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.
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

Sales growth 2012-2016 (in EUR bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth Rate</th>
<th>Sales (in EUR bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>+12.6%</td>
<td>10.7</td>
</tr>
<tr>
<td>2012</td>
<td>+4.0%</td>
<td>11.1</td>
</tr>
<tr>
<td>2013</td>
<td>+0.7%</td>
<td>11.2</td>
</tr>
<tr>
<td>2014</td>
<td>+8.2%</td>
<td>12.1</td>
</tr>
<tr>
<td>2015</td>
<td>+8.7%</td>
<td>13.2</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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>

EUROPE: Incl. Germany, Western, Southern and Eastern Europe, Middle East, Africa, Russia and India
2 Strategy "Mobility for tomorrow"

Strategy "Mobility for tomorrow" – 4 key elements

**Vision / Mission**

**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."

---

**4 Focus areas**

- **Urban mobility**
  - Two-wheeler
  - Inner-city railways
  - Micro-mobility
- **Interurban mobility**
  - Rail vehicles
  - Aircraft
  - Off-highway
- **Energy chain**
  - Wind power
  - Solar power
  - Conventional power generation

---

**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 e-mobility, Industry 4.0, and Digitalization 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.

---

**16 Strategic initiatives**

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Initiative</th>
<th>Initiative</th>
<th>Initiative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Excellence</td>
<td>Productivity</td>
<td>Environmental Excellence</td>
<td>Financial Sustainability</td>
</tr>
<tr>
<td>Leadership &amp; Talent Management</td>
<td>Innovation</td>
<td>Excellence</td>
<td>Leadership &amp; Corporate Values</td>
</tr>
<tr>
<td>Quality for Tomorrow</td>
<td>Product Development</td>
<td>Technology Excellence</td>
<td>Qualification for Tomorrow</td>
</tr>
<tr>
<td>New Customers</td>
<td>Marketing</td>
<td>New Process Excellence</td>
<td>New Business</td>
</tr>
<tr>
<td>Working Capital</td>
<td>IT</td>
<td>New Solutions</td>
<td>Value Creation</td>
</tr>
</tbody>
</table>

---

**Agenda & plus One**

1. Innovation Focus
2. Environmental Excellence
3. Financial Sustainability
4. Leadership & Talent Management
5. Living room opportunities and value creation
### Financial Ambitions 2020

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

**Sales and EBIT margin**

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</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>

**Out-performance in all regions**

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

**Sales by region**

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

**EBIT margin**

- **2012:** 13.5%
- **2013:** 13.0%
- **2014:** 14.0%
- **2015:** 13.6%
- **LTM 2016:** 14.2%

**Growth rate (y-o-y)**

- **2012:** +7.0%
- **2013:** +6.6%
- **2014:** +10.0%
- **2015:** +11.2%
- **LTM 2016:** +3.5%

1) Before one-off effects

**Out-performance in all regions**

- **Americas:** 5%
- **Europe:** 2%
- **Asia / Pacific:** 5%
- **Greater China:** 7%

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

**Broad customer mix**

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

1. Finger follower (not switchable)
   - ~ 4 x more content
2. Conventional clutch
   - ~ 10 x more content
3. Ball screw drive for electric brake China
   - +15% pts installation rate
4. Dual mass flywheel (single parts)
   - > 4 x faster growth
5. RepSet dual mass flywheel

1) based on unit price; 2) installation rate 10% in 2015, 25% in 2020; 3) Sales CAGR 2015 - 2020
1 Outperformance to increase again in 2017 – 4%-pts OE sales growth above market targeted

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)

2016 outperformance YTD 09: ~ 2%

2017 outperformance target: ~ 4%

---

*At constant currency*
Market growth based on increasing production of hybrid and electric vehicles – Two scenarios

Global production volume ¹
in millions of units

CAGR 2010/2030
+2.4% p.a.

Basic scenario ²

2010 2015 2020e 2025e 2030e

98% 97% 85% 72% 53%

Battery electric vehicles
Hybrid vehicles
Internal combustion engines

Source: IHS, LMC Automotive, Schaeffler Group projections
¹Annually expected global production volume, automobiles/small utility vehicles in millions of units
²Schaeffler estimates

Global production volume ¹
in millions of units

CAGR 2010/2030
+2.4% p.a.

Accelerated scenario ²

2010 2015 2020e 2025e 2030e

98% 97% 85% 50% 30%

Battery electric vehicles
Hybrid vehicles
Internal combustion engines

Source: IHS, LMC Automotive, Schaeffler Group projections
¹Annually expected global production volume, automobiles/small utility vehicles in millions of units
²Schaeffler estimates
**Product portfolio**

- **E-Clutch**
- **HV hybrid module**
- **HV e-axle**
- **Electric wheel hub drive**
- **48 V hybrid module**
- **48 V e-axle**
- **48 V Front end accessory drive**

**Grade of electrification**

**Key aspects**

1999
- 1st Schaeffler E-Mobility symposium

2002
- 1st E-Mobility concept car

2005
- 1st 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
Compact Dynamics acquired – Broadening competence and scope

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.

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.

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

Preferred Mobility Solutions Partner
- HV E-Axle
Sales development 2012 – 2015

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>3,406</td>
<td>3,041</td>
<td>3,138</td>
<td>3,233</td>
</tr>
</tbody>
</table>

- Growth rate (y-o-y):
  - 2012: -1.6%
  - 2013: -10.7%
  - 2014: +3.2%
  - 2015: +3.0%

- EBIT-margin:\
  - 2012: 12.7%
  - 2013: 10.7%
  - 2014: 9.6%
  - 2015: 9.7%

Sales split by region 2015

- Greater China: 19%
- Europe: 56%
- Americas: 15%
- Asia/Pacific: 10%

Sales split by sector cluster & distribution channel 2015

- Wind: 33%
- Raw Materials: 10%
- Aerospace: 8%
- Rail: 7%
- Offroad: 7%
- Two-Wheelers: 5%
- Industrial Distribution: 14%
- Industrial Automation: 13%
- Power Transmission: 13%

Sales split by business model 2015\(^1\)

- Customized product business: 35%
- Standard product distribution business: 30%
- Standard product OEM and MRO business: 35%
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
   - Establish European distribution centers (EDC) to ensure immediate product availability
   - Increase level of standardization
   - Implement high runner program with 24/48h delivery time

3. High delivery performance
   - Strengthen standard product business
   - Balance customized product business / engineering solutions
   - Enforce market penetration of service / digitalization

4. Optimized product and service offering
   - Strengthen sales organizations in the regions
   - Strengthen regional engineering / customer support centers
   - Establish dedicated global key account management
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

\[ \Delta \text{EBIT in EUR mn} \]

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>-36</td>
<td>15(^1)</td>
<td>31</td>
<td>40</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

HCO reduction Overhead

\[ \text{Overhead Headcount} \]

- 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\% \(^3\)

\(^3\) as of November 3, 2016
2 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

\[ \Delta \text{EBIT in EUR mn} \]

<table>
<thead>
<tr>
<th>Year</th>
<th>EBIT Improvement</th>
<th>One-off costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015A</td>
<td>-50 (^1)</td>
<td>-14</td>
</tr>
<tr>
<td>2016F</td>
<td>23</td>
<td>-9</td>
</tr>
<tr>
<td>2017P</td>
<td>50</td>
<td>-2</td>
</tr>
<tr>
<td>2018P</td>
<td>60</td>
<td></td>
</tr>
</tbody>
</table>

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

HCO reduction Plants/Overhead

<table>
<thead>
<tr>
<th>Total HCO reduction target</th>
<th>Germany</th>
<th>Europe</th>
<th>Americas</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>500</td>
<td>-400</td>
<td>-100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) Subject to negotiation with working council
Successful implementation

- Indicative Timing
  - Today
  - Cost reduction 1st wave: 24 months
  - Cost reduction 2nd wave: 24 months
  - Continuous improvement through further optional measures
  - 500 HCO

Financial ambitions

- Stable market environment
- EBIT margin Industrial Division 10-11% in 2018
- Successful implementation of CORE program
### 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

**Use of Cash**

**Deleveraging**
- Further optimization of balance sheet

**Dividends**
- 30-40% of net income
Key messages

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
Investor Relations

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Web: www.schaefller.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
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>Sales</td>
<td>3,339</td>
<td>3,382</td>
<td>3,237</td>
<td>3,221</td>
</tr>
<tr>
<td>Sales</td>
<td>3,343</td>
<td>3,369</td>
<td>3,265</td>
<td></td>
</tr>
</tbody>
</table>

**EBIT margin** in %

<table>
<thead>
<tr>
<th></th>
<th>15</th>
<th>16</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) FX-adjusted</td>
<td>5.3</td>
<td>4.5</td>
</tr>
<tr>
<td>2) Before one-off effects</td>
<td>2.9</td>
<td>1.3</td>
</tr>
</tbody>
</table>

**Sales by region 9M 2016**
y-o-y growth (w/o FX effects)

- Asia/Pacific: 10.3% (+4.4%)
- Europe: 14.3% (+1.7%)
- Americas: 21.2% (-5.0%)
- Greater China: 54.2% (+10.5%)

**Sales by division**
Y-o-y growth (w/o FX effects)

<table>
<thead>
<tr>
<th>Division</th>
<th>9M15</th>
<th>9M16</th>
<th>Δ (w/o FX effects)</th>
<th>Q3 15</th>
<th>Q3 16</th>
<th>Δ (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

<table>
<thead>
<tr>
<th>Region</th>
<th>Europe</th>
<th>Americas</th>
<th>Greater China</th>
<th>Asia/Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>+4%</td>
<td>+3%</td>
<td>+11%</td>
<td>+7%</td>
</tr>
</tbody>
</table>

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

Production of light vehicles 9M 2016 vs 9M 2015 (IHS)
Sales growth (w/o FX effects) Schaeffler Automotive 9M 2016 vs 9M 2015

+3% +4%
+7%
+11%
+1%

Europe
Americas
Greater China
Asia/Pacific

Sales 9M 2016: EUR 7,703 mn

Automotive sales by division 9M

<table>
<thead>
<tr>
<th>Division</th>
<th>Q3 2015</th>
<th>Q3 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engine Systems</td>
<td>1,946</td>
<td>1,960</td>
</tr>
<tr>
<td>Transmission Systems</td>
<td>3,150</td>
<td>3,217</td>
</tr>
<tr>
<td>Chassis Systems</td>
<td>1,098</td>
<td>1,142</td>
</tr>
<tr>
<td>Automotive Aftermarket</td>
<td>1,317</td>
<td>1,384</td>
</tr>
</tbody>
</table>

+2.4%
+4.7%
+6.2%
+10.3%

Automotive sales by division Q3

<table>
<thead>
<tr>
<th>Division</th>
<th>Q3 2015</th>
<th>Q3 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engine Systems</td>
<td>625</td>
<td>636</td>
</tr>
<tr>
<td>Transmission Systems</td>
<td>1,009</td>
<td>1,037</td>
</tr>
<tr>
<td>Chassis Systems</td>
<td>352</td>
<td>368</td>
</tr>
<tr>
<td>Automotive Aftermarket</td>
<td>456</td>
<td>483</td>
</tr>
</tbody>
</table>

+2.4%
+4.4%
+5.3%
+9.8%

1) Growth rates FX-adjusted

---

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

Production of light vehicles 9M 2016 vs 9M 2015 (IHS)
Sales growth (w/o FX effects) Schaeffler Automotive 9M 2016 vs 9M 2015

+3% +4%
+7%
+11%
+1%

Europe
Americas
Greater China
Asia/Pacific

Sales 9M 2016: EUR 7,703 mn

Automotive sales by division 9M

<table>
<thead>
<tr>
<th>Division</th>
<th>Q3 2015</th>
<th>Q3 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engine Systems</td>
<td>1,946</td>
<td>1,960</td>
</tr>
<tr>
<td>Transmission Systems</td>
<td>3,150</td>
<td>3,217</td>
</tr>
<tr>
<td>Chassis Systems</td>
<td>1,098</td>
<td>1,142</td>
</tr>
<tr>
<td>Automotive Aftermarket</td>
<td>1,317</td>
<td>1,384</td>
</tr>
</tbody>
</table>

+2.4%
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+6.2%
+10.3%

Automotive sales by division Q3

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+2.4%
+4.4%
+5.3%
+9.8%

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

- Aerospace
- Rail
- Industrial Automation
- Two-Wheelers
- Offroad
- Power Transmission
- Raw Materials
- Industrial Distribution

Industrial sales by sector cluster Q3

- Aerospace
- Rail
- Industrial Automation
- Two-Wheelers
- Offroad
- Power Transmission
- Raw Materials
- Industrial Distribution

Industrial sales by region 9M

Europe
- 2015: 1,352
- 2016: 1,382
- Growth rate: -0.9%

Americas
- 2015: 466
- 2016: 423
- Growth rate: -4.7%

Greater China
- 2015: 361
- 2016: 279
- Growth rate: -20.4%

Asia/Pacific
- 2015: 238
- 2016: 220
- Growth rate: -5.3%

Industrial sales by region Q3

Europe
- 2015: 451
- 2016: 435
- Growth rate: -4.7%

Americas
- 2015: 146
- 2016: 139
- Growth rate: -21.1%

Greater China
- 2015: 122
- 2016: 93
- Growth rate: -21.1%

Asia/Pacific
- 2015: 76
- 2016: 74
- Growth rate: -6.3%

1) FX-adjusted

1) Growth rates FX-adjusted
Overview Corporate and Financing Structure

Corporate Structure (simplified)
as of October 14, 2016

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>425¹</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)²</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)²</td>
<td>500</td>
<td>455¹</td>
<td>4.125%</td>
<td>Sep-21</td>
<td>Ba1/BB-</td>
</tr>
<tr>
<td>3.25% SSNs 2023 (EUR)²</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)²</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)²</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)²</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><strong>4,040</strong></td>
<td></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>
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<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)²</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)²</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><strong>3,681</strong></td>
<td></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.