

We pioneer motion

Interim Statement Q1 2023

Highlights Q1 2023

Year-on-year revenue increase at all divisions

Revenue at **EUR 4.2 bn**
(up 10.4% at constant currency)

(prior year: EUR 3.8 bn)

Margin growth due to impact of prices and volumes

EBIT margin before special items **8.1%**

(prior year: 6.9%)

Cash flow negative due to seasonal factors

Free cash flow before cash in- and outflows
for M&A activities at **EUR -73 m**

(prior year: EUR 14 m)

Significant events – first quarter 2023

The Schaeffler Group completed the acquisition of the **Ewellix Group**, closing the transaction on January 3, 2023. The acquisition of this manufacturer and supplier of drive and linear motion solutions expands the Schaeffler Group's linear technology portfolio in the Industrial division.

On March 2, 2023, the Schaeffler Group signed an agreement for the acquisition of 100% of the shares in **ECO-Adapt SAS**. ECO-Adapt SAS offers innovative solutions for condition monitoring based on electrical signal analysis and systems for optimizing energy consumption. The acquisition further expands the Industrial division's portfolio of lifetime solutions. The transaction is expected to close in the second quarter of 2023.

On March 3, 2023, the Schaeffler Group announced that Corinna Schittenhelm, who has been the **Chief Human Resources Officer** of Schaeffler AG since January 2016, will not extend her contract. Corinna Schittenhelm's current contract runs until the end of 2023.

Schaeffler Group earnings

The increase in **revenue**, excluding the impact of currency translation, in the first quarter of 2023 was primarily attributable to higher volumes in all divisions. A favorable impact of sales prices in the three divisions further bolstered the revenue trend, especially since considerable rises in factor input costs were largely passed on to the market.

Revenue growth in the **Automotive Technologies division**, excluding the impact of currency translation, was mainly attributable to higher volumes of the Europe region and, globally, the Engine & Transmission Systems BD. The additional revenue at the **Automotive Aftermarket division**, excluding the impact of currency translation, in the first quarter of 2023 was primarily the result of volume growth in the Europe region, especially in the Independent Aftermarket business. Growth in **Industrial division revenue**, excluding the impact of currency translation, was due to strong volume growth in nearly all sector clusters. The increase in the Industrial Automation sector cluster was driven by the structural impact of acquisitions of subsidiaries, especially the Ewellix Group, which had an effect on all regions.

The increase in **EBIT margin before special items** in the first quarter of 2023 was mainly attributable to the impact of prices and volumes, which more than offset higher factor input costs overall.

	1 st three months		
in € millions	2023	2022	Change in %
Revenue	4,152	3,758	10.5
• at constant currency			10.4
Revenue by division			
Automotive Technologies	2,440	2,292	6.4
• at constant currency			6.0
Automotive Aftermarket	582	464	25.5
• at constant currency			25.7
Industrial	1,130	1,002	12.8
• at constant currency			13.4
Revenue by region ¹⁾			
Europe	1,848	1,583	16.8
• at constant currency			17.3
Americas	920	834	10.4
• at constant currency			5.4
Greater China	829	842	-1.5
• at constant currency			1.0
Asia/Pacific	554	499	11.0
• at constant currency			12.9
Cost of sales	-3,167	-2,887	9.7
Gross profit	984	871	13.0
• in % of revenue	23.7	23.2	–
Research and development expenses	-205	-203	1.4
Selling and administrative expenses	-460	-402	14.5
Other income and expense	-75	-8	> 100
Income (loss) from equity-accounted investees	0	-11	–
Earnings before financial result and income taxes (EBIT)	244	247	-1.2
• in % of revenue	5.9	6.6	–
Special items ²⁾	92	11	> 100
EBIT before special items	336	258	30.3
• in % of revenue	8.1	6.9	–
Financial result	-47	-29	60.4
Income taxes	-62	-75	-17.3
Net income ³⁾	129	136	-5.4
Earnings per common non-voting share (basic/diluted, in €)	0.19	0.21	-9.5

¹⁾ Based on market (customer location).

²⁾ Please refer to the annual report 2022, pp. 32 et seq., for the definition of special items.

³⁾ Attributable to shareholders of the parent company.

Automotive Technologies division earnings

The growth in **revenue**, excluding the impact of currency translation, in the first quarter of 2023 compared to the prior year period was primarily the result of a market-driven increase in volumes. Sales prices had an additional favorable impact on revenue, especially since considerable rises in factor input costs were largely passed on to customers by adjusting sales prices.

Revenue growth, excluding the impact of currency translation, exceeded the trend in global automobile production overall.

Outperformance Q1 2023

	Europe	Americas	Greater China	Asia/Pacific	Total
Revenue growth (in %) ¹⁾	15.1	0.8	-8.2	15.5	6.0
LVP growth (in %) ²⁾	13.7	10.0	-7.2	11.3	5.7
Outperformance (in percentage points)	1.4	-9.2	-0.9	4.2	0.3

E-Mobility BD revenue growth was attributable to all four regions. The Engine & Transmission Systems BD revenue trend was mainly driven by double-digit growth rates in the Europe and Asia/Pacific regions, while Greater China region revenue declined considerably, partly due to market factors. In the Bearings BD, the decline in revenue of the Americas and Greater China regions was more than offset by volume growth in the Europe and Asia/Pacific regions. The revenue trend of the Chassis Systems BD was primarily due to additional volumes in the Europe region.

The increase in the **EBIT margin before special items** in the first quarter of 2023 was attributable to the impact of prices and volumes. The adverse effect of higher factor input costs on the gross margin was partly offset.

in € millions	1 st three months		Change in %
	2023	2022	
Revenue	2,440	2,292	6.4
• at constant currency			6.0
Revenue by business division			
E-Mobility BD	336	307	9.7
• at constant currency			9.5
Engine & Transmission Systems BD	1,340	1,257	6.6
• at constant currency			5.8
Bearings BD	659	643	2.6
• at constant currency			2.6
Chassis Systems BD	104	86	21.1
• at constant currency			21.3
Revenue by region³⁾			
Europe	977	850	14.9
• at constant currency			15.1
Americas	599	565	6.1
• at constant currency			0.8
Greater China	498	557	-10.5
• at constant currency			-8.2
Asia/Pacific	365	320	13.9
• at constant currency			15.5
Cost of sales	-2,000	-1,858	7.7
Gross profit	439	434	1.1
• in % of revenue	18.0	18.9	-
Research and development expenses	-156	-162	-3.7
Selling and administrative expenses	-187	-183	2.0
Other income and expense	-52	0	> 100
Income (loss) from equity-accounted investees	0	-11	-100
EBIT	44	78	-43.4
• in % of revenue	1.8	3.4	-
Special items ⁴⁾	61	3	> 100
EBIT before special items	105	81	29.7
• in % of revenue	4.3	3.5	-

Prior year information presented based on 2023 segment structure.

¹⁾ Constant-currency revenue growth compared to prior year.

²⁾ Includes content supplied by S&P Global Mobility[®] [IHS Markit Light Vehicle Production Forecast (Base), April 2023]. All rights reserved.

³⁾ Based on market (customer location).

⁴⁾ Please refer to the annual report 2022, pp. 32 et seq., for the definition of special items.

Automotive Aftermarket division earnings

The increase in **revenue**, excluding the impact of currency translation, in the first quarter of 2023 was mainly attributable to a significant increase in volumes from a comparatively low prior year period. Sales prices had a favorable impact on revenue as well, since increases in procurement costs were passed on to the market.

The division's revenue growth, excluding the impact of currency translation, was especially driven by increases in the Europe region; Independent Aftermarket volumes were expanded considerably, primarily in Central & Eastern Europe, Western Europe, and Germany. In the Americas region, revenue growth resulted mainly from rising volumes and prices in the Independent Aftermarket business in South America and Mexico. The increase in revenue for the Greater China region was attributable to growth in e-commerce business. In the Asia/Pacific region, revenue growth was driven especially by higher volumes in the Automotive OES and Independent Aftermarket businesses in India.

The increase in **EBIT margin before special items** during the first quarter of 2023 was predominantly the result of the increase in gross profit margin due to a favorable revenue mix during the period as well as adjustments to sales prices. The rise in selling and administrative expenses was primarily due to the impact of volume-related cost increases and a favorable one-off impact in the comparative period.

in € millions	1 st three months		Change in %
	2023	2022	
Revenue	582	464	25.5
• at constant currency			25.7
Revenue by region ¹⁾			
Europe	394	306	28.8
• at constant currency			30.3
Americas	120	99	21.2
• at constant currency			15.9
Greater China	34	30	13.8
• at constant currency			17.2
Asia/Pacific	34	29	17.3
• at constant currency			20.1
Cost of sales	-376	-319	17.9
Gross profit	206	145	42.2
• in % of revenue	35.3	31.2	-
Research and development expenses	-5	-5	4.2
Selling and administrative expenses	-100	-75	33.2
Other income and expense	1	-2	-
EBIT	102	63	61.4
• in % of revenue	17.5	13.6	-
Special items ²⁾	1	1	28.3
EBIT before special items	103	64	60.9
• in % of revenue	17.7	13.8	-

Prior year information presented based on 2023 segment structure.

¹⁾ Based on market (customer location).

²⁾ Please refer to the annual report 2022, pp. 32 et seq., for the definition of special items.

Industrial division earnings

The **revenue** growth, excluding the impact of currency translation, in the first quarter of 2023 was mainly due to strong volume growth in nearly all sector clusters. The increase in the Industrial Automation sector cluster was driven by the structural impact of acquisitions of subsidiaries, especially the Ewellix Group, which had an effect on all regions. Additionally, the impact of sales prices had a considerable favorable effect on Industrial division revenue growth, primarily since considerable increases in factor input costs were largely passed on to the market via adjustments to sales prices.

All regions contributed to revenue growth overall, the Greater China and Europe regions especially so. In the Europe region, Industrial Automation reported considerably higher volumes, and the Raw Materials, Aerospace, and Rail sector clusters grew considerably as well. The Americas region's growth was mainly driven by higher volumes in the Industrial Automation sector cluster and in Industrial Distribution. The increase in revenue reported for the Greater China region resulted predominantly from volume growth in the Wind, Industrial Automation, and Raw Materials sector clusters. Industrial Distribution generated considerable growth as well. The Asia/Pacific region's revenue trend was mainly attributable to increased volumes in Industrial Distribution. The Rail, Industrial Automation, Raw Materials, and Two Wheelers sector clusters also generated considerably higher revenue.

The **EBIT margin before special items** for the first quarter of 2023 was flat with prior year, with the gross margin increasing due to the impact of volumes and prices.

in € millions	1 st three months		Change in %
	2023	2022	
Revenue	1,130	1,002	12.8
• at constant currency			13.4
Revenue by region ¹⁾			
Europe	477	427	11.7
• at constant currency			12.2
Americas	201	170	18.3
• at constant currency			14.4
Greater China	297	255	16.2
• at constant currency			19.1
Asia/Pacific	155	150	3.5
• at constant currency			5.9
Cost of sales	-791	-710	11.3
Gross profit	339	292	16.3
• in % of revenue	30.0	29.1	-
Research and development expenses	-45	-36	23.9
Selling and administrative expenses	-173	-143	20.6
Other income and expense	-24	-6	> 100
EBIT	98	106	-7.3
• in % of revenue	8.7	10.6	-
Special items ²⁾	30	7	> 100
EBIT before special items	128	113	13.4
• in % of revenue	11.3	11.3	-

Prior year information presented based on 2023 segment structure.

¹⁾ Based on market (customer location).

²⁾ Please refer to the annual report 2022, pp. 32 et seq., for the definition of special items.

Performance indicators and special items

Please refer to pp. 15 et seq. and 32 et seq. of the Schaeffler Group's annual report 2022 for a detailed discussion of performance indicators and special items.

EBIT for the reporting period was impacted by **special items**, most of which were recognized in other expenses. The **restructuring** category includes special items recognized in connection with the "Roadmap 2025" divisional subprograms, mainly related to consolidation of the footprint in Europe. The **M&A** category includes expenses related to the acquisition of subsidiaries. The **Other** category comprises losses that arose in connection with the recognition of short-, medium-, and long-term price and supply agreements held to secure the Schaeffler Group's energy supply at fair value.

Reconciliation

	1 st three months		1 st three months		1 st three months		1 st three months	
	2023	2022	2023	2022 ¹⁾	2023	2022 ¹⁾	2023	2022 ¹⁾
Income statement (in € millions)	Total		Automotive Technologies		Automotive Aftermarket		Industrial	
EBIT	244	247	44	78	102	63	98	106
• in % of revenue	5.9	6.6	1.8	3.4	17.5	13.6	8.7	10.6
Special items	92	11	61	3	1	1	30	7
• Restructuring	12	11	4	3	0	1	7	7
– including divisional Roadmap 2025 subprograms of	12	11	4	3	0	1	7	7
• M&A	2	0	0	0	0	0	2	0
• Other	78	0	56	0	1	0	21	0
EBIT before special items	336	258	105	81	103	64	128	113
• in % of revenue	8.1	6.9	4.3	3.5	17.7	13.8	11.3	11.3

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, ROCE, and Schaeffler Value Added before special items (= adjusted).

Impact of currency translation/constant-currency

Constant-currency revenue figures, 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 st three months	
	2023	2022
Income statement (in € millions)		Total
EBIT	244	247
• in % of revenue	5.9	6.6
Special items	92	11
• Restructuring	12	11
– including divisional Roadmap 2025 subprograms of	12	11
• M&A	2	0
• Other	78	0
EBIT before special items	336	258
• in % of revenue	8.1	6.9
Net income ²⁾	129	136
Special items	66	7
• Legal cases	-1	-1
• Restructuring	13	11
• M&A	2	0
• Other	78	0
– Tax effect ³⁾	-26	-3
Net income before special items ²⁾	195	144
Statement of financial position (in € millions)	03/31/2023	12/31/2022
Net financial debt	2,999	2,235
/ EBITDA LTM	1,964	1,963
Net debt to EBITDA ratio	1.5	1.1
Net financial debt	2,999	2,235
/ EBITDA before special items LTM	2,111	2,030
Net financial debt to EBITDA ratio before special items	1.4	1.1

	1 st three months	
	2023	2022
Statement of cash flows (in € millions)		
EBITDA	493	493
Special items	92	11
• Restructuring	12	11
• M&A	2	0
• Other	78	0
EBITDA before special items	585	503
Free cash flow (FCF)	-754	-47
-/+ Cash in- and outflows for M&A activities	681	62
FCF before cash in- and outflows for M&A activities	-73	14
/ EBIT	244	247
FCF-conversion ⁴⁾	-	0.1
FCF before cash in- and outflows for M&A activities	-73	14
Special items	107	158
• Legal cases	-4	-2
• Restructuring	105	160
• Other	6	0
FCF before cash in- and outflows for M&A activities and before special items	34	172
Value-based management LTM (in € millions)		
EBIT	971	1,086
/ Average capital employed	9,016	8,270
ROCE (in %)	10.8	13.1
EBIT before special items	1,124	1,083
/ Average capital employed	9,016	8,270
ROCE before special items (in %)	12.5	13.1
EBIT	971	1,086
– Cost of capital	902	827
Schaeffler Value Added (SVA)	69	259
EBIT before special items	1,124	1,083
– Cost of capital	902	827
SVA before special items	222	256

¹⁾ Prior year information presented based on 2023 segment structure.

²⁾ Attributable to shareholders of the parent company.

³⁾ Based on each entity's specific tax rate and country-specific tax environment.

⁴⁾ 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 before cash in- and outflows for M&A activities for the first quarter of 2023 amounted to EUR -73 m (prior year: EUR 14 m). The decrease was predominantly attributable to the expansion of working capital, which was EUR 114 m more extensive than in the prior year due to volumes. Capital expenditures on property, plant and equipment and intangible assets of EUR 221 m were EUR 64 m higher than in the prior year period (prior year: EUR 156 m).

The group's net financial debt changed as follows:

Net financial debt

in € millions	03/31/2023	12/31/2022	Change in %
Bonds	2,940	2,939	0.0
Schuldschein loans	297	297	0.0
Term loan	498	0	-
Commercial paper	50	50	0.0
Other financial debt	13	12	6
Total financial debt	3,798	3,298	15.2
Cash and cash equivalents	799	1,063	-24.8
Net financial debt	2,999	2,235	34.2

The increase in financial debt compared to December 31, 2022, is largely due to a EUR 500 m term loan drawn down in full during the first quarter of 2023.

EUR 253 m (December 31, 2022: EUR 241 m) of cash and cash-equivalents on hand as at March 31, 2023, related to countries with foreign exchange restrictions and other legal and contractual restrictions. In addition, Schaeffler AG has committed revolving credit facilities of EUR 2.1 bn (December 31, 2022: EUR 2.1 bn), of which EUR 84 m (December 31, 2022: EUR 55 m) were utilized as at March 31, 2023, mainly in the form of letters of credit. Deducting bank balances in countries with foreign exchange restrictions and other legal and contractual restrictions results in total available liquidity of EUR 2,513 m (December 31, 2022: EUR 3,317 m).

Schaeffler AG is rated by the three rating agencies Fitch, Moody's, and Standard & Poor's. While the ratings by Fitch and Standard & Poor's are unchanged from those presented in the consolidated financial statements 2022, Moody's upgraded its rating for Schaeffler AG to "Baa3" in March 2023.

Opportunities and risks

Please refer to pp. 43 et seq. of the Schaeffler Group's annual report 2022 for a discussion of the Schaeffler Group's risk management system and potential opportunities and risks. The statements made there with respect to opportunities and risks are largely unchanged.

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

At its meeting on April 24, 2023, the Board of Managing Directors of Schaeffler AG has confirmed the outlook issued on February 27, 2023.

 More on the guidance for the Schaeffler Group in the annual report 2022 on pp. 57 et seq.

The **Schaeffler Group** continues to expect its revenue to grow by 5 to 8%, excluding the impact of currency translation, in 2023. In addition, the company expects to generate an EBIT margin before special items of 5.5 to 7.5% in 2023. This expectation reflects, in particular, higher year-on-year wage increases and energy costs affecting all divisions.

The Schaeffler Group continues to anticipate free cash flow before cash in- and outflows for M&A activities of EUR 250 to 350 m for 2023. This expectation reflects a volume-driven increase in working capital, higher capital expenditures, and continued high restructuring expenditures compared to the prior year.

The group continues to anticipate that its **Automotive Technologies division** will grow by 2 to 5 percentage points more than global automobile production of passenger cars and light commercial vehicles in 2023. On that basis, the company expects the Automotive Technologies division to generate moderate revenue growth, excluding the impact of currency translation. Additionally, the Automotive Technologies division expects an EBIT margin before special items of 2 to 4% for 2023.

For the **Automotive Aftermarket division**, the group continues to anticipate revenue growth, excluding the impact of currency translation, of 5 to 7% and an EBIT margin before special items of 12 to 14% in 2023.

Outlook 2023

	Actual 2022	Outlook 2023	Actual Q1 2023
	adjusted comparative figure	issued 02/27/2023	
Schaeffler Group			
Revenue growth ¹⁾	9.4%	5 to 8%	10.4%
EBIT margin before special items ²⁾	6.6%	5.5 to 7.5%	8.1%
Free cash flow ³⁾	EUR 280 m	EUR 250 to 350 m	EUR -73 m
Automotive Technologies			
Revenue growth ¹⁾	7.7%	moderate revenue growth; [2 to 5%-age points above LVP growth] ⁴⁾	6.0%
EBIT margin before special items ²⁾	3.1%	2 to 4%	4.3%
Automotive Aftermarket			
Revenue growth ¹⁾	7.1%	5 to 7%	25.7%
EBIT margin before special items ²⁾	12.8%	12 to 14%	17.7%
Industrial			
Revenue growth ¹⁾	14.7%	9 to 11%	13.4%
EBIT margin before special items ²⁾	11.5%	11 to 13%	11.3%

¹⁾ Constant-currency revenue growth compared to prior year.

²⁾ Please refer to the annual report 2022, pp. 32 et seq., for the definition of special items.

³⁾ Before cash in- and outflows for M&A activities.

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

The company continues to expect its **Industrial division** to generate revenue growth of 9 to 11%, excluding the impact of currency translation, and an EBIT margin before special items of 11 to 13% in 2023. The outlook reflects the acquisitions of subsidiaries, especially the Ewellix Group, which result in a significant structural impact compared to the prior year.

The adjustment to the comparative prior-year figures results, in particular, from further divisionalization to strengthen the

division's management of the business. This has also been reflected in the outlook for 2023.

The outlook for 2023 reflects the acquisitions and disposals of subsidiaries, joint ventures, and other equity investments set out in the consolidated financial statements for 2022.

Herzogenaurach, April 24, 2023

The Board of Managing Directors

Consolidated income statement

in € millions	1 st three months		Change in %
	2023	2022	
Revenue	4,152	3,758	10.5
Cost of sales	-3,167	-2,887	9.7
Gross profit	984	871	13.0
Research and development expenses	-205	-203	1.4
Selling expenses	-302	-257	17.5
Administrative expenses	-159	-145	9.1
Other income	21	8	› 100
Other expenses	-95	-16	› 100
Income (loss) from equity-accounted investees	0	-11	-
Earnings before financial result and income taxes (EBIT)	244	247	-1.2
Financial income	10	12	-17.9
Financial expenses	-56	-41	38.1
Financial result	-47	-29	60.4
Earnings before income taxes	198	218	-9.4
Income taxes	-62	-75	-17.3
Net income	135	143	-5.2
Attributable to shareholders of the parent company	129	136	-5.4
Attributable to non-controlling interests	6	6	-0.6
Earnings per common share (basic/diluted, in €)	0.19	0.21	-9.5
Earnings per common non-voting share (basic/diluted, in €)	0.19	0.21	-9.5

Consolidated statement of comprehensive income

	1 st three months	
in € millions	2023	2022
Net income	135	143
Items that will not be reclassified to profit or loss		
Remeasurement of net defined benefit liability	-21	307
Tax effect	6	-86
Total other comprehensive income (loss) that will not be reclassified to profit or loss	-15	221
Items that have been or may be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	-56	120
Effective portion of changes in fair value of cash flow hedges	22	14
Tax effect	-6	-4
Total other comprehensive income (loss) that has been or may be subsequently reclassified to profit or loss	-40	130
Total other comprehensive income (loss)	-55	351
Total comprehensive income	80	494
Total comprehensive income attributable to shareholders of the parent company	75	487
Total comprehensive income attributable to non-controlling interests	5	6

Consolidated statement of financial position

in € millions	03/31/2023	12/31/2022	03/31/2022	Change in %
ASSETS				
Intangible assets	1,592	916	629	73.7
Right-of-use assets under leases	232	222	210	4.6
Property, plant and equipment	4,593	4,607	4,692	-0.3
Investments in joint ventures and associated companies	7	7	59	0.8
Costs to fulfill a contract	346	350	367	-1.2
Other financial assets	198	216	231	-8.3
Other assets	195	191	253	2.1
Income tax receivables	11	11	11	2.2
Deferred tax assets	739	662	775	11.7
Total non-current assets	7,911	7,180	7,227	10.2
Inventories	2,983	2,796	2,795	6.7
Contract assets	55	54	57	1.0
Trade receivables	2,725	2,519	2,390	8.2
Other financial assets	195	205	119	-4.8
Other assets	424	364	388	16.6
Income tax receivables	42	45	52	-8.5
Cash and cash equivalents	799	1,063	1,243	-24.8
Assets held for sale	63	58	83	8.2
Total current assets	7,286	7,104	7,127	2.6
Total assets	15,197	14,284	14,354	6.4

in € millions	03/31/2023	12/31/2022	03/31/2022	Change in %
SHAREHOLDERS' EQUITY AND LIABILITIES				
Share capital	666	666	666	0.0
Capital reserves	2,348	2,348	2,348	0.0
Other reserves	1,347	1,218	1,124	10.6
Accumulated other comprehensive income (loss)	-270	-216	-598	24.8
Equity attributable to shareholders of the parent company	4,091	4,016	3,540	1.9
Non-controlling interests	130	125	119	3.7
Total shareholders' equity	4,221	4,141	3,659	1.9
Provisions for pensions and similar obligations	1,668	1,606	2,174	3.9
Provisions	300	288	298	4.0
Financial debt	2,942	3,238	3,235	-9.1
Contract liabilities	141	143	124	-0.9
Income tax payables	65	47	38	37.6
Other financial liabilities	105	90	79	17.1
Lease liabilities	168	162	160	3.8
Other liabilities	5	7	9	-32.4
Deferred tax liabilities	263	192	204	37.5
Total non-current liabilities	5,657	5,772	6,320	-2.0
Provisions	402	404	427	-0.5
Financial debt	856	60	0	> 100
Contract liabilities	170	170	108	0.0
Trade payables	2,485	2,339	2,382	6.2
Income tax payables	150	108	124	39.6
Other financial liabilities	473	626	548	-24.3
Lease liabilities	64	57	54	12.9
Refund liabilities	260	263	261	-1.1
Other liabilities	458	341	439	34.2
Liabilities associated with assets held for sale	0	5	32	-90.2
Total current liabilities	5,319	4,372	4,375	21.7
Total shareholders' equity and liabilities	15,197	14,284	14,354	6.4

Consolidated statement of cash flows

in € millions	1 st three months		Change in %
	2023	2022	
Operating activities			
EBIT	244	247	-1.2
Interest paid	-41	-44	-8.5
Interest received	4	4	-8.9
Income taxes paid	-92	-74	23.6
Amortization, depreciation, and impairment losses	249	245	1.4
(Gains) losses on disposal of assets	-5	0	-
Changes in:			
• Inventories	-151	-262	-42.4
• Trade receivables	-240	-142	68.3
• Trade payables	180	308	-41.4
• Provisions for pensions and similar obligations	-1	18	-
• Other assets, liabilities, and provisions	7	-101	-
Cash flows from operating activities	156	199	-21.8
Investing activities			
Proceeds from disposals of property, plant and equipment	10	3	> 100
Capital expenditures on intangible assets	-19	-13	44.1
Capital expenditures on property, plant and equipment	-202	-143	40.7
Acquisition of subsidiaries, interests in joint ventures, and other equity investments	-685	-62	> 100
Disposal of subsidiaries, interests in joint ventures, and other equity investments	4	0	-
Other investing activities	-1	-16	-93.3
Cash used in investing activities	-893	-231	> 100
Financing activities			
Receipts from bond issuances and loans	500	0	> 100
Redemptions of bonds and repayments of loans	-2	-544	-99.6
Principal repayments on lease liabilities	-18	-15	17.0
Cash used in financing activities	480	-559	-
Net increase (decrease) in cash and cash equivalents	-257	-591	-56.6

in € millions	1 st three months		Change in %
	2023	2022	
Effects of foreign exchange rate changes on cash and cash equivalents	-7	12	-
Cash and cash equivalents as at beginning of period ¹⁾	1,069	1,822	-41.3
Cash and cash equivalents as at March 31	805	1,243	-35.2
Less cash and cash equivalents classified as assets held for sale as at March 31	6	0	-
Cash and cash equivalents as at March 31 (consolidated statement of financial position)	799	1,243	-35.7

¹⁾ Cash and cash equivalents at the beginning of the period, the 1st quarter of 2023, include EUR 7 m classified as "Assets held for sale" in the statement of financial position as at December 31, 2022.

Consolidated statement of changes in equity

	Share capital	Capital reserves	Other reserves	Accumulated other comprehensive income (loss)				Equity attributable to shareholders ¹⁾	Non-controlling interests	Total	
				Translation reserve	Hedging reserve	Fair value reserve	Defined benefit plan remeasurement reserve				
in € millions											
Balance as at January 01, 2022	666	2,348	988	-208	-40	-2	-698	-949	3,053	112	3,165
Net income			136						136	6	143
Other comprehensive income				120	10	0	221	351	351	0	351
Total comprehensive income			136	120	10	0	221	351	487	6	494
Balance as at March 31, 2022	666	2,348	1,124	-89	-30	-2	-477	-598	3,540	119	3,659
Balance as at January 01, 2023	666	2,348	1,218	-148	22	-5	-85	-216	4,016	125	4,141
Net income			129						129	6	135
Other comprehensive income (loss)				-54	16	0	-15	-54	-54	-2	-55
Total comprehensive income (loss)			129	-54	16	0	-15	-54	75	5	80
Balance as at March 31, 2023	666	2,348	1,347	-202	37	-5	-100	-270	4,091	130	4,221

¹⁾ Equity attributable to shareholders of the parent company.

Consolidated segment information

(Part of the notes to the consolidated financial statements)

	1 st three months		1 st three months		1 st three months		1 st three months	
	2023	2022	2023	2022	2023	2022	2023	2022
in € millions	Automotive Technologies		Automotive Aftermarket		Industrial		Total	
Revenue	2,440	2,292	582	464	1,130	1,002	4,152	3,758
EBIT	44	78	102	63	98	106	244	247
• in % of revenue	1.8	3.4	17.5	13.6	8.7	10.6	5.9	6.6
EBIT before special items ¹⁾	105	81	103	64	128	113	336	258
• in % of revenue	4.3	3.5	17.7	13.8	11.3	11.3	8.1	6.9
Amortization, depreciation, and impairment losses	179	186	10	9	60	50	249	245
Working capital ^{2) 3)}	1,258	1,113	551	539	1,415	1,152	3,224	2,803
Additions to intangible assets and property, plant and equipment	108	78	11	8	60	42	179	128

Prior year information presented based on 2023 segment structure.

¹⁾ Please refer to the annual report 2022, pp. 32 et seq., for the definition of special items.

²⁾ Working capital defined as inventories plus trade receivables less trade payables.

³⁾ Amounts as at March 31.

Condensed notes to the consolidated financial statements

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 March 31, 2023, 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 income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, and condensed notes to these statements comprising this interim statement are largely based on the accounting policies used in the 2022 consolidated financial statements, where the latter are discussed in detail. These accounting policies have been applied consistently in this interim statement.

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, 2022. One exception to this is an adjustment to the assumption regarding the discount rate used to measure the company’s pension obligations. The decrease in the discount rate has led to an increase in pension obligations and a decrease in shareholders’ equity. Please refer to “Provisions for pensions and similar obligations” 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.

Foreign currency translation

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

Selected foreign exchange rates

Currencies	03/31/2023	12/31/2022	03/31/2022	1 st three months	
				2023	2022
1 € in	Closing rates			Average rates	
CNY China	7.48	7.36	7.04	7.34	7.13
INR India	89.40	88.17	84.13	88.25	84.42
	South				
KRW Korea	1,420.26	1,344.09	1,347.37	1,369.47	1,352.60
MXN Mexico	19.64	20.86	22.09	20.05	23.01
USD U.S.	1.09	1.07	1.11	1.07	1.12

Scope of consolidation

The consolidated interim financial statements of Schaeffler AG as at March 31, 2023, cover, in addition to Schaeffler AG, 168 (December 31, 2022: 149) subsidiaries; 50 (December 31, 2022: 48) entities are domiciled in Germany and 118 (December 31, 2022: 101) in other countries. In the consolidated interim financial statements as at March 31, 2023, four (December 31, 2022: four) joint ventures and three associated companies (December 31, 2022: three) are accounted for at equity. The changes from the prior year are largely the result of the acquisition of the Ewellix Group.

Acquisitions and disposals of companies

The purchase price allocation for the acquisition of the remaining 10% of the shares of Schaeffler ByWire Technologie GmbH & Co. KG was finalized in the first quarter of the year. Compared to

December 31, 2022, goodwill has increased by EUR 5 m to EUR 114 m and intangible assets have decreased by EUR 3 m to EUR 136 m as a result of the final allocation.

In a transaction that closed on January 3, 2023, the Schaeffler Group has acquired 100% of the shares of the Ewellix Group. The Ewellix Group is a leading global manufacturer and supplier of drive and linear motion solutions. Its core products include actuators, lifting columns, robot range extenders, ball and roller screws, and linear guides (monorail guidance systems and linear ball bearings). These products are used in a wide range of applications and equipment types, including medical technology, mobile machinery, assembly automation and robotics, and various other areas of industry. This step significantly expands the Schaeffler Group's linear technology portfolio. Upon closing, consideration of EUR 582 m was paid in cash for the shares and EUR 10 m in repayment of a shareholder loan. Additionally, the Ewellix Group's bank loans of EUR 109 m were repaid as well. The provisional goodwill of EUR 442 m, which cannot be recognized for tax purposes and is therefore not tax-deductible, represents synergies as well as the value of the planned enhancement of the technology portfolio. The valuation of assets and liabilities could not be completed in full by the date this interim statement was prepared, since certain information was still outstanding. The Ewellix Group has generated EUR 58 m in revenue since the acquisition date. The Ewellix Group has not had any significant impact on consolidated net income since the acquisition date. If the acquisition had closed as at January 1, 2023, the resulting impact on revenue and consolidated net income would have been insignificant. The following table summarizes the assets acquired and liabilities assumed at their provisional acquisition-date fair value.

Assets acquired and liabilities assumed

in € millions	Ewellix Group
Intangible assets	228
Right-of-use assets under leases	13
Property, plant and equipment	65
Other financial assets	2
Other assets	1
Deferred tax assets	13
Total non-current assets	322
Inventories	55
Trade receivables ¹⁾	41
Other assets	12
Cash and cash equivalents	21
Total current assets	128
Provisions for pensions and similar obligations	29
Provisions	5
Financial debt	3
Income tax payables	13
Lease liabilities	6
Deferred tax liabilities	63
Total non-current liabilities	119
Provisions	1
Financial debt	109
Trade payables	18
Income tax payables	19
Other financial liabilities	6
Lease liabilities	9
Other liabilities	19
Total current liabilities	180
Net assets acquired	151
Purchase price	593
Goodwill	442

¹⁾ Gross carrying amount of trade receivables EUR 41 m.

On March 2, 2023, the Schaeffler Group signed an agreement for the acquisition of 100% of the shares in ECO-Adapt SAS. ECO-Adapt SAS offers innovative solutions for condition monitoring

based on electrical signal analysis and systems for optimizing energy consumption. The acquisition further expands the Industrial division's portfolio of lifetime solutions. The transaction is expected to close in the second quarter of 2023.

Revenue

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

IFRS 15 – analysis of revenue by category

	1 st three months		1 st three months		1 st three months		1 st three months	
	2023	2022	2023	2022	2023	2022	2023	2022
in € millions	Automotive Technologies		Automotive Aftermarket		Industrial		Total	
Revenue by type								
• Revenue from the sale of goods	2,416	2,271	582	464	1,114	991	4,112	3,726
• Revenue from the sale of tools	14	10	0	0	1	0	15	10
• Revenue from services	9	12	0	0	15	10	25	22
Total	2,440	2,292	582	464	1,130	1,002	4,152	3,758
Revenue by region ¹⁾								
• Europe	977	850	394	306	477	427	1,848	1,583
• Americas	599	565	120	99	201	170	920	834
• Greater China	498	557	34	30	297	255	829	842
• Asia/Pacific	365	320	34	29	155	150	554	499
Total	2,440	2,292	582	464	1,130	1,002	4,152	3,758

Prior year information presented based on 2023 segment structure.

¹⁾ Based on market (customer location).

Other expenses

Other expenses included EUR 80 m (prior year: EUR 0 m) in losses on measuring at fair value through profit or loss financial instruments held to hedge energy price risk arising on energy purchases for the company's own use. These related primarily to forward purchase contracts for electricity and gas.

Current and non-current financial debt

Financial debt (current/non-current)

in € millions	03/31/2023			12/31/2022		
	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	798	2,142	2,940	0	2,939	2,939
Schuldschein loans	5	292	297	5	292	297
Term loan	0	498	498	0	0	0
Commercial paper	50	0	50	50	0	50
Other financial debt	3	10	13	5	7	12
Total	856	2,942	3,798	60	3,238	3,298

The increase in financial debt compared to December 31, 2022, is largely due to a EUR 500 m term loan drawn down in full during the first quarter of 2023.

Provisions for pensions and similar obligations

Interest rate levels as at March 31, 2023, have decreased compared to December 31, 2022. 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 March 31, 2023, amounted to 4.0% (December 31, 2022: 4.1%). As at March 31, 2023, the resulting remeasurement of the company's obligations under defined benefit pension plans resulted in actuarial losses of EUR 35 m, gains on plan assets of EUR 12 m, and a favorable impact of the asset ceiling of EUR 2 m, which were recognized in other comprehensive income and are reported under accumulated other comprehensive income net of deferred taxes.

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.

The carrying amounts of trade receivables, including the receivables available for sale under the receivable sale program, as well as other 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 equity investments representing interests held by the group of less than 20% (shares in incorporated companies and cooperatives). Marketable securities consist primarily of investment fund units. These are measured at fair value through profit or loss.

Hedge accounting is only applied to derivatives designated as hedges of currency risk in cash flow hedges. The Schaeffler Group uses cross-currency swaps and forward exchange contracts as hedging instruments here.

Derivatives not designated as hedging instruments include forward exchange contracts that are not designated as cash flow hedges. Additionally, this line item includes forward purchase contracts for electricity and gas as well as short-, medium-, and long-term price and supply agreements for renewable energy (known as power purchase agreements). Since some of these agreements did not qualify for the own-use exemption, all similar agreements were treated as derivatives in accordance with IFRS 9.

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 forward 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.
- Level 3: This level contains measurement of the fair value of unconsolidated equity investments using various recognized valuation methodologies such as the EBIT multiple method, the discounted cash flow method, as well as valuation at net asset value. The category also comprises measurement of contingent purchase prices payable and receivable. Measurement of the fair value of power purchase agreements falls in level 3 as well.

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	03/31/2023		12/31/2022		03/31/2022	
			Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets, by class								
Trade receivables	Amortized cost		2,409	2,409	2,287	2,287	2,207	2,207
Trade receivables – receivable sale program	FVTPL	2	158	158	100	100	89	89
Trade receivables – customer receivables and notes receivable available for sale	FVOCI	2	158	158	132	132	94	94
Other financial assets								
• Other investments	FVOCI	3	47	47	43	43	36	36
• Other investments	FVTPL	3	13	13	13	13	8	8
• Marketable securities	FVTPL	1	26	26	24	24	27	27
• Derivatives designated as hedging instruments	n.a.	2	56	56	43	43	7	7
• Derivatives not designated as hedging instruments	FVTPL	2.3 ³⁾	74	74	133	133	44	44
• Miscellaneous other financial assets	Amortized cost		177	177	163	163	228	228
Cash and cash equivalents	Amortized cost		799	799	1,063	1,063	1,243	1,243
Financial liabilities, by class								
Financial debt	FLAC	1.2 ¹⁾	3,798	3,711	3,298	3,118	3,235	3,243
Trade payables	FLAC		2,485	2,485	2,339	2,339	2,382	2,382
Refund liabilities	n.a.		260	260	263	263	261	261
Lease liabilities ²⁾	n.a.		232	–	219	–	214	–
Other financial liabilities								
• Derivatives designated as hedging instruments	n.a.	2	3	3	13	13	63	63
• Derivatives not designated as hedging instruments	FVTPL	2.3 ⁴⁾	95	95	61	61	46	46
• Miscellaneous other financial liabilities	FVTPL	3	56	56	53	53	–	–
• Miscellaneous other financial liabilities	FLAC		425	425	588	588	518	518
Summary by category								
Financial assets at amortized cost (Amortized cost)			3,386	3,386	3,514	3,514	3,678	3,678
Financial assets at fair value through profit or loss (FVTPL)			271	271	270	270	168	168
Financial assets at fair value through other comprehensive income (FVOCI)			205	205	176	176	130	130
Financial liabilities at amortized cost (FLAC)			6,707	6,620	6,225	6,045	6,135	6,143
Financial liabilities at fair value through profit or loss (FVTPL)			150	150	114	114	46	46

¹⁾ Level 1: EUR 2,832 m (December 31, 2022: EUR 2,756 m; March 31, 2022: EUR 2,940 m). Level 2: EUR 879 m (December 31, 2022: EUR 362 m; March 31, 2022: EUR 304 m).

²⁾ Disclosure of fair value omitted in accordance with IFRS 7.29 (d).

³⁾ Level 2: EUR 127 m (December 31, 2022: EUR 130 m; March 31, 2022: EUR 44 m). Level 3: EUR 0 m (December 31, 2022: EUR 2 m; March 31, 2022: EUR 0 m).

⁴⁾ Level 2: EUR 127 m (December 31, 2022: EUR 49 m; March 31, 2022: EUR 46 m). Level 3: EUR 27 m (December 31, 2022: EUR 12 m; March 31, 2022: EUR 0 m).

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

in € millions	2023			
	Other investments	Miscellaneous other financial liabilities	Derivative financial assets	Derivative financial liabilities
Balance as at January 01	57	53	2	12
Additions	4	3	0	0
Gains or losses recognized in other comprehensive income	-1	0	0	0
Gains or losses recognized in profit or loss	0	0	-2	-15
• Other expenses	0	0	-2	-15
• Financial income	1	0	0	0
• Financial expenses	-1	0	0	0
Disposals	0	0	0	0
Foreign currency translation	0	0	0	0
Balance as at December 31	60	56	0	27

Other investments included unconsolidated equity investments representing interests held by the group of less than 20%. Unconsolidated equity investments 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 fair value of part of these equity investments (with a carrying amount of EUR 9 m) was measured by applying an EBIT multiple methodology using sector- and size-specific EBIT multiples that are publicly available. The EBIT multiples used to measure fair value as at March 31, 2023, varied from 6.7 to 11.3 and resulted in a range of values for these investees of EUR 9 m to EUR 11 m that could potentially lead to an increase in accumulated other comprehensive income by up to EUR 2 m.

The EUR 56 m in other financial liabilities assigned to level 3 largely represented the fair value of the contingent purchase price payment obligation for the acquisition of Schaeffler Ultra Precision Drives GmbH. The liability was measured using an option pricing model based on the multi-year forecast of the company's revenue, representing a significant input unobservable in the market. The resulting values fall in a range of EUR 40

to EUR 60 m with varying probabilities of occurrence. This could result in potential pre-tax gains of up to EUR 7 m and potential pre-tax losses of up to EUR 13 m.

The derivatives assigned to level 3 represent the fair value of power purchase agreements that are not designated as hedging instruments. The fair value of the power purchase agreements is measured using a valuation model based on the present value of the difference between the agreed fixed price and expected market prices. Since significant inputs unobservable in the market are used in the valuation – mainly electricity prices and expected quantities – the resulting fair values represent level 3 measurements. The company performed a sensitivity analysis by modeling fluctuations in the price of electricity as at March 31, 2023. Had the price of electricity been 10% higher (lower), earnings before income taxes would have been higher (lower) by EUR 5 m. There is no impact on other comprehensive income.

Contingent liabilities and other obligations

The statements made in the annual report 2022 with respect to contingent liabilities continue to apply largely unchanged.

Open commitments under fixed contracts to purchase property, plant and equipment amounted to EUR 303 m as at March 31, 2023 (December 31, 2022: EUR 233 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.

Reconciliation to earnings before income taxes

in € millions	1 st three months	
	2023	2022
EBIT Automotive Technologies	44	78
EBIT Automotive Aftermarket	102	63
EBIT Industrial	98	106
EBIT	244	247
Financial result	-47	-29
Earnings before income taxes	198	218

Prior year information presented based on 2023 segment structure.

Reconciliation of EBIT to EBIT before special items

in € millions	1 st three months		1 st three months		1 st three months		1 st three months	
	2023	2022	2023	2022	2023	2022	2023	2022
	Automotive Technologies		Automotive Aftermarket		Industrial		Total	
EBIT	44	78	102	63	98	106	244	247
• in % of revenue	1.8	3.4	17.5	13.6	8.7	10.6	5.9	6.6
Special items	61	3	1	1	30	7	92	11
• Restructuring	4	3	0	1	7	7	12	11
• M&A	0	0	0	0	2	0	2	0
• Other	56	0	1	0	21	0	78	0
EBIT before special items	105	81	103	64	128	113	336	258
• in % of revenue	4.3	3.5	17.7	13.8	11.3	11.3	8.1	6.9

Prior year information presented based on 2023 segment structure.

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 (BDs) E-Mobility, Engine & Transmission Systems, Bearings**, 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 were 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.

Related parties

The extent of transactions with related persons and entities remained largely unchanged compared to the 2022 consolidated financial statements.

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

Events after the reporting period

On April 20, 2023, Schaeffler AG's annual general meeting passed a resolution to pay a dividend of EUR 0.44 (prior year: EUR 0.49) per common share and EUR 0.45 (prior year: EUR 0.50) per common non-voting share to Schaeffler AG's shareholders for 2022. This represents a dividend payout ratio of 48.3% (prior year: 43.9%) of net income attributable to shareholders before special items. The dividend will be paid on April 25, 2023.

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 March 31, 2023.

Herzogenaurach, April 24, 2023

The Board of Managing Directors

Summary 1st quarter 2022 to 1st quarter 2023

Schaeffler Group

in € millions	2022				2023
	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	1 st quarter
Income statement					
Revenue	3,758	3,790	4,242	4,019	4,152
• Europe	1,583	1,620	1,678	1,676	1,848
• Americas	834	868	937	887	920
• Greater China	842	778	1,072	917	829
• Asia/Pacific	499	524	555	539	554
Cost of sales	-2,887	-2,958	-3,258	-3,126	-3,167
Gross profit	871	832	984	893	984
• in % of revenue	23.2	22.0	23.2	22.2	23.7
Research and development expenses	-203	-188	-182	-196	-205
Selling and administrative expenses	-402	-434	-447	-452	-460
EBIT	247	186	316	224	244
• in % of revenue	6.6	4.9	7.5	5.6	5.9
Special items ¹⁾	11	14	39	9	92
EBIT before special items	258	200	355	233	336
• in % of revenue	6.9	5.3	8.4	5.8	8.1
Net income ²⁾	136	113	169	140	129
Earnings per common non-voting share (basic/diluted, in €)	0.21	0.17	0.25	0.21	0.19
Statement of financial position					
Total assets	14,354	14,105	14,742	14,284	15,197
Additions to intangible assets and property, plant and equipment	128	175	219	292	179
Amortization, depreciation, and impairment losses excluding depreciation of right-of-use assets under leases and impairments of goodwill	231	227	227	239	231
• Reinvestment rate	0.56	0.77	0.96	1.22	0.78
Shareholders' equity ³⁾	3,659	3,900	4,264	4,141	4,221
• in % of total assets	25.5	27.7	28.9	29.0	27.8
Net financial debt	1,992	2,552	2,331	2,235	2,999
• Net financial debt to EBITDA LTM ratio before special items ¹⁾	1.0	1.3	1.1	1.1	1.4
• Gearing ratio (Net financial debt to shareholders' equity, in %)	54.4	65.4	54.7	54.0	71.0

in € millions	2022				2023
	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	1 st quarter
Statement of cash flows					
EBITDA	493	429	560	482	493
Cash flows from operating activities	199	-30	477	492	156
Capital expenditures (capex) ⁴⁾	156	175	219	240	221
• in % of revenue (capex ratio)	4.2	4.6	5.2	6.0	5.3
Free cash flow (FCF) before cash in- and outflows for M&A activities	14	-219	240	244	-73
• FCF-conversion (ratio of FCF before cash in- and outflows for M&A activities to EBIT) ⁵⁾	0.1	-	0.8	1.1	-
Value-based management (LTM)					
ROCE	13.1	11.1	11.4	11.1	10.8
ROCE before special items (in % ¹⁾)	13.1	11.6	12.4	11.9	12.5
Schaeffler Value Added (in € millions)	259	89	119	98	69
Schaeffler Value Added before special items (in € millions) ¹⁾	256	136	210	170	222
Employees					
Headcount (at end of reporting period)	83,089	82,790	82,702	82,773	84,060

¹⁾ Please refer to the annual report 2022, pp. 32 et seq., for the definition of special items.

²⁾ Attributable to shareholders of the parent company.

³⁾ Including non-controlling interests.

⁴⁾ Capital expenditures on intangible assets and property, plant and equipment.

⁵⁾ Only reported if FCF before cash in- and outflows for M&A activities and EBIT positive.

LTM = Based on the last twelve months.

in € millions	2022				2023
	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	1 st quarter
Automotive Technologies division					
Revenue	2,292	2,221	2,554	2,430	2,440
• E-Mobility BD	307	293	390	356	336
• Engine & Transmission Systems BD	1,257	1,212	1,381	1,302	1,340
• Bearings BD	643	631	682	670	659
• Chassis Systems BD	86	86	102	101	104
• Europe	850	837	883	872	977
• Americas	565	576	624	586	599
• Greater China	557	477	687	615	498
• Asia/Pacific	320	331	360	356	365
Cost of sales	-1,858	-1,865	-2,090	-2,002	-2,000
Gross profit	434	357	464	428	439
• in % of revenue	18.9	16.1	18.2	17.6	18.0
Research and development expenses	-162	-147	-141	-154	-156
Selling and administrative expenses	-183	-190	-186	-189	-187
EBIT	78	1	109	66	44
• in % of revenue	3.4	0.0	4.3	2.7	1.8
Special items ¹⁾	3	10	14	12	61
EBIT before special items	81	11	122	78	105
• in % of revenue	3.5	0.5	4.8	3.2	4.3

Automotive Aftermarket division

Revenue	464	506	548	523	582
• Europe	306	337	359	356	394
• Americas	99	110	118	107	120
• Greater China	30	26	37	24	34
• Asia/Pacific	29	34	35	36	34
Cost of sales	-319	-352	-373	-353	-376
Gross profit	145	154	174	170	206
• in % of revenue	31.2	30.4	31.8	32.5	35.3
Research and development expenses	-5	-4	-4	-5	-5
Selling and administrative expenses	-75	-91	-97	-107	-100
EBIT	63	64	73	55	102
• in % of revenue	13.6	12.6	13.3	10.6	17.5
Special items ¹⁾	1	0	0	3	1
EBIT before special items	64	64	73	59	103
• in % of revenue	13.8	12.7	13.4	11.2	17.7

in € millions	2022				2023
	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	1 st quarter
Industrial division					
Revenue	1,002	1,062	1,140	1,066	1,130
• Europe	427	445	436	448	477
• Americas	170	182	196	194	201
• Greater China	255	275	348	277	297
• Asia/Pacific	150	160	160	147	155
Cost of sales	-710	-741	-795	-771	-791
Gross profit	292	322	345	295	339
• in % of revenue	29.1	30.3	30.3	27.7	30.0
Research and development expenses	-36	-37	-36	-37	-45
Selling and administrative expenses	-143	-153	-164	-156	-173
EBIT	106	121	135	103	98
• in % of revenue	10.6	11.4	11.8	9.7	8.7
Special items ¹⁾	7	3	24	-6	30
EBIT before special items	113	125	159	97	128
• in % of revenue	11.3	11.7	13.9	9.1	11.3

Prior year information presented based on 2023 segment structure.

¹⁾ Please refer to the annual report 2022, pp. 32 et seq., for the definition of special items.

Financial calendar

May 9, 2023

Publication of results for the first three months 2023

August 2, 2023

Publication of results for the first six months 2023

November 8, 2023

Publication of results for the first nine months 2023

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