

Half-year financial report as at June 30, 2018

# H1 / 2018



Sales revenues  
up by 5 % to  
€ 1,311 million

Negative currency effect of  
-5 % with a declining trend

## +2%

Earnings (EBIT) increase  
to € 193 million

## Outlook reaffirmed:

- Growth in sales revenues between 3 % and 6 %
- EBIT increase between 2 % and 4 %



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The half-year financial report fulfills the requirements of the German Securities Trading Act (WpHG) regarding half-year financial reports and comprises a half-year management report, condensed half-year financial statements and a responsibility statement as per Section 115 (2) of the German Securities Trading Act (WpHG). The half-year financial report should be read together with the annual report for the financial year 2017 and the additional information contained therein.

## FUCHS at a glance

in € million	H1 2018	H1 2017	Change in %
<b>Sales revenues<sup>1</sup></b>	<b>1,311</b>	<b>1,247</b>	<b>5</b>
Europe	791	751	5
Asia-Pacific, Africa	409	363	13
North and South America	199	205	-3
Consolidation	-88	-72	-
<b>Earnings before interest and tax (EBIT)</b>	<b>193</b>	<b>190</b>	<b>2</b>
<b>Earnings after tax</b>	<b>140</b>	<b>134</b>	<b>4</b>
<b>Capital expenditure</b>	<b>41</b>	<b>41</b>	<b>-</b>
<b>Free cash flow before acquisitions</b>	<b>85</b>	<b>53</b>	<b>60</b>
<b>Earnings per share in €</b>			
Ordinary share	1.00	0.95	5
Preference share	1.01	0.96	5
<b>Employees as at June 30</b>	<b>5,287</b>	<b>5,137</b>	<b>3</b>

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

“In the first half of 2018, we have continued our growth story with significant increases in sales volumes and organic sales revenues across all regions and increased our operating earnings. The significantly negative currency effects in the first quarter slowed down in the second quarter and are expected to continue to decline in the subsequent quarters. Although the economic environment is increasingly impacted by uncertainties in international trade, we expect the growth in sales revenues and the increase in EBIT to continue. We are reaffirming our identical forecast for the full year.

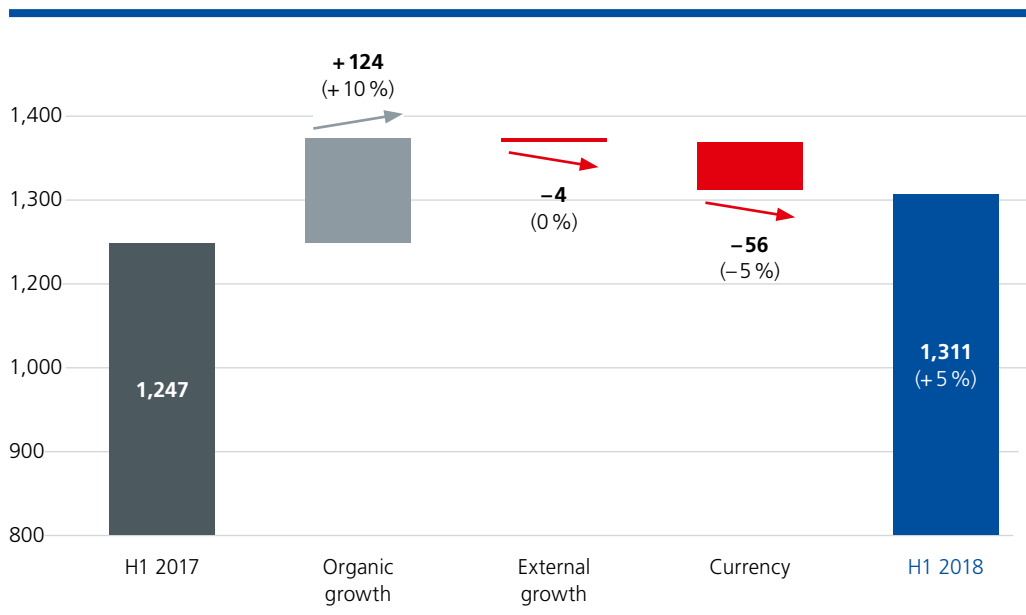
At the same time, we are driving forward the development of the Group and continuing our initiatives in the fields of digitization, IT as well as modernization and expansion of production.”

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

# 1. Half-year management report

## 1.1 DEVELOPMENT OF SALES REVENUES IN THE GROUP

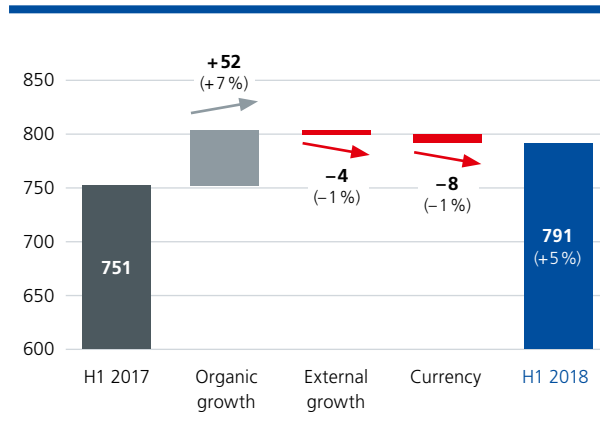
Development of sales revenues in the Group  
(in € million)



- Continuing significant organic growth
- All regions contributing, especially Asia-Pacific, Africa
- Negative currency effect slowing over the course of the year

## 1.2 DEVELOPMENT OF SALES REVENUES BY REGION/SEGMENT

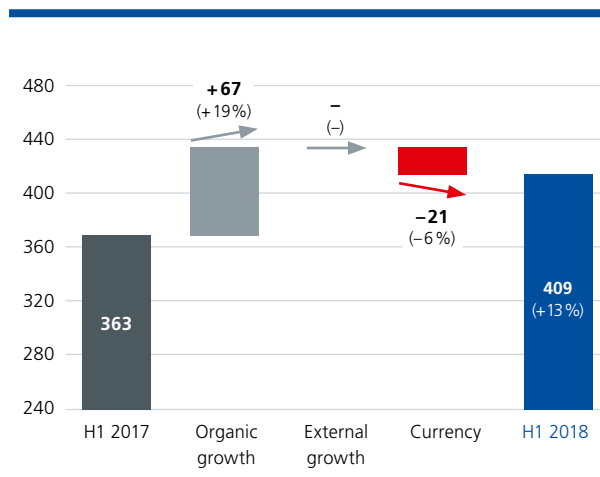
### Europe (in € million)



**Europe** achieves a 5 % increase in sales revenues to € 791 million (751)

- Organic growth in sales revenues in almost all countries
- Low negative currency effects, mainly in Russian ruble

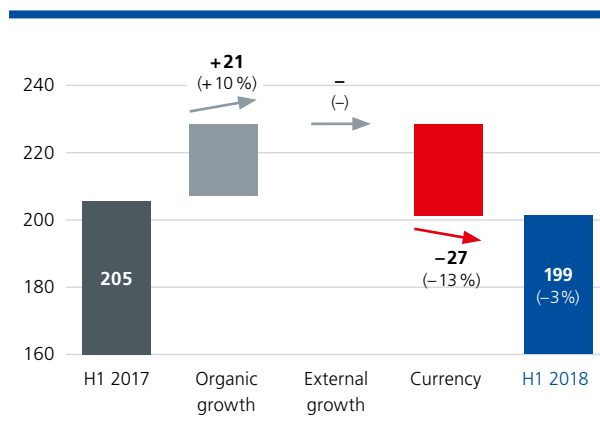
### Asia-Pacific, Africa (in € million)



**Asia-Pacific, Africa** grows by 13 % to € 409 million (363)

- High organic growth in sales revenues in China, additionally in Australia, South Africa and India
- Continuing negative currency effects in all countries in the region, but lower than in the first quarter

### North and South America (in € million)



**North and South America** down 3 % year-on-year at € 199 million (205)

- Organic growth in North America accelerated
- Currency development is undermining these successes, negative effects have, however, decreased over the course of 2018 so far

## 1.3 GROUP RESULTS OF OPERATIONS

### Income statement

(in € million)

	H1 2018	H1 2017
Sales revenues	1,311	1,247
Cost of sales	-847	-795
<b>Gross profit</b>	<b>464</b>	<b>452</b>
Selling and distribution expenses	-185	-183
Administrative expenses	-64	-62
Research and development expenses	-27	-24
Other operating income and expenses	0	-2
<b>EBIT before income from companies consolidated at equity</b>	<b>188</b>	<b>181</b>
Income from companies consolidated at equity	5	9
<b>Earnings before interest and tax (EBIT)</b>	<b>193</b>	<b>190</b>
Financial result	-1	-1
<b>Earnings before tax (EBT)</b>	<b>192</b>	<b>189</b>
Income taxes	-52	-55
<b>Earnings after tax</b>	<b>140</b>	<b>134</b>
<b>Thereof</b>		
Non-controlling interests	0	0
Profit attributable to shareholders of FUCHS PETROLUB SE	140	134
<b>Earnings per share in €<sup>1</sup></b>		
Ordinary share	1.00	0.95
Preference share	1.01	0.96

<sup>1</sup> Basic and diluted in both cases.

- Income statement significantly impacted by negative currency effects; currency effect decreases as expected
- Gross profit of local companies increased sharply in terms of volume and price; after translation into the Group currency a growth of 3 % or € 12 million to € 464 million (452) remains
- At 35.4 %, the gross margin is higher than in the first quarter (35.0 %), but below the first half of 2017 (36.2 %) due to mix effects
- Other function costs of € 276 million (271) are € 5 million or 2 % higher than in the same period of the previous year and also impacted by currency effects
- EBIT before income from companies consolidated at equity at 4 % or € 7 million above the previous year
- At equity income decreased by 44 % to € 5 million (9) mainly due to the difficult economic situation in Saudi Arabia
- EBIT up by 2 % or € 3 million to € 193 million (190)
- Earnings after tax increased by € 6 million or 4 % to € 140 million (134); tax rate decreased (28 % instead of 31 %) due to lower withholding taxes on dividends and reduced corporate tax, particularly in the US
- Earnings per ordinary share increase to € 1.00 (0.95), earnings per preference share increase to € 1.01 (0.96)

## 1.4 RESULTS OF OPERATIONS OF THE REGIONS/SEGMENTS

### Segments<sup>1</sup> (in € million)

	Europe	Asia-Pacific, Africa	North and South America	Holding including consolidation	FUCHS Group
<b>H1 2018</b>					
Sales revenues by company location	791	409	199	-88	1,311
EBIT before income from companies consolidated at equity	97	63	32	-4	188
<i>in % of sales</i>	12.3%	15.4%	16.1%	-	14.3%
Income from companies consolidated at equity	1	5	-	-1	5
Segment earnings (EBIT)	98	68	32	-5	193
Investments in non-current assets	19	15	7	0	41
Number of employees as at June 30 <sup>2</sup>	3,392	1,125	660	110	5,287
<b>H1 2017</b>					
Sales revenues by company location	751	363	205	-72	1,247
EBIT before income from companies consolidated at equity	93	58	32	-2	181
<i>in % of sales</i>	12.4%	16.0%	15.6%	-	14.5%
Income from companies consolidated at equity	1	8	-	-	9
Segment earnings (EBIT)	94	66	32	-2	190
Investments in non-current assets	22	14	5	0	41
Number of employees as at June 30 <sup>2</sup>	3,319	1,069	638	111	5,137

<sup>1</sup> Part of the notes.

<sup>2</sup> Including trainees. Prior-year figures adjusted accordingly.

**Europe** increases EBIT by € 4 million or 4 % to € 98 million (94)

- Increase primarily in Germany and Northern Europe
- Hardly any currency effects

**Asia-Pacific, Africa** EBIT increases by € 2 million or 3 % to € 68 million (66)

- Increases primarily in China
- At equity income suffers from economic weakness in Saudi Arabia and from a weak Turkish lira
- Negative currency effects

**North and South America** records EBIT of € 32 million at the previous year's level

- Significant growth in operating earnings completely eroded by exchange rate development

## 1.5 NET ASSETS AND FINANCIAL POSITION

### Balance sheet structure

(in € million)

	June 30, 2018		Dec. 31, 2017	
Non-current assets	842	46 %	821	47 %
Current assets	970	54 %	930	53 %
<b>Total assets</b>	<b>1,812</b>	<b>100 %</b>	<b>1,751</b>	<b>100 %</b>
Shareholder's equity	1,320	73 %	1,307	75 %
Non-current liabilities	69	4 %	67	4 %
Current liabilities	423	23 %	377	21 %
<b>Total equity and liabilities</b>	<b>1,812</b>	<b>100 %</b>	<b>1,751</b>	<b>100 %</b>

- Stable net assets and financial position
- Increase in current assets due to business related increase in inventories and trade receivables
- High equity ratio of 73 % (75 % as of December 31, 2017) despite dividend payment of € 126 million in May this year
- Current liabilities increased in particular due to higher trade payables

### Cash flow

(in € million)

	H1 2018	H1 2017
Earnings after tax	140	134
Depreciation and amortization	28	26
Change of NOWC	-32	-67
Other changes	-10	1
Investments in non-current assets	-41	-41
<b>Free cash flow before acquisitions</b>	<b>85</b>	<b>53</b>
Acquisitions	-1	-1
<b>Free cash flow</b>	<b>84</b>	<b>52</b>

- Free cash flow significantly up on previous year
- Higher earnings and higher depreciation and amortization as well as a slower increase in working capital have had a positive impact
- At 78 days, average capital tie-up period remains at the previous year's level



## 1.6 OPPORTUNITIES AND RISKS

On pages 49 to 56 of the 2017 annual report, FUCHS PETROLUB provided a detailed report on the opportunities and risks resulting from its international business operations. There have been no significant changes to these statements since that time. On the basis of the information currently available, we take the view that no significant individual risks exist for the FUCHS Group, neither now nor in the foreseeable future. Nor does the sum of all risks or do the combinations of risks threaten the continued existence of the Group.

## 1.7 OUTLOOK

In the second quarter, the IMF raised its growth forecasts for some large industrialized and emerging countries for 2018 and is expecting the global economy to grow by 3.9 % overall. However, this positive picture is increasingly obscured by the risks in world trade.

In the first six months, the FUCHS Group has performed successfully in this positive environment and expects this success to continue. In line with expectations, negative currency effects have decreased in the second quarter and are expected to continue to decline in the subsequent quarters.

We are reaffirming our outlook for the full year 2018:

- Growth in sales revenues of 3 % to 6 % for the full year
- EBIT increase between 2 % and 4 %
- Free cash flow before acquisitions and FVA at the previous year's level

## 2. Half-year financial statements

### 2.1 CONSOLIDATED FINANCIAL STATEMENTS

#### Income statement

(in € million)

	H1 2018	H1 2017
Sales revenues	1,311	1,247
Cost of sales	-847	-795
<b>Gross profit</b>	<b>464</b>	<b>452</b>
Selling and distribution expenses	-185	-183
Administrative expenses	-64	-62
Research and development expenses	-27	-24
Other operating income and expenses	0	-2
<b>EBIT before income from companies consolidated at equity</b>	<b>188</b>	<b>181</b>
Income from companies consolidated at equity	5	9
<b>Earnings before interest and tax (EBIT)</b>	<b>193</b>	<b>190</b>
Financial result	-1	-1
<b>Earnings before tax (EBT)</b>	<b>192</b>	<b>189</b>
Income taxes	-52	-55
<b>Earnings after tax</b>	<b>140</b>	<b>134</b>
<b>Thereof</b>		
Non-controlling interests	0	0
Profit attributable to shareholders of FUCHS PETROLUB SE	140	134
<b>Earnings per share in €<sup>1</sup></b>		
Ordinary share	1.00	0.95
Preference share	1.01	0.96

<sup>1</sup> Basic and diluted in both cases.

**Statement of comprehensive income**  
(in € million)

	H1 2018	H1 2017
<b>Earnings after tax</b>	<b>140</b>	<b>134</b>
<b>Other comprehensive income</b>		
<b>Amounts of other comprehensive income that may be reclassified to profit or loss in future periods</b>		
Change in foreign currency translation adjustments		
Foreign subsidiaries	-6	-28
Shares in companies consolidated at equity	0	0
<b>Amounts of other comprehensive income that will not be reclassified to profit or loss in future periods</b>		
Remeasurements of defined benefit pension commitments	0	0
Fair value changes of equity instruments	0	0
Deferred taxes on these amounts	0	0
<b>Total other comprehensive income</b>	<b>-6</b>	<b>-28</b>
<b>Total income and expenses for the period</b>	<b>134</b>	<b>106</b>
<b>Thereof</b>		
Non-controlling interests	0	0
Shareholders of FUCHS PETROLUB SE	134	106

**Balance sheet**  
(in € million)

	June 30, 2018	Dec. 31, 2017
<b>Assets</b>		
Intangible assets	283	287
Property, plant and equipment	486	471
Shares in companies consolidated at equity	41	37
Other financial assets	8	2
Deferred tax assets	23	23
Other receivables and other assets	1	1
<b>Non-current assets</b>	<b>842</b>	<b>821</b>
Inventories	382	366
Trade receivables	425	374
Tax receivables	6	7
Other receivables and other assets	26	22
Cash and cash equivalents	131	161
<b>Current assets</b>	<b>970</b>	<b>930</b>
<b>Total assets</b>	<b>1,812</b>	<b>1,751</b>
<b>Equity and liabilities</b>		
Subscribed capital	139	139
Group reserves	1,040	898
Group profits	140	269
<b>Equity of shareholders of FUCHS PETROLUB SE</b>	<b>1,319</b>	<b>1,306</b>
Non-controlling interests	1	1
<b>Total equity</b>	<b>1,320</b>	<b>1,307</b>
Pension provisions	27	26
Other provisions	3	4
Deferred tax liabilities	36	34
Financial liabilities	0	0
Other liabilities	3	3
<b>Non-current liabilities</b>	<b>69</b>	<b>67</b>
Trade payables	235	194
Other provisions	39	39
Tax liabilities	26	28
Financial liabilities	13	1
Other liabilities	110	115
<b>Current liabilities</b>	<b>423</b>	<b>377</b>
<b>Total equity and liabilities</b>	<b>1,812</b>	<b>1,751</b>

## Statement of cash flows

(in € million)

	H1 2018	H1 2017
<b>Earnings after tax</b>	<b>140</b>	<b>134</b>
Depreciation and amortization of non-current assets	28	26
Change in non-current provisions and in other non-current assets (covering funds)	1	0
Change in deferred taxes	1	1
Non-cash income from shares in companies consolidated at equity	-5	-9
Dividends received from companies consolidated at equity	1	7
<b>Gross cash flow</b>	<b>166</b>	<b>159</b>
<b>Gross cash flow</b>	<b>166</b>	<b>159</b>
Change in inventories	-19	-33
Change in trade receivables	-55	-51
Change in trade payables	42	17
Change in other assets and liabilities (excluding financial liabilities)	-8	2
Net gain/loss on disposal of non-current assets	0	0
<b>Cash flow from operating activities</b>	<b>126</b>	<b>94</b>
Investments in non-current assets	-41	-41
Cash paid for shares in companies consolidated at equity	0	0
Proceeds from the disposal of non-current assets	0	0
Cash paid for acquisitions	-1	-1
Cash acquired through acquisitions	0	0
<b>Cash flow from investing activities</b>	<b>-42</b>	<b>-42</b>
Free cash flow before acquisitions <sup>1</sup>	85	53
<b>Free cash flow</b>	<b>84</b>	<b>52</b>
Dividends paid for previous year	-126	-123
Changes in financial liabilities	12	6
<b>Cash flow from financing activities</b>	<b>-114</b>	<b>-117</b>
<b>Cash and cash equivalents as at Dec. 31 of the previous year</b>	<b>161</b>	<b>159</b>
Cash flow from operating activities	126	94
Cash flow from investing activities	-42	-42
Cash flow from financing activities	-114	-117
Effect of currency translations	0	-3
<b>Cash and cash equivalents at the end of the period</b>	<b>131</b>	<b>91</b>

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

## Statement of changes in equity

(in € million)

	Outstanding shares (units)	Subscribed capital FUCHS PETROLUB SE	Capital reserves FUCHS PETROLUB SE	Equity capital generated in the Group	Differences arising from currency translation <sup>1</sup>	Equity of shareholders of FUCHS PETROLUB SE	Non-controlling interests	Total equity
<b>As at December 31, 2016/ January 1, 2017</b>	139,000,000	139	97	939	29	<b>1,204</b>	1	<b>1,205</b>
Dividend payments				-123		<b>-123</b>	0	<b>-123</b>
Earnings after tax H1 2017				134		<b>134</b>	0	<b>134</b>
Change in other comprehensive income				0 <sup>2</sup>	-28	<b>-28</b>		<b>-28</b>
<b>As at June 30, 2017</b>	139,000,000	139	97	950	1	<b>1,187</b>	1	<b>1,188</b>
<b>As at December 31, 2017</b>	139,000,000	139	97	1,090	-20	<b>1,306</b>	1	<b>1,307</b>
Adjustments IFRS 9 "Financial Instruments"				5		<b>5</b>	0	<b>5</b>
<b>As at January 1, 2018</b>	139,000,000	139	97	1,095	-20	<b>1,311</b>	1	<b>1,312</b>
Dividend payments				-126		<b>-126</b>	0	<b>-126</b>
Earnings after tax H1 2018				140		<b>140</b>	0	<b>140</b>
Change in other comprehensive income				0 <sup>2</sup>	-6	<b>-6</b>		<b>-6</b>
<b>As at June 30, 2018</b>	139,000,000	139	97	1,109	-26	<b>1,319</b>	1	<b>1,320</b>

<sup>1</sup> Income and expenses recognized in equity of shareholders of FUCHS PETROLUB SE.

<sup>2</sup> Amounts of other comprehensive income that will not be reclassified to profit or loss in future periods consist of remeasurements of defined benefit pension commitments and from year 2018 onwards of fair value changes of equity instruments. These amounts are included in the equity capital generated in the Group.

**Segments <sup>1</sup>**  
(in € million)

	Europe	Asia-Pacific, Africa	North and South America	Holding including consolidation	FUCHS Group
<b>H1 2018</b>					
Sales revenues by company location	791	409	199	-88	1,311
EBIT before income from companies consolidated at equity	97	63	32	-4	188
<i>in % of sales</i>	12.3%	15.4%	16.1%	-	14.3%
Income from companies consolidated at equity	1	5	-	-1	5
Segment earnings (EBIT)	98	68	32	-5	193
Investments in non-current assets	19	15	7	0	41
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<b>H1 2017</b>					
Sales revenues by company location	751	363	205	-72	1,247
EBIT before income from companies consolidated at equity	93	58	32	-2	181
<i>in % of sales</i>	12.4%	16.0%	15.6%	-	14.5%
Income from companies consolidated at equity	1	8	-	-	9
Segment earnings (EBIT)	94	66	32	-2	190
Investments in non-current assets	22	14	5	0	41
Number of employees as at June 30 <sup>2</sup>	3,319	1,069	638	111	5,137

<sup>1</sup> Part of the notes.

<sup>2</sup> Including trainees. Prior-year figures adjusted accordingly.

## 2.2 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The half-year financial statements of FUCHS PETROLUB SE, Mannheim, have been prepared in accordance with the principles of the International Financial Reporting Standards (IFRS), taking into account the standards and interpretations laid down in the guidelines of the International Accounting Standards Board (IASB), London, that are to be applied within the EU and were valid at the end of the reporting period. The half-year financial statements have been prepared in accordance with the rules of International Accounting Standard 34 (IAS 34) in abridged form. The accounting policies and calculation methods applied remained unchanged from the consolidated financial statements for 2017, except for the application of new accounting standards outlined; we therefore refer to the notes to the consolidated financial statements made there.

The half-year financial statements and the half-year management report were not subject to examination by the auditor.

### **SIGNIFICANT DISCRETIONARY DECISIONS, ESTIMATES AND ASSUMPTIONS**

The general statements made in the notes to the consolidated financial statements as at December 31, 2017, continue to apply.

### **APPLICATION OF NEW ACCOUNTING STANDARDS**

The accounting standards relevant for the FUCHS Group and to be applied for the first time are outlined in the following section.

### **IFRS 9 – FINANCIAL INSTRUMENTS**

IFRS 9 “Financial instruments” contains revised regulations for the classification and measurement of financial instruments, including a new expected credit loss model for the calculation of the impairment on financial assets and the new general hedge accounting requirements.

The Group has utilized the option not to adjust comparable information for previous periods.

In respect to the classification and measurement of financial assets, an investment that was previously measured at cost is measured at fair value using a discounted cash flow method in the future. At the transition date as of January 1, 2018, there was a € 6 million increase in the investment, which was offset against retained earnings. For this investment, which is not held for trading as an unlisted equity instrument, the FUCHS Group utilizes the option of recognizing changes at fair value through other comprehensive income in the statement of comprehensive income.

With regard to the first-time application of the new model to determine write-downs of trade receivables, the simplified approach is based on the expected credit losses over the respective terms. This is based on discount rates calculated as a percentage, which reflect the customer sectors and the economic environment of the respective geographic region. Furthermore, if there is objective evidence for an impairment of a receivable, an individual valuation adjustment is undertaken. The first-time application of IFRS 9 resulted in an increase of € 1 million in write-downs of receivables as of January 1, 2018, which was offset against retained earnings after taking deferred taxes of rounded € 0 million into account.



The new accounting standards for hedge transactions requiring prospective application have no impact on the FUCHS Group.

#### IFRS 15 – REVENUE FROM CONTRACTS WITH CUSTOMERS

IFRS 15 stipulates a comprehensive framework for determining whether, at which amount, and at what time sales revenues are recognized. It replaces the existing guidelines for recognition of sales revenues. The initial application resulted in no need for adjustment at the transition date as of January 1, 2018. Sales revenues can be broken down by product group and geographic region as follows.

#### SALES REVENUES

Sales revenues can be broken down by product group and geographic regions as follows:

##### H1 2018

	Europe		Asia-Pacific, Africa		North and South America		FUCHS Group	
	€ million	%	€ million	%	€ million	%	€ million	%
Automotive lubricants	331	47	237	58	33	17	601	46
Industrial lubricants and specialties	346	49	168	41	162	82	676	51
Other products	28	4	4	1	2	1	34	3
	<b>705</b>	<b>100</b>	<b>409</b>	<b>100</b>	<b>197</b>	<b>100</b>	<b>1,311</b>	<b>100</b>

##### H1 2017

	Europe		Asia-Pacific, Africa		North and South America		FUCHS Group	
	€ million	%	€ million	%	€ million	%	€ million	%
Automotive lubricants	320	47	210	58	35	17	565	45
Industrial lubricants and specialties	327	48	149	41	166	82	642	52
Other products	34	5	4	1	2	1	40	3
	<b>681</b>	<b>100</b>	<b>363</b>	<b>100</b>	<b>203</b>	<b>100</b>	<b>1,247</b>	<b>100</b>

The category automotive lubricants particularly includes engine oils, gear oils and shock-absorber fluids for cars, trucks and stationary drives. The industrial lubricants and specialties product group mainly comprises metalworking fluids, corrosion preventatives, hydraulic and gear oils, greases, and other specialties.

## OTHER OPERATING INCOME AND EXPENSES

Other operating income and expenses include the following items:

in € million	H1 2018	H1 2017
Net amount of currency gains/losses	0	-1
Write-downs of receivables	-1	-2
Net amount of miscellaneous items	1	1
<b>Other operating income and expenses</b>	<b>0</b>	<b>-2</b>

## FINANCIAL RESULT

The financial result includes the following items:

in € million	H1 2018	H1 2017
Interest income	0	1
Interest expense (excluding pensions)	-1	-2
Net interest expense from defined benefit plans	0	0
<b>Financial result</b>	<b>-1</b>	<b>-1</b>

The net interest expenses from defined pension plans are the balance of

- interest expenses from the interest accrued on pension obligations of € 1 million (1)
- interest income of € 1 million (1) from the return on plan assets.

## INCOME TAXES

Income taxes break down as follows:

in € million	H1 2018	H1 2017
Germany	-23	-23
International	-29	-32
<b>Income taxes</b>	<b>-52</b>	<b>-55</b>
<b>Adjusted rate of taxation (in %)<sup>1</sup></b>	<b>28</b>	<b>31</b>

<sup>1</sup> Actual tax expense relative to earnings before tax (EBT) adjusted by the income from companies consolidated at equity.

## CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

Contractual obligations of around € 52 million for the purchase of property, plant, and equipment are in place on June 30, 2018 (€ 42 million as at December 31, 2017). These essentially relate to our subsidiaries in Germany, the US, the UK and China. Besides this, there were no significant changes as compared to the contingent liabilities and other financial obligations described and disclosed in the 2017 annual report.

## FINANCIAL INSTRUMENTS

The FUCHS Group's financial assets and financial liabilities measured at fair value through profit and loss consist exclusively of forward currency transactions, which are used to hedge foreign currency receivables and liabilities. Their valuation is based on generally recognized valuation models using the latest market data. As of June 30, 2018, the forward currency trans-

actions display positive fair values of € 1 million (as of December 31, 2017: 0), which are disclosed under other short-term assets, and negative fair values of € 0 million (as of December 31, 2017: -1), which are disclosed under other short-term liabilities.

#### RELATIONSHIPS WITH RELATED PARTIES

The FUCHS Group has trade receivables of € 3 million (December 31, 2017: 3) and other receivables of € 0 million (December 31, 2017: 0) from companies consolidated at equity. The non-consolidated portion of sales revenues from deliveries of goods to companies consolidated at equity was € 8 million (6) in the first half of 2018. The corresponding portion of other operating income was € 0 million (0) in the first half of 2018.

#### EXCHANGE RATE DEVELOPMENT

The exchange rates that have a significant impact on the consolidated financial statements have moved against the euro as follows:

Closing rate (€1)	June 30, 2018	Dec. 31, 2017	Change in foreign currency in %
US dollar	1.169	1.199	2.6
British pound	0.885	0.888	0.4
Chinese renminbi yuan	7.737	7.807	0.9
Australian dollar	1.578	1.538	-2.6
South African rand	16.040	14.856	-7.4
Polish zloty	4.372	4.181	-4.4
Brazilian real	4.531	3.974	-12.3
Argentinean peso	33.809	22.334	-33.9
Russian ruble	73.181	69.220	-5.4
South Korean won	1,302.88	1,280.64	-1.7
Swedish krona	10.449	9.829	-5.9

Average exchange rate (€1)	H1 2018	H1 2017	Change in foreign currency in %
US dollar	1.211	1.083	-10.5
British pound	0.880	0.860	-2.2
Chinese renminbi yuan	7.710	7.444	-3.5
Australian dollar	1.570	1.435	-8.6
South African rand	14.884	14.310	-3.9
Polish zloty	4.221	4.269	1.1
Brazilian real	4.145	3.443	-16.9
Argentinean peso	26.095	17.003	-34.8
Russian ruble	71.903	62.760	-12.7
South Korean won	1,303.31	1,235.61	-5.2
Swedish krona	10.156	9.597	-5.5

#### EVENTS AFTER THE REPORTING PERIOD

No significant events occurred after the reporting period.

### 3. Responsibility statement

To the best of our knowledge we declare that, in accordance with the applicable accounting principles for half-year financial reporting, the half-year financial statements give a true and fair view of the net assets, financial position, and results of operations of the FUCHS Group, and the half-year management report of the FUCHS Group includes a fair view of the development and performance of the business and the position of the FUCHS Group, together with a description of the principal opportunities and risks associated with the expected development of the FUCHS Group for the remaining months of the financial year.

Mannheim, July 30, 2018  
FUCHS PETROLUB SE

The Executive Board

S. Fuchs

D. Steinert

Dr. L. Lindemann

Dr. R. Rheinboldt

Dr. T. Reister

# Financial calendar

## DATES 2018

July 31	Half-year financial report 2018
October 30	Quarterly statement Q3 2018

## DATES 2019

March 20	Annual report 2018
May 7	Annual General Meeting in Mannheim

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

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## NOTE REGARDING THE HALF-YEAR FINANCIAL REPORT

In case of deviations between this English translation and the original German version of this half-year financial report, the original German version takes precedence.

## NOTE ON ROUNDING

Due to rounding, numbers presented in this half-year financial report may not add up precisely to totals provided, and percentages stated may not precisely reflect the absolute figures to which they refer.

## DISCLAIMER

This half-year financial report for the first half year contains statements about future developments that are based on assumptions and estimates by the management of FUCHS PETROLUB SE. Statements about future developments are all statements that do not refer to historical facts and events and contain such forward-looking formulations as "believes," "estimates," "assumes," "expects," "anticipates," "forecasts," "intends," "could," "will," "should," or similar formulations. Even if the management is of the opinion that these assumptions and estimates are accurate, future actual developments and future actual results may 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 to 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 half-year financial report and assumes no liability for such. We do not assume any obligation to update the future-oriented statements made in this half-year financial report.