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.

By their very nature, forward-looking statements involve risks and uncertainties. These statements are based on Schaeffler AG management's current expectations and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Actual results may differ from those set forth in the forward-looking statements as a result of various factors (including, but not limited to, future global economic conditions, changed market conditions affecting the automotive industry, intense competition in the markets in which we operate and costs of compliance with applicable laws, regulations and standards, diverse political, legal, economic and other conditions affecting our markets, and other factors beyond our control).

This presentation is intended to provide a general overview of Schaeffler Group's business and does not purport to deal with all aspects and details regarding Schaeffler Group. Accordingly, neither Schaeffler Group nor any of its directors, officers, employees or advisers nor any other person makes any representation or warranty, express or implied, as to, and accordingly no reliance should be placed on, the accuracy or completeness of the information contained in the presentation or of the views given or implied. Neither Schaeffler Group nor any of its directors, officers, employees or advisors nor any other person shall have any liability whatsoever for any errors or omissions or any loss howsoever arising, directly or indirectly, from any use of this information or its contents or otherwise arising in connection therewith.

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 Overview
2 Business Highlights
3 Financial Highlights
4 Summary and Outlook
Solid Q3 2017 Results – Performance back on track

1 Overview

Sales growth\(^1\) accelerated in Q3 to +7.4% p.a.;
Growth rate 9M 2017 increased to 5%

EBIT margin\(^2\) stabilized at 12.1% in Q3;
EBIT margin\(^2\) 9M 2017 improved to 11.4%

Free Cash Flow generated in Q3 of EUR 333 mn;
Free Cash Flow after 9M 2017 EUR 244 mn

Net Income 9M 2017 at EUR 791 mn (9M 2016: EUR 672 mn);
9M 2017 EPS growth of 17% to EUR 1.19 (9M 2016: EUR 1.02)

Results in line with updated FY guidance;
FY 2017 guidance confirmed

### Key aspects

<table>
<thead>
<tr>
<th></th>
<th>Q1 2017</th>
<th>Q2 2017</th>
<th>Q3 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>3,574</td>
<td>3,472</td>
<td>3,434</td>
</tr>
<tr>
<td>Sales growth in %(^1)</td>
<td>5.4%</td>
<td>2.2%</td>
<td>7.4%</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>435</td>
<td>345</td>
<td>416</td>
</tr>
<tr>
<td>EBIT margin in %(^2)</td>
<td>12.2%</td>
<td>9.9%</td>
<td>12.1%</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>-130</td>
<td>41</td>
<td>333</td>
</tr>
<tr>
<td>YTD 9M17</td>
<td>EUR 244 mn</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) FX adjusted
\(^2\) Before one-off effects
Automotive business – Outperformance Q3 2017 +4.7%

Outperformance Q1 2016 - Q4 2017E

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Growth Rate</th>
<th>FY 2017 Target: +4% pts. above market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 16</td>
<td>5.0%</td>
<td></td>
</tr>
<tr>
<td>Q2 16</td>
<td>5.8%</td>
<td></td>
</tr>
<tr>
<td>Q3 16</td>
<td>5.1%</td>
<td></td>
</tr>
<tr>
<td>Q4 16</td>
<td>8.2%</td>
<td></td>
</tr>
<tr>
<td>Q1 17</td>
<td>7.0%</td>
<td></td>
</tr>
<tr>
<td>Q2 17</td>
<td>1.6%</td>
<td></td>
</tr>
<tr>
<td>Q3 17</td>
<td>6.9%</td>
<td></td>
</tr>
<tr>
<td>Q4 17</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

Key aspects

- Sales growth Automotive Q3 2017 +6.9% leading to outperformance of 4.7% globally
- Key drivers are China (+26%\(^1\)) and Americas (+3%\(^1\)), European growth below market
- FY 2017 target of 4% pts. outperformance ambitious but still achievable

Regional outperformance Q3 2017

- Europe: +5.0%
- Americas: +3.3%
- Greater China: +26.3%
- Asia/Pacific: +8.3%
New center for E-Mobility in Americas

- Wooster plant becomes U.S. center for advanced E-Mobility development, total investments of USD 60 mn
- SOP P2 Hybrid Module in Q4 2018 for leading US OEM
- Investments include capacity expansion for highly successful torque converter product

1st SOP Hybrid Module in China

- Official market launch of Chinese PHEV from ChangAn on 19 October 2017
- Significant three-digit EUR mn lifetime sales 2018-2023 expected
- Successful product development leads to new potential E-Mobility projects with local Chinese OEMs

Capacity expansion for TMM

- New plant for Thermal Management Modules opened in October 2017 in Svitavy, Czech Republic
- 7 signed contracts with SOPs between 2017 and 2019 and EUR 800 mn lifetime sales
- Highly integrated Thermal Management Module helps carmakers to achieve CO2 reductions of up to 4%
**Key aspects**

- EBIT margin\(^1\) Q3 2017 reaches 9.0% supported by solid sales growth
- EBIT margin\(^1\) 9M 2017 of 8.7% well within range of 8-9% for 2017
- Continued focus on sales performance and cost improvement measures

### EBIT bridge 9M 2016 to 9M 2017

<table>
<thead>
<tr>
<th></th>
<th>9M 2016</th>
<th>207</th>
<th>179</th>
<th>14</th>
<th>2</th>
<th>12</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT(^1)</td>
<td>219</td>
<td>-</td>
<td>179</td>
<td>14</td>
<td>2</td>
<td>12</td>
</tr>
<tr>
<td>EBIT(^1)</td>
<td>179</td>
<td>-</td>
<td>179</td>
<td>14</td>
<td>2</td>
<td>12</td>
</tr>
<tr>
<td>EBIT(^1)</td>
<td>-</td>
<td>-</td>
<td>207</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

1) Before one-off effects

2) Wave I 100% completed
3) Wave II 31% completed
## Offroad
- Fastest growing sector in Q3 2017 with more than 25%\(^1\) growth globally
- Market entry with Industry 4.0-components
- Customer highlight: Schaeffler has earned Caterpillar’s Supplier Qualification Excellence Process (SQEP) certification

## Industrial Automation
- 12% growth\(^1\) globally in Q3 2017
- Key sector for Industry 4.0 solutions going forward
- Customer highlight: DMG MORI honored Schaeffler’s business support with the “Partner Award 2017” at the EMO fair

## Raw Materials
- 20% growth\(^1\) globally in Q3 2017
- Won business with superior Mancrodur & X-life bearings
- Customer highlight: Successful symposium "Hot Rolling and Cold Rolling Day 2017" in Moscow

---

1) FX adjusted
Free Cash Flow – On track to achieve 2017 target

Free Cash Flow development
in EUR mn

<table>
<thead>
<tr>
<th></th>
<th>Q1 16</th>
<th>Q2 16</th>
<th>Q3 16</th>
<th>Q4 16</th>
<th>Q1 17</th>
<th>Q2 17</th>
<th>Q3 17</th>
<th>Q4 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>FCF</td>
<td>479</td>
<td>256</td>
<td>263</td>
<td>256</td>
<td>244</td>
<td>252</td>
<td>333</td>
<td></td>
</tr>
<tr>
<td>CF from Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>206</td>
<td>571</td>
<td>528</td>
<td>571</td>
<td>186</td>
<td>320</td>
<td>610</td>
<td></td>
</tr>
<tr>
<td>CF from Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-318</td>
<td>-243</td>
<td>-265</td>
<td>-315</td>
<td>-316</td>
<td>-279</td>
<td>-277</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-112</td>
<td></td>
<td></td>
<td></td>
<td>-130</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FY 2017 Target: FCF ~ EUR 500 mn

Key aspects
- FCF in Q3 improved to EUR 333 mn, 9M 2017 EUR 244 mn as reported
- FCF impacted by several non-recurring items
- FY 2017 target of EUR 500 mn achievable

FCF details
in EUR mn

<table>
<thead>
<tr>
<th></th>
<th>Q3'16</th>
<th>Q3'17</th>
<th>Delta</th>
<th>9M'16</th>
<th>9M'17</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td>FCF as reported</td>
<td>263</td>
<td>333</td>
<td>70</td>
<td>479</td>
<td>244</td>
<td>(235)</td>
</tr>
<tr>
<td>1 Non recurring items</td>
<td>19</td>
<td>10</td>
<td>(9)</td>
<td>(1)</td>
<td>103</td>
<td>104</td>
</tr>
<tr>
<td>2 AKO / EDC</td>
<td>1</td>
<td>26</td>
<td>25</td>
<td>7</td>
<td>66</td>
<td>59</td>
</tr>
<tr>
<td>3 M&amp;A</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>4 Sales of Receivables</td>
<td>0</td>
<td>(54)</td>
<td>(54)</td>
<td>0</td>
<td>(54)</td>
<td>(54)</td>
</tr>
<tr>
<td></td>
<td>283</td>
<td>315</td>
<td>32</td>
<td>485</td>
<td>362</td>
<td>(123)</td>
</tr>
</tbody>
</table>

1) Excluding external growth
2) Including payments for legal cases, restructuring measures and financing transactions
3) Including acquisition and divestiture transactions
4) Capex in major logistic projects Aftermarket Kitting Operations (AKO) and European Distribution Center (EDC)
New business structure as of Jan 1st 2018

Key aspects
- As of January 1st 2018 segment reporting with 3 divisions
- New division Automotive Aftermarket headed by Michael Söding
- Automotive OEM to establish own business division E-Mobility

Strategic Rationale
Michael Söding

1) Revenues split based on proforma 2016 figures
2) Each division with 4 business divisions each (Sales only)
1 Overview
2 Business Highlights
3 Financial Highlights
4 Summary and Outlook
<table>
<thead>
<tr>
<th></th>
<th>Q3 2016</th>
<th>Q3 2017</th>
<th>y-o-y</th>
<th>9M 2016</th>
<th>9M 2017</th>
<th>y-o-y</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>3,265</td>
<td>3,434</td>
<td>+7.4%</td>
<td>9,977</td>
<td>10,480</td>
<td>+5.0%</td>
</tr>
<tr>
<td><strong>EBIT 2)</strong></td>
<td>417</td>
<td>416</td>
<td>-0.2%</td>
<td>1,276</td>
<td>1,196</td>
<td>-6.3%</td>
</tr>
<tr>
<td><strong>EBIT margin 2)</strong></td>
<td>12.8%</td>
<td>12.1%</td>
<td>-0.7% pts.</td>
<td>12.8%</td>
<td>11.4%</td>
<td>-1.4% pts.</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>178</td>
<td>306</td>
<td>+71.9%</td>
<td>672</td>
<td>791</td>
<td>+17.7%</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>0.27</td>
<td>0.46</td>
<td>+70.4%</td>
<td>1.02</td>
<td>1.19</td>
<td>+16.7%</td>
</tr>
<tr>
<td><strong>Capex</strong></td>
<td>268</td>
<td>279</td>
<td>+11</td>
<td>829</td>
<td>873</td>
<td>+44</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>263</td>
<td>333</td>
<td>+70</td>
<td>479</td>
<td>244</td>
<td>-235</td>
</tr>
<tr>
<td><strong>Gearing ratio</strong></td>
<td>185%</td>
<td>109%</td>
<td>-76% pts.</td>
<td>185%</td>
<td>109%</td>
<td>-76% pts.</td>
</tr>
</tbody>
</table>

1) FX-adjusted  
2) Before one-off effects
3 Financial Highlights

Group Sales – Q3 2017 growth\(^1\) of +7.4%

Sales in EUR mn

\[
\begin{array}{cccc}
Q1 & Q2 & Q3 & Q4 \\
3,343 & 3,369 & 3,265 & 3,361 \\
9,977 & 10,480 & & \\
\end{array}
\]

\(^{+5.2\% \text{ vs Q3 2016}}\)

1) FX-adjusted sales growth in Q3 2017 driven by strong development in Automotive and Industrial

All regions contributed to the sales growth in Q3 2017

FX turned into a headwind in Q3: 2.2%-pts. negative impact on topline

Key aspects

Sales by region Q3 2017

\(\text{y-o-y growth (w/o FX effects)}\)

- Greater China: +24.2% (+30.3%)
- Americas: +0.0% (+3.4%)
- Europe: +2.1% (+2.5%)
- Asia/Pacific: +3.7% (+8.7%)

1) FX-adjusted
3 Financial Highlights

Automotive Sales – Q3 2017 outperformance accelerated to 4.7% pts.

Key aspects

- Clear acceleration of growth and outperformance in the third quarter
- Strong contribution from all business divisions
- Automotive Aftermarket back on track with +4.8% FX-adjusted growth

Sales by business division

<table>
<thead>
<tr>
<th>Business Division</th>
<th>Q3 2016</th>
<th>Q3 2017</th>
<th>Δ (w/o FX effects)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engine Systems</td>
<td>636</td>
<td>670</td>
<td>+8.3%</td>
</tr>
<tr>
<td>Transmission Systems</td>
<td>1,037</td>
<td>1,095</td>
<td>+8.1%</td>
</tr>
<tr>
<td>Chassis Systems</td>
<td>368</td>
<td>375</td>
<td>+4.2%</td>
</tr>
<tr>
<td>Automotive Aftermarket</td>
<td>484</td>
<td>503</td>
<td>+4.8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,525</td>
<td>2,643</td>
<td>+6.9%</td>
</tr>
</tbody>
</table>

Sales by region Q3 2017

- Americas: +0.0% (+3.3%)
- Europe: +2.0% (+2.3%)
- Asia/Pacific: +3.6% (+8.5%)
- Greater China: +20.6% (+26.3%)

Sales by business division in EUR mn

Q3 2016: 2,578, 2,604, 2,525, 2,631
Q3 2017: 2,791, 2,664, 2,643

Sales growth in %:

- Q1 2017: +5.0
- Q2 2017: +5.8
- Q3 2017: +5.1
- Q4 2017: +8.2

Key aspects:

- Clear acceleration of growth and outperformance in the third quarter
- Strong contribution from all business divisions
- Automotive Aftermarket back on track with +4.8% FX-adjusted growth
Industrial Sales – Q3 2017 growth\(^1\) of 9.2%

**Industrial sales by quarter**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>765</td>
<td>783</td>
</tr>
<tr>
<td>Q2</td>
<td>765</td>
<td>808</td>
</tr>
<tr>
<td>Q3</td>
<td>740</td>
<td>791</td>
</tr>
<tr>
<td>Q4</td>
<td>2,270</td>
<td>2,382</td>
</tr>
</tbody>
</table>

\(\Delta +6.9\% \text{ vs Q3 2016}\)

**Sales by region**

<table>
<thead>
<tr>
<th>Region</th>
<th>Q3 2016</th>
<th>Q3 2017</th>
<th>(\Delta) (w/o FX effects)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>436</td>
<td>447</td>
<td>+3.1%</td>
</tr>
<tr>
<td>Americas</td>
<td>139</td>
<td>139</td>
<td>+3.4%</td>
</tr>
<tr>
<td>Greater China</td>
<td>93</td>
<td>130</td>
<td>+47.5%</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>72</td>
<td>75</td>
<td>+9.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>740</td>
<td>791</td>
<td>+9.2%</td>
</tr>
</tbody>
</table>

**Industrial sales by sector cluster Q3’17\(^1\)**

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

\(\Delta\)\(^1\) FX-adjusted

**Key aspects**

- All regions and sector clusters with positive sales growth of total +9.2% fx-adjusted
- Offroad, Power Transmission and Raw Materials each with high double-digit growth, Wind affected by weak market in Europe
- Production bottlenecks in some clusters with high demand
Group EBIT – EBIT margin\(^1\) Q3 2017 at 12.1%

**Key aspects**

- Margin stabilized, sequentially improving to 12.1\% in Q3
- Q3 EBIT\(^1\) flat at EUR 416 mn versus prior year with lower contribution from Automotive
- Automotive EBIT mainly influenced by higher R&D and selling expenses
- Industrial EBIT increased due to positive mix, higher volumes and gained efficiencies in the plants
- Positive contribution from CORE Wave I of c. EUR 14 mn, CORE Wave II with EUR 2 mn (completion ratio of 31\%)
3 Financial Highlights

Automotive EBIT – EBIT margin\(^1\) Q3 2017 at 13.1%

### EBIT\(^1\)

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>367</td>
<td>368</td>
<td>362</td>
<td>384</td>
</tr>
<tr>
<td>2017</td>
<td>367</td>
<td>277</td>
<td>989</td>
<td>345</td>
</tr>
</tbody>
</table>

\(^1\) Before one-off effects

\(\text{EBIT margin in } \%\)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3</td>
<td>14.6</td>
<td>13.1</td>
</tr>
<tr>
<td>Q2</td>
<td>14.3</td>
<td>10.4</td>
</tr>
<tr>
<td>Q1</td>
<td>14.1</td>
<td>13.1</td>
</tr>
<tr>
<td>Q4</td>
<td>14.2</td>
<td>12.2</td>
</tr>
</tbody>
</table>

\(-4.7\% \text{ vs Q3 2016}\)

### EBIT\(^1\) Q3 2016 vs. Q3 2017

<table>
<thead>
<tr>
<th></th>
<th>Q3 2016</th>
<th>Q3 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT</td>
<td>362</td>
<td>345</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>+22</td>
<td></td>
</tr>
<tr>
<td>R&amp;D expenses</td>
<td>-26</td>
<td></td>
</tr>
<tr>
<td>Selling expenses</td>
<td>-12</td>
<td></td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>-1</td>
<td>+1</td>
</tr>
<tr>
<td>EBIT margin development(^1)</td>
<td>14.3 (-0.4%-pts)</td>
<td>13.1%</td>
</tr>
</tbody>
</table>

\(^1\) Before one-off effects

November 8, 2017
3 Financial Highlights

Industrial EBIT – EBIT margin\(^1\) Q3 2017 at 9.0%

\(1)\) Before one-off effects

Earnings before interest and taxes (EBIT) in EUR million

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>54</td>
<td>68</td>
</tr>
<tr>
<td>Q2</td>
<td>70</td>
<td>68</td>
</tr>
<tr>
<td>Q3</td>
<td>55</td>
<td>207</td>
</tr>
<tr>
<td>Q4</td>
<td>40</td>
<td></td>
</tr>
</tbody>
</table>

EBIT margin in %

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>7.1</td>
<td>8.7</td>
</tr>
<tr>
<td>Q2</td>
<td>9.2</td>
<td>8.4</td>
</tr>
<tr>
<td>Q3</td>
<td>7.4</td>
<td>9.0</td>
</tr>
<tr>
<td>Q4</td>
<td>5.5</td>
<td></td>
</tr>
</tbody>
</table>

EBIT margin development \(1)\)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3</td>
<td></td>
<td>7.4%</td>
</tr>
</tbody>
</table>

EBIT margin improvement vs Q3 2016: +29.1%
**Net income1) 9M 2017 vs. 9M 2016**

<table>
<thead>
<tr>
<th>Net income 9M 2016</th>
<th>Δ EBIT</th>
<th>Δ Financial Result</th>
<th>Δ Taxes</th>
<th>Δ Minorsities</th>
<th>Net income 9M 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>672</td>
<td>-67</td>
<td>+216</td>
<td>-26</td>
<td>-4</td>
<td>791</td>
</tr>
</tbody>
</table>

1) Attributable to the shareholders of the parent company

**Key aspects**

- Q3 2017 net income improved to EUR 306 mn
- Benefit from financial result and lower tax rate
- 9M 2017 EPS improved by 17% to EUR 1.19
Working Capital ratio Q3 2017 at 19.7% – Capex ratio at 8.1%

Working capital\(^1\)

in EUR mn

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2,740</td>
<td>2,796</td>
<td>2,802</td>
<td>2,498</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>21.0</td>
<td>21.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>21.2</td>
<td>20.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>18.7</td>
<td>19.7</td>
</tr>
</tbody>
</table>

In % of sales (LTM)

Capex\(^2\)

in EUR mn

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>318</td>
<td>243</td>
<td>268</td>
<td>317</td>
<td>831</td>
<td>873</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>9.5</td>
<td>8.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8.4</td>
<td>8.5</td>
</tr>
</tbody>
</table>

In % of sales

1) According to balance sheet; figures as per the end of period

2) Cash view
Free Cash Flow — EUR 333 mn in Q3 2017

Key aspects

- Solid Free Cash Flow generation in Q3 with EUR 333 mn
- Q3 FCF impacted by several non-recurring items
- Schaeffler Value Added at EUR 829 mn

### Free Cash Flow

<table>
<thead>
<tr>
<th></th>
<th>9M ’16</th>
<th>9M ’17</th>
<th>Δ</th>
<th>Q3 ’16</th>
<th>Q3 ’17</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>1,817</td>
<td>1,780</td>
<td>(37)</td>
<td>600</td>
<td>605</td>
<td>+5</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(181)</td>
<td>(106)</td>
<td>+75</td>
<td>(74)</td>
<td>(29)</td>
<td>+45</td>
</tr>
<tr>
<td>Interest received</td>
<td>941)</td>
<td>7</td>
<td>(87)</td>
<td>21</td>
<td>3</td>
<td>(18)</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>(234)</td>
<td>(247)</td>
<td>(13)</td>
<td>(73)</td>
<td>(66)</td>
<td>+7</td>
</tr>
<tr>
<td>Working capital change</td>
<td>(303)</td>
<td>(340)</td>
<td>(37)</td>
<td>(16)</td>
<td>(43)</td>
<td>(27)</td>
</tr>
<tr>
<td>Others</td>
<td>112</td>
<td>22</td>
<td>(90)</td>
<td>70</td>
<td>140</td>
<td>70</td>
</tr>
<tr>
<td>CF from Operations</td>
<td>1,305</td>
<td>1,116</td>
<td>(189)</td>
<td>528</td>
<td>610</td>
<td>82</td>
</tr>
<tr>
<td>Capex</td>
<td>(829)</td>
<td>(873)</td>
<td>(44)</td>
<td>(268)</td>
<td>(279)</td>
<td>(11)</td>
</tr>
<tr>
<td>in % of Sales</td>
<td>8.3%</td>
<td>8.3%</td>
<td>+0.4</td>
<td>8.2%</td>
<td>8.1%</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Others</td>
<td>3</td>
<td>1</td>
<td>(2)</td>
<td>3</td>
<td>2</td>
<td>(1)</td>
</tr>
<tr>
<td>CF from Investments</td>
<td>(826)</td>
<td>(872)</td>
<td>(46)</td>
<td>(265)</td>
<td>(277)</td>
<td>(12)</td>
</tr>
<tr>
<td>Free Cash Flow reported</td>
<td>479</td>
<td>244</td>
<td>(235)</td>
<td>263</td>
<td>333</td>
<td>(70)</td>
</tr>
</tbody>
</table>

**Cash & cash equivalents**: 2,565, 719

1) Includes annual cash interest on loan note receivable (+87 EURm)

### Schaeffler Value Added

<table>
<thead>
<tr>
<th>Year</th>
<th>Value Added (in EUR mn)</th>
<th>RoCE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>801</td>
<td>22.6%</td>
</tr>
<tr>
<td>2014</td>
<td>902</td>
<td>23.7%</td>
</tr>
<tr>
<td>2015</td>
<td>952</td>
<td>23.1%</td>
</tr>
<tr>
<td>2016</td>
<td>939</td>
<td>22.3%</td>
</tr>
<tr>
<td>9M 2017 (LTM)</td>
<td>829</td>
<td>20.5%</td>
</tr>
</tbody>
</table>

2) Before one-off effects
3 Financial Highlights

Net debt and Gearing ratio – S&P outlook raised to "positive"

November 8, 2017

- Lower net debt level of EUR 2,620 mn in Q3 2017
- Gearing ratio further improved to 109%
- S&P raised the outlook for Schaeffler ("BB+") from "stable" to "positive" at end of September 2017
Agenda

1. Overview
2. Business Highlights
3. Financial Highlights
4. Summary and Outlook
Solid performance in Q3 – On track to achieve guidance

1. +7.4% FX adjusted growth in Q3 driven by both Automotive (+6.9%) and Industrial (+9.2%)
2. Automotive outperformance in Q3 +4.7%, FY target ambitious but still achievable
3. Automotive EBIT margin back at 13.1% in Q3, Industrial EBIT margin improved to 9.0% in Q3
4. Free Cash Flow of EUR 333 mn generated in Q3
5. EPS growth after 9M at +17%
6. On track to achieve FY 2017 guidance
**Summary and Outlook**

**Guidance for FY 2017 confirmed**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales growth</strong></td>
<td>5.0% FX-adjusted</td>
<td>4-5% FX-adjusted</td>
<td>4-5% FX-adjusted</td>
</tr>
<tr>
<td><strong>EBIT margin</strong></td>
<td>11.4% of sales before one-off effects</td>
<td>12-13% of sales before one-off effects</td>
<td>11-12% of sales before one-off effects</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>EUR 244 mn</td>
<td>~ EUR 600 mn w/o external growth</td>
<td>~ EUR 500 mn w/o external growth</td>
</tr>
</tbody>
</table>

**Market assumptions**

- Automotive: Global Light Vehicle production growth of around 2%
- Industrial: Slight volume growth of global Industrial production at constant prices
## Contacts

<table>
<thead>
<tr>
<th>Name</th>
<th>Phone Number</th>
<th>Email Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renata Casaro</td>
<td>+49 9132 82 88125</td>
<td><a href="mailto:renata.casaro@schaefler.com">renata.casaro@schaefler.com</a></td>
</tr>
<tr>
<td>Niels Fehre, CFA</td>
<td>+49 9132 82 85805</td>
<td><a href="mailto:niels.fehre@schaefler.com">niels.fehre@schaefler.com</a></td>
</tr>
<tr>
<td>Jens-Philipp Briemle</td>
<td>+49 9132 82 86377</td>
<td><a href="mailto:jens-philipp.briemle@schaefler.com">jens-philipp.briemle@schaefler.com</a></td>
</tr>
</tbody>
</table>

[www.schaefler.com/ir](http://www.schaefler.com/ir)
## Sales by region, business division and sector cluster

### Automotive sales growth\(^1\) by region

<table>
<thead>
<tr>
<th>Region</th>
<th>Q2 '16</th>
<th>Q3 '16</th>
<th>Q4 '16</th>
<th>Q1 '17</th>
<th>Q2 '17</th>
<th>Q3 '17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>+6.6%</td>
<td>+0.2%</td>
<td>+3.9%</td>
<td>+3.5%</td>
<td>-5.8%</td>
<td>+2.3%</td>
</tr>
<tr>
<td>Americas</td>
<td>+2.9%</td>
<td>-1.2%</td>
<td>+1.6%</td>
<td>+7.0%</td>
<td>+1.9%</td>
<td>+3.3%</td>
</tr>
<tr>
<td>Greater China</td>
<td>+11.6%</td>
<td>+38.9%</td>
<td>+29.9%</td>
<td>+21.9%</td>
<td>+23.2%</td>
<td>+26.3%</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>0.7%</td>
<td>+3.7%</td>
<td>+6.8%</td>
<td>+3.7%</td>
<td>+10.2%</td>
<td>+8.5%</td>
</tr>
<tr>
<td>Total</td>
<td>+5.8%</td>
<td>+5.1%</td>
<td>+8.2%</td>
<td>+7.0%</td>
<td>+1.6%</td>
<td>+6.9%</td>
</tr>
</tbody>
</table>

\(^1\) FX-adjusted

### Industrial sales growth\(^1\) by region

<table>
<thead>
<tr>
<th>Region</th>
<th>Q2 '16</th>
<th>Q3 '16</th>
<th>Q4 '16</th>
<th>Q1 '17</th>
<th>Q2 '17</th>
<th>Q3 '17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>+1.5%</td>
<td>-2.4%</td>
<td>-2.3%</td>
<td>-1.6%</td>
<td>+0.6%</td>
<td>+3.1%</td>
</tr>
<tr>
<td>Americas</td>
<td>-7.1%</td>
<td>-4.7%</td>
<td>+1.5%</td>
<td>+0.1%</td>
<td>+5.1%</td>
<td>+3.4%</td>
</tr>
<tr>
<td>Greater China</td>
<td>-21.6%</td>
<td>-21.1%</td>
<td>-13.7%</td>
<td>+10.8%</td>
<td>+26.3%</td>
<td>+47.5%</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>-6.0%</td>
<td>-6.3%</td>
<td>+0.0%</td>
<td>-3.5%</td>
<td>+0.1%</td>
<td>+9.3%</td>
</tr>
<tr>
<td>Total</td>
<td>-4.3%</td>
<td>-6.2%</td>
<td>-3.2%</td>
<td>+0.2%</td>
<td>+4.5%</td>
<td>+9.2%</td>
</tr>
</tbody>
</table>

### Sales growth\(^1\) by Automotive business division

<table>
<thead>
<tr>
<th>Division</th>
<th>Q2 '16</th>
<th>Q3 '16</th>
<th>Q4 '16</th>
<th>Q1 '17</th>
<th>Q2 '17</th>
<th>Q3 '17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transmission</td>
<td>+3.4%</td>
<td>+4.4%</td>
<td>+8.3%</td>
<td>+6.4%</td>
<td>+6.3%</td>
<td>+8.1%</td>
</tr>
<tr>
<td>Systems Engine</td>
<td>+4.6%</td>
<td>+2.4%</td>
<td>+6.1%</td>
<td>+8.1%</td>
<td>+1.6%</td>
<td>+8.3%</td>
</tr>
<tr>
<td>Chassis Systems</td>
<td>+8.4%</td>
<td>+5.3%</td>
<td>+6.7%</td>
<td>+4.2%</td>
<td>-0.7%</td>
<td>+4.2%</td>
</tr>
<tr>
<td>Aftermarket</td>
<td>+11.3%</td>
<td>+9.8%</td>
<td>+12.4%</td>
<td>+9.9%</td>
<td>-7.5%</td>
<td>+4.8%</td>
</tr>
<tr>
<td>Total</td>
<td>+5.8%</td>
<td>+5.1%</td>
<td>+8.2%</td>
<td>+7.0%</td>
<td>+1.6%</td>
<td>+6.9%</td>
</tr>
</tbody>
</table>

### Industrial Distribution sales growth\(^1\)

<table>
<thead>
<tr>
<th>Division</th>
<th>Q2 '16</th>
<th>Q3 '16</th>
<th>Q4 '16</th>
<th>Q1 '17</th>
<th>Q2 '17</th>
<th>Q3 '17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial</td>
<td>-7.8%</td>
<td>-4.2%</td>
<td>-3.6%</td>
<td>+0.9%</td>
<td>+4.6%</td>
<td>+2.7%</td>
</tr>
<tr>
<td>Distribution</td>
<td>-4.3%</td>
<td>-6.2%</td>
<td>-3.2%</td>
<td>+0.2%</td>
<td>+4.5%</td>
<td>+9.2%</td>
</tr>
<tr>
<td>Total</td>
<td>-4.3%</td>
<td>-6.2%</td>
<td>-3.2%</td>
<td>+0.2%</td>
<td>+4.5%</td>
<td>+9.2%</td>
</tr>
</tbody>
</table>

\(^1\) FX-adjusted
Corporate structure (simplified)
as of September 30, 2017

1) All outstanding bonds are issued by Schaeffler Finance B.V., a 100% subsidiary of Schaeffler AG.

Financing structure
in EUR\(^2\)mn, as of September 30, 2017

### IHO Verwaltungs GmbH

<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 (F/M/S)(^4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Term loan (EUR)</td>
<td>-</td>
<td>600</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)</td>
<td>-</td>
<td>750</td>
<td>2.75%</td>
<td>Sep-21</td>
<td>BB+/Ba1/BB-</td>
</tr>
<tr>
<td>4.125% SSNs 2021 (USD)</td>
<td>500</td>
<td>423(^2)</td>
<td>4.125%</td>
<td>Sep-21</td>
<td>BB+/Ba1/BB-</td>
</tr>
<tr>
<td>3.25% SSNs 2023 (EUR)</td>
<td>-</td>
<td>750</td>
<td>3.25%</td>
<td>Sep-23</td>
<td>BB+/Ba1/BB-</td>
</tr>
<tr>
<td>4.50% SSNs 2023 (USD)</td>
<td>500</td>
<td>423(^2)</td>
<td>4.50%</td>
<td>Sep-23</td>
<td>BB+/Ba1/BB-</td>
</tr>
<tr>
<td>3.75% SSNs 2026 (EUR)</td>
<td>-</td>
<td>750</td>
<td>3.75%</td>
<td>Sep-26</td>
<td>BB+/Ba1/BB-</td>
</tr>
<tr>
<td>4.75% SSNs 2026 (USD)</td>
<td>500</td>
<td>423(^2)</td>
<td>4.75%</td>
<td>Sep-26</td>
<td>BB+/Ba1/BB-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,358</strong></td>
<td><strong>Ø 2.65%(^3)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Schaeffler Group

<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 (F/M/S)(^4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Term loan (EUR)</td>
<td>-</td>
<td>1,000</td>
<td>E+1.20%</td>
<td>Jul-21</td>
<td>not rated</td>
</tr>
<tr>
<td>RCF (EUR 1,300 mn)</td>
<td>-</td>
<td>350</td>
<td>E+0.90%</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>BBB-/Ba3/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>BBB-/Ba3/BB+</td>
</tr>
<tr>
<td>4.75% SSNs 2023 (USD)</td>
<td>600</td>
<td>508(^3)</td>
<td>4.75%</td>
<td>May-23</td>
<td>BBB-/Ba3/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>BBB-/Ba3/BB+</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,358</strong></td>
<td><strong>Ø 2.65%(^3)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2) EUR/USD = 1.1814.
3) Incl. RCF commitment fee.
4) Fitch Ratings / Moody’s Investor Services / Standard & Poor’s.