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Rheinmetall with Provisional Figures for Fiscal Year 2015: Strong Sales Growth and Stronger Rise in Profit

- **Consolidated sales up 11% to €5,183 million**
- **Group EBIT climbs by 181% to €287 million**
- **Automotive improves profitability further and generates EBIT of €216 million**
- **Defence returns emphatically to profitability with EBIT of €90 million**

Düsseldorf-based Rheinmetall AG generated consolidated sales of €5,183 million for fiscal year 2015. Sales were thus up 11% compared with the previous year's figure of €4,688 million. Both sectors contributed to the growth in sales at the Group.

Earnings before interest and taxes (EBIT) totaled €287 million in fiscal year 2015, following €102 million in the previous year. Rheinmetall thus increased the Group's EBIT margin to 5.5% after 2.2% in the previous year.

The most recent outlook for 2015 was fully complied with in both sectors.

Armin Papperger, CEO of Rheinmetall AG: "Rheinmetall was true to its word and closed 2015 successfully – even somewhat better than originally forecast. We did our homework and increased our profitability in both sectors. Automotive again improved its profitability from a high level and continues to grow more strongly than the market. In the Defence sector, the very good sales performance and a high order intake in 2015 put us on track for success this year too."

Defence with Considerable Growth and Significant Earnings Improvement

The Defence sector achieved sales of €2,591 million in 2015 (previous year: €2,240 million), a year-on-year increase of around 16%.

At €2,693 million, the order intake in the past fiscal year was only slightly lower than the previous year's high figure (€2,812 million). The book-to-bill ratio therefore remains higher than 1.

The Defence sector's order backlog, which is one of the sources for the sector's future organic growth, was €6,422 million at the end of 2015, slightly (€-94 million) lower than in the previous year (€6,516 million), but it runs to considerably more than twice the current annual sales.

In terms of earnings, the Defence sector clearly returned to profitability in 2015. Earnings before interest and taxes (EBIT) reached €90 million in the reporting period, exceeding the comparative figure for the previous year by a considerable €157 million (previous year: €-67 million). In the previous year, EBIT was still reduced by non-recurring effects of €-58 million.

The sector achieved an EBIT margin of 3.5% in fiscal year 2015.

Automotive Grows More Strongly than the Market and Achieves Record Result

The Automotive sector once again performed very well in fiscal year 2015 and, as in the previous year, surpassed all the previous year's main key figures: In sales, the sector grew by 6% to €2,592 million (previous year: €2,448 million). The sector is therefore again growing faster than automotive production, which rose by 1% to 85 million vehicles (up to 3.5 tons) worldwide in the past year.

The Mechatronics division also made a disproportionately high contribution to growth again this year. It achieved growth of over 10% with its products for reducing consumption and emissions.

The sector's sales figures do not include contributions from the joint ventures in China, which increased their income by €157 million or 25% to €785 million (previous year: €628 million). With adjustments for currency effects, the income increased by 7%. The growth of the Chinese operations, especially in the Hardparts division, was therefore again considerably higher than local production growth. In China, automotive production increased by just under 4% in 2015.

The Automotive sector's earnings before interest and taxes (EBIT) reached €216 million and thus an all-time high in the past fiscal year. Compared to the corresponding figure for the previous year of €184 million, earnings were improved by 17%. The EBIT margin in 2015 thus increased to 8.3% after 7.5% in the previous year.

Rheinmetall will publish the final figures for fiscal year 2015 on March 17, 2016.