



TI Fluid Systems plc
Q1 2023 Trading Update

Strong revenue growth and outperforming markets in all regions
BEV Bookings of €332 million
Maintaining 2023 Outlook

TI Fluid Systems plc (TIFS), a global industry leader in highly engineered automotive fluid storage, carrying, delivery and thermal management systems for light vehicles issues a trading update for the three months ended 31 March 2023.

Group Revenue

Group revenue for Q1 2023 was €869.8 million, an increase of 15.2% versus Q1 2022 at actual exchange rates. At constant currency, revenue grew 14.9%. This growth was delivered by both of our segments as well as in each of the regions in which we operate. With light vehicle production (LVP) volumes increasing by 5.7% in the quarter, revenue outperformance, at constant currency, was 920 basis points (bps). This outperformance was supported by product launches, favourable regional mix as well as our inflationary recoveries which delivered the expected benefits in the first quarter.

€m	Q1 2023	Q1 2022	% Change Actual rates	% Change Constant currency	LVP volume growth	Out- performance
Group Revenue	869.8	755.0	15.2%	14.9%	5.7%	920 bps
By Segment						
FCS	502.3	427.9	17.4%	16.6%	5.7%	1,090 bps
FTDS	367.5	327.1	12.4%	12.7%	5.7%	700 bps
By Region						
Europe and Africa	349.4	289.9	20.5%	20.5%	13.6%	690 bps
Asia Pacific	265.3	257.8	2.9%	5.8%	0.8%	500 bps
North America	241.2	196.9	22.5%	17.1%	9.8%	730 bps
Latin America	13.9	10.4	33.8%	37.4%	14.5%	2,290 bps

Notes: All production volume outperformance metrics herein are based on S&P Global Mobility, April 2023, and Company estimates. Revenue outperformance is stated on a constant currency basis.

Revenue by Segment (variances stated on a constant currency basis)

The Fluid Carrying Systems (FCS) segment grew 16.6% and outperformed LVP by 1,090 bps primarily from thermal product launches, combined with inflationary recoveries. This provides further evidence of the continuing good progress in implementing the Group's Take the Turn electrification strategy.

The Fuel Tanks & Delivery Systems (FTDS) segment outperformed LVP by 700 bps and saw strong performances in North America and China which benefitted from significant new programme launches as well as inflationary recoveries.

Revenue by Region (variances stated on a constant currency basis)

In Europe and Africa, revenue increased 20.5% and outperformed regional LVP growth by 690 bps, benefitting from ramp-up volumes on new thermal programmes for hybrid electric vehicles (HEV) and battery electric vehicles (BEV) as well as continued price increases to recover inflationary costs.

Asia Pacific revenue grew 5.8% year over year, outperforming LVP growth by 500 bps. In China, revenue declined 5.2% outperforming the LVP decline of 7.9% by 270 bps. Looking ahead, we reconfirm our China outlook of a return to outperformance for the full year driven by new platform launches. In Asia Pacific outside China, the revenue outperformance was significant, reflecting our underlying strength in the region.

In North America revenue increased 17.1% year over year and outperformed regional LVP growth by 730 bps, with strong performances from both FCS and FTDS driven by new business launches and inflationary recoveries.

Electrification

The Group continues to make good progress in the execution of the Take the Turn electrification strategy and recorded new BEV bookings with lifetime revenue of €332 million in Q1 2023, of which more than half was in China. The vast majority of the BEV bookings in China were with Chinese OEMs.

Technology Showcase Event

On 24th April, the Group hosted a Technology Showcase event for investors and analysts at our e-Mobility Innovation Centre (eMIC) in Rastatt, Germany. This event demonstrated the strong technology roadmap for TIFS' electrification strategy and the collaborative model with OEMs differentiating TIFS in the industry. The presentation materials are available on our website.

Outlook

The Group expects LVP to grow modestly in 2023 compared to last year, reiterating its guidance of approximately 83 million units. In line with our plan, the Group continues to make good progress with inflationary recoveries which, together with a larger number of launches this year, underpins our expectation that the Group will outperform LVP growth in the year.

The Group's performance through Q1 2023 has been encouraging and our outlook for the year remains unchanged, with constant currency revenue growth outperformance compared to LVP growth, adjusted EBIT margins to expand above 6%, and adjusted free cash flow to be approximately 30% of adjusted EBITDA.

Comment from Hans Dieltjens, CEO and President

“2023 has got off to a promising start with strong revenue growth, revenue outperformance across the business, good progress on inflationary recoveries and positive performance on BEV bookings, particularly with local Chinese OEMs, a specific area of focus for the Group.

It was great to welcome investors and analysts to our e-Mobility Innovation Centre (eMIC) in Germany for our Technology Showcase event in April in which we demonstrated how we intend to lead the innovation in automotive fluid handling in electrified vehicles, together with differentiating ourselves in the way we collaborate with customers. We are extending the concept to four other eMIC facilities across USA and Asia Pacific over the next year to provide a global platform for collaborative innovation. Our eMICs in Japan and South Korea will be open by the end of June this year.”

Trading update call

TI Fluid Systems plc is holding a call for analysts and investors at 11:00 am UK time today.

Conference Call Dial-In Details:

United Kingdom (Local) 020 3936 2999

United States (Local) 1 646 664 1960

All other locations [Global Dial-In Numbers](#)

Access code: 001790

You can pre-register using this [link](#) to receive a unique PIN to dial directly into the call.

An audio recording will be available on our website www.tifluidsystems.com in due course.

Enquiries

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