



# Q1



## Q1/25 FINANCIAL RESULTS

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FRANK WEBER | CFO

May 8, 2025



**KNORR-BREMSE**

# Key take-aways today



- **Good start in 2025 – RVS strong and CVS resilient**
- **KB well positioned in challenging geopolitical times**
  - **Revenue share – Rail > Truck**
  - **Balanced revenue mix – 49% EU, 27% NA, 24% APAC**
  - **German stimulus program mid-term supportive**
  - **Well financed long-term and high equity ratio**
- **BOOST – carve outs progressing, good integration and execution of KB Signaling**
- **Guidance FY25 confirmed**



# Solid demand in Rail continues and tough Truck markets globally

## Current situation

## Outlook FY25



- **High order books** at OEMs continue
- Persisting Supply Chain situation, but manageable
- EU: **continuous growth** in OE and AM
- AP/CN: **good AM** and supportive OE continues
- NA: development supported by Signaling business



- **Global**: Book-to-bill >1 expected
- EU: ongoing **stable demand**
- NA: **stable** development, tariff effects to be monitored
- IN: continued **positive** demand development
- CN: **stable yoy**



- Market developments as expected
- TPRs<sup>1</sup> in Q1/25 yoy:
  - EU: significantly lower
  - NA: significantly lower
  - CN: slightly lower, domestic weak and export stable



- **AM** development better than OE development
- Development of TPRs inline with truck OEMs exp., but uncertainties strongly increased
  - EU: stable yoy
  - NA: significantly lower yoy
  - CN: stable yoy
- TPRs H2/25 > TPRs H1/25 expected



# Q1/25: Strong order intake and order book provide resilience

ORDER INTAKE

€ **2.38bn**

(+12.5% yoy)

REVENUES OF

€ **1.96bn**

(-0.8% yoy)

OPERATING  
EBIT MARGIN

**12.1%**

(PY: 12.1%)

FREE  
CASHFLOW

€ **+15m**

(PY: € -95m)

ORDER BOOK

€ **7.44bn**

(+10.6% yoy)

€ 1.07bn



15.6%

€ 894m

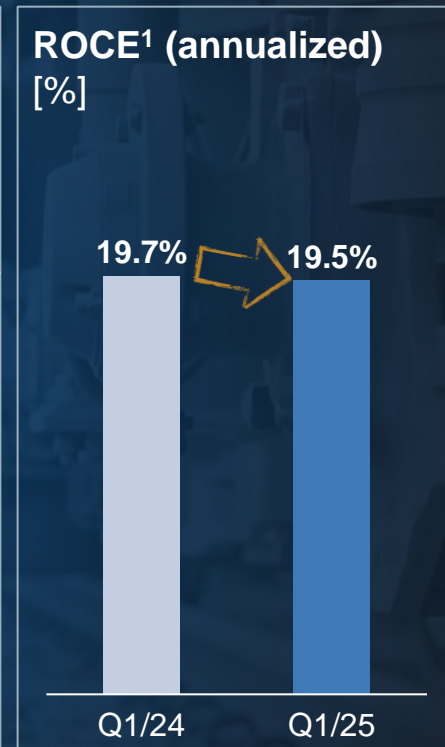
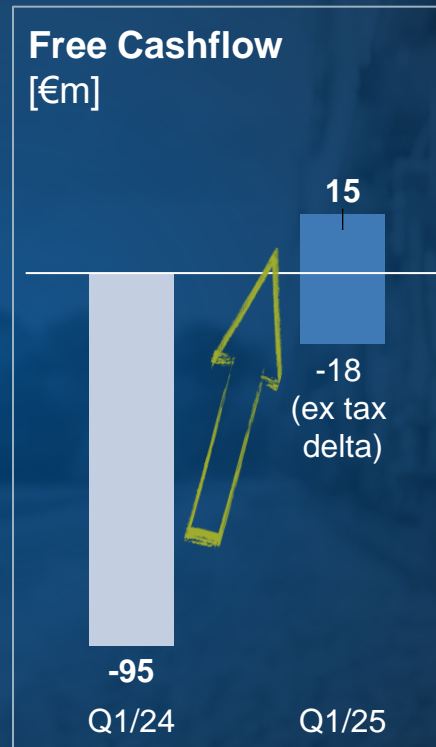
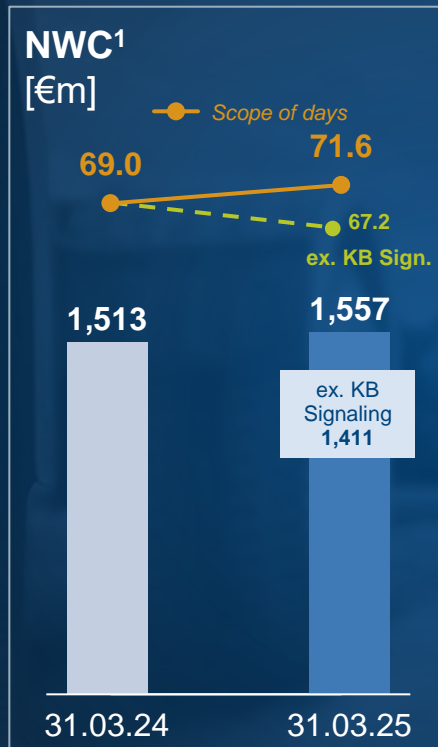
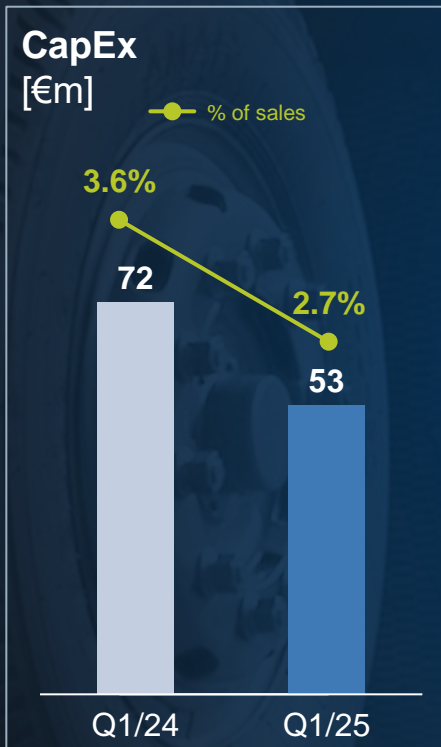


9.5%

**10%**

CASH  
CONVERSION  
RATE

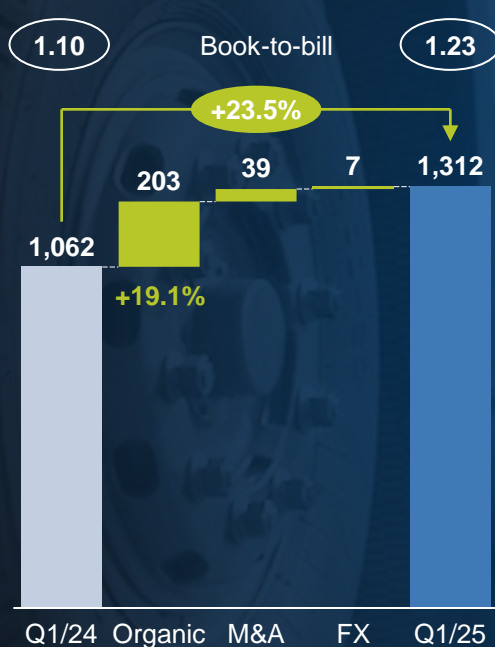
# Strong improvement of NWC and FCF as promised



# RVS: Strong organic order growth and B-t-B >1 for 14 quarters in a row



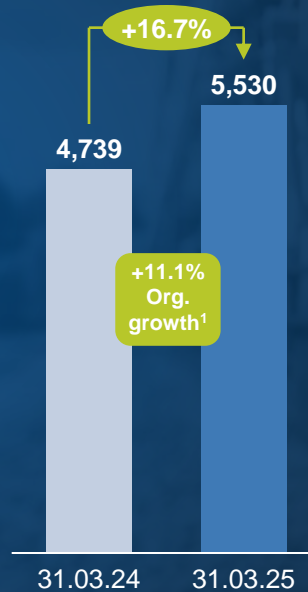
## Order intake [€m]



### OI higher yoy in all regions

- **EU:** Lion share of total orders from EU, despite tough comps yoy
- **AP:** Increase especially in **India, China OE & AM** as well as Australia AM
- **NA:** Signaling business **supports** growth

## Order book [€m]



### Order book again on high level

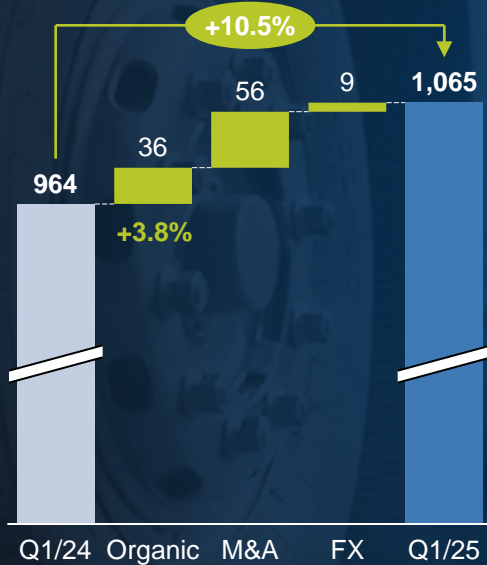
- Order book adjusted by acquisition of KB Signaling **increasing**
- Strong order book **provides good visibility into FY25** and beyond
- Order book well supported by **resilient and stable rail demand**



# RVS: Strong AM business in all regions and operating leverage



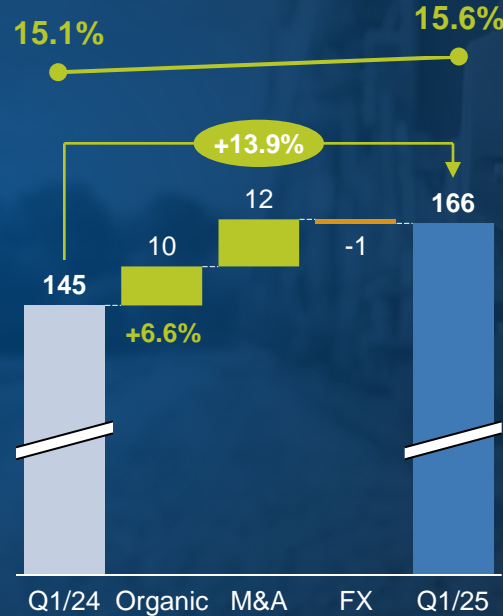
## Revenue [€m]



Organic revenues up 4%

- **EU:** Lower OE but higher AM overcompensated
- **AP:** Higher in OE, OE and AM up in China
- **NA:** Higher in OE and AM
- **AM share** increased to 55%

## Op. EBIT [€m]/ Margin



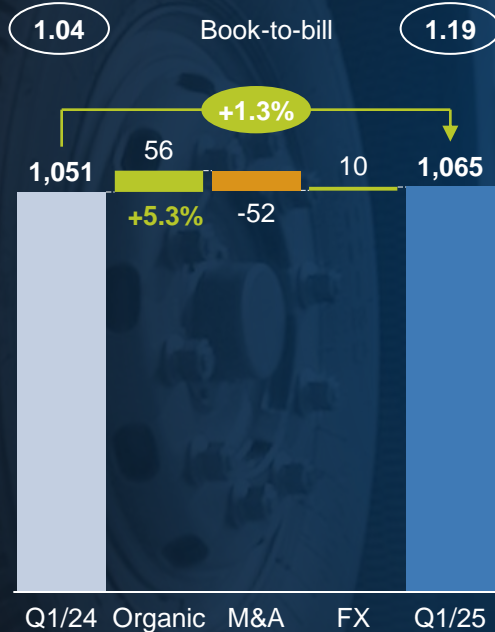
Profitability up ~50bps

- **Growth in NA** driven by Signaling deal
- Supportive growth in **AP**
- **Positive channel mix** AM/OE
- **Unfavorable** product mix and integration costs
- **Benefits through BOOST** efficiency program and portfolio optimization

# CVS: Good market demand in Q1/25, despite growing market headwinds



## Order intake [€m]



OI solid after record demand driven by EU

- **EU: significantly higher** OI vs 2024 but development to be monitored
- **APAC:** on same level as Q1/24
- **NA: significantly weaker** yoy due to market uncertainties and high dealer stocks

## Order book [€m]



Order book stable organically in Q1/25yoy

- **EU slightly lower** than 2024 mainly from divestment
- **NA stable** yoy
- **APAC stable** yoy and China **slightly lower** than 2024



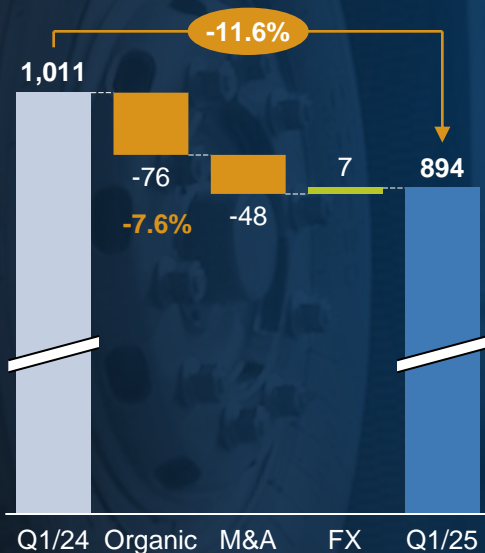
# CVS: Revenue and margin strongly impacted by weak truck markets



## Revenue [€m] <sup>1</sup>

### Revenue drivers

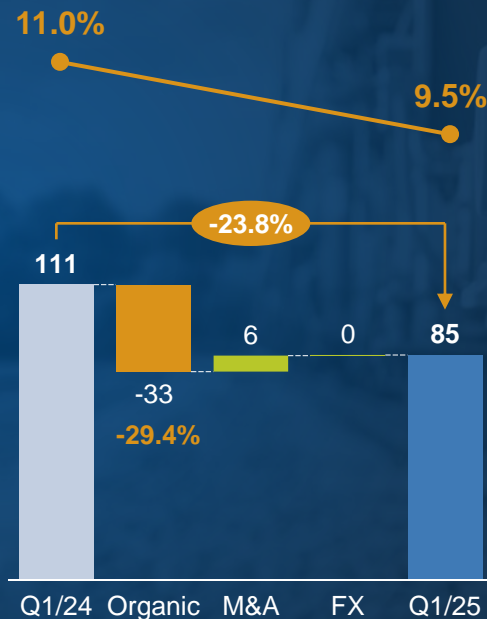
- **EU:** significantly lower revenues mainly driven by TPR impact on OE; AM higher yoy
- **NA:** OE significantly lower and trailer still subdued, AM slightly lower
- **APAC:** stable development in OE and AM
- **AM** absolutely higher and **share** increased to 34%



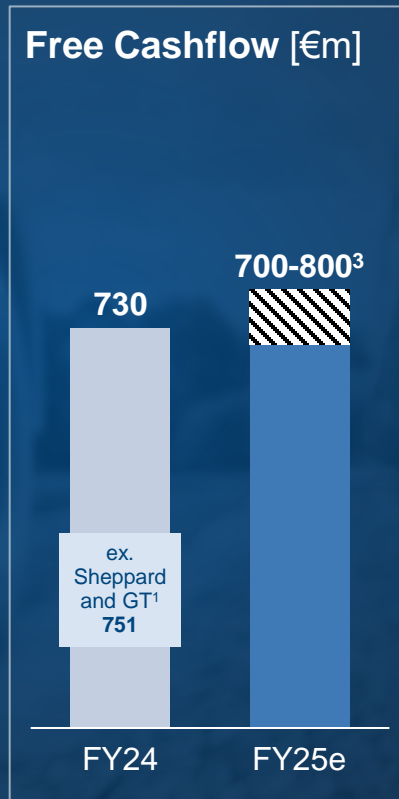
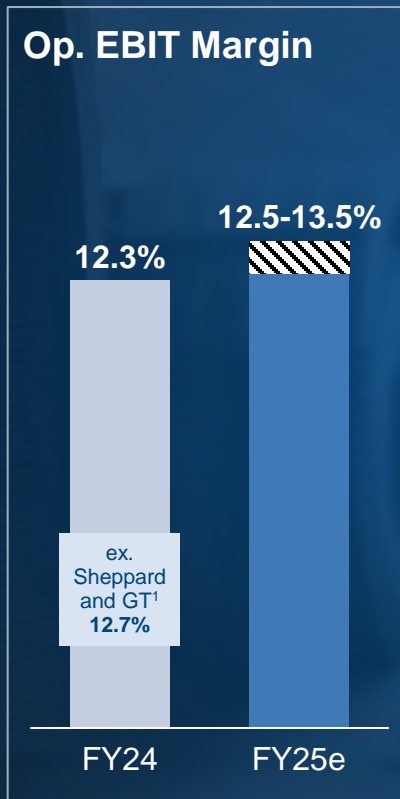
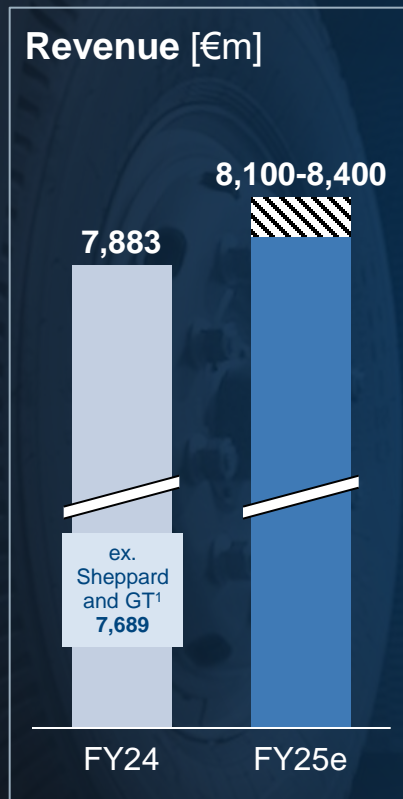
## Op. EBIT [€m]/ Margin<sup>1</sup>

### Profitability impacted by lower TPRs

- **Negative volume** impacts
- **Negative regional mix**
- **Higher R&D amortization** due to SOPs<sup>2</sup>
- **Higher AM share** supportive
- **Benefits through BOOST** efficiency program and portfolio optimization



# Guidance FY25 confirmed



## General Assumptions

- Stable FX vs. levels as of Feb. 2025
- Essentially stable geopolitical and macroeconomic conditions
- Potential restructuring costs of around € 75m<sup>3</sup>
- No larger impacts by tariffs

## Divisional assumptions

### RVS<sup>1</sup>:

- Rev.: solid increase ↗
- Op. EBIT margin: solid increase ↗

### CVS<sup>2</sup>:


- Rev.: almost flat despite disposals →
- Op. EBIT margin: slight increase ↗

## Q&A / Backup



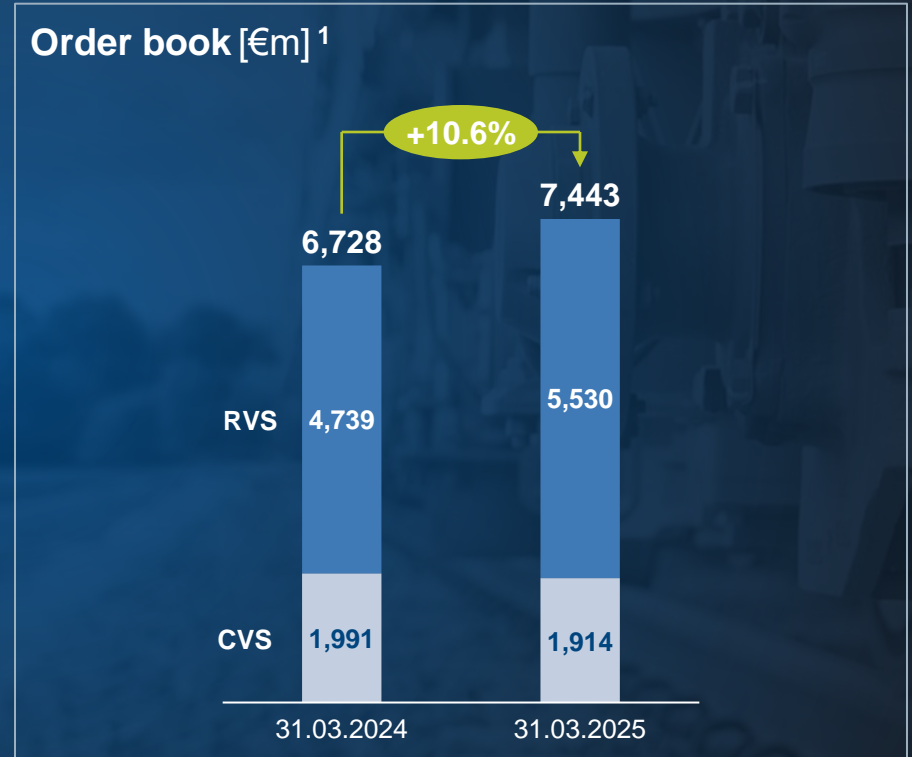
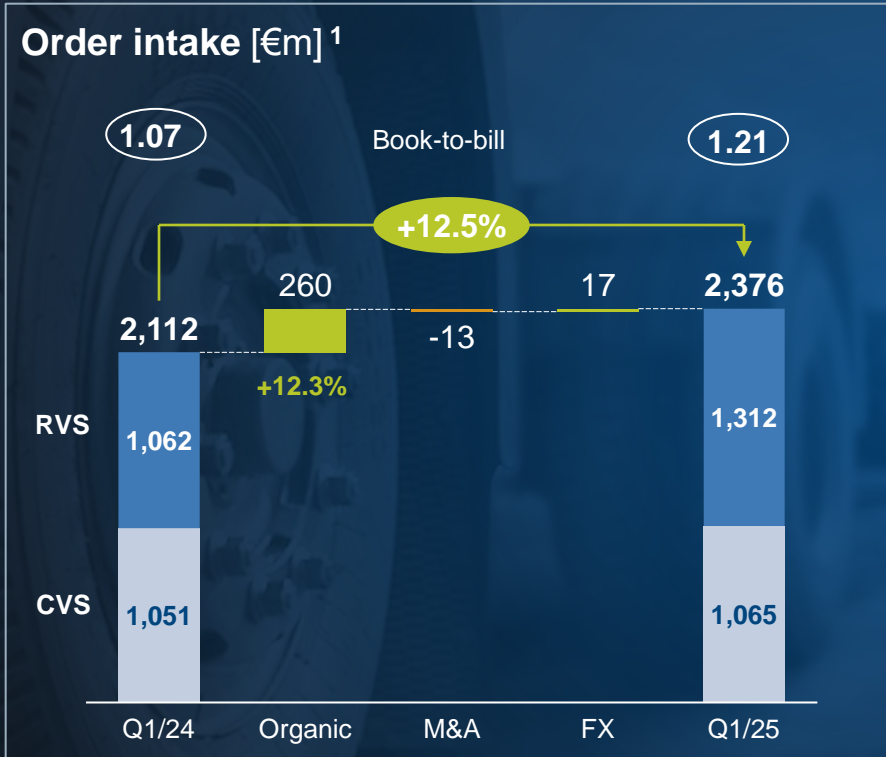


# Financial calendar 2025 – Upcoming events and FY25 release dates

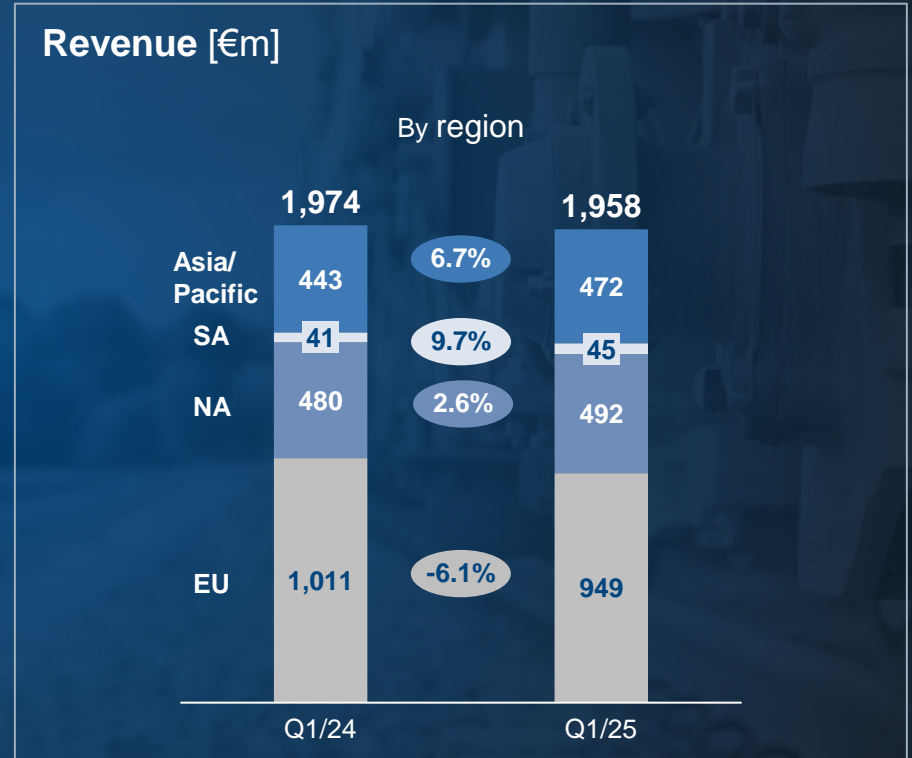
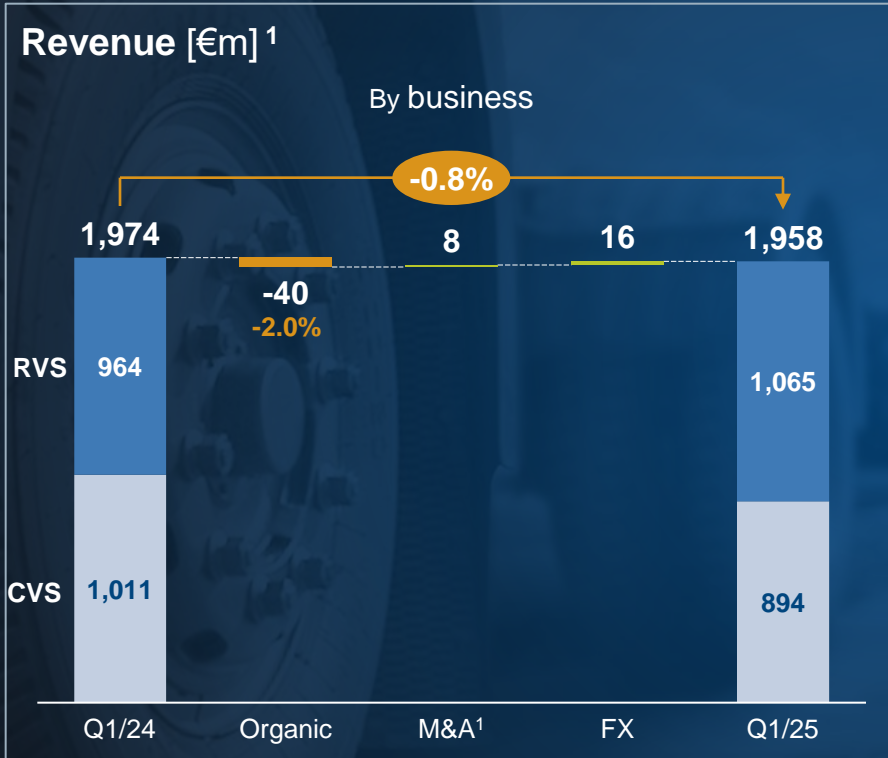


<b>DATE</b>	<b>EVENT</b>	<b>LOCATION</b>
<b>May 8</b>	<b>Q1/25 financial results</b>	<b>Online</b>
May 20 and 22	Berenberg European Conference	New York
May 27	dbAccess Conference	Frankfurt
Jun 11	JPM Conference	London
Jun 17	Roadshow	London
Jul 2	Roadshow	Zurich
<b>Jul 31</b>	<b>Q2/25 financial results</b>	<b>Online</b>
<b>Oct 30</b>	<b>Q3/25 financial results</b>	<b>Online</b>

# Q1/25 – Group: Order intake and Order book



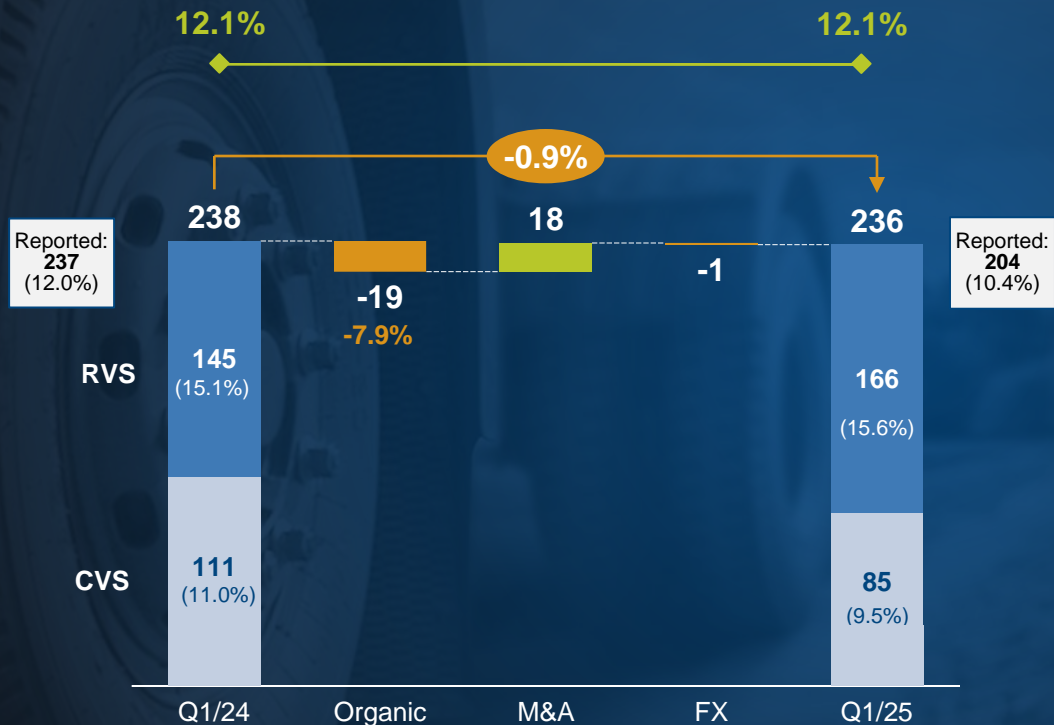
# Q1/25 – Group: Revenue development



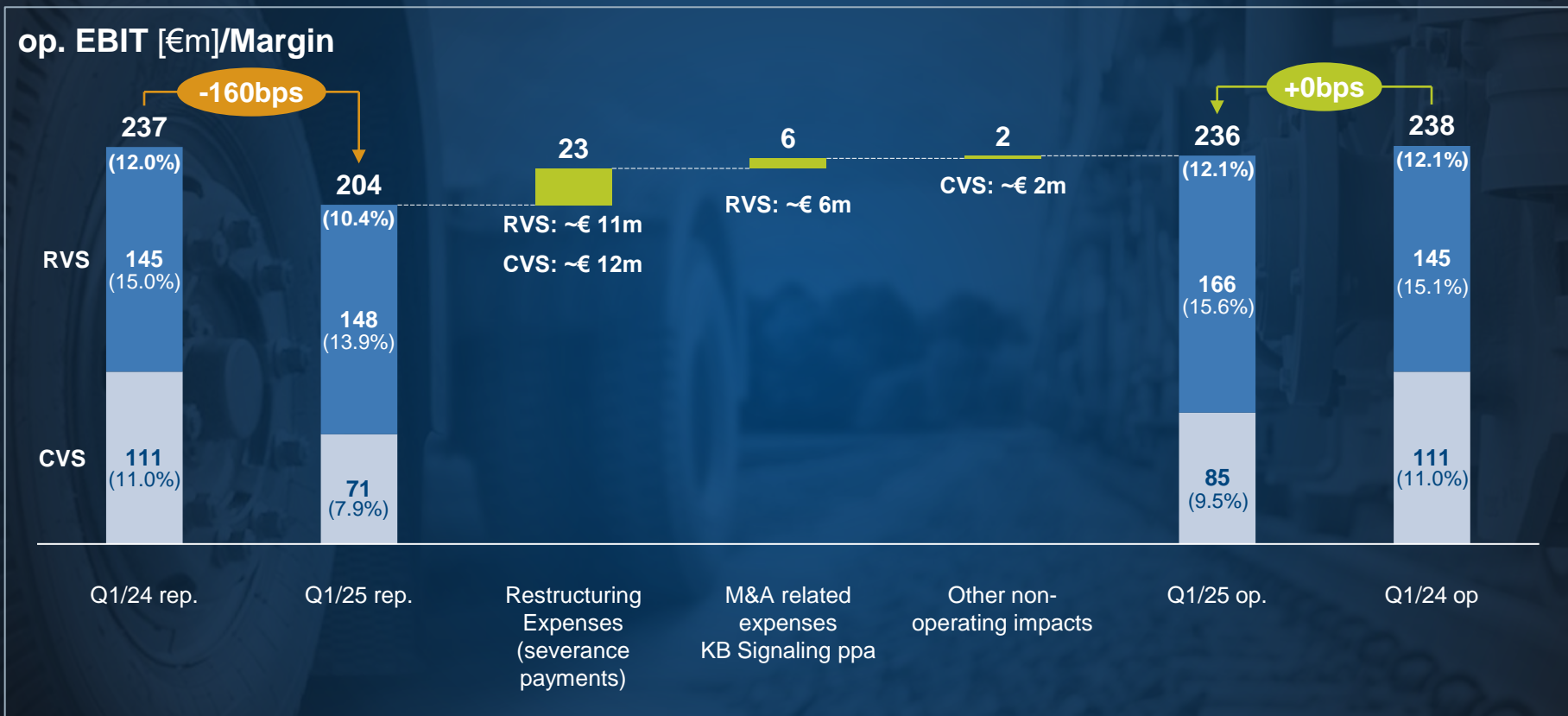


# Q1/25 – Group: op. EBIT growth vs. prior year

## op. EBIT [€m]/ EBIT Margin



# Group Q1/25 – Bridge reported EBIT to operating EBIT



# Group – Income statement

in € million	2024					2025
	Q1/24	Q2/24	Q3/24	Q4/24	FY24	Q1/25
Revenues	1,974.2	2,012.9	1,909.6	1,986.5	7,883.2	1,958.1
Change in inventory of unfinished/finished products	52.1	4.3	32.6	-45.3	43.7	55.8
Own work capitalized	32.4	25.9	26.1	28.7	113.2	22.5
<b>Total operating performance</b>	<b>2,058.7</b>	<b>2,043.1</b>	<b>1,968.3</b>	<b>1,969.9</b>	<b>8,040.1</b>	<b>2,036.4</b>
Other operating income	19.1	27.0	25.0	46.4	117.6	23.3
Cost of materials	-1,007.7	-965.1	-939.6	-890.5	-3,803.0	-958.4
Personnel expenses	-523.5	-515.0	-496.3	-519.8	-2,054.5	-556.8
Other operating expenses	-224.7	-241.2	-250.3	-281.1	-997.4	-245.4
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>321.9</b>	<b>348.8</b>	<b>307.1</b>	<b>324.9</b>	<b>1,302.8</b>	<b>299.1</b>
Depreciation, amortization, and impairment	-84.4	-110.8	-88.4	-108.0	-391.7	-94.8
<b>Earnings before interests and taxes (EBIT)</b>	<b>237.5</b>	<b>238.0</b>	<b>218.7</b>	<b>216.9</b>	<b>911.1</b>	<b>204.2</b>
Interest income	14.3	11.4	15.8	18.3	59.7	17.0
Interest expenses	-23.4	-25.4	-25.0	-33.0	-106.8	-32.1
Result from financial investments using the equity method	1.7	-1.6	0.1	-15.8	-15.6	-2.9
Impairment of other financial assets	-0.4	-6.4	-0.8	-57.8	-65.4	-2.9
Other financial result	-14.9	-18.6	-25.6	-79.0	-138.2	9.7
<b>Income before taxes</b>	<b>214.8</b>	<b>197.4</b>	<b>183.1</b>	<b>49.6</b>	<b>644.9</b>	<b>193.1</b>
Taxes on income	-55.6	-43.7	-43.4	-25.4	-168.1	-50.3
<b>Net income</b>	<b>159.1</b>	<b>153.7</b>	<b>139.7</b>	<b>24.2</b>	<b>476.8</b>	<b>142.7</b>
Profit (loss) attributable to non-controlling interests	5.4	9.4	9.8	7.3	31.8	8.1
Profit (loss) attributable to the shareholders of Knorr-Bremse AG	153.7	144.3	129.9	16.9	444.9	134.7
Earnings per share in Euro	0.95	0.90	0.81	0.11	2.76	0.84



# Group – Cashflow statement

€ million	2024					2025	2025
	Q1/24	Q2/24	Q3/24	Q4/24	12M/24	Q1/25	3M/24
Cash flow from operating activities	-48.3	219.0	257.6	614.0	1,042.3	66.2	66.2
Cash flow from investing activities	-8.1	-77.0	-574.9	-90.3	-750.3	-31.8	-31.8
Cash flow from financing activities	-23.9	-311.5	1,009.8	-44.9	629.5	-31.8	-31.8
Cash flow changes	-80.3	-169.5	692.4	478.9	921.6	2.5	2.5
movements	7.8	4.3	-28.3	41.5	25.3	-11.9	-11.9
Change in cash funds	-72.5	-165.2	664.1	520.4	946.9	-9.5	-9.5
Cash and cash equivalents at the beginning of the period	1,283.5	1,211.0	1,045.8	1,709.9	1,283.5	2,230.3	2,230.3
Cash and cash equivalents at the end of the period	1,211.0	1,045.8	1,709.9	2,230.3	2,230.3	2,220.7	2,220.7

# Group – Balance sheet/ assets

in € million	2024				2025
	31.03.2024	30.06.2024	30.09.2024	31.12.2024	31.03.2025
<b>Assets</b>					
Intangible assets	778.6	770.2	957.9	933.4	914.8
Goodwill	688.5	689.2	864.1	883.4	873.2
Property, plant and equipment	1,864.1	1,851.2	1,879.5	1,898.6	1,833.6
Investments accounted for using the equity method	62.5	56.9	56.2	36.3	35.0
Other financial assets	144.6	136.2	88.3	82.7	81.3
Other assets	97.3	99.6	100.0	101.5	102.2
Income tax receivables	0.6	0.2	0.3	1.0	1.1
Assets from employee benefits	21.2	25.5	19.1	24.3	20.1
Deferred tax assets	81.3	77.1	148.6	236.8	207.8
<b>Non-current assets</b>	<b>3,738.7</b>	<b>3,706.1</b>	<b>4,114.1</b>	<b>4,198.1</b>	<b>4,069.3</b>
Inventories	1,231.4	1,235.4	1,355.7	1,216.0	1,286.9
Trade accounts receivable	1,605.0	1,604.6	1,635.4	1,384.8	1,635.3
Other financial assets	171.1	180.9	152.3	89.0	84.8
Other assets	168.9	182.4	202.1	206.1	206.5
Contract assets	76.4	79.1	161.5	160.1	156.4
Income tax receivables	79.6	101.3	84.4	81.2	38.4
Cash and cash equivalents	1,268.6	1,075.7	1,760.3	2,263.0	2,259.8
Assets held for sale and disposal groups	5.3	27.3	22.9	15.9	–
<b>Current assets</b>	<b>4,606.1</b>	<b>4,486.7</b>	<b>5,374.7</b>	<b>5,416.1</b>	<b>5,668.0</b>
<b>Total assets</b>	<b>8,344.8</b>	<b>8,192.7</b>	<b>9,488.9</b>	<b>9,614.2</b>	<b>9,737.3</b>

# Group – Balance sheet/ liabilities

in € million	2024				2025
	31.03.2024	30.06.2024	30.09.2024	31.12.2024	31.03.2025
<b>Equity</b>					
Subscribed capital	161.2	161.2	161.2	161.2	161.2
Capital reserves	13.9	13.9	13.9	13.9	13.9
Retained earnings	9.4	309.4	309.8	309.4	309.4
Other components of equity	-181.4	-165.8	-207.7	-144.4	-191.9
Group earnings	2,976.4	2,556.4	2,686.3	2,705.1	2,839.8
<b>Equity attributable to the shareholders of Knorr-Bremse AG</b>	<b>2,979.5</b>	<b>2,875.0</b>	<b>2,963.6</b>	<b>3,045.2</b>	<b>3,132.4</b>
Equity attributable to non-controlling interests	71.4	80.4	77.8	82.0	87.4
<b>Equity</b>	<b>3,050.8</b>	<b>2,955.4</b>	<b>3,041.4</b>	<b>3,127.2</b>	<b>3,219.8</b>
<b>Liabilities</b>					
Provisions for pensions	235.4	227.4	243.6	239.3	220.9
Provisions for other employee benefits	19.3	28.4	31.3	32.4	30.5
Other provisions	180.4	183.5	183.0	227.5	219.3
Trade accounts payable	–	–	9.2	11.0	9.6
Financial liabilities	2,210.8	1,426.8	2,537.9	2,555.3	2,520.7
Other liabilities	10.8	9.6	12.0	13.0	12.3
Income tax liabilities	8.2	12.5	17.8	6.3	10.8
Deferred tax liabilities	140.1	135.2	135.1	89.6	78.6
<b>Non-current liabilities</b>	<b>2,804.9</b>	<b>2,023.4</b>	<b>3,169.8</b>	<b>3,174.4</b>	<b>3,102.9</b>
Provisions for other employee benefits	16.1	17.5	24.8	18.9	27.9
Other provisions	174.7	187.9	202.4	170.0	165.2
Trade accounts payable	1,199.2	1,170.0	1,160.7	1,128.4	1,195.4
Financial liabilities	649.7	1,350.4	1,370.9	1,390.9	1,442.4
Other liabilities	117.1	149.0	130.3	139.0	146.0
Contract liabilities	225.8	233.2	290.8	342.9	336.0
Income tax liabilities	103.6	93.5	89.2	112.5	101.7
Liabilities directly associated with assets held for sale	2.8	12.3	8.5	9.9	–
<b>Current liabilities</b>	<b>2,489.1</b>	<b>3,213.9</b>	<b>3,277.7</b>	<b>3,312.5</b>	<b>3,414.6</b>
<b>Liabilities</b>	<b>5,294.0</b>	<b>5,237.3</b>	<b>6,447.5</b>	<b>6,486.9</b>	<b>6,517.5</b>
<b>Total equity and liabilities</b>	<b>8,344.8</b>	<b>8,192.7</b>	<b>9,488.9</b>	<b>9,614.2</b>	<b>9,737.3</b>



# Group – Net Financial Debt / (Cash) Balance

in € million	2024				2025
	31.03.2024	30.06.2024	30.09.2024	31.12.2024	31.03.2025
Cash and cash equivalents	-1,268.6	-1,075.8	-1,760.3	-2,263.1	-2,259.9
Short-term liabilities to banks	86.4	59.1	79.6	60.7	58.3
Short-term bonds and obligations	18.8	768.1	752.6	769.3	785.7
Short-term leasing liabilities	63.9	65.8	67.4	72.1	69.7
Securities	-93.8	-99.2	–	–	–
Long-term liabilities to banks	7.0	6.5	5.9	5.5	5.0
Long-term bonds and obligations	1,446.3	696.8	1,783.1	1,783.6	1,784.2
Long-term leasing liabilities	471.6	472.7	491.8	482.7	454.6
Long-term notes payable / receivable	0.6	0.7	0.6	0.7	0.6
<b>Net Financial Debt / (Cash)</b>	<b>732.3</b>	<b>894.6</b>	<b>1,420.7</b>	<b>911.6</b>	<b>898.4</b>

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