



**SCHAEFFLER**

# Q1 2023 Schaeffler AG earnings

May 9, 2023  
Herzogenaurach

We pioneer motion

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## Schaeffler Group with strong Sales growth and good performance in Q1 2023

### Key messages Q1 2023

- 1** Q1 Sales<sup>1</sup> +10.4% – All Divisions growing thanks to price and volume; Region Europe leading with double-digit growth
- 2** Q1 Gross margin 23.7% – Mainly driven by exceptionally strong quarter in Automotive Aftermarket
- 3** Q1 EBIT margin<sup>2</sup> 8.1% – Driven by Automotive Aftermarket and Automotive Technologies
- 4** Q1 FCF<sup>3</sup> EUR -73 mn – Q1 includes restructuring cash-out (EUR 105 mn) and German wage inflation lump-sum payment (EUR 35 mn)
- 5** FY 2023 Guidance – Good Q1 is encouraging, guidance confirmed for all metrics
- 6** Strong Balance Sheet – Schaeffler AG rating upgraded by Moody's in March 2023 to Investment grade (Baa3)

Sales growth<sup>1</sup> Q1

**+10.4%**

EUR 4,152 mn

Gross Margin Q1

**23.7%**

Q1 2022: 23.2%

EBIT margin<sup>2</sup> Q1

**8.1%**

Q1 2022: 6.9%

Free Cash Flow<sup>3</sup> Q1

**EUR -73 mn**

Q1 2022: EUR 14 mn

## Sales Performance Q1 2023 – Growth across all Divisions and Regions

Q1 2023 <sup>1</sup>	% of Group Sales	Automotive Technologies 59%	Automotive Aftermarket 14%	Industrial 27%	Region Growth
Europe	45%	+15.1%	+30.3%	+12.2%	+17.3%
Americas	22%	+0.8%	+15.9%	+14.4%	+5.4%
Greater China	20%	-8.2%	+17.2%	+19.1%	+1.0%
Asia/ Pacific	13%	+15.5%	+20.1%	+5.9%	+12.9%
Division Growth		+6.0%	+25.7%	+13.4%	+10.4%

## Schaeffler Group Q1 2023 – Highlights and lowlights

- ^ **Automotive Technologies**  
Portfolio strategy paying off – Continued strong growth<sup>1</sup> in E-Mobility and Chassis; Half of FY E-Mobility Order Intake target achieved in Q1
- ^ **Automotive Aftermarket**  
Double-digit growth<sup>1</sup> and high quality of earnings
- ^ **Industrial**  
Ewellix transaction closed in Q1, ECO-Adapt signed – Double-digit growth in Industrial Automation and Renewables; all Regions growing<sup>1</sup>
- ^ **Free Cash Flow<sup>3</sup>**  
Solid underlying cash generation in Q1

- v **Outperformance Automotive Americas**  
In Automotive Technologies negative outperformance in the Americas Region due to declining raw material prices and transactional FX
- v **Striving for higher quality of earnings**  
Good performance overall but focus on further improvement potential

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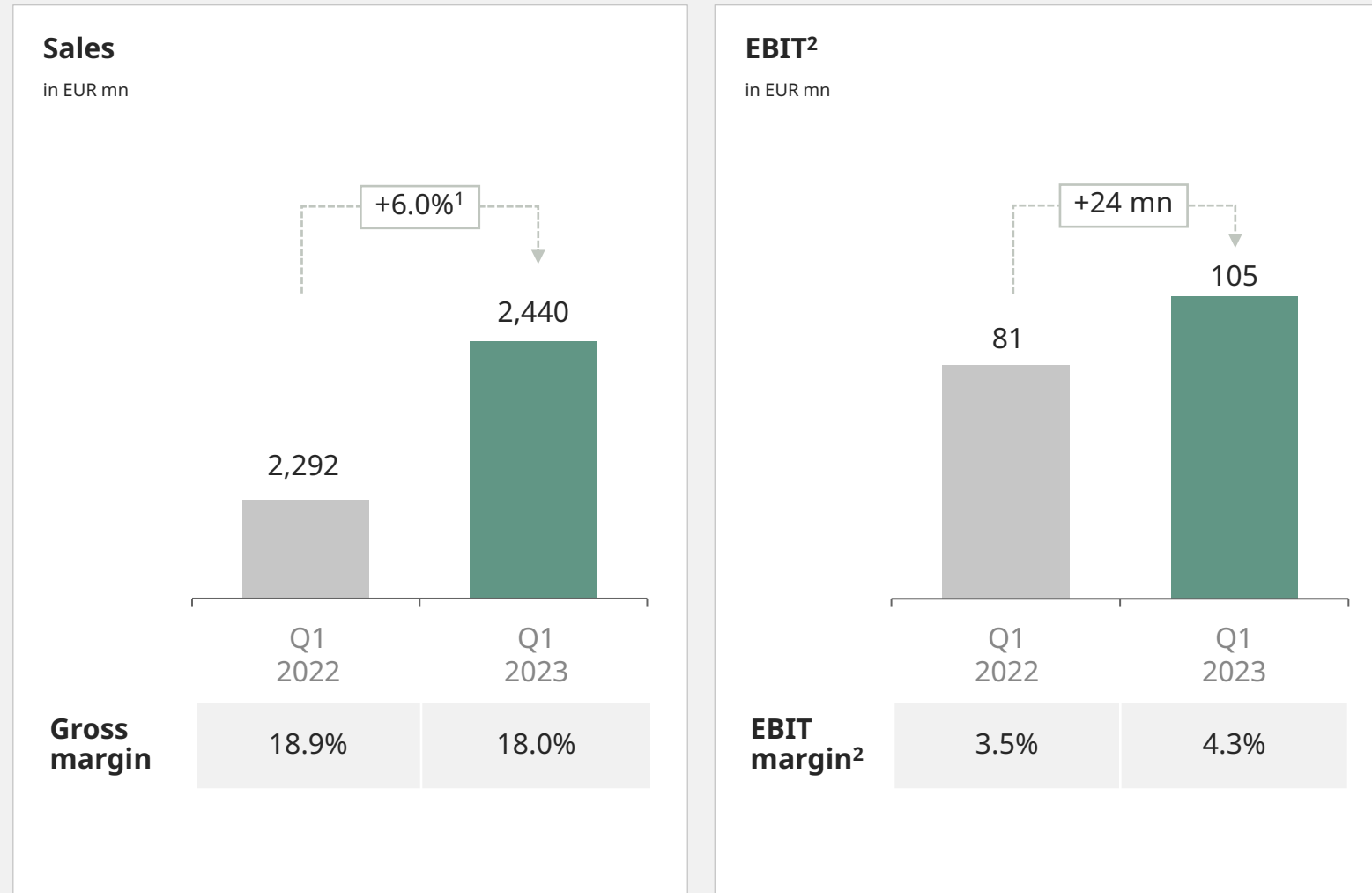
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## Automotive Technologies – Moderate Sales growth<sup>1</sup>, EBIT margin<sup>2</sup> improved



### KEY ASPECTS

↑ Moderate Sales growth<sup>1</sup> of 6.0% driven by Europe (+15.1%) and supported by all Business Divisions; strong growth in E-Mobility, Chassis with double-digit growth rates

↓ Technically, negative outperformance in Americas driven by index-based Sales adjustments due to lower raw material prices and negative FX impact on Mexican Sales transacted in USD

Structurally, we are strongly anchored in important local HEV/BEV-programs

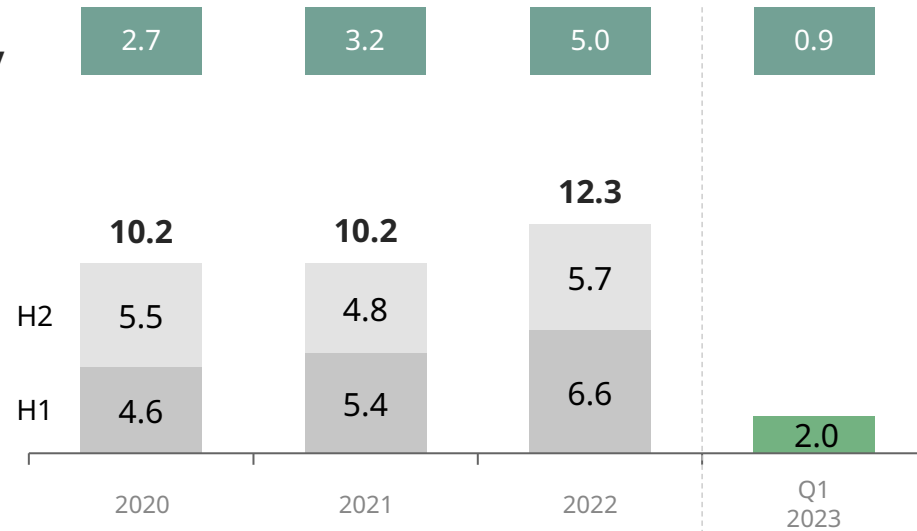
↑ Significant increase in EBIT margin<sup>2</sup> to 4.3%, driven by price, volume and good fixed cost absorption

## Automotive Technologies – Order intake E-Mobility on track for annual target of EUR 2 - 3bn

### Order Intake<sup>1</sup>

in EUR bn

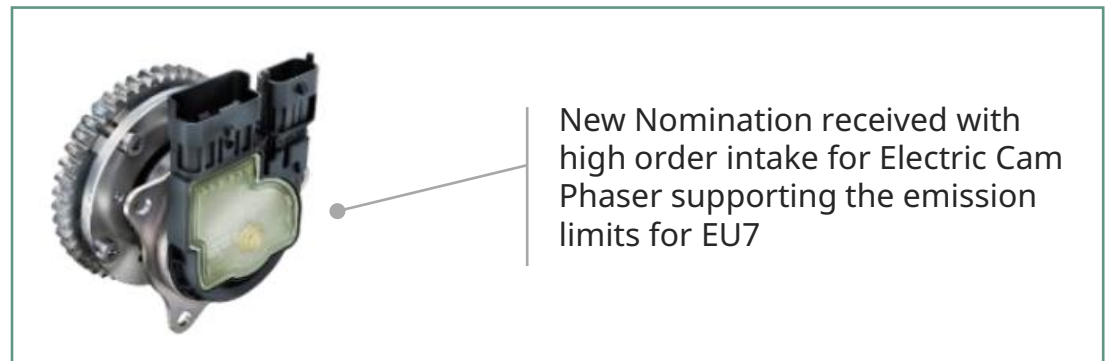
Thereof  
E-Mobility



### Book-to-bill-ratio<sup>2</sup>

H2	1.2	1.2	1.2	
H1	1.4	1.3	1.6	Q1 0.8
FY	1.3	1.3	1.4	

### Business Highlights

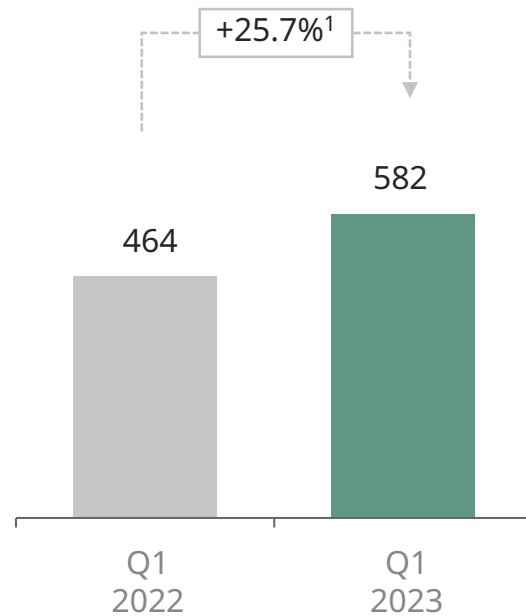


**E-Mobility FY 2023 Order Intake target: EUR 2 - 3 bn**

## Automotive Aftermarket – Exceptional double-digit Sales growth<sup>1</sup>, EBIT Margin<sup>2</sup> significantly improved

### Sales

in EUR mn

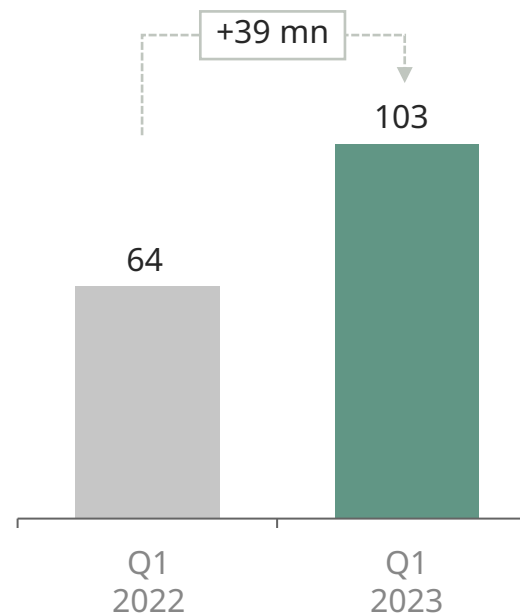


### Gross margin

Period	Gross margin
Q1 2022	31.2%
Q1 2023	35.3%

### EBIT<sup>2</sup>

in EUR mn



### EBIT margin<sup>2</sup>

Period	EBIT margin <sup>2</sup>
Q1 2022	13.8%
Q1 2023	17.7%

### KEY ASPECTS

- Exceptionally high double-digit Sales growth<sup>1</sup> vs. low comps, driven by strong demand, pricing and reduction of customer backlog
- Sales growth<sup>1</sup> mainly supported by Europe (+30.3%), especially in the Independent Aftermarket Business
- Significant EBIT margin<sup>2</sup> improvement driven by favorable Sales mix, continuous price management and operating leverage

## Automotive Aftermarket – Leading market position and enhanced logistical performance

### Leading market position

- Innovative repair solutions for Transmission, Engine and Chassis applications for wide car parc range in OE quality
- Excellent customer service and technical support as differentiator in the market
- Intelligent pricing allows to offset increased input costs



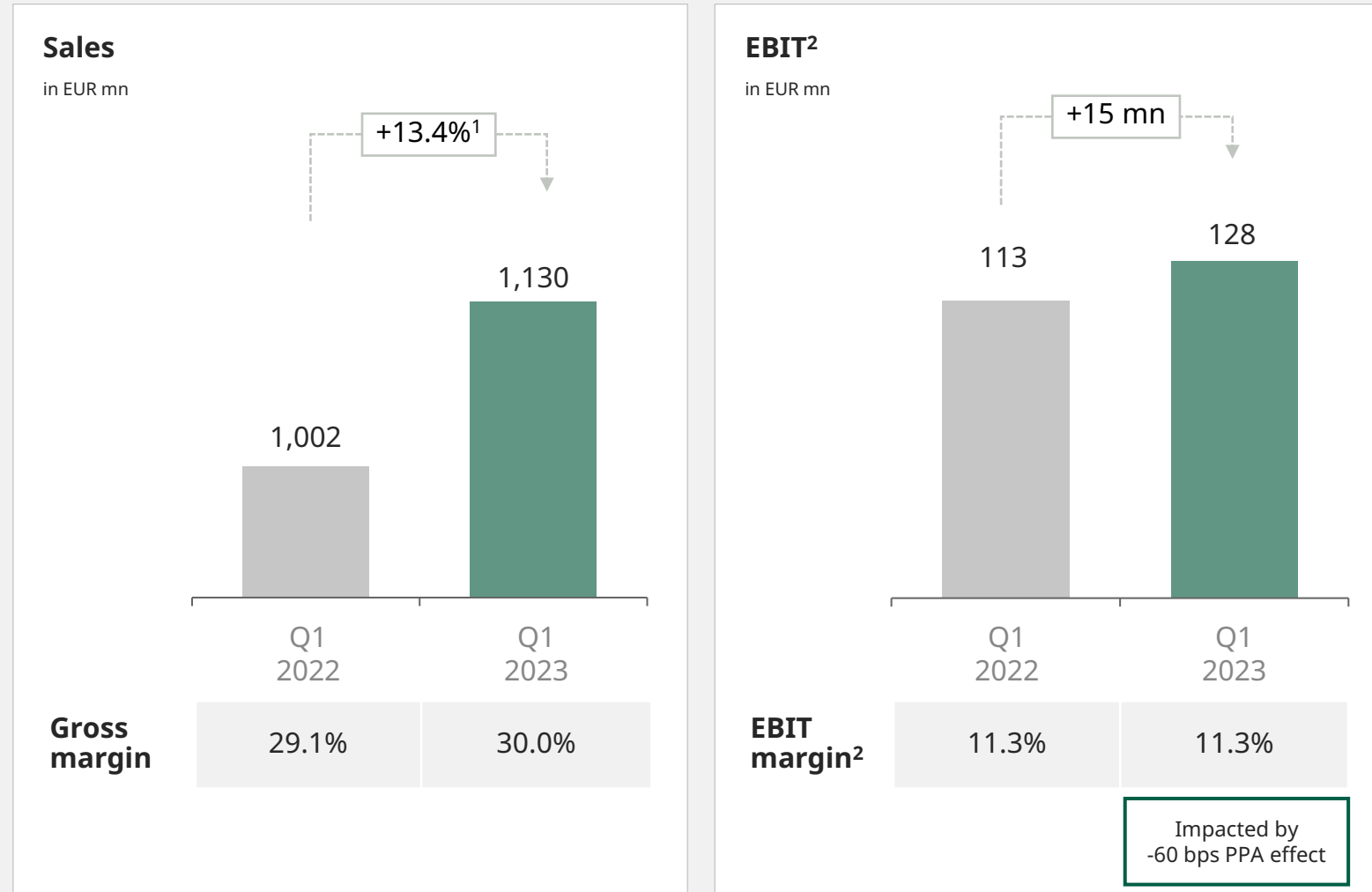
### Logistical performance

- Strong regional footprint as growth enabler
- Investments into logistic infrastructure and continuous process improvements lead to improved delivery service
- State-of-the-art kitting and distribution centers



Schaeffler Automotive Aftermarket well positioned for future growth

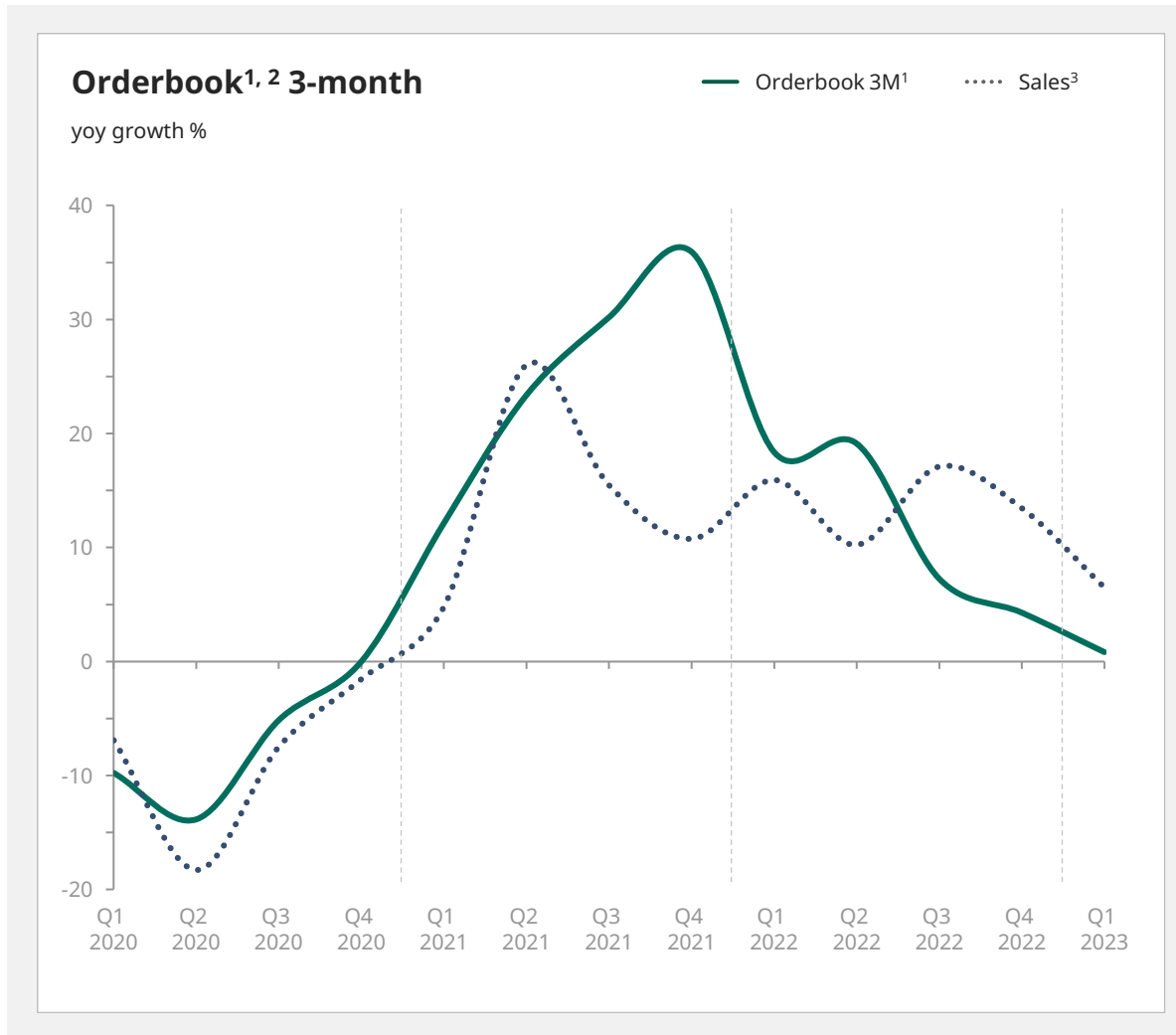
## Industrial – Double-digit Sales growth<sup>1</sup>, EBIT margin<sup>2</sup> includes Ewellix PPA amortization



### KEY ASPECTS

- ^ Strong Sales growth<sup>1</sup> (+13.4%), including Ewellix contribution; Greater China and Americas driving growth, double-digit rates especially in Industrial Automation and Renewables
- ^ Ewellix acquisition successfully closed – 11.3% EBIT margin<sup>2</sup> includes negative impact of 60 bps PPA amortization
- v Remaining inefficiencies from ongoing footprint consolidation in Europe, improvement potential further pursued

## Industrial – Orderbook growth further declining but still positive



### Business Highlights



Expanding the service portfolio with condition monitoring based on electrical signal diagnosis as well as intelligent energy monitoring thanks to ECO-Adapt acquisition



medias

Combining e-commerce, knowledge base and product catalogue – online customer platform “medias” awarded “Digital Champion” by German Institute for Service Quality

**Driving the digital transformation with innovative digital service solutions for our customers**

## Capital allocation – Continued prioritization of Capex for growth business

### Investment<sup>1</sup> allocation

in EUR mn

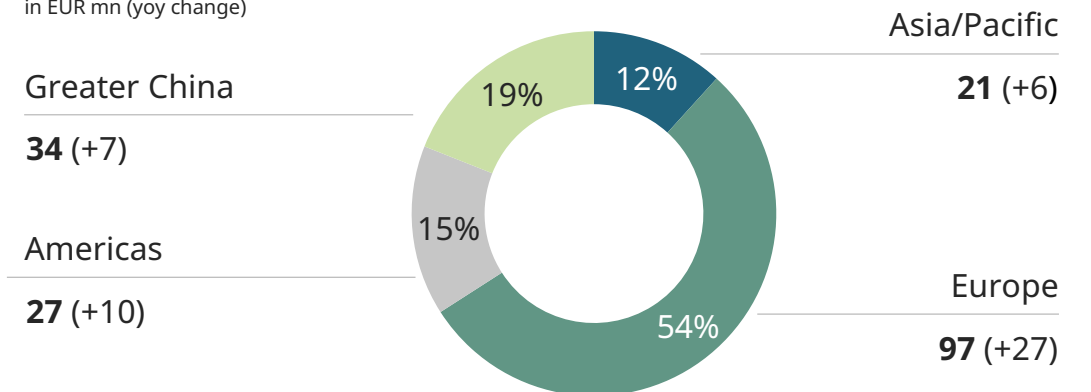
	FY 2021	FY 2022	Q1 2022	Q1 2023
<b>Automotive Technologies</b>	430	545	78	108
<b>Automotive Aftermarket</b>	20	40	8	11
<b>Industrial</b>	220	229	42	60
<b>Schaeffler Group</b>	<b>670</b>	<b>814</b>	<b>128</b>	<b>179</b>
<b>Capex</b>	<b>671</b>	<b>791</b>	<b>156</b>	<b>221</b>
<b>Capex ratio<sup>2</sup></b>	<b>4.8%</b>	<b>5.0%</b>	<b>4.2%</b>	<b>5.3%</b>
<b>Reinvestment Rate</b>	<b>0.7</b>	<b>0.9</b>	<b>0.6</b>	<b>0.8</b>

### KEY ASPECTS

- **Reinvestment Rate Target:** Continued prioritization of Industrial division and BD E-Mobility; clearly <1.0 in BD Bearings and Engine & Transmission
- **Automotive Technologies:** Investment in E-Mobility facilities in Greater China and Americas; Investments in Mature Business rationalization
- **Industrial:** Investment into capacity expansions in Savli (India)

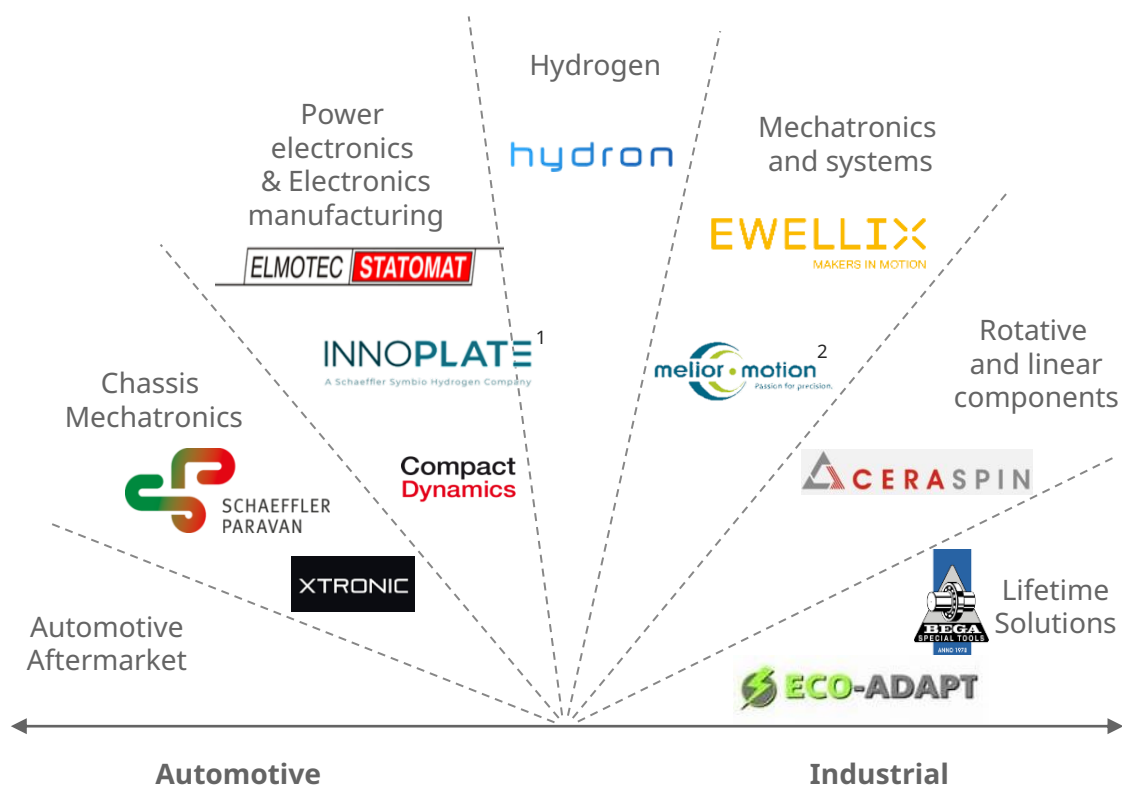
### Investments<sup>1</sup> by region Q1 2023

in EUR mn (yoy change)



## M&A – We continue to expand our ecosystem in a focused way, ECO-Adapt acquisition by Industrial in Q1

### M&A Radar



### Collaborations and partnerships

Automotive Technologies and Automotive Aftermarket



Industrial

We constantly evaluate “buy” vs “make” options and invest accordingly

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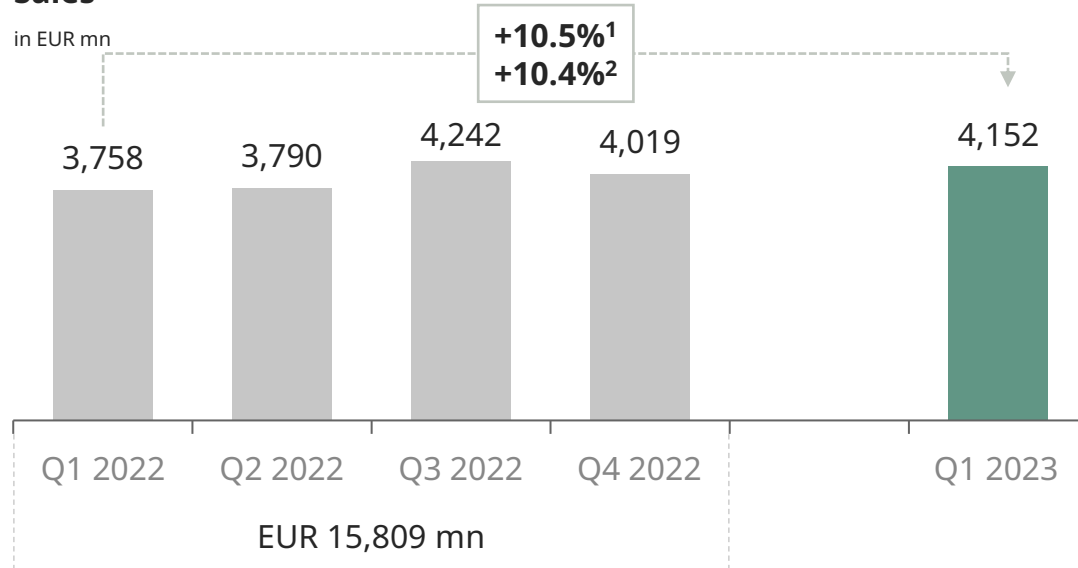
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## Sales – All Regions and Divisions growing, strong performance by Automotive Aftermarket

### Sales

in EUR mn



### Sales growth

Reported

+5.6%

+9.7%

+27.3%

+14.6%

+10.5%

FX-adjusted

+1.9%

+4.4%

+20.2%

+11.8%

+10.4%

### KEY ASPECTS

- **Automotive Technologies:** Strong performance by Regions Europe and Asia/Pacific, declining Sales<sup>2</sup> in Greater China (-8.2%)
- **Automotive Aftermarket:** All Regions with double-digit growth, Region Europe with exceptionally strong performance (+30.3%)
- **Industrial:** Region Greater China with +19.1% growth<sup>2</sup>, driven by Renewables Business (+30.7%)

### Sales by region Q1 2023

yoy growth<sup>2</sup>

Greater China

+1.0%

Americas

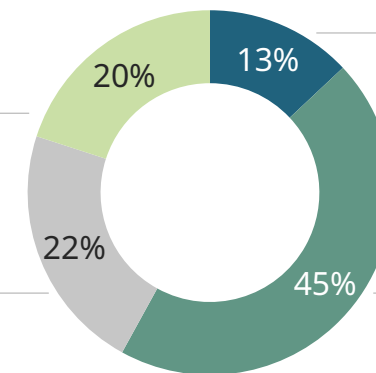
+5.4%

Asia/Pacific

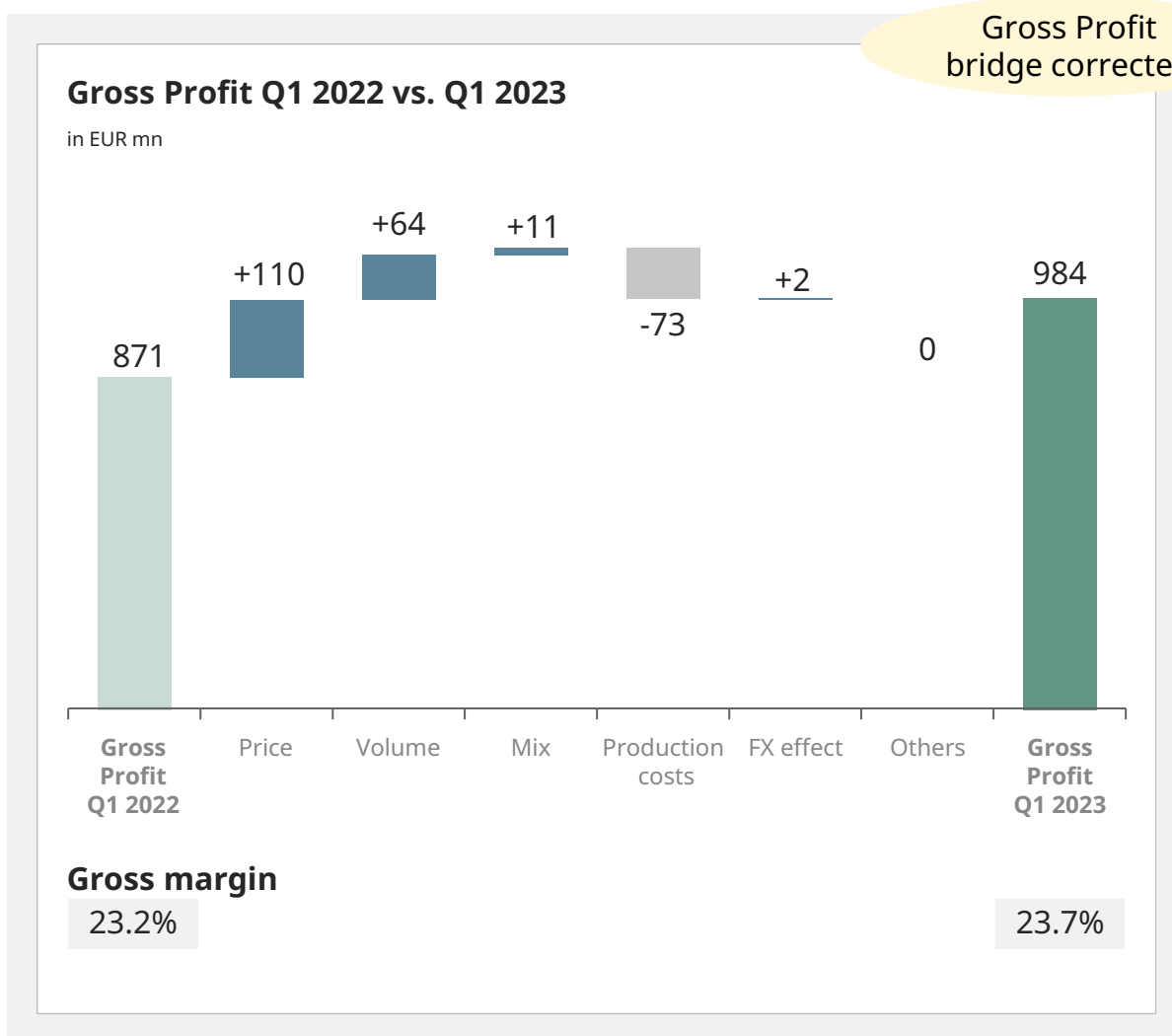
+12.9%

Europe

+17.3%



## Gross Profit – Positive Pricing, Volume and Mix effects in Q1 2023



### KEY ASPECTS

- **Pricing:** Sustained positive pricing effect across all Divisions
- **Volumes:** Increased volumes, particularly in the Automotive Aftermarket

### Gross margin

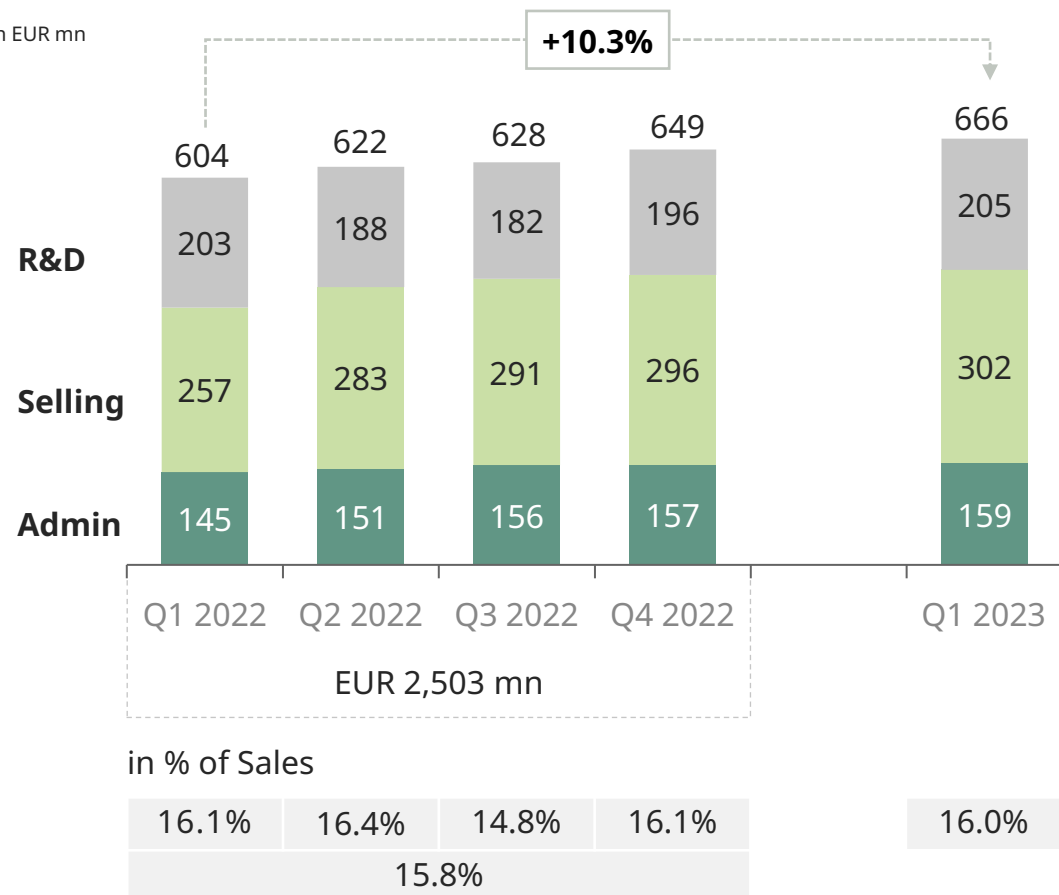
in % of Sales

	Q1 2022	Q1 2023	Q1 2023 vs. Q1 2022
<b>Automotive Technologies</b>	18.9%	18.0%	-0.9pp
<b>Automotive Aftermarket</b>	31.2%	35.3%	+4.1pp
<b>Industrial</b>	29.1%	30.0%	+0.9pp
<b>Schaeffler Group</b>	<b>23.2%</b>	<b>23.7%</b>	<b>+0.5pp</b>

## Overhead costs – Overhead cost increased yoy, driven by higher Selling expenses

### Overhead costs

in EUR mn



### KEY ASPECTS

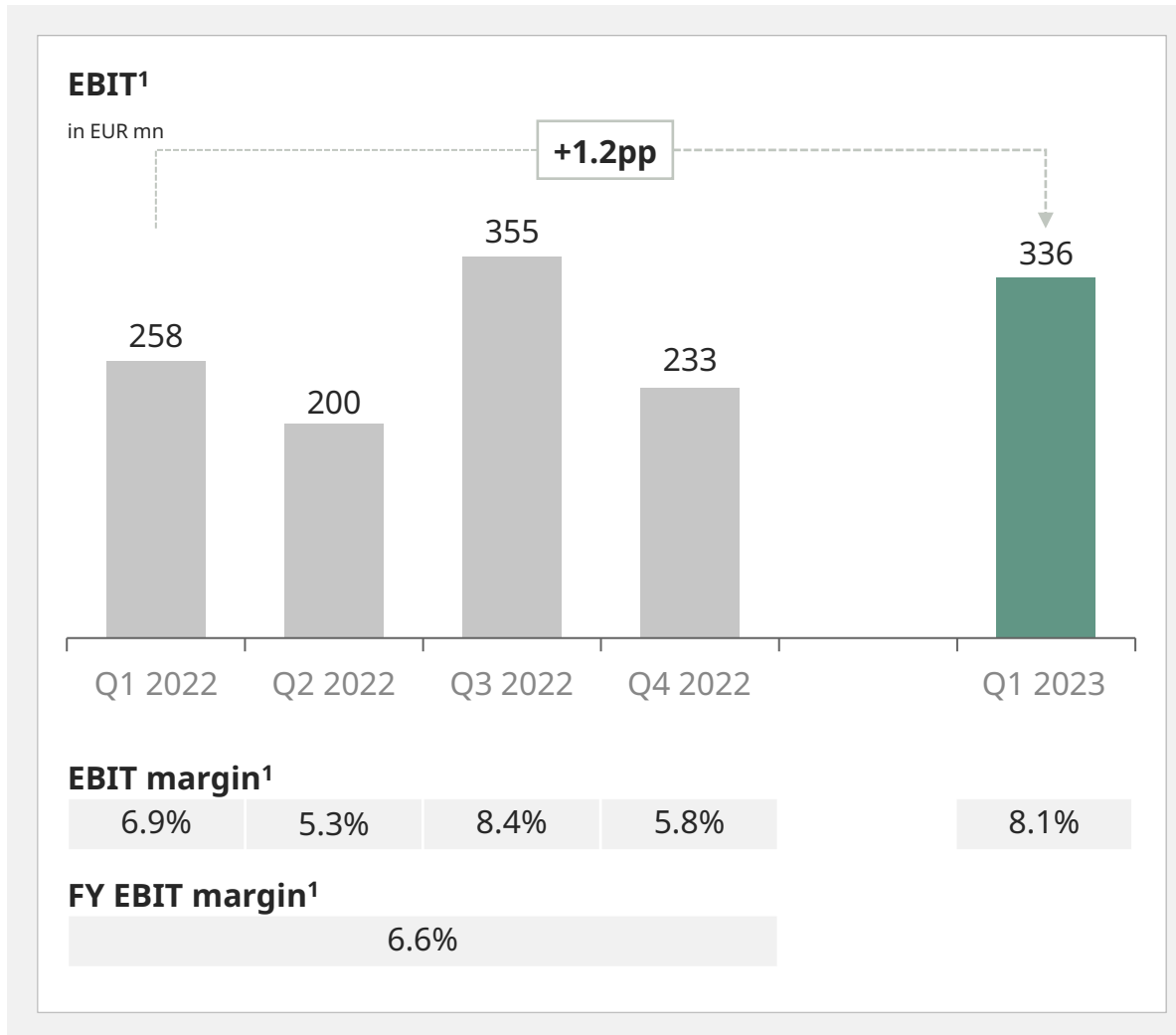
- **R&D:** Slight increase in R&D cost driven by innovation projects in the Industrial division
- **Selling expenses:** Higher Selling expenses, predominantly due to volume driven increased cost of warehousing
- **Admin cost:** Higher admin costs are mainly related to the consolidation of Ewellix

### Overhead cost ratio

in % of Sales

	Q1 2022	Q1 2023	Q1 2023 vs. Q1 2022
<b>Automotive Technologies</b>	15.1%	14.0%	-1.1pp
<b>Automotive Aftermarket</b>	17.2%	18.1%	+0.9pp
<b>Industrial</b>	17.9%	19.3%	+1.4pp
<b>Schaeffler Group</b>	<b>16.1%</b>	<b>16.0%</b>	<b>-0.1pp</b>

## EBIT margin<sup>1</sup> – Good margin level driven by extraordinary strong Automotive Aftermarket



### KEY ASPECTS

- **Automotive Technologies:** EBIT margin<sup>1</sup> improved sequentially and yoy, driven by price and volume effects
- **Automotive Aftermarket:** EBIT margin<sup>1</sup> very strong, supported by mix and price effects as well as temporary volume effects (reduction of backlog)
- **Industrial:** EBIT margin<sup>1</sup> on prior year level

### EBIT margin<sup>1</sup>

in % of Sales

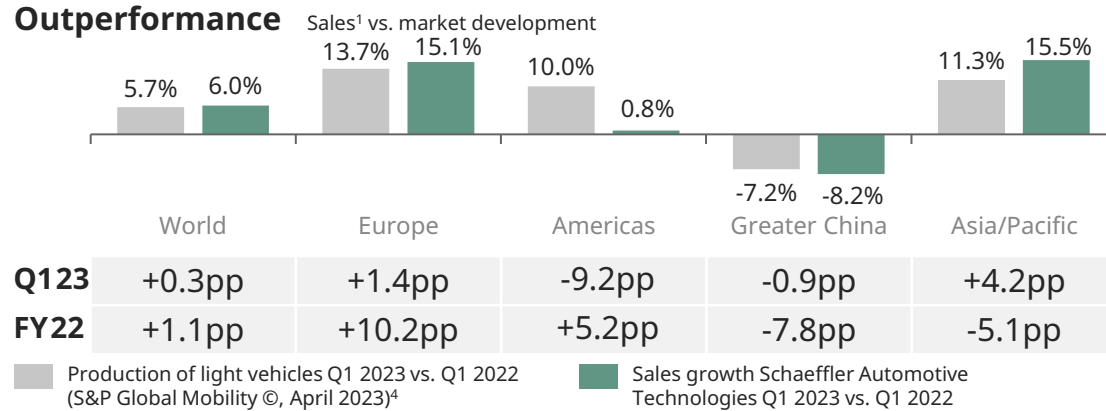
	Q1 2022	Q1 2023	Q1 2023 vs. Q1 2022
<b>Automotive Technologies</b>	3.5%	4.3%	+0.8pp
<b>Automotive Aftermarket</b>	13.8%	17.7%	+3.9pp
<b>Industrial</b>	11.3%	11.3%	0.0pp
<b>Schaeffler Group</b>	6.9%	8.1%	+1.2pp

## Automotive Technologies – All Business Divisions growing<sup>1</sup>, improved EBIT margin<sup>2</sup>

### Sales by business division yoy growth

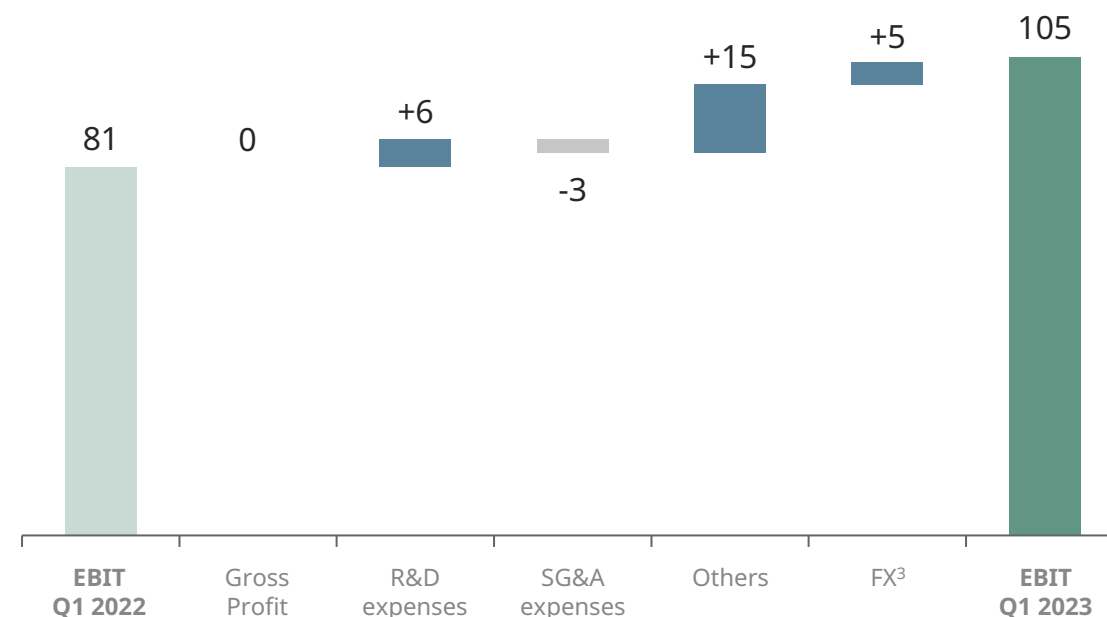
	Q1 2022	Q1 2023	Δ <sup>1</sup>
<b>E-Mobility</b>	307	336	+9.5%
<b>Engine &amp; Transmission</b>	1,257	1,340	+5.8%
<b>Bearings</b>	643	659	+2.6%
<b>Chassis Systems</b>	86	104	+21.3%
<b>Total</b>	<b>2,292</b>	<b>2,440</b>	<b>+6.0%</b>

### Outperformance



### EBIT<sup>2</sup> Q1 2022 vs. Q1 2023

in EUR mn



### EBIT margin development<sup>2</sup>

3.5%

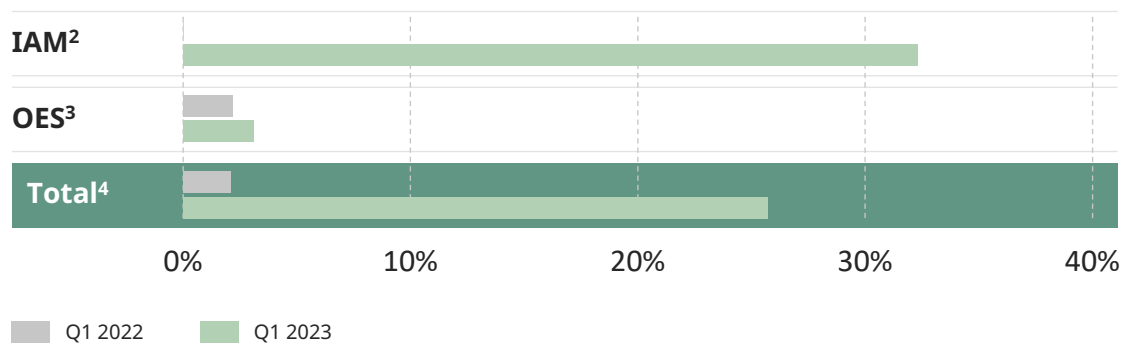
4.3%

## Automotive Aftermarket – Double-digit Sales growth<sup>1</sup> across all Regions, strong EBIT margin<sup>2</sup> expansion

### Sales by region yoy growth

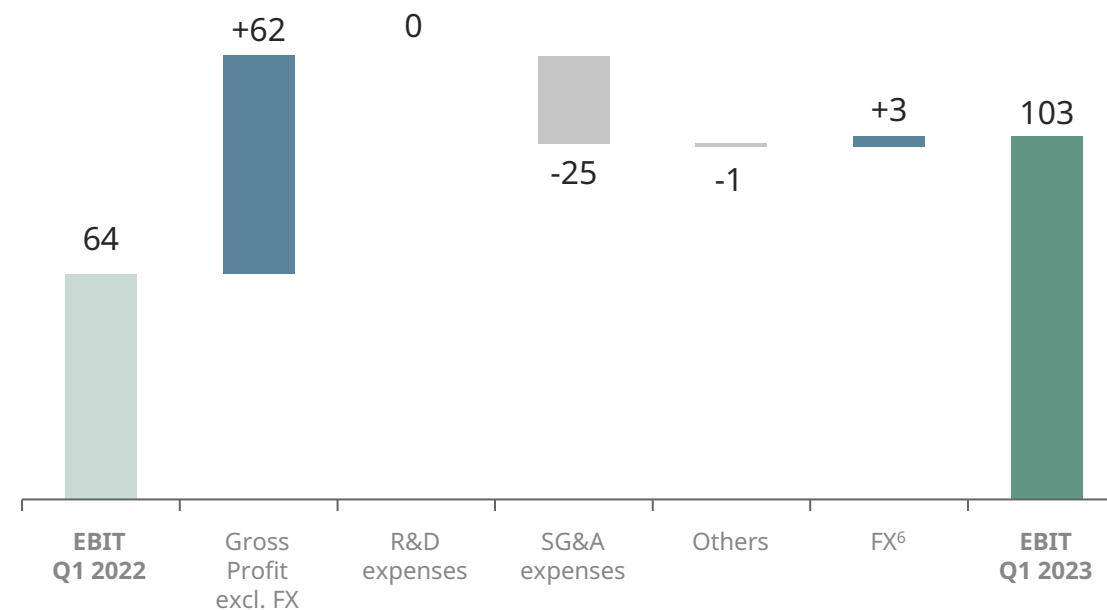
	Q1 2022	Q1 2023	$\Delta^1$
Europe	306	394	+30.3%
Americas	99	120	+15.9%
Greater China	30	34	+17.2%
Asia/Pacific	29	34	+20.1%
<b>Total</b>	<b>464</b>	<b>582</b>	<b>+25.7%</b>

### Automotive Aftermarket Sales growth by channel<sup>1</sup>



### EBIT<sup>5</sup> Q1 2022 vs. Q1 2023

in EUR mn



### EBIT margin development<sup>5</sup>

13.8%

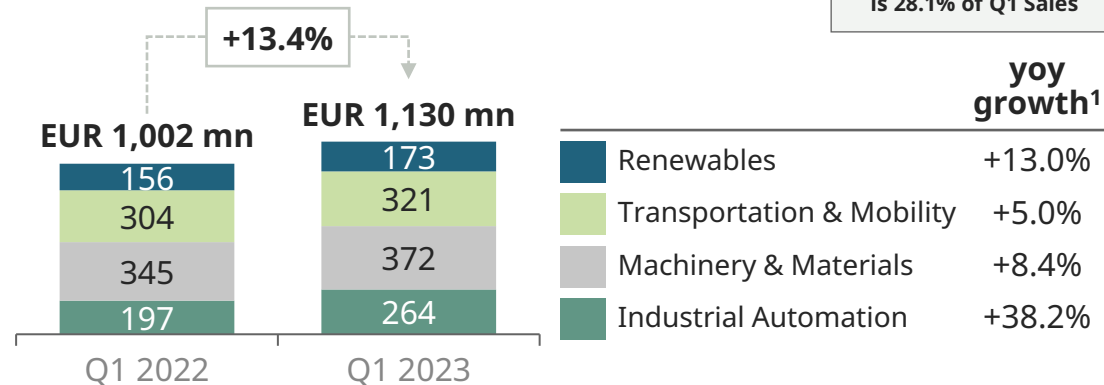
17.7%

## Industrial – Growth<sup>1</sup> across all Regions and Market Clusters, increased EBIT<sup>2</sup> yoy

### Sales by region yoy growth

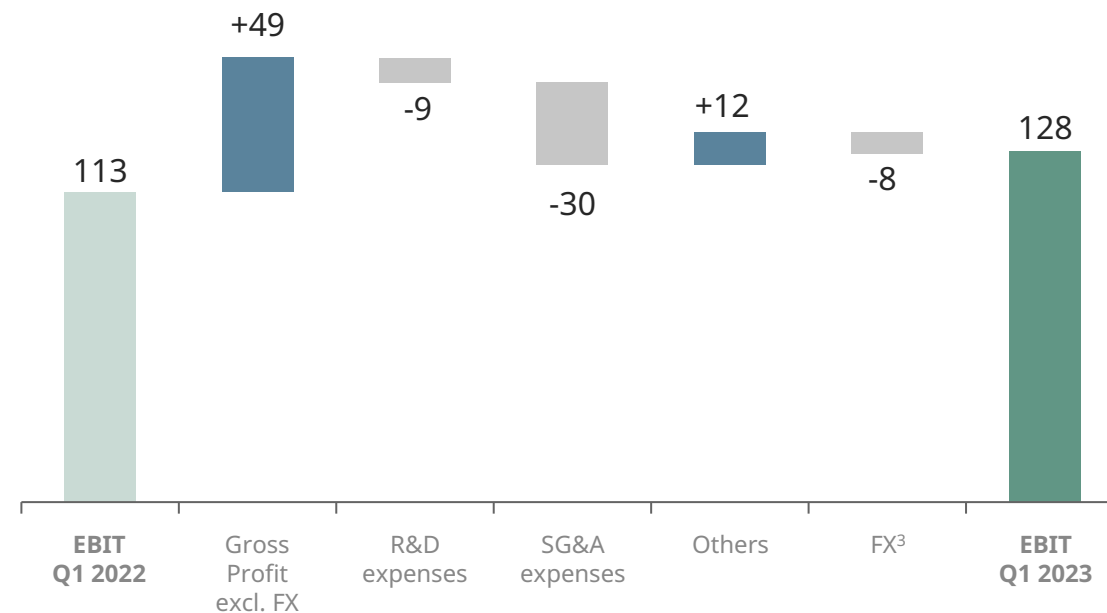
	Q1 2022	Q1 2023	Δ <sup>1</sup>
Europe	427	477	+12.2%
Americas	170	201	+14.4%
Greater China	255	297	+19.1%
Asia/Pacific	150	155	+5.9%
<b>Total</b>	<b>1,002</b>	<b>1,130</b>	<b>+13.4%</b>

### Sales by Industrial market cluster yoy growth



### EBIT<sup>2</sup> Q1 2022 vs. Q1 2023

in EUR mn



### EBIT margin development<sup>2</sup>

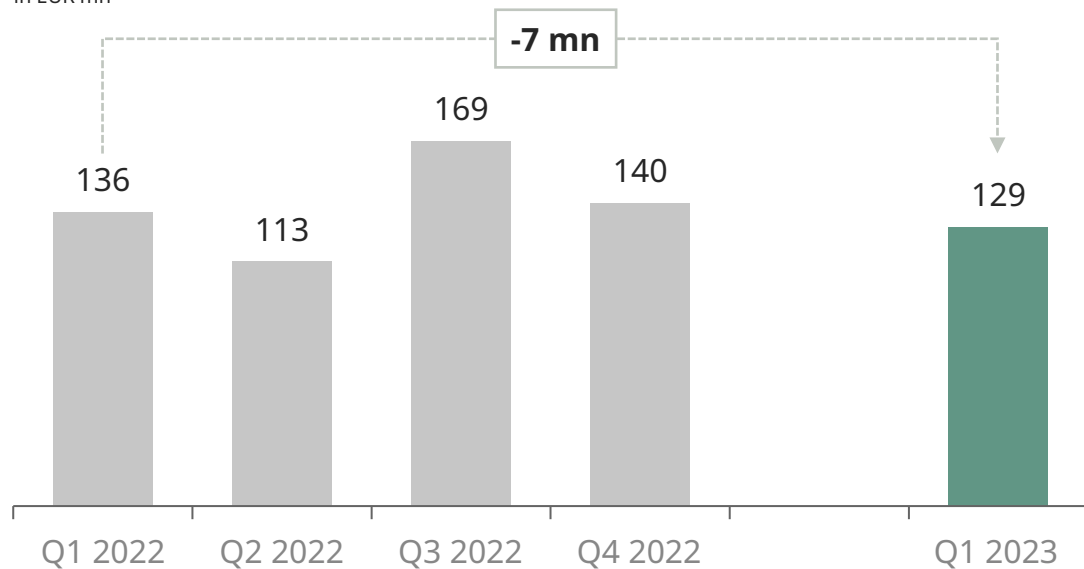
11.3%

11.3%

## Net Income<sup>1</sup> – EPS<sup>2</sup> at EUR 0.19, ROCE<sup>3</sup> reached 12.5%

### Net income<sup>1</sup>

in EUR mn



### EPS<sup>2</sup> in EUR

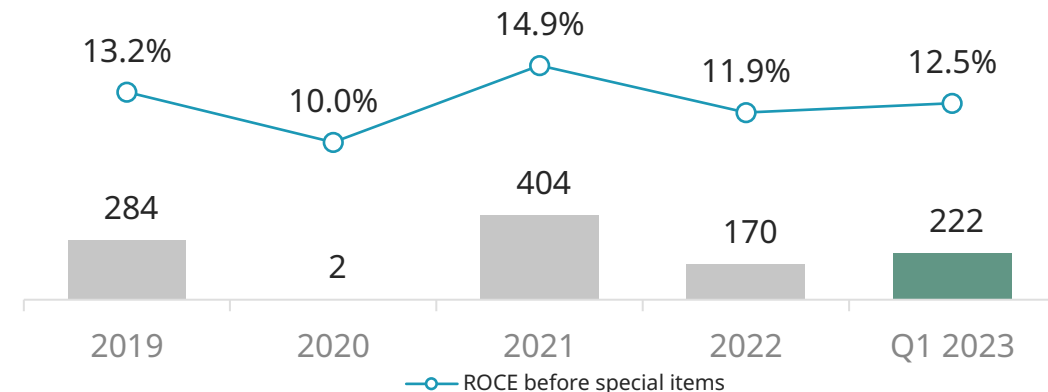


### KEY ASPECTS

- Q1 2023 Net income<sup>1</sup> slightly below Q1 2022, mainly related to valuation of energy forward contracts
- ROCE<sup>3</sup> and Schaeffler Value Added<sup>4</sup> sequentially improved
- Schaeffler paid EUR 295 mn in dividends in April 2023

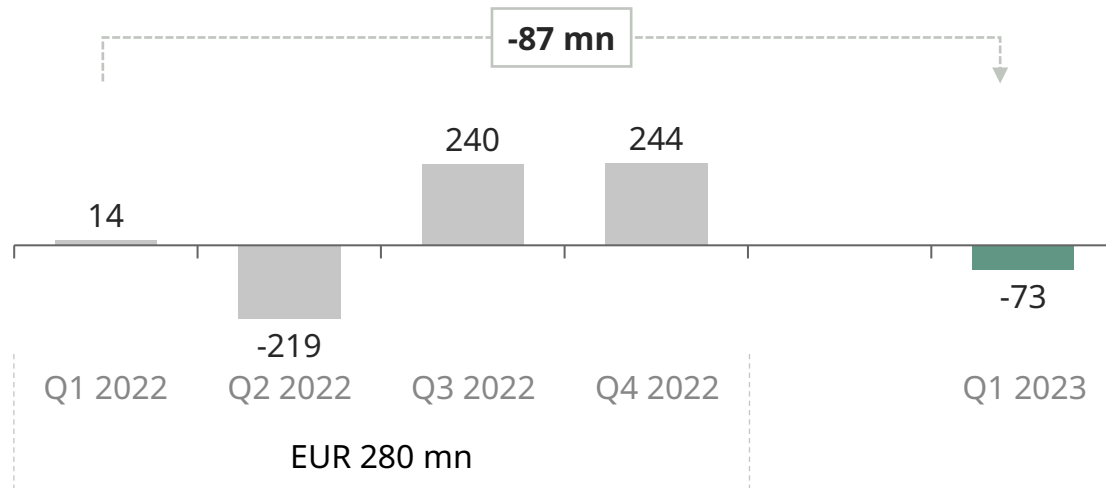
### ROCE<sup>3</sup> and Schaeffler Value Added<sup>4</sup>

in EUR mn



## FCF – Q1 2023 impacted by front-loaded cash-outs for restructuring, German inflation compensation bonus

### Free Cash Flow before M&A<sup>1</sup> in EUR mn



### FCF Conversion ratio<sup>2</sup>

0.1	-	0.8	1.1	-
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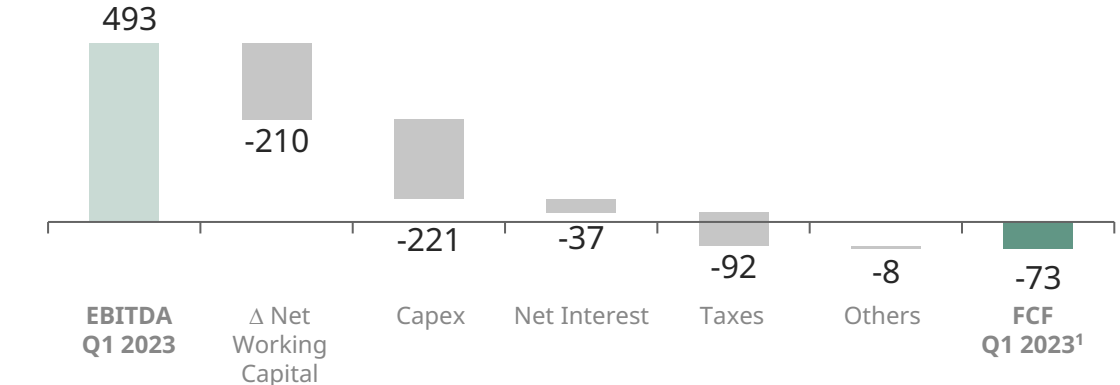
### Reinvestment rate

0.6	0.8	1.0	1.2	0.8
0.9				

### Capex ratio<sup>3</sup>

4.2%	4.6%	5.2%	6.0%	5.3%
5.0%				

### Reconciliation Q1 2023 in EUR mn



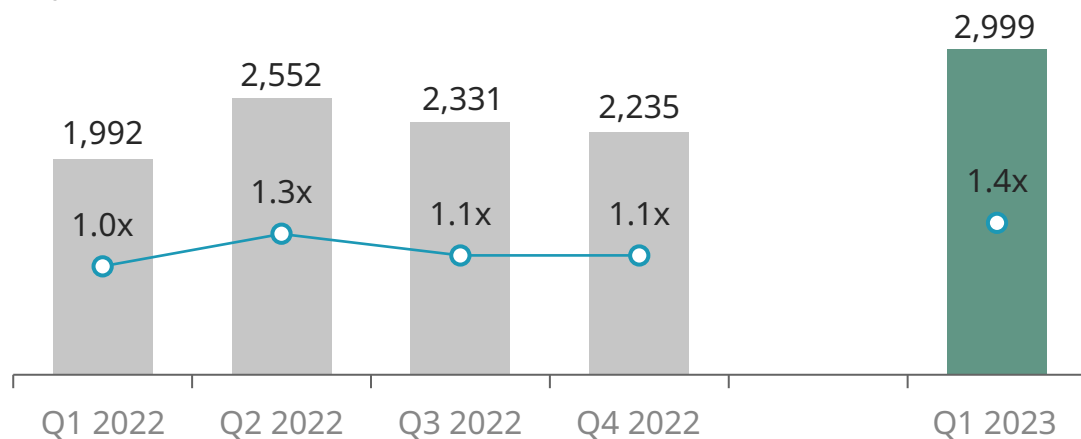
### FCF Details in EUR mn

	Q1 22	Q1 23	Δ Q1 23/22
<b>FCF as reported</b>	<b>-47</b>	<b>-754</b>	<b>-707</b>
M&A	62	681	+619
<b>FCF before M&amp;A</b>	<b>14</b>	<b>-73</b>	<b>-87</b>
Legal Cases	-2	-4	-2
Restructuring	160	105	-55
Others	0	6	+6
Financing	-35	0	+35
<b>FCF bef. M&amp;A and sp. Items</b>	<b>137</b>	<b>34</b>	<b>-103</b>

## Net debt of EUR 3.0 bn – Schaeffler credit rating upgraded to Investment grade (Baa3) by Moody's

### Net financial debt and Leverage ratio<sup>1</sup>

in EUR mn



### Gross debt

3,235	3,233	3,308	3,298	3,798
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### Cash & cash equivalents

1,243	681	977	1,063	799
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### EBITDA before special items<sup>2</sup>

2,056	1,954	2,051	2,030	2,111
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—○— Leverage ratio<sup>1</sup>

### KEY ASPECTS

- Leverage ratio increased to 1.4x due to the Ewellix acquisition
- Term Loan (EUR 500 mn) drawn during Q1 2023 to finance Ewellix deal
- Schaeffler AG rating upgraded by Moody's in March 2023 to Investment grade (Baa3), stable outlook

Strong liquidity situation – Continued strong balance sheet

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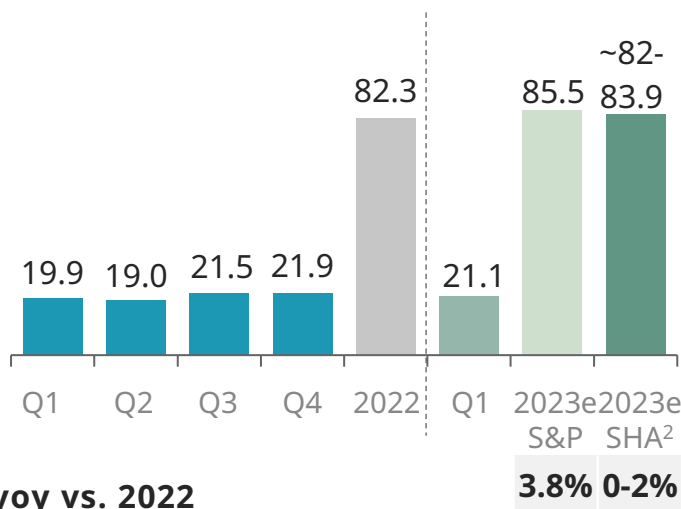
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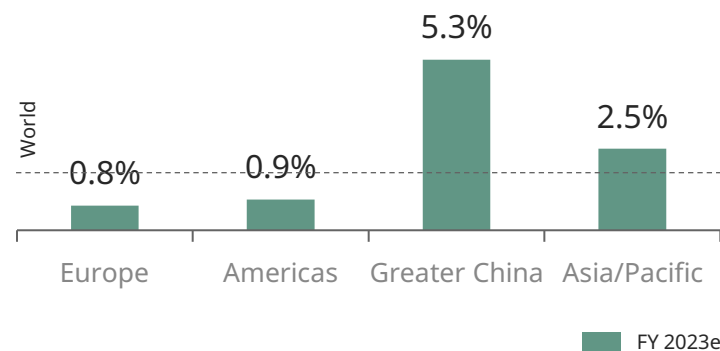
## Market assumptions broadly unchanged – Environment assumed to remain challenging in 2023

### Automotive Technologies – Global LVP<sup>1</sup> 2023



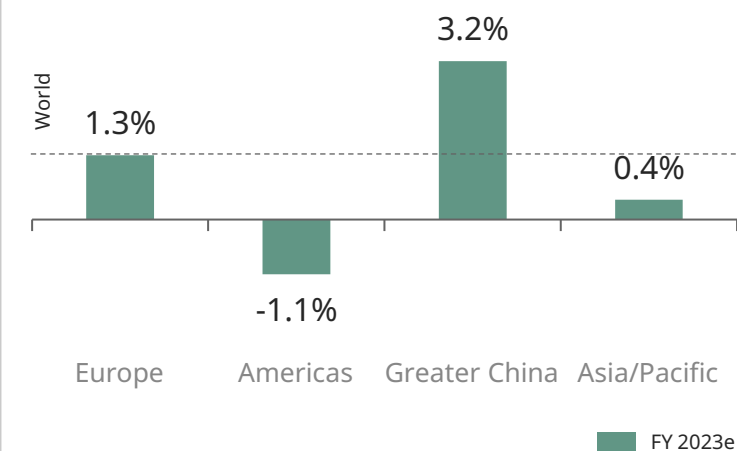
- Schaeffler market assumptions unchanged at 0-2% Q1 solid at 5.7%
- Due to still unstable supply situation for OEMs and macroeconomic uncertainties in important world markets, Schaeffler market assumptions more conservative than S&P market prediction of April 2023

### Automotive Aftermarket – Global LV Parc<sup>3</sup>



- Growth of Global LV Parc<sup>3</sup> with 2.0% for 2023 slightly lower than 2022 (2.2%). The average age for 2023 is increasing to 11.0 years (2022: 10.8 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 (5.2%); lowest for Europe (0.8%) due to the stagnation of new car registrations

### Industrial – Industrial Production<sup>4</sup>



- Global growth of Industrial Production forecast to slow further to 1.3% in 2023 (2022: 3.7%), mainly due to falling goods demand
- Outlook 2023 for all Regions, especially Americas and Asia/Pacific, suffering from ongoing uncertainties in the economical and geopolitical environment

## FY 2023 Guidance confirmed – Good Q1 but we remain cautious on market development

## FY 2023 Guidance

	Schaeffler Group	Automotive Technologies	Automotive Aftermarket	Industrial
	Guidance FY 2023 <sup>1</sup>	Guidance FY 2023	Guidance FY 2023	Guidance FY 2023
Sales growth <sup>2</sup>	5 – 8%	Outperformance 200 – 500 bps <sup>5</sup>	5 – 7%	9 – 11%
EBIT margin <sup>3</sup>	5.5 – 7.5 %	2 – 4%	12 – 14%	11 – 13%
Free Cash Flow <sup>4</sup>	EUR 250 – 350 mn	<b>Market assumptions for 2023</b> <ul style="list-style-type: none"> <li><b>Automotive Technologies:</b> LVP growth of 0 - 2% vs. 3.8% in latest S&amp;P estimate<sup>6</sup> for 2023</li> <li><b>Automotive Aftermarket:</b> Growth of Global LV Parc<sup>7</sup> of around 2%</li> <li><b>Industrial:</b> Increase of relevant industrial production<sup>8</sup> around 1.3%</li> </ul>		

<sup>1</sup> Please refer to the Annual Report for further details | <sup>2</sup> FX-adjusted | <sup>3</sup> Before special items | <sup>4</sup> Before cash in- and outflows for M&A activities | <sup>5</sup> Moderate Sales growth | <sup>6</sup> Includes content supplied by S&P Global Mobility© [IHS Markit Light Vehicle Production Forecast (Base), April 2023]. All rights reserved | <sup>7</sup> S&P Global Mobility [February 2023]]. Includes content supplied by S&P Global © [IHS Markit Vehicles in Operation (VIO), February 2023]. All rights reserved. | <sup>8</sup> Industrial Production (Oxford Economics, March 2023) Sectors considered: Mechanical Engineering (NACE 28), Transport Equipment (NACE 30), Electrical Equipment (NACE 27.1)

## Conclusion & Outlook – Good Q1, Guidance confirmed, strong Balance Sheet

- 1 Good Q1 performance** – Sales growth across all Divisions and Regions, good Group profitability driven by Automotive Aftermarket and Automotive Technologies
- 2 Solid cash generation in Q1** – Even considering the restructuring cash-outs, German wage development lump-sum payment and future-preparing Capex
- 3 Proactive strategy execution** – We stay the course on our 2025 Roadmap while harnessing new chances and tackling the global challenges; color on our progress in execution will be given in our Capital Market Update in November
- 4 Guidance confirmed** – All metrics confirmed, Q1 results encouraging, still we reiterate our cautious approach
- 5 Strong Balance Sheet** – Especially in such a complex environment, liquidity situation, sustainable debt position and improved rating matter. Attractive dividend of EUR 295 mn paid in April

**On track to deliver our  
2025 Roadmap  
mid-term targets**

## Financial calendar and selected IR events

### Roadshows & Conferences with Top Management participation

**May 10**

Roadshow – Frankfurt, DACH, ODDO

**May 11**

Roadshow – London, J. P. Morgan

**May 12**

Credit Conference – Virtual, J. P. Morgan

**Jun 6**

Auto Conference – London, J. P. Morgan

### Financial calendar 2023

**May 9**

Q1 2023 Earnings Release

**Aug 2**

H1 2023 Earnings Release

**Nov 8**

9M 2023 Earnings Release

**Nov 16**

Capital Market Update

# Thank you

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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 <sup>2</sup> , payout ratio 48% <sup>3</sup>
Leverage ratio <sup>1</sup>	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 exposures

## Road to 2025 – Mid-term targets are reflected in Schaeffler's comprehensive Financial Framework

### Mid-term targets 2025

Automotive Technologies	Automotive Aftermarket	Industrial
Outperformance <sup>1</sup> <b>200 to 500 bps</b> on average <sup>2</sup>	Constant-currency revenue growth <b>&gt; GDP growth</b> on average <sup>2</sup>	Constant-currency revenue growth <b>&gt; Ind. Prod. growth</b> on average <sup>2 3</sup>
<b>4 to 6%</b> EBIT margin before special items <sup>4</sup>	<b>13 to 15%</b> EBIT margin before special items <sup>4</sup>	<b>12 to 14%</b> EBIT margin before special items <sup>4</sup>
Schaeffler Group		
ROCE <b>12 to 15%</b> based on EBIT reported <sup>4</sup>		FCF-conversion <b>0.3 to 0.5</b> based on EBIT reported <sup>4 5</sup>

### Group parameters

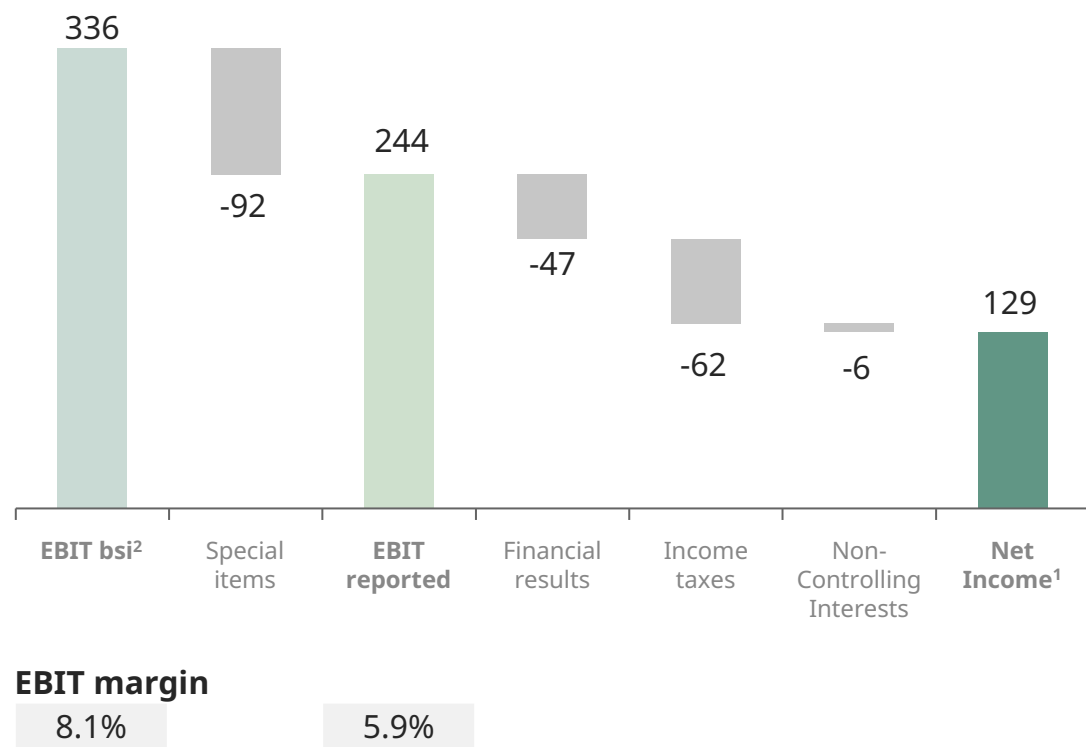
Capital structure	Dividend policy
<b>1.2x to 1.7x</b> Net debt/EBITDA before special items	<b>30 to 50%</b> of net Income before special items

## Key figures Q1 2023

in EUR mn	Q1 2022	Q1 2023	Q1 2023 vs. Q1 2022
<b>Sales</b>	3,758	4,152	+10.5% +10.4% <sup>1</sup>
<b>Gross Profit</b>	871	984	+113 mn
<b>Gross margin</b>	23.2%	23.7%	+0.5pp
<b>EBIT<sup>2</sup></b>	258	336	+78 mn
<b>EBIT margin<sup>2</sup></b>	6.9%	8.1%	+1.2pp
<b>Net income<sup>3</sup></b>	136	129	-7 mn
<b>EPS<sup>4</sup> (in EUR)</b>	0.21	0.19	-0.02
<b>Schaeffler Value Added<sup>5</sup></b>	256	222	-34 mn
<b>ROCE<sup>6</sup></b>	13.1%	12.5%	-0.6pp
<b>Free Cash Flow<sup>7</sup></b>	14	-73	-87 mn
<b>Capex</b>	156	221	+65 mn
<b>Net financial debt</b>	1,992	2,999	+1,007 mn
<b>Leverage ratio<sup>8</sup></b>	1.0x	1.4x	+0.4x
<b>Headcount</b>	83,089	84,060	+1.2%

## Net Income<sup>1</sup> – EBIT reconciliation and special items

### Reconciliation Q1 2023 in EUR mn



### KEY ASPECTS

- Special items amounted to EUR 92 mn in Q1, mainly related to valuation of energy forward contracts
- Financial Result lower yoy due to higher interest payments and higher expenses for interest on pensions

### Special items by Division

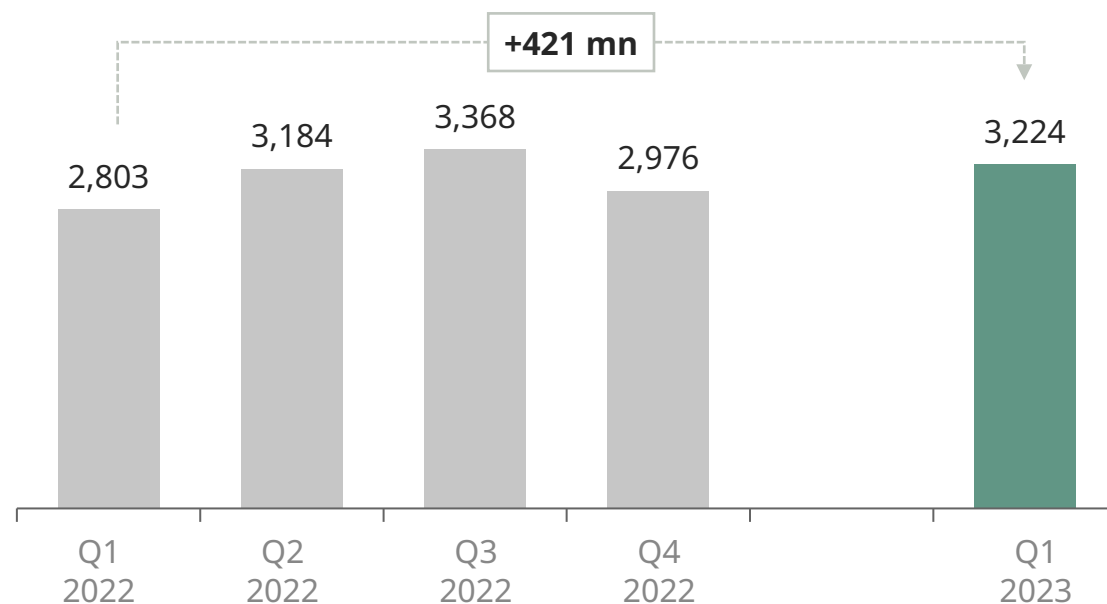
in EUR mn

	Q1 22	Q1 23	Δ Q1 23/22
<b>EBIT reported</b>	<b>247</b>	<b>244</b>	<b>-3</b>
Automotive Technologies	+3	+61	+58
Automotive Aftermarket	+1	+1	0
Industrial	+7	+30	+23
<b>Group</b>	<b>+11</b>	<b>+92</b>	<b>+81</b>
<b>EBIT bsi<sup>2</sup></b>	<b>258</b>	<b>336</b>	<b>+78</b>

## Working Capital ratio 19.9% – Capex ratio 5.3% in Q1

### Working capital<sup>1</sup>

in EUR mn

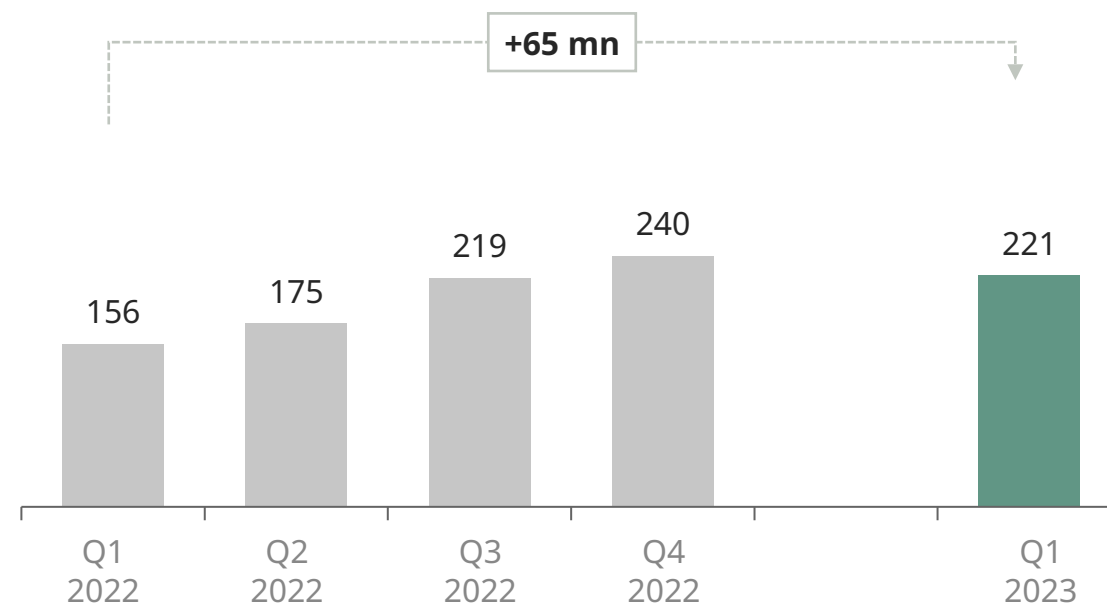


in % of Sales (LTM)

20.0%	22.1%	22.0%	18.8%	19.9%
18.8%				

### Capex<sup>2</sup>

in EUR mn



in % of Sales

4.2%	4.6%	5.2%	6.0%	5.3%
5.0%				

## Automotive Technologies (AT) outperformance by quarters

Adjusted comparative figures 2022

YTD Outperformance: +0.3pp			Q1 23
	S&P <sup>1</sup>	AT <sup>2</sup>	Outper- formance
World	+5.7%	+6.0%	<b>+0.3pp</b>
Europe	+13.7%	+15.1%	<b>+1.4pp</b>
Americas	+10.0%	+0.8%	<b>-9.2pp</b>
Greater China	-7.2%	-8.2%	<b>-0.9pp</b>
Asia/Pacific	+11.3%	+15.5%	<b>+4.2pp</b>

FY 22 Outperformance: +1.1pp			Q1 22	Q2 22			Q3 22			Q4 22		
	S&P <sup>1</sup>	AT <sup>2</sup>	Outper- formance	S&P <sup>1</sup>	AT <sup>2</sup>	Outper- formance	S&P <sup>1</sup>	AT <sup>2</sup>	Outper- formance	S&P <sup>1</sup>	AT <sup>2</sup>	Outper- formance
World	-3.6%	-3.2%	<b>+0.4pp</b>	+1.3%	+1.3%	<b>0.0pp</b>	+29.5%	+25.2%	<b>-4.3pp</b>	+3.4%	+9.9%	<b>+6.5pp</b>
Europe	-14.8%	-2.0%	<b>+12.8pp</b>	-1.9%	+2.4%	<b>+4.3pp</b>	+25.3%	+33.6%	<b>+8.3pp</b>	+5.4%	+18.0%	<b>+12.6pp</b>
Americas	-3.6%	+0.3%	<b>+3.9pp</b>	+11.2%	+19.6%	<b>+8.4pp</b>	+24.7%	+22.0%	<b>-2.7pp</b>	+6.9%	+17.9%	<b>+11.0pp</b>
Greater China	+6.7%	-5.3%	<b>-12.0pp</b>	-4.4%	-14.8%	<b>-10.4pp</b>	+34.3%	+24.7%	<b>-9.6pp</b>	-5.2%	-7.4%	<b>-2.2pp</b>
Asia/Pacific	-3.9%	-8.3%	<b>-4.4pp</b>	+3.7%	-0.5%	<b>-4.2pp</b>	+30.4%	+12.9%	<b>-17.5pp</b>	+12.1%	+15.8%	<b>+3.7pp</b>

## Key figures by Group and Division

Adjusted comparative figures 2022

## Group in EUR mn

	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23
<b>Sales</b>	3,758	3,790	4,242	4,019	<b>4,152</b>
<b>Sales Growth<sup>1</sup></b>	+1.9%	+4.4%	+20.2%	+11.8%	<b>+10.4%</b>
<b>EBIT reported</b>	247	186	316	224	<b>244</b>
<b>EBIT bsi</b>	258	200	355	233	<b>336</b>
<b>EBIT bsi margin</b>	6.9%	5.3%	8.4%	5.8%	<b>8.1%</b>

## Automotive Aftermarket in EUR mn

	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23
<b>Sales</b>	464	506	548	523	<b>582</b>
<b>Sales Growth<sup>1</sup></b>	+2.1%	+4.4%	+5.6%	+16.8%	<b>+25.7%</b>
<b>EBIT reported</b>	63	64	73	55	<b>102</b>
<b>EBIT bsi</b>	64	64	73	59	<b>103</b>
<b>EBIT bsi margin</b>	13.8%	12.7%	13.4%	11.2%	<b>17.7%</b>

## Automotive Technologies in EUR mn

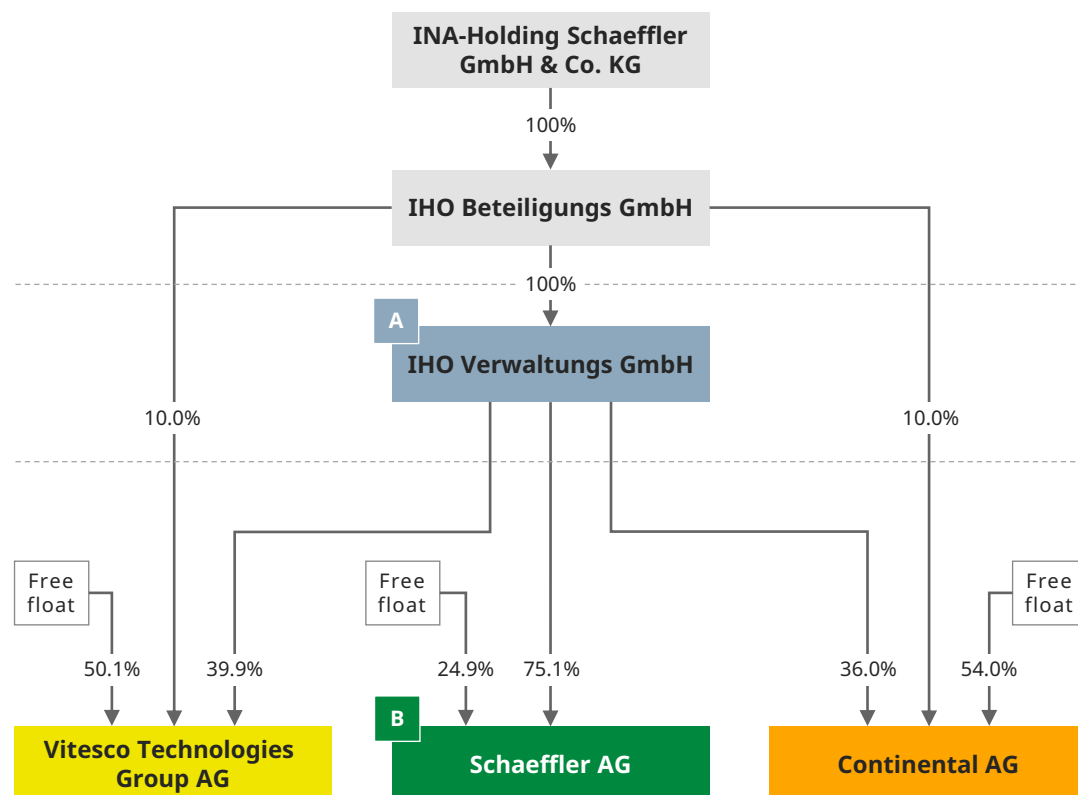
	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23
<b>Sales</b>	2,292	2,221	2,554	2,430	<b>2,440</b>
<b>Sales Growth<sup>1</sup></b>	-3.2%	+1.3%	+25.2%	+9.9%	<b>+6.0%</b>
<b>EBIT reported</b>	78	1	109	66	<b>44</b>
<b>EBIT bsi</b>	81	11	122	78	<b>105</b>
<b>EBIT bsi margin</b>	3.5%	0.5%	4.8%	3.2%	<b>4.3%</b>

## Industrial in EUR mn

	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23
<b>Sales</b>	1,002	1,062	1,140	1,066	<b>1,130</b>
<b>Sales Growth<sup>1</sup></b>	+15.7%	+11.7%	+17.8%	+13.7%	<b>+13.4%</b>
<b>EBIT reported</b>	106	121	135	103	<b>98</b>
<b>EBIT bsi</b>	113	125	159	97	<b>128</b>
<b>EBIT bsi margin</b>	11.3%	11.7%	13.9%	9.1%	<b>11.3%</b>

# Overview Corporate and Financing Structure

## Corporate structure (simplified) as of March 31, 2023



## Financing structure as of March 31, 2023

A IHO Verwaltungs GmbH		Nominal USD mn	Nominal EUR <sup>1</sup> mn	Interest	Maturity	Rating Fitch/Moody's/S&P
Debt instrument						
Loans	RCF (EUR 800 mn)	-	160	E+2.75%	Dec-24	Not rated
Bonds	3.625% SSNs 2025 (EUR)	-	800	3.625%	May-25	BB/Ba2/BB-
	3.75% SSNs 2026 (EUR)	-	750	3.750%	Sep-26	BB/Ba2/BB-
	4.75% SSNs 2026 (USD)	500	459	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	414	6.000%	May-27	BB/Ba2/BB-
	6.375% SSNs 2029 (USD)	400	368	6.375%	May-29	BB/Ba2/BB-
Total IHO Verwaltungs GmbH			3,451	Ø 4.11% <sup>2,3</sup>		

B Schaeffler AG		Nominal USD mn	Nominal EUR <sup>1</sup> mn	Interest	Maturity	Rating Fitch/Moody's/S&P
Debt instrument						
Loans	RCF (EUR 2,000 mn)	-	-	E+0.725%	Nov-27	Not rated
	Term Loan (EUR)	-	500	E+1.650%	Nov-27	Not rated
	Schuldschein Loans (EUR)	-	298	Ø 4.100%	May-23, 25, 28 & 30	Not rated
CP	Commercial Paper (EUR)	-	50	Ø 2.912%	Apr-23	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			3,798	Ø 3.19% <sup>3</sup>		