

Press Release

## **Schaeffler refinances approx. €3.5 billion of debt**

HERZOGENAURACH / PUNE, 2014-05-06.

- **New bonds planned in EUR and USD with a target volume of approx. €2 billion**
- **Institutional loan tranches in an amount of approx. €1.6bn to be replaced with new loan tranches**
- **Repayment of existing bonds and loans**
- **Significant improvement of interest cost, maturity profile and terms of bonds/loans envisaged**

International automotive and industrial supplier Schaeffler approached today the credit markets to raise additional bonds, as part of a comprehensive refinancing transaction. New bonds are to be denominated in EUR and USD, for a total amount of approx. €2 billion equivalent.

As part of this offering, Schaeffler intends to place EUR and USD denominated senior secured benchmark bonds with maturities of 5, 7 and 8 years with institutional investors. Schaeffler plans also to place a debut unsecured bond tranche in EUR with a 5 year maturity.

The issue size and final terms will be determined over the next days. Standard & Poor's and Moody's will publish their respective ratings for the bonds shortly.

This envisaged bond offering is part of a comprehensive capital markets transaction with a total refinancing volume of approx. €3.5 billion. In that context it is also envisaged to replace the institutional loan tranches in an amount of approx. €1.6bn with new loan tranches at improved terms.

The proceeds from the issuance of new bonds and loans will be used to redeem existing notes, such as the 2017 EUR retail bond and the 2019 EUR and USD bonds, as well as to refinance the existing institutional term loan and a part of the bank loans.

The goal of the refinancing transaction is to further reduce the interest costs, extend the debt maturity profile and improve the terms and conditions of bonds and loans for Schaeffler Group.

Given that Schaeffler has established over the recent years a strong reputation in the capital markets as a frequent issuer, it is envisaged to accomplish the issuance of bonds within a short period of time and to complete the overall refinancing transaction by May 14th, 2014.

**]]><fo:inline font-weight="bold" font-family="NotoSansBold"><![CDATA[Important Notice]]></fo:inline><![CDATA[**

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