

Schaeffler India Limited · Pune · Maharashtra

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001
Company Code: 505790

National Stock Exchange of India Limited

Exchange Plaza, C – 1, Block G,
Bandra-Kurla Complex, Bandra (E),
Mumbai-400051
Company Code: SCHAEFFLER

Sub: Investor Presentation

26/04/2024

Dear Sirs,

Pursuant to provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Investor Presentation of the Company.

Phone: +912068198464

Kindly take the same on your record.

Thanking you,

Yours faithfully,

For **Schaeffler India Limited**

Ashish Tiwari,

VP - Legal & Company Secretary

Encl.: As above

SCHAEFFLER



**Schaeffler India
Limited**
Investor Presentation

April 26, 2024

We pioneer motion

Q1 2024 Awards and Accolades



Best Supplier Award



JOHN DEERE

Partnership Award
On Quality & Technology
Support



UBS FORUMS

CSR Award – Best Skill
Development Initiative of
the Year

1

Economy and Industry

2

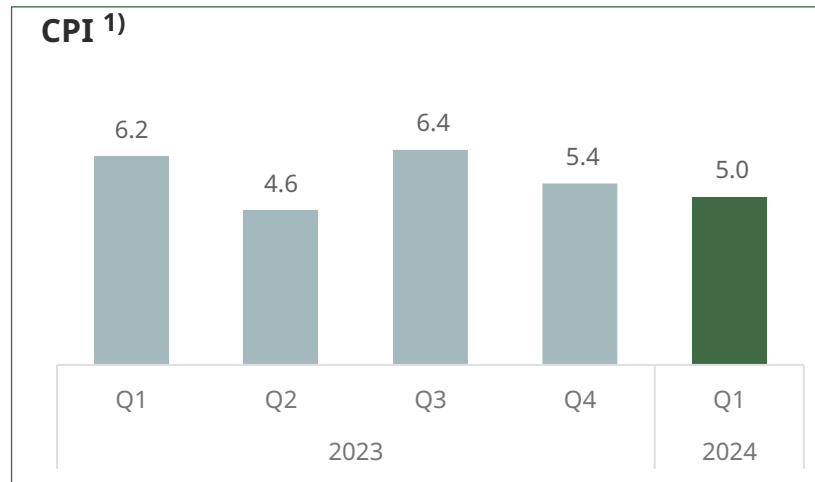
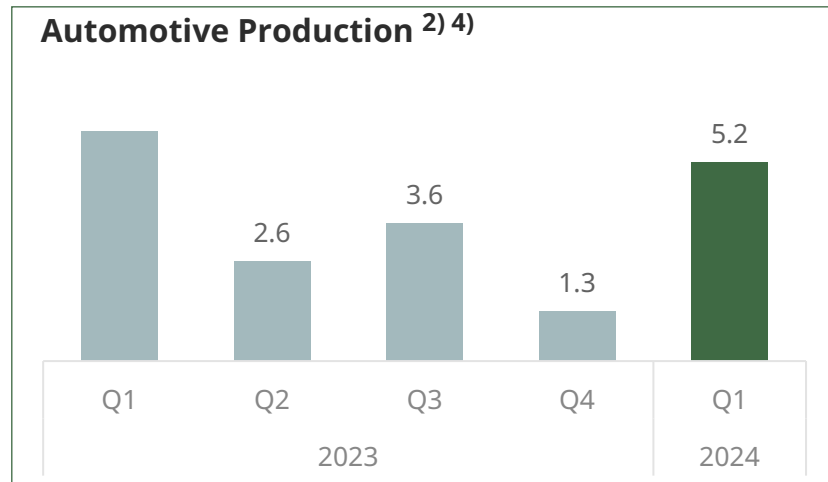
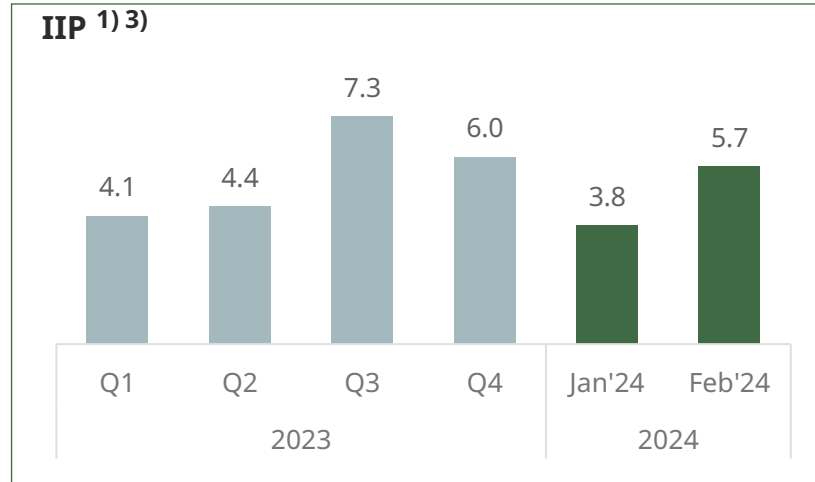
Business Highlights - Q1 and 3M 2024

3

Financial Highlights - Q1 and 3M 2024

AGENDA

Economy



Key Aspects

- Q1 GDP growth projected at 7.2%, on growth path supported by moderating inflation, domestic demand and momentum in manufacturing sector
- IIP growth in 2024 due to healthy run of the metal products, transport & motor vehicle manufacturing
- YoY growth in Q1 for PVs at 10.7%, growth in CVs at 0.3% and de-growth in tractors of 15.1%
- CPI inflation moderated; food inflation remains a concern.

Note :

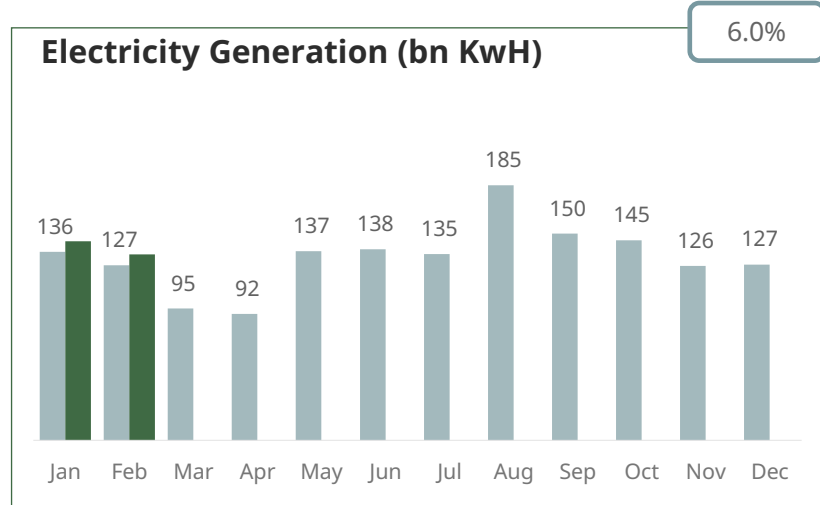
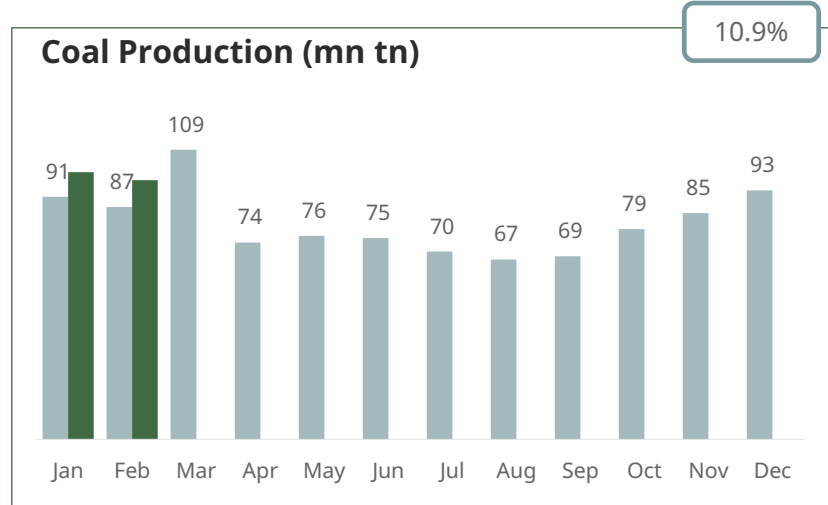
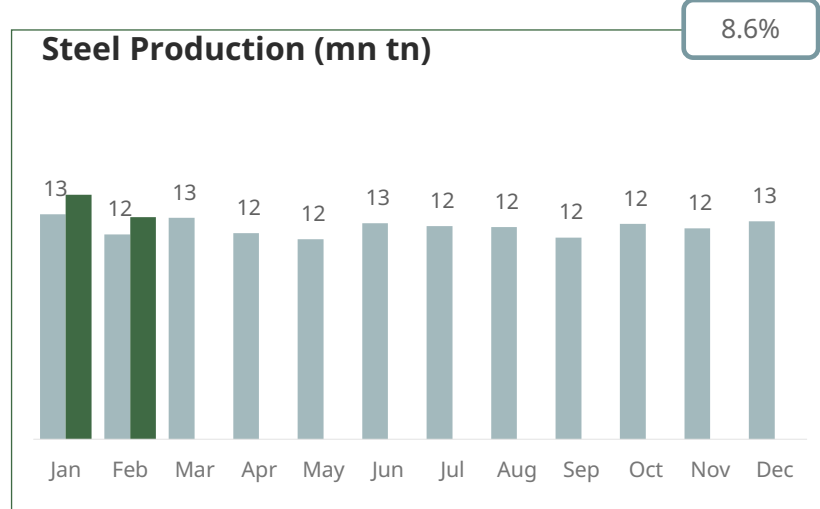
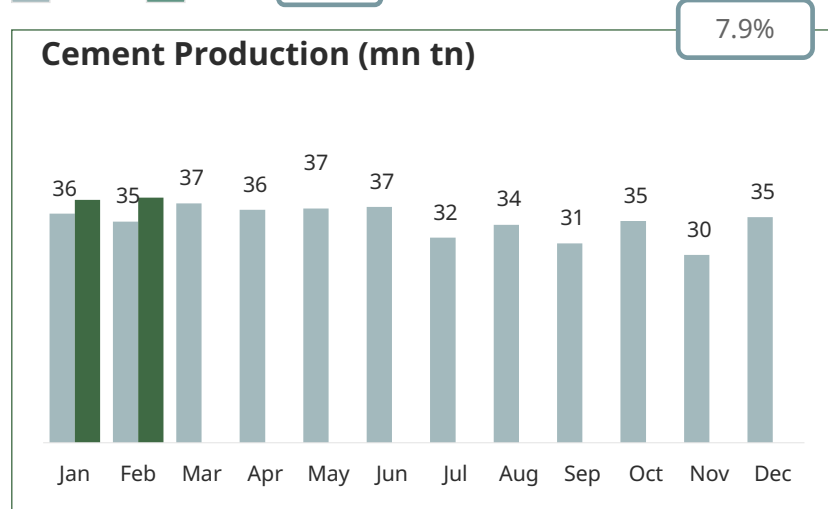
- Data is reinstated every quarter as per final reports released by authorities
- GDP, IIP, and Automotive Production are YoY growth rates, whereas CPI is quarterly inflation rate.
- Contribution of manufacturing, mining, & electricity in IIP stands at 78%, 14%, & 8% respectively
- Automotive Production includes PVs, CVs, & Tractors with production share of 72%, 16%, & 12% respectively

Source of data :

- ¹⁾ Ministry of Statistics & Programme Implementation
- ²⁾ SIAM : Society of Indian Automobile Manufacturers
- ³⁾ GDP - Gross Domestic Production, IIP - Index of Industrial Production, CPI - Consumer Price Index
- ⁴⁾ Automotive Production includes PVs, CVs, & Tractors

Core Sector Performance

■ 2023 ■ 2024 □ YTD CY2024 Growth



Key Aspects

Core industry growth for YTD'25 registered at 5.4% compared to 8.5% for the same period last year

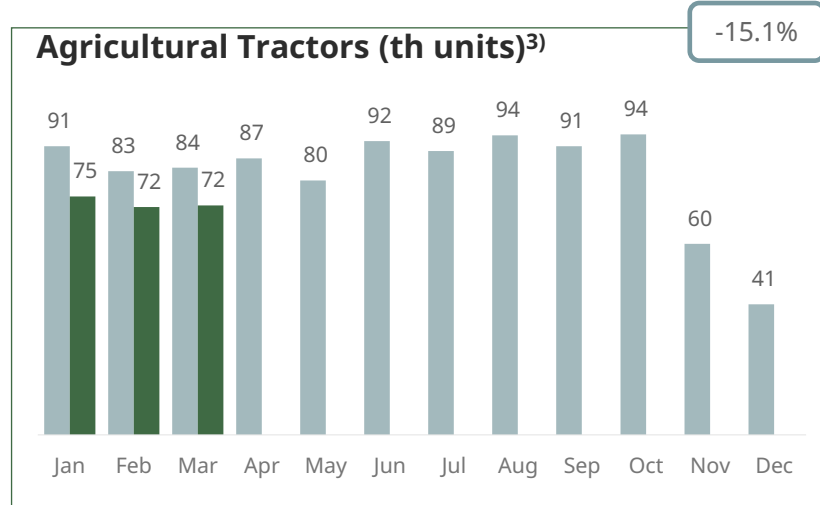
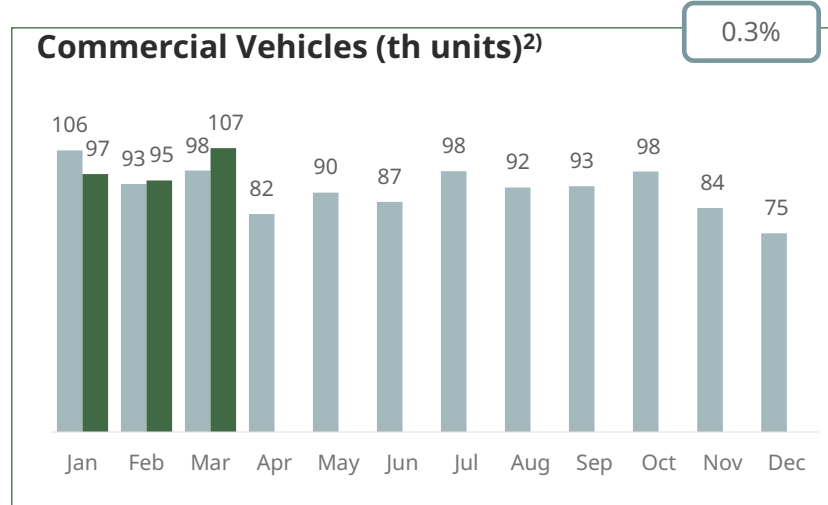
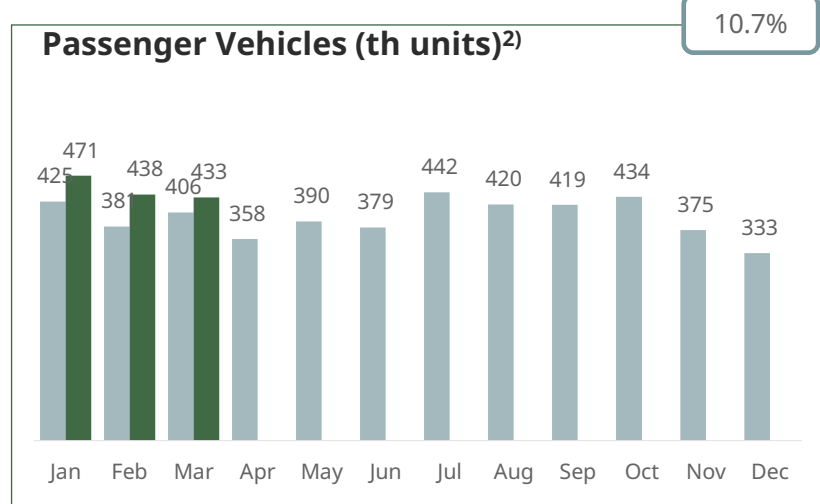
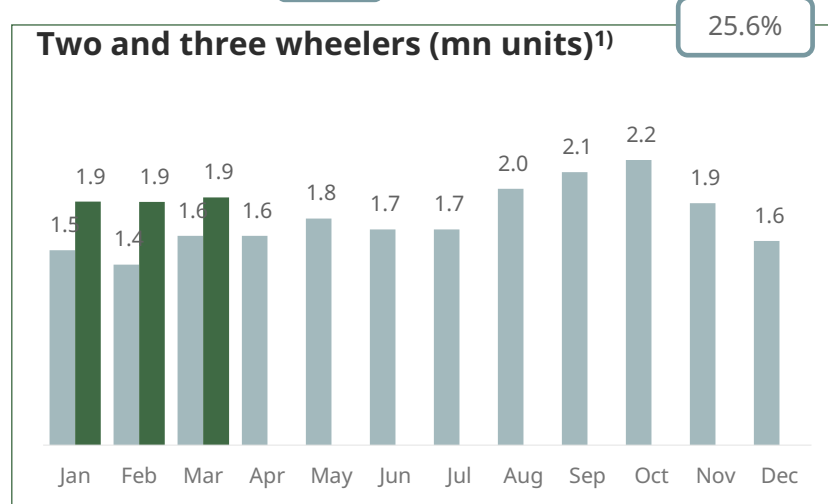
Sector weightage within eight core sectors

Sector	% weight
Cement	5.4%
Steel	17.9%
Coal	10.3%
Electricity	19.9%

Source of core sectors data: Office of Economic Advisor

Automotive Sector Performance

2023 2024 YTD CY2024 Growth



Key Aspects

- 2W sector demand from both domestic and exports markets, coupled with higher EV sales
- PV segment growth from SUVs and growth in EV penetration
- Infrastructure push driving demand for the CV sector moderated by sluggishness in FMCG, Retail sectors
- Irregular monsoons, lower kharif yields and lower farmer income due to reduced subsidies led to the continued degrowth

Source of data :
¹⁾ SIAM : Society of Indian Automobile Manufacturers
²⁾ TMA : Tractor Manufacturers Association
³⁾ TW – Two wheelers, CV – Commercial Vehicles, PV – Passenger Vehicles,

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Economy and Industry

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Business Highlights - Q1 and 3M 2024

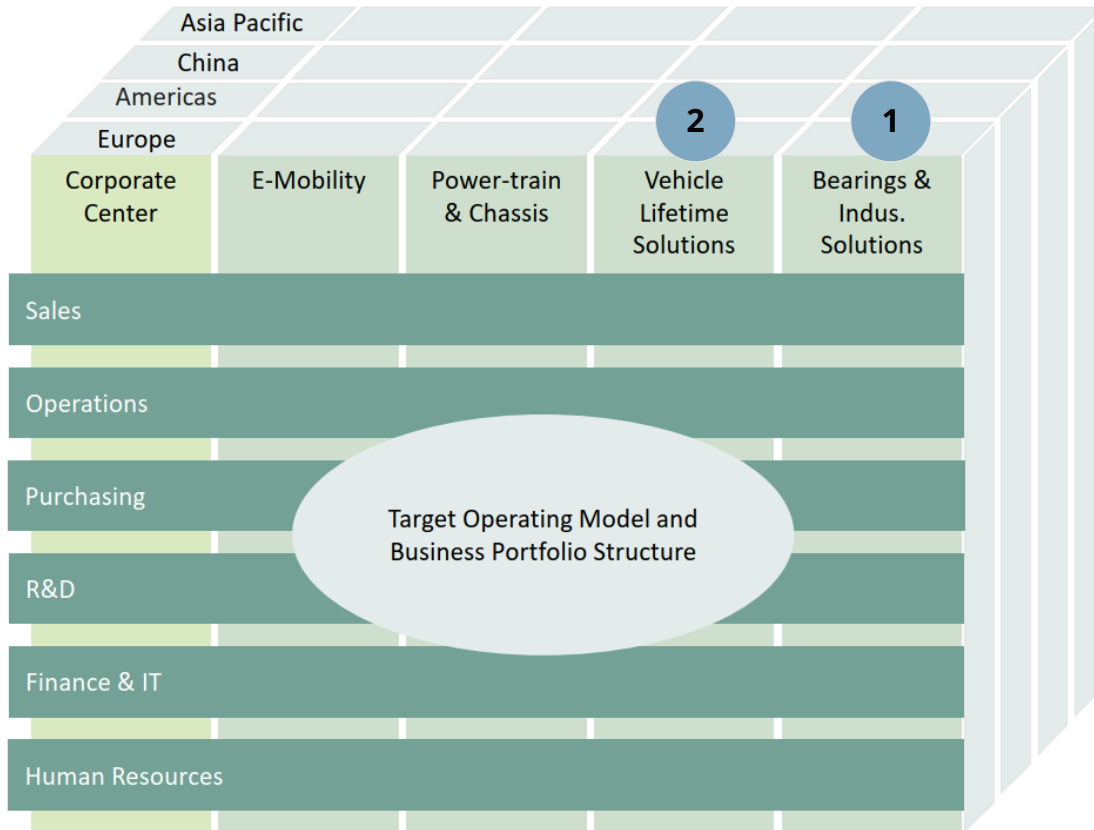
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Financial Highlights - Q1 and 3M 2024

AGENDA

Revenue from operations restructured

Target Operating Model



Changes from Q1 CY2024

- 1 Integration of BD Bearings of Automotive Technologies into Industrial and renaming of division to **“Bearings and Industrial Solutions”**
- 2 Renaming of Automotive Aftermarket to **“Vehicle Lifetime Solutions”**

Segmentation disclosures in Quarterly Results reinstated accordingly

Q1 2024 Performance

Key messages

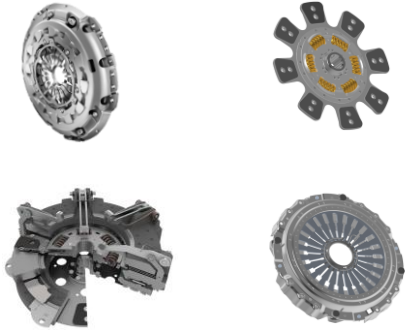
- 1** Robust YoY growth in domestic business at 12.4%, broad based across businesses
- 2** Margins remain resilient, quality of earnings sustained
- 3** Working Capital and FCF reflecting timing difference due to quarterly trends, committed to investments as per our capex framework
- 4** Remain cautiously optimistic of the challenging and volatile macro economic environment

<p>Sales</p> <p>9.2% vs Q1'23 -0.3% vs Q4'23</p> <p>18,492 mn INR</p>	<p>EBITDA</p> <p>18.3% Q1'24 17.9% Q4'23</p> <p>3,388 mn INR</p>
<p>PAT</p> <p>12.3% Q1'24 11.7% Q4'23</p> <p>2,277 mn INR</p>	<p>FCF</p> <p>31 mn INR Q1'23 1,775 mn INR Q4'23</p> <p>(256) mn INR</p>

EBITDA : Earning Before Interest, Tax and Depreciation (before exceptional item), FCF : Free Cashflow
Note : Q1 2024 performance comments on Standalone Financials

Business Developments

Automotive Technologies



Reliability and emission reduction

Continued business wins in PVs¹⁾ for clutches

Business win for double clutch systems for CV¹⁾ segment

Business wins in CVs¹⁾ for heavy duty clutches

Vehicle Lifetime Solutions



Increased market coverage

Volume wins for our recently launched products – wipers and center joint support continue

Business wins for FEAD/ Timing Kit, TRBs in the PV segment

Continued focus on portfolio expansion and penetration through range extension

Bearings and Industrial Solutions



Precision and Efficiency

Business wins for DGBBs in the TW and Off-Road segment

New business win for PSC Gearbox in the Industrial Automation sector

Business wins for cylindrical roller and tapered roller bearing units for the Railways sector

¹⁾TW - Two-wheelers, CV - Commercial Vehicles, PV - Passenger Vehicles

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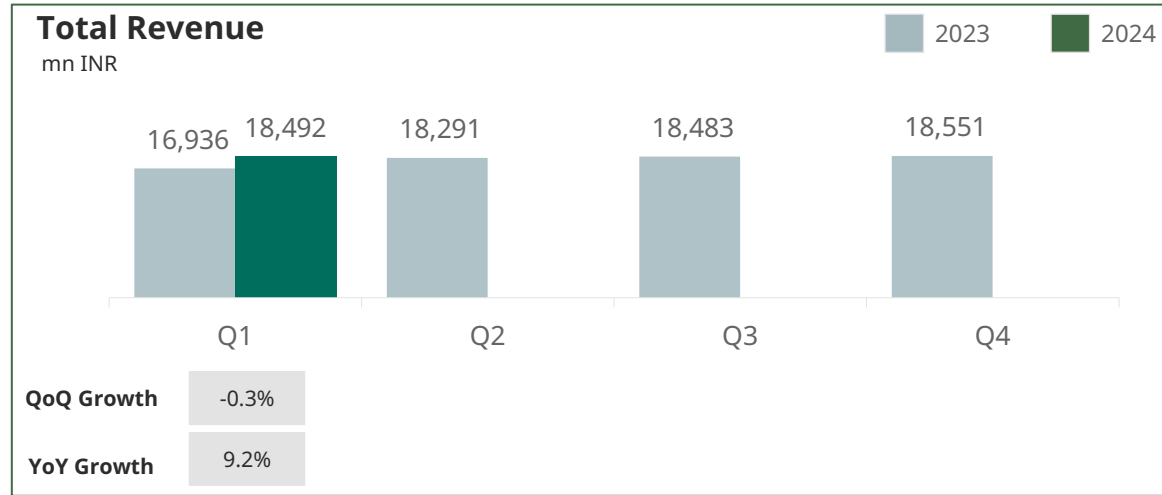
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Financial Highlights - Q1 and 3M 2024

AGENDA

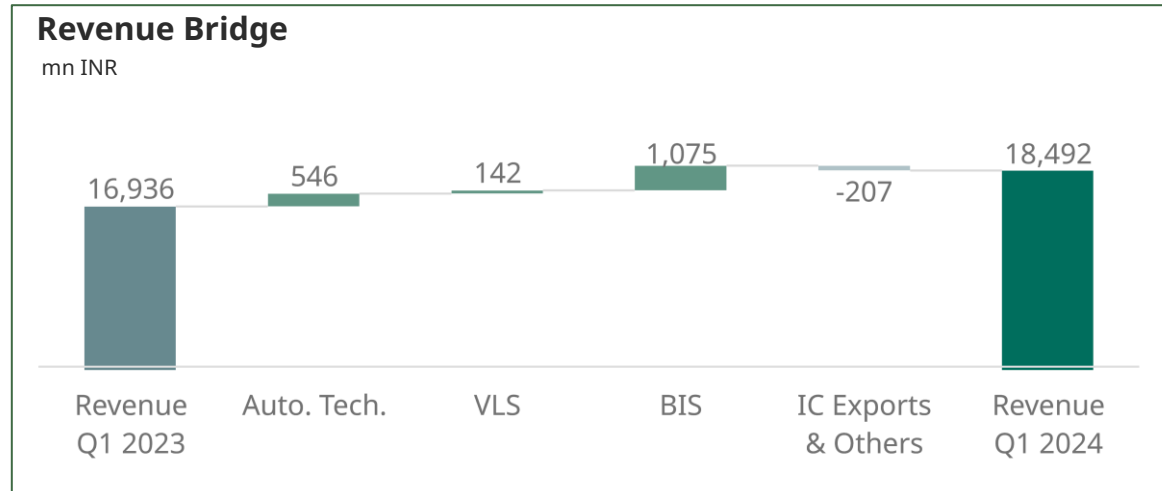
Revenue from operations



Key Aspects

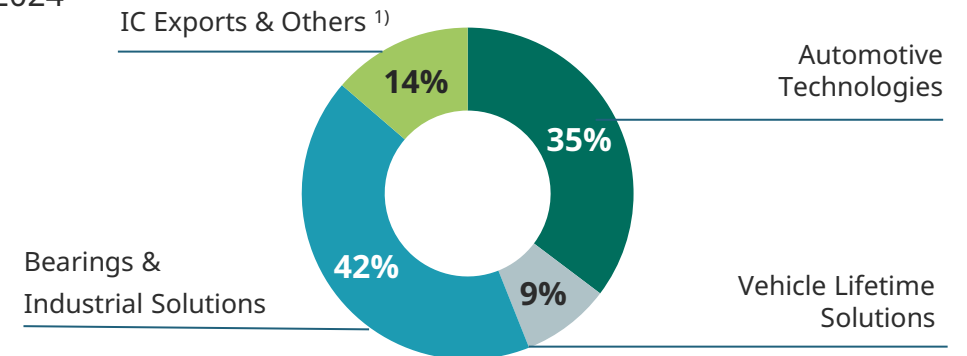
- YoY growth robust for the domestic businesses, up 12.4%
- QoQ seasonality in some sectors offset by rebound in exports

Growth	Q1'24 vs Q4'23	Q1'24 vs Q1'23
Automotive Technologies	4.8%	9.1%
Vehicle Lifetime Solutions	-13.2%	9.7%
Bearings and Industrial Solutions	-6.3%	15.9%
Intercompany Exports & others	19.6%	-7.6%



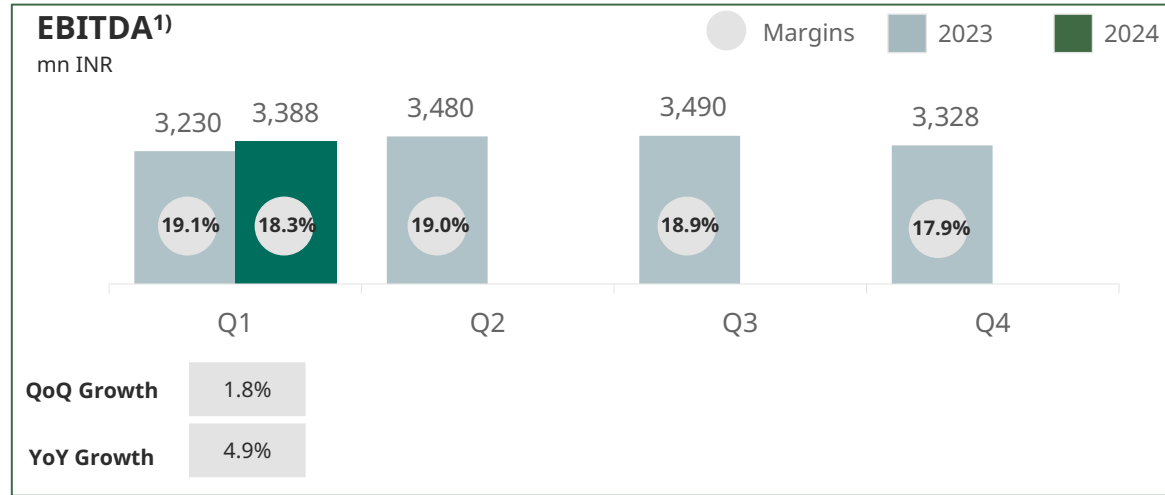
Sales Mix

Q1 2024



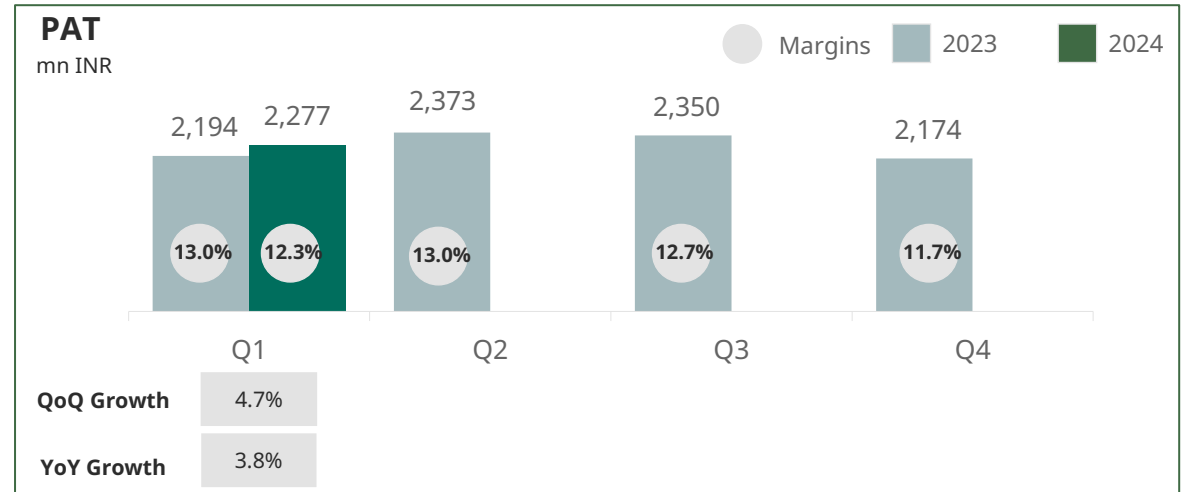
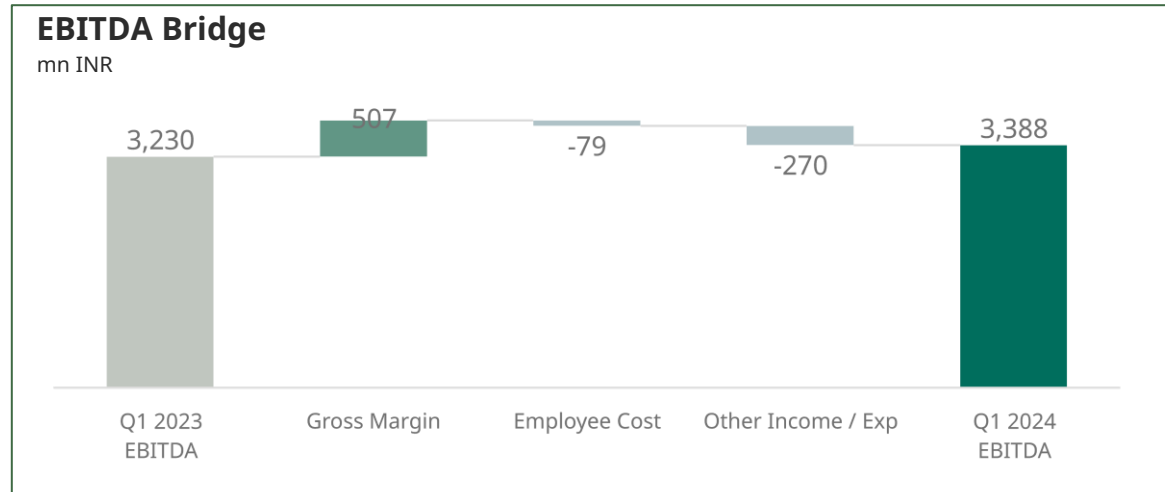
IC Exports - Intercompany Exports; 1) Exports mainly includes exports to group companies, scrap sale and other operating income
Note : Business highlights on Standalone Financials

Earnings Quality



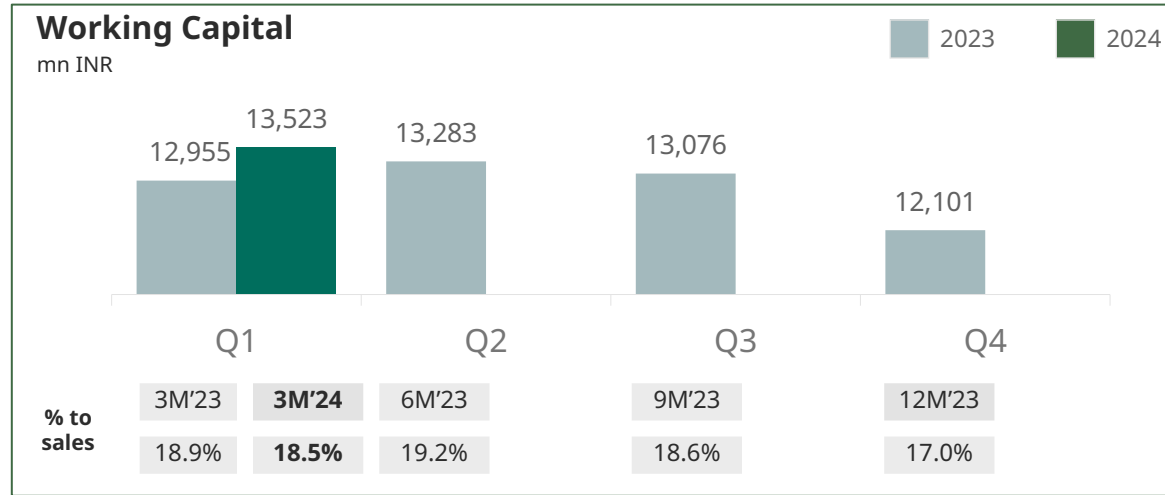
Key Aspects

- YoY earnings moderated marginally due to business mix and global headwinds
- QoQ margins remained resilient on the back of continued productivity measures



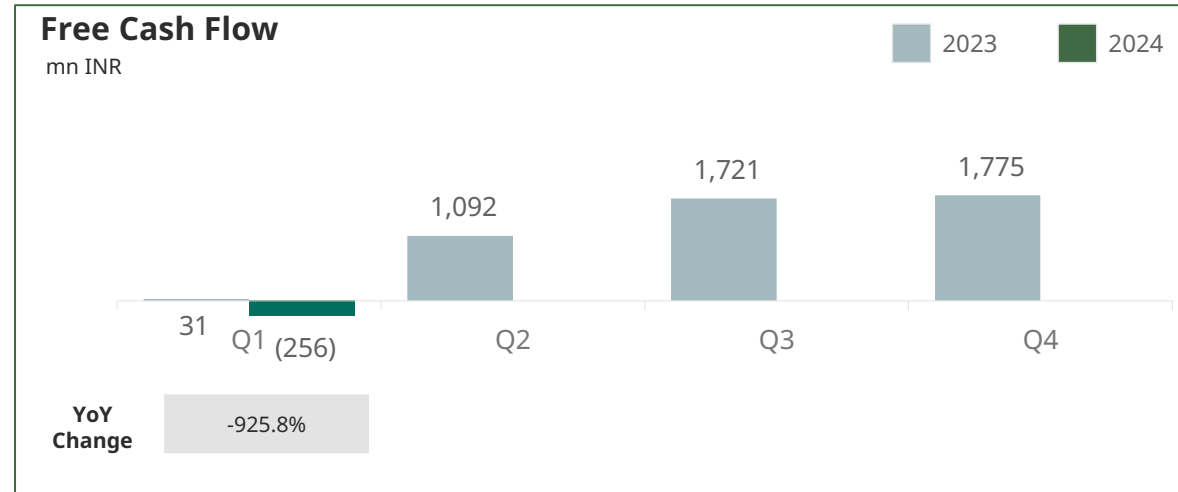
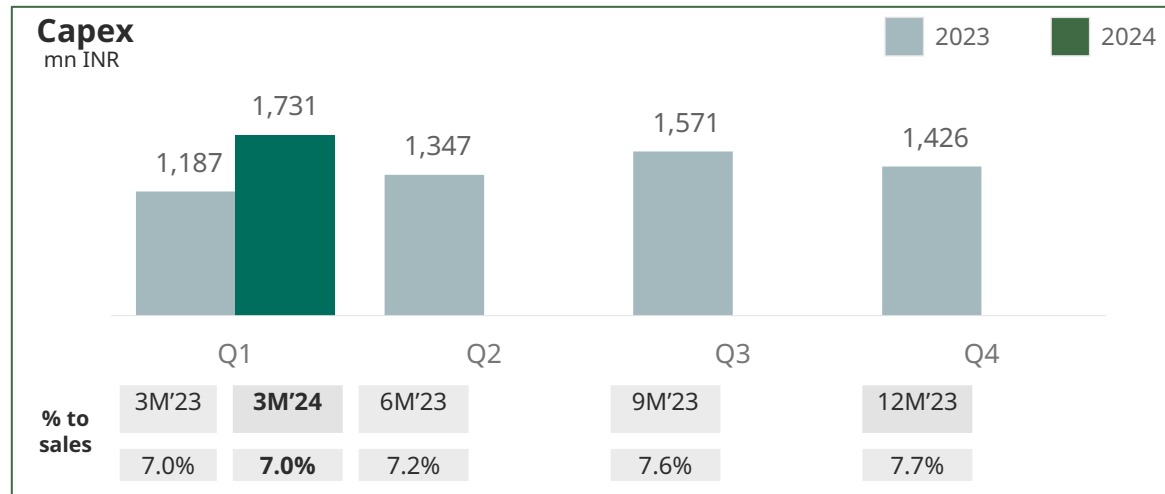
¹⁾ EBITDA (before exceptional items) - interest income (net) at 267.5 mn INR in Q1'24 (235.6 mn INR Q1'23)
 Note : Business highlights on Standalone Financials

Working Capital, Capex



Key Aspects

- Working Capital includes tactical increase in inventories to meet business demands
- Capex framework – on track
- Free cash flow generation for Q1CY24 reflecting timing difference



Note : Business highlights on Standalone Financials

Performance Indicators

	Unit	Q1 2024	Q4 2023	Q1 2023	12M 2023
Revenue	mn INR	18,492	18,551	16,936	72,261
Revenue growth (YoY)	%	9.2%	3.4%	8.0%	5.2%
Revenue growth (QoQ)	%	-0.3%	0.4%	-5.6%	-
EBITDA ¹⁾	mn INR	3,388	3,328	3,230	13,528
EBITDA Margin	%	18.3%	17.9%	19.1%	18.7%
EBIT	mn INR	2,789	2,757	2,706	11,337
EBIT Margin	%	15.1%	14.9%	16.0%	15.7%
EBT	mn INR	3,056	3,005	2,941	12,284
EBT Margin	%	16.5%	16.2%	17.4%	17.0%
PAT	mn INR	2,277	2,174	2,194	9,090
PAT Margin	%	12.3%	11.7%	13.0%	12.6%
Capex ²⁾	mn INR	1,731	1,426	1,187	5,531
FCF	mn INR	(256)	1,775	31	4,619

¹⁾ EBITDA (before exceptional items) - interest income (net) at 267.5 mn INR in Q1'24 (235.6 mn INR Q1'23); ²⁾ Capex includes CWIP

Note : Performance indicators on Standalone Financials

Q1 2024 - Consolidated Financial Results

Particulars (mn INR)	Schaeffler India Limited Standalone Q1 2024	KRSV Innovative Auto Solutions Private Limited Q1 2024	Schaeffler India Limited Consolidated ¹⁾ Q1 2024
Revenue	18,492	246	18,731
EBITDA (before exceptional)	18.3%	-18.9%	17.8%
EBIT (before exceptional)	15.1%	-21.1%	14.5%
EBT (before exceptional)	16.5%	-22.0%	15.9%

1) Consolidated results are net off consolidation impact

In Summary

-
- 1 Domestic business continued its strong growth momentum

 - 2 Rebound in exports for the quarter

 - 3 Sustained quality of earnings on the back of countermeasures initiated

 - 4 Focus on operating metrics remains, capex trajectory continues as planned

 - 5 Remain cautiously optimistic of the challenging and volatile macro-economic environment



Strong foundation to
further build the leading
Motion Technology
Company

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