

SCHAEFFLER

Facts and figures
First quarter 2016

Schaeffler Group at a glance

Key figures

	1 st three months			Change
	2016	2015		
Income statement (in € millions)				
Revenue	3,343	3,339	0.1	%
• at constant currency			2.4	%
EBIT	421	434	-3.0	%
• in % of revenue	12.6	13.0	-0.4	%-pts.
EBIT before special items ¹⁾	421	441	-4.5	%
• in % of revenue	12.6	13.2	-0.6	%-pts.
Net income ²⁾	253	167	51.5	%
Earnings per common non-voting share (basic/diluted, in €) ³⁾	0.38	0.42	-9.5	%
Statement of financial position (in € millions)				
	03/31/2016	12/31/2015		Change
Total assets	12,607	12,480	1.0	%
Shareholders' equity ⁴⁾	1,609	1,568	41	€ millions
• in % of total assets	12.8	12.6	0.2	%-pts.
Net financial debt	4,909	4,889	0.4	%
• Net financial debt to EBITDA ratio before special items ^{1), 5)}	2.1	2.1		
Statement of cash flows (in € millions)				
	2016	2015		Change
EBITDA	598	604	-1.0	%
• in % of revenue	17.9	18.1	-0.2	%-pts.
EBITDA before special items ¹⁾	598	611	-2.1	%
• in % of revenue	17.9	18.3	-0.4	%-pts.
Cash flows from operating activities	206	184	22	€ millions
Capital expenditures (capex) ⁶⁾	318	244	74	€ millions
• in % of revenue (capex ratio)	9.5	7.3	2.2	%-pts.
Free cash flow	-112	-60	-52	€ millions
Value added				
	2016	2015		Change
ROCE (return on capital employed, in %)	18.5	22.0	-3.5	%-pts.
ROCE before special items ¹⁾	22.1	22.8	-0.7	%-pts.
Schaeffler Value Added	228	246	-7.3	%
Schaeffler Value Added before special items ¹⁾	228	253	-9.9	%
Employees				
	03/31/2016	03/31/2015		Change
Headcount	85,016	83,331	2.0	%

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

²⁾ Attributable to shareholders of the parent company.

³⁾ Earnings per share were calculated in accordance with IAS 33.

⁴⁾ Including non-controlling interests.

⁵⁾ EBITDA based on the last twelve months.

⁶⁾ Capital expenditures on intangible assets and property, plant and equipment.

	1 st three months			Change
	2016	2015		
Automotive (in € millions)				
Revenue	2,576	2,515	2.4	%
• at constant currency			5.0	%
EBIT	372	343	8.5	%
• in % of revenue	14.4	13.6	0.8	%-pts.
EBIT before special items ¹⁾	372	350	6.3	%
• in % of revenue	14.4	13.9	0.5	%-pts.
Industrial (in € millions)				
	2016	2015		Change
Revenue	767	824	-6.9	%
• at constant currency			-5.5	%
EBIT	49	91	-46.2	%
• in % of revenue	6.4	11.0	-4.6	%-pts.
EBIT before special items ¹⁾	49	91	-46.2	%
• in % of revenue	6.4	11.0	-4.6	%-pts.

Prior year information presented based on 2015 segment structure.

¹⁾ EBIT before special items for legal cases and restructuring.

Highlights Q1 2016

Revenue increased slightly in Q1 2016

Revenue at **EUR 3.3 bn**
(2.4 % at constant currency)

Earnings quality maintained at high level

EBIT margin before special items at **12.6 %**
(prior year: 13.2 %)

Free cash flow seasonally negative, capital expenditures increased

Free cash flow at **EUR -112 m**
(prior year: EUR -60 m)

Return on capital remains high

ROCE before special items at **22.1 %**
(prior year: 22.8 %)

Outlook for 2016 confirmed

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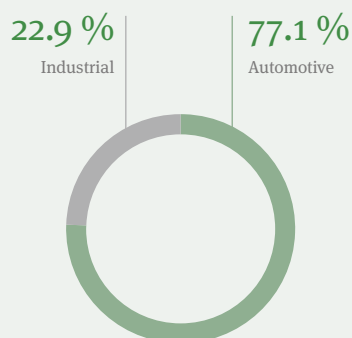
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Earnings

Schaeffler Group earnings

Revenue EUR 3,343 m

EBIT before special items EUR 421 m



Positive group-level revenue trend continued:
Revenue growth 2.4 % at constant currency
// Revenue growth largely driven by higher volumes in Automotive // Increased R&D activities to create new technologies and innovations

Schaeffler Group earnings

in € millions	1 st three months		Change in %
	2016	2015	
Revenue	3,343	3,339	0.1
• at constant currency			2.4
Revenue by business division			
Automotive	2,576	2,515	2.4
• Share of revenue in %	77.1	75.3	
Industrial	767	824	-6.9
• Share of revenue in %	22.9	24.7	
Revenue by region ¹⁾			
Europe	1,816	1,826	-0.5
• Share of revenue in %	54.3	54.7	
Americas	706	748	-5.6
• Share of revenue in %	21.1	22.4	
Greater China	476	451	5.5
• Share of revenue in %	14.2	13.5	
Asia/Pacific	345	314	9.9
• Share of revenue in %	10.4	9.4	
Cost of sales	-2,399	-2,398	0.0
Gross profit	944	941	0.3
Functional expenses ²⁾	-516	-502	2.8
Earnings before financial result and income taxes (EBIT)	421	434	-3.0
• in % of revenue	12.6	13.0	-
EBIT before special items ³⁾	421	441	-4.5
• in % of revenue	12.6	13.2	-
Financial result	-65	-176	-63.1
Income taxes	-100	-89	12.4
Net income ⁴⁾	253	167	51.5
Earnings per common non-voting share (basic/diluted, in €)	0.38	0.42	-9.5

¹⁾ Based on market (customer location).

²⁾ Research and development, selling and administration.

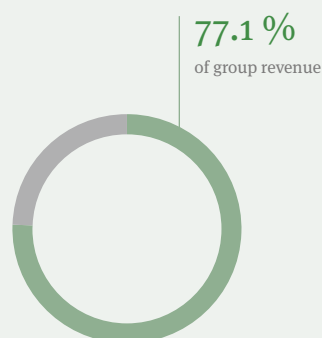
³⁾ EBIT before special items for legal cases and restructuring.

⁴⁾ Attributable to shareholders of the parent company.

Automotive division

Revenue EUR 2,576 m

EBIT before special items EUR 372 m



Revenue growth outpaced increase in global automobile production // Above-average increase in Aftermarket revenue // Increased gross margin reflects profitable growth // Increased R&D activities to create new technologies and innovations

Automotive division earnings

in € millions	1 st three months		Change in %
	2016	2015	
Revenue	2,576	2,515	2.4
• at constant currency			5.0
Revenue by business division			
BD Engine Systems	653	660	-1.1
• Share of revenue in %	25.3	26.2	
BD Transmission Systems	1,106	1,065	3.8
• Share of revenue in %	42.9	42.3	
BD Chassis Systems	385	377	2.1
• Share of revenue in %	14.9	15.0	
BD Automotive Aftermarket	432	413	4.6
• Share of revenue in %	16.8	16.4	
Revenue by region ¹⁾			
Europe	1,358	1,356	0.1
• Share of revenue in %	52.7	53.9	
Americas	561	585	-4.1
• Share of revenue in %	21.8	23.3	
Greater China	384	338	13.6
• Share of revenue in %	14.9	13.4	
Asia/Pacific	273	236	15.7
• Share of revenue in %	10.6	9.4	
Cost of sales	-1,845	-1,825	1.1
Gross profit	731	690	5.9
EBIT	372	343	8.5
• in % of revenue	14.4	13.6	-
EBIT before special items ²⁾	372	350	6.3
• in % of revenue	14.4	13.9	-

Prior year information presented based on 2016 segment structure.

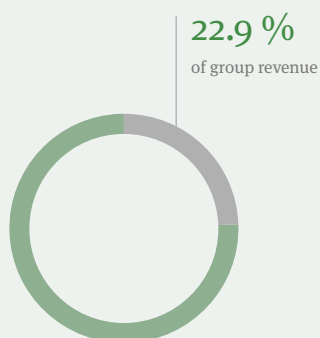
¹⁾ Based on market (customer location).

²⁾ EBIT before special items for legal cases and restructuring.

Industrial division

Revenue EUR 767 m

EBIT before special items EUR 49 m



Revenue at constant currency decreased in all regions // Margin decline mainly driven by reduction in sales volumes and less profitable revenue mix

Industrial division earnings

in € millions	1 st three months		Change in %
	2016	2015	
Revenue	767	824	-6.9
• at constant currency			-5.5
Revenue by region ¹⁾			
Europe	458	470	-2.6
• Share of revenue in %	59.7	57.0	
Americas	145	163	-11.0
• Share of revenue in %	18.9	19.8	
Greater China	92	113	-18.6
• Share of revenue in %	12.0	13.7	
Asia/Pacific	72	78	-7.7
• Share of revenue in %	9.4	9.5	
Cost of sales	-554	-573	-3.3
Gross profit	213	251	-15.1
EBIT	49	91	-46.2
• in % of revenue	6.4	11.0	-
EBIT before special items ²⁾	49	91	-46.2
• in % of revenue	6.4	11.0	-

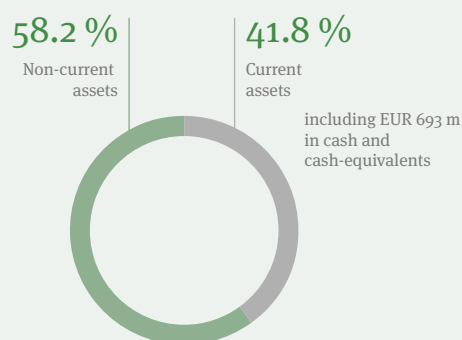
Prior year information presented based on 2016 segment structure.

¹⁾ Based on market (customer location).

²⁾ EBIT before special items for legal cases and restructuring.

Net assets and capital structure position

Assets

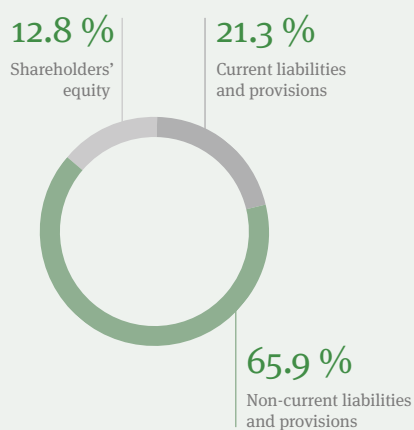


Property, plant and equipment down despite high additions // Increase in deferred tax assets on pension obligations due to lower discount rate // Higher inventories and trade receivables due to business growth

Asset structure

in € millions	03/31/2016	12/31/2015	Change in %
Intangible assets	587	589	-0.3
Property, plant and equipment	4,159	4,180	-0.5
Other financial assets	1,993	2,123	-6.1
Other assets	52	57	-8.8
Income tax receivables	4	4	0.0
Deferred tax assets	544	485	12.2
Total non-current assets	7,339	7,438	-1.3
Inventories	1,861	1,812	2.7
Trade receivables	2,215	2,023	9.5
Other financial assets	194	123	57.7
Other assets	230	211	9.0
Income tax receivables	75	74	1.4
Cash and cash equivalents	693	799	-13.3
Total current assets	5,268	5,042	4.5
Total assets	12,607	12,480	1.0

Shareholders' equity and liabilities



Shareholders' equity improved slightly by net income // Decrease in financial debt due to impact of currency translation on financial debt denominated in U.S. Dollar // Change in discount rate results in increase in provisions for pensions and similar obligations

Capital structure

in € millions	03/31/2016	12/31/2015	Change in %
Total shareholders' equity	1,609	1,568	2.6
Provisions for pensions and similar obligations	2,187	1,942	12.6
Provisions	185	182	1.6
Financial debt	5,584	5,685	-1.8
Income tax payables	215	210	2.4
Other financial liabilities	9	12	-25.0
Other liabilities	5	6	-16.7
Deferred tax liabilities	121	107	13.1
Total non-current liabilities	8,306	8,144	2.0
Provisions	396	431	-8.1
Financial debt	18	3	> 100
Trade payables	1,336	1,405	-4.9
Income tax payables	102	112	-8.9
Other financial liabilities	459	512	-10.4
Other liabilities	381	305	24.9
Total current liabilities	2,692	2,768	-2.7
Total shareholders' equity and liabilities	12,607	12,480	1.0

Consolidated statement of cash flows

in € millions	1 st three months		Change in %
	2016	2015	
Operating activities			
EBIT	421	434	-3.0
Interest paid	-35	-75	-53.3
Interest received	3	2	50.0
Income taxes paid	-99	-85	16.5
Depreciation, amortization and impairments	177	170	4.1
Gains/losses on disposal of assets	1	1	0.0
Changes in:			
• Inventories	-76	-14	> 100
• Trade receivables	-226	-269	-16.0
• Trade payables	52	37	40.5
• Provisions for pensions and similar obligations	-8	-6	33.3
• Other assets, liabilities and provisions	-4	-11	-63.6
Cash flows from operating activities ¹⁾	206	184	12.0
Investing activities			
Proceeds from disposals of property, plant and equipment	1	1	0.0
Capital expenditures on intangible assets	-5	-7	-28.6
Capital expenditures on property, plant and equipment	-313	-237	32.1
Other investing activities	-1	-1	0.0
Cash used in investing activities	-318	-244	30.3
Financing activities			
Receipts from loans	15	8	87.5
Repayments of loans	-1	0	-
Cash provided by financing activities	14	8	75.0
Net increase (decrease) in cash and cash equivalents	-98	-52	88.5
Effects of foreign exchange rate changes on cash and cash equivalents	-8	25	-
Cash and cash equivalents as at beginning of period	799	636	25.6
Cash and cash equivalents as at end of period	693	609	13.8

¹⁾ Excluding interest payments, cash flows from operating activities for the period from 01/01 to 03/31/2016 amount to EUR 241 m (prior year: EUR 259 m).

Summary 1st quarter 2015 to 1st quarter 2016

	2015				2016
	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	1 st quarter
Income statement (in € millions)					
Revenue	3,339	3,382	3,237	3,221	3,343
EBIT	434	384	433	151	421
• in % of revenue	13.0	11.4	13.4	4.7	12.6
EBIT before special items ¹⁾	441	384	433	418	421
• in % of revenue	13.2	11.4	13.4	13.0	12.6
Net income ²⁾	167	142	212	70	253
Earnings per common non-voting share (basic/diluted, in €) ³⁾	0.42	0.36	0.53	0.11	0.38
Statement of financial position (in € millions)					
Total assets	12,844	12,221	12,450	12,480	12,607
Shareholders' equity ⁴⁾	418	532	631	1,568	1,609
• in % of total assets	3.3	4.4	5.1	12.6	12.8
Net financial debt	6,190	6,245	5,950	4,889	4,909
• Net financial debt to EBITDA ratio before special items ^{1), 5)}	2.7	2.7	2.6	2.1	2.1
Statement of cash flows (in € millions)					
EBITDA	604	557	604	331	598
• in % of revenue	18.1	16.5	18.7	10.3	17.9
EBITDA before special items ¹⁾	611	557	604	598	598
• in % of revenue	18.3	16.5	18.7	18.6	17.9
Cash flows from operating activities	184	238	490	460	206
Capital expenditures (capex) ⁶⁾	244	257	242	282	318
• in % of revenue (capex ratio)	7.3	7.6	7.5	8.8	9.5
Free cash flow	-60	-12	264	178	-112
Value added					
ROCE (return on capital employed, in %)	22.0	21.4	21.1	18.8	18.5
ROCE before special items (in %) ¹⁾	22.8	22.2	21.9	22.5	22.1
Schaeffler Value Added	246	198	248	-35	228
Schaeffler Value Added before special items ¹⁾	253	198	248	232	228
Employees					
Headcount (at end of reporting period)	83,331	83,774	84,414	84,198	85,016
Automotive (in € millions) ⁷⁾					
Revenue	2,515	2,554	2,442	2,466	2,576
EBIT	343	308	356	128	372
• in % of revenue	13.6	12.1	14.6	5.2	14.4
EBIT before special items ¹⁾	350	308	356	359	372
• in % of revenue	13.9	12.1	14.6	14.6	14.4
Industrial (in € millions) ⁷⁾					
Revenue	824	828	795	755	767
EBIT	91	76	77	23	49
• in % of revenue	11.0	9.2	9.7	3.0	6.4
EBIT before special items ¹⁾	91	76	77	59	49
• in % of revenue	11.0	9.2	9.7	7.8	6.4

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

²⁾ Attributable to shareholders of the parent company.

³⁾ Earnings per share were calculated in accordance with IAS 33.

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⁵⁾ EBITDA based on the last twelve months.

⁶⁾ Capital expenditures on intangible assets and property, plant and equipment.

⁷⁾ Prior year information presented based on 2016 segment structure.

Financial calendar

Publication of results for the first three months 2016

May 12, 2016

Publication of results for the first six months 2016

August 11, 2016

Publication of results for the first nine months 2016

November 10, 2016

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