

# Schaeffler Financial Figures

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As of Q2 2019 (August 6, 2019)

## Overview Group

in € millions	2017 <sup>1</sup>					2018					2018 - Comparative figures				2019 structure <sup>2</sup>		2019	
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	
Revenue	3,574	3,472	3,434	3,541	14,021	3,551	3,641	3,521	3,527	14,241						3,622	3,604	
• Growth at constant currency (in %)	5.4%	2.2%	7.4%	8.5%	5.9%	3.9%	7.9%	3.7%	0.3%	3.9%						0.4%	-2.0%	
Gross profit	1,032	921	964	929	3,846	960	973	934	816	3,683						913	899	
• in % of revenue	28.9%	26.5%	28.1%	26.2%	27.4%	27.0%	26.7%	26.5%	23.1%	25.9%						25.2%	25.0%	
EBITDA	624	551	605	515	2,295	587	584	584	421	2,175						472	490	
EBIT before special items	435	345	416	388	1,584	391	404	356	231	1,381						272	284	
• in % of revenue	12.2%	9.9%	12.1%	11.0%	11.3%	11.0%	11.1%	10.1%	6.5%	9.7%						7.5%	7.9%	
EBIT	435	358	416	319	1,528	391	382	376	204	1,354						230	253	
• in % of revenue	12.2%	10.3%	12.1%	9.0%	10.9%	11.0%	10.5%	10.7%	5.8%	9.5%						6.3%	7.0%	
Net income	279	206	306	189	980	238	268	256	119	881						137	136	
EPS (common non-voting share, basic/diluted, in €)	0.42	0.31	0.46	0.29	1.48	0.36	0.41	0.38	0.18	1.33						0.21	0.21	
Free cash flow before M&A	-111	25	333	268	515	-70	-5	202	257	384						-235	6	
Capital expenditures	299	295	279	400	1,273	306	289	261	376	1,232						373	221	
Schaeffler Value Added before special items	938	837	829	787	787	742	791	722	557	556						421	289	
ROCE before special items (in %)	22.1%	20.7%	20.5%	19.9%	19.9%	19.3%	19.8%	18.8%	16.7%	16.7%						15.0%	13.4%	
Net financial debt	2,742	2,956	2,620	2,370	2,370	2,438	2,834	2,645	2,547	2,547						2,805	3,167	
• Net financial debt to EBITDA ratio before special items	1.1	1.2	1.1	1.0	1.0	1.1	1.2	1.1	1.2	1.2						1.3	1.6	
Dividend	0	330	0	0	330	0	363	0	0	363						0	364	
Employees (headcount)	87,341	87,937	89,359	90,151	90,151	91,414	92,198	92,836	92,478	92,478						91,837	90,492	
<b>Revenue by region</b>																		
Europe	1,868	1,796	1,760	1,759	7,183	1,878	1,882	1,771	1,782	7,313						1,846	1,793	
• Growth at constant currency (in %)	2.2%	-3.9%	2.1%	6.0%	1.5%	1.5%	6.3%	1.5%	2.1%	2.9%						-1.5%	-5.0%	
Americas	776	747	702	685	2,910	699	714	733	728	2,874						817	777	
• Growth at constant currency (in %)	5.6%	2.6%	3.4%	7.0%	4.6%	1.4%	4.1%	7.6%	6.9%	4.9%						11.9%	5.1%	
Greater China	563	562	610	721	2,456	622	662	643	634	2,561						586	645	
• Growth at constant currency (in %)	19.5%	23.8%	30.3%	22.5%	24.0%	18.1%	19.2%	6.6%	-11.1%	6.7%						-8.0%	-2.2%	
Asia/Pacific	367	367	362	376	1,472	352	384	374	383	1,493						373	389	
• Growth at constant currency (in %)	2.2%	7.7%	8.6%	3.2%	5.3%	1.5%	8.4%	2.5%	1.0%	3.3%						2.8%	0.4%	

<sup>1</sup> 2017 information presented based on 2018 segment structure. See Note 5.5 "Segment information" to the consolidated financial statements for further details.

<sup>2</sup> Effective January 1, 2019 Schaeffler AG completed the integration of the "Bearing and Components Technologies" (BCT) unit into the divisions. This leads to changes in several divisional key figures and is the basis for future guidance.

Changes only on  
divisional level

## Automotive OEM Division

in € millions	2017 <sup>1</sup>					2018					2018 - Comparative figures				2019 structure <sup>2</sup>			
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	
Revenue	2,308	2,220	2,138	2,325	8,991	2,279	2,308	2,191	2,219	8,997	2,280	2,307	2,191	2,218	8,996	2,286	2,229	
• Growth at constant currency (in %)	6.4%	3.5%	7.4%	8.7%	6.5%	3.2%	6.5%	3.2%	-4.2%	2.1%	3.2%	6.5%	3.2%	-4.2%	2.1%	-1.7%	-4.2%	
Cost of sales	-1,693	-1,677	-1,591	-1,750	-6,711	-1,730	-1,765	-1,685	-1,795	-6,975	-1,728	-1,763	-1,689	-1,806	-6,986	-1,804	1,775	
Gross profit	615	543	547	575	2,280	549	543	506	424	2,022	552	544	502	412	2,010	482	454	
• in % of revenue	26.6%	24.5%	25.6%	24.7%	25.4%	24.1%	23.5%	23.1%	19.1%	22.5%	24.2%	23.6%	22.9%	18.6%	22.3%	21.1%	20.4%	
Research and development expenses	-171	-175	-170	-169	-685	-182	-176	-169	-152	-679	-182	-176	-168	-153	-680	-184	-171	
Selling and administrative expenses	-161	-156	-147	-159	-623	-163	-167	-164	-173	-667	-164	-169	-165	-175	-674	-176	-172	
EBIT	275	221	229	226	951	217	197	185	83	682	218	197	180	66	662	59	85	
• in % of revenue	11.9%	10.0%	10.7%	9.7%	10.6%	9.5%	8.5%	8.4%	3.7%	7.6%	9.6%	8.5%	8.2%	3.0%	7.4%	2.6%	3.8%	
Special items	0	-13	0	35	22	0	10	-13	14	11	0	10	-13	14	11	55	18	
EBIT before special items	275	208	229	261	973	217	207	172	97	693	218	207	167	81	673	113	103	
• in % of revenue	11.9%	9.4%	10.7%	11.2%	10.8%	9.5%	9.0%	7.9%	4.4%	7.7%	9.6%	9.0%	7.6%	3.6%	7.5%	5.0%	4.6%	
<b>Revenue by business division</b>																		
Engine Systems BD	716	682	669	719	2,786	709	713	691	670	2,783						699	688	
• Growth at constant currency (in %)											4.1%	7.3%	4.1%	-6.5%	2.1%	-3.4%	-4.4%	
Transmission Systems BD	1,084	1,041	992	1,087	4,204	1,075	1,077	996	1,022	4,170						1,035	976	
• Growth at constant currency (in %)											3.9%	6.5%	1.2%	-5.6%	1.4%	-6.0%	-10.4%	
E-Mobility BD	101	107	103	105	416	104	117	128	137	486						145	160	
• Growth at constant currency (in %)											6.6%	8.8%	25.3%	31.2%	18.1%	33.9%	37.6%	
Chassis Systems BD	407	390	374	414	1,585	391	401	376	390	1,558						406	404	
• Growth at constant currency (in %)											-0.3%	5.2%	1.3%	-5.3%	0.1%	3.6%	0.3%	
<b>Revenue by region</b>																		
Europe	1,062	1,009	939	994	4,004	1,057	1,048	947	962	4,014						1,024	977	
• Growth at constant currency (in %)											3.3%	-4.4%	1.7%	5.8%	1.4%	-3.3%	-6.8%	
Americas	516	502	457	457	1,932	480	481	494	483	1,938						566	523	
• Growth at constant currency (in %)											3.4%	3.4%	1.5%	8.6%	4.1%	12.4%	4.7%	
Greater China	447	429	466	585	1,927	472	488	473	477	1,910						412	432	
• Growth at constant currency (in %)											21.8%	23.5%	26.8%	20.7%	23.0%	-14.5%	-10.7%	
Asia/Pacific	283	280	276	289	1,128	270	291	277	297	1,135						284	296	
• Growth at constant currency (in %)											3.3%	9.7%	8.6%	0.5%	5.3%	0.5%	2.4%	0.8%

## Automotive Aftermarket Division

in € millions	2017 <sup>1</sup>					2018					2018 - Comparative figures 2019 structure <sup>2</sup>					2019	
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter
Revenue	484	444	506	446	1,880	446	479	476	458	1,859	447	480	476	459	1,862	441	465
• Growth at constant currency (in %)	9.7%	-7.3%	4.7%	6.3%	3.2%	-4.4%	12.3%	-3.0%	5.0%	2.2%	-4.4%	12.3%	-3.0%	5.0%	2.2%	-1.1%	-3.6%
Cost of sales	-307	-294	-313	-292	-1,206	-286	-310	-311	-310	-1,217	-288	-308	-307	-298	-1,200	-292	-308
Gross profit	177	150	193	154	674	160	169	165	148	642	159	172	170	161	662	149	156
• in % of revenue	36.6%	33.8%	38.1%	34.5%	35.9%	35.9%	35.3%	34.7%	32.3%	34.5%	35.6%	35.8%	35.6%	35.1%	35.6%	33.7%	33.7%
Research and development expenses	-7	-7	-7	-7	-28	-7	-8	-7	-6	-28	-8	-8	-7	-7	-29	-8	-7
Selling and administrative expenses	-72	-72	-69	-72	-285	-73	-76	-78	-83	-310	-73	-74	-76	-82	-305	-76	-76
EBIT	93	68	117	55	333	80	96	83	60	319	80	99	89	73	341	64	73
• in % of revenue	19.2%	15.3%	23.1%	12.3%	17.7%	17.9%	20.0%	17.4%	13.1%	17.2%	18.0%	20.6%	18.8%	15.9%	18.3%	14.4%	15.7%
Special items	0	0	0	25	25	0	0	-3	0	-3	0	0	-3	0	-3	0	0
EBIT before special items	93	68	117	80	358	80	96	80	60	316	80	99	86	73	338	64	73
• in % of revenue	19.2%	15.3%	23.1%	17.9%	19.0%	17.9%	20.0%	16.8%	13.1%	17.0%	18.0%	20.6%	18.2%	15.9%	18.2%	14.4%	15.7%
Revenue by region																	
Europe	352	320	375	328	1,375	337	362	355	339	1,393						321	335
• Growth at constant currency (in %)	4.3%	-8.8%	2.5%	7.6%	1.2%	-3.6%	15.2%	-4.3%	4.5%	2.5%						-4.2%	-7.7%
Americas	107	97	106	93	403	78	84	89	89	340						88	95
• Growth at constant currency (in %)	30.4%	-5.3%	13.1%	1.5%	8.8%	-16.5%	-0.7%	-6.3%	3.6%	-5.2%						14.1%	12.1%
Greater China	14	15	14	14	57	19	20	19	18	76						20	22
• Growth at constant currency (in %)	22.5%	17.0%	14.3%	24.3%	19.4%	40.9%	38.8%	37.3%	29.2%	36.5%						1.1%	9.6%
Asia/Pacific	11	12	11	11	45	12	13	13	12	50						11	13
• Growth at constant currency (in %)	15.3%	13.1%	9.3%	13.2%	12.6%	16.1%	15.7%	16.3%	2.1%	12.5%						-9.6%	-4.1%

## Industrial Division

in € millions	2017 <sup>1</sup>					2018					2018 - Comparative figures				2019 structure <sup>2</sup>			
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	
Revenue	782	808	790	770	3,150	826	855	854	850	3,385	824	855	854	850	3,383	895	911	
• Growth at constant currency (in %)	0.2%	4.5%	9.2%	9.0%	5.7%	10.8%	9.3%	9.4%	11.0%	10.1%	10.8%	9.3%	9.4%	11.0%	10.1%	6.9%	5.0%	
Cost of sales	-542	-580	-566	-570	892	-575	-594	-591	-606	1,019	-575	-597	-592	-607	-2,372	-613	-622	
Gross profit	240	228	224	200	892	251	261	263	244	1,019	249	258	262	244	1,011	282	289	
• in % of revenue	30.7%	28.2%	28.4%	26.0%	28.3%	30.4%	30.5%	30.8%	28.7%	30.1%	30.2%	30.2%	30.6%	28.7%	29.9%	31.6%	31.7%	
Research and development expenses	-34	-34	-32	-33	-133	-35	-36	-33	-36	-140	-34	-36	-34	-35	-138	-38	-37	
Selling and administrative expenses	-127	-127	-121	-130	-505	-125	-131	-125	-134	-515	-125	-130	-125	-132	-513	-140	-135	
EBIT	67	69	70	38	244	94	89	108	62	353	92	86	107	66	351	108	95	
• in % of revenue	8.6%	8.5%	8.9%	4.9%	7.7%	11.4%	10.4%	12.6%	7.3%	10.4%	11.2%	10.1%	12.5%	7.7%	10.4%	12.0%	10.4%	
Special items	0	0	0	9	9	0	12	-5	12	19	0	11	-4	12	19	-13	13	
EBIT before special items	67	69	70	47	253	94	101	103	74	372	92	98	102	77	370	95	108	
• in % of revenue	8.6%	8.5%	8.9%	6.1%	8.0%	11.4%	11.8%	12.1%	8.7%	11.0%	11.2%	11.4%	12.0%	9.1%	10.9%	10.6%	11.9%	
<b>Revenue by region</b>																		
Europe	454	467	446	437	1,804	484	472	469	481	1,906					501	480		
• Growth at constant currency (in %)	-1.7%	0.9%	2.7%	5.1%	1.7%	8.2%	3.7%	6.3%	11.4%	7.3%					4.4%	0.9%		
Americas	153	148	139	135	575	141	149	150	156	596					162	160		
• Growth at constant currency (in %)	0.1%	5.1%	3.5%	5.3%	3.5%	5.4%	8.4%	10.1%	14.9%	9.7%					9.1%	2.8%		
Greater China	102	118	130	122	472	131	154	151	139	575					155	191		
• Growth at constant currency (in %)	10.3%	25.7%	46.9%	31.6%	28.8%	40.0%	34.0%	17.6%	14.1%	25.4%					14.1%	23.0%		
Asia/Pacific	73	75	75	76	299	70	80	84	74	308					77	80		
• Growth at constant currency (in %)	-3.4%	-0.1%	8.6%	13.2%	4.4%	3.2%	10.1%	12.4%	-3.2%	5.6%					6.3%	-0.2%		

**Income statement**

	2017 <sup>1</sup>					2018					2019	
in € millions	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter
Revenue	3,574	3,472	3,434	3,541	14,021	3,551	3,642	3,521	3,527	14,241	3,622	3,604
Cost of sales	-2,542	-2,551	-2,470	-2,612	-10,175	-2,591	-2,669	-2,587	-2,711	-10,558	-2,708	-2,705
<b>Gross profit</b>	<b>1,032</b>	<b>921</b>	<b>964</b>	<b>929</b>	<b>3,846</b>	<b>960</b>	<b>973</b>	<b>934</b>	<b>816</b>	<b>3,683</b>	<b>913</b>	<b>899</b>
Research and development expenses	-212	-216	-209	-209	-846	-224	-220	-209	-194	-847	-229	-215
Selling expenses	-243	-242	-234	-251	-970	-242	-258	-249	-255	-1,004	-253	-249
Administrative expenses	-117	-113	-103	-110	-443	-119	-116	-118	-135	-488	-140	-133
Other income	12	30	5	35	82	26	27	25	9	87	28	23
Other expenses	-37	-22	-7	-75	-141	-10	-24	-7	-36	-77	-90	-72
<b>Earnings before financial result and income taxes (EBIT)</b>	<b>435</b>	<b>358</b>	<b>416</b>	<b>319</b>	<b>1,528</b>	<b>391</b>	<b>382</b>	<b>376</b>	<b>205</b>	<b>1,354</b>	<b>230</b>	<b>253</b>
Financial income	1	86	38	-17	108	16	5	20	25	66	26	-3
Financial expenses	-49	-141	-39	-71	-300	-68	-35	-44	-74	-221	-64	-40
<b>Financial result</b>	<b>-48</b>	<b>-55</b>	<b>-1</b>	<b>-88</b>	<b>-192</b>	<b>-52</b>	<b>-30</b>	<b>-24</b>	<b>-49</b>	<b>-155</b>	<b>-38</b>	<b>-43</b>
Income (loss) from equity-accounted investees	0	0	0	0	0	0	0	0	0	-4	-4	-3
<b>Earnings before income taxes</b>	<b>387</b>	<b>303</b>	<b>415</b>	<b>231</b>	<b>1,336</b>	<b>339</b>	<b>352</b>	<b>352</b>	<b>152</b>	<b>1,195</b>	<b>188</b>	<b>207</b>
Income taxes	-104	-92	-105	-38	-339	-95	-80	-91	-34	-300	-47	-69
<b>Net income</b>	<b>283</b>	<b>211</b>	<b>310</b>	<b>193</b>	<b>997</b>	<b>244</b>	<b>272</b>	<b>261</b>	<b>118</b>	<b>895</b>	<b>140</b>	<b>138</b>
Attributable to shareholders of the parent company	279	206	306	189	980	240	269	257	115	881	137	136
Attributable to non-controlling interests	4	5	4	4	17	4	3	4	3	14	3	2
Earnings per common share (basic/diluted, in €)	0.42	0.30	0.46	0.29	1.47	0.36	0.40	0.39	0.17	1.32	0.21	0.20
Earnings per common non-voting share (basic/diluted, in €)	0.42	0.31	0.46	0.29	1.48	0.36	0.41	0.38	0.18	1.33	0.21	0.21

**Special items**

in € millions	2017 <sup>1</sup>					2018				2019		
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter
<b>EBIT</b>	435	358	416	319	1,528	391	382	376	205	1,354	230	253
<b>Special items</b>	0	-13	0	69	56	0	22	-21	26	27	42	31
• Legal cases	0	-13	0	30	17	0	0	-21	0	-21	-13	0
• Restructuring	0	0	0	39	39	0	22	0	26	48	55	31
• Other	0	0	0	0	0	0	0	0	0	0	0	0
<b>EBIT before special items</b>	435	345	416	388	1,584	391	404	355	231	1,381	272	284
<b>EBITDA before special items</b>	624	538	605	584	2,351	587	605	563	447	2,202	509	514
– Tax effect	0	4	0	-18	-14	0	-6	6	-7	-7	-11	-11
<b>Net income before special items</b>	279	197	306	240	1,022	240	285	242	134	901	169	155

## Balance Sheet

in € millions	2017 <sup>1</sup>				2018				2019	
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter
<b>ASSETS</b>										
Intangible assets	634	631	629	636	636	632	628	627	718	731
Right of Use Assets									209	187
Property, plant and equipment	4,622	4,569	4,625	4,865	4,888	4,991	5,057	5,318	5,443	5,393
Investments in equity-accounted investees	0	0	0	3	3	0	0	160	157	153
Contract assets	0	0	0	0	16	0	0	11	11	11
Other financial assets	210	147	165	111	102	115	131	106	89	93
Other assets	59	60	66	71	63	79	89	86	102	93
Deferred tax assets	557	488	492	492	538	547	524	520	585	638
<b>Total non-current assets</b>	<b>6,082</b>	<b>5,895</b>	<b>5,977</b>	<b>6,178</b>	<b>6,246</b>	<b>6,364</b>	<b>6,429</b>	<b>6,828</b>	<b>7,315</b>	<b>7,300</b>
Inventories	2,011	2,010	2,061	2,017	2,168	2,294	2,355	2,183	2,334	2,338
Contract assets	0	0	0	0	30	34	43	45	51	52
Trade receivables	2,462	2,327	2,323	2,192	2,275	2,329	2,241	2,003	2,225	2,222
Other financial assets	54	85	96	111	95	100	136	131	105	106
Other assets	271	293	254	236	285	277	290	267	324	335
Income tax receivables	90	111	106	102	105	97	94	102	113	82
Cash and cash equivalents	947	399	719	698	672	507	731	801	2,071	559
Assets held for sale	24	0	0	3	0	0	0	2	25	0
<b>Total current assets</b>	<b>5,859</b>	<b>5,225</b>	<b>5,559</b>	<b>5,359</b>	<b>5,630</b>	<b>5,638</b>	<b>5,890</b>	<b>5,534</b>	<b>7,246</b>	<b>5,693</b>
<b>Total assets</b>	<b>11,941</b>	<b>11,120</b>	<b>11,536</b>	<b>11,537</b>	<b>11,876</b>	<b>12,002</b>	<b>12,319</b>	<b>12,362</b>	<b>14,561</b>	<b>12,993</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>										
Share capital	666	666	666	666	666	666	666	666	666	666
Retained earnings	2,222	2,101	2,408	2,630	2,902	2,775	3,025	3,214	3,351	3,124
Accumulated other comprehensive income (loss)	-597	-703	-775	-822	-896	-892	-890	-907	-941	-1,146
<b>Equity attributable to shareholders of the parent company</b>	<b>2,292</b>	<b>2,064</b>	<b>2,299</b>	<b>2,474</b>	<b>2,672</b>	<b>2,549</b>	<b>2,801</b>	<b>2,973</b>	<b>3,076</b>	<b>2,644</b>
Non-controlling interests	108	104	102	107	106	108	106	87	93	91
<b>Total shareholders' equity</b>	<b>2,400</b>	<b>2,168</b>	<b>2,401</b>	<b>2,581</b>	<b>2,778</b>	<b>2,657</b>	<b>2,907</b>	<b>3,060</b>	<b>3,169</b>	<b>2,736</b>
Provisions for pensions and similar obligations	2,107	2,077	2,083	2,124	2,167	2,157	2,140	2,173	2,362	2,594
Provisions	97	88	88	188	182	167	143	172	180	181
Financial debt	3,687	3,003	2,985	3,066	3,103	3,132	3,137	3,188	3,442	3,479
Contract liabilities	0	0	0	0	0	1	2	2	3	4
Income tax payables	137	141	145	106	98	143	145	103	105	103
Other financial liabilities	76	55	33	24	16	8	9	9	29	16
Lease Liabilities									151	141
Other liabilities	6	7	5	7	6	7	2	2	3	14
Deferred tax liabilities	123	136	164	129	120	118	125	131	130	145
<b>Total non-current liabilities</b>	<b>6,233</b>	<b>5,507</b>	<b>5,503</b>	<b>5,644</b>	<b>5,692</b>	<b>5,733</b>	<b>5,703</b>	<b>5,780</b>	<b>6,404</b>	<b>6,676</b>
Provisions	341	300	281	264	275	233	220	244	281	281
Financial debt	2	352	354	2	8	208	238	160	1,434	247
Contract liabilities	0	0	0	0	72	19	21	45	45	56
Trade payables	1,653	1,581	1,651	1,867	1,866	1,886	1,924	1,967	1,980	1,825
Income tax payables	232	198	210	130	187	172	154	69	86	60
Other financial liabilities	654	593	720	682	395	642	729	481	501	498
Lease Liabilities									59	46
Refund liabilities	0	0	0	0	180	0	0	236	193	187
Other liabilities	418	421	416	367	423	452	423	320	396	382
Liabilities held for sale	8	0	0	0	0	0	0	0	15	0
<b>Total current liabilities</b>	<b>3,308</b>	<b>3,445</b>	<b>3,632</b>	<b>3,312</b>	<b>3,406</b>	<b>3,612</b>	<b>3,709</b>	<b>3,522</b>	<b>4,988</b>	<b>3,542</b>
<b>Total shareholders' equity and liabilities</b>	<b>11,941</b>	<b>11,120</b>	<b>11,536</b>	<b>11,537</b>	<b>11,876</b>	<b>12,002</b>	<b>12,319</b>	<b>12,362</b>	<b>14,561</b>	<b>12,993</b>

## Cash flow statement

in € millions	2017 <sup>1</sup>					2018					2019	
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter
<b>Operating activities</b>												
EBIT	435	358	416	319	1,528	391	382	376	205	1,354	230	253
Interest paid	-30	-47	-29	-15	-121	-28	-16	-35	-15	-94	-37	-36
Interest received	3	1	3	3	10	3	2	3	7	15	4	6
Income taxes paid	-81	-100	-66	-98	-345	-89	-105	-90	-71	-355	-57	-52
Depreciation, amortization, and impairment losses	189	193	189	196	767	196	201	208	216	821	242	237
(Gains) losses on disposal of assets	0	1	0	1	2	-2	0	1	-2	-3	-1	-8
Changes in:												
• Inventories	-93	-68	-81	36	-206	-159	-121	-72	186	-166	-117	-24
• Trade receivables	-231	57	-29	117	-86	-132	-48	71	244	135	-241	-23
• Trade payables	40	-2	67	156	261	79	20	20	-56	63	62	-118
• Provisions for pensions and similar obligations	17	9	11	-6	31	1	-14	10	-25	-28	2	-2
• Other assets, liabilities, and provisions	-63	-82	129	-47	-63	-23	-18	-29	-66	-136	67	-2
<b>Cash flows from operating activities</b>	<b>186</b>	<b>320</b>	<b>610</b>	<b>662</b>	<b>1,778</b>	<b>237</b>	<b>283</b>	<b>463</b>	<b>623</b>	<b>1,606</b>	<b>154</b>	<b>229</b>
<b>Investing activities</b>												
Proceeds from disposals of property, plant and equipment	2	1	1	5	9	1	1	0	11	13	2	13
Capital expenditures on intangible assets	-7	-7	-5	-13	-32	-3	-2	-3	-6	-14	-2	-6
Capital expenditures on property, plant and equipment	-292	-288	-274	-387	-1,241	-303	-287	-259	-369	-1,218	-371	-214
Acquisition of subsidiaries	-23	0	0	-24	-47	-2	0	0	-161	-163	-65	0
Proceeds from disposal of subsidiaries	4	16	0	0	20	0	0	1	0	1	0	4
Other investing activities	0	-1	1	1	1	-1	0	0	-2	-3	-4	-2
<b>Cash used in investing activities</b>	<b>-316</b>	<b>-279</b>	<b>-277</b>	<b>-418</b>	<b>-1,290</b>	<b>-308</b>	<b>-288</b>	<b>-261</b>	<b>-527</b>	<b>-1,384</b>	<b>-440</b>	<b>-205</b>
<b>Financing activities</b>												
Dividends paid to shareholders and non-controlling interests	0	-330	0	0	-330	0	-363	0	0	-363	0	-364
Receipts from loans	0	350	1	89	440	56	202	30	116	404	2,190	282
Repayments of loans	-2	-586	0	-352	-940	-1	-1	0	-150	-152	-635	-1,431
Principal repayments on lease liabilities											-14	-15
<b>Cash used in financing activities</b>	<b>-2</b>	<b>-566</b>	<b>1</b>	<b>-263</b>	<b>-830</b>	<b>55</b>	<b>-162</b>	<b>30</b>	<b>-34</b>	<b>-111</b>	<b>1,541</b>	<b>-1,529</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>-132</b>	<b>-525</b>	<b>334</b>	<b>-19</b>	<b>-342</b>	<b>-16</b>	<b>-167</b>	<b>232</b>	<b>62</b>	<b>111</b>	<b>1,255</b>	<b>-1,504</b>
Effects of foreign exchange rate changes on cash and cash equivalents	8	-23	-14	-2	-31	-10	2	-8	8	-8	15	-8
Cash and cash equivalents as at beginning of period	1,071	947	399	719	1,071	698	672	507	731	698	801	2,071
<b>Cash and cash equivalents</b>	<b>947</b>	<b>399</b>	<b>719</b>	<b>698</b>	<b>698</b>	<b>672</b>	<b>507</b>	<b>731</b>	<b>801</b>	<b>801</b>	<b>2,071</b>	<b>559</b>

**Net financial position**

in € millions	2017 <sup>1</sup>				2018				2019	
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	FY	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter
Current financial debt	2	352	354	2	8	208	238	160	1,434	247
Non-current financial debt	3,687	3,003	2,985	3,066	3,103	3,132	3,137	3,188	3,442	3,479
<b>Financial debt</b>	<b>3,689</b>	<b>3,355</b>	<b>3,339</b>	<b>3,068</b>	<b>3,111</b>	<b>3,340</b>	<b>3,375</b>	<b>3,348</b>	<b>4,876</b>	<b>3,725</b>
Cash and cash equivalents	947	399	719	698	672	507	731	801	2,071	559
<b>Net financial debt</b>	<b>2,742</b>	<b>2,956</b>	<b>2,620</b>	<b>2,370</b>	<b>2,439</b>	<b>2,833</b>	<b>2,644</b>	<b>2,547</b>	<b>2,805</b>	<b>3,167</b>
EBITDA bsi	624	538	605	2,351	587	605	563	2,202	509	514
<b>Net financial debt to EBITDA ratio before special items</b>	<b>1.1</b>	<b>1.2</b>	<b>1.1</b>	<b>1.0</b>	<b>1.1</b>	<b>1.2</b>	<b>1.1</b>	<b>1.0</b>	<b>1.3</b>	<b>1.6</b>

**Definitions**

<b>EBIT</b>	EBIT is defined as earnings before financial result and income taxes.
<b>EBIT margin</b>	The EBIT margin represents EBIT as a percentage of revenue.
<b>EBITDA</b>	EBIT before amortization of intangible assets, depreciation of property, plant and equipment, and impairment losses.
<b>Net income</b>	Net income attributable to shareholders of the parent company.
<b>Free cash flow before M&amp;A</b>	Free cash flow (FCF) before cash in- and outflows for M&A activities.
<b>Net financial debt</b>	Sum of current and non-current financial debt net of cash and cash equivalents.
<b>Net debt to EBITDA ratio</b>	This ratio is used to evaluate the financing structure and is the ratio of net financial debt to EBITDA. <small>In order to make the evaluation of the company's results or operations as transparent as possible, the Schaeffler Group reports the indicators described above before special items (=adjusted).</small>
<b>Special items</b>	Special items are items which the Board of Managing Directors considers to render the financial indicators less meaningful for evaluating the sustainability of the Schaeffler Group's profitability due to their nature, frequency, and/or size. <small>Special items are categorized as legal cases, restructuring and other</small>
<b>ROCE</b>	The ROCE indicator measures the rate of return on capital and is defined as EBIT divided by average capital employed.
<b>SVA</b>	Calculation of the SVA starts with the company's EBIT. EBIT has to be sufficient to cover the cost of capital. Positive SVA means that EBIT has exceeded the cost of capital for the period and, therefore, that the Schaeffler Group has added value in this amount. Cost of capital is calculated by applying the minimum return of 10% p.a. (before tax) set by the Board of Managing Directors and the Supervisory Board to the average capital employed during the year.
<b>Capital employed</b>	Capital employed is calculated by adding up the following operating balance sheet items: property, plant and equipment, intangible assets, and working capital.
<b>Working capital</b>	Comprises trade receivables and inventories net of trade payables.
<b>Constant currency</b>	Revenue figures at constant currency, i.e. excluding the impact of currency translation, are calculated by translating functional currency revenue using the same exchange rate for both the current and the prior year or comparison reporting period.

For a full set of definitions please refer to the current Annual Report of the Schaeffler AG.