

Press release

## **PWO: AGM passes all resolutions**

- **Harmonious 87th Ordinary AGM**
- **Shareholders support growth strategy**
- **Various capital increase options approved**
- **Supervisory and Management board discharged by large majority**
- **Good start to the 2010 financial year has continued**

Oberkirch, May 26, 2010 - The 87th Ordinary AGM of Progress-Werk Oberkirch AG at the company's headquarters in Oberkirch proceeded harmoniously, and all resolutions were passed with large majorities. The Supervisory and Management boards were also discharged by a large majority.

In the presence of around 200 shareholders, shareholder representatives and guests gathered at the Erwin-Braun-Halle in Oberkirch, Karl M. Schmidhuber, CEO of Progress-Werk Oberkirch AG, explained the key developments of the 2009 financial year. Following the unparalleled sales plunge in the automotive industry at the end of 2008 due to the financial and economic crisis, in the 2009 financial year PWO primarily concentrated on dealing with the consequences of this crisis, and on averting permanent damage to the company. In this context, extensive and consistent adjustment measures allowed Group earnings (EBIT) to be continually improved over the course of the year, enabling a clearly positive EBIT to be achieved again by as early as the fourth quarter of 2009. In overall terms, PWO managed to steer its way through one of the most difficult years in its history, to secure core workforce jobs, and to maintain the full scope of the Group's growth prospects.

The 2010 financial year started on a better than anticipated note. Compared to the extremely weak prior-year quarter, revenue and total output in the first quarter of 2010 were up by 48.4 percent to EUR 61.4 million, and by 50.7 percent to EUR 64.8 million respectively. A significantly positive result for the period of EUR 1.6 million (previous year: EUR -4.6 million) reflected higher business volumes, and consequently also stronger capacity utilisation, as well as the far-reaching cost-reduction measures implemented in 2009, which continue to exert an effect. This positive trend has continued during the weeks since the end of the first quarter. This underpins the target of a positive net profit for the year in the 2010 financial year, presupposing that there is no renewed economic crisis.

CEO Karl M. Schmidhuber commented as follows: "PWO regards itself as optimally equipped to structure future growth irrespective of our sector's normal cyclical fluctuations. Our significantly expanded international presence, innovative solutions in new product areas, and our recognised quality philosophy represent our growth drivers in the competitive environment."

## Resolutions approved by a large majority

The resolution on the allocation of net income of Progress-Werk Oberkirch AG was approved by a ratio of more than 99 percent. Both the Management and Supervisory boards were discharged with an approval ratio of more than 99 percent. The same applies to the confirmation of Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, as the auditor of both Progress-Werk Oberkirch AG and the Group.

The management had proposed the approval of various capital increase options, including an authorisation to issue option and convertible debentures. All of the proposals were accepted by shareholders with a share of more than 99 percent. These provisory resolutions provide the company with financing flexibility over the next few years, during which growth of around 15 percent per annum is expected. In connection with these approvals, the nominal value per share was increased from EUR 2.56 to EUR 3.00 out of shareholder funds.

The bylaw amendment relating to the remuneration of Supervisory Board members, and the bylaw adaptation to reflect the Shareholder Guidelines Implementation Act (ARUG), were approved by majorities of more than 99 percent.

Progress-Werk Oberkirch AG

The Management Board

### **PWO company profile**

PWO is one of the world's leading suppliers of advanced metal components for automobile safety and comfort. The company has developed unique knowledge in the forming and joining of metals over the course of its 90-year history since it was founded in 1919. The German location at Oberkirch today employs around 1,100 staff members. The Group is globally represented with further sites in China, Canada, Mexico and the Czech Republic, and employs around 1,900 staff around the world.

PWO is a partner to the global automotive industry for the development and production of innovative products in the areas of "Mechanical components for electrical and electronic applications", "Safety components for airbags, seats and steering" and "Components and systems for vehicle bodies and chassis".

Series orders currently on hand will result in significant growth at all sites over the next two years, irrespective of full market recovery.