

**SCHAEFFLER**

Facts and figures  
9M 2016

# Schaeffler Group at a glance

## Key figures

Income statement (in € millions)	1 <sup>st</sup> nine months		Change	
	2016	2015		
Revenue	9,977	9,958	0.2	%
• at constant currency			2.7	%
EBIT	1,276	1,251	2.0	%
• in % of revenue	12.8	12.6	0.2	%-pts.
EBIT before special items <sup>1)</sup>	1,276	1,258	1.4	%
• in % of revenue	12.8	12.6	0.2	%-pts.
Net income <sup>2)</sup>	672	521	29.0	%
Earnings per common non-voting share (basic/diluted, in €) <sup>3)</sup>	1.02	1.31	-22.1	%
Statement of financial position (in € millions)	09/30/2016	12/31/2015	Change	
Total assets	12,862	12,480	3.1	%
Shareholders' equity <sup>4)</sup>	1,554	1,568	-14	€ millions
• in % of total assets	12.1	12.6	-0.5	%-pts.
Net financial debt	2,876	4,889	-41.2	%
• Net financial debt to EBITDA ratio before special items <sup>1) 5)</sup>	1.2	2.1		
Statement of cash flows (in € millions)	1 <sup>st</sup> nine months		Change	
EBITDA	1,817	1,765	2.9	%
• in % of revenue	18.2	17.7	0.5	%-pts.
EBITDA before special items <sup>1)</sup>	1,817	1,772	2.5	%
• in % of revenue	18.2	17.8	0.4	%-pts.
Cash flows from operating activities	1,305	912	393	€ millions
Capital expenditures (capex) <sup>6)</sup>	829	743	86	€ millions
• in % of revenue (capex ratio)	8.3	7.5	0.8	%-pts.
Free cash flow	479	192	287	€ millions
Value added	1 <sup>st</sup> nine months		Change	
ROCE before special items (in %) <sup>1) 5)</sup>	21.9	21.9	0.0	%-pts.
Schaeffler Value Added before special items (in € millions) <sup>1) 5)</sup>	920	870	5.7	%
Employees	09/30/2016	09/30/2015	Change	
Headcount	86,029	84,414	1.9	%

<sup>1)</sup> EBIT, debt to EBITDA ratio, EBITDA, ROCE, and Schaeffler Value Added before special items for legal cases and restructuring.

<sup>2)</sup> Attributable to shareholders of the parent company.

<sup>3)</sup> Earnings per share were calculated in accordance with IAS 33, see page 13.

<sup>4)</sup> Including non-controlling interests.

<sup>5)</sup> EBIT/EBITDA based on the last twelve months.

<sup>6)</sup> Capital expenditures on intangible assets and property, plant and equipment.

Automotive (in € millions)	1 <sup>st</sup> nine months		Change	
	2016	2015		
Revenue	7,703	7,511	2.6	%
• at constant currency			5.3	%
EBIT	1,103	1,007	9.5	%
• in % of revenue	14.3	13.4	0.9	%-pts.
EBIT before special items <sup>1)</sup>	1,103	1,014	8.8	%
• in % of revenue	14.3	13.5	0.8	%-pts.
Industrie (in € millions)	1 <sup>st</sup> nine months		Change	
Revenue	2,274	2,447	-7.1	%
• at constant currency			-5.3	%
EBIT	173	244	-29.1	%
• in % of revenue	7.6	10.0	-2.4	%-pts.
EBIT before special items <sup>1)</sup>	173	244	-29.1	%
• in % of revenue	7.6	10.0	-2.4	%-pts.

Prior year information presented based on 2016 segment structure.

<sup>1)</sup> EBIT before special items for legal cases and restructuring.

# Highlights 9M 2016

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Revenue at prior year level

Revenue at **EUR 10.0** bn  
(up 2.7 % at constant currency)

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Profitability improved

EBIT margin at **12.8** %  
(prior year: 12.6 %)

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Net income up significantly from prior year

Net income at **EUR 672** m  
(prior year: EUR 521 m)

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Free cash flow raised considerably

Free cash flow at **EUR 479** m  
(prior year: EUR 192 m)

# Contents

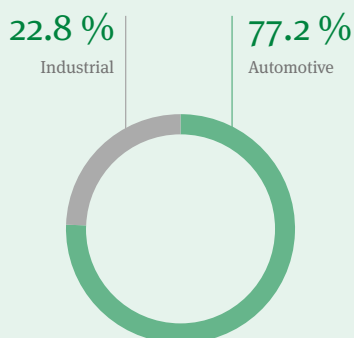
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# Earnings

## Schaeffler Group earnings

Revenue EUR 9,977 m

EBIT EUR 1,276 m



Revenue increased slightly at constant currency – up 2.7 % // Revenue growth driven by higher volumes in Automotive – Industrial revenue declines // High earnings quality – EBIT margin 12.8 % // Increasing R&D expenses – stepped-up activities to create new technologies and innovations, including for electric mobility

### Schaeffler Group earnings

in € millions	1 <sup>st</sup> nine months			3 <sup>rd</sup> quarter		
	2016	2015	Change in %	2016	2015	Change in %
<b>Revenue</b>	<b>9,977</b>	<b>9,958</b>	<b>0.2</b>	<b>3,265</b>	<b>3,237</b>	<b>0.9</b>
• at constant currency			2.7			2.3
<b>Revenue by division</b>						
Automotive	7,703	7,511	2.6	2,524	2,442	3.4
• Share of revenue in %	77.2	75.4		77.3	75.4	
Industrial	2,274	2,447	-7.1	741	795	-6.8
• Share of revenue in %	22.8	24.6		22.7	24.6	
<b>Revenue by region <sup>1)</sup></b>						
Europe	5,402	5,374	0.5	1,723	1,747	-1.4
• Share of revenue in %	54.2	54.0		52.8	54.0	
Americas	2,117	2,229	-5.0	700	730	-4.1
• Share of revenue in %	21.2	22.4		21.4	22.6	
Greater China	1,430	1,356	5.5	491	425	15.5
• Share of revenue in %	14.3	13.6		15.0	13.1	
Asia/Pacific	1,028	999	2.9	351	335	4.8
• Share of revenue in %	10.3	10.0		10.8	10.3	
Cost of sales	-7,125	-7,153	-0.4	-2,333	-2,316	0.7
Gross profit	2,852	2,805	1.7	932	921	1.2
Functional expenses <sup>2)</sup>	-1,565	-1,507	3.8	-519	-488	6.4
<b>Earnings before financial result and income taxes (EBIT)</b>	<b>1,276</b>	<b>1,251</b>	<b>2.0</b>	<b>417</b>	<b>433</b>	<b>-3.7</b>
• in % of revenue	12.8	12.6	-	12.8	13.4	-
<b>EBIT before special items <sup>3)</sup></b>	<b>1,276</b>	<b>1,258</b>	<b>1.4</b>	<b>417</b>	<b>433</b>	<b>-3.7</b>
• in % of revenue	12.8	12.6	-	12.8	13.4	-
Financial result	-320	-462	-30.7	-167	-125	33.6
Income taxes	-275	-256	7.4	-69	-91	-24.2
Net income <sup>4)</sup>	672	521	29.0	178	212	-16.0
Earnings per common non-voting share (basic/diluted, in €)	1.02	1.31	-22.1	0.27	0.53	-49.1

<sup>1)</sup> Based on market (customer location).

<sup>2)</sup> Research and development, selling and administration.

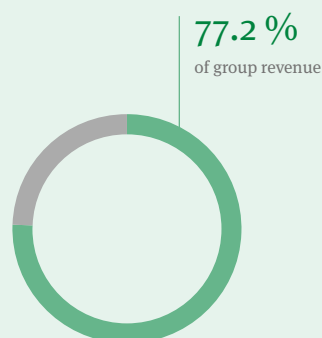
<sup>3)</sup> EBIT before special items for legal cases and restructuring.

<sup>4)</sup> Attributable to shareholders of the parent company.

## Automotive division

Revenue EUR 7,703 m

EBIT EUR 1,103 m



Revenue growth at constant currency of 5.3 % // Double-digit growth in Greater China revenue // Profitable growth continued // Stepped-up R&D activities, including for electric mobility

### Automotive division earnings

in € millions	1 <sup>st</sup> nine months			3 <sup>rd</sup> quarter		
	2016	2015	Change in %	2016	2015	Change in %
<b>Revenue</b>	<b>7,703</b>	<b>7,511</b>	<b>2.6</b>	<b>2,524</b>	<b>2,442</b>	<b>3.4</b>
• at constant currency			5.3			5.1
Revenue by business division						
BD Engine Systems	1,960	1,946	0.7	636	625	1.8
• Share of revenue in %	25.4	25.9		25.2	25.6	
BD Transmission Systems	3,217	3,150	2.1	1,037	1,009	2.8
• Share of revenue in %	41.8	42.0		41.1	41.3	
BD Chassis Systems	1,142	1,098	4.0	368	352	4.5
• Share of revenue in %	14.8	14.6		14.6	14.4	
BD Automotive Aftermarket	1,384	1,317	5.1	483	456	5.9
• Share of revenue in %	18.0	17.5		19.1	18.7	
Revenue by region <sup>1)</sup>						
Europe	4,050	3,992	1.5	1,288	1,296	-0.6
• Share of revenue in %	52.6	53.1		51.0	53.1	
Americas	1,694	1,763	-3.9	561	584	-3.9
• Share of revenue in %	22.0	23.5		22.2	23.9	
Greater China	1,151	995	15.7	398	303	31.4
• Share of revenue in %	14.9	13.3		15.8	12.4	
Asia/Pacific	808	761	6.2	277	259	6.9
• Share of revenue in %	10.5	10.1		11.0	10.6	
Cost of sales	-5,505	-5,449	1.0	-1,807	-1,762	2.6
Gross profit	2,198	2,062	6.6	717	680	5.4
<b>EBIT</b>	<b>1,103</b>	<b>1,007</b>	<b>9.5</b>	<b>364</b>	<b>356</b>	<b>2.2</b>
• in % of revenue	14.3	13.4	-	14.4	14.6	-
<b>EBIT before special items <sup>2)</sup></b>	<b>1,103</b>	<b>1,014</b>	<b>8.8</b>	<b>364</b>	<b>356</b>	<b>2.2</b>
• in % of revenue	14.3	13.5	-	14.4	14.6	-

Prior year information presented based on 2016 segment structure.

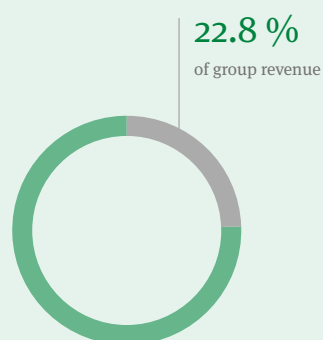
<sup>1)</sup> Based on market (customer location).

<sup>2)</sup> EBIT before special items for legal cases and restructuring.

## Industrial division

Revenue EUR 2,274 m

EBIT EUR 173 m



Revenue decreased in all regions //  
Margin trend mainly driven by declining  
sales volumes

### Industrial division earnings

in € millions	1 <sup>st</sup> nine months			3 <sup>rd</sup> quarter		
	2016	2015	Change in %	2016	2015	Change in %
<b>Revenue</b>	<b>2,274</b>	<b>2,447</b>	<b>-7.1</b>	<b>741</b>	<b>795</b>	<b>-6.8</b>
• at constant currency			-5.3			-6.2
Revenue by region <sup>1)</sup>						
Europe	1,352	1,382	-2.2	435	451	-3.5
• Share of revenue in %	59.4	56.5		58.7	56.7	
Americas	423	466	-9.2	139	146	-4.8
• Share of revenue in %	18.6	19.0		18.8	18.4	
Greater China	279	361	-22.7	93	122	-23.8
• Share of revenue in %	12.3	14.8		12.5	15.3	
Asia/Pacific	220	238	-7.6	74	76	-2.6
• Share of revenue in %	9.7	9.7		10.0	9.6	
Cost of sales	-1,620	-1,704	-4.9	-526	-554	-5.1
Gross profit	654	743	-12.0	215	241	-10.8
<b>EBIT</b>	<b>173</b>	<b>244</b>	<b>-29.1</b>	<b>53</b>	<b>77</b>	<b>-31.2</b>
• in % of revenue	7.6	10.0	-	7.2	9.7	-
<b>EBIT before special items <sup>2)</sup></b>	<b>173</b>	<b>244</b>	<b>-29.1</b>	<b>53</b>	<b>77</b>	<b>-31.2</b>
• in % of revenue	7.6	10.0	-	7.2	9.7	-

Prior year information presented based on 2016 segment structure.

<sup>1)</sup> Based on market (customer location).

<sup>2)</sup> EBIT before special items for legal cases and restructuring.

# Consolidated statement of financial position

No. 017

in € millions	09/30/2016	12/31/2015	09/30/2015	Change in %
<b>ASSETS</b>				
Intangible assets	584	589	559	-0.8
Property, plant and equipment	4,319	4,180	3,961	3.3
Other financial assets	169	2,123	2,310	-92.0
Other assets	29	57	47	-49.1
Income tax receivables	0	4	6	-100
Deferred tax assets	610	485	508	25.8
<b>Total non-current assets</b>	<b>5,711</b>	<b>7,438</b>	<b>7,391</b>	<b>-23.2</b>
Inventories	1,958	1,812	1,813	8.1
Trade receivables	2,250	2,023	2,119	11.2
Other financial assets	97	123	130	-21.1
Other assets	203	211	210	-3.8
Income tax receivables	78	74	63	5.4
Cash and cash equivalents	2,565	799	724	> 100
<b>Total current assets</b>	<b>7,151</b>	<b>5,042</b>	<b>5,059</b>	<b>41.8</b>
<b>Total assets</b>	<b>12,862</b>	<b>12,480</b>	<b>12,450</b>	<b>3.1</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>				
Share capital	666	666	600	0.0
Capital reserves	2,348	2,348	1,600	0.0
Other reserves	-591	-935	-1,005	-36.8
Accumulated other comprehensive income (loss)	-962	-599	-649	60.6
<b>Equity attributable to shareholders of the parent company</b>	<b>1,461</b>	<b>1,480</b>	<b>546</b>	<b>-1.3</b>
Non-controlling interests	93	88	85	5.7
<b>Total shareholders' equity</b>	<b>1,554</b>	<b>1,568</b>	<b>631</b>	<b>-0.9</b>
Provisions for pensions and similar obligations	2,471	1,942	1,959	27.2
Provisions	114	182	71	-37.4
Financial debt	3,636	5,685	6,670	-36.0
Income tax payables	224	210	260	6.7
Other financial liabilities	11	12	12	-8.3
Other liabilities	5	6	7	-16.7
Deferred tax liabilities	108	107	115	0.9
<b>Total non-current liabilities</b>	<b>6,569</b>	<b>8,144</b>	<b>9,094</b>	<b>-19.3</b>
Provisions	421	431	254	-2.3
Financial debt	1,805	3	4	> 100
Trade payables	1,406	1,405	1,266	0.1
Income tax payables	127	112	200	13.4
Other financial liabilities	607	512	626	18.6
Other liabilities	373	305	375	22.3
<b>Total current liabilities</b>	<b>4,739</b>	<b>2,768</b>	<b>2,725</b>	<b>71.2</b>
<b>Total shareholders' equity and liabilities</b>	<b>12,862</b>	<b>12,480</b>	<b>12,450</b>	<b>3.1</b>



# Consolidated statement of cash flows

No. 018

in € millions	1 <sup>st</sup> nine months			3 <sup>rd</sup> quarter		
	2016	2015	Change in %	2016	2015	Change in %
<b>Operating activities</b>						
EBIT	1,276	1,251	2.0	417	433	-3.7
Interest paid	-181	-430	-57.9	-74	-51	45.1
Interest received	94	41	> 100	21	1	> 100
Income taxes paid	-234	-247	-5.3	-73	-89	-18.0
Depreciation, amortization and impairments	541	514	5.3	183	171	7.0
(Gains) losses on disposal of assets	2	1	100	1	1	0.0
Changes in:						
• Inventories	-161	-95	69.5	-49	-54	-9.3
• Trade receivables	-256	-194	32.0	8	51	-84.3
• Trade payables	114	16	> 100	25	-37	-
• Provisions for pensions and similar obligations	-37	-9	> 100	-18	-15	20.0
• Other assets, liabilities and provisions	147	64	> 100	87	79	10.1
<b>Cash flows from operating activities<sup>1)</sup></b>	<b>1,305</b>	<b>912</b>	<b>43.1</b>	<b>528</b>	<b>490</b>	<b>7.8</b>
<b>Investing activities</b>						
Proceeds from disposals of property, plant and equipment	4	22	-81.8	3	14	-78.6
Capital expenditures on intangible assets	-16	-31	-48.4	-6	-13	-53.8
Capital expenditures on property, plant and equipment	-813	-712	14.2	-262	-229	14.4
Other investing activities	-1	1	-	0	2	-100
<b>Cash used in investing activities</b>	<b>-826</b>	<b>-720</b>	<b>14.7</b>	<b>-265</b>	<b>-226</b>	<b>17.3</b>
<b>Financing activities</b>						
Dividends paid to shareholders and non-controlling interests	-329	-251	31.1	0	0	0.0
Receipts from loans	1,001	208	> 100	1,000	-7	-
Repayments of loans <sup>2)</sup>	-1,153	-209	> 100	-945	0	-
Other financing activities	1,772	151	> 100	1,674	66	> 100
<b>Cash provided by financing activities</b>	<b>1,291</b>	<b>-101</b>	<b>-</b>	<b>1,729</b>	<b>59</b>	<b>&gt; 100</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,770</b>	<b>91</b>	<b>&gt; 100</b>	<b>1,992</b>	<b>323</b>	<b>&gt; 100</b>
Effects of foreign exchange rate changes on cash and cash equivalents	-4	-3	33.3	1	-19	-
Cash and cash equivalents as at beginning of period	799	636	25.6	572	420	36.2
<b>Cash and cash equivalents as at end of period</b>	<b>2,565</b>	<b>724</b>	<b>&gt; 100</b>	<b>2,565</b>	<b>724</b>	<b>&gt; 100</b>

<sup>1)</sup> Excluding interest payments, cash flows from operating activities for the period from 01/01 to 09/30/2016 amount to EUR 1,486 m (prior year: EUR 1,342 m).

<sup>2)</sup> Including EUR 96 m in cash inflows from cross-currency swaps terminated early in connection with the voluntary prepayment of the loan tranches.

# Summary 1<sup>st</sup> quarter 2015 to 3<sup>rd</sup> quarter 2016

	2015				2016		
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter
<b>Income statement (in € millions)</b>							
Revenue	3,339	3,382	3,237	3,221	3,343	3,369	3,265
EBIT	434	384	433	151	421	438	417
• in % of revenue	13.0	11.4	13.4	4.7	12.6	13.0	12.8
EBIT before special items <sup>1)</sup>	441	384	433	418	421	438	417
• in % of revenue	13.2	11.4	13.4	13.0	12.6	13.0	12.8
Net income <sup>2)</sup>	167	142	212	70	253	241	178
Earnings per common non-voting share (basic/diluted, in €) <sup>3)</sup>	0.42	0.36	0.53	0.11	0.38	0.37	0.27
<b>Statement of financial position (in € millions)</b>							
Total assets	12,844	12,221	12,450	12,480	12,607	12,554	12,862
Shareholders' equity <sup>4)</sup>	418	532	631	1,568	1,609	1,425	1,554
• in % of total assets	3.3	4.4	5.1	12.6	12.8	11.4	12.1
Net financial debt	6,190	6,245	5,950	4,889	4,909	4,874	2,876
• Net financial debt to EBITDA ratio before special items <sup>1) 5)</sup>	2.7	2.7	2.6	2.1	2.1	2.0	1.2
<b>Statement of cash flows (in € millions)</b>							
EBITDA	604	557	604	331	598	619	600
• in % of revenue	18.1	16.5	18.7	10.3	17.9	18.4	18.4
EBITDA before special item <sup>1)</sup>	611	557	604	598	598	619	600
• in % of revenue	18.3	16.5	18.7	18.6	17.9	18.4	18.4
Cash flows from operating activities	184	238	490	460	206	571	528
Capital expenditures (capex) <sup>6)</sup>	244	257	242	282	318	243	268
• in % of revenue (capex ratio)	7.3	7.6	7.5	8.8	9.5	7.2	8.2
Free cash flow	-60	-12	264	178	-112	328	263
<b>Value added</b>							
ROCE before special items (in %) <sup>1) 5)</sup>	22.8	22.2	21.9	22.5	22.1	22.5	21.9
Schaeffler Value Added before special items <sup>1) 5)</sup>	896	878	870	931	906	951	920
<b>Employees</b>							
Headcount (at end of reporting period)	83,331	83,774	84,414	84,198	85,016	85,225	86,029
<b>Automotive (in € millions) <sup>7)</sup></b>							
Revenue	2,515	2,554	2,442	2,466	2,576	2,603	2,524
EBIT	343	308	356	128	372	367	364
• in % of revenue	13.6	12.1	14.6	5.2	14.4	14.1	14.4
EBIT before special items <sup>1)</sup>	350	308	356	359	372	367	364
• in % of revenue	13.9	12.1	14.6	14.6	14.4	14.1	14.4
<b>Industrial (in € millions) <sup>7)</sup></b>							
Revenue	824	828	795	755	767	766	741
EBIT	91	76	77	23	49	71	53
• in % of revenue	11.0	9.2	9.7	3.0	6.4	9.3	7.2
EBIT before special items <sup>1)</sup>	91	76	77	59	49	71	53
• in % of revenue	11.0	9.2	9.7	7.8	6.4	9.3	7.2

<sup>1)</sup> EBIT, debt to EBITDA ratio, EBITDA, ROCE, and Schaeffler Value Added before special items for legal cases and restructuring.

<sup>2)</sup> Attributable to shareholders of the parent company.

<sup>3)</sup> Earnings per share were calculated in accordance with IAS 33.

<sup>4)</sup> Including non-controlling interests.

<sup>5)</sup> EBIT/EBITDA based on the last twelve months.

<sup>6)</sup> Capital expenditures on intangible assets and property, plant and equipment.

<sup>7)</sup> Prior year information presented based on 2016 segment structure.

# Financial calendar

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Publication of results for the first nine months 2016

**November 09, 2016**

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Publication of annual results 2016

**March 08, 2017**

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Publication of results for the first three months 2017

**May 11, 2017**

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## **Schaeffler AG**

Industriestr. 1-3  
91074 Herzogenaurach  
Germany

## **Investor Relations**

tel.: +49 (0)9132 82 -4440  
fax: +49 (0)9132 82 -4444  
e-mail: [ir@schaeffler.com](mailto:ir@schaeffler.com)  
[www.schaeffler.com/ir](http://www.schaeffler.com/ir)

## **Schaeffler online**

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