

Press and IR Release

Schaeffler improves profitability in first half of 2026

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- Revenue of 11.7 billion euros at prior-year level despite challenging market environment (up 0.4 percent at constant currency)
- EBIT margin before special items improved by about 15 percent to 4.7 percent (prior year: 4.1 percent)
- E-Mobility improves margin continually, Powertrain & Chassis and Vehicle Lifetime Solutions make strong earnings contributions, Bearings & Industrial Solutions considerably improves earnings quality
- Free cash flow before cash in- and outflows for M&A activities of -300 million euros below prior year due to planned restructuring and integration outflows (prior year: -128 million euros)
- Full-year outlook for 2026 confirmed

Schaeffler AG published its interim financial report for the first half of 2026 today. In a persistently challenging market environment, the company generated 11,667 million euros in revenue, which was at the prior-year level (prior year: 11,845 million euros). At constant currency, revenue grew by 0.4 percent. Its diversified structure as a Motion Technology Company with four product-oriented divisions enabled the Schaeffler Group to offset declining market trends in certain segments with growth in other areas.

At group level, the Americas (0.9 percent) and Asia/Pacific (7.1 percent) regions increased their revenue at constant currency during the reporting period. Europe (-0.5 percent) and Greater China (-3.7 percent) region revenue was below prior year at constant currency.

The Schaeffler Group generated 549 million euros in EBIT before special items in the first six months of the year (prior year: 482 million euros). This represents an EBIT margin before special items of 4.7 percent (prior year: 4.1 percent).

“Despite a persistently challenging and rapidly changing global environment, the Schaeffler Group maintained its revenue at the prior-year level in the first half of 2026 and generated good earnings. Key to this is our diverse structure as a Motion Technology Company with four product-oriented divisions and our new growth areas. Especially in the areas of humanoid robotics and defense, we have continued to achieve good progress during the reporting period. As an integrated technology group, we are able to respond flexibly to dynamic market developments and to

largely offset their impact within our portfolio. We confirm our full-year guidance for 2026,” says Klaus Rosenfeld, CEO of Schaeffler AG.

E-Mobility – Improved operating performance

E-Mobility division revenue increased by 7.7 percent at constant currency to 2,578 million euros during the reporting period (prior year: 2,405 million euros). This performance was primarily powered by product ramp-ups in the Asia/Pacific and Europe regions.

EBIT before special items for the first six months of the year amounted to -402 million euros (prior year: -463 million euros), representing an improvement in EBIT margin before special items to -15.6 percent (prior year: -19.3 percent). This improvement from the prior-year period was primarily powered by the impact of volumes as well as improved operating performance at the production plants.

Powertrain & Chassis – Robust earnings

Powertrain & Chassis division revenue for the reporting period declined by 3.4 percent at constant currency to 4,247 million euros (prior year: 4,501 million euros), largely due to the impact of strategically streamlining the portfolio. The persistently weak market environment for internal combustion engine technology, particularly in the Greater China and Europe regions, contributed to this trend as well.

The division generated 473 million euros in EBIT before special items during the first six months of the year (prior year: 520 million euros). It was particularly the impact of volumes that led to an EBIT margin before special items of 11.1 percent, slightly below the level of the prior year (prior year: 11.6 percent).

Vehicle Lifetime Solutions – Earnings contribution increased further

Vehicle Lifetime Solutions division revenue of 1,601 million euros for the first half of 2026 was approximately flat with prior year at constant currency (prior year: 1,621 million euros). A favorable impact of prices counteracted the impact of volumes.

EBIT before special items for the reporting period amounted to 248 million euros (prior year: 239 million euros), representing an EBIT margin before special items of 15.5 percent (prior year: 14.7 percent). The improvement from the first half of 2025 was primarily due to the impact of prices.

Bearings & Industrial Solutions – EBIT margin improved considerably

In a still challenging market environment, the Bearings & Industrial Solutions division increased its revenue by 1.0 percent year-on-year at constant currency

to 3,181 million euros (prior year: 3,237 million euros). Aerospace and Industrial Bearings were among the business divisions providing favorable momentum for growth.

EBIT before special items for the reporting period amounted to 286 million euros (prior year: 251 million euros). The increase was mainly attributable to improved operating performance, especially at the production plants. The EBIT margin before special items amounted to 9.0 percent (prior year: 7.8 percent).

Free cash flow – Cash outflows for restructurings and integration

The Schaeffler Group's free cash flow before cash in- and outflows for M&A activities for the first six months was -300 million euros (prior year: -128 million euros), held back by planned cash outflows totaling 236 million euros for restructurings and integration. Capital expenditures on property, plant and equipment and intangible assets (capex) for the reporting period were 432 million euros (prior year: 455 million euros).

"Our rigorous focus on improving operating performance in the first half of the year is making an impact especially in the E-Mobility and Bearings & Industrial Solutions divisions. The strong earnings contributions made by Powertrain & Chassis and Vehicle Lifetime Solutions are adding to the Schaeffler Group's solid profitability. We are clearly directing our capital expenditures toward our future growth areas while staying disciplined and selective. Meanwhile, we will further optimize our inventory management in order to sustainably improve our free cash flow over the remaining course of the year," says Christophe Hannequin, CFO of Schaeffler AG.

Net income attributable to shareholders of the parent company amounted to 93 million euros (prior year: 43 million euros) and was adversely affected by 56 million euros in special items. Earnings per share were 0.10 euros (prior year: 0.05 euros).

The Schaeffler Group had net financial debt of 5,545 million euros as at June 30, 2026 (December 31, 2025: 4,915 million euros). The net financial debt to EBITDA ratio before special items was 2.4x as at the same reporting date (December 31, 2025: 2.1x). The ratio of net financial debt to shareholders' equity (gearing ratio) amounted to 186 percent.

The company had a workforce of 108,912 employees worldwide as at June 30, 2026. This represents a decrease in the workforce by 3,946 employees since June 30, 2025, and by 1,841 employees since December 31, 2025.

Outlook – Full-year guidance confirmed

The Schaeffler Group continues to anticipate revenue for 2026 within a range of approximately 22.5 to 24.5 billion euros. This represents constant-currency revenue growth of -4.3 to 4.3 percent. At the same time, the company expects to generate an EBIT margin before special items for 2026 of 3.5 to 5.5 percent. Free cash flow before cash in- and outflows for M&A activities is expected to amount to 100 to 300 million euros.

As set out in the interim financial report as at June 30, 2026, the Board of Managing Directors of Schaeffler AG has confirmed the full-year guidance.

The company reported on the adjustment of its mid-term targets 2028 in a separate communication on July 31, 2026.

You can find photos of the Executive Board members here:

www.schaeffler.com/en/group/executive-board/

Forward-looking statements and projections

Certain statements in this press release are forward-looking statements. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial consequences of the plans and events described herein. No one undertakes any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. You should not place any undue reliance on forward-looking statements which speak only as of the date of this press release. Statements contained in this press release regarding past trends or events should not be taken as representation that such trends or events will continue in the future. The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that Schaeffler, or persons acting on its behalf, may issue.

Schaeffler Group – We pioneer motion: The Schaeffler Group has been driving forward groundbreaking inventions and developments in the field of motion technology for 80 years. With innovative technologies, products, and services for electric mobility, CO₂-efficient drives, chassis solutions and

renewable energies, the company is a reliable partner for making motion more efficient, intelligent, and sustainable – over the entire life cycle. Schaeffler describes its comprehensive range of products and services by means of eight product families: From bearing solutions and all types of linear guidance systems through to repair and monitoring services. Schaeffler is with around 110,000 employees and more than 250 locations in 55 countries, one of the world's largest family-owned companies and one of Germany's most innovative companies.

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