

SHILOH INDUSTRIES INC  
Form DEF 14A  
February 10, 2004

## SCHEDULE 14A

(Rule 14a-101)

### INFORMATION REQUIRED IN PROXY STATEMENT

#### SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

**CONFIDENTIAL, FOR USE OF THE  
COMMISSION ONLY (AS PERMITTED BY RULE  
14a-6(e)(2))**

Preliminary Proxy Statement

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12.

**SHILOH INDUSTRIES, INC.**

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(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

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(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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**Shiloh Industries, Inc.**

Suite 202, 103 Foulk Road

Wilmington, Delaware 19803

Telephone: (302) 656-1950

February 12, 2004

Dear Shiloh Stockholder:

You are cordially invited to attend the 2004 Annual Meeting of Shiloh Industries, Inc. (the Company), which will be held on Wednesday, March 24, 2004, at 10:00 a.m. at The MTD Products Inc Lodge, 5903 Grafton Road, Valley City, Ohio 44280.

This year, your Board of Directors is recommending that you elect three Directors of a class whose term expires at this Annual Meeting and who are described in the proxy statement.

The Company has enclosed a copy of its Annual Report for the fiscal year ended October 31, 2003 with this notice of annual meeting of stockholders and proxy statement. If you would like another copy of the 2003 Annual Report, please contact Stephen E. Graham at Shiloh Industries, Inc., 5389 W. 130th Street, Cleveland, Ohio 44130-1094, (216) 267-2600, and you will be sent one.

Please read the enclosed information carefully before completing and returning the enclosed proxy card. Returning your proxy card as soon as possible will assure your representation at the meeting, whether or not you plan to attend. If you do attend the annual meeting, you may, of course, withdraw your proxy should you wish to vote in person.

Sincerely,

Theodore K. Zampetis

President and Chief Executive Officer

**Shiloh Industries, Inc.**

**Suite 202, 103 Foulk Road**

**Wilmington, Delaware 19803**

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**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**MARCH 24, 2004**

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The Annual Meeting of Stockholders of Shiloh Industries, Inc., a Delaware corporation (the "Company"), will be held on Wednesday, March 24, 2004, at 10:00 a.m. (the "Annual Meeting"), at The MTD Products Inc Lodge, 5903 Grafton Road, Valley City, Ohio 44280, for the purpose of:

- (1) Electing three (3) Directors of a class whose term expires at this Annual Meeting and who are described in the proxy statement; and
- (2) Transacting such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

The Board of Directors has fixed the close of business on January 26, 2004 as the record date for the determination of stockholders entitled to notice of, and to vote at, the Annual Meeting or any adjournment or postponement thereof.

By Order of the Board of Directors

David J. Hessler

*Secretary*

February 12, 2004

The Company's Annual Report for the fiscal year ended October 31, 2003 (the "2003 Annual Report") is enclosed. The 2003 Annual Report contains financial and other information about the Company, but is not incorporated into the proxy statement and is not deemed to be a part of the proxy soliciting material.

**EVEN IF YOU EXPECT TO ATTEND THE ANNUAL MEETING, PLEASE PROMPTLY COMPLETE, SIGN, DATE AND MAIL THE ENCLOSED PROXY CARD. A SELF-ADDRESSED ENVELOPE IS ENCLOSED FOR YOUR CONVENIENCE. NO POSTAGE IS REQUIRED IF MAILED IN THE UNITED STATES. STOCKHOLDERS WHO ATTEND THE ANNUAL MEETING MAY REVOKE THEIR PROXIES AND VOTE IN PERSON IF THEY SO DESIRE.**

**SHILOH INDUSTRIES, INC.**

Suite 202, 103 Foulk Road

Wilmington, Delaware 19803

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**PROXY STATEMENT**

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**ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MARCH 24, 2004**

This proxy statement is furnished in connection with the solicitation by the Board of Directors of Shiloh Industries, Inc., a Delaware corporation (the Company), of proxies to be used at the annual meeting of stockholders of the Company to be held on March 24, 2004 (the Annual Meeting). This proxy statement and the related proxy card are being mailed to stockholders commencing on or about February 12, 2004.

If the enclosed proxy card is executed and returned, the shares represented by it will be voted as directed on all matters properly coming before the Annual Meeting for a vote. Returning your completed proxy will not prevent you from voting in person at the Annual Meeting should you be present and desire to do so. In addition, the proxy may be revoked at any time prior to its exercise either by giving written notice to the Company or by submission of a later dated proxy.

Stockholders of record of the Company at the close of business on January 26, 2004 will be entitled to vote at the Annual Meeting. On that date, the Company had outstanding and entitled to vote 15,228,249 shares of common stock, par value \$0.01 per share, of the Company (the Common Stock). A list of such holders will be open to the examination of any stockholder for any purpose germane to the meeting at Shiloh Industries, Inc., Suite 202, 103 Foulk Road, Wilmington, Delaware 19803 and Shiloh Industries, Inc., 5389 W. 130<sup>th</sup> Street, Cleveland, Ohio 44130-1094 for a period of ten days prior to the meeting. Each share of Common Stock is entitled to one vote. At the Annual Meeting, inspectors of election shall determine the presence of a quorum and shall tabulate the results of the vote of the stockholders. The holders of a majority of the total number of outstanding shares of Common Stock entitled to vote must be present in person or by proxy to constitute the necessary quorum for any business to be transacted at the Annual Meeting. Properly executed proxies marked abstain, as well as proxies held in street name by brokers that are not voted on all proposals to come before the Annual Meeting (broker non-votes), will be considered present for purposes of determining whether a quorum has been achieved at the Annual Meeting.

The three nominees for Director receiving the greatest number of votes cast at the Annual Meeting in person or by proxy shall be elected. Consequently, any shares of Common Stock present in person or by proxy at the Annual Meeting, but not voted for any reason, have no impact in the election of Directors, except to the extent that the failure to vote for an individual may result in another individual receiving a larger number of votes. All other matters to be considered at the Annual Meeting require for approval the favorable vote of a majority of shares voted at the meeting in person or by proxy. Stockholders have no right to cumulative voting as to any matter, including the election of Directors. If any proposal at the Annual Meeting must receive a specific percentage of favorable votes for approval, abstentions in respect of such proposal are treated as present and entitled to vote under Delaware law, and, therefore, such abstentions have the effect of a vote against such proposal. Broker non-votes in respect of any proposal are not counted for purposes of determining whether such proposal has received the requisite approval.

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The shares represented by all valid proxies received will be voted in the manner specified on the proxies. Where specific choices are not indicated on a valid proxy, the shares represented by such proxies received will be voted: (i) for the nominees for Director named in this proxy statement and (ii) in accordance with the best judgment of the persons named in the enclosed proxy, or their substitutes, for any other matters which properly come before the Annual Meeting.

## ELECTION OF DIRECTORS

The Company's Restated Certificate of Incorporation provides that the Board of Directors will be divided into three classes of Directors to be as nearly equal in number of Directors as possible. Class II currently consists of Ronald C. Houser, James A. Karman and Dieter Kaesgen, and their current term of office will expire at this Annual Meeting. Class III consists of Curtis E. Moll and Theodore K. Zampetis, and their current term of office will expire at the 2005 Annual Meeting of Stockholders. Class I consists of David J. Hessler, Maynard H. Murch IV and John J. Tanis, and their current term of office will expire at the 2006 Annual Meeting of Stockholders. At each annual stockholders' meeting, Directors are elected for a term of three years and hold office until their successors are elected and qualified or until their earlier removal or resignation. Newly created directorships resulting from an increase in the authorized number of Directors or any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause may be filled by a majority of the remaining Directors then in office. All Directors, other than Directors who are employees of the Company, receive a retainer of \$6,000 per quarter or \$6,500 for those Directors who serve as Chairman of a committee. In addition, each such Director receives a fee of \$1,500 for each Board of Directors meeting and \$1,000 for each committee meeting attended, provided that such fees for attendance at Board meetings and committee meetings may not exceed \$2,000 per day. Directors receive an additional fee of \$500 for each meeting at which that Director presides as Chairman of their respective committee. In addition, each such Director is reimbursed for any reasonable travel expenses incurred in attending such meetings.

At the Annual Meeting, three Directors are to be elected to hold office, each for a term of three years and until his successor is elected and qualified. Ronald C. Houser and James A. Karman are not standing for re-election as Directors, and their term of office will expire upon the election and qualification of their successors at the Annual Meeting. The Board of Directors recommends that its three nominees for Director be elected at the Annual Meeting. The nominees are Cloyd J. Abruzzo, George G. Goodrich and Dieter Kaesgen. Mr. Kaesgen currently serves as Director of the Company and has served as a Director of the Company since May 2002. Mr. Kaesgen previously served as a Director of the Company from December 1995 until December 1999. If any nominee becomes unavailable for any reason or should a vacancy occur before the election, which events are not anticipated, the proxies will be voted for the election of such other person as a Director as the Board of Directors may recommend. Information regarding the continuing Directors and Director nominees of the Company is set forth below:

<u>Name</u>	<u>Age</u>	<u>Position(s)</u>
Theodore K. Zampetis (1)	58	President, Chief Executive Officer and Director
Cloyd J. Abruzzo (2)	53	Director Nominee
George G. Goodrich (3)	63	Director Nominee
David J. Hessler (4)	60	Secretary and Director
Dieter Kaesgen (4)	67	Director
Curtis E. Moll (1)	64	Chairman of the Board and Director
Maynard H. Murch IV (1)(5)(6)	60	Director
John J. Tanis (1)(4)(5)(6)	77	Director

- (1) Member of the Executive and Governance Committee.
- (2) If elected as a Director, it is expected that Mr. Abruzzo will become a member of the Compensation Committee and the Finance and Pension Committee.
- (3) If elected as a Director, it is expected that Mr. Goodrich will become a member of the Audit Committee and the Executive and Governance Committee.
- (4) Member of the Finance and Pension Administration Committee.
- (5) Member of the Compensation Committee.
- (6) Member of the Audit Committee.



### Director Nominees

GEORGE G. GOODRICH has been the Executive in Residence at the Boler School of Business at John Carroll University since January 2003 and has served on its Board of Directors since 1994. Mr. Goodrich retired from Arthur Andersen & Co., a public accounting firm, in August 2001 after spending 37 years with the firm. At the time of his retirement, Mr. Goodrich was a partner of the firm and was Director of Global Tax and Assistant Treasurer for Andersen Worldwide, the parent organization of Arthur Andersen & Co. From 1999 to 2001, Mr. Goodrich was Director of the worldwide tax and legal practice review program of Arthur Andersen & Co.

CLOYD J. ABRUZZO retired in December 2003 from Stoneridge, Inc., a global designer and manufacturer of specialty electrical components and systems for the automotive and commercial vehicle markets. From May 1993 until his retirement, Mr. Abruzzo was President and Chief Executive Officer of Stoneridge. Mr. Abruzzo joined Stoneridge in 1980 and held several positions prior to becoming President and Chief Executive Officer in May 1993. Mr. Abruzzo is a director of Second Bancorp, Inc. and Second National Bank of Warren.

DIETER KAESGEN became a Director of the Company in May 2002. Mr. Kaesgen previously served as a Director of the Company from December 1995 until December 1999. Mr. Kaesgen has served as President and Chief Operating Officer of MTD Products Inc ( MTD Products ) an outdoor equipment manufacturer, since January 2001. From October 1996 until January 2001, Mr. Kaesgen served as President of the Consumer Products Group of MTD Products. Mr. Kaesgen served as Executive Vice President and Chief Operating Officer of MTD Products from August 1988 to October 1996. Mr. Kaesgen has been employed with MTD Products since 1962 in various operational capacities.

### Continuing Directors

DAVID J. HESSLER has been the Secretary and a Director of the Company since its formation in April 1993. Mr. Hessler has been a Senior Partner in the law firm of Wegman, Hessler & Vanderburg or its predecessors since 1968, and served as the Secretary of MTD Products from 1977 through January 2003. In January 2003, Mr. Hessler was named a director of MTD Products.

CURTIS E. MOLL has served as a Director of the Company since its formation in April 1993 and became Chairman of the Board in April 1999. Since 1980, Mr. Moll has served as the Chairman of the Board and Chief Executive Officer of MTD Products. Mr. Moll also serves as a director of Sherwin-Williams Company and AGCO Corporation.

MAYNARD H. MURCH IV has served as a Director of the Company since March 2000. Mr. Murch has served as the President of Maynard H. Murch Co., Inc., an investment company, since January 1985. In addition, Mr. Murch has served as Vice President of Parker/Hunter Incorporated, an investment company, since 1976. Mr. Murch also serves as a director of Robbins & Meyers, Inc. and Lumitex, Inc.

JOHN J. TANIS became a Director of the Company in March 2001. From 1973 until he retired in 1997, Mr. Tanis served as Chairman, President and Chief Executive Officer of United Screw and Bolt Corporation, a manufacturer of metal stampings and plastic components. Mr. Tanis also serves as director of Willow Hill Industries, LLC.

THEODORE K. ZAMPETIS has served as a Director of the Company since July 1993 and as President and Chief Executive Officer of the Company since January 2002. From January 2001 to January 2002, Mr. Zampetis served as President of Strategic Partners International, LLC, a management consulting firm. From November 1999 to December 2000, Mr. Zampetis independently conducted research and performed certain

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consulting services. Previously, he had worked for 27 years at Standard Products Company, a manufacturer of rubber and plastic parts principally for automotive original equipment manufacturers, where he held various positions, including serving as the President and Chief Operating Officer of World Wide Operations from 1991 to 1999, at which point Standard Products was sold to Cooper Tire.

Curtis E. Moll and Dieter Kaesgen are cousins.

## Committees and Directors Meetings

The Board of Directors has determined that the Company is a controlled company, as defined in Rule 4350(c)(5) of the listing standards of the National Association of Securities Dealers, Inc. ( NASD ), based on MTD Products' beneficial ownership of approximately 55.3% of the outstanding Common Stock. Accordingly, the Company is exempt from certain requirements of the NASD listing standards, including the requirement to maintain a majority of independent directors on the Company's Board of Directors and the requirements regarding the determination of compensation of executive officers and the nomination of directors by independent directors.

The Board of Directors has four standing committees: the Executive and Governance Committee, the Audit Committee, the Compensation Committee and the Finance and Pension Administration Committee.

The Executive and Governance Committee exercises the power and authority of the Board of Directors on all matters, except as expressly limited by applicable law, in the interim period between Board of Directors' meetings. The Executive and Governance Committee did not meet in fiscal 2003. The current members of the Executive and Governance Committee are Messrs. Zampetis, Moll, Murch, Tanis and Karman.

Prior to the Annual Meeting, the Board of Directors will adopt a revised Audit Committee charter that complies with Rule 4350(d)(1) of the NASD listing standards. The Audit Committee will have the responsibility and authority set forth in Rule 4350(d)(3) of the NASD listing standards under the revised charter. Among other things, the Audit Committee will be responsible for overseeing the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company. The Audit Committee will also be directly responsible for the appointment, compensation, retention and oversight of the work of the Company's independent auditors, including the resolution of disagreements between management and the auditors regarding financial reporting. Additionally, the Audit Committee will approve all related party transactions that are required to be disclosed pursuant to Item 404 of Regulation S-K.

The current members of the Audit Committee are Messrs. Murch, Tanis and Karman. It is expected that Mr. Goodrich will become a member of the Audit Committee if he is elected as a Director. The Board of Directors has determined that it has at least one audit committee financial expert, as defined in Item 401(h)(2) of Regulation S-K, serving on the Audit Committee, James A. Karman, and that Mr. Karman is an independent director as defined in Rule 4200(a)(15) of the NASD listing standards. The Audit Committee held five meetings in fiscal 2003.

The Compensation Committee oversees all matters relating to human resources of the Company and administers (1) all stock option or stock-related plans and, in connection therewith, all awards of options and performance units to employees pursuant to any such stock option or stock related plan, (2) all bonus plans, including, without limitation, the Executive Incentive Bonus Plan and (3) all compensation of the Chief Executive Officer of the Company. The current members of the Compensation Committee are Messrs. Murch, Tanis and Karman. It is expected that Mr. Abruzzo will become a member of the Compensation Committee if he is elected as a Director. The Compensation Committee held two meetings in fiscal 2003.

The Finance and Pension Administration Committee reviews matters relating to various finance issues facing the Company as well as matters related to the Company's pension plans. The current members of the Finance and Pension Administration Committee are Messrs. Hessler, Kaesgen, Tanis and Houser. The Finance and Pension Administration Committee held one meeting during fiscal 2003.

The Board of Directors does not have a standing nominating committee or committee performing similar functions. The Board of Directors has determined that it is appropriate not to have a nominating committee.



because of the relatively small size of the Board of Directors, and the entire Board of Directors functions in the capacity of a nominating committee.

The Board of Directors does not have a formal policy with regard to the consideration of any director candidates recommended by stockholders. Because of the size of the Board of Directors and the historical small turnover of its members, the Board addresses the need to retain members and fill vacancies after discussion among current members and the Company's management. Accordingly, the Board of Directors has determined that it is appropriate not to have such a policy at this time. The Board of Directors, however, will consider director candidates recommended by stockholders. Any stockholder that wishes to nominate a director candidate should submit complete information as to the identity and qualifications of the director candidate pursuant to the procedures set forth below under Communication with the Board of Directors. The Board of Directors does not have any specific qualifications that have to be met by director candidates and does not have a formal process for identifying and evaluating director candidates. Messrs. Abruzzo and Goodrich were recommended as Director nominees by members of the Company's management.

The Board of Directors held six meetings in fiscal 2003. All of the Directors attended at least seventy-five percent of the total meetings held by the Board of Directors and by all committees on which they served in fiscal 2003.

Although the Company does not have a policy with respect to attendance by the Directors at the Annual Meeting of Stockholders, Directors are encouraged to attend. Seven of the eight members of the Board of Directors attended the 2003 Annual Meeting of Stockholders.

#### **Communication with the Board of Directors**

The Board of Directors of the Company believes that it is important for stockholders to have a process to send communications to the Board. Accordingly, stockholders who wish to communicate with the Board of Directors or a particular Director may do so by sending a letter to the Secretary of the Company at 5389 West 130<sup>th</sup> Street, Cleveland, Ohio 44130. The mailing envelope must contain a clear notation indicating that the enclosed letter is a Stockholder-Board Communication or Stockholder-Director Communication. All such letters must identify the author as a stockholder and clearly state whether the intended recipients are all members of the Board of Directors or certain specified individual Directors. The Secretary will make copies of all such letters and circulate them to the appropriate Director or Directors.

#### **Principal Accountant Fees and Services**

##### *Audit Fees*

Fees paid to PricewaterhouseCoopers LLP ( PwC ) for the audit of the annual consolidated financial statements included in the Company's Annual Report on Form 10-K and for the reviews of the consolidated financial statements included in the Company's Forms 10-Q for the quarters included in the years ended October 31, 2003 and 2002, were \$570,000 and \$417,000, respectively.

##### *Audit-related Fees*

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Fees paid to PwC for the audit of the Company's employee benefit plans were \$103,000 and \$175,000, respectively, for the years ended October 31, 2003 and 2002. The Company paid \$60,000 in fees to PwC in the year ended October 31, 2003 related to due diligence work and a stand-alone audit of the Company's minority owned joint venture.

### *Tax Fees*

Fees paid to PwC associated with tax compliance and tax consultation were \$46,000 and \$57,000, respectively, for the years ended October 31, 2003 and 2002.

### *All Other Fees*

Fees paid to PwC related to Sarbanes-Oxley Section 404 procedures were \$25,000 for the year ended October 31, 2003.

### **Audit Committee Pre-Approval Policies and Procedures**

In accordance with the Securities and Exchange Commission's rules issued pursuant to the Sarbanes-Oxley Act of 2002, which were effective as of May 6, 2003 and require, among other things, that the Audit Committee pre-approve all audit and non-audit services provided by the Company's independent auditor, the Audit Committee has adopted a formal policy on auditor independence requiring the approval by the Audit Committee of all professional services rendered by the Company's independent auditor prior to the commencement of the specified services.

Since May 6, 2003, 100% of the services described in **Audit-Related Fees**, **Tax Fees** and **All Other Fees**, were approved by the Audit Committee in accordance with the Company's formal policy on auditor independence.

### **Compensation Committee Interlocks and Insider Participation and Certain Relationships and Related Transactions**

The members of the Company's Compensation Committee during the fiscal year ended October 31, 2003 were Maynard H. Murch IV, John J. Tanis and James A. Karman. No officer or employee of the Company served on the Compensation Committee.

The law firm of Wegman, Hessler & Vanderburg, of which Mr. Hessler is a Senior Partner, provided services to the Company in fiscal 2003 in the amount of approximately \$782,300 and provides services to the Company on an on-going basis. Mr. Hessler is the Secretary and a Director of the Company. Although Mr. Hessler is Secretary of the Company, he receives no compensation for holding such position.

On July 31, 2001, the Company completed the sale of certain assets and liabilities of its subsidiary, Valley City Steel Company (Valley City Steel) to Viking Steel, LLC (Viking) for \$12.4 million. In connection with this transaction, the Company and Viking formed a joint venture, Valley City Steel, LLC (VCS LLC), in which the Company owns a minority interest (49%) and Viking owns a majority interest (51%). The Company retained ownership of the land and building where VCS LLC conducted its operations and leased these facilities to VCS LLC. VCS LLC had provided steel processing services to the Company prior to VCS LLC filing for bankruptcy in November 2002.

Transactions with VCS LLC during fiscal 2003 included purchases of approximately \$551,000. As of October 31, 2003, the Company had amounts due from VCS LLC of approximately \$2.7 million, which were reserved, and amounts owed to VCS LLC of approximately \$1.0 million. Purchases from VCS LLC were substantially at market prices. During the year ended October 31, 2003, Stephen E. Graham, the Chief Financial Officer of the Company, and Kevin C. Cleary, a Vice President and General Manager of the Company, served as members of the management committee of VCS LLC.

In November 1999, the Company, through its wholly owned subsidiary, Shiloh Automotive, Inc. (Shiloh Automotive), acquired the automotive division of MTD Products, a majority stockholder of the Company. Mr. Moll is the Chairman of the Board and Chief Executive Officer of MTD Products, Mr. Kaesgen is the President, Chief Operating Officer and a director of MTD Products, and Mr. Hessler is a director of MTD Products. In fiscal 2003, the Company had sales to MTD Products in the aggregate amount of approximately \$20.3 million. In addition, Shiloh Automotive continues to provide certain products to MTD Products.

In May 2002, the Company entered into a three-year supply agreement with MTD Products to provide products and various services related to the manufacture of products for MTD Products at Company facilities. The Company received \$1.0 million in cash for the various services in fiscal 2002, which is being amortized over the life of the agreement. The unearned amount of \$500,000 at October 31, 2003 is recorded as a

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liability in the Company's consolidated balance sheet. Pursuant to the supply agreement, the Company will manufacture products for MTD Products on an ongoing basis at market-based prices. Additionally, the Company pays approximately \$75,000 in rent each month to MTD Products.



Each of Mr. Moll and Mr. Kaesgen loaned the Company \$230,000. Each of the loans is evidenced by a promissory note issued by the Company and bears interest at a rate of 9% per annum. These notes are due May 1, 2004 and the entire \$460,000 remained outstanding at October 31, 2003.

In June 1993, the Company entered into a registration rights agreement (the Registration Agreement ), which grants to both MTD Products and the former shareholders of Shiloh Corporation (1) the right to require the Company on one occasion to register all or part of their holdings of Common Stock and (2) certain piggyback registration rights to participate in future registrations of the securities of the Company. Under the Registration Agreement, the Company is required to pay all expenses incurred in connection with any such registrations other than any underwriting discounts and commissions associated with the sale of such Common Stock of such stockholders or fees of their counsel.

Mr. Zampetis's son, Constantine Zampetis, is an employee of the Company. His salary from December 2, 2002, his date of hire, to October 31, 2003 was \$49,892, which is in line with comparable positions within the Company. During fiscal 2003, Constantine Zampetis received \$8,788 for relocation reimbursement and a bonus of \$3,000.

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**BENEFICIAL OWNERSHIP OF COMMON STOCK**

Except as otherwise noted, the following table sets forth certain information as of November 30, 2003 as to the security ownership of those persons owning of record or known to the Company to be the beneficial owner of more than five percent of the voting securities of the Company and the security ownership of equity securities of the Company by each of the Directors and Director nominees and each of the executive officers named in the Summary Compensation Table (the "Named Executive Officers"), and all Directors and executive officers as a group. Unless otherwise indicated, all information with respect to beneficial ownership has been furnished by the respective Director, Director nominee, executive officer or five percent beneficial owner, as the case may be. Unless otherwise indicated, the persons named below have sole voting and investment power with respect to the number of shares set forth opposite their names. Beneficial ownership of the Common Stock has been determined for this purpose in accordance with the applicable rules and regulations promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"). As of November 30, 2003, the Company had 15,210,917 shares of Common Stock outstanding.

<u>Names And Addresses of Beneficial Owners</u>	<u>Amount and Nature of Beneficial Ownership of Common Stock</u>	<u>Percentage of Shares of Common Stock Beneficially Owned (%)</u>
MTD Holdings Inc (1) 5965 Grafton Road Valley City, Ohio 44280	8,405,266	55.3%
Merrill Lynch & Co., Inc. (2)  World Financial Center  250 Vesey Street  New York, New York 10381	963,200	6.3%
Dimensional Fund Advisers, Inc. (3) 1299 Ocean Avenue, 11th Floor Santa Monica, California 90401	918,200	6.0%
Cloyd J. Abruzzo		
George G. Goodrich		
Stephen E. Graham (4)	148,667	*
David J. Hessler (5)	243,735	1.6%
Ronald C. Houser	87,000	*
Dieter Kaesgen (6)	8,452,266	55.6%
James A. Karman	25,000	*
James F. Keys (7)	334,333	2.2%
Curtis E. Moll (8)	8,587,141	56.5%
Maynard H. Murch IV (9)	20,000	*
John J. Tanis	2,000	*
Theodore K. Zampetis (10)	1,164,201	7.6%
All Directors and executive officers as a group (10 persons) (11)	10,659,077	69.4%

\* Less than one percent

- (1) Information reported is based on a Schedule 13D as filed with the Securities and Exchange Commission on October 28, 2003. MTD Holdings Inc owns 100% of the capital stock of MTD Products. Includes 1,104,400 shares of Common Stock beneficially owned by the MTD Products Inc Master Employee Benefit Trust, a trust fund established and sponsored by MTD Products.
- (2) Information reported is based on Schedule 13G as filed with the Securities and Exchange Commission on January 10, 2003. Subsequently, Merrill Lynch & Co. filed an amendment to such Schedule 13G with the Securities and Exchange Commission on January 27, 2004, indicating that it has shared voting power and shared voting disposition power with respect to 654,400 shares of Common Stock, or approximately 4.3% of the Common Stock.

- (3) Information reported is based on a Schedule 13G as filed with the Securities and Exchange Commission on February 10, 2003. Dimensional Fund Advisors Inc. ( Dimensional ), an investment advisor registered under Section 203 of the Investment Advisors Act of 1940, furnishes investment advice to four investment companies registered under the Investment Company Act of 1940 and serves as investment manager to certain other commingled group trusts and separate accounts. (These investment companies and investment vehicles are the Funds ). In its role as investment advisor and investment manager, Dimensional had both investment and voting power over 918,200 shares of Common Stock as of December 31, 2002. The Funds own all securities reported in this statement, and Dimensional disclaims beneficial ownership of such securities.
- (4) Includes 6,667 shares of Common Stock subject to stock options granted under the Company s 1993 Key Employee Stock Incentive Plan, which are exercisable within 60 days of November 30, 2003.
- (5) Includes 1,000 shares of Common Stock owned by Mr. Hessler s spouse and includes 4,500 shares of Common Stock held by trusts in which Mr. Hessler serves as co-trustee. Under the terms of the trust agreements, Mr. Hessler has shared voting and investment power with respect to these shares of Common Stock. Mr. Hessler disclaims beneficial ownership of these 5,500 shares of Common Stock.
- (6) Includes 7,300,866 shares of Common Stock which are owned of record by MTD Holdings Inc and 1,104,400 shares of Common Stock beneficially owned by the MTD Products Inc Master Employee Benefit Trust, a trust fund established and sponsored by MTD Products. Mr. Kaesgen is President and a director of MTD Holdings Inc and is President, Chief Operating Officer and a director of MTD Products. Mr. Kaesgen s address is c/o MTD Products Inc, 5965 Grafton Road, Valley City, Ohio 44280.
- (7) Includes 33,333 shares of Common Stock subject to stock options granted under the Company s 1993 Key Employee Stock Incentive Plan, which are exercisable within 60 days of November 30, 2003.
- (8) Includes 7,300,866 shares of Common Stock which are owned of record by MTD Holdings Inc and 1,104,400 shares of Common Stock beneficially owned by the MTD Products Inc Master Employee Benefit Trust, a trust fund established and sponsored by MTD Products. Mr. Moll is Chairman of the Board of MTD Holdings Inc and is Chairman of the Board, Chief Executive Officer and a director of MTD Products. Also includes 500 shares of Common Stock held by Moll Family Properties, 1,000 shares of Common Stock held by Mr. Moll s spouse and 20,000 shares of Common Stock held by the Jochum-Moll Foundation, a charitable organization in which Mr. Moll shares voting and investment power over all the foundation s assets. Mr. Moll disclaims beneficial ownership of these shares of Common Stock. Mr. Moll s address is c/o MTD Products Inc, 5965 Grafton Road, Valley City, Ohio 44280.
- (9) Includes 3,000 shares of Common Stock held in a trust fund to which Mr. Murch serves as co-trustee and is the sole beneficiary.
- (10) Includes 107,844 shares of Common Stock subject to stock options granted under the Company s 1993 Key Employee Stock Incentive Plan, which are exercisable within 60 days of November 30, 2003. Does not include 13,481 shares of Common Stock owned by Mr. Zampetis son, Constantine Zampetis, of which Mr. Zampetis disclaims beneficial ownership.
- (11) Includes 147,844 shares of Common Stock subject to stock options granted under the Company s 1993 Key Employee Stock Incentive Plan, which are exercisable within 60 days of November 30, 2003.

#### **Section 16(a) Beneficial Ownership Reporting Compliance**

Based solely on a review of reports of ownership, reports of changes of ownership and written representations under Section 16(a) of the Exchange Act which were furnished to the Company during or with respect to fiscal 2003 by persons who were, at any time during fiscal 2003, directors or officers of the Company or beneficial owners of more than 10% of the outstanding shares of Common Stock, all filing requirements for reporting persons were met, except as follows:

The Form 4s to report the following were filed late due to an administrative oversight:

Thomas J. Stecz was granted an option to purchase shares of Common Stock in October 2003.

Theodore K. Zampetis was granted an option to purchase shares of Common Stock in March 2003.

### COMPENSATION OF EXECUTIVE OFFICERS

#### Summary Compensation Table

The table below provides information relating to compensation for the Company's last three fiscal years for each person who served as the Chief Executive Officer during the fiscal year and the only two executive officers of the Company serving at the end of the fiscal year who received compensation in excess of \$100,000.

The amounts shown include compensation for services in all capacities that were provided to the Company and its direct and indirect subsidiaries and predecessors.

Name And Principal Position	Year	Annual Compensation/		Long-Term	All
		Salary (\$)	Bonus (\$)	Compensation Awards Securities Underlying Options/SARS	Other Compensation (\$)(1)
Theodore K. Zampetis (2) President, Chief Executive Officer and Director	2003	\$ 2,715,000	\$ 225,000	250,000	\$
	2002	\$ 490,875	\$	250,000	\$
	2001	\$	\$		\$
Stephen E. Graham (3) Chief Financial Officer	2003	\$ 223,681	\$ 100,000		\$ 2,669
	2002	\$ 228,462	\$ 10,000	20,000	\$ 3,131
	2001	\$ 7,615	\$		\$
James F. Keys (4) Senior Vice President of Advanced Technology/Sales and Marketing	2003	\$ 224,231	\$ 110,000		\$
	2002	\$ 84,615	\$ 10,000	100,000	\$

#### Technology/Sales and Marketing

- (1) The amounts listed for fiscal 2003, 2002 and 2001 reflect matching contributions made by Shiloh Corporation to Shiloh Corporation's qualified profit sharing retirement plan, relating to before-tax contributions made by such named executive officer under such plan.
- (2) In lieu of cash compensation and consistent with his employment agreement, Mr. Zampetis received 300,000 and 350,000 shares of Common Stock on January 31, 2004 and 2003, respectively. These shares were received for his services for the periods January 31, 2003 through January 31, 2004 and January 31, 2002 through January 31, 2003, respectively. Accordingly, the above table reflects as annual compensation the market value of the shares received based on the closing price of the Common Stock on the Nasdaq National Market at the date of the awards. At January 31, 2004, the market value of the Common Stock was \$9.05 and at January 31, 2003, the market value of the Common Stock was \$1.87. The resulting non-cash compensation was \$2,715,000 for fiscal 2003 and \$490,875 for fiscal 2002.
- (3) In October 2001, Mr. Graham was appointed Chief Financial Officer of the Company.
- (4) In June 2002, Mr. Keys was appointed Senior Vice President of the Company.

**Stock Option Holdings**

The following table sets forth information with respect to the Named Executive Officers concerning grants of stock options made during its last fiscal year.

Name	Individual Grants				Potential	
	Number of Securities Underlying Option/SARs	Percent of Total Options/SARs Granted to Employees in Fiscal Year (%)	Exercise or Base Price (\$/Sh)	Expiration Date	Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term	
	Granted (#)				5% (\$)	10% (\$)
Theodore K. Zampetis	250,000	73.9%	\$ 1.70	3/26/2013	\$ 267,280	\$ 677,341
Stephen E. Graham						
James F. Keys						

**Aggregated Fiscal Year-End Option Values**

Name (1)	Shares Acquired on Exercise	Value Realized \$	Number of Securities Underlying Unexercised Options/SARs at Fiscal Year-End (#) Exercisable/Unexercisable	Value of Unexercised In-The-Money Options/SARs at Fiscal Year-End (\$) Exercisable/Unexercisable
Theodore K. Zampetis	58,823	21,765	24,510/416,667	\$ 71,325/\$1,512,500
Stephen E. Graham			6,667/13,333	\$ 14,867/\$ 29,733
James F. Keys			33,333/66,667	\$ 70,333/\$ 140,667

(1) Only those options held at the end of the last fiscal year of the Company are listed.

**Pension Plans***Shiloh Corporation Cash Balance Pension Plan*

Effective January 1, 2000, the Shiloh Corporation Pension Plan (the Prior Plan) was amended to become the Shiloh Corporation Cash Balance Pension Plan (the New Pension Plan). The Prior Plan provided a benefit to participants pursuant to a defined benefit formula based on final

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average compensation and years of service. The New Pension Plan provides a benefit to participants under a new "cash balance" formula.

Under the new cash balance benefit formula, pension benefits are based on a participant's hypothetical account balance, rather than final average compensation and years of service. As of January 1, 2000, each participant's benefits which accrued under the Prior Plan's formula were converted to an amount equal to their actuarial present value. That amount became the participant's hypothetical account balance under the New Pension Plan. That balance, if any, is increased after January 1, 2000 by hypothetical annual allocations at the end of each subsequent year of Company service equal to four percent of the participant's compensation for that year. An equivalent percentage is allocated to a participant's account for any of the participant's compensation that exceeds the taxable wage base for Social Security taxes. In addition, the balance for those participants who were participants in the Prior Plan and who were age forty or older on January 1, 2000 will receive an additional credit equal to three percent of the participant's compensation for a period of ten years, starting on January 1, 2000. The hypothetical account is also increased by hypothetical interest for each plan year until the benefit is paid, at an annual rate equal to the average annual rate of interest on 30-year Treasury securities in effect for the second month preceding the first day of the plan year. Generally, the "cash balance" benefit is payable in a lump sum equal to the hypothetical account balance or in the form of an actuarially equivalent life annuity selected by the participant.

Under the New Pension Plan's benefit formula, the estimated annual benefit payable upon retirement at age 65 for Stephen E. Graham and James Keys is \$4,794 and \$2,569, respectively. Theodore K. Zampetis is not entitled to benefits under this plan.

### **Employment Agreement**

The Company finalized the terms of a five-year employment agreement with Mr. Zampetis, its President and Chief Executive Officer, during the second quarter of fiscal 2002. The employment agreement was executed in June 2002. During the first three years of the agreement, Mr. Zampetis receives a non-cash annual base salary, in arrears, in unrestricted shares of Common Stock. The number of shares to be issued are 350,000 at the end of year one, 300,000 at the end of year two and 250,000 at the end of year three. Mr. Zampetis will draw a base salary paid in cash during years four and five, which salary shall be no less than \$450,000. In fiscal year 2002, the Company granted Mr. Zampetis an option to purchase 250,000 shares of Common Stock and established a supplemental executive retirement plan whereby Mr. Zampetis will be entitled to a benefit of approximately \$1.9 million at the end of the five-year employment agreement. In fiscal year 2003, the Company also granted Mr. Zampetis an option to purchase an additional 250,000 shares of Common Stock after the stockholders of the Company approved an amendment to the Company's Stock Incentive Plan on March 26, 2003 that increased the number of shares of Common Stock issuable pursuant to options granted to any individual participant in any five-year period from 250,000 to 500,000.

During the third quarter of fiscal 2002, the Company established a rabbi trust for Mr. Zampetis. The rabbi trust sets aside assets to pay for benefits under the supplemental executive retirement plan, but those assets remain subject to claims by the Company's general creditors in preference to the claims of the plan's participant and beneficiaries.

### **COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION**

This Compensation Committee report shall not be deemed incorporated by reference by any general statement incorporating by reference this Proxy Statement into any filing under the Securities Act of 1933 or under the Exchange Act, except to the extent that the Company specifically incorporates this information by reference, and shall not otherwise be deemed filed under such Acts.

The Compensation Committee of the Board of Directors is responsible for establishing and administering an executive compensation program for the Company, determining the compensation of the chief executive officer and approving the compensation proposed by the chief executive officer for all other executive officers of the Company.

The Compensation Committee, comprised of three non-employee directors, has prepared this report to summarize for the stockholders the Company's policies and practices with regard to executive compensation.

*Objectives.* The Company's basic objectives for executive compensation are to recruit and keep top quality executive leadership focused on attaining long-term corporate goals and increasing stockholder value.

*Elements of Compensation.* Total compensation has four components: (i) base salary; (ii) short-term incentive (cash bonus); (iii) long-term incentive (stock options); and (iv) deferred compensation (defined benefit retirement plan).

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*Base Salary.* Base salaries for executive officers are set within ranges that are reasonable, considering comparable positions in companies similar to the Company in industry and region. Base salaries are also intended to be equitable and high enough to keep qualified executives from being overdependent on cash bonuses in a cyclical industry.



*Short-Term Incentives.* Annual cash bonuses are based on the Company's attainment of its earnings objectives. In 1997, these incentives were extended to managers in the Company's various business units. All cash bonuses are tied to individual and group performance based on goals established at the start of the year and are available in proportionately greater amounts to those who can most influence corporate earnings.

*Long-Term Incentives.* Long-term incentives consisting of stock options are intended to motivate executives to make and execute plans that improve stockholders' value over the long-term.

*Deferred Compensation.* The Company's defined benefit retirement plan and a profit sharing retirement plan are available for the executive officers of the Company on the same basis as all other eligible employees of the Company. Both plans are qualified plans to which the Company makes profit sharing and matching contributions on behalf of the plan's participants.

### **Chief Executive Officer Compensation**

Mr. Zampetis was appointed President and Chief Executive Officer in January 2002. The Company finalized the terms of a five-year employment agreement with Mr. Zampetis during the second quarter of fiscal 2002. During the first three years of the agreement, Mr. Zampetis receives a non-cash annual base salary, in arrears, in unrestricted shares of Common Stock. The number of shares to be issued are 350,000 at the end of year one, 300,000 at the end of year two and 250,000 at the end of year three. Mr. Zampetis will draw a base salary paid in cash during years four and five, which salary shall be no less than \$450,000. In fiscal year 2002, the Company granted Mr. Zampetis an option to purchase 250,000 shares of Common Stock and established a supplemental executive retirement plan whereby Mr. Zampetis will be entitled to a benefit of approximately \$1.9 million at the end of the five-year employment agreement. In fiscal year 2003, the Company also granted Mr. Zampetis an option to purchase an additional 250,000 shares of Common Stock after the stockholders of the Company approved an amendment to the Company's Stock Incentive Plan on March 26, 2003 that increased the number of shares of Common Stock issuable pursuant to options granted to any individual participant in any five-year period from 250,000 to 500,000. In determining Mr. Zampetis' total compensation pursuant to the terms of the employment agreement, the Compensation Committee considered a compensation package that would attract Mr. Zampetis to the Company as well as motivate Mr. Zampetis with long-term ownership incentives to build the value of the Company in both the short-term and the long-term.

For fiscal year 2003, the Compensation Committee recommended to the Board of Directors, and the Board of Directors approved, the payment of a cash bonus of \$225,000 to Mr. Zampetis based upon the Company's attainment of earnings objectives and Mr. Zampetis' attainment of individual goals.

This report is submitted on behalf of the Compensation Committee:

Maynard H. Murch IV, Chairman

James A. Karman

John J. Tanis

### **AUDIT COMMITTEE REPORT**

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The Audit Committee of the Board of Directors is composed of three directors who are independent, as defined in Rule 4200(a)(15) of the NASD listing standards. The Board of Directors adopted a written Audit Committee charter on May 25, 2000. However, the Board of Directors will adopt a revised charter prior to the Annual Meeting to comply with Rule 4350(d)(1) of the NASD listing standards.

The Audit Committee has reviewed and discussed with the Company's management and PricewaterhouseCoopers LLP, the Company's former independent auditors, the audited financial statements of

the Company for the year ended October 31, 2003. The Audit Committee has also discussed with the Company's independent auditors the matters required to be discussed pursuant to SAS 61 (Codification of Statements on Auditing Standards, Communication with Audit Committees).

The Audit Committee has received and reviewed the written disclosures and the letter from PricewaterhouseCoopers LLP required by Independence Standards Board Standard No. 1 (titled, "Independence Discussions with Audit Committees") and has discussed with PricewaterhouseCoopers LLP such independent auditors' independence. The Audit Committee has also considered whether the provision of non-audit services to the Company by PricewaterhouseCoopers LLP is compatible with maintaining their independence.

Based on the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 2003 for filing with the Securities and Exchange Commission.

This report is submitted on behalf of the Audit Committee.

James A. Karman, Chairman

Maynard H. Murch IV

John J. Tanis

### COMPARATIVE STOCK PERFORMANCE GRAPH

The following graph compares the Company's cumulative total stockholder return for the five-year period ended October 31, 2003 with the Nasdaq composite index and indices of certain companies selected by the Company as comparative to the Company. The graph assumes that the value of the investment in the Company's Common Stock and each index was \$100.00 on October 31, 1998.

#### Comparison of Company's Common Stock, Nasdaq Composite Index and Peer Group Index

For the period of October 31, 1998 through October 31, 2003, the companies selected to form the Company's line-of-business peer group index were: A. M. Castle & Co., ArvinMeritor, Inc., Gibraltar Steel Corp., Olympic Steel, Inc., Steel Technologies, Inc., Tower Automotive, Inc. and Worthington Industries, Inc. The total return of each member of the Company's peer group has been weighted according to each member's stock market capitalization.

### CHANGE IN CERTIFYING ACCOUNTANT

On January 27, 2004, the Audit Committee of the Board of Directors dismissed PricewaterhouseCoopers LLP as its independent auditors.

The reports of PricewaterhouseCoopers LLP on the consolidated financial statements of the Company for each of the two fiscal years ended October 31, 2003 and 2002 did not contain an adverse opinion or a disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope or accounting principles.

In connection with the audits of the Company's consolidated financial statements for each of the two most recent fiscal years ended October 31, 2003 and 2002 and in the subsequent interim period from November 1, 2003 through and including January 27, 2004, there were no disagreements between the Company and PricewaterhouseCoopers LLP on any matter of accounting principles or practices, consolidated financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of PricewaterhouseCoopers LLP, would have caused PricewaterhouseCoopers LLP to make reference to the matter in their reports on the consolidated financial statements for such years.

During the two fiscal years ended October 31, 2003 and 2002 and in the subsequent interim period from November 1, 2003 through and including January 27, 2004, there were no reportable events (as the term is defined in Item 304(a)(1)(v) of Regulation S-K).

The Company has provided the foregoing disclosure to PricewaterhouseCoopers LLP and PricewaterhouseCoopers LLP has furnished a letter addressed to the Securities and Exchange Commission stating whether PricewaterhouseCoopers LLP agrees with the statements made above by the Company. This letter was filed as Exhibit 16.1 to the Current Report Form 8-K of the Company filed with the Securities and Exchange Commission on January 30, 2004.

On February 6, 2004, the Audit Committee of the Board of Directors engaged Deloitte & Touche LLP as the Company's independent auditors to audit the consolidated financial statements of the Company for its fiscal year ending October 31, 2004.

During the fiscal years ended October 31, 2003 and 2002 and in the subsequent interim period from November 1, 2003 through and including February 5, 2004, neither the Company nor anyone on its behalf consulted Deloitte & Touche LLP regarding either (i) the application of accounting principles to any specified transaction (completed or proposed) or the type of audit report that might be rendered on the Company's consolidated financial statements or (ii) any matter that was the subject of a disagreement as defined in Item 304(a)(1)(iv) of Regulation S-K or any reportable event as described in Item 304(a)(1)(v) of Regulation S-K.

#### **SUBMISSION OF STOCKHOLDERS' PROPOSALS AND ADDITIONAL INFORMATION.**

The Company must receive by October 15, 2004 any proposal of a stockholder intended to be presented at the 2005 annual meeting of stockholders of the Company (the 2005 Meeting) and to be included in the Company's proxy, notice of meeting and proxy statement related to the 2005 Meeting pursuant to Rule 14a-8 under the Exchange Act. Such proposals must be addressed to the Company, 5389 W. 130th Street, Cleveland, Ohio 44130-1094 and should be submitted to the attention of Stephen E. Graham by certified mail, return receipt requested. Proposals of stockholders submitted outside the processes of Rule 14a-8 under the Exchange Act in connection with the 2004 Meeting (Non-Rule 14a-8 Proposals) must be received by the Company by December 29, 2004 or such proposals will be considered untimely under Rule 14a-4(c) of the Exchange Act. The Company's proxy related to the 2005 Meeting will give discretionary authority to the proxy holders to vote with respect to all Non-Rule 14a-8 Proposals received by the Company after December 29, 2004.

The Company will furnish without charge to each person whose proxy is being solicited, upon written request of any such person, a copy of the Annual Report on Form 10-K of the Company for the fiscal year ended October 31, 2003, as filed with the Securities and Exchange Commission, including the financial statements and schedules thereto. Requests for copies of such Annual Report on Form 10-K should be directed to: Stephen E. Graham, Chief Financial Officer, Shiloh Industries, Inc., 5389 W. 130th Street, Cleveland, Ohio 44130-1904.

#### **SOLICITATION OF PROXIES**

The Company will bear the costs of soliciting proxies from its stockholders. In addition to the use of the mails, proxies may be solicited by the Directors, officers and employees of the Company by personal interview or telephone. Such Directors, officers and employees will not be additionally compensated for such solicitation but may be reimbursed for out-of-pocket expenses incurred in connection with such solicitation. Arrangements will also be made with brokerage houses and other custodians, nominees and fiduciaries for the forwarding of solicitation materials to the beneficial owners of Common Stock held of record by such persons, and the Company will reimburse such brokerage houses, custodians, nominees and fiduciaries for reasonable out-of-pocket expenses incurred in connection with such solicitation.

#### **OTHER MATTERS**

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The Directors know of no other matters which are likely to be brought before the Annual Meeting. The Company did not receive notice by January 14, 2004 of any other matter intended to be raised by a stockholder at

the Annual Meeting. Therefore, the enclosed proxy card grants to the persons named in the proxy card the authority to vote in their best judgment regarding all other matters properly raised at the Annual Meeting.

By Order of the Board of Directors

DAVID J. HESSLER

Secretary

February 12, 2004

**IT IS IMPORTANT THAT THE PROXIES BE RETURNED PROMPTLY. EVEN IF YOU EXPECT TO ATTEND THE ANNUAL MEETING, PLEASE PROMPTLY COMPLETE, SIGN, DATE AND MAIL THE ENCLOSED PROXY CARD IN THE ENCLOSED ENVELOPE, WHICH REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES.**

**PROXY PROXY**

**SHILOH INDUSTRIES, INC.**

**PROXY SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS OF THE COMPANY**

**FOR THE ANNUAL STOCKHOLDERS MEETING ON MARCH 24, 2004.**

The undersigned hereby constitutes and appoints Theodore K. Zampetis and Curtis E. Moll, and each of them, his true and lawful agents and proxies with full power of substitution in each, to represent the undersigned at the annual meeting of stockholders of Shiloh Industries, Inc. to be held at The MTD Products Inc Lodge, 5903 Grafton Road, Valley City, Ohio 44280 on Wednesday, March 24, 2004, at 10:00 a.m., and at any adjournments or postponements thereof, as follows and in accordance with their judgment upon any other matters coming before said meeting.

YOU ARE ENCOURAGED TO SPECIFY YOUR CHOICES BY MARKING THE APPROPRIATE BOXES, SEE REVERSE SIDE, AND SHARES REPRESENTED BY THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED AS DIRECTED OR, IF DIRECTIONS ARE NOT INDICATED, WILL BE VOTED IN ACCORDANCE WITH THE BOARD OF DIRECTORS' RECOMMENDATIONS. THE PROXIES CANNOT VOTE YOUR SHARES UNLESS YOU SIGN AND RETURN THIS CARD.

**SEE REVERSE SIDE**

(change of address)

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PLEASE MARK, DATE AND SIGN THIS PROXY AND RETURN IT IN THE ENCLOSED ENVELOPE.

(If you have written in the above space, please mark the corresponding box on the reverse side of this card.)

**(CONTINUED AND TO BE SIGNED ON REVERSE SIDE.)**



**FOLD AND DETACH HERE**

**SHILOH INDUSTRIES, INC.**

**PLEASE MARK VOTE IN BOX IN THE FOLLOWING MANNER USING DARK INK ONLY.**

1. Election of Directors

*Nominees:* Cloyd J. Abruzzo, George G. Goodrich and Dieter Kaesgen

For  
All  
"

Withhold  
All  
"

For  
All\*  
Except  
"

\_\_\_\_\_  
\*(Write nominee exception above)

To attend meeting, mark the box. "

To change your address, mark the box. "

Dated: \_\_\_\_\_

Signature(s) \_\_\_\_\_

NOTE: Please sign exactly as name appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such.

**YOUR VOTE IS IMPORTANT.**

**PLEASE MARK, DATE AND SIGN THIS PROXY AND RETURN IT IN THE ENCLOSED ENVELOPE.**