



**SCHAEFFLER**

2016  
**At a glance**



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## Message from the shareholders



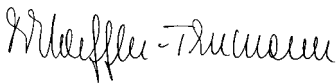
“Taking new paths to develop ideas and think beyond barriers is just as important now as it was when the company was first established.”

Ladies and gentlemen,

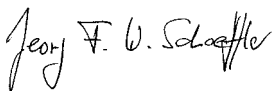
The year 2015 was marked by outstanding events and forward-looking decisions. We managed to increase our revenue to over EUR 13 bn. The successful IPO of Schaeffler AG in October was a milestone in our company's history. Since the issued shares do not carry any voting rights, we are ensuring that the Schaeffler Group remains a family business. As shareholders we will continue to take responsibility to further successfully develop our group of companies.

The proximity to our customers and mutual trust are very important to us. Our customers can rely on the quality of our products and services – no matter where in the world they are. This is thanks to our uniform standards that are applied at all locations and in all areas, as well as to our integrated global R&D and production network. This commitment to quality and our innovative strength, coupled with sophisticated technological expertise and an in-depth understanding of systems, are our key factors for success.

Together with our customers, suppliers, service providers and research partners, we are working on concepts and solutions for the mobility for tomorrow. We want to play a part in shaping the future. This is what our over 84,000 employees worldwide stand for. With their reliability, commitment and their creativity, they represent the basis for the success of the Schaeffler Group.



Maria-Elisabeth Schaeffler-Thumann



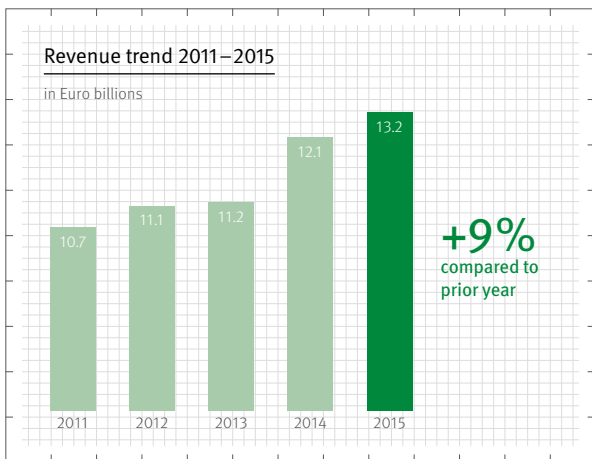
Georg F.W. Schaeffler

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# Schaeffler at a glance

A leading global technology company

The Schaeffler Group is a leading global integrated automotive and industrial supplier. The company stands for the highest quality, outstanding technology, and strong innovative ability. The Schaeffler Group makes a key contribution to *Mobility for tomorrow* with high-precision components and systems in engine, transmission, and chassis applications as well as rolling and plain bearing solutions for a large number of industrial applications.

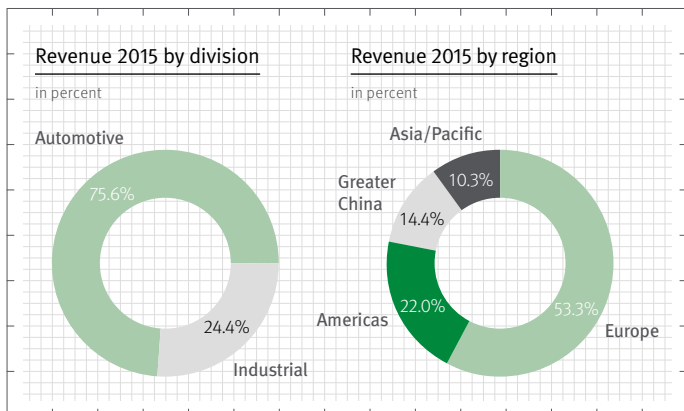


The company generated sales of approximately **13.2 billion Euros** in 2015. With around **84,000 employees**, Schaeffler is one of the world's largest family companies and, with approximately **170 locations in over 50 countries**, has a worldwide network of manufacturing locations, research and development facilities, and sales offices. As a global development partner and supplier, Schaeffler maintains stable long-term relationships with its customers and suppliers.

**6%**

average growth over the last 5 years

**13.2 Billion Euros**  
in revenue in 2015



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## Mobility for tomorrow

Globalization, urbanization, digitalization, scarcity of resources, renewable energy, and the growing demand for affordable mobility are leading to changed, much more dynamic market requirements and business models. Based on these megatrends, the Schaeffler Group has developed its “Mobility for tomorrow” strategy concept, under which the company focuses on four areas across divisions and regions: **eco-friendly drives, urban mobility, interurban mobility, and the energy chain.**

Schaeffler plays an active part in shaping these focal areas through its own research and development activities and, as a leading expert in innovation and technology, offers an attractive product range to

Schaeffler shapes the mobility for tomorrow – today:  
[www.schaeffler-mobility.com](http://www.schaeffler-mobility.com)

its customers and business partners. As a development partner with comprehensive systems expertise, Schaeffler already offers innovative products for hybrid and electric vehicles.

At the same time, the company is working on increasing the energy efficiency of conventional automotive engine, transmission and chassis solutions and bearings for industrial applications.

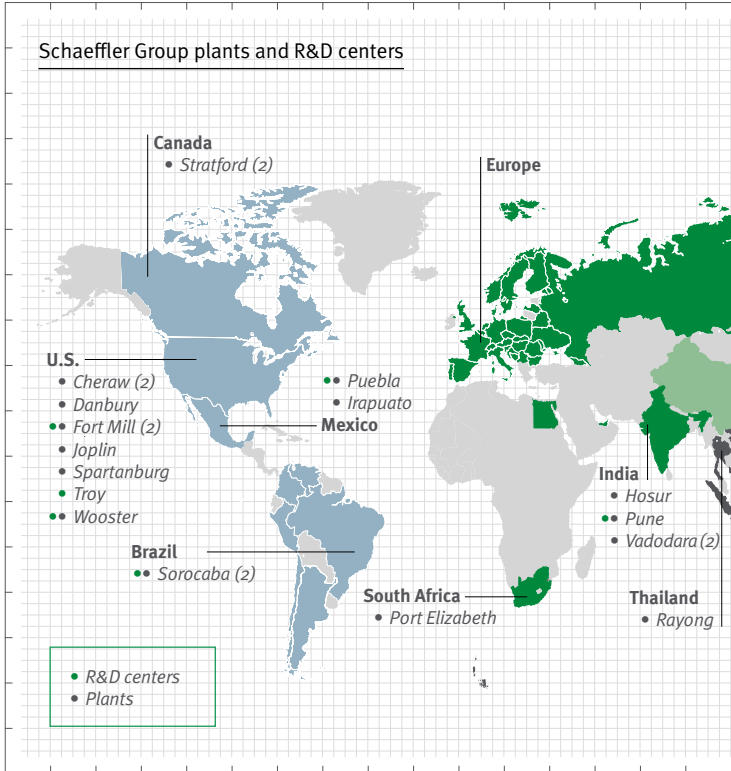




The group's broad portfolio of products and services ranges from components and systems for automotive drive trains to products for high-speed trains and from rolling bearings for wind turbines to innovative solutions for aerospace applications.

# Schaeffler worldwide

## Schaeffler Group plants and R&D centers





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# Quality, technology and innovation

Quality – precise and reliable



Schaeffler's manufacturing expertise and comprehensive quality management ensure superior product quality. The system is based on the “zero defects” principle which stands for stabilizing processes and continuous improvement. It serves to identify and eliminate weaknesses early on, preventing errors from occurring in the first place. Numerous awards from customers and certifications ac-

ording to international standards are a testament to the company's high quality standards.

Technology – successful and groundbreaking

Schaeffler possesses outstanding, comprehensive manufacturing expertise and state-of-the-art technology, resulting in top cost effectiveness and precision. The company produces high-precision products with a high level of vertical integration at 74 plants around the world. Schaeffler is one of the sector's technology leaders in numerous manufacturing areas, including cold forming, forging, and heat treatment. The company's internal Special Machinery department supports the construction of assembly and production lines, working with specialists from Manufacturing Technology to develop and implement solutions that are specifically tailored to the production facility's requirements.

## Innovation – advanced and forward-looking

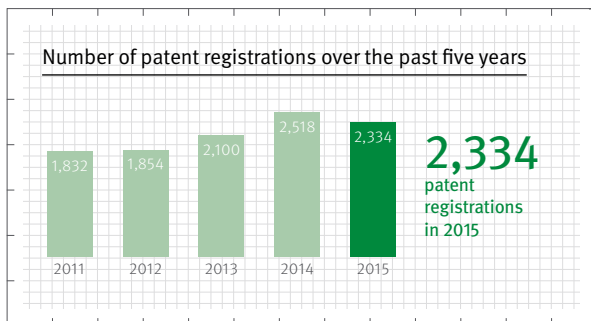
Approximately 6,700 employees at 17 R&D centers develop new products, technologies, processes, and methods for market-oriented solutions. With its more than 2,300 patent registrations in 2015, Schaeffler is among the most innovative companies in Germany again, making it one of the leading innovators in the industrial sector. Schaeffler currently holds 24,000 active patents and patent registrations. The company's main development locations in Germany are Herzogenaurach, Schweinfurt, and Bülh, which are linked to additional development centers in Europe, Asia, and both North and South America.

17

Research and development centers worldwide

~ 6,700 Employees

in research and development



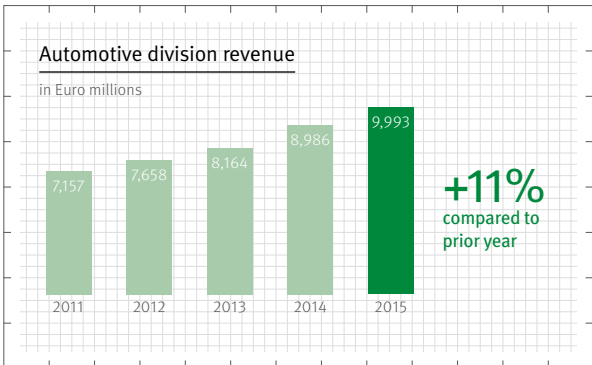
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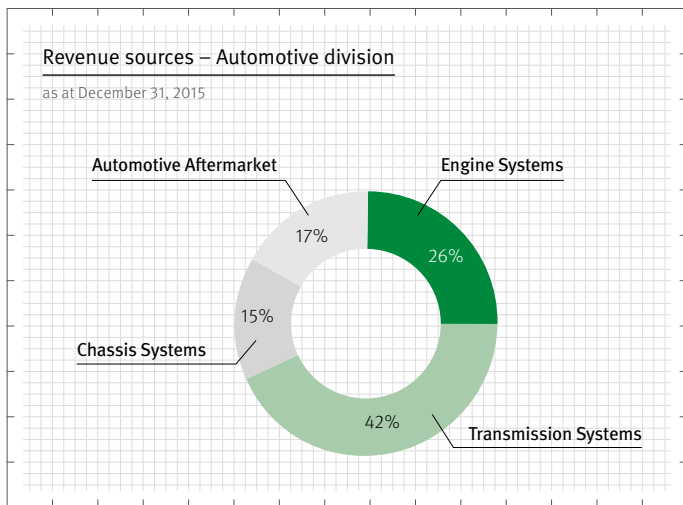
# Automotive division

Products for engines, transmissions, and chassis

The Automotive division develops and manufactures groundbreaking products for engine, transmission, and chassis applications. As one of the world's leading automotive suppliers, the Schaeffler Group offers outstanding expertise for the entire drive train. The company's operating excellence includes components and system solutions for vehicles with drive trains based on internal combustion engines as well as for hybrid and electric vehicles.

Key products include clutch systems, transmission components, torsion dampers, valve train systems, camshaft phasing systems, and electric drives. Schaeffler's products make a decisive contribution to reducing the fuel consumption of vehicles and to compliance with





increasingly stringent vehicle emissions regulations. Moreover, they also increase driving comfort and dynamics, and extend the operating life of engines and transmissions.

The Automotive division's aftermarket business is responsible for the replacement parts business worldwide and offers a comprehensive range of services.

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## Comprehensive systems expertise

Schaeffler's system expertise, aimed at the optimization of the drive train, hybridization and electrification, covers every last detail. The best example of this is Schaeffler's broad product portfolio, which comprises components and systems in the domains of engines, transmissions and chassis, as well as electromobility. The entire portfolio also meets the demands for reducing CO<sub>2</sub> emissions and fuel consumption, and here, too, Schaeffler offers its customers the best possible support.







### Engine Systems

Rolling bearing solutions, products for belt and chain drives, valve drive components and systems for variable valve drives



### Transmission Systems

Torsional vibration dampers, clutches and double clutch systems, torque converters, CVT elements, lightweight differentials, bearing solutions, synchronization and gear shift units



### Chassis Systems

Wheel bearings, bearing solutions, steering components and electro-mechanical actuators for rolling stabilizers and power steering



### Automotive Aftermarket

Innovative repair solutions and replacement parts for engine, transmission and chassis applications, repair hotline, RepXpert online workshop portal, service concepts

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## Demonstration of innovation and system understanding

Less consumption, fewer emissions. More power, comfort, and safety. Schaeffler's concept vehicles are bursting with innovative technology for combustion engines, hybrid vehicles, and electromobility. To ensure the perfect interaction of our products, Schaeffler combined its in-depth component expertise with a comprehensive understanding of systems. As a result, the company always delivers the best possible package of products and services. The concept vehicles are an expression of the results-orientated variety that Schaeffler uses to support its customers. After all, the future of mobility offers many possibilities.



### Schaeffler System 48 V concept vehicle

A 48 Volt hybridization allows an inexpensive entry into the efficient world of hybrid vehicles. Recuperation (energy recovery on deceleration) means significantly lower fuel consumption and therefore much fewer emissions.



### Gasoline Technology Car (GTC) concept vehicle

Extensive potential savings thanks to highly integrated concept with technologies such as 48 Volt hybridization, the thermomanagement module, and clutch by wire.

**The Efficient Future Mobility concept vehicles exhibit technological solutions for regional requirements.**



**Efficient Future Mobility North America**

- Disconnectable all-wheel drive
- Permanently engaged starter motor
- Level regulation



**Efficient Future Mobility China**

- Plug-in hybrid with P2 module in combination with optimized downsizing combustion engine
- Dry double clutch



**Efficient Future Mobility India**

- Electrical clutch management allows passive coasting

The right technology for every market

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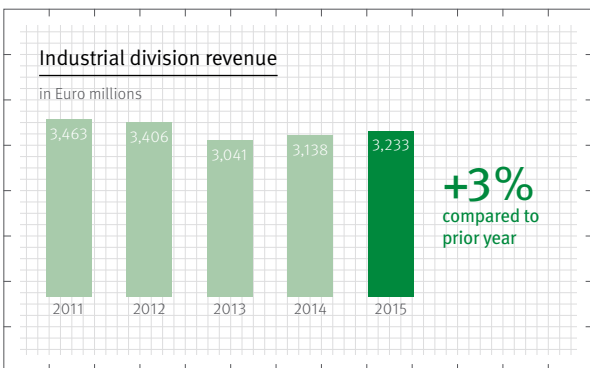
# Industrial division

## Products and solutions for the industry of the future

The Industrial division supplies precision products to customers in various industrial sectors. Due to its wide customer and business structure, the Industrial division is primarily managed based on regions.

The product spectrum includes rolling and plain bearings, linear technology, maintenance products, monitoring systems, and direct drive technology. The Industrial division offers a broad portfolio of bearing solutions, ranging from high-speed and high-precision bearings with small diameters to large-size bearings over three meters in diameter.

The focus here is increasingly on smart products and on connecting components. One example of this is the “Machine Tool 4.0”, whose sensor-equipped components measure and report vibrations, forces and temperatures at all relevant bearing positions.





The bearings and related products manufactured by this division are used in aerospace applications, in wind turbines and in the sectors of industrial automation and railways, amongst others.

In the **aerospace** sector, the Schaeffler Group is a leading manufacturer of high-precision bearings for aircraft and helicopter engines and for applications in space travel. Schaeffler's special bearing systems and high-precision components are used in almost all aerospace applications – from the jet engine of a Boeing or Airbus right up to the propulsion system of the Ariane rocket.



In future, renewable energy will represent a key component of the power supply. Schaeffler's technological expertise is already on display in products and solutions for hydropower, solar energy, and **wind power** applications. Schaeffler operates the world's largest and most powerful large-size bearing test rig: Astraios. This is where Schaeffler tests rotor bearing supports for wind turbines weighing up to 15 tons and measuring up to 3.5 meters under realistic conditions. The test rig results help further improve the understanding of systems as a whole, influencing factors, and the interaction in the drive trains of wind turbines.

Schaeffler has been an innovative systems partner for the development of **industrial automation**, such as that used in the automotive and mechanical engineering, for several decades. With its rolling bearing, linear technology, and direct drive solutions, Schaeffler offers its customers comprehensive technological and application engineering expertise for complete systems that are precisely suited to the relevant application – all from a single source.

In an increasingly dynamic world, Schaeffler's bearings and system solutions help **railways** prepare for the challenges of the future. Perfectly suited solutions for all bearing applications in rail vehicles are created in close collaboration with manufacturers and operators. For example, Schaeffler is the development partner and sole supplier of axlebox bearing supports for a large number of high-speed train projects.



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# Employees

Schaeffler offers a wide range of career prospects in various functions. In 2015, the Schaeffler Group hired around 1,900 new employees. Schaeffler had approx. 84,200 staff as at December 31, 2015, 2 % more than in the prior year.



## Employee advancement and development

The Schaeffler Group invests extensively in continuing professional education and cooperates with numerous universities on practice-oriented degree programs. Schaeffler offers a wide range of opportunities for career advancement, including through temporary transfers to other Schaeffler Group companies.



The wide range of options for systematically developing and expanding knowledge is bundled under the umbrella of the **Schaeffler Academy**. The Academy is open to all employees and provides targeted training and continuing education opportunities for apprentices, employees, and management personnel alike.

Around 4,000 continuing education courses were held in Germany in 2015. Worldwide, approx. 2,900 apprentices or approx. 3 % of the group's workforce were pursuing an apprenticeship within the Schaeffler Group at the end of 2015. These figures represent an approx. 6 % increase in the number of apprentices over the prior year.

**~4,000**

training courses in  
Germany alone

**2,900**

apprentices worldwide



Current job opportunities can be found at:  
[www.schaeffler.com/careers](http://www.schaeffler.com/careers)

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## Corporate responsibility

Sustainable management and corporate social responsibility have been essential elements of the Schaeffler Group's corporate culture for years. It is very important to Schaeffler to combine economic success with acting responsibly towards its customers, the environment, and its employees.

**Not just good, but excellent at all times.**

The highest quality and environmental protection standards at all locations worldwide.



Taking into account ecological and social criteria along the entire value chain and reducing the consumption of resources are firmly anchored in Schaeffler's corporate management principles. They are the foundation of long-term growth and a continual increase in shareholder value.

## Environment and energy

Schaeffler's uniform worldwide environmental policy is the foundation of its successful environmental management. All manufacturing processes follow strict legal and internal environmental requirements. Virtually all of its manufacturing locations worldwide are validated and certified under the European EMAS (Eco-Management and Audit Scheme) environmental guideline as well as under ISO 14001 (environmental protection) and OHSAS 18001 (occupational safety).

As the Schaeffler Group's continual growth leads to an increasing need for energy within the company, Schaeffler has developed an energy management system according to the global ISO 50001 standard. The most important plants have already been certified, and other certifications are continually being added.

## Society

Schaeffler considers good corporate citizenship an essential element of who it is as a company. Its global presence offers the opportunity to make an impact on society at its locations around the world and to promote intercultural dialogue. The company is involved in numerous projects in the areas of education and science, health care and social affairs, and sports and culture.

› Information on employees can be found in the previous chapter.

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# Schaeffler on the capital markets

Schaeffler is active on the capital markets with various bonds and loans since the beginning of 2012. The IPO in October 2015 represents an important component of the realignment of the company's capital and corporate structure and contributes to the Schaeffler Group's continuing profitable growth.

## Share

Schaeffler AG is listed on the stock exchange since October 9, 2015. The Schaeffler shares traded on the stock exchange are non-voting common shares with preferred dividend payments. Investors participate in the share price performance and in the dividends paid out. Deutsche Börse included Schaeffler AG in its SDAX index effective December 21, 2015. This demonstrates that the Schaeffler shares meet not only the high transparency requirements of the Prime Standard, but also the size criteria regarding market capitalization and liquidity that are relevant for inclusion in this index.

### Schaeffler shares-base data

ISIN	DE000SHA0159
German securities identification number (WKN)	SHA015
Stock symbol	SHA
German stock exchange	Frankfurt Stock Exchange (Prime Standard)
Index	SDAX
Share type	Common non-voting
Number of common non-voting shares as at December 31, 2015	166.000.000

## Bonds

Schaeffler Group has nine series of bonds outstanding at the end of December 2015, six of them denominated in EUR and three in USD. All of the bonds were issued by Schaeffler Finance B.V., Barneveld, Netherlands.



## Corporate rating

Rating agency	Rating	Outlook
Standard & Poor's	BB-	stable
Moody's	Ba2	stable

## Investor Relations

Schaeffler AG maintains open lines of communication on a continuous basis with share- and bond holders as well as with all other capital market participants. For instance, the company has been presenting and discussing its quarterly and annual results via conference calls for several years. In addition, it regularly holds roadshows in key European financial centers as well as in the U.S. All documents provided by Investor Relations are available for download from [www.schaeffler.com/ir](http://www.schaeffler.com/ir). You can contact the Investor Relations team by e-mail at [ir@schaeffler.com](mailto:ir@schaeffler.com).

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# Members of the Executive Board

<b>Klaus Rosenfeld</b>	Chief Executive Officer
<b>Prof. Dr. Peter Pleus</b>	CEO Automotive
<b>Norbert Indlekofer</b>	CEO Automotive
<b>Dr. Stefan Spindler</b>	CEO Industrial
<b>Prof. Dr.-Ing. Peter Gutzmer</b>	Deputy CEO and Chief Technology Officer
<b>Dr. Ulrich Hauck</b>	Chief Financial Officer
<b>Oliver Jung</b>	Chief Operating Officer
<b>Corinna Schittenhelm</b>	Chief Human Resources Officer
<b>Dietmar Heinrich</b>	CEO Europe
<b>Bruce Warmbold</b>	CEO Americas
<b>Dr. Yilin Zhang</b>	CEO Greater China
<b>Andreas Schick</b>	CEO Asia/Pacific



Klaus Rosenfeld



Prof. Dr. Peter Pleus



Norbert Indlekofer



Dr. Stefan Spindler



Prof. Dr.-Ing.  
Peter Gutzmer



Dr. Ulrich Hauck



Oliver Jung



Corinna  
Schittenhelm



Dietmar Heinrich



Bruce Warmbold



Dr. Yilin Zhang



Andreas Schick

# Members of the Supervisory Board

**Georg F. W. Schaeffler**

Chairman

**Maria-Elisabeth Schaeffler-Thumann**

Deputy Chairperson

**Jürgen Wechsler**

Deputy Chairman

**Prof. Dr. Hans-Jörg Bullinger**

**Dirk Spindler**

**Dr. Holger Engelmann**

**Robin Stalker**

**Prof. Dr. Bernd Gottschalk**

**Jürgen Stolz**

**Norbert Lenhard**

**Salvatore Vicari**

**Dr. Siegfried Luther**

**Dr. Otto Wiesheu**

**Dr. Reinold Mittag**

**Prof. KR Ing. Siegfried Wolf**

**Yvonne Münch**

**Jürgen Worrich**

**Barbara Resch**

**Prof. Dr.-Ing. Tong Zhang**

**Stefanie Schmidt**



## Key figures

[in Euro millions]	2015	2014
Revenue	13,226	12,124
thereof Automotive division	9,993	8,986
thereof Industrial division	3,233	3,138
Research and development expenses	720	622
in % of revenue	5.4	5.1
EBIT before special items	1,676	1,561
in % of revenue	12.7	12.9
Net income	591	654
Operating cash flow	1,372	900
Capital expenditures	1,025	857
in % of revenue	7.7	7.1
Free cash flow	370	48

### Employees

Employees (as of December 31)	84,198	82,294
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## How to contact us

For press inquiries, contact  
Corporate Communications:  
[www.schaeffler.com/press](http://www.schaeffler.com/press)

For information on career  
opportunities at Schaeffler  
Group, go to:  
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Information about Schaeffler  
at the capital markets can be  
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[www.schaeffler-annual-report.com](http://www.schaeffler-annual-report.com)

Our customer magazine  
*tomorrow* is available at:  
[www.schaeffler.com/tomorrow](http://www.schaeffler.com/tomorrow)

A pdf version of *Schaeffler at a  
glance* is available at:  
[www.schaeffler.com/ataglance](http://www.schaeffler.com/ataglance)

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