

We pioneer motion

# Interim Statement 9M 2021

## Highlights 9M 2021

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Considerable growth compared to low basis for comparison in H1 2020;  
revenue decline in Q3 due to weak automobile production

Revenue at **EUR 10.3 bn**  
(up 15.9% at constant currency)

(prior year: EUR 9.0 bn)

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Significantly increased margin mainly due to economies of scale in H1

EBIT margin before special items **9.6%**

(prior year: 4.2%)

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High free cash flow despite restructuring expenditures

Free cash flow before cash in- and outflows  
for M&A activities at **EUR 468 m**

(prior year: EUR 185 m)

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## Significant events – first nine months 2021

### Schaeffler Group pushes ahead with transformation under “Roadmap 2025”

#### Structural measures Europe

In September 2020, the Board of Managing Directors of Schaeffler AG adopted additional **structural measures** in Europe to further transform the Schaeffler Group and strengthen its ability to compete and realize future opportunities for the long term. Negotiations with employee representatives have now been concluded at all locations affected in Germany except one. This puts Schaeffler in a position to implement the majority of the structural measures. Implementation of capacity adjustments at further European locations is also proceeding as planned. As a result of the mix of instruments achieved so far in downsizing the workforce, the cost incurred to date to implement the measures is less than the transformation expenses originally planned. The targets communicated in September 2020 with respect to downsizing the workforce and sustainably lowering costs remain unchanged.

#### Automotive Technologies division organizational structure advanced

In order to further align the Schaeffler Group toward the future, the Board of Managing Directors of Schaeffler AG has approved an amendment to advance the **organizational structure of the Automotive Technologies division**. Effective January 1, 2022, the division will manage its business based on the four business divisions (BDs) E-Mobility, Chassis Systems, Bearings and Engine & Transmission Systems. Implementing the new structure is designed to, inter alia, continue to push ahead with expanding the E-Mobility and Chassis Systems BDs. The new Bearings BD

will house the wide range of rolling bearing applications and products in order to access new markets and drive innovation in a highly competitive environment. Combining the Engine and Transmission Systems BDs is aimed at realizing additional synergies in the business with powertrains based on an internal combustion engine.

#### Schaeffler continues to execute M&A strategy

In a transaction that closed on August 2, 2021, the Schaeffler Group has acquired the **shares of Bega International B.V.**, a Dutch company manufacturing special tools for mounting and dismounting rolling bearings. The acquisition, which is part of the “Roadmap 2025”, marks another step in the expansion of the service business of the Schaeffler Group’s Industrial division.

On August 3, 2021, the Schaeffler Group signed an agreement to **sell the global chain drive business** of the Automotive Technologies division to a private equity fund. Behind the fund are institutional investors with a long-term investment horizon. The transaction is aimed at aligning the Automotive Technologies division even more closely toward future-oriented technologies and new business fields. The transaction is expected to close in the first half of 2022 and is subject to all regulatory approvals being granted and other closing conditions being met.

As part of the structural measures being taken in Europe, the Schaeffler Group signed a contract on August 26, 2021, to **sell the Clausthal-Zellerfeld site** to ift-whitecell engineering gmbh, a subsidiary of Whitecell Power AG. In recent years, Schaeffler has expanded its expertise in customized test rig services at the Clausthal-Zellerfeld site. The sale is congruent with the Schaeffler Group’s portfolio strategy. The transaction is expected to close in the fourth quarter of 2021 and is subject to all regulatory approvals being granted and other closing conditions being met.

#### Schaeffler invests in electric mobility plant

The Schaeffler Group opened its **first electric mobility plant** worldwide at its Szombathely location in Hungary on September 17, 2021. The plant, designed along high sustainability standards, will also be a new center of excellence for components and systems for electrified powertrains. In opening the new plant, the Schaeffler Group continues to transform the group and further expand forward-looking technologies.

## Schaeffler offers vaccinations against the coronavirus to employees

Schaeffler has performed approximately 18,000 **vaccinations against the coronavirus** since June 2021. Vaccination centers were set up at the large locations such as at the corporate headquarters in Herzogenaurach as well as in Bühl, Schweinfurt, and Homburg. At the other locations, the company collaborated with service providers, organizations, or physicians in private practice. Employees in several other European countries were offered vaccinations as well. The vaccination centers have since been closed. Vaccinations are still ongoing at locations with a company medical service.

## Changes to Executive Board

The Supervisory Board of Schaeffler AG has appointed Jens Schüler to the Board of Managing Directors of Schaeffler AG as **CEO of the Automotive Aftermarket division** for a three-year term of office effective January 1, 2022. Jens Schüler succeeds Michael Söding who is retiring effective December 31, 2021, at his own request after working for the Schaeffler Group for 20 years.

The Supervisory Board of Schaeffler AG has appointed Claus Bauer to the Board of Managing Directors of Schaeffler AG as **Chief Financial Officer (CFO)**, which includes responsibility for Finance and IT, for a two-year term of office effective September 1, 2021. Claus Bauer succeeds Dr. Klaus Patzak who left Schaeffler AG at his own request effective July 31, 2021.

Additionally, the Board of Managing Directors of Schaeffler AG has appointed Sascha Zaps **Regional CEO Europe** and member of the Executive Board effective September 1, 2021. In his new role, Sascha Zaps succeeds Jürgen Ziegler who has retired effective July 31, 2021.

## Schaeffler AG holds virtual annual general meeting

On April 23, 2021, Schaeffler AG's **annual general meeting** passed a resolution to pay a dividend of EUR 0.24 (prior year: EUR 0.44) per common share and EUR 0.25 (prior year: EUR 0.45) per common non-voting share to Schaeffler AG's shareholders for 2020. This represents a dividend payout ratio of 49.7% (prior year: 43.0%) of net income attributable to shareholders before special items. The dividend was paid on April 28, 2021.

## Schaeffler adjusts outlook

The Board of Managing Directors of Schaeffler AG decided on May 11, 2021, and on July 26, 2021, to raise the **full-year outlook** for the Schaeffler Group and its divisions **for 2021** based on a raised market estimate.



More on the guidance for the Schaeffler Group and its divisions in the outlook on page 12.

## Schaeffler Group earnings

The considerable overall growth in **revenue** across all divisions and regions during the first nine months was mainly attributable to the increase in demand in the first half of 2021 from the very low basis for comparison. During the remainder of the reporting period, bottlenecks in global supply chains, particularly those for semi-conductors, significantly reduced customers' call-offs and considerably lowered sales volumes in the **Automotive Technologies division** in the third quarter of 2021. The Automotive Aftermarket and Industrial divisions experienced an offsetting trend during the third quarter of 2021: The **Automotive Aftermarket division** further expanded its sales volumes compared to the first two quarters of 2021 as well as compared to the third quarter of the prior year, which was marked by considerable catch-up effects due to the coronavirus pandemic. The growth of the **Industrial division** in the third quarter of 2021 was primarily driven by higher demand in Industrial Distribution in the Europe region.

The considerable improvement in **EBIT margin before special items** during the reporting period was largely driven by economies of scale which considerably improved the gross margin and reduced functional costs as a percentage of revenue from 17.1% to 16.3%. The decline in the EBIT margin before special items in the third quarter of 2021 was driven by lower volumes in the Automotive Technologies division. Whereas rising commodities prices in the procurement markets had only a limited impact in the first six months of 2021, they increasingly hampered earnings in the third quarter of 2021.

See page 9 for a discussion of the special items recognized during the reporting period.

in € millions	1 <sup>st</sup> nine months			3 <sup>rd</sup> quarter		
	2021	2020	Change in %	2021	2020	Change in %
<b>Revenue</b>	<b>10,346</b>	<b>8,964</b>	<b>15.4</b>	<b>3,332</b>	<b>3,391</b>	<b>-1.8</b>
• at constant currency			15.9			-3.0
<b>Revenue by division</b>						
Automotive Technologies	6,286	5,425	15.9	1,921	2,161	-11.1
• at constant currency			16.1			-12.2
Automotive Aftermarket	1,411	1,204	17.2	500	456	9.6
• at constant currency			18.3			8.7
Industrial	2,649	2,335	13.5	911	774	17.6
• at constant currency			14.2			15.8
<b>Revenue by region <sup>1)</sup></b>						
Europe	4,393	3,842	14.3	1,374	1,416	-3.0
• at constant currency			14.8			-2.2
Americas	2,128	1,869	13.9	705	732	-3.7
• at constant currency			18.1			-5.5
Greater China	2,389	2,070	15.4	778	817	-4.8
• at constant currency			13.8			-9.7
Asia/Pacific	1,436	1,182	21.4	475	426	11.6
• at constant currency			23.7			10.9
Cost of sales	-7,753	-7,056	9.9	-2,538	-2,595	-2.2
<b>Gross profit</b>	<b>2,593</b>	<b>1,907</b>	<b>36.0</b>	<b>793</b>	<b>796</b>	<b>-0.3</b>
• in % of revenue	25.1	21.3	-	23.8	23.5	-
Research and development expenses	-557	-518	7.5	-181	-164	10.9
Selling and administrative expenses	-1,127	-1,012	11.4	-374	-332	12.6
Other income and expense	113	-800	-	39	-489	-
<b>Earnings before financial result, income (loss) from equity-accounted investees, and income taxes (EBIT)</b>	<b>1,021</b>	<b>-422</b>	<b>-</b>	<b>278</b>	<b>-188</b>	<b>-</b>
• in % of revenue	9.9	-4.7	-	8.3	-5.6	-
Special items <sup>2)</sup>	-27	798	-	-6	511	-
<b>EBIT before special items</b>	<b>994</b>	<b>376</b>	<b>&gt; 100</b>	<b>272</b>	<b>322</b>	<b>-15.6</b>
• in % of revenue	9.6	4.2	-	8.2	9.5	-
Financial result	-85	-114	-25.7	-36	-24	50.8
Income (loss) from equity-accounted investees	-32	-23	40.7	-12	-8	41.1
Income taxes	-280	32	-	-75	54	-
Net income (loss) <sup>3)</sup>	611	-531	-	149	-171	-
Earnings per common non-voting share (basic/diluted, in €)	0.92	-0.79	-	0.22	-0.26	-

<sup>1)</sup> Based on market (customer location).

<sup>2)</sup> Please refer to the annual report 2020, pp. 35 et seq., for the definition of special items.

<sup>3)</sup> Attributable to shareholders of the parent company.

## Automotive Technologies division earnings

The considerable overall growth in **revenue** during the first nine months was attributable to the increase in demand in the first half of 2021 from the very low basis for comparison across all business divisions (BDs) and regions. Revenue growth once again considerably exceeded the market growth.

### Outperformance 9M 2021

	Europe	Americas	Greater China	Asia/ Pacific	Total
Revenue growth (in %) <sup>1)</sup>	17.5	16.4	11.1	23.6	16.1
LVP growth (in %) <sup>2)</sup>	6.6	9.8	8.1	14.2	9.5
<b>Outperformance (in percentage points)</b>	<b>10.9</b>	<b>6.6</b>	<b>3.0</b>	<b>9.4</b>	<b>6.6</b>

The **E-Mobility BD** generated the highest growth rate for the first nine months of 2021, continuing to considerably expand its revenue, particularly in the Greater China and Europe regions. The **Transmission, Engine, and Chassis Systems BDs** expanded their revenue across all regions during the reporting period as well. In the third quarter of 2021, bottlenecks in global supply chains, particularly those for semiconductors, significantly reduced customers' call-offs (LVP growth <sup>2)</sup> Q3 2021: -19.7%) and considerably lowered sales volumes.

The considerable improvement in the **EBIT margin before special items** for the reporting period was largely driven by economies of scale during the first six months of 2021. These economies of scale considerably improved the gross margin and reduced functional costs as a percentage of revenue from 15.9% to 15.1%. The cost reduction measures expanded in the prior year proved effective as well. The decline in the third quarter of 2021 was primarily due to the market-driven decrease in volumes. Whereas rising commodities prices in the procurement markets had only a limited impact in the first six months of 2021, they increasingly hampered earnings in the third quarter of 2021.

in € millions	1 <sup>st</sup> nine months			3 <sup>rd</sup> quarter		
	2021	2020	Change in %	2021	2020	Change in %
<b>Revenue</b>	<b>6,286</b>	<b>5,425</b>	<b>15.9</b>	<b>1,921</b>	<b>2,161</b>	<b>-11.1</b>
• at constant currency			16.1			-12.2
<b>Revenue by business division</b>						
E-Mobility BD	883	719	22.8	272	284	-4.2
• at constant currency			22.4			-6.0
Engine Systems BD	1,603	1,425	12.4	486	566	-14.1
• at constant currency			13.5			-15.2
Transmission Systems BD	2,819	2,439	15.6	861	989	-12.9
• at constant currency			16.5			-14.3
Chassis Systems BD	982	842	16.7	302	322	-6.4
• at constant currency			16.8			-7.8
<b>Revenue by region <sup>3)</sup></b>						
Europe	2,337	1,994	17.2	661	787	-16.1
• at constant currency			17.5			-15.0
Americas	1,421	1,256	13.1	452	525	-14.0
• at constant currency			16.4			-15.8
Greater China	1,556	1,375	13.1	501	564	-11.2
• at constant currency			11.1			-15.8
Asia/Pacific	973	799	21.8	307	284	8.3
• at constant currency			23.6			7.3
Cost of sales	-4,919	-4,569	7.7	-1,546	-1,707	-9.5
<b>Gross profit</b>	<b>1,367</b>	<b>857</b>	<b>59.6</b>	<b>375</b>	<b>454</b>	<b>-17.3</b>
• in % of revenue	21.7	15.8	-	19.5	21.0	-
Research and development expenses	-447	-409	9.4	-146	-128	14.6
Selling and administrative expenses	-502	-456	10.2	-157	-146	7.5
Other income and expense	82	-525	-	35	-256	-
<b>EBIT</b>	<b>499</b>	<b>-533</b>	<b>-</b>	<b>108</b>	<b>-75</b>	<b>-</b>
• in % of revenue	7.9	-9.8	-	5.6	-3.5	-
Special items <sup>4)</sup>	-33	517	-	-20	252	-
<b>EBIT before special items</b>	<b>467</b>	<b>-16</b>	<b>-</b>	<b>88</b>	<b>176</b>	<b>-50.1</b>
• in % of revenue	7.4	-0.3	-	4.6	8.2	-

Prior year information presented based on 2021 segment structure.

<sup>1)</sup> Compared to prior year; excluding the impact of currency translation.

<sup>2)</sup> Growth in production of passenger cars and light commercial vehicles; source: IHS Markit (October 2021).

<sup>3)</sup> Based on market (customer location).

<sup>4)</sup> Please refer to the annual report 2020, pp. 35 et seq., for the definition of special items.

## Automotive Aftermarket division earnings

The considerable growth in **revenue** during the first nine months was mainly attributable to the increase in volumes in the first half of 2021 from the low basis for comparison. In the third quarter of 2021, the division further expanded its sales volumes compared to the first two quarters of 2021 as well as compared to the third quarter of the prior year, which was marked by considerable catch-up effects due to the coronavirus pandemic. The revenue trend for the first nine months was primarily driven by considerably higher volumes in the **Europe and Americas regions**. Especially the Independent Aftermarket business in the Central & Eastern Europe, Western Europe, South America, and U.S. & Canada subregions grew considerably. The OES business in the European subregions of Germany and Western Europe increased considerably as well. The **Greater China region** considerably expanded its e-commerce business during the reporting period which contributed the majority of the region's growth. The growth reported by the **Asia/Pacific region** resulted mainly from the recovery of the Independent Aftermarket and OES business in India, partly due to the low basis for comparison, especially in the second quarter of 2020.

The lower **EBIT margin before special items** was primarily due to higher product expenses that considerably decreased the gross profit margin. In addition, selling expenses ramping up as planned as a result of the assembly and packaging center commencing operations have effected the EBIT margin before special items throughout the course of the year to date. Favorable one-off items in selling expenses related to an agreement reached on a retroactive reimbursement of expenses by a service provider as well as higher sales volumes had an offsetting impact.

in € millions	1 <sup>st</sup> nine months			3 <sup>rd</sup> quarter		
	2021	2020	Change in %	2021	2020	Change in %
<b>Revenue</b>	<b>1,411</b>	<b>1,204</b>	<b>17.2</b>	<b>500</b>	<b>456</b>	<b>9.6</b>
• at constant currency			18.3			8.7
<b>Revenue by region <sup>1)</sup></b>						
Europe	985	875	12.5	341	334	2.1
• at constant currency			13.2			2.3
Americas	271	216	25.3	102	80	28.5
• at constant currency			34.0			26.5
Greater China	78	57	37.0	27	21	25.9
• at constant currency			34.8			18.9
Asia/Pacific	78	56	39.7	30	21	40.3
• at constant currency			44.0			40.5
Cost of sales	-967	-790	22.4	-346	-296	16.8
<b>Gross profit</b>	<b>444</b>	<b>414</b>	<b>7.3</b>	<b>154</b>	<b>160</b>	<b>-3.8</b>
• in % of revenue	31.5	34.4	-	30.8	35.1	-
Research and development expenses	-11	-14	-21.0	-3	-5	-26.9
Selling and administrative expenses	-234	-203	15.2	-82	-71	15.6
Other income and expense	26	-29	-	12	-22	-
<b>EBIT</b>	<b>225</b>	<b>167</b>	<b>34.5</b>	<b>80</b>	<b>62</b>	<b>28.4</b>
• in % of revenue	15.9	13.9	-	16.0	13.7	-
Special items <sup>2)</sup>	-19	23	-	-9	23	-
<b>EBIT before special items</b>	<b>206</b>	<b>190</b>	<b>8.1</b>	<b>71</b>	<b>86</b>	<b>-16.7</b>
• in % of revenue	14.6	15.8	-	14.3	18.8	-

Prior year information presented based on 2021 segment structure.

<sup>1)</sup> Based on market (customer location).

<sup>2)</sup> Please refer to the annual report 2020, pp. 35 et seq., for the definition of special items.

## Industrial division earnings

The considerable growth in **revenue** during the first nine months was mainly the result of increased demand in the wind, power transmission, and industrial automation sector clusters in the **Greater China region**. Additionally, demand in Industrial Distribution and the offroad sector cluster in the **Europe region** led to considerable growth rates from the low basis for comparison. Markets in the remaining regions recovered considerably as well. Growth in the **Asia/Pacific region** resulted primarily from increased volumes in India and was mainly due to the wind, two-wheelers, and offroad sector clusters as well as Industrial Distribution. The **Americas region's** revenue trend was largely attributable to growth in Industrial Distribution. The revenue growth in the third quarter of 2021 was mainly driven by higher demand in Industrial Distribution in the Europe region. Revenue for the Greater China region's wind sector cluster declined in the third quarter of 2021, however, having driven the division's results of operations over the previous course of the year. The decline was caused by subsidies for offshore wind turbines ending in 2021 as expected.

The considerable improvement in **EBIT margin before special items** compared to the prior year period was largely driven by economies of scale which improved the gross margin and decreased functional costs as a percentage of revenue from 19.2% to 18.5%. The cost reduction measures expanded in the prior year proved effective as well. Increased volumes helped to further improve the EBIT margin before special items for the third quarter of 2021 slightly over that of the first two quarters of 2021. Whereas rising commodities prices in the procurement markets had only a limited impact in the first six months of 2021, they increasingly hampered earnings in the third quarter of 2021.

in € millions	1 <sup>st</sup> nine months			3 <sup>rd</sup> quarter		
	2021	2020	Change in %	2021	2020	Change in %
<b>Revenue</b>	<b>2,649</b>	<b>2,335</b>	<b>13.5</b>	<b>911</b>	<b>774</b>	<b>17.6</b>
* at constant currency			14.2			15.8
<b>Revenue by region <sup>1)</sup></b>						
Europe	1,071	973	10.2	372	295	26.2
* at constant currency			10.5			26.7
Americas	436	396	10.2	151	127	18.7
* at constant currency			15.3			17.6
Greater China	756	639	18.4	250	231	7.8
* at constant currency			17.7			2.5
Asia/Pacific	385	328	17.5	138	121	14.4
* at constant currency			20.4			14.2
Cost of sales	-1,867	-1,698	10.0	-647	-592	9.2
<b>Gross profit</b>	<b>782</b>	<b>637</b>	<b>22.8</b>	<b>264</b>	<b>182</b>	<b>44.9</b>
* in % of revenue	29.5	27.3	-	29.0	23.5	-
Research and development expenses	-98	-95	3.7	-32	-31	1.3
Selling and administrative expenses	-391	-353	10.9	-135	-115	17.4
Other income and expense	5	-246	-	-8	-212	-96.4
<b>EBIT</b>	<b>297</b>	<b>-57</b>	<b>-</b>	<b>90</b>	<b>-175</b>	<b>-</b>
* in % of revenue	11.2	-2.4	-	9.9	-22.6	-
Special items <sup>2)</sup>	24	258	-90.5	23	236	-90.4
<b>EBIT before special items</b>	<b>321</b>	<b>202</b>	<b>59.2</b>	<b>113</b>	<b>61</b>	<b>86.2</b>
* in % of revenue	12.1	8.6	-	12.4	7.8	-

Prior year information presented based on 2021 segment structure.

<sup>1)</sup> Based on market (customer location).

<sup>2)</sup> Please refer to the annual report 2020, pp. 35 et seq., for the definition of special items.



## Performance indicators and special items

Please refer to pp. 15 et seq. and pp. 35 et seq. of the Schaeffler Group's annual report 2020 for a detailed discussion of performance indicators.

EBIT for the reporting period was impacted by **special items**, most of which were recognized in other income and expense. In the **restructuring** category, special items were recognized as part of the "Roadmap 2025" divisional subprograms, largely in connection with the partial reversal of a restructuring provision since the cost to date of implementing the structural measures announced in September 2020 is less than the transformation expenses originally planned. The targets communicated in September 2020 with respect to downsizing the workforce and sustainably lowering costs remain unchanged. Expenses to consolidate the footprint in Europe had an offsetting impact (see "Significant events", page 3). In addition, the category includes an adjustment to a provision for the set-up of a shared service center started in 2017. The **legal cases** category primarily includes income related to a court ruling and follow-up litigation dealing with the same issue in Brazil as well as expenses for legal risks. The **other** category mainly comprises the effect on net income of reversing an impact of currency translation as consolidation of a subsidiary that is no longer active has ceased.

## Reconciliation

	1 <sup>st</sup> nine months		1 <sup>st</sup> nine months		1 <sup>st</sup> nine months		1 <sup>st</sup> nine months	
	2021	2020	2021	2020	2021	2020	2021	2020
<b>Income statement</b> (in € millions)	Total		Automotive Technologies		Automotive Aftermarket		Industrial	
<b>EBIT</b>	<b>1,021</b>	<b>-422</b>	<b>499</b>	<b>-533</b>	<b>225</b>	<b>167</b>	<b>297</b>	<b>-57</b>
* in % of revenue	9.9	-4.7	7.9	-9.8	15.9	13.9	11.2	-2.4
<b>Special items</b>	<b>-27</b>	<b>798</b>	<b>-33</b>	<b>517</b>	<b>-19</b>	<b>23</b>	<b>24</b>	<b>258</b>
* Legal cases	-29	0	-8	0	-16	0	-4	0
* Restructuring	-17	549	-24	268	-3	23	10	258
– including divisional Roadmap 2025 subprograms of	-4	549	-15	268	-1	23	12	258
– including indirect areas shared service center of	-13	0	-9	0	-2	0	-2	0
* Other	19	249	0	249	0	0	19	0
<b>EBIT before special items</b>	<b>994</b>	<b>376</b>	<b>467</b>	<b>-16</b>	<b>206</b>	<b>190</b>	<b>321</b>	<b>202</b>
* in % of revenue	9.6	4.2	7.4	-0.3	14.6	15.8	12.1	8.6

### Special items

In order to facilitate a transparent evaluation of the company's results of operations, the Schaeffler Group reports EBIT, EBITDA, net income, net debt to EBITDA ratio, free cash flow before cash in- and outflows for M&A activities, Schaeffler Value Added, and ROCE before special items (= adjusted).

### Impact of currency translation/constant currency

Revenue figures at constant currency, i.e. excluding the impact of currency translation, are calculated by translating revenue using the same exchange rate for both the current and the prior year or comparison reporting period.

Rounding differences may occur.

## Reconciliation

	1 <sup>st</sup> nine months	
	2021	2020
<b>Income statement</b> (in € millions)		Total
<b>EBIT</b>	<b>1,021</b>	<b>-422</b>
• in % of revenue	9.9	-4.7
<b>Special items</b>	<b>-27</b>	<b>798</b>
• Legal cases	-29	0
• Restructuring	-17	549
– including divisional Roadmap 2025 subprograms of	-4	549
– including indirect areas shared service center of	-13	0
• Other	19	249
<b>EBIT before special items</b>	<b>994</b>	<b>376</b>
• in % of revenue	9.6	4.2
<b>Net income (loss)<sup>1)</sup></b>	<b>611</b>	<b>-531</b>
<b>Special items</b>	<b>-50</b>	<b>798</b>
• Legal cases	-52	0
• Restructuring	-17	549
• Other	19	249
– Tax effect <sup>2)</sup>	21	-135
<b>Net income before special items<sup>1)</sup></b>	<b>583</b>	<b>132</b>
<b>Statement of financial position</b> (in € millions)	<b>09/30/2021</b>	<b>12/31/2020</b>
Net financial debt	2,014	2,312
/ EBITDA LTM	2,267	1,111
<b>Net financial debt to EBITDA ratio</b>	<b>0.9</b>	<b>2.1</b>
Net financial debt	2,014	2,312
/ EBITDA before special items LTM	2,382	1,788
<b>Net financial debt to EBITDA ratio before special items</b>	<b>0.8</b>	<b>1.3</b>

	1 <sup>st</sup> nine months	
	2021	2020
<b>Statement of cash flows</b> (in € millions)		
<b>EBITDA</b>	<b>1,742</b>	<b>586</b>
<b>Special items</b>	<b>-32</b>	<b>529</b>
• Legal cases	-29	0
• Restructuring	-22	529
• Other	19	0
<b>EBITDA before special items</b>	<b>1,710</b>	<b>1,116</b>
<b>Free cash flow (FCF)</b>	<b>457</b>	<b>185</b>
-/+ Cash in- and outflows for M&A activities	11	0
<b>FCF before cash in- and outflows for M&amp;A activities</b>	<b>468</b>	<b>185</b>
FCF before cash in- and outflows for M&A activities	468	185
/ EBIT	1,021	-422
<b>FCF conversion<sup>3)</sup></b>	<b>0.5</b>	<b>-</b>
FCF before cash in- and outflows for M&A activities	468	185
<b>Special items</b>	<b>281</b>	<b>208</b>
• Legal cases	-4	6
• Restructuring	276	152
• Other	9	0
• Financing	0	50
<b>FCF before cash in- and outflows for M&amp;A activities and before special items</b>	<b>749</b>	<b>393</b>
<b>Value-based management</b> (in € millions)		
EBIT LTM	1,295	-428
/ Average capital employed	7,842	8,192
<b>ROCE (in %)</b>	<b>16.5</b>	<b>-5.2</b>
EBIT before special items LTM	1,415	655
/ Average capital employed	7,842	8,192
<b>ROCE before special items (in %)</b>	<b>18.0</b>	<b>8.0</b>
EBIT LTM	1,295	-428
– Cost of capital	784	819
<b>Schaeffler Value Added (SVA)</b>	<b>511</b>	<b>-1,247</b>
EBIT before special items LTM	1,415	655
– Cost of capital	784	819
<b>SVA before special items</b>	<b>631</b>	<b>-164</b>

<sup>1)</sup> Attributable to shareholders of the parent company.

<sup>2)</sup> Based on each entity's specific tax rate and country-specific tax environment. The goodwill impairment included in "other" in the prior year was treated as a non-deductible operating expense.

<sup>3)</sup> Only reported if free cash flow before cash in- and outflows for M&A activities and EBIT positive.  
LTM = Based on the last twelve months.

## Financial position

Free cash flow for the reporting period amounted to EUR 457 m (prior year: EUR 185 m). **Free cash flow before cash in- and out-flows for M&A activities** was EUR 468 m (prior year: EUR 185 m). The increase over the prior year period mainly resulted from the considerably improved EBITDA. Restructuring expenditures and an increase in working capital as a result of the increase in business activity represented the main offsetting impacts. Capital expenditures on property, plant and equipment and intangible assets were still flat with the low prior year level.

The group's net financial debt changed as follows:

### Net financial debt

in € millions	09/30/2021	12/31/2020	Change in %
Bonds	3,479	3,476	0.1
Schuldschein loans	556	554	0.3
Revolving Credit Facility	-2	-3	-26.1
Commercial paper	0	30	-100
Other financial debt	1	13	-95.0
<b>Financial debt</b>	<b>4,034</b>	<b>4,071</b>	<b>-0.9</b>
Cash and cash equivalents	2,020	1,758	14.9
<b>Net financial debt</b>	<b>2,014</b>	<b>2,312</b>	<b>-12.9</b>

EUR 200 m (December 31, 2020: EUR 253 m) of cash and cash-equivalents on hand as at September 30, 2021, related to countries with foreign exchange restrictions and other legal and contractual restrictions. In addition, Schaeffler AG has committed revolving credit facilities of EUR 2.0 bn (December 31, 2020: EUR 2.0 bn) of which EUR 30 m (December 31, 2020: EUR 27 m) were utilized as at September 30, 2021, mainly in the form of letters of credit. Deducting bank balances in countries with foreign exchange restrictions results in available liquidity of EUR 3,790 m (December 31, 2020: EUR 3,478 m).

The exercise of a contractually agreed renewal option extended the maturity date of the Revolving Credit Facility to September 2024 on March 12, 2021.

On March 15, 2021, rating agency Fitch lowered its ratings for the Schaeffler Group from previously “BBB-” to “BB+” (outlook “stable”). On August 17, 2021, rating agency Moody's raised the outlook for its “Ba1” rating for the Schaeffler Group from “stable” to “positive”. The ratings assigned by Standard & Poor's are unchanged from the consolidated financial statements 2020.

## Opportunities and risks

Please refer to pp. 47 et seq. of the Schaeffler Group's annual report 2020 for a discussion of the Schaeffler Group's risk management system and potential opportunities and risks.

In addition to the disclosures made therein, current trends in the procurement markets and supply shortages of semiconductors, especially for automobile manufacturers, could adversely affect the company's results of operations. These are reflected in the Schaeffler Group's outlook. The Schaeffler Group continues to strive to at least partially offset price increases in the procurement markets by adjusting sales prices correspondingly, albeit with some delay.

The Schaeffler Group's risks are limited, both individually and in combination with other risks, and do not jeopardize the continued existence of the company.

## Schaeffler Group outlook

The Board of Managing Directors of Schaeffler AG decided on May 11, 2021, as well as on July 26, 2021, and October 25, 2021, to adjust the full-year outlook for the Schaeffler Group and its divisions for 2021.

More on the guidance issued on February 22, 2021, in the annual report 2020 on pp. 59 et seq.; more on the guidance issued on May 11, 2021, in the interim statement Q1 2021 on page 11; more on the guidance issued on July 26, 2021, in the interim financial report H1 2021 on page 17.

The **Schaeffler Group** expects considerable revenue growth for 2021 of now more than 7% excluding the impact of currency translation. This reflects, in the Automotive Technologies division, automobile production of passenger cars and light commercial vehicles in the third and fourth quarters of 2021 that is considerably lower than assumed previously. The group continues to anticipate its Automotive Technologies division to grow by 2 to 5 percentage points more in 2021 than global automobile production of passenger cars and light commercial vehicles, which the current base scenario by IHS Markit (October 2021) implies will grow at a rate of 0.3%. This change is partly offset by inclusion of a raised market estimate for the Industrial division in the outlook for the Schaeffler Group's revenue growth.

In addition, the company still expects to generate an EBIT margin before special items of 8 to 9.5% in 2021.

The Schaeffler Group continues to anticipate free cash flow before cash in- and outflows for M&A activities for 2021 of more than EUR 400 m and less than in the prior year.

The group anticipates its **Automotive Technologies division** to grow by 2 to 5 percentage points more than global automobile production of passenger cars and light commercial vehicles, and, on that basis, to generate revenue growth, excluding the impact of currency translation, that is considerably positive. Additionally, the company expects the Automotive Technologies division to considerably improve its EBIT margin before special items over the prior year by raising it to just over 6%.

For the **Automotive Aftermarket division**, the group continues to anticipate considerable revenue growth, excluding the impact of currency translation, of more than 10% and continues to expect an EBIT margin before special items slightly lower than in the prior year at more than 12.5% in 2021.

For its **Industrial division**, the company now expects revenue to grow by 11 to 13%, excluding the impact of currency translation, and continues to expect the EBIT margin before special items to improve considerably compared to the prior year, increasing to more than 10.5% in 2021.

Herzogenaurach, October 25, 2021

The Board of Managing Directors

### Outlook 2021

	Actual 2020	Outlook 2021			Actual 9M 2021	
		Issued 02/22/2021	Issued 05/11/2021	Issued 07/26/2021	Issued 10/25/2021	
<b>Schaeffler Group</b>						
Revenue growth <sup>1)</sup>	-10.5%	> 7%	> 10%	> 11%	> 7%	15.9%
EBIT margin before special items <sup>2)</sup>	6.3%	6 to 8%	7 to 9%	8 to 9.5%	8 to 9.5%	9.6%
Free cash flow <sup>3)</sup>	EUR 539 m	~ EUR 100 m	> EUR 300 m	> EUR 400 m	> EUR 400 m	EUR 468 m
<b>Automotive Technologies division</b>						
Revenue growth <sup>1)</sup>	-11.7%	positive growth, 2 to 5%-age points above LVP growth <sup>4)</sup>	positive growth, 2 to 5%-age points above LVP growth <sup>4)</sup>	positive growth, 2 to 5%-age points above LVP growth <sup>4)</sup>	positive growth, 2 to 5%-age points above LVP growth <sup>4)</sup>	16.1%
EBIT margin before special items <sup>2)</sup>	3.4%	> 4.5%	> 6%	> 6%	> 6%	7.4%
<b>Automotive Aftermarket division</b>						
Revenue growth <sup>1)</sup>	-6.9%	5 to 7%	6 to 8%	> 10%	> 10%	18.3%
EBIT margin before special items <sup>2)</sup>	15.7%	> 11.5%	> 11.5%	> 12.5%	> 12.5%	14.6%
<b>Industrial division</b>						
Revenue growth <sup>1)</sup>	-9.4%	4 to 6%	7 to 9%	9 to 11%	11 to 13%	14.2%
EBIT margin before special items <sup>2)</sup>	8.8%	> 8.5%	> 9.5%	> 10.5%	> 10.5%	12.1%

<sup>1)</sup> Compared to prior year; excluding the impact of currency translation.

<sup>2)</sup> Please refer to the annual report 2020, pp. 35 et seq., for the definition of special items.

<sup>3)</sup> Before cash in- and outflows for M&A activities.

<sup>4)</sup> LVP growth: global growth in production of passenger cars and light commercial vehicles.

## Consolidated income statement

in € millions	1 <sup>st</sup> nine months			3 <sup>rd</sup> quarter		
	2021	2020	Change in %	2021	2020	Change in %
Revenue	10,346	8,964	15.4	3,332	3,391	-1.8
Cost of sales	-7,753	-7,056	9.9	-2,538	-2,595	-2.2
<b>Gross profit</b>	<b>2,593</b>	<b>1,907</b>	<b>36.0</b>	<b>793</b>	<b>796</b>	<b>-0.3</b>
Research and development expenses	-557	-518	7.5	-181	-164	10.9
Selling expenses	-721	-638	13.1	-243	-211	15.0
Administrative expenses	-406	-374	8.7	-130	-120	8.4
Other income	206	73	> 100	64	48	32.7
Other expenses	-94	-872	-89.2	-24	-537	-95.5
<b>Earnings before financial result, income (loss) from equity-accounted investees, and income taxes (EBIT)</b>	<b>1,021</b>	<b>-422</b>	<b>-</b>	<b>278</b>	<b>-188</b>	<b>-</b>
Financial income	46	34	33.6	15	14	8.2
Financial expenses	-131	-148	-11.9	-51	-38	34.6
<b>Financial result</b>	<b>-85</b>	<b>-114</b>	<b>-25.7</b>	<b>-36</b>	<b>-24</b>	<b>50.8</b>
Income (loss) from equity-accounted investees	-32	-23	40.7	-12	-8	41.1
<b>Earnings before income taxes</b>	<b>904</b>	<b>-559</b>	<b>-</b>	<b>230</b>	<b>-221</b>	<b>-</b>
Income taxes	-280	32	-	-75	54	-
<b>Net income (loss)</b>	<b>625</b>	<b>-527</b>	<b>-</b>	<b>155</b>	<b>-167</b>	<b>-</b>
Attributable to shareholders of the parent company	611	-531	-	149	-171	-
Attributable to non-controlling interests	13	5	> 100	6	4	70.7
Earnings per common share (basic/diluted, in €)	0.91	-0.80	-	0.22	-0.26	-
Earnings per common non-voting share (basic/diluted, in €)	0.92	-0.79	-	0.22	-0.26	-

## Consolidated statement of financial position

in € millions	09/30/2021	12/31/2020	09/30/2020	Change in %
<b>ASSETS</b>				
Intangible assets	490	470	473	4.1
Right-of-use assets under leases	203	183	195	11.0
Property, plant and equipment	4,693	4,865	4,926	-3.5
Investments in joint ventures and associated companies	82	110	121	-25.7
Costs to fulfill a contract	371	372	365	-0.4
Contract assets	0	0	3	-100
Other financial assets	181	77	103	> 100
Other assets	221	121	112	83.5
Income tax receivables	1	1	1	-12.6
Deferred tax assets	881	911	937	-3.2
<b>Total non-current assets</b>	<b>7,122</b>	<b>7,109</b>	<b>7,236</b>	<b>0.2</b>
Inventories	2,428	1,881	1,991	29.1
Contract assets	63	57	52	9.1
Trade receivables	2,215	2,160	2,153	2.5
Other financial assets	70	182	176	-61.6
Other assets	323	290	282	11.3
Income tax receivables	60	61	49	-1.8
Cash and cash equivalents	2,020	1,758	1,226	14.9
Assets held for sale	72	8	10	> 100
<b>Total current assets</b>	<b>7,251</b>	<b>6,399</b>	<b>5,939</b>	<b>13.3</b>
<b>Total assets</b>	<b>14,373</b>	<b>13,509</b>	<b>13,175</b>	<b>6.4</b>

in € millions	09/30/2021	12/31/2020	09/30/2020	Change in %
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>				
Share capital	666	666	666	0.0
Capital reserves	2,348	2,348	2,348	0.0
Other reserves	843	393	292	> 100
Accumulated other comprehensive income (loss)	-1,116	-1,479	-1,633	-24.6
<b>Equity attributable to shareholders of the parent company</b>	<b>2,742</b>	<b>1,928</b>	<b>1,673</b>	<b>42.2</b>
Non-controlling interests	106	93	90	13.4
<b>Total shareholders' equity</b>	<b>2,848</b>	<b>2,022</b>	<b>1,763</b>	<b>40.8</b>
Provisions for pensions and similar obligations	2,570	2,800	3,020	-8.2
Provisions	407	510	469	-20.1
Financial debt	3,489	4,028	3,572	-13.4
Contract liabilities	102	105	91	-3.0
Income tax payables	32	10	95	> 100
Other financial liabilities	34	18	24	89.9
Lease liabilities	156	135	147	16.1
Other liabilities	16	18	18	-13.1
Deferred tax liabilities	172	177	153	-2.7
<b>Total non-current liabilities</b>	<b>6,979</b>	<b>7,801</b>	<b>7,589</b>	<b>-10.5</b>
Provisions	501	616	565	-18.6
Financial debt	545	43	341	> 100
Contract liabilities	85	80	82	5.2
Trade payables	1,891	1,704	1,585	11.0
Income tax payables	167	124	78	35.2
Other financial liabilities	692	593	579	16.7
Lease liabilities	49	50	51	-1.8
Refund liabilities	257	224	217	14.8
Other liabilities	335	252	324	32.8
Liabilities associated with assets held for sale	26	0	1	-
<b>Total current liabilities</b>	<b>4,547</b>	<b>3,686</b>	<b>3,823</b>	<b>23.4</b>
<b>Total shareholders' equity and liabilities</b>	<b>14,373</b>	<b>13,509</b>	<b>13,175</b>	<b>6.4</b>

## Consolidated statement of cash flows

in € millions	1 <sup>st</sup> nine months			3 <sup>rd</sup> quarter		
	2021	2020	Change in %	2021	2020	Change in %
<b>Operating activities</b>						
EBIT	1,021	-422	-	278	-188	-
Interest paid	-54	-75	-28.3	-2	-13	-81.3
Interest received	9	6	38.2	3	1	>100
Income taxes paid	-251	-168	49.8	-97	-74	31.0
Amortization, depreciation, and impairment losses	721	1,009	-28.5	241	273	-11.8
(Gains) losses on disposal of assets	2	-1	-	0	2	-
Changes in:						
• Inventories	-512	37	-	-145	184	-
• Trade receivables	-33	-148	-78.1	65	-479	-
• Trade payables	205	-78	-	95	254	-62.5
• Provisions for pensions and similar obligations	67	3	>100	13	-7	-
• Other assets, liabilities, and provisions	-170	567	-	9	581	-98.5
<b>Cash flows from operating activities</b>	<b>1,006</b>	<b>730</b>	<b>37.8</b>	<b>458</b>	<b>533</b>	<b>-14.0</b>
<b>Investing activities</b>						
Proceeds from disposals of property, plant and equipment	13	13	-4.1	2	2	-19.3
Capital expenditures on intangible assets	-21	-19	10.8	-14	-6	>100
Capital expenditures on property, plant and equipment	-462	-462	0.0	-200	-175	14.4
Acquisition of subsidiaries and interests in joint ventures	-12	0	-	-10	0	-
Disposal of subsidiaries and interests in joint ventures	1	0	7.2	1	0	-
Other investing activities	-24	-34	-29.0	-6	-7	-13.2
<b>Cash used in investing activities</b>	<b>-506</b>	<b>-501</b>	<b>0.8</b>	<b>-229</b>	<b>-186</b>	<b>23.2</b>
<b>Financing activities</b>						
Dividends paid to shareholders and non-controlling interests	-165	-298	-44.7	0	-3	-100
Receipts from bond issuances and loans	0	898	-99.9	-8	-9	-8.6
Redemptions of bonds and repayments of loans	-43	-181	-76.1	0	0	-
Principal repayments on lease liabilities	-43	-43	0.8	-14	-14	1.6
<b>Cash provided by (used in) financing activities</b>	<b>-251</b>	<b>376</b>	<b>-</b>	<b>-23</b>	<b>-27</b>	<b>-13.9</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>249</b>	<b>604</b>	<b>-58.8</b>	<b>206</b>	<b>320</b>	<b>-35.5</b>
Effects of foreign exchange rate changes on cash and cash equivalents	14	-47	-	4	-14	-
Change in cash and cash equivalents due to changes in the scope of consolidation	-1	0	-	-1	0	
Cash and cash equivalents as at beginning of period	1,758	668	>100	1,810	919	97.0
<b>Cash and cash equivalents as at September 30</b>	<b>2,020</b>	<b>1,226</b>	<b>64.8</b>	<b>2,020</b>	<b>1,226</b>	<b>64.8</b>

## Consolidated segment information

	1 <sup>st</sup> nine months		1 <sup>st</sup> nine months		1 <sup>st</sup> nine months		1 <sup>st</sup> nine months	
	2021	2020	2021	2020	2021	2020	2021	2020
in € millions	Automotive Technologies		Automotive Aftermarket		Industrial		Total	
Revenue	6,286	5,425	1,411	1,204	2,649	2,335	10,346	8,964
EBIT	499	-533	225	167	297	-57	1,021	-422
• in % of revenue	7.9	-9.8	15.9	13.9	11.2	-2.4	9.9	-4.7
EBIT before special items <sup>1)</sup>	467	-16	206	190	321	202	994	376
• in % of revenue	7.4	-0.3	14.6	15.8	12.1	8.6	9.6	4.2
Amortization, depreciation, and impairment losses <sup>2)</sup>	560	845	29	20	131	143	721	1,009
Working capital <sup>3) 4)</sup>	1,250	1,254	509	366	992	939	2,752	2,559
Additions to intangible assets and property, plant and equipment	273	254	12	25	154	181	439	459

	3 <sup>rd</sup> quarter		3 <sup>rd</sup> quarter		3 <sup>rd</sup> quarter		3 <sup>rd</sup> quarter	
	2021	2020	2021	2020	2021	2020	2021	2020
in € millions	Automotive Technologies		Automotive Aftermarket		Industrial		Total	
Revenue	1,921	2,161	500	456	911	774	3,332	3,391
EBIT	108	-75	80	62	90	-175	278	-188
• in % of revenue	5.6	-3.5	16.0	13.7	9.9	-22.6	8.3	-5.6
EBIT before special items <sup>1)</sup>	88	176	71	86	113	61	272	322
• in % of revenue	4.6	8.2	14.3	18.8	12.4	7.8	8.2	9.5
Amortization, depreciation, and impairment losses	186	206	10	8	45	60	241	273
Working capital <sup>3) 4)</sup>	1,250	1,254	509	366	992	939	2,752	2,559
Additions to intangible assets and property, plant and equipment	127	86	5	13	66	72	198	171

Prior year information presented based on 2021 segment structure.

<sup>1)</sup> EBIT before special items for legal cases, restructuring, and other.

<sup>2)</sup> The prior year reporting period in 2020 included a goodwill impairment of EUR 249 m in the Automotive Technologies segment.

<sup>3)</sup> Working capital defined as inventories plus trade receivables less trade payables.

<sup>4)</sup> Amounts as at September 30.



## Reporting entity

Schaeffler AG, Herzogenaurach, is a publicly listed stock corporation domiciled in Germany with its registered office located at Industriestraße 1–3, 91074 Herzogenaurach. The company was founded on April 19, 1982, and is registered in the Commercial Register of the Fürth Local Court (HRB No. 14738). The interim statement of Schaeffler AG as at September 30, 2021, comprises Schaeffler AG and its subsidiaries, investments in associated companies, and joint ventures (together referred to as the “Schaeffler Group”). The Schaeffler Group is a global automotive and industrial supplier.

## Basis of preparation

The consolidated statement of financial position, consolidated income statement, consolidated statement of cash flows, and condensed notes to these statements comprising this interim statement are largely based on the accounting policies used in the 2020 consolidated financial statements, where the latter are discussed in detail. These accounting policies have been applied consistently in this interim statement except for the change in accounting policy regarding development services.

In compiling financial statements in accordance with IFRS, management exercises judgment in making estimates and assumptions. Such estimates and judgments are unchanged from the matters described in the consolidated financial statements of Schaeffler AG as at and for the year ended December 31, 2020. An exception to this is an adjustment to the assumption regarding the discount rate used to measure the company’s pension obligations that was made to reflect current market trends. The increase in the discount rate has led to a decrease in pension obligations and an increase in shareholders’ equity. Please refer to “Provisions for pensions and similar obligations” below for more detailed information.

In addition, restructuring provisions and the assessment regarding recognition of a receivable for social tax were adjusted to reflect current information. Please refer to “Provisions for pensions and similar obligations” as well as “Other financial assets and other assets” below for more detailed information.

Processes and systems of group companies ensure appropriate recognition of income and expenses on the accrual basis. The Schaeffler Group’s business is not significantly affected by seasonality.

Income taxes were determined based on best estimate.

As amounts (in EUR m) and percentages have been rounded, rounding differences may occur.

## Change in accounting policy

The company has changed its accounting policy for development services effective January 1, 2021. The new accounting treatment, which is being applied retrospectively, reflects the relationship between development services and future volume production in a different manner. Under the new model, development costs for all customer projects are capitalized as costs to fulfill a contract starting when a volume supply contract with the customer becomes highly probable, and then amortized appropriately over the period of volume production. Revenue is similarly accrued as a contract liability and realized over the period of volume production as well. The change is designed to improve the presentation of the financial information. Previously, revenue was recognized for development services that represented a distinct, separately identifiable performance obligation vis-à-vis the customer and for which the Schaeffler Group was entitled to consideration under the contract. This revenue was recognized when the development services had been rendered in full. The related expenses were expensed as cost of sales when revenue was recognized.

The change in accounting policy was implemented by a retrospective adjustment of EUR 187 m to other reserves within shareholders' equity in the opening statement of financial position as at January 1, 2020. This represents an adjustment to the comparative figures for the period presented.

In addition, other changes were made to the presentation of expenses for production technology and for the use of real estate as at January 1, 2021. The changes are designed to more precisely reflect the company's business processes in its financial information. The prior year period was retrospectively adjusted for these other changes in presentation.

The following summaries set out the impact of the changes on the consolidated statement of financial position, the consolidated income statement, and the consolidated statement of cash flows.

### Consolidated statement of financial position

September 30, 2020

in € millions	September 30, 2020, before adjustments	Accounting policy change – development services	September 30, 2020, adjusted
<b>ASSETS</b>			
Costs to fulfill a contract	0	365	365
Deferred tax assets	982	-45	937
<b>Total non-current assets</b>	<b>6,917</b>	<b>320</b>	<b>7,236</b>
Inventories	2,013	-22	1,991
<b>Total current assets</b>	<b>5,961</b>	<b>-22</b>	<b>5,939</b>
<b>Total assets</b>	<b>12,877</b>	<b>297</b>	<b>13,175</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Other reserves	112	181	292
<b>Total shareholders' equity</b>	<b>1,582</b>	<b>181</b>	<b>1,763</b>
Contract liabilities	5	86	91
Deferred tax liabilities	130	23	153
<b>Total non-current liabilities</b>	<b>7,480</b>	<b>109</b>	<b>7,589</b>
Contract liabilities	74	8	82
<b>Total current liabilities</b>	<b>3,815</b>	<b>8</b>	<b>3,823</b>
<b>Total shareholders' equity and liabilities</b>	<b>12,877</b>	<b>297</b>	<b>13,175</b>

**Consolidated income statement**1<sup>st</sup> nine months 2020

in € millions	1 <sup>st</sup> nine months 2020 before adjustments	Accounting policy change – development services	Other changes in presentation	1 <sup>st</sup> nine months 2020 adjusted
Revenue	8,971	-7	0	8,964
Cost of sales	-7,023	-45	11	-7,056
<b>Gross profit</b>	<b>1,947</b>	<b>-52</b>	<b>11</b>	<b>1,907</b>
Research and development expenses	-574	43	13	-518
Selling expenses	-627	0	-11	-638
Administrative expenses	-361	0	-12	-374
Other income	73	0	-1	73
<b>Earnings before financial result, income (loss) from equity-accounted investees, and income taxes (EBIT)</b>	<b>-413</b>	<b>-9</b>	<b>0</b>	<b>-422</b>
<b>Earnings before income taxes</b>	<b>-550</b>	<b>-9</b>	<b>0</b>	<b>-559</b>
Income taxes	30	2	0	32
<b>Net loss</b>	<b>-520</b>	<b>-7</b>	<b>0</b>	<b>-527</b>
Attributable to shareholders of the parent company	-525	-7	0	-531
Attributable to non-controlling interests	5			5
Earnings per common share (basic/diluted, in €)	-0.79	-0.01	0.00	-0.80
Earnings per common non-voting share (basic/diluted, in €)	-0.78	-0.01	0.00	-0.79

**Consolidated statement of cash flows**1<sup>st</sup> nine months 2020

in € millions	1 <sup>st</sup> nine months 2020 before adjustments	Accounting policy change – development services	1 <sup>st</sup> nine months 2020 adjusted
<b>Operating activities</b>			
EBIT	-413	-9	-422
Changes in:			
• Inventories	39	-2	37
• Other assets, liabilities, and provisions	556	11	567
<b>Cash flows from operating activities</b>	<b>730</b>	<b>0</b>	<b>730</b>

**Foreign currency translation**

The exchange rates between the group's most significant currencies and the euro are as follows:

**Selected foreign exchange rates**

Currencies		09/30/2021	12/31/2021	09/30/2020	1 <sup>st</sup> nine months	
		Closing rates			2021	2020
1 € in					Average rates	
CNY	China	7.48	8.02	7.97	7.74	7.86
INR	India	86.08	89.66	86.30	88.06	83.44
	South					
KRW	Korea	1,371.58	1,336.00	1,368.51	1,353.93	1,349.11
MXN	Mexico	23.74	24.42	26.18	24.08	24.52
USD	U.S.	1.16	1.23	1.17	1.20	1.12

**Scope of consolidation**

The interim statement of Schaeffler AG as at September 30, 2021, covers, in addition to Schaeffler AG, 145 (December 31, 2020: 150) subsidiaries; 47 (December 31, 2020: 52) entities are domiciled in Germany and 98 (December 31, 2020: 98) in other countries.

In the interim statement as at September 30, 2021, five (December 31, 2020: four) joint ventures and four associated companies (December 31, 2020: four) are accounted for at equity.

## Acquisitions of companies

In a transaction that closed on August 2, 2021, the Schaeffler Group has acquired 100% of the shares of Bega International B.V., a Dutch company manufacturing special tools for mounting and dismounting rolling bearings. The acquisition, which is part of the “Roadmap 2025”, marks another step in the expansion of the service business of the Schaeffler Group’s Industrial division. Consideration for the acquisition, which is payable in cash, is expected to be EUR 14 m. The amount of consideration to be transferred depends on the amount of cash, financial debt, and net working capital in the closing balance sheet of Bega International B.V.. Additionally, the agreement calls for revenue-based contingent consideration. The provisional allocation of the purchase price based on the preliminary Bega International B.V. closing balance sheet has resulted in EUR 5 m in intangible assets and EUR 8 m in goodwill. Based on what is currently known, provisional goodwill, which cannot be recognized for tax purposes and is therefore not tax-deductible, represents the planned advancement of the Industrial division’s service business. The impact of Bega International B.V. on the consolidated income statement is insignificant.

## Revenue

Revenue from contracts with customers can be analyzed by category and segment as follows:

### IFRS 15 – analysis of revenue by category

	1 <sup>st</sup> nine months		1 <sup>st</sup> nine months		1 <sup>st</sup> nine months		1 <sup>st</sup> nine months	
	2021	2020 <sup>1)</sup>	2021	2020 <sup>1)</sup>	2021	2020 <sup>1)</sup>	2021	2020
in € millions	Automotive Technologies		Automotive Aftermarket		Industrial		Total	
<b>Revenue by type</b>								
• Revenue from the sale of goods	6,156	5,333	1,411	1,204	2,612	2,313	10,179	8,850
• Revenue from the sale of tools	92	57	0	0	9	4	102	61
• Revenue from other services	38	34	0	0	27	18	65	52
• Other revenue	0	1	0	0	0	0	0	1
<b>Total</b>	<b>6,286</b>	<b>5,425</b>	<b>1,411</b>	<b>1,204</b>	<b>2,649</b>	<b>2,335</b>	<b>10,346</b>	<b>8,964</b>
<b>Revenue by region <sup>2)</sup></b>								
• Europe	2,337	1,994	985	875	1,071	973	4,393	3,842
• Americas	1,421	1,256	271	216	436	396	2,128	1,869
• Greater China	1,556	1,375	78	57	756	639	2,389	2,070
• Asia/Pacific	973	799	78	56	385	328	1,436	1,182
<b>Total</b>	<b>6,286</b>	<b>5,425</b>	<b>1,411</b>	<b>1,204</b>	<b>2,649</b>	<b>2,335</b>	<b>10,346</b>	<b>8,964</b>

<sup>1)</sup> Prior year information presented based on 2021 segment structure.

<sup>2)</sup> Based on market (customer location).

## Other financial assets and other assets

In a case regarding the tax base for the calculation of social tax, the Brazilian federal superior court issued a ruling in favor of the tax payer on May 13, 2021. As a result of this ruling, excess tax paid in the past as well as the related interest can be offset against other obligations to pay tax in future; therefore, such tax and interest have been capitalized as other assets in the amount of EUR 41 m against other income and financial result in the second quarter of 2021. EUR 23 m of this amount represent non-current other assets.

In the third quarter, a further EUR 23 m in creditable taxes were recognized as other non-current assets against other income and financial result in connection with follow-up litigation dealing with the same issue and for which a decision is still outstanding.

## Assets held for sale and liabilities associated with assets held for sale

On August 3, 2021, the Schaeffler Group signed an agreement to sell the global chain drive business of the Automotive Technologies division to a private equity fund. The related assets held for sale amount to EUR 43 m net of related liabilities. The planned sale is not expected to have a significant impact on the Schaeffler Group's net income. The disposal group is subject to future change resulting from ongoing operations. The transaction is expected to close in the first half of 2022 and is subject to all regulatory approvals being granted and other customary closing conditions being met.

On August 26, 2021, the Schaeffler Group signed a contract to sell the Clausthal-Zellerfeld site to ift-whitecell engineering gmbh, a subsidiary of Whitecell Power AG. In connection with this transaction, the assets and liabilities were reclassified as held for sale and an impairment loss of EUR 4 m was recognized. The transaction is expected to close in the fourth quarter of 2021 and is subject to all regulatory approvals being granted and other customary closing conditions being met.

## Current and non-current financial debt

### Financial debt (current/non-current)

in € millions	09/30/2021			12/31/2020		
	Due in up to 1 year	Due in more than 1 year	Total	Due in up to 1 year	Due in more than 1 year	Total
Bonds	544	2,935	3,479	0	3,476	3,476
Schuldschein loans	0	556	556	0	554	554
Revolving Credit Facility	0	-2	-2	0	-3	-3
Commercial paper	0	0	0	30	0	30
Other financial debt	0	0	1	13	0	13
<b>Total</b>	<b>545</b>	<b>3,489</b>	<b>4,034</b>	<b>43</b>	<b>4,028</b>	<b>4,071</b>

The decrease in financial debt compared to December 31, 2020, was mainly due to the repayment of EUR 30 m in commercial paper.

## Provisions for pensions and similar obligations

Interest rate levels as at September 30, 2021, have increased compared to December 31, 2020. On this basis, the Schaeffler Group has adjusted the discount rate used to value its key pension plans as at the reporting date. The Schaeffler Group's average discount rate as at September 30, 2021, amounted to 1.4% (December 31, 2020: 0.9%). As at September 30, 2021, the resulting remeasurement of the company's obligations under defined benefit pension plans resulted in actuarial gains of EUR 301 m and gains on plan assets of EUR 15 m as well as an unfavorable impact of the asset ceiling of EUR 7 m which were recognized in other comprehensive income and are reported under accumulated other comprehensive income net of deferred taxes.

## Provisions

Current provisions declined by EUR 115 m to EUR 501 m compared to December 31, 2020 (December 31, 2020: EUR 616 m). Moreover, non-current provisions decreased by EUR 103 m to EUR 407 m compared to December 31, 2020 (December 31, 2020: EUR 510 m).

The decrease in provisions is mainly attributable to EUR 229 m utilized in connection with the structural measures adopted by Schaeffler AG's Board of Managing Directors under the "Roadmap 2025" divisional subprograms in the third quarter of 2020. In addition, provisions in Germany were adjusted to reflect information current as at the second quarter, resulting in a reversal of EUR 54 m. On the other hand, related additional measures at a European location resulted in an addition of EUR 28 m. A further EUR 5 m was reversed as at September 30, 2021, in connection with the planned sale of the Clausthal-Zellerfeld site. In addition, the provision for the set-up of a shared service center started in 2017 was reduced by EUR 13 m.

## Financial instruments

The carrying amounts and fair values of financial instruments by class of the consolidated statement of financial position and by category per IFRS 7.8 are summarized below. Derivatives designated as hedging instruments are shown as well.

The ABCP program was replaced with a new receivable sale program in September. The new program has a total volume of up to EUR 200 m of which EUR 150 m were utilized as at September 30, 2021. The portfolio of trade receivables available for sale under the receivable sale program is categorized as measured at fair value through profit or loss (FVTPL).

The carrying amounts of trade receivables, including the customer receivables and notes receivable available for sale, miscellaneous other financial assets, cash and cash equivalents, trade payables, refund liabilities, as well as miscellaneous other financial liabilities are assumed to equal their fair value due to the short maturities of these instruments.

Other investments included unconsolidated investments (shares in incorporated companies and cooperatives of less than 20%) for which fair value was determined using an EBIT multiple methodology. The company is currently not planning to sell these investments. Marketable securities consist almost entirely of financial instruments in the form of money market fund units without fixed maturities. These are measured at fair value through profit or loss.

The fair values of financial assets and liabilities that are either measured at fair value or for which fair value is disclosed in these condensed notes were determined using the following valuation methods and inputs:

- Level 1: Exchange-quoted prices as at the reporting date are used for marketable securities as well as bonds payable included in financial debt.

- Level 2: Cross-currency swaps and foreign exchange contracts are measured using discounted cash flow valuation models and the exchange rates in effect at the end of the reporting period, as well as risk-adjusted interest and discount rates appropriate to the instruments' terms. These models take into account counterparty credit risk via credit value adjustments. The fair value of financial debt (except for the publicly listed bonds payable) is the present value of expected cash in- or outflows discounted using risk-adjusted discount rates that are appropriate to the term of the item being valued and that are in effect at the end of the reporting period.
- Level 3: The derivatives embedded in a convertible loan and the loan issued with a conversion right are measured based on option pricing models. Inputs to the models include data from the company's plans and budgets, market information, and management expectations.

The company reviews its financial instruments at the end of each reporting period for any required transfers between levels. No transfers between levels were made during the period.

## Financial instruments by class and category in accordance with IFRS 7.8

in € millions	Category per IFRS 7.8	Level per IFRS 13	09/30/2021		12/31/2020		09/30/2020	
			Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets, by class</b>								
Trade receivables	Amortised cost		1,985	1,985	1,926	1,926	1,955	1,955
Trade receivables – ABCP program	FVTPL	2	0	0	87	87	94	94
Trade receivables – factoring program	FVTPL	2	88	88	0	0	0	0
Trade receivables – customer receivables and notes receivable available for sale	FVOCI	2	142	142	147	147	104	104
<b>Other financial assets</b>								
• Other investments	FVOCI	2	36	36	36	36	37	37
• Marketable securities	FVTPL	1	26	26	24	24	24	24
• Derivatives designated as hedging instruments	n.a.	2	9	9	54	54	40	40
• Derivatives not designated as hedging instruments	FVTPL	2.3 <sup>1)</sup>	19	19	23	23	62	62
• Miscellaneous other financial assets	Amortised cost, FVTPL	3 <sup>2)</sup>	161	161	123	123	117	117
Cash and cash equivalents	Amortised cost, FVTPL	1.2 <sup>3)</sup>	2,020	2,020	1,758	1,758	1,226	1,226
<b>Financial liabilities, by class</b>								
Financial debt	FLAC	1.2 <sup>4)</sup>	4,034	4,277	4,071	4,301	3,914	3,887
Trade payables	FLAC		1,891	1,908	1,704	1,704	1,585	1,585
Refund liabilities	n.a.		257	257	224	224	217	217
Lease liabilities <sup>5)</sup>	n.a.		205	-	185	-	197	-
<b>Other financial liabilities</b>								
• Derivatives designated as hedging instruments	n.a.	2	49	49	10	10	17	17
• Derivatives not designated as hedging instruments	FVTPL	2	23	23	25	25	38	38
• Miscellaneous other financial liabilities	FLAC		655	655	577	577	549	549
<b>Summary by category</b>								
Financial assets at amortized cost (Amortised cost)			4,166	4,166	3,407	3,407	3,298	3,298
Financial assets at fair value through profit or loss (FVTPL)			45	45	534	534	180	180
Financial assets at fair value through other comprehensive income (FVOCI)			178	178	183	183	141	141
Financial liabilities at amortized cost (FLAC)			6,580	6,840	6,351	6,582	6,047	6,021
Financial liabilities at fair value through profit or loss (FVTPL)			23	23	25	25	38	38

<sup>1)</sup> Level 2: EUR 19 m (December 31, 2020: EUR 23 m; September 30, 2020: EUR 62 m); Level 3: EUR 0 (December 31, 2020: EUR 0; September 30, 2020: EUR 0).

<sup>2)</sup> Level 3: EUR 0 (December 31, 2020: EUR 0; September 30, 2020: EUR 1 m).

<sup>3)</sup> Balance as at December 31, 2020, includes EUR 400 m in money market funds categorized as FVTPL.

<sup>4)</sup> Level 1: EUR 3,718 m (December 31, 2020: EUR 3,700 m; September 30, 2020: EUR 2,749 m). Level 2: EUR 562 m (December 31, 2020: EUR 601 m; September 30, 2020: EUR 1,139 m).

<sup>5)</sup> Disclosure of fair value omitted in accordance with IFRS 7.29 (d).

**Change in assets and liabilities measured at fair value in level 3**

in € millions	2021		
	Financial assets – derivatives not designated as hedging instruments	Miscellaneous other financial assets	Financial liabilities – derivatives not designated as hedging instruments
<b>Balance as at January 01</b>	0	1	0
Additions	0	0	0
• Financial income (unrealized)	0	0	0
• Financial expenses (unrealized)	0	1	0
<b>Balance as at September 30</b>	<b>0</b>	<b>0</b>	<b>0</b>

Financial assets and liabilities for which fair value is determined based on inputs unobservable in the market (level 3) are continually monitored and reviewed for changes in value. The key factor driving fair value changes is the enterprise value of the debtor of the loan. This enterprise value is determined using data from the company's plans and budgets, management expectations, and market information.

## Contingent liabilities and other obligations

The statements made in the annual report 2020 with respect to contingent liabilities are largely unchanged.

Open commitments under fixed contracts to purchase property, plant and equipment amounted to EUR 196 m as at September 30, 2021 (December 31, 2020: EUR 141 m).

## Segment information

In accordance with IFRS 8, segment information is reported under the management approach, reflecting the internal organizational and management structure including the internal reporting system to the Schaeffler AG Board of Managing Directors. The Schaeffler Group engages in business activities (1) from which it may earn revenues and incur expenses, (2) whose EBIT is regularly reviewed by the Schaeffler Group's Board of Managing Directors and used as a basis for future decisions on how to allocate resources to the segments and to assess their performance, and (3) for which discrete financial information is available.

The Schaeffler Group's business is managed based on the three divisions – **Automotive Technologies**, **Automotive Aftermarket**, and **Industrial** – which also represent the reportable segments. The Automotive Technologies division business is organized into the four **business divisions E-Mobility**, **Engine Systems**, **Transmission Systems**, and **Chassis Systems**. The Automotive Aftermarket and Industrial divisions are managed regionally, based on the **regions Europe**, **Americas**, **Greater China**, and **Asia/Pacific**.

The segments offer different products and services and are managed separately because they require different technology and marketing strategies. Each segment focuses on a specific worldwide group of customers, with the spare parts business with automobile manufacturers located in the Automotive Aftermarket segment. Consequently, the amounts for revenue, EBIT, assets, additions to intangible assets and property, plant and equipment, as well as amortization, depreciation, and impairment losses are reported based on the current allocation of customers to divisions. The allocation of customers to segments and the allocation of indirect expenses was reviewed and adjusted during the year. To ensure that the information on the Automotive Technologies division, Automotive Aftermarket division, and Industrial division segments is comparable, prior year information was also presented using the current year's customer structure. Revenue related to transactions between operating segments is not included.

### Reconciliation to earnings before income taxes

in € millions	1 <sup>st</sup> nine months	
	2021	2020
EBIT Automotive Technologies <sup>1)</sup>	499	-533
EBIT Automotive Aftermarket <sup>1)</sup>	225	167
EBIT Industrial <sup>1)</sup>	297	-57
<b>EBIT</b>	<b>1,021</b>	<b>-422</b>
Financial result	-85	-114
Income (loss) from equity-accounted investees	-32	-23
<b>Earnings before income taxes</b>	<b>904</b>	<b>-559</b>

<sup>1)</sup> Prior year information presented based on 2021 segment structure.



**Reconciliation of EBIT to EBIT before special items**

	1 <sup>st</sup> nine months		1 <sup>st</sup> nine months		1 <sup>st</sup> nine months		1 <sup>st</sup> nine months	
	2021	2020 <sup>1)</sup>	2021	2020 <sup>1)</sup>	2021	2020 <sup>1)</sup>	2021	2020
in € millions	Automotive Technologies		Automotive Aftermarket		Industrial		Total	
<b>EBIT</b>	<b>499</b>	<b>-533</b>	<b>225</b>	<b>167</b>	<b>297</b>	<b>-57</b>	<b>1,021</b>	<b>-422</b>
• in % of revenue	7.9	-9.8	15.9	13.9	11.2	-2.4	9.9	-4.7
<b>Special items</b>	<b>-33</b>	<b>517</b>	<b>-19</b>	<b>23</b>	<b>24</b>	<b>258</b>	<b>-27</b>	<b>798</b>
• Legal cases	-8	0	-16	0	-4	0	-29	0
• Restructuring	-24	268	-3	23	10	258	-17	549
• Other	0	249	0	0	19	0	19	249
<b>EBIT before special items</b>	<b>467</b>	<b>-16</b>	<b>206</b>	<b>190</b>	<b>321</b>	<b>202</b>	<b>994</b>	<b>376</b>
• in % of revenue	7.4	-0.3	14.6	15.8	12.1	8.6	9.6	4.2

<sup>1)</sup> Prior year information presented based on 2021 segment structure.

**Related parties**

The extent of transactions with related persons and entities remained largely unchanged compared to the 2020 consolidated financial statements.

On April 23, 2021, the Schaeffler AG annual general meeting passed a resolution to pay a total dividend of EUR 162 m in respect of 2020 (prior year: EUR 295 m), consisting of EUR 120 m (prior year: EUR 220 m) on the common shares held by IHO Verwaltungs GmbH and EUR 42 m (prior year: EUR 75 m) on the common non-voting shares.

The company has granted an additional EUR 25 m in interest-bearing loans to a joint venture during the first nine months, bringing the total amount of the loan to EUR 67 m.

Further transactions with associated companies and joint ventures during this period were insignificant.

**Events after the reporting period**

On October 4, 2021, Schaeffler AG called variable-interest Schuldschein tranches with a volume of EUR 259 m originally due in 2023. Early redemption of these Schuldschein tranches is scheduled for November 11, 2021.

At its meeting on October 8, 2021, the Supervisory Board of Schaeffler AG renewed the contract with Uwe Wagner, Chief Technology Officer, early for another five years until September 30, 2027.

No other material events expected to have a significant impact on the net assets, financial position, or results of operations of the Schaeffler Group occurred after September 30, 2021.

Herzogenaurach, October 25, 2021

The Board of Managing Directors

Summary 1<sup>st</sup> quarter 2020 to 3<sup>rd</sup> quarter 2021

## Schaeffler Group

in € millions	2020				2021		
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter
<b>Income statement</b>							
Revenue	3,281	2,291	3,391	3,626	3,560	3,454	3,332
• Europe	1,538	888	1,416	1,537	1,518	1,501	1,374
• Americas	771	366	732	732	754	669	705
• Greater China	518	735	817	870	800	812	778
• Asia/Pacific	454	302	426	486	488	472	475
Cost of sales	-2,493	-1,969	-2,595	-2,674	-2,603	-2,611	-2,538
Gross profit	789	322	796	952	957	843	793
• in % of revenue	24.0	14.1	23.5	26.3	26.9	24.4	23.8
Research and development expenses	-192	-162	-164	-165	-192	-183	-181
Selling and administrative expenses	-377	-303	-332	-360	-383	-371	-374
EBIT	-90	-144	-188	274	388	355	278
• in % of revenue	-2.8	-6.3	-5.6	7.6	10.9	10.3	8.3
Special items	302	-15	511	148	15	-37	-6
EBIT before special items <sup>1)</sup>	212	-159	322	422	403	319	272
• in % of revenue	6.5	-6.9	9.5	11.6	11.3	9.2	8.2
Net income (loss) <sup>2)</sup>	-186	-175	-171	103	235	227	149
Earnings per common non-voting share basic/diluted, in €	-0.28	-0.25	-0.26	0.15	0.35	0.35	0.22
<b>Statement of financial position</b>							
Total assets	12,696	12,592	13,175	13,509	13,872	13,959	14,373
Additions to intangible assets and property, plant and equipment	158	130	171	179	110	131	198
Amortization, depreciation, and impairment losses excluding depreciation of right-of-use assets under leases and impairments of goodwill	230	228	259	234	223	228	226
• Reinvestment rate	0.69	0.57	0.66	0.76	0.49	0.57	0.87
Shareholders' equity <sup>3)</sup>	2,758	2,061	1,763	2,022	2,549	2,640	2,848
• in % of total assets	21.7	16.4	13.4	15.0	18.4	18.9	19.8
Net financial debt	2,414	3,002	2,688	2,312	2,176	2,228	2,014
• Net financial debt to EBITDA ratio before special items <sup>1) 4)</sup>	1.2	1.8	1.6	1.3	1.1	0.9	0.8
• Gearing ratio (Net financial debt to shareholders' equity <sup>3)</sup> , in %)	87.5	145.6	152.5	114.4	85.3	84.4	70.7

in € millions	2020				2021		
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter
<b>Statement of cash flows</b>							
EBITDA	403	99	85	525	625	598	519
Cash flows from operating activities	327	-130	533	524	281	266	458
Capital expenditures (capex) <sup>5)</sup>	164	136	181	151	132	136	215
• in % of revenue (capex ratio)	5.0	5.9	5.3	4.2	3.7	3.9	6.4
Free cash flow (FCF) before cash in- and outflows for M&A activities	137	-285	333	355	130	113	225
• FCF conversion (ratio of FCF before cash in- and outflows for M&A activities to EBIT) <sup>6)</sup>	-	-	-	1.3	0.3	0.3	0.8
<b>Value-based management</b>							
ROCE <sup>4)</sup>	5.4	0.9	-5.2	-1.9	4.2	10.6	16.5
ROCE before special items (in % <sup>1) 4)</sup>	12.8	7.8	8.0	10.0	12.5	18.7	18.0
Schaeffler Value Added (in € millions) <sup>4)</sup>	-392	-770	-1,247	-944	-460	44	511
Schaeffler Value Added before special items (in € millions) <sup>1) 4)</sup>	240	-183	-164	2	199	681	631
<b>Employees</b>							
Headcount (at end of reporting period)	86,548	84,223	83,711	83,297	83,937	83,945	83,935

<sup>1)</sup> Please refer to the annual report 2020, pp. 35 et seq., for the definition of special items.

<sup>2)</sup> Attributable to shareholders of the parent company.

<sup>3)</sup> Including non-controlling interests.

<sup>4)</sup> EBIT/EBITDA based on the last twelve months.

<sup>5)</sup> Capital expenditures on intangible assets and property, plant and equipment.

<sup>6)</sup> Only reported if FCF before cash in- and outflows for M&A activities and EBIT positive.

in € millions	2020				2021		
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter
<b>Automotive Technologies division</b>							
Revenue	2,008	1,256	2,161	2,391	2,281	2,084	1,921
• E-Mobility BD	243	191	284	328	305	305	272
• Engine Systems BD	529	330	566	631	593	524	486
• Transmission Systems BD	902	548	989	1,069	1,034	924	861
• Chassis Systems BD	333	186	322	362	349	331	302
• Europe	838	369	787	888	864	812	661
• Americas	541	190	525	516	532	438	452
• Greater China	314	497	564	648	541	514	501
• Asia/Pacific	315	200	284	339	345	321	307
Cost of sales	-1,636	-1,225	-1,707	-1,813	-1,722	-1,652	-1,546
Gross profit	372	30	454	578	559	433	375
• in % of revenue	18.5	2.4	21.0	24.2	24.5	20.8	19.5
Research and development expenses	-152	-129	-128	-131	-154	-147	-146
Selling and administrative expenses	-175	-135	-146	-160	-173	-172	-157
EBIT	-223	-235	-75	189	238	154	108
• in % of revenue	-11.1	-18.7	-3.5	7.9	10.4	7.4	5.6
Special items	270	-5	252	91	8	-21	-20
EBIT before special items <sup>1)</sup>	47	-240	176	280	246	133	88
• in % of revenue	2.3	-19.1	8.2	11.7	10.8	6.4	4.6

in € millions	2020				2021		
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter
<b>Automotive Aftermarket division</b>							
Revenue	446	301	456	438	444	467	500
• Europe	329	212	334	309	312	332	341
• Americas	81	56	80	84	83	86	102
• Greater China	15	21	21	21	25	26	27
• Asia/Pacific	21	13	21	24	24	24	30
Cost of sales	-287	-207	-296	-283	-300	-321	-346
Gross profit	160	94	160	155	143	147	154
• in % of revenue	35.8	31.2	35.1	35.3	32.3	31.4	30.8
Research and development expenses	-6	-4	-5	-3	-4	-4	-3
Selling and administrative expenses	-73	-59	-71	-84	-82	-69	-82
EBIT	77	28	62	61	57	88	80
• in % of revenue	17.2	9.3	13.7	13.9	12.7	18.9	16.0
Special items	0	0	23	6	1	-11	-9
EBIT before special items <sup>1)</sup>	77	28	86	67	57	77	71
• in % of revenue	17.2	9.3	18.8	15.4	12.9	16.5	14.3
<b>Industrial division</b>							
Revenue	827	734	774	797	836	902	911
• Europe	370	307	295	340	342	357	372
• Americas	149	120	127	132	140	146	151
• Greater China	189	218	231	202	234	272	250
• Asia/Pacific	118	89	121	123	119	127	138
Cost of sales	-570	-536	-592	-577	-581	-639	-647
Gross profit	257	198	182	220	254	263	264
• in % of revenue	31.0	27.0	23.5	27.6	30.5	29.2	29.0
Research and development expenses	-34	-29	-31	-32	-34	-33	-32
Selling and administrative expenses	-129	-109	-115	-116	-127	-130	-135
EBIT	56	63	-175	24	93	113	90
• in % of revenue	6.8	8.6	-22.6	3.0	11.2	12.5	9.9
Special items	32	-10	236	51	6	-4	23
EBIT before special items <sup>1)</sup>	88	53	61	74	99	109	113
• in % of revenue	10.7	7.2	7.8	9.3	11.9	12.0	12.4

Prior year information presented based on 2021 segment structure.

<sup>1)</sup> Please refer to the annual report 2020, pp. 35 et seq., for the definition of special items.

# Financial calendar

## November 9, 2021

Publication of results for the first nine months 2021

## March 8, 2022

Publication of annual results 2021

## April 21, 2022

Annual general meeting 2022

## May 10, 2022

Publication of results for the first three months 2022

All information is subject to correction and may be changed at short notice.

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