

## Positioning and product areas

PWO is one of the world's leading suppliers of high-end metal components and subsystems for automobile safety and comfort.

PWO operates in three product segments, each accounting for around one-third of Group sales revenue:

- Mechanical components for electrical and electronic applications
- Safety components for airbags, seats and steering
- Structural comp./systems for vehicle bodies and chassis

We have a strong position in our target markets. Within the OEM segment, we maintain direct business relations with BMW, Daimler, Ford, GM, Skoda, Volvo and VW. Our customer base among the Tier 1 suppliers includes Bosch, Brose, Continental, Faurecia, Johnson Controls, Keiper, Kolbenschmidt Pierburg, ThyssenKrupp Bilstein, TRW, Valeo, Vibracoustic, Visteon, Wabco and ZF.

We are internationally present with our own production sites in Germany, China, Canada, Mexico and the Czech Republic. Other international regions are covered by long-standing cooperation partners.

## Investment case

- Sustainable high growth potential beyond the cyclical recovery as large new series productions will ramp-up 2010 to 2012
- Growth potential from regional sales markets and new product solutions far from being exhausted
- Group cost structure significantly improved during the recession, thereby expanding earnings prospects
- Peak of burden relating to internationalisation has been passed. International sites will make increasingly positive contributions to Group earnings
- Business model proved to be successfully focused on revenue and earnings growth, as well as risk limitation

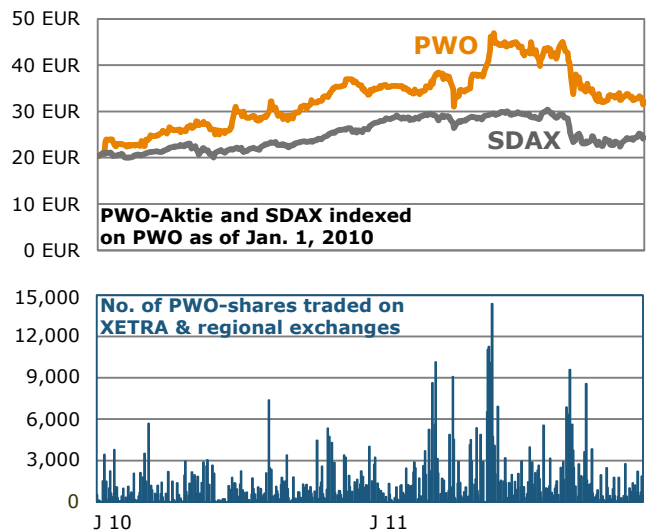
## Prospects

In the current business year 2011 we will exceed our previous sales forecast and will realise more than EUR 300 million sales prior to passing on materials price increases. In 2012 a further significant rise to around EUR 350 million is expected.

The EBIT should increase significantly from around EUR 19 million in 2011 to more than EUR 26 million in 2012. Oberkirch remains the high-margin, high-tech centre of the Group. The international sites will successively increase their earnings strength.

The current inflow of new orders is meanwhile significantly above the level that was previously normal for PWO. As a consequence, we remain optimistic for our medium-term growth, and we are assuming, that we will increase our revenue in 2013 and 2014 clearly. At the same time, The Group's profitability is also to be constantly strengthened.

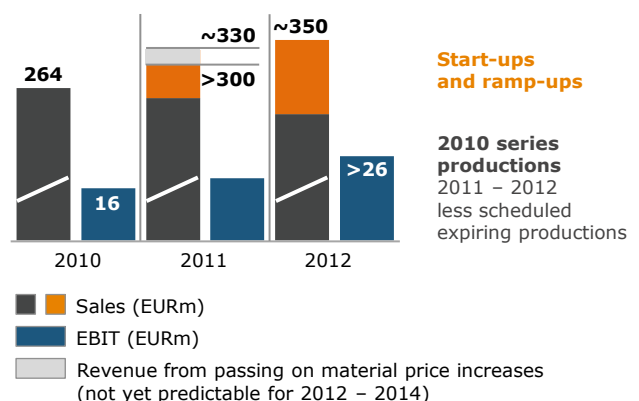
## Share prices and trading volumes



## Valuation

Price (EUR)	<b>32.2</b>
Market Capitalisation (EURm)	<b>80.5</b>
Enterprise Value (EURm)	<b>169.6</b>
Sales 2011e (EURm)	<b>~ 330.0</b>
EBIT 2011e (EURm)	<b>~ 19.0</b>
Dividend per share for FY 2010 (EUR)	<b>1.0</b>
Price/sales	<b>~ 0.2</b>
EV/sales	<b>~ 0.5</b>
Price/EBIT	<b>~ 4.2</b>
EV/EBIT	<b>~ 8.9</b>
Yield	<b>3.1</b>

## Strong growth of sales and EBIT visible



## Business model

PWO is a partner to the global automobile industry. We have built a brand that has become synonymous with high-end metal components designed to deliver automotive safety and comfort.

The comprehensive support of our customers is therefore our philosophy – as integral part of their value chains in the global sales markets.

Along the entire value chain we cover the full range of customised development, tooling and international series production.

## Company history

### 1919-1993

Extensive product range:

- Tyre pumps, motor scooters, field kitchens, stamped, drawn and pressed parts
- From 1960 focus on defence and automobile sector

### 1994-1998

Sole focus on automobile industry and start of establishment of current product range as well as international customer base

- First acquisition of a foreign production facility in Canada

### 1999-2002

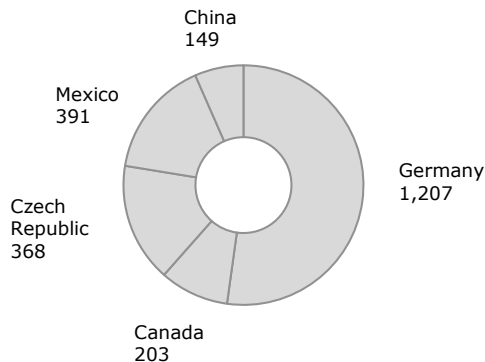
Strengthening of market position and expansion of product range

### Since 2003

Swift expansion of international market presence

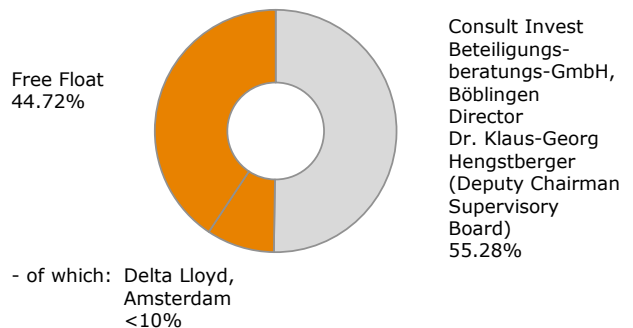
- 2004: Management Board extended to three members
- 2005: Market entry Czech Republic
- 2006: Market entry China
- 2007: Market entry Mexico

## Breakdown of employees



Total: 2,318 employees as of September 30, 2011

## Shareholder structure



Based on 2.5m shares as of November 2, 2011  
Sources: WpHG notifications, own analysis

## Future-oriented statements and forecasts

This document contains future-oriented statements that are based on current assumptions, expectations, estimates, forecasts and other information currently available to the PWO Management Board, and on assumptions, expectations, estimates, forecasts and budgets that are derived from these. The future-oriented statements should not be understood as guarantees of future developments and results that are mentioned therein. Various known and unknown risks and uncertainties, as well as other factors may result in actual developments and results diverging significantly from estimates that are mentioned here explicitly or are contained implicitly. These factors include those that PWO has described in published reports, and which are available on the PWO website at [www.progress-werk.de](http://www.progress-werk.de). Irrespective of statutory regulations, PWO accepts no obligation to update such future-oriented statements, and to adjust them to future events or developments.

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