

We pioneer motion

Interim Statement 9M 2023

Highlights 9M 2023

Year-on-year revenue increase

Revenue at **EUR 12.3 bn**
(up 6.6% at constant currency)

(prior year: EUR 11.8 bn)

Good margin despite challenging market environment

EBIT margin before special items **7.9%**

(prior year: 6.9%)

Significantly improved free cash flow with increased investing activities


Free cash flow before cash in- and outflows
for M&A activities at **EUR 211 m**

(prior year: EUR 35 m)

Significant events – first nine months 2023

Schaeffler AG announces voluntary public tender offer for outstanding shares of Vitesco Technologies Group AG

The Board of Managing Directors of Schaeffler AG, with the consent of the Supervisory Board, decided on October 9, 2023, to launch a **voluntary public tender offer** in the form of a cash offer to all shareholders of Vitesco Technologies Group AG for all no-par-value registered shares of Vitesco Technologies Group AG in accordance with the provisions of the German Securities Acquisition and Takeover Act. The offer will be subject to customary closing conditions, including the receipt of potentially required approvals in connection with foreign direct investment. The offer is intended to constitute the first of three steps toward a business combination of Schaeffler AG and Vitesco Technologies Group AG. For this purpose, Schaeffler AG intends to merge Vitesco Technologies Group AG into Schaeffler AG after the consummation of the offer. To this end, Schaeffler AG plans to convert its common non-voting shares into common voting shares at a ratio of 1:1. This share conversion will be conditioned on the completion of the merger as part of the business combination. The business combination will broaden the Schaeffler Group's business and technology portfolio, particularly in the area of electric mobility.

 More information under: www.strongertogether24.com

Acquisitions and cooperations

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.

The acquisition of **ECO-Adapt SAS** was completed when the Schaeffler Group closed this transaction on April 28, 2023. 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.

Schaeffler India Limited completed the acquisition of **KRSV Innovative Auto Solutions Private Limited**, closing the transaction on September 8, 2023. The acquisition will add the B2B platform Koovers to the Automotive Aftermarket division's e-commerce operations.

On September 11, 2023, the Schaeffler Group announced that it has agreed to gradually increase its existing equity investment in Swedish **start-up H2 Green Steel** to EUR 100 m. The Schaeffler Group will also contribute its development expertise to the strategic technology partnership.

Changes to Executive Board

On March 3, 2023, the Schaeffler Group announced that Corinna Schittenhelm, **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.

At its meeting on May 26, 2023, the Supervisory Board of Schaeffler AG appointed Sascha Zaps to the **Board of Managing Directors** of Schaeffler AG as **CEO of the Industrial division** for a three-year term of office effective May 1, 2024. Sascha Zaps succeeds Dr. Stefan Spindler, who will not extend his contract beyond April 30, 2024, for reasons of age.

Schaeffler AG holds virtual annual general meeting


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 totaling EUR 295 m was paid by April 25, 2023. Maria-Elisabeth Schaeffler-Thumann stepped down from her position on the Supervisory Board of Schaeffler AG effective at the end of the annual general meeting.

Further steps regarding structural measures

On July 24, 2023, Schaeffler Technologies AG & Co. KG signed a supplemental company agreement with IG Metall Bayern. The agreement calls for the amendment of part of the **restructuring measures** adopted by Schaeffler AG's Board of Managing Directors on November 7, 2022. The cost of implementing the restructuring measures will be less than the transformation expenses originally planned, due to the cancellation of previously announced relocations at the Herzogenaurach location in the Bearings BD of the Automotive Technologies division and reduced working hours. In addition, the strategies for the Ingolstadt and Morbach locations were finalized with employee representatives.

Outlook adjusted

On July 25, 2023, the Board of Managing Directors of Schaeffler AG decided to adjust the **full-year outlook for 2023**, due in particular to the performance of the business.

 More on the guidance for the Schaeffler Group and its divisions in the outlook on pp. 13 et seq.

Schaeffler Group earnings

The increase in **revenue**, excluding the impact of currency translation, in the first nine months of 2023 was especially attributable to higher volumes at all divisions. A favorable impact of sales prices in the three divisions further bolstered the revenue trend.

Revenue growth in the **Automotive Technologies division**, excluding the impact of currency translation, resulted mainly from a market-driven increase in volumes at the Engine & Transmission Systems, Bearings, and Chassis Systems BDs. The additional revenue at the **Automotive Aftermarket division**, excluding the impact of currency translation, was primarily driven by considerable volume growth in the Europe region. Most of this growth was attributable to the performance of the Independent Aftermarket business in Central & Eastern Europe. The increase in **Industrial division** revenue, excluding the impact of currency translation, was predominantly due to the contribution made by the Ewellix Group, which was acquired at the beginning of the year. The increasingly weaker market environment in the Greater China region adversely affected the division's revenue trend.

The **EBIT margin before special items** increased in the first nine months of 2023, largely due to the favorable impact of volumes and sales prices. The gross margin was in line with the prior year level.

in € millions	1 st nine months			3 rd quarter		
	2023	2022	Change in %	2023	2022	Change in %
Revenue	12,270	11,790	4.1	4,062	4,242	-4.2
• at constant currency			6.6			0.5
Revenue by division						
Automotive Technologies	7,280	7,068	3.0	2,440	2,554	-4.5
• at constant currency			5.4			0.2
Automotive Aftermarket	1,716	1,518	13.0	584	548	6.7
• at constant currency			14.5			8.8
Industrial	3,274	3,205	2.2	1,038	1,140	-9.0
• at constant currency			5.7			-3.0
Revenue by region ¹⁾						
Europe	5,401	4,881	10.6	1,763	1,678	5.0
• at constant currency			11.1			5.7
Americas	2,734	2,639	3.6	903	937	-3.7
• at constant currency			3.7			0.1
Greater China	2,497	2,692	-7.3	855	1,072	-20.2
• at constant currency			0.2			-9.6
Asia/Pacific	1,638	1,578	3.8	543	555	-2.2
• at constant currency			8.7			4.8
Cost of sales	-9,494	-9,104	4.3	-3,157	-3,258	-3.1
Gross profit	2,776	2,687	3.3	906	984	-7.9
• in % of revenue	22.6	22.8	-	22.3	23.2	-
Research and development expenses	-585	-572	2.3	-188	-182	3.6
Selling and administrative expenses	-1,358	-1,283	5.9	-457	-447	2.3
Other income and expense	17	29	-41.5	61	51	20.8
Income (loss) from equity-accounted investees	0	-33	-	0	-11	-
Earnings before financial result and income taxes (EBIT)	849	828	2.6	322	395	-18.3
• in % of revenue	6.9	7.0	-	7.9	9.3	-
Special items ²⁾	115	-16	-	18	-40	-
EBIT before special items	965	813	18.7	340	355	-4.1
• in % of revenue	7.9	6.9	-	8.4	8.4	-
Financial result	-150	-104	44.7	-58	-37	56.8
Income taxes	-263	-229	14.9	-108	-124	-13.3
Net income ³⁾	417	475	-12.3	150	226	-33.7
Earnings per common non-voting share (basic/diluted, in €)	0.63	0.72	-12.5	0.22	0.34	-35.3

¹⁾ Based on market (customer location).

²⁾ Please refer to p. 9 for the definition of special items.

³⁾ Attributable to shareholders of the parent company.

Automotive Technologies division earnings

Revenue growth, excluding the impact of currency translation, in the first nine months of 2023 resulted primarily from a market-driven increase in volumes. Sales prices had an additional slightly favorable impact on revenue growth. Revenue growth, excluding the impact of currency translation, was less than the trend in global automobile production overall.

Outperformance 9M 2023

	Europe	Americas	Greater China	Asia/Pacific	Total
Revenue growth (in %) ¹⁾	11.3	-0.5	-0.1	9.7	5.4
LVP growth (in %) ²⁾	11.4	10.3	5.2	10.6	9.0
Outperformance (in percentage points)	-0.1	-10.8	-5.3	-0.9	-3.6

E-Mobility BD revenue increased slightly, excluding the impact of currency translation, as a decrease in the Greater China region was more than offset by growth in the remaining regions. In the **Engine & Transmission Systems BD**, growth excluding the impact of currency translation was based on higher volumes in the Europe, Americas and Asia/Pacific regions. Revenue growth at the **Bearings BD**, excluding the impact of currency translation, was mainly due to a favorable impact of volumes in the Europe, Asia/Pacific, and Greater China regions. Considerable additional volumes in the Europe, Greater China, and Asia/Pacific regions drove the favorable trend at the **Chassis Systems BD**.

The increase in **EBIT margin before special items** in the first nine months of 2023 was mainly attributable to the impact of volumes and sales prices. The gross margin was in line with the prior year level.

in € millions	1 st nine months			3 rd quarter		
	2023	2022	Change in %	2023	2022	Change in %
Revenue	7,280	7,068	3.0	2,440	2,554	-4.5
• at constant currency			5.4			0.2
Revenue by business division						
E-Mobility BD	967	990	-2.3	335	390	-14.1
• at constant currency			0.3			-9.4
Engine & Transmission Systems BD	3,973	3,850	3.2	1,315	1,381	-4.8
• at constant currency			5.3			-0.3
Bearings BD	2,005	1,955	2.6	682	682	0.0
• at constant currency			5.3			5.0
Chassis Systems BD	335	273	22.6	109	102	7.7
• at constant currency			24.5			10.6
Revenue by region ³⁾						
Europe	2,851	2,571	10.9	919	883	4.1
• at constant currency			11.3			4.7
Americas	1,770	1,765	0.3	585	624	-6.3
• at constant currency			-0.5			-3.8
Greater China	1,590	1,721	-7.6	582	687	-15.3
• at constant currency			-0.1			-4.1
Asia/Pacific	1,068	1,011	5.6	354	360	-1.7
• at constant currency			9.7			4.1
Cost of sales	-5,997	-5,813	3.2	-2,006	-2,090	-4.0
Gross profit	1,283	1,255	2.2	435	464	-6.4
• in % of revenue	17.6	17.8	-	17.8	18.2	-
Research and development expenses	-445	-450	-1.0	-142	-141	0.8
Selling and administrative expenses	-546	-559	-2.4	-185	-186	-0.5
Other income and expense	2	31	-94.1	35	39	-9.8
Income (loss) from equity-accounted investees	0	-33	-100	0	-12	-100
EBIT	294	244	20.4	143	165	-13.3
• in % of revenue	4.0	3.5	-	5.9	6.5	-
Special items ⁴⁾	55	-30	-	-1	-43	-97.2
EBIT before special items	349	214	62.8	142	122	16.0
• in % of revenue	4.8	3.0	-	5.8	4.8	-

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), October 2023]. All rights reserved.

³⁾ Based on market (customer location).

⁴⁾ Please refer to p. 9 for the definition of special items.

Automotive Aftermarket division earnings

The increase in **revenue**, excluding the impact of currency translation, in the first nine months of 2023 was largely attributable to considerably higher volumes. The impact of sales prices contributed to growth as well. Increases in procurement costs were passed on to the market.

Revenue growth in the **Europe region**, excluding the impact of currency translation, was primarily driven by considerably increased volumes in the Independent Aftermarket business in Central & Eastern Europe. The revenue growth, excluding the impact of currency translation, reported by the **Americas region** was attributable to volume growth in the Independent Aftermarket business in South America in particular. Volumes in the Automotive OES business in the U.S. had a further favorable impact. In the **Greater China region**, revenue growth, excluding the impact of currency translation, was primarily driven by the considerably increased volumes of the e-commerce business. The revenue trend of the **Asia/Pacific region** was especially attributable to higher volumes in the Independent Aftermarket and Automotive OES businesses in India and in Southeast Asia.

The increase in **EBIT margin before special items** during the first nine months of 2023 was predominantly the result of a higher gross profit margin – due to a favorable revenue mix during the reporting period – as well as adjustments to sales prices. The change in selling and administrative expenses was primarily driven by the impact of a volume-related increase in logistics costs. Exchange gains had a favorable impact on the EBIT margin before special items as well.

in € millions	1 st nine months			3 rd quarter		
	2023	2022	Change in %	2023	2022	Change in %
Revenue	1,716	1,518	13.0	584	548	6.7
• at constant currency			14.5			8.8
Revenue by region ¹⁾						
Europe	1,137	1,002	13.5	389	359	8.4
• at constant currency			13.9			8.2
Americas	368	327	12.8	127	118	8.2
• at constant currency			13.3			11.8
Greater China	106	92	14.9	34	37	-6.5
• at constant currency			24.7			6.5
Asia/Pacific	104	97	7.5	34	35	-2.1
• at constant currency			14.2			7.2
Cost of sales	-1,125	-1,045	7.6	-376	-373	0.6
Gross profit	591	473	25.0	209	174	19.8
• in % of revenue	34.5	31.2	-	35.7	31.8	-
Research and development expenses	-14	-13	6.0	-5	-4	19.5
Selling and administrative expenses	-299	-263	13.6	-103	-97	6.1
Other income and expense	10	5	91.2	-1	1	-
EBIT	288	201	43.0	99	74	34.0
• in % of revenue	16.8	13.3	-	17.0	13.5	-
Special items ²⁾	2	0	> 100	-2	-1	82.1
EBIT before special items	290	202	44.0	98	73	33.4
• in % of revenue	16.9	13.3	-	16.7	13.4	-

Prior year information presented based on 2023 segment structure.

¹⁾ Based on market (customer location).

²⁾ Please refer to p. 9 for the definition of special items.

Industrial division earnings

The increase in **revenue** in the first nine months of 2023, excluding the impact of currency translation, was predominantly due to the contribution made by the Ewellix Group acquired early in the year, which was reflected in the Industrial Automation sector cluster. Especially a favorable impact of sales prices contributed to growth as well.

In the **Europe region**, revenue growth resulted mainly from volume increases in the Industrial Automation, Raw Materials, and Rail sector clusters. Sales prices had a considerable additional favorable impact on revenue growth. The trend at the **Americas region** resulted especially from volume growth in the Industrial Automation, Raw Materials, and Power Transmission sector clusters as well as from the price-related increase in Industrial Distribution revenue. In the **Greater China region**, the revenue trend was adversely affected by the increasingly weaker market environment. Lower revenue was primarily reported by the Wind, Power Transmission, and Offroad sector clusters. The trend at the Industrial Automation and Rail sector clusters and at Industrial Distribution had an offsetting impact. The increase at the **Asia/Pacific region** resulted mainly from price-related revenue growth at Industrial Distribution.

The trend of the **EBIT margin before special items** in the first nine months of 2023 was mainly attributable to the decline in gross margin, which was adversely impacted by the change in Industrial division revenue mix, especially due to the market trend in the Greater China region. Additionally, selling and administrative expenses for the first nine months of 2023 increased from the prior year period. Further, the structural impact of the acquisition of the Ewellix Group had a slightly dilutive effect on the EBIT margin before special items.

in € millions	1 st nine months			3 rd quarter		
	2023	2022	Change in %	2023	2022	Change in %
Revenue	3,274	3,205	2.2	1,038	1,140	-9.0
• at constant currency			5.7			-3.0
Revenue by region ¹⁾						
Europe	1,412	1,308	8.0	454	436	4.1
• at constant currency			8.6			5.5
Americas	595	548	8.7	191	196	-2.8
• at constant currency			11.5			5.3
Greater China	800	879	-8.9	238	348	-31.5
• at constant currency			-1.9			-22.2
Asia/Pacific	466	470	-0.7	154	160	-3.4
• at constant currency			5.5			5.8
Cost of sales	-2,373	-2,246	5.6	-775	-795	-2.5
Gross profit	902	958	-5.9	262	345	-24.0
• in % of revenue	27.5	29.9	-	25.3	30.3	-
Research and development expenses	-126	-109	15.7	-41	-36	12.2
Selling and administrative expenses	-513	-460	11.6	-169	-164	3.2
Other income and expense	5	-7	-	27	10	> 100
EBIT	268	383	-30.1	80	155	-48.7
• in % of revenue	8.2	11.9	-	7.7	13.6	-
Special items ²⁾	58	14	> 100	21	4	> 100
EBIT before special items	326	397	-17.9	100	159	-36.9
• in % of revenue	9.9	12.4	-	9.7	13.9	-

Prior year information presented based on 2023 segment structure.

¹⁾ Based on market (customer location).

²⁾ Please refer to p. 9 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. Additionally, this reporting period, the company has included in special items, for the first time, unrealized fair value losses incurred on forward exchange contracts that are used to hedge currency risk related to operations and that are not subject to cash flow hedge accounting.

EBIT for the reporting period was impacted by **special items**, most of which were recognized in other expenses and other income. The **legal cases** category primarily comprises EUR 10 m in gains on the reversal of a provision related to a court ruling in the U.S., partly offset by an addition of EUR 3 m. The **restructuring** category includes expenses recognized in connection with the "Roadmap 2025" divisional subprograms, mainly related to consolidation of the footprint in Europe. Gains on adjusting the provision for further restructuring measures adopted by Schaeffler AG's Board of Managing Directors in November 2022 had an offsetting impact. This category also included gains on adjusting the provision for the project to establish a shared service center started in 2017. The **M&A** category includes expenses related to the acquisition of subsidiaries. The **energy derivatives and forward exchange contracts** category mainly comprises fair value losses on forward contracts for electricity and gas prices and on short-, medium-, and long-term price and supply agreements (power purchase agreements) held to secure the Schaeffler Group's energy supply.

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 financial 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 nine months		1 st nine months		1 st nine months		1 st nine months	
	2023	2022 ¹⁾	2023	2022 ¹⁾²⁾	2023	2022 ¹⁾²⁾	2023	2022 ¹⁾²⁾
Income statement (in € millions)	Total		Automotive Technologies		Automotive Aftermarket		Industrial	
EBIT	849	828	294	244	288	201	268	383
• in % of revenue	6.9	7.0	4.0	3.5	16.8	13.3	8.2	11.9
Special items	115	-16	55	-30	2	0	58	14
• Legal cases	-7	0	-4	0	0	0	-2	0
• Restructuring	0	54	-26	27	0	1	26	26
– including divisional Roadmap 2025 subprograms of	5	54	-22	27	0	1	27	26
• M&A	12	9	6	0	1	0	5	9
• Energy derivatives and forward exchange contracts	111	-78	79	-56	2	-1	29	-21
EBIT before special items	965	813	349	214	290	202	326	397
• in % of revenue	7.9	6.9	4.8	3.0	16.9	13.3	9.9	12.4

Reconciliation

	1 st nine months	
	2023	2022 ¹⁾
Income statement (in € millions)		Total
EBIT	849	828
• in % of revenue	6.9	7.0
Special items	115	-16
• Legal cases	-7	0
• Restructuring	0	54
– including divisional Roadmap 2025 subprograms of	5	54
• M&A	12	9
• Energy derivatives and forward exchange contracts	111	-78
EBIT before special items	965	813
• in % of revenue	7.9	6.9
Net income ³⁾	417	475
Special items	84	-11
• Legal cases	-6	-3
• Restructuring	0	54
• M&A	12	9
• Energy derivatives and forward exchange contracts	111	-78
– Tax effect ⁴⁾	-32	8
Net income before special items ³⁾	501	464
Statement of financial position (in € millions)	09/30/2023	12/31/2022
Net financial debt	3,072	2,235
/ EBITDA LTM	1,995	1,963
Net financial debt to EBITDA ratio LTM	1.5	1.1
Net financial debt	3,072	2,235
/ EBITDA before special items LTM	2,190	2,030
Net financial debt to EBITDA ratio before special items LTM	1.4	1.1

	1 st nine months	
	2023	2022 ¹⁾
Statement of cash flows (in € millions)		
EBITDA	1,591	1,560
Special items	115	-13
• Legal cases	-7	0
• Restructuring	0	56
• M&A	12	9
• Energy derivatives and forward exchange contracts	111	-78
EBITDA before special items	1,706	1,547
Free cash flow (FCF)	-515	-68
-/+ Cash in- and outflows for M&A activities	726	104
FCF before cash in- and outflows for M&A activities	211	35
/ EBIT	849	828
FCF-conversion ⁵⁾	0.2	0.0
FCF before cash in- and outflows for M&A activities	211	35
Special items	151	232
• Legal cases	-38	-17
• Restructuring	181	249
• Other	8	0
FCF before cash in- and outflows for M&A activities and before special items	362	267
Value-based management LTM (in € millions)		
EBIT	995	1,060
/ Average capital employed	9,327	8,624
ROCE (in %)	10.7	12.3
EBIT before special items	1,198	1,073
/ Average capital employed	9,327	8,624
ROCE before special items (in %)	12.8	12.4
EBIT	995	1,060
– Cost of capital	933	862
Schaeffler Value Added (SVA)	62	197
EBIT before special items	1,198	1,073
– Cost of capital	933	862
SVA before special items	265	210

¹⁾ See "Basis of preparation" in the condensed notes to the consolidated interim financial statements for further details.

²⁾ Prior year information presented based on 2023 segment structure.

³⁾ Attributable to shareholders of the parent company.

⁴⁾ Based on each entity's specific tax rate and country-specific tax environment.

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

LTM = Financial indicator based on the last four quarters.

Financial position

Free cash flow before cash in- and outflows for M&A activities rose to EUR 211 m (prior year: EUR 35 m), especially as a result of working capital expanding EUR 252 m less extensively than in the prior year due to the trend in inventories and trade receivables. Capital expenditures on property, plant and equipment and intangible assets were EUR 115 m higher than in the prior year period.

The group's net financial debt changed as follows:

Net financial debt

in € millions	09/30/2023	12/31/2022	Change in %
Bonds	2,942	2,939	0.1
Schuldschein loans	292	297	-1.7
Term loan	625	0	-
Commercial paper	0	50	-100
Other financial debt	9	12	-24.2
Total financial debt	3,868	3,298	17.3
Cash and cash equivalents	796	1,063	-25.1
Net financial debt	3,072	2,235	37.4

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 as well as a further EUR 125 m term loan obtained in the third quarter of 2023.

Cash and cash equivalents amounted to EUR 796 m as at September 30, 2023 (December 31, 2022: EUR 1,063 m) and consisted primarily of bank balances and short-term deposits. EUR 228 m (prior year: EUR 241 m) of this amount related to countries with foreign exchange restrictions and other legal and contractual restrictions. In addition, Schaeffler AG has a revolving credit facility of EUR 2.0 bn (December 31, 2022: EUR 2.0 bn) of which EUR 80 m (December 31, 2021: EUR 55 m) were utilized in the form of letters of credit as at September 30, 2023. The Schaeffler Group also has additional bilateral lines of credit totaling EUR 115 m

(December 31, 2022: EUR 118 m), of which EUR 12 m was drawn in the form of letters of credit as at September 30, 2023. Deducting bank balances in countries with foreign exchange restrictions and other legal and contractual restrictions results in total available liquidity of EUR 2,538 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, 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.

In addition to matters disclosed in the annual report 2022, disposals of certain business operations or activities that are no longer considered core strategic activities or not considered sufficiently profitable could expose the Schaeffler Group to contractual risks. These could have a medium impact on the Schaeffler Group's net assets, financial position, and earnings.

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.

Expected economic and sales market trends

Taking into account the forecast by S&P Global Market Intelligence (October 2023)¹, the Schaeffler Group now expects global gross domestic product to grow by approximately 3% in 2023 (prior year figure: 3.5%).

For potential risks to global economic growth please refer to the discussion in the report on opportunities and risks.

Based on the forecast by S&P Global Mobility (October 2023)² and on internal assessments, the Schaeffler Group now expects global automobile production³ to grow by 5 to 7% to up to 88.1 million vehicles in 2023 (prior year figure: 6.7% or 82.3 million vehicles).

Based on the forecast by S&P Global Mobility (July 2023)⁴, the Schaeffler Group continues to anticipate growth in global vehicle population⁵ for 2023 to be slightly less than in 2022, with the average vehicle age rising slightly (prior year figure: growth of 2.3% and average age 10.7 years).

Taking into account the forecasts by S&P Global Market Intelligence (October 2023)⁶ and based on internal assessments, the Schaeffler Group continues to expect global industrial production to grow by approximately 1% (prior year figure: 2.5%) in 2023, while production in the sectors particularly relevant to the company – mechanical engineering, transport equipment, and electrical equipment – is still anticipated to increase slightly from the prior year (prior year figure: 4.1%).

¹ Includes content supplied by S&P Global Market Intelligence © [World Economic Service Forecast, October 2023]. All rights reserved.

Gross domestic product of the global economy calculated using purchasing power parities.

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

³ Measured as the number of vehicles up to six tons in weight produced.


⁴ Includes content supplied by S&P Global Mobility © [IHS Markit Vehicles in Operation (VIO) Forecast, July 2023]. All rights reserved.

⁵ Measured as the number of passenger cars and light commercial vehicles less than 3.5 tons in weight.

⁶ Includes content supplied by S&P Global Market Intelligence © [Comparative Industry Service Forecast, October 2023]. All rights reserved.

Schaeffler Group outlook

At its meeting on October 23, 2023, the Board of Managing Directors of Schaeffler AG has adjusted the outlook for Industrial division revenue growth issued on July 25, 2023.

 More on the guidance issued on July 25, 2023, in the interim financial report H1 2023 on pp. 22 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 6 to 8% in 2023.

The Schaeffler Group continues to anticipate free cash flow before cash in- and outflows for M&A activities of EUR 300 to 400 m for 2023.

The group anticipates that its **Automotive Technologies division** will grow by 0 to 3 percentage points more than global automobile production of passenger cars and light commercial vehicles in 2023. On that basis, the company continues to expect the Automotive Technologies division to generate moderate revenue growth year on year, excluding the impact of currency translation. Additionally, the Automotive Technologies division continues to expect an EBIT margin before special items of 3 to 5% for 2023.

For the **Automotive Aftermarket division**, the group continues to anticipate revenue growth, excluding the impact of currency translation, of 10 to 12% and an EBIT margin before special items of 14 to 16% in 2023.

Due in particular to the performance of the business in the Greater China region in the third quarter of 2023, the company now expects its **Industrial division** to generate revenue growth of 4.5 to 5.5%, excluding the impact of currency translation, and an EBIT margin before special items of 9 to 11% in 2023.

Outlook 2023

	Actual 2022	issued 02/27/2023 ⁴⁾	issued 07/25/2023	Outlook 2023 issued 10/23/2023	Actual 9M 2023
Schaeffler Group	adjusted comparative figure				
Revenue growth ¹⁾	9.4%	5 to 8%	5 to 8%	5 to 8%	6.6%
EBIT margin before special items ²⁾	6.6%	5.5 to 7.5%	6 to 8%	6 to 8%	7.9%
Free cash flow ³⁾	EUR 280 m	EUR 250 to 350 m	EUR 300 to 400 m	EUR 300 to 400 m	EUR 211 m
Automotive Technologies		moderate revenue growth; [2 to 5%-age points above LVP growth] ⁵⁾	moderate revenue growth; [0 to 3%-age points above LVP growth] ⁵⁾	moderate revenue growth; [0 to 3%-age points above LVP growth] ⁵⁾	
Revenue growth ¹⁾	7.7%				5.4%
EBIT margin before special items ²⁾	3.1%	2 to 4%	3 to 5%	3 to 5%	4.8%
Automotive Aftermarket					
Revenue growth ¹⁾	7.1%	5 to 7%	10 to 12%	10 to 12%	14.5%
EBIT margin before special items ²⁾	12.8%	12 to 14%	14 to 16%	14 to 16%	16.9%
Industrial					
Revenue growth ¹⁾	14.7%	9 to 11%	6 to 8%	4.5 to 5.5%	5.7%
EBIT margin before special items ²⁾	11.5%	11 to 13%	9 to 11%	9 to 11%	9.9%

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

²⁾ Please refer to page 9 for the definition of special items.

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

⁴⁾ Confirmed on April 24, 2023.

⁵⁾ LVP growth: global growth in production of passenger cars and light commercial vehicles.

The adjustment to the comparative prior year figures results, in particular, from further divisionalization to strengthen the division's management of the business.

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

Herzogenaurach, October 23, 2023

The Board of Managing Directors

Consolidated income statement

in € millions	1 st nine months			3 rd quarter		
	2023	2022 ¹⁾	Change in %	2023	2022 ¹⁾	Change in %
Revenue	12,270	11,790	4.1	4,062	4,242	-4.2
Cost of sales	-9,494	-9,104	4.3	-3,157	-3,258	-3.1
Gross profit	2,776	2,687	3.3	906	984	-7.9
Research and development expenses	-585	-572	2.3	-188	-182	3.6
Selling expenses	-881	-830	6.2	-288	-291	-0.8
Administrative expenses	-477	-452	5.4	-169	-156	8.1
Other income	167	123	35.5	93	97	-4.5
Other expenses	-150	-94	59.4	-31	-46	-32.2
Income (loss) from equity-accounted investees	0	-33	-	0	-11	-
Earnings before financial result and income taxes (EBIT)	849	828	2.6	322	395	-18.3
Financial income	20	29	-32.8	6	8	-19.8
Financial expenses	-169	-133	27.6	-65	-45	43.2
Financial result	-150	-104	44.7	-58	-37	56.8
Earnings before income taxes	700	725	-3.5	264	357	-26.1
Income taxes	-263	-229	14.9	-108	-124	-13.3
Net income	436	496	-12.0	156	233	-33.0
Attributable to shareholders of the parent company	417	475	-12.3	150	226	-33.7
Attributable to non-controlling interests	20	21	-4.5	7	7	-9.0
Earnings per common share (basic/diluted, in €)	0.62	0.71	-13	0.22	0.34	-35
Earnings per common non-voting share (basic/diluted, in €)	0.63	0.72	-13	0.22	0.34	-35

¹⁾ See "Basis of preparation" in the condensed notes to the consolidated interim financial statements for further details.

Consolidated statement of comprehensive income

in € millions	1 st nine months		3 rd quarter	
	2023	2022 ¹⁾	2023	2022 ¹⁾
Net income	436	496	156	233
Items that will not be reclassified to profit or loss				
Remeasurement of net defined benefit liability	63	918	124	122
Changes in the scope of consolidation - defined benefit plans	0	-1	0	-1
Net change in fair value of financial assets at fair value through other comprehensive income	1	0	0	0
Tax effect	-18	-255	-35	-34
Total other comprehensive income that will not be reclassified to profit or loss	46	661	89	86
Items that have been or may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	-44	358	69	114
Effective portion of changes in fair value of cash flow hedges	-15	-34	-48	-19
Tax effect	4	10	14	5
Total other comprehensive income (loss) that has been or may be subsequently reclassified to profit or loss	-55	334	35	101
Total other comprehensive income (loss)	-10	996	124	187
Total comprehensive income	427	1,491	281	420
Total comprehensive income attributable to shareholders of the parent company	407	1,463	272	409
Total comprehensive income attributable to non-controlling interests	20	28	8	11

¹⁾ See "Basis of preparation" in the condensed notes to the consolidated interim financial statements for further details.

Consolidated statement of financial position

in € millions	09/30/2023	12/31/2022	09/30/2022 ¹⁾	Change in %
ASSETS				
Intangible assets	1,615	916	651	76.2
Right-of-use assets under leases	227	222	237	2.6
Property, plant and equipment	4,576	4,607	4,681	-0.7
Investments in joint ventures and associated companies	7	7	38	2.7
Costs to fulfill a contract	333	350	369	-4.9
Other financial assets	200	216	364	-7.4
Other assets	179	191	227	-5.8
Income tax receivables	12	11	11	6.3
Deferred tax assets	712	662	648	7.6
Total non-current assets	7,861	7,180	7,226	9.5
Inventories	2,981	2,796	3,005	6.6
Contract assets	58	54	56	6.6
Trade receivables	2,726	2,519	2,866	8.2
Other financial assets	152	205	203	-25.6
Other assets	408	364	396	12.0
Income tax receivables	35	45	49	-22.2
Cash and cash equivalents	796	1,063	977	-25.1
Assets held for sale	58	58	21	-0.4
Total current assets	7,214	7,104	7,575	1.6
Total assets	15,076	14,284	14,801	5.5

in € millions	09/30/2023	12/31/2022	09/30/2022 ¹⁾	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	1,340	1,218	1,135	10.0
Accumulated other comprehensive income (loss)	-226	-216	39	4.5
Equity attributable to shareholders of the parent company	4,128	4,016	4,189	2.8
Non-controlling interests	135	125	132	7.3
Total shareholders' equity	4,263	4,141	4,321	2.9
Provisions for pensions and similar obligations	1,585	1,606	1,556	-1.3
Provisions	241	288	281	-16.4
Financial debt	3,069	3,238	3,229	-5.2
Contract liabilities	152	143	134	6.6
Income tax payables	59	47	45	25.0
Other financial liabilities	111	90	98	23.8
Lease liabilities	166	162	174	2.9
Other liabilities	5	7	8	-30.7
Deferred tax liabilities	243	192	192	26.9
Total non-current liabilities	5,631	5,772	5,719	-2.4
Provisions	378	404	385	-6.5
Financial debt	799	60	79	> 100
Contract liabilities	156	170	147	-8.1
Trade payables	2,398	2,339	2,503	2.6
Income tax payables	137	108	130	27.1
Other financial liabilities	596	626	770	-4.7
Lease liabilities	62	57	60	9.2
Refund liabilities	261	263	264	-0.6
Other liabilities	393	341	423	15.3
Liabilities associated with assets held for sale	1	5	0	-84.2
Total current liabilities	5,182	4,372	4,761	18.5
Total shareholders' equity and liabilities	15,076	14,284	14,801	5.5

¹⁾ See "Basis of preparation" in the condensed notes to the consolidated interim financial statements for further details.

Consolidated statement of cash flows

in € millions	1 st nine months			3 rd quarter		
	2023	2022 ¹⁾	Change in %	2023	2022 ¹⁾	Change in %
Operating activities						
EBIT	849	828	2.6	322	395	-18.3
Interest paid	-69	-54	28.1	-16	-3	> 100
Interest received	10	10	-2.4	3	2	12.3
Income taxes paid	-266	-240	10.9	-76	-78	-2.9
Amortization, depreciation, and impairment losses	741	731	1.4	245	244	0.4
(Gains) losses on disposal of assets	-25	-4	> 100	-13	-1	> 100
Changes in:						
• Inventories	-145	-396	-63.3	18	22	-16.8
• Trade receivables	-252	-532	-52.7	-102	-265	-61.7
• Trade payables	88	367	-76.1	-25	93	-
• Provisions for pensions and similar obligations	-30	-7	> 100	-12	-8	52.5
• Other assets, liabilities, and provisions	-10	-57	-82.1	83	76	9.3
Cash flows from operating activities	891	646	37.9	428	477	-10.3
Investing activities						
Proceeds from disposals of property, plant and equipment	40	16	> 100	18	6	> 100
Capital expenditures on intangible assets	-57	-46	22.4	-18	-17	5.7
Capital expenditures on property, plant and equipment	-608	-504	20.6	-228	-202	13.0
Acquisition of subsidiaries	-712	-62	> 100	-22	-2	> 100
Acquisition of interests in joint ventures and other equity investments	-18	-37	-51.4	-4	-35	-88
Disposal of subsidiaries	4	-5	-	0	-6	-100
Other investing activities	-1	-29	-96.0	-0	-7	-99.8
Cash used in investing activities	-1,352	-667	> 100	-254	-264	-3.5

in € millions	1 st nine months			3 rd quarter		
	2023	2022 ¹⁾	Change in %	2023	2022 ¹⁾	Change in %
Financing activities						
Dividends paid to shareholders and non-controlling interests	-306	-336	-9.0	0	0	-
Receipts from bond issuances and loans	625	74	> 100	115	74	55.4
Redemptions of bonds and repayments of loans	-62	-546	-88.7	-51	0	-
Principal repayments on lease liabilities	-54	-47	13.9	-18	-16	9.2
Cash provided by (used in) financing activities	204	-855	-	46	58	-20.0
Net increase (decrease) in cash and cash equivalents	-257	-877	-70.7	219	271	-19.0
Effects of foreign exchange rate changes on cash and cash equivalents	-12	32	-	5	12	-61.7
Cash and cash equivalents as at beginning of period ²⁾	1,069	1,822	-41.3	576	694	-17.0
Cash and cash equivalents as at September 30	800	977	-18.1	800	977	-18.1
Less cash and cash equivalents classified as assets held for sale as at September 30	4	0	-	4	0	-
Cash and cash equivalents as at September 30 (consolidated statement of financial position)	796	977	-18.6	796	977	-18.6

¹⁾ See "Basis of preparation" in the condensed notes to the consolidated interim financial statements for further details.

²⁾ Cash and cash equivalents as at January 1, 2023, the beginning of the period, included EUR 7 m classified as "Assets held for sale" in the statement of financial position as at December 31, 2022 (at the beginning of the 3rd quarter of 2023: EUR 4 m, and at the beginning of the 3rd quarter of 2022: EUR 13 m).

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	Total			
in € millions											
Balance as at January 01, 2022	666	2,348	988	-208	-40	-2	-698	-949	3,053	112	3,165
Net income ²⁾			475					0	475	21	496
Other comprehensive income (loss)			0	351	-24	0	662	988	988	7	996
Total comprehensive income (loss)	0	0	475	351	-24	0	662	988	1,463	28	1,491
Dividends			-328						-328	-8	-336
Total amount of transactions with shareholders			-328						-328	-8	-336
Changes in the scope of consolidation			1						1	0	1
Balance as at September 30, 2022	666	2,348	1,135	143	-64	-2	-37	39	4,189	132	4,321
Balance as at January 01, 2023	666	2,348	1,218	-148	22	-5	-85	-216	4,016	125	4,141
Net income			417					0	417	20	436
Other comprehensive income (loss)			0	-44	-11	1	45	-10	-10	0	-10
Total comprehensive income (loss)	0	0	417	-44	-11	1	45	-10	407	20	427
Dividends			-295						-295	-11	-305
Total amount of transactions with shareholders			-295						-295	-11	-305
Balance as at September 30, 2023	666	2,348	1,340	-192	11	-4	-41	-226	4,128	135	4,263

¹⁾ Equity attributable to shareholders of the parent company.

²⁾ See "Basis of preparation" in the condensed notes to the consolidated interim financial statements for further details.

Consolidated segment information

(Part of the notes to the consolidated financial statements)

	1 st nine months		1 st nine months		1 st nine months		1 st nine months	
	2023	2022 ¹⁾	2023	2022 ¹⁾	2023	2022 ¹⁾	2023	2022 ¹⁾
in € millions	Automotive Technologies		Automotive Aftermarket		Industrial		Total	
Revenue	7,280	7,068	1,716	1,518	3,274	3,205	12,270	11,790
EBIT	294	244	288	201	268	383	849	828
• in % of revenue	4.0	3.5	16.8	13.3	8.2	11.9	6.9	7.0
EBIT before special items ²⁾	349	214	290	202	326	397	965	813
• in % of revenue	4.8	3.0	16.9	13.3	9.9	12.4	7.9	6.9
Amortization, depreciation, and impairment losses	527	551	32	28	183	152	741	731
Working capital ^{3) 4)}	1,292	1,426	591	626	1,425	1,316	3,309	3,368
Additions to intangible assets and property, plant and equipment	402	339	39	28	200	155	641	522

	3 rd quarter		3 rd quarter		3 rd quarter		3 rd quarter	
	2023	2022 ¹⁾	2023	2022 ¹⁾	2023	2022 ¹⁾	2023	2022 ¹⁾
in € millions	Automotive Technologies		Automotive Aftermarket		Industrial		Total	
Revenue	2,440	2,554	584	548	1,038	1,140	4,062	4,242
EBIT	143	165	99	74	80	155	322	395
• in % of revenue	5.9	6.5	17.0	13.5	7.7	13.6	7.9	9.3
EBIT before special items ²⁾	142	122	98	73	100	159	340	355
• in % of revenue	5.8	4.8	16.7	13.4	9.7	13.9	8.4	8.4
Amortization, depreciation, and impairment losses	171	182	12	10	62	52	245	244
Working capital ^{3) 4)}	1,292	1,426	591	626	1,425	1,316	3,309	3,368
Additions to intangible assets and property, plant and equipment	155	146	15	11	66	62	237	219

Prior year information presented based on 2023 segment structure.

¹⁾ See "Basis of preparation" in the condensed notes to the consolidated interim financial statements for further details.

²⁾ Please refer to p. 9 for the definition of special items.

³⁾ Working capital defined as inventories plus trade receivables less trade payables.

⁴⁾ Amounts as at September 30.

Condensed notes to the consolidated interim 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 September 30, 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. Except for the adjustments described below, such estimates and judgments have not changed significantly 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 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.

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.

Adjustment of comparative information

Being an industrial company, the Schaeffler Group is affected by price fluctuations in the energy markets.

In order to mitigate this risk, the Schaeffler Group hedges electricity and gas prices via forward contracts and enters into short-, medium-, and long-term price and supply agreements such as power purchase agreements.

The own-use exemption provided for by IFRS 9 was not applied to these hedging instruments in 2022, and the Schaeffler Group had recognized the hedging instruments as other financial assets and other financial liabilities at fair value for the first time as at December 31, 2022.

Since the own-use exemption was not applied as at September 30, 2022, either, the Schaeffler Group has recognized the fair value of the hedging instruments in a retrospective adjustment of the comparative information as at September 30, 2022. The tables below summarize the retrospective adjustment of the comparative information.

Consolidated statement of financial position

in € millions	09/30/2022 before adjustments	Adjustment energy derivatives	09/30/2022 adjusted
ASSETS			
Other financial assets	308	55	364
Deferred tax assets	668	-20	648
Total non-current assets	7,190	36	7,226
Other financial assets	180	23	203
Total current assets	7,552	23	7,575
Total assets	14,742	59	14,801
SHAREHOLDERS' EQUITY AND LIABILITIES			
Other reserves	1,078	58	1,135
Total shareholders' equity	4,264	58	4,321
Deferred tax liabilities	191	1	192
Total non-current liabilities	5,717	1	5,719
Total shareholders' equity and liabilities	14,742	59	14,801

Consolidated income statement

in € millions	1 st nine months			3 rd quarter		
	2022 before adjustments	Adjustment energy derivatives	2022 adjusted	2022 before adjustments	Adjustment energy derivatives	2022 adjusted
Gross profit	2,687	0	2,687	984	0	984
Other income	45	79	123	18	79	97
Other expenses	-94	0	-94	-46	0	-46
Earnings before financial result and income taxes (EBIT)	750	78	828	316	78	395
Earnings before income taxes	646	78	725	279	78	357
Income taxes	-208	-21	-229	-103	-21	-124
Net income	438	58	496	176	58	233
Attributable to shareholders of the parent company	417	58	475	169	58	226
Attributable to non-controlling interests	21	0	21	7	0	7
Earnings per common share (basic/diluted, in €)	0.62	0.09	0.71	0.25	0.09	0.34
Earnings per common non-voting share (basic/diluted, in €)	0.63	0.09	0.72	0.25	0.09	0.34

Consolidated statement of cash flows

in € millions	1 st nine months			3 rd quarter		
	2022 before adjustments	Adjustment energy derivatives	2022 adjusted	2022 before adjustments	Adjustment energy derivatives	2022 adjusted
Operating activities						
EBIT	750	78	828	316	78	395
Changes in:	0	0	0	0	0	0
• Other assets, liabilities, and provisions	21	-78	-57	154	-78	76
Cash flows from operating activities	646	0	646	477	0	477

Foreign currency translation

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

Selected foreign exchange rates

Currencies	09/30/2023	12/31/2022	09/30/2022	1 st nine months	
				2023	2022
1 € in			Closing rates	Average rates	
CNY China	7.74	7.36	6.94	7.62	7.02
INR India	88.02	88.17	79.43	89.24	82.33
South					
KRW Korea	1,425.26	1,344.09	1,400.69	1,410.77	1,348.69
MXN Mexico	18.50	20.86	19.64	19.29	21.58
USD U.S.	1.06	1.07	0.97	1.08	1.06

Scope of consolidation

The consolidated interim financial statements of Schaeffler AG as at September 30, 2023, cover, in addition to Schaeffler AG, 175 (December 31, 2022: 149) subsidiaries; 51 (December 31, 2022: 48) entities are domiciled in Germany and 124 (December 31, 2022: 101) in other countries. In the consolidated interim financial statements as at September 30, 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. In the consolidated statement of cash flows, this repayment is presented under cash used in investing activities. The goodwill of EUR 421 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 Ewellix Group has generated EUR 165 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 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	59
Other financial assets	2
Other assets	1
Deferred tax assets	15
Total non-current assets	318
Inventories	54
Trade receivables ¹⁾	41
Other assets	7
Cash and cash equivalents	21
Assets held for sale	11
Total current assets	134
Provisions for pensions and similar obligations	29
Provisions	5
Financial debt	3
Income tax payables	4
Lease liabilities	6
Deferred tax liabilities	63
Total non-current liabilities	110
Provisions	1
Financial debt	109
Trade payables	18
Income tax payables	10
Other financial liabilities	6
Lease liabilities	9
Other liabilities	19
Total current liabilities	170
Net assets acquired	172
Purchase price (consideration transferred)	593
Goodwill	421

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

In a transaction that closed on April 28, 2023, the Schaeffler Group has acquired 100% of the shares of 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 purchase price of EUR 13 m was paid in cash upon closing. In addition, the transaction calls for EUR 2 m in expected deferred payment obligations as well as up to EUR 8 m in contingent purchase price payment obligations that are primarily contingent on the revenue trend in 2025. As at the acquisition date, the contingent purchase price payment obligations were expected to amount to EUR 8 m undiscounted. The goodwill of EUR 3 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 impact of ECO-Adapt SAS on the Schaeffler Group's revenue and consolidated net income is insignificant in 2023. The following table summarizes the assets acquired and liabilities assumed at their acquisition-date fair value.

Assets acquired and liabilities assumed

in € millions	ECO-Adapt SAS
Intangible assets	17
Total non-current assets	17
Total current assets	5
Total non-current liabilities	5
Total current liabilities	1
Net assets acquired	16
Purchase price (consideration transferred)	19
Goodwill	3

Schaeffler India Limited, a subsidiary of Schaeffler AG, acquired KRSV Innovative Auto Solutions Private Limited ("KRSV"), closing the transaction on September 8, 2023. KRSV offers repair solutions for Indian aftermarket repair shops via its B2B e-commerce platform Koovers. The acquisition will add this platform to the Automotive Aftermarket division's e-commerce operations. The purchase price of EUR 16 m was paid in cash upon closing. The assets and liabilities acquired and valued at fair value primarily include intangible assets of EUR 9 m and deferred tax liabilities of EUR 2 m. The goodwill of EUR 9 m, which cannot be recognized for tax purposes and is therefore not tax-deductible, represents synergies as well as the growth potential of the Indian e-commerce market. The impact of KRSV on the Schaeffler Group's revenue and consolidated net income is insignificant in 2023.

In a transaction that closed on September 29, 2023, the Schaeffler Group acquired 100% of the shares of Aerosint SA. Aerosint develops and sells machine components for additive manufacturing. The purchase price of EUR 4 m was paid in cash upon closing. The assets acquired and valued at fair value largely consist of intangible assets of EUR 1 m. The goodwill of EUR 1 m, which cannot be recognized for tax purposes and is therefore not tax-deductible, represents the value of the planned enhancement of the technology.

Revenue

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

IFRS 15 – analysis of revenue by category

	1 st nine months		1 st nine months		1 st nine months		1 st nine 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	7,201	6,991	1,716	1,518	3,221	3,168	12,137	11,676
• Revenue from the sale of tools	48	46	0	0	7	4	55	50
• Revenue from services	31	31	0	0	46	33	77	65
• Other revenue	0	0	0	0	0	0	0	0
Total	7,280	7,068	1,716	1,518	3,274	3,205	12,270	11,790
Revenue by region ¹⁾								
• Europe	2,851	2,571	1,137	1,002	1,412	1,308	5,401	4,881
• Americas	1,770	1,765	368	327	595	548	2,734	2,639
• Greater China	1,590	1,721	106	92	800	879	2,497	2,692
• Asia/Pacific	1,068	1,011	104	97	466	470	1,638	1,578
Total	7,280	7,068	1,716	1,518	3,274	3,205	12,270	11,790

Prior year information presented based on 2023 segment structure.

¹⁾ Based on market (customer location).

Other expenses

Other expenses included EUR 113 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.

Other income

Other income contained EUR 51 m (prior year: EUR 0 m) in gains on the reversal of provisions related to personnel measures as well as EUR 10 m (prior year: EUR 0 m) in gains on the reversal of provisions for legal and litigation risks. EUR 27 m (prior year: EUR 8 m) in gains on the sale of real estate were included as well. Other income also included EUR 6 m (prior year: EUR 79 m) in gains on measuring at fair value through profit or loss hedging 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.

Intangible assets

The Schaeffler Group's market capitalization had once more fallen below the carrying amount of its net assets as at September 30, 2023. In accordance with IAS 36.12(d), this continued to represent an indication that the assets were potentially impaired (triggering event). The analysis of further internal and external triggers provided additional indications that the assets might be impaired. Based on analytical and qualitative assessments, extensive impairment testing was not necessary. The company continues to consider its goodwill recoverable.

Trade receivables

The amount of financing available from revolving sales of trade receivables was increased to EUR 190 m during the first nine months of 2023 (December 31, 2022: EUR 166 m).

Current and non-current financial debt

Financial debt (current/non-current)

in € millions	09/30/2023			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	799	2,143	2,942	0	2,939	2,939
Schuldschein loans	0	292	292	5	292	297
Term loan	0	625	625	0	0	0
Commercial paper	0	0	0	50	0	50
Other financial debt	0	9	9	5	7	12
Total	799	3,069	3,868	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 as well as a further EUR 125 m term loan obtained in the third quarter of 2023.

Provisions for pensions and similar obligations

Interest rate levels as at September 30, 2023, have increased 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 September 30, 2023, amounted to 4.4% (December 31, 2022: 4.1%). As at September 30, 2023, the resulting remeasurement of the company's obligations under defined benefit pension plans resulted in actuarial gains of EUR 94 m (December 31, 2022: gains of EUR 1,054 m), losses on plan assets of EUR 33 m (December 31, 2022: EUR 192 m), and a

favorable impact of the asset ceiling of EUR 2 m (December 31, 2022: EUR 1 m), which were recognized in other comprehensive income and are reported under accumulated other comprehensive income net of deferred taxes.

Provisions

Provisions for restructuring measures adopted by Schaeffler AG's Board of Managing Directors on November 7, 2022, were adjusted during the reporting period, resulting in reversals amounting to EUR 45 m. These reversals are primarily due to the outcome of the negotiations with IG Metall Bayern and the resulting supplemental company agreement signed on July 24, 2023. The cost of implementing the restructuring measures will be less than the transformation expenses originally planned, due to the cancellation of previously announced relocations at the Herzogenaurach location in the Bearings BD of the Automotive Technologies division and reduced working hours. An offsetting impact came from EUR 13 m added to provisions related to these restructuring measures for the finalization of the strategies for the Ingolstadt and Morbach locations.

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	09/30/2023		12/31/2022		09/30/2022	
			Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets, by class								
Trade receivables	Amortized cost		2,428	2,428	2,287	2,287	2,573	2,573
Trade receivables – receivable sale program	FVTPL	2	145	145	100	100	149	149
Trade receivables – customer receivables and notes receivable available for sale	FVOCI	2	153	153	132	132	145	145
Other financial assets								
• Other investments – FVOCI	FVOCI	3	50	50	43	43	70	70
• Other investments – FVTPL	FVTPL	3	25	25	13	13	8	8
• Marketable securities	FVTPL	1	27	27	24	24	25	25
• Derivatives designated as hedging instruments	n.a.	2	36	36	43	43	14	14
• Derivatives not designated as hedging instruments	FVTPL	2,3 ³⁾	61	61	133	133	170	170
• Miscellaneous other financial assets	Amortized cost		153	153	163	163	279	279
Cash and cash equivalents	Amortized cost		796	796	1,063	1,063	977	977
Financial liabilities, by class								
Financial debt	FLAC	1,2 ¹⁾	3,868	3,746	3,298	3,118	3,308	2,998
Trade payables	FLAC		2,398	2,398	2,339	2,339	2,503	2,503
Refund liabilities	n.a.		261	261	263	263	264	264
Lease liabilities ²⁾	n.a.		229	-	219	-	234	-
Other financial liabilities								
• Derivatives designated as hedging instruments	n.a.	2	21	21	13	13	85	85
• Derivatives not designated as hedging instruments	FVTPL	2,3 ⁴⁾	78	78	61	61	117	117
• Miscellaneous other financial liabilities – FVTPL	FVTPL	3	56	56	53	53	-	-
• Miscellaneous other financial liabilities – amortized cost	FLAC		553	553	588	588	666	666
Summary by category								
Financial assets at amortized cost (Amortized cost)			3,377	3,377	3,514	3,514	3,830	3,830
Financial assets at fair value through profit or loss (FVTPL)			258	258	270	270	352	352
Financial assets at fair value through other comprehensive income (FVOCI)			203	203	176	176	214	214
Financial liabilities at amortized cost (FLAC)			6,819	6,697	6,225	6,045	6,478	6,167
Financial liabilities at fair value through profit or loss (FVTPL)			134	134	114	114	117	117

¹⁾ Level 1: EUR 2,800 m (December 31, 2022: EUR 2,756 m; September 30, 2022: EUR 2,621 m). Level 2: EUR 946 m (December 31, 2022: EUR 362 m; September 30, 2022: EUR 377 m).

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

³⁾ Level 2: EUR 61 m (December 31, 2022: EUR 130 m; September 30, 2022: EUR 160 m). Level 3: EUR 0 m (December 31, 2022: EUR 2 m; September 30, 2022: EUR 10 m).

⁴⁾ Level 2: EUR 48 m (December 31, 2022: EUR 49 m; September 30, 2022: EUR 117 m). Level 3: EUR 31 m (December 31, 2022: EUR 12 m; September 30, 2022: EUR 0 m).

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

	2023			
in € millions	Other investments	Miscellaneous other financial liabilities	Derivative financial assets	Derivative financial liabilities
Balance as at January 01	57	53	2	12
Additions	20	3	0	0
Gains or losses recognized in other comprehensive income	0	0	0	0
Gains or losses recognized in profit or loss	0	0	-2	-19
• Other expenses	0	0	-2	-19
• Financial income	0	0	0	0
• Financial expenses	-1	0	0	0
Disposals	0	0	0	0
Foreign currency translation	-2	0	0	0
Balance as at September 30	75	56	0	31

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 (December 31, 2022: 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 September 30, 2023, varied from 7 to 11 (December 31, 2022: from 6 to 12) and resulted in a range of values for these investees of EUR 9 m to EUR 12 m (December 31, 2022: EUR 9 m to EUR 11 m) that could potentially lead to an increase in accumulated other comprehensive income by up to EUR 3 m (December 31, 2022: EUR 2 m).

The EUR 56 m (December 31, 2022: EUR 53 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 (December 31, 2022: EUR 40 m to EUR 60 m) with varying probabilities of occurrence. This could result in potential pre-tax gains of up to EUR 7 m (December 31, 2022: EUR 7 m) and potential pre-tax losses of up to EUR 13 m (December 31, 2022: 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 September 30, 2023. Had the price of electricity been 10% higher (lower), earnings before income taxes would have been higher (lower) by EUR 4 m (December 31, 2022: EUR 7 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 355 m as at September 30, 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 Schaeffler AG'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 (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**.

Reconciliation to earnings before income taxes

	1 st nine months	
in € millions	2023	2022 ¹⁾
EBIT Automotive Technologies	294	244
EBIT Automotive Aftermarket	288	201
EBIT Industrial	268	383
EBIT	849	828
Financial result	-150	-104
Earnings before income taxes	700	725

Prior year information presented based on 2023 segment structure.

¹⁾ See "Basis of preparation" in the condensed notes to the consolidated interim financial statements for further details.

Reconciliation of EBIT to EBIT before special items

	1 st nine months		1 st nine months		1 st nine months		1 st nine months	
	2023	2022 ¹⁾	2023	2022 ¹⁾	2023	2022 ¹⁾	2023	2022 ¹⁾
in € millions	Automotive Technologies		Automotive Aftermarket		Industrial		Total	
EBIT	294	244	288	201	268	383	849	828
• in % of revenue	4.0	3.5	16.8	13.3	8.2	11.9	6.9	7.0
Special items	55	-30	2	0	58	14	115	-16
• Legal cases	-4	0	0	0	-2	0	-7	0
• Restructuring	-26	27	0	1	26	26	0	54
• M&A	6	0	1	0	5	9	12	9
• Energy derivatives and forward exchange contracts	79	-56	2	-1	29	-21	111	-78
EBIT before special items	349	214	290	202	326	397	965	813
• in % of revenue	4.8	3.0	16.9	13.3	9.9	12.4	7.9	6.9

Prior year information presented based on 2023 segment structure.

¹⁾ See "Basis of preparation" in the condensed notes to the consolidated interim financial statements for further details.

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

The Board of Managing Directors of Schaeffler AG, with the consent of the Supervisory Board, decided on October 9, 2023, to launch a voluntary public tender offer in the form of a cash offer to all shareholders of Vitesco Technologies Group AG for all no-par-value registered shares of Vitesco Technologies Group AG in accordance with the provisions of the German Securities Acquisition and Takeover Act. The offer will be subject to customary closing conditions, including the receipt of potentially required approvals in connection with foreign direct investment. The offer is intended to constitute the first of three steps toward a business combination of Schaeffler AG and Vitesco Technologies Group AG. For this purpose, Schaeffler AG intends to merge Vitesco Technologies Group AG into Schaeffler AG after the consummation of the offer. To this end, Schaeffler AG plans to convert its common non-voting shares into common voting shares at a ratio of 1:1. This share conversion will be conditioned on the completion of the merger as part of the business combination. The business combination will broaden the Schaeffler Group's business and technology portfolio, particularly in the area of electric mobility.

Schaeffler AG has entered into agreements with its related companies IHO Verwaltungs GmbH and IHO Beteiligungs GmbH in which they irrevocably undertake not to accept the offer for the Vitesco shares held by them (approx. 49.94% of the Vitesco shares) and not to sell or otherwise dispose of them to third parties until a certain date ("non-tender agreements"). In addition, Schaeffler AG, IHO Verwaltungs GmbH, and IHO Beteiligungs GmbH have agreed to coordinate closely with regard to material decisions concerning Vitesco, particularly with regard to the exercise of voting rights from the Vitesco shares held by each of them.

In support of the offer, Schaeffler AG has also entered into a 12-month total return swap with a bank; the swap provides for cash settlement and does not convey any legal right to settlement in shares. The bank may acquire up to 3.6 million shares of Vitesco Technologies Group AG in connection with this swap. Schaeffler AG is required to post corresponding financial collateral if the bank acquires any shares. As at October 23, 2023, Schaeffler AG has posted collateral of EUR 261 m. Upon final settlement of the total return swap at the end of its term in 2024, the collateral will be returned and the agreed cash settlement paid.

On October 6, 2023, Schaeffler AG entered into credit agreements with a consortium of banks providing an acquisition bridge facility to finance the acquisition of the shares of Vitesco Technologies Group AG.

Schaeffler AG's current credit ratings were confirmed by the three rating agencies, Fitch, Moody's, and Standard & Poor's, subsequent to the announcement of the planned voluntary public tender offer to the shareholders of Vitesco Technologies Group AG.

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, 2023.

Herzogenaurach, October 23, 2023

The Board of Managing Directors

Summary 1st quarter 2022 to 3rd quarter 2023

Schaeffler Group

in € millions	2022				2023		
	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	1 st quarter	2 nd quarter	3 rd quarter
Income statement							
Revenue	3,758	3,790	4,242	4,019	4,152	4,056	4,062
• Europe	1,583	1,620	1,678	1,676	1,848	1,790	1,763
• Americas	834	868	937	887	920	911	903
• Greater China	842	778	1,072	917	829	813	855
• Asia/Pacific	499	524	555	539	554	542	543
Cost of sales	-2,887	-2,958	-3,258	-3,126	-3,167	-3,170	-3,157
Gross profit	871	832	984	893	984	886	906
• in % of revenue	23.2	22.0	23.2	22.2	23.7	21.8	22.3
Research and development expenses	-203	-188	-182	-196	-205	-192	-188
Selling and administrative expenses	-402	-434	-447	-452	-460	-441	-457
EBIT	247	186	395	145	244	283	322
• in % of revenue	6.6	4.9	9.3	3.6	5.9	7.0	7.9
Special items ¹⁾	11	14	-40	88	92	6	18
EBIT before special items	258	200	355	233	336	289	340
• in % of revenue	6.9	5.3	8.4	5.8	8.1	7.1	8.4
Net income ²⁾	136	113	226	82	129	138	150
Earnings per common non-voting share (basic/diluted, in €)	0.21	0.17	0.34	0.12	0.19	0.22	0.22
Statement of financial position							
Total assets	14,354	14,105	14,801	14,284	15,197	14,799	15,076
Additions to intangible assets and property, plant and equipment	128	175	219	292	179	226	237
Amortization, depreciation, and impairment losses excluding depreciation of right-of-use assets under leases and impairments of goodwill	231	227	227	239	231	230	227
• Reinvestment rate	0.56	0.77	0.96	1.22	0.78	0.98	1.04
Shareholders' equity ³⁾	3,659	3,900	4,321	4,141	4,221	3,982	4,263
• in % of total assets	25.5	27.7	29.2	29.0	27.8	26.9	28.3
Net financial debt	1,992	2,552	2,331	2,235	2,999	3,231	3,072
• Net financial debt to EBITDA LTM ratio before special items ¹⁾	1.0	1.3	1.1	1.1	1.4	1.5	1.4
• Gearing ratio (Net financial debt to shareholders' equity, in %)	54.4	65.4	53.9	54.0	71.0	81.1	72.1

in € millions	2022				2023		
	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	1 st quarter	2 nd quarter	3 rd quarter
Statement of cash flows							
EBITDA	493	429	638	404	493	531	567
Cash flows from operating activities	199	-30	477	492	156	307	428
Capital expenditures (capex) ⁴⁾	156	175	219	240	221	198	247
• in % of revenue (capex ratio)	4.2	4.6	5.2	6.0	5.3	4.9	6.1
Free cash flow (FCF) before cash in- and outflows for M&A activities	14	-219	240	244	-73	103	182
• FCF-conversion (ratio of FCF before cash in- and outflows for M&A activities to EBIT) ⁵⁾	0.1	-	0.6	1.7	-	0.4	0.6
Value-based management (LTM)							
ROCE (in %)	13.1	11.1	12.3	11.1	10.8	11.6	10.7
ROCE before special items (in %) ¹⁾	13.1	11.6	12.4	11.9	12.5	13.2	12.8
Schaeffler Value Added	259	89	197	98	69	148	62
Schaeffler Value Added before special items ¹⁾	256	136	210	170	222	293	265
Employees							
Headcount (at end of reporting period)	83,089	82,790	82,702	82,773	84,060	83,705	83,600

¹⁾ Please refer to page 9 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 = Financial indicator based on the last four quarters.

in € millions	2022				2023		
	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	1 st quarter	2 nd quarter	3 rd quarter
Automotive Technologies division							
Revenue	2,292	2,221	2,554	2,430	2,440	2,400	2,440
• E-Mobility BD	307	293	390	356	336	296	335
• Engine & Transmission Systems BD	1,257	1,212	1,381	1,302	1,340	1,318	1,315
• Bearings BD	643	631	682	670	659	664	682
• Chassis Systems BD	86	86	102	101	104	121	109
• Europe	850	837	883	872	977	955	919
• Americas	565	576	624	586	599	587	585
• Greater China	557	477	687	615	498	510	582
• Asia/Pacific	320	331	360	356	365	349	354
Cost of sales	-1,858	-1,865	-2,090	-2,002	-2,000	-1,991	-2,006
Gross profit	434	357	464	428	439	409	435
• in % of revenue	18.9	16.1	18.2	17.6	18.0	17.0	17.8
Research and development expenses	-162	-147	-141	-154	-156	-147	-142
Selling and administrative expenses	-183	-190	-186	-189	-187	-174	-185
EBIT	78	1	165	9	44	107	143
• in % of revenue	3.4	0.0	6.5	0.4	1.8	4.4	5.9
Special items ¹⁾	3	10	-43	69	61	-4	-1
EBIT before special items	81	11	122	78	105	102	142
• in % of revenue	3.5	0.5	4.8	3.2	4.3	4.3	5.8

in € millions	2022				2023		
	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	1 st quarter	2 nd quarter	3 rd quarter
Automotive Aftermarket division							
Revenue	464	506	548	523	582	549	584
• Europe	306	337	359	356	394	354	389
• Americas	99	110	118	107	120	121	127
• Greater China	30	26	37	24	34	38	34
• Asia/Pacific	29	34	35	36	34	37	34
Cost of sales	-319	-352	-373	-353	-376	-373	-376
Gross profit	145	154	174	170	206	177	209
• in % of revenue	31.2	30.4	31.8	32.5	35.3	32.2	35.7
Research and development expenses	-5	-4	-4	-5	-5	-4	-5
Selling and administrative expenses	-75	-91	-97	-107	-100	-96	-103
EBIT	63	64	74	54	102	87	99
• in % of revenue	13.6	12.6	13.5	10.3	17.5	15.8	17.0
Special items ¹⁾	1	0	-1	5	1	3	-2
EBIT before special items	64	64	73	59	103	89	98
• in % of revenue	13.8	12.7	13.4	11.2	17.7	16.3	16.7
Industrial division							
Revenue	1,002	1,062	1,140	1,066	1,130	1,107	1,038
• Europe	427	445	436	448	477	481	454
• Americas	170	182	196	194	201	203	191
• Greater China	255	275	348	277	297	265	238
• Asia/Pacific	150	160	160	147	155	157	154
Cost of sales	-710	-741	-795	-771	-791	-807	-775
Gross profit	292	322	345	295	339	300	262
• in % of revenue	29.1	30.3	30.3	27.7	30.0	27.1	25.3
Research and development expenses	-36	-37	-36	-37	-45	-41	-41
Selling and administrative expenses	-143	-153	-164	-156	-173	-171	-169
EBIT	106	121	155	82	98	89	80
• in % of revenue	10.6	11.4	13.6	7.7	8.7	8.1	7.7
Special items ¹⁾	7	3	4	14	30	8	21
EBIT before special items	113	125	159	97	128	97	100
• in % of revenue	11.3	11.7	13.9	9.1	11.3	8.8	9.7

Prior year information presented based on 2023 segment structure.

¹⁾ Please refer to p. 9 for the definition of special items.

Financial calendar

November 7, 2023

Publication of results for the first nine months 2023

March 6, 2024

Publication of annual results 2023

April 25, 2024

Annual general meeting 2024

May 7, 2024

Publication of results for the first three months 2024

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

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