

Another quarter of margin resilience

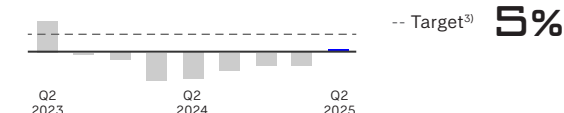
- **Net sales** MSEK 23,166 (25,606)
- **Organic growth** -0.2% (-6.6%), driven by lower market demand within the Automotive market while the Industrial segment reported organic sales growth.
- **Adjusted operating profit** MSEK 3,090 (3,324).
The decrease was due to significant currency headwind. Solid price/mix contribution, driven by pricing activities and portfolio management, as well as good cost control more than offset lower volumes.
- **Adjusted operating margin** 13.3% (13.0%) with Industrial at 16.6% (16.3%) and Automotive at 5.1% (5.3%).
- **Operating profit** MSEK 1,300 (2,489), included items affecting comparability of MSEK -1,790 (-835), whereof BSEK 2 related to the rightsizing of the Industrial business with estimated long-term annual savings of approximately BSEK 2. It also includes the profit from sale of the aerospace business in Hanover, USA, with BSEK 0.8.
- **Operating margin** 5.6% (9.7%)
- **Net cash flow from operating activities** MSEK 2,817 (2,152)
- **Basic earnings per share** SEK 1.13 (3.36)

Financial overview

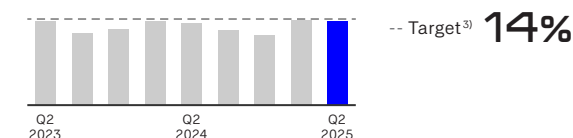
MSEK unless otherwise stated	Q2 2025	Q2 2024	Half year 2025	Half year 2024
Net sales	23,166	25,606	47,132	50,305
Organic growth, %	-0.2	-6.6	-1.8	-6.8
Adjusted operating profit	3,090	3,324	6,323	6,627
Adjusted operating margin, %	13.3	13.0	13.4	13.2
Operating profit	1,300	2,489	4,185	5,482
Operating margin, %	5.6	9.7	8.9	10.9
Adjusted net profit	2,373	2,498	4,669	4,810
Net profit	583	1,663	2,531	3,665
Net cash flow from operating activities	2,817	2,152	3,794	3,933
Basic earnings per share	1.13	3.36	5.08	7.50
Adjusted earnings per share	5.06	5.19	9.77	10.02

Long-term targets¹⁾

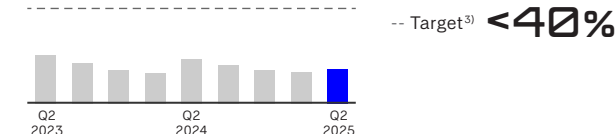
Revenue growth²⁾



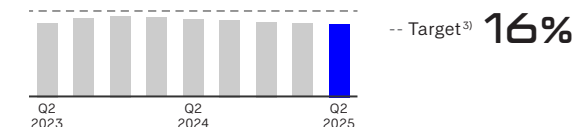
Adjusted operating margin



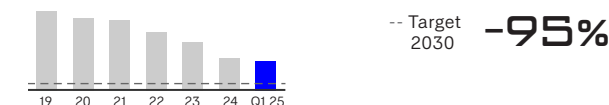
Net debt/Equity⁴⁾



Adjusted ROCE



Decarbonized operations⁵⁾ (scope 1 and 2)



1) In addition to the targets presented above, SKF has a dividend pay-out ratio target of 50% of the Group's average net profit calculated over a business cycle. The outcome for 2024 was 51% and the five-year average was 55%. For more information, see SKF Annual Report 2024.

2) Sales excluding effects of currency and divested businesses.

3) Financial targets to be achieved over a business cycle.

4) Excluding pension liabilities.

5) CO₂e emissions 2030 vs 2019. Latest figures are presented for the end of the previous quarter, 12 months rolling.

CEO Statement

It's encouraging that our adjusted operating margin improved, year-over-year, with relatively flat organic sales and significant currency headwind. We have continued to work hard to create a strong foundation for the future, including our ongoing rightsizing activities.

Margin resilience in markets with mixed demand

Our organic sales declined in the second quarter by –0.2% year-over-year. For our Industrial business, organic sales improved in all regions, especially in Asia where it was partly driven by favorable timing of deliveries. In Europe, sales volumes improved sequentially driven by stronger demand in aerospace, lubrication and magnetics.

Our Automotive business continued to face challenging market conditions globally, except for electrical vehicles, resulting in an organic sales decline, year-over-year.

We delivered a strong adjusted operating margin of 13.3% given the mixed demand and significant negative currency impact. The margin was driven by pricing, portfolio management and good cost control. We largely compensated for increased tariff costs. Given current tariff levels, we expect this to be the case also in the third quarter, with the majority of the net impact in Automotive.

Items affecting comparability (IAC) was high in the quarter. This as the full amount of costs related to the previously indicated rightsizing program were charged. As the Automotive separation is building momentum, IAC also includes sequentially higher separation costs. Furthermore, we reported a capital gain of BSEK 0.8. Due to timing effects, costs related to footprint regionalization were low in the quarter. In total, IAC amounted to BSEK –1.8.

Cash flow increased to BSEK 2.8 (2.2) due to improved working capital, where accounts payable contributed positively.

A more competitive Industrial business

Strengthened operational and commercial excellence are key pillars to create significant customer value in targeted markets.

As part of improving our operational excellence, we have managed to swiftly adapt our organization to the rapidly changing market conditions in recent years, contributing to our margin resilience.

“ Savings are estimated at approximately BSEK 2

To further enhance our competitiveness, the previously announced rightsizing of our Industrial business, enabled by the Automotive separation, comprise of a gross reduction of approximately 1,700 positions, primarily staff positions in Europe. With re-hires related to our ongoing strategic footprint shift, the net reduction is approximately 1,200 positions. These actions are difficult to take, but necessary to secure our future competitiveness. The savings are estimated at approximately BSEK 2 and will more than compensate for dissynergies related to the Automotive separation. The full annual run-rate saving is expected to be achieved in 2027, with a fairly linear pace between 2026-2027. The savings also include a reduction of consultants and other cost-saving activities. Restructuring costs are fully charged to this quarter as IAC and amount to BSEK 2, while the cash flow impact is primarily expected in 2026. The ongoing organizational review, including manning activities, of our Automotive business and its associated effects will be presented on our Capital Markets Day on 11 November.

One targeted market, where we have improved our performance through commercial excellence including portfolio prioritization and pricing activities, is aerospace. Following the strategic review we started in 2023, our aerospace business



has had 12% annual sales growth and an increased adjusted operating margin of 8pp between 2022 and 2025. We're now well positioned for future profitable growth from attractive long-term contracts with major customers, an increased aftermarket presence, and an operational setup to serve our customers effectively. We are doing similar commercial initiatives in other parts of our industrial business to cater for long-term value creation.

Outlook

While the global economic development makes the outlook uncertain, we expect organic sales to be relatively unchanged in Q3, year-over-year.

Rickard Gustafson
President and CEO

SKF Group

Net sales

Net sales amounted to MSEK 23,166 (25,606) and decreased by –9.6% compared to last year, whereof currency effects accounted for –9.0%. Organic sales declined by –0.2% (–6.6%). The lower sales volumes were mostly offset by positive price/mix due to continued pricing and portfolio management. Regionally, China and Northeast Asia as well as India and Southeast Asia had positive organic growth, while Europe, Middle East and Africa and the Americas had declining organic sales. Net impact from acquired and divested growth was –0.4%, relating to the acquisition of the John Sample Group last year and the divestment of the aerospace business in Hanover, USA during the quarter.

Organic sales by region

In local currencies, change y-o-y, %	Q2 2025
Europe, Middle East and Africa	–2.8
The Americas	–0.8
China and Northeast Asia	4.3
India and Southeast Asia	5.0

Sales and Adjusted operating profit bridge¹⁾

MSEK	Q2 2024	Organic sales and manufacturing volumes	Cost development	Currency impact	Structure ²⁾	Q2 2025
Net sales	25,606	–50		–2,294	–96	23,166
Growth, %		–0.2		–9.0	–0.4	–9.6
Adjusted operating profit	3,324	250	59	–539	–4	3,090
Adjusted operating margin, %	13.0					13.3
Accretion/dilution, pp		1.1	0.3	–0.9	0.0	

1) Numbers are rounded.

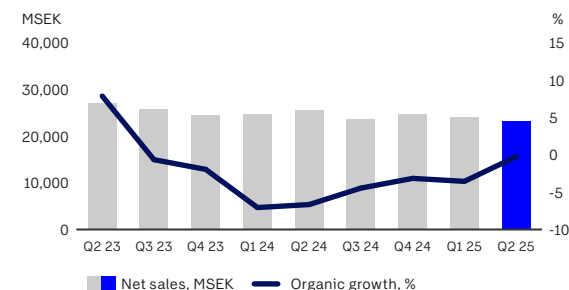
2) Including acquisitions and divestments of businesses.

Operating profit

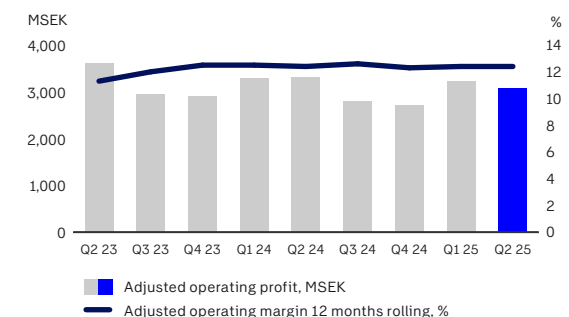
Operating profit for the second quarter was MSEK 1,300 (2,489). Operating profit included items affecting comparability of MSEK –1,790 (–835), whereof restructuring and cost reduction activities accounted for MSEK –2,006 (–621) including the full cost of the rightsizing of the Industrial business, for more information please see page 2. In addition, MSEK –339 was related to the separation of the Automotive business and MSEK –211 (–214) was primarily related to impairment of fixed assets. It also included MSEK 766 in profit related to the sale of the aerospace business in Hanover, USA. The majority of the items affecting comparability was incurred in cost of goods sold.

The adjusted operating profit for the second quarter was MSEK 3,090 (3,324). The adjusted operating profit was positively impacted by price and mix. Adjusted operating profit was negatively impacted by lower sales and manufacturing volumes as well as significant currency headwind. Solid cost control resulted in positive cost development compared to last year, despite wage inflation, volume related cost inefficiencies and tariffs, where the latter was largely compensated for.

Net sales and Organic growth



Adjusted operating profit and Adjusted operating margin



SKF Group cont.

Financial net and tax

Financial income and expenses, net was MSEK –441 (–377). Exchange rate fluctuations had a more negative impact in the second quarter 2025, compared to the second quarter 2024 while interest expenses were higher in 2024. Taxes in the quarter were MSEK –276 (–449) resulting in an effective tax rate of 32.1% (21.3%). The tax rate was negatively impacted by adjustments due to differences between local and functional currency.

Net profit for the period

Net profit for the quarter amounted to MSEK 583 (1,663), corresponding to SEK 1.13 (3.36) in earnings per share.

Cash flow

Net cash flow from operating activities in the second quarter improved to MSEK 2,817 (2,152) despite separation costs.

Key figures

	30 June 2025	31 March 2025	30 June 2024
Net working capital, % of 12 months rolling sales	31.6	30.4	31.9
Adjusted ROCE, %	13.9	14.0	14.7
Net debt/equity, %	28.0	25.2	32.8
Net debt/equity, excluding post-employment benefits, %	14.4	13.1	18.6
Net debt/EBITDA	1.1	1.0	1.3
Net debt/Adjusted EBITDA	1.0	0.9	1.1

Operating cash flow

MSEK	Q2 2025	Q2 2024	Half year 2025	Half year 2024
EBITDA	2,472	3,705	6,615	7,770
Taxes paid	–506	–664	–1,108	–1,390
Non-cash items and other	969	–153	234	–130
Changes in net working capital	–118	–736	–1,947	–2,317
Net cash flow from operating activities	2,817	2,152	3,794	3,933
Investing activities	1,071	–1,292	468	–2,281
Operating cash flow after investments	3,888	860	4,262	1,652

The improvement was due to lower working capital, partly driven by accounts payable.

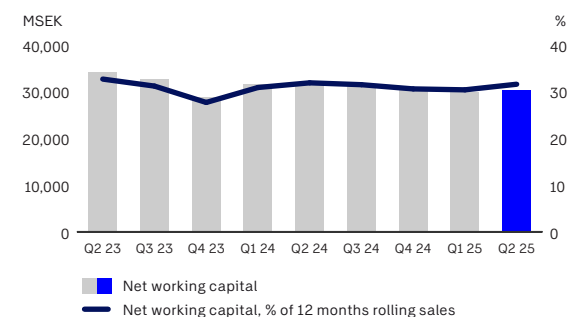
Net capital expenditure amounted to MSEK 930 (1,305). Investing activities also included cash inflow from sale of the aerospace business in Hanover, USA of MSEK 2,209.

Financial position

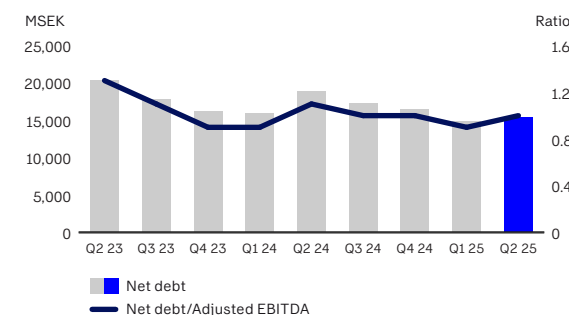
Net working capital in percentage of annual sales was 31.6% in June 2025 compared to 31.9% in June 2024.

As of 30 June 2025, SKF had a net debt of MSEK 15,491 compared to MSEK 16,472 as of 1 January 2025. The decrease was mainly related to cash inflow from sale of business and cash flow from operations which were partly offset by the dividend paid as well as currency translation effects. Provisions for post-employment benefits, net increased by MSEK 350 (38) in the second quarter, mainly driven by lower discount rates as well as currency effects.

Net working capital



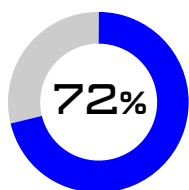
Net debt and Net debt/Adjusted EBITDA



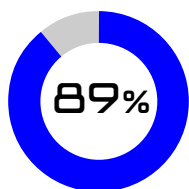
Net cash flow from operating activities¹⁾



Industrial business



Share of
Group net sales



Share of
Group adjusted
operating profit

Net sales

The Industrial business reported net sales of MSEK 16,654 (17,943). Organic growth was 2.4% driven by solid price/mix. Currency effects impacted net sales negatively by -9.1% and the net impact from acquired and divested growth was -0.5%.

Geographically, all regions reported positive organic growth, especially in Asia where it was partly driven by favorable timing of deliveries. From a customer industry perspective, aerospace continued to deliver strong organic growth, while heavy industries as well as high speed machinery and electrical drives were down organically.

Operating profit

The adjusted operating profit for the second quarter was MSEK 2,759 (2,919), with a corresponding operating margin of 16.6% (16.3%). Solid price/mix contribution more than offset lower sales and manufacturing volumes. Cost reduction activities as well as lower material cost almost offset wage inflation, volume related cost inefficiencies and tariff costs. Furthermore, currency effects had a significantly negative impact on the operating profit.

Key financials

MSEK	Q2 2025	Q2 2024	Half year 2025	Half year 2024
Net sales	16,654	17,943	33,687	35,430
Adjusted operating profit	2,759	2,919	5,630	5,786
Adjusted operating margin, %	16.6	16.3	16.7	16.3
Operating profit	1,284	2,131	3,961	4,775
Operating margin, %	7.7	11.9	11.8	13.5

Sales and Adjusted operation profit bridge¹⁾

MSEK	Q2 2024	Organic sales and manufacturing volumes	Cost development	Currency impact	Structure ²⁾	Q2 2025
Net sales	17,943	427		-1,620	-96	16,654
Growth, %		2.4		-9.1	-0.5	-7.2
Adjusted operating profit	2,919	262	-41	-377	-4	2,759
Adjusted operating margin, %	16.3					16.6
Accretion/dilution, pp		1.2	-0.2	-0.6	0.1	

1) Numbers are rounded.

2) Including acquisitions and divestments of businesses.

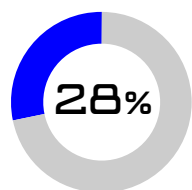
Organic sales by customer industry³⁾

	Share of net sales by industry, %	Europe, Middle East and Africa	The Americas	China and Northeast Asia ⁴⁾	India and Southeast Asia
Share of net sales by region, %		43	28	20	9
Industrial distribution	41	-	+/-	+++	++
Aerospace	9	+++	+++	---	+/-
High-speed machinery and electrical drives	7	---	+/-	--	++
Railway	7	+/-	+	---	+++
Heavy industries	6	--	++	---	---
Other industrial	6	+++	+	---	+++
Agriculture, food and beverage	5	+/-	++	---	+++
Renewable energy	5	---	---	+++	+++
Marine	4	++	++	+++	+++
Off-highway	3	+/-	+++	---	---
Traditional energy	3	+++	---	+++	+/-
Material handling	2	+++	---	---	+++
Automation	2	---	--	+/-	---
Total		+/-	+/-	+	++

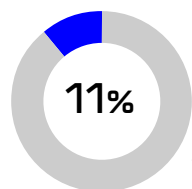
3) For the quarter, in local currencies, changes year-over-year.

4) Reclassification of customer accounts between customer industries impact year-over-year comparison.

Automotive business



Share of
Group net sales



Share of
Group adjusted
operating profit

Net sales

The Automotive business reported net sales of MSEK 6,512 (7,663). The organic sales decline of –6.2% was driven by a weak demand environment, partly offset by price/mix. Currency effects impacted net sales negatively by –8.8%.

Regionally, India and Southeast Asia as well as China and Northeast Asia had positive organic growth, where light vehicles, primarily electric vehicles, drove the growth. Demand in the Americas and Europe, Middle East and Africa continued to be weak.

Operating profit

The adjusted operating profit for the second quarter was MSEK 331 (405), with a corresponding margin of 5.1% (5.3%). Solid price/mix almost compensated for lower sales and manufacturing volumes. Cost reduction activities and lower material cost more than compensated wage inflation, volume related cost inefficiencies and tariffs resulting in a positive cost development compared to last year. The operating profit was negatively impacted by significant currency effects.

Key financials

MSEK	Q2 2025	Q2 2024	Half year 2025	Half year 2024
Net sales	6,512	7,663	13,445	14,875
Adjusted operating profit	331	405	693	841
Adjusted operating margin, %	5.1	5.3	5.2	5.7
Operating profit	16	358	224	707
Operating margin, %	0.2	4.7	1.7	4.7

Sales and Adjusted operation profit bridge¹⁾

MSEK	Q2 2024	Organic sales and manufacturing volumes	Cost development	Currency impact	Structure ²⁾	Q2 2025
Net sales	7,663	–477		–674	0	6,512
Growth, %		–6.2		–8.8	0.0	–15.0
Adjusted operating profit	405	–12	100	–162	0	331
Adjusted operating margin, %	5.3					5.1
Accretion/dilution, pp		0.2	1.5	–1.8	0.0	

1) Numbers are rounded.

2) Including acquisitions and divestments of businesses.

Organic sales by customer industry³⁾

	Share of net sales by industry, %	Europe, Middle East and Africa	The Americas	China and Northeast Asia	India and Southeast Asia
Share of net sales by region, %		40	31	16	13
Light vehicles	50	---	--	+	+/-
Vehicle aftermarket	33	--	+/-	---	--
Commercial vehicles	17	+/-	---	---	-
Total		---	--	++	+/-

3) For the quarter, in local currencies, changes year-over-year.

Outlook and guidance

Outlook

- Q3 2025: While the global economic development makes the outlook uncertain, we expect organic sales to be relatively unchanged, year-over-year.

Guidance Q3 2025

- Currency impact on the operating profit is expected to be around MSEK 500 negative compared to the third quarter 2024, based on exchange rates per 30 June 2025.

Guidance FY 2025

- Tax level excluding effects related to divested businesses: around 26%.
- Additions to property, plant and equipment: around BSEK 4.5 excluding separation of the Automotive business.

Previous outlook and guidance statement

Outlook

- Q2 2025: We expect continued volatility and, even if we have seen signs of markets bottoming out, we plan for another quarter with negative volumes and expect organic sales to weaken somewhat in Q2, year-over-year.

Guidance Q2 2025

- Currency impact on the operating profit is expected to be around MSEK 400 negative compared to the second quarter 2024, based on exchange rates per 31 March 2025.

Guidance FY 2025

- Tax level excluding effects related to divested businesses: around 26%.
- Additions to property, plant and equipment: around BSEK 4.5 excluding separation of the Automotive business.

Other Group information

Half-year 2025

Operating profit for the first half year was MSEK 4,185 (5,482). Operating profit included items affecting comparability of MSEK –2,138 (–1,145), whereof MSEK –2,241 (–836) related to ongoing restructuring and cost reduction activities, including the full cost of the rightsizing of the Industrial business. In addition, MSEK –484 related to the separation of the Automotive business and MSEK –403 (–309) primarily related to impairment of fixed assets. It also included MSEK 224 related to profit from sale of the manufacturing site in Luton, UK, as well as MSEK 766 related to profit from sale of the aerospace business in Hanover, USA.

The adjusted operating profit for the first half year was MSEK 6,323 (6,627). The adjusted operating profit was positively impacted by price and mix. Solid cost control resulted in relatively stable cost levels year over year, despite wage inflation, volume related cost inefficiencies and tariffs. The adjusted operating profit was negatively impacted by lower sales and manufacturing volumes as well as significant currency headwind.

Financial income and expenses, net was MSEK –731 (–648). Exchange rate fluctuations had a more negative impact in 2025 compared to 2024 while interest expenses were higher in 2024. Taxes in the first half year were MSEK –923 (–1,169), resulting in an effective tax rate of 26,7% (24,2%). Net cash flow from operating activities in the first half year was MSEK 3,794 (3,933). The lower operating result impacted cash flow negatively compared to previous year.

Significant events during the quarter

1 April 2025 – Annual General Meeting of AB SKF

Hans Stråberg, Hock Goh, Geert Follens, Håkan Buskhe, Susanna Schneeberger, Rickard Gustafson, Beth Ferreira, Therese Friberg, Richard Nilsson and Niko Pakalén were reelected as Board members. Mats Rahmström was newly elected as Board member. Hans Stråberg was elected Chair of the Board. The Board has appointed Håkan Buskhe and Mats Rahmström as Vice Chairs of the Board.

14 April 2025 – Previously announced divestment of ring and seal operation in Hanover, USA completed

SKF has completed the previously announced divestment of its ring and seal operation in Hanover, Pennsylvania, USA, to Carco PRP Group for a total enterprise value of MUSD 215, corresponding to approximately BSEK 2.1. The divestment will result in a capital gain amounting to approximately BSEK 0.8 in Q2 and will be reported as Items affecting comparability.

20 May 2025 – Magnetic bearing factory in Morocco inaugurated

SKF has inaugurated its new factory in Tangier, Morocco, which initially will employ around 60 people. The factory will manufacture components for magnetic bearings and high-speed electric motors, enabling SKF to meet the increased demand for these solutions while strengthening the Group's position as a global leader in this area.



More information on
<https://investors.skf.com>

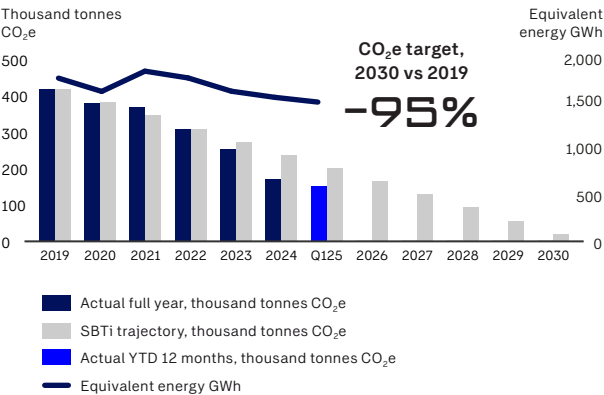
Decarbonized operations 2030

SKF has a longstanding track record on understanding and reducing its environmental and climate impact and started already in 2000 to set targets and report on carbon dioxide emissions. In 2020, the target of decarbonizing own operations by 2030 was launched and in 2021 SKF's target of net-zero greenhouse gas emissions for the full value chain by 2050 was set. Both targets have been approved by the Science Based Targets Initiative.

The four strategic levers to decarbonized manufacturing operations by 2030 are energy and operational efficiency improvements, as well as switching to renewable energy sources and electrification of fossil fuel applications. This covers both scope 1 direct emissions as well as scope 2 indirect emissions.

During the last quarter reported, the scope 1 and 2 emissions were further reduced, well ahead of the target trajectory. The main contribution has been continued increase of renewable electricity sourcing in primarily India and Southeast Asia and Mexico. Energy efficiency has continued to improve and lower production activity has also contributed to lower energy consumption.

Decarbonized operations (scope 1 and 2)¹⁾



1) Latest figures are presented for the end of the previous quarter, 12 months rolling.

Sustainability is an integral part of SKF's strategy and is a priority for long-term profitable growth. Around 20% of all energy produced globally is used to overcome friction. By creating more efficient and durable solutions for industries, significantly cutting emissions by 2030 and achieving net-zero greenhouse gas emissions in the supply chain by 2050, SKF is pioneering sustainability in its sphere. Further reporting of all material sustainability topics are found in the Annual Report, including for example accident rates, disclosures for own workforce and workers in the value chain.

 More information on www.skf.com/group/organisation/sustainability

Financial statements – SKF Group

Condensed consolidated income statements

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Net sales	23,166	25,606	47,132	50,305
Cost of goods sold	-17,524	-18,736	-34,354	-36,340
Gross profit	5,642	6,870	12,778	13,965
Research and development expenses	-910	-870	-1,759	-1,696
Selling and administrative expenses	-3,926	-3,411	-7,374	-6,645
Other operating income/expenses, net	494	-100	540	-142
Operating profit	1,300	2,489	4,185	5,482
Financial income and expenses, net	-441	-377	-731	-648
Profit before taxes	859	2,112	3,454	4,834
Income taxes	-276	-449	-923	-1,169
Net profit	583	1,663	2,531	3,665
Net profit attributable to:				
Shareholders of AB SKF	516	1,529	2,312	3,417
Non-controlling interests	67	134	219	248
Basic earnings per share (SEK) ¹⁾	1.13	3.36	5.08	7.50

1) Shares from the Performance Share Programme are not considered dilutive, therefore, diluted earnings per share is equal to basic earnings per share.

Condensed consolidated statements of comprehensive income

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Net profit	583	1,663	2,531	3,665
Items that will not be reclassified to the income statement:				
Remeasurements (actuarial gains and losses)	-202	-50	-13	460
Assets at fair value through other comprehensive income	—	-54	-309	-75
Income taxes	36	6	-3	-107
	-166	-98	-325	278
Items that may be reclassified to the income statement:				
Exchange differences arising on translation of foreign operations	-775	-695	-5,416	2,039
	-775	-695	-5,416	2,039
Other comprehensive income, net of tax	-941	-793	-5,741	2,317
Total comprehensive income	-358	870	-3,210	5,982
Shareholders of AB SKF	-335	758	-3,129	5,627
Non-controlling interests	-23	112	-81	355

Condensed consolidated balance sheets

MSEK	June 2025	December 2024	June 2024
Goodwill	11,307	12,574	12,603
Other intangible assets	3,865	4,671	4,861
Property, plant and equipment	27,958	30,470	28,637
Right-of-use asset leases	3,113	3,564	3,381
Deferred tax assets	4,100	3,369	3,303
Other non-current assets	2,305	2,971	2,511
Non-current assets	52,648	57,619	55,296
Inventories	24,913	26,182	24,557
Trade receivables	16,897	16,600	18,775
Other current assets	5,331	6,057	6,063
Other current financial assets	11,374	11,361	8,688
Current assets	58,515	60,200	58,083
Assets classified as held for sale	216	1,594	—
Total assets	111,379	119,413	113,379
Equity attributable to shareholders of AB SKF	53,157	59,649	55,178
Equity attributable to non-controlling interests	2,229	2,320	2,557
Long-term financial liabilities	14,551	15,399	18,864
Provisions for post-employment benefits	8,075	8,502	8,861
Provisions for deferred taxes	1,783	1,905	1,512
Other long-term liabilities and provisions	1,716	1,504	1,794
Non-current liabilities	26,125	27,310	31,031
Trade payables	11,649	12,553	11,273
Short-term financial liabilities	4,753	5,361	1,021
Other short-term liabilities and provisions	13,453	12,087	12,319
Current liabilities	29,855	30,001	24,613
Liabilities classified as held for sale	13	133	—
Total equity and liabilities	111,379	119,413	113,379

Condensed consolidated statements of changes in shareholders' equity

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Opening balance 1 April/1 January	59,160	60,143	61,969	54,956
Net profit	583	1,663	2,531	3,665
Hyperinflation adjustments	82	133	123	224
Components of other comprehensive income				
Currency translation adjustments	-775	-695	-5,416	2,039
Change in FV OCI assets and cash flow hedges	—	-54	-309	-75
Remeasurements	-202	-50	-13	460
Income taxes	36	6	-3	-107
Transactions with shareholders				
Cost for Performance Share Programmes, net	41	15	11	-15
Dividends	-3,538	-3,426	-3,538	-3,426
Other	-1	—	31	14
Closing balance 30 June	55,386	57,735	55,386	57,735

Condensed consolidated statements of cash flow

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Operating activities:				
Operating profit	1,300	2,489	4,185	5,482
Non-cash items:				
Depreciation, amortization and impairment	1,172	1,216	2,430	2,288
Net loss/gain (—) on sales of PPE and businesses	–768	–10	–1,031	–12
Other non-cash items	1,849	618	1,938	994
Income taxes paid	–506	–664	–1,108	–1,390
Interest received	33	69	79	151
Interest paid	–87	–157	–233	–349
Other	–58	–673	–519	–914
Changes in working capital:	–118	–736	–1,947	–2,317
Inventories	–369	–311	–958	–527
Accounts receivable	–384	–338	–1,799	–1,432
Accounts payable	–65	–233	–29	–306
Other operating assets/liabilities	700	146	839	–52
Net cash flow from operating activities	2,817	2,152	3,794	3,933
Investing activities:				
Payments for intangible assets, PPE, businesses and equity securities	–931	–1,323	–1,848	–2,320
Sales of PPE and equity securities	3	31	317	39
Sales of business net of cash	2,209	—	2,209	—
Tax payments related to sales of business	–210	—	–210	—
Net cash flow used in investing activities	1,071	–1,292	468	–2,281
Net cash flow after investments before financing	3,888	860	4,262	1,652

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Financing activities:				
Proceeds from short- and long-term loans	96	96	149	98
Repayments of short- and long-term loans	–56	–3,054	–97	–3,122
Repayment leases	–209	–208	–442	–410
Cash dividends	–3,538	–3,426	–3,538	–3,426
Investments in financial assets	–30	152	–137	30
Sales of financial assets	4	6	18	56
Net cash flow used in financing activities	–3,733	–6,434	–4,047	–6,774
Net cash flow	155	–5,574	215	–5,122
Change in cash and cash equivalents:				
Cash and cash equivalents at 1 April/ 1 January	10,693	13,860	11,031	13,311
Cash effect excl. acquired/sold businesses	–2,054	–5,577	–1,994	–5,125
Cash effect of acquired/sold businesses	2,209	3	2,209	3
Exchange rate effect	–58	–27	–456	70
Cash and cash equivalents at 30 June	10,790	8,259	10,790	8,259

Change in Net debt	Closing balance 30 June 2025	Other non-cash changes	Acquired/ sold businesses	Cash changes	Exchange rate effect	Opening balance 1 January 2025
Loans, long- and short-term	15,999	23	—	52	–602	16,526
Post-employment benefits, net	7,510	530	—	–426	–323	7,729
Lease liabilities	3,103	339	—	–442	–310	3,516
Financial assets, other	–331	–7	—	–97	41	–268
Cash and cash equivalents	–10,790	—	–2,209	1,994	456	–11,031
Net debt	15,491	885	–2,209	1,081	–738	16,472

Condensed consolidated financial information

MSEK unless otherwise stated	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24	Q4/24	Q1/25	Q2/25
Net sales	25,771	24,438	24,699	25,606	23,692	24,725	23,966	23,166
Cost of goods sold	-19,161	-18,316	-17,604	-18,736	-17,145	-17,864	-16,830	-17,524
Gross profit	6,610	6,122	7,095	6,870	6,547	6,861	7,136	5,642
Gross margin, %	25.6	25.1	28.7	26.8	27.6	27.8	29.8	24.4
Research and development expenses	-785	-848	-826	-870	-782	-848	-849	-910
Selling and administrative expenses	-3,213	-3,404	-3,234	-3,411	-3,225	-3,494	-3,448	-3,926
as % of sales	12.5	13.9	13.1	13.3	13.6	14.1	14.4	16.9
Other operating income/expenses, net	-45	55	-42	-100	-14	-188	46	494
Operating profit	2,567	1,925	2,993	2,489	2,526	2,331	2,885	1,300
Operating margin, %	10.0	7.9	12.1	9.7	10.7	9.4	12.0	5.6
Adjusted operating profit	2,956	2,929	3,303	3,324	2,821	2,735	3,233	3,090
Adjusted operating margin, %	11.5	12.0	13.4	13.0	11.9	11.1	13.5	13.3
Financial net	-374	-709	-271	-377	-285	-317	-290	-441
Profit before taxes	2,193	1,216	2,722	2,112	2,241	2,014	2,595	859
Profit margin before taxes, %	8.5	5.0	11.0	8.2	9.5	8.1	10.8	3.7
Income taxes	-460	-493	-720	-449	-610	-423	-647	-276
Net profit	1,733	723	2,002	1,663	1,631	1,591	1,948	583
Net profit attributable to:								
Shareholders of AB SKF	1,657	623	1,888	1,529	1,550	1,507	1,796	516
Non-controlling interests	76	100	114	134	81	84	152	67

Reconciliation of profit before taxes for the Group

MSEK	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24	Q4/24	Q1/25	Q2/25
Operating profit:								
Industrial	2,081	1,913	2,644	2,131	2,241	2,269	2,677	1,284
Automotive	486	12	349	358	285	62	208	16
Financial net	-374	-709	-271	-377	-285	-317	-290	-441
Profit before tax for the Group	2,193	1,216	2,722	2,112	2,241	2,014	2,595	859

Share data

	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Total number of shares:	455,351,068	455,351,068	455,351,068	455,351,068
whereof A shares	28,930,824	29,271,933	28,930,824	29,271,933
whereof B shares	426,420,244	426,079,135	426,420,244	426,079,135
Basic earnings per share (SEK) ¹⁾	1.13	3.36	5.08	7.50
Diluted earnings per share (SEK) ²⁾	1.13	3.36	5.08	7.50
Weighted average number of shares, basic	455,351,068	455,351,068	455,351,068	455,351,068
Weighted average number of shares, diluted	455,351,068	455,351,068	455,351,068	455,351,068

1) Basic earnings per share is calculated as net profit (excl. non-controlling interests) divided by the weighted average number of shares.

2) Shares from the Performance Share Programme are not considered dilutive, therefore, diluted earnings per share is equal to basic earnings per share.

Key figures

	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24	Q4/24	Q1/25	Q2/25
Net sales, MSEK	25,771	24,438	24,699	25,606	23,692	24,725	23,966	23,166
Organic growth, %	-0.6	-1.9	-7.0	-6.6	-4.4	-3.1	-3.5	-0.2
Adjusted EBITDA, MSEK	4,027	4,069	4,280	4,326	3,831	3,833	4,298	4,088
EBITDA, MSEK	3,645	3,204	4,065	3,705	3,562	3,439	4,143	2,472
EBITA, MSEK	2,732	2,092	3,152	2,643	2,681	2,495	3,049	1,446
Adjusted operating profit, MSEK	2,956	2,929	3,303	3,324	2,821	2,735	3,233	3,090
Adjusted operating margin, %	11.5	12.0	13.4	13.0	11.9	11.1	13.5	13.3
Operating profit	2,567	1,925	2,993	2,489	2,526	2,331	2,885	1,300
Operating margin, %	10.0	7.9	12.1	9.7	10.7	9.4	12.0	5.6
Adjusted earnings per share, SEK	4.49	3.57	4.83	5.19	4.05	4.20	4.71	5.06
Basic earnings per share, SEK	3.64	1.37	4.15	3.36	3.40	3.31	3.95	1.13
Dividend per share, SEK	—	—	—	7.50	—	—	—	7.75
Share price at the end of the period, SEK	182.2	201.3	218.5	212.8	202.0	207.6	202.2	217.1
Net working capital, % of 12 months rolling sales	31.2	27.7	30.9	31.9	31.5	30.6	30.4	31.6
Adjusted ROCE, %	14.9	15.4	15.1	14.7	14.6	14.2	14.0	13.9
ROCE, %	13.3	13.3	12.7	11.9	11.9	12.1	11.9	10.7
ROE, %	12.6	12.0	11.5	10.6	10.4	11.7	11.5	9.7
Gearing, %	34.0	35.2	33.5	32.2	32.1	30.9	30.5	32.5
Equity/assets ratio, %	49.8	49.1	50.4	50.9	50.9	51.9	52.3	49.7
Additions to property, plant and equipment, MSEK	1,167	1,478	989	1,305	1,420	1,364	916	930
Net debt/equity, %	30.8	29.5	26.6	32.8	30.0	26.6	25.2	28.0
Net debt/equity, excluding post-employment benefits, %	16.9	13.9	13.0	18.6	16.2	14.1	13.1	14.4
Net debt, MSEK	17,893	16,191	15,983	18,937	17,291	16,472	14,933	15,491
Net debt/EBITDA	1.2	1.1	1.1	1.3	1.2	1.1	1.0	1.1
Net debt/Adjusted EBITDA	1.1	0.9	0.9	1.1	1.0	1.0	0.9	1.0
Registered number of employees	41,141	40,396	40,051	39,589	39,198	38,743	38,426	38,008

Definitions, see page 19.

SKF applies the guidelines issued by ESMA (European Securities and Markets Authority) on APMs (Alternative Performance Measures). These key figures are not defined or specified in IFRS but provide complementary information to investors and other stakeholders on the company's performance. The definition of each APM is presented at the end of the interim report. For the reconciliation of each APM against the most reconcilable line item in the financial statements, see investors.skf.com/en.

Segment information – quarterly figures

Industrial

MSEK unless otherwise stated	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24	Q4/24	Q1/25	Q2/25
Net sales	18,037	17,350	17,487	17,943	16,537	17,508	17,033	16,654
Organic growth, %	-2.1	-3.0	-7.3	-7.4	-4.6	-2.7	-3.6	2.4
Adjusted operating profit	2,462	2,611	2,867	2,919	2,486	2,549	2,871	2,759
Adjusted operating margin, %	13.6	15.0	16.4	16.3	15.0	14.6	16.9	16.6
Operating profit	2,081	1,913	2,644	2,131	2,241	2,269	2,677	1,284
Operating margin, %	11.5	11.0	15.1	11.9	13.6	13.0	15.7	7.7
Adjusted EBITDA	3,386	3,594	3,719	3,790	3,379	3,512	3,800	3,618
EBITDA	3,013	3,035	3,592	3,180	3,160	3,242	3,799	2,312
Assets and liabilities, net	54,520	50,381	55,342	55,230	53,298	54,652	51,950	49,054
Registered number of employees	34,833	34,013	33,722	33,235	32,876	32,465	31,883	31,372

Automotive

MSEK unless otherwise stated	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24	Q4/24	Q1/25	Q2/25
Net sales	7,734	7,088	7,212	7,663	7,155	7,217	6,933	6,512
Organic growth, %	3.1	0.7	-6.2	-4.7	-4.0	-4.0	-3.0	-6.2
Adjusted operating profit	494	318	436	405	335	186	362	331
Adjusted operating margin, %	6.4	4.5	6.0	5.3	4.7	2.6	5.2	5.1
Operating profit	486	12	349	358	285	62	208	16
Operating margin, %	6.3	0.2	4.8	4.7	4.0	0.9	3.0	0.2
Adjusted EBITDA	641	475	560	535	452	321	498	471
EBITDA	632	169	473	525	402	197	344	158
Assets and liabilities, net	15,806	14,648	15,582	15,941	15,549	16,159	15,354	14,860
Registered number of employees	3,970	4,093	3,968	3,983	3,918	3,879	3,913	3,963

1) Previously published figures for 2023 and 2024 have been restated to reflect change in responsibilities for factories and Group functions in accordance with new organizational structure.

Notes

NOTE 1 Accounting principles

The consolidated financial statements of the SKF Group were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The interim report was prepared in accordance with IAS 34 Interim Financial Reporting.

Disclosures as required by IAS 34 p. 16 A are provided in the notes to the financial statements as well as in other parts of the interim report. The financial statements of the Parent Company were prepared in accordance with the “Annual Accounts Act” and the RFR 2 “Accounting for legal entities”. SKF Group and the Parent Company applied the same accounting principles and methods of computation in the interim financial statements as compared with the latest annual report. IASB issued several amended accounting standards that were endorsed by EU, effective date 1 January 2025. None of these have a material effect on the SKF Group’s financial statements.

Pillar II income taxes legislation was effective from 1 January 2024. Under the legislation, the Parent Company will be required to pay top-up tax on profit of its subsidiaries that are taxed at an effective tax rate of less than 15%. No top-up tax has been included in the financial statements for the second quarter 2025. SKF Group has analyzed the financial figures and concluded that the Group is not expecting any additional material top-up tax during 2025. The Group will continue to assess the impact of Pillar II income taxes legislation on its future financial performance.

Valuation principles and classifications of the financial instruments, as described in SKF Annual Report 2024, have been consistently applied throughout the reporting period. There are no major changes in fair value during the period.

NOTE 2 Transactions with related parties

No significant change is present for transactions with related parties in relation to disclosure provided in Annual Report 2024.

NOTE 3 Risks and uncertainties in the business

The SKF Group operates in many different industrial and geographical areas. As a result, the SKF Group is exposed to various types of risks. SKF appreciates that there are risks associated with the macro environment such as the geo-political landscape, the state of global markets and significant industry and technological shifts. There are also business risks including supply chain disruptions, information and cybersecurity threats, and challenges in attracting talent in a competitive labour market. Additionally, there are legal and compliance risks arising from the increased regulatory demands and internal governance and coordination within the Group as well as ongoing regulatory investigations and processes.

The SKF Group's operations are also exposed to various types of financial risks; market risks (being currency risk, interest rate risk and other price risks), liquidity risks and credit risks. Further information on the risks and how SKF works to mitigate them is found in SKF's latest Annual Report (available on investors.skf.com/en), under “Risks and the share”.

The financial position of the Parent Company is dependent on the financial position and development of the subsidiaries. A general decline in the demand for the products and services provided by the Group could mean lower residual profits and lower dividend income for the Parent Company, as well as a need for writing down values of the shares in the subsidiaries.

NOTE 4 Divestment of business

In April SKF completed the previously announced divestment of its ring and seal operation in Hanover, Pennsylvania, USA. The divestment within the aerospace business resulted in a total cash inflow of MSEK 2,209 and a net gain of MSEK 766. The gain from the divestment is included in the operating profit as other operating income and reported as items affecting comparability within the Industrial segment.

NOTE 5 Assets held for sale

As per 30 June 2025 the net assets for the aerospace operation in Elgin, USA have been reported as assets held for sale in accordance with IFRS 5. Net assets per end of June amounted to approximately MSEK 200.

The Board of Directors and the CEO declare that the half-year report gives a true and fair view of the performance of the business, position and profit or loss of the company and the Group, and describes the principal risks and uncertainties that the company and the companies in the Group face.

Gothenburg, 18 July 2025
Aktiebolaget SKF
(publ)

Hans Stråberg
Chair

Håkan Buskhe
Vice Chair

Mats Rahmström
Vice Chair

Hock Goh
Board member

Geert Follens
Board member

Susanna Schneeberger
Board member

Rickard Gustafson
*President and CEO
Board member*

Bethany Ferreira
Board member

Therese Friberg
Board member

Richard Nilsson
Board member

Niko Pakalén
Board member

Jonny Hilbert
Board member

Zarko Djurovic
Board member

The half-year report has been reviewed by AB SKF's auditor.

Auditor's report

Independent Auditor's Report on the review of half-year financial information. To the Board of Directors of AB SKF (publ), Corporate ID No. 556007-3495.

Introduction

We have reviewed the interim report of AB SKF (publ) for the period January 1-June 30, 2025. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Gothenburg, 18 July 2025
Deloitte AB

Hans Warén
Authorized Public Accountant

Financial statements – Parent Company

Parent Company condensed income statements

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Revenue	1,063	2,076	3,014	4,586
Cost of revenue	-1,556	-1,374	-2,889	-2,825
General management and administrative expenses	-439	-492	-916	-913
Other operating income/expenses, net	-6	1	15	5
Operating profit	-938	211	-776	853
Financial income and expenses, net	290	-5	410	-22
Profit before taxes	-648	206	-366	831
Income taxes	204	-1	186	-141
Net profit	-444	205	-180	690

Parent Company condensed statements of comprehensive income

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Net profit	-444	205	-180	690
Items that will not be reclassified to the income statement:				
Assets at fair value through other comprehensive income	—	-54	-309	-75
Other comprehensive income, net of tax	-444	151	-489	615
Total comprehensive income	-444	151	-489	615

Parent Company condensed balance sheets

MSEK	June 2025	December 2024	June 2024
Intangible assets	621	712	802
Investments in subsidiaries	20,779	20,797	22,431
Receivables from subsidiaries	11,998	12,483	15,781
Other non-current assets	924	937	715
Non-current assets	34,322	34,929	39,729
Receivables from subsidiaries	5,154	8,207	2,563
Other receivables	500	557	312
Current assets	5,654	8,764	2,875
Total assets	39,976	43,693	42,604
Shareholders' equity	20,888	24,895	22,380
Provisions	788	731	767
Non-current liabilities	11,995	12,480	15,778
Current liabilities	6,305	5,587	3,679
Total shareholders' equity, provisions and liabilities	39,976	43,693	42,604

Alternative performance measures and definitions

Adjusted operating profit

Operating profit excluding items affecting comparability.

Adjusted operating margin

Operating profit margin excluding items affecting comparability.

Adjusted earnings/loss per share in SEK

Basic earnings per share excluding items affecting comparability.

Adjusted return on capital employed (Adjusted ROCE)

Return on capital employed (ROCE) excluding items affecting comparability.

Basic earnings/loss per share in SEK (as defined by IFRS)

Profit/loss after taxes less non-controlling interests divided by the ordinary number of shares.

Currency impact on operating profit

The effects of both translation and transaction flows based on current assumptions and exchange rates compared to the corresponding period last year.

Debt

Loans and net provisions for post-employment benefits.

EBITA (Earnings before interest, taxes and amortization)

Operating profit before amortizations.

EBITDA (Earnings before interest, taxes, depreciation and amortization)

Operating profit before depreciations, amortizations, and impairments.

Equity/assets ratio

Equity as a percentage of total assets.

Gearing

Debt as a percentage of the sum of debt and equity.

Gross margin

Gross income as a percentage of net sales.

Items affecting comparability

Significant income/expenses that affect comparability between accounting periods. This includes, but is not limited to, restructuring costs, impairments and write-offs, currency effects caused by devaluations and gains and losses on divestments of businesses.

Net debt

Debt less short-term financial assets excluding derivatives.

Net debt/EBITDA

Net debt, in relation to 12 months rolling EBITDA.

Net debt/equity

Net debt, as a percentage of equity.

Net working capital (NWC)

Trade receivables plus inventories minus trade payables

Operating margin

Operating profit/loss, as a percentage of net sales.

Organic growth

Sales excluding effects of currency and acquired and divested businesses.

Revenue growth

Sales excluding effects of currency and divested businesses.

Registered number of employees

Total number of employees included in SKF's payroll at the end of the period.

Return on capital employed (ROCE)

Operating profit/loss plus interest income, as a percentage of 12 months rolling average of total assets less the average of non-interest bearing liabilities.

Return on equity (ROE)

Profit/loss after taxes as a percentage of 12 months rolling average of equity.

Scope 1, 2 and 3

Scope 1 is emissions that SKF controls directly, e.g. equipment using fossil fuel. Scope 2 is emissions that SKF causes indirectly, e.g. from electricity purchase. Scope 3 is emissions that SKF is indirectly responsible for up the value chain, e.g. steel purchase or logistics.

SKF organic sales outlook

The organic sales outlook for SKF's products and services represents management's best estimate based on current information about the future demand from our customers.

For reconciliations of other Key ratios, see investors.skf.com/en

Q2 webcast

18 July at 09:00 CEST

To follow the presentation via webcast:

Viewing [SKF Q2 2025 Results](#)

Dial-in to participate via telephone:

Sweden +46 (0)8 5051 0031

UK/International +44 (0)207 107 0613



More information on
<https://investors.skf.com>

Calendar 2025

29 October	Q3 report
11 November	Capital Markets Day
30 January 2026	Q4 report

Cautionary statement

This report contains forward-looking statements that reflect SKF's current expectations on future events and financial and operational development. Forward-looking statements are inherently associated with risks and uncertainties, both known and unknown, and depend on future events and circumstances. Although management believes that the expectations reflected in the forward-looking statements are reasonable, no assurance can be given that such expectations will be fulfilled. Any statements about future strategy and business decisions are indicative only and remain subject to all necessary approvals. Results and actual outcomes could differ materially as a result of several factors, including but not limited to changes in economic, market and competitive conditions, regulatory changes and other government action, and fluctuations in exchange rates. SKF makes no undertaking to disclose, update or revise any forward-looking statement due to new information, future events or other such matters, other than what is required according to applicable legislation.

® SKF is a registered trademark of AB SKF (publ). © SKF Group 2025. All rights reserved. Please note that this publication may not be copied or distributed, in whole or in part, unless prior written permission is granted. Every care has been taken to ensure the accuracy of the information contained in this publication, but no liability can be accepted for any loss or damage whether direct, indirect or consequential arising out of the use of the information contained herein. July 2025.

Contact

Investor Relations

Sophie Arnius, Head of Investor Relations

mobile +46 705 908 072

sophie.arnius@skf.com

Press

Carl Bjernstam, Head of Media Relations

tel +46 31 337 2517

mobile +46 722 201 893

carl.bjernstam@skf.com

This is SKF

Today, around 20% of all energy is spent overcoming friction. At SKF, we fight friction to reduce energy waste and make the most of the resources around us.

As a leading technology and engineering company, we deliver value at every step of our customers' journey. From the design phase, integrating our solutions into customers' products, to ongoing support throughout their lifecycle, we provide peace of mind.

Built on a century of expertise and a profound understanding of our customer applications, we've established a global presence and a brand trusted across industries. This allows us to offer tailored solutions – whether optimizing for speed, durability or efficiency – paving the way for a sustainable, resource-efficient future.

Quick facts

Founded 1907

Represented in around 130 countries

Figures for FY 2024:

- Net sales MSEK 98,722
- 38,743 employees
- > 17,000 distributors

AB SKF (publ)

Postal address: SE-415 50 Gothenburg, Sweden

Visiting address: Sven Wingquists Gata 2

tel +46 31 337 10 00

www.skf.com

Company registration number 556007-3495