Press release

FUCHS successfully concludes first half-year

- Sales revenues increased price-driven significantly by 11% to EUR 1,822 million
- EBIT of EUR 200 million 11% above prior year
- Free Cashflow before acquisitions at EUR 164 million significantly above prior year
- Forecast for free cash flow before acquisitions raised to around EUR 300 million (previously: around EUR 250 million)

FUCHS at a glance

in EUR million	H1 2023	H1 2022	Change	Change in %
Sales revenues [1]	**1,822**	**1,640**	**182**	**11**
Europe, Middle East, Africa	1,067	987	80	8
Asia-Pacific	491	454	37	8
North and South America	352	300	52	17
Consolidation	-88	-101	13	-
EBIT	**200**	**180**	**20**	**11**
Earnings after tax	**141**	**129**	**12**	**9**
Investments	**31**	**24**	**7**	**29**
Free cash flow before acquisitions	**164**	**0**	**164**	
Earnings per share in EUR				
Ordinary share	1.03	0.92	0.11	12
Preference share	1.04	0.93	0.11	12
Employees as at June 30	**6,167**	**6,058**	**109**	**2**

(1) By company location

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"After a good first quarter, with an EBIT of EUR 97 million we also achieved our plan in the second quarter. The first half of the year saw an 11% increase in EBIT, reaching EUR 200 million, putting us on track to meet our full-year forecast. Mainly the EMEA region, with contributions from a variety of countries showed significant growth compared to previous year, with contributions from many countries. We are especially pleased with the positive development in the Nordic region.

In the past two years, we faced substantial increases in raw material costs and availability issues, resulting in a significant rise in inventories and receivables. During the first half of this year, we managed to turn this trend around, leading to an overall free cash flow before acquisitions of EUR 164 million. Based on this performance, we are raising our forecast for free cash flow before acquisitions to around EUR 300 million. We are moving forward with confidence despite the well-known market volatility. At the same time, we are investing in our future, particularly focusing on digitalization."

Stefan Fuchs, Chairman of the Executive Board FUCHS SE

Business development in the Group
In the first six months of 2023, FUCHS recorded sales revenues of EUR 1,822 million (1,640), which were 11% above the prior-year period.
Growth in all regions was predominantly driven by price increases of the prior year, while all regions recorded negative currency effects.
EBIT also benefitted from the price increases of the prior year and increased by EUR 20 million or 11% to EUR 200 million, compared to the prior-year period.
At 11.0%, the EBIT margin was on level of the first half of 2022.
While both regions, EMEA and North and South America, increased their EBIT, the Asia-Pacific region recorded a slight decline.
Earnings after tax increased by 9% to EUR 141 million (129).
The earnings per share was EUR 1.03 (0.92) for the ordinary share and 1.04 (0.93) for the preference share.
Free cashflow before acquisitions was at EUR 164 million (0) significantly above the prior-year figure and benefited despite higher investments from a lower built-up in net operating working capital.

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Business development in the regions
At EUR 1,067 million (987), sales revenues in the EMEA region were 8% higher than in the first six months of 2022, driven by price increases. EBIT rose by 18% to EUR 99 million (84). Germany, Great Britain, Italy, Poland and in particular Sweden contributed to the earnings increase.
The Asia-Pacific region increased sales revenues by 8% to EUR 491 million (454), driven by price increases. EBIT was slightly lower than the prior-year period at EUR 52 million (55) due to a restrained economic recovery in China.
The North and South America region recorded the highest sales revenues growth of 17% to EUR 352 million (300). EBIT increased by 11% to EUR 39 million (35) due to the positive business development, especially in the USA and Brazil, despite slightly negative currency effects.

Forecast for free cashflow before acquisitions raised
FUCHS continues to operate in a highly volatile environment. Uncertainty with regard to the economic development as well as raw material and thus also sales prices must be taken into account. Due to a positive development of funds tied up in net operating working capital, FUCHS is slightly adjusting its forecast for free cash flow before acquisitions:

- Sales revenues: around EUR 3.6 billion
- EBIT: around EUR 390 million
- FVA: above the previous year (EUR 172 million)
- Free cash flow before acquisitions: around EUR 300 million
  (before: around EUR 250 million)

The global positioning and solid financial base remain robust, and FUCHS continues to focus on profitable growth and the implementation of FUCHS2025.

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Image and video material: https://www.fuchs.com/gb-en/photo-gallery/

About FUCHS
Founded in 1931 as a family business in Mannheim, FUCHS is now the world's largest independent supplier of innovative lubrication solutions, covering almost every industry and application. Today, the company's 6,100 employees in over 50 countries still share the same goal: to keep the world moving both sustainably and efficiently. To live up to this claim, we think in terms of perfection, not merely standards. When developing individual solutions, we enter into an intensive customer dialogue – acting as an experienced consultant, innovative problem solver and reliable team partner.

Important note
This press release contains statements about future developments that are based on assumptions and estimates by the management of FUCHS SE. Even if the management is of the opinion that these assumptions and estimates are accurate, actual future developments and results can differ significantly from these assumptions and estimates due to a variety of factors. These factors can, for example, include changes in the overall economic climate, changes in procurement prices, changes in exchange rates and interest rates, and changes within the lubricants industry. FUCHS SE provides no guarantee that future developments and the results actually achieved in the future will match the assumptions and estimates set out in this press release and assumes no liability for such.