

SHW AG

Interim report as at 30 September 2012

1 January to 30 September 2012

Key figures SHW Group (IFRS)

K EUR	Q3 2012	Q3 2011	Change (%)	9M 2012	9M 2011	Change (%)
Sales ¹	82,145	78,295	4.9%	253,114	236,376	7.1%
EBITDA ¹	8,730	7,439	17.4%	27,756	22,224	24.9%
as % of sales	10.6%	9.5%	-	11.0%	9.4%	-
EBIT ¹	5,555	5,190	7.0%	18,696	15,484	20.7%
as % of sales	6.8%	6.6%	-	7.4%	6.6%	-
Earnings after taxes – continuing operations ¹	3,554	3,240	9.7%	12,389	11,881	4.3%
Earnings per share – continuing operations (€) ²	0.61	0.55	9.7%	2.12	2.06	3.0%
Adjusted EBITDA ³	8,730	7,492	16.5%	27,756	24,445	13.5%
as % of sales	10.6%	9.6%	-	11.0%	10.3%	-
Adjusted EBIT ³	5,595	5,283	5.9%	18,816	17,825	5.6%
as % of sales	6.8%	6.7%	-	7.4%	7.5%	-
Cash flow from operating activities (incl. STT)	-1,038	3,694	-	4,668	11,983	-61.0%
Cash flow from operating activities / Group sales	-1.3%	4.7%	-	1.8%	5.1%	-
Equity	-	-	-	65,884	50,637	30.1%
Equity ratio	-	-	-	35.3%	30.6%	-
Net bank debt as of 30 September (incl. STT)	-	-	-	23,014	14,167	62.4%
Number of Employees (Average) ⁴	-	-	-	1,156	1,091	6.0%

¹ Prior year values were adjusted due to the presentation of previously proportionally consolidated STT as "discontinued operations".

² Q3/2012; Q3/2011; 9M/2012: based on an average of 5,851,100 shares; 9M/2011: based on an average of 5,780,366 shares.

³ Adjusted for special effects, cf. interim group management report.

⁴ Excluding trainees and temporary staff (incl. STT).

Sales by segment

in %



Sales by region

in %



About SHW AG

The SHW Group is one of the leading automobile suppliers offering products that contribute substantially to a reduction in fuel consumption and consequently also CO₂ emissions.

We supply well-known European, North and South American and Asian producers of passenger and commercial vehicles and in addition to other automotive industry suppliers. Our profitable growth and our financial stability are based on excellence in technology and innovation that our customers appreciate. We systematically expand new markets – for new fields of application and new regions.

We currently employ more than 1,000 people at our four locations in Germany. In addition, there are two wholly owned subsidiaries in Brazil and China that will be successively expanded in the coming years.

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SHW shares

Action plans of the European Central Bank, Federal Reserve and Bank of China support stock markets

Action plans by the European Central Bank, Federal Reserve and Bank of China, such as interest rate cuts, unlimited purchasing of bonds from debt-laden countries and further quantitative easing were the basis for a predominantly positive development of equity markets in the third quarter of 2012. By contrast, weak economic data in the Eurozone, in the USA and in China and disappointing quarterly figures temporarily put equity markets under pressure.

The leading US index Dow Jones ended the third quarter up 4.3 percent at 13,437 points. In contrast, the Japanese Nikkei index lost 1.5 percent, closing at 8,870 points.

In Europe, the Euro Stoxx 50 grew by around 8 percent, closing at 2,454 points on 28 September 2012. The leading German index DAX gained significantly by 12.5 percent in the period from July to September 2012, ending the third quarter at 7,216 points. In the improved market conditions, the SDAX selection index was able to add just over 200 points – or 4 percent – closing at 5,004 points.

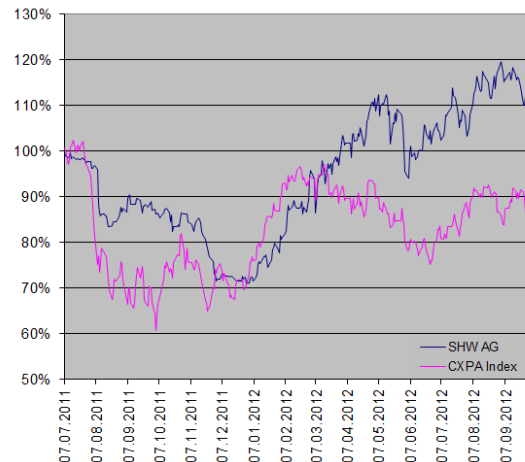
The DAXsector Automobile Performance Index was also able to gain a considerable amount of ground and closed up 7.3 percent on the previous quarter's close at almost 832 points.

SHW shares continue to outperform the benchmark index

In the improved market conditions, SHW shares as at 28 September 2012 saw an improvement of 12.0 percent to € 30.50 in comparison to the Q2 closing price. Between the start of July 2012 and the end of September, SHW shares performed considerably better than the DAXsector Automobile Performance index. SHW shares are currently listed at € 28.90 (as of 7 November 2012).

Price development: SHW shares and DAXsector Automobile Performance index (July 2011 – September 2012)

Closing price: 7 July 2011 = 100%



Free float unchanged

In the third quarter of 2012, there were no changes to the free float as defined by Deutsche Börse AG. Since 7 August 2012, Linz Textil Holding AG has been an additional shareholder above the notification threshold of 3 percent within the free float of 41.7 percent.

Shareholder structure

in %



¹⁾ Free float, as defined by the German stock exchange, Deutsche Börse AG.
Of which: Capital Research and Management Company (3.93 percent), Linz Textil Holding AG (3.03 percent)

SHW continues to advance in the MDAX/SDAX selection list

Thanks to positive share price performance and increased sales volumes in recent months, SHW has continued to advance in Deutsche Börse AG's MDAX/SDAX selection list, which relevant for index adjustments. As at 30 September, SHW held 102nd place in the free float market capitalisation ranking (30 June: 109th place) and 84th place in the liquidity ranking (30 June: 95th place).

Research coverage expanded

In the third quarter of 2012, Deutsche Bank and Silvia Quandt Research initiated coverage of SHW shares. SHW shares are currently monitored by a total of seven banks and analyst firms.

In the fourth quarter, the Company will continue to maintain contact with investors and analysts and participate in several capital market conferences and roadshows. As a company with a clear focus on CO₂ reduction, we will also increasingly approach investors who focus on sustainability in their investments.

Shares at a glance

WKN	A1JBPV
ISIN	DE000A1JBPV9
Ticker symbol	SW1
Type of shares	Ordinary no-par-value bearer shares
number of shares	5.85 million
Share capital	€ 5.85 million
Market capitalisation ¹⁾	€ 187.5 million
Free float	41.7%
Stock exchange	Frankfurt Stock Exchange
Market segment	Regulated market (Prime Standard)
First listing	7 July 2011
Designated sponsor	Commerzbank AG

¹⁾ Based on the closing price of € 30.50 on 28 September 2012.

Interim group management report

Business activity and framework conditions

Business activity and corporate structure

The SHW Group supplies automobile and commercial vehicle manufacturers with production sites in Europe, North and South America and China. The SHW Group acts as a first-tier supplier for numerous clients, meaning that it directly supplies the vehicle manufacturers. The SHW Group also supplies other automotive industry suppliers.

The SHW Group's business is divided into the Pumps and Engine Components business segment and the Brake Discs business segment. The main focus of the SHW Group's business activity is on developing and manufacturing products that contribute toward reducing fuel consumption, and therefore CO₂ emissions, in the automotive sector.

Leading European manufacturer of pumps and engine components

The Pumps and Engine Components segment is the SHW Group's largest business segment, with production facilities in Bad Schussenried and Aalen-Wasserralfingen.

Within Germany, the Company produces pumps for engines and gearboxes, vacuum pumps, water pumps, balancer shaft units and camshaft phasers for motor vehicles.

The SHW Group's Truck and Off-Highway division produces different types of pumps for trucks, agricultural and construction vehicles, as well as stationary engines and wind power stations.

In addition, the SHW Group manufactures engine components within its Powder Metallurgy division at the Aalen-Wasserralfingen production facility. Examples of these include gear sets and other pump components (e.g. rotors and adjustment rings) as well as other components for engines and gearboxes.

Sale of 50 percent stake in STT Technologies

Until recently SHW also had production sites in Canada and Mexico via its 50 percent interest in the Canadian company STT Technologies Inc. On 28 September 2012, SHW announced to sell its 50 percent share in STT to its joint venture partner. The contract was signed on 26 October 2012. Proceeds of just over € 42 million were received by SHW from the sale on 29 October 2012, which will result in a book profit before taxes of approx. € 40 million in the 4th quarter of 2012. STT is recorded as a discontinued operation in the quarterly report in accordance with IFRS 5. Previous years' figures have been adjusted accordingly. Further details can be found in the Notes from page 18 et seq.

Technological leader in the manufacture of brake discs for high-performance vehicles

The SHW Group is a technological leader in the manufacture of brake discs for high-performance vehicles. In its Brake Disc business segment, the SHW Group develops and manufactures monobloc ventilated brake discs made from cast iron as well as composite brake discs made from a combination of an iron friction ring and aluminium pot. The SHW Group has sites in Tuttlingen-Ludwigstal and Neuhausen ob Eck.

Pumps and Engine Components			Brake Discs
Bad Schussenried, Germany/ STT: Concord, Canada/Apodaca, Mexico (till 31 Oct. 2012)		Aalen-Wasserralfingen	Tuttlingen-Ludwigstal Neuhausen ob Eck
Passenger Car	Truck and Off-Highway	Powder Metallurgy	
Oil pumps for engines and gearboxes	Gearbox oil pumps	Sintered steel or aluminium components for camshaft phasers	Unprocessed monobloc ventilated brake discs
Variable oil pumps/ map-controlled pumps	Engine oil pumps	Gear sets	Ready-to-install monobloc ventilated brake discs
Oil/vacuum pumps	Fuel pumps	Sintered components for engines and transmissions	Composite brake discs
Water pumps	Electric pumps		
Balancer shafts			
Camshaft phasers			

Framework conditions

Risk of a break-up of the European Monetary Union largely averted – Eurozone economic outlook remains clouded

After the significant easing of the European Central Bank (ECB) and US Central Bank's monetary policy which contributed to an economic stabilisation in the first quarter of 2012, the sovereign debt crisis worsened again, dampening the economy as a result. However, the risk of a break-up of the European Monetary Union might largely be averted with the ECB's decision in September 2012 to purchase bonds. Nevertheless, the global economy should have continued to experience a downturn in the third quarter of 2012. Growth rates and patterns differ widely by country and region.

Early indicators available for the Eurozone suggest that economic performance dropped by a further 0.1 percent in the third quarter of 2012. The countries to particularly be affected are those where the financial policy has enforced a highly restrictive rate (Portugal, Greece, Italy, Spain and Ireland). After a strong start, the available data for Germany show that it will have finished the third quarter of 2012 with only a slightly positive result.

Positive trends have once again been seen in the Asian emerging markets, where economic indicators for China indicate a significant cooling of the economy. The Chinese Central Bank has used this as an opportunity to relax the monetary reins again. In Japan, the reconstruction following the tsunami and the Bank of Japan's relaxed monetary policy have fostered strong impetus to growth. In the US, the economic recovery continued, with the momentum for growth currently primarily coming from private consumption.

North American and Asian automobile markets continue to grow

With the exception of the Western European markets, the key automobile markets continue to show growth. Sales rose significantly in the first nine months of 2012, especially in the Asian passenger car markets and in the United States. In contrast, new car registrations in the European Union (EU-27) fell by 7.6 percent between January and September.

The picture was a very different one in the European high-volume markets. Growth was modest but positive in some markets (UK: + 4.3 percent) while sales figures showed a marked decline in others (Italy: - 20.5 percent; France: - 13.8 percent). The sharp fall in France's figures can be explained by a scrappage premium that inflated the sales figures in the comparable period last year. In the Italian passenger vehicle market, new car registration figures have declined for four years in a row. In Germany, the number of new car registrations remained 1.8 percent behind the previous year after a weak third quarter of 2012.

In contrast, in the USA, sales of passenger cars and light trucks rose by 14.5 percent to 10.86 million units compared to the previous year in the first nine months of 2012, against the backdrop of a brightening economic situation.

After a strong third quarter, demand for light vehicles (passenger cars and light trucks) on the Brazilian market rose by 5.5 percent to 2.67 million units in the first nine months of 2012 compared to the previous year.

In the first nine months of 2012, the Chinese passenger car market remained 6.9 percent above the level of the previous year with 11.27 million units sold.

The Japanese passenger car market benefited from high backlog demand for passenger vehicles and state support measures to achieve a marked increase of 41.5 percent to 3.66 million units.

Earnings, net assets and financial position of the SHW Group

Unless stated otherwise, earnings, net assets and financial position are each reported excluding STT.

K EUR	Q3 2012	Q3 2011	Change (%)	9M 2012	9M 2011	Change (%)
Sales	82,145	78,295	4.9%	253,114	236,376	7.1%
EBITDA	8,730	7,439	17.4%	27,756	22,224	24.9%
as % of sales	10.6%	9.5%	-	11.0%	9.4%	-
EBIT	5,555	5,190	7.0%	18,696	15,484	20.7%
as % of sales	6.8%	6.6%	-	7.4%	6.6%	-
Earnings after taxes – continuing operations	3,554	3,240	9.7%	12,389	11,881	4.3%
Adjusted EBITDA ¹⁾	8,730	7,492	16.5%	27,756	24,445	13.5%
as % of sales	10.6%	9.6%	-	11.0%	10.3%	-
Adjusted EBIT ¹⁾	5,595	5,283	5.9%	18,816	17,825	5.6%
as % of sales	6.8%	6.7%	-	7.4%	7.5%	-
Cash flow from operating activities (incl. STT)	-1,037	3,694	-	4,668	11,983	-61.0%
Cash flow from operating activities / sales	-1.3%	4.7%	-	1.8%	5.1%	-
Equity	-	-	-	65,884	50,637	30.1%
Equity ratio	-	-	-	35.3%	30.6%	-
Net bank debt (incl. STT)	-	-	-	23,014	14,167	62.4%

¹⁾ Adjusted for special effects, cf. Group reconciliation statement

Earnings position

Group sales considerably higher than in previous year: +7.1 percent

Group sales rose by 7.1 percent year on year in the first nine months of 2012, from € 236.4 million to € 253.1 million. The increase in sales was primarily due to numerous production start-ups and stable demand of SHW customers.

Cost of sales ratio improved

The cost of sales increased from € 206.6 million to € 220.5 million in the first nine months of 2012 compared with the previous year. Despite increased costs for temporary workers and energy, the cost of sales ratio decreased from 87.4% to 87.1% as a result of a shift in product mix towards higher-margin products and lower costs in the Brake Discs segment.

Selling expenses remained unchanged in the first nine months of 2012. The selling expenses ratio fell by 0.1 percentage points to 1.1 percent.

The € 0.6 million year-on-year increase in general administration expenses in the first nine of months of 2012 to € 5.8 million was due to additional staff and IT expenses, particularly relating to the introduction of SAP. The administration expenses ratio increased by 0.1 percentage points to 2.3 percent.

Other operating expenses and income (net) decreased by € 1.6 million in the first nine months of 2012 compared to the previous year. The € 2.2 million decrease is primarily due to the discontinuation of IPO costs.

Rise in research and development spending

Research and development cost rose to € 4.1 million in the first nine months of 2012, an increase of 20.4 percent compared to the previous year (previous year: € 3.4 million). In addition, € 1.4 million (previous year: € 1.2 million) was capitalised in development costs. Including these capitalised costs, R&D costs represented 2.2 percent of sales (previous year: 2.0 percent). In the Pumps and Engine Components business segment, the main focus was on developing variable oil pumps, start-stop pumps, oil/vacuum pumps, balancer shafts and camshaft phasers. In the Brake Discs segment, the focus was on the further development of lightweight brake discs.

EBITDA and EBITDA margins significantly improved

In the first nine months of 2012, Group earnings before interest, taxes, depreciation and amortisation (EBITDA) increased by € 3.3 million or 13.5 percent to € 27.8 million. The EBITDA margin correspondingly improved significantly from 10.3 percent to 11.0 percent. As a result of significantly increased depreciation, Group earnings before interest and taxes (adjusted EBIT) disproportionately improved by 5.6 percent to € 18.8 million (previous year: € 17.8 million).

Reconciliation statement: SHW Group

K EUR	Q3 2012	Q3 2011	9M 2012	9M 2011
Sales	82,145	78,295	253,114	236,376
Operating result (EBIT)	5,555	5,190	18,696	15,484
PPA ¹⁾ total	40	40	120	120
PPA ¹⁾ customer base	-	-	-	-
PPA ¹⁾ patents / licences	-	-	-	-
PPA ¹⁾ fixed assets	40	40	120	120
IPO expenses	-	53	-	2,221
Total adjustments	40	93	120	2,341
Adjusted EBIT	5,595	5,283	18,816	17,825
as % of sales	6.8%	6.7%	7.4%	7.5%
Other write-offs	3,135	2,209	8,940	6,620
Adjusted EBITDA	8,730	7,492	27,756	24,445
as % of sales	10.6%	9.6%	11.0%	10.3%

¹⁾ Depreciation arising from the purchase price allocation

Special effects in the first nine months of 2012

Depreciation arising from purchase price allocation during the reporting period totalled € 120 thousand.

Special effects in the first nine months of 2011

Expenses incurred for the preparation of the IPO in the first nine months of 2011 totalled € 2.2 million and are listed under "Other/Consolidation". Depreciation arising from the purchase price allocation totalled € 120 thousand.

Financial result

The financial result (net) changed, largely due to the shortfall of an income of € 2.0 million reported last year arising from the fair value measurement of a receivable, from € 0.4 million by € 1.8 million to € -1.4 million.

Taxes

Taxes on income and earnings increased by € 0.9 million in the first nine months of 2012 to € 4.9 million. The tax ratio increased from 25.3 percent to 28.5 percent. In the previous year, the extraordinary income arising from the fair value measurement was reported at a lower tax rate.

Earnings after taxes from continuing operations improved by 4.3 percent

The € 12.4 million earnings after taxes from continuing operations were 4.3 percent higher than the result for the comparative period of the previous year (€ 11.9 million). In the previous year, IPO expenses amounting to € 2.2 million and an extraordinary income arising from the fair value measurement of a receivable amounting to € 2.0 million were also included here. Earnings per share from continuing operations were € 2.12 compared to € 2.06 in the same period last year (based on a share capital of 5,851,100 and 5,780,366 ordinary bearer shares respectively).

Earnings after taxes from discontinued operations

Earnings after taxes from discontinued operations amounted to

€ 3.6 million. Further information can be found on page 18 of the Annex.

Net result for the period up by 20.1 percent

Overall, the € 16.0 million net profit for the period was 20.1 percent higher than the result for the comparative period of the previous year (€ 13.3 million). Earnings per share from continuing and discontinued operations in the first nine months of 2012 are € 2.73 compared with € 2.30 in the comparative period (based on a share capital of 5,851,100 and 5,780,366 ordinary bearer shares respectively).

Net asset position**Growth reflected in an increase in fixed assets, inventories and receivables**

At the end of the third quarter of 2012, the SHW Group's asset and financial position continues to be very sound. Compared to 30 September 2011, the balance sheet total had risen by € 21.3 million to € 186.7 million. Other intangible assets increased further as a result of the capitalisation of development costs and own work for the SAP project.

Tangible assets declined compared with 30 September 2011 due to the reclassification of the STT portion to non-current assets held for sale. The increase in business activity, particularly caused by production start-ups, led to an increase in inventories and trade receivables (adjusted for the STT proportion). Other current financial assets decreased compared to the comparable period in 2011 mainly due to the reclassification of the STT portion.

Compared to 31 December 2011, the balance sheet total showed an increase of € 12.9 million. In addition to an increase in other intangible assets, inventories and trade receivables of continuing operations rose due to the increase in business activity.

Financial position

Marked improvement in equity ratio to 35.3 percent

Group equity rose by € 15.2 million to € 65.9 million compared to 30 September 2011. This corresponds to an equity ratio of 35.3 percent compared with 30.6 percent as at 30 September 2011.

Compared with the end of 2011, equity was € 10.8 million higher, and the equity ratio rose from 31.7 percent to 35.3 percent. In May 2012, SHW AG distributed a dividend payment of € 1.00 per share to its shareholders, or € 5.9 million in total.

Demand-induced build-up of working capital influences free cash flow

Cash flow from operating activities (incl. STT) amounted to € 4.7 million as of 30 September 2012, € 7.3 million less than the previous year's € 12.0 million.

The € 2.7 million improvement in net profit for the period to € 16.0 million (previous year: € 13.3 million) was more than offset by the demand-induced build-up of working capital.

Investment activities led to a € 13.0 million outflow of funds in the first nine months of 2012 (previous year: € 14.8 million). This decrease is primarily due to lower investment in Canada.

Free cash flow for the first nine months of 2012 thus totalled € -8.3 million (previous year: € -2.8 million). This is a decrease of € 5.5 million compared with the first nine months of 2011.

Net bank debt increased

SHW Group's net bank debt (incl. STT) amounted to € 23.0 million as of 30 September 2012 (of which € 3.6 million were STT bank deposits) higher than the level at 31 December 2011 (€ 8.6 million) and that of 30 September 2011 (€ 14.2 million). Thereby the SHW Group (incl. STT) had liquid funds totalling € 3.6 million (previous year: € 7.7 million). The € 4.1 million decline in liquid funds was largely the result of further

syndicated loan repayments amounting to € 5.3 million and dividend payments of € 5.9 million.

In addition, the Group has access to a € 30 million credit facility, of which € 1.6 million had already been drawn on through sureties and € 9.9 million through borrowing at the reporting date.

Change in net bank debt (incl. STT)		
K EUR	9M 2012	9M 2011
Cash flow from operating activities	4,668	11,983
Cash flow from investment activities	-12,980	-14,797
Cash flow before financing activities (free cash flow)	-8,312	-2,814
Other	-6,081	2,032
Change in net bank debt	-14,393	-0,782

Investments

Investments (incl. STT) amounted to € 13.0 million in the first nine months of 2012 compared to € 14.8 million in the previous year. Of this sum, € 10.6 million was invested in the Pumps and Engine Components business segment (incl. STT) and € 1.1 million in the Brake Discs business segment. A further € 1.1 million was invested in the ongoing SAP project.

Increase in employee numbers mainly domestic

In the first nine months of 2012, the quarterly average number of employees at Group level increased from 1,063 to 1,156. Employee numbers at SHW Germany rose by 70 on average to 1,016 employees in the period from January to September 2012. The pro-rata average number of employees at our STT joint venture was 140, which represents an increase of 23 people compared to the figure at the same time last year. This was primarily due to the taking on of more employees in production.

Business Segments

Development of the Pumps and Engine Components business segment (excluding STT)

Increase in sales by 10.7 percent

During the first nine months of 2012, sales in the Pumps and Engine Components business segment rose by 10.7 percent compared to the same period last year to € 185.1 million (previous year: € 167.2 million).

Demand for variable oil pumps/start-stop pumps drives sales in the Passenger Car division

As part of the Pumps and Engine Components business segment, the Passenger Car division enjoyed increased demand for variable oil pumps, start-stop pumps as well as the start-up of an oil/vacuum pump for diesel vehicles. Sales in the Passenger Vehicles division rose by 12.0 percent from € 113.2 million in the first nine months of 2011 to € 126.8 million in the first nine months of 2012.

A cyclical fall in demand led to a decrease in sales in the Truck and Off-Highway division from € 2.1 million to € 21.7 million. In the Powder Metallurgy division sales involving third parties improved on last year's figure by 2.3 percent from € 21.3 million to € 21.8 million.

Key figures Pumps and Engine Components

K EUR	Q3 2012	Q3 2011	Change (%)	9M 2012	9M 2011	Change (%)
Sales	60,004	57,043	5.2%	185,133	167,218	10.7%
EBITDA	7,655	7,159	6.9%	24,115	21,973	9.7%
as % of sales	12.8%	12.6%	-	13.0%	13.1%	-
EBIT	5,300	5,723	-7.4%	17,501	17,752	-1.4%
as % of sales	8.8%	10.0%	-	9.5%	10.6%	-
Adjusted EBITDA ¹⁾	7,655	7,159	6.9%	24,115	21,973	9.7%
as % of sales	12.8%	12.6%	-	13.0%	13.1%	-
Adjusted EBIT ¹⁾	5,310	5,733	-7.4%	17,531	17,782	-1.4%
as % of sales	8.8%	10.1%	-	9.5%	10.6%	-

¹⁾ Adjusted for special effects, cf. reconciliation statement for Pumps and Engine Components business segment

EBITDA up by 9.7 percent

In the first nine months of 2012, the Pumps and Engine Components business segment reported an increase in earnings before interest, taxes, depreciation and amortisation (EBITDA) of € 2.1 million or 9.7 percent compared to the previous year, to € 24.1 million. The EBITDA margin totalled 13.0 percent (previous year: 13.1 percent) compared to the

previous year. Due to significantly higher depreciation as a result of numerous production start-ups, earnings before interest and taxes (EBIT) decreased by € 0.3 million compared to the previous year or by 1.4 percent to € 17.5 million (previous year: € 17.8 million). The corresponding EBIT margin dropped to 9.5 percent (previous year: 10.6 percent).

Reconciliation statement: Pumps and Engine Components

K EUR	Q3 2012	Q3 2011	9M 2012	9M 2011
Sales	60,004	57,043	185,133	167,218
Segment result (EBIT)	5,300	5,723	17,501	17,752
PPA ¹⁾ total	10	10	30	30
PPA ¹⁾ customer base	-	-	-	-
PPA ¹⁾ patents / licences	-	-	-	-
PPA ¹⁾ fixed assets	10	10	30	30
Total adjustments	10	10	30	30
Adjusted EBIT	5,310	5,733	17,531	17,782
as % of sales	8.8%	10.1%	9.5%	10.6%
Other write-offs	2,345	1,426	6,584	4,191
Adjusted EBITDA	7,655	7,159	24,115	21,973
as % of sales	12.8%	12.6%	13.0%	13.1%

¹⁾ Depreciation arising from the purchase price allocation

Development of the Brake Discs business segment

Key figures Brake Discs

K EUR	Q3 2012	Q3 2011	Change (%)	9M 2012	9M 2011	Change (%)
Sales	22,141	21,252	4.2%	67,981	69,158	-1.7%
EBITDA	1,248	499	150.1%	4,390	3,559	23.3%
as % of sales	5.6%	2.3%	-	6.5%	5.1%	-
EBIT	474	-266	-	2,066	1,262	63.7%
as % of sales	2.1%	-1.3%	-	3.0%	1.8%	-
Adjusted EBITDA ¹⁾	1,248	499	150.1%	4,390	3,559	23.3%
as % of sales	5.6%	2.3%	-	6.5%	5.1%	-
Adjusted EBIT ¹⁾	504	-236	-	2,156	1,352	59.5%
as % of sales	2.3%	-1.1%	-	3.2%	2.0%	-

¹⁾ Adjusted for special effects, cf. reconciliation statement for Brake Discs segment

Declining volumes offset by improved product mix

Brake disc sales decreased by a total of 7.5 percent in the first nine months of 2012 to 3,050,300 units. Sales of unprocessed brake discs reduced by around 350,000 units to 1,585,500 units, primarily due to the shortfall of an order for China and the expiry of a contract for a domestic OEM. In contrast, sales of processed brake discs increased by approx. 91,000 units to around 1,337,300 units due to increased demand from several OEMs. The number of composite brake discs sold improved by approx. 11,000 units to 123,900 units.

This significant improvement in the product mix nearly compensated for the drop in sales of unprocessed brake discs. During the first nine months of 2012, sales fell by 1.7 percent compared to the same period last year to € 68.0 million (previous year: € 69.2 million).

Positive earnings trend continues in the third quarter

After the start-up problems with a new production facility that incurred additional expenses in the third and fourth quarter of 2011 have been solved, the Brake Discs business segment is on course to achieve its profit targets. Earnings before interest, taxes, depreciation and amortisation (EBITDA) increased by 23.3 percent from € 3.6 million to € 4.4 million in the first nine months of 2012. The corresponding EBITDA margin amounted to 6.5 percent following 5.1 percent in the previous year. As a result of almost constant depreciation, earnings before interest and taxes (EBIT) increased by 59.5 percent to € 2.2 million (previous year: € 1.4 million).

Reconciliation statement: Brake Discs

K EUR	Q3 2012	Q3 2011	9M 2012	9M 2011
Sales	22,141	21,252	67,981	69,158
Segment result (EBIT)	474	-266	2,066	1,262
PPA ¹⁾ total	30	30	90	90
PPA ¹⁾ customer base	-	-	-	-
PPA ¹⁾ patents / licences	-	-	-	-
PPA ¹⁾ fixed assets	30	30	90	90
Total adjustments	30	30	90	90
Adjusted EBIT	504	-236	2,156	1,352
as % of sales	2.3%	-1.1%	3.2%	2.0%
Other write-offs	744	735	2,234	2,207
Adjusted EBITDA	1,248	499	4,390	3,559
as % of sales	5.6%	2.3%	6.5%	5.1%

¹⁾ Depreciation arising from the purchase price allocation

Opportunities and risks

There have not been any significant changes in the assessment of opportunities and risks for the SHW Group compared to the opportunities and risks discussed in the Annual Report (pages 43-46).

Outlook

Outlook for the global economy

The sovereign debt crisis remains unresolved, and, in the opinion of Commerzbank economists (Economic and Market Monitor, October/November 2012), continues to pose the greatest risk to the global economy.

For the Eurozone, the economic experts forecast a down of 0.4 percent for 2012 (as of 17 October 2012), meaning that the downward trend in the European economy is likely to persist into late autumn. As in the previous year, the differences between the individual euro member states are likely to remain substantial. The risks associated with the sovereign debt crisis will also affect Germany. Moderate growth in economic output of 0.5 percent is predicted for the year 2012.

The USA should also continue to experience a moderate recovery. As in previous years, the Asian emerging markets (China, India, Indonesia, Malaysia, the Philippines, and Thailand) will once again show strong growth rates. In China, more stringent economic policy and weaker global demand will slow GDP growth to around 7.5 percent. Despite current risks, the economic prospects and increasing disposable income in many emerging markets should offer a solid base in the fourth quarter for enabling the continued recovery of the global automobile industry in 2012.

Outlook for the industry

In their most recent update, industry experts at PwC Autofacts left their predictions for global light vehicle production (vehicles < 6t) largely unchanged. Overall, they predict growth of 5.9 percent to 79.1 million vehicles for 2012.

In contrast, PwC estimates a drop in production of 7.5 percent for the European Union, from 16.9 million vehicles to 15.6 million.

This significant decline can primarily be attributed to the slump in demand in Southern Europe that particularly affected manufacturers in France, Spain and Italy. As a result, vehicle production will decline by around 16 percent to 2.3 million units in France, by around 18 percent to 2.3 million units in Spain and by around 19 percent to 0.6 million units in Italy. Automotive experts at PwC now predict a decline in production figures of 4.0 percent in Germany for 2012. The decline is primarily due to weakening demand both domestically and from the other EU states.

In the US a clear increase in production of 19.1 percent to 10.1 million vehicles is expected as a result of continuing robust demand and attractive new model launches. The medium-term growth trend in the Chinese automobile market will remain intact during the current year. This is driven by further increases to incomes, and the penetration of passenger vehicles, which remains low.

Outlook for the Group

SHW significantly outperformed the underlying European automobile market in the first nine months of 2012 based on numerous production start-ups and an advantageous customer structure. Against the background of the strong nine-month figures, SHW continues to expect slight growth for the full year 2012. Group sales in October exceeded the previous year figure. However, there is an uncertainty about the production break of our customers at the end of the year. For the continuing operations, we expect group sales in the region of € 318 to 325 million (previous year: € 317 million). For the Pumps and Engine Components business segment we expect sales of around € 228 to 236 million (previous year: € 225 million) due to production start-ups, increasing sales contribution of variable oil pumps and electrical pumps for the start-stop function. The Brake Discs business segment is expected to generate sales at a lightly lower level than previous year. The Group EBITDA margin will likely meet prior year's level of approximately 10 percent.

Aalen, 8 November 2012

SHW AG Management Board

Dr. Wolfgang Krause Oliver Albrecht Andreas Rydzewski

Consolidated Interim Financial Statement (IFRS) as of 30 September 2012

Consolidated balance sheet (unaudited)

K EUR	Q3 2012	Q3 2011	9M 2012	9M 2011
Sales	82,145	78,295	253,114	236,376
Cost of sales	-71,682	-68,729	-220,501	-206,604
Gross profit	10,463	9,566	32,613	29,772
Selling expenses	-931	-869	-2,743	-2,788
General administration expenses	-1,905	-1,858	-5,839	-5,287
Research and development costs	-1,332	-1,046	-4,113	-3,415
Other operating income	1,068	1,426	3,221	4,137
Other operating expenses	-1,808	-2,029	-4,443	-6,935
Operating result	5,555	5,190	18,696	15,484
Financial income	-	60	1	2,148
Financial expenses	-489	-739	-1,378	-1,729
Earnings before taxes	5,066	4,511	17,319	15,903
Deferred taxes	-25	-70	-184	-587
Current income taxes	-1,487	-1,201	-4,746	-3,435
Earnings after taxes – continuing operations	3,554	3,240	12,389	11,881
Earnings after taxes – discontinued operations	1,338	527	3,596	1,433
Net income for the period	4,892	3,767	15,985	13,314
Earnings per share (continuing operations) (in €) ¹⁾	0.61	0.55	2.12	2.06
Earnings per share (continuing and discontinued operations) (in €) ¹⁾	0.84	0.64	2.73	2.30

¹⁾ Q3 2012; Q3 2011; 9M 2012: based on an average of 5,851,100 shares; 9M 2011: based on an average of 5,780,366 shares.

Statement of comprehensive income (unaudited)

K EUR	Q3 2012	Q3 2011	9M 2012	9M 2011
Net income for the period	4,892	3,767	15,985	13,314
Currency translation differences	288	76	623	-619
Change in the market value of hedging instruments	-	-3	-	-10
Variation (gross)	288	73	623	-629
Deferred taxes on changes in value stated under equity	-	1	-	3
Change in value stated under equity	288	74	623	-626
Capital increase	-	-	-	2,166
Consolidated statement of comprehensive income	5,180	3,841	16,608	14,854
from continuing operations	3,554	3,238	12,389	14,040
from discontinued operations	1,626	603	4,219	814
Minority interests in comprehensive income	-	-	-	-
SHW AG shareholders' share of comprehensive income	5,180	3,841	16,608	14,854

Consolidated balance sheet (unaudited)

K EUR	30.09.2012	31.12.2011	30.09.2011
Assets			
Customer base	—	—	—
Goodwill	7,055	7,055	7,055
Other intangible assets	10,777	8,552	6,431
Tangible assets (property, plant and equipment)	51,264	58,360	53,897
Deferred tax assets	2,890	3,401	3,248
Other financial assets	1,126	823	605
Non-current assets	73,112	78,191	71,236
Inventories	38,999	37,741	33,907
Trade receivables	47,164	45,059	50,060
Loans to affiliated companies	—	—	—
Other financial assets	90	748	1,087
Other assets	645	1,345	1,389
Cash and cash equivalents	71	10,682	7,722
Current assets	86,969	95,575	94,165
Assets held for sale	26,632	—	—
Balance sheet total	186,713	173,766	165,401
K EUR	30.09.2012	31.12.2011	30.09.2011
Equity and liabilities			
Subscribed capital	5,851	5,851	5,851
Capital reserve	14,780	14,780	14,780
Revenue reserves	43,551	33,417	29,733
Other reserves	1,702	1,079	273
Total equity	65,884	55,127	50,637
Pension accruals and similar obligations	22,753	22,983	22,985
Deferred tax liabilities	2,867	3,194	2,341
Other accruals	2,855	2,984	2,908
Other financial liabilities	119	130	147
Liabilities to banks	0	11,250	16,875
Non-current liabilities and accruals	28,594	40,541	45,256
Liabilities to banks	26,660	8,053	5,014
Trade payables	33,853	42,166	38,441
Other financial liabilities	6,583	11,511	9,439
Income tax liabilities	1,286	950	1,553
Other accruals	4,895	8,858	7,816
Other liabilities	7,794	6,560	7,245
Current liabilities and accruals	81,071	78,098	69,508
Liabilities associated with non-current assets held for sale	11,164	—	—
Balance sheet total	186,713	173,766	165,401

Statement of changes in Group equity (unaudited)

K EUR	Subscribed capital	Capital reserves	Revenue reserves	Other reserves	Total equity
Position as of 1 January 2011	5,500	12,965	16,419	899	35,783
of which from discontinued operations	—	—	—	892	—
Capital increase	351	1,815	—	—	2,166
Foreign currency translation	—	—	—	-619	-619
Changes in the market value of hedging instruments	—	—	—	-7	-7
Total result recognised directly in equity	351	1,815	—	-626	1,540
Net profit for the period to 30 September 2012	—	—	13,314	—	13,314
Total net result for the period	351	1,815	13,314	-626	14,854
Position as of 30 September 2011	5,851	14,780	29,733	273	50,637
of which from discontinued operations	—	—	—	273	—
Position as of 1 January 2012	5,851	14,780	33,417	1,079	55,127
of which from discontinued operations	—	—	—	1,079	—
Capital increase	—	—	—	—	—
Foreign currency translation	—	—	—	623	623
Change in the market value of hedging instruments	—	—	—	—	—
Total result recognised directly in equity	—	—	—	623	623
Net profit for the period to 30 September 2012	—	—	15,985	—	15,985
Total net result for the period	—	—	15,985	623	16,608
Dividends paid	—	—	-5,851	—	-5,851
Position as of 30 September 2012	5,851	14,780	43,551	1,702	65,884
of which from discontinued operations	—	—	—	1,702	—

Consolidated cash flow statement (unaudited)

K EUR	01.01. 2012– 30.09. 2012	01.01. 2011– 30.09. 2011
Net cash flow from operating activities		
Net income for the period	15,985	13,314
Depreciation/amortisation on fixed asset items (+)	10,764	7,722
Income tax expenses through profit or loss (+)	5,762	3,979
Income tax paid (-)	-4,101	-3,272
Financing costs through profit or loss (+)	1,377	1,733
Interest paid (-)	-425	-522
Financial investment income through profit or loss (-)	-27	-225
Interest received (+)	27	618
Increase (+)/decrease (-) in accruals	-2,424	-1,676
Changes in deferred taxes	405	661
Other non cash-effective expenses (+)/income (-)	-904	-1,261
Gain (-)/loss (+) on the disposal of assets	-2	-1
Increase (-)/decrease (+) in inventories, trade receivables and other current assets	-17,653	-15,474
Increase (+)/decrease (-) in trade payables and other current liabilities	-4,116	6,387
Net cash flow from operating activities	4,668	11,983
Cash flow from investment activities		
Cash received (+) from disposals of tangible assets	2	1
Cash paid (-) for investments in tangible assets	-10,346	-12,643
Cash paid (-) for investments in intangible assets	-2,636	-2,155
Cash flow from investment activities	-12,980	-14,797
Cash flow from financing activities		
Proceeds from new borrowings	9,930	—
Cash paid (-) for the redemption of financial liabilities	-2,625	-11,625
Distributions to shareholders	-5,851	—
Cash received from the disposal of financial assets	—	2,196
Payments for investments in financial assets	-360	—
Cash flow from financing activities	1,094	-9,429
Cash and cash equivalents at the end of the period		
Cash-effective changes in cash and cash equivalents (subtotal of lines 1–3)	-7,218	-12,243
Exchange rate-related changes in cash and cash equivalents	182	-237
Cash and cash equivalents at the beginning of the period	10,682	20,202
Cash and cash equivalents at the end of the period	3,646	7,722

Selected explanatory notes

Basis of and methods used in consolidated interim financial statements

These abridged, unaudited consolidated interim financial statements of SHW AG, Wilhelmstrasse 67, 73433 Aalen, Germany, and its subsidiaries (hereinafter referred to as the SHW Group) to 30 September 2012 were prepared in accordance with the provisions of the International Accounting Standard on interim financial reporting (IAS 34) and § 315a HGB (German Commercial Code) in conjunction with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as applicable in the European Union (EU) as of the interim reporting date.

These consolidated interim financial statements do not include all of the information that year-end consolidated financial statements are required to include in accordance with IAS 34. These statements must therefore be read together with the consolidated financial statements for the financial year 2011.

SHW AG is an Aktiengesellschaft, or public limited company, under German law and is entered in the commercial register under HRB 726621. The Group's principal activity is the manufacture and sale of pumps, engine components and brake discs. Its customers are mainly automotive manufacturers and suppliers.

These consolidated interim financial statements were referred to the Supervisory Board by the Management Board on 30 October 2012 and cover the period 1 January to 30 September 2012 as compared with the same period in 2011. The asset position (balance sheet) is presented in comparison with the figures as of 31 December 2011 and 30 September 2011. The consolidated interim financial statements are denominated in euro (€). Unless specified otherwise, the figures shown are stated in thousand euros (K EUR).

In the Management Board's view, the consolidated interim financial statements include all of the usual, regular adjustments required for an appropriate presentation of the Group's earnings, net assets and financial position. The accounting and valuation methods used for the first nine months of 2012 correspond to those used in the consolidated financial statements to 31 December 2011. These methods are described in detail in the notes to the financial statements to 31 December 2011.

Income tax expenses are stated for interim periods on the basis of the best estimate of the weighted average annual income tax rate anticipated for the full year.

As stated in the consolidated financial report of 31 December 2011, the new International Accounting Standards that came into force at the start of the 2012 financial year (IAS 12, IFRS 13) have not led to any significant differences in the interim or consolidated financial reports.

In preparing consolidated interim financial statements to IFRS, estimates and assessment must to some extent be made in relation to the balance sheet assets and liabilities and stated contingent claims and liabilities as of the reporting date and to the stated income and expenses for the reporting period. The actual figures may differ from the estimates.

Discontinued operations

On 28 September 2012, SHW Automotive GmbH announced that it had agreed the sale of its 50percent share of STT Technologies Inc. to its joint venture partner. At the same time, the pending arbitration process with the International Chamber of Commerce was thereby ended by mutual agreement. The transaction was concluded on 26 October 2012.

STT is shown in this quarterly report as a discontinued operation in the sense of IFRS 5. As a result, the following comprehensive disclosure and measurement changes have been made: In the income statement, sales, expenses and income are shown excluding STT. Earnings after taxes of STT are reported in a separate line as "Earnings from discontinued operations". The previous year is adjusted accordingly. In the balance sheet, the outgoing assets are reported in a separate line, "Assets held for sale", and liabilities are reported in a separate line "Liabilities associated with non-current assets held for sale". The Group cash flow statement is presented including STT.

Scope of consolidation

The consolidated interim financial statements to 30 September 2012 cover, in addition to SHW AG, the financial statements of SHW Automotive GmbH and SHW Zweite Beteiligungs GmbH. The joint venture STT Technologies Inc., Concord, Ontario, Canada, in which the SHW Group held a 50 percent stake, is reported as a discontinued operation as per IFRS 5. There have been no other changes to the scope of consolidation as of 31 December 2011.

The exchange rate of the Canadian dollar developed as follows during the reporting period:

	Q3 2012	Q3 2011	9M 2012	9M 2011
Average	1.2455	1.3839	1.2850	1.3746
Reporting date	1.2641	1.4040	1.2641	1.4040

Statement of comprehensive income, balance sheet

Group sales from continuing operations increased by € 16.7 million on the previous year to € 253.1 million in the first nine months of 2012. The increase in sales was primarily due to numerous productions start-ups and the stable demand from SHW customers.

Other operating expenses fell by € 2.5 million in 2012 compared to the same period last year, primarily due to the shortfall of IPO costs amounting to € 2.2 million.

Earnings before taxes rose in the reporting period by 8.9 percent from € 15.9 million to € 17.3 million, reflecting the SHW Group's positive year-on-year development. The tax ratio was 28.5 percent in the first nine months of 2012 compared to 25.3 percent in the same period of the previous year.

Other intangible assets rose by € 2.2 million in relation to the previous year and € 4.3 million compared to 31 December 2011 due to the capitalisation of development costs and own work for the SAP project.

Trade receivables fell by € 2.9 million compared to the previous year. If the trade receivables of STT, amounting to € 9.3 million, were included, this would result in an increase of € 6.4 million.

Net bank debt (excluding STT) totalled € 26.6 million at the balance sheet date, € 18.0 million higher than at 31 December 2011. The increase was caused by non-consideration of the liquid funds of STT (€ 3.6 million), the payment of dividends totalling € 5.9 million and the increase in working capital.

Non-current financial assets rose by € 0.3 million compared to the end of 2011 due to the origination of a non-current loan to our subsidiary SHW do Brasil. Current financial assets fell by € 0.7 million - largely as a result of the reclassification of STT.

Discontinued operations

Earnings from discontinued operations comprise the following income and expenses:

	Q3 2012	Q3 2011	9M 2012	9M 2011
K EUR				
Sales	15,783	11,161	46,782	31,274
Cost of sales	-13,549	-9,768	-40,430	-27,921
Gross profit	2,234	1,393	6,352	3,353
Other expenses	-488	-622	-1,552	-1,345
Operating result	1,746	771	4,800	2,008
Financial result	10	14	27	46
Earnings before taxes	1,756	785	4,827	2,054
Taxes	-418	-258	-1,231	-621
Earnings after taxes	1,338	527	3,596	1,433

The assets and liabilities held for sale are comprised as follows:

K EUR	30.09.2012
Assets	
Fixed assets	7,393
Trade receivables	9,288
Inventories	5,038
Cash and cash equivalents	3,575
Other current assets	1,338
Total assets	26,632

K EUR	30.09.2012
Equity and liabilities	
Non-current liabilities	362
Current liabilities	10,802
Total equity and liabilities	11,164

STT generated the following cash flows:

K EUR	01.01. 2012 – 30.09.2012
Cash flow from operating activities	3,560
Cash flow from investment activities	-1,472
Cash flow from financing activities	-2,667
Exchange rate-related changes in cash and cash equivalents	182
Cash and cash equivalents at the beginning of the period	3,972
Cash and cash equivalents at the end of the period	3,575

Equity

The change in equity compared with 31 December 2011 results from the net income for the period in the first nine months of 2012 less a € 5.9 million dividend payment. The equity ratio increased to 35.3 percent compared to 31.7 percent at the end of 2011.

Other current financial liabilities fell by € 4.9 million compared to the 2011 year end to € 6.6 million, the largest items being provisions for outstanding invoices amounting to € 6.0 million.

Other current provisions fell by € 4.0 million in comparison with the previous year end, mainly as a result of the use of provisions for warranties, property transfer tax and outstanding costs.

Segment reporting

Since 2009, segment reporting has been based on the management approach. Operating segments are determined on the basis of internal reports as per IFRS 8 that are used

regularly by the Chief Operation Decision Maker to decide on the distribution of resources and to estimate profitability. The profitability of individual business segments is established on the basis of the operating result (EBIT). The EBIT of the business segments is determined in accordance with IFRS, as is the operating result of the Group. The assets and liabilities of each segment are also established on the basis of IFRS. Financial expenses, financial income and income tax are managed at the Group level. The Pumps and Engine Components business segment manufactures pumps and sintered metallurgy products for the automobile industry. The Brake Discs business segment produces untreated and processed brake discs for the automobile industry. Transactions between the divisions are essentially based on market conditions identical to those that apply to transactions with third parties.

Information for the Pumps and Engine Components business segment includes STT for the time being. The STT portion is then eliminated in the line "Other elimination / consolidation".

Segment reporting (unaudited) for the period 1 July to 30 September 2012

	Pumps and Engine Components		Brake discs		Other eliminations/consolidations		Group	
	2012	2011	2012	2011	2012	2011	2012	2011
K EUR								
External sales	75,536	68,205	22,141	21,252	-15,532	-11,162	82,145	78,295
Sales between the segments	45	52	—	—	-45	-52	—	—
Segment sales	75,581	68,257	22,141	21,252	-15,577	-11,214	82,145	78,295
Segment result	7,046	6,494	474	-266	-1,965	-1,038	5,555	5,190
Financial result	—	—	—	—	-489	-679	-489	-679
Net result before taxes	7,046	6,494	474	-266	-2,454	-1,717	5,066	4,511
Systematic segment depreciation	2,980	1,745	774	765	-579	-261	3,175	2,249
Segment capital investments	3,273	3,948	295	1,947	127	-481	3,695	5,414
Major segment expenses	—	—	—	—	—	53 ¹⁾	—	53 ¹⁾
Number of customers representing sales								
> 10% of total sales	2	2	2	2	—	—	3	2
VW Group	23,049	21,306	9,890	12,181	—	—	32,939	33,487
BMW Group	7,101	7,439	2,217	2,114	—	—	9,318	9,553
Daimler Group	12,909	—	81	—	—	—	12,990	—

¹⁾ IPO costs, without effect on taxes

Segment reporting (unaudited) for the period 1 January to 30 September 2012

	Pumps and Engine Components		Brake discs		Other eliminations/consolidations		Group	
	2012	2011	2012	2011	2012	2011	2012	2011
K EUR								
External sales	231,664	198,493	67,981	69,158	-46,531	-31,275	253,114	236,376
Sales between the segments	251	145	—	—	-251	-145	—	—
Segment sales	231,915	198,638	67,981	69,158	-46,782	-31,420	253,114	236,376
Segment result	22,301	19,760	2,066	1,262	-5,671	-5,538	18,696	15,484
Financial result	—	—	—	—	-1,377	419	-1,377	419
Net result before taxes	22,301	19,760	2,066	1,262	-7,048	-5,119	17,319	15,903
Systematic segment depreciation	8,318	5,203	2,324	2,297	-1,582	-760	9,060	6,740
Segment capital investments	10,631	10,631	1,125	3,119	-246	-1,933	11,510	11,817
Major segment expenses	—	—	—	—	—	2,221 ¹⁾	—	2,221 ¹⁾
Number of customers representing sales								
> 10% of total sales	3	2	2	2	—	—	3	2
VW Group	64,982	64,000	35,268	39,630	—	—	100,250	103,630
Daimler Group	35,236	—	454	—	—	—	35,690	—
BMW Group	24,441	21,548	6,506	5,992	—	—	30,947	27,540

¹⁾ IPO costs, without effect on taxes

Development of Group sales by region

Regional sales distribution is stated on the basis of the customer's head office location. The following provides an overview of SHW Group's sales by region (excluding STT):

	Q3 2012	Q3 2011	9M 2012	9M 2011
K EUR				
Germany	55,141	46,692	156,730	139,364
Rest of Europe	25,717	30,106	92,229	92,264
USA	1,099	697	3,536	1,956
Other	188	800	619	2,792
Group	82,145	78,295	253,114	236,376

Events since the balance sheet date

The sale of the 50percent share in STT was completed on 26 October 2012. Proceeds of just over € 42 million were received by SHW from the sale on 29 October 2012, which will result in a book profit before taxes of approx. € 40 million for the 4th quarter of 2012.

Governing bodies, related party transactions

The members of the Supervisory Board are:

Anton Schneider, Cologne, Chairman
Managing Director,
Nordwind Capital Zweite Industriebeteiligungen GmbH

Dr. Martin Beck, Munich, Deputy Chairman
Managing Director,
Nordwind Capital Erste Industriebeteiligungen GmbH;

Dr. Hans Albrecht, Munich
Managing Director,
Nordwind Capital Erste Industriebeteiligungen GmbH;

Christian Brand, Karlsruhe
Chairman of the Management Board,
L-Bank Staatsbank für Baden-Württemberg

Edgar Kühn, Aalen
Chairman of the central works committee, SHW Automotive GmbH,
Chairman of the works committee, SHW Automotive GmbH,
Aalen-Wasseralfingen site

Ernst Rieber, Bad Saulgau
Chairman of the works committee, SHW Automotive GmbH,
Bad Schussenried site

Sureties provided and other financial obligations

In the first nine months of 2012, there were no material changes to the sureties provided and other financial obligations stated in the consolidated financial statements for 2011.

Aalen, 8 November 2012

SHW AG Management Board

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The interim report is also available in English. In cases of doubt, the German version shall prevail.

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