

MAHLE Investor Update Call – COVID-19 Impact

MAHLE Group | February 1, 2021



MAHLE

Disclaimer

This presentation was prepared with reasonable care. However, no responsibility can be assumed for the correctness of the provided information. In addition, this document contains summary information only and does not purport to be comprehensive and is not intended to be (and should not be construed as) the sole basis of any analysis or other evaluation. No representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, targets, estimates and opinions contained herein. By accepting this presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of MAHLE and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of MAHLE's business.

This presentation may contain forward-looking statements and information on the business development of MAHLE. These statements are based on assessments and assumptions relating to the development of the economies of individual countries, and in particular of the automotive industry, which we have made on the basis of the information available to us and which we consider to be realistic at the time of publication.

The estimates given involve a degree of risk and uncertainty, and the actual developments of e.g. MAHLE's sales, results and financial situation may differ from those forecasted. We do not update forward-looking statements retrospectively. Such statements are valid on the date of publication and can be superseded.

This presentation does not constitute an offer or invitation to subscribe for, or purchase any securities and neither this presentation nor anything in it shall form the basis of, or be relied upon in connection with, any contract or commitment whatsoever. This presentation does not contain or constitute an offer of, or the solicitation of an offer to buy or subscribe for, securities to any person or in any jurisdiction to whom or in which such offer or solicitation is unlawful. The information contained in this presentation is not for publication, release or distribution in the United States, Australia, Canada or Japan and, subject to certain exceptions, the securities referred to herein may not be offered or sold in the United States, Australia, Canada or Japan or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada or Japan.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

The COVID-19 Impact

Our perspective on the COVID-19 pandemic



**Global Crisis with larger impact than severe Financial Crisis;
All aspects of Life, Society & global Economy rely affected**



Health protection & limiting the economic impact remain key



**Automotive industry strongly affected, but exhibiting a better
than expected recovery in 2nd half of 2020**

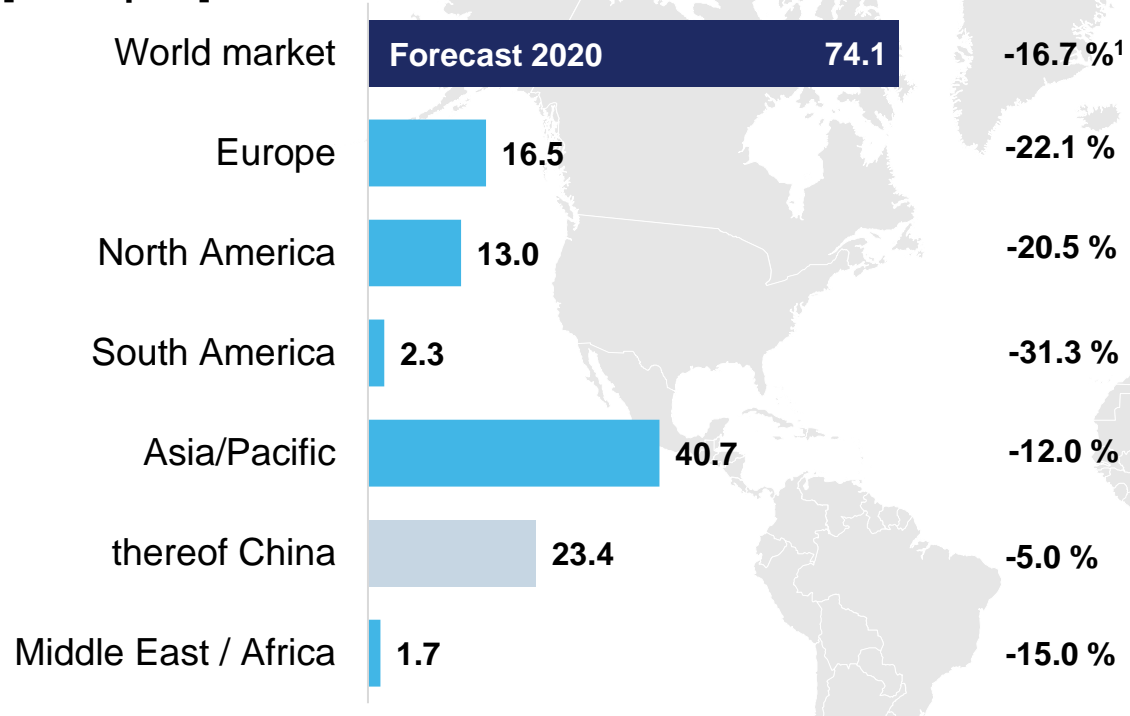


We are making important progress – our efforts to counter the crisis are paying off

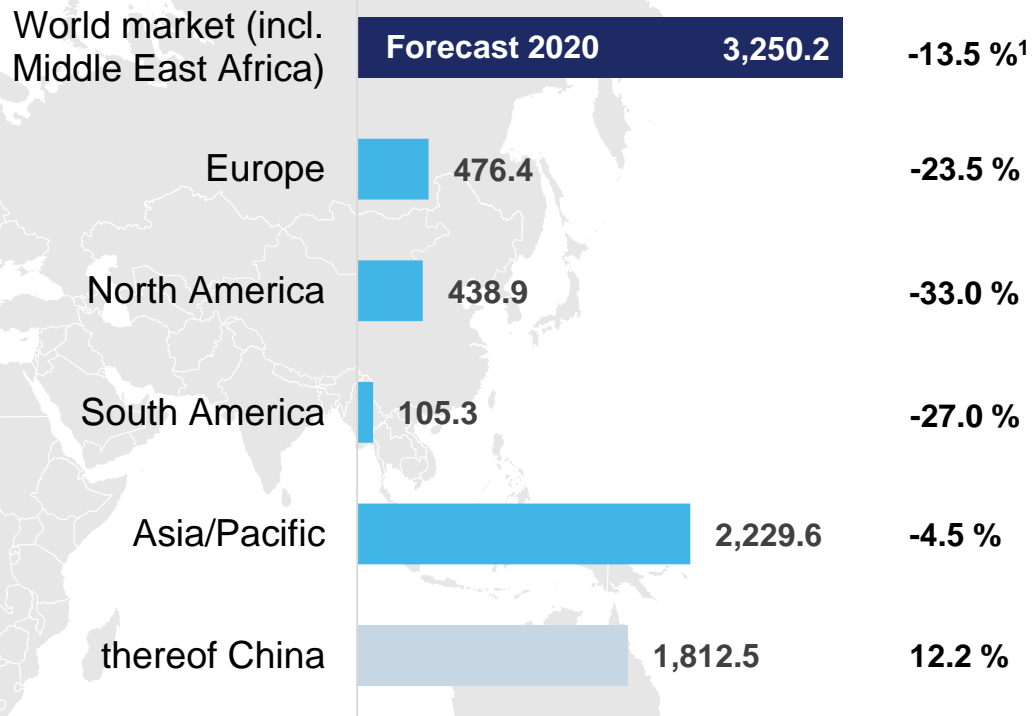
Market development 2020 – affected by COVID-19

Forecasts 2020 of Light Vehicles and Medium and Heavy Duty Vehicles Production

Production of Passenger Cars and Light Commercial Vehicles [in mn pcs.]



Production of Medium and Heavy Duty Vehicles and Buses (>6t) [in tsd pcs.]



Economic impacts of pandemic in H2 2020 lower than in H1 2020

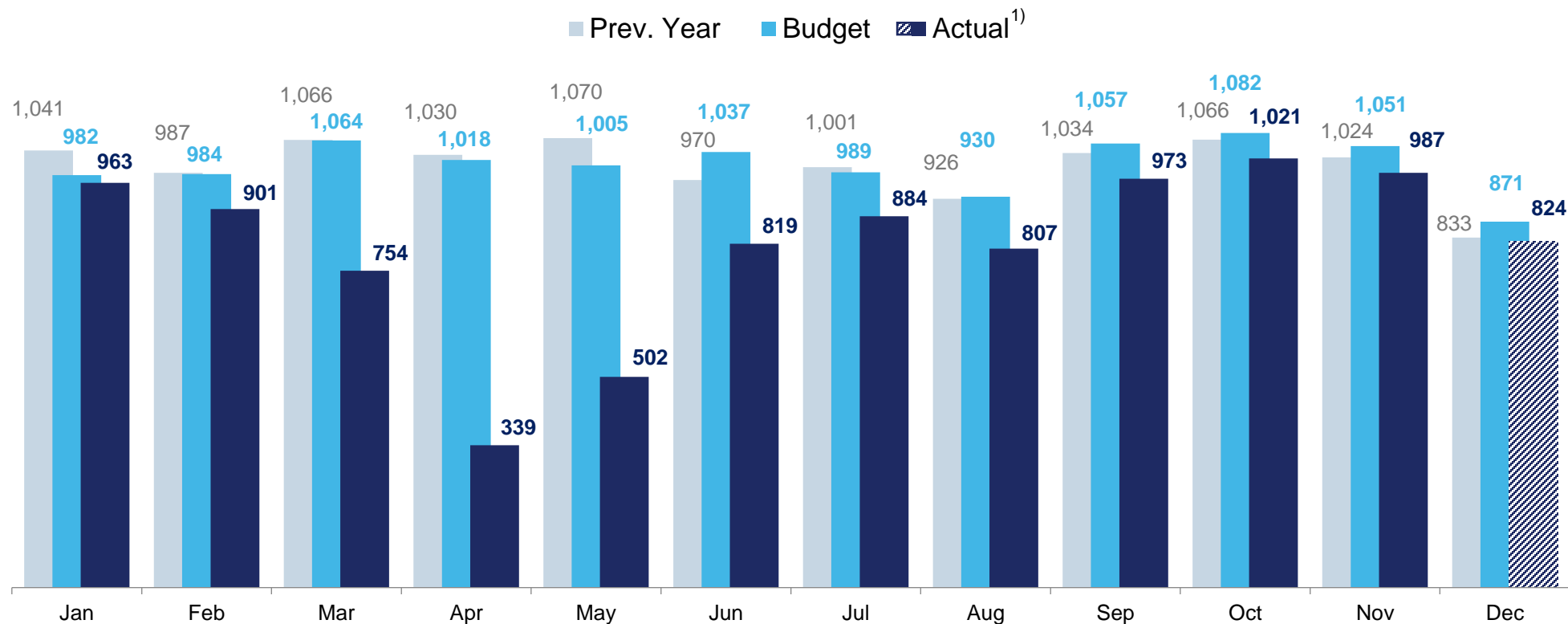
¹ Comparison Forecast 2020 with Actual 2019

Source: Data provided by IHS Markit Copyright © 2021, Light Vehicles up to 6t, LV Production Jan. 2021 and MHD Production Nov. 2020

Strong monthly Sales recovery since May 2020

MAHLE Group Sales January to December 2020 MTD

In EURm

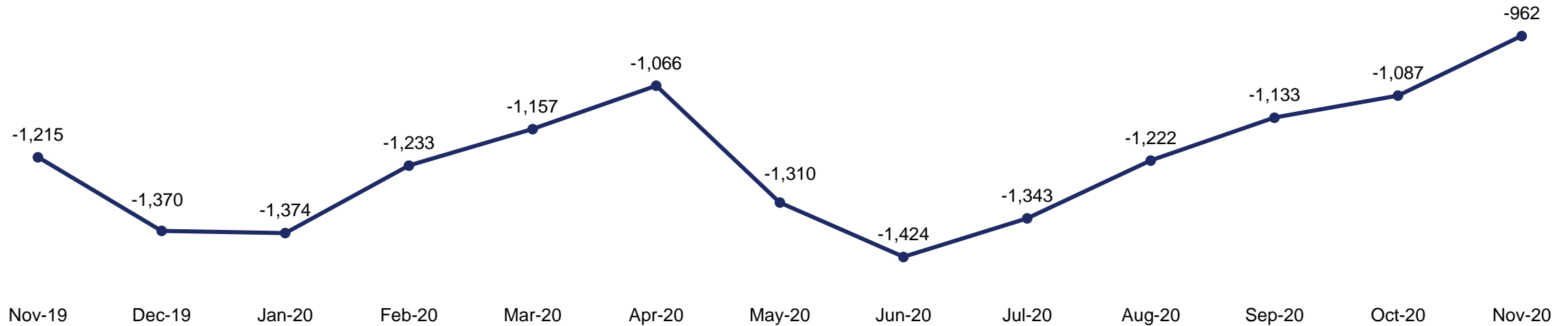


Especially in Q4 MAHLE Group Sales almost reached the budgeted level

Liquid Funds Balance is constantly recovering since Jul. 2020, reaching in Nov. 2020 the best level since over 1 year

Liquid Funds Development

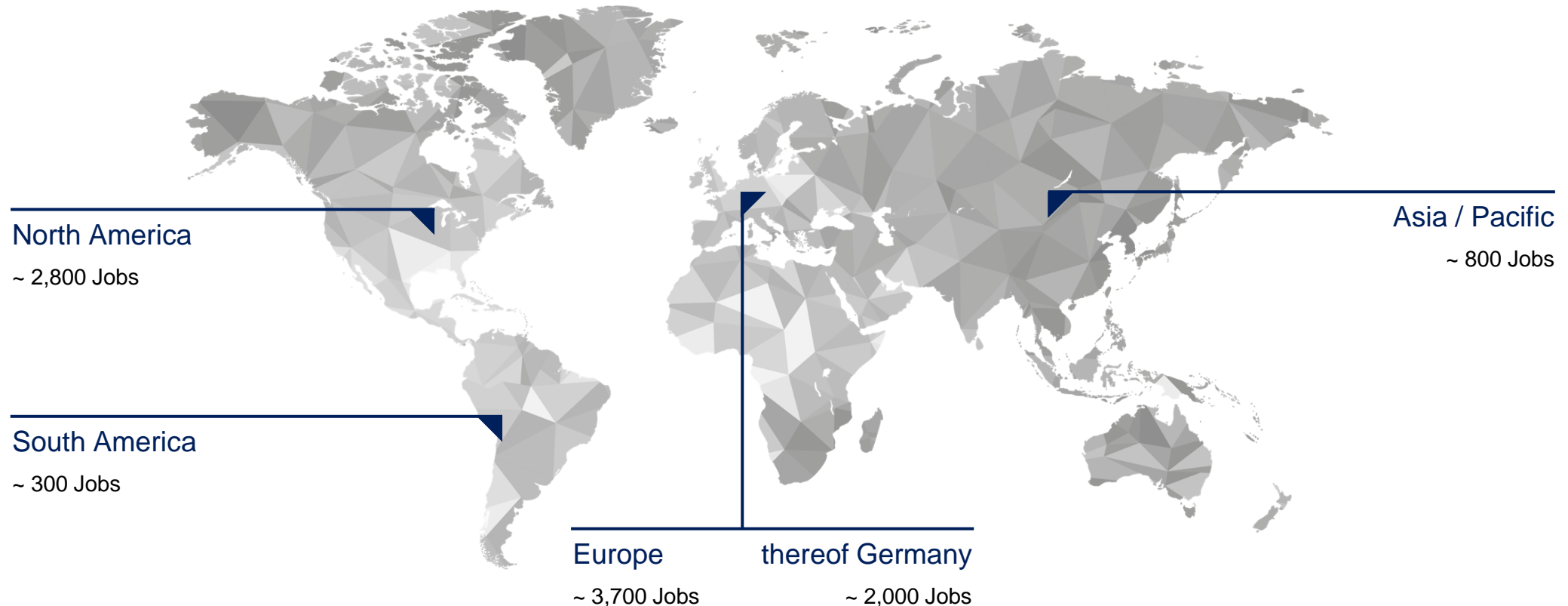
In EURm



Good management of COVID-19 pandemic and production shutdown reflected amongst others in development of Liquid Funds Balance, Inventories and Capex

Reduction of globally 7,600 Jobs within the following years

Global Capacity & Structural Adjustments

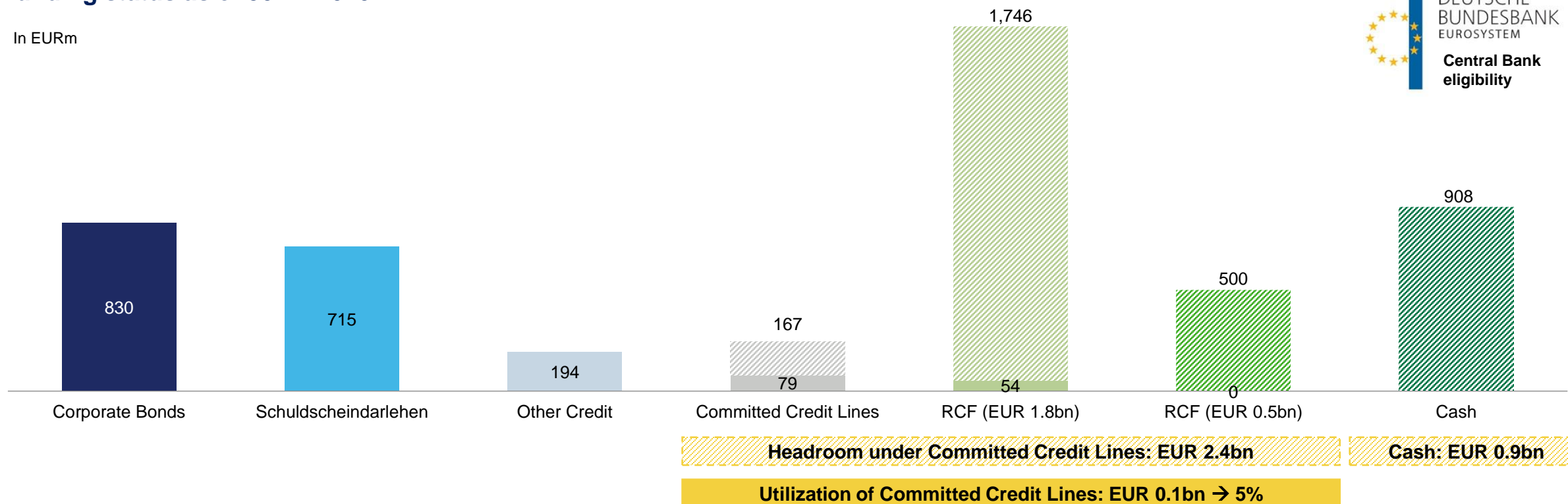


MAHLE accelerates its cost reduction and restructuring programs aiming to reposition MAHLE structurally and technologically and to secure the group's long-term competitiveness

Broad variety of debt funding sources

Funding status as of 30-11-2020

In EURm



Total debt funding sources incl. Bonds and Schuldscheindarlehen: EUR 4.3bn

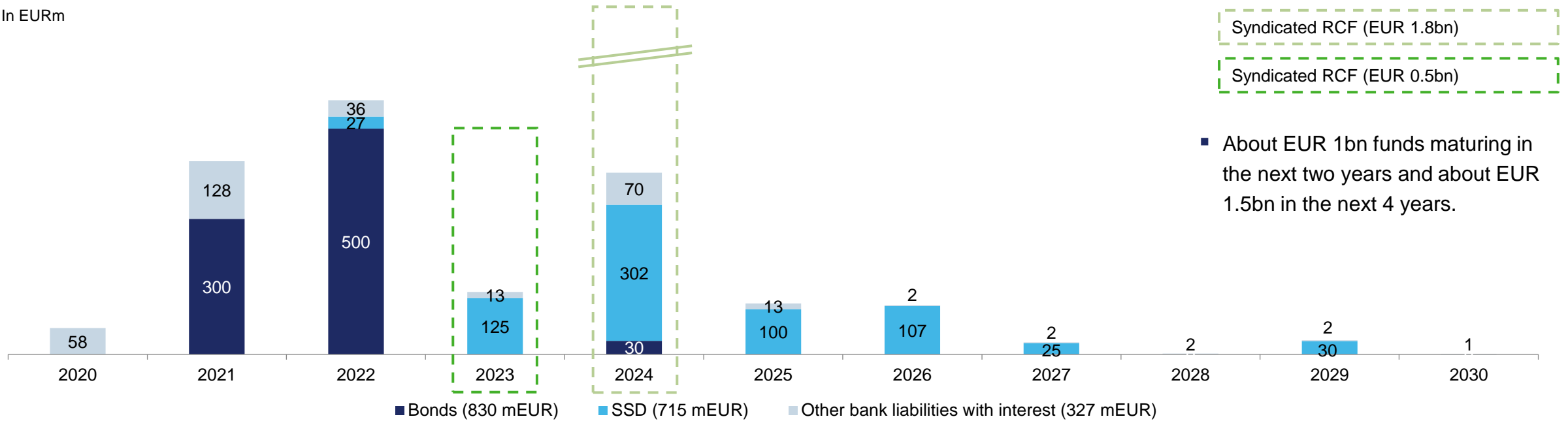


Well diversified funding portfolio with EUR 3.3bn available liquidity

Maturity profile - new syndicated loan facility as additional liquidity cushion

Maturities and funding needs as of 30-11-2020

In EURm



Syndicated RCF (EUR 1.8bn)
 Syndicated RCF (EUR 0.5bn)

- About EUR 1bn funds maturing in the next two years and about EUR 1.5bn in the next 4 years.

Maturities: EUR 1bn

Maturities: EUR 1.5bn

Upcoming maturities are well covered by sufficient liquidity

Overview of Financing Instruments & Financing Strategy

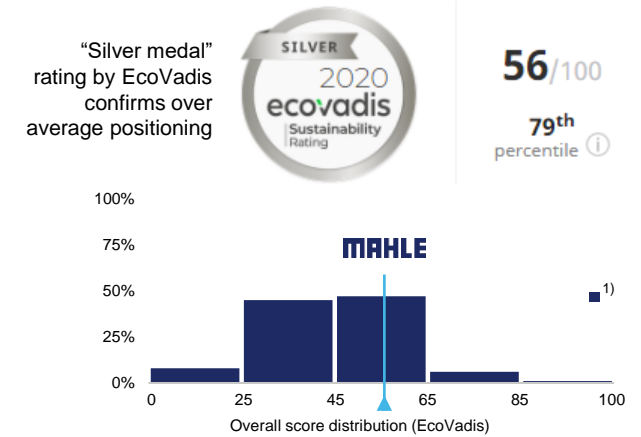
Funding mix

Capital markets	Public bonds	<ul style="list-style-type: none"> Debt issuance program will be the backbone for large size funding in a 3-10y range
	Private placements	<ul style="list-style-type: none"> Opportunistic funding in a 1-5y range
	Schuldscheine	<ul style="list-style-type: none"> Supplementary financing with different investor groups
Financial markets	RCFs	<ul style="list-style-type: none"> Liquidity buffer providing financial flexibility for at least 24 months to secure sufficient liquidity even in adverse market conditions
	Local loans	<ul style="list-style-type: none"> Appropriate instruments where inter company financing is not efficient or possible, e.g. for tax or regulatory reasons
	Money market	<ul style="list-style-type: none"> Short term liquidity management (due to size currently no need for commercial paper program)
Special financing	Asset backed financing	<ul style="list-style-type: none"> Utilization of eligible assets for funding by ABS, factoring and reverse factoring
	Subsidized funding	<ul style="list-style-type: none"> Project based funding with (mostly) supranational institutes



MAHLE plans to further diversify debt sources with capital market funding

MAHLE's ESG performance is rated by EcoVadis



Overview ESG at MAHLE

Holistic strategy and management



The environmental block

LV-ICE dependency continuously reduced over the last years and well positioned in E-Mobility sector.



The social block

Based on MAHLE's shareholder structure, a foundation with anthroposophical background, social responsibility is part of MAHLE's DNA



The governance block

Dedicated responsibilities and overarching management for ESG matters implemented. Compliance and risk management organisation and respective guidelines well established



MAHLE is amongst the best 21% regarding ESG in its industry according to EcoVadis

Conclusion – Key Credit Highlights

Leading position (#1-3) in all relevant product categories with long-term, future-oriented business model & foundation-backed ownership



**Global Top 20
Tier 1 supplier**

- Top 20 Tier 1 supplier with every second car produced worldwide containing MAHLE components
- MAHLE's sales are geographically well-balanced covering all relevant OEMs across all main automotive markets



**Undisputed
market
leadership**

- MAHLE occupies top 3 rankings in 23 out of 29 main product categories underlying the leading market position in key product areas, backed by its strong reputation, proven quality and technology leadership



**Clear strategy
in line with
financial policy**

- Dual strategy combines strengths in traditional segments while pushing ahead with innovative solutions following market trends
- MAHLE's continuous active portfolio management constantly complying with conservative financial policies



**Future-oriented
products**

- MAHLE is steadily increasing its business outside of the conventional passenger car combustion engine which is at around 60 percent today and growing further
- Current transformation process of the automotive industry will further boost MAHLE's sales through increasing content per vehicle



**Considerable
liquidity
reserves**

- MAHLE is able to draw from large liquidity and financing reserves of more than EUR 3.0bn
- No liquidity outflow expected during FY2020 despite the COVID-19 situation demonstrating the flexibility of cost base and capacity of MAHLE to quickly adapt to changing market conditions (strong resilience)



Backed by a very strong financial position combined with an innovative and state-of-the-art product offering, MAHLE is ideally positioned to continue its long-term growth path paired with a smooth transformational process

Contacts



Ralph Josepchs

Vice President Corporate Finance (CF)



Florian Ulrich

Head of Group Financing & Investor Relations (CFF)
investor.relations@mahle.com



David Meyer

Analyst Group Financing
investor.relations@mahle.com



Stefanie Siedler

Analyst Group Financing
investor.relations@mahle.com



Thank you for your attention!