

HENSOLDT

financials

Quarterly Release for the
first nine months of 2021

This English report is for convenience only. In case of discrepancies between the English and the German report, the German report shall prevail.

A Earnings release

1 Business development

In recent months we continued to monitor the situation around the Coronavirus SARS-CoV-2 ('COVID-19') pandemic at all our sites to protect the health and well-being of all our employees, customers and partners as well as our business. The COVID-19 pandemic has still not significantly influenced the business of HENSOLDT Group ('HENSOLDT' or 'the Group') as a provider of defence and security electronic solutions. The utilization of the revolving credit facility, which was fully drawn as part of our COVID-19 mitigation plan in 2020, was reduced by €200.0 million in the first nine months of 2021.

In April 2021, LEONARDO S.p.A., Italy, announced that it has entered into a definitive agreement with Square Lux Holding II S.à r.l. ('Square Lux'), a portfolio company controlled by funds advised by Kohlberg Kravis & Roberts & Co. L.P., to purchase a 25.1 % stake in HENSOLDT AG. In May 2021 Kreditanstalt für Wiederaufbau ('KfW'), executing the acquisition rights of the Federal Republic of Germany ('Federal Government'), acquired 25.1 % of HENSOLDT AG's shares from Square Lux.

In May 2021, HENSOLDT AG had its first annual general meeting. Due to the pandemic the meeting was held virtually. Following the decision of the annual general meeting, a total amount of €13.65 million was distributed as dividend to the shareholders of HENSOLDT AG.

With effect as of June 2021, HENSOLDT switched the consolidation method of HENSOLDT Cyber GmbH, Taufkirchen, ('HENSOLDT Cyber') from at-equity to full consolidation due to potential voting rights in connection with conversion rights attached to loans granted to HENSOLDT Cyber. In addition HENSOLDT closed two minor but strategically important acquisitions at the beginning of 2021, namely two business units (Air Traffic Management ('ATM') and Defence Division) of Tellumat (Pty) Ltd in South Africa as well as HENSOLDT Analytics GmbH (formerly: SAIL LABS Technology GmbH) in Vienna.

With the appointment of Celia Pelaz as of July 1, 2021, the Management Board of HENSOLDT AG was expanded to four members. Ms. Pelaz serves as Chief Strategy Officer and continues to lead the Spectrum Dominance & Airborne Solutions division as well as HENSOLDT Ventures.

Overall, HENSOLDT's operating business continued its positive development in the first nine months of 2021. In the first half year of 2021 strong order intakes were recorded, most notably for the development and delivery of the airborne electronic signals intelligence system 'PEGASUS' for a contract value of €1.25 billion and large orders relating to procurement of additional Eurofighters by the German Air Force ('Eurofighter Quadriga') as well as for observation and reconnaissance platforms. In the third quarter of 2021 HENSOLDT recorded new order intakes, amongst others, for the delivery of long-range radars for the German airspace surveillance and for the modernization of F-124 frigates as well as for the equipment of the German-Norwegian U212 CD submarines with twin-optronic masts. Revenue increased by 19.3 % (€849.8 million; PY: €712.1 million). This is mainly due to the progress of key programs. Adjusted EBITDA increased by 7.4 % (€110.4 million; PY: €102.8 million). Lower project margins for higher pass-through revenues and for projects in early stage of life-cycle were overcompensated by the increased volume and higher other operating income.

2 Conditions in the defence and security sector

The COVID-19 pandemic magnified existing security trends and tensions and made the security environment more unpredictable. Due to the changing security environment and growing instability, worldwide defence investments increased in the last years.

In Germany, the national defence budget for the year 2022 was increased by approximately €3.5 billion in the latest Federal Government's budget draft in June 2021 and will for the first time exceed the mark of €50 billion. The European Defence Fund ('EDF') with a size of approximately €8 billion from 2021 to 2027 was also officially launched in June 2021. The EU member states want to further deepen their defence cooperation and strengthen EU-NATO relations. This includes an EU strategy for cooperation in the Indo-Pacific from September 2021, a new EU-NATO joint declaration before the end of 2021 and an EU defence summit under the French presidency of the Council of the EU in the first half of 2022. In summary, multifaceted business opportunities for HENSOLDT worldwide and especially in its EU home countries result from the conditions in the defence and security sector.

3 Results of operations

Order intake, revenue and order backlog by segment

in € million	Order intake			Revenue			Order backlog		
	First nine months			First nine months			Sep. 30,	Dec. 31,	
	2021	2020	% Change	2021	2020	% Change	2021	2020	% Change
Sensors	2,515.7	1,823.9	37.9%	661.1	553.6	19.4%	4,646.3	2,825.5	64.4%
Optronics	308.7	182.4	69.2%	191.1	160.7	18.9%	719.1	600.0	19.9%
Elimination/Transversal/ Others	-3.6	-2.9		-2.4	-2.2		-2.5	-1.5	
HENSOLDT	2,820.8	2,003.4	40.8%	849.8	712.1	19.3%	5,362.9	3,424.0	56.6%

Order intake

- *Sensors*: Further growth compared to the very successful previous year period mainly related to the orders for PEGASUS and Eurofighter Quadriga in the division Spectrum Dominance & Airborne Solutions. The division Radar & Naval Solutions benefitted from further contracts resulting from the Eurofighter Quadriga program as well. In the third quarter of 2021 additional large orders were recorded, inter alia, for the delivery of long-range radars for the German airspace surveillance and the modernization of F-124 frigates. The previous year period included the orders for the Eurofighter Common Radar System Mk1.
- *Optronics*: Higher order intake was particularly driven by the product line Ground Based Systems. Increases in order intake could also be recognized for the product lines Naval and High-Performance Optics as well as for the South African entity. Strong order intake in the third quarter of 2021 was mainly driven by a contract for the equipment of the German-Norwegian U212 CD submarines with twin-optronic masts.

Revenue

- *Sensors*: Overall growth compared to the previous year period mainly related to Eurofighter radars in the division Radar & Naval Solutions and PEGASUS in the division Spectrum Dominance & Airborne Solutions. The division Customer Services & Space Solutions traded on a comparable level.
- *Optronics*: Further increase compared to the previous year period was mainly related to revenue drivers in Ground Based Systems and High-Performance Optics.

Order backlog

- *Sensors*: Further growth compared to the year-end 2020 was mainly driven by the order intakes in the divisions Radar & Naval Solutions and Spectrum Dominance & Airborne Solutions.
- *Optronics*: Further increase compared to the year-end 2020 resulted primarily from the order intake in the product lines Ground Based Systems, Naval, High-Performance Optics as well as in the South African entity.

Income

in € million	Profit			Profit margin	
	First nine months			First nine months	
	2021	2020	% Change	2021	2020
Sensors	88.8	82.3	7.9%	13.4%	14.9%
Optronics	23.7	23.1	2.6%	12.4%	14.4%
Elimination/Transversal/Others	-2.1	-2.6			
Adjusted EBITDA	110.4	102.8	7.4%	13.0%	14.4%
Depreciation and amortization	-91.3	-87.7	-4.1%		
Non-recurring effects	-7.1	-23.9	70.3%		
Earnings before finance result and income taxes (EBIT)	12.0	-8.8	>200.0%	1.4%	-1.2%
Finance result	-27.5	-133.2	79.4%		
Income taxes	0.6	23.9	-97.5%		
Group result	-14.9	-118.0	87.4%	-1.8%	-16.6%
Earnings per share (in €; basic/diluted)	-0.13	-1.46	91.1%		

Adjusted EBITDA

- *Sensors*: Increase compared to the previous year period was mainly related to volume effects and higher other operating income. This effect was partly compensated by lower project margins for higher pass-through business and for projects in early stage of life-cycle as well as by higher research and development and functional costs.
- *Optronics*: Slight increase compared to the previous year period. Volume effects were partly offset by impact from production ramp-ups in South Africa and new businesses, e.g. security solutions.

Earnings before finance result and income taxes (EBIT)

- *Depreciation and amortization*: Increase compared to the previous year period was related to higher depreciation of property, plant & equipment and right-of-use assets. Decrease of amortization of acquired intangible assets was compensated by higher amortization of capitalized development costs.
- *Non-recurring effects*¹: Decrease mainly due to lower other non-recurring effects in general administrative expenses in connection with the preparation of the initial public offering (IPO) of HENSOLDT AG in the previous year.

Group result

- *Finance result*: Decreased expenses largely driven by the revaluation of an embedded derivative in the former Term Loan agreement in accordance with IFRS 9 which characterized the finance result in the previous year period. In the current reporting period no such effects were recognized due to restructured financial liabilities in connection with the IPO.
- *Income taxes*: Decrease of tax income mainly due to lower deferred tax income primarily related to the revaluation of the embedded derivative in the former Term Loan agreement in the previous year period.

Earnings per share

- Earnings per share ('EPS') improved from €-1.46² to €-0.13 compared to the previous year period mainly caused by an improvement of the finance result.

¹ Defined as transaction costs, separation costs and other non-recurring effects.

² Calculated based on the amount of shares at the time of transformation of the legal form of HENSOLDT AG.

4 Assets, liabilities and financial position

Assets and capital structure

	Sep. 30,	Dec. 31,	
in € million	2021	2020	% Change
Non-current assets	1,331.7	1,313.4	1.4%
<i>therein: Goodwill</i>	<i>651.9</i>	<i>637.2</i>	<i>2.3%</i>
Current assets	1,315.1	1,634.2	-19.5%
<i>therein: Inventories</i>	<i>515.3</i>	<i>403.7</i>	<i>27.6%</i>
<i>therein: Trade receivables</i>	<i>258.6</i>	<i>282.0</i>	<i>-8.3%</i>
<i>therein: Other current assets</i>	<i>106.6</i>	<i>78.7</i>	<i>35.5%</i>
<i>therein: Cash and cash equivalents</i>	<i>227.8</i>	<i>645.5</i>	<i>-64.7%</i>
Total assets	2,646.8	2,947.6	-10.2%
Equity	348.7	346.8	0.5%
<i>therein: Capital reserve</i>	<i>583.2</i>	<i>596.8</i>	<i>-2.3%</i>
<i>therein: Other reserves</i>	<i>-55.1</i>	<i>-86.3</i>	<i>36.2%</i>
<i>therein: Retained earnings</i>	<i>-294.5</i>	<i>-281.6</i>	<i>-4.6%</i>
Non-current liabilities	1,260.5	1,257.1	0.3%
<i>therein: Non-current provisions</i>	<i>474.2</i>	<i>482.6</i>	<i>-1.7%</i>
<i>therein: Non-current contract liabilities</i>	<i>31.3</i>	<i>16.0</i>	<i>95.6%</i>
Current liabilities	1,037.6	1,343.7	-22.8%
<i>therein: Current provisions</i>	<i>165.0</i>	<i>193.6</i>	<i>-14.8%</i>
<i>therein: Current financing liabilities</i>	<i>171.7</i>	<i>363.3</i>	<i>-52.7%</i>
<i>therein: Current contract liabilities</i>	<i>413.5</i>	<i>416.8</i>	<i>-0.8%</i>
<i>therein: Trade payables</i>	<i>189.8</i>	<i>164.0</i>	<i>15.7%</i>
<i>therein: Other current financial liabilities</i>	<i>4.9</i>	<i>97.8</i>	<i>-95.0%</i>
Total equity and liabilities	2,646.8	2,947.6	-10.2%

Total assets

- *Non-current assets*: Increase mainly related to goodwill recognized for the full consolidation of HENSOLDT Cyber and net increase in intangible assets.
- *Current assets*: Decrease mainly resulted from the reduction of cash and cash equivalents driven by the partial repayment of the revolving credit facility. This effect was partly compensated by an increase in other current assets mainly due to higher advance payments made. Following the usual seasonality pattern inventories increased while trade receivables decreased in the first nine month of 2021.

Total equity and liabilities

- *Equity*: Slight increase due to higher other reserves primarily resulting from the valuation of pension obligations partly compensated by the net loss of the reporting period and the decrease in capital reserve as a result of the dividend payment.
- *Non-current liabilities*: Comparable level to year-end 2020. Higher non-current contract liabilities offset by the reduction of non-current provisions mainly related to the decrease in pension provisions due to higher interest rates.
- *Current liabilities*: Decrease primarily related to the partial repayment of the revolving credit facility as well as the reduction of other current financial liabilities. The latter position is determined by scheduled forwarding of payments

to a factoring company. This relates to payments received for factoring contracts as of December 31, 2020, that were not yet due for forwarding to the factor. Current provisions decreased due to changes in project related provisions within the usual project lifecycles and due to the seasonality of personnel provisions. These decreases were partly offset by an increase in trade payables.

Financial position

in € million	First nine months		
	2021	2020	Change
Cash flows from operating activities	-16.3	72.1	-88.4
Cash flows from investing activities	-88.4	-71.8	-16.6
Free cash flow	-104.7	0.3	-105.0
Non-recurring effects	10.8	26.1	-15.3
Interest, income taxes and M&A activities	46.1	39.3	6.8
Adjusted pre-tax unlevered free cash flow	-47.8	65.7	-113.5
Cash flows from financing activities	-312.8	314.9	-627.7

Free cash flow

- *Cash flows from operating activities*: Decrease mainly driven by higher build-up of inventories, lower reduction of trade receivables as well as a lower increase in contract liabilities compared to the previous year period. This effect was partly offset by a higher increase in trade payables compared to the previous year period.
- *Cash flows from investing activities*: Increase of cash outflows primarily as a result of higher payments in connection with M&A activities.

Adjusted pre-tax unlevered free cash flow

- *Non-recurring effects*³: Decrease mainly due to lower other non-recurring effects in connection with the preparation of the IPO in the previous year as well as the reduction of transaction expenses.
- *Interest*⁴, *income taxes*⁵ and *M&A activities*⁶: Increase mainly related to higher outflows from M&A activities and income taxes partly offset by lower interest payments in the current reporting period.

Cash flows from financing activities

- Decrease results primarily from the partial repayment of the revolving credit facility, while the net cash inflow in the previous year period was determined by its drawing as part of HENSOLDT's COVID-19 mitigation plan. In the previous year period the proceeds of the IPO were offset by the decrease in non-current financing liabilities. Further cash outflows resulted from scheduled forwarding of payments to the factoring company. This relates to payments received for factoring contracts that were not yet due for forwarding to the factor as of December 31, 2020. In addition in the current reporting period dividend payments were included with no distribution in the previous year period.

³ Defined as transaction costs, separation costs and other non-recurring effects.

⁴ Defined as 'Interest paid' (including interest on lease liabilities) as reported in the consolidated statement of cash flows.

⁵ Defined as 'Income tax payments / refunds' as reported in the consolidated statement of cash flows.

⁶ Defined as sum of 'Share of profit in entities recognized for using the equity method', 'Acquisition of associates, other investments and other non-current investments', 'Proceeds from sale of intangible assets and property, plant and equipment', 'Acquisition of businesses net of acquired cash' and 'Other cash flows from investing activities' as reported in the consolidated statement of cash flows.

5 Outlook

The Management Board expects a significant increase in revenue for 2021. For the increase in order intake the Management Board expectation for the outlook was changed from moderate to significant for 2021. The adjusted EBITDA is anticipated to increase significantly in 2021. Apart from the changed expectation concerning order intake the outlook is unchanged compared to year-end 2020.

These expectations do not account for possible implications from additional waves of infection or further lockdowns in connection with the global COVID-19 pandemic.

6 Opportunities and risks

In HENSOLDT's combined management report for the year ended December 31, 2020, we described the principles of the HENSOLDT risk management system, certain risks which could have an adverse impact on HENSOLDT as well as our most significant opportunities.

Currently, the COVID-19 pandemic exerts a significant impact on the availability of individual materials, already resulting in a supply shortage in selected industries. Hence, there is an inherent risk that required materials and components are not available on-time, on-quality and at planned costs. Despite this development we do not expect any significant effects on HENSOLDT due to our relatively small batch-sizes and measures taken as part of the COVID-19 mitigation plan, such as increasing procurement times. Nevertheless, we will closely monitor the supply chain risk in the near future and take any necessary steps.

HENSOLDT's Management Board assesses the overall opportunity and risk situation of the Group as unchanged compared to year-end 2020.

B Financial Results

1 Consolidated Income Statement

in € million	First nine months	
	2021	2020
Revenue	849.8	712.1
Cost of sales	-694.1	-566.4
Gross profit	155.7	145.7
Selling and distribution expenses	-73.0	-64.5
General administrative expenses	-58.7	-64.2
Research and development costs	-21.0	-19.4
Other operating income	22.9	14.4
Other operating expenses	-11.9	-18.2
Share of profit from investments accounted for using the equity method	-2.0	-2.6
Earnings before finance result and income taxes (EBIT)	12.0	-8.8
Interest income	6.1	2.4
Interest expense	-35.1	-126.4
Other finance income/costs	1.5	-9.2
Finance result	-27.5	-133.2
Earnings before income taxes	-15.5	-142.0
Income taxes	0.6	23.9
Group result	-14.9	-118.0
<i>thereof attributable to the owners of HENSOLDT AG</i>	<i>-13.4</i>	<i>-117.6</i>
<i>thereof attributable to non-controlling interests</i>	<i>-1.5</i>	<i>-0.4</i>
Earnings per share		
Basic and diluted earnings per share (in €)	-0.13	-1.46

2 Consolidated Statement of Comprehensive Income

in € million	First nine months	
	2021	2020
Group result	-14.9	-118.0
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans/plan assets	40.1	-10.1
Tax on items that will not be reclassified to profit or loss	-11.3	4.2
Subtotal	28.8	-5.9
Items that will be reclassified to profit or loss		
Difference from currency translation of financial statements	2.4	-15.8
Cash flow hedge - unrealized gains/losses	-	0.1
Cash flow hedge - reclassification to profit or loss	-	-1.1
Tax effect on unrealized gains/losses	0.3	0.3
Subtotal	2.7	-16.5
Other comprehensive income net of tax	31.6	-22.4
Total comprehensive income	16.7	-140.4
<i>thereof attributable to the owners of HENSOLDT AG</i>	<i>17.8</i>	<i>-137.3</i>
<i>thereof attributable to non-controlling interests</i>	<i>-1.1</i>	<i>-3.1</i>

3 Consolidated Statement of Financial Position

ASSETS	Sep. 30,	Dec. 31,
in € million	2021	2020
Non-current assets	1,331.7	1,313.4
Goodwill	651.9	637.2
Intangible assets	389.6	386.2
Property, plant and equipment	104.9	103.1
Right-of-use assets	142.7	143.5
Investments accounted for using the equity method	-	-
Other investments and other non-current financial assets	19.8	11.3
Non-current other financial assets	0.7	1.0
Other non-current assets	2.8	4.8
Deferred tax assets	19.3	26.3
Current assets	1,315.1	1,634.2
Other non-current financial assets, due on short-notice	3.6	11.2
Inventories	515.3	403.7
Contract assets	195.0	204.4
Trade receivables	258.6	282.0
Other current financial assets	6.8	7.1
Other current assets	106.6	78.7
Income tax receivables	1.4	1.6
Cash and cash equivalents	227.8	645.5
Total assets	2,646.8	2,947.6

EQUITY AND LIABILITIES	Sep. 30,	Dec. 31,
in € million	2021	2020
Share capital	105.0	105.0
Capital reserve	583.2	596.8
Other reserves	-55.1	-86.3
Retained earnings	-294.5	-281.6
Equity held by shareholders of HENSOLDT AG	338.6	333.9
Non-controlling interests	10.1	12.9
Equity, total	348.7	346.8
Non-current liabilities	1,260.5	1,257.1
Non-current provisions	474.2	482.6
Non-current financing liabilities	602.5	601.3
Non-current contract liabilities	31.3	16.0
Non-current lease liabilities	140.5	140.3
Other non-current financial liabilities	0.0	0.2
Other non-current liabilities	6.9	8.9
Deferred tax liabilities	5.1	7.7
Current liabilities	1,037.6	1,343.7
Current provisions	165.0	193.6
Current financing liabilities	171.7	363.3
Current contract liabilities	413.5	416.8
Current lease liabilities	16.0	13.7
Trade payables	189.8	164.0
Other current financial liabilities	4.9	97.8
Other current liabilities	75.3	86.9
Tax liabilities	1.4	7.6
Total equity and liabilities	2,646.8	2,947.6

4 Consolidated Statement of Cash Flow

in € million	First nine months	
	2021	2020
Group result	-14.9	-118.0
Depreciation and amortization	91.3	87.6
Allowances on inventories, trade receivables and contract assets	-4.9	-2.4
Share of profit in entities accounted for using the equity method	2.0	2.6
Financial expenses (net)	25.3	119.7
Other non-cash expenses/income	-6.9	-2.0
Change in		
Provisions	2.0	8.2
Inventories	-108.0	-64.3
Contract balances	21.3	68.9
Trade receivables	30.6	97.1
Trade payables	27.6	3.5
Other assets and liabilities	-48.0	-49.7
Interest paid	-27.3	-36.5
Transaction costs on refinancing	-	-14.8
Income tax expense (+) / income (-)	-0.6	-23.9
Income tax payments (-) / refunds (+)	-5.8	-3.9
Cash flows from operating activities	-16.3	72.1
Acquisition/addition of intangible assets and property, plant and equipment	-73.3	-70.3
Proceeds from sale of intangible assets and property, plant and equipment	1.8	0.0
Acquisition of associates, other investments and other non-current investments	-8.6	-5.8
Disposals of associates, other investments and other non-current investments	-	0.1
Acquisition of businesses net of cash acquired	-8.3	4.0
Other	-	0.2
Cash flows from investing activities	-88.4	-71.8
Repayment from financial liabilities to banks	-200.0	-920.0
Proceeds from financial liabilities to banks	-	950.0
Change in other financial liabilities	-83.5	1.3
Payment of lease liabilities	-12.2	-10.4
Dividend payments to shareholders of HENSOLDT AG	-13.6	-
Dividend payments to non controlling interests	-0.1	0.0
Issue of shares	-	300.0
Transaction costs on issue of equity	-3.4	-6.0
Cash flows from financing activities	-312.8	314.9
Effects of movements in exchange rates on cash and cash equivalents	-0.2	-5.1
Other adjustments	-	-2.2
Net changes in cash and cash equivalents	-417.7	307.9
Cash and cash equivalents		
Cash and cash equivalents on January 1st	645.5	137.4
Cash and cash equivalents on September 30th	227.8	445.3

5 Consolidated Statement of Changes in Equity

Attributable to the owners of the HENSOLDT AG									
in € million	Share capital	Capital reserve	Retained earnings	Other reserves			Sub-total	Non-controlling interests	Equity
				Remeasurement of pensions	Cash flow hedge	Currency translation			
Jan. 1, 2021	105.0	596.8	-281.6	-66.7	-4.7	-15.0	333.9	12.9	346.8
Group result	-	-	-13.4	-	-	-	-13.4	-1.5	-14.9
Other comprehensive income	-	-	-	28.8	0.3	2.1	31.2	0.4	31.6
Total comprehensive income	-	-	-13.4	28.8	0.3	2.1	17.8	-1.1	16.7
Transactions with non-controlling interests/ Acquisition through business combinations	-	-	0.5	-	-	-	0.5	-1.5	-1.0
Dividend payment	-	-13.7	-	-	-	-	-13.7	-	-13.7
Dividends on non-controlling interests	-	-	-	-	-	-	-	-0.2	-0.2
Other	-	0.1	-	-	-	-	0.1	-	0.1
Sep. 30, 2021	105.0	583.2	-294.5	-37.9	-4.4	-12.9	338.6	10.1	348.7

Attributable to the owners of the HENSOLDT AG									
in € million	Share capital	Capital reserve	Retained earnings	Other reserves			Sub-total	Non-controlling interests	Equity
				Remeasurement of pensions	Cash flow hedge	Currency translation			
Jan. 1, 2020	10.0	396.7	-215.8	-39.3	-4.1	-6.3	141.2	13.6	154.8
Group result	-	-	-117.6	-	-	-	-117.6	-0.4	-118.0
Other comprehensive income	-	-	-	-5.9	-0.7	-13.1	-19.7	-2.7	-22.4
Total comprehensive income	-	-	-117.6	-5.9	-0.7	-13.1	-137.3	-3.1	-140.4
Issue of share capital from own funds	70.0	-70.0	-	-	-	-	-	-	-
Issue of share capital IPO	25.0	275.0	-	-	-	-	300.0	-	300.0
Transaction costs	-	-3.1	-	-	-	-	-3.1	-	-3.1
Dividends on non-controlling interests	-	-	-	-	-	-	-	-0.2	-0.2
Sep. 30, 2020	105.0	598.6	-333.4	-45.2	-4.8	-19.4	300.8	10.3	311.1

6 Segment information

The Group operates in two operating segments, Sensors and Optronics.

				First nine months
in € million				2021
	Sensors	Optronics	Elimination/ Transversal/ Others	Group
Order intake	2,515.7	308.7	-3.6	2,820.8
Order backlog	4,646.3	719.1	-2.5	5,362.9
Revenue from external customers	659.9	189.9	0.0	849.8
Intersegment revenue	1.2	1.2	-2.4	-
Segment revenue	661.1	191.1	-2.4	849.8

				First nine months
in € million				2021
	Sensors	Optronics	Elimination/ Transversal/ Others	Group
Material non-cash items other than depreciation and amortization:				
Additions to other provisions	-44.3	-32.9	-0.5	-77.7
Dissolution of other provisions	5.7	16.7	0.1	22.5
Remeasurement to fair value of pre-existing interest in an acquiree	10.2	-	-	10.2
Entity's interest in the profit or loss of associates and joint ventures accounted for using the equity method	-	-	-2.0	-2.0

				First nine months
in € million				2021
	Sensors	Optronics	Elimination/ Transversal/ Others	Group
EBITDA	88.5	23.7	-8.9	103.3
Transaction costs	0.1	-	0.2	0.3
IPO related costs	-	-	0.7	0.7
Other non-recurring effects	0.2	-	5.9	6.1
Adjusted EBITDA	88.8	23.7	-2.1	110.4
<i>Margin adjusted EBITDA</i>	<i>13.4%</i>	<i>12.4%</i>		<i>13.0%</i>
Depreciation and amortization	-71.6	-19.7	0.0	-91.3
EBIT	16.9	4.0	-8.9	12.0
Effect on earnings from purchase price allocations	40.2	7.6	-	47.8
Transaction costs	0.1	-	0.2	0.3
IPO related costs	-	-	0.7	0.7
Other non-recurring effects	0.2	-	6.0	6.2
Adjusted EBIT	57.4	11.6	-2.0	67.0
<i>Margin adjusted EBIT</i>	<i>8.7%</i>	<i>6.1%</i>		<i>7.9%</i>

				First nine months
in € million				2021
	Sensors	Optronics	Elimination/ Transversal/ Others	Group
EBIT	16.9	4.0	-8.9	12.0
Finance result	-	-	-	-27.5
EBT	-	-	-	-15.5

				First nine months
in € million				2020
	Sensors	Optronics	Elimination/ Transversal/ Others	Group
Order intake	1,823.9	182.4	-2.9	2,003.4
Order backlog	2,775.5	602.5	1.1	3,379.1
Revenue from external customers	553.4	158.7	-	712.1
Intersegment revenue	0.2	2.0	-2.2	-
Segment revenue	553.6	160.7	-2.2	712.1

				First nine months
in € million				2020
	Sensors	Optronics	Elimination/ Transversal/ Others	Group
Material non-cash items other than depreciation and amortization:				
Additions to other provisions	-43.9	-38.5	-	-82.4
Dissolution of other provisions	11.2	3.8	-	15.0
Entity's interest in the profit or loss of associates and joint ventures accounted for using the equity method	-	-	-2.6	-2.6

				First nine months
in € million				2020
	Sensors	Optronics	Eliminierung/ Transversal/ Übrige	Konzern
EBITDA	81.5	22.5	-25.1	78.9
Transaction costs	0.5	-	-	0.5
Other non-recurring effects	0.3	0.6	22.5	23.4
Adjusted EBITDA	82.3	23.1	-2.6	102.8
<i>Margin adjusted EBITDA</i>	<i>14.9%</i>	<i>14.4%</i>		<i>14.4%</i>
Depreciation and amortization	-66.2	-21.3	-0.2	-87.7
EBIT	15.3	1.2	-25.3	-8.8
Effect on earnings from purchase price allocations	40.5	11.0	-	51.5
Transaction costs	0.5	-	-	0.5
Other non-recurring effects	0.3	0.6	22.7	23.6
Adjusted EBIT	56.6	12.8	-2.6	66.8
<i>Margin adjusted EBIT</i>	<i>10.2%</i>	<i>8.0%</i>		<i>9.4%</i>

				First nine months
in € million				2020
	Sensors	Optronics	Eliminierung/ Transversal/ Übrige	Konzern
EBIT	15.3	1.2	-25.3	-8.8
Finance result	-	-	-	-133.2
EBT	-	-	-	-142.0

7 Revenue

Geographical information

		First nine months	
in € million		2021	2020
Europe		702.0	557.0
<i>(thereof Germany)</i>		496.4	360.5
Middle East		67.4	64.3
APAC		30.0	22.9
North America		26.9	39.6
Africa		30.2	30.7
LATAM		10.5	9.0
Other regions/Consolidation		-17.2	-11.4
Total		849.8	712.1

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The report is denominated in Euro (€). All amounts in this report are rounded to thousand, million or billion Euros. Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

This report is a quarterly statement according to § 53 of the Exchange Rules for the Frankfurter Wertpapierbörse.

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