This presentation contains forward-looking statements. The words "anticipate", "assume", "believe", "estimate", "expect", "intend", "may", "plan", "project", "should" and similar expressions are used to identify forward-looking statements. Forward-looking statements are statements that are not historical facts; they include statements about Schaeffler Group’s beliefs and expectations and the assumptions underlying them. These statements are based on plans, estimates and projections as they are currently available to the management of Schaeffler AG. Forward-looking statements therefore speak only as of the date they are made, and Schaeffler Group undertakes no obligation to update any of them in light of new information or future events.

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The material contained in this presentation reflects current legislation and the business and financial affairs of Schaeffler Group which are subject to change.
Matthias Zink (47) joined the Executive Board on January 1, 2017

Co-CEO Automotive Schaeffler Group succeeding Norbert Indlekofer

22 years with Schaeffler

Execute the mobility for tomorrow strategy with a focus on future powertrains to support E-Mobility

Marc McGrath (50) joined Schaeffler Americas in 1988

Head of Automotive Americas since January 1, 2016

29 years with Schaeffler

Pivoting resources to strengthen regional E-Mobility and mechatronics development for future mobility
Agenda

1. Schaeffler at a glance
2. Strategy "Mobility for tomorrow"
3. Investment Highlights
4. Summary
Schaeffler at a glance

- Leading automotive and industrial supplier of high-precision components and systems
- Global footprint with around 85,000 employees at about 170 locations in more than 50 countries
- Balanced business portfolio across sectors, geographies and diversified customer base with leading market positions
- Sizeable aftermarket exposure contributes to stable financial performance
- Highly attractive profitability and cash returns

Schaeffler AG – A leading automotive and industrial supplier

Sales by division and region (9M 2016) (in %)

- Industrial: 24.4%
- Automotive: 75.6%
- Europe: 53.3%
- Asia/Pacific: 14.4%
- Greater China: 10.3%
- Americas: 22.0%

EUROPE: Incl. Germany, Western, Southern and Eastern Europe, Middle East, Africa, Russia and India

Sales growth 2012-2016 (in EUR bn)

- 2011: 10.7 (growth: +12.6%)
- 2012: 11.1 (growth: +4.0%)
- 2013: 11.2 (growth: +0.7%)
- 2014: 12.1 (growth: +8.2%)
- 2015: 13.2 (growth: +8.7%)

Global footprint

<table>
<thead>
<tr>
<th>Region</th>
<th>#Plants</th>
<th>#R&amp;D Centers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>48</td>
<td>9</td>
</tr>
<tr>
<td>Americas</td>
<td>14</td>
<td>5</td>
</tr>
<tr>
<td>Greater China</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td>Asia / Pacific</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>75</strong></td>
<td><strong>17</strong></td>
</tr>
</tbody>
</table>

2 Strategy "Mobility for tomorrow" – 4 key elements

**Vision / Mission**

"Guided by the values of a global family business. We work closely together with our customers as true partners to deliver a compelling value proposition through our best-in-class expertise in manufacturing technology and systems know-how. In doing so, we contribute to the success of our customers, the advancement of our employees and the prosperity of our society."

**Vision**

"As a leader in technology, we combine a passion for innovation with the highest standards of quality to shape the future of mobility – for a world that will be cleaner, safer and smarter."

**8 Strategic pillars**

1. We want to be the preferred technology partner for our customers.
2. We are an automotive and industrial supplier.
3. We are a global company with a local presence throughout the world.
4. We produce components and systems.
5. We view S-Mobility, Industry 4.0, and Digitalisation as key opportunities for the future.
6. We strive for the highest possible quality, efficiency, and delivery performance.
7. We want to be an attractive employer.
8. We live by the values of a global family business.

**4 Focus areas**

- **Electric and hybrid vehicles**
  - Optimised combustion engines
  - Electric vehicles
  - Industrial drives

- **Interurban mobility**
  - Rail vehicles
  - Airports
  - Off-highway

- **Urban mobility**
  - Two-wheelers
  - In-city railways
  - Micro-mobility

- **Energy chain**
  - Wind power
  - Solar power
  - Conventional power generation

**16 Strategic initiatives**

- **Innovation focus**
- **Organisational excellence**
- **Financial flexibility**
- **Leadership & Talent management**
- **Living room components and value creation**

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Contributor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Excellence</td>
<td>Prof. Dr. Frick / Dr. Schäfer</td>
</tr>
<tr>
<td>New Industry 4.0</td>
<td>Prof. Dr. Schäfer</td>
</tr>
<tr>
<td>QM ISO 9001</td>
<td>Prof. Dr. Schäfer</td>
</tr>
<tr>
<td>Factory for Tomorrow</td>
<td>Prof. Dr. Schäfer</td>
</tr>
<tr>
<td>Dr. Hauck</td>
<td>Prof. Dr. Schäfer</td>
</tr>
<tr>
<td>Dr. Hauck</td>
<td>Prof. Dr. Schäfer</td>
</tr>
<tr>
<td>Working Capital</td>
<td>Prof. Dr. Schäfer</td>
</tr>
<tr>
<td>Leadership &amp; Corporate Values</td>
<td>Prof. Dr. Schäfer</td>
</tr>
<tr>
<td>Qualification for Tomorrow</td>
<td>Prof. Dr. Schäfer</td>
</tr>
<tr>
<td>Dr. Hauck</td>
<td>Prof. Dr. Schäfer</td>
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<td>Prof. Dr. Schäfer</td>
<td>Prof. Dr. Schäfer</td>
</tr>
<tr>
<td>IT 2020</td>
<td>Prof. Dr. Schäfer</td>
</tr>
<tr>
<td>Global Steering</td>
<td>Prof. Dr. Schäfer</td>
</tr>
</tbody>
</table>

January 10, 2017

2017 Global Auto Industry Conference | © Schaeffler 2017
## Financial Ambitions 2020

<table>
<thead>
<tr>
<th>Category</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales Growth</strong></td>
<td>Ø 4-6% p.a.</td>
</tr>
<tr>
<td></td>
<td>w/o external growth, FX-adjusted</td>
</tr>
<tr>
<td><strong>EBIT Margin</strong></td>
<td>12-13% p.a.</td>
</tr>
<tr>
<td></td>
<td>Before one-off effects, w/o external growth</td>
</tr>
<tr>
<td><strong>Free Cash flow</strong></td>
<td>~€ 900M in 2020</td>
</tr>
<tr>
<td></td>
<td>w/o external growth</td>
</tr>
<tr>
<td><strong>Earnings per Share</strong></td>
<td>~€ 2.00 per share in 2020</td>
</tr>
<tr>
<td></td>
<td>w/o external growth</td>
</tr>
<tr>
<td><strong>Gearing ratio ¹</strong></td>
<td>&lt;75% in 2020</td>
</tr>
<tr>
<td><strong>Dividend ²</strong></td>
<td>30-40% of Net income</td>
</tr>
</tbody>
</table>

### Market assumptions

- Automotive: Growth of global passenger car production around 2%
- Industrial: Low single-digit growth of industrial production

---

¹) Net-debt to equity ratio (excluding pensions), see Backup
²) Payout ratio based on Net income
3) Investment Grade Rating shall be maintained
3 Investment highlights
The Schaeffler Equity Story – 3 key elements

1. Outperformance in Automotive
   - Consistent growth above markets; targeting at least 4%-pts OE sales above market until 2020
   - Best-in-class margin

2. Margin upside in Industrial
   - CORE program launched to revitalize Industrial division
   - Margin upside potential + 3%-points

3. Strong Free Cash flow generation
   - Strong operating Cash flow Generation
   - FCF used for dividend payments, M&A and further deleveraging

Key objectives
Profitable growth and sustainable value creation
### 3 Investment highlights – Outperformance Automotive

**Schaeffler Automotive – Strong track record of above market growth**

#### Sales and EBIT margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (in millions)</th>
<th>EBIT Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>7,658</td>
<td>13.5%</td>
</tr>
<tr>
<td>2013</td>
<td>8,164</td>
<td>13.0%</td>
</tr>
<tr>
<td>2014</td>
<td>8,986</td>
<td>14.0%</td>
</tr>
<tr>
<td>2015</td>
<td>9,993</td>
<td>13.6%</td>
</tr>
<tr>
<td>LTM 2016</td>
<td>10,169</td>
<td>14.2%</td>
</tr>
</tbody>
</table>

Growth rate (y-o-y): +7.0% to +11.2%
EBIT margin before one-off effects: 13.5% to 14.2%

#### Out-performance in all regions

- **Global Market**: +4%
- **Schaeffler Automotive**: +9%

<table>
<thead>
<tr>
<th>Region</th>
<th>Global Market</th>
<th>Schaeffler Automotive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>5%</td>
<td>15%</td>
</tr>
<tr>
<td>Europe</td>
<td>2%</td>
<td>5%</td>
</tr>
<tr>
<td>Asia / Pacific</td>
<td>1%</td>
<td>9%</td>
</tr>
<tr>
<td>Greater China</td>
<td>7%</td>
<td>24%</td>
</tr>
</tbody>
</table>

1) Schaeffler Automotive CAGR 2010 - 2015 excluding Aftermarket and FX

#### Sales by region

- Europe: 53%
- Asia/Pacific: 15%
- Greater China: 22%
- Americas: 10%

#### Broad customer mix

- **Top 10 automotive customers**: 40%
- **Other customers**: 60%

**Top 10 automotive customers**:
- Volkswagen
- BMW
- Daimler
- Hyundai
- Toyota
- Ford
- PSA
- Renault
- ZF
- Getrag
Outperformance Automotive – Four main growth drivers

1. Growth from new technologies / products
2. Growth from higher systems share
3. Growth from new customers and markets
4. Growth from Aftermarket business

Current examples:
- Finger follower (not switchable): ~ 4 x more content
- Conventional clutch: ~ 10 x more content
- Double clutch with actuation and control unit
- Ball screw drive for electric brake China (+15% pts installation rate)
- Dual mass flywheel (single parts): > 4 x faster growth
- RepSet dual mass flywheel

1) based on unit price; 2) installation rate 10% in 2015, 25% in 2020; 3) Sales CAGR 2015 – 2020
Outperformance YTD September 2016:

- **Trucks effect:**
  Truck sales is part of our total Automotive sales, weak markets dampening growth

- **Phase out effect:**
  Phase-out of two projects affecting growth rate negatively in 2016

- **Americas mix effect:**
  OEM stopped production of two small sedans as market was shifting to SUVs and light trucks

---

Targeted outperformance 2017:

- **Order book shows strong growth potential in all regions and business divisions**

- **Growth from existing technologies/products:**
  Torque converters in the US, new DCT projects in China, new contract with UniAir system

- **Growth from new technologies/products:**
  Innovative thermal management module, electro mechanical cam phasing system, new e-clutch

- **Growth from new customers/markets:**
  Strong growth in China with non Chinese OEMs as well as Chinese OEMs (dual clutch dry/wet, dual mass flywheel, clutch release system)
Market growth based on increasing production of hybrid and electric vehicles – Two scenarios

Global production volume 1)
in millions of units

Source: IHS, LMC Automotive, Schaeffler Group projections

1) Annually expected global production volume, automobiles/small utility vehicles in millions of units

2) Schaeffler estimates

CAGR 2010/2030 +2.4% p.a.

Battery electric vehicles
Hybrid vehicles
Internal combustion engines

Basic scenario 2)

Global production volume 1) in millions of units

Source: IHS, LMC Automotive, Schaeffler Group projections

1) Annually expected global production volume, automobiles/small utility vehicles in millions of units

2) Schaeffler estimates

CAGR 2010/2030 +2.4% p.a.

Battery electric vehicles
Hybrid vehicles
Internal combustion engines

Accelerated scenario 2)
**Product portfolio**

- **E-Clutch**
- **HV hybrid module**
- **HV e-axle**
- **Electric wheel hub drive**

**Grade of electrification**

**Key aspects**

1999
1\(^{st}\) Schaeffler E-Mobility symposium

2002
1\(^{st}\) E-Mobility concept car

2005
1\(^{st}\) serial production of components for hybrid modules

2016
- 500 Million Euro investment to date\(^1\), 1,200 employees globally
- More than 20 customer projects
- 6 series contracts for hybrid modules and e-axles

2020
- Further 500 Million Euro investment\(^1\)
- Doubling of employees in R&D and manufacturing

\(^1\) Including R&D
Example Schaeffler North America – Developing components and systems for future technology

48V transmission driven accessories

- Mild hybrid system invented and developed in US
- 12 KW
- Direct energy recovery results in fuel economy levels equivalent or greater than a P2 hybrid for the cost of a Belt Starter Alternator

Hybrid module

- Expertise in components saved >50mm when integrated into a system
- Can be utilized as a full hybrid or plug-in hybrid
- SOP 2018

HV E-Axle

- R&D in-place in the region
- Engaged in 7 E-Axle projects
- Component expertise yields smaller, lighter packages
1 System and Powertrain Competence

- 500 Million Euro investment to date\(^1\), 1,200 employees globally
- More than 20 customer projects
- 6 series contracts for hybrid modules and e-axles

2 Acquisition

- Schaeffler acquires a 51% stake in Compact Dynamics GmbH from SEMIKRON International GmbH.
- Closing expected in Q1 2017; call option for remaining 49% stake until June 2018.
- Compact Dynamics is a development specialist in the field of innovative, electric drive concepts

3 Cooperation

- At the same time, SEMIKRON and Schaeffler establish a cooperation to develop power electronic solutions for alternative drive concepts
- SEMIKRON is a worldwide leader for innovative power electronics
- Schaeffler is significantly expending its expertise in e-motors and power electronics
### Sales development 2012 – 2015

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Growth Rate</th>
<th>EBIT-margin (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>3,406</td>
<td>-1.6%</td>
<td>12.7%</td>
</tr>
<tr>
<td>2013</td>
<td>3,041</td>
<td>-10.7%</td>
<td>10.7%</td>
</tr>
<tr>
<td>2014</td>
<td>3,138</td>
<td>+3.2%</td>
<td>9.6%</td>
</tr>
<tr>
<td>2015</td>
<td>3,233</td>
<td>+3.0%</td>
<td>9.7%</td>
</tr>
</tbody>
</table>

(1) Before one-off effects

### Sales split by sector cluster & distribution channel 2015

- **Wind**: 33%
  - Raw Materials: 4%
  - Aerospace: 7%
  - Rail: 7%
  - Offroad: 5%
  - Two-Wheelers: 14%
- **Industrial Automation**: 13%
- **Power Transmission**: 10%

### Sales split by region 2015

- **Americas**: 56%
  - Greater China: 19%
  - Asia/Pacific: 15%
- **Europe**: 10%
- **Industrial Distribution**: 10%
  - Standard product distribution business: 30%
  - OEM and MRO business: 35%
  - Customized product business: 35%

(1) Including service business
Program CORE – Revitalizing the Industrial division

4 key drivers

1. Customer focus and growth
   - Strengthen sales organizations in the regions
   - Strengthen regional engineering / customer support centers
   - Establish dedicated global key account management

2. Cost reduction & efficiency improvement
   - Reduce overhead cost
   - Re-dimension central departments
   - Drive cost saving program including material cost, efficiency gains and overhead reduction

3. High delivery performance
   - Establish European distribution centers (EDC) to ensure immediate product availability
   - Increase level of standardization
   - Implement high runner program with 24/48h delivery time

4. Optimized product and service offering
   - Strengthen standard product business
   - Balance customized product business / engineering solutions
   - Enforce market penetration of service / digitalization

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3 Investment highlights – Margin upside Industrial

Program CORE – Overall target remains in place

Successful implementation

Cost reduction 1st wave

Cost reduction 2nd wave

Continuous improvement through further optional measures

500 HCO

24 months

2015 2016 2017 2018 2019

Today

Financial ambitions

Stable market environment

EBIT margin Industrial Division 10-11% in 2018

Successful implementation of CORE program
3 Investment highlights – Strong Free Cash Flow Generation

**Use of cash – M&A strategy based on selected add-on acquisitions**

**M&A strategy**

**Approach**
- Focus on technological competence to maintain our strong position as technology and innovation leader
- Focus on smaller add-on acquisitions that contribute to a sustainable value creation

**Acquisition Criteria**
- Strategic and cultural fit, technological excellence and value contribution as the most important acquisition criteria
- Possible acquisitions will be in the three-digit million range

**Automotive & Industrial**
- Attractive pipeline of potential acquisition targets for both divisions
- Focus in Automotive and Industrial is on technology and on strengthening market positions

**Use of cash**

- **External growth**
  - Add-on acquisitions
- **Deleveraging**
  - Further optimization of balance sheet
- **Dividends**
  - 30-40% of net income
1. Schaeffler is a leading global automotive and industrial supplier with superior technologies

2. Strategy "Mobility for tomorrow" implemented; Financial Ambitions 2020 with focus on sales growth, EBIT margin, FCF generation, EPS, gearing ratio and dividend payout ratio

3. Returning to historic outperformance levels in Automotive targeted as of 2017; move into e-Mobility offer significant growth potential (leveraged via recent M&A activity)

4. Program CORE to revitalize the Industrial division extended; second wave of efficiency measures initiated

5. Strong cash flow generation allow for selected technological add-on acquisitions
IR Contact

Investor Relations

Phone: + 49 9132 82 4440
Email: ir@schaeffler.com
Web: www.schaeffler.com/ir

Financial Calendar

FY 2016 results: March 8, 2017
Q1 2017 results: May 11, 2017
H1 2017 results: August 8, 2017
9M 2017 results: November 8, 2017

Cost reduction and efficiency improvements – First wave mostly completed

Key aspects

- First wave announced in August 2015
- Cost savings through HCO reduction in overhead functions of the Industrial Division
- Reduction of 500 HCO mainly in Germany until 12/2017
- Approximately 40 EUR mn overhead cost savings (full run rate 2018)
- 36 EUR mn restructuring provisions (booked in Q IV 2015)

Indicative Financial Impact

Δ EBIT in EUR mn

<table>
<thead>
<tr>
<th>Year</th>
<th>EBIT Improvement</th>
<th>One-off effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014A</td>
<td>-36</td>
<td></td>
</tr>
<tr>
<td>2015A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016F</td>
<td>15(^1)</td>
<td></td>
</tr>
<tr>
<td>2017P</td>
<td>31</td>
<td></td>
</tr>
<tr>
<td>2018P</td>
<td>40</td>
<td></td>
</tr>
</tbody>
</table>

1) Financial impact in specific year
2) thereof 9 mn Euro YTD September 2016

HCO reduction Overhead

- Overhead Headcount 06/2015: 2.165
- Left payroll: 263
- Signed termination contracts: 154
- In progress: 83
- Target Overhead Headcount 12/2017: 1.665

Completion Ratio 83\(^3\)
Cost reduction and efficiency improvements – Second wave initiated

Key aspects

- Second wave announced in November 2016
- Cost savings through consolidation of plants in Europe and Americas and HCO reduction in overhead functions also outside the Industrial division
- Reduction of 500 HCO in Germany, Europe and other regions targeted
- Approximately 60 EUR mn improvement from Gross Profit optimization and Overhead cost reduction until 2019 planned
- Around 75 EUR mn one-off-cost until 2019 of which approximately 50 EUR mn shall be booked as restructuring provisions as of year end 2016

Indicative Financial Impact

Δ EBIT in EUR mn

<table>
<thead>
<tr>
<th>Year</th>
<th>EBIT Improvement</th>
<th>One-off costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015A</td>
<td>-50</td>
<td></td>
</tr>
<tr>
<td>2016F</td>
<td>23</td>
<td>-14</td>
</tr>
<tr>
<td>2017P</td>
<td>37</td>
<td>-9</td>
</tr>
<tr>
<td>2018P</td>
<td>41</td>
<td>-14</td>
</tr>
<tr>
<td>2019P</td>
<td>58</td>
<td>-2</td>
</tr>
</tbody>
</table>

1) 2016-2019 in total 75 mn Euro, thereof 50 mn Euro booked as restructuring provision

HCO reduction Plants/Overhead

- Total HCO reduction target: 500
- Germany: ~400
- Europe: ~100
- Americas: ~100
- Others: ~100

Subject to negotiation with working council
Sales growth 9M 2016 2.7% (FX-adjusted)

Sales in EUR mn

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>3,339</td>
<td>3,382</td>
<td>3,237</td>
<td>3,221</td>
</tr>
<tr>
<td>2016</td>
<td>3,343</td>
<td>3,369</td>
<td>3,265</td>
<td></td>
</tr>
</tbody>
</table>

+2.7%\(^1\) vs 9M 2015

<table>
<thead>
<tr>
<th></th>
<th>15</th>
<th>16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>13,179</td>
<td>9,977</td>
</tr>
</tbody>
</table>

FX-adjusted sales growth in %

<table>
<thead>
<tr>
<th></th>
<th>15</th>
<th>16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>5.3</td>
<td>2.4</td>
</tr>
<tr>
<td>Q2</td>
<td>4.5</td>
<td>3.3</td>
</tr>
<tr>
<td>Q3</td>
<td>2.9</td>
<td>2.3</td>
</tr>
<tr>
<td>Q4</td>
<td>1.3</td>
<td></td>
</tr>
</tbody>
</table>

2.7% (w/o FX effects)

EBIT margin\(^2\) in %

<table>
<thead>
<tr>
<th></th>
<th>15</th>
<th>16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>13.2</td>
<td>12.6</td>
</tr>
<tr>
<td>Q2</td>
<td>11.4</td>
<td>13.0</td>
</tr>
<tr>
<td>Q3</td>
<td>13.4</td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>13.0</td>
<td>12.8</td>
</tr>
</tbody>
</table>

2) Before one-off effects

Sales by region 9M 2016

<table>
<thead>
<tr>
<th>Region</th>
<th>Q1 (w/o FX effects)</th>
<th>Q2 (w/o FX effects)</th>
<th>Q3 (w/o FX effects)</th>
<th>Q4 (w/o FX effects)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>-5.0% (-0.4%)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greater China</td>
<td>+5.5% (+10.5%)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>+0.5% (+1.7%)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>10.3%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia/Europe</td>
<td>54.2%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sales by division

<table>
<thead>
<tr>
<th>Division</th>
<th>9M15</th>
<th>9M16</th>
<th>(\Delta) (w/o FX effects)</th>
<th>Q3 15</th>
<th>Q3 16</th>
<th>(\Delta) (w/o FX effects)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive</td>
<td>7,511</td>
<td>7,703</td>
<td>+5.3%</td>
<td>2,442</td>
<td>2,524</td>
<td>+5.1%</td>
</tr>
<tr>
<td>Industrial</td>
<td>2,447</td>
<td>2,274</td>
<td>-5.3%</td>
<td>795</td>
<td>741</td>
<td>-6.2%</td>
</tr>
<tr>
<td>Total</td>
<td>9,958</td>
<td>9,977</td>
<td>+2.7%</td>
<td>3,237</td>
<td>3,265</td>
<td>+2.3%</td>
</tr>
</tbody>
</table>
Automotive – Strong growth in Greater China

Automotive sales and market development 9M

- Asia/Pacific: +7%
- Greater China: +22%
- Europe: +11%
- Americas: +3%
- Europe: +4%
- Americas: +0%
- Greater China: +1%
- Asia/Pacific: -3%

World production: +3.4% (w/o FX effects)
Schaeffler Automotive: +5.3% (w/o FX effects)

Sales growth (w/o FX effects) Schaeffler Automotive 9M 2016 vs 9M 2015

Automotive sales by region

- Greater China: +38.9% FX-adjusted
- Americas: -1.2% FX-adjusted
- Europe: +0.2% FX-adjusted
- Asia/Pacific: +10%

World production: +3.4% (w/o FX effects)
Schaeffler Automotive: +5.3% (w/o FX effects)

Automotive sales by division 9M

- Engine Systems: +2.4%
- Transmission Systems: +4.7%
- Chassis Systems: +6.2%
- Automotive Aftermarket: +10.3%

Automotive sales by division Q3

- Engine Systems: +2.4%
- Transmission Systems: +4.4%
- Chassis Systems: +5.3%
- Automotive Aftermarket: +9.8%

1) Growth rates FX-adjusted
Industrial sales by sector cluster 9M

1) FX-adjusted

-25% -20% -15% -10% -5% +5% +10% +15%

Aerospace
Industrial Automation
Offroad
Power Transmission
Rail
Raw Materials
Industrial Distribution

Two-Wheelers
Wind

Industrial sales by sector cluster Q3

1) FX-adjusted

-25% -20% -15% -10% -5% +5% +10% +15%

Aerospace
Industrial Automation
Offroad
Power Transmission
Rail
Raw Materials
Industrial Distribution

Two-Wheelers
Wind

Industrial sales by region 9M

in EUR mn

Europe
Americas
Greater China
Asia/Pacific

1) Growth rates FX-adjusted

Industrial sales by region Q3

in EUR mn

Europe
Americas
Greater China
Asia/Pacific

1) FX-adjusted

-2.4%
-4.7%
-21.1%
-6.3%
Overview Corporate and Financing Structure

### Corporate Structure (simplified)

as of October 14, 2016

![Diagram](image_url)

- IHO Verwaltungs GmbH (formerly Schaeffler Verwaltung Zwei GmbH)
- IHO Beteiligungs GmbH (formerly Schaeffler Verwaltung GmbH)
- Schaeffler AG
- Schaeffler Technologies AG & Co. KG

- 54.0%: IHO Verwaltungs GmbH
- 24.9%: Schaeffler AG
- 10.0%: Schaeffler Technologies AG & Co. KG

### Financing Structure

as of October 14, 2016

#### IHO Verwaltungs GmbH (HoldCo)

<table>
<thead>
<tr>
<th>Debt Instrument</th>
<th>Nominal (USD mn)</th>
<th>Nominal (EUR mn)</th>
<th>Interest</th>
<th>Maturity</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term loan (EUR)</td>
<td>-</td>
<td>425³</td>
<td>E+2.75%</td>
<td>Sep-21</td>
<td>not rated</td>
</tr>
<tr>
<td>RCF (EUR 200 mn)</td>
<td>-</td>
<td>-</td>
<td>E+2.75%</td>
<td>Sep-21</td>
<td>not rated</td>
</tr>
<tr>
<td>2.75% SSNs 2021 (EUR)³</td>
<td>-</td>
<td>750</td>
<td>2.75%</td>
<td>Sep-21</td>
<td>Ba1/BB-</td>
</tr>
<tr>
<td>4.125% SSNs 2021 (USD)³</td>
<td>500</td>
<td>455³</td>
<td>4.125%</td>
<td>Sep-21</td>
<td>Ba1/BB-</td>
</tr>
<tr>
<td>3.25% SSNs 2023 (EUR)³</td>
<td>-</td>
<td>750</td>
<td>3.25%</td>
<td>Sep-23</td>
<td>Ba1/BB-</td>
</tr>
<tr>
<td>4.50% SSNs 2023 (USD)³</td>
<td>500</td>
<td>455³</td>
<td>4.50%</td>
<td>Sep-23</td>
<td>Ba1/BB-</td>
</tr>
<tr>
<td>3.75% SSNs 2026 (EUR)³</td>
<td>-</td>
<td>750</td>
<td>3.75%</td>
<td>Sep-26</td>
<td>Ba1/BB-</td>
</tr>
<tr>
<td>4.75% SSNs 2026 (USD)³</td>
<td>500</td>
<td>455³</td>
<td>4.75%</td>
<td>Sep-26</td>
<td>Ba1/BB-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>3,681</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Schaeffler Group (OpCo)

<table>
<thead>
<tr>
<th>Debt Instrument</th>
<th>Nominal (USD mn)</th>
<th>Nominal (EUR mn)</th>
<th>Interest</th>
<th>Maturity</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term loan (EUR)</td>
<td>-</td>
<td>1,000</td>
<td>E+1.45%</td>
<td>Jul-21</td>
<td>not rated</td>
</tr>
<tr>
<td>RCF (EUR 1,300 mn)</td>
<td>-</td>
<td>-</td>
<td>E+1.05%</td>
<td>Jul-21</td>
<td>not rated</td>
</tr>
<tr>
<td>2.50% SSNs 2020 (EUR)</td>
<td>-</td>
<td>400</td>
<td>2.50%</td>
<td>May-20</td>
<td>Baa3/BB+</td>
</tr>
<tr>
<td>4.25% SSNs 2021 (USD)</td>
<td>700</td>
<td>636¹</td>
<td>4.25%</td>
<td>May-21</td>
<td>Baa3/BB+</td>
</tr>
<tr>
<td>3.50% SSNs 2022 (EUR)</td>
<td>-</td>
<td>500</td>
<td>3.50%</td>
<td>May-22</td>
<td>Baa3/BB+</td>
</tr>
<tr>
<td>4.75% SSNs 2023 (USD)</td>
<td>600</td>
<td>545³</td>
<td>4.75%</td>
<td>May-23</td>
<td>Baa3/BB+</td>
</tr>
<tr>
<td>3.25% SSNs 2025 (EUR)</td>
<td>-</td>
<td>600</td>
<td>3.25%</td>
<td>May-25</td>
<td>Baa3/BB+</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>3,681</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) Up to EUR 600 mn.
2) Senior Secured PIK Toggle Notes.
3) EUR/USD = 1.10 as of October 14, 2016.