



PRESS RELEASE

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

- Significant improvement in sales and margins from 2018 onwards
- Extensive investment programme to establish and expand international sites
- Foundation for the entry into the market of fully electric vehicles laid

Aalen, 10 May 2017. There was a great deal of interest among SHW shareholders at the sixth Annual General Meeting of SHW AG in Heidenheim on 9 May 2017, with an attendance rate of 56.60 per cent.

In his speech, Chief Executive Officer Dr Frank Boshoff gave a positive summary of the past fiscal year. “Despite a significant 12 per cent decline in sales to €406 million, we were able to slightly improve our EBITDA figure on the previous year. The EBITDA margin improved from 9.4 per cent to 10.7 per cent.” This was made possible by the manifold measures to improve the production and business processes.

Looking at fiscal year 2017, he emphasised it will be a year of transition for SHW and, in particular, of setting the course for the future. “This means that we will consistently follow through on internationalising our business as part of our ‘SHW 2020’ strategy.”

From 2018 onwards, the Company once again expects a significant increase in sales and earnings. As such, Group sales are to be increased in a range of €620 million to €650 million in the period up until 2020. Business outside Europe will account for almost one quarter of this. In the same period, the EBITDA margin should increase to at least 12 per cent.

For fiscal year 2017, the Company is planning capital expenditure of slightly above 7 per cent of Group’s sales in connection with its development of new markets in China and North America as well as the establishment of the new production site in Romania. This capital expenditure mainly relate to the development of the Group’s production capacities at its international sites and to assembly lines and foundry and processing centres in Germany. The investment ratio should settle at 5 to 6 per cent from 2018 onwards.

Regarding the topic of electromobility and the SHW product portfolio, Dr Boshoff stated, “Our components for engine and transmission applications for conventional drive concepts and brake discs and their continuous development will continue to form the basis of our business success over the next few years. The development of an electrically driven cooling and lubricating pump for e-axles for a European company, which can be used in both hybrid and battery-powered electric vehicles, serves as the foundation for SHW’s entry into the market of fully electric vehicles. The Brake Discs business segment is also active in the field of e-mobility. Our composite brake disc for fully electric vehicles meets a high demand.”



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 50.3 per cent of the Group's net profit for fiscal year 2016.

The other draft resolutions of the Management Board and the Supervisory Board were passed with large majorities. Details of the voting results regarding the individual items of the agenda of the Annual General Meeting can also be found on the Company's website at http://www.shw.de/cms/en/investor_relations/annual_general_meetings/agm_2017/



Voting results
from the Annual General Meeting of SHW AG
on 9 May 2017, 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 profit	3,642,878	56.60%	3,638,343	99.88%	56.53%	3,637,292	99.97%	1,051	0.03%	Accepted
Agenda Item 3 Discharge of the members of the Management Board	3,642,878	56.60%	3,635,543	99.80%	56.49%	3,635,023	99.99%	520	0.01%	Accepted
Agenda Item 4 Discharge of the members of the Supervisory Board	3,642,878	56.60%	3,628,158	99.60%	56.37%	3,627,858	99.99%	300	0.01%	Accepted
Agenda Item 5 Appointment of the auditor	3,642,878	56.60%	3,638,043	99.87%	56.52%	3,637,293	99.98%	750	0.02%	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-Wasseraffingen, 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 2016 of €406 million. Further information is available at: www.shw.de

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Future-oriented statements

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