STADLER

Ad hoc announcement
pursuant to Art. 53 LR

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Stadler increases revenue and profitability

In the first half of 2025, Stadler was able to increase its revenue to CHF 1.4 billion. EBIT reached CHF 36.9 million in the first half of the year (H1 2024: CHF 28.2 million). The EBIT margin is 2.6 percent – 0.4 percentage points higher than in the same period last year (H1 2024: 2.2 percent). The flooding that led to supply chain interruptions and delivery delays is still having an impact, but the measures taken are starting to show positive results. Production output is almost one billion higher than the six-month revenue figure. The reason for this is the conservative method of revenue recognition (units of delivery).

Stadler remained successful on the market in the first half of 2025 and received orders totalling CHF 1.7 billion (previous year: CHF 2.5 billion). This means that, at CHF 29.4 billion, the order backlog remains at a good level. Production output is almost one billion higher than half-year revenue figures due to conservative method of revenue recognition (units of delivery). The position “work in progress" increased in the first half of the year. This reduces operating cash flow and increases net working capital.

Stadler can further consolidate its leading position in alternative drive technologies and its position in the market. Markus Bernsteiner, Group CEO: "Stadler is currently working on 306 orders at the same time. Over the last few years, we have invested in our production facilities around the world in order to implement the orders in the required time and with proven Stadler quality. Although we are currently operating at a good capacity, we need additional orders for the coming years to secure workplaces in the long term."

Growth in revenue – ongoing impact of natural disasters
In the first half of 2025, Stadler was able to increase revenue by over CHF 100 million to CHF 1.4 billion compared to the same period in the previous year (H1 2024: CHF 1.3 billion). This has succeeded in stabilising the business despite the demanding framework conditions. However, various factors continue to have a negative impact on the financial result.

- Stadler must continue to counterbalance and compensate for the consequences of three devastating natural disasters occurred in 2024. The flooding in Valais (Switzerland), Dürnrohr (Austria) and particularly Valencia (Spain) had a major impact on business. In Valencia, 40 suppliers were severely affected, and some of their factories were flooded or even washed away. As a result, necessary components were missing. Stadler has started a catch-up programme that is being implemented successfully. Negotiations with the insurance companies have not yet been concluded.

- The weak economic development in Germany, which is putting Stadler's plants in Berlin-Brandenburg under considerable pressure, is also having a negative impact on business performance. Stadler is currently implementing a comprehensive structure and efficiency programme. In April, Stadler concluded a future collective labour agreement with the trade unions for the plant in Berlin Pankow. This contract secures the site until 2032 and guarantees employment until at least 2029.

- The majority of vehicle deliveries, and the final payments thus effective in the balance sheet, will take place in the second half of 2025.

Stadler is a market leader for alternative drives

By mid-2025, Stadler had sold 301 trains with alternative drive, many of which are already in use successfully. In the first half of 2025, Stadler was once again able to win significant orders and thus further consolidate its leading position in the growth area of alternative drives. In Europe, 50 percent of all vehicles delivered with alternative drive technologies such as batteries or hydrogen come from Stadler.

- In April, the Deutsche Bahn Regio ordered 19 battery-electric FLIRT cordless multiple units for the central Thuringian cordless network.

- Also in April, the French company Région Sud commissioned Stadler the construction of eight hybrid metre-gauge multiple units. The environmentally friendly vehicles will replace existing diesel vehicles, reducing CO_2 emissions by up to 77 percent.

Most important incoming orders in the first half of 2025

In the first half of 2025, Stadler obtained significant orders in several European countries, further strengthening its position in key markets.

- In March, the Polish company Koleje Mazowieckie (PO) commissioned Stadler to supply 14 additional FLIRT multiple units and signed maintenance contract for 18 years. Stadler will thus deliver a total of 64 modern FLIRT trains for the Masovia region.

- In April, as part of the expansion of the tram in Bergen (NO), Stadler Signalling received an order from the Norwegian Federal Railways to supply the safety technology.

- In May, Stadler received the prestigious order to supply and maintain 7 FLIRT trains for operation between Arlanda Airport in Sweden and Stockholm Central Station.

Tariffs: rail vehicles for the US market are mainly produced in the USA
The 39 percent tariffs imposed by US President Trump do not affect Stadler to the full extent. Since 2016, the Buy America Act has forced Stadler to demonstrably generate at least 70 percent of the value added in the US if US taxpayers' money is used for financing.

Stadler North America currently generates between 70 and 80 percent of its added value in the USA. Of the remaining 20 to 30 percent, a larger proportion of the supplies already originate in Europe, with the lower tariff of 15 percent.

Stadler is currently analysing all supply chains with the aim of further reducing the proportion of components subject to the high penalty duties. For example, the production of the car bodies in Salt Lake City will start operations at the end of 2025 and lead to an even higher added value, and thus lower customs costs. In addition, Stadler has taken contractual measures to protect itself against part of the additional costs incurred.

Slightly increased EBIT margin: from 2.2 percent to 2.6 percent
The margin is at the expected level. This shows that the countermeasures taken are effective and have initial, positive effects. At 11.6 percent, the gross margin is thus at a comparable level to the same period last year (H1 2024: 11.9 percent). The EBIT reached CHF 36.9 million in the first half of the year (H1 2024: CHF 28.2 million). At 2.6 percent, the EBIT margin was thus also slightly increased by 0.4 percentage points, compared with the first half of 2024 (2.2 percent).
At CHF 30.9 million, the Group result is 12 percent higher than in the same period last year (H1 2024: CHF 27.5 million).

Build-up of work in progress leads to negative cash flow
The high level of order intake in recent years means that production output, and hence revenue, will substantially increase over the coming years. Stadler has made considerable further investments in its production capacities in preparation for this jump in revenue.

The high advance payments from 2024 are now being used to process the current orders and build the corresponding vehicles. In the short term, the high number of rail vehicles under construction in the first half of 2025 will have a negative impact on the free cash flow, the net working capital and the net cash position.

As in the previous year, free cash flow in the first half of 2025 was negative at CHF -744.2 million (H1 2024: CHF -384.7 million). Net working capital remains negative at CHF -290.9 million (end of 2024: CHF -1 010.9 million). As a result, the amount of advance payments made by customers is still higher than the cost of production of current orders. As of 30 June 2025, the net cash position amounts to CHF -406.8 million (31.12.2024: CHF 368.0 million).

"Rolling Stock" segment: solid revenue growth

Order intake in the "Rolling Stock" reporting segment totalled CHF 1.4 billion in the first half of 2025. This is 30 percent below the same period last year. The lower order intake compared to the previous year is due to a large order for Saudi Arabia in the first half of 2024. The order backlog remains stable at CHF 21.0 billion compared to the end of 2024 (31.12.2024: CHF 20.9 billion). The "Rolling Stock" reporting segment generated revenue of CHF 1.1 billion in the first half of 2025. This means that revenue are 9 percent higher than in the same period last year (H1 2024: CHF 1.0 billion).

"Service & Components" segment: 17 percent rise in revenue

Order intake in the "Service & Components" segment totalled CHF 263.8 million in the first half of 2025. This is 48 percent below the previous year's figure (H1 2024: CHF 511.8 million). The high figure for the previous year is also due to the order for Saudi Arabia in the "Service & Components" segment. The order backlog in the service business rose by 2 percent to CHF 7.8 billion (31.12.2024: CHF 7.6 billion). Sales in the "Service & Components" segment rose by 17 percent to CHF 270.7 million (H1 2024: CHF 231.8 million).

"Signalling" segment: Further growth in order intake

In the first half of 2025, order intake in the "Signalling" segment was 52.0 million Swiss francs, 57 percent higher than in the same period of the previous year (H1 2024: CHF 33.0 million). As of 30 June 2025, the order backlog amounts to CHF 594.8 million (31.12.2024: CHF 616.6 million). In the first half of 2025, the "Signalling" reporting segment generated sales of CHF 21.9 million (H1 2024: CHF 42.3 million).

Outlook for 2025 and beyond confirmed

Due to its strong position in the market, Stadler confirms its outlook communicated at the end of the year in mid-March 2025.

Thanks to the strong order backlog and increased production output in 2025, a massive jump in revenue is expected in 2026, to over CHF 5 billion. In order to cope with the increase in production output, Stadler is investing around CHF 250 million in the current financial year. Furthermore, Stadler expects solid advance payments from new orders and improved payment terms in the current orders.

Assuming stable supply chains and the success of the package of measures, Stadler expects revenue to grow by well over 10 percent compared to 2024 and an increase in the EBIT margin to between 4 and 5 percent in 2025.

Stadler remains convinced that an increase in the EBIT margin to 6 to 8 percent is realistic in the medium to long term under constant global conditions. This while also achieving a stable turnover of over CHF 5 billion.

Further information will be provided during our conference call, today at 10 a.m.
Markus Bernsteiner, Group CEO, and Raphael Widmer, Group CFO, will present the half-year results 2025 today at 10 a.m. on a conference call. The presentation and the detailed half-year report can be found at www.stadlerrail.com

- Conference call in German or English (audio only, presentation is not transmitted)
- Webcast (anyone who wants to see the presentation must also dial in here in addition to the conference call)
- Link to key figures for the half-year results 2025 in Excel format

About Stadler
Stadler has been building trains for more than 80 years. The supplier of mobility solutions for railway vehicle construction, service and signalling technology is headquartered in Bussnang in Eastern Switzerland. More than 16,500 employees work at 8 production and 6 engineering locations as well as over 80 service locations, of which more than 5,600 are in Switzerland. The company is aware of its responsibility for sustainable mobility and stands for innovative, sustainable and long-lasting quality products. Stadler's range of products in the heavy rail and urban transport segments includes high-speed trains, Intercity trains, regional and rapid suburban commuter rail trains, underground trains, tram trains and trams. Furthermore, Stadler manufactures locomotives and passenger carriages. Stadler is the world's leading manufacturer in the rack-and-pinion rail vehicle industry.

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Key figures

in millions of CHF or as noted	1st half-year 2025 resp. 30.06.2025	as % of net revenue	1st half-year 2024 resp. 31.12.2024	as % of net revenue	Change in %
Stadler					
Order intake	1,713.9		2,548.7		(33%)
Order backlog[1]	29,379.4		29,180.3		1%
Net revenue	1,401.7	100.0%	1,292.9	100.0%	8%
Gross margin[2]	162.6	11.6%	153.8	11.9%	6%
EBITDA[3]	95.4	6.8%	89.6	6.9%	6%
Operating result (EBIT)	36.9	2.6%	28.2	2.2%	31%
Profit for the period	30.9	2.2%	27.5	2.1%	12%
Earnings per share (in CHF)	0.17		0.24		(29%)
Net cash flow from operating activities	(633.9)		(343.1)		
Capital expenditure[4]	119.5		97.9		
Free Cash Flow[5]	(744.2)		(384.7)		
Net Working Capital[1,6]	(290.9)		(1,010.9)		
Work in Progress (net)[1,7]	(1,117.0)		(1,726.6)		
Net Cash[1,8]	(406.8)		368.0		
Equity[1]	767.4		774.1		
Staff as FTEs	16,583		14,807		12%
"Rolling Stock" segment					
Order intake	1,398.1		2,003.8		(30%)
Order backlog[1]	21,026.6		20,926.5		0%
Net revenue (third parties)	1,109.1	79.1%	1,018.8	78.8%	9%
"Service & Components" segment					
Order intake	263.8		511.8		(48%)
Order backlog[1]	7,758.0		7,637.1		2%
Net revenue (third parties)	270.7	19.3%	231.8	17.9%	17%
"Signalling" segment					
Order intake	52.0		33.0		57%
Order backlog[1]	594.8		616.6		(4%)
Net revenue (third parties)	21.9	1.6%	42.3	3.3%	(48%)

1 As at 30 June 2025 resp. 31 December 2024
2 Gross margin is calculated as net revenue less cost of goods sold and services provided
3 EBITDA is calculated as the sum of EBIT and depreciation and amortisation
4 Capital expenditure is calculated as the sum of investments in property, plant and equipment and intangible assets less grants received for property, plant and equipment and intangible assets
5 Free cash flow is calculated as EBITDA less capital expenditure less change in net working capital
6 Net working capital is calculated by subtracting the sum of trade payables, liabilities from work in progress, other current liabilities, current provisions and deferred income and accrued expenses from the sum of trade receivables, inventories, work in progress, other current receivables, compensation claims from work in progress and accrued income and deferred
7 Work in progress (net) is calculated as work in progress (asset) less liabilities from work in progress
8 Net cash is calculated as cash and cash equivalents less current and non-current financial liabilities