

PRESS RELEASE

SHW AG: Annual General Meeting resolves dividend payment of € 1.00 per share

- Efficiency programmes successfully implemented in Powder Metallurgy
- Further progress in establishment and expansion of international plants in North America and China
- Chairman of the Supervisory Board confirmed in office

Aalen, 11 May 2016. “The SHW of the future will be more efficient, more international and continue to exploit its high innovation potential,” said the Company’s Chief Executive Officer, Dr Frank Boshoff, in welcoming the shareholders present at SHW AG’s fifth ordinary Annual General Meeting in Heidenheim. “We have established the basis for capital-efficient growth to compete on our own merits in the years to come. The earnings performance in the fourth quarter of 2015 and the first quarter of 2016 confirm the orientation and the effectiveness of our strategy.”

SHW AG realised Group sales of € 463.5 million in the fiscal year 2015 (previous year: € 430.0 million). Adjusted consolidated income before interest, tax and depreciation and amortisation (EBITDA adjusted) improved by 7 per cent, from € 40.6 million to € 43.5 million. At € 14.4 million, the reported net income for the year exceeded the previous year’s figure of € 10.7 million by 34 per cent. Earnings per share came to € 2.26 (previous year: € 1.83).

The previous year focused on two different topics: internationalisation and implementation of efficiency programmes. The establishment of a joint venture with the Chinese brake disc producer Shandong Longji Machinery Co., Ltd. represented the Brake Discs business segment’s first key step outside of Europe. In its Pumps and Engine Components business segment, SHW AG won its first contracts in North America and China, including for a North American automobile manufacturer’s global engine platform. It has thus successfully re-entered the North American market. In China, the Company has been nominated by a Chinese automobile manufacturer as a series supplier of transmission oil pumps for the first time. This is a field offering strong growth potential for SHW.

Up until the end of the first quarter of 2016, implementation of productivity- and capacity-boosting measures was on the agenda. The Company has thus now established the basis for a continuous improvement in profitability in its Pumps and Engine Components business segment. In the first quarter of 2016, its EBITDA margin increased to 10.1 per cent (previous year: 9.4 per cent), with Group sales of € 106.6 million (previous year: € 117.0 million).

Looking ahead to the future, Dr Boshoff emphasised: “We will continue to consistently strengthen our international locations, further leverage our innovation leadership through ground-breaking product solutions and continuously improve our product, process and service quality. Another crucial measure to improve our competitiveness is the planned establishment of a plant in eastern Europe. We will make a decision on this location in the remainder of the second quarter of 2016.”

Draft resolutions adopted with large majorities

As proposed by the Management Board and the Supervisory Board of SHW AG, the distribution of a dividend of € 1.00 per share has been resolved. This represents a payout ratio of 44.9 per cent of the Group's net income for the year in the fiscal year 2015.

The re-election of the six-member Supervisory Board was featured on the agenda of the Annual General Meeting for the first time since the Company's initial public offering in 2011. The Chairman of the Supervisory Board, Georg Wolf, his deputy, Christian Brand, and Prof. Jörg Ernst Franke, Kristin Hegner-Cordes and Edgar Kühn were confirmed in their offices. Eugen Maucher was elected to the body as a replacement for the previous Supervisory Board member Frank-Michael Meißner.

The other draft resolutions of the Management Board and the Supervisory Board were passed with large majorities. Details of the voting results for the individual items on the agenda of the Annual General Meeting may also be found on the Company's website at http://shw.de/cms/en/investor_relations/annual_general_meetings/agm_2016/.

Voting results
of the Annual General Meeting of SHW AG
on 10 May 2016 in Heidenheim

Agenda	Number of shares present	in % of the total share capital	Valid votes	in % of the present share capital	in % of the total share capital	YES-votes	in % of the valid votes	NO-votes	in % of the valid votes	Proposal
Agenda Item 2 Appropriation of net earnings	1,810,200	28.13%	1,801,968	99.55%	28.00%	1,801,377	99.97%	591	0.03%	Accepted
Agenda Item 3 Discharge of the members of the Management Board	1,810,200	28.13%	1,801,850	99.54%	28.00%	1,797,367	99.75%	4,483	0.25%	Accepted
Agenda Item 4 Discharge of the members of the Supervisory Board	1,810,200	28.13%	1,801,811	99.54%	27.99%	1,796,104	99.68%	5,707	0.32%	Accepted
Agenda Item 5 Appointment of the auditor	1,810,200	28.13%	1,801,205	99.50%	27.99%	1,798,980	99.88%	2,225	0.12%	Accepted
Agenda Item 6 Elections to the Supervisory Board										
a) Georg Wolf	1,810,200	28.13%	1,800,381	99.46%	27.97%	1,797,344	99.83%	3,037	0.17%	Accepted

Agenda	Number of shares present	in % of the total share capital	Valid votes	in % of the present share capital	in % of the total share capital	YES-votes	in % of the valid votes	NO-votes	in % of the valid votes	Proposal
b) Christian Brand	1,810,200	28.13%	1,796,777	99.26%	27.92%	1,790,590	99.66%	6,187	0.34%	Accepted
c) Prof. Dr.-Ing. Jörg Ernst Franke	1,810,200	28.13%	1,796,969	99.27%	27.92%	1,793,182	99.79%	3,787	0.21%	Accepted
d) Kirstin Hegner-Cordes	1,810,200	28.13%	1,796,913	99.27%	27.92%	1,791,701	99.71%	5,212	0.29%	Accepted
e) Edgar Kühn	1,810,200	28.13%	1,797,288	99.29%	27.92%	1,793,249	99.78%	4,039	0.22%	Accepted
f) Eugen Maucher	1,810,200	28.13%	1,796,963	99.27%	27.92%	1,793,601	99.81%	3,362	0.19%	Accepted
Agenda Item 7 Authorisation to issue convertible and/or warrant bonds / Contingent Capital	1,810,200	28.13%	1,804,622	99.69%	28.04%	1,461,554	80.99%	343,068	19.01%	Accepted
Agenda Item 8 Authorisation for the purchase and use of treasury shares	1,810,200	28.13%	1,799,583	99.41%	27.96%	1,793,333	99.65%	6,250	0.35%	Accepted
Agenda Item 9 Authorisation for the use of derivatives as part of the purchase of treasury shares	1,810,200	28.13%	1,804,547	99.69%	28.04%	1,789,613	99.17%	14,934	0.83%	Accepted



About SHW

The Company was established in 1365 making it one of the oldest industrial companies in Germany. Today, SHW AG is a leading automotive supplier providing products that make a substantial contribution to reducing fuel consumption and, consequently, to lowering CO2 emissions. In its Pumps and Engine Components business segment, the SHW Group develops and produces pumps for passenger vehicles and industry applications (e.g., trucks, agricultural and construction vehicles, stationary engines and wind farms) as well as engine components. The Brake Discs business segment develops and produces monobloc ventilated brake discs made of cast iron and composite brake discs made of a combination of an iron friction ring and an aluminium pot. The SHW Group's customers include renowned automotive manufacturers, manufacturers of commercial, agricultural, and construction vehicles as well as other suppliers to the automotive industry. Currently, the SHW Group has four production sites in Germany located in Bad Schussenried, Aalen-Wasserralfingen, Tuttlingen-Ludwigstal and Neuhausen ob Eck, one site in Brazil (Sao Paulo) and China (Kunshan) and has a sales and development centre in Toronto, Canada. Besides, SHW Automotive GmbH also holds a 51 per cent interest in the joint venture SHW Longji Brake Discs (LongKou) Co., Ltd., in LongKou, China. With just over 1,250 employees, the Company generated Group sales in fiscal year 2015 of € 463 million. Further information is available at: www.shw.de

Contact person

Michael Schickling

Head of Investor Relations & Corporate Communications

SHW AG

Telephone: +49 (0) 7361 502 462

Email: michael.schickling@shw.de

Future-oriented statements

This press release contains certain future-oriented statements that are based on current assumptions and forecasts made by the management of SHW AG. Various known and unknown risks, uncertainties and other factors may lead to the actual results, financial position, development or performance of the company deviating considerably from the appraisals specified here. The company assumes no obligation to update future-oriented statements of this nature or adapt them to future events or developments.

Note

This announcement is for information purposes only and does neither constitute an offer to sell, purchase, exchange or transfer any securities nor a solicitation of any offer to sell, purchase, exchange or transfer any securities.

The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. SHW AG does not intend to register any securities referred to herein under the Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States in connection with this announcement.