



PRESS RELEASE

One-off proceeds in the mid double-digit million range from sale of stake in Canadian STT

- High proceeds from the sale of the Canadian participation
- Arbitration proceedings settled amicably
- Further internationalisation with wholly-owned subsidiaries

Aalen, 28 September 2012. SHW AG, one of the leading automotive suppliers for CO₂-relevant pumps and engine components as well as brake discs has reached an agreement with its joint venture partner for the sale of its 50% stake in STT Technologies Inc., Canada. The sales price in Euro will be in the mid double-digit million range. The closing of the transaction is planned until the end of October 2012.

The proportionately consolidated STT achieved a sales contribution of € 31.2 million in the first six months of fiscal year 2012. This equals approximately 15 percent of group sales.

“We shall amicably settle the arbitration proceedings and hence strengthen considerably our financial basis for the internationalization of our business,” says CEO Dr. Wolfgang Krause, who is responsible for the Pumps and Engine Components business segment.

International market development with wholly-owned subsidiaries

SHW AG will follow through its internationalisation strategy with wholly-owned subsidiaries. With the sale of its joint venture stake SHW gains free access to the North American market. Therefore the NAFTA region will be a special focus point besides the existing activities in China and Brazil.

“We still consider the North American vehicle market as very interesting. Based on our CO₂-relevant products we see good growth opportunities there,” emphasises Dr. Krause. We also gain tailwind from the latest initiative of the Obama administration, requiring from the OEMs to cut fuel consumption by approximately 50 percent until 2025.

Sales proceeds enable repayment of bank liabilities

With the sales proceeds we shall repay our bank liabilities (30 June 2012: € 21.4 million). “At the same time, we gain considerable room for further growth through acquisitions,” says CFO Oliver Albrecht.



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-Wasseralfingen, 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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