Quarterly release of HENSOLDT AG for the first three months of **2026**

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In case of discrepancies between the English and the German report, the German report shall prevail.

HENSOLDT
Detect and Protect.

A Earnings release

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1 Business development and key events

Business development and key events in the reporting period

Germany's security policy environment continues to be impacted by numerous crises and conflicts around the world, and these are becoming increasingly complex and volatile. Russia's ongoing war against Ukraine, the continuing armed conflicts in the Middle East between the United States of America (USA) and the State of Israel against the Islamic Republic of Iran (Iran) affecting numerous states in the region, and the strategic confrontation between the USA and China are shifting the priorities of security policy and heightening the global demand for defence and deterrence capabilities. Also, the growing tensions between the United States and Europe raise questions not only concerning bilateral relations, but also the entire international order. This presents Germany, Europe and the North Atlantic Alliance with major challenges. As a result, both national and European actors are determined to strengthen defence capabilities and respond to the current security policy challenges faced. The ongoing investment in the security and defence industry not only provides assurance of operational readiness, but also opens up significant business opportunities for the HENSOLDT Group (hereinafter also referred to as "HENSOLDT" or "the Group") in the European market.

In this dynamic environment, HENSOLDT's operating performance in the first three months of 2026 continued to show positive development with very high order intake achieved, driven in particular by further procurement orders by the Federal Republic of Germany (the German Federal Government) and other European countries. The €1,483 million order volume again significantly exceeded the already high order intake for the previous year period of €701 million by 111.5%. Growth was achieved by both segments - over 200% in the case of the Optronics segment, largely thanks to major contracts to fit the "Puma" infantry fighting vehicle and the "Schakal" wheeled infantry fighting vehicle with digital optronics, enabling this segment to more than double its order intake volume. Revenue, which once again increased significantly in both segments compared with the same period last year, amounted to €496 million as at 31 March 2026 (previous year: €395 million). The 25.4% increase in the first three months of 2026 was due to the significant growth in core business, which performed particularly well in the Optronics segment and developed very positively in the Sensors segment. Pass-through revenue, which also contributed to revenue growth, rose as expected due to the ongoing implementation of the key projects PEGASUS and Eurofighter radar. As a result of the significant rise in order intake, the book-to-bill ratio increased considerably to 3.0x compared with 1.8x in the previous year period. Adjusted EBITDA reached €44 million, 46.7% above the previous year period's figure of €30 million. Both segments saw their adjusted EBITDA increase, mainly due to a significant rise in revenue volume which is reflected in the improved adjusted EBITDA margin of 8.9%, up from 7.6% in the same period last year.

In March 2026, HENSOLDT AG entered into an agreement to acquire 100% of the outstanding shares of Beusker's Apparaten Fabriek B.V. ("BAF"). BAF is the 100% shareholder of B.V. Nederlandse Instrumenten Compagnie "Nedinsco" ("Nedinsco"). Nedinsco is active in the defence and semiconductor industry and focuses on the development and production of optomechatronic systems, including periscopes, driver vision systems and subsystems for optronic sensor units. The Management Board and Supervisory Board of HENSOLDT AG have unanimously approved the full acquisition of BAF. The acquisition will be entirely financed from existing funds. Subject to regulatory approvals and other conditions, the acquisition, including the obtainment of control and the payment of the purchase price for the shares in BAF is expected to be completed around mid-2026.

The term of the syndicated loan agreement concluded in April 2025, which includes a term loan of €850 million and a revolving credit facility of €400 million, was extended by one year until 2 April 2031, at the end of March 2026.

Events after the reporting period

Through a resolution passed by the Supervisory Board in November 2025, Inka Tews was appointed as a member of the Management Board for a term of three years, effective from 1 May 2026. Until Inka Tews takes over the position of CHRO, the Management Board, working together with the HR management team, will ensure continuity and stability in all personnel-related matters.

2 Economic conditions

General economic conditions

In 2026, the global economy continues to be impacted by increasing geopolitical uncertainties. The war in the Middle East in particular has sparked an oil price shock that is noticeably dampening economic growth worldwide. Based on current forecasts by the International Monetary Fund (IMF) and the Joint Economic Forecast by Germany's leading economic institutes, global growth for 2026 is estimated at 2.9%, remaining below the average level recorded over many years (2025: 3.3%). The global rise in oil and gas prices is one of the main factors pushing up prices, not only increasing the cost of energy supply itself but also having an impact across a wide range of sectors along the supply chains. The IMF has stated that while inflation continues to fall in many economies, it remains high, averaging 3.8% globally. This is particularly a result of volatile energy prices, ongoing supply chain disruption as well as monetary policies that remain restrictive across large parts of the world. International trade is being hampered by fresh uncertainties and the reorganisation of supply chains. However, investment in future technologies and the diversification of energy supplies present opportunities for stabilisation in the medium term.

Particularly affected by the energy price shock caused by the war in the Middle East is the Eurozone, with a large number of member states reliant on energy imported from this region. Consumer prices are rising noticeably – particularly for electricity, gas and fuel – with businesses passing on higher production and transport costs to their customers, leading to widespread price increases. Based on the Joint Economic Forecast and the ifo Economic Forecast for spring 2026, economic growth in the eurozone is expected to be just 0.8% in 2026, whilst inflation is set to remain above the target level for 2026, at around 1.8%. Industry faces intense competitive pressure: higher costs are eroding margins, investment is being put on hold and uncertainty is dampening expectations. Households are being forced to spend an increasing share of their income on energy, thereby reducing their purchasing power and holding back private consumption.

The German economy in 2026 will continue to feature sluggish growth and heightened risks. The energy price shock caused by the Middle East war is having a particularly serious impact, with current forecasts predicting economic growth in Germany of just 0.3%. The inflation rate is expected to be around 2%, therefore remaining higher than pre-crisis levels. Energy-intensive industries are particularly affected by sharply rising energy costs. Many companies are forced to reduce margins, cut production, or postpone investment decisions. Households are also experiencing financial difficulties due to rising electricity and heating costs, which is having a dampening effect on consumer confidence. While the labour market has so far proved comparatively robust, growth in employment and wages are unable to keep up with rising prices. The economic environment remains highly uncertain and in need of increased reform and investment. The German economy continues to face significant pressure to diversify its energy supply and to ensure competitiveness through innovation and infrastructure measures.

Conditions in the defence and security sector

The international security landscape continues to be shaped by growing geopolitical tensions and conflicts. Russia's ongoing war against Ukraine, the continued escalation across the Middle East, and the conflict between Iran, Israel and the US affecting numerous states in the region are all shifting security priorities and fuelling growing global demand for defence and deterrence capabilities. Recent developments in Iran, in particular, are raising the risk of further regional escalation – with potential implications for energy supplies, trade routes and the international security order.

The strategic rivalry between the US and China meanwhile is also intensifying the dynamics between the major geopolitical powers. On top of this, hybrid attacks – such as cyberattacks, disinformation campaigns and attacks on critical infrastructure – are adding pressure on countries to significantly strengthen their security capabilities. At the same time, the US continues to increase pressure on European states to step up their defence efforts and assume greater responsibility.

The latest shift in US security policy priorities also reinforces this trend. The strategic focus is increasingly turning to the Indo-Pacific region, combined with the clear expectation that Europe will strengthen its defence capabilities more independently. This puts increased pressure on countries to build up their own military and industrial capacities for the long term and to reduce dependencies. Against this backdrop, defence spending within NATO is also rising significantly. In 2025, all member states met the 2% target for the first time – a clear sign of the greater priority given to defence within the alliance and across Europe.

Germany is firmly committed to actively implementing these priorities. With defence expenditure of €108.2 billion in 2026 – comprising €82.7 billion from the core budget and €25.5 billion from the Special Fund for the German Armed Forces (Bundeswehr) – the country will continue its current growth trajectory. Commitment appropriations of around €324 billion by 2041 will also provide long-term planning certainty for procurement projects.

This trend reflects directly in procurement practice: for the first six months of 2026 alone, around 70 procurement proposals exceeding the €25 million threshold are planned – including projects involving HENSOLDT and encompassing all military domains.

Accelerating procurement processes remains a key focus in Germany. The German Armed Forces Planning and Procurement Acceleration Act (BwPBBG), passed by the Bundestag in January 2026, has simplified key procedures and greatly streamlined decision-making processes. A number of exemptions, particularly in public procurement law, are facilitating and speeding up procurement overall. The measures range from simplified direct awarding of contracts and the option of agreeing advance payments through to clarifying the specific importance of interoperability in joint procurement with Germany's partners. Government-to-government sales are also being made easier. Procurement can, in exceptional cases, take place without a tender procedure if this is necessary in the interests of cooperating with allied armed forces. This strengthens key national technologies in the awarding of contracts as well as the industrial base.

In addition, the Federal Ministry of defence (BMVg) is pushing ahead with a comprehensive debureaucratisation and modernisation agenda. This also includes developing the procurement system further, in particular through the expansion and more regional positioning of the German Federal Office for Bundeswehr Equipment, Information Technology and In-Service Support (BAAINBw). These measures are intended to further accelerate the implementation of procurement projects.

Alongside the above, Germany is reinforcing its capacity for innovation in the defence sector. The new Bundeswehr Innovation Centre in Erding is set up as a central hub for the development, testing and rapid integration of new technologies. The centre serves as a link between the Bundeswehr, industry, start-ups and research institutions, and its main purpose is to accelerate the application of innovations in the fields of digitalisation, sensor technology, artificial intelligence and networked operations.

A key driver of this advancement remains the continued support for Ukraine. Germany is the leading supporter of Ukraine in Europe, having provided aid worth around €55 billion since the start of Russia's war of aggression. Military aid has been increased further for 2026, particularly for air defence, artillery systems, drones and armoured vehicles. Support has also been significantly expanded at the European level recently: The €90 billion support loan to Ukraine, which the EU states agreed on after the Hungarian veto was lifted, will considerably accelerate armament procurement for Ukraine in 2026 and 2027.

Meanwhile, the European Union is stepping up its defence industry policy measures and increasingly taking responsibility for its own security. Programmes such as SAFE (Security Action for Europe) and ReArm Europe / Readiness 2030 provide the financial framework for additional investment. Another key instrument is the European Defence Industry Programme (EDIP), which targets joint procurement, the expansion of industrial production capacities and the scaling up of existing industrial capabilities in Europe. With a budget of around €1.5 billion, EDIP provides real incentives for expanding industrial production capacities and closing critical capability gaps, particularly in areas such as electronic components and air and missile defence systems. In addition, the programme helps to reduce structural fragmentation in European procurement and strengthen cooperation between member states. In this context, NATO Secretary General Mark Rutte underlined the need for a major expansion of capabilities, particularly in the field of air and missile defence; he said that a credible deterrent would require a capacity increase of around 400%.

Overall, a market environment is emerging in which modern capabilities must be delivered faster and in a more networked and scalable manner. Software-defined defence, multi-domain operations, artificial intelligence and data fusion are becoming central elements of modern defence. HENSOLDT is excellently positioned in this regard – as a platform-independent provider of highly integrated sensor and data technologies and as a technological pioneer in the field of software-defined defence. In addition to the huge growth in HENSOLDT's key technologies in sensor systems (including for air defence), optronics for land platforms and electronic warfare capabilities, the rising demand for networked, data-driven systems of effects is opening up further growth opportunities in Germany and Europe.

3 Results of operations

Order intake, revenue, book-to-bill ratio and order backlog

	Order intake			Revenue			Book-to-bill			Order backlog		
	First three months			First three months			First three months			31 Mar.	31 Dec.	
in € million	2026	2025	% Delta	2026	2025	% Delta	2026	2025	Delta	2026	2025	% Delta
Sensors	725	664	9.2%	402	339	18.5%	1.8x	2.0x	-0.2x	6,818	6,505	4.8%
Optronics	759	50	>200 %	97	59	63.6%	7.8x	0.8x	7.0x	3,019	2,366	27.6%
Elimination/ Transversal/ Others	-1	-13		-4	-4					-35	-38	
HENSOLDT	**1,483**	**701**	**111.5%**	**496**	**395**	**25.4%**	**3.0x**	**1.8x**	**1.2x**	**9,801**	**8,833**	**11.0%**

Order intake

- *Sensors*: Order intake in the Sensors segment reached €725 million in the first three months of 2026, representing a 9.2% increase compared to the previous year period. This increase was particularly driven by orders related to contract extensions for Eurofighter Mk1 radars in the “Radar & Electromagnetic Warfare“ (REW) division. In the previous year period, orders for the Eurofighter Mk1 radars, the Eurofighter Halcon programme and orders in the division Multi-Domain Solutions (MDS) were main contributors to order intake.

- *Optronics*: The Optronics segment recorded an exceptionally strong increase in order intake to €759 million in the first three months of 2026 (previous year: €50 million). This significant growth was primarily driven by key orders for equipping the “Puma“ infantry fighting vehicle and the “Schakal” wheeled infantry fighting vehicle with digital optronics in the Ground Based Systems (GBS) product line. The previous year period comprised in particular orders in the GBS and Customer Support (CS) product lines.

Revenue

- *Sensors*: With revenue of €402 million in the first three months of 2026, an increase of 18.5% or €63 million was achieved compared to the previous year's figure of €339 million. Key drivers of this positive development were the anticipated rebound in revenue from pass-through business as part of the ongoing implementation of the key projects PEGASUS and Eurofighter radars as well as the further growth in core business.

- *Optronics*: The significant increase in revenue by 63.6% to €97 million in the first three months of 2026 compared to the previous year period (€59 million) is primarily due to the positive development in the Aerospace & Naval, CS and GBS product lines of the German entity.

Book-to-bill ratio[1]

- *Sensors*: In the Sensors segment, a high book-to-bill ratio of 1.8x was again achieved, which was below the value of the previous year period.

- *Optronics*: The significantly higher order intake led to a significant rise in the book-to-bill ratio to 7.8x, compared to 0.8x in the previous year period.

Order backlog

- *Sensors:* The order intake recorded in the first three months of 2026, especially in the REW division, led to an increase in order backlog of 4.8% to €6,818 million as of 31 March 2026, compared to €6,505 million at the end of 2025.

[1] Defined as ratio of order intake to revenue in the relevant reporting period.

- *Optronics:* The increase in order backlog by 27.6% to €3,019 million (compared to €2,366 million at the end of 2025) resulted primarily from orders received for equipping the "Puma" and "Schakal" infantry fighting vehicles in the GBS product line.

Income

	Profit			Profit margin[1]	
	First three months			First three months	
in € million	2026	2025	% Delta	2026	2025
Adjusted EBITDA Sensors	32	29	10.3%	8.1%	8.7%
Adjusted EBITDA Optronics	12	1	>200 %	12.2%	1.3%
Adjusted EBITDA	**44**	**30**	**46.7%**	**8.9%**	**7.6%**
Depreciation, amortisation and impairments of non-current assets	-43	-38	-11.9%		
Special items[2]	-5	-8	32.2%		
Earnings before financial result and income taxes (EBIT)	**-4**	**-16**	**76.7%**	**-0.7%**	**-4.0%**
Financial result	-16	-22	27.7%		
Income taxes	0	7	-99.1%		
Group profit / loss	**-20**	**-31**	**36.5%**	**-4.0%**	**-7.8%**
Earnings per share (in €; basic/diluted)	**-0.16**	**-0.26**	**38.7%**		

[1] The profit margins are calculated in relation to the corresponding revenue.
[2] Special items are "non-regularly recurring and extraordinary" effects.

Adjusted EBITDA

- *Sensors*: In the first three months of 2026, adjusted EBITDA in the Sensors segment increased by 10.3% to €32 million (previous year period: €29 million). This increase resulted primarily from increased revenue volume in core business. Partly offsetting the increase in adjusted EBITDA were higher revenue from pass-through business and increased research and development costs.

- *Optronics*: In the first three months of 2026, the Optronics segment recorded a significant improvement in adjusted EBITDA which increased to €12 million (previous year period: €1 million). Adjusted EBITDA margin improved from 1.3% to 12.2%. This positive development was primarily due to volume effects within the German entity.

Earnings before financial result and income taxes (EBIT)

In addition to the effects on adjusted EBITDA described above, EBIT includes the following effects of depreciation and amortisation as well as special items.

- *Depreciation and amortisation:* The planned increase resulted mainly from higher depreciation and amortisation of rights-of-use for property lease contracts for new locations as well as from capitalized development costs.

- *Special items*[2]: In the first three months of 2026, the special items primarily relate to OneSAPnow-related expenses for the business transformation to SAP S/4HANA. In the previous year period, they also included expenditure for the logistics centre put into operation in fiscal year 2024, expenditures for consulting services and transaction costs incurred in connection with the acquisition and integration of the ESG Group as well as expenses relating to moving over to the new site in Oberkochen.

[2] Defined as "transaction costs, effects on earnings from purchase price allocations, OneSAPnow-related special items as well as other special items".

Group profit / loss

The Group profit / loss is calculated as shown above from the adjusted EBITDA, depreciation and amortisation, special items, the financial result and income taxes.

- *Financial result*: The financial result improved mainly as a result of lower interest expenses for the new term loan concluded in April 2025, which, as part of the refinancing, offered more favourable terms than the previous loans, as well as gains from the valuation of interest rate swap transactions. This was partially offset by higher interest expenses on lease agreements and increased expenses for interest rate swap transactions. In the previous year period, expenditures relating to the valuation of foreign currency forwards at the settlement date were also included.

- *Income taxes*: The lower income from income tax compared to the previous year period is due to lower deferred tax income and higher current tax expenses.

Earnings per share

An improvement in earnings per share of €-0.26 to €-0.16 compared to the previous year is primarily attributable to the improved EBITDA. This positive development was offset by higher depreciation and amortisation and lower income from income tax.

4 Assets, liabilities and financial position

Net assets and financial position[3]

in € million	31 Mar. 2026	31 Dec. 2025	% Delta
Non-current assets	**2,619**	**2,562**	**2.2%**
Current assets	**2,928**	**2,865**	**2.2%**
therein: Inventories	*999*	*878*	*13.8%*
therein: Cash and cash equivalents	*820*	*933*	*-12.1%*
Total assets	**5,547**	**5,427**	**2.2%**
Equity	**989**	**1,002**	**-1.3%**
Non-current liabilities	**2,103**	**2,091**	**0.6%**
Current liabilities	**2,455**	**2,334**	**5.2%**
therein: Current contract liabilities	*1,272*	*1,146*	*11.0%*
therein: Other current financial liabilities	*118*	*38*	*> 200 %*
therein: Other current liabilities	*147*	*219*	*-32.7%*
Total equity and liabilities	**5,547**	**5,427**	**2.2%**

Total assets

- *Current assets*: The rise in current assets by €64 million was primarily due to the seasonal rise in inventories during the first three months of 2026. Investments intended to secure production capacity and enable an expansion of production also contributed significantly to the inventory increase. Conversely, cash and cash equivalents decreased as a result of negative free cash flow of €115 million, which was due in particular to cash outflows for investments in intangible assets, in property, plant and equipment as well as in working capital, and the settlement of VAT liabilities resulting from the high revenue volume in the fourth quarter of 2025.

[3] Only changes in balance sheet items exceeding €50 million and with a percentage deviation of more than 10% are explained.

Total equity and liabilities

- *Current liabilities*: The increase in current liabilities by €121 million to €2,455 million resulted primarily from the rise in current contract liabilities, especially due to advance payments received. Furthermore, an increase in other current financial liabilities arose from a payment service agreement with a bank. This increase was partly offset by the reduction in other current liabilities through the settlement of VAT liabilities.

Financial position

	First three months		
in € million	2026	2025	Delta
Cash flows from operating activities	-49	-97	47
Cash flows from investing activities	-65	-37	-28
Free cash flow	**-115**	**-134**	**19**
Transaction costs	–	0	-0
OneSAPnow-related special items	13	14	-1
M&A and other activities[1]	3	-0	3
Other special items[2]	4	13	-9
Adjusted free cash flow	**-95**	**-107**	**11**
Cash flows from financing activities	**1**	**-9**	**10**

[1] Defined as sum of “Proceeds from sale of intangible assets and property, plant and equipment”, “Payments for investments in non-consolidated affiliates, joint ventures, associates, other investments and other non-current financial assets", as well as “Other cash flows from investing activities” as reported in the Consolidated Statement of Cash Flows.

[2] Other special items are “non-regularly recurring and exceptional” effects.

Free cash flow

- *Cash flows from operating activities*: Cash flows from operating activities remained negative, but showed a positive trend compared to the previous year period. Factors contributing to the negative cash flows were cash outflows for working capital investments, particularly in inventories, to handle future business volume, as well as cash outflows for the settlement of VAT liabilities. At the same time, cash inflows from advance payments received, which influenced the contract balances, had a positive counteracting effect.

- *Cash flows from investing activities*: The cash outflows related mainly to investments in development projects, the business transformation for SAP S/4HANA, and property, plant and equipment.

Adjusted free cash flow

- *OneSAPnow-related special items:* The cash outflows reflect the increased investments attributable to progressing with the business transformation for SAP S/4HANA.

- *Other special items*: Cash outflows for various consulting services constitute the other special effects in the first three months of 2026. The previous year period mainly comprised cash outflows relating to the logistics centre put into operation in fiscal year 2024 as well as cash outflows that resulted from consulting services relating to the acquisition and integration of the ESG Group.

Cash flows from financing activities

In the first three months of 2026, cash flows from financing activities resulted primarily from inflows of funds relating to factoring agreements, while cash outflows for payments for leasing agreements had a counteracting effect. In the previous year period, the cash outflows mainly comprised payments for leasing agreements.

5 Outlook

For fiscal year 2026, the management expects the Group's order intake to be between €4,125 million and €5,500 million. This relatively wide range reflects the uncertainty surrounding the timing of order intake for key projects. Particularly given the continued high order backlog, the Management Board's operational planning for the Group for fiscal year 2026 anticipates significant revenue growth. A significant increase in adjusted EBITDA is also expected for fiscal year 2026. Overall, management expects a book-to-bill ratio of 1.5x to 2.0x.

The outlook is heavily dependent on the circumstances described in the opportunities and risks report and is based on the Group's multi-year business plan as well as the aforementioned macroeconomic developments. The business plan was described in the combined management report of HENSOLDT AG for the fiscal year ended 31 December 2025.

All in all, the Management Board is confident that HENSOLDT can build on the successful fiscal year 2025 and expects further positive development for fiscal year 2026.

The outlook therefore remains unchanged compared to the end of 2025.

6 Opportunities and risks

The combined management report of HENSOLDT AG for the fiscal year ended 31 December 2025 describes the key elements of HENSOLDT's risk and control management. The detailed explanations include accounting-related internal controls, risk management, certain risks that could have a negative impact on HENSOLDT as well as key opportunities.

HENSOLDT has to manage complex and long-running projects with high technical requirements and large volumes. The corresponding operational risks reported in the HENSOLDT AG combined management report for the fiscal year ended 31 December 2025 remain essentially unchanged. The status of the key projects is regularly reported to the Supervisory Board. If necessary, external audits with different focal points will also be commissioned.

Challenges on the labour market in attracting and retaining highly qualified technical personnel as well as qualified sales employees and competent managers continue to pose a risk for HENSOLDT. This risk remained stable compared to year-end 2025. Expanding the workforce and streamlining internal organisation, combined with the "Culture Evolution" initiative, are key pillars of HENSOLDT's North Star strategy.

With the frequency of attempted attacks on IT networks around the world rising significantly due to the continued deterioration of the geopolitical situation, particularly between Russia, the US, China and Europe, the likeliness of cyber-attacks succeeding is generally estimated to have increased. This heightened risk from cyber-attacks worldwide also applies to HENSOLDT. To counter this, HENSOLDT Group is constantly expanding its cybersecurity measures. This includes expanding its cybersecurity team, increased budgeting, security monitoring, a Group-wide security team, penetration testing and regular internal IT audits and external assessments.

The relocation and commissioning of the Oberkochen site are largely complete. No significant risks are currently anticipated. The risks associated with the new logistics centre continue to be monitored by the corresponding working group. The measures implemented so far address risks such as potential delays in delivery effectively. This results in an overall risk stabilisation.

The forecasted significant increase in order volume and the associated time requisites represent a potential risk to HENSOLDT's delivery capability. To address these challenges, a transition to industrial manufacturing, the introduction of even more efficient production processes, and optimized supplier management are necessary. The required expansion of production capacities may lead to temporary delays in the manufacturing processes.
To ensure that HENSOLDT is able to sustainably manage the increased order intake over the long term and mitigate potential risks, HENSOLDT has launched initiatives to expand its production capacities and further industrialize the Group's key products. This project is supported by both internal and external experts. Integrated and forward-looking planning is designed to identify and minimise potential risks at an early stage. These measures are of vital importance to HENSOLDT so that it can rapidly expand its production capacity, seize new market opportunities and strengthen the resilience of its supply chain at a time of increasing industrial and geopolitical challenges.

Specially established working and expert groups are continuously closely analysing and monitoring both the potential further effects of the complex and increasingly tense geopolitical situation but also the opportunities that this could create for HENSOLDT.

HENSOLDT continues to face the risk of possible supply constraints for materials and rising prices for specific components due to the changed situation and the availability of materials on the global market. The implementation of strategies to minimise this procurement risk will continue in 2026. Close monitoring ensures that, if necessary, we can react to dynamic changes and take appropriate measures. A particular focus remains on the continuous monitoring and analysis of global shortages of certain materials that could arise or have already arisen due to crisis-related developments, such as China's export restrictions on rare earths and germanium, the supply situation for electronic storage media, and the effects of the armed conflict in the Middle East. Since the end of 2025, the risk of potential consequences resulting from the supply chain situation has been moderately increasing in both segments.

Conflicts and developments at international, national, political, and economic levels, ongoing geopolitical tensions between the USA, Europe, Russia, and China, as well as the recent escalation of the Middle East conflict into a war, can lead to far-reaching global economic and political changes and consequences, including new or amended import and export regulations, trade agreements, and tariffs. Due to the dynamic and complex geopolitics and the resulting uncertainty regarding future developments, close monitoring of the overall economic situation and its impact on the companies of the HENSOLDT Group is continuing, both at the group level and within the individual companies. Despite certain risks (including potential price increases and delivery delays), there is currently no indication that recent events in the Middle East expose HENSOLDT AG to a substantially higher level of risk.

For HENSOLDT, increasing military investments worldwide and a growing and steadily improving European market environment offer opportunities in all military dimensions and in the numerous technologies of the future. These opportunities for HENSOLDT are further strengthened by the implications of geopolitical developments, increases in defence budgets and expanding military investments around the world, NATO's priorities in its strategic concept and changes in the operational doctrines of armed forces, combined with advancements in defence technology. Rapid creation of comprehensive situation reports, mission-oriented distribution of information in a network of connected sensors and effectors, and control of the electromagnetic spectrum are highly sought-after skills for which HENSOLDT and its portfolio is extremely well positioned. The opportunity for diversification of its product range, the expansion of its service business and HENSOLDT’s ability to act as an innovation leader within its industry are as promising as ever and will act as a multiplier.

The Management Board currently assesses the overall opportunity and risk situation of HENSOLDT as predominantly stable compared to year-end 2025.

B Financial results

1 Consolidated Income Statement

	First three months	
in € million	2026	2025
Revenue	496	395
Cost of sales	-427	-339
Gross profit	**68**	**56**
Selling and distribution expenses	-31	-32
General administrative expenses	-31	-32
Research and development costs	-13	-8
Other operating income	8	5
Other operating expenses	-6	-7
Share of profit / loss from investments accounted for using the equity method	1	1
Earnings before financial result and income taxes (EBIT)	**-4**	**-16**
Interest income	11	6
Interest expense	-28	-25
Other finance income / costs	0	-4
Financial result	**-16**	**-22**
Earnings before income taxes (EBT)	**-20**	**-38**
Income taxes	0	7
Group profit / loss	**-20**	**-31**
thereof attributable to the owners of HENSOLDT AG	*-19*	*-30*
thereof attributable to non-controlling interests	*-1*	*-1*
Earnings per share		
Basic and diluted earnings per share (in €)	-0.16	-0.26

2 Consolidated Statement of Comprehensive Income

	First three months	
in € million	2026	2025
Group profit / loss	**-20**	**-31**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Measurement of post-employment benefit plans / plan assets	9	83
Tax on items that will not be reclassified to profit or loss	-2	-23
Subtotal	**6**	**59**
Items that can be reclassified to profit or loss		
Difference from currency translation of financial statements of foreign companies	0	-1
Subtotal	**0**	**-1**
Other comprehensive income net of tax	**6**	**59**
Total comprehensive income	**-13**	**28**
thereof attributable to the owners of HENSOLDT AG	*-12*	*28*
thereof attributable to non-controlling interests	*-1*	*-1*

3 Consolidated Statement of Financial Position

ASSETS	31 Mar.	31 Dec.
in € million	2026	2025
Non-current assets	**2,619**	**2,562**
Goodwill	1,117	1,117
Intangible assets	721	703
Property, plant and equipment	255	242
Right-of-use assets	431	413
Investments accounted for using the equity method	6	6
Other investments and non-current other financial investments	45	42
Non-current other financial assets	7	11
Non-current other assets	36	29
Deferred tax assets	1	1
Current assets	**2,928**	**2,865**
Inventories	999	878
Contract assets	450	424
Trade receivables	447	436
Current other financial assets	25	22
Current other assets	162	145
Income tax receivables	25	26
Cash and cash equivalents	820	933
Total assets	**5,547**	**5,427**

EQUITY AND LIABILITIES	31 Mar.	31 Dec.
in € million	2026	2025
Share capital	116	116
Capital reserve	439	439
Other reserves	134	128
Retained earnings	290	309
Equity held by shareholders of HENSOLDT AG	**979**	**991**
Non-controlling interests	10	11
Equity, total	**989**	**1,002**
Non-current liabilities	**2,103**	**2,091**
Non-current provisions	286	287
Non-current financing liabilities	1,165	1,163
Non-current lease liabilities	433	416
Non-current other financial liabilities	5	9
Non-current other liabilities	14	17
Deferred income	38	34
Deferred tax liabilities	163	166
Current liabilities	**2,455**	**2,334**
Current provisions	254	253
Current financing liabilities	17	20
Current contract liabilities	1,272	1,146
Current lease liabilities	38	35
Trade payables	576	591
Current other financial liabilities	118	38
Current other liabilities	147	219
Income tax liabilities	32	32
Total equity and liabilities	**5,547**	**5,427**

4 Consolidated Statement of Cash Flows

	First three months	
in € million	2026	2025
Group profit / loss	-20	-31
Depreciation, amortisation and impairments of non-current assets	43	38
Impairments (+) / reversals of impairments (-) of inventories, trade receivables and contract assets	2	2
Share of profits in investments accounted for using the equity method	-1	-1
Financial expenses (net)	12	16
Other non-cash expense / income	2	1
Change in		
Provisions	8	9
Inventories	-125	-102
Contract balances	103	-23
Trade receivables	-10	101
Trade payables	-14	-36
Other assets and liabilities	-31	-43
Interest paid	-17	-20
Interest received	3	3
Income tax expense (+) / income (-)	-0	-7
Income tax payments (-) / refunds (+)	-4	-4
Cash flows from operating activities	**-49**	**-97**
Acquisition / addition of intangible assets and property, plant and equipment	-63	-37
Proceeds from sale of intangible assets and property, plant and equipment	0	1
Payments for investments in non-consolidated affiliates, joint ventures, associates, other investments and other non-current financial assets	-3	-0
Dividends received from investments accounted for using the equity method, non-consolidated affiliates, joint ventures, associates and other investments	1	–
Other	-0	0
Cash flows from investing activities	**-65**	**-37**
Change in other financing liabilities	10	-1
Payment of lease liabilities	-9	-8
Other	–	0
Cash flows from financing activities	**1**	**-9**
Effects of changes in exchange rates on cash and cash equivalents	1	1
Net changes in cash and cash equivalents	**-113**	**-142**
Cash and cash equivalents		
Cash and cash equivalents on 1 January	**933**	**733**
Cash and cash equivalents on 31 March	**820**	**591**

5 Consolidated Statement of Changes in Equity

	Attributable to the owners of HENSOLDT AG							
				Other reserves				
in € million	Share capital	Capital reserve	Retained earnings	Remeasurement of pensions	Currency translation	**Subtotal**	Non-controlling interests	**Total**
As of 1 January 2026	**116**	**439**	**309**	**147**	**-20**	**991**	**11**	**1,002**
Group profit / loss	–	–	-19	–	–	**-19**	-1	**-20**
Other comprehensive income	–	–	–	6	0	**6**	-0	**6**
Total comprehensive income	**–**	**–**	**-19**	**6**	**0**	**-12**	**-1**	**-13**
As of 31 March 2026	**116**	**439**	**290**	**153**	**-19**	**979**	**10**	**989**

	Attributable to the owners of HENSOLDT AG							
				Other reserves				
in € million	Share capital	Capital reserve	Retained earnings	Remeasurement of pensions	Currency translation	**Subtotal**	Non-controlling interests	**Total**
As of 1 January 2025	**116**	**474**	**245**	**56**	**-19**	**872**	**14**	**886**
Group profit / loss	–	–	-30	–	–	**-30**	-1	**-31**
Other comprehensive income	–	–	–	59	-1	**59**	-0	**59**
Total comprehensive income	**–**	**–**	**-30**	**59**	**-1**	**28**	**-1**	**28**
Release capital reserve	–	-35	35	–	–	**–**	–	**–**
As of 31 March 2025	**116**	**439**	**250**	**116**	**-20**	**900**	**13**	**914**

6 Segment information

The Group comprises two operating segments, Sensors and Optronics.

in € million	Sensors	Optronics	Elimination/ Transversal/ Others	First three months 2026 Group
Order intake	725	759	-1	**1,483**
Order backlog	6,818	3,019	-35	**9,801**
Book-to-bill-ratio	1.8x	7.8x		**3.0x**
Segment revenue	402	97	-4	**496**
Revenue from external customers	*401*	*95*	–	***496***
Intersegment revenue	*2*	*2*	*-4*	***–***

in € million	Sensors	Optronics	Elimination/ Transversal/ Others	First three months 2026 Group
Revenue	402	97	-4	**496**
Cost of sales	-347	-83	3	**-427**
Gross profit	**55**	**14**	**-1**	**68**
Selling and distribution expenses	-25	-6	0	**-31**
General administrative expenses	-22	-4	-5	**-31**
Research and development costs	-11	-2	–	**-13**
Other operating income	14	1	-7	**8**
Other operating expenses	-12	-1	7	**-6**
Share of profit / loss from investments accounted for using the equity method	–	1	–	**1**
Earnings before financial result and income taxes (EBIT)	**-1**	**3**	**-5**	**-4**
Financial result				**-16**
Earnings before income taxes (EBT)				**-20**
Income taxes				**0**
Group profit / loss				**-20**

in € million	Sensors	Optronics	Elimination/ Transversal/ Others	First three months 2026 Group
Material non-cash items other than depreciation and amortisation:				
Additions to other provisions	-23	-8	–	**-30**
Reversals of other provisions	2	3	–	**5**
Share of profits or loss in investments accounted for using the equity method	–	1	–	**1**

in € million	Sensors	Optronics	Elimination/ Transversal/ Others	First three months 2026 Group
EBITDA	**32**	**12**	**-5**	**39**
Effects on earnings from purchase price allocations	0	0	–	**0**
OneSAPnow-related special items[1]	1	–	4	**4**
Other special items[2]	-0	–	1	**1**
Adjusted EBITDA	**32**	**12**	**–**	**44**
Adjusted EBITDA margin[3]	*8.1%*	*12.2%*		***8.9%***
EBITDA	**32**	**12**	**-5**	**39**
Depreciation, amortisation and impairments of non-current assets	-33	-9	-0	**-43**
EBIT	**-1**	**3**	**-5**	**-4**
Effects on earnings from purchase price allocations	8	2	–	**10**
OneSAPnow-related special items[1]	1	–	4	**4**
Other special items[2]	-0	–	1	**1**
Adjusted EBIT	**7**	**5**	**–**	**12**
Adjusted EBIT margin[3]	*1.7%*	*4.7%*		***2.3%***

[1] OneSAPnow-related special items include expenses associated with the business transformation for SAP S/4HANA.
[2] Other special items include expenses for various consulting services.
[3] Based on segment revenues

in € million	Sensors	Optronics	Elimination/ Transversal/ Others	First three months 2025 Group
Order intake	664	50	-13	**701**
Order backlog	5,769	1,211	-50	**6,929**
Book-to-bill-ratio	2.0x	0.8x		**1.8x**
Segment revenue	339	59	-4	**395**
Revenue from external customers	*339*	*57*	*–*	***395***
Intersegment revenue	*1*	*3*	*-4*	***–***

				First three months 2025
in € million	Sensors	Optronics	Elimination/ Transversal/ Others	Group
Revenue	339	59	-4	**395**
Cost of sales	-289	-54	4	**-339**
Gross profit	**50**	**6**	**–**	**56**
Selling and distribution expenses	-25	-7	–	**-32**
General administrative expenses	-24	-3	-4	**-32**
Research and development costs	-6	-2	–	**-8**
Other operating income	11	1	-7	**5**
Other operating expenses	-13	-1	7	**-7**
Share of profit / loss from investments accounted for using the equity method	–	1	–	**1**
Earnings before financial result and income taxes (EBIT)	**-6**	**-6**	**-4**	**-16**
Financial result				**-22**
Earnings before income taxes (EBT)				**-38**
Income taxes				**7**
Group profit / loss				**-31**

				First three months 2025
in € million	Sensors	Optronics	Elimination/ Transversal/ Others	Group
Material non-cash items other than depreciation and amortisation:				
Additions to other provisions	-20	-7	–	**-27**
Reversals of other provisions	2	2	–	**4**
Share of profits or loss in investments accounted for using the equity method	–	1	–	**1**

in € million	Sensors	Optronics	Elimination/ Transversal/ Others	First three months 2025 Group
EBITDA	**26**	**0**	**-4**	**22**
Transaction costs	–	–	0	**0**
OneSAPnow-related special items[1]	0	–	2	**3**
Other special items[2]	3	0	2	**5**
Adjusted EBITDA	**29**	**1**	**–**	**30**
Adjusted EBITDA margin[3]	*8.7%*	*1.3%*		***7.6%***
EBITDA	**26**	**0**	**-4**	**22**
Depreciation, amortisation and impairments of non-current assets	-32	-6	-0	**-38**
EBIT	**-6**	**-6**	**-4**	**-16**
Effects on earnings from purchase price allocations	9	2	–	**11**
Transaction costs	–	–	0	**0**
OneSAPnow-related special items[1]	0	–	2	**3**
Other special items[2]	3	0	2	**5**
Adjusted EBIT	**7**	**-4**	**–**	**3**
Adjusted EBIT margin[3]	*2.0%*	*-6.0%*		***0.8%***

[1] OneSAPnow-related special items include expenses associated with the business transformation for SAP S/4HANA.

[2] Other special items mainly include expenses for the new logistics centre put into operation in the 2024 fiscal year and the related introduction of an IT merchandise management system, expenses for consulting services incurred in connection with the acquisition and integration of the ESG Group as well as expenses for moving into the new location in Oberkochen.

[3] Based on segment revenues.

7 Revenue

The Group's operations and major categories for revenue recognition are described in the Consolidated Financial Statements as at 31 December 2025.

During the first three months of 2026, revenue increased overall by €100 million to €496 million, compared to €395 million in the first three months of 2025.

Revenue (geographical information)

	First three months	
in € million	2026	2025
Europe	452	355
thereof Germany	*326*	*268*
Middle East	10	6
APAC	12	7
North America	7	19
Africa	13	9
LATAM	1	0
Total	**496**	**395**

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Disclaimer

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HENSOLDT has no intention and undertakes no obligation to update forward-looking statements in order to adjust them to actual events or developments occurring after the date of this report.

The report is presented in euros (“€”), which is the Group’s functional currency. Unless otherwise stated, all financial figures presented herein are rounded to the nearest million € in accordance with established commercial principles. Due to rounding, there may be slight deviations from the absolute numbers when forming totals and calculating percentages. Absolute amounts less than €500,000 and greater than zero € are represented as 0 or -0 depending on the sign. In contrast, items that have no value are indicated as missing with “-”.

This report is a quarterly statement in accordance with Sec. 53 of the Exchange Rules for the Frankfurter Wertpapierbörse, the Frankfurt Stock Exchange.

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