



PRESS RELEASE

SHW confirms meeting with Stefan Pierer

Aalen, 19 July 2017. SHW AG confirms that a first meeting was held with Mr. Stefan Pierer, CEO of Pierer Industrie AG, and Mr. Friedrich Roithner, CFO of Pierer Industrie AG, in Aalen last Friday. SHW AG was represented at this constructive meeting by the Chairman of its Supervisory Board, Georg Wolf, and its CEO, Dr. Frank Boshoff. The meeting served the purpose of getting to know each other and to exchange ideas about the possibilities of future cooperation in a non-binding manner. No agreements or deals of any kind were made. However, SHW AG is generally open to continuing the dialogue that has begun.

Notwithstanding the above, SHW AG confirms its first assessment that the voluntary public takeover offer of € 35 per share offered by Pierer Industrie AG for all the outstanding shares of SHW AG does not appropriately reflect the value of the company, also with regard to the expected positive development from 2018. The Management Board and Supervisory Board will publish a joint statement in accordance with Section 27 (1) German Securities Acquisition and Takeover Act (Wertpapiererwerbs- und Übernahmegesetzes – WpÜG) within the stipulated deadlines.



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 2016 of € 406 million. Further information is available at: www.shw.de

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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

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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.