

# FUCHS GROUP

## Investor Presentation

| August 2021

| Dagmar Steinert, CFO

| Lutz Ackermann, Head of Investor Relations



# Agenda

- 01 | The Leading Independent Lubricants Company**
- 02 | FUCHS2025**
- 03 | H1 2021**
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# 01 The Leading Independent Lubricants Company



# FUCHS at a glance

Established **3**  
generations ago as a  
family-owned business

**No. 1**  
among the independent  
suppliers of lubricants

The Fuchs family holds  
**55%** of  
ordinary shares

**€2.4** bn  
sales in 2020

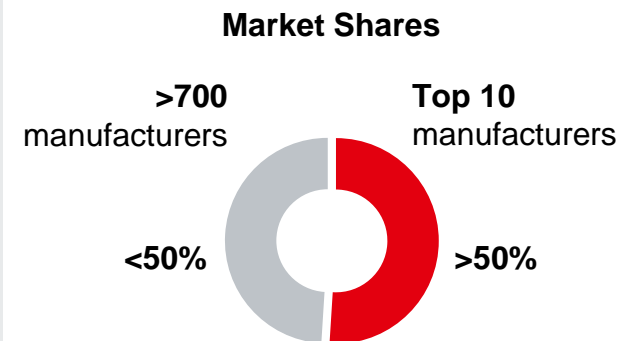
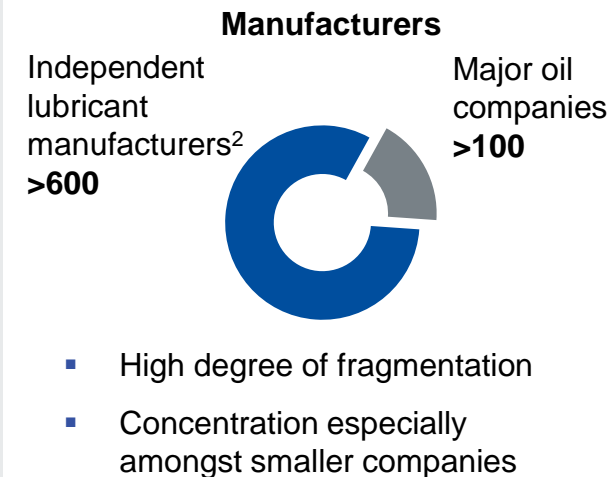
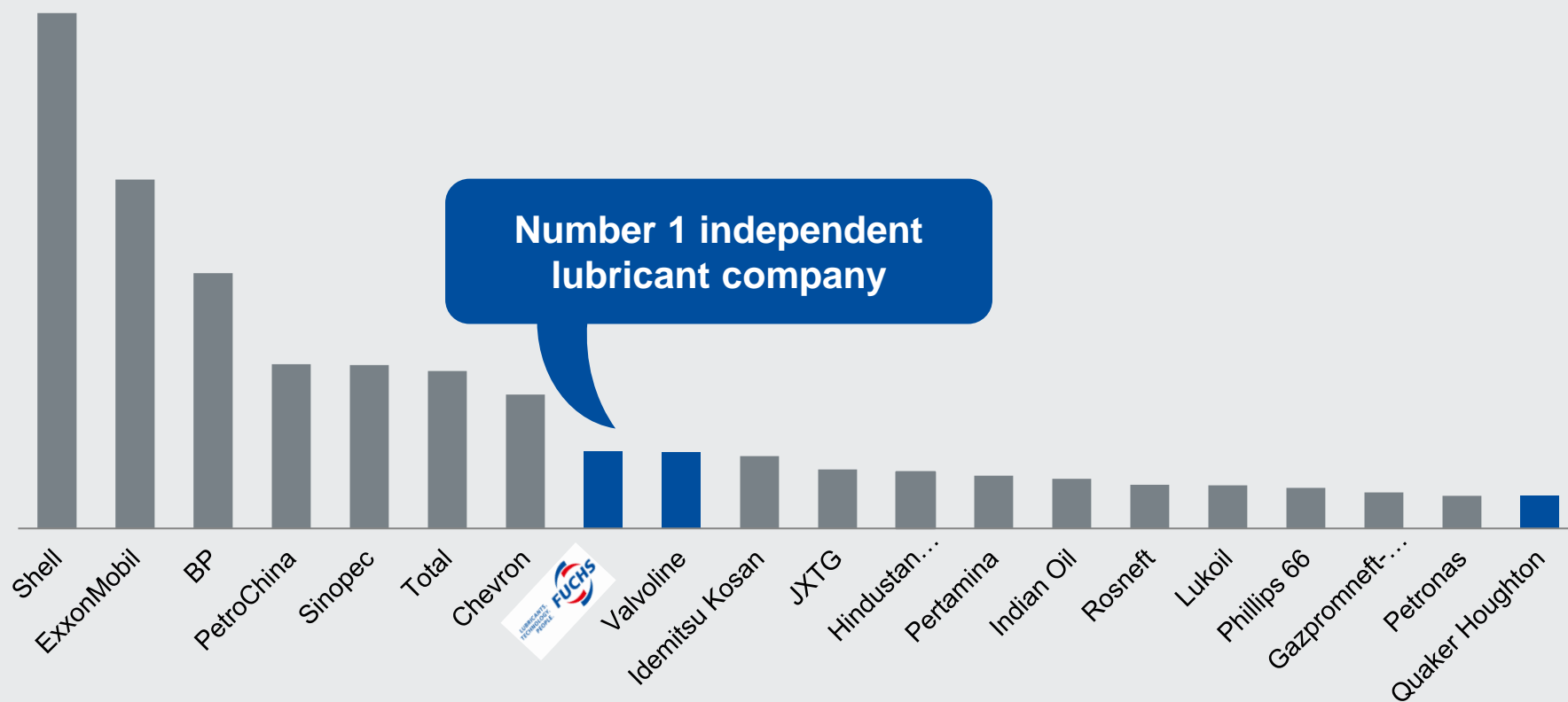
Around **5,700**  
employees

Preference share is listed  
in the MDAX

**58** companies worldwide

A full range  
of over  
**10,000**  
lubricants and related  
specialties

# Top 20 lubricant manufacturers<sup>1</sup>



<sup>1</sup> Market Shares 2020

<sup>2</sup> > 1000 tons

# Our unique business model is the basis for our competitive advantage

Technology and innovation leadership in

strategically important product areas



FUCHS is fully focussed on lubricants



FUCHS is a full-line supplier



Independency allows reliability, customer & market proximity (responsiveness and flexibility) and continuity

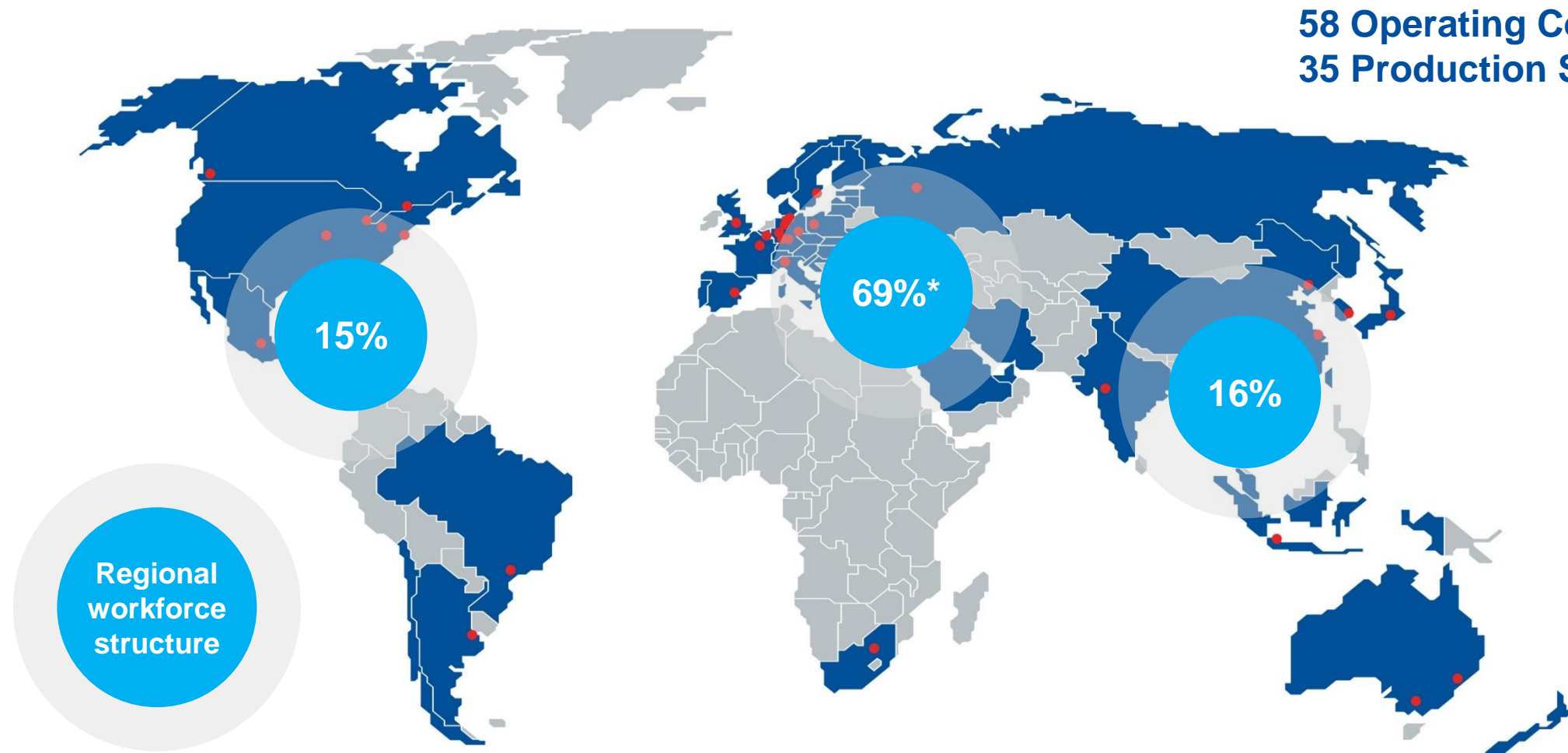


Global presence, R&D strength, know-how transfer, speed

Advantage over major oil companies

Advantage over other independent companies

## We are where our customers are



# Full-line supplier advantage

**100,000**

Customers in more than

**150**

Countries



Car industry



Manufacturing



Engineering



Heavy Duty



Steel & Cement



Aerospace



Construction



Mining



Trade, Services &  
Transportation



Agriculture  
industry



Wind energy



Food

**Sales 2020: €2.4 bn**

(~80% international)  
by customer location

**Automotive Lubricants**  
~45%

e.g. Engine & gear oils,  
hydraulic oils, shock  
absorber fluids, etc.

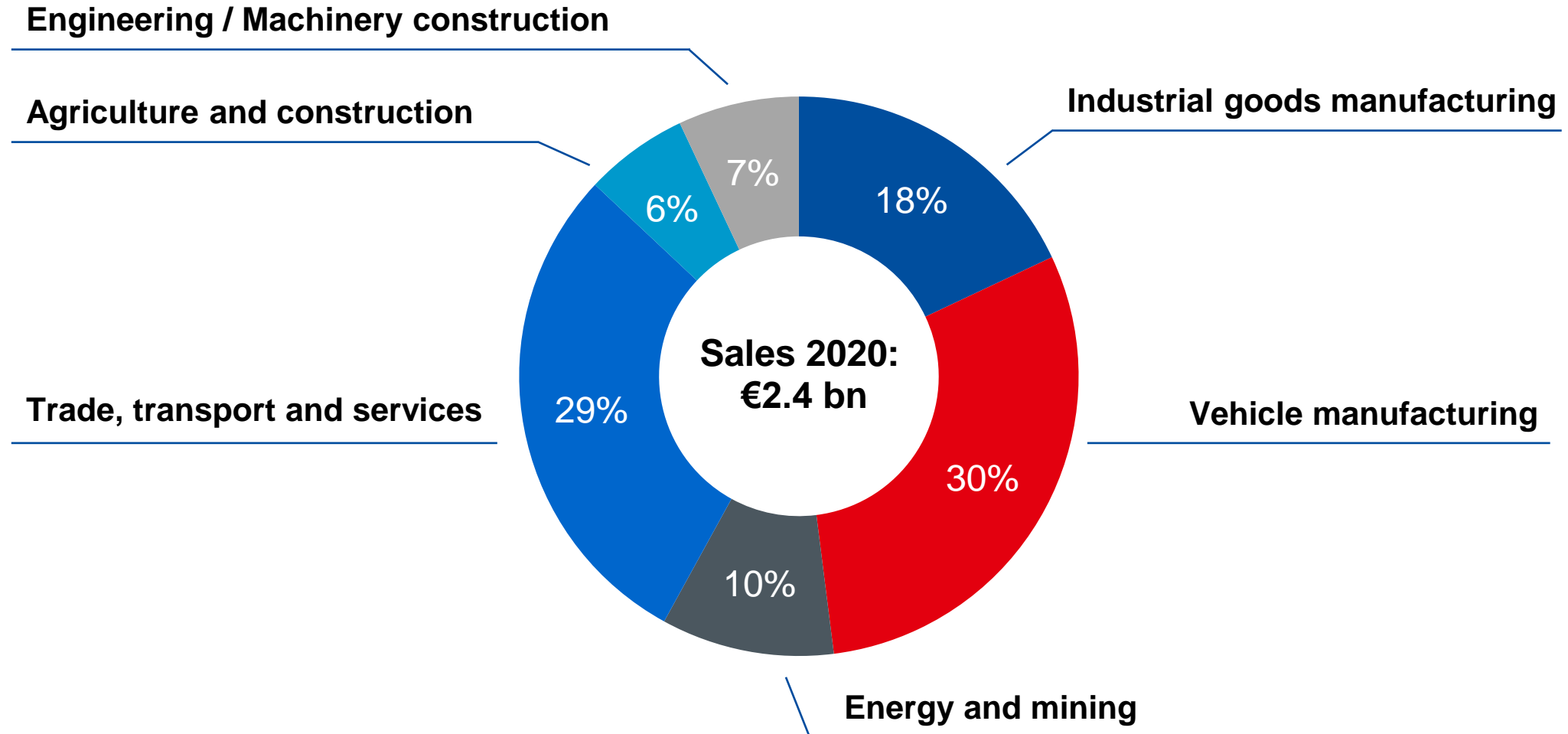
**Industrial Lubricants**  
~55%

e.g. Industrial oils,  
MWF/CP\* and greases

\*metalworking fluids/corrosion preventives

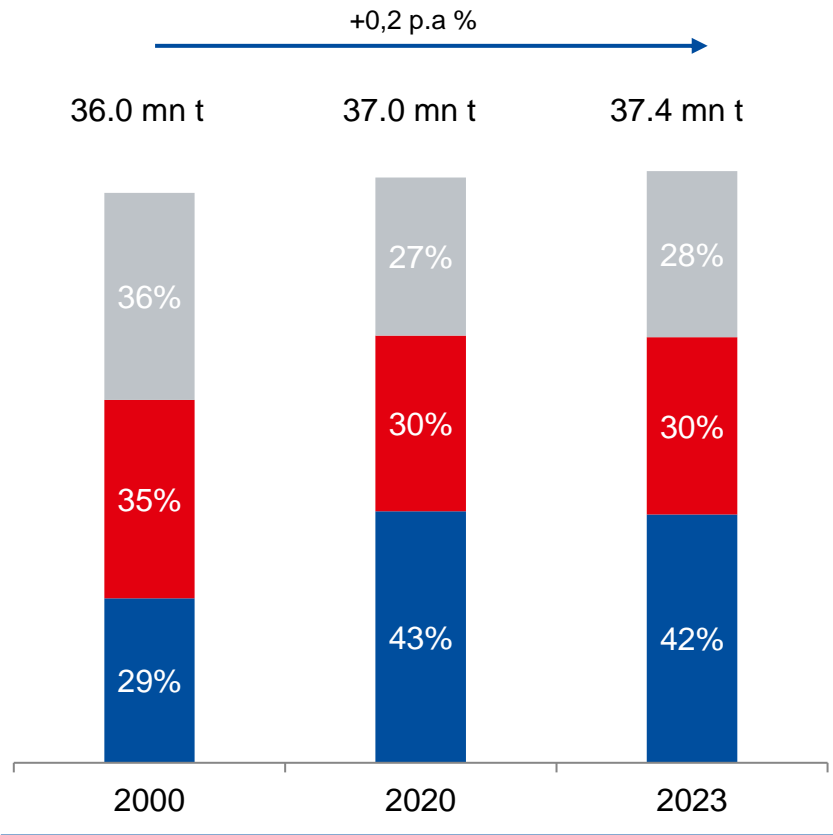
# Well balanced customer structure

Top 20 Customers account for ~ 25% sales

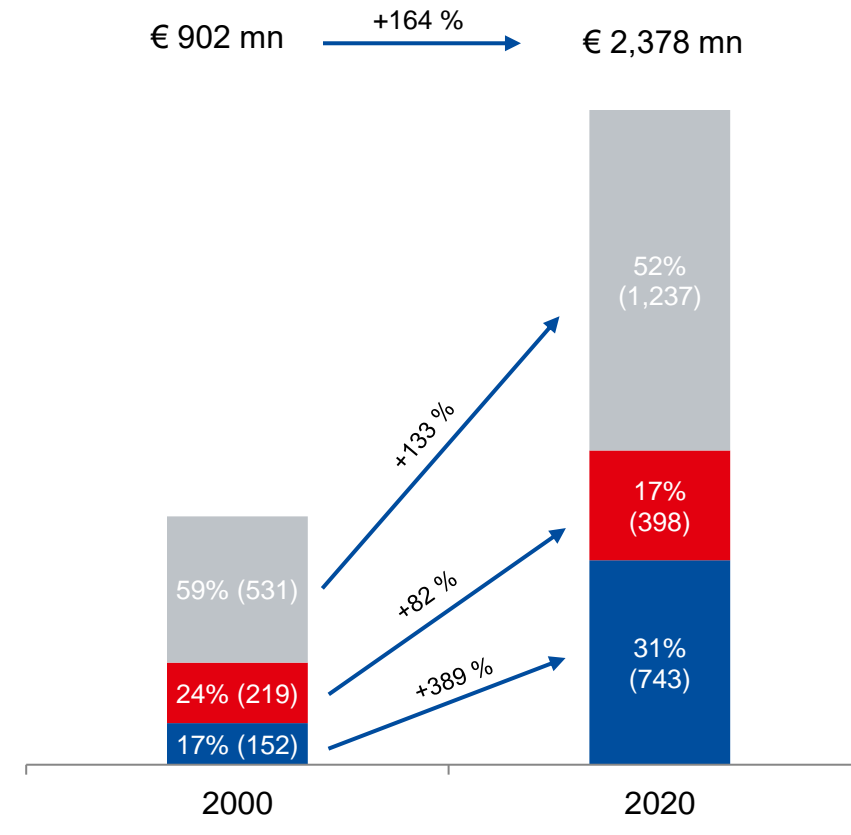


# Slight growth in global lubricant demand

## Market Demand



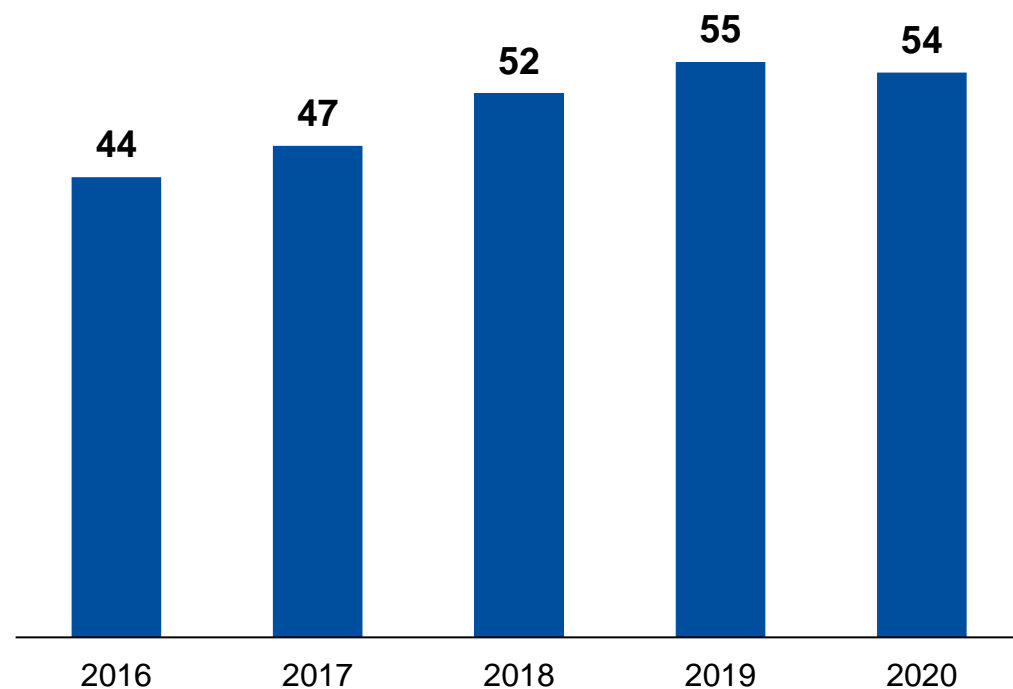
## FUCHS Sales (by customer location)



# Investment in the future

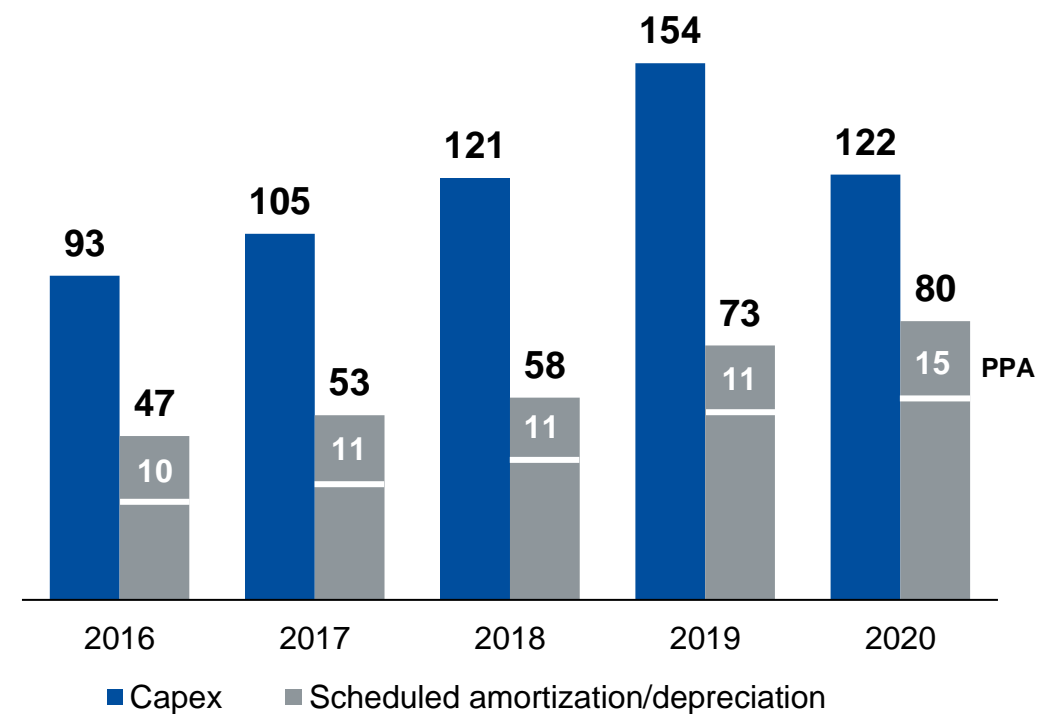
R&D expenses 2020: €54 mn

€ mn



Capex 2020: €122 mn

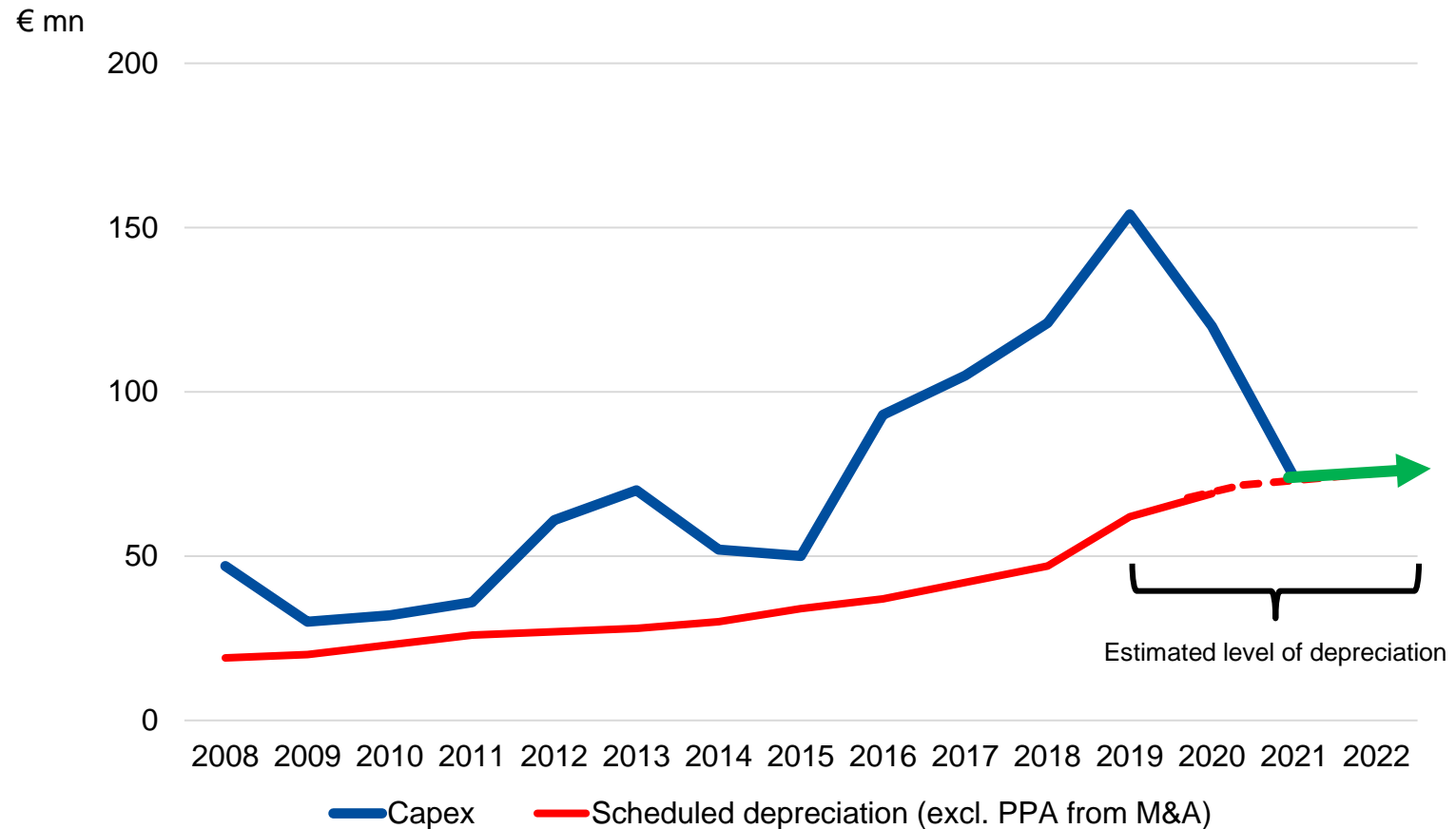
€ mn



# Capex offensive largely finished

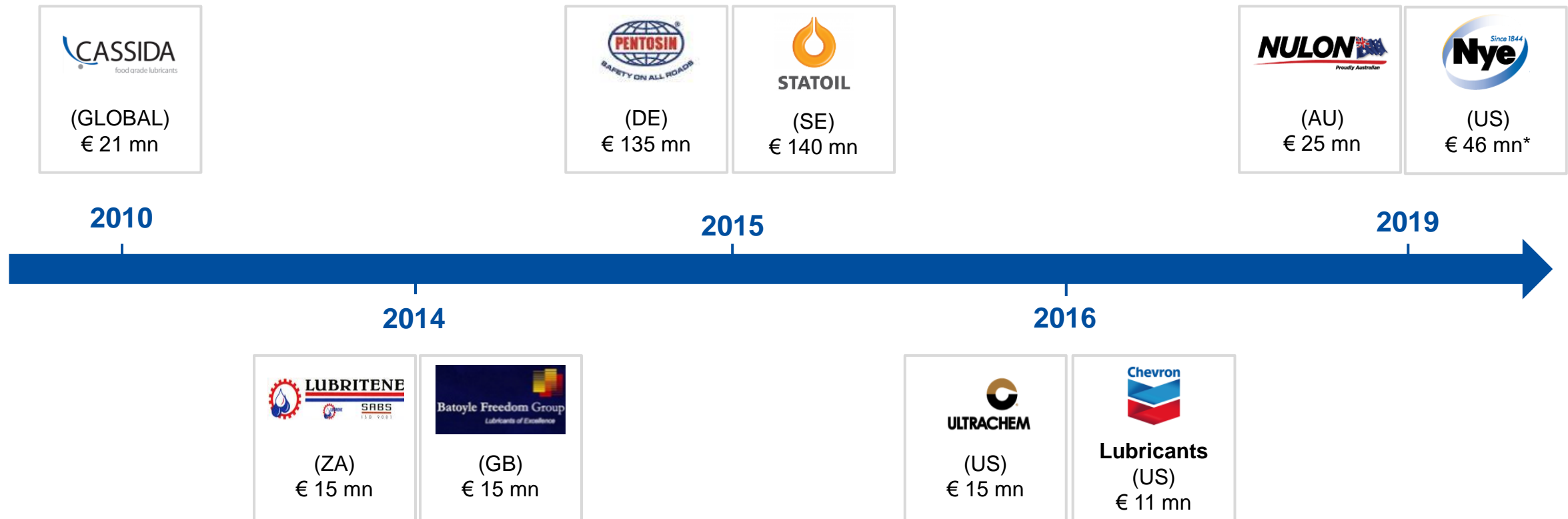
Investment program from 2016-2020 with ~ €600 mn

- Investment program for capacity expansion and production of technologically superior products
- From 2016-2020 close to **€600 mn** capex was spent on the expansion of Mannheim, Kaiserslautern and Chicago as well as new plants in China, Australia and Sweden
- As of 2021 capex is expected to be on D/A level of **€80 mn**



# Strong track record of integrating businesses

M&A transactions with more than € 10mn sales (p.a.)



\* Closing January 24, 2020

# Acquisitions leverage technological edge and specialty exposure



- Automotive, medical, aerospace and in-vacuum industry
- Sales 2019 USD 50 mn (~ €45 mn), 180 employees
- Closing January 24, 2020
- Share Deal

**WELPONER**

- Longstanding trading partner of FUCHS Italy
- Sales 2019 of around €4 mn
- Acquisition includes customer base and workforce
- Signing / Closing October 1, 2020



- Specialist for silicone greases and gels for many industries
- Located in Sanford, NC, USA
- Sales 2019 USD 9 mn (~ €8 mn), mainly in North America, 21 employees
- Asset Deal ; Signing / Closing November 2, 2020

# Growth market Africa



- Africa represents 6% of the global lubricant market
- FUCHS intends to increase its presence in this rapidly growing market
- FUCHS South Africa generates € 75 million in sales p.a. with 280 employees
- Joint ventures were founded in Tanzania and Egypt in 2019
- At the beginning of 2020, FUCHS acquired 50% of the shares in three distributors each in Zimbabwe, Zambia and Mozambique. The three joint ventures employ 90 people and generate sales of around € 21 million p.a.
- In other African countries, FUCHS has license partners and distributors

# FUCHS CO<sub>2</sub>-neutral since 2020

- Since 2010 already 30% reduction of energy consumption-specific CO<sub>2</sub> emissions per ton of FUCHS lubricant produced
- Since 2020, CO<sub>2</sub>-neutral “gate-to-gate” production
- Emissions not yet avoided are offset by compensation measures
- Investment in high-quality climate protection projects for the expansion of renewable energies

**On track to deliver as promised**



**CO<sub>2</sub>neutral**

# 90 years of experience – for the future

## Milestones of the FUCHS corporate history

**A modest founder**  
Foundation of the company "RUDOLF FUCHS" in Mannheim.



1931



**Difficult years**  
Expansion to a new product category: industrial oils.

1939 – 1945

**Start of a new era**  
Manfred Fuchs took on responsibility for the family business and was to realize his vision of transforming the company into a global player.



1963



**FUCHS launched on the stock exchange**  
In order to financially underpin the numerous expansions, the Fuchs family decided to float the company on the stock exchange. FUCHS is now one of the most valuable and successful stocks on the MDAX.

1985

**Visionary investments**

In order to continue to grow profitably and sustainably in the future, FUCHS launched the largest global investment program in its history.



2016

1931 – 1939



**From sales to manufacturing**  
Growth and start of the company's own production.

1946

**Development in focus**  
Hiring the first chemist set the course for the establishment of our worldwide network of experts.



1968



**Closer to the customer**  
International expansion developed rapidly and FUCHS established itself inside and outside Europe. Today, FUCHS can be found in over 50 countries around the globe.

2004

**The next generation**  
With Stefan Fuchs, the third generation of the family took over the leadership of the Group.



2018



**Start of a new journey**  
Launch of the FUCHS2025 initiative. The goal: 'Being First Choice' – for our customers, business partners, investors, future employees.

## 02 FUCHS2025

# New Mindset for Future Challenges

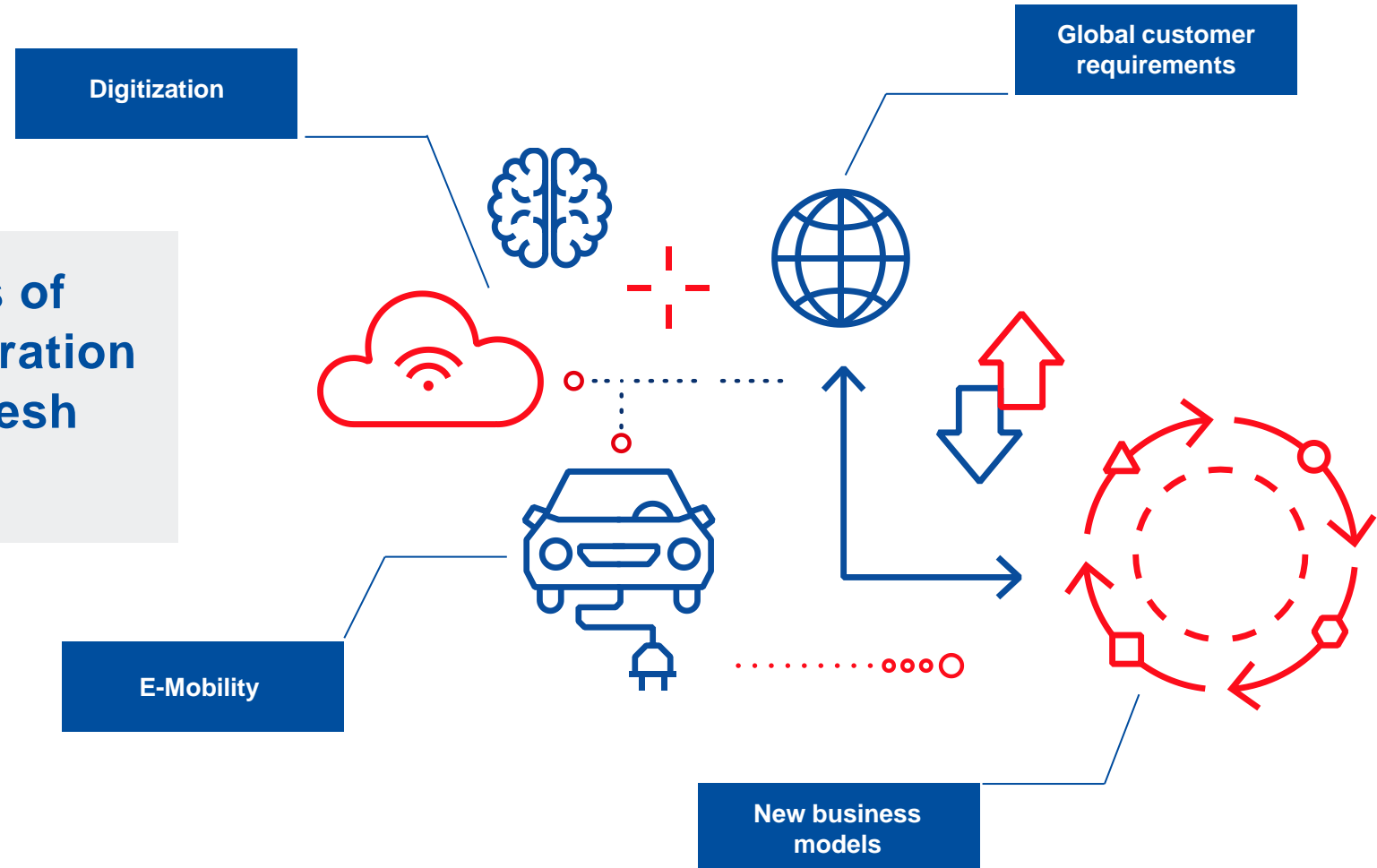
The FUCHS2025 Strategy



# FUCHS2025

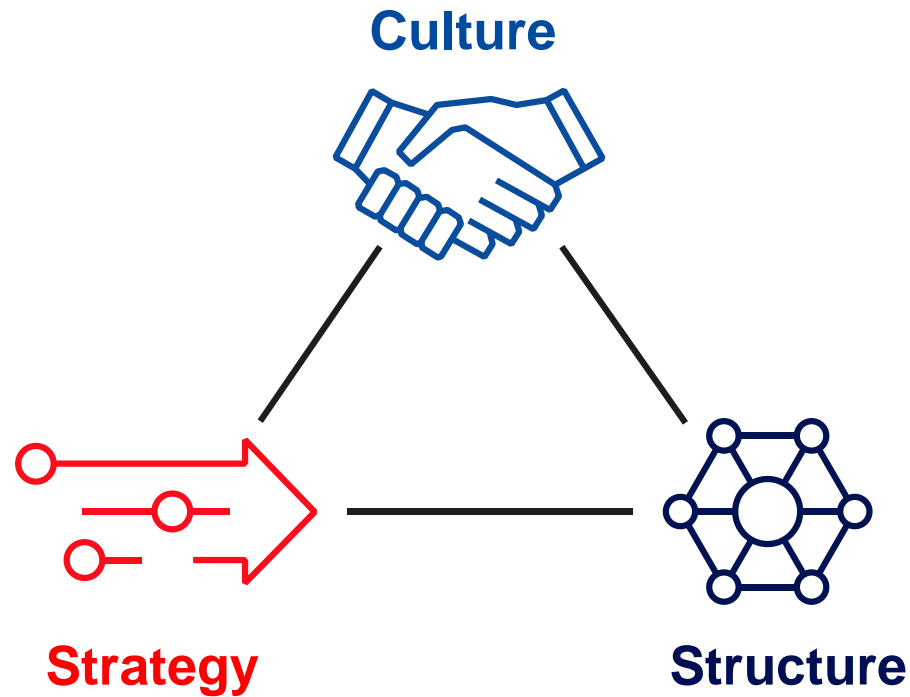
## New Mindset for Future Challenges

**New solutions require new ways of operating. And new ways of operation require a new approach and a fresh mindset.**



# FUCHS2025

## Key Elements



We want to use these challenges as an opportunity. That is why we are responding to them with a new mindset – an attitude that brings strategy, structure and culture into line in a purposeful way.

# FUCHS2025 – growing from a solid foundation

## Based on ...

- Our full product offering and global setup
- Our local entrepreneurship in 60+ subsidiaries
- Our performance driven culture and loyal employee base

## We want to ...

- Be the partner of our customers around their needs in lubrication solutions
- Achieve a better global alignment through harmonized standards and procedures
- Leverage our experience and explore existing opportunities, especially in Asia and the Americas
- Continuously improve the CO<sub>2</sub> footprint of our products based on a lifecycle assessment
- Become the employer of choice

# FUCHS2025 Strategy

## Strategic Pillars

Six strategic pillars form the base of our strategy. They are the guiding principles for our strategic actions to reach our vision for FUCHS2025.



**Global  
Strength**



**Customer &  
Market Focus**



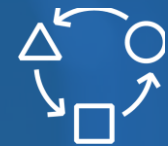
**Technology  
Leader**



**Operational  
Excellence**



**People &  
Organization**



**Sustainability**

# FUCHS2025 Strategy

## Actions



**Extensive market segment approach: holistic segmentation of all operations regarding customers and markets and effective alignment of organization towards it**



**In addition initiation of several strategic initiatives with globally staffed cross-functional teams to introduce the strategic objectives from a group perspective**



**Stronger emphasis on innovation, service solutions and new market perspectives to expand full-line supplier claim**



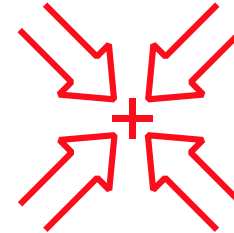
**Joint approach with continuous development of corporate culture program to be able to leverage our strong cultural foundation for further strategy execution**

# FUCHS2025 Strategy

## Highlights



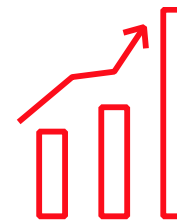
**Sustainable revenue growth  
with operational excellence  
at a 15% EBIT margin and  
corresponding FVA growth**



**Better market penetration  
through market  
segmentation**



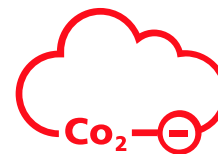
**Technology leadership  
in the segments we target  
until 2025**



**Overproportionate growth in  
Asia-Pacific & the Americas**



**Be the employer of choice  
for our existing and future  
workforce**



**CO<sub>2</sub>-neutrality in production  
“gate-to-gate” since 2020  
and CO<sub>2</sub>-neutral products  
“cradle-to-gate” by 2025**

## 03 Financial Results H1 2021



# Highlights H1 2021

Strong H1 in challenging market environment

## €1,411 mn

Sales up 26% yoy

## €191 mn

EBIT up 71% yoy

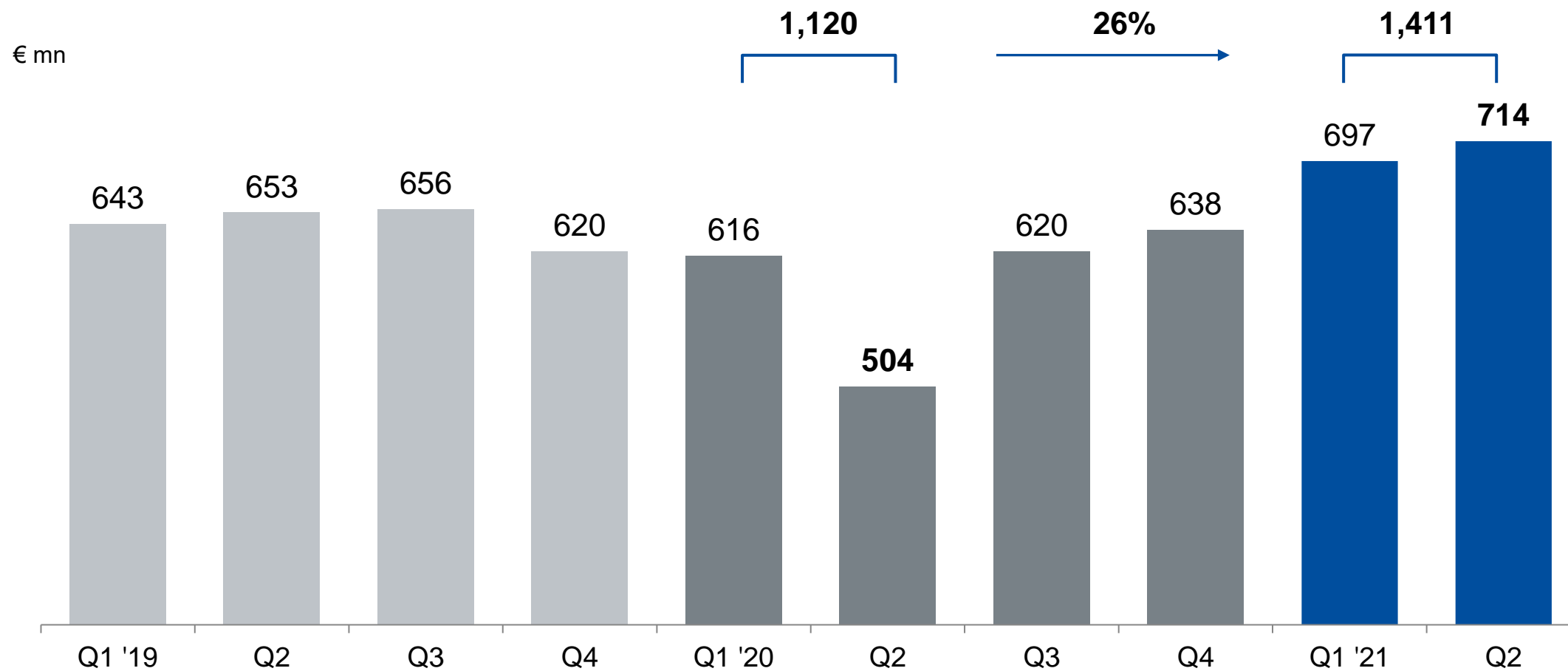
## H1 2021

- Growth strongly driven from automotive industry in China
- Q2 margin sequentially weaker due to higher raw. mat. prices
- First price increases implemented
- Sales and EBIT in H1 2021 also above prior-crisis H1 2019
- Supply chain situation continues to be tense

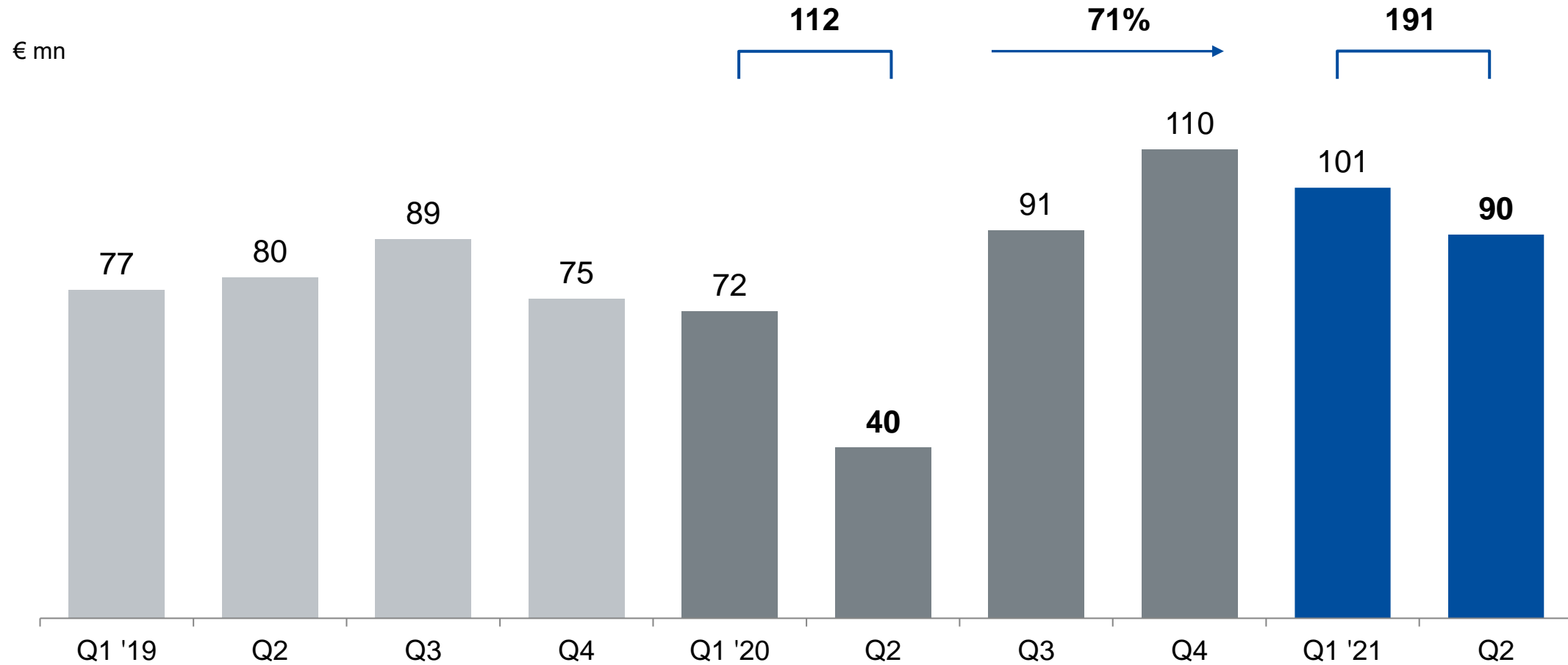
## Outlook FY 2021 raised

- Based on the positive business development in H1, optimistic view into H2:
  - Sales: upper end of €2.7 - €2.8 bn range
  - EBIT: €350 - €360 mn (prior: €330 - €340 mn)
  - FVA: around €200 mn (prior: around €180 mn)

# Sales development

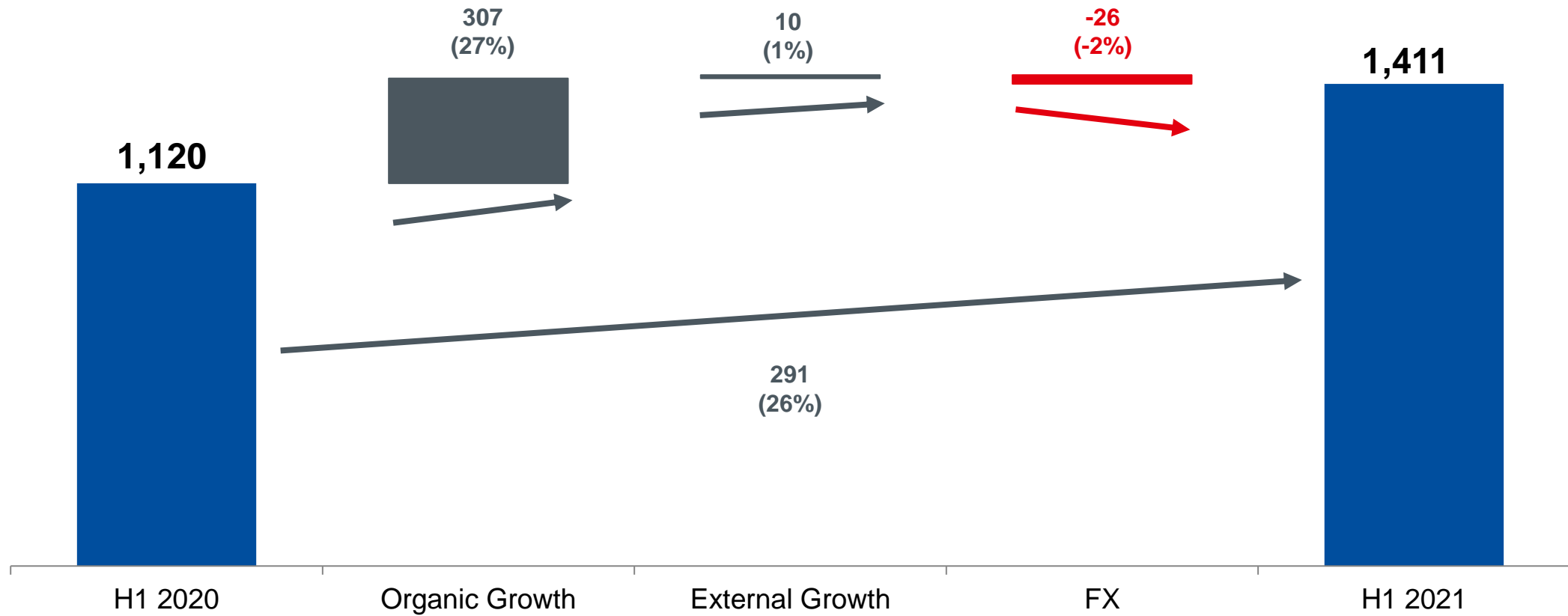


# EBIT development



# H1 2021 Group sales

€ mn

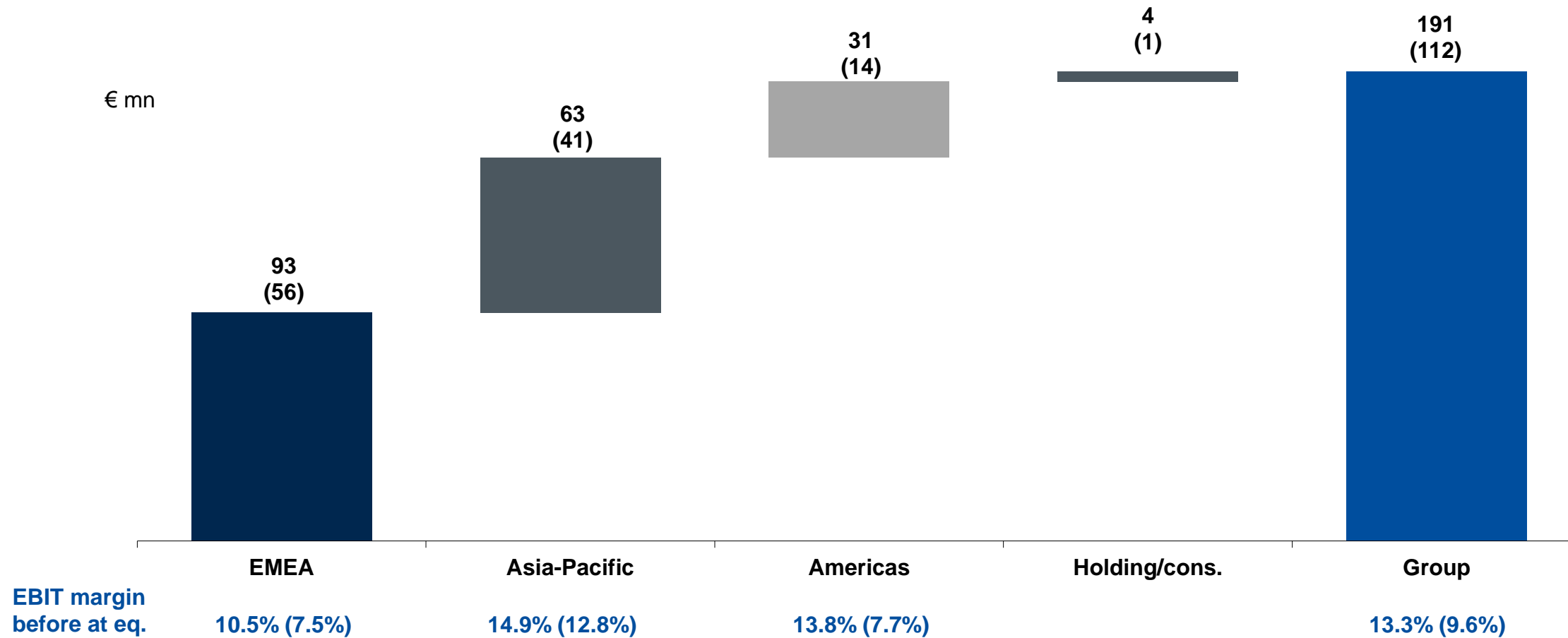


# Income Statement H1 2020

€ mn	H1 2021	H1 2020	Δ € mn	Δ in %
<b>Sales</b>	<b>1,411</b>	<b>1,120</b>	<b>291</b>	<b>26</b>
Gross Profit	497	390	107	27
<i>Gross Profit margin</i>	35.2 %	34.8 %	-	+0.4 %-points
Other function costs	-310	-282	-28	10
<b>EBIT before at Equity</b>	<b>187</b>	<b>108</b>	<b>79</b>	<b>73</b>
At Equity	4	4	0	0
<b>EBIT</b>	<b>191</b>	<b>112</b>	<b>79</b>	<b>71</b>
Earnings after tax	136	79	57	72

# EBIT by regions

H1 2021 (H1 2020)



# Cash flow H1 2020

€ mn	H1 2021	H1 2020	Δ in € mn	Δ in %
<b>Earnings after tax</b>	<b>136</b>	<b>79</b>	<b>57</b>	<b>72</b>
Amortization/Depreciation	42	40	2	5
Changes in net operating working capital (NOWC)	-116	-39	-77	>100
Other changes	-18	-7	-11	>100
Capex	-32	-58	32	-45
<b>Free cash flow before acquisitions</b>	<b>12</b>	<b>15</b>	<b>-3</b>	<b>-20</b>
Acquisitions	-9	-95	86	-91
<b>Free cash flow</b>	<b>3</b>	<b>-80</b>	<b>83</b>	<b>-</b>

# H1 2021 earnings summary

KPI in € mn	H1 2021	H1 2020
<b>Sales</b>	<b>1,411</b>	<b>1,120</b>
Cost of sales	-914	-730
Gross profit	497	390
Other function costs	-310	-282
<b>EBIT bef. at Equity</b>	<b>187</b>	<b>108</b>
<b>EBIT</b>	<b>191</b>	<b>112</b>
CAPEX	-32	-58
NOWC	624	574
<b>FCF bef. acq.</b>	<b>12</b>	<b>15</b>

- Sales growth strongly driven by automotive industry from China
- H1 gross profit margin of 35.2% 0.4 %-points up yoy; Q2 margin with 33.9% 2.7%-points lower qoq due to increasing raw material prices and product mix
- With increased business volume, other function costs up by €28 million, primarily due to higher selling expenses
- EBIT up 71% yoy; EBIT margin of 13.5%
- CAPEX lower by around 45% yoy
- NOWC 11% higher qoq (Q1: €561 mn) due to higher sales and prices
- FCF bef. acq. lower yoy: Higher earnings vs. NOWC build-up and tax reversal

## Europe, Middle East, Africa

KPI in € mn	H1 2021	H1 2020
<b>Sales</b>	<b>850</b>	<b>690</b>
Organic growth	162 (23%)	-100 (-13%)
External growth	1 (0%)	0 (0%)
FX effects	-3 (0%)	-9 (-1%)
<b>EBIT bef. at Equity</b>	<b>89</b>	<b>52</b>
<b>EBIT</b>	<b>93</b>	<b>56</b>

- Sales up 23% on prior-year period, which was hit hard by Covid-19 pandemic; 6% higher than first half of 2019
- Almost all countries achieve high double-digit growth
- Above-average rises in South Africa and Russia, as well as France, Spain and Italy – which were severely impacted by the pandemic in prior year
- Weak eastern European currencies cause strain, offset by good performance of the South African rand and the Swedish krona
- Significant growth in earnings in almost all countries – also vs. H1 2019

KPI in € mn	H1 2021	H1 2020
<b>Sales</b>	<b>424</b>	<b>320</b>
Organic growth	102 (32%)	-34 (-10%)
External growth	0 (0%)	5 (2%)
FX effects	2 (1%)	-6 (-2%)
<b>EBIT bef. at Equity</b>	<b>63</b>	<b>41</b>
<b>EBIT</b>	<b>63</b>	<b>41</b>

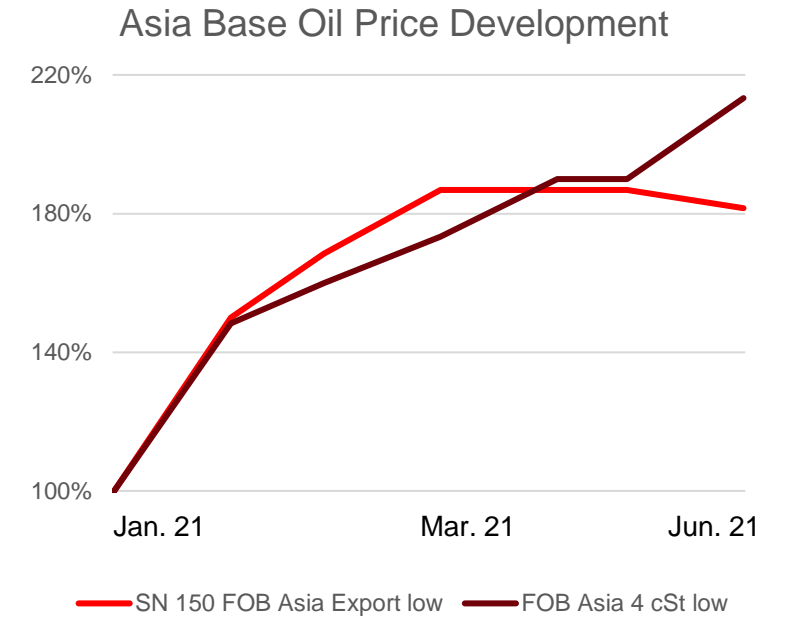
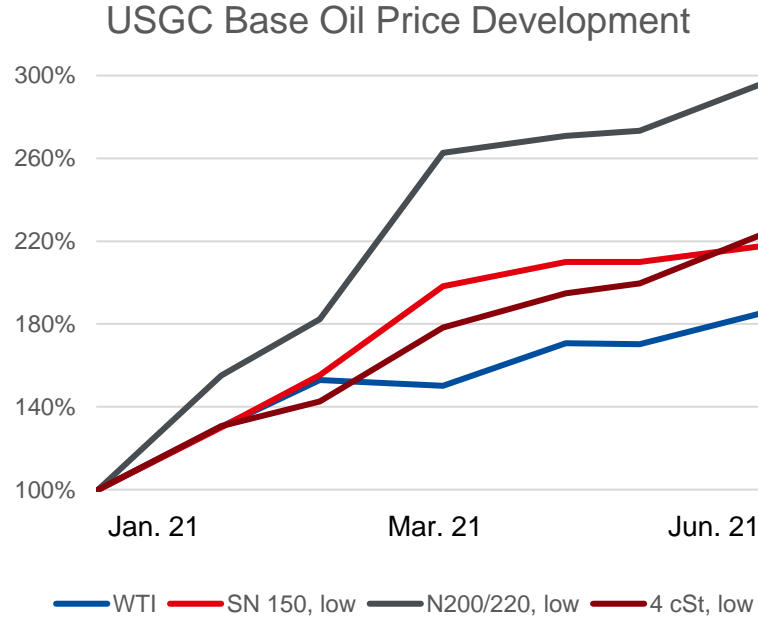
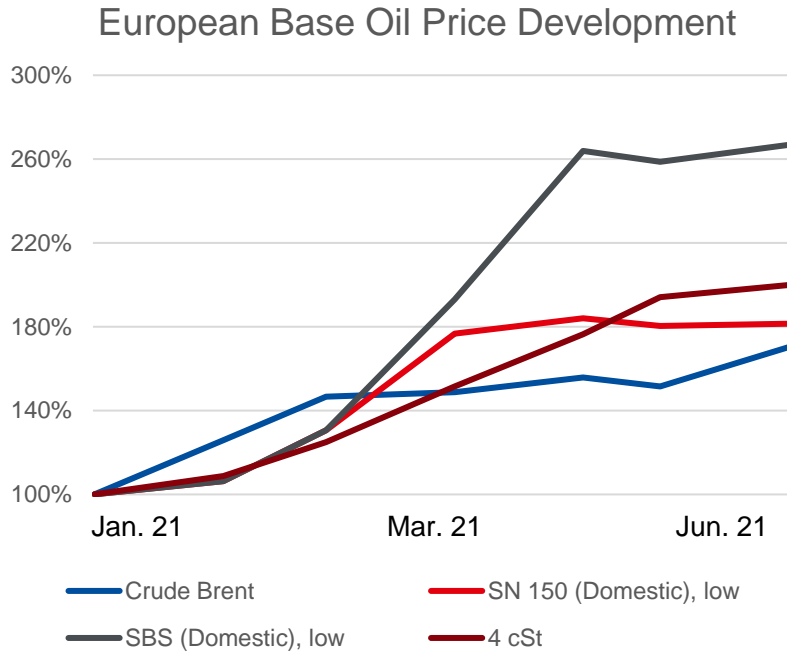
- Strong first half with sales up 33% on first half of 2020; 19% up on pre-crisis levels in first half of 2019
- China remains to benefit from strong demand of automotive sector
- Sales higher than before the pandemic in almost all countries
- Positive currency effects from Australia largely offset by negative effects from Asia
- Significant earnings growth in almost all countries, highest absolute growth in China followed by India

## North and South America

KPI in € mn	H1 2021	H1 2020
<b>Sales</b>	<b>224</b>	<b>181</b>
Organic growth	59 (33%)	-51 (-24%)
External growth	9 (5%)	21 (10%)
FX effects	-25 (-14%)	-1 (-1%)
<b>EBIT bef. at Equity</b>	<b>31</b>	<b>14</b>
<b>EBIT</b>	<b>31</b>	<b>14</b>

- Sales around 24% higher than in the prior-year period, which was severely impacted by the pandemic; 6% higher than H1 2019 thanks to acquisitions
- External growth of €9 million due to the acquisition of two specialty lubricant manufacturers in the US in the previous year
- Currency effects from North and South America in total -14 %
- N. America doubles earnings compared to previous year, which was impacted by bad debts as well as the pandemic; considerable recovery in all S. American countries, which were hit particularly hard by Covid-19

# Significant raw material price increases in 2021



- Significant price increases in relevant raw materials in first six months – recently increases more moderate
- Margin pressure expected to continue into second half of 2021
- Ongoing selling price increases implemented to mitigate margin compression

%-changes vs.  
2020 avg. prices (=100%)

# Outlook FY 2021

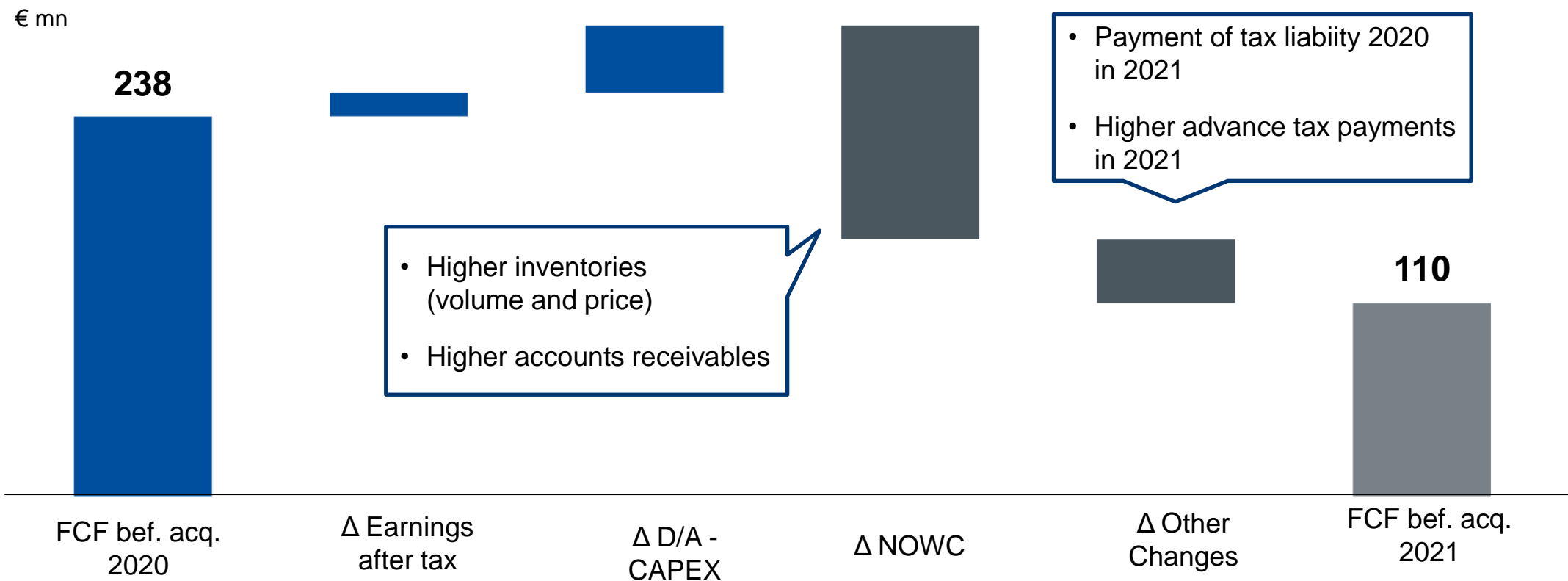
Strong demand across all regions vs. raw material price increases and stressed supply chains

KPI* in € mn	2020	March, 9 <sup>th</sup> 2021	April, 29 <sup>th</sup> 2021	July, 30 <sup>th</sup> 2021	
Sales	2,378	2019 level	€2.7-2.8 bn	upper end	Strong demand and price increases
EBIT	313	2020 level	330-340	350-360	Higher sales vs. sig. higher raw mat. costs and supply chain disruptions
FVA	165	~160	~180	~200	Higher earnings vs. slightly higher cost of capital
FCF bef. acq.	238	~160	~110	~110	Higher EAT and reduced capex vs. NOWC build-up and higher taxes

\* Supply chain uncertainties and other possible effects of the Covid-19 pandemic on the global economy still cannot be reliably estimated.

# FCF outlook 2021 burdened by NOWC build-up and tax payments

Bridge 2021 vs 2020



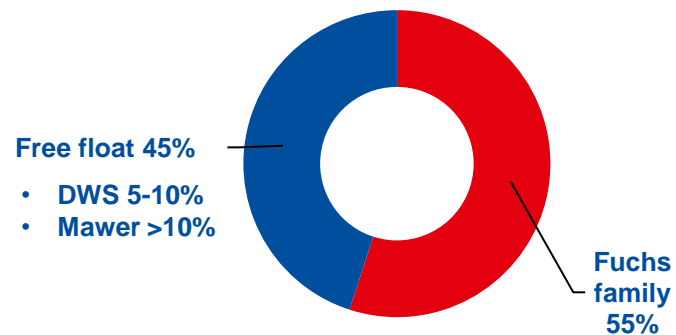
## 04 Shares



# Breakdown ordinary & preference shares

(December 31, 2020)

## Ordinary shares



Basis: 69,500,000 ordinary shares

### Characteristics:

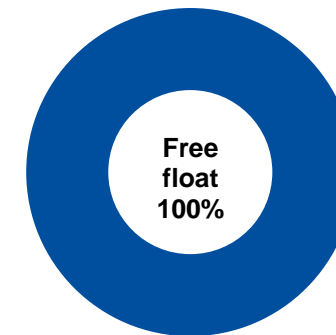
- Dividend
- Voting rights

### Share data:

- Symbol: FPE
- ISIN: DE0005790406
- WKN: 579040

## Preference shares

*MDAX-listed*



Basis: 69,500,000 preference shares

### Characteristics:

- Dividend plus preference profit share (0.01€)
- Restricted voting rights in case of:
  - preference profit share has not been fully paid
  - exclusion of pre-emption rights (e.g. capital increase, share buyback, etc.)

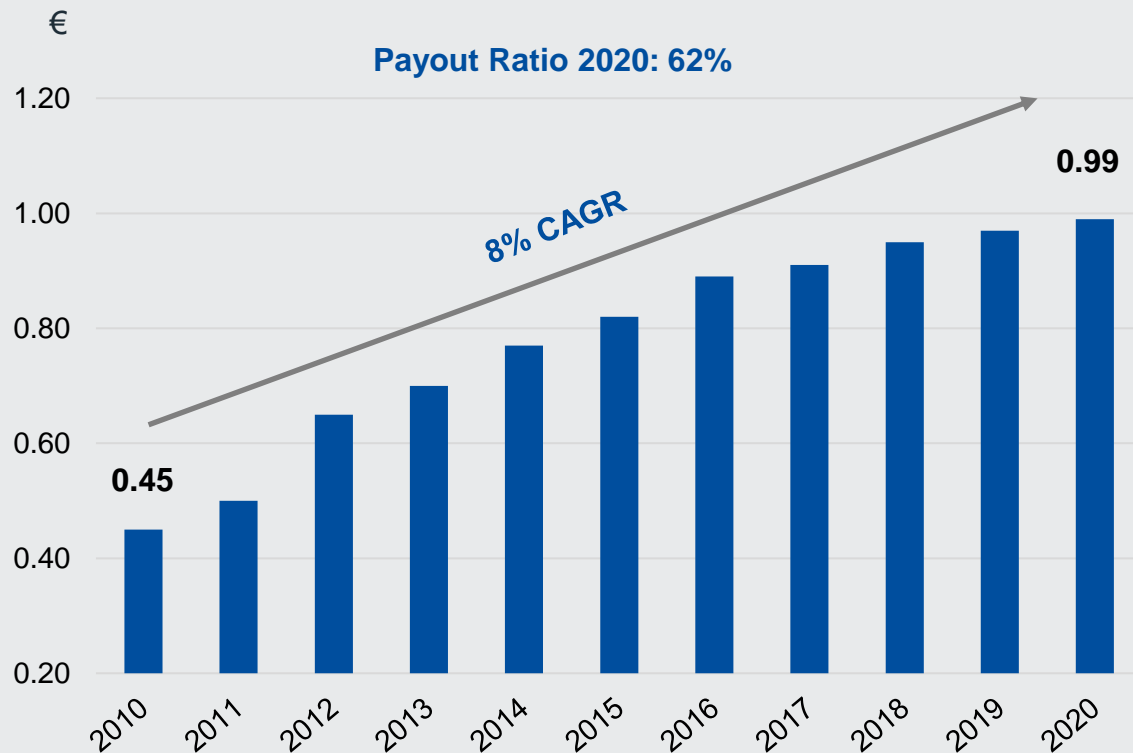
### Share data:

- Symbol: FPE3
- ISIN: DE0005790430
- WKN: 579043

## Stable dividend policy

Our target: Increase the absolute dividend amount each year or at least maintain previous year's level

### Dividend per Preference Share

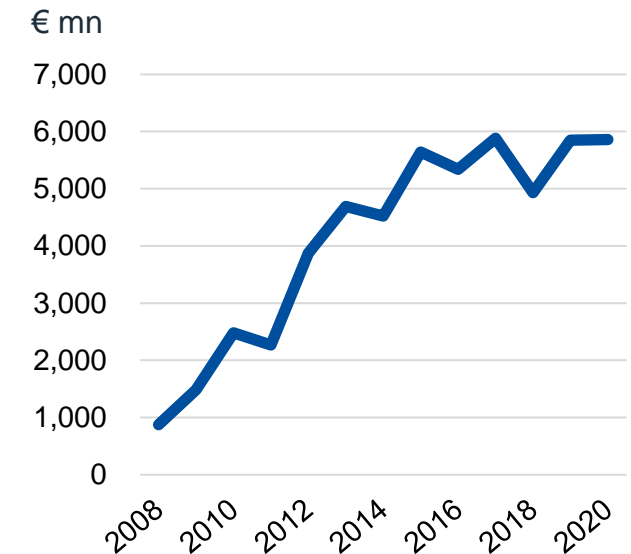


➔ **19 years**  
of consecutive  
dividend increases

➔ **8 %**  
CAGR over the  
last 10 years

➔ **28 years**  
without dividend  
decreases

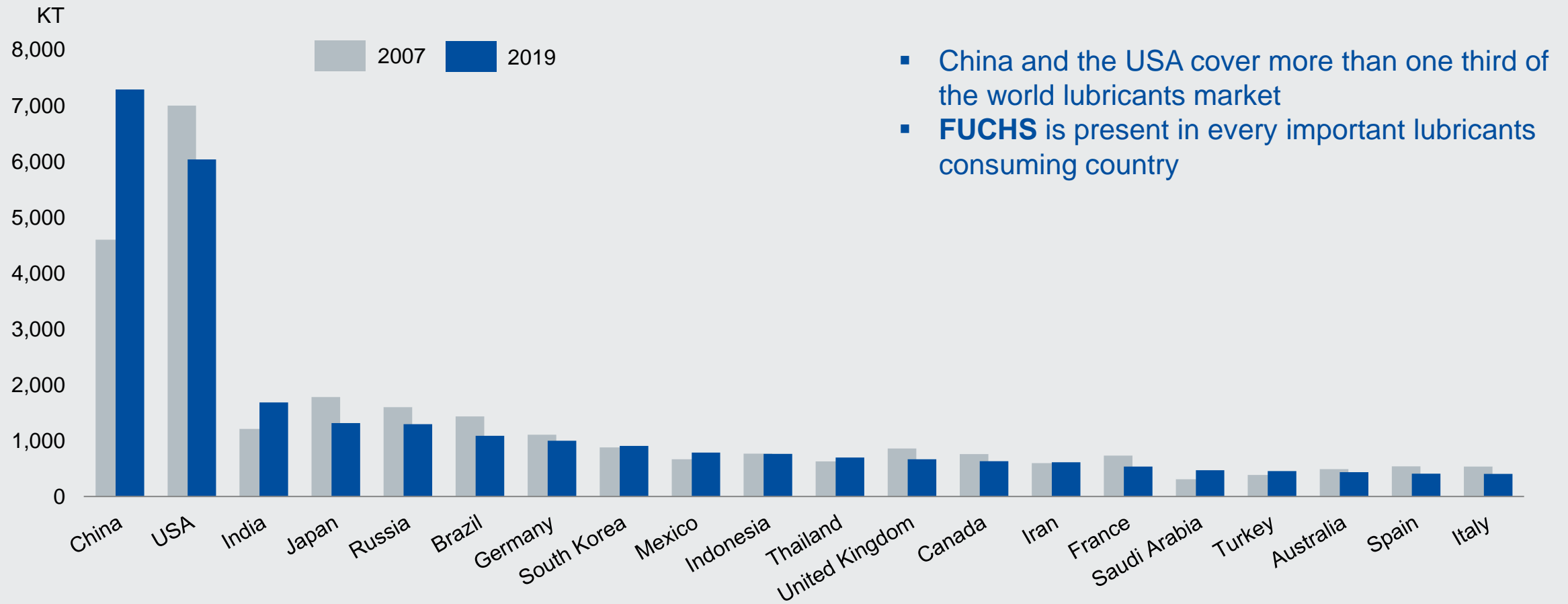
### Market Capitalization



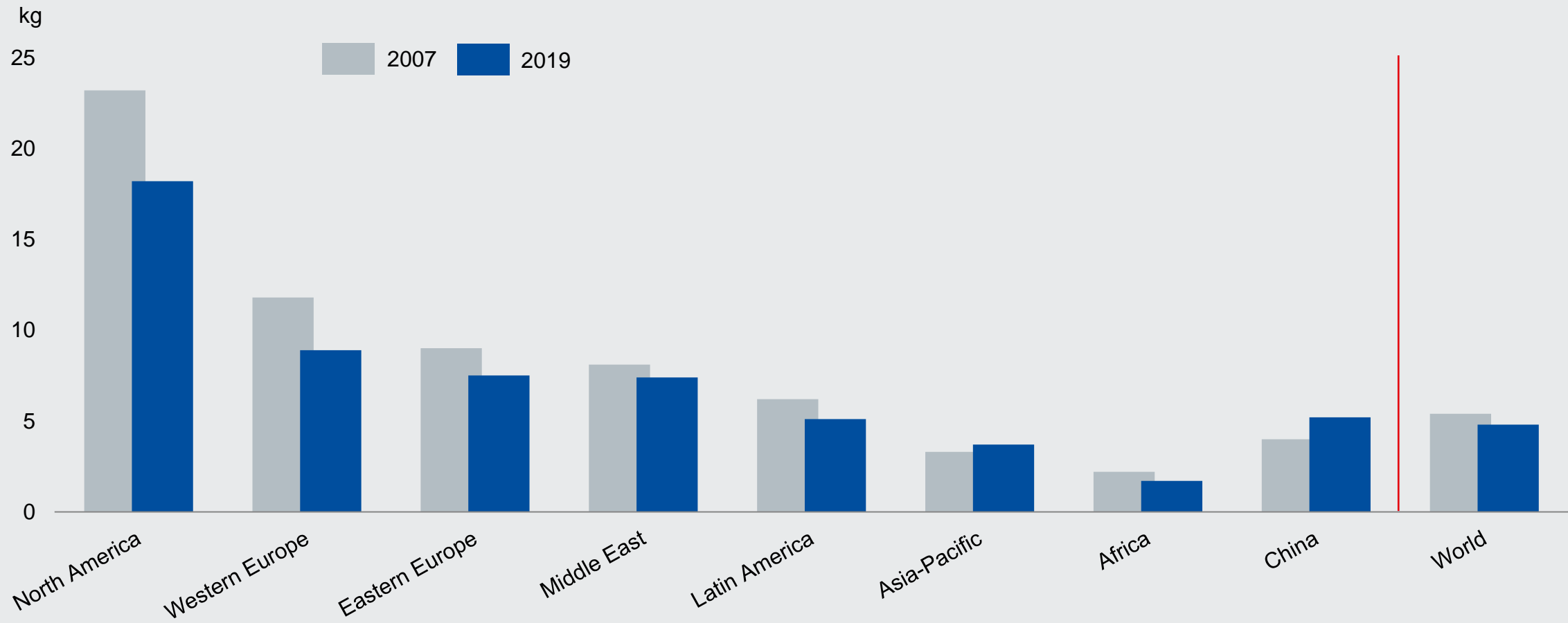
## 05 Appendix



# Top 20 lubricant countries

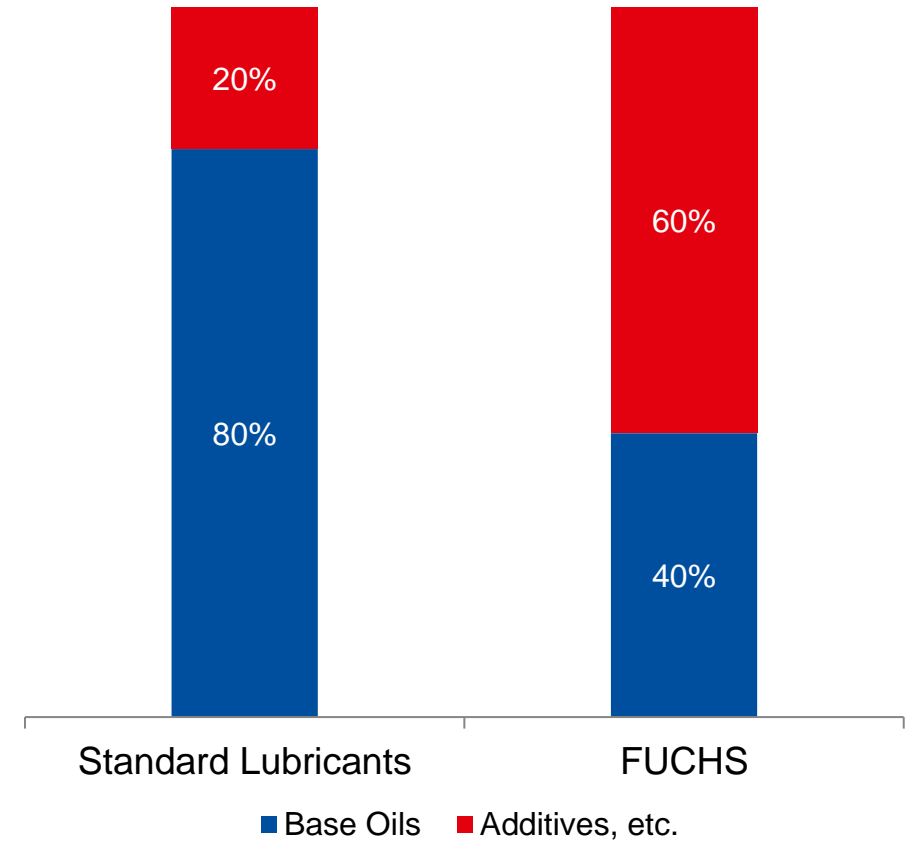


## Regional per-capita lubricants demand



## Base oil / additives value split

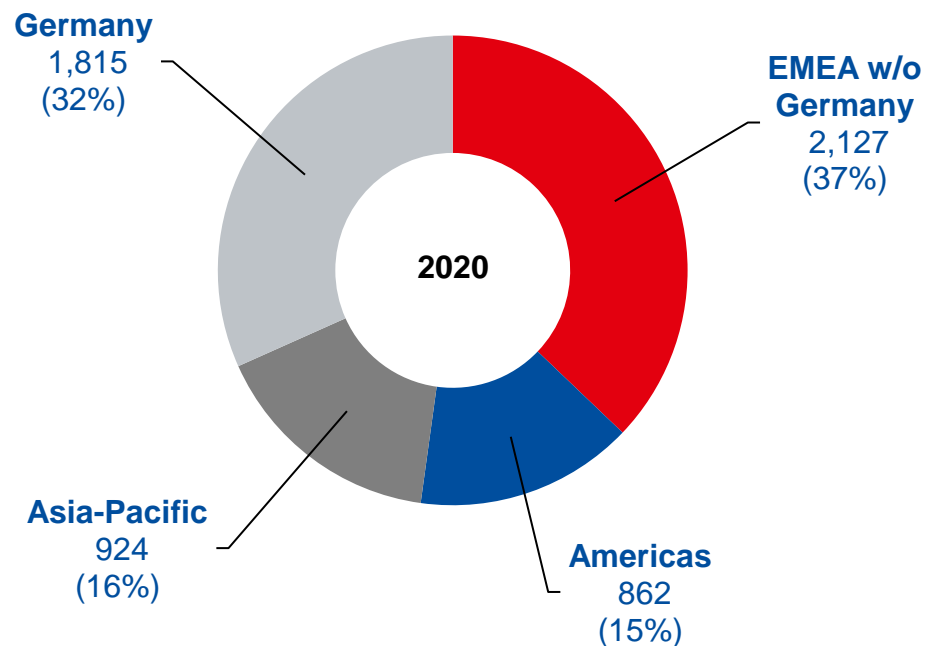
- Base oil prices do not necessarily follow crude oil prices
- No direct link between additives and crude oil prices
  - We even face price increases for certain raw materials where supply/demand is not balanced, or special situations occur
- Special lubricants consist of less base fluid and more additives



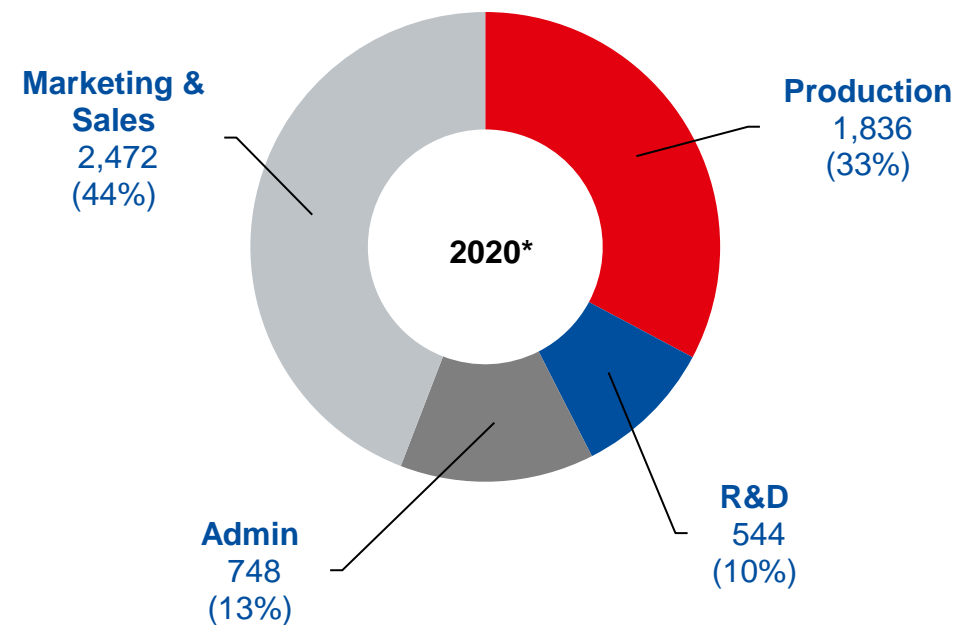
# Workforce Structure

5,728 employees globally

## Regional Workforce Structure



## Functional Workforce Structure



\*Excl. 128 Trainees

# FUCHS – Act together

## Mission statement

### Lubricants

Fully focused on lubricants

### Technology

Technological leadership in strategically important fields

### People

Basis for our success: loyal and motivated workforce

## Values

### Trust

Trust is the basis of our self-understanding

### Creating value

We deliver leading technology and first class service

### Respect

We acknowledge our responsibility

### Reliability

Act in a responsive and transparent way

### Integrity

We believe in a high level of ethics and adhere to our CoC

# FUCHS2025 Strategy

## Global Strength



### Strategic Objectives:

- Use market segmentation as basis for strategic and global business development, achieve better market penetration
- Grow above Group average in Asia-Pacific and the Americas, achieve a better balance between all three world regions by 2025
- Further refine the brand profile, strengthen brand equity and attractiveness

# FUCHS2025 Strategy

## Customer & Market Focus



### Customer & Market Focus



### Strategic Objectives:

- Achieve maximum customer proximity, further utilize cross-selling opportunities, become the full-line supplier for our customers
- Develop global service portfolio up to 2025, change from product-driven approach to solution-driven approach
- Grow market shares to be amongst the leaders in the segments we target
- Systematically introduce new business models within the broader world of lubrication

# FUCHS2025 Strategy

## Technology Leader



Technology  
Leader

### Strategic Objectives:

- Increase our innovation power in R&D and beyond. Be technology leader in the segments we target until 2025
- Innovate products and operational performance to make our customers more connected with us beyond lubricants by introducing digital solutions and platforms
- Bring all three R&D centers in China, USA and Germany to the same level of expertise until 2025

# FUCHS2025 Strategy

## Operational Excellence



### Strategic Objectives:

- Strengthen our global manufacturing and distribution network to achieve self-sufficient supply and technology hubs in Asia-Pacific, EMEA and the Americas until 2025
- Further standardize manufacturing and procurement procedures, equipment and output to achieve a more efficient supply chain
- Expand data transparency based on further globalization of structures and harmonization of systems

# FUCHS2025 Strategy

## People & Organization



### People & Organization



#### Strategic Objectives:

- Be the employer of choice for our existing and future workforce
- Further improve working environments and global collaboration
- Strengthen global talent acquisition and retention, enhance our development programs, competence models and succession planning
- Endorse internationalization of entities, remote leadership, international job rotation

# FUCHS2025 Strategy

## Sustainability

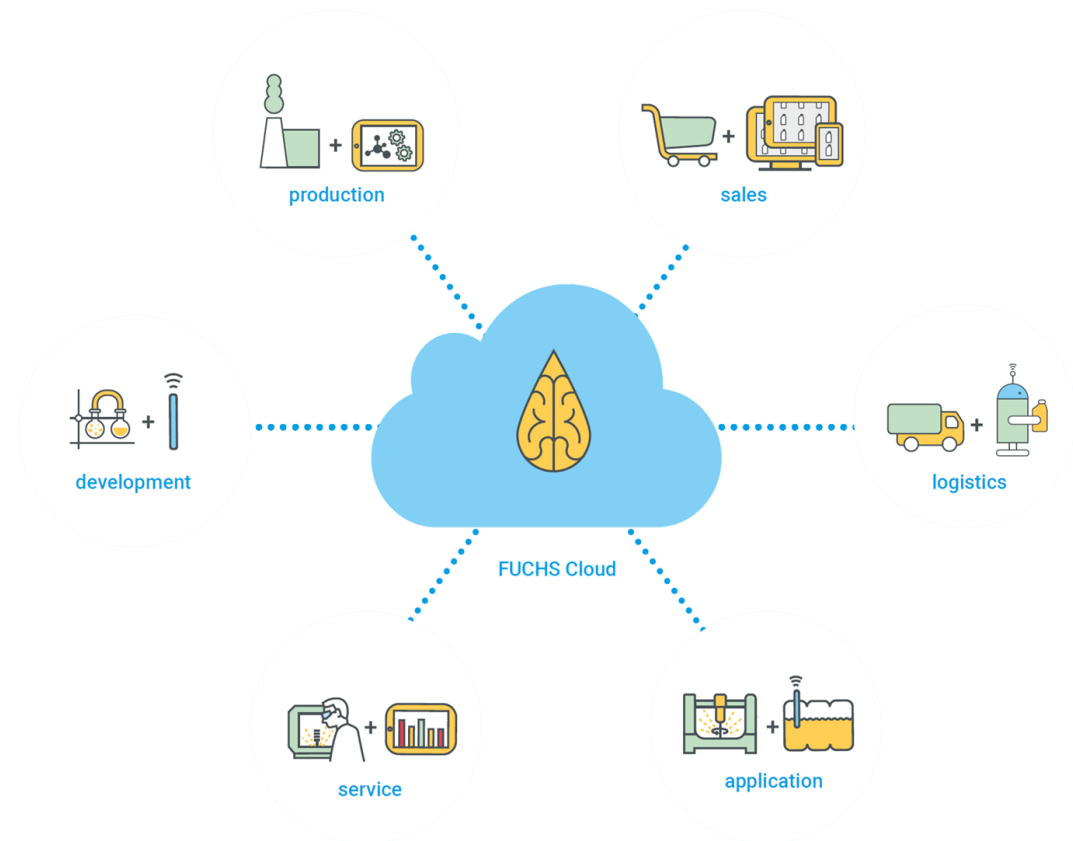


### Strategic Objectives:

- Economical Sustainability
  - Generate sustainable revenue growth at 15% EBIT margin with a corresponding increase of our FUCHS Value Added
- Ecological Sustainability
  - CO2-neutral production (“gate-to-gate”) since 2020 and carbon-neutral products (“cradle-to-gate”) by 2025. Foster additional ecological sustainability projects
- Social Sustainability
  - Further promote Corporate Social Responsibility projects

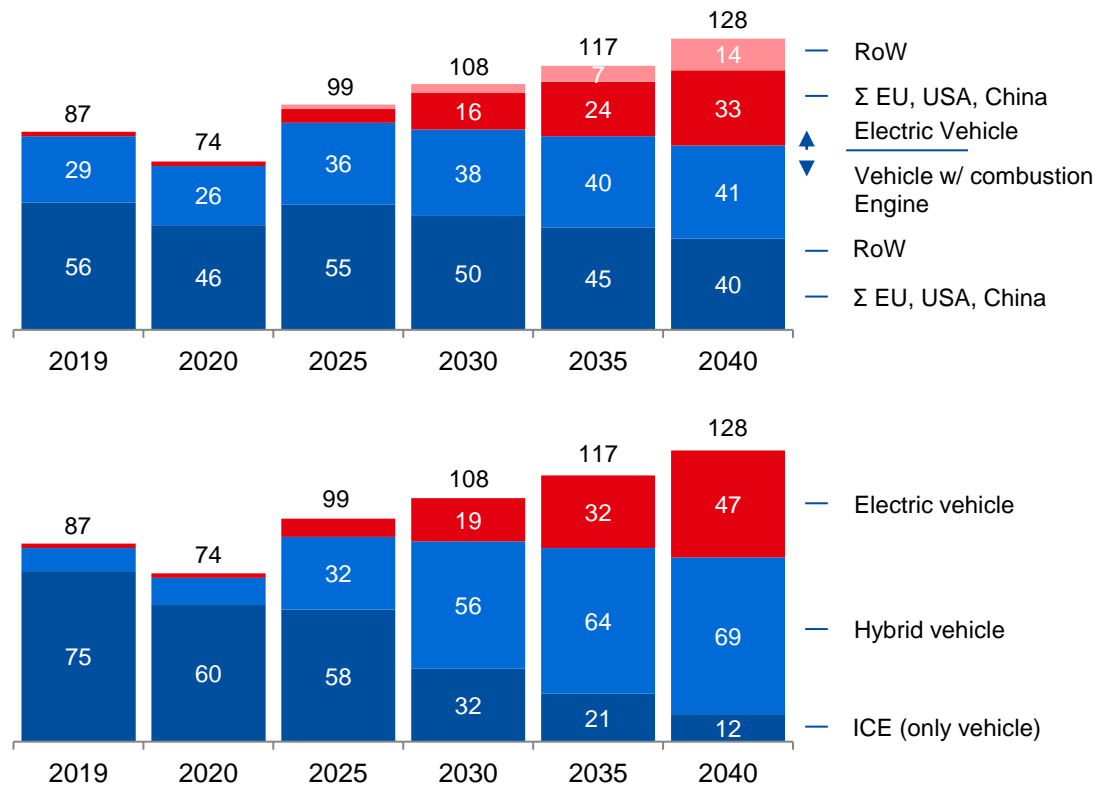
# Digitalisation will fundamentally change our value creation

- FUCHS will become a truly digital company
- Chief Digital Officer
  - Push further digitization of the FUCHS Group
  - Big data, Machine Learning, etc.
- Business Model Innovation and internal innovation as part of strategy development
- Advanced Technology becomes more digital and international, e.g. sensors and IoT are added to the portfolio
- Global Product Management Services & Equipment



# Electrification of cars creates new applications

Global light-duty vehicles sales forecast (in mn units)



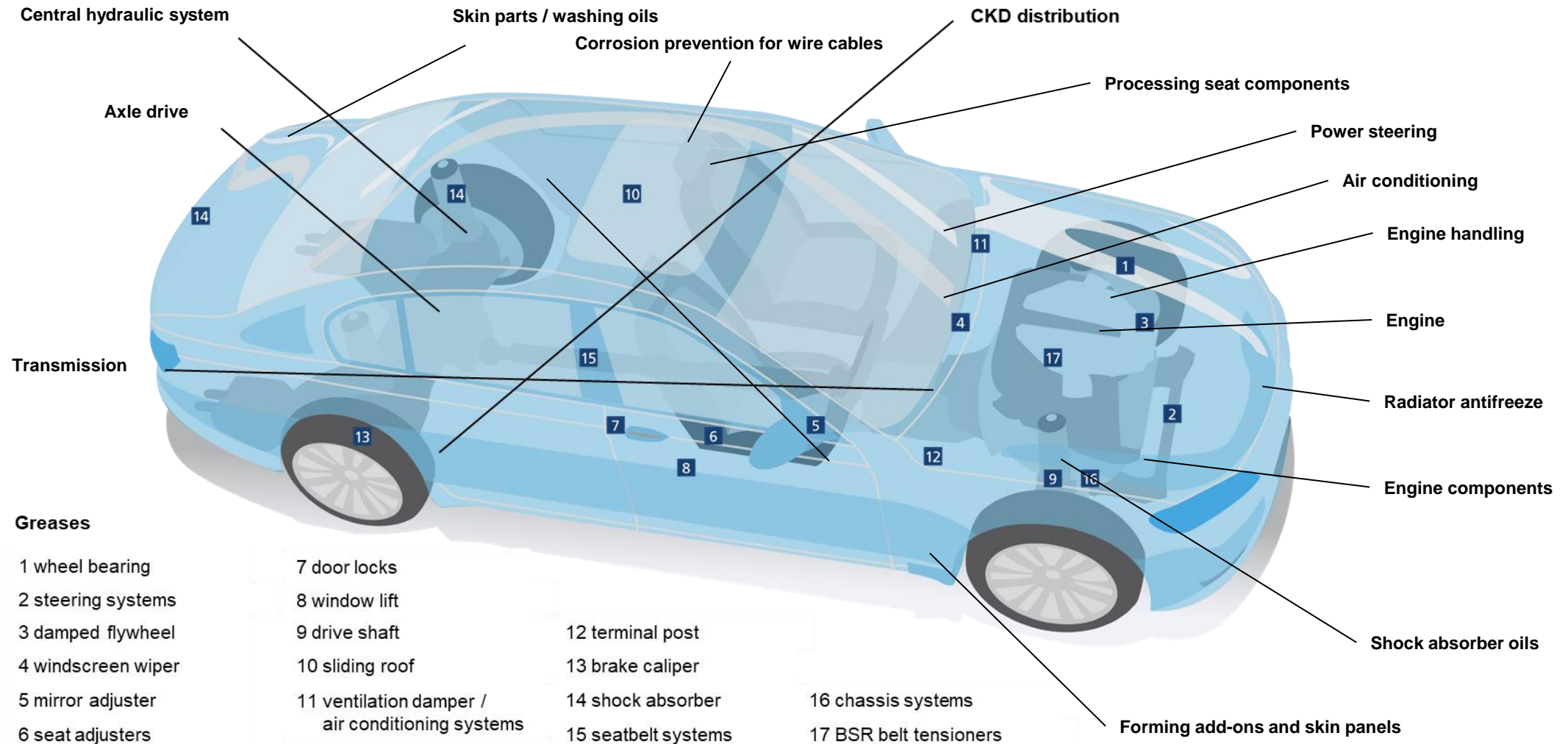
Source: FEV / Base Scenario

## Electrification is an opportunity for FUCHS to further strengthen its market leadership with technically advanced solutions

- Electrification of cars will lead to new applications and higher requirements for existing applications
- Regardless of the powertrain type, every car needs a variety of other lubricant applications
- Combustion engines will face further efficiency improvements leading to higher requirements of existing lubricants (e.g. higher protection against deposits for turbocharged engines, higher heat and ageing stability for more compact engines)
- Hybrid cars with efficient combustion engines will place complex requirements for existing applications but also create new demand for new applications
- EVs will place whole new demand on gear oils, coolants, greases (e.g. contact with electrical currents and electromagnetic fields, higher heat emission, reduction gears with less gear steps and higher input speeds)
- FUCHS is used to quickly adapting to new market demands and is working on concrete methods to meet the challenges of the future mobility

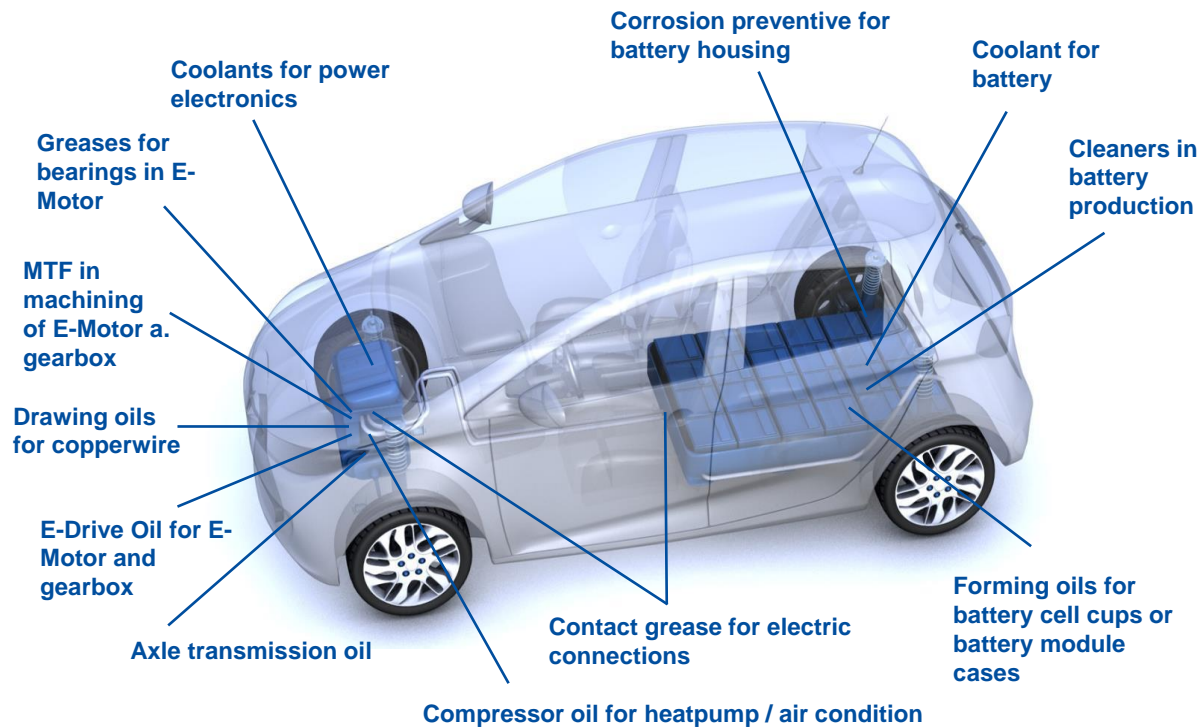
# Lubricant applications in passenger cars

In modern cars there are more than 30 different types of greases



# Lubricant applications in passenger cars

Electrification brings a variety of opportunities for FUCHS



1<sup>st</sup> Fill  
engine oils  
& gear oils

~10% of  
sales

Products, which are needed independent from propulsion type are not shown

## Powertrain Applications

ICE

HEV

BEV



Engine oil

✓

✓

–

Transmission oil

✓

✓

✓ / –

Greases

✓

✓

✓

Specialty greases

✓

+

+

Lubricants for  
Auxiliary systems

✓

+

+

Cooling &  
functional liquids

✓

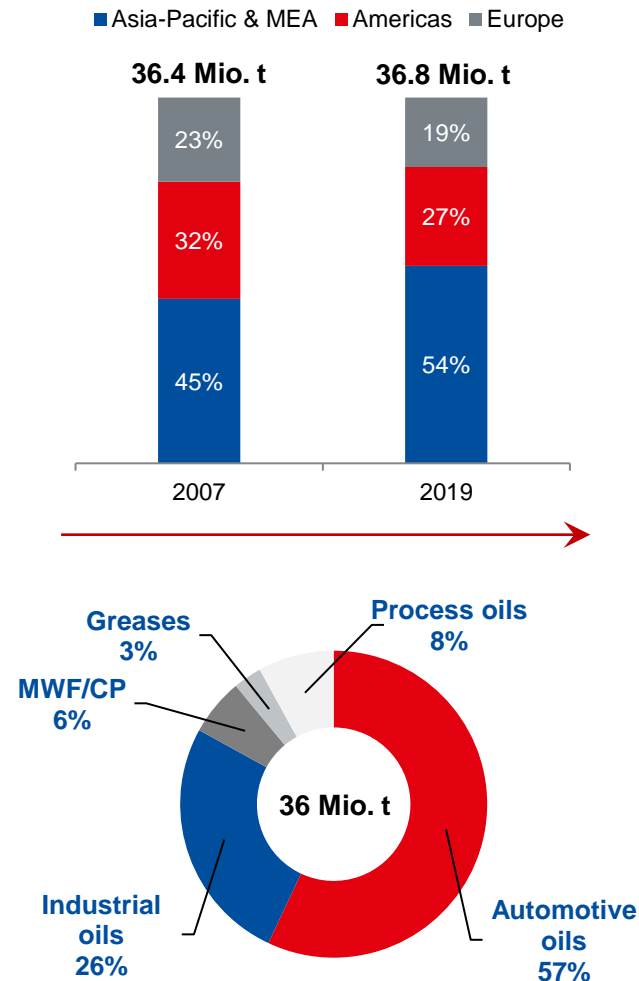
+

+

– Omitted    ✓ Required    + Increased

# FUCHS DrivElectric

## Does DrivElectric Damage Demand?



### No! DriveElectric Diverts Demand!

		Impact (%) until 2035
EU 28	Automotive	-10 to -20%
	Metalprocessing	-30%
	Industrial	stable
	<b>Total Market</b>	<b>-10%</b>
USA	<b>Efficiency/E-Mobility</b>	<b>-20%</b>
China	Automotive	15-20%
	Metalprocessing/Industrial	Stable
	<b>Total Market</b>	<b>10%</b>
World		-2 to -3%

## Long-term objective: Focus on Shareholder Value



### Drive returns

- Organic growth through strict customer focus, geographic expansion and product innovation
- Improve operating profitability through margin and mix management, operating cost management and efficiency improvements



### Optimize capital

- Capex with returns above WACC
- Manage NOWC



### Strengthen portfolio

- Reinvest in the business
- Acquisitions

# Cash allocation priority



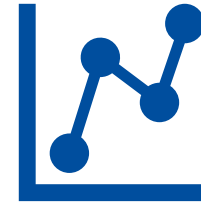
## Reinvest in the business



**Capex**



**Acquisitions**



## Shareholder value-oriented



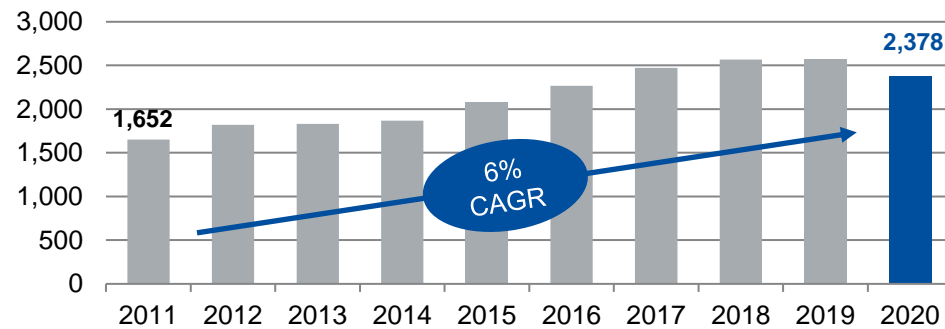
**Stable Dividends**



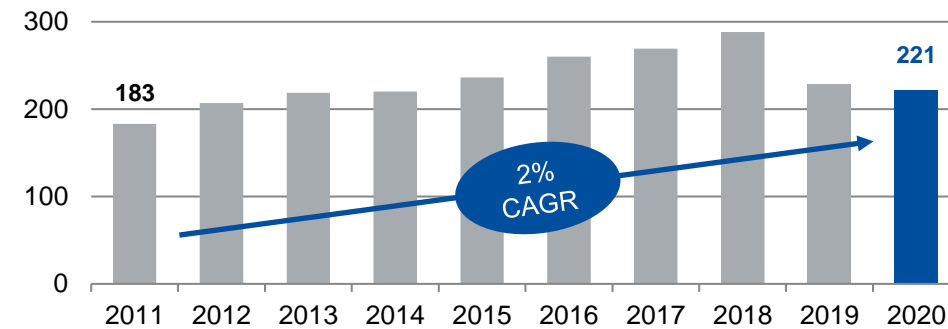
**Share Buyback**

# Unique track record for continued profitability and added value

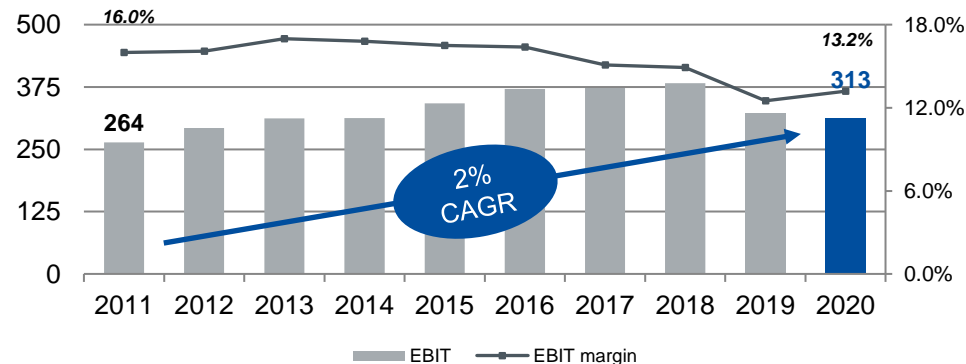
Sales (in € mn)



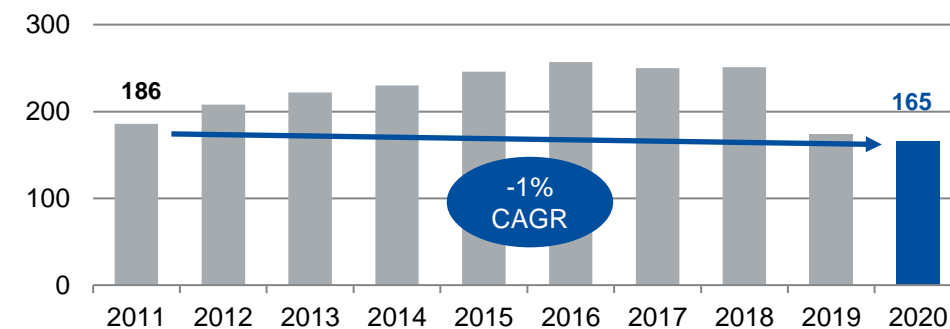
Earnings After Tax (in € mn)



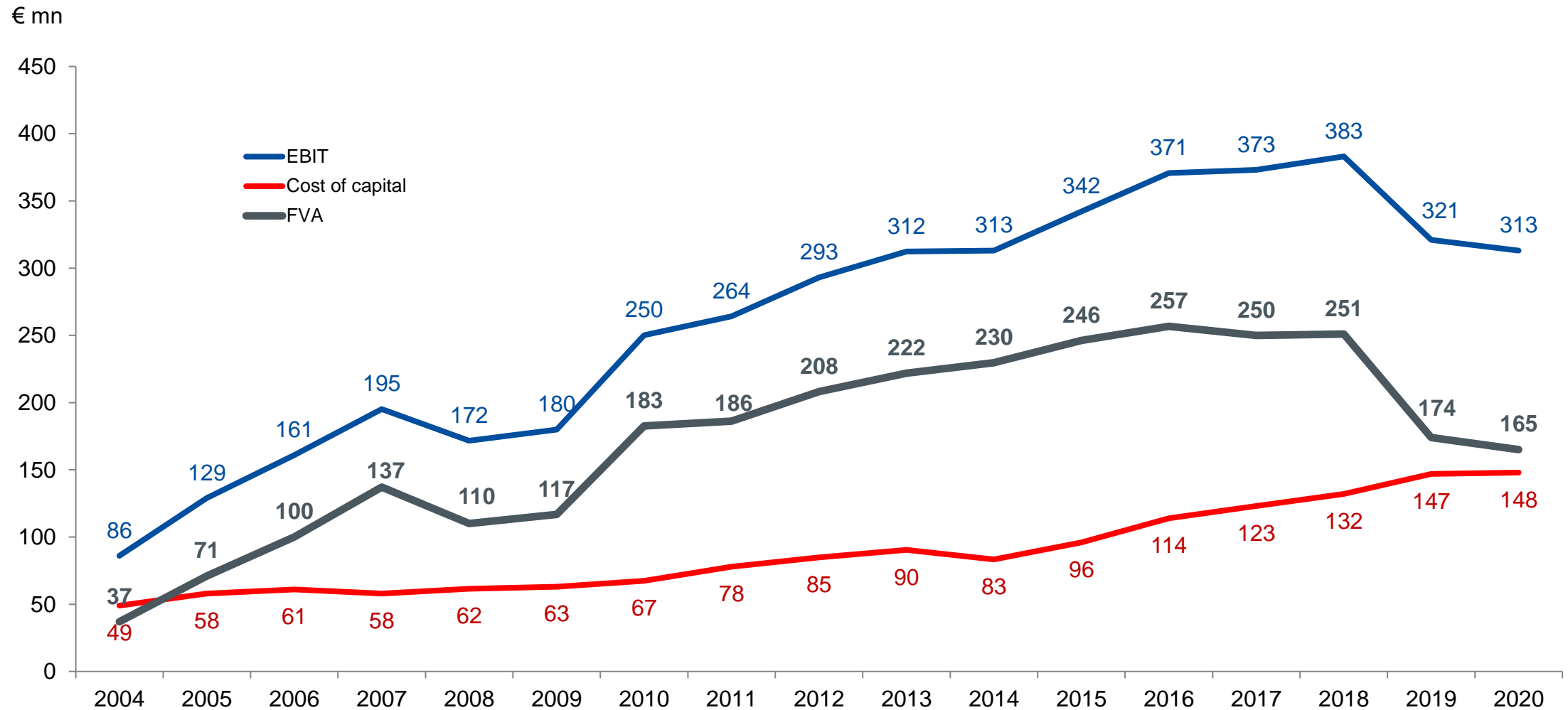
EBIT (in € mn)



FVA (in € mn)



# Development EBIT – Cost of Capital – FVA



Cost of Capital = CE x WACC

# Sales development

€ mn	2016	2017	2018	2019	2020	Δ 19/20
<b>Sales</b>	<b>2,267</b>	<b>2,473</b>	<b>2,567</b>	<b>2,572</b>	<b>2,378</b>	<b>-7.5%</b>
Gross Profit	851	882	899	890	854	-4.0%
Gross Profit margin	37.5%	35.7%	35.0%	34.6%	35.9%	+1.3%-points
Other function costs	-499	-526	-542	-580	-551	5.0%
<b>EBIT before at Equity</b>	<b>352</b>	<b>356</b>	<b>357</b>	<b>310</b>	<b>303</b>	<b>-2.3%</b>
EBIT margin before at Equity	15.5%	14.4%	13.9%	12.1%	12.7%	+0.6%-points
At Equity	19	17	26	11	10	-9.1%
<b>EBIT</b>	<b>371</b>	<b>373</b>	<b>383</b>	<b>321</b>	<b>313</b>	<b>-2.5%</b>
EBIT margin	16.4%	15.1%	14.9%	12.5%	13.2%	+0.7%-points
<b>EBITDA</b>	<b>418</b>	<b>432</b>	<b>441</b>	<b>400</b>	<b>393</b>	<b>-9.3%</b>
EBITDA margin	18.4%	17.5%	17.2%	15.6%	16.5%	+0.9%-points

## Solid Balance Sheet and strong cash flow generation

€ mn	2020	2019	2018	2017	2016
Total assets	2,120	2,023	1,891	1,751	1,676
Goodwill	236	175	174	173	185
Equity	1,580	1,561	1,456	1,307	1,205
Equity ratio	75%	77%	77%	75%	72%

€ mn	2020	2019	2018	2017	2016
Net liquidity	179	193	191	160	146
Operating cash flow	360	329	267	242	300
Capex	122	154	121	105	93
Free cash flow before acquisitions <sup>1</sup>	238	175	147	142	205
Free cash flow	124	162	159	140	164

<sup>1</sup> Including divestments

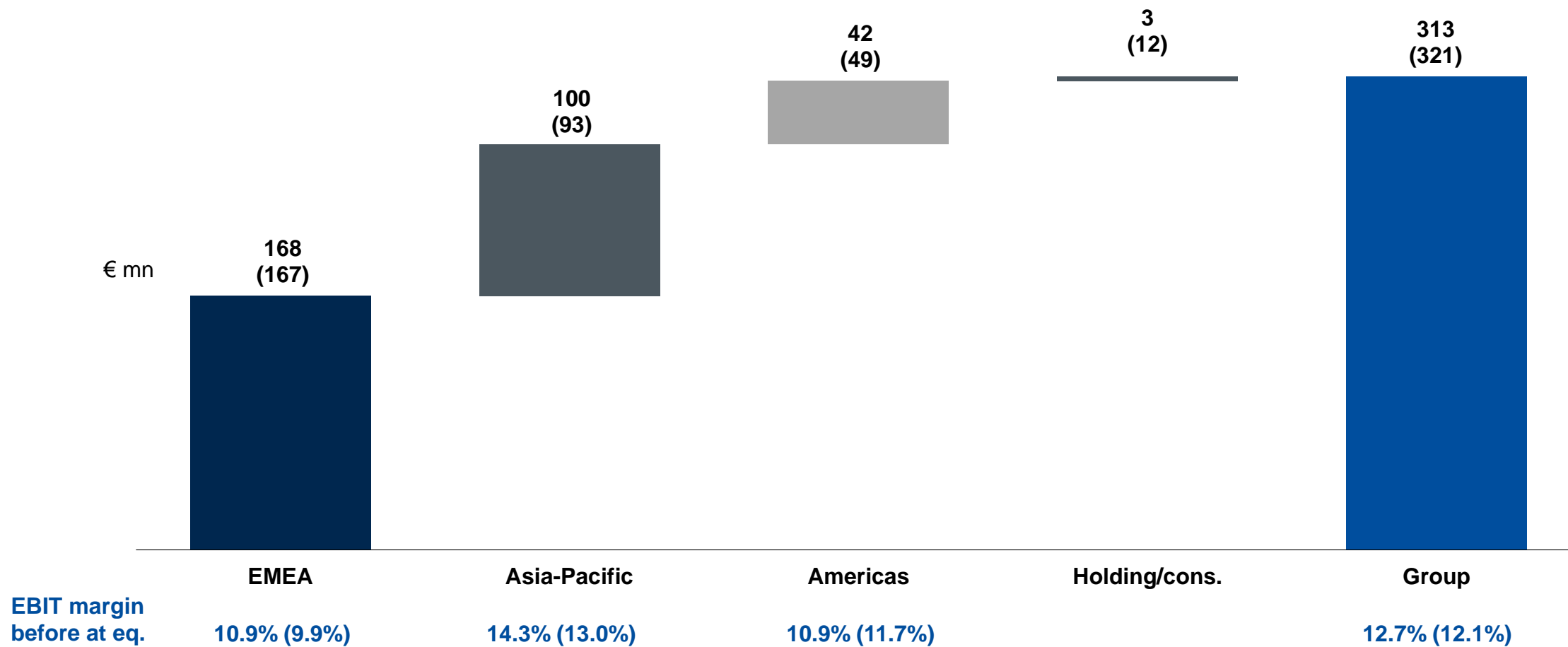
## Regional sales 2020

Covid-19-related lower sales in all regions

	2020 (€ mn)	2019 (€ mn)	Growth	Organic	External	FX
EMEA	1,446	1,579	-8%	-7%	0%	-1%
Asia-Pacific	698	718	-3%	-1%	0%	-2%
Americas	387	418	-7%	-14%	11%	-4%
Consolidation	-153	-143	-	-	-	-
<b>Total</b>	<b>2,378</b>	<b>2,572</b>	<b>-8%</b>	<b>-7%</b>	<b>2%</b>	<b>-3%</b>

# EBIT by regions

FY 2020 (FY 2019)

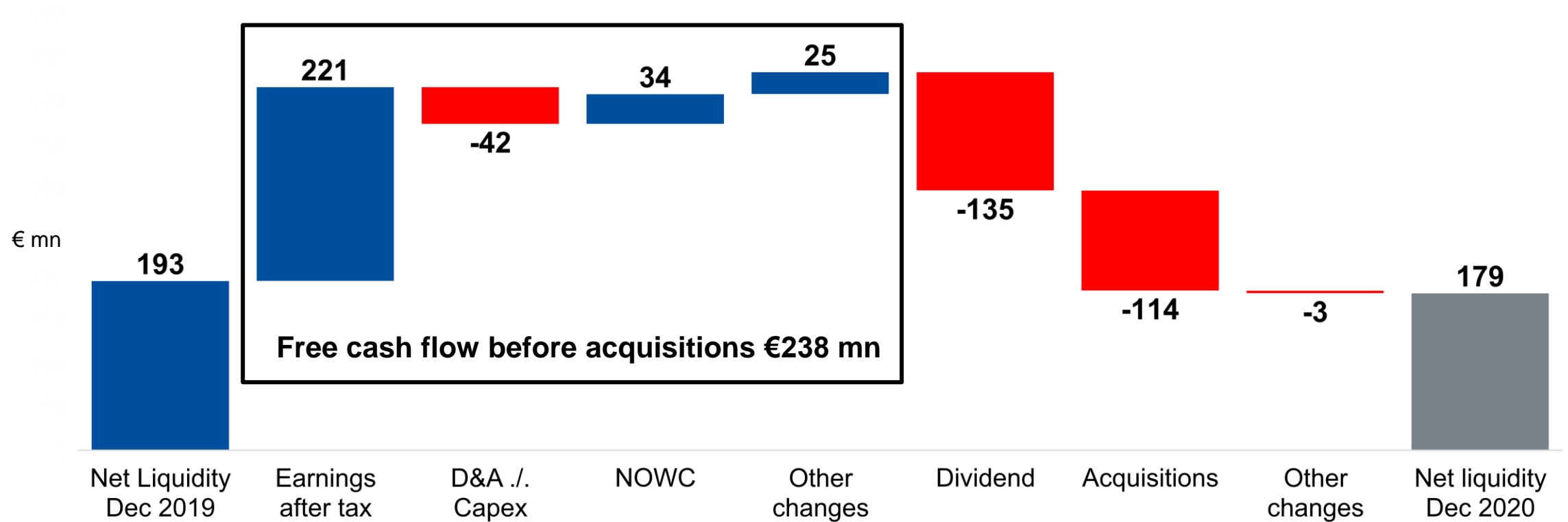


## Cash flow FY 2020

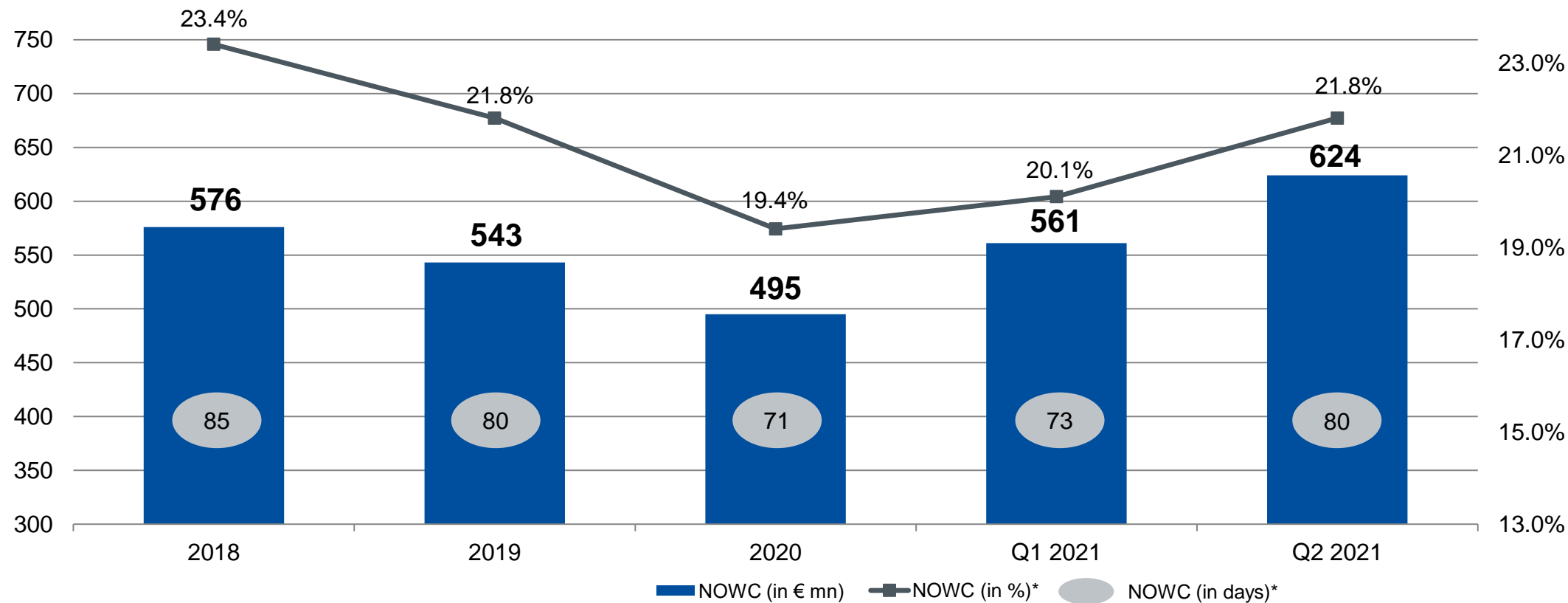
€ mn	2020	2019	Δ in € mn	Δ in %
<b>Earnings after tax</b>	<b>221</b>	<b>228</b>	<b>-7</b>	<b>-3</b>
Amortization/Depreciation	80	79	1	1
Changes in net operating working capital (NOWC)	34	45	-11	-24
Other changes	25	-23	48	-
Capex	-122	-154	32	21
<b>Free cash flow before acquisitions<sup>1</sup></b>	<b>238</b>	<b>175</b>	<b>63</b>	<b>36</b>
Acquisitions	-114	-13	-101	>100
<b>Free cash flow</b>	<b>124</b>	<b>162</b>	<b>-38</b>	<b>-23</b>

<sup>1</sup> Free cash flow before cash paid for acquisitions and before cash acquired through acquisitions

# Net Liquidity



# Net operating working capital (NOWC)



\* In relation to the annualized sales revenues of the last quarter

# Quarterly income statement

€ mn	2018				2019				2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Sales</b>	<b>643</b>	<b>668</b>	<b>642</b>	<b>614</b>	<b>643</b>	<b>653</b>	<b>656</b>	<b>620</b>	<b>616</b>	<b>504</b>	<b>620</b>	<b>638</b>	<b>697</b>	<b>714</b>		
Gross Profit	225	239	222	213	217	224	231	218	218	172	225	239	255	242		
<i>Gross Profit margin (in %)</i>	<i>35.0</i>	<i>35.8</i>	<i>34.6</i>	<i>34.7</i>	<i>33.7</i>	<i>34.3</i>	<i>35.2</i>	<i>35.2</i>	<i>35.4</i>	<i>34.1</i>	<i>36.3</i>	<i>37.5</i>	<i>36.6</i>	<i>33.9</i>		
Other function costs	-136	-140	-134	-132	-142	-147	-144	-147	-148	-134	-137	-132	-156	-154		
<b>EBIT before at Equity</b>	<b>89</b>	<b>99</b>	<b>88</b>	<b>81</b>	<b>75</b>	<b>77</b>	<b>87</b>	<b>71</b>	<b>70</b>	<b>38</b>	<b>88</b>	<b>107</b>	<b>99</b>	<b>88</b>		
<i>EBIT margin before at Equity (in %)</i>	<i>13.8</i>	<i>14.8</i>	<i>13.7</i>	<i>13.2</i>	<i>11.7</i>	<i>11.8</i>	<i>13.3</i>	<i>11.5</i>	<i>11.4</i>	<i>7.5</i>	<i>14.2</i>	<i>16.8</i>	<i>14.2</i>	<i>12.3</i>		
At Equity	3	2	16	5	2	3	2	4	2	2	3	3	2	2		
<b>EBIT</b>	<b>92</b>	<b>101</b>	<b>104</b>	<b>86</b>	<b>77</b>	<b>80</b>	<b>89</b>	<b>75</b>	<b>72</b>	<b>40</b>	<b>91</b>	<b>110</b>	<b>101</b>	<b>90</b>		
<i>EBIT margin (in %)</i>	<i>14.3</i>	<i>15.1</i>	<i>16.2</i>	<i>14.0</i>	<i>12.0</i>	<i>12.3</i>	<i>13.6</i>	<i>12.1</i>	<i>11.7</i>	<i>7.9</i>	<i>14.7</i>	<i>17.2</i>	<i>14.5</i>	<i>12.6</i>		
<b>EBITDA</b>	<b>106</b>	<b>115</b>	<b>118</b>	<b>102</b>	<b>95</b>	<b>98</b>	<b>107</b>	<b>100</b>	<b>92</b>	<b>60</b>	<b>110</b>	<b>131</b>	<b>122</b>	<b>111</b>		
<i>EBITDA margin (in %)</i>	<i>16.5</i>	<i>17.2</i>	<i>18.4</i>	<i>16.6</i>	<i>14.8</i>	<i>15.0</i>	<i>16.3</i>	<i>16.1</i>	<i>14.9</i>	<i>11.9</i>	<i>17.7</i>	<i>20.5</i>	<i>17.5</i>	<i>15.5</i>		

## Quarterly figures by region

2020	EMEA					Asia-Pacific					North and South America				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Sales by company location	401	289	370	386	1,446	146	174	189	189	698	110	71	100	106	387
EBIT before at equity income	41	11	43	63	158	17	24	29	30	100	12	2	15	13	42
<i>in % of sales</i>	10.2	3.8	11.6	16.3	10.9	11.6	13.8	15.3	15.9	14.3	10.9	2.8	15.0	12.3	10.9
Income from at equity companies	2	2	3	3	10	-	-	-	-	-	-	-	-	-	-
Segment earnings (EBIT)	43	13	46	66	168	17	24	29	30	100	12	2	15	13	42
<i>in % of sales</i>	10.7	4.5	12.4	17.9	11.6	11.6	13.8	15.3	15.9	14.3	10.9	2.8	15.0	12.3	10.9

2021	EMEA					Asia-Pacific					North and South America				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Sales by company location	419	431				213	211				111	113			
EBIT before at equity income	47	42				34	29				16	15			
<i>in % of sales</i>	11.2	9.7				16.0	13.7				14.4	13.3			
Income from at equity companies	2	2				-	-				-	-			
Segment earnings (EBIT)	49	44				34	29				16	15			
<i>in % of sales</i>	11.7	10.2				16.0	13.7				14.4	13.3			

# Quarterly sales & EBIT by regions

Sales (€ mn)	2019					2020					2021				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
EMEA	400	399	402	378	1,579	401	289	370	386	1,446	419	431			
Δ Y-o-Y in %	-4	-4	-1	-1	-2	0	-28	-8	2	-8	5	49			
Asia-Pacific	171	184	180	183	718	146	174	189	189	698	213	211			
Δ Y-o-Y in %	-4	-4	4	12	2	-14	-5	5	3	-3	46	21			
Americas	106	106	108	98	418	110	71	100	106	387	111	113			
Δ Y-o-Y in %	12	2	3	-7	2	4	-33	-7	8	-7	1	59			
Holding/consolidation	-34	-36	-34	-39	-143	-41	-30	-39	-43	-153	-46	-41			
<b>FUCHS Group</b>	<b>643</b>	<b>653</b>	<b>656</b>	<b>620</b>	<b>2,572</b>	<b>616</b>	<b>504</b>	<b>620</b>	<b>638</b>	<b>2,378</b>	<b>697</b>	<b>714</b>			
Δ Y-o-Y in %	0	-2	2	1	0	-4	-23	-5	3	-8	13	42			

EBIT (€ mn)	2019					2020					2021				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
EMEA	38	42	50	37	167	43	13	46	66	168	49	44			
Δ Y-o-Y in %	-24	-18	-18	-24	-21	13	-69	-8	78	1	14	239			
Asia-Pacific	21	23	23	26	93	17	24	29	30	100	34	29			
Δ Y-o-Y in %	-25	-18	-4	18	-9	-19	4	26	15	8	100	21			
Americas	14	15	12	8	49	12	2	15	13	42	16	15			
Δ Y-o-Y in %	8	-12	-20	-43	-17	-14	-87	25	63	-14	33	650			
Holding/consolidation	4	0	4	4	12	0	1	1	1	3	2	2			
<b>FUCHS Group</b>	<b>77</b>	<b>80</b>	<b>89</b>	<b>75</b>	<b>321</b>	<b>72</b>	<b>40</b>	<b>91</b>	<b>110</b>	<b>313</b>	<b>101</b>	<b>90</b>			
Δ Y-o-Y in %	-16	-21	-14	-13	-16	-6	-50	2	47	-3	40	125			

# Quarterly sales development split by regions

Organic Growth (in %)	2019					2020					2021				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
EMEA	-3	-3	-1	-1	-2	0	-26	-6	5	-7	6	48			
Asia-Pacific	-5	-6	-1	8	-1	-16	-3	8	5	-1	46	20			
Americas	8	-2	-1	-7	-1	-6	-42	-11	3	-14	6	75			
<b>FUCHS Group</b>	<b>-1</b>	<b>-3</b>	<b>0</b>	<b>0</b>	<b>-1</b>	<b>-6</b>	<b>-23</b>	<b>-4</b>	<b>4</b>	<b>-7</b>	<b>15</b>	<b>43</b>			

External Growth (in %)	2019					2020					2021				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
EMEA	-	-	-	-	-	-	-	-	0	0	0	0			
Asia-Pacific	-	3	4	3	2	3	-	-	-	0	0	0			
Americas	-	-	-	1	0	10	10	10	15	11	7	1			
<b>FUCHS Group</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>0</b>			

FX Effects (in %)	2019					2020					2021				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
EMEA	-1	-1	0	0	0	0	-2	-2	-3	-1	-1	1			
Asia-Pacific	1	-1	1	1	1	-1	-2	-3	-2	-2	0	1			
Americas	4	4	4	-1	3	0	-1	-6	-10	-4	-12	-17			
<b>FUCHS Group</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-2</b>	<b>-3</b>	<b>-4</b>	<b>-3</b>	<b>-3</b>	<b>-1</b>			

# The Executive Board



**Stefan Fuchs**

CEO; Corporate Group Development, HR, PR & Marketing, Strategy, Automotive Aftermarket Division



**Dr. Lutz Lindemann**

CTO; R&D, Technology, Product Management, Supply Chain, Sustainability, Mining Division, OEM Division



**Dr. Timo Reister**

Asia-Pacific, Americas, Industry Division



**Dr. Ralph Rheinboldt**

Europe, Middle East & Africa,  
FUCHS LUBRITECH Division



**Dagmar Steinert**

CFO; Finance, Controlling, Investor Relations, Compliance, Internal Audit, Digitalization (IT, ERP systems, Big Data etc.), Legal, Taxes

# Executive Compensation & FUCHS Shares

## Executive Board

---

**50%**

of multi-year variable compensation (LTI)

must be invested in FUCHS preference shares  
with a lock-up period of 4 years

LTI  $\triangleq$  55% of total variable compensation

## Supervisory Board

---

**50%**

of variable compensation

must be invested in FUCHS preference shares  
with a lock-up period of 4 years

## Download: Key documents for our shareholders



### Our added value



**Transparency**



**Shareholder-oriented**



**Well informed**

H1 2021  
Factsheet

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Reports

Analyst  
Call PPT

Annual  
Report  
2020

Dividend  
history

Ad hoc  
releases

Click & Download



# Financial Calendar & Contact

## Financial Calendar 2021

<b>October 29, 2021</b>	Quarterly statement Q3 2021
<b>March 18, 2022</b>	Annual report 2021

The financial calendar is updated regularly. You find the latest dates on the webpage at [www.fuchs.com/financial-calendar](http://www.fuchs.com/financial-calendar)

## Investor Relations Contact

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