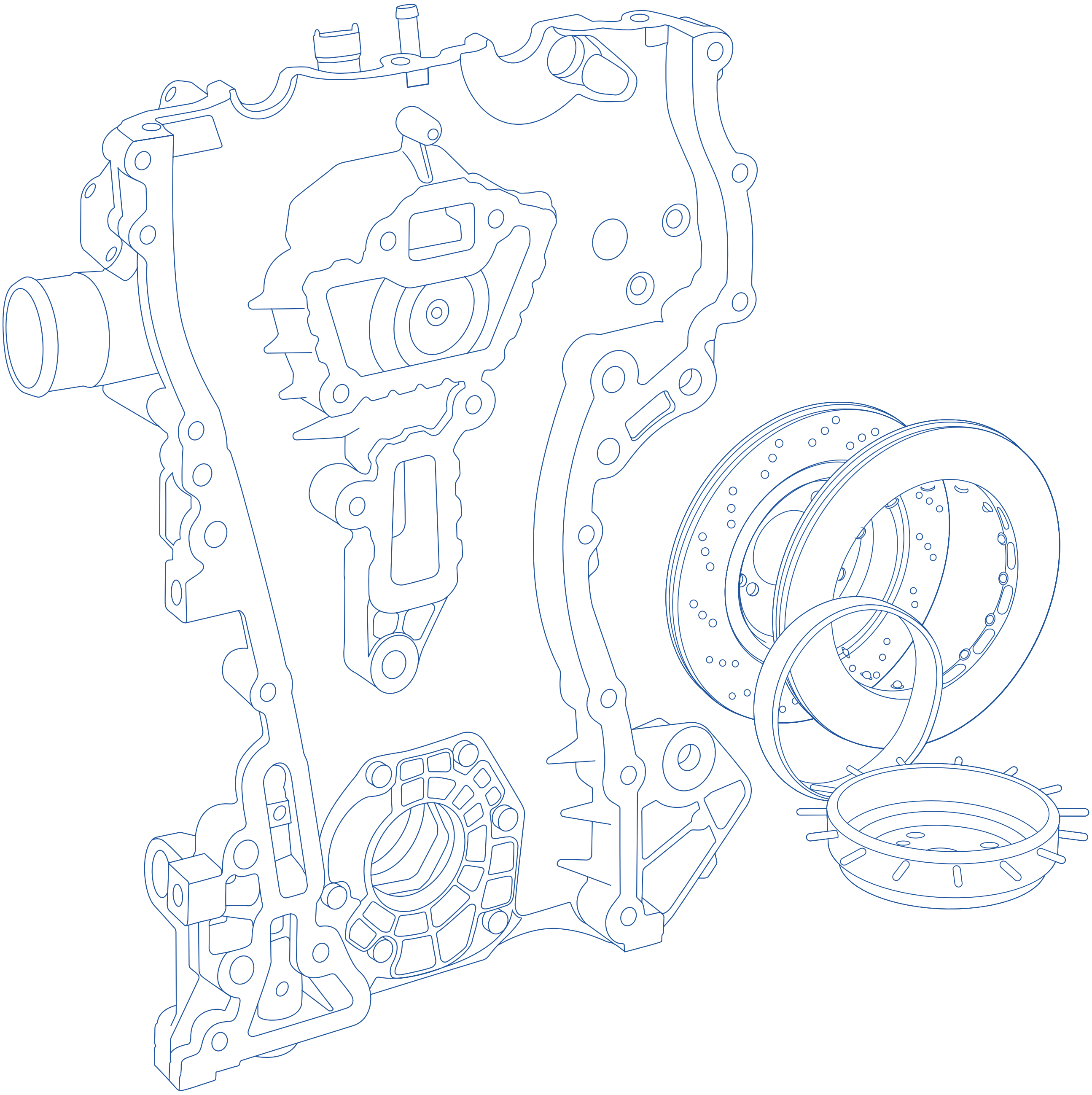


SHW AG

Interim Report as of 30 September 2011

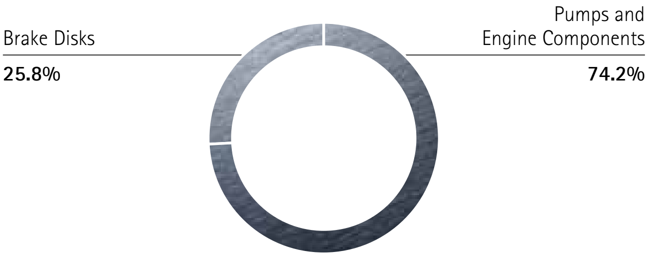
Key figures SHW Group (IFRS)

K EUR [1]	Q3 2011	Q3 2010	Change	9M 2011	9M 2010	Change
Revenues	89,456	72,305	23.7%	267,650	212,686	25.8%
EBITDA	8,519	9,232	–7.7%	25,214	22,787	10.7%
as % of revenues	9.5%	12.8%	–	9.4%	10.7%	–
EBIT	5,961	6,639	–10.2%	17,492	14,675	19.2%
as % of revenues	6.7%	9.2%	–	6.5%	6.9%	–
Net profit for the period	3,767	4,685	–19.6%	13,314	9,675	37.6%
Earnings per share (in €) [2]	0.64	0.80	–19.6%	2.28	1.65	37.6%
Adjusted EBITDA [3]	8,572	9,626	–10.9%	27,435	23,757	15.5%
as % of revenues	9.6%	13.3%		10.3%	11.2%	
Adjusted EBIT [3]	6,054	7,345	–17.6%	19,833	16,568	19.7%
as % of revenues	6.8%	10.2%	–	7.4%	7.8%	–
Cash flow from operating activities	3,694	–888	–	11,983	14,453	–17.1%
Cash flow from operating activities as % of revenues	4.1%	–1.2%	–	4.5%	6.8%	–
Equity	–	–	–	50,637	29,704	70.5%
Equity ratio	–	–	–	30.6%	19.3%	–
Net bank debt	–	–	–	14,167	19,675	–28.0%
Number of Employees (Average) [4]	–	–	–	1,091	1,030	5.9%

[1] Unless otherwise indicated
[2] For reasons of comparability, based on share capital of 5,851,100 ordinary bearer shares
[3] Adjusted for IPO costs, amortisation of intangible assets from the purchase price allocation (PPA) and expenses from the cost of works agreement, cf. Group Management Report
[4] Excluding trainees and temporary staff

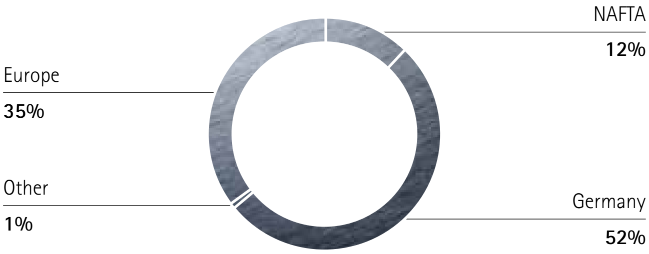
Revenues by business segment

in %



Revenues by region

in %



About SHW AG

SHW's roots date back to the year 1365, which makes it one of the oldest industrial enterprises in Germany. Today, the SHW Group is one of the leading providers of CO_2-relevant automotive components (pumps and engine components) and brake discs. We are a major partner of the automotive and commercial vehicle industry and our products go to customers in Europe, the US, Canada and Mexico, and to European carmakers manufacturing in China. The development and manufacture of products that contribute to reducing fuel consumption, thereby also reducing CO_2 emissions, are at the very core of our activities.

At SHW AG, profitable growth and financial stability are based upon the excellence of our development work. As an example of this, we are pioneers in the field of engine components that reduce CO_2 emissions, having produced the world's first variable oil pump. Products such as the oil vacuum pump and the camshaft phaser have enabled us to successfully diversify. We supply pumps for hybrid and dual-clutch applications in passenger car gearboxes. Additional potential for growth is provided by pump applications for trucks, farm machinery, construction machinery and wind power stations.

We currently have approximately 1,000 employees in total at our four locations in Germany and at our Canadian joint venture. With the planned expansion into growth markets, further production facilities and jobs are to be created in China, Brazil and India in the coming years.

Table of Content

SHW Share

Stock exchanges around the world strained by a lack of solutions to the debt crisis and uncertainty in growth prospects

The protracted negotiations regarding a solution to the threat of a Greek default, rising bond yields in Spain and Italy, the reduction in the USA's credit rating by Standard & Poor's and a gloomier economic outlook in Europe, the USA and China caused a considerable drop in share prices and a significant rise in volatility on stock markets in the third quarter of 2011.

The leading US index Dow Jones ended the third quarter around 12 percent lower at 10,913 points. The Japanese Nikkei index fell by a little over 11 percent in the third quarter, closing at 8,700 points.

In Europe, the Euro Stoxx 50 lost around 23 percent, closing at 2,180 points as of 30 September. The leading German index DAX lost a little over 25 percent of its value in the third quarter, ending the period at 5,502 points. The SDAX index had to surrender around 1,100 points or just under 20 percent of its value in light of difficult market conditions, ending at 4,310 points.

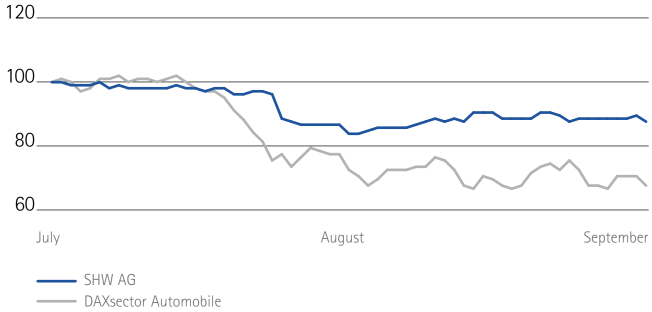
The DAXsector Automobile Performance index lost around 32 percent as a result of an uncertain outlook in the sector, closing at 651 points.

SHW share outperforms sector index

The SHW share, which was issued at a price of € 26, was not able to elude from the stock market trends entirely, falling by around 13 percent to € 22.65 as of 30 September 2011 at low trading volumes. However, between 7 July (first listing date) and the end of September, the SHW share was able to outperform the DAXsector Automobile Performance index by slightly more than 20 percent.

Price trend SHW share and DAXsector Automobile Performance Index (July–September 2011)

Closing price: 7 July 2011=100%

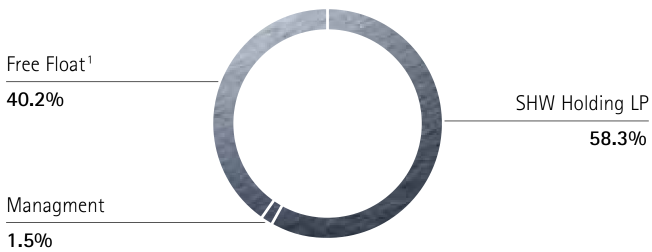


Shareholder structure

As a result of the IPO, the shareholder structure of SHW AG underwent a material change. Prior to the IPO, the major shareholder, SHW Holding L.P., held 97.4 percent. Since the IPO, the share of SHW Holding L.P. has been 58.3 percent. 40.2 percent of shares are in free float. 1.5 percent is held by the management.

Shareholder Structure

in %



[1] Free float as defined by Deutsche Börse.
Of which: Allianz Global Investors Kapitalanlagegesellschaft mbH (8.78%), Capital Research and Management Company (3.93%)

Active investor relations work

Investor relations, i.e. relationship management with new and current shareholders, has become even more important at SHW since the IPO. The objective of SHW Investor Relations is to achieve an appropriate valuation of the SHW stock by the capital market, based on a continuous and open dialogue with all market players as well as precise and valuation-relevant information. The Management Board and the IR Department made every effort following the successful IPO to satisfy the interest in SHW and the associated information needs. We have provided new and potential analysts and investors with information about the Company's latest developments and future perspectives at several investor conferences and road shows. In the course of face-to-face meetings and numerous telephone calls, we have strived to provide as comprehensive an insight as possible into the development of our markets and business, into our approach towards tackling challenges in the market, and into our strategic reactions to material changes.

The SHW share is currently being observed by two banks and research companies. Other banks and research institutes have announced their intention to initiate coverage in the coming weeks.

In the Investor Relations section of the website www.shw.de, interested parties can find a wealth of information. It will include the latest company presentations, along with annual and quarterly reports, press releases and ad-hoc announcements.

Share at a glance	
WKN	A1JBPV
ISIN	DE000A1JBPV9
Trading Symbol	SW1
Type of shares	Ordinary bearer shares with no par value (no-par value shares)
Number of shares	5.85 million
Share capital	€ 5.85 million
Market capitalisation[1)]	€ 133 million
Free Float	40.2%
Stock Exchange	Frankfurt Stock Exchange
Market Segment	Regulated Market (Prime Standard)
First listing	7 July 2011
Designated Sponsor	Commerzbank AG

[1)] Based on the closing price of € 22.65 on 30 September 2011

Interim Group Management Report

Business activity and framework conditions

Business activity and corporate structure

The SHW Group supplies European automobile and commercial vehicle manufacturers that have production sites in Europe, the NAFTA region and China. Thereby, the SHW Group acts partly as a first-tier supplier for numerous clients, meaning that it supplies the manufacturers of the end products. On the other hand, the SHW Group supplies other suppliers of the automotive industry.

The Group's business is divided into the Pumps and Engine Components business segment and the Brake Discs business segment.

The main focus of the SHW Group's business activity is on developing and manufacturing products for the automotive sector that contribute towards reducing fuel consumption, thereby also reducing CO_2 emissions.

A leading European manufacturer of pumps and engine components

The Pumps and Engine Components segment is the SHW Group's largest business segment, with production facilities in Bad Schussenried and Aalen-Wasseralfingen. Via its 50 percent interest in the Canadian company STT Technologies Inc., SHW also has production sites in Canada and Mexico. They mainly produce oil pumps for automobile manufacturers. In Germany, the Group also produces gearbox pumps, vacuum pumps, water pumps, balancer shafts and camshaft phasers for motor vehicles.

The SHW Group's Truck & Off-Highway division produces different types of pumps for trucks, farm and construction vehicles, stationary engines and wind power stations.

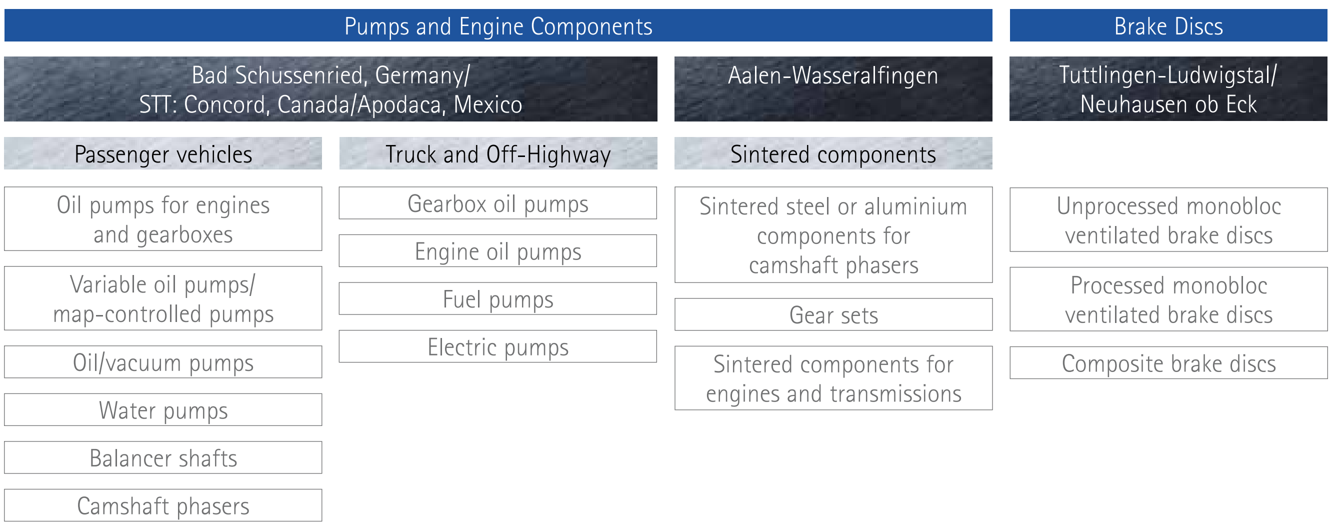
In addition, the SHW Group manufactures engine components in the Powder Metallurgy division at its Aalen-Wasseralfingen production facility. Examples of these include pump cogwheels and other pump components (e.g. rotors and adjustment rings) as well as other components for engines and transmissions.

A technology leader in brake discs for high-performance vehicles

The SHW Group is a technology leader in manufacturing brake discs for high-performance vehicles. The Brake Discs business segment develops and produces ventilated brake discs made of cast iron as well as lightweight brake discs made from a combination of an iron friction ring and aluminium pot at the Group's Tuttlingen-Ludwigstal and Neuhausen ob Eck sites.

Reporting period and comparative periods

In this Interim Group Management Report, we are reporting on the third quarter of 2011 compared with the third quarter of 2010, and on the first nine months of 2011 compared with the first nine months of 2010. Net assets are stated at 30 September 2011, 31 December 2010 and 30 September 2010.



Framework conditions

Global economy continues to grow

Viewed globally, economic growth has progressed forward as before, but the level of growth tailed off in the third quarter of 2011. Growth rates and patterns differ widely by country and region. Positive trends have been set mainly in the newly industrialising countries, with China continuing to be one of the global driving forces behind economic growth. In Japan, economic activity seems to be resuming following the drop in production caused by the earthquake. In the United States, the economic recovery continued to be highly sluggish.

By comparison, the economy in the eurozone stagnated, with developments among member states varying considerably. Development has been influenced significantly by the intensifying sovereign debt crisis, the central topic of which was Greece's potential insolvency. While growth was likely to be around 0.5 percent in Germany for the reporting period, the French economy stagnated.

Global automobile markets keep on growing

In the first nine months of 2011, the recovery in new car sales continued in most markets, according to the relevant industry associations. Sales rose significantly, especially in Asian automobile markets and in the USA. In contrast, demand for new cars in the European Union (EU-27) was down 1.1 percent on the previous year's figures in the period from January to September 2011; the previous year had benefited from scrapping premiums.

In the European high-volume markets, the overall picture was very mixed. Growth was significant in some markets (Germany: +10.8 percent, Netherlands: +16.6 percent) while sales figures showed a marked decline in others (UK: –5.0 percent; Italy: –11.3 percent; Spain: –20.7 percent). Reasons that played an important role included the expiring of bonus schemes in a number of countries and the tense situation in the wake of further deterioration of the debt crisis.

Compared with the poor figures of last year, new car registrations in Germany rose significantly by 10.8 percent to about 2,401,000 vehicles. This trend benefited from the stable labour market development and a positive trend in private household incomes. The lively domestic market, combined with strong export growth, led to an overall increase of about 7 percent in domestic production to nearly 4.4 million cars.

In the first nine months of 2011, sales of automobiles and light trucks in the United States rose by 10.3 percent on the previous year to over 9.5 million units.

Demand remained dynamic in South America. In Brazil, new registrations of light vehicles (cars and light trucks) rose by 6.7 percent to about 2,527,000 units in the first nine months.

In China, the rise in car sales in the first nine months of the year was in the high single-digit percentage range, despite the withdrawal of state subsidies.

In Japan, new car registrations showed a marked 25.2 percent decline in the first nine months of 2011 to about 2,591,000 units.

The markets for medium and heavy trucks developed positively for the most part. While China, the largest market in the world, fell significantly below the previous year's level, the European commercial vehicles market posted a 34.8 percent increase to about 234,000 units. In the largest single market by far – Germany – sales of medium and heavy trucks were together 27.8 percent higher than in the same period of the previous year. The truck market in the USA also continued its active recovery, with growth in demand reaching well into double digits.

Events in the period January–September 2011

Since 7 July, SHW has been listed in the Prime Standard of the Frankfurt Stock Exchange regulated market.

Earnings, Net Assets and Financial Position of SHW Group

K EUR[1]	Q3 2011	Q3 2010	Change	9M 2011	9M 2010	Change
Group revenues	**89,456**	**72,305**	**23.7%**	**267,650**	**212,686**	**25.8%**
Pumps and Engine Components revenues	68,204	52,779	29.2%	198,492	156,075	27.2%
Brake Discs revenues	21,252	19,526	8.8%	69,158	56,611	22.2%
Adjusted Group EBIT[2]	**6,054**	**7,345**	**–17.6%**	**19,833**	**16,568**	**19.7%**
Adjusted Pumps and Engine Components EBIT	6,504	6,967	–6.6%	19,790	17,098	15.7%
Adjusted Brake Discs EBIT	–236	634	–	1,352	214	531.8%
Adjusted Group EBIT margin[2]	**6.8%**	**10.2%**	**–**	**7.4%**	**7.8%**	**–**
Adjusted Pumps and Engine Components EBIT margin	9.5%	13.2%	–	10.0%	11.0%	–
Adjusted Brake Discs EBIT margin	–1.1%	3.2%	–	2.0%	0.4%	–
Adjusted Group EBITDA[2]	**8,572**	**9,626**	**–10.9%**	**27,435**	**23,757**	**15.5%**
Adjusted Pumps and Engine Components EBITDA	8,239	8,455	–2.6%	24,963	21,917	13.9%
Adjusted Brake Discs EBITDA	499	1,372	–63.6%	3,559	2,421	47.0%
Adjusted Group EBITDA margin[2]	**9.6%**	**13.3%**	**–**	**10.3%**	**11.2%**	**–**
Adjusted Pumps and Engine Components EBITDA margin	12.1%	16.0%	–	12.6%	14.0%	–
Adjusted Brake Discs EBITDA margin	2.3%	7.0%	–	5.1%	4.3%	–
Cash flow from operating activities	3,694	–888	–	11,983	14,453	–17.1%
Cash flow from operating activities as % of Group revenues	4.1%	–1.2%	–	4.5%	6.8%	–
Net bank debt	–	–	–	14,167	19,675	–28.0%
Net bank debt as % of Adjusted Group EBITDA (LTM)	–	–	–	0.4	0.7	–

[1] Unless otherwise indicated
[2] Adjusted for special effects, cf. reconciliation statement Group

Earnings position

Group revenues considerably higher than in previous year: +25.8 percent

The SHW Group's order intake improved by 25.5 percent on the first nine months of 2010 to € 275.9 million. Group revenues rose by 25.8 percent year on year in the first nine months of 2011, from € 212.7 million to € 267.7 million. This growth in revenues was mainly due to the continued high demand from automobile manufacturers and production start-ups.

Slight increase in cost of sales ratio

The cost of sales increased from € 185.3 million to € 234.3 million in the first nine months of 2011 compared with the previous year. The slight increase in the cost of sales ratio from 87.1 percent to 87.5 percent was mainly due to a change in the product mix and higher energy costs. The effects could not be offset by fixed cost degression of personnel expenses.

Selling expenses rose slightly by € 0.4 million to € 2.8 million in the first nine months of 2011 in comparison to the previous year. In the same period, the selling expenses ratio fell from 1.2 percent to 1.1 percent.

The € 1.3 million year-on-year increase in general administrative expenses in the first nine of months of 2011 to € 6.0 million was due to additional staff and IT expenses. The administrative expenses ratio experienced a slight 0.1 percent increase to 2.3 percent.

The € 0.6 million rise in other operating expenses and income (net) in the first nine months of 2011 to € 3.2 million was mainly due to IPO costs amounting to € 1.2 million and to a € 0.8 million provision for real estate transfer tax. As a proportion of revenues, the corresponding expenditure ratio fell from 1.3 percent to 1.2 percent.

Rise in research and development spending

Research and development expenditure rose by 35.6 percent to € 3.8 million (previous year: € 2.8 million) in the first nine months of 2011, corresponding to 1.4 percent of revenues (previous year: 1.3 percent). Capitalised research and development activities totalled € 1.2 million (previous year: € 1.4 million). The main focus of R&D spending in the Pumps and Engine Components business segment was on the development of variable oil pumps (both vane pumps and external gear pumps), start-stop pumps, oil vacuum pumps, balancer shafts and camshaft phasers, whereas in the Brake Discs segment it was on the further development of lightweight brake discs and new lightweight concepts.

€ 2.8 million increase in operating result (EBIT)

The third quarter of 2010 was an extraordinarily good one. This period was influenced for the better by the reversal of provisions recognised in previous quarters and by the capitalisation of development costs. Given these circumstances, the direct comparisons for the nine-month period is more meaningful. The Group's operating result (EBIT) rose by € 2.8 million or 19.2 percent year on year in the first nine months of 2011, to € 17.5 million (previous year: € 14.7 million). The EBIT margin at the same time fell to 6.5 percent (previous year: 6.9 percent). The main reason for this was the slight increase in the cost of sales ratio from 87.1 percent to 87.5 percent. The increase was mainly due the changes in product mix and an increase in energy expenses.

Reconciliation statement: SHW Group

	Q3 2011	Q3 2010	9M 2011	9M 2010
K EUR				
Revenues	89,456	72,305	267,650	212,686
Operating result (EBIT)	5,961	6,639	17,492	14,675
Total PPA (purchase price allocation)	40	312	120	923
PPA customer base		188		553
PPA patents/ licences		53		156
PPA fixed assets	40	71	120	214
Cost of works agreement		394		970
IPO expenses	53		2,221	
Total adjustments	93	706	2,341	1,893
Adjusted EBIT	6,054	7,345	19,833	16,568
as % of revenues	6.8%	10.2%	7.4%	7.8%
Other write-offs	2,518	2,281	7,602	7,189
Adjusted EBITDA	8,572	9,626	27,435	23,757
as % of revenues	9.6%	13.3%	10.3%	11.2%

Increase of € 3.3 million in adjusted operating result (adjusted EBIT)

The Group's adjusted operating result (adjusted EBIT) improved by € 3.3 million or 19.7 percent year on year in the first nine months of 2011, to € 19.8 million (previous year: € 16.6 million), corresponding to an EBIT margin of 7.4 percent (previous year: 7.8 percent).

Special effects in the first nine months of 2011

Expenses incurred in preparation for the IPO during the reporting period totalled € 2.2 million and are stated under "Other/consolidation". € 1.4 million was for costs directly related to the IPO and € 0.8 million was a provision for real estate transfer tax. The latter provision had to be created because all shares in SHW Automotive GmbH were first time consolidated in SHW AG as a result of the structural change undertaken in preparation for going public. Furthermore, depreciation and amortisation arising from the purchase price allocation totalling € 0.1 million was undertaken in the Pumps and Engine Components business segment and Brake Discs business segment. The Group's total cost of special effects amounted to € 2.3 million in the first nine months of 2011.

Special effects in the first nine months of 2010

In the Pumps and Engine Components business segment, depreciation and amortisation arising from the purchase price allocation in the comparative period led to € 0.8 million in costs, plus a further € 0.1 million in the Brake Discs business segment. In addition, € 1.0 million is arising from a works council agreement shown under "Other/consolidation". The agreement states that in the event of a sale or partial sale by Nordwind Capital, employees that have been with the company on the date of the takeover and on the date of the sale will be paid a total of 4 percent of the net proceeds. The total burden of special effects on the Group in the first nine months of 2010 amounted to € 1.9 million.

Financial result improved

Financial income rose in the first nine months of 2011 from € 0.2 million to € 2.2 million compared with the same period of the previous year. This figure includes € 2.0 million in special income from the sale of shares in SHW Management Beteiligungs GmbH & Co. KG within the context of the IPO. Financial expenses remained practically unchanged from the previous year at € 1.7 million.

Tax ratio down

Taxes on income and earnings amounted to € 4.6 million in the first nine months of 2011 (previous year: € 3.5 million). The tax ratio dropped in the first nine months of 2011 compared to the same period in the previous year from 26.4 percent to 25.9 percent. The lower tax ratio was mainly a result of the special income recorded in the second quarter of 2011, which is taxable at a five percent rate only. Excluding this special effect, the tax ratio would have been 28.4 percent.

Net result for the period up by 37.6 percent

Overall, the € 13.3 million net profit for the period was 37.6 percent higher than the result for the comparative period of the previous year (€ 9.7 million). This figure includes € 1.9 million in special income (after taxes) from the sale of shares in SHW Management Beteiligungs GmbH & Co. KG. Excluding this special effect, the net result for the period would have risen by 18.3 percent to € 11.5 million. Earnings per share in the first nine months of 2011 were € 2.28 compared with € 1.65 in the comparative period (each on the basis of share capital consisting of 5,851,100 no par value shares).

Net Asset Position

Marked improvement in equity ratio to 30.6 percent

At the end of the third quarter of 2011, the SHW Group's asset and financial position continues to be very sound. Compared with 30 September 2010, the balance sheet total had risen by € 11.0 million to € 165.4 million, due in part to an increase in "Other intangible assets" as a result of capitalising development costs. Inventories and trade receivables totalling € 19.5 million were built up as a result of the booming business activities. "Other financial assets" fell from € 4.3 million in the comparative period of the previous year to € 1.1 million, a drop mainly due to a decline in the value of a receivable from the joint venture partner in Canada and the repayment of a loan. The € 11.8 million decline in cash and cash equivalents was largely the result of further syndicated loan repayments, including € 11.2 million in scheduled loan repayments and a € 6.0 million special repayment.

Compared with 30 September 2010, the Group's equity rose by € 20.9 million to € 50.6 million, equating to an equity ratio of 30.6 percent against 19.3 percent on 30 September 2010.

In comparison with 31 December 2010, the balance sheet total showed an increase of € 6.7 million. While inventories and trade receivables rose by a total of € 18.5 million due to the further increase in business activity, cash and cash equivalents fell by € 12.5 million due to further syndicated loan repayments.

Compared with the 2010 end-of-year position, the Group's equity was € 14.9 million higher and the equity ratio had risen from 22.6 percent to 30.6 percent.

Financial Position

Demand-induced build-up of working capital and higher capital expenditures influence free cash flow

Cash flow from operating activities amounted to € 12.0 million as of 30 September 2011, which is € 2.5 million less than the previous year's € 14.5 million.

The € 3.6 million improvement in net profit for the period to € 13.3 million (previous year: € 9.7 million) was more than offset by the demand-induced build-up of working capital.

Capital expenditures activities led to a € 14.8 million outflow of funds in the first nine months of 2011 (previous year: € 6.5 million). This rise was largely a result of order-related capital expenditures in new assembly lines and the ongoing SAP project.

Free cash flow for the first nine months thus totalled € –2.8 million (previous year: € 7.9 million). Compared with the first nine months of 2010, this constituted a decline of € 10.7 million.

Financing

Net bank debt remains stable at low level

As of 30 September 2011, the SHW Group's net bank debt of € 14.2 million was slightly higher than that at 31 December 2010 (€ 13.4 million) and was € 5.5 million lower than the level as of 30 September 2010 (€ 19.7 million). As of 30 September 2011, the SHW Group held cash and cash equivalents totalling € 7.7 million (previous year: € 19.5 million). In addition, the Group has access to a € 30 million credit facility, of which € 4.0 million had already been drawn down through sureties.

Change in net bank debt

	9M 2011	9M 2010
K EUR		
Cash flow from operating activities	11,983	14,453
Cash flow from investment activities	–14,797	–6,515
Cash flow before financing activities (free cash flow)	**–2,814**	**7,938**
Exchange rate effects	–237	258
Other	2,269	–79
Change in net bank debt	–782	8,117

Capital expenditure (balance sheet additions)
Due to pending production start-ups, our investments rose to € 14.8 million from € 6.5 million in the first nine months of 2010. Of this total, € 10.6 million was invested in the Pumps and Engine Components business segment, while € 3.1 million was invested in the Brake Discs business segment. A further € 0.9 million was invested in the ongoing SAP project.

Increase in employee numbers mainly at STT
Employee numbers at SHW Germany rose by 23 on average to 941 in the period from January to September 2011. The average number of 299 employees (= 100 percent) at our STT joint venture represented an increase of 76 people employed compared to the same period of the previous year, which was due mainly to new hirings in production.

Development of the Pumps and Engine Components business segment

Revenue increase by 27.2 percent
During the first nine months of 2011, revenues in the Pumps and Engine Components business segment rose by 27.2 percent year on year to € 198.5 million (previous year: € 156.1 million).

Key figures Pumps and Engine Components

	Q3 2011	Q3 2010	Change	9M 2011	9M 2010	Change
K EUR[1]						
Revenues	68,204	52,779	29.2%	198,492	156,075	27.2%
EBITDA	8,239	8,455	–2.6%	24,963	21,917	13.9%
as % of revenues	12.1%	16.0%	–	12.6%	14.0%	–
EBIT	6,494	6,690	–2.9%	19,760	16,280	21.4%
as % of revenues	9.5%	12.7%	–	10.0%	10.4%	–
Adjusted EBITDA[2]	8,239	8,455	–2.6%	24,963	21,917	13.9%
as % of revenues	12.1%	16.0%	–	12.6%	14.0%	–
Adjusted EBIT[2]	6,504	6,967	–6.6%	19,790	17,098	15.7%
as % of revenues	9.5%	13.2%	–	10.0%	11.0%	–

[1] Unless otherwise indicated
[2] Adjusted for special effects, cf. reconciliation statement for business segment Pumps and Engine Components

Demand for variable oil pumps drives revenues in the Passenger Vehicles division
Within the Pumps and Engine Components business segment, the Passenger Vehicles division continued to benefit from brisk demand from car manufacturers and production start-ups. Revenues in the Passenger Vehicles division (excluding Powder Metallurgy) rose by 24.6 percent from € 123.4 million in the first nine months of 2010 to € 153.7 million in the first nine months of 2011. The Bad Schussenried production plant benefited from the ongoing increase in demand for variable oil pumps.

In the Truck & Off-Highway division, the strong revenue growth in the first six months of the year continued. Compared with the previous year, revenues surged by 46.6 percent from € 16.1 million to € 23.6 million. In the Powder Metallurgy division, revenues rose by 28.3 percent on the previous year from € 16.6 million to € 21.3 million.

€ 3.5 million increase in operating result (EBIT)
The Pumps and Engine Components business segment reported an increase in its operating result (EBIT) of € 3.5 million (21.4 percent) to € 19.8 million in the first nine months of 2011 (previous year: € 16.3 million). The return on sales fell to 10.0 percent (previous year: 10.4 percent). The main reasons for this were the changes in product mix and increases in the cost of materials.

Increase of € 2.7 million in adjusted operating result (adjusted EBIT)

The adjusted operating result (adjusted EBIT) of the Pumps and Engine Components business segment rose by € 2.7 million or 15.7 percent year on year to € 19.8 million in the first nine months of 2011 (previous year: € 17.1 million). The EBIT margin was 10.0 percent (previous year: 11.0 percent).

Special effects in the first nine months of 2011 and 2010

There were expenses for the first nine months of 2011 totalling € 0.0 million (rounded) for amortisation and depreciation arising from the purchase price allocation (previous year: was € 0.8 million).

Reconciliation statement: Pumps and Engine Components

K EUR[1]	Q3 2011	Q3 2010	9M 2011	9M 2010
Revenues	**68,204**	**52,779**	**198,492**	**156,075**
Operating result (EBIT)	6,494	6,690	19,760	16,280
Total PPA	10	277	30	818
PPA customer base	–	188	–	553
PPA patents/licences	–	53	–	156
PPA fixed assets	10	36	30	109
Total adjustments	10	277	30	818
Adjusted EBIT	**6,504**	**6,967**	**19,790**	**17,098**
as % of segment revenues	9.5%	13.2%	10.0%	11.0%
Other write-offs	1,735	1,488	5,173	4,819
Adjusted EBITDA	**8,239**	**8,455**	**24,963**	**21,917**
as % of segment revenues	12.1%	16.0%	12.6%	14.0%

[1] Unless otherwise indicated

Development of business segment Brake Discs

Key figures Brake Discs

K EUR[1]	Q3 2011	Q3 2010	Change	9M 2011	9M 2010	Change
Revenues	21,252	19,526	8.8%	69,158	56,611	22.2%
EBITDA	499	1,372	-63.6%	3,559	2,421	47.0%
as % of revenues	2.3%	7.0%	–	5.1%	4.3%	–
EBIT	–266	599	–	1,262	109	1,057.8%
as % of revenues	–1.3%	3.1%	–	1.8%	0.2%	–
Adjusted EBITDA[2]	499	1,372	-63.6%	3,559	2,421	47.0%
as % of revenues	2.3%	7.0%	–	5.1%	4.3%	–
Adjusted EBIT[2]	–236	634	–	1,352	214	531.8%
as % of revenues	–1.1%	3.2%	–	2.0%	0.4%	–

[1] Unless otherwise indicated
[2] Adjusted for special effects, cf. reconciliation statement for business segment Brake Discs

Revenue increase by 22.2 percentv

During the first nine months of 2011, revenues earned by the Brake Discs business segment rose by 22.2 percent year on year to € 69.2 million (previous year: € 56.6 million).

This increase was mainly due to a marked increase in demand for ready to install and composite brake discs. Revenue growth was also partly due to higher scrap prices, part of which could only be passed on to customers with a time lag in the form of surcharges. Sales of composite brake discs rose from about 104,000 to about 113,000 units, which equates to an increase of 8.9 percent. With a growth rate of 26.0 percent, sales of ready to install brake discs rose even more significantly on the previous year by about 257,000 to about 1,247,000.

€ 1.2 million increase in operating result (EBIT)

The Brake Discs business segment reported a € 1.2 million year-on-year improvement in its operating result (EBIT) in the first nine months of 2011 to € 1.3 million. The return on sales rose to 1.8 percent (previous year: 0.2 percent). The loss in the third quarter of 2011 is mainly attributable to higher coke prices.

Reconciliation statement: Brake Discs

K EUR[1]	Q3 2011	Q3 2010	9M 2011	9M 2010
Revenues	**21,252**	**19,526**	**69,158**	**56,611**
Operating result (EBIT)	–266	599	1,262	109
Total PPA (purchase price allocation)	30	35	90	105
PPA customer base	–	–	–	–
PPA patents/licences	–	–	–	–
PPA fixed assets	30	35	90	105
Total adjustments	30	35	90	105
Adjusted EBIT	**–236**	**634**	**1,352**	**214**
as % of segment revenues	–1.1%	3.2%	2.0%	0.4%
Other write-offs	735	738	2,207	2,207
Adjusted EBITDA	**499**	**1,372**	**3,559**	**2,421**
as % of segment revenues	2.3%	7.0%	5.1%	4.3%

[1] Unless otherwise indicated

€ 1.1 million improvement in adjusted operating result (adjusted EBIT)

The adjusted operating result (adjusted EBIT) improved by € 1.1 million year on year in the first nine months of 2011 to € 1.4 million, corresponding to an EBIT margin of 2.0 percent (previous year: 0.4 percent).

Special effects in the first nine months of 2011 and 2010

Depreciation and amortisation of the purchase price allocation totalled € 0.1 million in the first nine months of 2011 (previous year: € 0.1 million).

Opportunities and risks

In assessing opportunities and risks for the SHW Group, no material changes were found to have occurred in the third quarter of 2011 in relation to the statements on opportunities and risks in the consolidated annual financial statements.

The natural disaster and nuclear incident in Japan had no noticeable negative repercussions for the Group. There was merely a reduction in release orders by one Japanese customer in North America; we encountered no problems with our European customers. The European debt crisis, which has continued to intensify in the third quarter, has not yet negatively impacted our business.

The Brake Discs business segment continues to pay special attention to price rise trends for coke that were intensified by the flooding in Australia. In the third quarter of 2011, the price of coke fell by 4.1 percent on the second quarter 2011, but was still up by about 31 percent on the first nine months of 2010. The price increase for scrap steel that we were forced to accept in the third quarter of 2011 as against the second quarter of 2011 was about 2 percent, and about 24 percent compared with the same period of the previous year.

In the Pumps and Engine Components business segment, we were able to reduce a warranty provision in North America in the second quarter of 2011 that had become necessary in the first quarter due to a limited number of faulty oil pumps delivered to customers. This was because we were able to quickly locate and replace the few faulty pumps. Part of the warranty provision was utilized in the third quarter of 2011. € 0.1 million of the provision still remains.

The management has not identified any risks that might pose a threat to the Group's continued existence as a going concern or, either individually or collectively, have a significant negative effect on the Company in the foreseeable future.

Outlook

Overall economic outlook

Since the summer of 2011, the outlook for the global economy has deteriorated significantly. The possibility that the sovereign debt crisis in the eurozone may escalate poses the greatest threat to economic development, not only for Europe, but also for the global economy.

These developments have led leading economic institutes to revise their forecasts for the economic outlook in 2012 downwards in the past weeks. The "Gemeinschaftsdiagnose" project group, for example, predicts that global economic growth will be 2.6 percent in 2011 and 2.5 percent in 2012 in its autumn report, following recorded growth of 4.3 percent in 2010. As in previous years, forecasts vary considerably between the "developed countries" and the emerging and developing countries.

Economists expect growth for the EU-27 to come in at 1.6 percent for 2011, with a considerable decline to 0.7 percent expected for 2012. However, the differences between the member states are likely to remain considerable. For Germany, GDP growth of 2.9 percent is expected for 2011, with 0.8 percent expected for 2012.

In the USA, growth is likely to remain comparatively low at 1.6 percent for both 2011 and 2012. In contrast, the overall economic pace in Asia shows no sign of slowing down. Institutes expect China to report robust economic growth to the tune of 9.0 percent for 2011 and 8.3 percent for 2012.

Outlook for the industry

In October 2011, the industry experts at PwC Autofacts raised their global light vehicle production forecast for 2011 slightly from their July 2011 prediction by another 0.15 million units to 76.0 million units, despite data indicating a weakening of the economy – particularly in countries seriously affected by the debt crisis. The main reason for this is that production in North America will be higher than previously forecasted, coming in at an expected 13.2 million units. Overall, PwC Autofacts now forecasts global production growth of 6.3 percent.

Light vehicle production by region

in million units	2011	2010	Change
Asia-Pacific – threshold countries	22.9	20.9	9.4%
European Union	17.1	16.3	4.9%
North America	13.2	11.9	10.6%
Asia-Pacific – developed countries	13.0	13.5	–3.3%
South America	4.3	4.2	2.8%
Eastern Europe	3.3	2.7	23.5%
Middle East & Africa	2.3	2.1	7.5%
Total	**76.0**	**71.5**	**6.3%**

Source: PwC Autofacts Octobre 2011

Of the four most important regions, the PwC experts expect the strongest growth in 2011 to be in the North American region with 10.6 percent, despite relatively weak economic data and ongoing consumer restraint. Production there will continue to be driven by inventory build-up, rising exports and a series of high-volume product launches. This will be closely followed by the Asia-Pacific region's emerging markets (China, India, Indonesia, Malaysia, Pakistan, Philippines, Taiwan, Thailand, Vietnam) with growth of 9.4 percent.

Growth drivers within the European Union continue for the most part to be strong exports to China, Russia, Turkey and the United States.

Light vehicle production by country (Top 10)

in million units	2011	2010	Change
China	15.4	14.4	7.0%
US	8.5	7.6	11.8%
Japan	8.2	9.1	–9.3%
Germany	5.8	5.4	8.4%
India	3.6	3.0	19.1%
South Korea	4.5	4.1	9.4%
Brazil	3.1	3.1	–1.6%
Mexico	2.5	2.2	13.1%
Spain	2.4	2.4	2.6%
France	2.3	2.2	3.9%

Source: PwC Autofacts Octobre 2011

The market for medium and heavy trucks will continue to develop in widely different ways, according to industry experts. While a market slowdown is anticipated in China, growth of 35 percent in the NAFTA region and the European Union appears to be realistic.

Outlook for the Group

The SHW Group achieved growth in revenues of 25.8 percent in the first nine months of 2011 and of 23.7 percent in the third quarter of 2011 in comparison to the same periods of the previous year. Based on the orders that our customers have notified us of for the fourth quarter of 2011 and assuming that the general economic and political conditions do not deteriorate strongly in the remaining weeks and that the automobile markets remain intact, we expect Group revenues for 2011 as a whole to be to in a range of € 340 to 350 million.

As before, we expect to see a year-on-year improvement in adjusted Group EBIT.

Aalen-Wasseralfingen, 9 November 2011

The Management Board

Dr. Wolfgang Krause Oliver Albrecht Andreas Rydzewski

Consolidated Financial Statement (IFRS) as of 30 September 2011

Consolidated Income Statement (unaudited)

	Q3 2011	Q3 2010	9M 2011	9M 2010
K EUR[1]				
Sales	89,456	72,305	267,650	212,686
Cost of sales	–78,250	–61,551	–234,278	–185,339
Gross profit	**11,206**	**10,754**	**33,372**	**27,347**
Selling expenses	–885	–723	–2,839	–2,462
General administration expenses	–2,075	–1,640	–6,027	–4,743
Research and development costs	–1,178	–971	–3,798	–2,801
Other operating income	1,583	1,064	4,439	2,376
Other operating expenses	–2,690	–1,845	–7,655	–5,042
Operating result	**5,961**	**6,639**	**17,492**	**14,675**
Financial income	74	83	2,198	179
Financial expenses	–739	–544	–1,733	–1,705
Earnings before taxes	**5,296**	**6,178**	**17,957**	**13,149**
Deferred taxes	–120	–67	–664	–170
Current income taxes	–1,409	**–1,426**	–3,979	**–3,304**
Income for the period	**3,767**	**4,685**	**13,314**	**9,675**
Earnings per share	0.64	0.80[2]	2.28	1.65[2]

[1] Unless otherwise indicated
[2] For reasons of comparability, EPS was calculated on the basis of 5,851,100 ordinary bearer shares in share capital

Statement of Comprehensive Income (unaudited)

	Q3 2011	Q3 2010	9M 2011	9M 2010
K EUR				
Income for the period	**3,767**	**4,685**	**13,314**	**9,675**
Currency translation differences	76	–1,099	–619	611
Change in market values of hedging instruments	–3	25	–10	–25
Gross change	73	–1,074	–629	586
Deferred taxes on changes in value recognized directly in equity	1	–19	3	0
Change in value stated under equity	**74**	**–1,093**	**–626**	**586**
Capital increase	–	–	2,166	–
Consolidated comprehensive income	**3,841**	**3,592**	**14,854**	**10,261**
Minority interests in comprehensive income	–	–	–	–
SHW AG shareholders' share of comprehensive income	3,841	3,592	14,854	10,261

Consolidated Balance Sheet (unaudited)

Assets	30 Sep. 2011	31 Dec. 2010	30 Sep. 2010
K EUR			
Customer base	–	–	–
Goodwill	7,055	7,055	7,055
Other intangible assets	6,431	4,477	3,766
Tangible assets (property, plant and equipment)	53,897	49,306	48,665
Deferred tax assets	3,248	3,573	3,534
Other financial assets	605	952	940
Non-current assets	**71,236**	**65,363**	**63,960**
Inventories	33,907	29,604	27,066
Trade receivables	50,060	35,874	37,369
Other financial assets	1,087	5,524	4,272
Other assets	1,389	2,101	2,123
Cash and cash equivalents	7,722	20,202	19,502
Current assets	**94,165**	**93,305**	**90,332**
Balance sheet total	**165,401**	**158,668**	**154,292**

Equity and Liabilities	30 Sep. 2011	31 Dec. 2010	30 Sep. 2010
K EUR			
Subscribed capital	5,851	5,500	5,500
Capital reserve	14,780	12,965	11,555
Revenue reserves	29,733	16,419	12,579
Other reserves	273	899	70
Total equity	**50,637**	**35,783**	**29,704**
Pension accruals and similar obligations	22,985	23,318	23,415
Deferred tax liabilities	2,341	2,005	2,058
Other provisions	2,908	2,917	2,642
Other financial liabilities	147	158	208
Bank debt	16,875	22,500	28,125
Non-current liabilities and accruals	**45,256**	**50,898**	**56,448**
Bank debt	5,014	11,087	11,052
Trade payables	38,441	36,729	28,478
Other financial liabilities	9,439	8,324	7,941
Income tax liabilities	1,553	857	2,360
Other accruals	7,816	9,150	11,623
Other liabilities	7,245	5,840	6,686
Current liabilities and accruals	**69,508**	**71,987**	**68,140**
Balance sheet total	**165,401**	**158,668**	**154,292**

Statement of Changes in Group Equity (unaudited)

K EUR	Subscribed capital	Capital reserve	Revenue reserves	Other reserves	Total equity
Position as of 1 January 2010	**58**	**16,997**	**2,904**	**–516**	**19,443**
Foreign currency translation	–	–	–	611	611
Changes in market value of hedging instruments	–	–	–	–25	–25
Total result recognized directly in equity	–	–	–	586	586
Net profit for the period to 30 September 2010	–	–	9,675	–	9,675
Total net result for the period	–	–	9,675	586	10,261
Capital increase from company resources	5,442	–5,442	–	–	–
Position as of 30 September 2010	**5,500**	**11,555**	**12,579**	**70**	**29,704**
Position as of 1 January 2011	**5,500**	**12,965**	**16,419**	**899**	**35,783**
Capital increase	351	1,815	–	–	2,166
Foreign currency translation	–	–	–	–619	–619
Changes in market value of hedging instruments	–	–	–	–7	–7
Total result recognized directly in equity	351	1,815	–	–626	1,540
Net profit for the period to 30 September 2011	–	–	13,314	–	13,314
Total net result for the period	351	1,815	13,314	–626	14,854
Position as of 30 September 2011	**5,851**	**14,780**	**29,733**	**273**	**50,637**

Consolidated Cash Flow Statement (unaudited)

K EUR	1 Jan. 2011 – 30 Sep. 2011	1 Jan. 2010 – 30 Sep. 2010
Cash flow from operating activities		
Net income for the period	13,314	9,675
Depreciation/amortisation on fixed asset items (+)	7,722	8,112
Income tax expenses through profit or loss (+)	3,979	3,304
Income taxes paid (–)	–3,272	–2,837
Financing costs through profit or loss (+)	1,733	1,705
Interest paid (–)	–522	–753
Financial investment income through profit or loss (–)	–225	–179
Interest received (+)	618	179
Increase (+)/decrease (–) in accruals	–1,676	–708
Changes in deferred taxes	661	170
Other non cash-effective expenses (+)/income (–)	–1,261	501
Gain (–)/loss (+) on the disposal of assets	–1	–25
Increase (–)/decrease (+) in inventories, trade receivables and other current assets	–15,474	–13,165
Increase (+)/decrease (–) in trade payables and other current liabilities	6,387	8,474
Net cash flow from operating activities	**11,983**	**14,453**
Cash flow from investment activities		
Cash received (+) from disposals of tangible assets	1	25
Cash paid (–) for investments in tangible assets	–12,643	–4,595
Cash paid (–) for investments in intangible assets	–2,155	–1,945
Cash flow from investment activities	**–14,797**	**–6,515**
Cash flow from financing activities		
Cash paid (–) for the redemption of financial liabilities	–11,625	–5,625
Cash received from the disposal of financial assets	2,196	–
Cash flow from financial activities	**–9,429**	**–5,625**
Cash and cash equivalents at the end of the period		
Cash-effective changes in cash and cash equivalents (subtotal of lines 1–3)	–12,243	2,313
Exchange rate-related changes in cash and cash equivalents	–237	258
Cash and cash equivalents at the beginning of the period	20,202	16,931
Cash and cash equivalents at the end of the period	7,722	19,502

Selected Explanatory Notes

Basis of and methods used in consolidated interim financial statements

These abridged, unaudited consolidated financial statements of SHW AG, Wilhelmstrasse 67, 73433 Aalen-Wasseralfingen, Germany, and its subsidiaries (hereinafter referred to as the SHW Group) to 30 September 2011 were prepared in accordance with the provisions of the International Accounting Standard on interim financial reporting (IAS 34) and Section 315a HGB (German Commercial Code) in conjunction with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as applicable in the European Union (EU) as of the interim reporting date.

These consolidated interim financial statements do not include all of the information that year-end consolidated financial statements are required to include in accordance with IAS 34. These statements must therefore be read together with the consolidated financial statements for the financial year 2010.

SHW AG is an Aktiengesellschaft or public limited company under German law and is entered in the commercial register under HRB 726621. The Group's principal activity is the manufacture and sale of hydraulic pumps, powder metallurgy parts and brake discs. Its customers are mainly manufacturers and suppliers from the automotive industry.

These consolidated interim financial statements were referred to the Supervisory Board by the Management Board on 4 November 2011 and cover the period 1 January to 30 September 2011 as compared with the same period in 2010 and the third quarter of 2011 (Q3 2011) as compared with the same period in 2010 (Q3 2010). The asset position (balance sheet) is presented in comparison with the figures as of 31 December 2010 and 30 September 2010. The consolidated interim financial statements are denominated in euros. Unless specified otherwise, the figures shown are stated in thousand euros.

In the Management Board's view, the consolidated interim financial statements include all of the usual, regular adjustments required for an appropriate presentation of the Group's earnings, net assets and financial position. The accounting and valuation methods used for the first nine months of 2011 correspond to those used in the consolidated financial statements to 31 December 2010. These methods are described in detail in the notes to 31 December 2010.

Income tax expenses for interim periods are stated on the basis of the best estimate of the weighted average annual income tax rate anticipated for the full year.

As stated in the consolidated financial statements to 31 December 2010, the standards that were mandatory for the first time in the financial year 2011 (IFRIC 14 and 19, IAS 24 [revised], amendments to IFRS 1 and IAS 32) will lead to no material changes in the interim or consolidated financial statements. The May 2010 improvement project was not endorsed until 19 February 2011 and was therefore not yet applicable at the end of 2010.

In preparing the consolidated interim financial statements as per IFRS, it is necessary to a certain extent to make estimates and assessments concerning balance sheet assets and liabilities, stated contingent assets and liabilities to the reporting date, and the stated income and expenses for the reporting period. The actual figures may differ from the estimates.

Scope of consolidation

The consolidated interim financial statements to 30 September 2011 cover, in addition to SHW AG, the financial statements of SHW Automotive GmbH and SHW Zweite Beteiligungs GmbH. The joint venture STT Technologies Inc., Concord, Ontario, Canada, in which the SHW Group holds a 50 percent stake, was consolidated pro rata as per IAS 31. There have been no changes to the consolidation entity as of 31 December 2010.

The exchange rate of the Canadian dollar developed as follows during the reporting period:

	Q3 2011	Q3 2010	9M 2011	9M 2010
Average	1.3839	1.3404	1.3746	1.3637
Reporting date	1.4040	1.4004	1.4040	1.4004

Statement of Comprehensive Income, Balance Sheet

Group revenues increased by € 55.0 million on the previous year to € 267.7 million in the first nine months of 2011. This improvement was due mainly to a significant increase in demand as a result of the sound state of the global automotive industry and of new series launches.

The € 2.6 million rise in other operating expenses to € 7.7 million was due mainly to expenses incurred in connection with the planned IPO and with a real estate transfer tax provision. The warranty provision made for a case in North America in the first quarter of 2011 was reduced significantly to a residual sum of € 0.1 million following more in-depth knowledge being available on the matter.

Earnings before taxes rose in the reporting period from € 13.1 million to € 18.0 million (+36.6 percent), reflecting the SHW Group's positive year-on-year development. The tax ratio was 25.9 percent in the first nine months of 2011 as against 26.4 percent in the same period of the previous year.

Other intangible assets rose by € 2.7 million in relation to the previous year due to the capitalisation of development and SAP costs.

Trade receivables rose by € 12.7 million or 34.0 percent on the previous year, thereby experiencing a more pronounced increase than revenues (25.8 percent).

Other financial assets fell on the previous year by € 3.5 million to € 1.7 million. The largest item included is a receivable of € 0.8 million from the joint venture partner in Canada.

Equity

The change in equity compared with 31 December 2010 results from net profits earned in the first nine months of 2011 and a € 351,100 capital increase. The capital increase occurred in connection with the change in legal form into SHW AG and the integration of an interest held by SHW Management GmbH & Co. KG in SHW Zweite Beteiligungs GmbH into SHW Beteiligungs GmbH, now SHW AG. The difference between the transferred book value of € 2.2 million and the share capital increase of € 0.4 million was posted to the capital reserve. For further details of changes in equity, see the Statement of Changes in Group Equity further back in this report.

Other financial liabilities rose by € 1.4 million compared to the previous year to € 9.6 million, the largest items being provisions for outstanding invoices amounting to € 7.7 million and licence fees of € 0.4 million.

Other provisions fell by € 3.5 million year on year, in particular as a result of the use of provisions for warranties, anticipated losses and outstanding costs.

Segment reporting

Segment reporting since 2009 has been based on the management approach. Operating segments are determined as per IFRS 8 on the basis of internal reports that are used regularly by the Chief Operation Decision Maker to decide on the distribution of resources and to estimate profitability. The profitability of individual business segments is established on the basis of the operating result (EBIT). The EBIT of the business segments is determined in accordance with IFRS, as is the operating result of the Group. The assets and liabilities of each segment are also established on the basis of IFRS. Financial expenses, financial income and income taxes are managed at the Group level. The Pumps and Engine Components business segment manufactures hydraulic pumps and sintered metallurgy products for the automotive industry. The Brake Discs business segment produces unprocessed and processed brake discs for the automotive industry. Transactions between the business segments are generally conducted on terms that are usual within the market and are identical to those that apply to transactions with third parties.

Segment reporting (unaudited) for the period 1 July to 30 September 2011

	Pumps and Engine Components		Brake Discs		Other Elimination/ Consolidation		Group	
	2011	2010	2011	2010	2011	2010	2011	2010
K EUR[1]								
External revenues	68,204	52,779	21,252	19,526	0	0	89,456	72,305
Revenues between the segments	52	40	0	0	–52	–40	0	0
Segment revenues	68,256	52,819	21,252	19,526	–52	–40	89,456	72,305
Segment result	6,494	6,690	–266	599	–267	–650	5,961	6,639
Financial result	–	–	–	–	–665	–461	–665	–461
Net profit for the period before taxes	6,494	6,690	–266	599	–932	–1,111	5,296	6,178
Segment depreciation	1,745	1,765	765	773	48	55	2,558	2,593
Segment capital investment	3,948	1,643	1,947	309	414	111	6,309	2,063
Major segment expenses	–	–	–	–	53[2]	394[3]	53[2]	394[3]
Number of customers representing revenues >10% of total sales revenues	2	2	2	2	–	–	2	2
VW Group	21,306	18,033	12,181	12,400	–	–	33,487	30,433
BMW Group	7,439	6,513	2,114	2,045	–	–	9,553	8,558

[1] Unless otherwise indicated
[2] IPO costs, without effect on taxes
[3] Cost of works agreement, with effect on taxes

Segment reporting (unaudited) for the period 1 January to 30 September 2011

	Pumps and Engine Components		Brake Discs		Other Elimination/ Consolidation		Group	
	2011	2010	2011	2010	2011	2010	2011	2010
K EUR[1]								
External revenues	198,492	156,075	69,158	56,611	0	0	267,650	212,686
Revenues between the segments	145	99	0	0	–145	–99	0	0
Segment revenues	198,637	156,174	69,158	56,611	–145	–99	267,650	212,686
Segment result	19,760	16,280	1,262	109	–3,530	–1,714	17,492	14,675
Financial result	–	–	–	–	465	–1,526	465	–1,526
Net profit for the period before taxes	19,760	16,280	1,262	109	–3,065	–3,240	17,957	13,149
Segment depreciation	5,203	5,637	2,297	2,312	222	163	7,722	8,112
Segment capital investment	10,631	4,839	3,119	1,077	1,048	624	14,798	6,540
Major segment expenses	–	–	–	–	2,221[2]	970[3]	2,221[2]	970[3]
Number of customers representing revenues >10% of total sales revenues	2	2	2	2	–	–	2	2
VW Group	64,000	58,761	39,630	34,155	–	–	103,630	92,916
BMW Group	21,548	17,004	5,992	6,218	–	–	27,540	23,222

[1] Unless otherwise indicated
[2] IPO costs, without effect on taxes
[3] Cost of works agreement, with effect on taxes

Development of Group revenues by region

Regional revenues are stated on the basis of the customer's head office location. This is an overview of the SHW Group's regional revenues distribution.

K EUR	Q3 2011	Q3 2010	9M 2011	9M 2010
Germany	**46,692**	**38,328**	**139,364**	**111,442**
Other European countries	30,229	26,232	92,656	78,486
America	11,737	7,275	32,840	20,580
Other	800	470	2,792	2,178
Group	**89,458**	**72,305**	**267,652**	**212,686**

Governing bodies, related party disclosures

On 14 February 2011, Oliver Albrecht was appointed as a further member of the Management Board with responsibility for central functions. Due to SHW Beteiligungs GmbH's change in legal form to SHW AG, a Supervisory Board was set up in accordance with the Articles of Association. The members of the Supervisory Board are:

Anton Schneider, Cologne, Chairman
Managing Director,
Nordwind Capital Zweite Industriebeteiligungen GmbH

Dr. Martin Beck, Munich, Deputy Chairman
Managing Director,
Nordwind Capital Erste Industriebeteiligungen GmbH

Dr. Hans Albrecht, Munich
Managing Director,
Nordwind Capital Erste Industriebeteiligungen GmbH

Christian Brand, Karlsruhe
Management Board Chairman,
L-Bank Staatsbank für Baden-Württemberg

Edgar Kühn, Aalen-Wasseralfingen
Senior Works Council Chairman,
SHW Automotive Works Council Chairman,
SHW Automotive Aalen-Wasseralfingen works

Ernst Rieber, Bad Saulgau
Works Council Chairman,
SHW Automotive Bad Schussenried works

Sureties provided and other financial obligations

There were no material changes in the first nine months of 2011 to the sureties provided and other financial obligations stated in the consolidated financial statements for 2010 with the following exception: in an agreement dated 10 May 2011, the underwriters released the liens against present and future shares in SHW Beteiligungs GmbH (now SHW AG) and SHW Zweite Beteiligungs GmbH secured by the terms of the 20 March 2008 loan agreement. The release of these liens was a precondition for the IPO.

Aalen-Wasseralfingen, 9 November 2011

SHW AG

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