

Press Release

Schaeffler continues along its successful course in 2016

HERZOGENAURACH, 2017-01-24.

- **Announcement of preliminary key figures for the financial year 2016**
- **Revenue increased by 3.4 percent at constant currency**
- **EBIT margin before special items at 12.7 percent**
- **Free cash flow increased to around 730 million euros**
- **2017 with improved growth prospects**

The global automotive and industrial supplier Schaeffler announced its preliminary key figures for the financial year 2016 today. The company increased its revenue at constant currency by 3.4 percent to around 13.3 billion euros (prior year: approximately 13.2 billion euros) and earned an EBIT of approximately 1,700 million euros (prior year: 1,676 million euros). On this basis, EBIT margin before special items was 12.7 percent (prior year: 12.7 percent). The free cash flow increased to approximately 730 million euros (prior year: 370 million euros).

“We have continued on our successful course also in the financial year 2016 and have delivered a strong result. Compared to the prior year, we were able to improve our sales as well as our operating results before one-off effects. Furthermore, our free cash flow improved remarkably”, said Klaus Rosenfeld, CEO of Schaeffler AG.

The main driving force for the positive business development was the Automotive division, which again performed stronger than the market, i.e. grew faster than the global production of passenger cars and light commercial vehicles. In the Industrial division, the efficiency and cost reduction measures were implemented as planned. Furthermore, a number of prominent customer projects were signed in the fourth quarter.

In 2017, the Schaeffler Group anticipates revenue growth of 4 to 5 percent at constant currency. On this basis, the company expects as in previous years to generate an EBIT margin before special items of 12 to 13 percent. The Schaeffler Group is anticipating approximately 600 million euros in free cash flow for 2017.

Rosenfeld explained: “With our ‘Mobility for tomorrow’ strategy, we have created the prerequisites for profitable and sustainable growth. In our Automotive business, we are increasingly placing our focus on electric mobility, where we already received several series production orders. In our Industrial Division, we

consider ourselves to be in a good position to benefit from the future opportunities arising from Industrie 4.0."

On March 8, 2017, Schaeffler AG will present its business figures during its Annual Results Press Conference in Frankfurt.

Forward-looking statements and projections

Certain statements in this press release are forward-looking statements. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial consequences of the plans and events described herein. No one undertakes any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. You should not place any undue reliance on forward-looking statements which speak only as of the date of this press release. Statements contained in this press release regarding past trends or events should not be taken as representation that such trends or events will continue in the future. The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that Schaeffler, or persons acting on its behalf, may issue.

Schaeffler Group – We pioneer motion: The Schaeffler Group has been driving forward groundbreaking inventions and developments in the field of motion technology for 80 years. With innovative technologies, products, and services for electric mobility, CO₂-efficient drives, chassis solutions and renewable energies, the company is a reliable partner for making motion more efficient, intelligent, and sustainable – over the entire life cycle. Schaeffler describes its comprehensive range of products and services by means of eight product families: From bearing solutions and all types of linear guidance systems through to repair and monitoring services. Schaeffler is with around 110,000 employees and more than 250 locations in 55 countries, one of the world's largest family-owned companies and one of Germany's most innovative companies.

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