CONSOLIDATED FINANCIAL STATEMENTS

Profit and Loss Account

in TEUR	Note	2001	2002
SALES	(5.1.)	**409,080.2**	**451,186.8**
Differences between opening and closing stocks		3,597.2	-2,728.8
Own work capitalised		833.7	1,059.0
OPERATING REVENUES		**413,511.1**	**449,517.0**
Other operating income	(5.2.)	13,343.4	8,746.2
Cost of materials	(5.3.)	-195,451.3	-212,522.7
Staff costs	(5.4.)	-91,309.3	-96,378.1
Depreciation	(5.5.)	-20,730.9	-24,052.2
Other operating expenses	(5.6.)	-80,013.0	-82,972.8
OPERATING PROFIT (EBIT)		**39,350.0**	**42,337.4**
Income from companies in which group has a participating interest		151.5	44.3
Investment results		-597.2	-560.8
Other financial results		-569.4	-196.4
FINANCIAL RESULTS	(5.7.)	**-1,015.1**	**-712.9**
PROFIT BEFORE TAX (PBT)		**38,334.9**	**41,624.5**
Taxes on income	(5.8.)	-6,511.3	-9,293.5
PROFIT AFTER TAX		**31,823.6**	**32,331.0**
Minority interests		-9,539.1	-8,401.1
NET PROFIT FOR THE PERIOD		**22,284.5**	**23,929.9**
in EUR			
Earnings per share (outstanding shares)	(7.1.)	1.08	1.16
Earnings per share (weighted average number of shares)		1.10	1.18
Recommended or paid dividend per share		0.36	0.41

The following notes to the financial statements form an integral part of this income statement.

Statement of Cash Flow

in TEUR	2001	2002
Profit after tax	31,823.6	32,331.0
Depreciation and amortisation/ write-ups	20,109.0	25,370.1
Increase/decrease in long-term provisions	1,546.6	4,908.8
Reversal of negative goodwill	-499.7	-526.1
Changes in non-cash items and minority interests resulting from foreign exchange translations	2,033.2	-6,704.0
GROSS CASH FLOW	**55,012.7**	**55,379.8**
Increase/decrease in inventories	-7,669.9	2,698.6
Increase/decrease in trade receivables	-12,925.4	-142.9
Increase/decrease in tde liabilities	-3,205.0	3,294.4
Increase/decrease in prepayments	3,814.1	-3,370.5
Increase/decrease in other liabilities, short-term provisions and deferred income	-3,607.9	-3,025.5
CASH FLOW FROM OPERATING ACTIVITIES	**31,418.6**	**54,833.9**
Proceeds from the sale of assets	6,252.8	556.7
Purchase of property, plant and equipment and intangible assets	-35,068.4	-26,104.8
Investments in financial assets	-7,815.5	-6,809.1
Acquisition of subsidiaries abzgl. erworbener Nettozahlungsmittel	4,381.2	-1,855.3
Net flows from increase/decrease in marketable securities	12,971.0	11.3
CASH FLOWS FROM INVESTING ACTIVITIES	**-19,278.9**	**-34,201.2**
Net redemptions of short-term and long-term borrowings	-9,491.3	-5,464.3
Dividends	-6,715.0	-7,325.4
Dividends to minority interests	-3,208.4	-5,535.0
CASH FLOW FROM FINANCING ACTIVITIES	**-19,414.7**	**-18,324.7**
CHANGES IN CASH AND CASH EQUIVALENTS	**-7,275.0**	**2,308.0**
Effect of change rate fluctuations on financial funds	893.0	-1,591.8
Cash and cash equivalents at the beginning of the year	24,647.5	18,265.5
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**18,265.5**	**18,981.7**

Cash and cash equivalents correspond to cash resources.
The following notes to the financial statements form an integral part of this Statement of Cash Flow.

Balance Sheet

Assets

in TEUR	Note	31.12.2001	31.12.2002
Intangible assets		-6,533.1	-2,535.8
Property, plant and equipment		134,558.9	129,601.1
Financial assets		14,639.7	19,861.3
FIXED AND FINANCIAL ASSETS	(4.1.)	**142,665.5**	**146,926.6**
Inventories	(4.2.)	60,022.6	58,448.6
Trade receivables	(4.3.)	70,353.9	72,774.7
Other receivables	(4.3.)	16,090.0	14,568.5
Marketable securities		75.7	64.4
Cash and cash equivalents		18,265.5	18,981.7
Prepaid expenses and deferred charges	(4.3.)	672.8	989.6
CURRENT ASSETS		**165,480.5**	**165,827.5**
Deferred tax	(4.4.)	12,967.7	12,729.4
ASSETS		**321,113.7**	**325,483.5**

Equity and liabilities

in TEUR			
Issued capital		21,359.0	21,359.0
Share premium		21,503.2	21,503.2
Retained earnings		93,310.0	109,914.5
Treasury shares		-2,460.0	-2,460.0
Currency translation reserve		8,143.8	-1,770.6
EQUITY	(4.5.)	**141,856.0**	**148,546.1**
MINORITY INTEREST		**44,914.8**	**40,897.5**
Provisions for pensions and severance payments		51,425.0	52,753.7
Provisions for deferred taxes	(4.6.)	169.3	600.7
Provisions for current taxes		94.9	2,361.6
Other provisions		24,729.3	26,126.6
Provisions	(4.6.)	**76,418.5**	**81,842.6**
Liabilities due to banks		15,658.6	13,159.6
Trade payables		26,332.2	24,654.2
Prepayments		582.8	316.1
Other liabilities		15,185.2	15,243.6
Prepaid expenses and deferred charges	(4.7.)	165.6	823.8
LIABILITIES	(4.7.)	**57,924.4**	**54,197.3**
EQUITY AND LIABILITIES		**321,113.7**	**325,483.5**

The following notes to the financial statements form an integral part of this balance sheet.

Capital and Reserves

in TEUR	Issued capital	Share premium	Retained earnings	Own shares	Currency transl. res.	**Total**
Balance on 1.1.2001	**21,359.0**	**21,503.2**	**77,740.5**	**-2,460.0**	**527.6**	**118,670.3**
Net profit			22,284.5			22,284.5
Dividends			-6,715.0			-6,715.0
Currency translation adjustments					7,616.2	7,616.2
Balance on 31.12.2001	**21,359.0**	**21,503.2**	**93,310.0**	**- 2,460.0**	**8,143.8**	**141,856.0**
Net profit			23,929.9			23,929.9
Dividends			-7,325.4			- 7,325.4
Currency translation adjustments					-9,914.4	-9,914.4
Balance on 31.12.2002	**21,359.0**	**21,503.2**	**109,914.5**	**- 2,460.0**	**-1,770.6**	**148,546.1**

The following notes to the financial statements form an integral part of this schedule on capital and reserves.

Changes in Fixed and Financial Assets

ACQUISITION OR PRODUCTION COSTS

in TEUR	Balance on 1.1.2002	Acquisitions/ disposals of businesses	Foreign exchange differences	Acquisitions	Disposals	Transfers	Balance on 31.12.2002
I. INTANGIBLE ASSETS							
Software licenses, industrial property rights and similar rights	7,274.8	69.6	-59.9	1,957.2	-188.0	156.4	9,210.1
Goodwill	1,244.4	3,519.5	-103.0	0.0	0.0	0.0	4,660.9
Negative goodwill	-10,941.6	-545.9	0.0	0.0	0.0	0.0	-11,487.5
Down payments made	150.9	0.0	-23.1	0.0	0.0	0.0	127.8
	-2,271.5	**3,043.2**	**-186.0**	**1,957.2**	**-188.0**	**156.4**	**2,511.3**
II. PROPERTY, PLANT AND EQUIPMENT							
Land and buildings, including buildings on land owned by third parties	91,253.5	1,809.2	-4,446.8	4,510.5	-2,207.6	2,942.7	93,861.5
Machinery and equipment	192,787.3	1,429.3	-8,028.1	12,301.6	-5,525.2	6,511.3	199,476.2
Fixtures, fittings, tools and equipment	50,404.7	244.4	-2,828.0	3,889.3	-2,168.3	848.4	50,390.5
Prepayments and assets under construction	9,562.7	98.3	-237.8	3,446.2	-9.7	-10,458.8	2,400.9
	344,008.2	**3,581.2**	**-15,540.7**	**24,147.6**	**-9,910.8**	**-156.4**	**346,129.1**
III. FINANCIAL ASSETS							
Investments in subsidiaries	416.4	0.0	0.0	4.865.0	0.0	0.0	5,281.4
Investments in associates	349.3	0.0	-4.7	44.3	-164.1	0.0	224.8
Other investments	95.5	0.0	1.6	649.8	-158.9	0.0	588.0
Securities	14,019.7	17.9	-361.2	566.9	-268.3	0.0	13,975.0
Loans granted	104.7	11.8	0.0	683.1	-26.0	0.0	773.6
	14,985.6	**29.7**	**-364.3**	**6,809.1**	**-617.3**	**0.0**	**20,842.8**
	356,722.3	**6,654.1**	**-16,091.0**	**32,913.9**	**-10,716.1**	**0.0**	**369,483.2**

Note: Rounding differences may arise from the automatic processing of data.
The following notes to the financial statements form an integral part of this schedule on changes in fixed and financial assets.

DEPRECIATION							BOOK VALUES	
Balance on 1.1.2002	Acquisitions/ disposals of businesses	Foreign exchange differences	Depreciation for business year 2002	Disposals	Write-up for business year 2002	Balance on 31.12.2002	Carrying amount on 31.12.2002	Carrying amount on 31.12.2001
4,780.5	-33.4	901.8	-21.1	0.0	0.0	5,627.8	3,582.3	2,494.3
317.1	-36.5	476.2	0.0	0.0	0.0	756.8	3,904.1	927.3
-926.5	0.0	-526.1	0.0	0.0	0.0	-1,452.6	-10,034.9	-10,015.1
90.6	-17.8	42.3	0.0	0.0	0.0	115.1	12.7	60.4
4,261.7	**-87.7**	**894.2**	**-21.1**	**0.0**	**0.0**	**5,047.1**	**-2,535.8**	**-6,533.1**
43,850.6	-1,260.7	2,904.8	-837.3	-100.0	0.0	44,557.4	49,304.1	47,402.9
130,083.7	-4,791.1	13,981.9	-5,016.9	105.5	0.0	134,363.1	65,113.1	62,703.6
35,515.0	-2,155.0	6,271.3	-2,018.3	-5.5	0.0	37,607.5	12,783.0	14,889.7
0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,400.9	9,562.7
209,449.3	**-8,206.8**	**23,158.0**	**-7,872.5**	**0.0**	**0.0**	**216,528.0**	**129,601.1**	**134,558.9**
316.2	0.0	52.8	0.0	0.0	0.0	369.0	4,912.4	100.2
0.0	0.0	0.0	0.0	0.0	0.0	0.0	224.8	349.3
95.5	0.2	38.5	-6.8	0.0	0.0	127.4	460.6	0.0
-137.3	-136.6	923.4	0.0	0.0	-231.2	418.3	13,556.7	14,157.1
71.7	0.0	8.3	-13.2	0.0	0.0	66.8	706.8	33.1
346.1	**-136.4**	**1,023.0**	**-20.0**	**0.0**	**-231.2**	**981.5**	**19,861.3**	**14,639.7**
214,057.1	**-8,430.9**	**25,075.2**	**-7,913.6**	**0.0**	**-231.2**	**222,556.6**	**146,926.6**	**142,665.5**

SEGMENT REPORTING

STRATEGIC AREAS (PRIMARY SEGMENTS)

in TEUR	Sempermed	Semperflex	Semperform	Sempertrans	Other and Group Eliminations	Group
2002						
Sales	180,815.7	108,299.2	81,214.1	80,788.5	69.3	451,186.8
Profit before tax	19,657.3	10,584.0	5,966.9	5,142.6	273.7	41,624.5
Financial results	-144.0	-239.5	-63.4	41.9	-307.9	-712.9
Depreciation	8,132.3	8,720.7	4,505.2	1,973.8	720.2	24,052.2
Assets	106,471.3	89,771.3	40,553.9	66,421.8	22,265.2	325,483.5
thereof liabilities due to banks	7,039.5	5,650.4	4,345.8	1,039.7	228.1	18,303.5
Loan capital	26,430.4	32,385.8	25,034.7	17,146.2	35,042.8	136,039.9
thereof liabilities due to banks	7,825.0	3,848.4	437.3	455.5	593.4	13,159.6
Capital expenditure	12,799.6	6,338.0	5,342.4	4,837.5	3,596.4	32,913.9
Employees	2,960	1,187	789	726	29	5,691
2001						
Sales	155,327.9	93,707.2	79,438.9	80,387.8	218.4	409,080.2
Profit before tax	18,291.2	8,521.1	7,163.1	5,059.8	-700.3	38,334.9
Depreciations	7,607.1	6,779.0	4,241.3	1,889.9	213.6	20,730.9
Assets	103,137.2	83,095.8	41,655.9	68,017.5	25,207.3	321,113.7
Loan capital	28,738.6	30,402.4	24,785.1	18,079.7	32,337.1	134,342.9
Capital expenditure	9,009.8	18,214.1	9,983.2	3,325.9	5,498.1	46,031.1
Employees	2,556	1,098	839	761	30	5,284

According to the "management approach" IAS 14 is based on, the company segments are to be defined in compliance with the internal reporting structures in primary segment reports. In regional segment reporting, the turnover is segmented according to the customers' headquarters. Assets and investments are classified by company headquarters.

Information on business developments in the individual divisions is included in the Group Report. The allocation of assets, outside capital, financial result and sales has already been adjusted for consolidation at the business divisions. The segment reporting has been expanded in comparison to last year.

REGIONS (SECONDARY SEGMENTS)

	2001			2002		
in TEUR	Assets	Capit. expend.	Sales	Assets	Capit. expend.	Sales
Austria	104,869.0	22,780.6	30,489.2	106,585.3	22,194.0	29,513.3
EU excluding Austria	55,121.2	2,135.8	179,590.0	58,789.2	1,228.5	200,951.0
Total EU	159,990.2	24,916.4	210,079.2	165,374.5	23,422.5	230,464.3
Rest of Europe	70,148.9	10,850.6	61,882.7	69,993.9	6,433.4	64,743.3
Total Europe	230,139.1	35,767.0	271,961.9	235,368.4	29,855.9	295,207.6
America	31,234.9	416.7	103,158.1	33,196.5	234.1	118,122.1
Asia/ the rest of the world	75,569.4	9,847.4	33,960.2	71,551.6	9,964.7	37,857.1
Consolidation	-15,829.7	0.0	0.0	-14,633.0	-7,140.8	0.0
GROUP	**321,113.7**	**46,031.1**	**409,080.2**	**325,483.5**	**32,913.9**	**451,186.8**

Annex

I. General Notes

1.1. General Principles

Reporting in Accordance with International Financial Reporting Standards (IFRS), formerly International Accounting Standards (IAS)

These financial statements as at 31 December 2002 were for the first time prepared in keeping with the principles set forth by the International Financial Reporting Standards (IFRS), formerly International Accounting Standards (IAS) adopted by the International Accounting Standards Board (IASB), and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly the Standing Interpretations Committee (SIC). In view of § 245 a HBG (Austrian Commercial Code) the financial statements drawn up in accordance with IAS give sufficient grounds for exemption.

1.2. Major differences between Austrian and IFRS accounting rules

Major Differences

Austrian accounting principles and International Accounting Standards are based on fundamentally different principles. The Austrian accounting principles set out in the Commercial Code (HGB) place the principle of prudence and protection of creditors in the foreground. The primary objective of accounting according to the principles of IFRS is to provide information upon which investors and shareholders may base their decisions; for that reason, greater importance is attached to the comparability of annual financial statements prepared in accordance with IFRS than is the case with those based upon the Austrian Commercial Code.

Those specific differences that are of particular importance for these consolidated financial statements are set out below.

Financial Assets

According to Austrian reporting principles, financial assets must be reported at the cost of acquisition or market value, whichever is lower. Investment securities that are held by the Semperit Group in order to meet the securities requirement of Austrian fiscal law must be valued at market value in accordance with the provisions of IAS 39.

Treasury Shares

Under the Austrian Commercial Code (HGB), treasury shares must be reported in the item investment capital funds or current assets. A provision for treasury shares must be reported on the liabilities side of the balance sheet. Under IFRS, treasury shares must be reported on the balance sheet as a deduction from equity capital.

Deferred taxes

The Austrian Commercial Code requires the creation of deferred tax provisions for temporary differences if a tax liability is expected to arise when these differences are reversed. IFRS requires the creation of deferred taxes on all temporary differences which arise between financial statements prepared for tax purposes and IFRS financial statements using the currently applicable tax rate. Under IFRS, deferred tax assets must also be recorded for tax loss carry-forwards that are expected to be offset against taxable profits in the future.

Other provisions

With respect to provisions, IFRS interprets the principle of prudence differently than the Austrian Commercial Code. IFRS generally place stricter requirements on the probability of relevant events occurring and estimating the amount of the provision.

Provisions for Employees

In keeping with the Austrian Commercial Code, provisions for employees in the Semperit Group are calculated without incorporating the effect of future salary increases according to the part value method with a discount rate of 4 %. Under IFRS, provisions for employees are calculated using the projected unit credit method with a capital market interest rate of 4.5 % and taking into account the expected salary increases.

Foreign exchange valuation

The two accounting systems require different treatments for unrealised profits arising from the valuation of foreign exchange items as at balance sheet data. According to Austrian law, unrealised losses must be accounted in compliance with the imparity principle, while IFRS also require the recognition of unrealised profits.

1.3. General information on the Consolidated Annual Financial Statements

Semperit Aktiengesellschaft Holding is an international industrial company with headquarters in Vienna, Austria. Its business activities can be divided into four business divisions:

Sempermed (medical gloves, industrial gloves),
Semperflex (hydraulic and industrial hoses, elastomer sheeting),
Semperform (escalator handrails, elastomer profiles, moulded articles),
Sempertrans (conveyor belts).

To enhance the clarity of the presentation individual items of the balance sheet and profit and loss account have been joined. The Annex provides a detailed presentation. Rounding differences in the summation of rounded amounts and percents may arise from the automatic processing of data.

The financial statements of all major companies and fully consolidated companies in Austria and abroad that are subject to statutory audits were investigated by independent auditors and were awarded unqualified opinions. The statutory transition of commercial balance sheets to individual IFRS financial statements was also certified by local auditors.

1.4. Consolidation Principles and Methods

The financial statements of the individual companies included, in Austria and abroad, were drawn up as at the balance sheet date, 31 December 2002.

Items 3.1 and 3.2 of the Annex provide an overview of the fully consolidated companies valued at equity. Changes in the scope of consolidation are presented in item 3.4 of this report.

Consolidation of capital is carried out by eliminating the acquisition costs (book value) and the pro rata shareholder's equity of the individual interest revalued at the time of acquisition.

The capital of the fully consolidated companies was included in the consolidated accounts using the book value method. This approach involves offsetting the acquisition costs of the participatory shares secured against the book value of the subsidiaries' shareholder's equity.

Asset-side balancing items originating from first-time consolidation are reported as goodwill on the asset side of the balance sheet. New differences in the liabilities from first-time consolidation that are the result of a favourable purchasing price are shown separately next to the non-monetary assets and reduced over the weighted average useful life of the acquired depreciable fixed assets. On the reporting date, liability differences of TEUR10,034.9 (previous year: TEUR10,015.1) were shown as an asset.

Due to their dominant influence, the joint ventures were fully consolidated.

The same capital consolidation principles as for full consolidation apply to the associated companies included according to the equity method. A valuation in line with uniform Group methods was not carried out on these companies since this would be meaningless.

In the course of debt consolidation, receivables and liabilities between companies included in full in the consolidated accounts were fully netted off. Interim results from intra-Group deliveries of stock items were eliminated by calculating a surcharge if they were of primary significance.

In the course of expenditure and revenues elimination, all inter-company gains and losses, which arose from the sale of goods or services between Group companies were eliminated.

Subsidiaries outside the EURO zone are regarded as economically independent companies. In compliance with the functional currency concept, the assets and liabilities reported in the individual annual financial statements of these companies, including goodwill and value adjustments resulting from first-time consolidation, and the items of the profit and loss account were converted using the mean exchange rates of the business year. Resulting foreign currency profits and losses are reported under the item foreign currency translation adjustments.

II. Accounting and Valuation Methods

2.1. Date of Profit Realisation

All income is generally considered realised upon passage of risk (at transfer date of risks and utilisation) or provision of service. Interest income is realised pro rata temporis taking into account the effective rate and licence as well as rental revenues.

2.2. Tangible and Intangible Fixed Assets

Intangible fixed assets were valued at their cost of acquisition less scheduled straight-line amortisation. A period of 4 to 10 years was applied as a basis for their useful life.

Tangible fixed assets were valued at their cost of acquisition or manufacture less scheduled depreciation. Costs of manufacture in the case of assets produced by the company itself included pro rated overhead costs in addition to direct costs. Scheduled depreciation by the straight-line method was undertaken and calculated on the basis of the following useful life figures:

	Useful life in years
Buildings	25 – 50
Outdoor plant	10
Technical equipment, plant and machinery	5 – 10
Office furniture	5 – 10
Office machinery	5 – 10
IT hardware	3 – 5
Storage and workshop equipment	5 – 10
Vehicles	4 – 5

Depreciation was calculated from the date the asset was put into initial operation.

In accordance with IFRS 36 (impairment of assets) assets are written down to net selling price or liquidation value if there is evidence of a loss in value and the present value of future payment surpluses lies below book value. For this, the individual locations were defined as cash-generating units.

2.3. Financial Assets

Financial assets are not held for trading purposes. All other securities are classified as available for sale. They are valued at historic cost at the time of acquisition, in later periods at current market value. Changes in value are recorded as income in the profit and loss account. The market values of the securities are calculated on the stock exchange price at the balance sheet date.

Other interests for which a market value cannot be ascertained without considerable difficulty are included in the balance sheet at acquisition cost.

2.4. Stocks

Stocks were valued at their cost of acquisition or manufacture taking into account the strict lower of cost or market principle. Adequate write-downs are taken into consideration for stock risks resulting from length of storage or impaired usability. The valuation is generally based on the moving average method.

Manufacturing includes direct expenditures as well as all variable and fixed overheads incurred by production. The costs of borrowed capital are reported as expenditure in the period in which they were incurred.

2.5. Receivables

Receivables and other assets were valued at their face value insofar as no lower value needed to be set to cover discernible risks. Receivables expressed in foreign currencies were valued at the mean exchange rates of the balance sheet date.

2.6. Provisions

Severance payment provisions were created for legal and contractual claims and correspond to actuarially calculated provision requirements based on a standard national rate of interest of 4.5 % and an adequate staff turnover deduction. Salaries are expected to increase by 3.6 % p.a.

Provisions for current pensions and anticipated pensions were created along actuarial lines according to the projected unit credit method. Calculations are based on a rate of 4.5 %. Anticipated salary increases of 3.6 % p.a. were taken into account when valuating pension provisions. Pension obligations were based on written individual contracts with board members and senior personnel as well as on the pension rules and regulations.

Provisions for liabilities similar to severance payments were created for fidelity premiums. The provision against a future contingency was calculated on the basis of a rate of interest of 4.5 %. Other provisions were created in the amount of the presumable claim according to the principle of prudence. They take into account all discernible risks and future liabilities of, as yet, uncertain amount and are valuated at the most likely amount after careful investigation of the facts.

In agreement with IFRS 12, the provision for deferred taxes includes all temporary valuation and accounting differences arising between financial statements prepared for tax purposes and IFRS financial statements. The expected tax rates applicable upon reversal of differences are applied for the provision for deferred tax - based on the local tax rate of the relevant subsidiary.

2.7. Liabilities

Liabilities were recorded at the amount of repayment or their face value. Liabilities expressed in foreign currency were valued at the mean exchange rates of the balance sheet date.

2.8. Other

Earnings per share are based on Group profit after minority interest, divided by the number of outstanding shares (less treasury stocks).

Estimations are made for the Consolidated Annual Financial Statements - as required - that influence the assets and liabilities reported in the balance sheet, the posting of other obligations on the balance sheet date and the reporting of earnings and expenditures during the period under review. The actual amounts may diverge from the said estimations.

In the reporting year, minor changes were made to the allocation of accounts to balance sheet items. The previous year's amounts were adjusted correspondingly.

III. Scope of Consolidation

3.1. Group companies (fully consolidated)

Domestic	Currency	Authorised share captal in TEUR	Holding in %
Semperit AG Holding, Vienna	EUR	21,359.0	-
Semperit Technische Produkte GmbH & Co KG, Vienna	EUR	3,000.0	100
Semperit Technische Produkte GmbH, Vienna	EUR	10,900.9	100
Arcit HandelsgmbH, Vienna	EUR	36.3	100
Foreign			
Semperflex Asia Corp. Ltd., Hatyai, Thailand	BAHT	380,000.0	50
Semperform Pacific Corp. Ltd., Hatyai, Thailand	BAHT	60,000.0	50
Siam Sempermed Corp. Ltd., Hatyai, Thailand	BAHT	200,000.0	50
Semperflex A.H. S.R.O., Odry, Czech Republic	CZK	100.0	96
Semperflex Optimit A.S., Odry, Czech Republic	CZK	609,291.0	96
Sempermed Kft., Sopron, Hungary	EUR	2,180.2	100
Shanghai Semperit Rubber & Plastic Products Co. Ltd., Shanghai, China	EUR	2,471.0	90
Semperflex Rivalit GmbH, Waldböckelheim, Germany	EUR	1,281.3	100
Semperit Gummiwerk Deggendorf GmbH, Deggendorf, Germany	EUR	2,050.0	100
Semperit Technische Produkte GmbH, Gevelsberg, Germany	EUR	511.3	100
Apligom S. à r. l., Argenteuil, France	EUR	176.0	100
Semperit (France) S. à r.l., Argenteuil, France	EUR	495.0	100
Sempertrans France Belting Technology S.A., Argenteuil, France	EUR	3,165.0	100
Vulgeco S. à r. l., Port de Bouc, France	EUR	165.0	100
Semperit Conveyor Services Ltd., Walsall, UK	GBP	100.0	100
Semperit Industrial Products Ltd., Reading, UK	GBP	750.0	100
Semperform Kft., Sopron, Hungary	HUF	243,000.0	100
Sempermed Magyarország Kft., Budapest, Hungary	HUF	3,000.0	100
Sempertrans Nirlon Ltd., Maharashtra, Roha, India	INR	230,769.0	74
Sempertrans Belchatow S.A., Belchatow, Poland	PLN	7,300.5	97
Fabryka Lin „Stolin" S.p.z.o.o., Belchatow, Poland	PLN	800.0	97
Semperit Tekniska Produkter AB, Skärholmen, Sweden	SEK	800.0	100
Semperit Industrial Products Inc., Fair Lawn, New Jersey, USA	USD	1.0	100
Sempermed USA Inc., Palm Harbor, Florida, USA	USD	4,000.0	50
Roiter S.p.A., Rovigo, Italy	EUR	750.0	100
Mangueras Técnicas Roiter S.A., Barcelona, Spain	EUR	156.0	100

3.2. Associated companies (equity methode)

	Currency	Authorised share capital in TEUR	Holding in %
Isotron Deutschland GmbH, Allershausen, Deutschland	EUR	511.6	37.5

Gammaster München Produktveredelung GmbH, Allershausen in Germany was renamed Isotron Deutschland GmbH in the year under review.

3.3. Group and Associated Companies Excluded from the Consolidated Financial Statements

	Currency	Authorised share captal in TEUR	Holding in %
Domestic			
Wohlfahrtseinrichtung für die Arbeiter und Angestellten der Semperit GmbH, Vienna	EUR	36.3	100
Foreign			
Shanghai Foremost Plastic Industrial Co., Ltd., Shanghai, China	USD	6,000.0	50
Semperit Technische Produkte AG, Dietikon, Switzerland	CHF	100.0	100
SPT Kaucsuk Kft., Budapest, Hungary	HUF	3,000.0	100

The consolidated financial statements of the Semperit Group include subsidiaries in Austria and abroad, in which Semperit AG Holding directly or indirectly owns a majority stake. Group companies with a secondary impact on the Group's asset, financial, and earnings situation are not included in the consolidated accounts. Due to their dominant influence, the foreign joint ventures where the Semperit Group holds a share of 50% have been fully consolidated.

Associated companies are included at equity in the consolidated accounts if Semperit Group is entitled to assert a significant degree of control and these companies are material for an accurate representation of the asset, financial and earnings situation.

In course of the business year 2002, the 50% holding SIAM Sempermed Corp. Ltd. acquired a 100% stake in Shanghai Foremost Plastic Industrial Co. Ltd. Owing to the complex transaction structure, attributable to the vendor, with conditions that had to be fulfilled after conclusion of the contract, the company was not fully consolidated in 2002.

3.4 Change in the Scope of Consolidation

In the course of the year under review, the Semperit Group acquired a 100 % stake of Roiter S.p.A., Rovigo, Italy and its affiliated company Mangueras Técnicas Roiter S.A, Barcelona, Spain. The consolidation of the acquisition got into effect within the business year 2002.

Due to the first-time consolidation of Roiter S.p.A. and Mangueras Técnicas Roiter S.A., reported sales revenues rose by TEUR 6,853.1. For the impact of first-time consolidation on the consolidated balance sheet see the adjacent table.

EFFECTS OF CHANGES TO THE BASIS OF CONSOLIDATION ON THE GROUP BALANCE SHEET

ASSETS	in TEUR
Fixed and financial assets	3,494.0
Current assets	3,736.4
Prepaid expenses and deferred charges	257.1
	7,487.5
EQUITY AND LIABILITIES	
Equity capital	1,532.1
Provisions	467.1
Liabilities	4,882.0
Prepaid expenses and deferred charges	606.3
	7,487.5

IV. Notes to the Balance Sheet

4.1. Fixed Assets

The composition of fixed assets is shown under the development of fixed assets. Land with buildings includes real estate assets totalling TEUR 4,784.6 (previous year: TEUR 4,208.4). The financial assets primarily include securities to cover the social capital.

On the balance sheet date there were no indications of loss of value that would have necessitated an impairment test.

Resulting from the use of assets not reported in the balance sheet there are obligations on account of non-redeemable tenancies or leases. These are:

in TEUR	2001	2002
In the following year	752.1	776.6
In the following five years	1,599.4	1,813.1
Over five years	32.7	0.0

4.2. Stocks

The balance sheet item "Stocks" is comprised as follows:

in TEUR	2001	2002
Raw materials and supplies	17,579.9	17,674.9
Work in process	7,199.7	5,473.7
Finished goods	35,179.9	35,288.9
Services not yet ready for billing	35.4	10.8
Advance payments	27.7	0.3
	60,022.6	**58,448.6**

4.3. Accounts Receivable and Other Assets

The necessary valuation adjustments were made to receivables. Receivables from related companies not included in the consolidated accounts and from companies in which there is an equity interest, amounting to EUR 673.7 mill (2001: 650.8) result primarily from loans and the provision of goods and services.

Other receivables and assets pertain largely to tax credits in Austria and abroad. Prepaid expenses and deferred charges are shown to record payments made in advance for the following year .

RECEIVABLES, PREPAID EXPENSES AND DEFERRED CHARGES	2001			2002		
in TEUR	Total	of which with less than 1 year to run	of which with more than 1 year to run	Total	of which with less than 1 year to run	of which with more than 1 year to run
Trade receivables	70,353.9	70,319.2	34.7	72,766.0	72,757.2	8.8
Accounts due from group companies	0.0	0.0	0.0	8.7	8.7	0.0
Accounts due from undertakings in which group has a participating interest	650.8	88.3	562.5	665.0	102.5	562.5
Other receivables and assets	15,439.2	14,383.9	1,055.3	13,903.5	12,938.2	965.3
Prepaid expenses and deferred charges	672.8	672.8	0.0	989.6	989.6	0.0
	87,116.7	**85,464.2**	**1,652.5**	**88,332.8**	**86,796.2**	**1,536.6**

4.4. Deferred Taxes

Tax deferments are calculated using the Balance Sheet Liability Method for all temporary differences between the valuations of the balance sheet items in the IFRS Group financial statements and the tax values at the individual companies. Furthermore, the tax advantage that can probably be realised from existing loss carryforwards is included in the calculation. Exceptions to this comprehensive tax deferment are non tax-deductible goodwill and temporary differences relating to equity interests. Prepaid taxes are not reported if it is unlikely that that the tax advantage they include can be realised.

DEFERRED TAX	2001		2002	
in TEUR	Assets	Equity and liabil.	Assets	Equity and liabil.
Intangible assets	87.9	-298.8	51.1	-63.3
Property, plant and equipment	294.6	-1,098.0	834.3	-1,339.2
Financial assets	1,106.0	-395.7	1,018.4	-476.9
Inventories	3,351.2	0.0	3,080.2	-112.6
Receivables	401.2	-196.5	595.2	-142.2
Other assets	143.5	-180.9	182.7	-162.1
Untaxed reserves	4.6	-1,331.5	7.0	-1,125.1
Staff provisions	6,368.5	0.0	6,434.8	0.0
Other provisions	4,141.9	-64.9	3,451.3	-52.2
Supplier liabilities	0.3	-88.1	0.0	-5.7
Other liabilities	168.5	0.0	571.6	-319.6
Tax loss carry-forwards	2,304.9	0.0	1,078.0	0.0
Total deferred tax assets/provisions	18,373.1	-3,654.4	17,304.6	-3,798.9
Valuation allowance for deferred tax assets	-1,920.3	0.0	-1,377.0	0.0
Offset of deferred tax assets and provisions	-3,485.1	3,485.1	-3,198.2	3,198.2
Net deferred tax assets and provisions	**12,967.7**	**-169.3**	**12,729.4**	**-600.7**

4.5. Shareholder's Equity

Development in shareholder's equity is presented on page 41 of this report.

The share capital of Semperit AG Holding is divided into 20,573,434 shares and amounts to EUR 21,358,996.53.

With the consent of the Supervisory Council, the Management board was granted authority at the General Meeting of Shareholders on 14 June 2000, pursuant to Article 169 AktG (Austrian Stock Corporation Act) and valid for five years as of registration of the amendment to the company charter (6 September 2000), to increase the share capital by a maximum of EUR 3,168,085.

The Semperit Stock Option Plan approved at the General Meeting of Shareholders on 14 June 2000, was extended for 2 years at the General Meeting of Shareholders on 7 June 2002. The 225,000 treasury shares acquired by Semperit AG Holding for this purpose will be written off under the item shareholder's equity.

4.6. Provisions

Provisions for pensions primarily take into account pension commitments on account of individual contracts and the pension rules and regulations of the Austrian companies. These were adopted in 1997 and define the obligation of granting company pensions to active employees who began employment before 1 January 1991, upon fulfilment of the remaining requirements (waiting period, maximum employment age). Pensions basically refer to non-unit linked performance-oriented pensions undertakings.

Depending on their seniority, Austrian employees are generally entitled to a statutory lump-sum payment upon retirement or dismissal by the employer.

Provisions are being formed for future obligations.

SUMMARY OF PROVISIONS

in TEUR	1.1.2002	Currency-differences	Change to the basis of consolidation	Dissolution	Use	Addition	31.12.2002
Severance payments	19,494.8	1.5	389.5	0.0	-517.5	838.9	20,207.2
Pensions	31,930.2	0.0	0.0	0.0	-1,198.8	1,815.1	32,546.5
Deferred taxes	169.3	5.4	77.0	0.0	-37.0	386.0	600.7
Current taxes	94.9	1.1	0.0	0.0	-94.9	2,360.5	2,361.6
Others	24,729.3	8.9	69.4	-1,262.0	-9,014.6	11,595.6	26,126.6
	76,418.5	**16.9**	**535.9**	**-1,262.0**	**-10,862.8**	**16,996.1**	**81,842.6**

In the reporting year, TEUR 76,620.1 (2001: TEUR 62,321.8) of the total sum of provisions were classified as long-term.

The other provisions are made up as follows:

in TEUR	2001	2002
Stake risks/restructuring	9,144.4	8,942.0
Jubilee bonus	2,350.6	3,058.0
Vaccational provisions	2,124.7	2,804.9
Warranties	1,838.8	2,493.0
Missing invoices	2,372.3	1,835.0
Bonuses	909.4	1,405.9
Other items	5,989.1	5,587.8
	24,729.3	**26,126.6**

The other miscellaneous provisions mainly consist of provisions for litigation, various provisions for personnel and commission payments.

4.7. Liabilities and deferred charges

The residual maturity of deferred income can be shown as follows:

LIABILITIES UND PREPAID EXPENSES AND DEFERRED CHARGES

in TEUR	Total	of which with less than 1 year to run	of which with 1 to 5 years to run	of which with more than 1 year to run collateralised
Liabilities due to banks	13,159.6	6,712.1	6,447.5	300.2
Advanve payments received on orders	316.1	316.1	0.0	0.0
Trade accounts payable	22,844.0	22,819.6	24.4	0.0
Notes payable	1,331.4	1,331.4	0.0	0.0
Accounts due to group companies	478.8	478.8	0.0	0.0
Accounts due to undertakings in which group has a participating interest	53.5	53.5	0.0	0.0
Other liabilities	15,190.1	14,860.1	330.0	0.0
Prepaid expenses and deferred charges	823.8	823.8	0.0	0.0
Liabilities und Prepaid expenses and deferred charges 2002	**54,197.3**	**47,395.4**	**6,801.9**	**300.2**
Liabilities und Prepaid expenses and deferred charges 2001	**57,924.4**	**50,130.9**	**7,793.5**	**4,556.1**

Liabilities due to group companies and undertakings in which group has a participating interest are largely the result of clearing, delivery and service relationships.

Collateral primarily involves mortgages on land.

4.8. Contingent Liabilities

The contingent liabilities pertain to the following items, which need not be carried as liability on the balance sheet:

in TEUR	2001	2002
Sureties	1,628.4	393.0
Others	0.0	95.8
	1,628.4	**488.8**

V. Notes to the Profit and Loss Account

5.1. Turnover

Detailed information on turnovers of the various divisions and regions is provided under segment reporting.

5.2. Other Operating Income

Other operating income primarily includes exchange rate gains of TEUR 1,516.0 (2001: TEUR 3,420.9), income from release of provisions of TEUR 1,262.0 (2001: TEUR 3,355.4), rental revenues of TEUR 936.5 (2001: 840.5) and sales-like revenues, which are not part of the direct business activities amounting to TEUR 4,464.7 (2001: TEUR 2,790.4). The latter basically include various reimbursements (Employment Office, energy) as well as export promotion grants of TEUR 2,676.6.

5.3. Cost of Materials

in TEUR	2001	2002
Cost of materials	175,206.0	190,637.6
Payments for services provided by third parties	20,245.3	21,885.1
	195,451.3	**212,522.7**

5.4. Personnel Costs

Personnel costs include the following items:

in TEUR	2001	2002
Wages	41,527.7	40,807.9
Salaries	26,375.8	31,032.5
Severance payments	2,907.6	1,659.2
Pension payments	2,262.5	3,169.2
Statutory social security contributions and other compulsory wage-dependent payments	17,306.4	18,529.0
Other social security contributions	929.3	1,180.3
	91,309.3	**96,378.1**

Pension expenditures include the following items:

in TEUR	2001	2002
New pensions payable during the financial year	110.8	134.0
Calculated cost of interest on existing pensions	1,499.8	1,376.9
Actuarial elimination	651.9	1,658.3
	2,262.5	**3,169.2**

Actuarial profit/losses are recognised in the year they were incurred.

Average number of employees:

	2001	2002
Industrial staff	4,133	4,496
Office staff	1,151	1,195
	5,284	**5,691**

The average number of employees increased by 407 from the previous year. The average capacity-related number of employees fell from 992 to 942 in Austria.

The Management Board's emoluments and the pension payments to former board members and their surviving dependents amounted to TEUR 1,558.9 in the year under review (previous year: TEUR 1,553.3). Expenditure on severance payments and pensions amounted to TEUR 1,563.5 (previous years: TEUR 1,512.3) for the Management Board and senior employees.

In 2002, the Supervisory Board received attendance fees of TEUR 36.2 for 2001. A provision totalling TEUR 40.7 was created for 2002.

5.5. Depreciation

Depreciation has increased due to extensive investments, particularly in the subsidiaries in Southeast Asia and Austria, Semperflex Optimit and Sempertrans Belchatow S.A. as well as the extension of the scope of consolidation by TEUR 3,321.3. Depreciation is presented above in the "Changes in Fixed and Financial Assets".

5.6. Other Operational Expenditures

Other operational expenditures include the following items:

in TEUR	2001	2002
Maintenance and third-party services	25,084.3	27,239.1
Outgoing freight	21,253.8	24,232.7
Commission and advertising costs	6,653.1	7,204.4
Travel expenses	4,278.0	4,262.0
Insurance premiums	2,461.4	2,895.5
Costs of rent and leases	2,352.4	2,519.4
Other taxes	1,520.4	1,738.9
Auditing and consultancy fees	1,606.2	1,571.5
Exchange rate losses	1,222.1	1,495.6
Losses of accounts receivable	1,548.7	1,345.9
Fees, subscriptions, donations	1,069.2	1,289.7
Other costs	10,963.4	7,178.1
	80,013.0	**82,972.8**

5.7. Financial Results

in TEUR	2001	2002
Income from associated companies	119.6	44.3
Income from non-consolidated group undertakings	31.9	0.0
Income from holdings	**151.5**	**44.3**
Interest income and similar income	768.4	519.3
Interest costs and similar costs	-1,365.6	-1,080.1
Investment result	**-597.2**	**-560.8**
Income from other securities and loans	508.5	662.7
Losses on the disposal of financial assets	-911.9	163.9
Depreciation on financial assets	-166.0	-1,023.0
Other financial results	**-569.4**	**-196.4**

5.8. Income Tax

The income tax expenses reported for the business year include the income tax for the individual companies calculated on the basis of taxable income and the applicable tax rate in the relevant countries ("actual tax") and the changes to tax deferments.

in TEUR	2001	2002
Deferred tax cost	371.3	703.7
Current tax cost	6,140.0	8,589.8
	6,511.3	**9,293.5**

The effective tax rate in the reporting year is 22.3% (2001: 17.0%). The Group tax ratio is a weighted average of the local income tax rates of all consolidated subsidiaries. The transition from the Austrian corporation tax rate of 34% to the reported Group tax ratio is as follows:

in TEUR	2001	2002
Profit before tax	38,334.9	41,624.5
Tax due at the rate of 34 %	-13,033.9	-14,152.3
Different tax rates in other countries	976.0	1,196.2
Non-timing differences and taxes from previous years	5,842.7	3,476.1
Changes to deferred tax provisions and losses not offset against deferred tax	-292.1	186.5
Differences in the rate of tax	-4.0	0.0
Effective tax liability	**-6,511.3**	**-9,293.5**
Effective rate of tax in %	**17.0**	**22.3**

VI. Financial Instruments

The management of financial risk is regulated by Group guidelines. An internal controlling system has been established in order to monitor and steer existing financial risks according to the needs of the Group.

IFRS distinguishes between primary financial instruments and derivative financial instruments.

6.1. Primary Financial Instruments

Primary financial instruments held by the Group are shown on the balance sheet. The amounts stated represent both the maximum credit risk and risk of loss. The credit risk is limited by the fact that the Semperit Group portfolio is comprised almost entirely of securities issued by Austrian corporations.

SECURITIES	2001			2002		
	in TEUR	in TEUR	in %	in TEUR	in TEUR	in %
	Book value	Market value	Average effektive interest rate	Book value	Market value	Average effektive interest rate
SECURITIES HELD AS FIXED ASSETS						
Shares, funds, portfolios	11,374.5	11,374.5	3.21	11,169.4	11,169.4	3.73
Others	2,782.6	2,782.6	0.94	2,387.3	2,387.3	1.86
SUMME	**14,157.1**	**14,157.1**		**13,556.7**	**13,556.7**	
SECURITIES HELD AS CURRENT ASSETS						
Others	75.7	75.7	0.82	64.4	64.4	1.79

FINANCIAL LIABILITIES

	Currency	Face value in thousand	Book value in TEURO	Effective interest rate in %
Loan	EUR	6,926	2,297.8	4.52
Loan	BAHT	40,000	665.3	5.00
Loan	BAHT	109,612	2,430.7	3.00
Loan	USD	5,000	4,794.4	2.04
			10,188.2	
Current account	EUR	904	904.3	4.99
	GBP	125	216.2	3.00
			1,120.5	
Bills	EUR	730	**730.0**	3.97
Others	EUR	1,121	**1,120.9**	4.90
LOANS DUE TO BANKS			**13,159.6**	

6.2 Derivative Financial Instruments

Individual foreign currency exchange risks are hedged through forward exchange agreements, foreign currency swaps and foreign currency options. The derivative financial instruments stated are forward exchange agreements used to secure the currency risk with regard to big-ticket deals and were reported as follows on the balance sheet date:

		in TUSD	in TEUR
	Currency	Face value	Market value
Forward exchange contacts	USD	1,000 Put	196.3

VII. Other Information

7.1. Earnings per Share, Recommendation for the Distribution of Profits

The number of shares outstanding is 20,573,434. As at 31 December 2002, the company held 225,000 treasury shares, which were deducted on a pro rata basis to calculate earnings per share.

Number of shares	**2001**	**2002**
Shares issued	20,573,434	20,573,434
Weighted shares	20,348,434	20,348,434

In accordance with the provisions of the Austrian Stock Corporation Act, the financial statements of Semperit AG Holding as at 31 December 2002 and prepared in compliance with Austrian accounting principles, form the basis for the dividend payment. These financial statements show a net profit of EUR 8,400,000.00. The Management Board recommends the Annual General Shareholder's Meeting approve a dividend payment of 41 cents per share, or a total of EUR 8,342.857.94 taking into account treasury shares not entitled to dividend payments, and carry forward the remaining EUR 57,142,06.

7.2. Semperit Stock Option Plan for Employees

The Semperit Stock Option Plan will give selected employees of the Semperit Group the option to participate in the company's success. For this purpose, 225,000 treasury shares were acquired in the business year 2000. Every entitled person is given the option of acquiring shares of Semperit AG Holding at striking price within the set deadline (first ten trading days in the months of June and November 2004), provided the necessary long-term rise in share price is achieved as scheduled. All those who are active employees with Semperit AG Holding or an Austrian Group company or defined senior employees working for a foreign subsidiary with a majority stake, provided they fulfil the defined minimum seniority, may participate in the Option Plan. This Stock Option Plan involved no accounting in the year under review, as the right to exercise the option can only be evaluated in 2004.

7.3. Transactions with Related Parties

No significant transactions were carried out in the reporting year.

Vienna, 3. April 2003

The Management Board

Dipl.-Ing. Rainer Zellner
Vorsitzender

Dipl.-Ing. Richard Ehrenfeldner

Auditor's Report and Certification

To the Supervisory Board and Management Board of Semperit AG Holding

We have audited the accompanying consolidated financial statements of Semperit Aktiengesellschaft Holding for the business year ending on 31 December 2002 in accordance with the International Financial Reporting Standards (IFRS). These financial statements are the responsibility of the company's Management Board. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing (ISA) of the IFAC. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements present fairly, in all material respects, the assets and the financial position of the Semperit Aktiengesellschaft Holding as of 31 December 2002 and of the results of its operations and its cash flows for the years then ended in accordance with the International Financial Reporting Standards (IFRS), formerly the International Accounting Standards (IAS), as adopted by the International Accounting Standard Board.

The Austrian commercial Code provisions require the compilation of a review of operations and the fulfilment of the legal conditions for the exemption from the obligation to prepare consolidated financial statements in compliance with local law.

We certify that the review of operations is in compliance with the consolidated financial statements and that the legal requirements for the exemption from the obligation to prepare consolidated financial statements in accordance with the Austrian Commercial Code are met and that the Group report is in keeping with the Annual Financial Statements.

Vienna, 3. April 2003

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Dr. Robert Reiter DDr. Hans Zöchling
Auditors and tax advisers

ANNUAL FINANCIAL STATEMENTS OF SEMPERIT AG HOLDING

Balance Sheet

Assets

in TEUR	31.12.2001	31.12.2002
Intangible assets	2.9	7.7
Property, plant and equipment	105.6	77.1
Financial assets	45,283.5	45,247.0
FIXED AND FINANCIAL ASSETS	**45,392.0**	**45,331.8**
Accounts receivable from related undertakings	27,795.0	29,910.6
Other accounts receivable and assets	4,059.5	2,022.8
Own shares	2,339.4	2,306.3
Cash in banks	29.0	189.8
CURRENT ASSETS	**34,222.9**	**34,429.5**
Prepaid expenses and deferred charges	33.5	145.9
ASSETS	**79,648.4**	**79,907.2**

Equity and liabilities

in TEUR		
Issued capital	21,359.0	21,359.0
Share premium	21,539.5	21,539.5
Statutory retained earnings	999.3	999.3
Reserve in accordance with § 225 para. 5 of the HGB	2,339.4	2,306.2
Balance sheet profit	7,361.9	8,400.0
EQUITY CAPITAL	**53,599.1**	**54,604.0**
PROVISIONS	**21,417.7**	**21,986.1**
Trade accounts payable	241.1	57.1
Liabilities payable to related undertakings	2,721.2	2,128.0
Other liabilities	1,669.3	1,132.0
LIABILITIES	**4,631.6**	**3,317.1**
EQUITY AND LIABILITIES	**79,648.4**	**79,907.2**

Guarantees and other contractual obligations	1,538.6	1,661.6

Profit and Loss Account

in TEUR	2001	2002
SALES	**4,732.0**	**4,764.6**
Other operating income	454.0	64.5
Cost of materials	-11.2	-13.3
Staff costs	-3,935.0	-3,295.9
Depreciations	-56.5	-52.2
Other operating expenses	-2,418.7	-2,600.2
EARNINGS BEFORE INTEREST AND TAX (EBIT)	**-1,235.4**	**-1,132.5**
Income from associated companies	11,302.6	11,583.3
Net interest result	480.9	775.2
Other financial results	-969.8	49.0
FINANCIAL RESULTS	**10,813.7**	**12,407.5**
PROFIT ON ORDINARY BUSINESS ACTIVITIES	**9,578.3**	**11,275.0**
Taxes on income	-2,392.7	-2,944.6
SURPLUS FOR THE YEAR	**7,185.6**	**8,330.4**
Release of retained earnings	120.6	33.1
Profit brought forward	55.7	36.5
BALANCE SHEET PROFIT	**7,361.9**	**8,400.0**

The Annual Financial Statements of Semperit AG Holding, which were prepared in accordance with generally accepted Austrian accounting principles, were audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft and awarded an unqualified opinion. These Annual Financial Statements and all supplementary information will be filed with the Company Register of the Commercial Court in Vienna under Number 112544 g. Copies of these Annual Financial Statements are available free of charge directly from Semperit Aktiengesellschaft Holding, Modecenterstrasse 22, 1031 Vienna, and will also be available at the Annual General Meeting of Shareholders.

The Management Board recommends the Annual General Meeting pay a dividend of 41 cents per share on capital stock, or a total of EUR 8,342.857.94 and carry forward the remaining EUR 57,142.06.

Vienna, 24. März 2003

The Management Board

Dipl.-Ing. Rainer Zellner
Vorsitzender

Dipl.-Ing. Richard Ehrenfeldner

Supervisory Board and Management Board

Supervisory Board

Dr. Erich Hampel
Chairman

Dkfm. Karl Fink (from 7. 6. 2002)
Vice-chairman

Mag. Dr. Walter Bauer (until 7. 6. 2002)
Vice-chairman (from 15. 5. 2002)

Dr. Günter Geyer (until 3. 4. 2002)
Vice-chairman

Dr. Walter Lederer (from 7. 6. 2002)

Karl Schmutzer

Dr. Martin Simhandl (from 7. 6. 2002)

Dipl.-Ing. Herbert Spatschek

Karl Weißkopf

Dipl.-Ing. Rudolf Aita (until 7. 6. 2002)

Delegated from the works council:

Franz Mersich

Gerhard Dworak

Alexander Hollerer

Ing. Franz Prudic

Management Board

Dipl.-Ing. Rainer Zellner
Chairman

Dipl.-Ing. Richard Ehrenfeldner

Report of the Supervisory Board

In the business year 2002 the Supervisory Board carried out the duties placed upon it by law and the company statutes at five meetings as well as in other forms. There was also one meeting of the Financial Audit Committee.

The Management Board reported regularly on the progress of business and the situation of the company.

The Annual Financial Statements and the management report were audited by KPMG Austria Wirtschaftsprüfungs- und Steuerberatungs-GmbH, Vienna. According to its conclusive result, this audit gave rise to no objections.

The auditor therefore confirmed that the Annual Financial Statements meet the statutory requirements and give as accurate an account of the assets, financial position and earnings position of the company as possible and that the management report accords with the Annual Financial Statements. The Supervisory Board concurred with the auditor in this opinion.

There are no grounds for objections to the Annual Financial Statements, the management report and the conduct of business based on the conclusive result of the Supervisory Board's examination thereof in accordance with Article 96 of the Austrian Stock Corporation Act (AktG). The Supervisory Board approved the Annual Financial Statements, which are consequently adopted in accordance with Article 125 (2) of the Austrian Stock Corporation Act.

Vienna, April 2003

The Supervisory Board

Dr. Erich Hampel
Chairman