

## Press Release

### Strong third quarter supports nine-month results in a challenging market environment

- Sales revenues at EUR 2,542 million price- and currency-driven 19% above prior year
- EBIT at EUR 280 million on prior year level
- Full-year outlook confirmed on the earnings side; sales outlook inflation-related raised:
  - Sales revenues above EUR 3.3 billion (previously: upper end of EUR 3.0 to 3.3 billion range)
  - EBIT at previous year's level (EUR 363 million)

#### FUCHS at a glance

EUR million	9M 2022	9M 2021	Change	Change %
<b>Sales revenues <sup>1</sup></b>	<b>2,542</b>	<b>2,129</b>	<b>413</b>	<b>19</b>
Europe, Middle East, Africa	1,511	1,276	235	18
Asia-Pacific	706	637	69	11
North and South America	482	344	138	40
Consolidation	-157	-128	-29	-
<b>EBIT</b>	<b>280</b>	<b>279</b>	<b>1</b>	<b>0</b>
<b>Earnings after tax</b>	<b>199</b>	<b>198</b>	<b>1</b>	<b>1</b>
<b>Capital expenditure</b>	<b>42</b>	<b>45</b>	<b>-3</b>	<b>-7</b>
<b>Free cash flow before acquisitions</b>	<b>-31</b>	<b>44</b>	<b>-75</b>	<b>-</b>
<b>Earnings per share in EUR</b>				
Ordinary share	1.42	1.42	0.00	0
Preference share	1.43	1.42	0.01	1
<b>Employees as at September 30</b>	<b>6,094</b>	<b>5,947</b>	<b>147</b>	<b>2</b>

<sup>1</sup> By company location.

“In a persistently challenging environment with raw material costs continuing to rise, the zero-Covid strategy in China still being consistently implemented, increasing inflation and recurring bottlenecks in our supply chains, FUCHS achieved an EBIT of EUR 280 million in the past nine months. Thanks to a very good third quarter, this was at the level of the

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previous year, which benefited from catch-up effects from the Covid-19-pandemic and tailwinds in raw material prices. In addition to the currency development, the North and South America region in particular contributed to the good result.

The significant increases in raw material costs were offset by sales price increases. Both resulted in a strong inflation of inventories and receivables. This effect explains the free cash flow before acquisitions, which amounted to EUR -31 million after nine months due to the high level of tied-up funds. Our balance sheet structure remains extremely solid and our financial position continues to be very good. We are using this solid basis to utilize the three megatrends of sustainability, mobility transition and digitization to add value for FUCHS as part of our FUCHS 2025 Strategy.

Stefan Fuchs, Chairman of the Executive Board of FUCHS PETROLUB SE

### **Business Development in the Group**

FUCHS PETROLUB achieved sales of EUR 2,542 million (2,129) in the first nine months of 2022, which was 19% higher than the strong prior-year period.

All regions were able to record mainly price-driven increases compared to the first nine months of the previous year. China, on the other hand, is in a difficult economic environment in the first nine months of 2022 as a result of the continued zero-covid strategy and recorded noticeable business declines.

At EUR 280 million (279), EBIT was on the previous year's level. While both the EMEA (Europe, Middle East, Africa) and the Asia-Pacific region recorded declines in results, the Americas region was able to record an increase.

Earnings after tax improved slightly to EUR 199 million (198).

Earnings per ordinary share were EUR 1.42 (1.42) and per preference share EUR 1.43 (1.42).

Free cash flow before acquisitions was EUR -31 million (44) and thus below the previous year's value. The continuing high raw material prices and the strong demand led to a higher level of tied-up funds in net working capital, which had a negative effect on the free cash flow.

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### Sales and earnings in the regions

At EUR 1,511 million (1,276), sales in the region Europe, Middle East, Africa (EMEA) were 18% above the first nine months of 2021. The majority of the entities contributed to this with double-digit growth rates. Above-average growth was recorded especially in South Africa, the United Kingdom and Sweden. EBIT was EUR 8 million below the previous year at EUR 123 million (131) due to lower results in Germany and Southern Europe. The Asia-Pacific region increased its sales by 11% to EUR 706 million (637), mainly due to currency effects. Organic growth in India, Southeast Asia and Australia more than compensated for organic declines in China, which was affected by a difficult economic environment and the continued zero-covid strategy. Accordingly, EBIT was EUR 5 million below the previous year at EUR 88 million (93).

The North and South America region was able to significantly increase its sales by 40% to EUR 482 million (344) compared to the previous year thanks to high organic growth and positive currency effects. The growth in North America was mainly price-driven but was also driven by pleasing business increases. EBIT improved accordingly by 28% to EUR 59 million (46).

### Outlook

In its current forecast from October, the IMF reduced its expectation for the growth of the global economy to now only 2.7%.

Nevertheless, FUCHS remains optimistic about the remaining months of 2022 and confirms its earnings forecast and increases the sales revenues forecast due to inflation as follows:

- Sales revenues above EUR 3.3 billion due to inflation (previously: upper end of EUR 3.0 to 3.3 billion range)
- EBIT at previous year's level (EUR 363 million) and therefore at the lower end of the EUR 360 to 390 million range (unchanged)
- FVA (FUCHS Value Added) below previous year's figure of EUR 205 million (unchanged)
- Free cash flow before acquisitions significantly below the originally forecast value of around EUR 220 million due to inflation-related increase in net working capital and tight supply chain situation (unchanged)

Our global footprint and solid financial base remain robust and FUCHS continues to focus on profitable growth and the consistent implementation of the FUCHS 2025 Strategy.

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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 6,000 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 PETROLUB 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 PETROLUB 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.