



SCHAEFFLER

Schaeffler AG – Goldman Sachs Global Automotive Conference

December 6, 2023
London

We pioneer motion

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Update – Voluntary public tender offer of Schaeffler to the shareholders of Vitesco

We signed a Business Combination Agreement and increase our offer price for tender offer, due to legal click thought disclaimer, please consult our deal website to get the most important documents.

<https://www.strongertogether24.com>

The following documents, among others, can be found:

- 1** Further information to the Business Combination Agreement
- 2** Further information to the successful syndication
- 3** Investor presentation
- 4** FAQ's

- 1** **Overview Q3 and 9M 2023**
- 2** Business Highlights Q3 and 9M 2023
- 3** Financial Results Q3 and 9M 2023
- 4** Outlook

AGENDA

Schaeffler Group – Strong Q3 results driven by Automotive divisions

Key messages Q3 2023

- 1** Q3 Sales¹ +0.5% – Good growth in Europe and Asia/Pacific. Greater China declining on very high comps
- 2** Q3 Gross margin 22.3% – Very strong contribution from Automotive Aftermarket
- 3** Q3 EBIT margin² 8.4% – Strong and growing yoy in both Automotive divisions, decreasing in Industrial
- 4** Q3 FCF³ EUR 182 mn – Continued strong cash flow generation and effective Working Capital Management
- 5** FY 2023 Group Guidance confirmed – Top line reduction in Industrial, Automotive divisions confirmed and on track

Sales growth¹ Q3

+0.5%

EUR 4,062 mn

Gross Margin Q3

22.3%

Q3 2022: 23.2%

EBIT margin² Q3

8.4%

Q3 2022: 8.4%

Free Cash Flow³ Q3

EUR 182 mn

Q3 2022: EUR 240 mn

Sales Performance Q3 2023 – Flat sales, heterogeneous development vs. double-digit 2022 comps

Q3 2023 ¹	% of Group Sales	Automotive Technologies 60%	Automotive Aftermarket 14%	Industrial 26%	Region Growth
Europe	44%	+4.7%	+8.2%	+5.5%	+5.7%
Americas	22%	-3.8%	+11.8%	+5.3%	+0.1%
Greater China	21%	-4.1%	+6.5%	-22.2%	-9.6%
Asia/ Pacific	13%	+4.1%	+7.2%	+5.8%	+4.8%
Division Growth		+0.2%	+8.8%	-3.0%	+0.5%

Schaeffler Group Q3 2023 – Highlights and lowlights

- ^ **Automotive Technologies**
Strong margin driven by mature business, fueling the transformation journey; YTD margin at the high-end of FY guidance
 - ^ **Automotive Aftermarket**
Continued strong demand supported by improved logistical performance and favourable pricing delivered high quality of earnings
 - ^ **Free Cash Flow generation**
Strong profitability and effective working capital management leading to strong FCF
- v **Automotive Technologies**
Sales growth overall: below market in Americas and China in Q3; E-Mobility sales soft in Q3, however upside potential due to future ramp-ups
 - v **Industrial**
YoY Sales and EBIT in Q3 with negative development due to weakening economic environment

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Overview

2

Business Highlights Q3 and 9M 2023

3

Financial Results Q3 and 9M 2023

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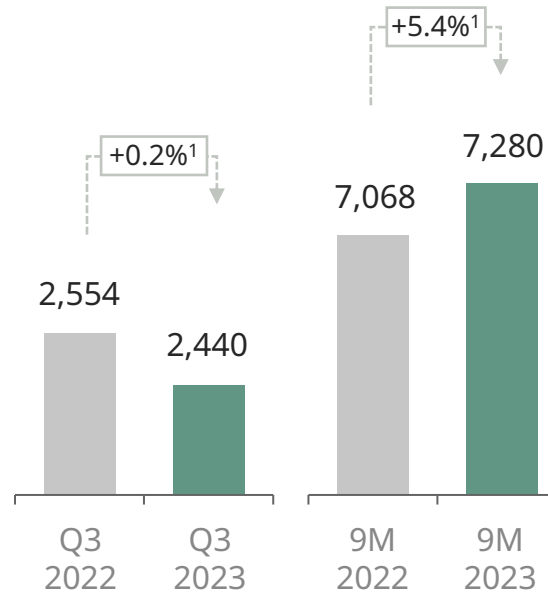
Outlook

AGENDA

Automotive Technologies – Q3 with continued strong EBIT momentum

Sales

in EUR mn

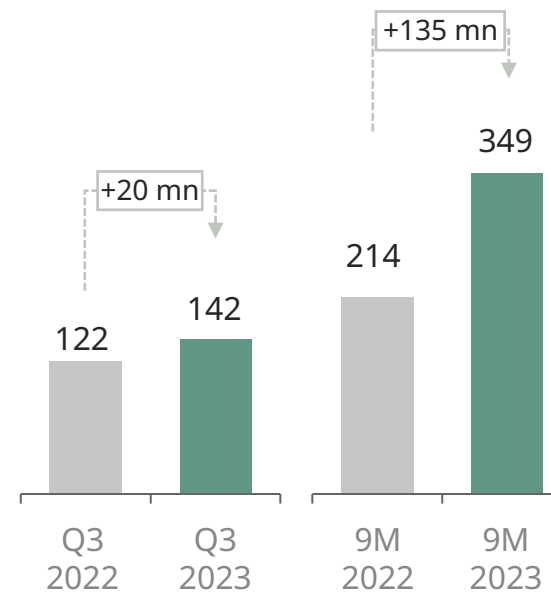


Gross margin

Period	2022	2023
Q3	18.2%	17.8%
9M	17.8%	17.6%

EBIT²

in EUR mn



EBIT margin²

Period	2022	2023
Q3	4.8%	5.8%
9M	3.0%	4.8%

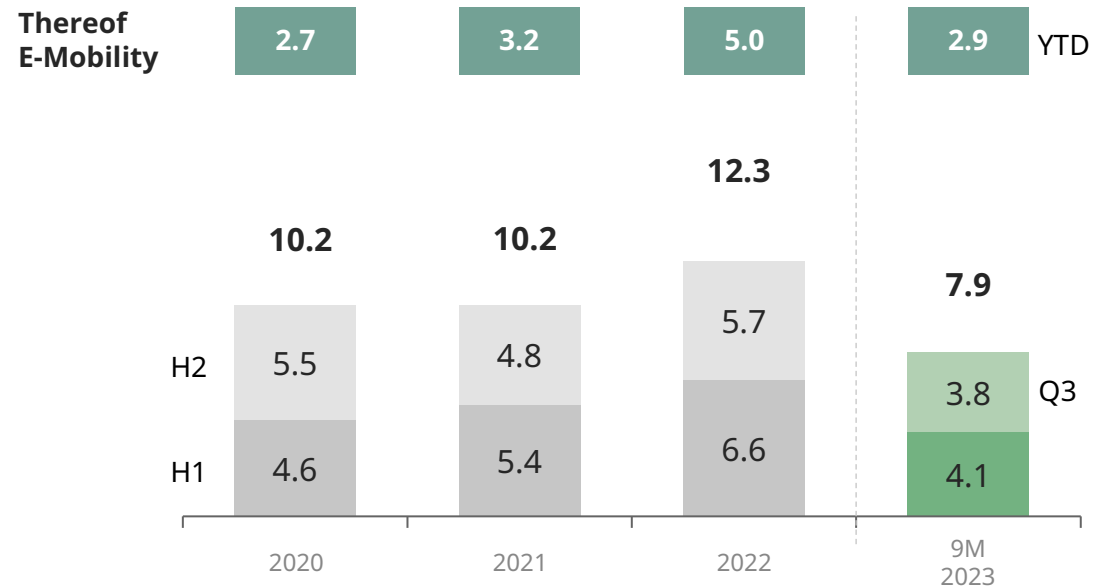
KEY ASPECTS

- Flat sales yoy¹ on very strong comps (+25%). In 2022 our Q3 included also retroactive price compensation
- Chassis systems and Bearings with continued good growth
- Strong Q3 EBIT margin of 5.8%²
- Strong EBIT margin contribution in mature businesses driven by volumes

Automotive Technologies – E-Mobility EUR 2-3 bn Order Intake annual target already achieved

Order Intake¹

in EUR bn



Book-to-bill-ratio²

H2	1.2x	1.2x	1.2x	Q3: 1.6x
H1	1.4x	1.3x	1.6x	0.9x
FY	1.3x	1.3x	1.4x	YTD: 1.1x

Business Highlights



Winning in the US Pick-Up market:

Extension of business with innovative powertrain solutions for electrified Pick-Ups with e-axles & range extenders



Innovation and commercial push in high-performance e-powertrains:

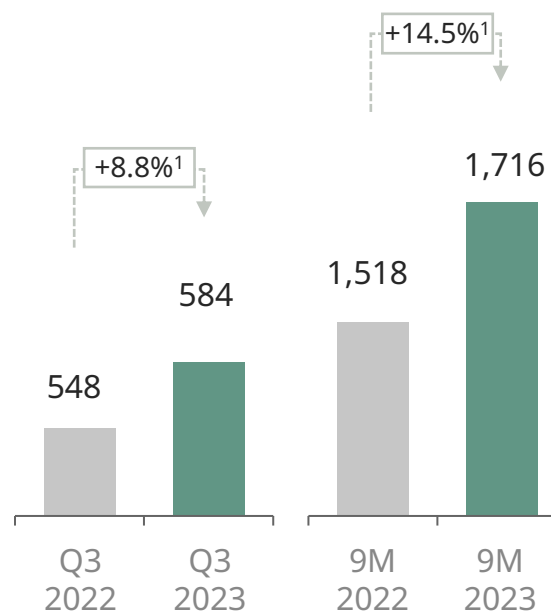
Q3 with significant order intake increase from high-ranking global performance car manufacturers

Strong book-to-bill ratio of 1.6x in Q3 vs 1.3x comps
YTD Order intake of EUR 7.9 bn, of which EUR 2.9 bn in E-Mob

Automotive Aftermarket – Q3 with strong sales growth¹ and very strong EBIT margin²

Sales

in EUR mn

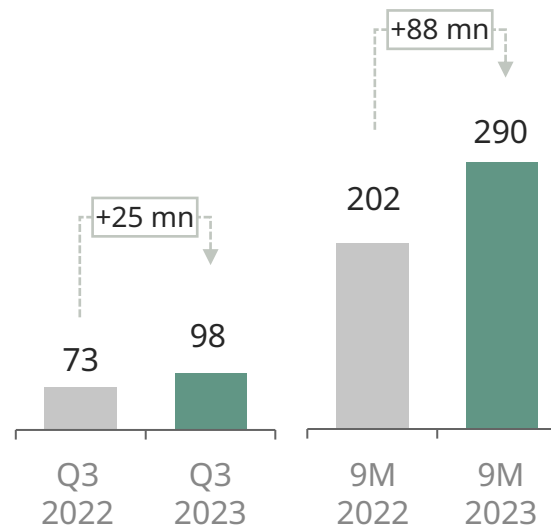


Gross margin

Q3 2022	31.8%	Q3 2023	35.7%	9M 2022	31.2%	9M 2023	34.5%
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EBIT²

in EUR mn



EBIT margin²

Q3 2022	13.4%	Q3 2023	16.7%	9M 2022	13.3%	9M 2023	16.9%
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KEY ASPECTS

- High single-digit sales growth¹ on strong comps, driven by continued strong demand, improved logistical performance and favorable pricing
- Strong growth in Independent Aftermarket (+9.6%)¹; All regions growing, double-digit in Americas; Europe the top contributor in absolute terms
- Very strong EBIT margin² improvement driven by favorable sales mix, continued price management

Automotive Aftermarket – Acquisition in September of B2B e-commerce platform Koovers in India



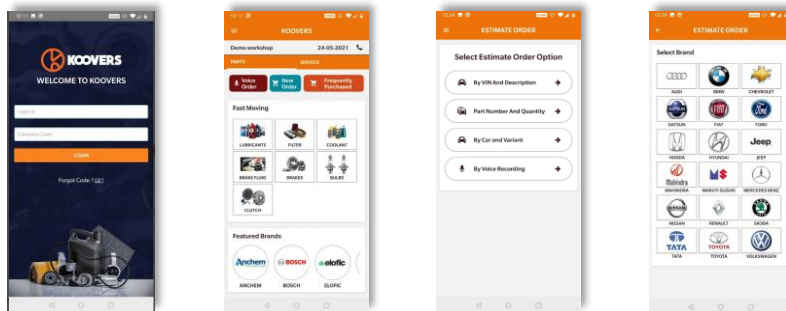
7000
Workshops

1.8 Million
Product SKU

160K+
Orders Serviced

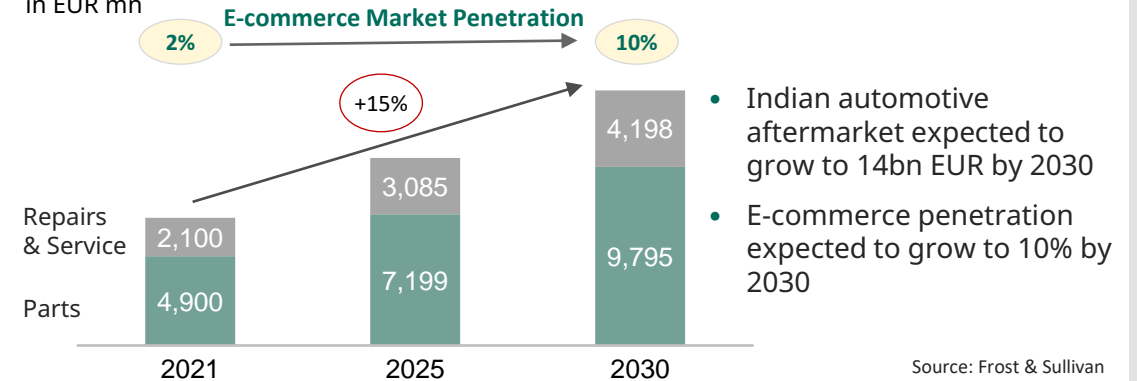
125+ Towns
Presence in South India

Compelling app-based B2B e-commerce platform



Sizable and attractive Indian Automotive Aftermarket

in EUR mn

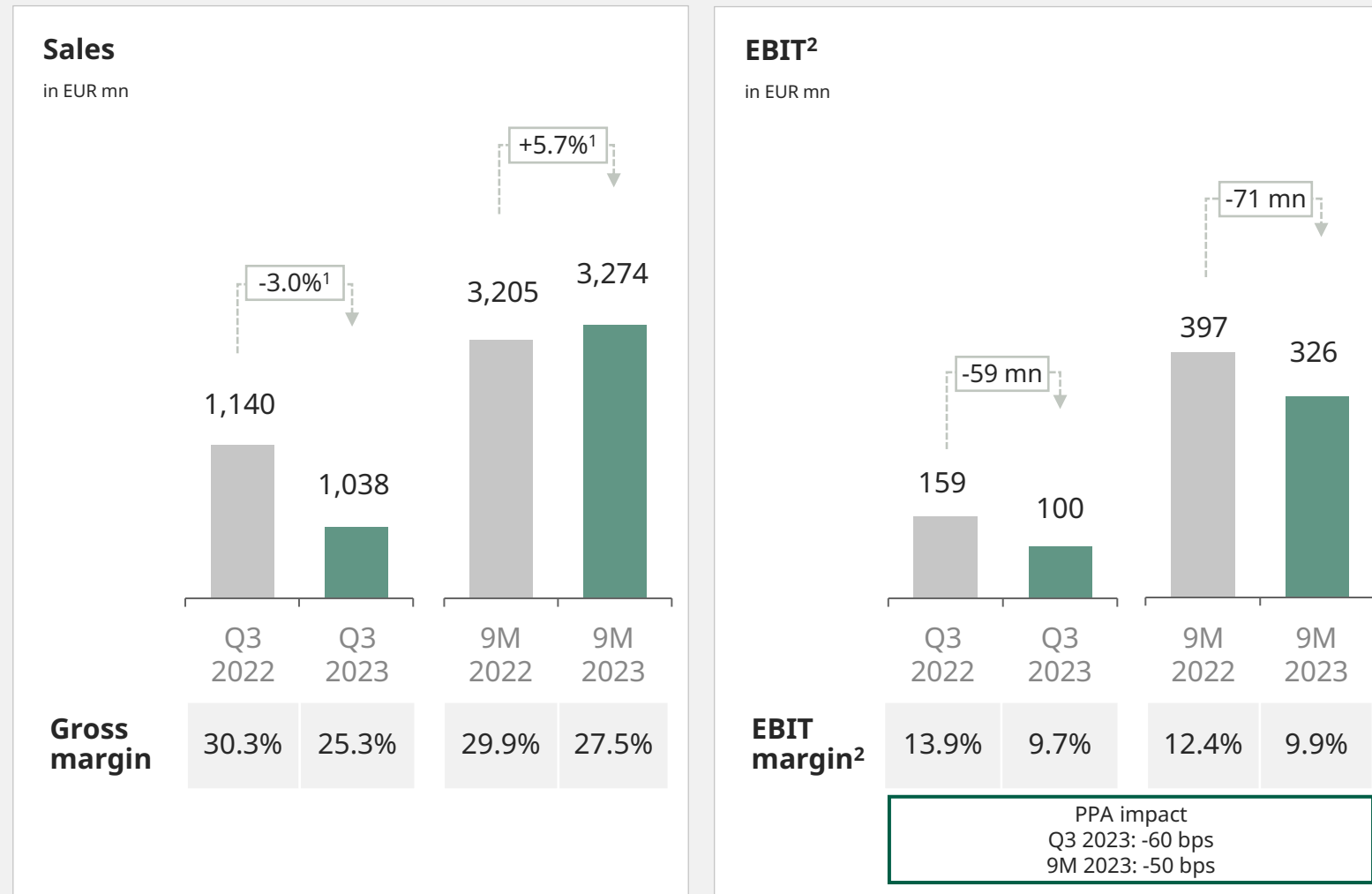


Strategic rationale

- Scalable platform business with highest customer focus through convenient digital interfaces
- Wide spectrum of high-quality automotive spare parts, ensuring access and availability to independent workshops
- Fast and reliable supply chain through regional and local presence, close to the customers' doorstep and individual repair case

Further strengthening of Schaeffler's platform business in the attractive and fast-growing Indian market

Industrial – Q3 sales¹ and EBIT development driven by market downturn



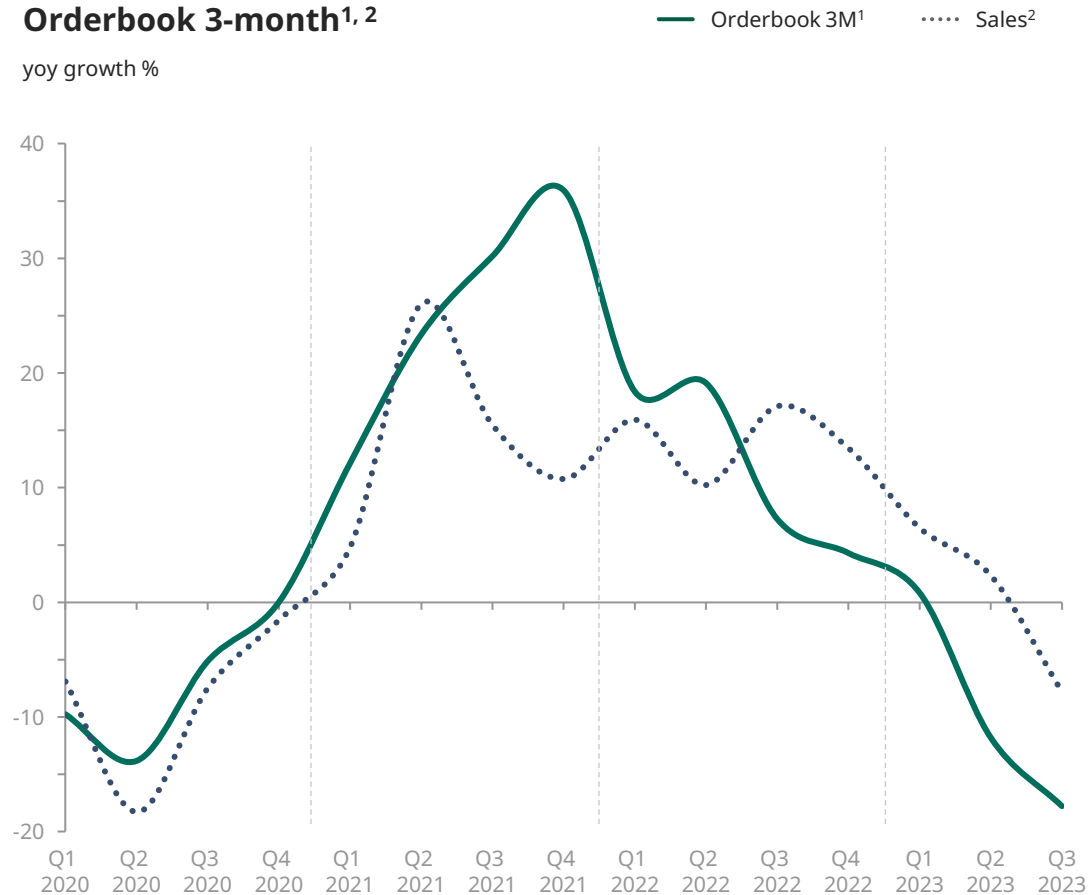
KEY ASPECTS

- ▼ Volumes in all regions below strong Q3 2022 due to weakening economic environment and destocking
- ▼ EBIT margin in Q3 driven by negative sales development in China (-22%¹) and higher fixed cost due to investments in growth areas
- ▲ Tactical cost savings measures in execution

Industrial – Orderbook reduction mainly due to downturn in China and Wind

Orderbook 3-month^{1, 2}

yoy growth %



Business Highlights



New order gains in Aerospace by long-term agreements with key OEMs covering roller bearings for high volume applications



Strong business development including order intake in Rail supported by increased localization rate of production and even higher customer proximity

Aerospace and Rail sector clusters growing

Capital allocation – Continued prioritization of Capex for growth business

Investment¹ allocation

in EUR mn

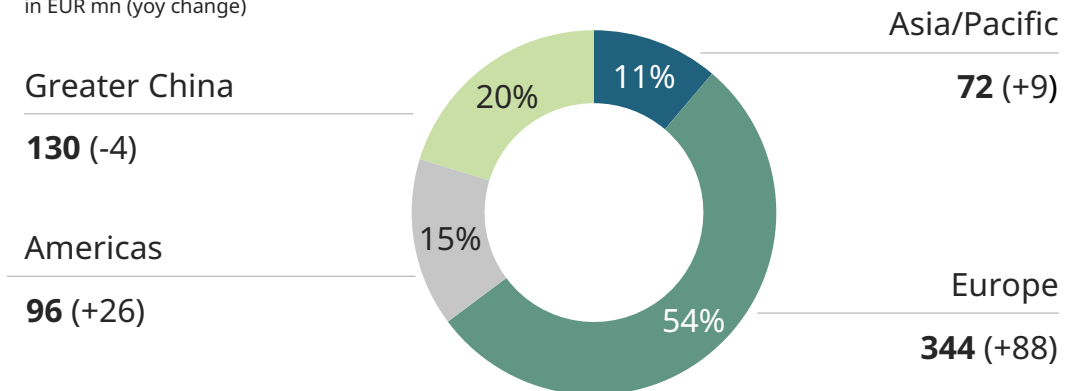
	FY 2021	FY 2022	Q3 2022	Q3 2023	9M 2023
Automotive Technologies	430	545	146	155	402
Automotive Aftermarket	20	40	11	15	39
Industrial	220	229	62	66	200
Schaeffler Group	670	814	219	237	641
Capex	671	791	219	247	665
Capex ratio²	4.8%	5.0%	5.2%	6.1%	5.4%
Reinvestment Rate	0.7	0.9	1.0	1.0	0.9

KEY ASPECTS

- **Automotive Technologies:** E-Motor production investments in the US and Eastern Europe as well as Chassis rear-wheel steering projects in Eastern Europe, Mexico and China
- **Industrial:** Further localization and capacity expansion of Roller Bearings for the Wind sector cluster in Nanjing, China

Investments¹ by region 9M 2023

in EUR mn (yoy change)



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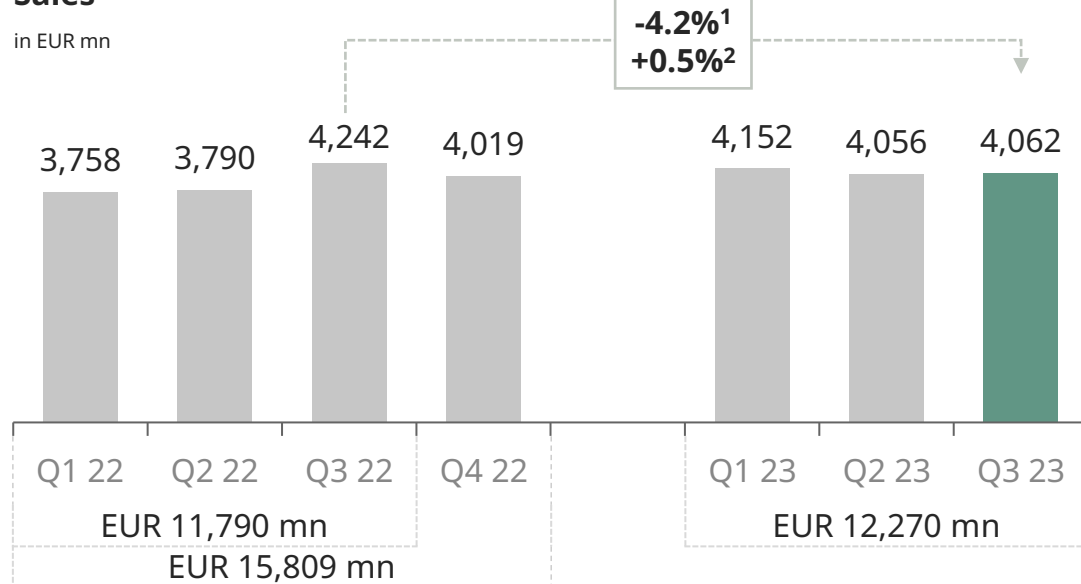
Outlook

AGENDA

Sales – Europe and Asia/Pacific with good growth in Q3, China declining

Sales

in EUR mn



Sales growth

Reported

+5.6%	+9.7%	+27.3%	+14.6%	+10.5%	+7.0%	-4.2%
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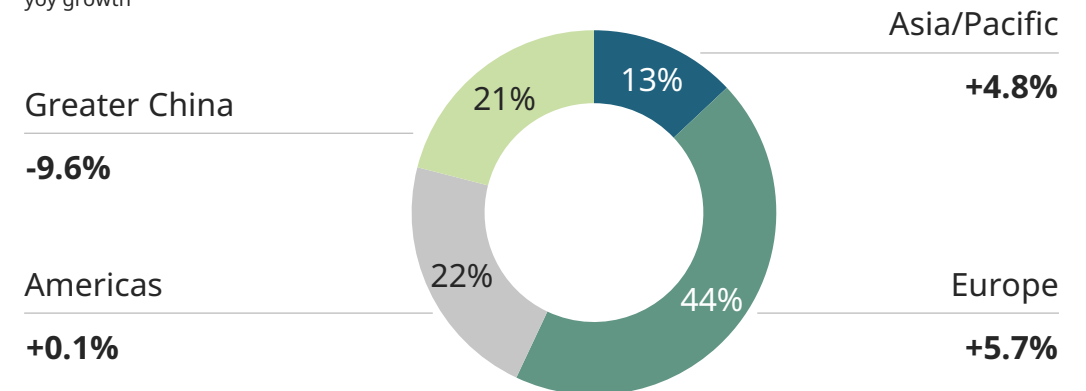
FX-adjusted

+1.9%	+4.4%	+20.2%	+11.8%	+10.4%	+9.8%	+0.5%
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KEY ASPECTS

- **Automotive Technologies:** 0.2%² growth in Q3; good growth in Europe and Asia/Pacific, whereas Americas and China declining
- **Automotive Aftermarket:** 8.8%² growth in Q3; all regions contributing
- **Industrial:** -3.0%² growth in Q3 incl. Ewellix; more than 22% decline in China could not be compensated by good growth in all other regions

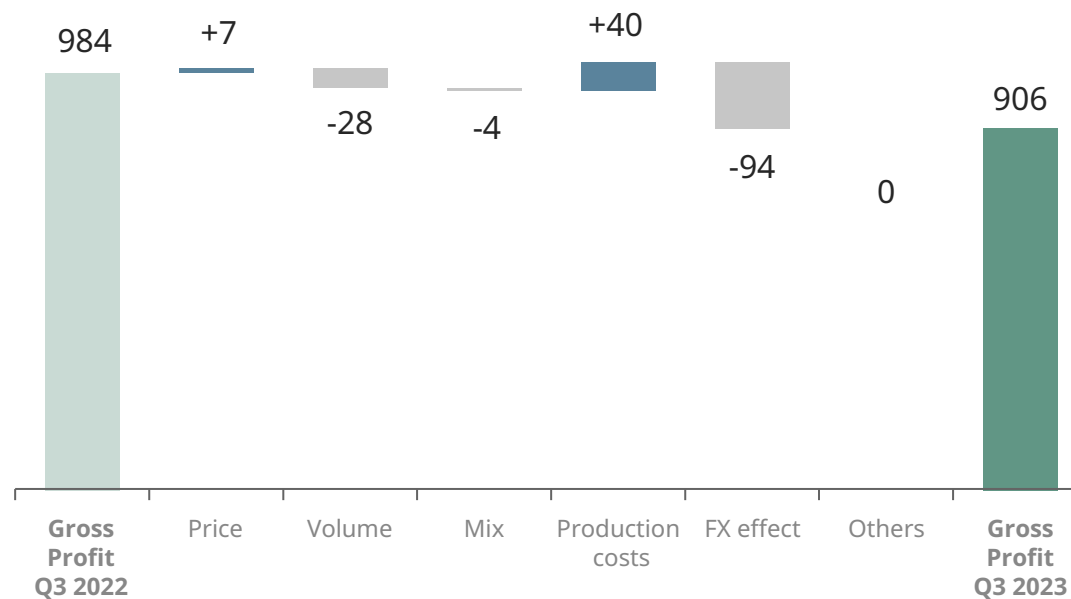
Sales by region Q3 2023

yoy growth²

Gross Profit – Positive development of production costs, unfavourable FX

Gross Profit Q3 2022 vs. Q3 2023

in EUR mn



Gross margin

23.2%

22.3%

KEY ASPECTS

- **Pricing:** Maintained pricing levels
- **Volumes:** Negative sales volume effects driven by Industrial
- **Production Costs:** Increased productivity while input factor costs are stable

Gross margin

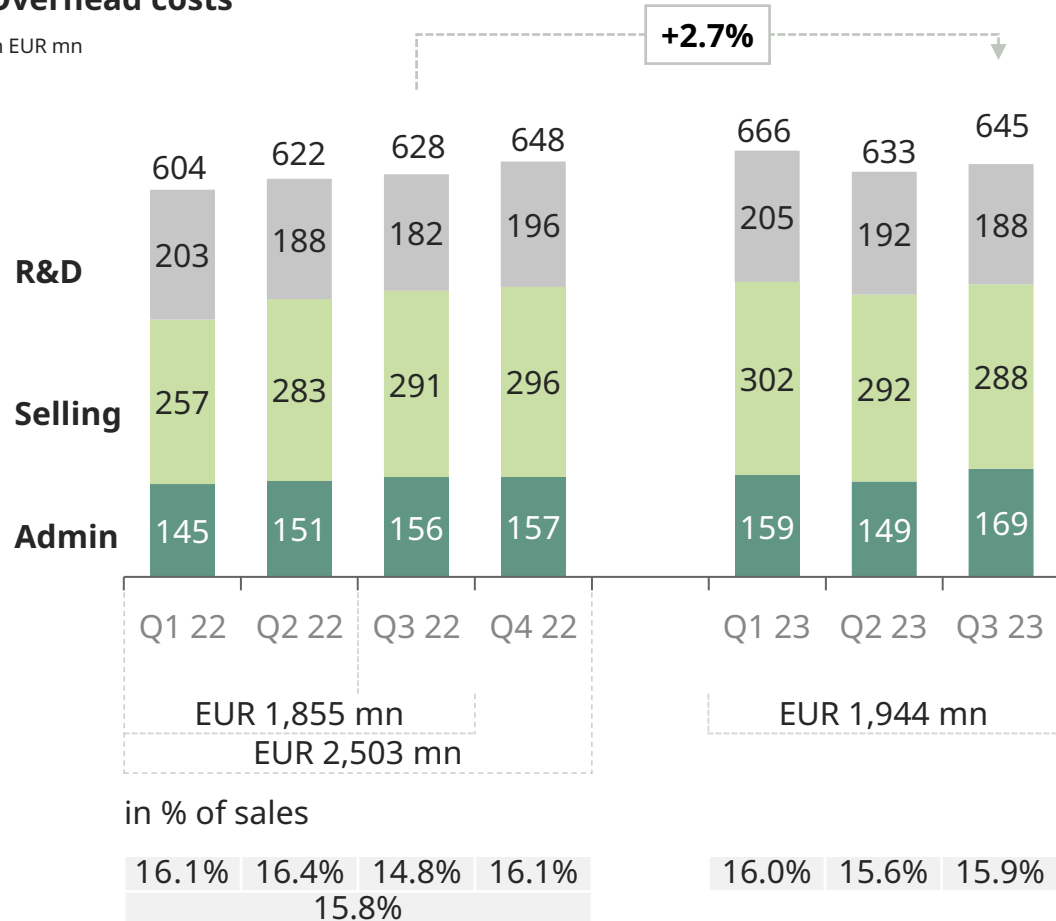
in % of Sales

	Q3 22	Q3 23	Q3 23 vs. Q3 22	9M 22	9M 23	9M 23 vs. 9M 22
Automotive Technologies	18.2%	17.8%	-0.4pp	17.8%	17.6%	-0.2pp
Automotive Aftermarket	31.8%	35.7%	+3.9pp	31.2%	34.5%	+3.3pp
Industrial	30.3%	25.3%	-5.0pp	29.9%	27.5%	-2.4pp
Group	23.2%	22.3%	-0.9pp	22.8%	22.6%	-0.2pp

Overhead costs – Overhead cost ratio stays below 16%

Overhead costs

in EUR mn



KEY ASPECTS

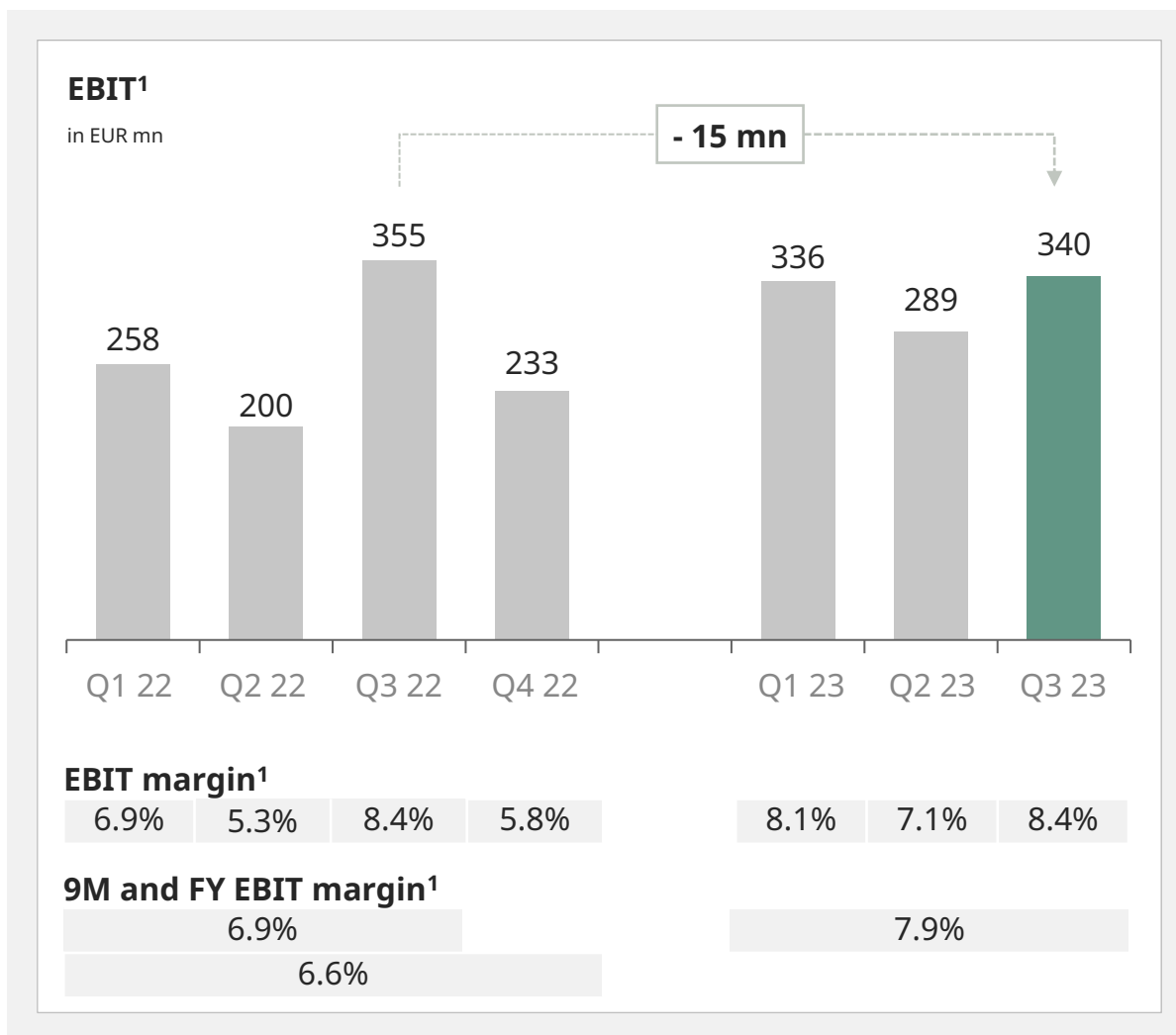
- **R&D:** Continued stable development of R&D expenses
- **Selling expenses:** Slightly lower due to lower volumes in Industrial
- **Admin cost:** Adjustment of accrual level for variable compensation due to higher expected target achievement

Overhead cost ratio

in % of Sales

	Q3 22	Q3 23	Q3 23 vs. Q3 22	9M 22	9M 23	9M 23 vs. 9M 22
Automotive Technologies	12.8%	13.4%	+0.6pp	14.3%	13.6%	-0.7pp
Automotive Aftermarket	18.5%	18.5%	+0.0pp	18.2%	18.3%	+0.1pp
Industrial	17.6%	20.2%	+2.6pp	17.8%	19.5%	+1.7pp
Group	14.8%	15.9%	+1.1pp	15.7%	15.8%	+0.1pp

EBIT margin¹ – Strong group margin driven by Automotive divisions



KEY ASPECTS

- **Automotive Technologies:** EBIT margin¹ improved yoy and sequentially, driven by cost efficiencies
- **Automotive Aftermarket:** EBIT margin¹ continued to be at very high level, driven by strong demand, positive pricing and improved logistical performance
- **Industrial:** Lower EBIT margin¹ mainly due to weak market in China (especially Wind, volume, mix)

EBIT margin¹

in % of Sales

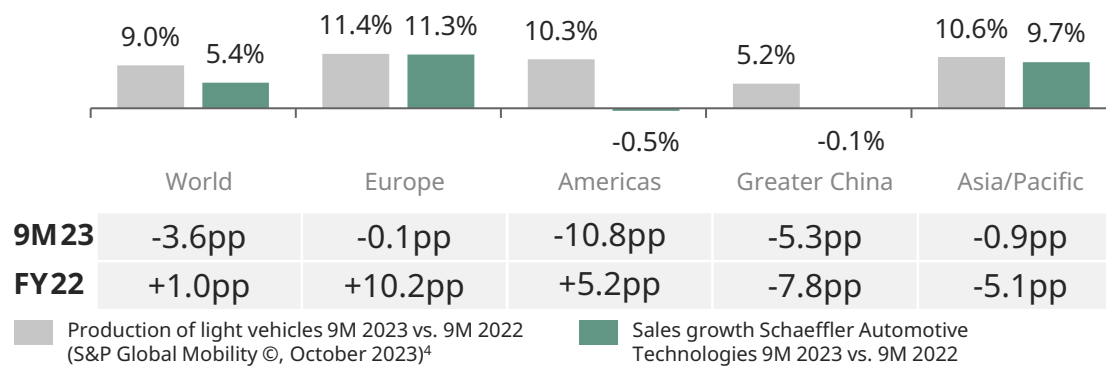
	Q3 22	Q3 23	Q3 23 vs. Q3 22	9M 22	9M 23	9M 23 vs. 9M 22
Automotive Technologies	4.8%	5.8%	+1.0pp	3.0%	4.8%	+1.8pp
Automotive Aftermarket	13.4%	16.7%	+3.3pp	13.3%	16.9%	+3.6pp
Industrial	13.9%	9.7%	-4.2pp	12.4%	9.9%	-2.5pp
Group	8.4%	8.4%	0.0pp	6.9%	7.9%	+1.0pp

Automotive Technologies – Despite flat sales growth¹, EBIT margin² up yoy

Sales by business division yoy growth

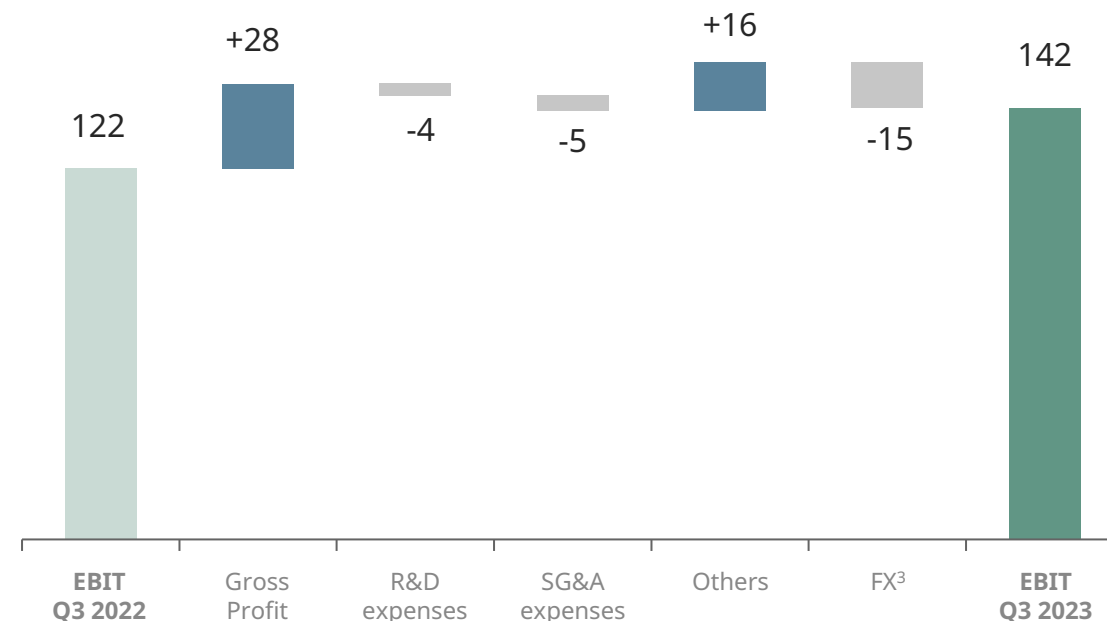
	Q3 2022	Q3 2023	Δ ¹
E-Mobility	390	335	-9.4%
Engine & Transmission	1,381	1,315	-0.3%
Bearings	682	682	+5.0%
Chassis Systems	102	109	+10.6%
Total	2,554	2,440	+0.2%

Outperformance 9M Sales¹ vs. market development



EBIT² Q3 2022 vs. Q3 2023

in EUR mn



EBIT margin development²

4.8%

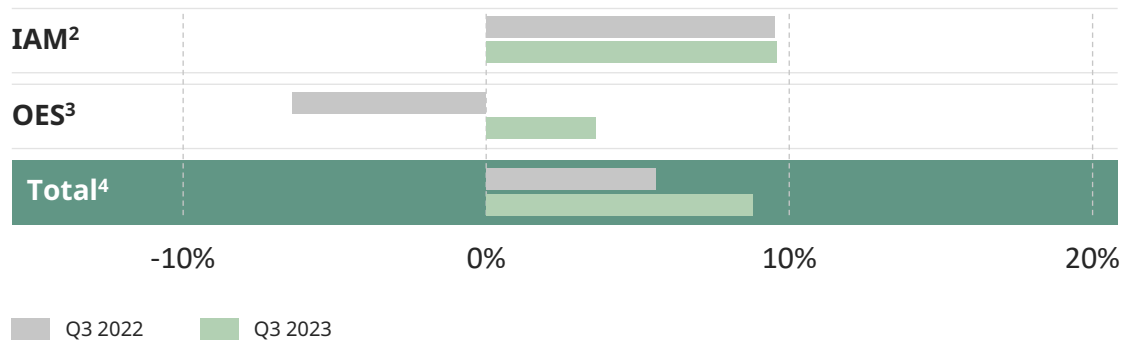
5.8%

Automotive Aftermarket – Strong sales growth¹, very strong EBIT margin⁵

Sales by region yoy growth

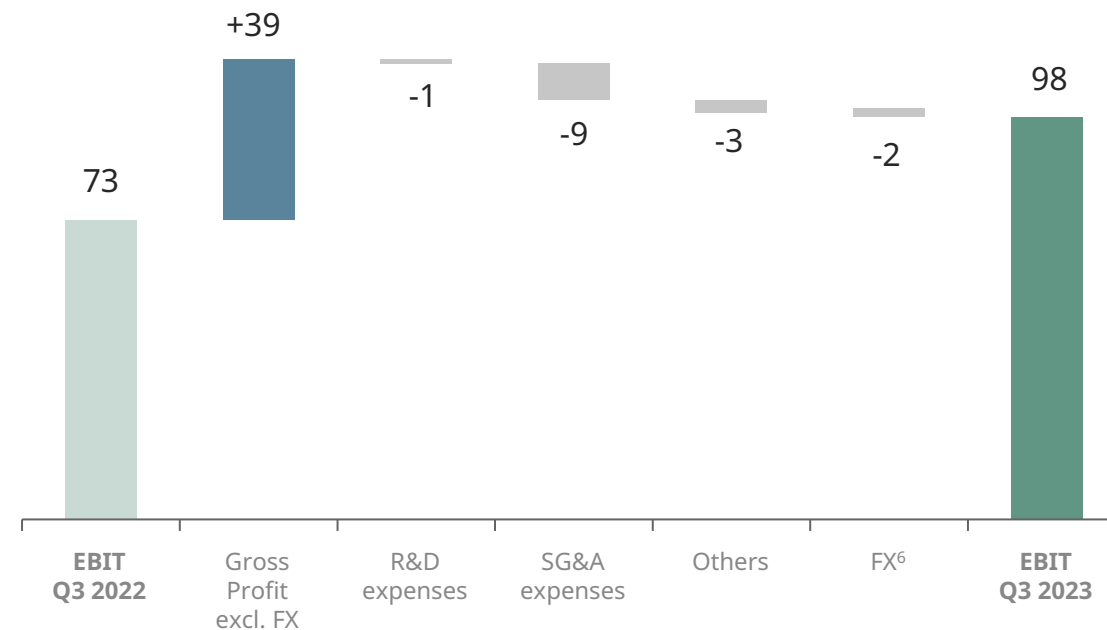
	Q3 2022	Q3 2023	Δ ¹
Europe	359	389	+8.2%
Americas	118	127	+11.8%
Greater China	37	34	+6.5%
Asia/Pacific	35	34	+7.2%
Total	548	584	+8.8%

Automotive Aftermarket Sales growth by channel¹



EBIT⁵ Q3 2022 vs. Q3 2023

in EUR mn



EBIT margin development⁵

13.4%

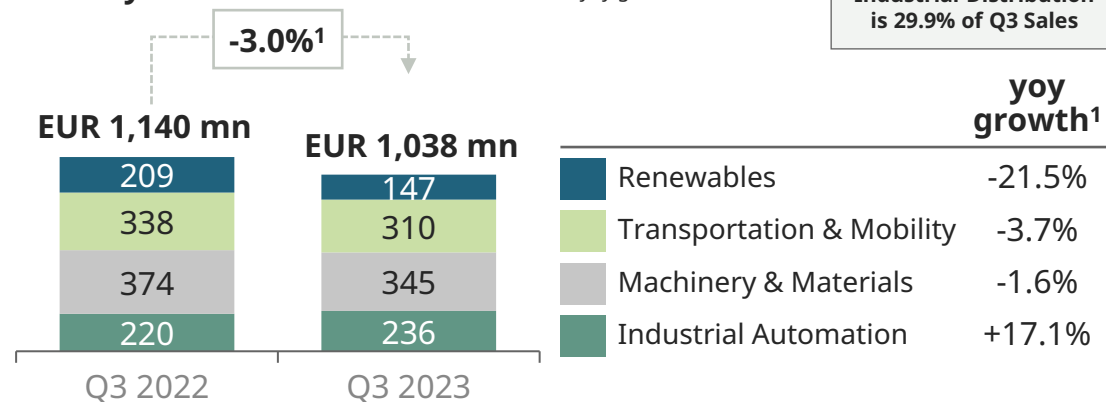
16.7%

Industrial – Double-digit sales decline¹ in China, EBIT margin² within guidance range

Sales by region yoy growth

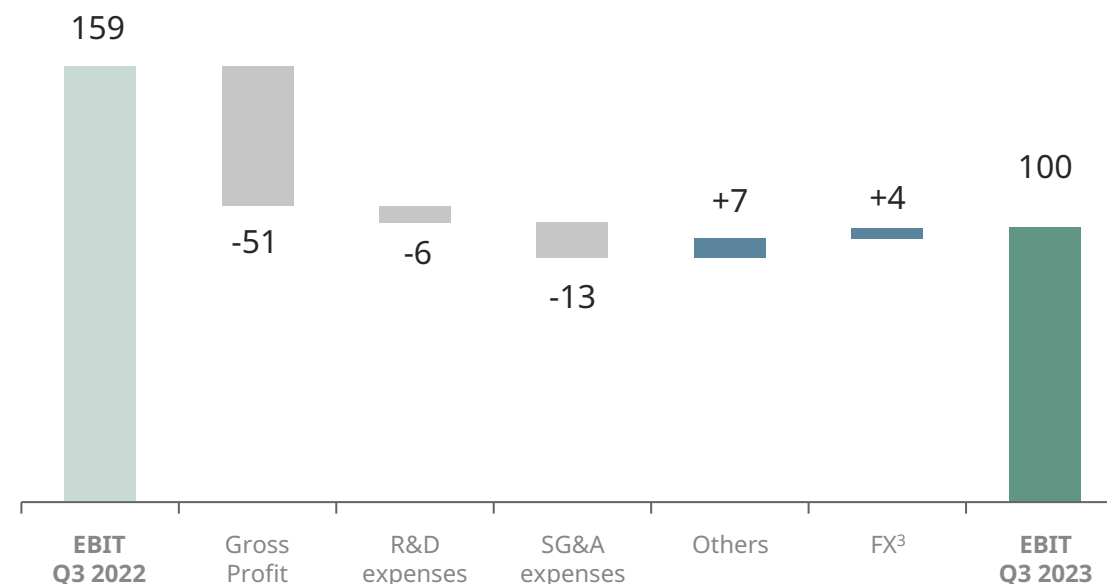
	Q3 2022	Q3 2023	Δ ¹
Europe	436	454	+5.5%
Americas	196	191	+5.3%
Greater China	348	238	-22.2%
Asia/Pacific	160	154	+5.8%
Total	1,140	1,038	-3.0%

Sales by Industrial market cluster yoy growth



EBIT² Q3 2022 vs. Q3 2023

in EUR mn



EBIT margin development²

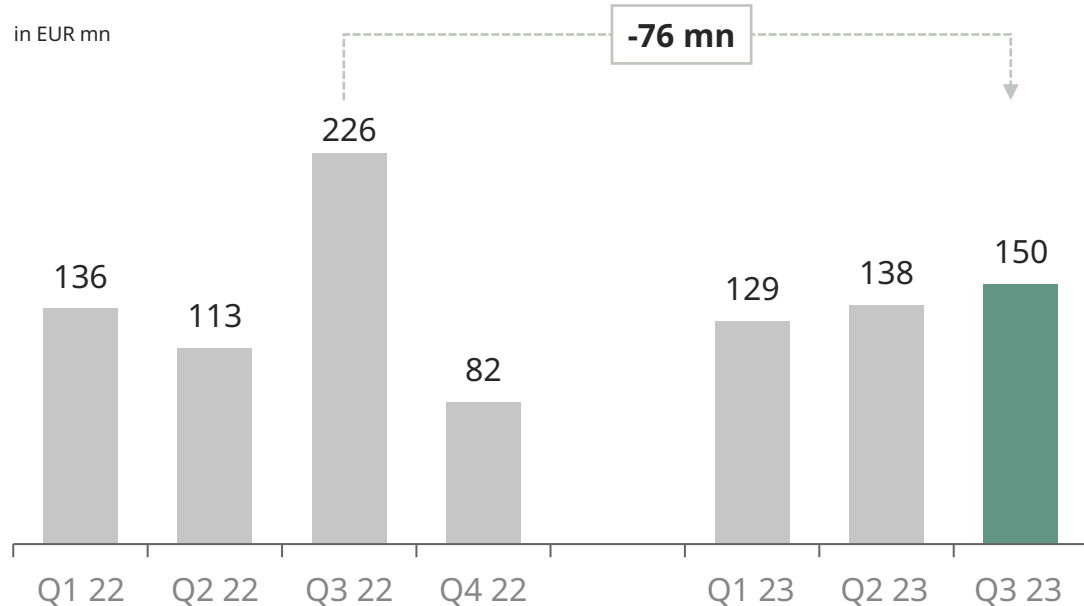
13.9%

9.7%

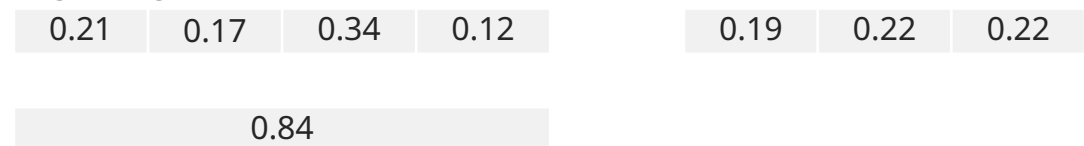
Net Income¹ – EPS² at EUR 0.22, ROCE³ reached 12.8%

Net income¹

in EUR mn



EPS² in EUR

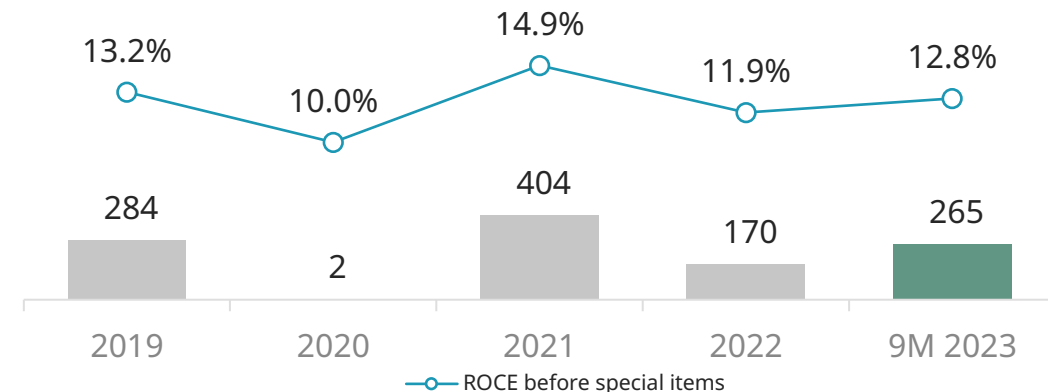


KEY ASPECTS

- Q3 2023 Net income¹ lower yoy on strong comps; sequentially up
- ROCE³ and Schaeffler Value Added⁴ above prior year

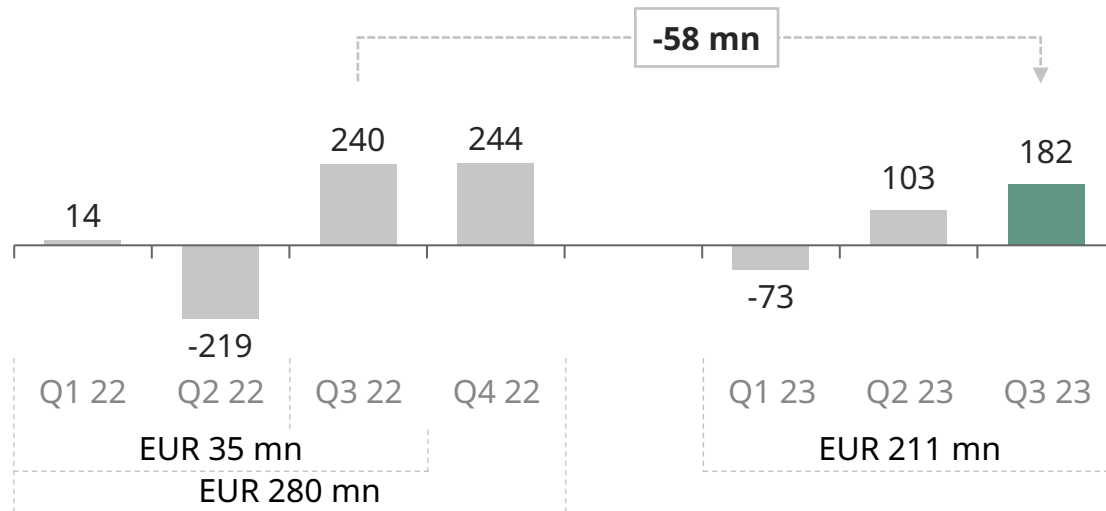
ROCE³ and Schaeffler Value Added⁴

in EUR mn



FCF – Strong Q3 FCF, effective Working Capital management

Free Cash Flow before M&A¹ in EUR mn



FCF Conversion ratio²

0.1	-	0.6	1.7
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Reinvestment rate

0.6	0.8	1.0	1.2
0.9			

Capex ratio³

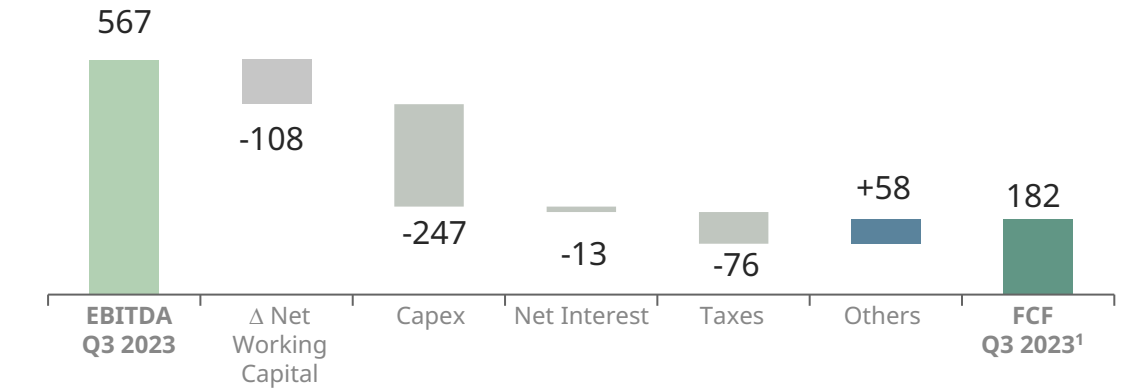
4.2%	4.6%	5.2%	6.0%
5.0%			

-	0.4	0.6
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0.8	1.0	1.0
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5.3%	4.9%	6.1%
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Reconciliation Q3 2023 in EUR mn



FCF Details

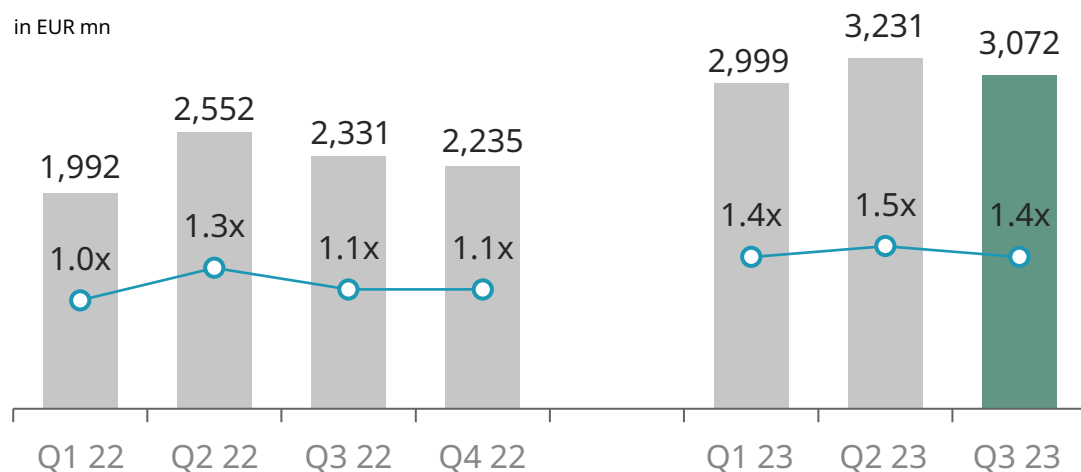
in EUR mn

	Q3 22	Q3 23	Δ Q2 23/22	9M 22	9M 23	Δ 9M 23/22
FCF as reported	197	156	-41	-68	-515	-447
M&A	+43	+26	-17	+104	+726	+622
FCF before M&A	240	182	-58	35	211	+176
Legal Cases	-8	-12	-4	-17	-38	-21
Restructuring	+45	+24	-19	+249	+181	-68
Others	0	+1	+1	0	+8	+8
FCF bef. M&A and sp. Items	276	195	-81	267	362	+95

Net debt of EUR 3.1 bn – Leverage ratio at 1.4x

Net financial debt and Leverage ratio¹

in EUR mn



Gross debt

3,235	3,233	3,308	3,298	3,798	3,803	3,868
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Cash & cash equivalents

1,243	681	977	1,063	799	572	796
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EBITDA before special items²

2,056	1,954	2,051	2,030	2,111	2,203	2,190
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—○— Leverage ratio¹

KEY ASPECTS

- Q2 2023 included a dividend payment of EUR 295 mn for FY 2022 (payout ratio 48%)
- Leverage ratio increased in Q1 due to the Ewellix acquisition
- Ratings confirmed

Strong liquidity situation – Continued strong balance sheet

1

Overview

2

Business Highlights Q3 and 9M 2023

3

Financial Results Q3 and 9M 2023

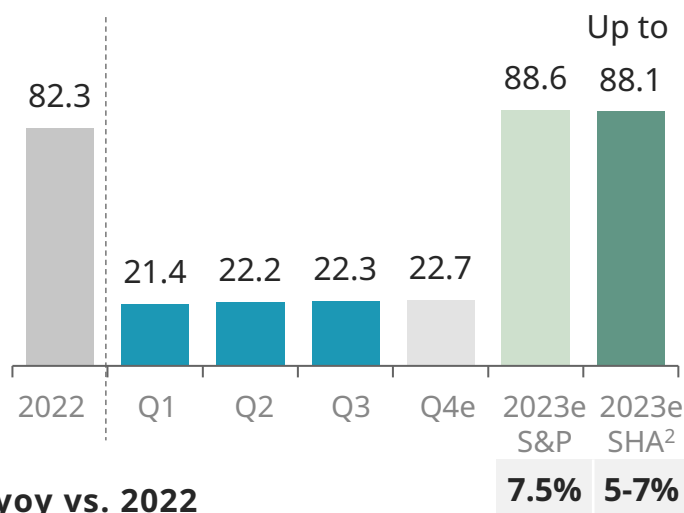
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Outlook

AGENDA

Market assumptions updated – Automotive Technologies market expectations raised, Industrial lowered

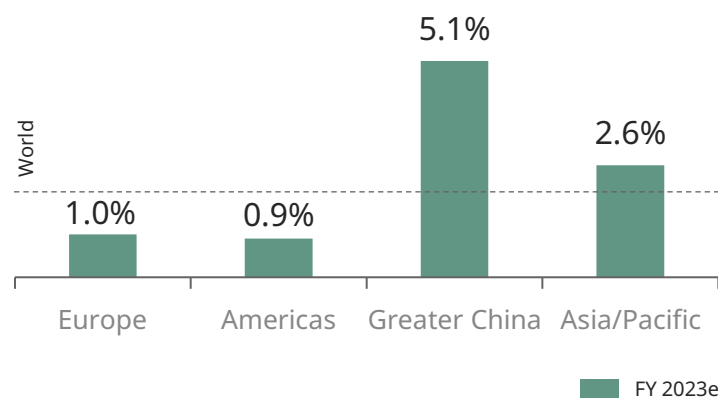
Automotive Technologies – Global LVP¹ 2023



yoy vs. 2022

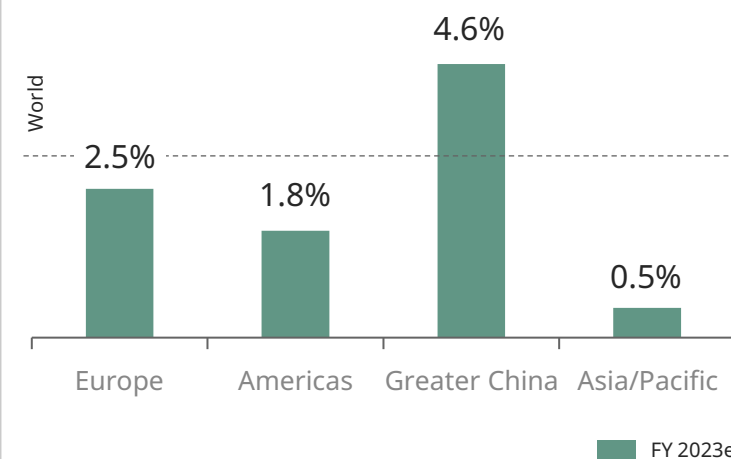
- Schaeffler market assumptions increased to 5-7% LVP growth in 2023 (up to 88.1 mn vehicles) vs. 2-4% expected in August (up to 85.6 mn vehicles), but still follows a more conservative approach than S&P
- Challenges for the development of the car markets in the US, Europe and China are still substantial

Automotive Aftermarket – Global LV Parc³



- Growth of Global LV Parc³ with 2.1% for 2023 slightly lower than in 2022 (2.3%). The average age for 2023 is set to increase to 11.0 years (2022: 10.7 years) due to lower sales of new cars, in conjunction with lower replacement rate of vehicles in operation
- Highest growth is expected for region Greater China (5.1%); lowest for Europe and Americas (~1.0% each) due to stagnation of new car registrations

Industrial – Industrial Production⁴



- Industrial Production⁴ expected to grow by 2.8% in 2023 according to S&P Global Market Intelligence (October 2023)
- Schaeffler with more cautious market outlook assuming only slight growth for 2023 given strained environment in multiple industrial sectors and strong trend of declining demand especially in Greater China

FY 2023 Guidance updated – Confirmed and on track for all KPIs, except Industrial sales growth now reduced

FY 2023 Guidance¹

	Schaeffler Group	Automotive Technologies	Automotive Aftermarket	Industrial
	Guidance FY 2023 ¹	Guidance FY 2023	Guidance FY 2023	Guidance FY 2023
Sales growth ²	5 – 8%	Outperformance 0 – 300 bps ⁵	10 – 12%	4.5 – 5.5% (prior: 6 – 8%)
EBIT margin ³	6 – 8%	3 – 5%	14 – 16%	9 – 11%
Free Cash Flow ⁴	EUR 300 – 400 mn	Market assumptions for 2023 <ul style="list-style-type: none"> Automotive Technologies: Updated to LVP growth of 5 - 7% vs. 7.5% in latest S&P estimate⁶ for 2023 Automotive Aftermarket: Growth of Global LV Parc⁷ of around 2% Industrial: Slight increase of relevant industrial production⁸ 		

Conclusion & Outlook – Strong Q3, Group guidance confirmed for FY 2023

- 1 Automotive Technologies** – Despite flat sales, strong earnings in Q3. Good E-Mobility Order intake momentum, full year target already achieved at the high end of range
- 2 Automotive Aftermarket** – High single-digit growth, continued strong earnings quality driven by improved Gross margin. Strong performance in the biggest market Europe and other regions
- 3 Industrial** – Lower sales due to market downturn, especially in China. Solid profitability in Q3. Self-help measures in execution and FY EBIT margin guidance confirmed
- 4 Free Cash Flow** – Strong cash generation in Q3. Overall strong Group profitability and effective working capital management
- 5 Balance Sheet** – Robust balance sheet and strong liquidity are key assets in the current uncertain macro environment

**Strong basis for further
building the leading
Motion Technology
company**

Financial calendar and selected IR events

Roadshows & Conferences with Top Management participation

Dec 6

Auto/Ind. Conference – London, Goldman Sachs

Jan 17

German Corporate Conference – Frankfurt, Kepler

Financial calendar 2023/2024

Feb

EGM (exact date to come)

Mar 5

FY 2023 Earnings Release

Apr 25

AGM

May 7

Q1 2024 Earnings Release

Thank you

Investor Relations Contact

Phone +49 9132 82-4440

Email ir@schaeffler.com

Web www.schaeffler.com.ir

- Financials -

BACKUP

Equity Story – Positioning Schaeffler for long-term value creation

- 1 Roadmap 2025 in execution** – Focus on capital allocation, portfolio management and FCF generation
- 2 Automotive Technologies** – Conquer leadership positions in New Business for electrified Powertrains and Chassis applications
- 3 Automotive Aftermarket** – Maintain a high margin level, expand our share of wallet and reach
- 4 Industrial** – Enter attractive growth fields, further enhance profitability
- 5 Financial Framework** – Strict performance orientation based on Mid-term Targets
- 6 Sustainability** – Fully committed to activate all impact levers to achieve sustainability goals

**Creating
long-term value and
generating
Free Cash Flow**

Ancillary comments to support the Equity Story

Additional KPIs	FY 2023	Comments
Order Intake E-Mobility	EUR 2 – 3 bn	Starting from 2022 onwards the new target of EUR 2 - 3 bn applied
Capex	Around EUR 900 mn	Focus areas include Digitalization, Sustainability, Innovation & Technology and investments in New Business
Restructuring cash-out	Up to EUR 200 mn	Significant portion of extraordinary restructuring expenses as in 2022 expected leading to prudent FCF guidance
Dividend Payout Policy	30 – 50%	Dividend paid EUR 45 cents ² , payout ratio 48% ³
Leverage ratio ¹	1.25x – 1.75x	Leverage ratio 2023
Average Tax rate	28 – 32%	Overall effective tax rate in line with pre-Covid years
FX rates		US Dollar, Chinese Renminbi and Mexican Peso are the main sales exposures

Key figures Q3 and 9M 2023

in EUR mn	Q3 2022	Q3 2023	Q3 2023 vs. Q3 2022	9M 2022	9M 2023	9M 2023 vs. 9M 2022
Sales	4,242	4,062	-4.2% +0.5% ¹	11,790	12,270	+4.1% +6.6% ¹
Gross Profit	984	906	-78 mn	2,687	2,776	+89 mn
Gross margin	23.2%	22.3%	-0.9pp	22.8%	22.6%	-0.2pp
EBIT²	355	340	-15 mn	813	965	+152 mn
EBIT margin²	8.4%	8.4%	+0.0pp	6.9%	7.9%	+1.0pp
Net income³	226	150	-76 mn	475	417	-58 mn
EPS⁴ (in EUR)	0.34	0.22	-0.12	0.72	0.63	-0.09
Schaeffler Value Added⁵	210	265	+55 mn	210	265	+55 mn
ROCE⁶	12.4%	12.8%	+0.4pp	12.4%	12.8%	+0.4pp
Free Cash Flow⁷	240	182	-58 mn	35	211	+176 mn
Capex	219	247	+28 mn	550	665	+115 mn
Net financial debt	2,331	3,072	+741 mn	2,331	3,072	+741 mn
Leverage ratio⁸	1.1x	1.4x	+0.3x	1.1x	1.4x	+0.3x
Headcount	82,702	83,600	+1.1%	82,702	83,600	+1.1%

Sales Performance 9M 2023 – Growth across all divisions and regions

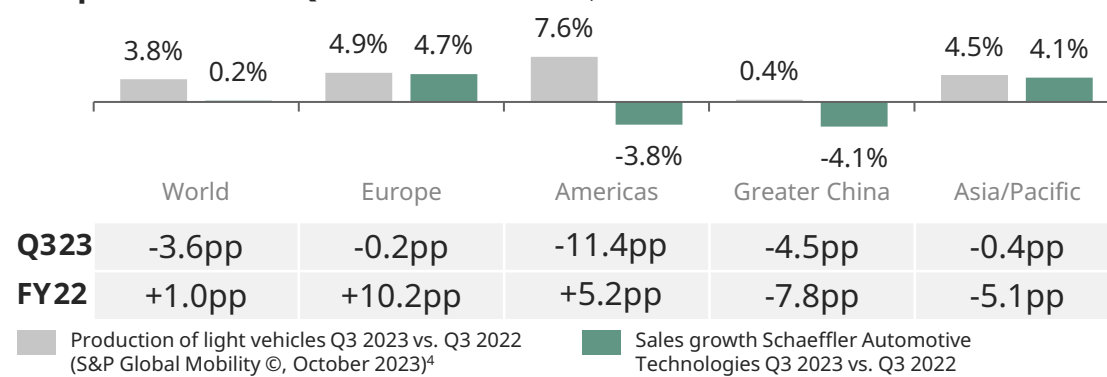
9M 2023 ¹	% of Group Sales	Automotive Technologies 59%	Automotive Aftermarket 14%	Industrial 27%	Region Growth
Europe	44%	+11.3%	+13.9%	+8.6%	+11.1%
Americas	22%	-0.5%	+13.3%	+11.5%	+3.7%
Greater China	20%	-0.1%	+24.7%	-1.9%	+0.2%
Asia/ Pacific	13%	+9.7%	+14.2%	+5.5%	+8.7%
Division Growth		+5.4%	+14.5%	+5.7%	+6.6%

Automotive Technologies – All business divisions growing, strong EBIT margin²

Sales by business division yoy growth

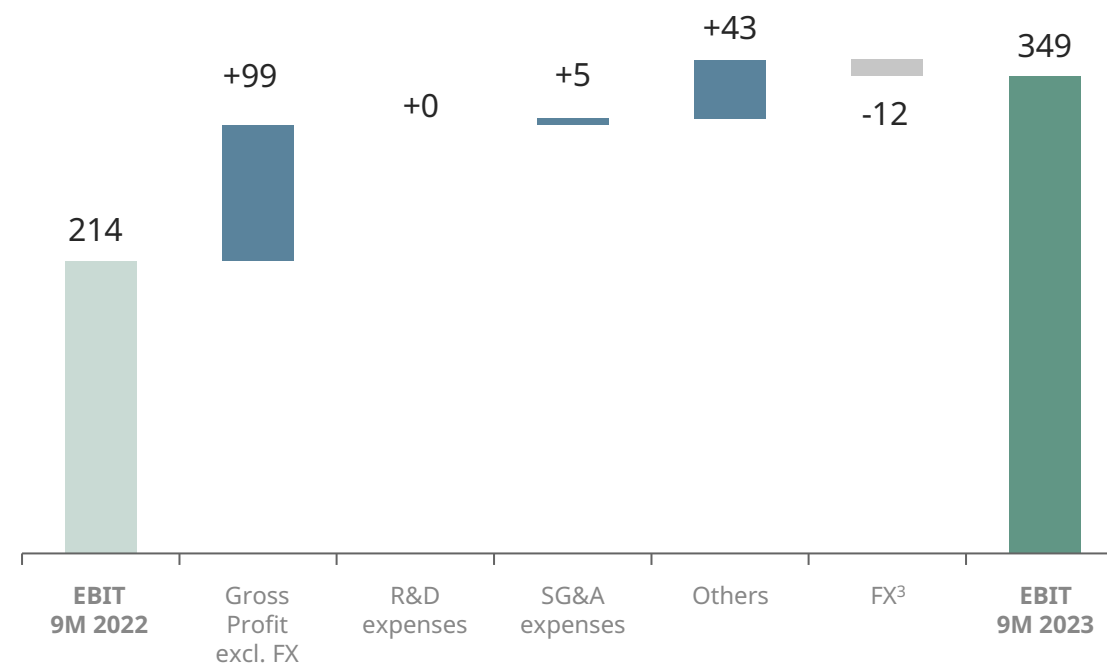
	9M 2022	9M 2023	Δ ¹
E-Mobility	990	967	+0.3%
Engine & Transmission	3,850	3,973	+5.3%
Bearings	1,955	2,005	+5.3%
Chassis Systems	273	335	+24.5%
Total	7,068	7,280	+5.4%

Outperformance Q3 Sales¹ vs. market development



EBIT² 9M 2022 vs. 9M 2023

in EUR mn



EBIT margin development²

3.0%

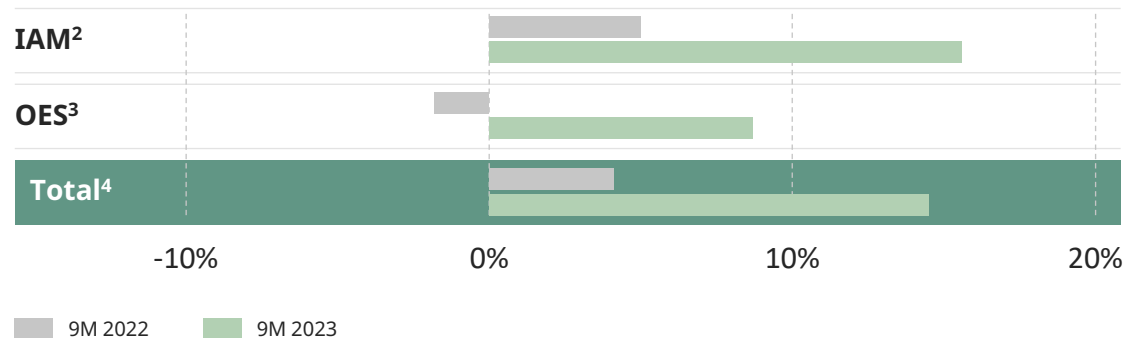
4.8%

Automotive Aftermarket – Double-digit sales growth¹, very strong EBIT margin⁵

Sales by region yoy growth

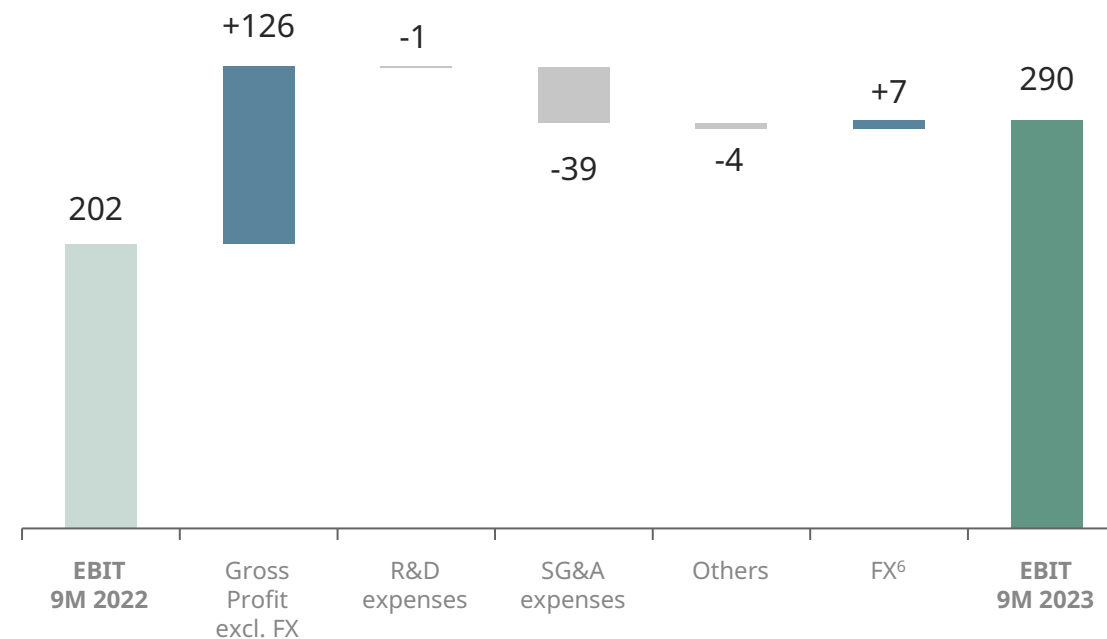
	9M 2022	9M 2023	Δ ¹
Europe	1,002	1,137	+13.9%
Americas	327	368	+13.3%
Greater China	92	106	+24.7%
Asia/Pacific	97	104	+14.2%
Total	1,518	1,716	+14.5%

Automotive Aftermarket Sales growth by channel¹



EBIT⁵ 9M 2022 vs. 9M 2023

in EUR mn



EBIT margin development⁵

13.3%

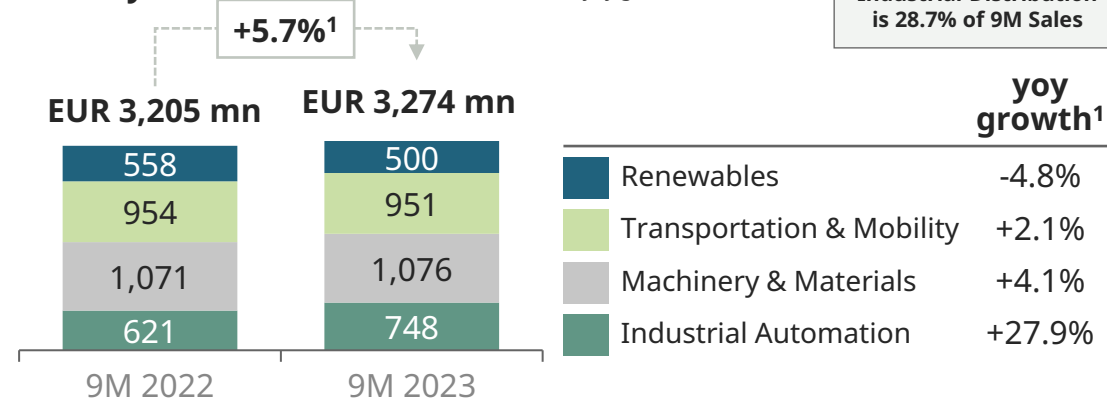
16.9%

Industrial – All regions growing except China, EBIT margin² below prior year

Sales by region yoy growth

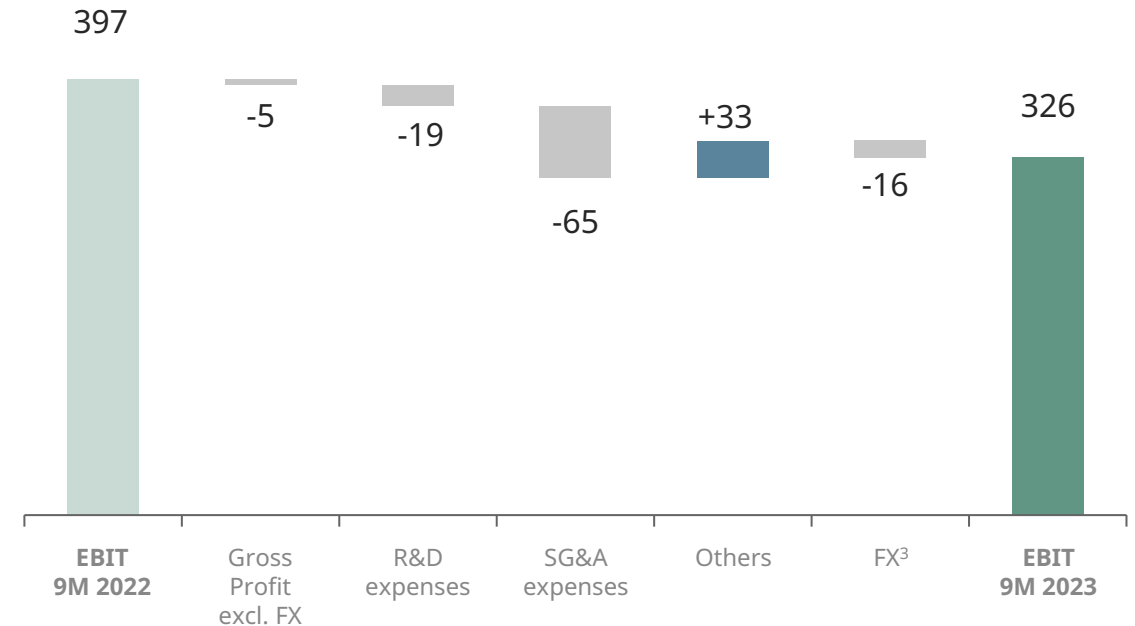
	9M 2022	9M 2023	Δ ¹
Europe	1,308	1,412	+8.6%
Americas	548	595	+11.5%
Greater China	879	800	-1.9%
Asia/Pacific	470	466	+5.5%
Total	3,205	3,274	+5.7%

Sales by Industrial market cluster yoy growth



EBIT² 9M 2022 vs. 9M 2023

in EUR mn



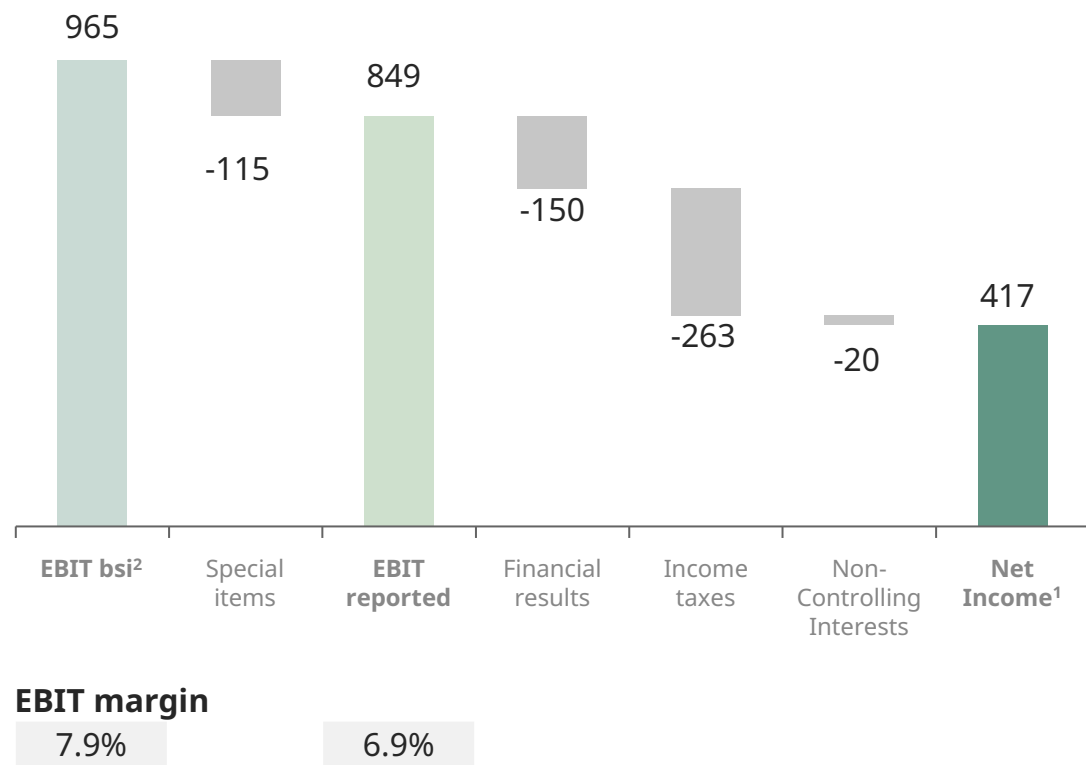
EBIT margin development²

12.4%

9.9%

Net Income¹ – EBIT reconciliation and special items

Reconciliation 9M 2023 in EUR mn



KEY ASPECTS

- Special items amounted to EUR 115 mn in 9M, mainly related to valuation of energy forward contracts
- Financial Result lower yoy due to higher interest payments and higher expenses for interests on pensions

Special items by Division

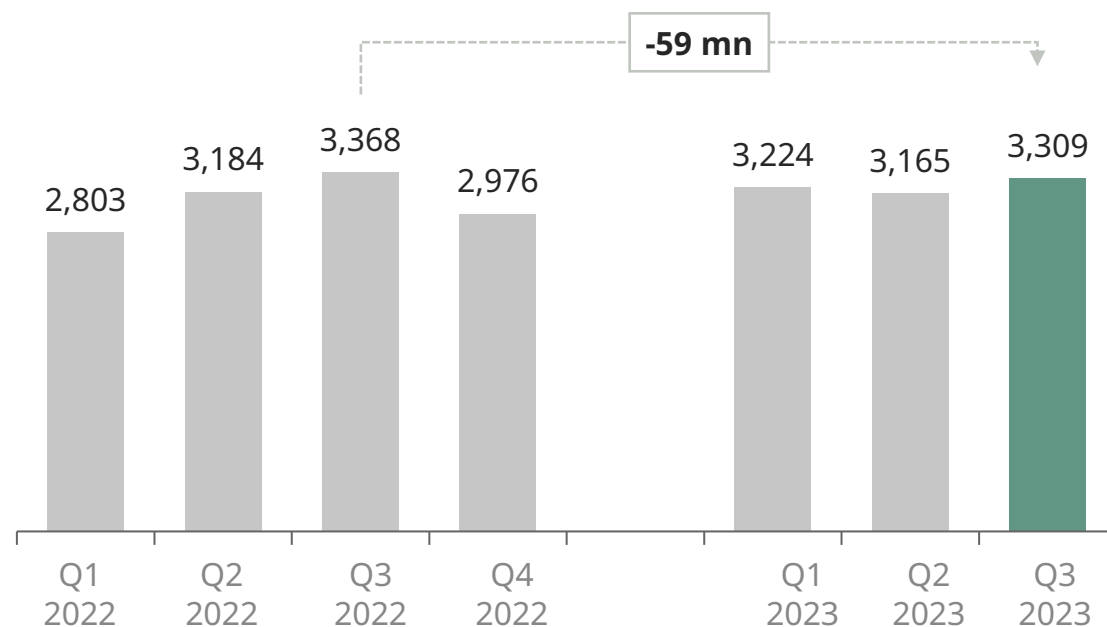
in EUR mn

	Q3 22	Q3 23	Q3 23 vs. Q3 22	9M 22	9M 23	9M 23 vs. 9M 22
EBIT reported	395	322	-73	828	849	+21
Automotive Technologies	-43	-1	+42	-30	+55	+85
Automotive Aftermarket	-1	-2	-1	0	+2	+2
Industrial	+4	+21	+17	+14	+58	+44
Group	-40	+18	+58	-16	+115	+131
EBIT bsi²	355	340	-15	813	965	+152

Working Capital ratio 20.3% – Capex ratio 6.1% in Q3

Working capital¹

in EUR mn

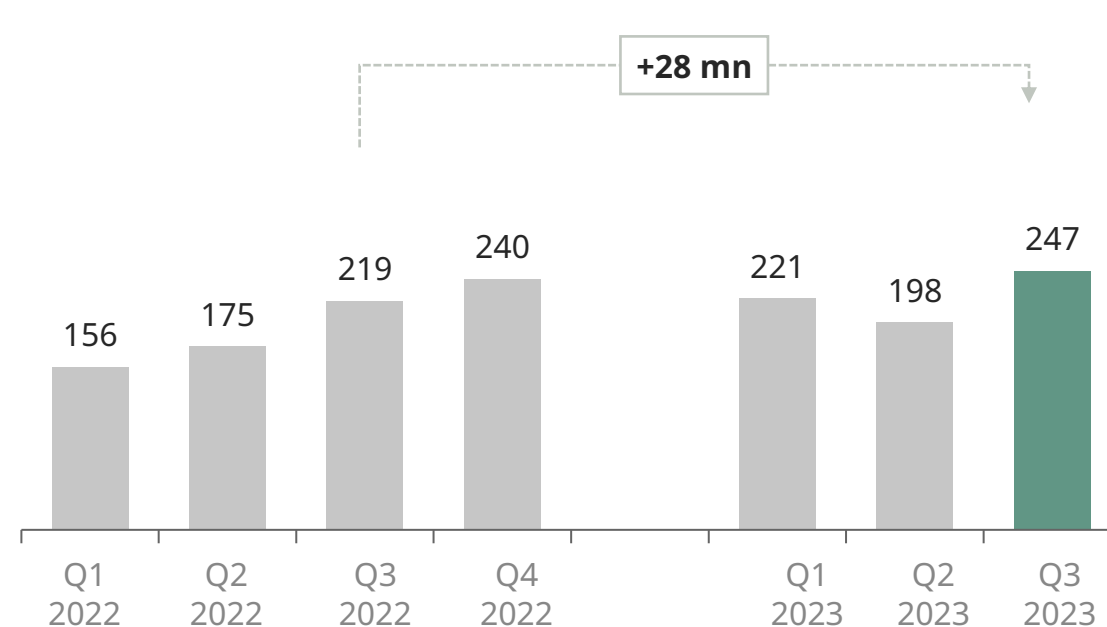


in % of Sales (LTM)

20.0%	22.1%	22.0%	18.8%			
				19.9%	19.2%	20.3%
18.8%						

Capex²

in EUR mn



in % of Sales

4.2%	4.6%	5.2%	6.0%			
				5.3%	4.9%	6.1%
5.0%						

Automotive Technologies (AT) outperformance by quarters

Adjusted comparative figures 2022

YTD Outperformance: -3.6pp			Q1 23			Q2 23			Q3 23		
	S&P ¹	AT ²	Outper- formance	S&P ¹	AT ²	Outper- formance	S&P ¹	AT ²	Outper- formance	S&P ¹	AT ²
World	+7.1%	+6.0%	-1.1pp	+16.8%	+10.7%	-6.1pp	+3.8%	+0.2%	-3.6pp		
Europe	+14.2%	+15.1%	+0.9pp	+14.9%	+14.5%	-0.4pp	+4.9%	+4.7%	-0.2pp		
Americas	+9.9%	+0.8%	-9.1pp	+13.6%	+1.6%	-12.0pp	+7.6%	-3.8%	-11.4pp		
Greater China	-4.3%	-8.2%	-3.9pp	+22.5%	+15.2%	-7.3pp	+0.4%	-4.1%	-4.5pp		
Asia/Pacific	+12.9%	+15.5%	+2.6pp	+14.9%	+10.1%	-4.8pp	+4.5%	+4.1%	-0.4pp		

FY 22 Outperformance: +1.0pp			Q1 22			Q2 22			Q3 22			Q4 22		
	S&P ¹	AT ²	Outper- formance	S&P ¹	AT ²	Outper- formance	S&P ¹	AT ²	Outper- formance	S&P ¹	AT ²	Outper- formance	S&P ¹	AT ²
World	-3.5%	-3.2%	+0.3pp	+1.4%	+1.3%	-0.1pp	+29.5%	+25.2%	-4.3pp	+3.4%	+9.9%	+6.5pp		
Europe	-14.7%	-2.0%	+12.7pp	-2.0%	+2.4%	+4.4pp	+25.1%	+33.6%	+8.5pp	+5.6%	+18.0%	+12.4pp		
Americas	-3.6%	+0.3%	+3.9pp	+11.2%	+19.6%	+8.4pp	+24.9%	+22.0%	-2.9pp	+7.0%	+17.9%	+10.9pp		
Greater China	+6.9%	-5.3%	-12.2pp	-4.3%	-14.8%	-10.5pp	+34.3%	+24.7%	-9.6pp	-5.3%	-7.4%	-2.1pp		
Asia/Pacific	-4.0%	-8.3%	-4.3pp	+3.7%	-0.5%	-4.2pp	+30.5%	+12.9%	-17.6pp	+12.4%	+15.8%	+3.4pp		

Key figures by Group and Division

Adjusted comparative figures 2022

Group in EUR mn

	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23
Sales	3,758	3,790	4,242	4,019	4,152	4,056	4,062
Sales Growth¹	+1.9%	+4.4%	+20.2%	+11.8%	+10.4%	+9.8%	+0.5%
EBIT reported	247	186	395	145	244	283	322
EBIT bsi	258	200	355	233	336	289	340
EBIT bsi margin	6.9%	5.3%	8.4%	5.8%	8.1%	7.1%	8.4%

Automotive Aftermarket in EUR mn

	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23
Sales	464	506	548	523	582	549	584
Sales Growth¹	+2.1%	+4.4%	+5.6%	+16.8%	+25.7%	+10.2%	+8.8%
EBIT reported	63	64	74	54	102	87	99
EBIT bsi	64	64	73	59	103	89	98
EBIT bsi margin	13.8%	12.7%	13.4%	11.2%	17.7%	16.3%	16.7%

Automotive Technologies in EUR mn

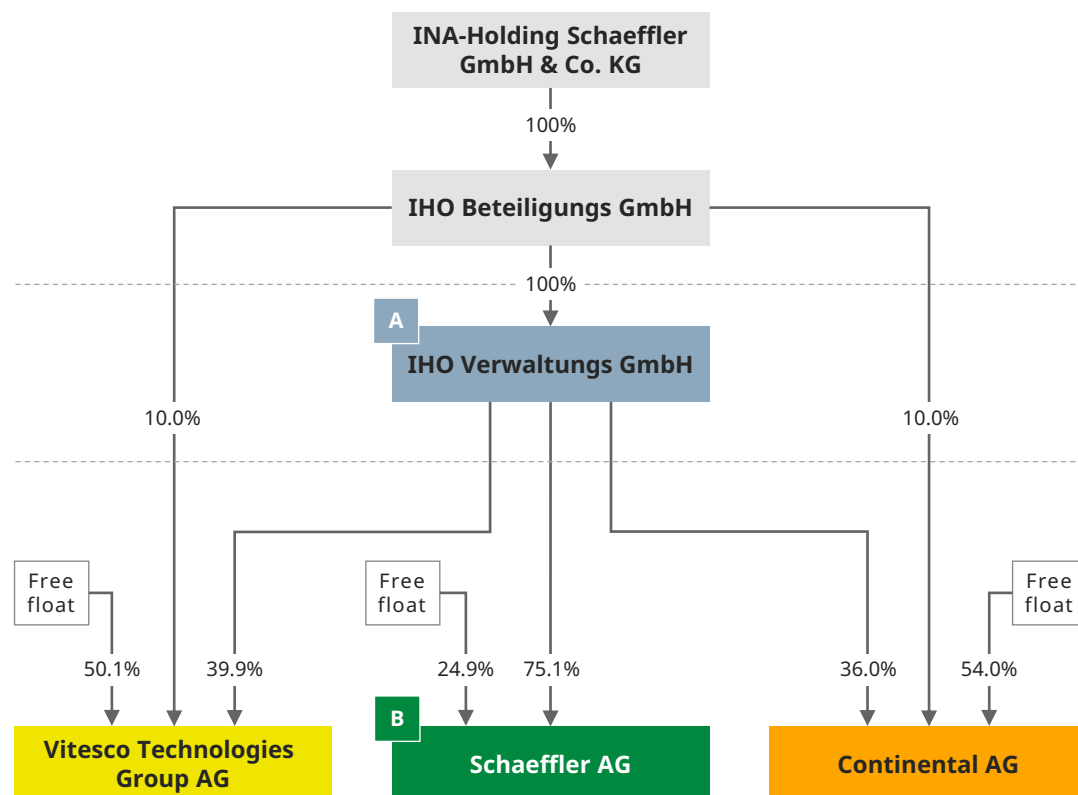
	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23
Sales	2,292	2,221	2,554	2,430	2,440	2,400	2,440
Sales Growth¹	-3.2%	+1.3%	+25.2%	+9.9%	+6.0%	+10.7%	+0.2%
EBIT reported	78	1	165	9	44	107	143
EBIT bsi	81	11	122	78	105	102	142
EBIT bsi margin	3.5%	0.5%	4.8%	3.2%	4.3%	4.3%	5.8%

Industrial in EUR mn

	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23
Sales	1,002	1,062	1,140	1,066	1,130	1,107	1,038
Sales Growth¹	+15.7%	+11.7%	+17.8%	+13.7%	+13.4%	+7.9%	-3.0%
EBIT reported	106	121	155	82	98	89	80
EBIT bsi	113	125	159	97	128	97	100
EBIT bsi margin	11.3%	11.7%	13.9%	9.1%	11.3%	8.8%	9.7%

Overview Corporate and Financing Structure

Corporate structure (simplified) as of September 30, 2023



Financing structure as of September 30, 2023

A	IHO Verwaltungs GmbH Debt instrument	Nominal	Nominal	Interest	Maturity	Rating Fitch/Moody's/S&P
		USD mn	EUR ¹ mn			
Loans	RCF (EUR 800 mn)	-	0	E+3.25%	Dec-24	Not rated
	3.75% SSNs 2026 (EUR)	-	750	3.750%	Sep-26	BB/Ba2/BB-
Bonds	4.75% SSNs 2026 (USD)	500	472	4.750%	Sep-26	BB/Ba2/BB-
	3.875% SSNs 2027 (EUR)	-	500	3.875%	May-27	BB/Ba2/BB-
	6.00% SSNs 2027 (USD)	450	425	6.000%	May-27	BB/Ba2/BB-
	8.75% SSNs 2028 (EUR)	-	800	8.750%	May-28	BB/Ba2/BB-
	6.375% SSNs 2029 (USD)	400	377	6.375%	May-29	BB/Ba2/BB-
Total IHO Verwaltungs GmbH		3,324		Ø 5.36% ^{2,3}		

B	Schaeffler AG Debt instrument	Nominal	Nominal	Interest	Maturity	Rating Fitch/Moody's/S&P
		USD mn	EUR ¹ mn			
Loans	RCF (EUR 2,000 mn)	-	-	E+0.725%	Nov-27	Not rated
	Term Loan (EUR)	-	500	E+1.650%	Nov-27	Not rated
	Term Loan (EUR)	-	125	undisclosed	Aug-27	Not rated
	Schuldschein Loans (EUR)	-	293	Ø 4.150%	May 25, 28 & 30	Not rated
CP	Commercial Paper (EUR)	-	-	-	-	Not rated
Bonds	1.875% SNs 2024 (EUR)	-	800	1.875%	Mar-24	BB+/Baa3/BB+
	2.750% SNs 2025 (EUR)	-	750	2.750%	Oct-25	BB+/Baa3/BB+
	2.875% SNs 2027 (EUR)	-	650	2.875%	Mar-27	BB+/Baa3/BB+
	3.375% SNs 2028 (EUR)	-	750	3.375%	Oct-28	BB+/Baa3/BB+
Total Schaeffler AG		3,868		Ø 3.38% ³		

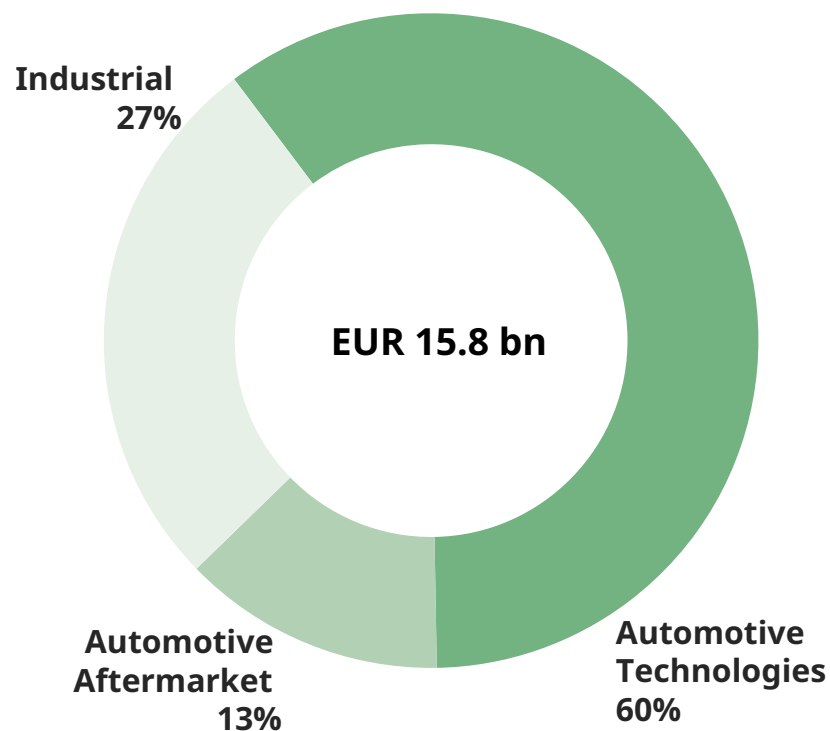
- Group -

BACKUP

Schaeffler Group at a glance – The Motion Technology Company

3 Divisions

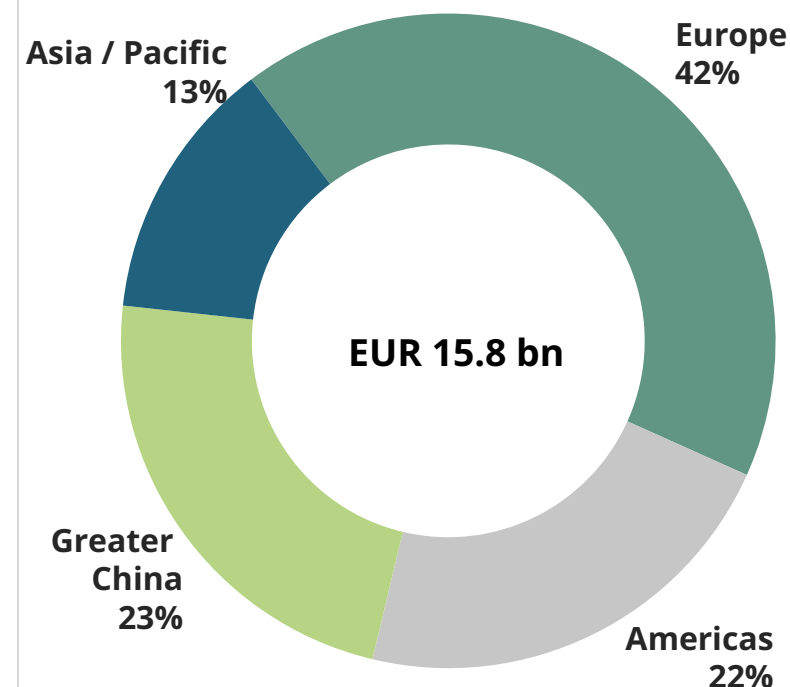
in % of FY 2022



- 3 Divisions serving attractive, sizeable Automotive and Industrial markets with secular growth
- Diversified customer base across 10 sectors
- Market leading product offering across components, systems, services
- Global footprint, in the region for the region, high customer proximity
- Experienced leadership team with focus on execution
- Family owned and listed (25% non-voting)

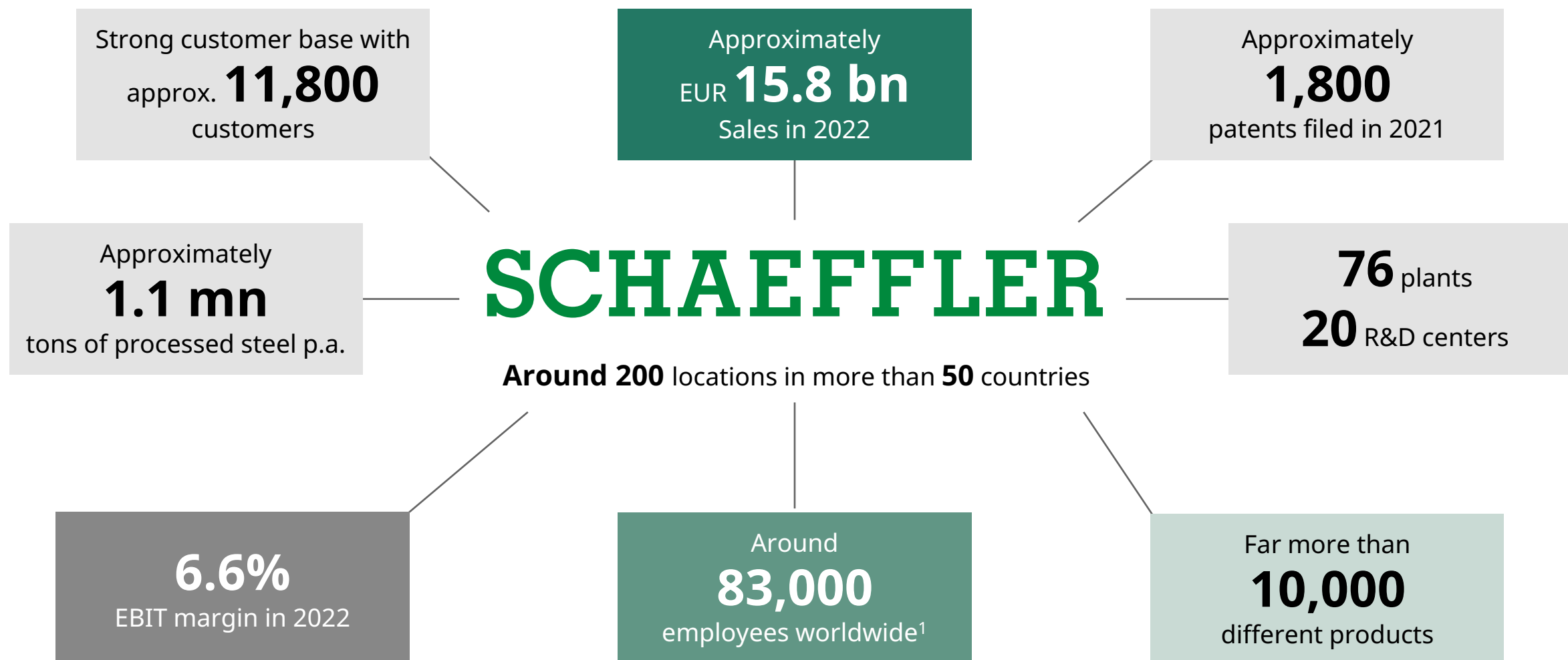
4 Regions

in % of FY 2022



Diversified exposure in attractive markets, synergistic businesses and global reach

Schaeffler Group – A strong starting point



Schaeffler Group – Our Customers

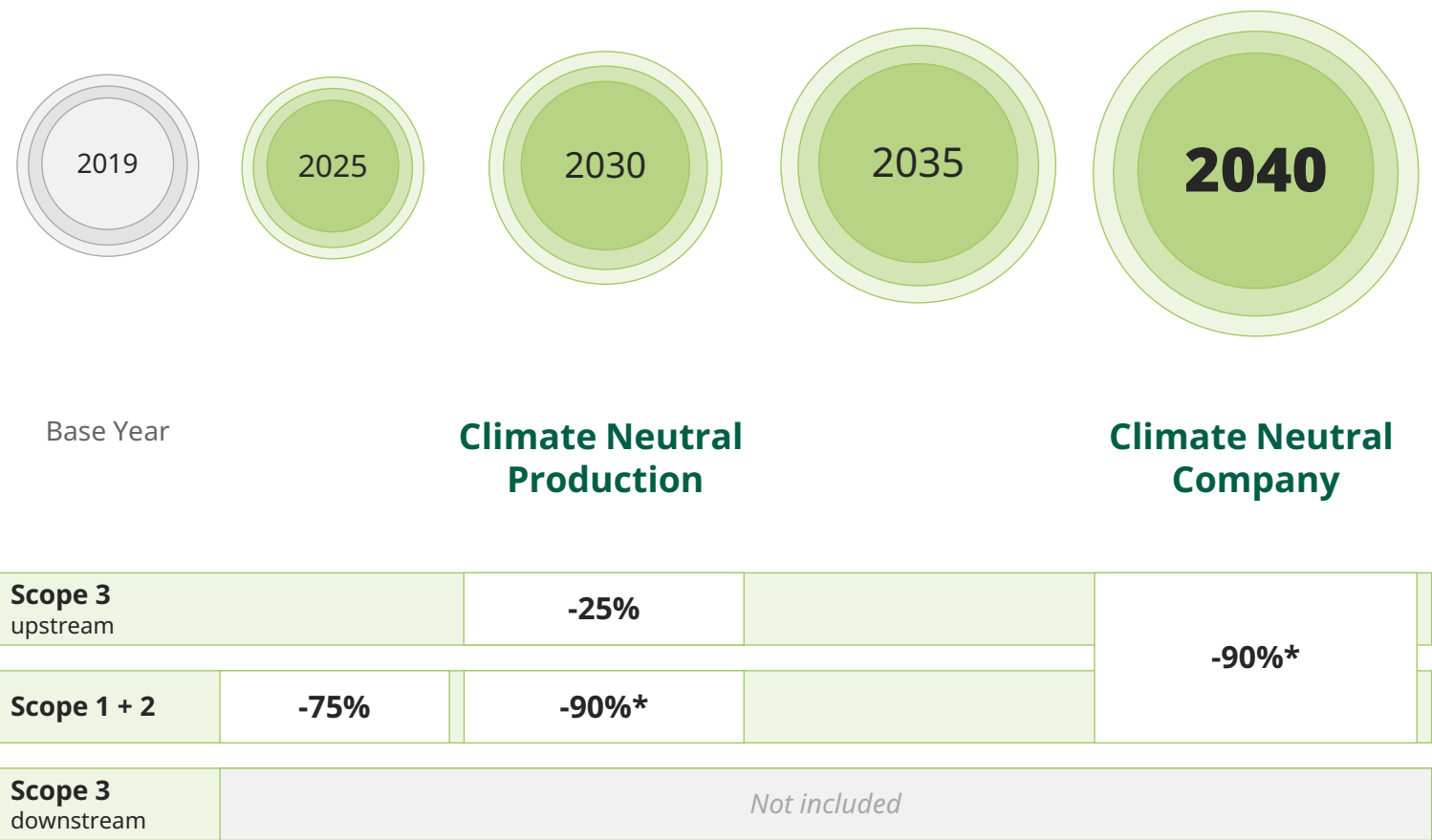


- Sustainability -

BACKUP

Path to Climate Neutrality – Ambitious Scope targets defined

Long-Term Sustainability Targets



KEY ASPECTS

- Decarbonization as top priority
- Emissions occurring in the supply chain (Scope 3 upstream):
 - Climate neutral from 2040
 - Emission reduction of 25% until 2030
 - From 2025, Schaeffler will source 100,000 tons of green steel on an annual basis from Swedish start-up H2greensteel
- Production facilities (Scope 1+2):
 - Climate neutral from 2030
 - Emission reduction of 75% until 2025
- Clear strategy with specific measures being defined and implemented across the company

Sustainability – Our goal is to be climate-neutral from 2040 onwards



Ten Action Fields: In order to achieve the goal of climate neutrality by 2040, we have refined our sustainability strategy in a holistic approach and designed it along the three ESG* dimensions.

ENVIRONMENT

- 1 Climate neutrality
- 2 Circularity
- 3 Resource efficiency and environmental protection
- 4 Green products

SOCIAL

- 5 Diversity, employees and people development
- 6 Occupational health and safety
- 7 Responsibility in society and supply chain
- 8 Product safety and integrity

GOVERNANCE

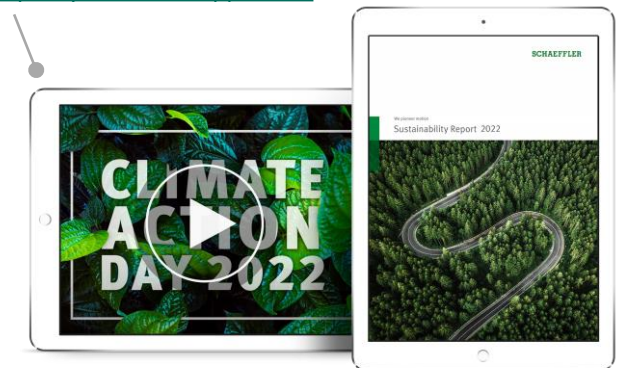
- 9 Corporate governance
- 10 Business integrity

Key Aspects

- Successful sustainability management through cross-functional and cross-divisional activities
- Structure of the sustainability management approach reflected in internal & external reporting

The online version of the Sustainability Report is available at:
<https://www.schaeffler-sustainability-report.com>

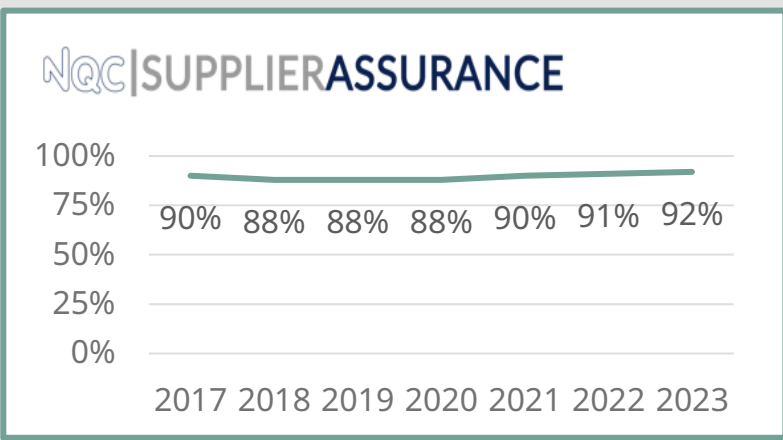
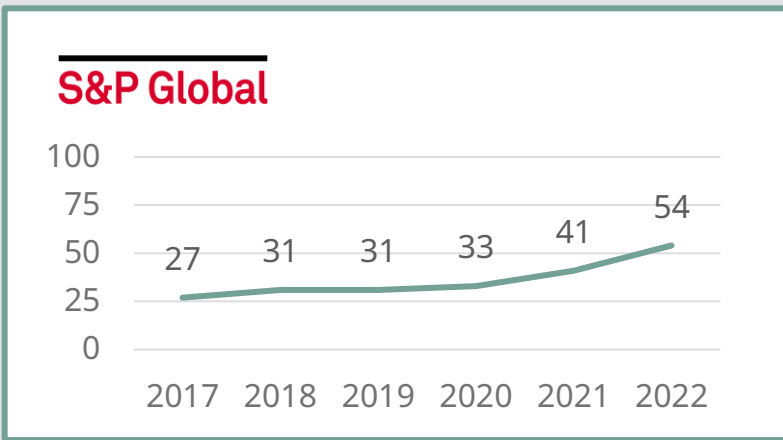
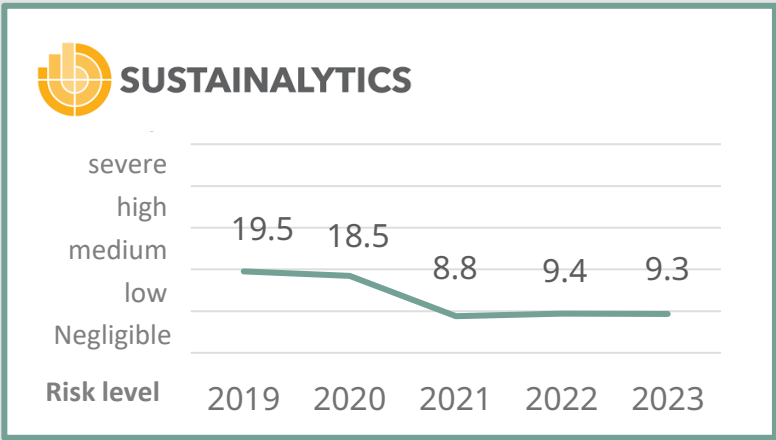
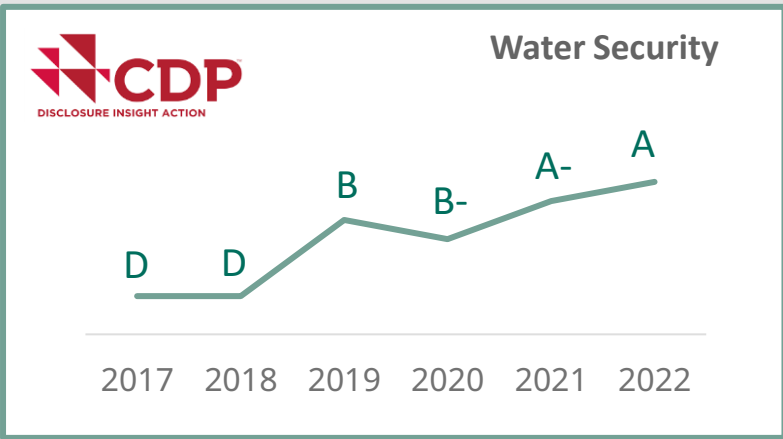
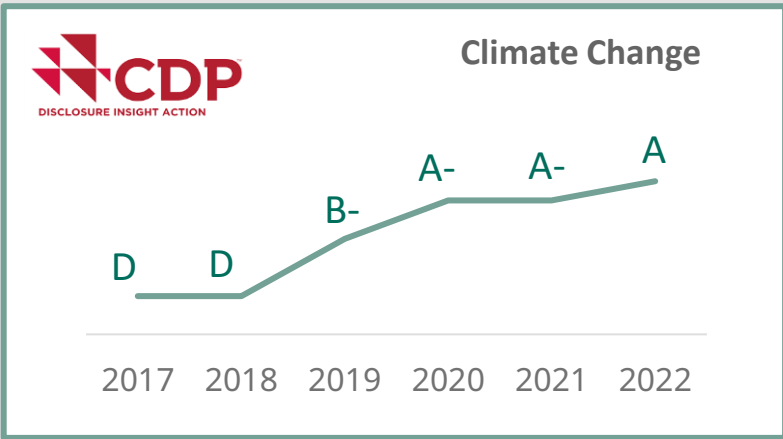
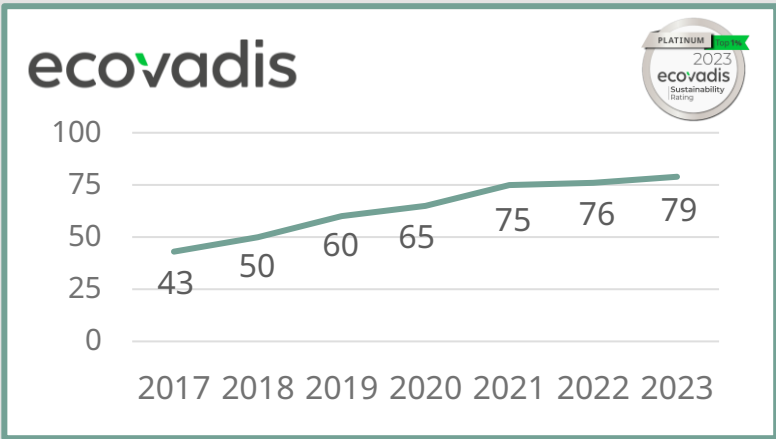
Some highlights of our global Climate Action Day can be viewed at:
<https://youtu.be/VIBpp-3fAYA>



Sustainability Targets – We set clear ESG related targets



Overview Sustainability Ratings – strong track record

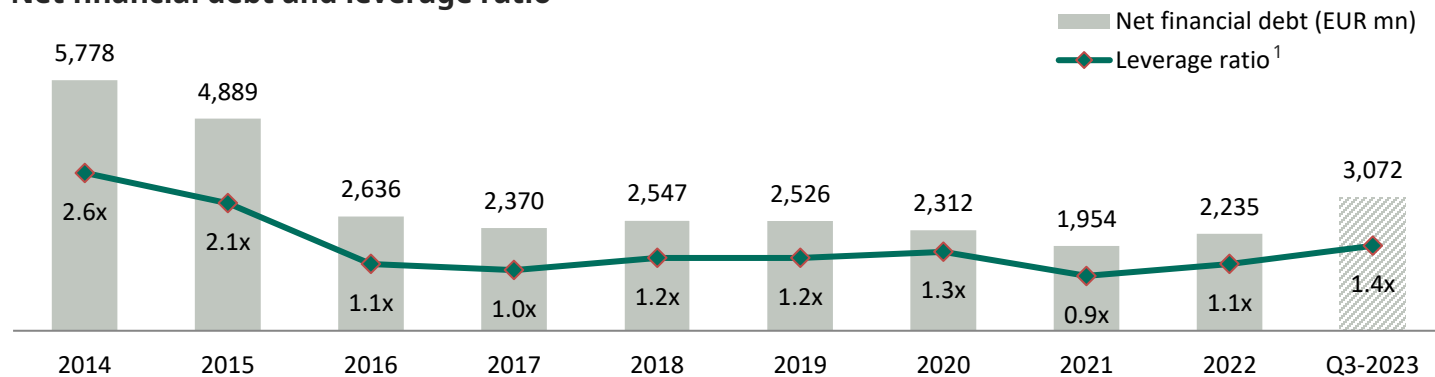


- Credit -

BACKUP

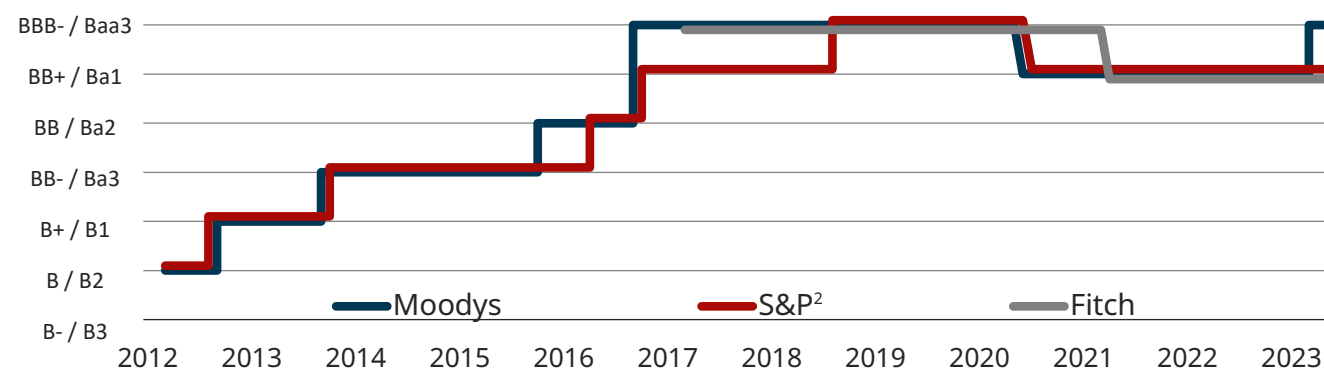
Schaeffler maintains prudent leverage metrics with stable leverage development despite global volatility – Moody's upgraded Schaeffler's ratings in March 2023 to Baa3

Net financial debt and leverage ratio



¹ Leverage ratio: Net financial debt to LTM EBITDA before special items

Rating Development Schaeffler AG



² Rating based on combined Schaeffler Group and IHO Group metrics

Key aspects

- Schaeffler's leverage ratio stood solidly around 1.0x on a full year basis in recent years despite the ongoing transformation in the industry, the corona pandemic and the economic and geopolitical challenges of 2022.
- Leverage ratio increased to 1.4x in Q1 2023 due to the Ewellix acquisition. Schaeffler aims for a leverage ratio in a corridor of 1.25x – 1.75x in line with its Mid-term Targets.
- In its upgrade in March, Moody's highlighted among others Schaeffler's solid operating performance despite a challenging global environment as well as its consistently strong credit metrics and excellent liquidity.
- Schaeffler aims to regain investment grade ratings from all rating agencies in the medium to long term.

Current Ratings Schaeffler Group

	FitchRatings	MOODY'S	STANDARD & POOR'S
Corporate Rating	BB+	Baa3	BB+ ²
Outlook	stable	stable	stable
Bond Rating	BB+	Baa3	BB+

² Rating based on combined Schaeffler Group and IHO Group metrics

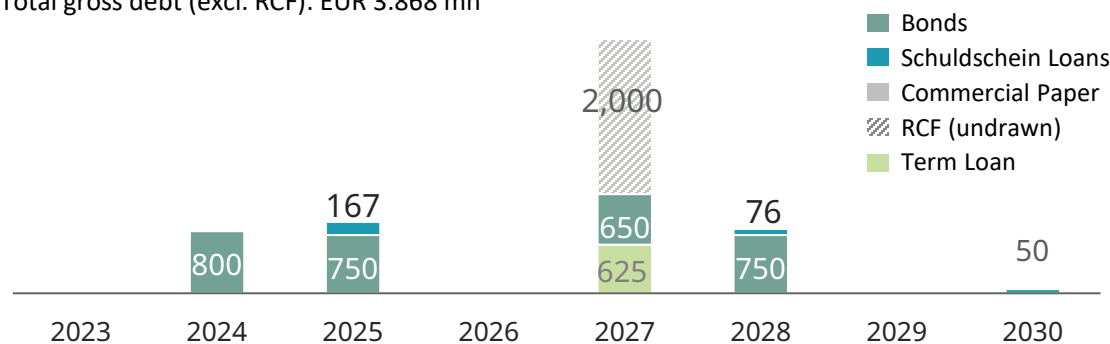
Well balanced financing structure with diversified debt instruments and no maturity in 2023

Finance structure Schaeffler AG | as of September 30, 2023

	Debt Instrument	Nominal (EUR m)	Interest	Maturity	Rating (Fitch/Moody's/S&P)
Loans	RCF (EUR 2,000 m)	-	E+0.725%	Nov-27	Not rated
	Term Loan (EUR)	500	E+1.650%	Nov-27	Not rated
	Term Loan (EUR)	125	undisclosed	Aug-27	Not rated
	Schuldschein Loans (EUR)	293	Ø 4.150%	May-25, 28 & 30	Not rated
CPs	Commercial Paper (EUR)	-	-	-	Not rated
Bonds	1.875% SNs 2024 (EUR)	800	1.875%	Mar-24	BB+/Baa3/BB+
	2.750% SNs 2025 (EUR)	750	2.750%	Oct-25	BB+/Baa3/BB+
	2.875% SNs 2027 (EUR)	650	2.875%	Mar-27	BB+/Baa3/BB+
	3.375% SNs 2028 (EUR)	750	3.375%	Oct-28	BB+/Baa3/BB+
Total Schaeffler Group		3,868	Ø 3.38%		

Maturity Profile Schaeffler AG | as of September 30, 2023 (EUR mn)

Total gross debt (excl. RCF): EUR 3.868 mn



Key aspects

- Schaeffler AG maintains a strong liquidity position with no major maturities in 2023.
- In November 2022 executed early refinancing and increased **RCF to EUR 2.0 bn** to address maturity proactively and prepare liquidity for expected growth in the coming years.
- Signing of new **EUR 500 mn Term Loan** with 5-year maturity to refinance purchase price for Ewellix acquisition alongside November 2022 RCF refinancing as well as a new **EUR 125 mn Term Loan** in August 2023.
- All three facilities **incorporate ESG-linkage of margin** to underline Schaeffler's ESG commitment.
- Schaeffler is regularly updating its **EUR 7.5 bn Debt Issuance Program** in order to be able to enter the bond markets quickly, flexibly and efficiently.
- Since its **Green Schuldschein** debut in 2020, Schaeffler maintained a Green Finance Framework and has published a new **Green & Sustainability-Linked Financing Framework** in August 2023. Schaeffler will continue to reflect its commitment to sustainability in upcoming financings where feasible.