



PRESS RELEASE

SHW AG reports successful start into the financial year 2012

- Group sales grow by 13.6 percent to € 100.5 million in Q1 2012
- Group earnings before interest and taxes (EBIT) climb 25.8 percent to € 7.9 million
- Net income for the period up by 70.5 percent to € 5.2 million

Aalen, 8 May 2012. SHW AG, one of the leading suppliers of CO₂-relevant pumps and engine components as well as brake discs, could seamlessly tie in with the positive development of the 2011 financial year in the first three months of 2012. Group sales and Group net income for the period both reached new record levels.

Group sales improved by 13.6 percent to € 100.5 million (previous year: € 88.5 million). This growth is attributable to a large number of production start-ups and the stable demand of the SHW customers. Group earnings before interest and taxes (EBIT) in the January to March 2012 period were up by € 1.6 million on the previous year¹ to € 7.9 million. At 7.8 percent, the EBIT margin clearly exceeded the prior year level of 7.1 percent. Net income for the period rose by 70.5 percent to € 5.2 million (previous year: € 3.1 million). Earnings per share amounted to € 0.89 (previous year: € 0.55).

“We are pleased with the successful start into the new financial year,” said CEO Dr. Wolfgang Krause, who is in charge of the Pumps and Engine Components business segment. “Demand for SHW products that help to reduce CO₂ emissions shows a particularly positive trend.”

Investments in growth stay at high level

Due to upcoming production start-ups, investments climbed from € 3.3 million to € 4.9 million in the first quarter of 2012. At the same time, spendings on research and development increased by € 0.3 million to € 1.8 million.

“In spite of these high investments, we were able to generate a return on capital employed (ROCE) of 28.3 percent, which clearly exceeds the industry average and our cost of capital,” emphasised CFO Oliver Albrecht. “The equity ratio improved from 24.0 percent in the previous year to 33.7 percent.”

¹ In the first three months of the previous year, EBIT was adjusted by IPO costs and depreciation arising from the purchase price allocation in the amount of € 1.2 million.



Pumps and Engine Components business segment remains main growth driver

Sales in the Pumps and Engine Components business segment increased by 22.2 percent from the previous year's € 63.3 million to € 77.4 million. Reporting a 27.1 percent increase in revenues to € 61.6 million, the Passenger Car division benefited from the high demand for variable oil pumps and start-stop pumps as well as numerous production start-ups. Between January and March 2012, earnings before interest and taxes (EBIT) in the Pumps and Engine Components business segment increased by € 1.3 million on the prior year period to € 7.2 million. The EBIT margin improved moderately from 9.3 percent to 9.4 percent despite significantly higher depreciation and amortisation.

Sales in the Brake Discs business segment dropped by 8.1 percent to € 23.1 million (previous year: € 25.2 million). In this context, it should be considered that the prior year figure included a very large spare parts order. Earnings before interest and taxes (EBIT) declined by € 0.3 million to € 0.6 million. "The start-up problems of the new production line have been eliminated in the meantime," said Andreas Rydzewski, member of the Management Board and in charge of the Brake Discs business segment. "Should the capacity utilisation be permanently good, we still expect a noticeable result improvement in 2012."

Guidance confirmed

The acute risks to the global economy declined in the first quarter compared to last autumn. "The stable demand of our customers and the numerous start-ups make us optimistic that we will reach the targets we have set ourselves for this year," said Dr. Wolfgang Krause. „We believe that we will be able to generate Group sales of between € 365 and 390 million". The guidance for the full year will be put into more precise terms at the six-month stage.

Financial figures for the first quarter of 2012 (in K EUR)

Key figures - SHW Group	Q1 2012	Q1 2011	Change in %
Sales	100.484	88.481	13,6%
EBITDA	11.180	7.704	45.1%
as % of sales	11.1%	8.7%	
EBIT	7.820	5.068	54.3%
as % of sales	7.8%	5.7%	
Net income for the period	5.200	3.050	70.5%
Earnings per share (in €) ¹⁾	0.89	0.55	61.8%
Adjusted EBITDA ²⁾	11.180	8.846	26.4%
as % of sales	11.1%	10.0%	
Adjusted EBIT ²⁾	7.860	6.250	25.8%
as % of sales	7.8%	7.1%	
Cash flow from operating activities	-1.392	0.605	
Cash flow from operating activities / sales	-1.4%	0.7%	
Equity	60.232	40.585	48.4%
Equity ratio	33.7%	24.0%	
Net bank debt as of 31 March	14.944	16.012	-6.7%

Key figures - Pumps and Engine Components	Q1 2012	Q1 2011	Change in %
Sales	77.373	63.330	22.2%
EBITDA	9.785	7.676	27.5%
as % of sales	12.6%	12.1%	
EBIT	7.237	5.901	22.6%
as % of sales	9.4%	9.3%	
Adjusted EBITDA ²⁾	9.785	7.676	27.5%
as % of sales	12.6%	12.1%	
Adjusted EBIT ²⁾	7.247	5.911	22.6%
as % of sales	9.4%	9.3%	

Key figures - Brake Discs	Q1 2012	Q1 2011	Change in %
Sales	23.111	25.151	-8.1%
EBITDA	1.399	1.713	-18.3%
as % of sales	6.1%	6.8%	
EBIT	0.625	0.947	-34.0%
as % of sales	2.7%	3.8%	
Adjusted EBITDA ²⁾	1.399	1.713	-18.3%
as % of sales	6.1%	6.8%	
Adjusted EBIT ²⁾	0.655	0.977	-33.0%
as % of sales	2.8%	3.9%	

¹⁾ 2012: on the basis of 5.581 million shares

2011: on the basis of 5.500 million shares

²⁾ 2012: Adjusted for depreciation arising from the purchase price allocation;

2011: Adjusted for IPO costs and depreciation arising from the purchase price allocation



About SHW

The enterprise was established in 1365, making it one of the oldest industrial enterprises in Germany. Today, the SHW Group is a leading supplier for the automotive industry with products that contribute to a reduction of fuel consumption and consequently CO₂ emissions. In its Pumps and Engine Components business segment, the SHW Group develops and produces pumps for passenger vehicles and truck and off-highway applications, e.g. trucks, farm and construction vehicles, stationary motors and wind power stations. The Brake Discs business segment develops and produces monobloc ventilated brake discs made of cast iron and lightweight brake discs made from a combination of an iron friction ring and an aluminium pot. Customers of the SHW Group include leading producers of passenger cars and commercial vehicles with manufacturing facilities in Europe and North America. The SHW Group has four manufacturing sites in Germany, located in Bad Schussenried, Aalen-Wasserralfingen, Tuttlingen-Ludwigstal and Neuhausen ob Eck. Via its 50 percent interest in the Canadian company STT Technologies Inc., the company also has production sites in Canada and Mexico. With more than 1,000 employees, the SHW Group generated approx. € 360 million in sales in 2011. Further information is available at: www.shw.de

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