



HALF-YEAR 2023 RESULTS

STADLER RAIL

Markus Bernsteiner, Group CEO, Raphael Widmer, Group CFO
30 August 2023

STADLER

REPRESENTING STADLER TODAY



**Markus
Bernsteiner**

Group CEO



**Raphael
Widmer**

Group CFO

AGENDA

01 **Highlights Half-Year 2023**
Markus Bernsteiner, Group CEO

02 **Half-Year 2023 financial results**
Raphael Widmer, Group CFO

03 **Summary and outlook**
Markus Bernsteiner, Group CEO

04 **Q&A**



HIGHLIGHTS HALF-YEAR 2023

Markus Bernsteiner, Group CEO

STADLER

HIGHLIGHTS HALF-YEAR 2023

Order Intake

CHF 4.7bn

Confirming our superior value proposition

Order Backlog

CHF 25.4bn

Increases by 16% versus year-end

Net revenues

CHF 1.3bn

In line with planned deliveries and seasonality

Gross margin

12.1%

Driven by operational improvements and a supportive product mix

EBIT margin

3.7%

H1-22: 3.1%, 4.5% including positive one-off of CHF 21.3m

Operational Excellence

Operational excellence measures on track

Order intake highlights
Half-year 2023

**ROLLING
STOCK**
CHF 3.6bn



FLIRT

- 17 FLIRT for Norway
- 15 FLIRT for Lithuania

METRO & LRV

- 14 TRAMLINK for Milan (IT)
- 16 Metro Trains for Napoli (IT)

TAILOR-MADE WAGGONS

- 537 sleeper and couchette coaches for Kazakhstan
- Contract value **EUR 2.3bn**

KISS

- 35 additional KISS for Austria
- Total 76 out of 186 trains ordered

Order intake highlights
Half-year 2023

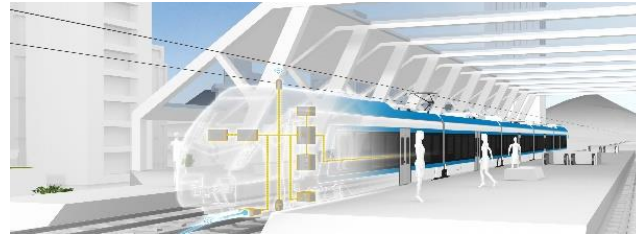
**SERVICE &
COMPONENTS**
CHF 1.1bn

SIGNALLING
CHF 37.0m



FULL SERVICE

- Kazakhstan: **20-year full-service**
- UK: Full-service for **30 Class 99 locomotives**
- Switzerland (Ticino): Full-service for **8 Tailor-Made trains**
- Italy: Full-service for **13 locomotives**



ETCS GUARDIA

- In-house orders: Austria (ÖBB), Slovenia (SŽ), Germany (DB) and Italy (Trenitalia)
- Refit in Switzerland (BLS)
- Homologated in 7 countries



WAYSIDE

- Mexico: Guadalajara
- Switzerland: BLT, TPF, RhB

LEADING POSITION IN GREEN MOBILITY EXPANDED

USA



SBCTA: 1 FLIRT H₂

ASPIRE Engineering Research Center:
1 FLIRT Akku

Caltrain: 1 battery-powered KISS

Germany



NAH.SH: 55 FLIRT Akku

Pfalznetz: 44 FLIRT Akku

DB Regio: 14 FLIRT Akku

Austria



ÖBB: 16 FLIRT Akku contract, signing expected 2023 (framework contract: 120 trains)

Italy



Azienda Regionale Sarda Trasporti (ARST):

6 hydrogen multiple units

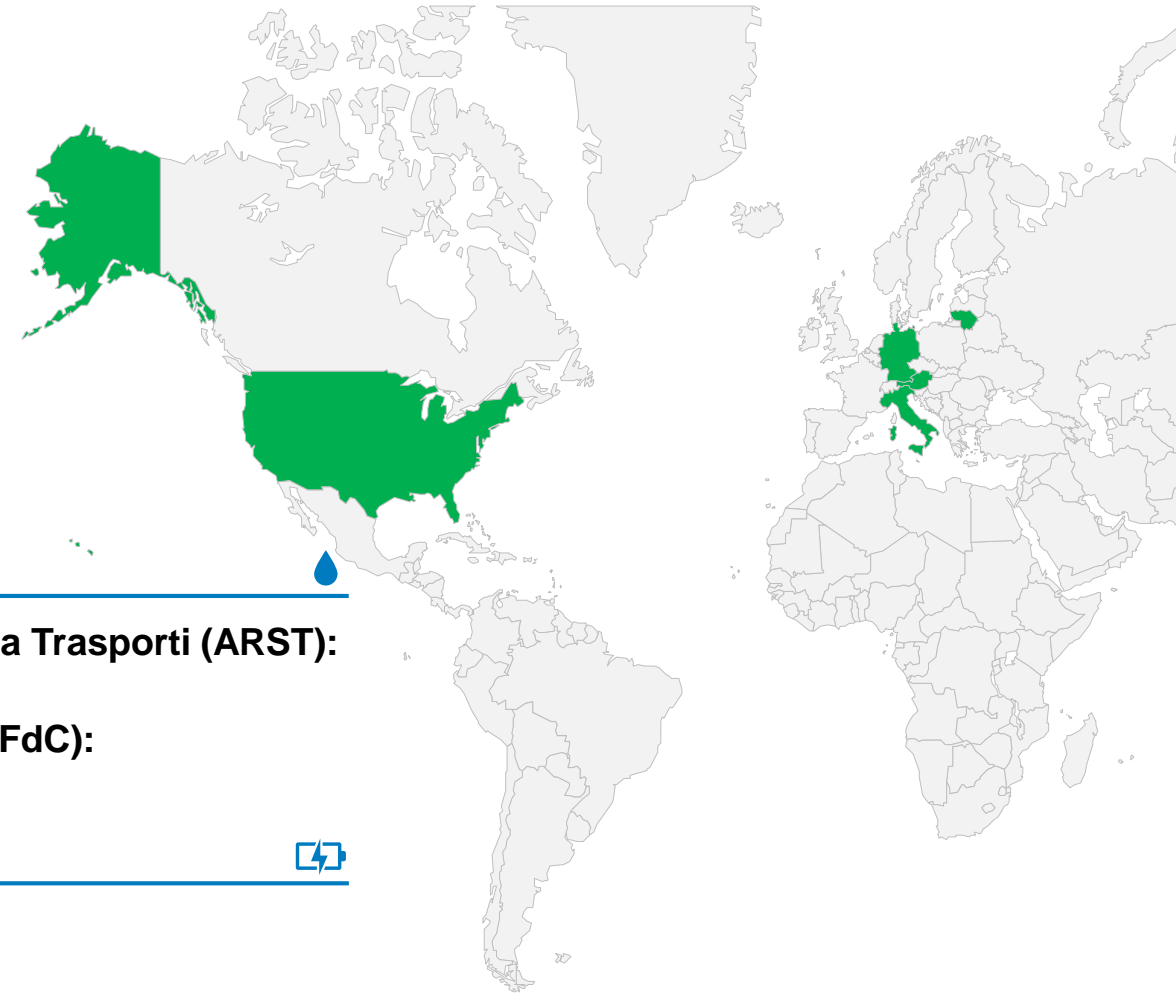
Ferrovie della Calabria (FdC):

6 hydrogen multiple units

Lithuania



LTG Link: 9 FLIRT Akku



More than 150 trains sold with battery or hydrogen propulsion technology

GLOBAL ENVIRONMENT


















Challenging global macro environment

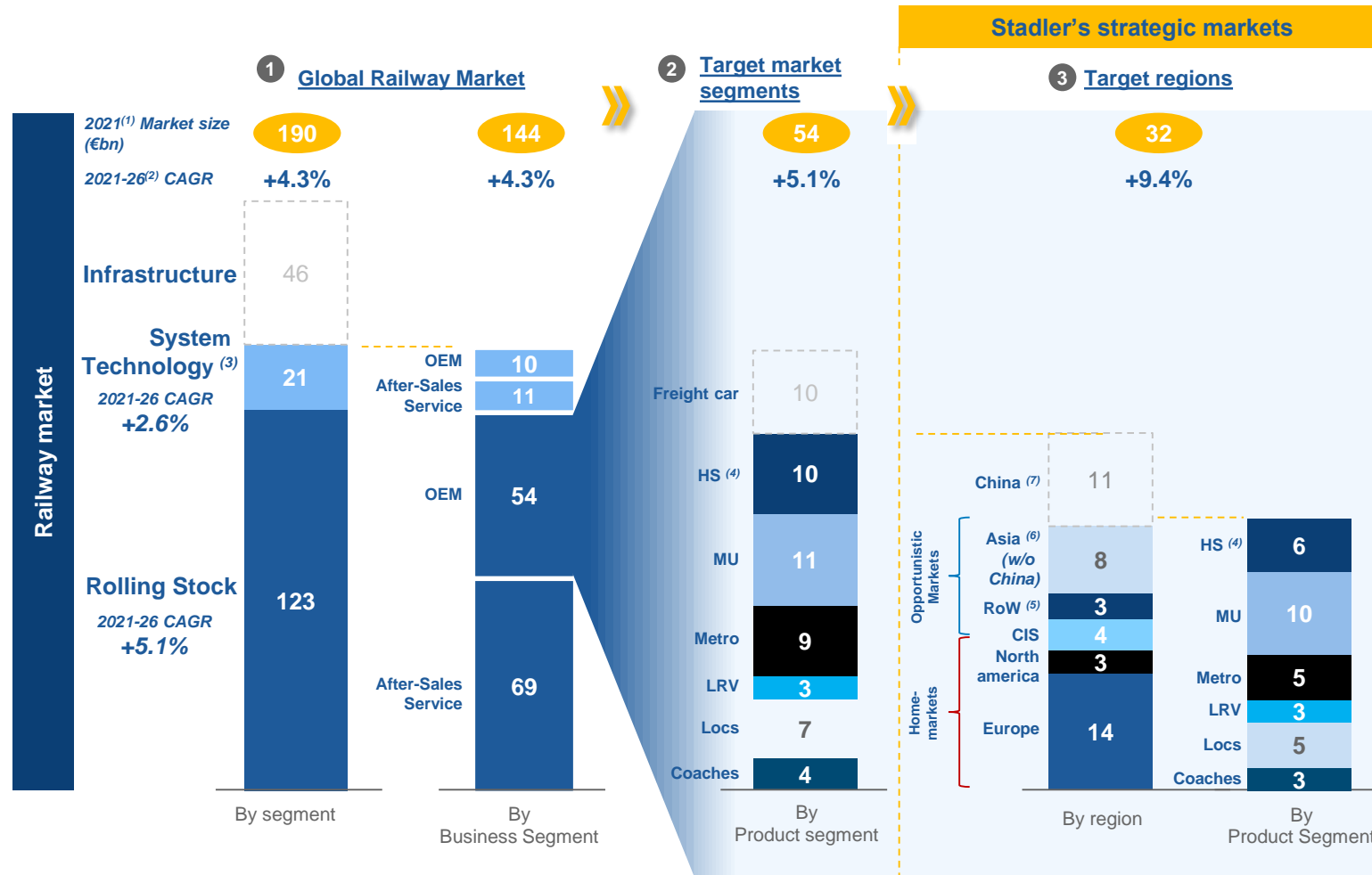
COMPREHENSIVE PORTFOLIO

FOR THE BROADER RAIL ECOSYSTEM

Market segments, vehicle families, service & systems

Type	Market segment	Vehicle families	Tailor made	Service & Systems	
Trains	Very High Speed	Not a strategic focus	Tailor made	Signalling	Service
	High Speed			System Solutions	Full Service & Spare Parts
	Intercity	 		Onboard Solutions	Modernisation, Repair & Overhaul
	Regional/Suburban	 		Wayside Solutions	Digital Service Solutions
	XMU/BMU	 			
	Coaches	 Freight: Not a strategic focus			
Locomotives	Mainline locomotives	 			
	Shunting locomotives	 			
Metro	Metro				
LRV	Tram/Tram Train	 			

MARKET OUTLOOK



COMMENTS

- Within **top-3** of multiple units OEMs globally
- Strong **number 2** in European home market
- Focus markets are **Europe and North America**
- Focus segments are **MUs, LRVs and Locos**

Source: SCI Worldwide Market for Railway Industries (2022). Market volume based on € values

(1) 2021 Market size defined as current average market volume in 2021 (in billions of euros)

(2) CAGR: Expected annual growth rate in the years 2021-2026 (in percent)

(3) Sys. Technologies includes CCS - Control, Command and Signalling (train control, train protection & operational telematics) and PIS - Passenger Information Technologies (fare mgmt, passenger information, passenger safety)

(4) High Speed (HS) segment according to SCI study includes Intercity HS trains (190 (in some cases also 160) -249 km/h), HS trains (250-300 km/h) and Very HS trains (>300 km/h)

(5) RoW includes the regions Africa & Middle East, Australia, New Zealand & Pacific, and South & Central America

(6) Asia includes (compared with last year's records) all areas in Asia (Southeast Asia, South Asia, East Asia excluding China), excluding China due to the market situation

(7) China's share of the global rail industry market volume in 2021 is 19% and in the Asian market 58% - these values are further used as an assumption to define the potential of the target market

Note: Market shares and market positions refer to Stadler's strategic markets.



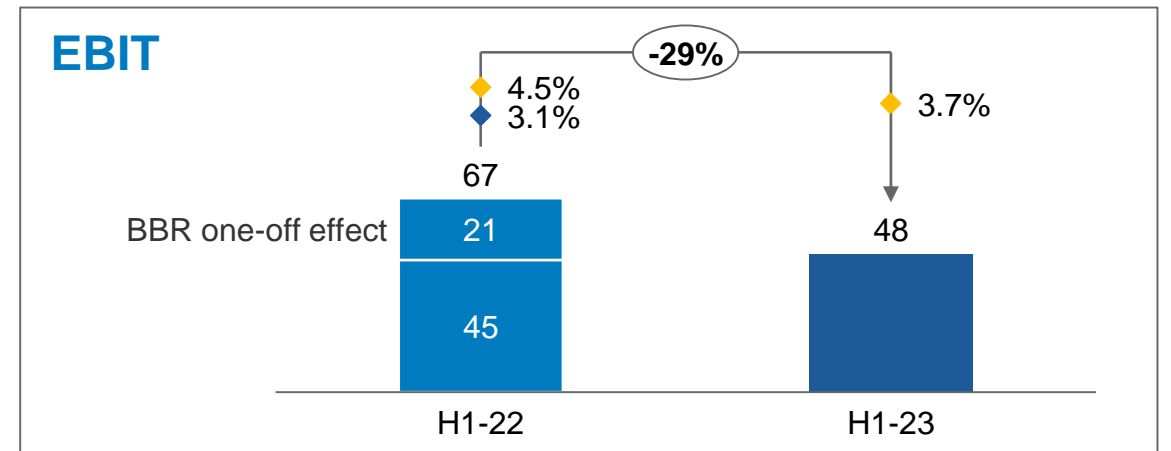
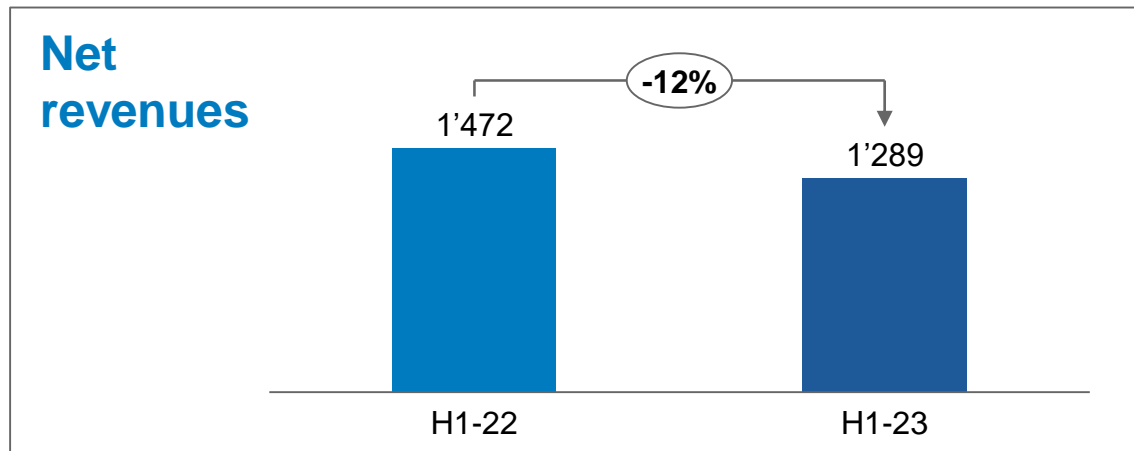
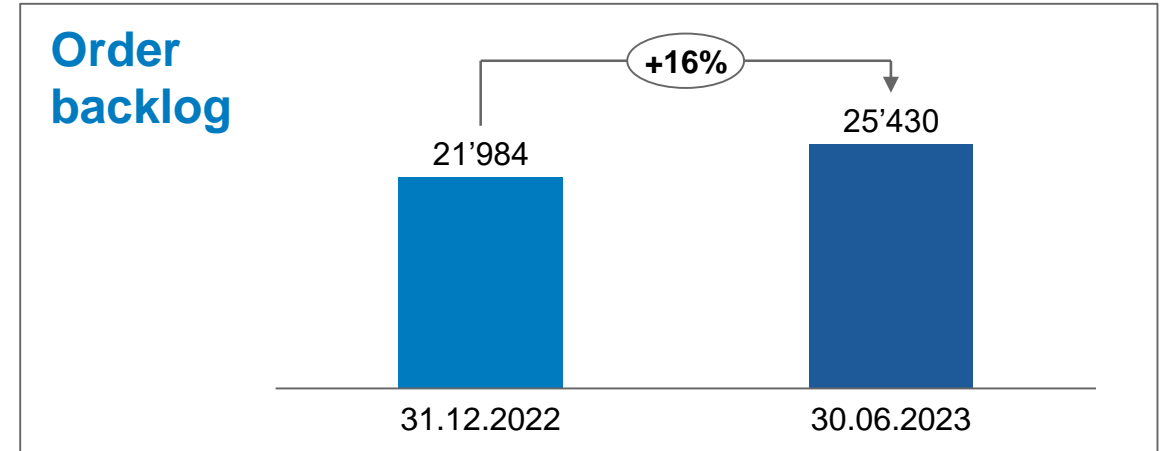
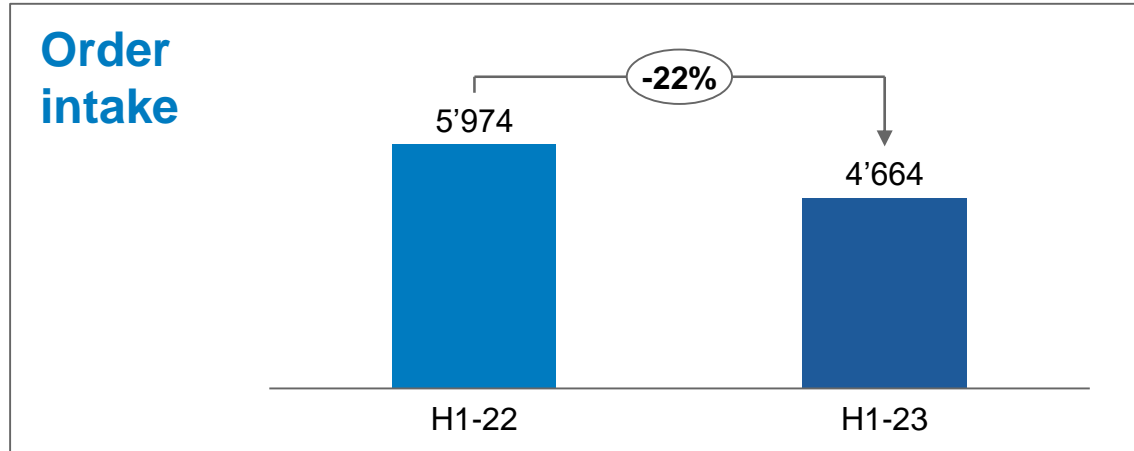
HALF-YEAR 2023 FINANCIAL RESULTS

Raphael Widmer, Group CFO

STADLER

HALF-YEAR RESULTS 2023 SUMMARY I

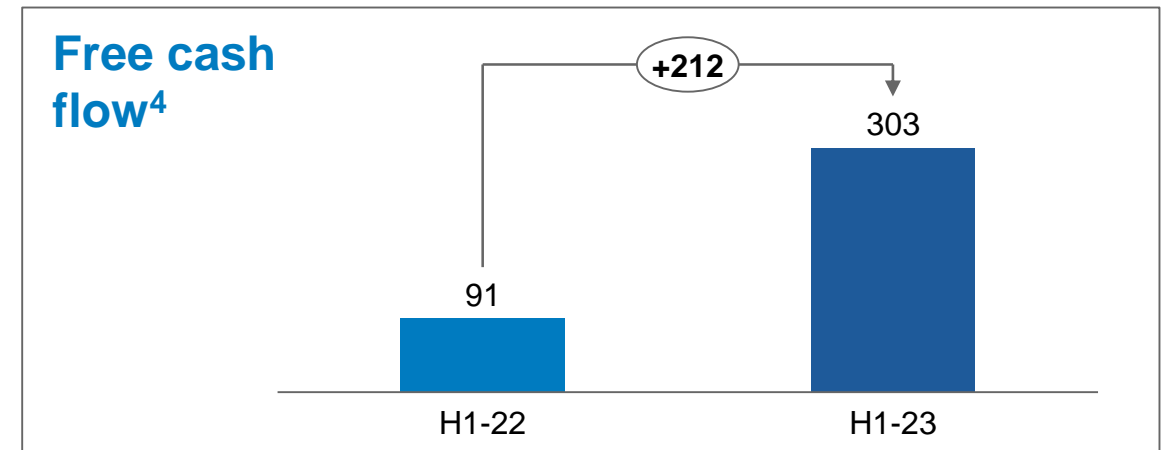
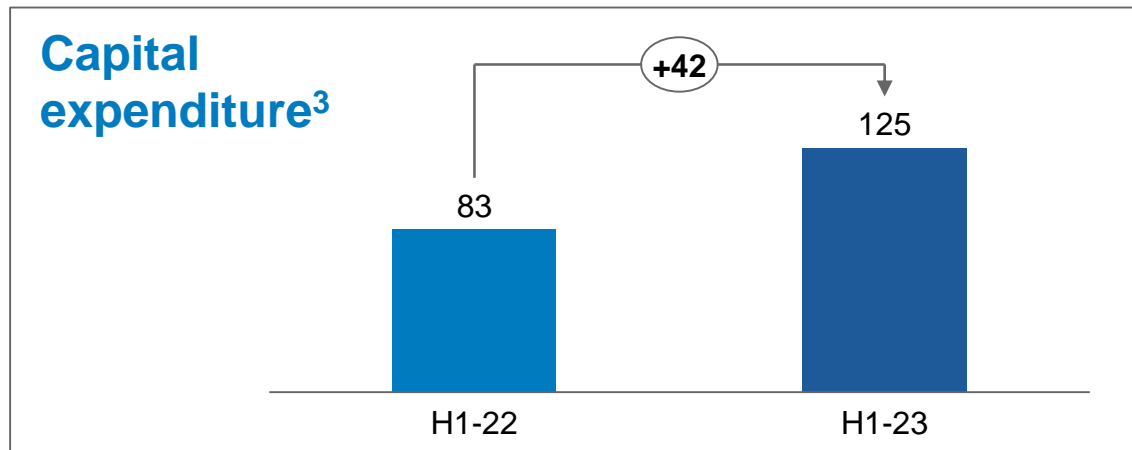
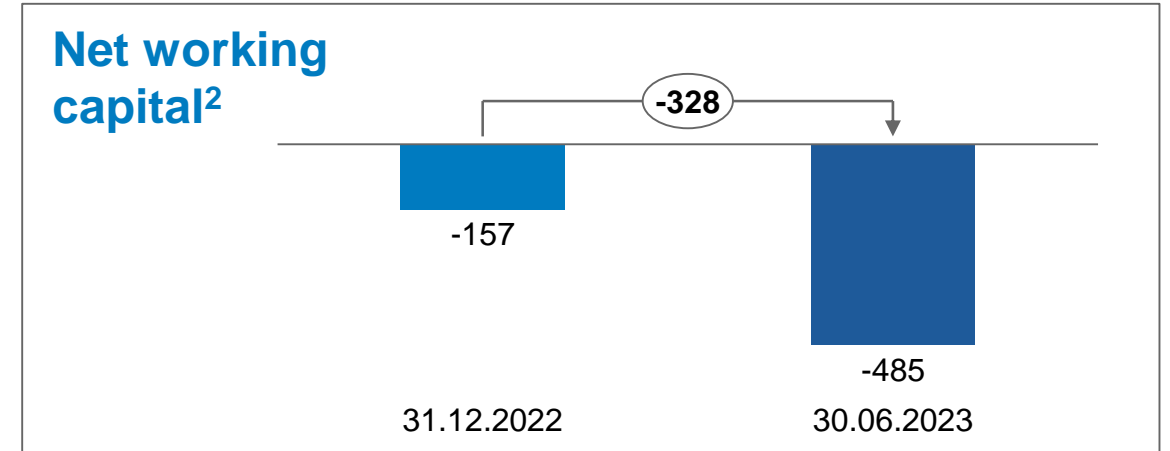
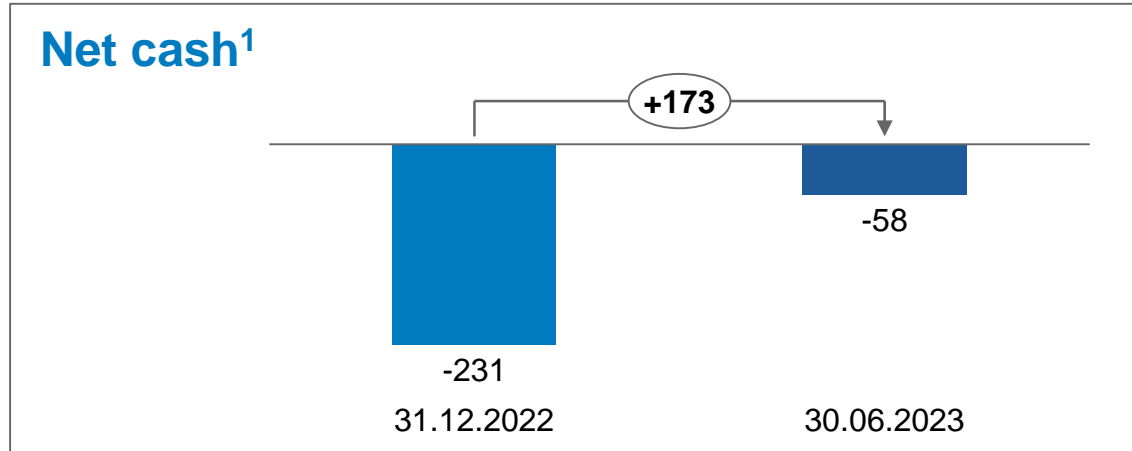
CHFm



◆ EBIT as % of net revenues ◆ EBIT (excl. BBR) as % of net revenues

HALF-YEAR RESULTS 2023 SUMMARY II

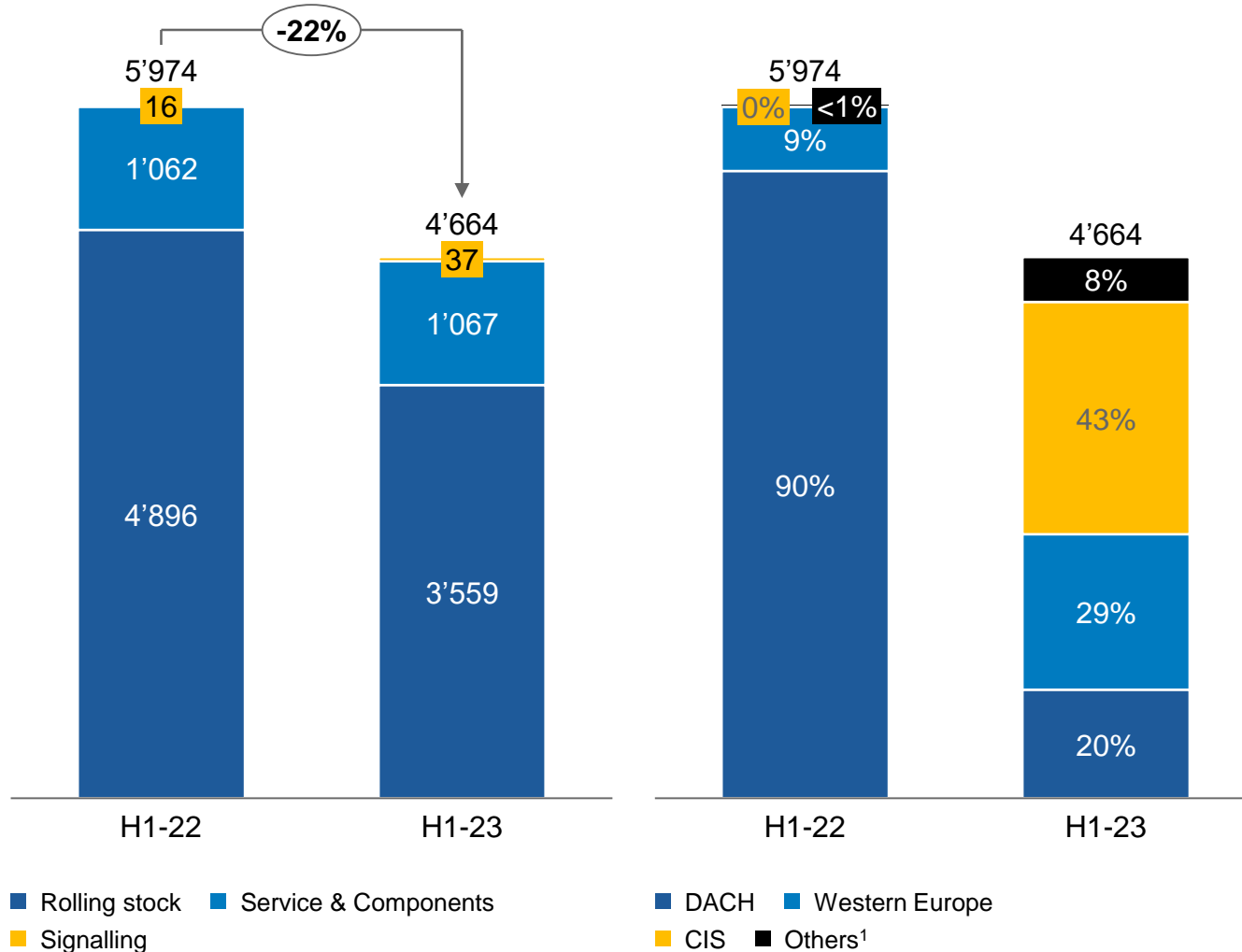
CHFm



Notes: 1 Net cash is calculated as cash and cash equivalents less current and non-current financial liabilities. 2 Net working capital is calculated by subtracting the sum of trade payables, liabilities from work in progress and other current liabilities (including other current liabilities, current provisions and deferred income and accrued expenses) from the sum of trade receivables, inventories, work in progress and other current assets (including other current receivables, compensation claims from work in progress and accrued income and deferred expenses). 3 Capital expenditure is calculated as the sum of investments in tangible and intangible assets. 4 Free cash flow is calculated as EBITDA less capital expenditure less change in net working capital. EBITDA is calculated as the sum of EBIT and depreciation and amortisation.

ORDER INTAKE

CHFm



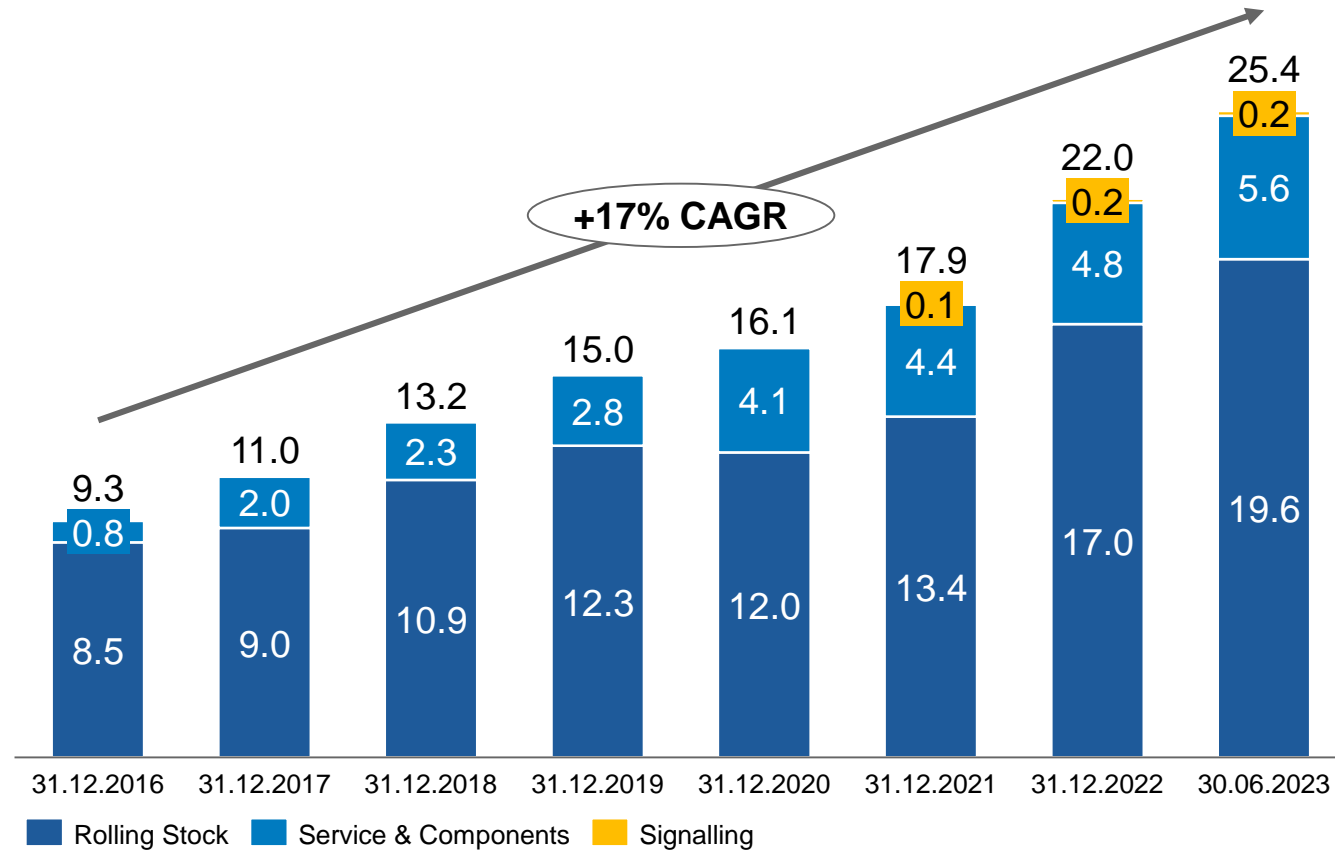
¹ Others: Eastern Europe, Americas, and rest of the world.

COMMENTS

- Total order intake of CHF 4.7bn in H1-23, which as expected is a decline year-on-year on a very high comparison base
- Order intake in the **Rolling Stock** segment of CHF 3.6bn, 27% lower year-on-year
- Order intake in the **Service & Components** segment of CHF 1.1bn, again at a very strong level (H1-22: CHF 1.1bn)
- Order intake in the **Signalling** segment doubles, mainly driven by ETCS and Wayside
- Overall order intake mainly driven by sleeper and couchette coaches for Kazakhstan

ORDER BACKLOG

CHFbn

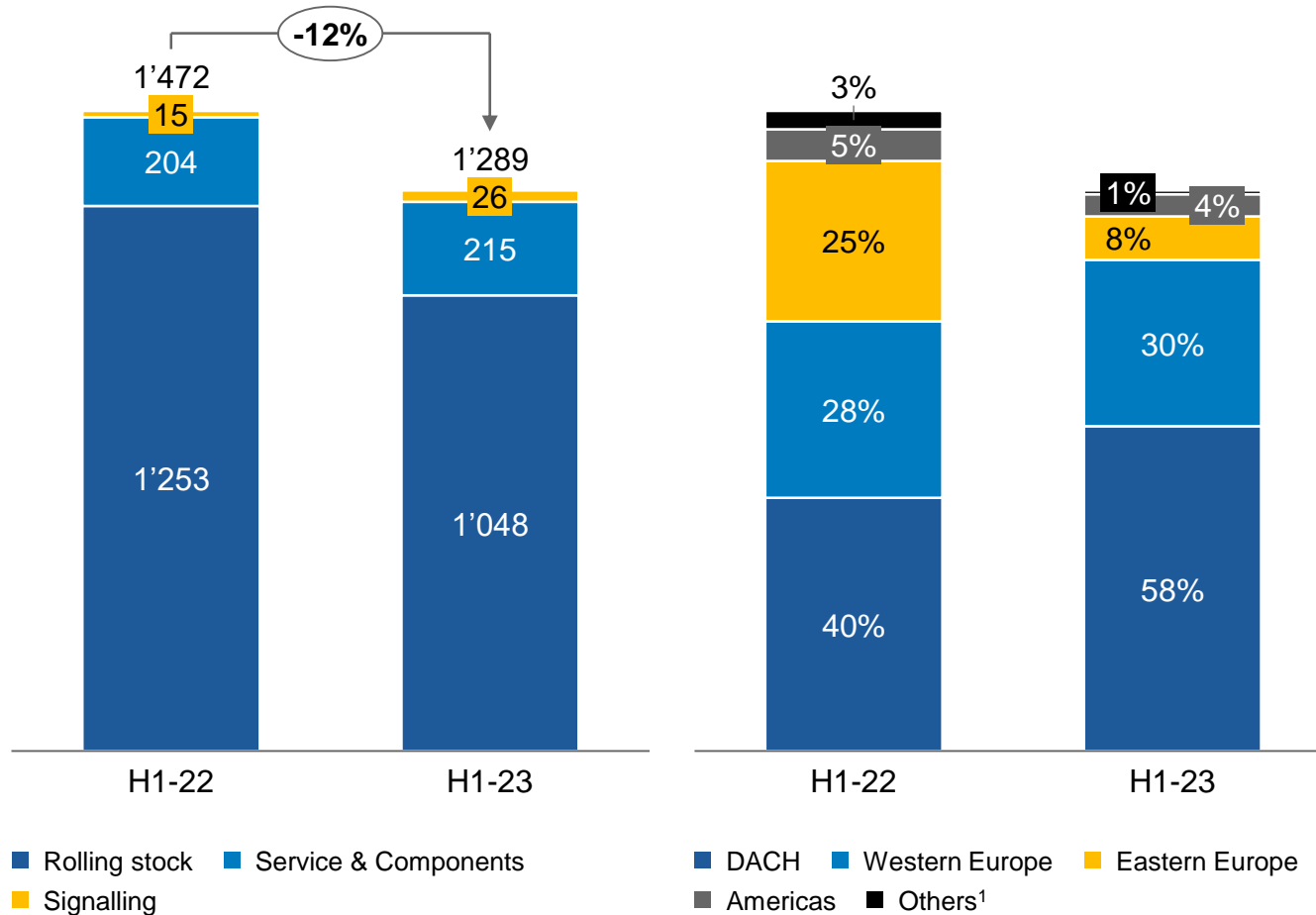


COMMENTS

Record order backlog of CHF 25.4bn with a growing Service & Components share providing long-term visibility

NET REVENUES

CHFm



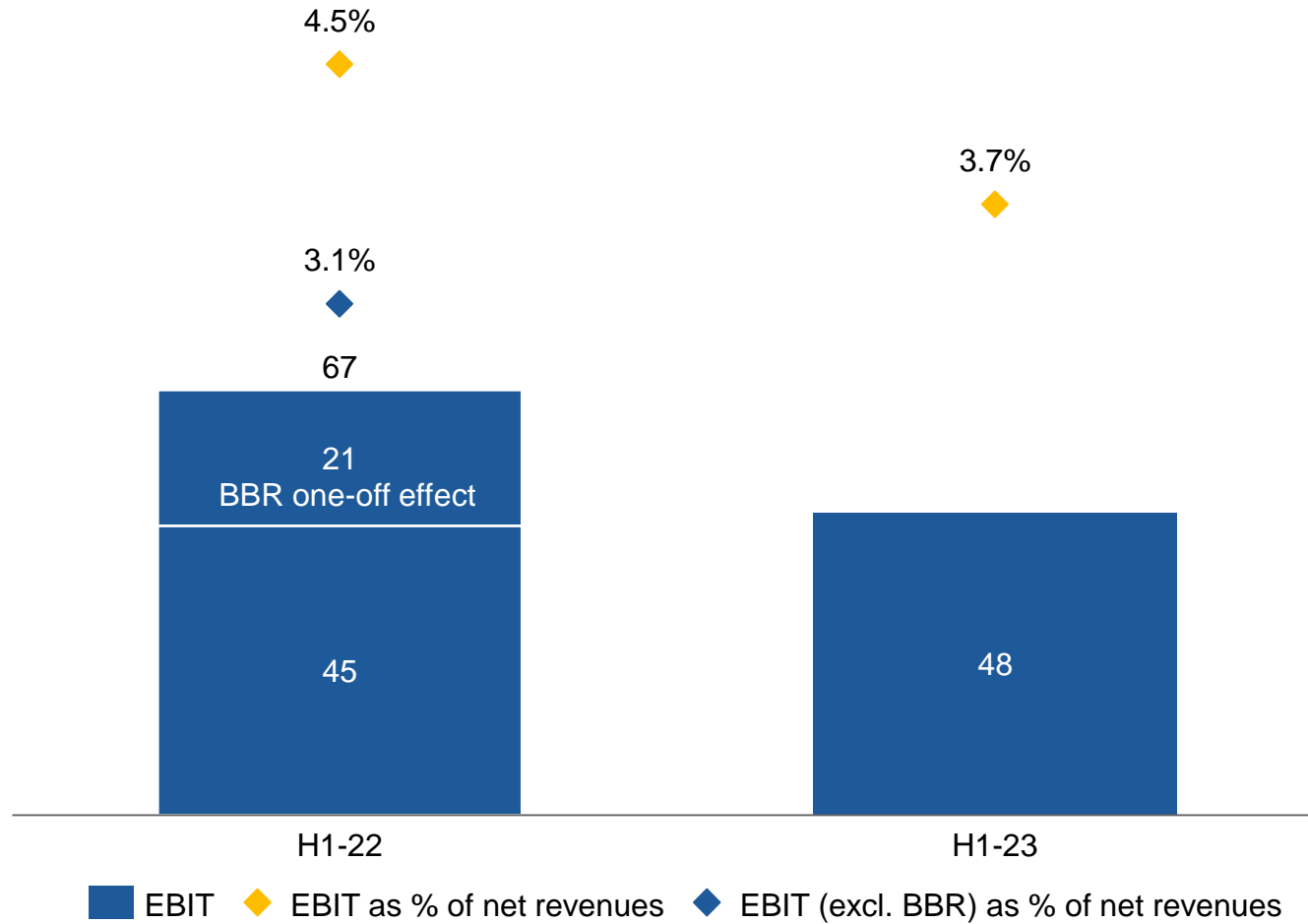
¹ Others: CIS and rest of the world.

COMMENTS

- **Overall net revenues** decline 12% year-on-year, mainly driven by seasonal effects and FX translation impact of c. -3%
- **Rolling Stock** net revenues decline 16% year-on-year, FX translation impact of c. -2%
- **Service & Components** net revenues grow 5% year-on-year despite a negative FX translation impact of c. -7%
- **Signalling** net revenues grow 81% year-on-year on a low comparison base and driven by M&A activities

EBIT

CHFm



COMMENTS

- EBIT reaches CHF 48m, including negative currency effects of c. CHF 15m
- EBIT margin at 3.7%
- Half-year 2022 EBIT included a positive one-off effect of CHF 21.3m related to BBR acquisition
- EBIT margin before BBR one-off in H1-22 at 3.1%, reported 4.5%

NET INCOME

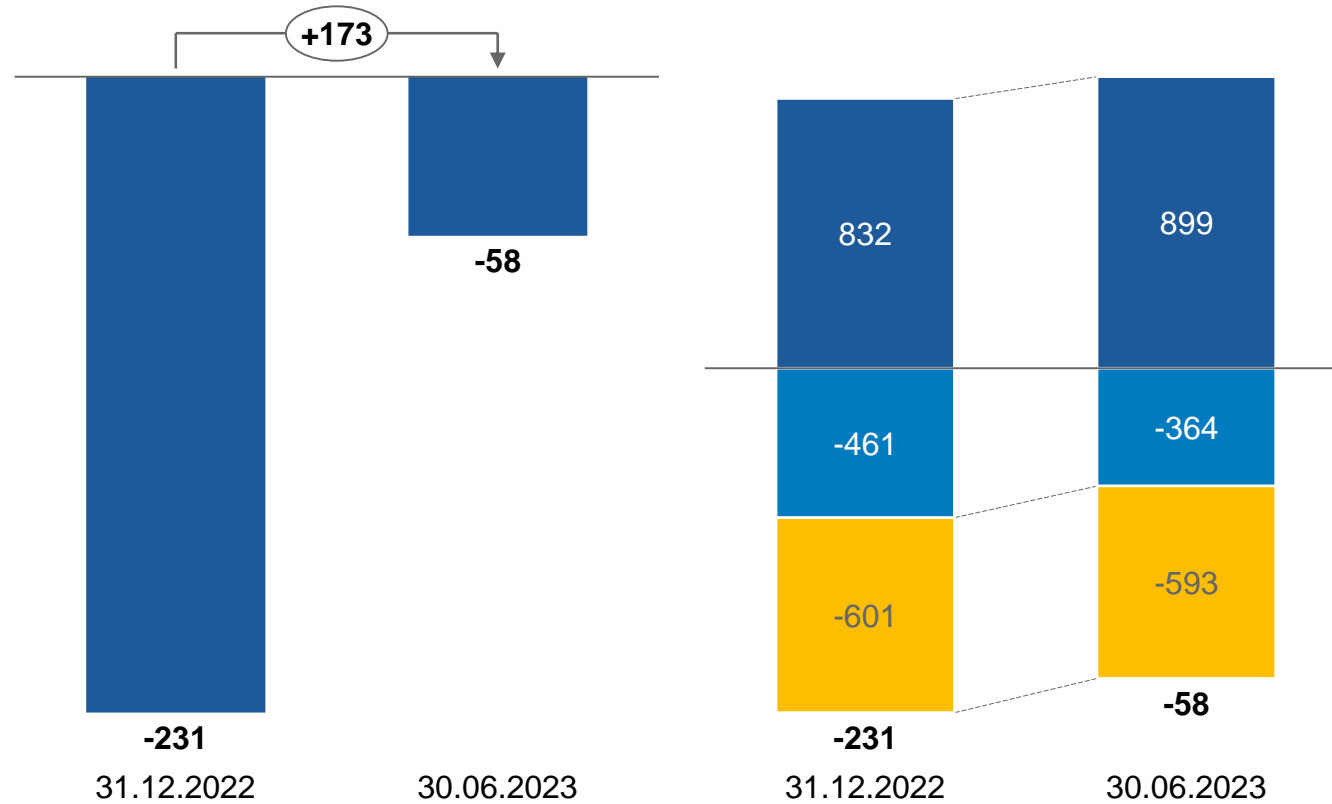
CHFm	H1-22	H1-23	Change YOY
Earnings before interest and taxes (EBIT)	66.8	47.5	(28.8%)
Financial result	(58.7)	(12.9)	
Share of results from associates	1.2	1.7	
Ordinary result	9.2	36.3	293.9%
Non-operating result	(0.1)	(0.1)	
Profit before income taxes	9.1	36.1	295.2%
Income taxes	(6.7)	(10.3)	
Profit for the period	2.4	25.8	967.4%
thereof attributable to			
- Shareholders of Stadler Rail AG	1.3	25.6	
- Non-controlling interests	1.1	0.3	

COMMENTS

- Profit for the period significantly improved year-on-year
- While the financial result in H1-22 included foreign exchange losses of CHF 32.1m, the financial result in the current reporting period included foreign exchange gains of CHF 3.2m

NET CASH POSITION

CHFm



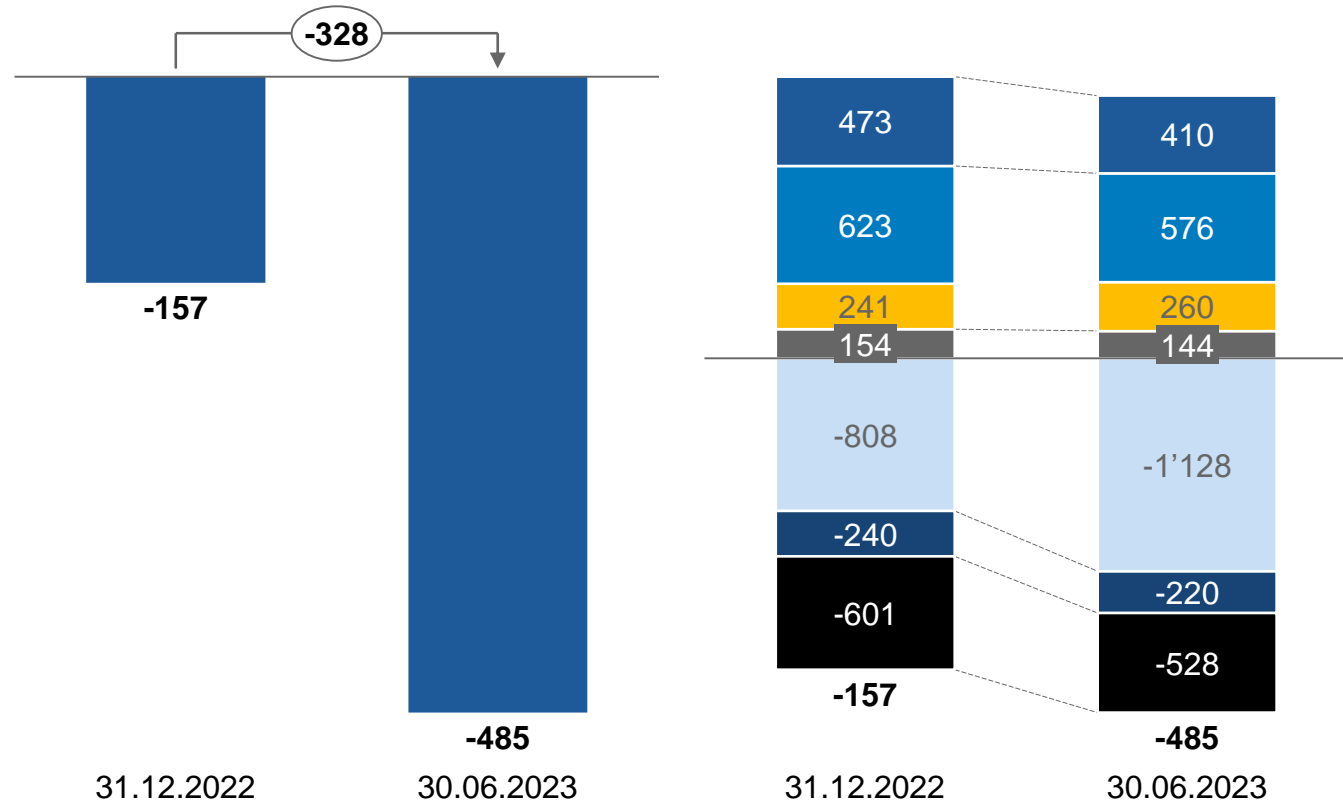
- Cash and cash equivalents
- Current financial liabilities
- Non-current financial liabilities

COMMENTS

Progress payments and solid inflow of advance payments on new orders drive a significant improvement in net cash versus year-end 2022 despite high level of Capex

NET WORKING CAPITAL

CHFm

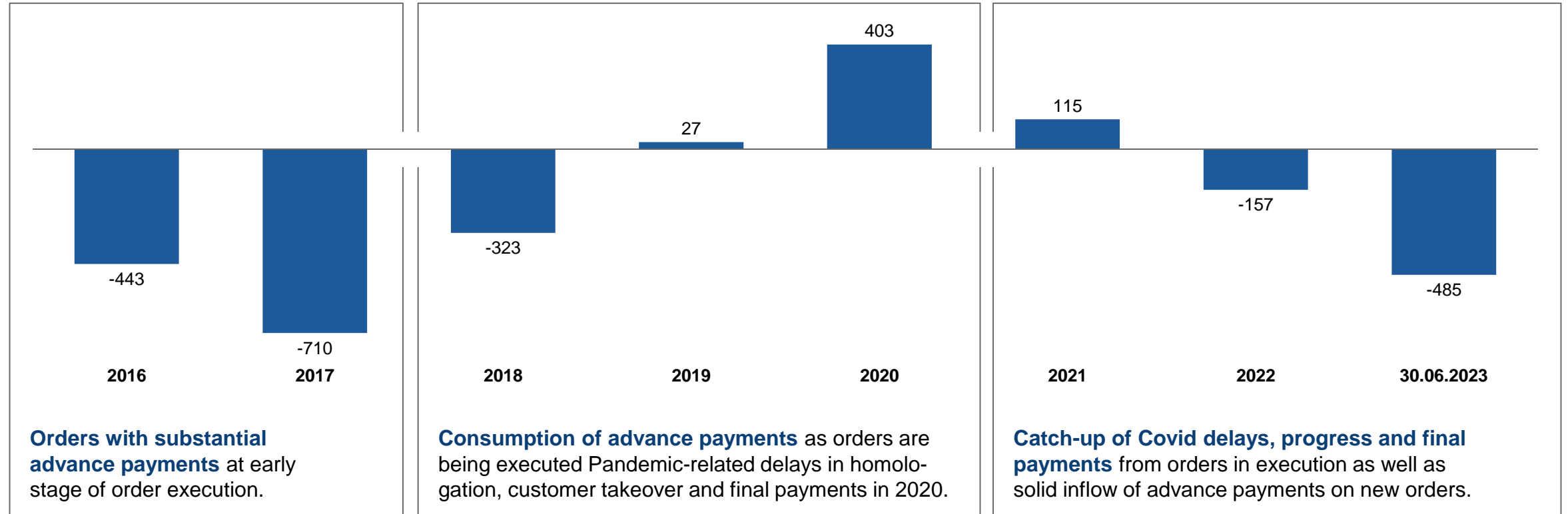


COMMENTS

Overall reduction of net working capital of CHF 328.0m mainly driven by a significant decline of work in progress (net) and a lower level of trade receivables and compensation claims from work in progress

LONG-TERM NET WORKING CAPITAL EVOLUTION

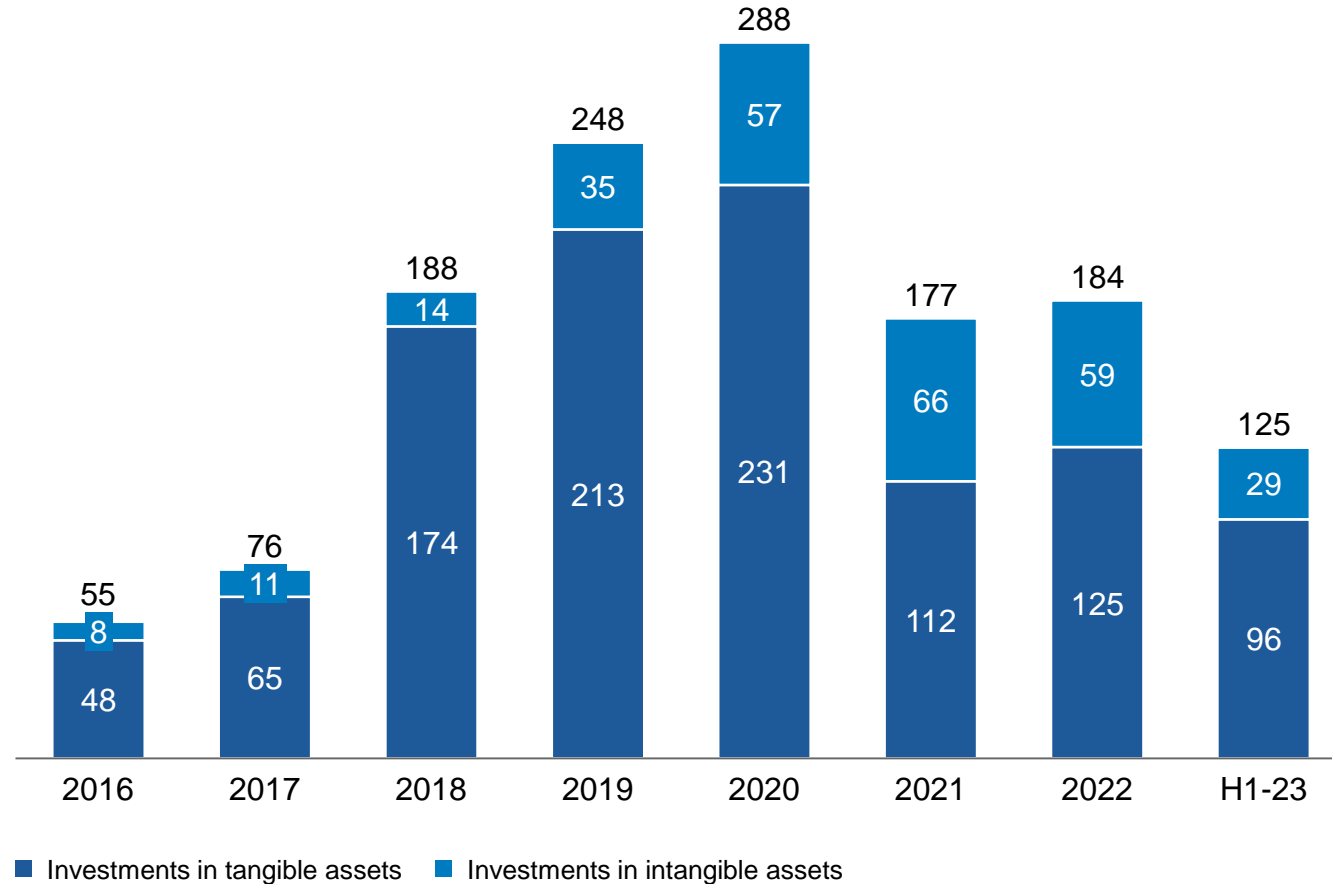
CHFm



Net working capital can be subject to significant swings as a result of the lumpy nature of advance, milestone and final payments. Long-term expectation of zero NWC with swings over the cycle

CAPITAL EXPENDITURE

CHFm



COMMENTS

- Capacity investments driven by land acquisition in Switzerland (St. Margrethen) as well as expansions in Germany, Spain and Hungary
- Intangibles Capex mainly relate to R&D in locomotives, alternative drive systems and signalling



SUMMARY AND OUTLOOK

Markus Bernsteiner, Group CEO

STADLER

FURTHER STRENGTHENING OUR ORGANIZATION

Group-wide harmonisation of systems and tools to leverage synergies and scale effects

Technology leadership

- Continuous product innovation
- Expanding leading role in sustainable mobility solutions
- Modularity and flexibility
- Drive in-house signalling solutions



Decentralized organisation

- Decentralized and agile organization close to customers
- Leveraging individual strengths and capabilities
- Entrepreneurial mindset



Operational excellence

- Efficient processes and tools
- Digitalization and continuous improvement of processes
- Highest quality on time
- Rigorous supply chain management



Combining flexible organizations with innovative technologies and products
with a focus on strong operations

STRATEGY 2025

Focused on profitable growth

Markets

Europe

Win market share and stabilize in focus markets

North America

Growth and stabilization

SE Asia

Build up basis in SE Asia

CIS

Mostly on hold

RoW/New markets

Opportunistic cherry picking

Rolling Stock

- Selectively win market share through best products and new product pipeline (such as Locos, LRVs, Metro, Green Technology)
- Normalization of growth:
 - Focus on delivering backlog
 - Operational excellence

Signalling

- Must have ETCS
- Further advance in-house signalling solutions
- Growth through existing and new customers
- Potential complementary acquisitions
- Migration solutions as value proposition

Service & Components

- Growth in accessible markets and installed base
- Innovation through new service solutions (such as Digital Twin, Rail Diagnostic System)
- Capture opportunities from rolling stock and signalling
- Potential complementary acquisitions

Stadler is delivering full package solutions

2023 FINANCIAL GUIDANCE

Order intake

C. 1.5x book-to-bill

Net revenues

Between CHF 3.7bn and CHF 4.0bn

EBIT margin

EBIT margin comparable to FY 2022 level

Capex

Capex of over CHF 200m (previously: around CHF 200m)

FCF

Positive free cash flow

Dividend

Pay-out ratio of c. 60% of net income

Our financial guidance is based on constant currency exchange rates and on the assumption, that there is no further deterioration of the current economic conditions

2025 FINANCIAL GUIDANCE

Order intake

>1.5x book-to-bill on average

Net revenues

Mid-single digit growth on average

EBIT margin

7 – 8% in 2025

8 – 9% under normal market conditions

Net Working Capital

Long-term level of zero NWC with swings over the cycle

Capex

CHF 120 – 150m

Dividend

Approximately 60% of net income

Our financial guidance is based on constant currency exchange rates and on the assumption, that there is no further deterioration of the current economic conditions



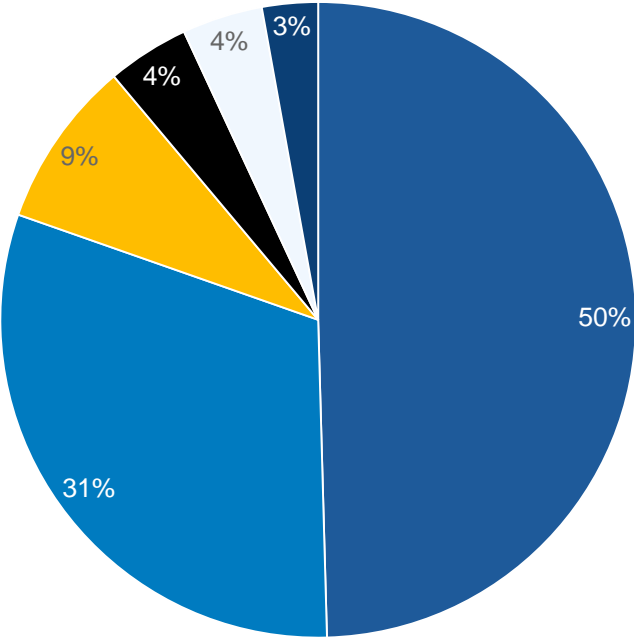
THANK YOU VERY MUCH

STADLER

DIVERSIFIED, HIGH QUALITY ORDER BACKLOG

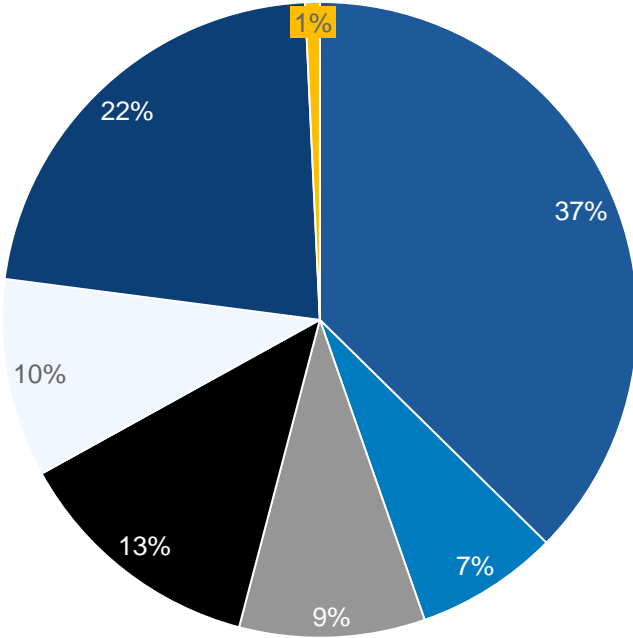
Order backlog

By region



- DACH
- Western Europe
- CIS
- Eastern Europe
- Americas
- Rest of the world

By market segment



- Trains
- Service & Components
- LRV
- Metro
- Tailor-made
- Locomotives
- Signalling

REPORTING SEGMENTS

Rolling Stock

CHFm	H1-22	H1-23	Change
Order intake	4'896	3'559	-27%
Order backlog ¹	17'048	19'596	15%
Net revenues (third party)	1'253	1'048	-16%
Additions to fixed assets	35	65	85%
Total staff as FTEs ²	9'157	9'274	1%

Service & Components

CHFm	H1-22	H1-23	Change
Order intake	1'062	1'067	0%
Order backlog ¹	4'766	5'645	18%
Net revenues (third party)	204	215	5%
Additions to fixed assets	13	17	33%
Total staff as FTEs ²	3'487	3'701	6%

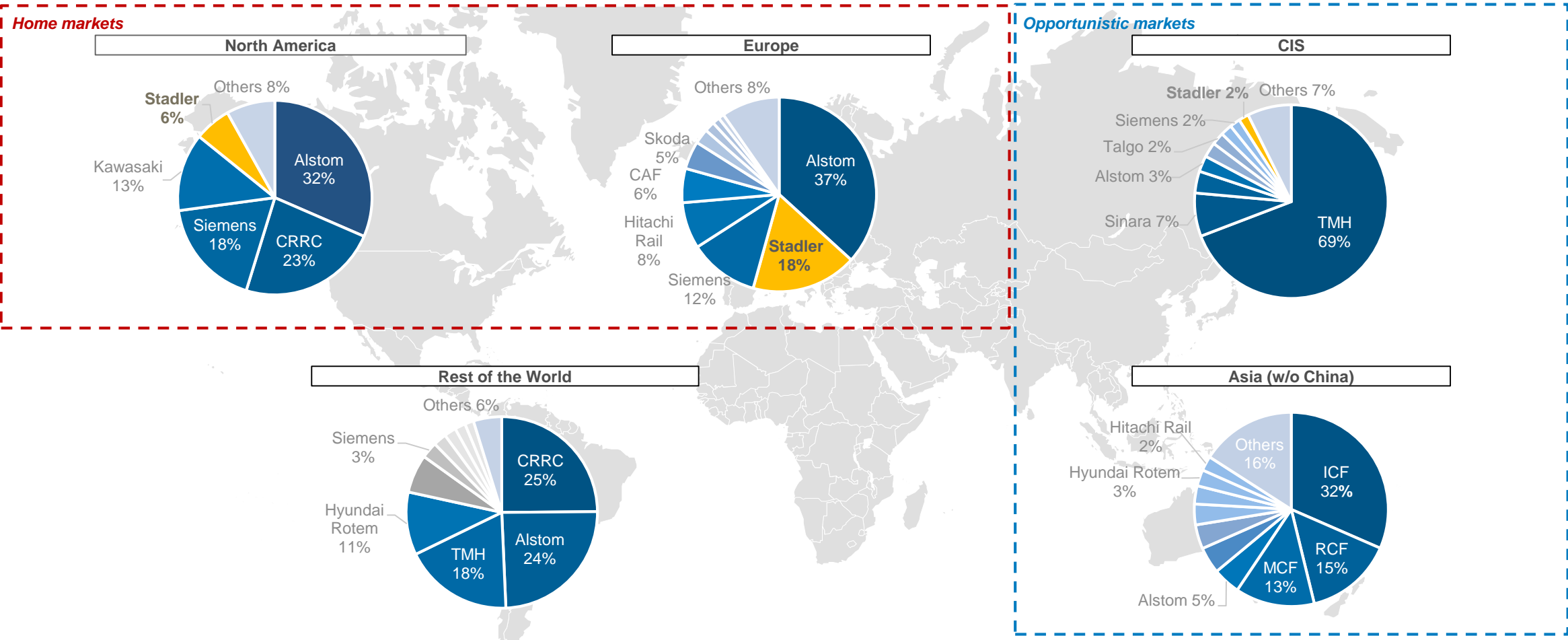
Signalling

CHFm	H1-22	H1-23	Change
Order intake	16	37	135%
Order backlog ¹	170	189	11%
Net revenues (third party)	15	26	81%
Additions to fixed assets	0,1	0,5	528%
Total staff as FTEs ²	264	561	113%

¹ as at 30 June 2023 resp. 31 December 2022. ² average FTEs 1 January to 30 June.

COMPETITIVE LANDSCAPE

MARKET SHARE BY REGION

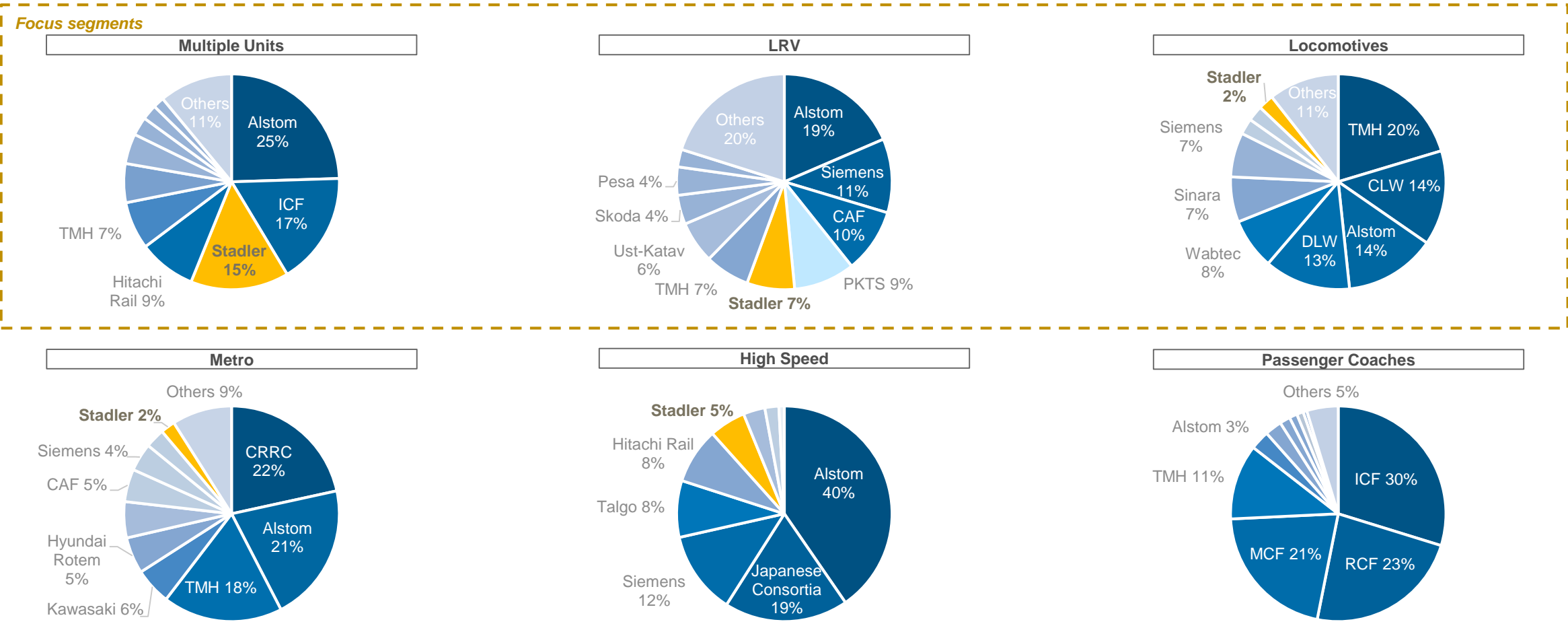


Focus markets are Europe and North America.
Aim to win market share by selling proven products and by being reliable (on time & top quality)

Source: SCI (2023), Market shares based on Units delivered 2021-2023.

COMPETITIVE LANDSCAPE

GLOBAL MARKET SHARE BY SEGMENT



Focus segments are MUs, LRVs and Locos.
We aim to win market share by high-end green tech solutions (Battery & H2), the new TINA-Platform and a broad locomotive portfolio

Source: SCI (2023), Market shares based on Units delivered 2021-2023.

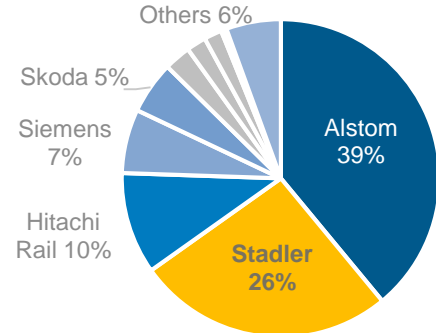
COMPETITIVE LANDSCAPE

EUROPEAN MARKET SHARE BY SEGMENT

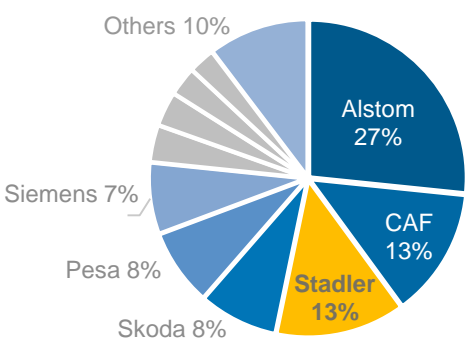
Home markets

Focus segments

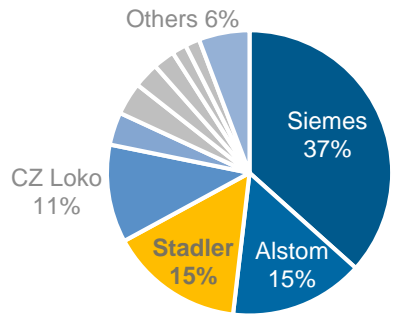
Multiple Units



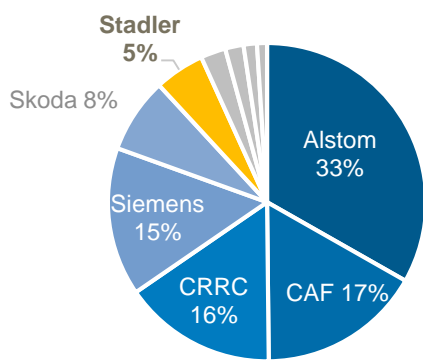
LRV



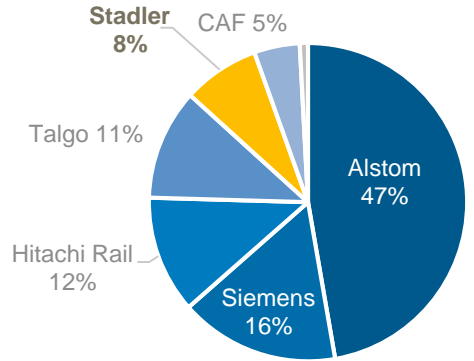
Locomotives



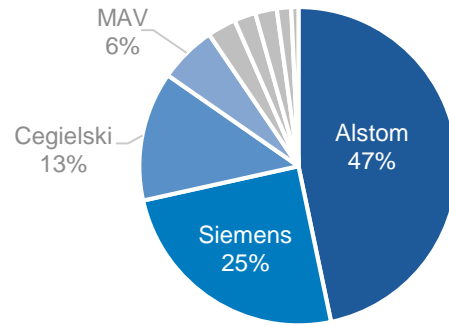
Metro



High Speed



Passenger Coaches



Focus segments are MUs, LRVs and Locos.
We aim to win market share by high-end green tech solutions (Battery & H2), the new TINA-Platform and a broad locomotive portfolio

Source: SCI (2023), Market shares based on Units delivered 2021-2023.

SHARE INFORMATION

Listing	SIX Swiss Exchange
Currency	CHF
Ticker symbol	SRAIL
ISIN	CH0002178181
Listing date	12 April 2019

FINANCIAL CALENDAR 2024

13 March	Annual Report 2023
22 May	General Assembly

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There are numerous risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking information and statements made in this Presentation, which, in turn, could affect our ability to achieve our stated targets. The important factors that could cause such differences include: changes in the markets the Group serves, including as a result of changes in the global demand for transportation and demographic changes; the Group's ability to successfully develop, launch and market new products and services; the Group's ability to retain existing customers and/or secure new customers; the Group's ability to compete with existing and new competitors; the Group's ability to maintain the high quality, reliability, performance and timely delivery of its products and services; the impact of fluctuations in foreign exchange rates; and such other factors as may be discussed from time to time. Although we believe that our expectations reflected in any such forward-looking statement are based upon reasonable assumptions, we can give no assurance that those expectations will be achieved.

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