned and unmanned surface vessel shipbuilding, was included in reporting as a separate segment for the first time at the end of the first quarter of 2026.

In the first four months following the takeover at the end of February 2026, Naval Systems generated sales of €334 million. The sales essentially resulted from the ongoing ship newbuild programmes: the construction of intelligence vessels (FDB424), Braunschweig-class corvettes (K130), replenishment oilers (MBV707) and the Bulgarian multi-purpose modular patrol vessel programme (MMPV90). In the repair, service and maintenance business, service sales of €39 million were generated after the takeover at the end of February 2026, mainly due to the ongoing repair order for the frigate "Rheinland-Pfalz".

In the four months following the takeover at the end of February 2026, Rheinmetall Nomination recorded order intake of €1,004 million. The order from the Romanian government – financed by the European SAFE programme – for the construction of four naval vessels worth €920 million accounted for the largest share. The ship repair and small orders business contributed another approximately €80 million. The Rheinmetall Backlog as at 30 June 2026 was €6,255 million.

The operating result totalled €33 million, bringing the operating result margin to 9.8%.

Outlook: annual sales guidance adjusted slightly

Following an assessment of the impact of the cancellation of the F126 frigate programme, which was announced at the end of June 2026, the Group's annual guidance for the 2026 fiscal year has been adjusted. The Naval Systems division will see a negative sales impact of up to €300 million for the current fiscal year.

The other assumptions underlying the annual guidance remain valid. Rheinmetall now expects an increase in consolidated sales to between €13.7 billion and €14.2 billion (sales in the previous year: €9,935 million). Based on this sales guidance, Rheinmetall expects the Group, including acquisitions, to improve its operating result in the current 2026 fiscal year – taking holding costs into account – and to achieve an operating result margin of around 19% (operating result margin in the 2025 fiscal year: 18.5%).

Forward-looking statements and guidance

This press release contains forward-looking statements. These statements are based on Rheinmetall AG's current estimates and guidance and the information available at the time. Forward-looking statements are not a guarantee of future performance or the results indicated. Rather, they are dependent on a number of factors, entail various risks and uncertainties, and are based on assumptions that may prove to be incorrect. Rheinmetall is under no obligation to update the forward-looking statements in this press release.