



www.caf.net



HALF-YEAR **2023** RESULTS

28 July 2023

LEGAL NOTICE

THIS DOCUMENT HAS BEEN PREPARED FOR INFORMATION PURPOSES ONLY

The information contained in this document has not been verified by independent third parties; accordingly, no guarantee, either express or implied, is made as to the fairness, accuracy, completeness or correctness of the information or the opinions or statements expressed herein.

This document may contain forward-looking statements and estimates that should not be taken as a guarantee of future performance or results as they are subject to risks and uncertainties, many of which are beyond CAF's control and could cause the actual results to differ materially from those expressed or implied by such forward-looking statements and estimates.

Therefore, on no account should it be construed as advice or recommendation to buy, sell or participate in the shares of CAF, or any other securities or investments of any kind, nor does it attempt to offer any type of financial product or service.

The information and opinions contained in this document are provided as of the date of the document and are subject to verification, termination and change without prior notice. CAF undertakes no obligation to publicly update or revise any forward-looking statements or estimates, whether as a result of new information, future events or otherwise.

Any decision made by third parties as a result of the information contained herein is at the sole and exclusive risk and responsibility of that third party, and neither CAF nor their affiliates or representatives shall be liable for any damage or assume any liability of any kind arising from the use of this document or its contents.

This document and the information contained herein are owned by CAF and may not be copied, reproduced, published or distributed, partially or totally, without CAF's prior written consent.

CONTENTS

1. HIGHLIGHTS H1 2023
2. FINANCIAL INFORMATION
3. STOCK MARKET INFORMATION
4. SUSTAINABILITY
5. OUTLOOK
6. APPENDICES



A red diagonal slash followed by a white number '1', positioned to the left of the main title.

HIGHLIGHTS H1 2023

ORDER INTAKE

€1,964m
-26%

vs H1 2022

BACKLOG

€13,337m
+1%

vs 31/12/2022

REVENUE

€1,877m
+23%

vs H1 2022

EBIT

€85m
+27%

vs H1 2022

EBIT Mg

4.5%
+0.1p.p.

vs H1 2022

Cash flow

€ -31m

NFD

€309m

NFD/EBITDA

1.2x

SUSTAINABILITY

Improved ESG ratings:

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

Positive order intake aligned with objectives. Btb=1.

New all-time high backlog.

Record-high revenue in both segments and double-digit revenue growth

Earnings growth and profitability improvement

Stability in financial position and DFN/EBITDA ratio

Positive assessment by leading ESG rating agencies

THE FIRST HALF OF 2023 HAS UNFOLDED IN LINE WITH FORECASTS. WE MAINTAIN OUR YEAR-END OUTLOOK.

SIGNIFICANT MILESTONES IN THE FIRST HALF OF THE YEAR

/ KEY ACHIEVEMENTS FOR THE GROWTH AND PROFITABILITY OF THE GROUP

Diligence in the execution of the backlog for the six-month period. Consolidated revenue +23%

Successful integration of assets acquired in August/2022 in France and Germany underpinning CAF's planned strategic path for both countries

Solaris' historic zero-emission deliveries (53% of total buses), demonstrating leadership and ability to deliver

Significant contract wins in the Bus segment and robust pipeline for the remainder of the year



/ HYDROGEN TRAIN PROTOTYPE

Start of on-track testing phase on the Spanish railway network to simulate revenue service on the Zaragoza-Canfranc line in Q2 2023

Planned testing in Portugal in early 2024

FIRST HYDROGEN TRAIN TO BE TEST RUN ON THE SPANISH RAILWAY NETWORK



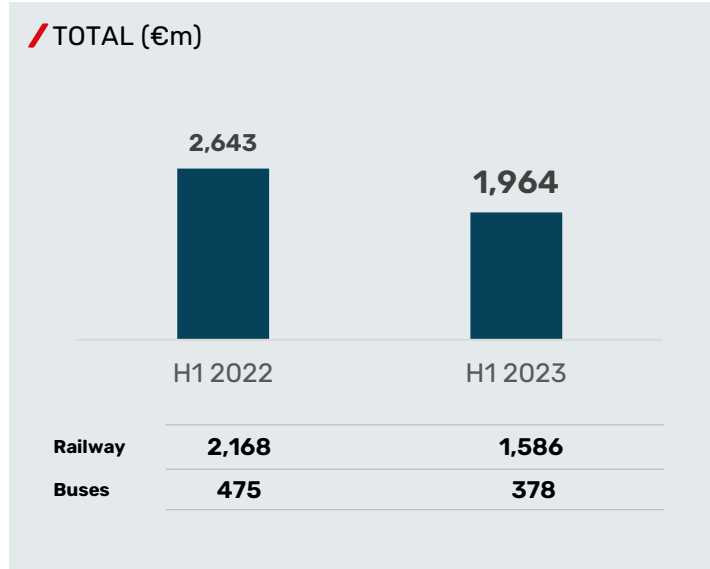
/ RELEVANT CONTRACT CONFIRMATIONS AND AWARDS IN SPAIN (RENFE)

Materialisation of significant opportunities in RENFE's investment programme in the first half of the year, worth close to €500m:

- Signing of the contract for the supply of Suburban trains in Q2 2023
- Comprehensive maintenance of 17 Medium-Distance electric trains for a 15-year period
- Contract extension award for the supply of Medium-Distance trains



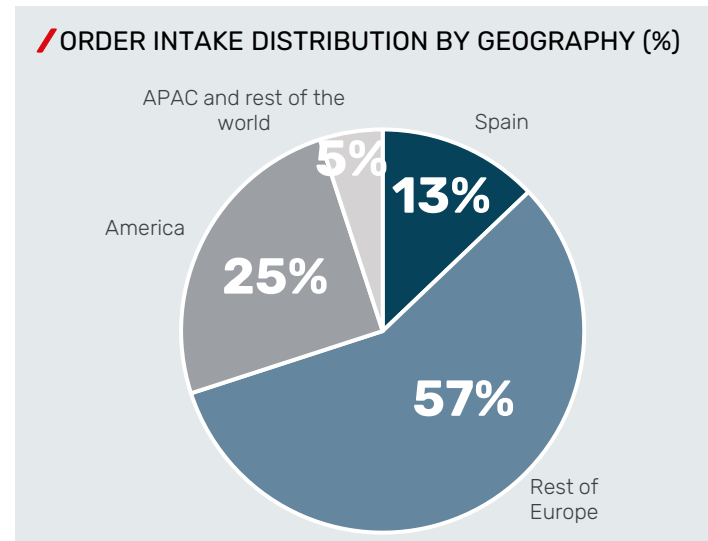
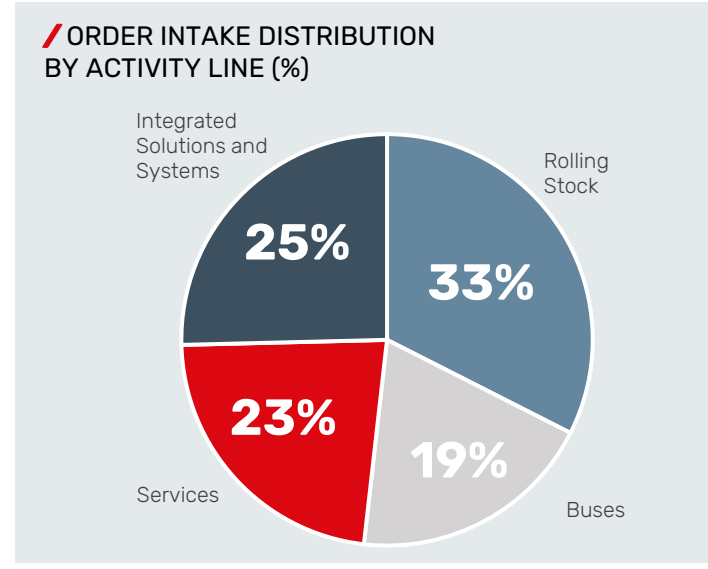
POSITIVE ORDER INTAKE ALIGNED WITH OBJECTIVES



The all-time order intake record in 2022 constitute a high comparative base.

Order intake as of 30/06/2023 does not include contracts awarded and announced, but not yet signed, for a value exceeding €400m.

High volume of opportunities in the pipeline with expected award between 2023 and 2024.



High order intake volume supported by medium-sized projects, in a period of low intensity of sectoral tendering activity.

Interesting order intake profile:

- **Continuous implementation of contract extensions** by our customers, especially in the rolling stock and service activities
- **Btb>1.5 for Services and Integrated Solutions and Systems business**, with the ensuing increase of the backlog medium-term visibility
- **Order intake from high priority geographies** such as Spain, France, Germany and the UK.
- **Zero emissions:** high rate of zero-emission orders in the Bus segment, while all new orders are zero-emission for the Railway segment

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

Higher-volume railway opportunities expected for the financial years 2023 and 2024 are **still in the pipeline**, including a high volume of tenders that may be awarded this year for the Bus segment

(cont.)

Main orders 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 the acquisition of the Reichshoffen manufacturing plant in France.
- The contract includes **additional options for the future**

€161m



/ RENFE COMMUTER TRAINS (SPAIN)

- 29 commuter trains of 4 cars each.
- Depot Parts.
- The contract provides for **additional future options**, including among others, 9 more complete trains, and additional cars to extend the base contract units.

c. €200m



/ BUDAPEST TRAMS (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



/ DOCKLANDS LIGHT RAIL (UK)

- **Contract extension** executed by the client.
- 11 additional 5-car units.

>€90m



/ 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.**

HYDROGEN BUSES FOR THE ROSTOCK REGION (GERMANY)

- 52 Hydrogen buses, 5 of which are 18m long articulated vehicles
- This is **Solaris' largest hydrogen vehicle contract to date**
- Construction of 2 hydrogen refuelling stations

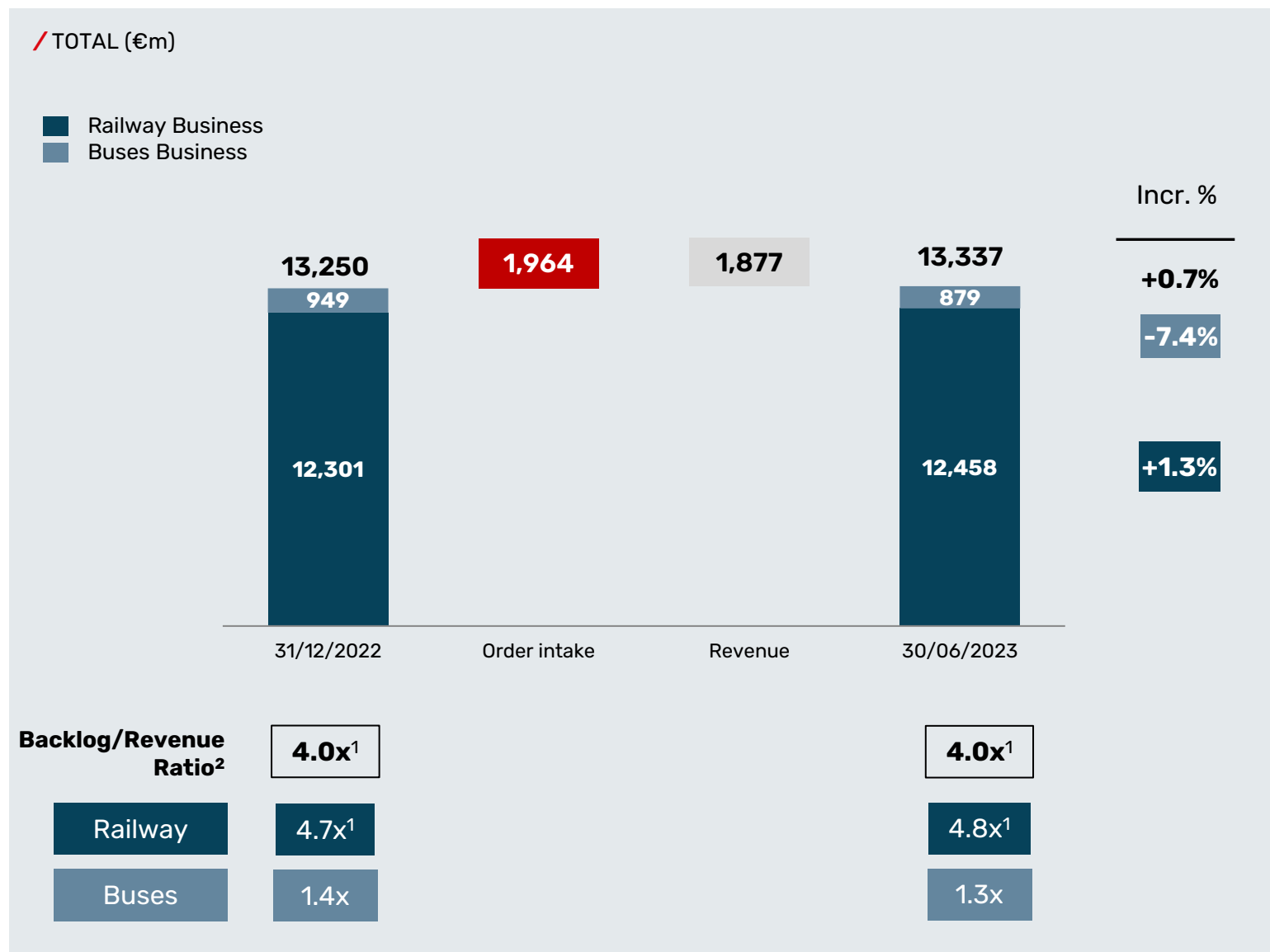
HYBRID BUSES FOR CAGLIARI (ITALY)

- **100** Urbino 12 hybrid buses

>€80m



NEW ALL-TIME HIGH ORDER BACKLOG



Backlog grows and consolidates above €13bn as a result of order intake outpacing revenue with double-digit growth

Btb=1

Abatement of the Solaris backlog due to high deliveries in the period

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

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

- Comprehensive maintenance of 17 Medium-Distance electric trains of the base contract for Renfe for a period of 15 years (Spain)
- Contract to extend the supply of Medium-Distance trains for Renfe (Spain)
- Supply of electric buses to Cagliari (Italy)
- Supply of trains and ERTMS level 1 signalling to Euskotren (Spain)
- Supply of hydrogen buses for Duisburg (Germany)

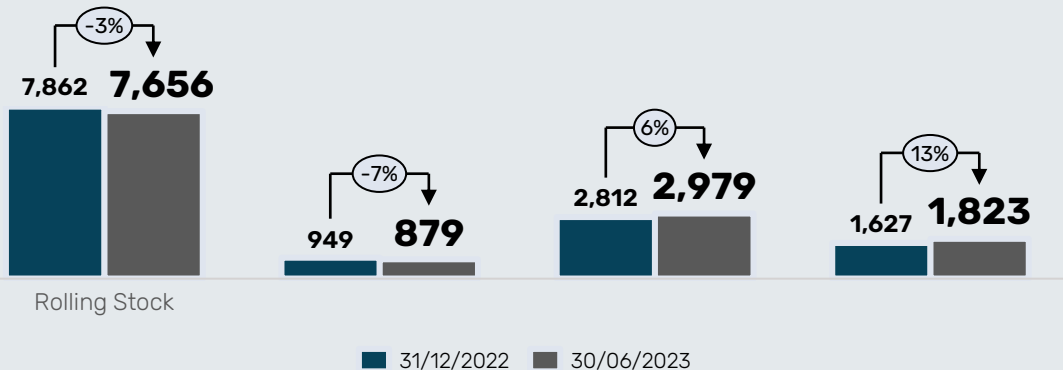
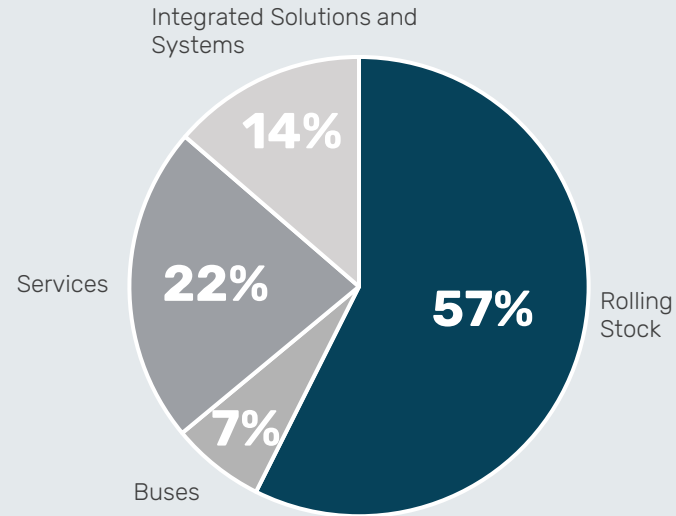
The total value of these awards is more than **€400m.**

¹This includes full year 2022 revenue from the acquired perimeter in France and Germany (€216m).

² Ratio at 30/06/2023 calculated based on 2022 revenue.

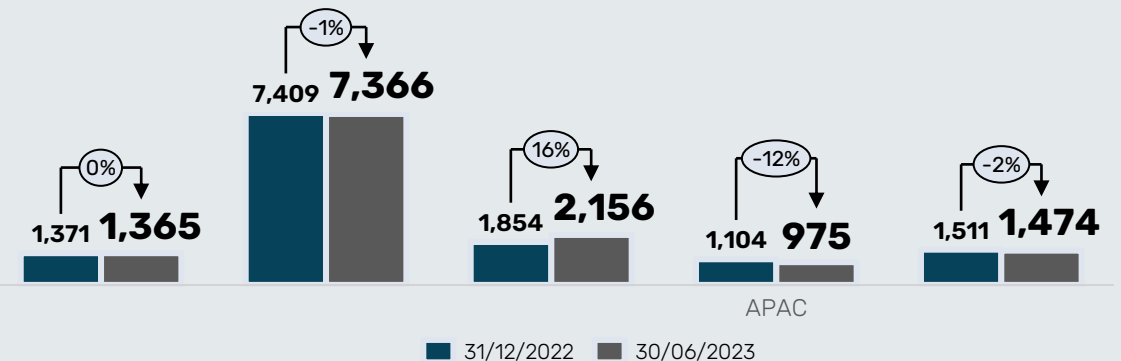
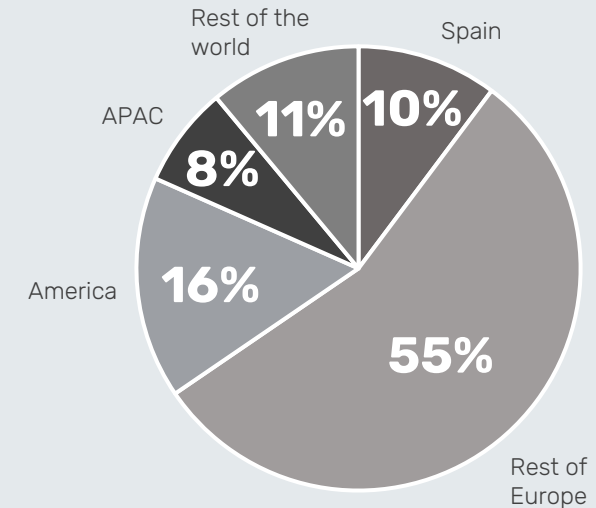
DIVERSIFIED AND STABLE BACKLOG DISTRIBUTION IN H1 2023

/ BACKLOG DISTRIBUTION ACCORDING TO LINE OF ACTIVITY (%)



- The weight of the **Services, and Integrated Solutions and Systems backlog augmented** as a result of high order intake within the period (Btb>1.5).
- **Rolling Stock**, the core business of the railway segment, continues to account for the bulk of the backlog.

/ BACKLOG DISTRIBUTION ACCORDING TO GEOGRAPHIC LOCATION (%)



- **65% of the Group's backlog pertains to Europe.**
- Several orders in the area of Services and Integrated Solutions and Systems in countries such as Mexico and Brazil raised the weight of the Americas in the backlog.



/ 2
**FINANCIAL
INFORMATION**

RECORD-HIGH REVENUE AND START OF PROFITABILITY IMPROVEMENT, IN LINE WITH EXPECTATIONS AT THE BEGINNING OF THE YEAR

(EUR million)	H1 2022	H1 2023	Var. H1 2023/H1 2022
REVENUE	1,530	1,877	+23%
OPERATING RESULT	67	85	+27%
% EBIT Margin	4.4%	4.5%	-
Financial result	(21)	(29)	+42%
Finance income	4	6	+41%
Finance costs	(25)	(35)	+40%
Exchange rate differences	4	(2)	-153%
Other financial costs/income	(4)	1	-141%
Result of companies accounted for using the equity method	3	5	+105%
PROFIT (LOSS) BEFORE TAX	48	61	+25%
Income tax	(16)	(25)	+53%
Net profit (loss) after tax	32	36	11%
Non-controlling interests	1.7	1.6	-4%
PROFIT (LOSS) ATTRIBUTABLE TO THE PARENT COMPANY	31	34	+12%

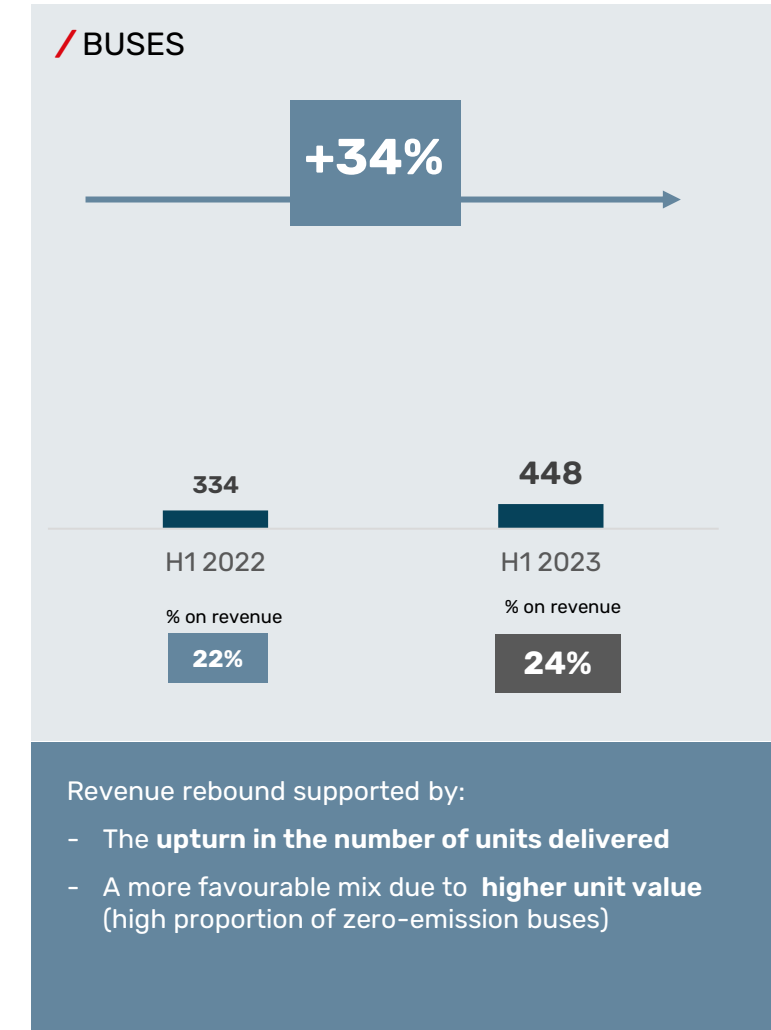
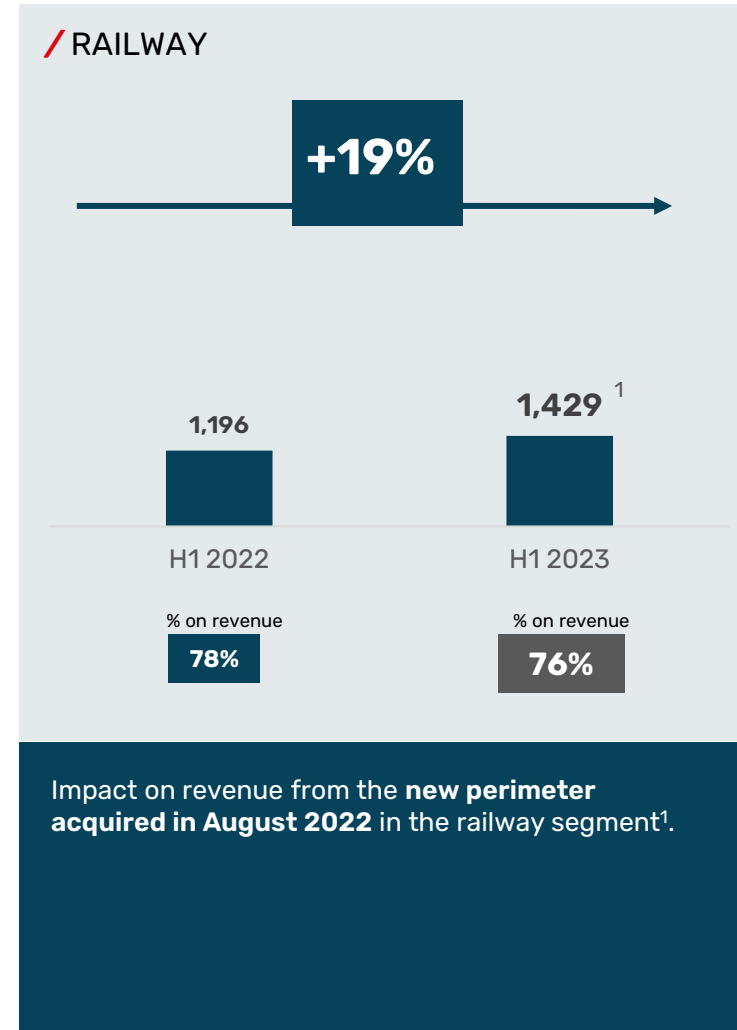
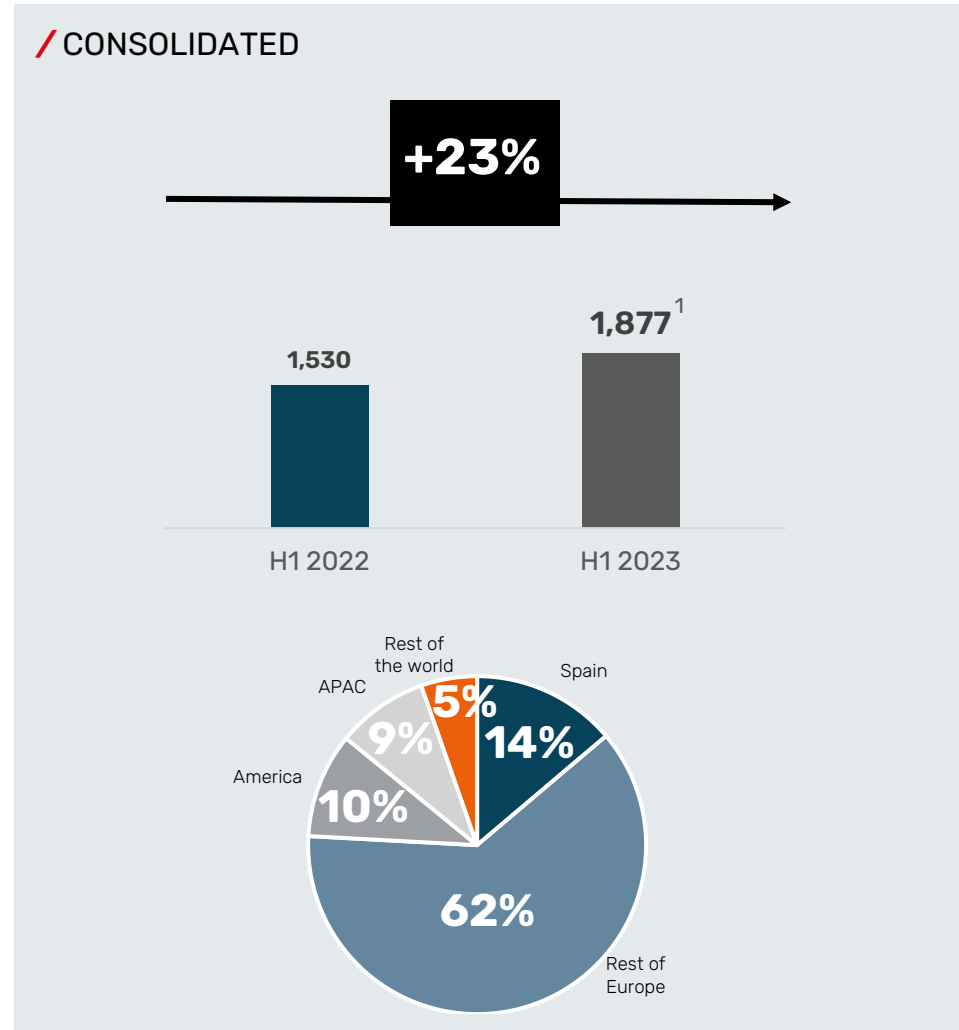
All-time high revenue in the first half of the year, supported by high backlog and inorganic contribution

Positive growth in operating result, which outpaced revenue

The **rate increase** which increases financial costs, and **exchange rate differences** have a negative impact on the financial result

REVENUE ALL-TIME HIGHS FOR BOTH SEGMENTS

REVENUE

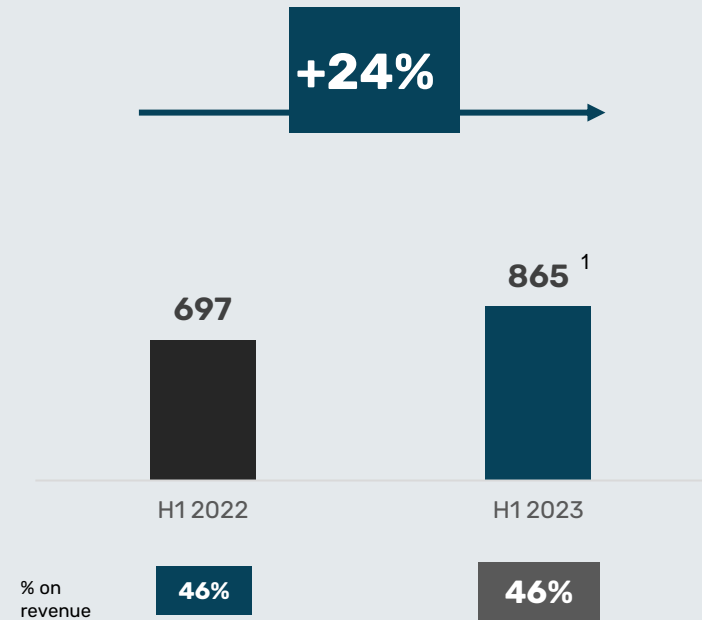


¹This figure includes €106m from the new perimeter acquired in August/2022. This impact excluded, consolidated organic and railway revenue would have grown by 16% and 11%, respectively

GROWTH IN ALL BUSINESS LINES

RAILWAY REVENUE

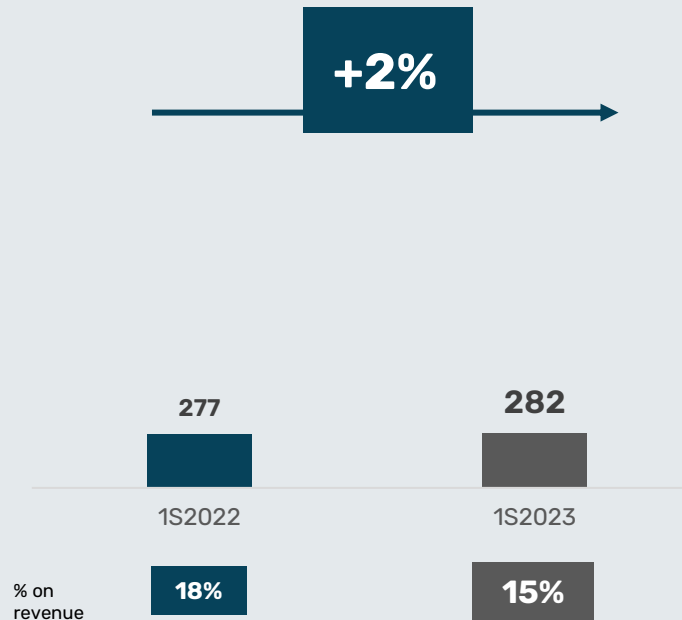
/ ROLLING STOCK



More than 30 manufacturing projects of regional and suburban trains, metros, trams and LRVs, under implementation.

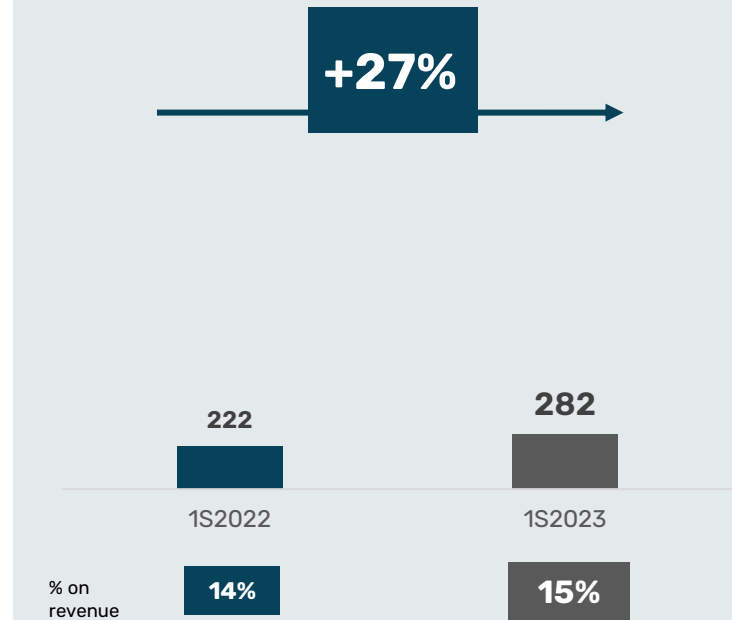
The projects with the highest contribution to revenue were: suburban trains for RATP (France), regional trains for SNCF (France), regional trains for Myanmar, metro units for Docklands Rail (UK), and trams for Oslo (Norway) and Jerusalem (Israel).

/ SERVICES



Positive performance of all service lines (vehicle maintenance, spare parts supply and equipment, and digital services).

/ INTEGRATED SOLUTIONS AND SYSTEMS



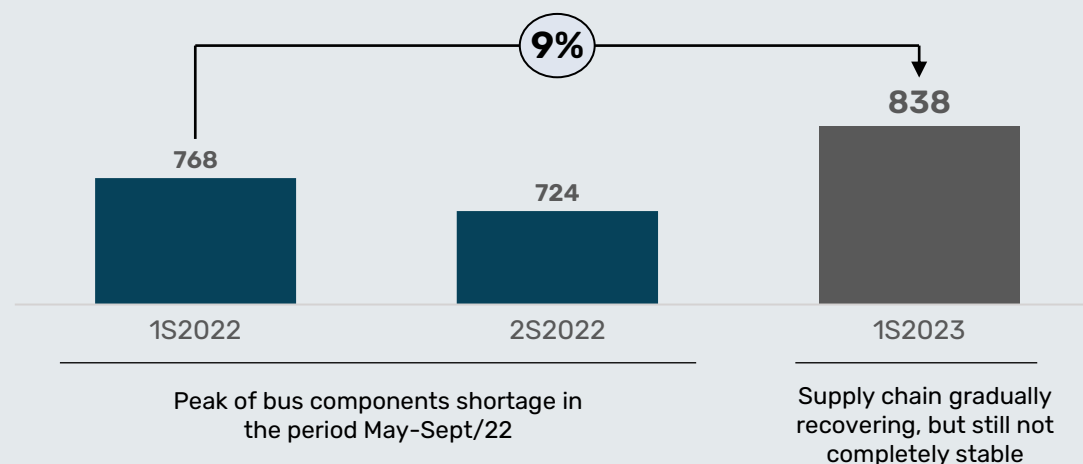
Significant growth in line with the rise of integrated projects, as well as the step-up of MiiRA components deliveries.

¹This figure is comprehensive of €106m from the new perimeter acquired in the year. Not considering this effect, organic revenue would have grown by 9%.

HEFTY DELIVERY OF BUSES WITHIN THE PERIOD, SUPPORTED BY A MORE RELIABLE SUPPLY CHAIN, BUT STILL NOT FULLY BACK TO NORMAL

BUSES REVENUE

/ No. OF BUSES SUPPLIED



The slight improvement in the component supply chain has allowed for a **reduction by more than 100, compared to December 2022, in the number of buses stuck in the production process** while waiting for the missing components.

Nevertheless, **complete stability of the supply chain remains to be seen.**

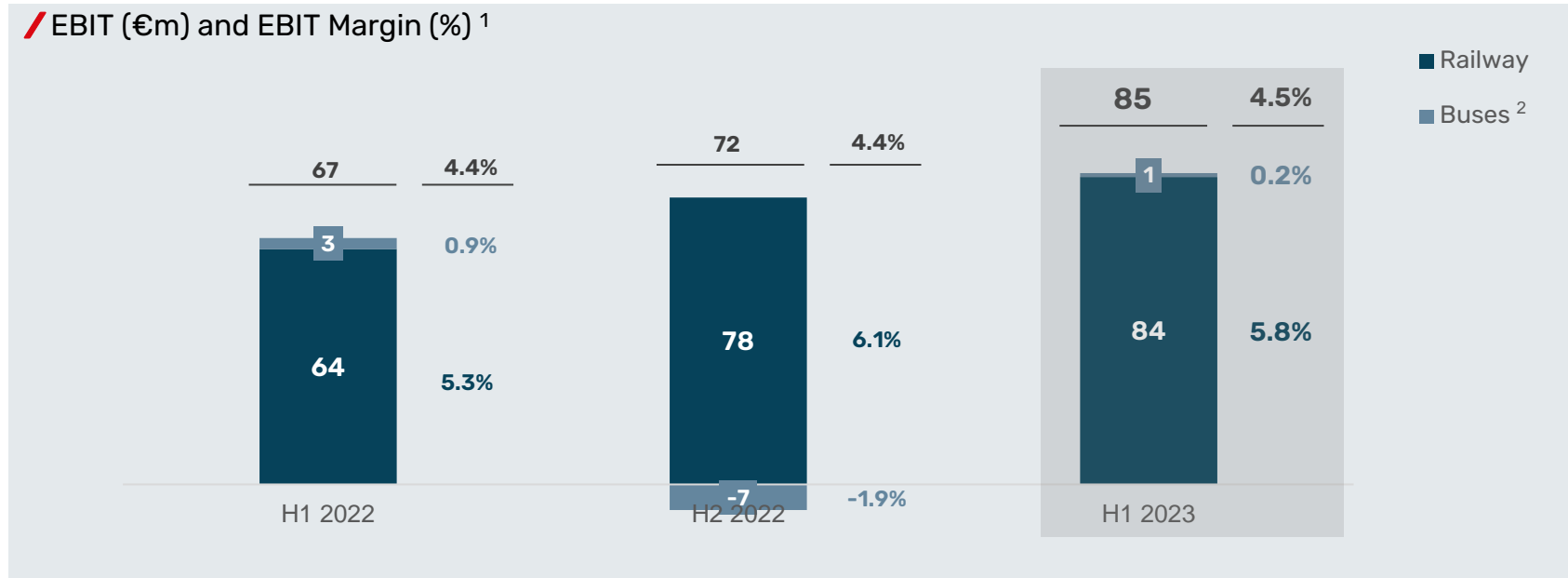
/ MIX OF BUSES DELIVERED AND IN BACKLOG

	H1 2022 (delivered)	H1 2023 (delivered)	30/06/2023 (backlog)	
% electric buses (electric and hydrogen)	17%	53%	51%	Zero Emissions
% trolleybuses	4%	14%	22%	
% hybrid buses	26%	14%	16%	Low emissions
TOTAL % emobility buses (zero and low emissions)	47%	81%	89%	

Most deliveries are zero-emission units within the period, **the production of which has been affected by the context.**

The **high proportion of zero-emission buses in the backlog foreshadows the performance mix of in the coming months.**

PROFITABILITY OF THE BUSINESS EVOLVING ACCORDING TO PLAN, DESPITE THE COMPLEXITY OF THE ENVIRONMENT



RAILWAY

Operating profit is 32% up year-on-year, which improves profitability, in turn driven by business expansion and the positive integration of assets acquired in France and Germany

Stability on inflation impact (materials, wages and energy) during the first half of the year, although turbulence persists

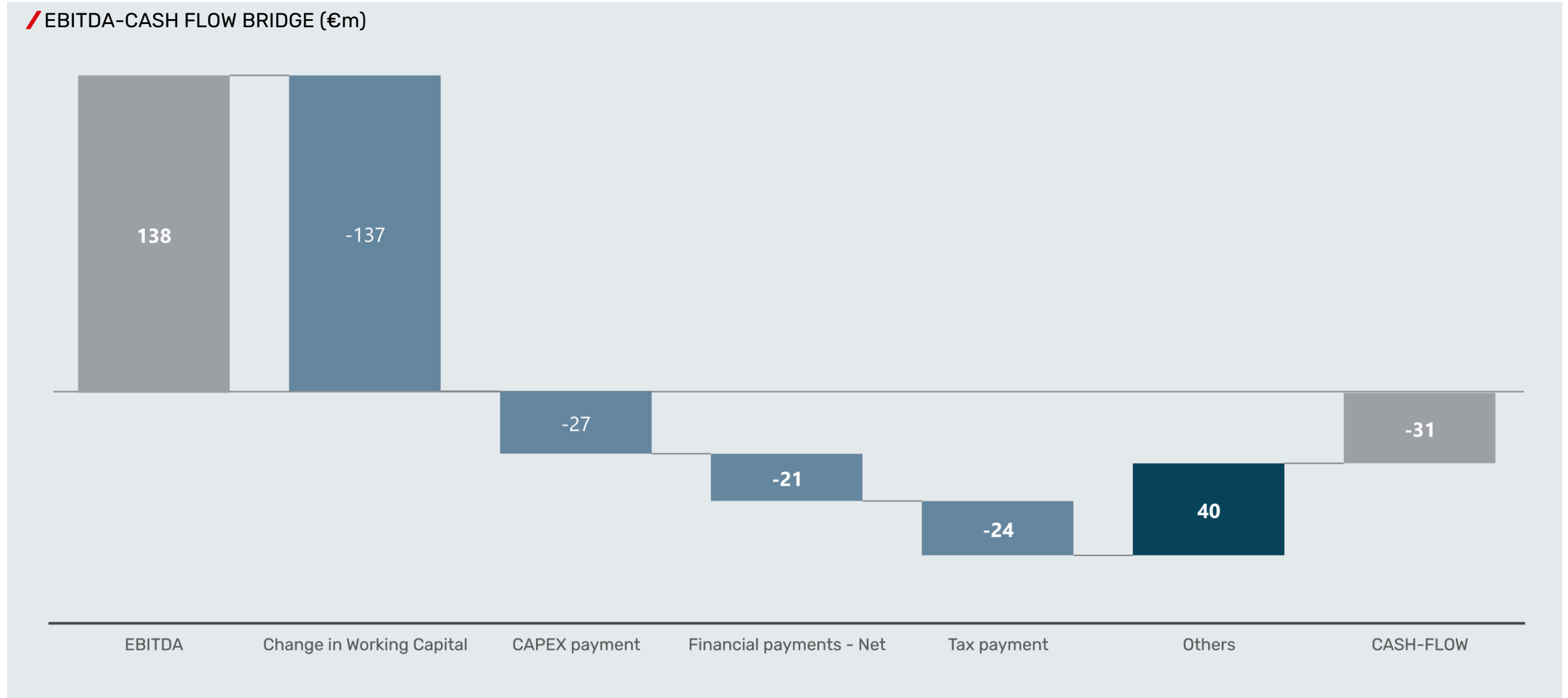
BUSES

In a context of continuing inefficiencies in the supply chain, **positive EBIT recovery after the negative H2 2022 fallout**, supported by greater operating efficiency based on increased volume

Gradual improvement in expected profitability of the backlog, concurrently with the phased dispatch of units from projects impacted by the inflationary context in the last two years

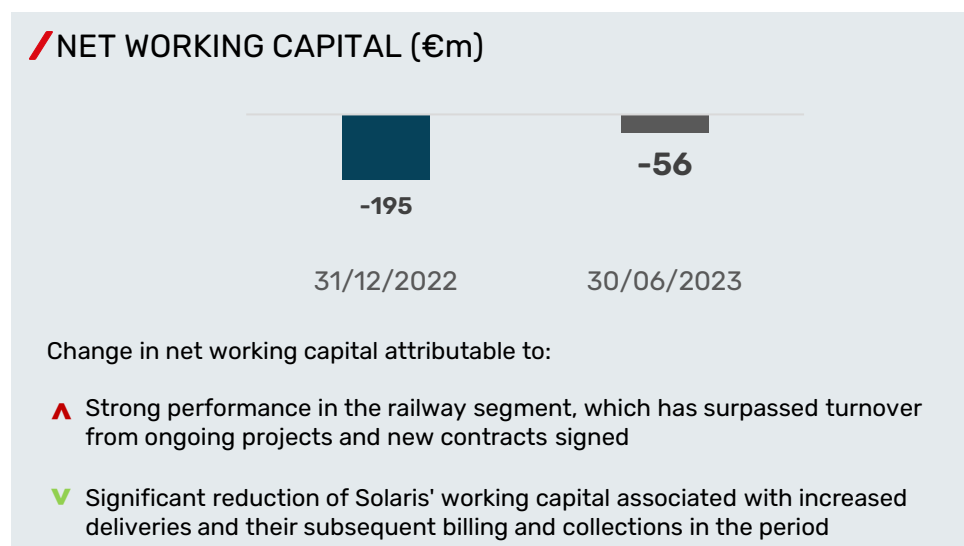
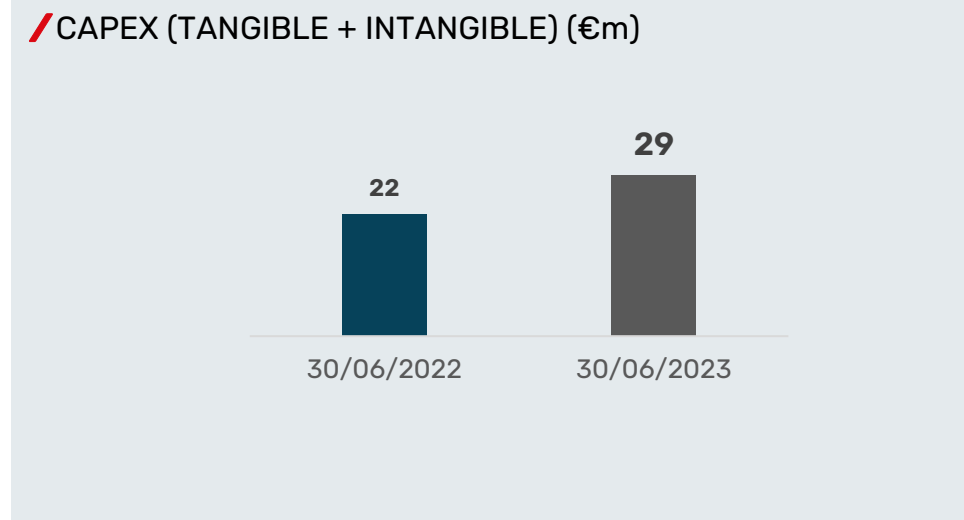
¹Profitability metrics consistent with the Strategic Plan 2026 and with the market regulator's recommendations. ² The Bus EBIT figure shown has already discounted the amortisation of the acquisition of Solaris by the CAF Group (c.€6m/year).

THE INCREASE IN WORKING CAPITAL AFFECTS CASH FLOW IN THE PERIOD



INCREASE IN NET WORKING CAPITAL, EXPECTED FROM THE IMPLEMENTATION PHASE OF THE PROJECTS

(EUR million)	31/12/2022	30/06/2023
Fixed assets ¹	1,424	1,384
Working Capital	(195)	(56)
Net Assets	1,229	1,329
Equity	788	818
Net Financial Debt	278	309
Other assets and liabilities ²	162	202
Equity and Net Liabilities	1,229	1,329



¹ This includes Tangible assets, Intangible assets, Equity-accounted investments, Other non-current assets and Other non-current financial assets excluding items that are included in the calculation of Net Financial Debt.

² Includes Long Term Liabilities excluding the items included in the Net Financial Debt plus other assets and liabilities that are not included in Working Capital, less those derived from non-current hedging derivatives on assets and deferred tax assets.

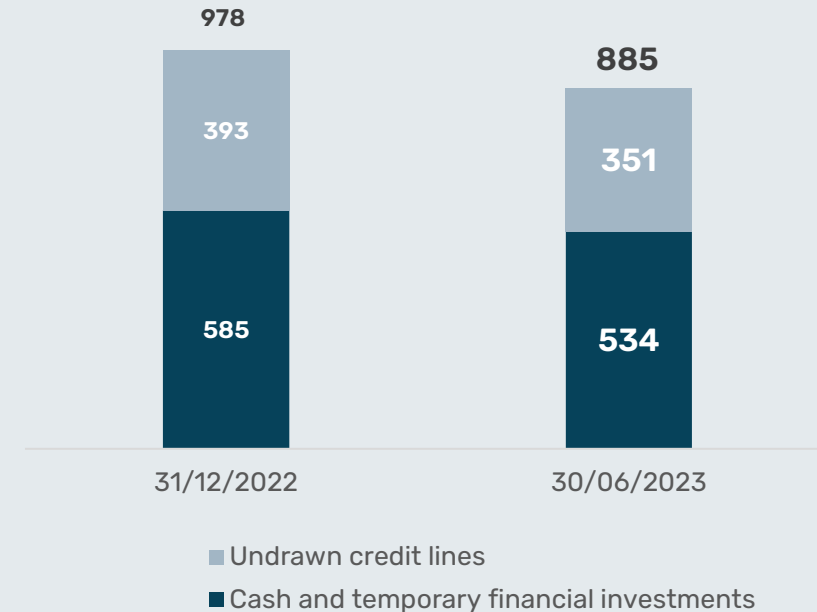
THE FINANCIAL POSITION REMAINS ROBUST, PROVIDING SOUND FOOTING FOR THE 2026 STRATEGIC PLAN

/ NET FINANCIAL DEBT (€m)



GROSS DEBT CONTINUES TO DECLINE AMID RISING RATES

/ LIQUIDITY (€m)



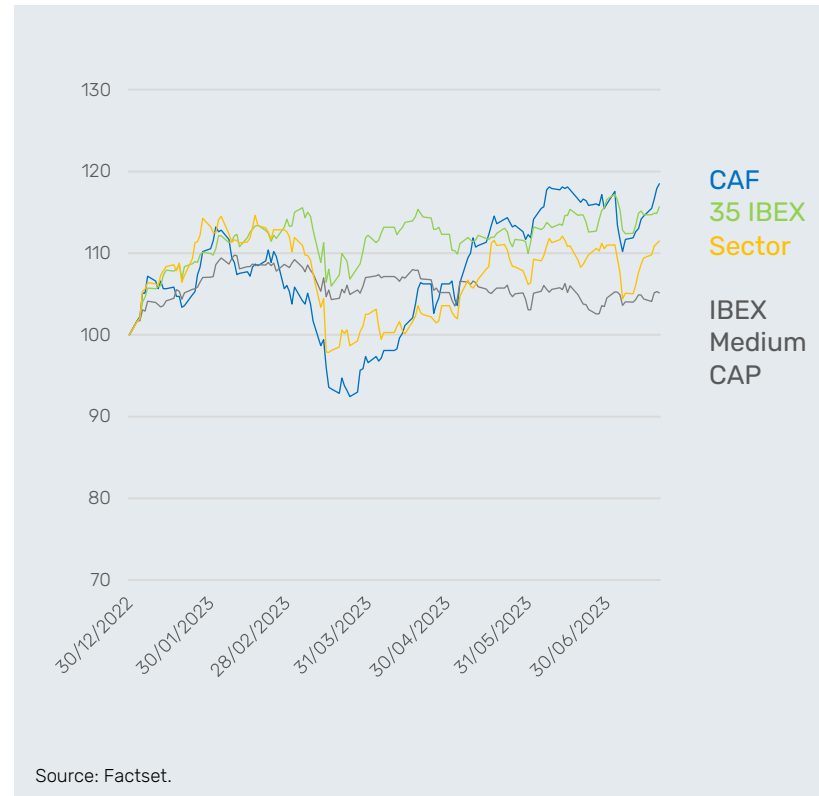
/ 3

STOCK MARKET INFORMATION



CAF OVER PERFORMS THE IBEX INDEX AND THE SECTOR, AND STILL HAS A 26% POTENTIAL¹ ACCORDING TO ANALYSTS

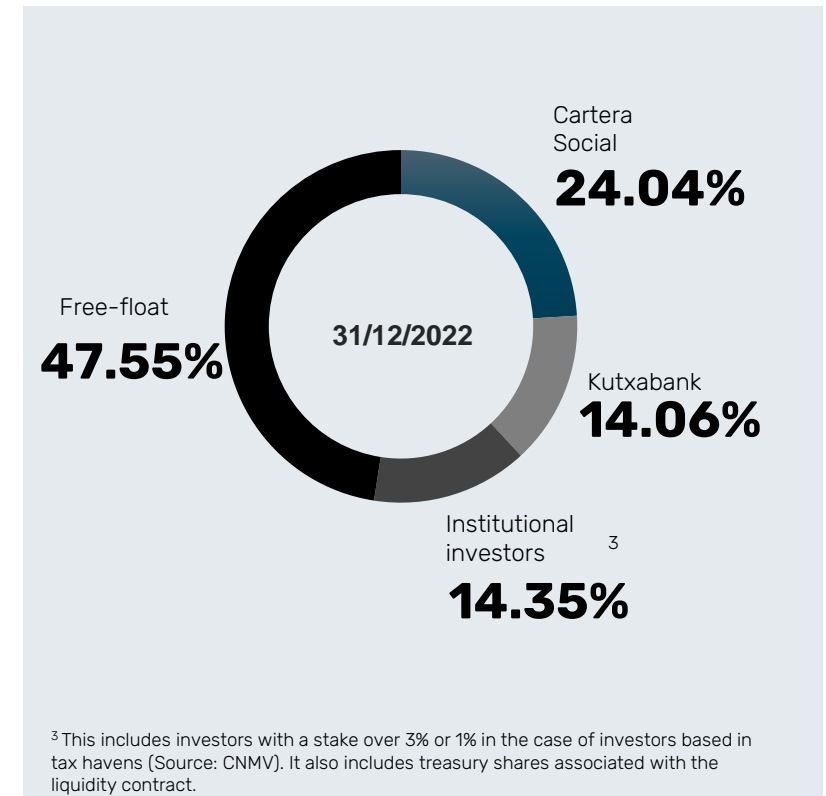
CAF PERFORMANCE vs IBEX AND SECTOR²



STOCK MARKET INDICATORS

	30/06/2023
Market capitalization (EUR)	1,054,133,062
No. of shares	34,280,750
Last share price (EUR)	30.75
Maximum share price (EUR)	31.70
Minimum share price (EUR)	24.05
Traded volume (EUR thousands)	5,639
Turnover (thousands of shares)	158,989

SHAREHOLDING STRUCTURE



100% of analysts recommend Buy/Overweight CAF shares

¹At 20 July 2023. Source: Factset and CNMV.

² Sector performance measured as the average performance of the following 4 competitors: Alstom, Stadler, CAF and Talgo.

An aerial photograph of a landscape featuring a road, railway tracks, and green fields. The road is a two-lane asphalt road with a dashed white center line, running horizontally across the middle. To its left are railway tracks with gravel beds, also running horizontally. The surrounding area is filled with lush green vegetation, including trees and fields. The overall scene is captured from a high angle, looking down.

/ 4 **SUSTAINABILITY**

LAUNCH OF NUMEROUS INITIATIVES IN RESPONSE TO STRATEGIC SUSTAINABILITY COMMITMENTS

DEFINITION OF PURPOSE, AND UPDATE OF MISSION, VISION AND VALUES

MAJOR ADVANCES IN DECARBONISATION AND ZERO-EMISSION TECHNOLOGY

FIRST HYDROGEN TRAIN TESTED ON THE SPANISH RAILWAY NETWORK

CAF JOINS ASCOM AND DEMONSTRATES THE COMPANY'S STRONG COMMITMENT TO BUSINESS ETHICS AND REGULATORY COMPLIANCE

SUBMISSION OF EMISSIONS REDUCTION TARGETS FOR SCOPES 1, 2 AND 3 TO SBTi'S VALIDATION

SIGNING OF THE "RAILSPONSIBLE CLIMATE PLEDGE", COMMITTING TO TAKE THE LEAD IN DECARBONISING THE RAILWAY SUPPLY CHAIN

COMMITMENT TO RESPOND TO THE CDP FOREST QUESTIONNAIRE IN 2024

IMPROVEMENT IN ESG PERFORMANCE RATING BY THE MAIN RATING AGENCIES

SUSTAINALYTICS
a Morningstar company

Low risk

Year	CAF Risk	Peers (1) Risk
2020	Medium	Medium
2022	Medium	Medium
2023	Low	Medium

MSCI

A

Year	CAF Rating	Peers (1) Rating
2020	BBB	BBB
2022	BBB	BBB
2023	A	BBB

S&P Global

64

Year	CAF Score	Peers (2) Score
2020	25	25
2022	50	50
2023	64	50

¹Railway industry average (Alstom; Stadler; Talgo; CAF)
²General industry average "IEQ Machinery and Electrical Equipment": 20



/5
OUTLOOK

WE MAINTAIN THE OUTLOOK OF THE BEGINNING OF THE YEAR

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

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. Other tablets and documents with charts are visible on the table. The scene is lit with a cool, blue-toned light, suggesting a professional and analytical environment.

6 **APPENDICES**

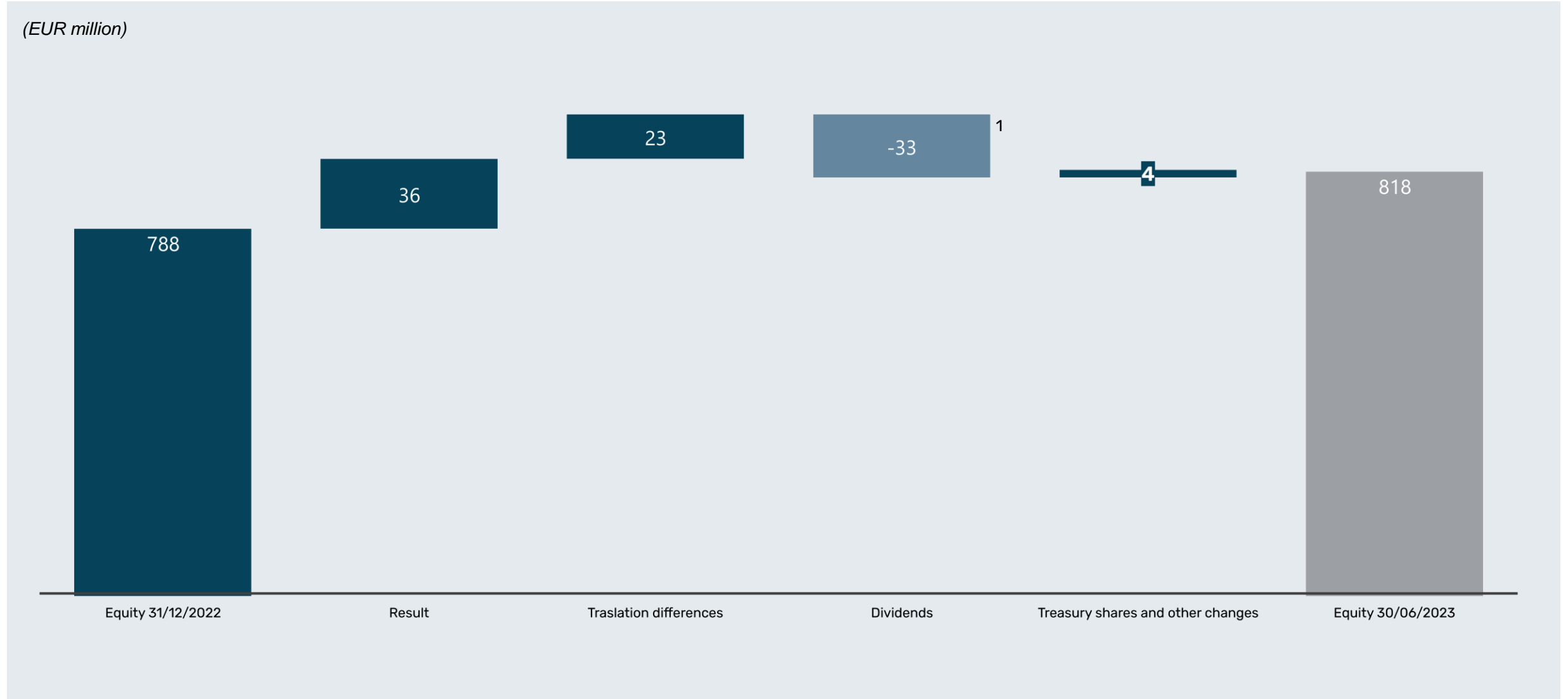
CONTRACTS ANNOUNCED AND INCLUDED IN BACKLOG WITHIN THE PERIOD FROM JANUARY-JUNE 2023

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	Supply of trams	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
Q2 2023	Commuter trains	Spain	Supply of commuter trains	Not new	Base contract	Yes	✓	29	-					-200
Q2 2023	Alcalá de Guadaíra	Spain	Supply of trams and their maintenance	Not new	Base contract	Yes	✓	6	Urbos	✓	Services	Maintenance of trams	2	
Q2 2023	Rostock	Germany	Supply of buses	New	Base contract	No				✓	Bus	Supply of hydrogen buses	52	-
Q2 2023	Docklands	United Kingdom	Supply of automated metros	Not new	Extension	No	✓	11	-					>90
Q2 2023	Naples	Italy	Supply of metros and their maintenance	Not new	Extension	No	✓	6	-	✓	Services	Comprehensive maintenance of metros	3	-
Q2 2023	Palermo	Italy	Supply of trams	New	Base contract	No	✓	9	Urbos					-
Q2 2023	Aarhus	Denmark	Supply of buses	Not new	Base contract	No				✓	Bus	Supply of electric buses	56	-

NET FINANCIAL DEBT BRIDGE



NET EQUITY BRIDGE



¹This includes an ordinary gross dividend of €0.86/share paid in July 2023.

MOST RELEVANT ESG INDICATORS¹

DIMENSION ²	KPI	Actual FY22	Target FY23	Actual ³ H1 2023	Rating ⁴
E	Emissions reduction scope 1&2 on year 2019	30.0%	↔ 16.8*%	Annual indicator	
E	Scope 3 emissions reduction (product use) over year 2019	14.8%	↑ 25.2*%	Annual indicator	
E	EU taxonomy alignment score (turnover)	76%	↑ 78%	Annual indicator	
E	CDP Evaluation	B	↔ B	Annual indicator	
S	Number of cases of violation of Human Rights	0	↔ 0	0	●
S	Frequency index	15.2	↓ 14.7	14.3	●
S	Customer satisfaction rating	7.8	↑ >=7.8	Annual indicator	
S	Organisational Health Index	6.6	↑ >=6.6	Annual indicator	
G	Fines for significant non-compliance with applicable laws and regulations	0	↔ 0	0	●
G	ESG assessed suppliers to be assessed for total Risk Mapping	77.7%	↑ 80%	Annual indicator	
ESG	Sustainalytics sustainability rating	Low risk	↔ Low risk	Low risk	●
ESG	MSCI sustainability rating	BBB	↑ A	A	●
ESG	S&P sustainability rating	56	↑ >=64	64	●
ESG	Ecovadis sustainability rating	75	↔ 75%	Annual indicator	

* Targets submitted to SBTi for validation.

¹ Subject to the addition of new indicators as a result of ongoing initiatives. The attributes of the Sustainability Scorecard 2023 and its results will be published in February 2024 together with the Non-Financial Information Statement.

² E (Environmental), S (Social) and G (Governance).

³ This includes results as of 30.06.2023 for those indicators for which information is available at the date of publication of this report.

⁴ Green: meets target. Amber: does not meet target, but improves FY22 result. Red: does not meet target and worsens FY22 result.

ALTERNATIVE PERFORMANCE MEASURES (APM)

In addition to the financial information prepared in accordance with the generally accepted accounting principles (IFRS), the CAF Group uses specific Alternative Performance Measures (APM) in the management of its business on a recurring and consistent basis, which include 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 Directors' Report forming part of the Report for the First Half of 2023** available on CNMV's website (Spanish Security and Exchange Commission) (www.cnmv.es) and on the company's website (www.caf.net), in section 9 - Alternative Performance Measures.

The following English translation is provided by the Company for information purposes only and is based on the original official document in Spanish available on the Company's website (www.caf.net). In the event of any discrepancy between the English version and the original document in Spanish, the latter will prevail.

**CONSTRUCCIONES Y AUXILIAR DE
FERROCARRILES, S.A. AND
SUBSIDIARIES COMPOSING THE
CAF GROUP (CONSOLIDATED)**



HALF-YEAR 2023 REPORT

JULY 2023

