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# FIRST QUARTER **2023** RESULTS

5 May, 2023

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**TRUST  
IN MOTION**



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# **Q1 2023 HIGHLIGHTS**

## ORDER INTAKE

€768M  
-33%

vs Q1'22

## BACKLOG

€13,066M  
-1%

vs 31/12/2022

## REVENUE

€952M  
+29%

vs Q1'22

## EBIT

€43M  
+23%

vs Q1'22

## EBIT Mg

4.6%  
-0.2p.p.

vs Q1'22

## SUSTAINABILITY

## Improved ESG ratings

- MSCI: upgraded from BBB to A
- S&P: from 56 to 64

The record-high order backlog delivers security for the Company's business in the medium term

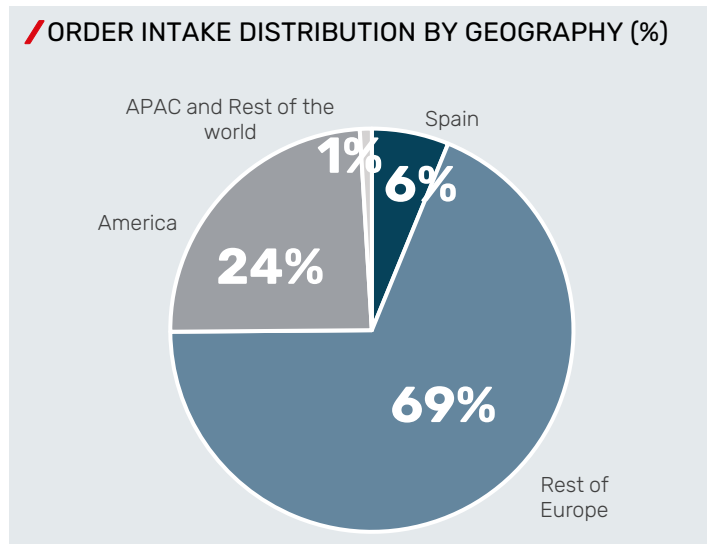
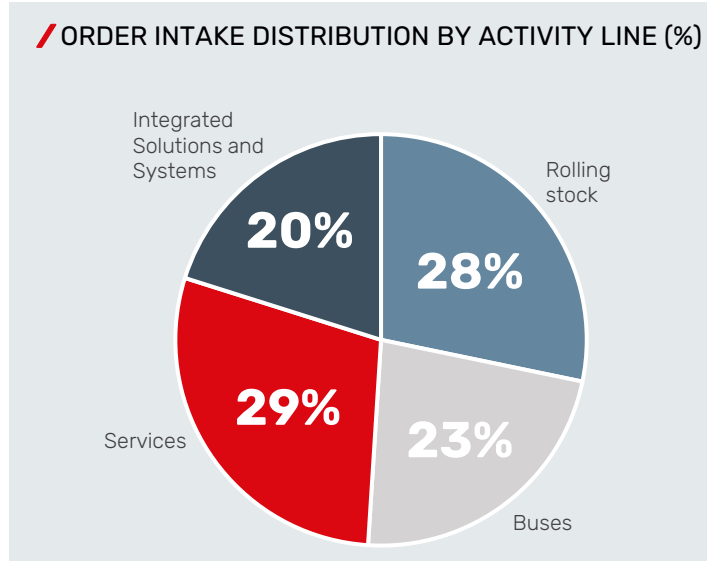
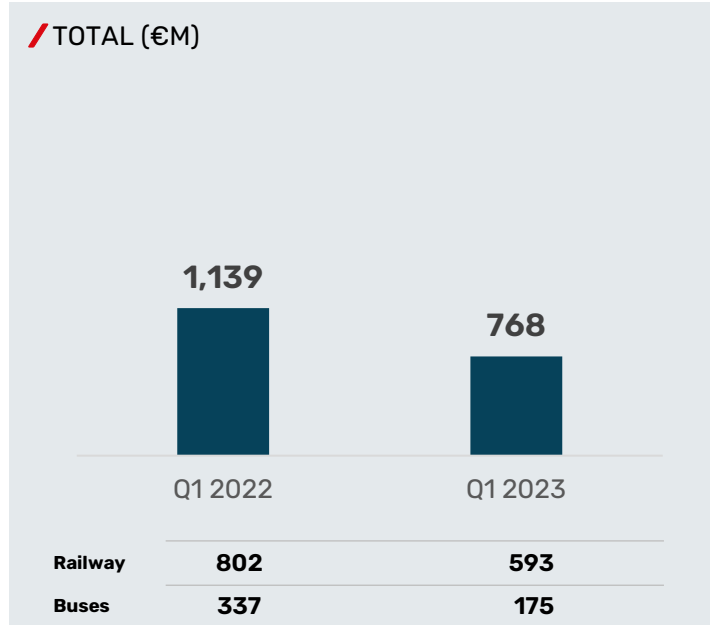
High execution rate and all-time high revenue levels in the first quarter

The operating results show an upward trend and, although still middling, profitability is in line with forecasts

CAF reaffirms its ESG rating, which is above the sector average

## CAF STARTS OFF THE YEAR WITH RECORD EXECUTION LEVELS IN AN UNEVENTFUL CONTEXT, CONFIRMING ITS OUTLOOK

# QUARTERLY ORDER INTAKE WITH A FAVOURABLE MIX



**Quarterly order intake below** that for 2022, which was an exceptional business year, with a number of important contracts awarded in Q1'22.

**Favourable order intake mix:**

- Almost 50% of the order intake relates to **contract extensions**, with the greatest impact on rolling stock and services
- **A number of maintenance and systems contracts** signed in the period
- High concentration of new orders in **geographies that are of great interest to CAF**

**Selective business strategy**, in line with the company's strategic objectives

High order intake for zero emission solutions

**Upbeat business activity** with a **strong pipeline that will materialise over the next few months**, with regard to the rail and bus sectors alike.

The order intake generally varies considerably from one period to another.

This figure **does not include** contracts awarded but not yet signed, for an **approximate value of €450M**.

Currently **awaiting confirmation** of some major contract awards.

(cont.)

## Contract awards announced and signed in the period

### /CORADIA REGIONAL TRAINS (FRANCE)

- 18 Regional trains belonging to the Coradia Polyvalent platform
  - 11 Trains for the Region of New Aquitaine (France)
  - 7 Units for Senegal
- **First orders based on this platform**, following acquisition of the Reichshoffen manufacturing plant in France
- The contract includes **additional options for the future**

€161M



### /TRAMS BUDAPEST (HUNGARY)

- 31 Trams
- This is the third time that the customer **has exercised the option** to increase the number of units supplied under the contract initially signed in 2014.

<€100M



### /ZERO- AND LOW-EMISSION BUSES FOR GERMANY AND ITALY

#### HYDROGEN BUSES FOR ASCHAFFENBURG (GERMANY)

- 12 Hydrogen buses, 2 of which are 18m long articulated vehicles
- **The first order to be placed with Solaris for 18m long hydrogen articulated buses**

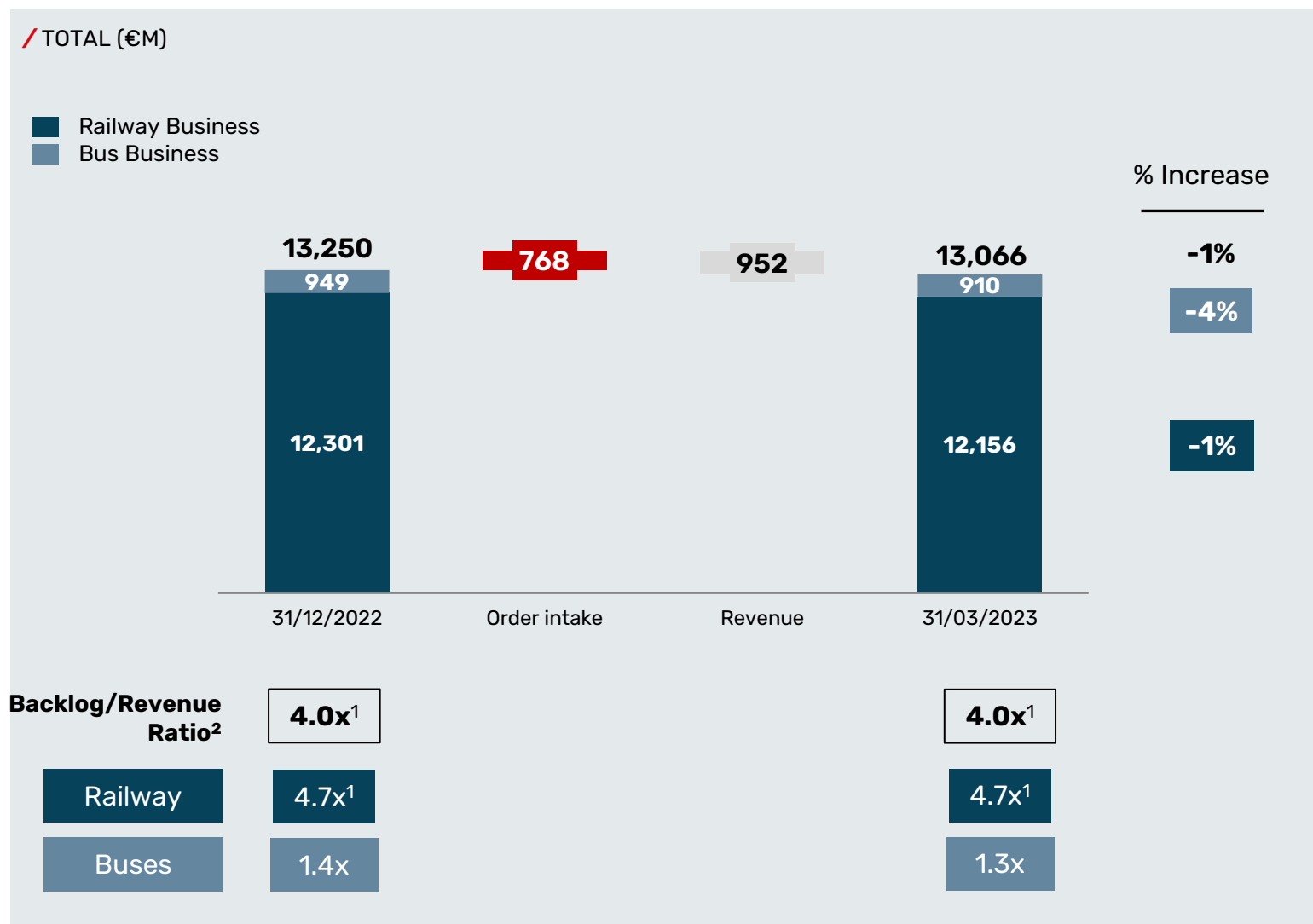
#### HYBRID BUSES FOR CAGLIARI (ITALY)

- 100 Urbino 12 hybrid buses

>€40M



# THE RECORD-HIGH ORDER BACKLOG DELIVERS SECURITY FOR THE COMPANY'S BUSINESS IN THE MEDIUM TERM



Backlog at **record levels**, above €13,000M

Btb=0.8 **due to the high performance** over the period, in the rail and bus segments alike

Backlog mix **in line with the objectives of the Strategic Plan**

This backlog **does not include** the following contract awards, that are awaiting signature:

- Supply of commuter trains for RENFE (Spain)
- Supply of trams for the town of Alcalá de Guadaíra (Spain)
- Supply of 18m long hydrogen articulated buses (Germany), the largest contract for hydrogen buses won by Solaris to date
- Supply of additional metro units for DLR (Docklands Light Rail) in the United Kingdom
- All-inclusive maintenance of 17 medium-distance electric trains for a period of 15 years

The total value of these contract awards is **approximately €450M**.

<sup>1</sup>It includes revenue for the entire 2022 financial year for the acquired scope (€216M).

<sup>2</sup> Ratio at 31/03/2023 calculated based on 2022 revenues.





# **/ 2** **FINANCIAL INFORMATION**

# RECORD REVENUES, AND OPERATING PROFITABILITY GROWING IN LINE WITH EXPECTATIONS

(Millions of euros)	Q1'22	Q1'23	Var. Q1'23/Q1'22
<b>REVENUE</b>	<b>736</b>	<b>952</b>	<b>+29%</b>
<b>EBIT</b>	<b>35</b>	<b>43</b>	<b>+23%</b>
<b>% EBIT Margin</b>	<b>4.8%</b>	<b>4.6%</b>	<b>-</b>
Financial result	(6)	(13)	+105%
Finance income	1	3	+146%
Finance cost	(11)	(17)	+50%
Exchange differences	6	2	-66%
Other financial expenses/income	(2)	(1)	-61%
Result of companies accounted for using the equity method	<b>2.1</b>	<b>1.9</b>	<b>-9%</b>
<b>PROFIT BEFORE TAX</b>	<b>31</b>	<b>32</b>	<b>+4%</b>
Income tax	(10)	(11)	+11%
Net profit after tax	21	21	0%
Non-controlling interests	0.7	0.5	-28%
<b>PROFIT ATTRIBUTABLE TO THE PARENT</b>	<b>19.9</b>	<b>20.3</b>	<b>+2%</b>

**Sound performance** underpinned by a strong backlog

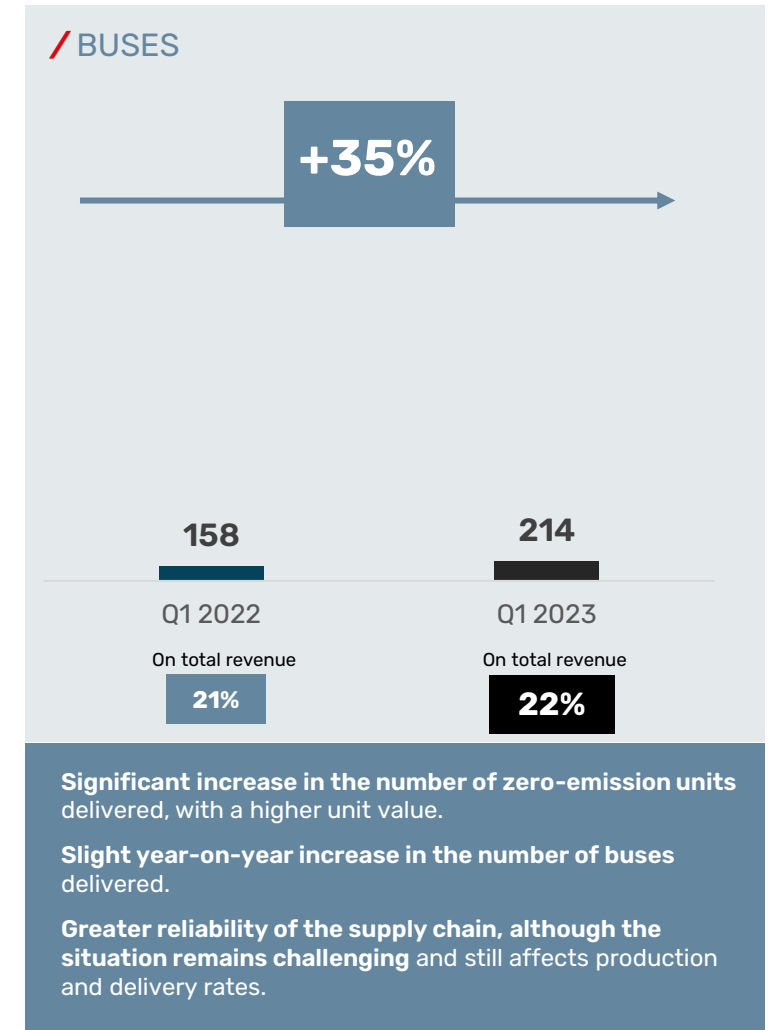
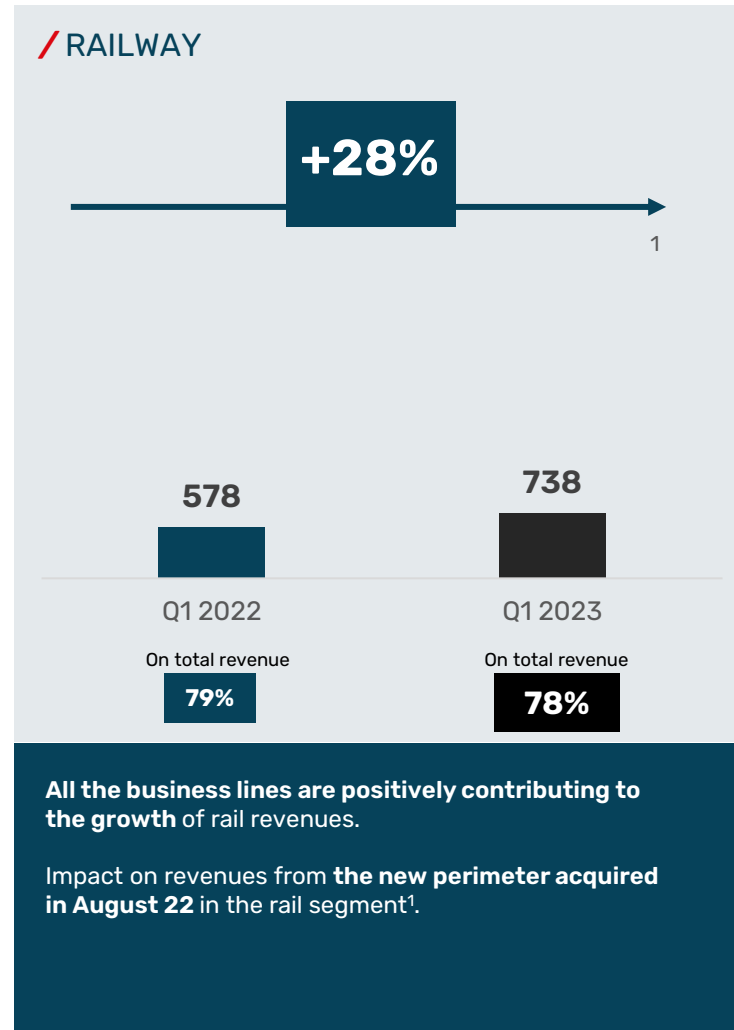
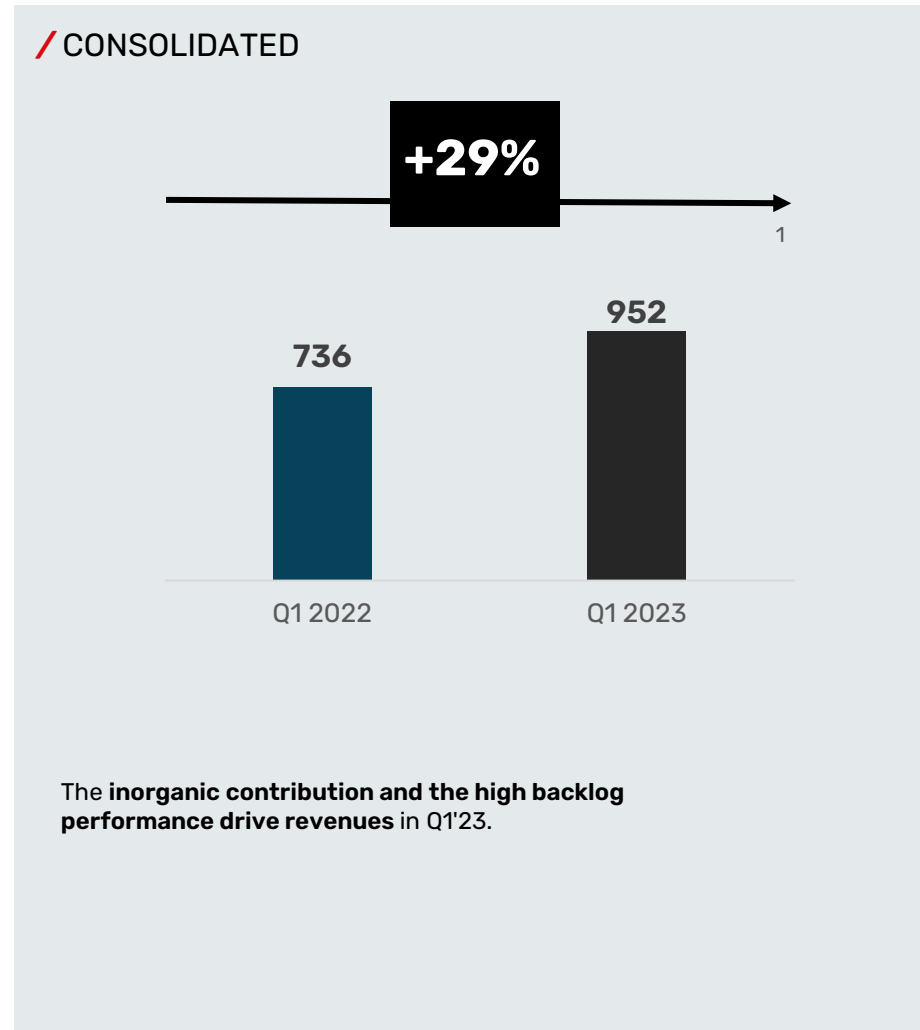
**Extraordinary year-on-year growth of revenue** due to the effect of the lower comparable base

**Operating profit virtually in line** with the growth in revenues

Financial profits basically affected by the **higher financial expenses** associated with the increase in average interest rates compared to Q1'22, as well as a **less positive contribution of the exchange rate differences**.

# HIGH PERFORMANCE RATE AND ALL-TIME HIGH REVENUE LEVELS IN BOTH SEGMENTS IN THE FIRST QUARTER

## REVENUE

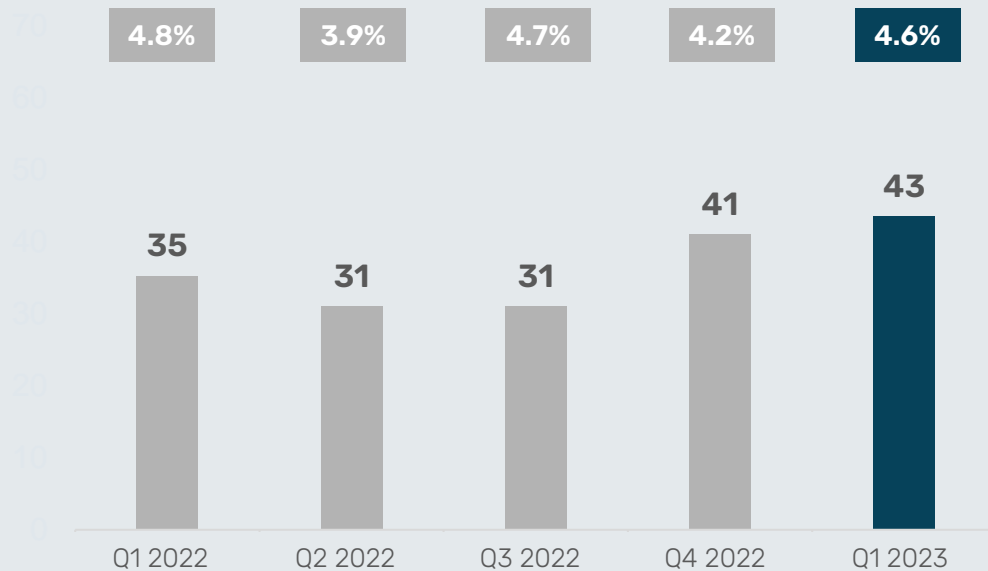


<sup>1</sup>This figure includes €51M resulting from the new perimeter acquired in August 2022. With this effect excluded from the equation, consolidated organic and rail revenue would have grown by 22% and 19%, respectively.

# UPWARD TREND OF OPERATING RESULTS WITH STILL MIDDLING PROFITABILITY ALTHOUGH IN LINE WITH FORECASTS

## EBIT (€M) and EBIT Margin (%) <sup>1</sup>

(Quarterly figures)



**Operating profitability still affected** by cost increases, the components crisis and with the delivery of buses impacted by the inflationary context

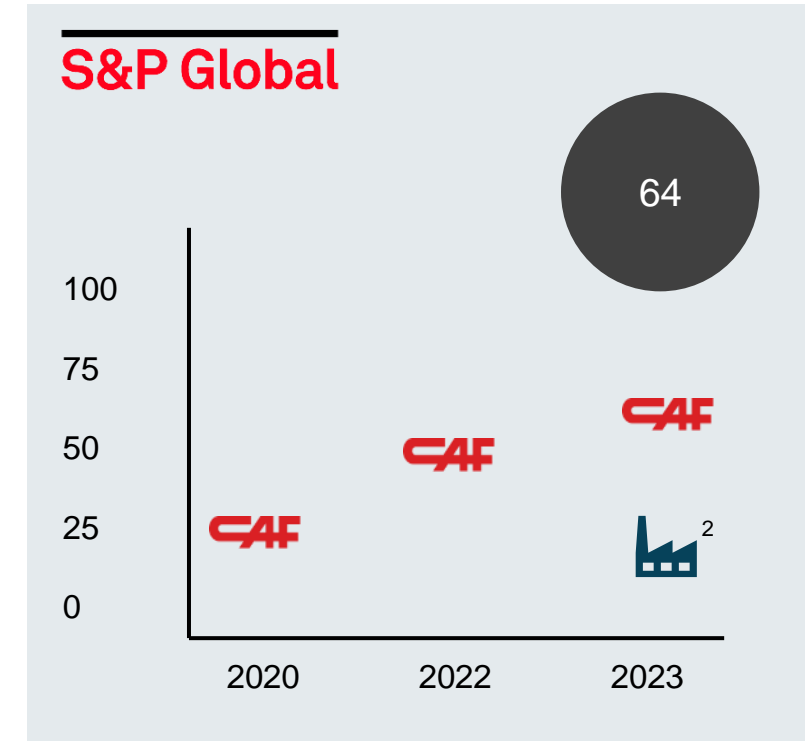
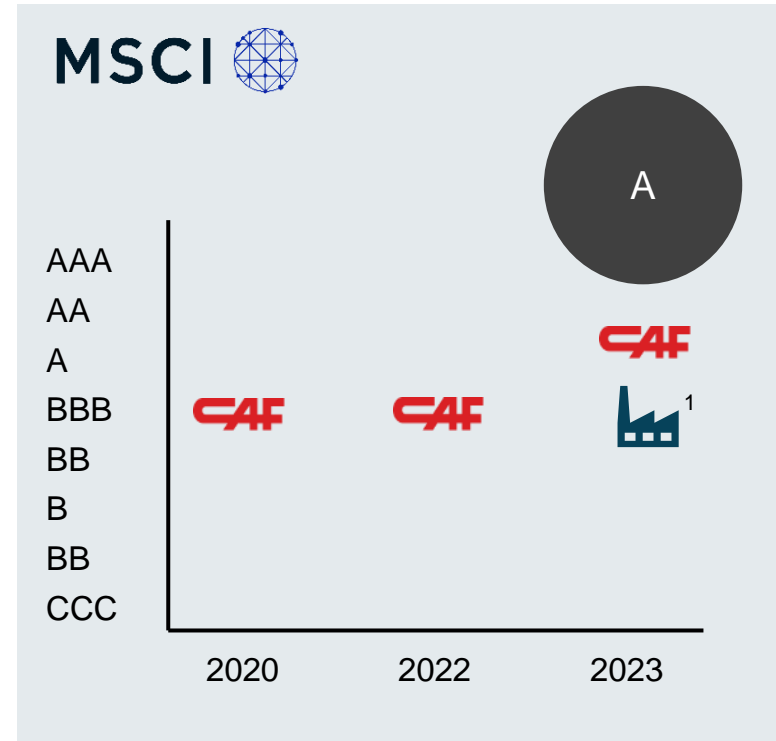
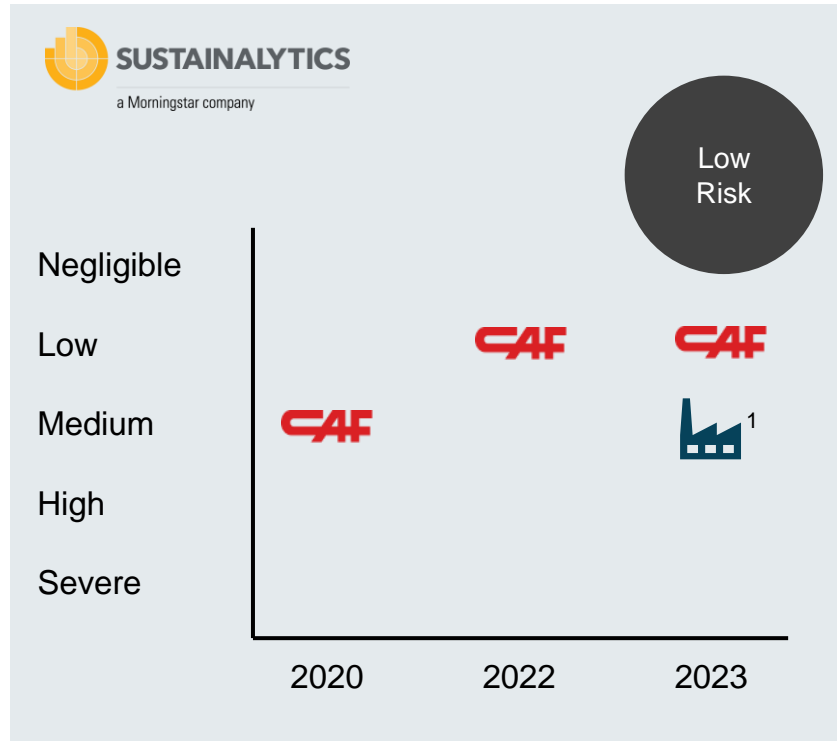
**Margins in line** with forecasts, **with a slight** performance improvement on late 2022

<sup>1</sup>Profitability metrics consistent with the Strategic Plan 2026 and with the market regulator's recommendations.



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**SUSTAINABILITY**  
**/ ESG**

# IMPROVED ESG RATIOS AND STRENGTHENED COMMITMENT TO BUSINESS ETHICS



CAF has joined one of the Spanish leading Compliance associations (ASCOM) as a member, demonstrating the company's firm commitment to best practices with regard to Business Ethics and Regulatory Compliance, fostering the company's internal culture of Compliance.



<sup>1</sup>Rail business average (Alstom; Stadler; Talgo; CAF)  
<sup>2</sup>Industry average "IEQ Machinery and Electrical Equipment": 20



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**OUTLOOK**

# WE ARE MAINTAINING OUR SHORT- AND MEDIUM-TERM OUTLOOK

## CAF AIMS TO GRADUALLY RECOVER PROFITABILITY IN 2023



This forecast is based on:

- THE CONTINUATION OF THE CURRENT COMPONENT SUPPLY SITUATION THROUGHOUT THE YEAR
- STRONG RECOVERY FOR SOLARIS IN THE SECOND HALF OF THE YEAR AFTER A FIRST HALF STILL AFFECTED BY THE EXECUTION OF A BACKLOG WITH A PROFITABILITY ERODED BY THE CURRENT CONTEXT SITUATION
- STABLE ECONOMIC OUTLOOK PROVIDED BY THE MAIN INTERNATIONAL ORGANISATIONS

### / 2023

Book-to-bill	➤	≥1 Selective order intake
Revenue	➤	+10-15%
EBIT Net profit	➤	Improved profitability vs. 2022
Dividend	➤	In line with the development of results
NFD	➤	Stability compared to 2022
SUSTAINABILITY	➤	Reduction of emissions: stability Improved ESG ratios

### / 2026

STRATEGIC PLAN  
2026

Revenue	c.x1.6 c.€4,800M	NFD/EBITDA	c.2.2x following M&A
EBIT	c.x1.8 c.€300M	Scopes 1&2	30% Net zero emission by 2045
Dividends	Ascending progress in line with results	Scope 3	40% Net zero emission by 2045

Outlook announced by CAF in its Annual Results 2022.



A photograph of a business meeting in progress. Several people are seated around a table, looking at and pointing to various data visualizations. In the foreground, a person's hand points to a bar chart on a tablet. Another person's hand is visible pointing to a document on the table. The background shows other participants and a blurred office environment. The overall color palette is cool, with blues and greys.

# **/ 5** **APPENDICES**

## CONTRACTS ANNOUNCED AND INCLUDED IN THE BACKLOG WITHIN THE PERIOD FROM JANUARY-MARCH 2023

DATE	PROJECT	COUNTRY	DESCRIPTION	CUSTOMER	TYPE	ADDITIONAL OPTIONS	BUSINESS						AMOUNT (€M)	
							ROLLING STOCK			OTHER BUSINESSES				
							# units	Platform		Business	Scope	Characteristics		
Q1 2023	Aschaffenburg	Germany	Supply of buses	New	Base contract	No				✓	Bus	Supply of hydrogen buses	12	>40
Q1 2023	Cagliari	Sardinia	Supply of buses	Not new	Base contract	No				✓	Bus	Supply of hybrid buses	100	
Q1 2023	Budapest	Hungary	Tram supply	Not new	Extension	Yes	✓	31	Urbos					-
Q1 2023	Coradia Polyvalent	France and Senegal	Supply of regional trains	Not new	Extension	Yes	✓	18	Coradia Polyvalent					161

# ALTERNATIVE PERFORMANCE MEASURES (APM)

In addition to the financial information prepared in accordance with the generally accepted accounting principles (GAAP), the CAF Group uses specific Alternative Performance Measures (APM) in the management of its business on a recurring and consistent basis, which include the concepts of results, balance sheet and cash flow, on the understanding that they are useful in explaining the performance of the Company's business.

The breakdown of all APMs used in this document, as well as their definition and, where applicable, reconciliation with the financial statements, can be found in the **Consolidated Management Report forming part of the Annual Report 2022** available on CNMV's website (Spanish Security and Exchange Commission) ([www.cnmv.es](http://www.cnmv.es)) and on the company's website ([www.caf.net](http://www.caf.net)), in section 11 - Alternative Performance Measures.



