

COURTESY TRANSLATION ONLY

SKW Stahl-Metallurgie Holding AG, Unterneukirchen

ISIN DE000SKWM021

German Securities Code (WKN) SKWM02

Invitation to the Annual Shareholders' Meeting

The Executive Board of SKW Stahl-Metallurgie Holding AG, Unterneukirchen (Germany), herewith invites the shareholders of SKW Stahl-Metallurgie Holding AG to the Annual Shareholders' Meeting on

Tuesday, June 11, 2013,
at **10.00 am (CET+DST)**

at

**Haus der Bayerischen Wirtschaft
Max-Joseph-Str. 5
80333 Munich
Germany**

I. Agenda

- 1. Presentation of the adopted and audited annual financial statements and the approved and audited consolidated financial statements and the combined management report including the explanatory report by the Executive Board on the information within the meaning of Sections 289 (4) and (5) and 315 (4) of the Handelsgesetzbuch (HGB – German Commercial Code), as well as the report of the Supervisory Board, for business year 2012 in each case.**

These documents and the Executive Board's proposal for the appropriation of net profits can be inspected in the offices of SKW Stahl-Metallurgie Holding AG at the company's registered office (Rathausplatz 11, 84759 Unterneukirchen, Germany) during business hours. Copies of the aforementioned documents will be sent to shareholders free of charge and without delay upon request. From the date on which the Annual Shareholders' Meeting is called, the aforementioned documents are available on SKW Stahl-Metallurgie Holding AG's web site (<http://www.skw-steel.com/investor-relations/hauptversammlung/hauptversammlung-aktuell/>) and are available for inspection during the Annual Shareholders' Meeting.

The Supervisory Board has already approved the annual financial statements and consolidated financial statements prepared by the Executive Board; the financial statements are thus adopted. In line with the statutory regulations, no resolution thus has to be passed on agenda item 1.

2. Resolution on the appropriation of the distributable net profit

The Executive and Supervisory Boards propose utilizing the net retained profits of SKW Stahl-Metallurgie Holding AG totaling EUR 12,395,167.00 recorded in business year 2012 as follows:

Disbursement of a dividend of EUR 0.50 per entitled no-par value share	= EUR 3,272,465.00
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and carrying forward the remaining amount to new account	= EUR 9,122,702.00
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The above total dividend and the above remaining amount to be carried forward to new account are based on the dividend-entitled share capital of EUR 6,544,930.00 comprising 6,544,930 ordinary no-par value shares on March 11, 2013 (date on which the annual financial statements were prepared). If the number of dividend-entitled ordinary no-par value shares for the past business year 2012 should change until the Annual Shareholders' Meeting, the Executive Board and Supervisory Board will propose a correspondingly modified motion to the Annual Shareholders' Meeting, which will include an unchanged dividend of EUR 0.50 per dividend-entitled ordinary no-par value share and a correspondingly adjusted profit carried forward.

The dividend will be paid after the Annual Shareholders' Meeting. Payment is expected to be made starting from June 12, 2013.

3. Resolution to ratify the acts of the members of the Executive Board for business year 2012

It is intended that the resolution on this agenda item will be executed separately for each individual member of the Executive Board.

The Executive and Supervisory Boards propose:

- a) to ratify the acts of Ms. Ines Kolmsee for her period of office as a member of the Executive Board in business year 2012,
- b) to ratify the acts of Mr. Reiner Bunnenberg for his period of office as a member of the Executive Board in business year 2012,
- b) to ratify the acts of Mr. Oliver Schuster for his period of office as a member of the Executive Board in business year 2012.

4. Resolution to ratify the acts of the members of the Supervisory Board for business year 2012

It is intended that the resolution on this agenda item will be executed separately for each individual member of the Supervisory Board.

The Executive and Supervisory Boards propose:

- a) to ratify the acts of Mr. Titus Weinheimer for his period of office as a member of the Supervisory Board in business year 2012,
- b) to ratify the acts of Mr. Armin Bruch for his period of office as a member of the Supervisory Board in business year 2012,
- c) to ratify the acts of Ms. Sabine Kauper for her period of office as a member of the Supervisory Board in business year 2012,
- d) to ratify the acts of Dr. Dirk Markus for his period of office as a member of the Supervisory Board in business year 2012,
- e) to ratify the acts of Mr. Jochen Martin for his period of office as a member of the Supervisory Board in business year 2012,
- f) to ratify the acts of Dr. Christoph Schlünken for his period of office as a member of the Supervisory Board in business year 2012.

5. Resolution to ratify the acts of the former member of the Executive Board Gerhard Ertl for business year 2011

The Annual Shareholders' Meeting on June 14, 2012 had resolved to postpone the resolution on the ratification of the acts of Mr. Gerhard Ertl, who was a member of the Executive Board of SKW Stahl-Metallurgie Holding AG until September 30, 2011, for business year 2011.

As the litigation with Mr. Ertl has still not been completed, the Executive and Supervisory Boards propose to once again postpone the resolution on ratifi-

cation of the acts of Mr. Gerhard Ertl for his period of office as a member of the Executive Board in business year 2011.

6. Resolution to appoint the auditors for the single-entity and consolidated financial statements for the business year 2013

The Supervisory Board, supported by the audit committee's recommendation, moves to appoint Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Rosenheimer Platz 4, 81669 Munich, Germany, as the auditor for the single-entity and consolidated financial statements for business year 2013.

II. Further information and instructions

1. Total number of shares and voting rights

On the date the Annual Shareholders' Meeting was called, the share capital of SKW Stahl-Metallurgie Holding AG amounted to EUR 6,544,930.00 and was divided into 6,544,930 no-par value shares. The shares are registered shares. Each share grants one vote. As a rule, the company is not due any voting rights from its treasury shares. On the date the Annual Shareholders' Meeting was called, the company did not hold any treasury shares. As a result there are 6,544,930 voting rights.

2. Conditions for participation in the Annual Shareholders' Meeting and exercising voting rights

Shareholders are authorized to participate in the Annual Shareholders' Meeting of SKW Stahl-Metallurgie Holding AG ("Company") and to exercise their voting rights - personally or by proxy - if they register with the Company **at the latest by June 4, 2013, 24.00 (CET+DST)** and are entered into the share register for the shares registered when registrations close (on June 4, 2013, 24.00 (CET+DST)). The Company must receive the registration for participation in the Annual Shareholders' Meeting in text form (Sec-

tion 126b of the Bürgerliches Gesetzbuch (German Civil Code)) in German or in English. Registrations can be performed as follows:

- by mail at the following address:

SKW Stahl-Metallurgie Holding AG
Munich Office
Investor Relations
Prinzregentenstraße 68
81675 Munich
Germany

- or by fax using the fax number: +49 89 5998923-29
- or by e-mail using the address: ir@skw-steel.com

After receipt of the registration, entry tickets for the Annual Shareholders' Meeting will be sent to the shareholders or their representatives. In order to ensure that the entry tickets are received in good time, we ask our shareholders to ensure that their registration is received by the Company in good time.

Receipt of an entry ticket is not a condition for participation in the Annual Shareholders' Meeting and exercising voting rights, but rather it eases the organization and processing. Additional information on how to register can be found in the response form sent to shareholders together with the invitation which can be used for registration and to order entry tickets and also to issue proxies and instructions, as well as the further instructions in this regard. The Company's web site (<http://www.skw-steel.com/investor-relations/hauptversammlung/hauptversammlung-aktuell/>) also includes information on how to register.

Shares are not blocked by registering for the Annual Shareholders' Meeting; shareholders can thus freely dispose of their shares, even after they have successfully registered.

In order to exercise participation and voting rights, the shareholding registered in the share register on June 4, 2013 at 24.00 (CET+DST) applies. Applications for changes in the share register which the Company receives after the expiry of June 4, 2013, through to the date of the Annual Shareholders' Meeting on June 11, 2013 (inclusive) will only be executed in the Company's share register with effect after the date of the Annual Shareholders' Meeting. The share register on the date of the Annual Shareholders' Meeting therefore corresponds to the status of the share register on June 4, 2013 at 24.00 (CET+DST).

According to Section 135 of the Aktiengesetz (AktG - German Joint Stock Companies Act), a financial institution is required an authorization in order to exercise voting rights for shares which it does not own, but for which it is registered as the holder in the share register.

As a general rule, we cannot issue more than one entry ticket for personal participation by the registered shareholder. We apologize for any inconvenience this may cause. In the case of joint authorized parties (e.g., a community of heirs, a married couple entered jointly in the share register) more than one entry ticket can be issued.

3. Proxy voting

- a) Shareholders, who are registered in the share register, can be represented by proxy at the Annual Shareholders Meeting. Voting rights can be exercised by an authorized representative, for example a financial institution, a shareholders' association or another person. In these cases, the shareholder or his representative must also ensure timely registration.

If neither a financial institution nor a shareholders' association nor another person/institution named in Section 135 (8) of the Aktiengesetz (AktG – German Joint Stock Companies Act) or in Section 135 (10) of the AktG in connection with Section 125 (5) of the AktG is authorized, the power of attorney, the revocation of the power of attorney and verification of the power of attorney vis-à-vis the Company, must be issued in text form (Section 126b of the BGB) according to Section 134 of the AktG, Article 15 (2) of the

Articles of Incorporation. The following address, fax-number and e-mail address can be used to issue a power of attorney vis-à-vis the Company, to transfer evidence of a power of attorney issued to a representative, and to revoke powers of attorney:

- by mail at the following address:

SKW Stahl-Metallurgie Holding AG
Munich Office
Investor Relations
Prinzregentenstraße 68
81675 Munich
Germany

- or by fax using the fax number: +49 89 5998923-29
- or by e-mail using the address: ir@skw-steel.com

On the date of the Annual Shareholders Meeting as of 9.00 am (CET+DST), the entry and exit control at the Annual Shareholders' Meeting, at Haus der Bayerischen Wirtschaft, Max-Joseph-Str. 5, 80333 Munich, Germany may also be used to issue proxies vis-à-vis the Company, submit evidence of a power of attorney issued to a representative, and to revoke powers of attorney.

If a shareholder issues a power of attorney to more than one person, the Company may reject one or several of these persons.

Financial institutions, shareholders' associations or other persons/institutions named in Section 135 (8) of the Aktiengesetz (AktG – German Joint Stock Companies Act) or in Section 135 (10) of the AktG in connection with Section 125 (5) of the AktG may have different regulations for their powers of attorney. As a result, if shareholders intend to engage a financial institution, a shareholders' association or another person/institution named in Section 135 (8) of the AktG or in Section 135 (10) of the AktG in

connection with Section 125 (5) of the AktG, shareholders are asked to consult with the representative in good time with regard to any form for the power of attorney that they may require.

- b) We offer our shareholders the possibility of having their voting rights exercised in the Annual Shareholders' Meeting in line with their instructions by a voting representative designated for this purpose by the Company. Ms. Juliane Drerup-Hero and Mr. Christian Schunck have each been appointed as a proxy for the Company with individual powers of representation and with the right to issue sub-proxies. Ms. Drerup-Hero is head of the Company's legal department; Mr. Schunck is head of investor relations. In this case too, the shareholder must also register for the Annual Shareholders' Meeting in time as described above. If a shareholder wishes to issue a power of attorney to one of the proxies named by the Company, he must issue voting instructions for each agenda item for which a vote is to be taken. If no instructions have been issued for a voting item, the proxies will abstain from voting with the voting rights for the shareholder issuing the power of attorney, or, depending on the voting method, they will not participate in the voting at all. The proxies appointed by the Company undertake to vote in line with the instructions issued to them.

Shareholders receive a form to issue a power of attorney and instructions together with the invitation. The form can also be found online at www.skw-steel.com in the section "Investor Relations", "Annual Shareholders' Meeting", "Annual Shareholders' Meeting 2013" (<http://www.skw-steel.com/investor-relations/hauptversammlung/hauptversammlung-aktuell/>).

The power of attorney for the proxies appointed by the Company can be issued prior to the Annual Shareholders' Meeting in text form by mail, fax or by e-mail to the following address:

- by mail at the following address:

SKW Stahl-Metallurgie Holding AG
Munich Office
Investor Relations

Prinzregentenstraße 68
81675 Munich
Germany

- or by fax using the fax number: +49 89 5998923-29
- or by e-mail using the address: ir@skw-steel.com

Powers of attorney and instructions to the proxies appointed by the Company can be issued, changed or revoked through to June 10, 2013, 19.00 (CET+DST) using the above addresses. On the day of the Annual Shareholders' Meeting, powers of attorney and instructions to the proxies appointed by the Company can be issued, changed or revoked from 9.00 am (CET+DST) at the entry and exit controls.

The instructions to the Company's proxies on agenda item 2 also apply if, as a result of a change to the number of dividend-bearing no-par value shares for the past business year 2012, votes are cast for the adjusted proposal for the appropriation of profits.

Please note that the proxies appointed by the Company cannot receive any powers of attorney to raise objections to resolutions by the Annual Shareholders' Meeting, to exercise the right of speech or to ask questions, or to file applications, and that they are also not available to vote on motions for which there are no proposed resolutions in this invitation or for which no proposed resolutions are announced later.

III. Shareholders' rights

Prior to and during the Annual Shareholders' Meeting, the shareholders are due the following rights.

1. Additional requests for the agenda within the meaning of Section 122 (2) of the Aktiengesetz

Shareholders whose interests total at least 5% of the share capital or a proportionate amount of EUR 500,000 can demand that items be placed on the agenda and announced. Each new item must be accompanied with reasons or a motion. This demand must be made in writing to the SKW Stahl-Metallurgie's Executive Board and must reach the Company at least 30 days prior to the Annual Shareholders' Meeting, i.e., at the latest by the end of May 11, 2013, 24.00 (CET+DST) at the following address:

SKW Stahl-Metallurgie Holding AG
Munich Office
Investor Relations
Prinzregentenstraße 68
81675 Munich
Germany

The party/parties making the application according to Section 122 (1) Sentence 3, (2), 142 (2) Sentence 2 of the AktG must prove that they have held the shares for at least three months prior to the date of the Annual Shareholders' Meeting.

2. Countermotions and proposals for election by shareholders according to Sections 126 (1) and 127 of the Aktiengesetz

In addition, shareholders of the Company can make countermotions to the motions by the Executive and/or Supervisory Boards on specific agenda items, and may also make proposals for election. Countermotions must include reasons. Countermotions and election proposals by shareholders for the Annual Shareholders' Meeting must be made, stating the shareholder's name, exclusively to

- by mail at the following address:

SKW Stahl-Metallurgie Holding AG

Munich Office
Investor Relations
Prinzregentenstraße 68
81675 Munich
Germany

- or by fax to +49 (0)89 / 599 89 23 29
- or by e-mail to ir@skw-steel.com

The Company will publish countermotions and election proposals from shareholders that are to be made accessible together with the shareholder's name and any reasons that are to be made accessible upon receipt on the web site www.skw-steel.com in the "Investor Relations" section, under "Annual Shareholders' Meeting", "Annual Shareholders' Meeting 2013" (<http://www.skw-steel.com/investor-relations/hauptversammlung/hauptversammlung-aktuell/>). In this regard, countermotions and election proposals on agenda items received at the above address by May 27, 2013, 24.00 (CET+DST) are to be considered. Any opinions by the management of the Company will also be published at the same URL.

3. Right to information within the meaning of Section 131 (1) of the Aktiengesetz

At the Annual Shareholders' Meeting, each shareholder or shareholder representative can demand information on company issues, the Company's legal and business relationships with associated companies, and the Group's position and that of the companies included in the consolidated financial statements from the Executive Board to the extent that this information is required for a proper assessment of any agenda item. According to Section 16, Item 2, Sentence 3 of the Articles of Incorporation, the Chairman of the Annual Shareholders' Meeting is authorized to place a reasonable time constraint on shareholders' rights to ask questions and speak. In addition, the Executive Board can determine that it refuses to provide information in

cases regulated in Section 131 (3) of the AktG. These cases are presented on the Company's web site at <http://www.skw-steel.com/investor-relations/hauptversammlung/hauptversammlung-aktuell/>.

4. Additional explanations

Further information on shareholders' rights within the meaning of Sections 122 (2), 126 (1), 127 and 131 (1) of the Aktiengesetz can be found on the Company's web site under www.skw-steel.com in the "Investor Relations" section, "Annual Shareholders' Meeting", "Annual Shareholders' Meeting 2013" (<http://www.skw-steel.com/investor-relations/hauptversammlung/hauptversammlung-aktuell/>).

IV. Publications on the Company's web site

The information within the meaning of Section 124a of the Aktiengesetz can be found on the Company's web site under www.skw-steel.com in the "Investor Relations" section, "Annual Shareholders' Meeting", "Annual Shareholders' Meeting 2013". The results of voting will be announced using the same URL after the Annual Shareholders' Meeting.

Unterneukirchen (Germany), April 2013

SKW Stahl-Metallurgie Holding AG
The Executive Board