

## Report on the 1<sup>st</sup> Quarter 2015



### Good development on a comparable basis\*

- Slight increase of revenue to EUR 217.5 million
- Almost unchanged EBITDA of EUR 26.7 million
- Increase of EBIT to EUR 20.1 million
- Increase of earnings after tax to EUR 13.6 million
- Continuation of investment program, increase to EUR 14.5 million

\* The like-for-like comparison with the prior-year quarter is provided for information purposes and based on a best possible backward projection.

## Earnings key figures

in EUR million	Q1 2015 (Jan.–Mar.)	Change	Q1 2014 (Jan.–Mar.)	2014 (Jan.–Dec.)
Revenue	217.5	–6.5%	232.7	930.4
EBITDA	26.7	–20.1%	33.4	136.1
EBITDA margin	12.3%	–2.1 PP	14.4%	14.6%
EBIT	20.1	–9.9%	22.3	88.5
EBIT margin	9.2%	–0.4 PP	9.6%	9.5%
Earnings after tax	13.6	+4.3%	13.1	49.7
Earnings per share (EPS) <sup>1)</sup> , in EUR	0.66	+4.2%	0.64	2.42
Gross cash flow	20.1	–25.5%	27.0	104.7
Return on equity <sup>2)</sup>	10.9%	–1.4 PP	12.3%	11.1%

## Balance sheet key figures

in EUR million	31.3.2015	Change	31.3.2014	31.12.2014
Balance sheet total	900.5	+4.0%	866.2	831.9
Equity <sup>1)</sup>	501.8	+18.3%	424.2	449.4
Equity ratio	55.7%	+6.7 PP	49.0%	54.0%
Investments in tangible and intangible assets	14.5	+46.0%	9.9	74.4
Employees (at balance sheet date, excl. Siam Sempermed Corp. Ltd. as of December 2014 and March 2015)	6,889	–36.1%	10,788	6,888

## Sector and segment key figures

in EUR million	Q1 2015 (Jan.–Mar.)	Change	Q1 2014 (Jan.–Mar.)	2014 (Jan.–Dec.)
<b>Medical Sector = Sempermed</b>				
Revenue	91.4	–19.9%	114.1	452.9
EBITDA	8.7	–44.5%	15.8	67.0
EBIT	5.9	–40.5%	9.9	41.6
<b>Industrial Sector = Semperflex + Sempertrans + Semperform</b>				
Revenue	126.1	+6.3%	118.6	477.5
EBITDA	22.6	–2.5%	23.2	88.1
EBIT	19.0	+5.6%	18.0	66.4
<b>Semperflex</b>				
Revenue	55.4	+4.7%	52.9	202.1
EBITDA	13.4	+1.8%	13.1	48.6
EBIT	11.4	+9.6%	10.4	36.9
<b>Sempertrans</b>				
Revenue	38.9	+10.9%	35.0	146.4
EBITDA	5.5	+13.2%	4.8	20.9
EBIT	4.7	+23.4%	3.8	16.8
<b>Semperform</b>				
Revenue	31.8	+3.9%	30.6	129.0
EBITDA	3.8	–27.7%	5.2	18.6
EBIT	2.9	–22.9%	3.8	12.7

Note: Rounding differences in the totalling of rounded amounts and percentages may arise from the use of automatic data processing.

<sup>1)</sup> Attributable to the shareholders of Semperit AG Holding.

<sup>2)</sup> Based on a full-year projection.

# Revenue and earnings of Semperit Group

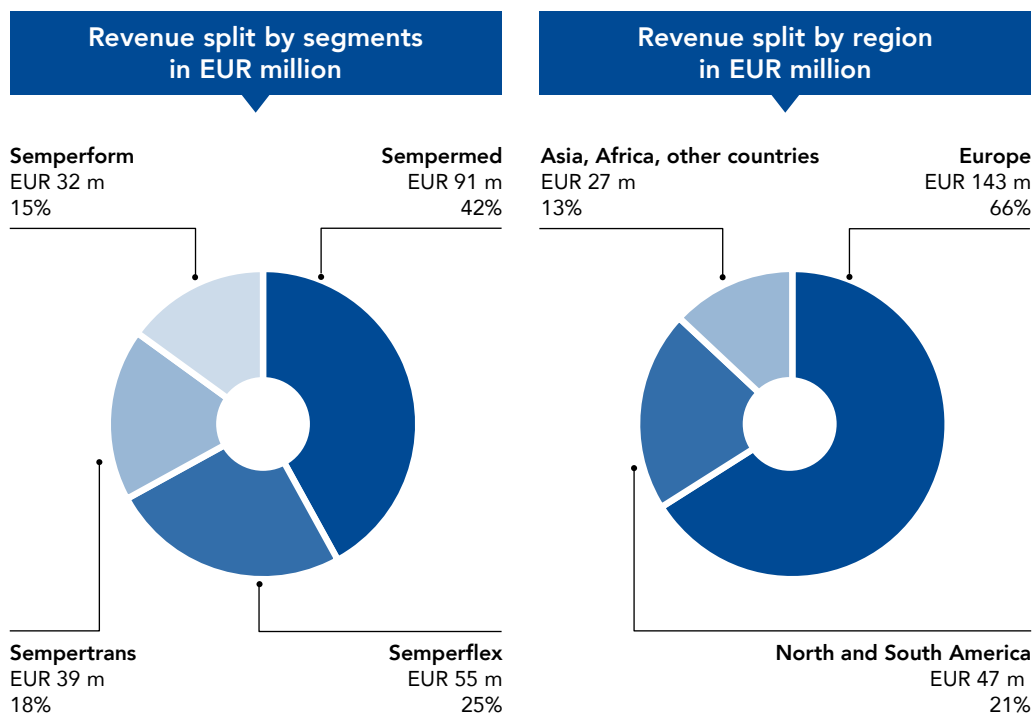
## FIRST QUARTER 2015

The 6.5% decline in revenue to EUR 217.5 million that was posted by the Semperit Group in the first quarter of 2015 was primarily due to the change in the method of consolidation of Siam Sempermed Corp. Ltd. in Thailand. This change impacts every item in the income statement. After adjusting for this effect, strong sales and good capacity utilisation more than compensated for a lower level of prices caused by declines in raw material prices compared with the first quarter of 2014.

The decline in the Medical Sector's revenue resulted from the change in the method of consolidation and lower raw material prices. Revenue in the Semperflex segment, with an increase in organic terms of nearly 5%, was considerably higher year-on-year. The Sempertrans segment even boosted its revenue by more than 10%, while the Semperform segment grew by nearly 4%.

The split-up of total revenue by segment in the first quarter of 2015 was as follows: 42% is attributable to Sempermed, 25% to Semperflex, 18% to Sempertrans and 15% to Semperform. There was a decline in the share of the Sempermed segment and an increase in the shares of the Industrial Sector's segments compared with the first quarter of 2014 because of the change in the method of consolidation.

Regionally, Europe's share of revenue increased to 66% in the first quarter of 2015 compared with 61% in the first quarter of 2014. In contrast, the regions North and South America as well as Asia recorded a decrease in their share.



In the first quarter of 2015 the change in inventories was negative at EUR 16.5 million (EUR -2.1 million in the first quarter of 2014). The decline in inventories is largely attributable to the following change: Products acquired from Siam Sempermed Corp. Ltd. until 31 December 2014 are recognised as finished products and their sale as changes in inventories (under the item "Changes in inventories"). Products acquired since 1 January 2015, are shown as goods and materials employed (under the item "Cost of material and purchased services"). This presentation leads to a decline in inventories in the first quarter of 2015.

Other operating income rose from EUR 6.3 million to EUR 10.2 million. Higher foreign currency gains accounted for a significant portion of this increase.

The trend in materials costs was similar to that of revenue, declining by 9.7% from EUR 124.2 million to EUR 112.2 million. The Semperit Group is continuing its active approach to manage the procurement of raw materials in order to be able to address the price situation in the markets in a flexible manner. Furthermore, generally lower price levels had a favourable impact on materials costs.

Personnel expenses decreased by 0.6% to EUR 40.8 million. Although there was a decrease in the number of employees because of the change in the method of consolidation, the effect on personnel expenses from this development was offset by both growth in the number of employees and increases in salaries and wages.

Other operating expenses declined by 10.7% to EUR 34.6 million compared with the first quarter of 2014 due to the change in the method of consolidation.

EBITDA (earnings before interest, tax, depreciation and amortisation) totalled EUR 26.7 million (-20.1%) in the first quarter of 2015. Lower operating revenue (-12.6%) could not be offset by disproportionately low decreases in materials costs (-9.7%) as well as in personnel (-0.6%) and other operating expenses (-10.7%). As a result, the EBITDA margin fell from 14.4% to 12.3%.

### Key figures Semperit Group

in EUR million	Q1 2015 (Jan.–Mar.)	Q1 2014 (Jan.–Mar.)	Change	Change in EUR million	2014 (Jan.–Dec.)
Revenue	217.5	232.7	-6.5%	-15.2	930.4
EBITDA	26.7	33.4	-20.1%	-6.7	136.1
EBITDA margin	12.3%	14.4%	-2.1 PP	-	14.6%
EBIT	20.1	22.3	-9.9%	-2.2	88.5
EBIT margin	9.2%	9.6%	-0.4 PP	-	9.5%
Earnings after tax	13.6	13.1	+4.3%	+0.6	49.7
Investments in tangible and intangible assets	14.5	9.9	+46.0%	+4.6	74.4
Employees (at balance sheet date, excl. Siam Sempermed Corp. Ltd. as of December 2014 and March 2015)	6,889	10,788	-36.1%	-3,899	6,888

Depreciation decreased by 40.6% to EUR 6.6 million. The reduction results from the change in the method of consolidation and an adjustment to the useful lives of tangible assets. EBIT declined from EUR 22.3 million to EUR 20.1 million (-9.9%), with the EBIT margin falling too, edging lower from 9.6% to 9.2%.

The negative financial result in the first quarter of 2015 totalled EUR 1.9 million, following EUR 5.0 million in the comparable period of the previous year. The primary reason for this decrease was a lower allocation of the group's profit to redeemable non-controlling interests because of the change in the method of consolidation. The item "Profit/loss attributable to redeemable non-controlling interests", which is mostly related to several companies in the Sempermed and Semperflex segments, fell sharply to EUR 0.9 million in the first quarter of 2015, following EUR 4.2 million in the previous year.

Income tax expense rose by EUR 0.3 million or 7.6% to EUR 4.5 million. The tax rate as a percentage of earnings before tax and redeemable non-controlling interests was higher, rising from 19.5% to 23.7%.

Earnings after tax (profit for the period) increased by 4.3% to EUR 13.6 million. This led to earnings per share of EUR 0.66 for the first quarter of 2015, up from EUR 0.64 in the first quarter of 2014.

## CHANGE IN THE METHOD OF CONSOLIDATION

The change in the method of consolidation for Siam Sempermed Corp. Ltd. in Thailand can be seen in all items of the income statement for the first time in the interim consolidated financial statements for the first quarter of 2015. The like-for-like column of the following table presents the results as if Siam Sempermed Corp. Ltd. had been included in the consolidated financial statements using the equity method since January 2014.

A comparison of the figures of the first quarter of 2015 with the like-for-like figures for the first quarter of 2014 shows a 2.1% increase in revenue, a slight decline of 0.9% in EBITDA and a rise in EBIT by 8.3%. Earnings after tax are 6.4% higher.

### Key figures Semperit Group like-for-like

in EUR million	Q1 2015 (Jan.–Mar.)	Q1 2014 (Jan.–Mar.) like-for-like <sup>1)</sup>	Change Q1 2015 vs. Q1 2014 like-for-like	Change Q1 2015 vs. Q1 2014 like-for-like in EUR million	Q1 2014 (Jan.–Mar.)
Revenue Group	217.5	212.9	+2.1%	+4.6	232.7
EBITDA Group	26.7	27.0	–0.9%	–0.2	33.4
EBIT Group	20.1	18.6	+8.3%	+1.5	22.3
Earnings after tax Group	13.6	12.8	+6.4%	+0.8	13.1
Earnings per share in EUR (diluted and undiluted) Group, in EUR	0.66	0.62	+6.3%	–	0.64
Revenue Sempermed	91.4	94.3	–3.1%	–2.9	114.1
EBITDA Sempermed	8.7	9.3	–6.0%	–0.6	15.8
EBIT Sempermed	5.9	6.2	–4.6%	–0.3	9.9

<sup>1)</sup> The like-for-like figures are for information purposes only. The figures provide for a backward projection as best as possible.



## BALANCE SHEET AND FINANCIAL POSITION

Compared with the balance as at 31 December 2014, the balance sheet total rose in the first quarter of 2015 by 8.2% to EUR 900.5 million. On the asset side of the balance sheet, the main reason for this increase was higher trade receivables and inventories as well as a rise in tangible assets caused by expansion investments. In addition, the item "Investments in joint ventures and associated companies" rose, because starting from 1 January 2015 it contains the current net profit of the companies accounted for using the equity method. Furthermore, this item also includes EUR 14.6 million from the effect of currency translation. These increases were offset by lower cash and cash equivalents. On the liabilities and equity side, there were increases in the revenue and foreign currency translation reserves in equity and to a lesser extent in the liabilities from redeemable non-controlling interests.

Trade working capital (inventories plus trade receivables minus trade payables) rose from EUR 159.3 million at the end of 2014 to EUR 190.2 million, and therefore constituted 20.8% of the rolling 12-month revenue of EUR 915.1 million (year-end 2014: 17.1%). The increase is mostly attributable to higher trade receivables and inventories. This rise was offset by marginally higher trade payables.

Cash and cash equivalents decreased since the end of 2014, falling from EUR 115.6 million to EUR 103.6 million as at 31 March 2015.

As at 31 March 2015, the Semperit Group's equity (without non-controlling interests) stood at EUR 501.8 million, EUR 52.4 million higher than at the end of 2014 (EUR 449.4 million). The change was due to earnings after tax and the currency translation reserve.

The group's reported equity ratio as at 31 March 2015 amounted to 55.7% (year-end 2014: 54.0%), which is still considerably above the sector average. The capital structure of the Semperit Group therefore remains very solid. The return on equity stood at 10.9%, following 12.3% in first quarter of 2014. The return on equity is calculated based on the earnings after tax as extrapolated for the full year in EUR million in relation to the equity of EUR 501.8 million (each both in respect to the portion attributable to the shareholders of Semperit AG Holding).

Debt is slightly higher at EUR 396.5 million compared with the end of 2014. Liabilities from the corporate Schuldschein loan and to banks total EUR 140.3 million (at the end of 2014: EUR 137.5 million), resulting – taking cash and cash equivalents into consideration – in overall net debt of EUR 36.6 million (year-end 2014: EUR 22.0 million). The net debt/EBITDA ratio (net debt versus EBITDA of the last four quarters) at the end of March 2015 is therefore 0.28 (year-end 2014: 0.16). The liabilities from redeemable non-controlling interests rose by EUR 6.4 million to EUR 43.7 million primarily because of currency effects. Provisions including social capital were slightly higher at EUR 79.0 million. Other liabilities including deferred taxes increased slightly by EUR 6.2 million to EUR 142.8 million.

Gross cash flow was EUR 20.1 million, a year-on-year decline of EUR 6.9 million or 25.5%. This was mainly caused by the decline in depreciation expense and the changes in the items "Share of profit from joint ventures and associated companies" and "Profit/loss attributable to redeemable non-controlling interests".

## INVESTMENTS

At EUR 14.5 million, cash-relevant investments in tangible and intangible assets in the first quarter of 2015 were considerably higher than the level of the first quarter of 2014. The group's priorities were expansion and improvement investments in the segments Sempermed (expansion of the plant in Kamunting, Malaysia), Semperflex (expansion of the plant in Odry, Czech Republic), Sempertrans (expansion of the plant in Belchatów, Poland) and Semperform (new installation at the plant in Wimpassing, Austria).

## EMPLOYEES

As at 31 March 2015 the group's total headcount stood at 6,889 employees, 36.1% below the level at 31 March 2014 (10,788 people). The decline is almost solely related to the Sempermed segment (-53.9%), and is caused by the change in the method of consolidation for Siam Sempermed Corp. Ltd. in Thailand. Excluding Siam Sempermed Corp. Ltd., the number of employees as at 31 March 2014 stood at 5,944. This corresponds to an increase by more than 900 employees or slightly more than 15%. While the number of employees remained stable in the Semperflex segment, it rose sharply in the Sempermed segment due to incremental headcount for the construction of the new glove factory and to insourcing of employees for packaging services in Malaysia. The number of employees in the Sempertrans and Semperform segments rose only modestly.

## Economic environment

The International Monetary Fund (IMF) forecasts in its assessment from April 2015 that the global economy will expand by 3.5% and 3.8% in 2015 and 2016, respectively. While momentum is expected to accelerate in developed economies, economic growth is forecast to slow slightly in some emerging markets.

The recovery in the US economy is expected to continue, with economic growth reaching 3.1% in 2015. The forecasts for China anticipate growth of 6.6% in 2015, following 6.8% in 2014. India, on the other hand, is likely to experience a further pick-up in economic growth in 2015, leading to an increase of 7.5% in economic output. Due to falling oil and gas prices as well as international sanctions, Russia's GDP is expected to contract by 3.8% in 2015.

In its spring 2015 forecast, the European Commission anticipates that the European Union's GDP will rise by 1.8% in 2015, with growth in the eurozone reaching 1.5%. According to these assessments, Germany's economy is expected to grow by 1.9%, an acceleration on the previous year. By comparison, the economic forecasts for Austria are more subdued, with GDP rising by just 0.8% in 2015. In addition to the political tensions between Russia and Ukraine, the European economy in the first quarter of 2015 continued to be impacted by the ECB's expansive monetary policy with a historically low benchmark interest rate of 0.05%.

These macroeconomic conditions have different effects on the business sectors of the Semperit Group. While the energy, construction, machine-building and industrial equipment industries, which are relevant for the Semperit Group's Industrial Sector, are more sensitive to the overall economic situation, the market for medical products tends to evolve largely independently of economic cycles.



## Developments in the raw materials markets

The sub-markets for raw materials that are important for the rubber industry, such as the market for natural rubber and natural latex as well as the market for synthetic latex, experienced a decline in prices during 2014 and in the first quarter of 2015, albeit to varying degrees. The development of these markets in the natural rubber segment is influenced by production conditions, while synthetic rubber and carbon black are impacted by provider behaviour and trends in the costs for basic raw materials, which are dominated by the price of crude oil. Demand is impacted primarily by the main consumer of rubber products, the tyre and automobile industry.

Following the decline in the price for natural rubber at the start of 2014, prices continued to decrease steadily over the course of 2014 due to further increases in production and high inventory levels. The average prices in the first quarter of 2015 were nearly 30% lower than the average prices in the first quarter of 2014. In the first months of 2015 prices have moved sideways compared with the end of 2014. While synthetic rubber is manufactured globally, by far the largest share of natural rubber and latex is produced in Southeast Asia, above all in Thailand, Indonesia, Vietnam and Malaysia.

The markets for synthetic rubber and synthetic latex were relatively stable for large portions of 2014. The sharp drop in the crude oil price that set in as 2014 progressed then resulted in lower prices in the fourth quarter of 2014. The average prices in the first quarter of 2015 were nearly 10% lower than the average prices in the first quarter of 2014, although prices rebounded somewhat as the first quarter of 2015 progressed.

Prices for the filling material carbon black decreased in the first quarter of 2015 due to the sharp drop in the crude oil price that set in at the end of 2014. However, they have rebounded since April 2015 because the crude oil price has risen sharply since the start of 2015. The prices for wire in the different regions have remained relatively stable.

# Performance of the sectors and segments

## MEDICAL SECTOR: SEMPERMED SEGMENT

The revenue of the Medical Sector, which consists of the Sempermed segment, declined by 19.9% to EUR 91.4 million in the first quarter of 2015 due to two reasons: firstly, the change in the previous full consolidation of the 50% interest in Siam Sempermed Corp. Ltd., a joint venture in Thailand, to the equity method as at 31 December 2014, and secondly, lower raw material prices.

In the first quarter of 2015 the EBITDA of the Sempermed segment, at EUR 8.7 million, decreased by 44.5% compared with the prior year. EBIT fell to EUR 5.9 million, down from 9.9 million in 2014 (-40.5%). This led to an EBITDA margin of 9.6%, following 13.8% in the prior-year period, and an EBIT margin of 6.5%, down from 8.7% in 2014. Both EBITDA and EBIT were negatively impacted by the change in the method of consolidation. In addition, personnel expenses were higher, primarily for technical staff for the construction of the new glove factory and for the insourcing of employees for packaging services in Malaysia. A comparison on a like-for-like-basis, i.e. taking into account the use of the equity method, can be found in the section with the heading "Change in the method of consolidation" on page 5.

Total available capacity was somewhat lower than in the previous year because construction work was performed in the first quarter of 2015 to modernise some of the production lines in Malaysia. In addition, necessary infrastructure changes for the new glove factory took place. All in all, the segment's production facilities were fully utilised, meaning that additional growth can be achieved only by purchasing gloves from other manufacturers. However, the EBIT margin achieved through this approach is lower than the margin realised on the sale of the group's own production.

The demand for examination gloves in Europe is good, with growth flattening slowly in the consumer goods sector, albeit at a high level. Sales in the US were weaker, and the segment is currently building up its market presence in Asia.

Sales of surgical gloves, which are produced in Wimpassing, Austria, declined in the first quarter of 2015 compared with the previous year.

### Key figures Medical Sector (consisting of the Sempermed segment)

in EUR million	Q1 2015 (Jan.–Mar.)	Change	Q1 2014 (Jan.–Mar.)	2014 (Jan.–Dec.)
Revenue	91.4	-19.9%	114.1	452.9
EBITDA	8.7	-44.5%	15.8	67.0
EBITDA margin	9.6%	-4.2 PP	13.8%	14.8%
EBIT	5.9	-40.5%	9.9	41.6
EBIT margin	6.5%	-2.2 PP	8.7%	9.2%
Investments in tangible and intangible assets	4.6	+33.9%	3.4	24.1
Employees (at balance sheet date, excl. Siam Sempermed Corp. Ltd. as of December 2014 and March 2015)	3,428	-53.9%	7,433	3,428

### New glove factory in Malaysia

In order to satisfy growing demand and boost productivity, Sempermed is increasing its production capacity at the manufacturing plant in Kamunting, Malaysia by around 70%, or more than 4 billion units of gloves, to more than 10 billion units per year. A total of around EUR 50 million will be invested in the construction of this new glove factory during the period 2014 to 2016. Construction continues to proceed as expected.

## INDUSTRIAL SECTOR

The Industrial Sector, which consists of the Semperflex, Sempertrans and Semperform segments, recorded an increase in revenue by 6.3% to EUR 126.1 million despite a challenging economic environment. The very good profitability of the Industrial Sector remained nearly unchanged: EBITDA decreased by EUR 0.6 million or 2.5% to EUR 22.6 million; EBIT was up EUR 1.0 million or 5.6% to EUR 19.0 million. At 60%, the Semperflex segment accounted for the largest part of the Industrial Sector's EBIT, followed by Sempertrans, at roughly 25%, and Semperform, at roughly 15%.

The sector's EBITDA margin amounted to 18.0% in the first quarter of 2015, following 19.6% in the first quarter of 2014; the EBIT margin was 15.1%, compared with 15.2% in the first quarter of 2014. The highest EBIT margin was recorded by Semperflex, at 20.6%, followed by Sempertrans, at 12.0%, and Semperform, at 9.2%. The EBIT margin rose in the Sempertrans and Semperflex segments, while declining in the Semperform segment.

As a result of the investment projects in the individual segments, the Industrial Sector's investments increased by nearly 50% to EUR 8.8 million, thus accounting for 61% of the Semperit Group's total investment volume.

### Key figures Industrial Sector (consisting of the Semperflex, Sempertrans and Semperform segments)

in EUR million	Q1 2015 (Jan.–Mar.)	Change	Q1 2014 (Jan.–Mar.)	2014 (Jan.–Dec.)
Revenue	126.1	+6.3%	118.6	477.5
EBITDA	22.6	–2.5%	23.2	88.1
EBITDA margin	18.0%	–1.6 PP	19.6%	18.5%
EBIT	19.0	+5.6%	18.0	66.4
EBIT margin	15.1%	–0.1 PP	15.2%	13.9%
Investments in tangible and intangible assets	8.8	+48.7%	6.0	46.7
Employees (at balance sheet date)	3,350	+2.7%	3,263	3,352

## SEGMENT SEMPERFLEX

Of all of the group's segments, the Semperflex segment is particularly exposed to potential economic volatility. Thanks to excellent production and sales results, the segment's revenue rose during the first quarter of 2015 by 4.7% to EUR 55.4 million. The segment was able to maintain a constantly high volume of production – particularly for hydraulic hoses – thereby achieving economies of scale and continuous efficiency. In first quarter of 2015 the segment's EBITDA advanced by 1.8% to EUR 13.4 million, with EBIT spiking by 9.6% to EUR 11.4 million. At 24.2%, the EBITDA margin was only marginally lower year-on-year, whereas the EBIT margin improved to 20.6%, following 19.6% in the previous year.

Demand in the overall market is expected to be subdued in 2015. The Semperflex segment is addressing this lull with focused sales work and close cooperation with customers. In order to be able to respond flexibly to customer needs, particularly in Europe, the segment has expanded its capacity at the production site in Odry, Czech Republic. Around EUR 10 million was invested in total in an expansion that was finalised in the first quarter of 2015.

The hydraulic hoses unit generates the main part of the segment's revenue. During the first quarter of 2015 it gained market share in terms of deliveries in both Europe and the US thanks to close cooperation with customers. Trends are still difficult in Asia, with demand remaining subdued throughout the region. All in all, sales grew at a double-digit rate.

The industrial hoses unit reported good sales, particularly in its European core markets, but also in Asia. The situation in East Europe, primarily in Russia and Ukraine, remains challenging, however, causing the unit to post lower sales overall compared with the first quarter of 2014.

Revenue in the smallest business unit of this segment, elastomer and wear-resistant sheeting, remained largely unchanged compared with the prior year.

### Key figures Semperflex

in EUR million	Q1 2015 (Jan.–Mar.)	Change	Q1 2014 (Jan.–Mar.)	2014 (Jan.–Dec.)
Revenue	55.4	+4.7%	52.9	202.1
EBITDA	13.4	+1.8%	13.1	48.6
EBITDA margin	24.2%	–0.6 PP	24.8%	24.0%
EBIT	11.4	+9.6%	10.4	36.9
EBIT margin	20.6%	+1.0 PP	19.6%	18.3%
Investments in tangible and intangible assets	4.4	+94.0%	2.3	18.1
Employees (at balance sheet date)	1,500	–0.5%	1,507	1,538

## SEMPERTRANS

Despite a very difficult market environment, the Sempertrans segment generated good volumes in the first quarter of 2015 because it won new customers and expanded its sales activities into new markets and market segments. Even though raw material prices were lower compared with the first quarter of 2014, sales volumes were sharply higher, enabling the segment to reach a considerable 10.9% increase in revenue to EUR 38.9 million.

Despite higher costs to develop the market and expand capacity in Poland, EBITDA rose by 13.2% to EUR 5.5 million, and EBIT was 23.4% higher at EUR 4.7 million. This means that both the EBITDA and the EBIT margins were in double-digit territory, at 14.0% and 12.0%, respectively.

Individual new projects in the mining industry continue to be scrutinised closely and order decisions are being made more slowly. The industrial business, which includes sales to companies outside the mining sector, is also stable, but still muted, with just a few exceptions such as the cement industry. The performance of the spare parts business has been satisfactory. Yet despite this challenging competitive environment, the capacity of the Sempertrans segment is well utilised until the third quarter of 2015 thanks to the segment's good relationships with customers, the expansion of its technical advisory expertise and the development of new markets.

From a geographical perspective, West Europe has performed particularly well. Sempertrans benefits in this region from a comprehensive sales and distribution network, and good market positioning. Sales remain weak in crisis regions such as Ukraine – with effects on Russia – as well as in the Middle East and North Africa. This also means that Sempertrans's competitors are switching to other markets, increasing competition in these markets as a result. In contrast, the order situation is satisfactory in South America. Price competition continues to prevail in India and China, as economic growth in these countries remains subdued compared with their previous rates of growth. Order trends in other parts of Asia are likewise muted.

The work to expand capacity at the Polish conveyor belt plant in Bełchatów is proceeding according to plan. As a result, around a third more capacity will gradually become available starting from the second half of 2015. In addition to the step-by-step build-up and induction of personnel for the expansion in Bełchatów, targeted investments are also being made in personnel resources to achieve two objectives: to position the segment as a technical solutions provider and to develop new markets and market segments through incremental sales personnel.

### Key figures Sempertrans

in EUR million	Q1 2015 (Jan.–Mar.)	Change	Q1 2014 (Jan.–Mar.)	2014 (Jan.–Dec.)
Revenue	38.9	+10.9%	35.0	146.4
EBITDA	5.5	+13.2%	4.8	20.9
EBITDA margin	14.0%	+0.2 PP	13.8%	14.3%
EBIT	4.7	+23.4%	3.8	16.8
EBIT margin	12.0%	+1.2 PP	10.8%	11.5%
Investments in tangible and intangible assets	2.8	+25.8%	2.2	19.8
Employees (at balance sheet date)	1,065	+8.8%	979	1,027

## SEMPERFORM

The Semperform segment recorded revenue of EUR 31.8 million in the first quarter of 2015, slightly more than in 2014. Volume growth, however, was offset by negative price effects. All in all, in the first quarter of 2015 the Semperform segment generated EBITDA of EUR 3.8 million versus EUR 5.2 million in the previous year. EBIT was EUR 2.9 million compared with EUR 3.8 million in 2014. These results represent declines of 27.7% and 22.9%, respectively. Compared with the strong earnings in the first quarter of 2014, profitability in the first quarter of 2015 was negatively impacted by considerably lower business in Russia and price rebates for customers from this region (to offset the weaker rouble) as well as uneven capacity utilisation in some business units. The EBITDA margin stood at 11.9%, following 17.1% in the first quarter of 2014, while the EBIT margin declined from 12.4% to now 9.2%.

With its seal profiles for windows and doors, the Building Profiles unit is the largest unit in the Semperform segment. Orders from Russia and Ukraine continued to fall significantly in the first quarter of 2015. This development is caused by the economic environment in the region. Moreover, the decline in Russia and Ukraine was only partially offset by stronger sales of seals for aluminium windows in Western Europe.

On 19 March 2015, Semperit finalised a purchase agreement to acquire Leeser GmbH & Co. KG (Leeser). Leeser is a manufacturer of high-quality rubber seals with two production sites near Düsseldorf, Germany. Following the receipt of anti-trust approvals, the transaction closed on 29 April 2015. Going forward, Leeser will be assigned to the Building Profiles unit of the Semperform segment. The Semperit Group is thus strengthening the Semperform segment as a comprehensive provider on the profiles market and continuing to expand its presence in the growth market for building profiles.

Despite subdued demand, the Industrial Moulded Parts unit performed well and gained market share among both industrial customers and in railway-track superstructures. Nevertheless, demand in railway-track superstructures remained volatile.

Since the third quarter of 2014 the Handrails unit has experienced declining demand for new escalators in the main market of China. Yet despite this development, the unit was able to post stable sales by strengthening its focus on the after sales market (ASM). China, the most important country in the business with new escalators (OEM market), remains characterised by fierce competition and strong price pressure.

Trends in the smallest business unit, Special Applications (including ski foils and cableway rubber rings), were flat compared with the first quarter of 2014.

### Key figures Semperform

in EUR million	Q1 2015 (Jan.–Mar.)	Change	Q1 2014 (Jan.–Mar.)	2014 (Jan.–Dec.)
Revenue	31.8	+3.9%	30.6	129.0
EBITDA	3.8	–27.7%	5.2	18.6
EBITDA margin	11.9%	–5.2 PP	17.1%	14.5%
EBIT	2.9	–22.9%	3.8	12.7
EBIT margin	9.2%	–3.2 PP	12.4%	9.9%
Investments in tangible and intangible assets	1.6	+12.9%	1.4	8.8
Employees (at balance sheet date)	785	+1.0%	777	787



# Outlook

The Semperit Group currently continues to have a good order backlog. The first indications of economic stabilisation in Western Europe and stable demand in North America are having a positive effect. Semperit, however, is not able to completely avoid the downturn in the economies of Central and Eastern Europe. The group expects that demand trends in Asia will remain largely flat in 2015.

Semperit anticipates that its business performance for the full year 2015 will be satisfactory amid a persistently challenging environment. The attractive revenue and earnings trend in the first few months of 2015 as well as the current strong order backlog already indicate that the group's performance in the first half-year of 2015 will be satisfactory overall.

As previously disclosed, the change in the accounting treatment for the 50% interest in Siam Sempermed Corp. Ltd., a joint venture in Thailand, from full consolidation to the equity method as of 31 December 2014 has an impact on reported revenue and EBIT in 2015. The change is not expected to have a significant effect on either earnings after tax and non-controlling interests or earnings per Semperit share.

Semperit will continue to expand its production capacity at both its Medical and Industrial Sectors. Capital expenditure (CAPEX) of around EUR 75 million is planned for 2015 (2014: EUR 74 million), of which about EUR 50 million is intended for growth investments. The additional capacity will gradually become available during the course of 2015 and 2016, and will have a correspondingly positive effect on revenue.

Going forward, Semperit aims at achieving average double-digit volume growth (quantities sold) with attractive margins. The group likewise still aims to achieve an EBITDA margin of between 12% and 15% and an EBIT margin of between 8% and 11%.

## Outlook Medical Sector

The market in the Medical Sector develops largely independent of the general trend in the economy. The Semperit Group anticipates that demand for examination and protective gloves will grow steadily. In this environment, the Semperit Group will target high-quality, highly profitable growth. The focus in 2015 will therefore be on boosting efficiency at the individual production sites, expanding lucrative customer relationships and continuing to expand capacity in Kamunting, Malaysia. Semperit further anticipates that as in the past, the ongoing legal disputes will not impact the operating business of the joint ventures with Sri Trang Agro-Industry Public Co Ltd. (Sri Trang) in terms of quantities and quality.

## Outlook Industrial Sector

Despite the weak demand from East European markets the capacity in the Industrial Sector is well utilised for the next several months. The Semperit Group is responding to this market weakness with intensive sales and marketing initiatives in other countries as well as by expanding its global customer relationships in all industrial segments.

To continue its long-term growth, the Semperit Group is implementing its investment programme in the Industrial Sector as planned. The Semperflex segment was already able to successfully conclude the expansion of its hydraulic hose production in the first quarter of 2015, and an additional expansion stage has been initiated. The build-up of production capacity for conveyor belts at the manufacturing site in Bełchatów, Poland, for handrails in Shanghai, China and for profiles in Wimpassing, Austria continues to proceed according to plan.

**Note**

This outlook is based on the assessments of the Management Board as of 15 May 2015, and does not take into account the effects of possible acquisitions, divestments or other unforeseeable structural or economic changes during the further course of 2015. These assessments are subject to both known and unknown risks and uncertainties, which may result in actual events and outcomes differing from the statements made here.

## Events after the balance sheet date

On 19 March 2015, Semperit finalised a purchase agreement to acquire Leeser GmbH & Co. KG (Leeser). Leeser is a manufacturer of high-quality rubber seals with two production sites near Düsseldorf, Germany. Following the receipt of anti-trust approvals, the transaction closed on 29 April 2015. Going forward, Leeser will be assigned to the Semperform segment. The Semperit Group is thus strengthening the Semperform segment as a comprehensive provider on the profiles market and continuing to expand its presence in the growth market for building profiles. Detailed disclosures in accordance with IFRS 3.B64 have been omitted pursuant to IFRS 3.B66 because the purchase price allocation has not yet been completed as of the publication date of these interim consolidated financial statements.

Vienna, 15 May 2015



**Thomas Fahnemann**  
Chairman of the Management Board



**Johannes Schmidt-Schultes**  
Chief Financial Officer



**Richard Ehrenfeldner**  
Chief Technical Officer



**Declan Daly**  
Chief Information Officer

# Interim consolidated financial statements and notes

## Consolidated income statement

in EUR thousand	1.1.- 31.3.2015	1.1.- 31.3.2014
Revenue	217,455	232,694
Changes in inventories	-16,485	-2,131
Own work capitalised	979	419
<b>Operating revenue</b>	<b>201,949</b>	<b>230,982</b>
Other operating income	10,195	6,323
Cost of material and purchased services	-112,210	-124,225
Personnel expenses	-40,777	-41,019
Other operating expenses	-34,575	-38,737
Share of profits from joint ventures and associated companies	2,130	102
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>26,712</b>	<b>33,427</b>
Depreciation, amortisation and impairment of tangible and intangible assets	-6,608	-11,119
<b>Earnings before interest and tax (EBIT)</b>	<b>20,103</b>	<b>22,308</b>
Financial income	194	402
Financial expenses	-1,213	-1,204
Profit/loss attributable to redeemable non-controlling interests	-931	-4,233
<b>Financial result</b>	<b>-1,950</b>	<b>-5,034</b>
<b>Earnings before tax</b>	<b>18,154</b>	<b>17,273</b>
Income taxes	-4,520	-4,202
<b>Earnings after tax</b>	<b>13,634</b>	<b>13,072</b>
thereof attributable to the shareholders of Semperit AG Holding	13,638	13,089
thereof attributable to non-controlling interests	-5	-17
<b>Earnings per share in EUR (diluted and undiluted)<sup>1)</sup></b>	<b>0.66</b>	<b>0.64</b>

<sup>1)</sup> Attributable to the shareholders of Semperit AG Holding

## Consolidated statement of comprehensive income

in EUR thousand	1.1.- 31.3.2015	1.1.- 31.3.2014
<b>Earnings after tax according to the consolidated income statement</b>	<b>13,634</b>	<b>13,072</b>
<b>Other comprehensive income</b>		
<b>Amounts that will potentially be recognised through profit and loss in future periods</b>		
Available-for-sale financial assets		
Revaluation gains/losses for the period	210	137
Reclassification to profit and loss for the period	0	77
	210	214
Cash flow Hedge		
Revaluation gains/losses for the period	-166	-522
Reclassification to profit and loss for the period	26	43
	-140	-479
Other comprehensive income from joint ventures		
Currency translation differences for the period	14,614	0
Currency translation differences		
Currency translation differences for the period	24,090	-167
Related deferred taxes	-16	67
<b>Other comprehensive income</b>	<b>38,757</b>	<b>-365</b>
<b>Total recognised comprehensive income</b>	<b>52,391</b>	<b>12,706</b>
thereof on earnings attributable to the shareholders of Semperit AG Holding	52,396	12,712
thereof on earnings attributable to non-controlling interests	-5	-6

## Consolidated cash flow statement

in EUR thousand	1.1.- 31.3.2015	1.1.- 31.3.2014
Earnings before tax	18,154	17,273
Depreciation, amortisation, impairment and write-ups	6,608	11,119
Profit and loss from disposal of assets (including current and non-current financial assets)	-1	104
Change in non-current provisions	-116	362
Share of profits from joint ventures and associated companies	-2,130	-102
Profit/loss attributable to redeemable non-controlling interests	931	4,233
Net interest income (including income from securities)	642	387
Interest paid	-757	-822
Interest received	203	484
Taxes paid on income	-3,417	-6,049
<b>Gross cash flow</b>	<b>20,117</b>	<b>26,990</b>
Change in inventories	-11,983	7,693
Change in trade receivables	-19,713	-16,293
Change in other receivables and assets	-8,577	-649
Change in trade payables	2,331	-3,309
Change in other liabilities and current provisions	5,819	5,527
Changes in working capital resulting from currency translation adjustments	6,532	-616
<b>Cash flow from operating activities</b>	<b>-5,474</b>	<b>19,343</b>
Proceeds from sale of tangible and intangible assets	23	46
Proceeds from sale of current and non-current financial assets	0	1,000
Investments in tangible and intangible assets	-14,461	-9,907
<b>Cash flow from investing activities</b>	<b>-14,438</b>	<b>-8,861</b>
Cash receipts from current and non-current financing liabilities	3,000	0
Repayment of current and non-current financing liabilities	-1,178	-4,237
Dividends to non-controlling shareholders of subsidiaries	0	-479
Acquisition of non-controlling interests	-19	0
<b>Cash flow from financing activities</b>	<b>1,802</b>	<b>-4,716</b>
<b>Net increase / decrease in cash and cash equivalents</b>	<b>-18,110</b>	<b>5,765</b>
Effects resulting from currency translation	6,155	-184
Cash and cash equivalents at the beginning of the period	115,574	182,554
<b>Cash and cash equivalents at the end of the period</b>	<b>103,619</b>	<b>188,135</b>



## Consolidated balance sheet

in EUR thousand	31.3.2015	31.12.2014
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	118,440	112,414
Tangible assets	237,232	220,017
Investments in joint ventures and associated companies	107,787	91,043
Other financial assets	8,370	8,544
Other assets	9,884	4,274
Deferred taxes	18,197	19,526
	<b>499,910</b>	<b>455,818</b>
<b>Current assets</b>		
Inventories	139,179	127,196
Trade receivables	132,679	112,965
Other financial assets	5,109	3,469
Other assets	13,476	11,624
Current tax receivables	6,490	5,269
Cash and cash equivalents	103,619	115,574
	<b>400,552</b>	<b>376,096</b>
<b>TOTAL ASSETS</b>	<b>900,461</b>	<b>831,914</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	21,359	21,359
Capital reserves	21,503	21,503
Revenue reserves	419,202	405,509
Currency translation reserve	39,709	1,005
<b>Equity attributable to the shareholders of Semperit AG Holding</b>	<b>501,773</b>	<b>449,377</b>
Non-controlling interests	2,186	2,211
	<b>503,959</b>	<b>451,587</b>
<b>Non-current provisions and liabilities</b>		
Provisions for pension and severance payments	43,853	43,939
Other provisions	15,067	15,051
Liabilities from redeemable non-controlling interests	43,676	37,303
Corporate Schuldschein loan	129,634	126,615
Other financial liabilities	2,378	2,138
Other liabilities	732	704
Deferred taxes	10,611	9,998
	<b>245,951</b>	<b>235,748</b>
<b>Current provisions and liabilities</b>		
Provisions for pension and severance payments	2,677	2,676
Other provisions	17,384	16,835
Corporate Schuldschein loan	1,410	1,335
Liabilities to banks	9,209	9,581
Trade payables	81,653	80,829
Other financial liabilities	17,907	15,944
Other liabilities	15,264	12,955
Current tax liabilities	5,048	4,424
	<b>150,552</b>	<b>144,579</b>
<b>EQUITY AND LIABILITIES</b>	<b>900,461</b>	<b>831,914</b>

## Consolidated statement of changes in equity

in EUR thousand	Share capital	Capital reserves	Revenue reserves			Currency translation reserve	Total equity attributable to the share-holders of Semperit AG Holding	Non-controlling interests	Total equity
			Re-valuation reserves	Other revenue reserves	Total revenue reserves				
<b>As at 1.1.2014</b>	<b>21,359</b>	<b>21,503</b>	<b>-115</b>	<b>385,907</b>	<b>385,793</b>	<b>-17,204</b>	<b>411,451</b>	<b>2,702</b>	<b>414,153</b>
Earnings after tax	0	0	0	13,089	13,089	0	13,089	-17	13,072
Other comprehensive income	0	0	-199	0	-199	-178	-377	11	-365
Total recognised comprehensive income	0	0	-199	13,089	12,890	-178	12,712	-6	12,706
<b>As at 31.3.2014</b>	<b>21,359</b>	<b>21,503</b>	<b>-313</b>	<b>398,996</b>	<b>398,683</b>	<b>-17,382</b>	<b>424,163</b>	<b>2,695</b>	<b>426,859</b>
<b>As at 1.1.2015</b>	<b>21,359</b>	<b>21,503</b>	<b>284</b>	<b>405,225</b>	<b>405,509</b>	<b>1,005</b>	<b>449,377</b>	<b>2,211</b>	<b>451,587</b>
Earnings after tax	0	0	0	13,638	13,638	0	13,638	-5	13,634
Other comprehensive income	0	0	158	-104	54	38,703	38,757	0	38,757
Total recognised comprehensive income	0	0	158	13,535	13,692	38,703	52,396	-5	52,391
Acquisition of non-controlling interests	0	0	0	0	0	0	0	-20	-19
<b>As at 31.3.2015</b>	<b>21,359</b>	<b>21,503</b>	<b>442</b>	<b>418,760</b>	<b>419,202</b>	<b>39,709</b>	<b>501,773</b>	<b>2,186</b>	<b>503,959</b>

# Notes to the interim consolidated financial statements

## PREPARATION AND PRESENTATION OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The interim consolidated financial statements as at 31 March 2015 have been prepared in accordance with the principles of International Financial Reporting Standards (IFRS) and the rules stipulated by IAS 34 Interim Financial Reporting.

Due to technological developments, improved quality and usability of tangible assets as well as longer product life cycles, the group revised its estimates for the useful lives of tangible assets effective as of 1 January 2015. In accordance with IAS 8.32, this adjustment was made prospectively; a retrospective change of previous reporting periods has therefore not been made. Due to this change in accounting estimate, depreciation expense in the first quarter of 2015 declined by EUR 2,898 thousand. EUR 2,262 thousand of this amount is attributable to technical equipment and machinery, EUR 396 thousand to land and buildings, and EUR 240 thousand to other equipment, office furniture and equipment.

Furthermore, no material changes have been made to the accounting and valuation methods used. For more information on accounting and valuation methods, please see the consolidated financial statements as at 31 December 2014, which form the basis for these interim financial statements.

The reporting currency is the euro, in which case figures are rounded off to thousands of euros unless specified otherwise. Rounding differences in the totalling of rounded amounts and percentages may arise from the automatic processing of data.

These interim financial statements of the Semperit Group have not been audited or reviewed by the group's auditor.

## CHANGE IN THE METHOD OF CONSOLIDATION FOR SIAM SEMPERMED CORP. LTD. (SSC)

As at 31 December 2014 the company Siam Sempermed Corp. Ltd. (SSC) was changed from full consolidation under IFRS 10 to the equity method in accordance with IFRS 11 and IAS 28. For further information, please refer to the consolidated financial statements as at 31 December 2014, note 3.3., page 155 et. seq.

For this reason, the comparability of the current period with the prior-year period is limited for both the Semperit Group and the Sempermed segment.

Since 26 August 2014 the group has sought a ruling from the Austrian Financial Market Authority (FMA) under an administrative procedure on the question of including SSC in the Semperit AG Holding consolidated financial statements. The outcome of this indication-based examination could result in a judgement on the nature and timing of the consolidation of SSC which differs from that of management, and thus require a different year-on-year presentation.

## PRINCIPLES AND METHODS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the parent company and the financial statements of the companies under its control, i.e. the subsidiaries of the parent. The group controls a company when it is exposed, or has rights, to variable returns from its involvement with the company and has the ability to affect those returns through its power over the company. The financial statements of subsidiaries are included in the consolidated financial statements from the time at which control begins until the time at which control ends.

On the assessment whether the definition of control within the meaning of IFRS 10 is met where the group's de facto shareholding in subsidiaries is either 50% or 41.43%, please refer to the consolidated financial statements as at 31 December 2014, note 3.1., page 149 et seq. In the first quarter of 2015 there were no material developments that would have led to a revised assessment of control within the meaning of IFRS 10.

## ADOPTION OF NEW AND AMENDED ACCOUNTING STANDARDS

The following new or amended standards and interpretations were applicable for the first time in the reporting period from 1 January to 31 March 2015:

First-time adoption of standards and interpretations		Effective date <sup>1)</sup>	Endorsement
<b>New standards and interpretations</b>			
IFRIC 21	Levies	17.6.2014	June 2014
<b>Amended standards and interpretations</b>			
Misc.	Improvements to IFRS 2011-2013	1.1.2015	December 2014

<sup>1)</sup> According to the Official Journal of the EU, the standards are obligatory for financial years commencing on or after the effective date.

Both IFRIC 21 Levies and the annual improvements to IFRS (cycle 2011 to 2013) are not relevant for the Semperit Group or do not have a material effect on the interim or annual consolidated financial statements.

## CHANGES IN THE SCOPE OF CONSOLIDATION

There were no changes in the scope of consolidation during the first quarter of 2015.

## EQUITY TRANSACTIONS

In the first quarter of 2015 a 0.01% interest in Latexx Partners Berhad was acquired for EUR 19 thousand. As at 31 March 2015, the group's interest totalled 98.47%, up from 98.46% as at 31 December 2014. No shares were acquired in the first quarter of 2014.

This transaction in the first quarter of 2015 was accounted for as an equity transaction. For further information, please refer to the explanations on the principles and methods of consolidation in the consolidated financial statements as at 31 December 2014.

## INVESTMENTS IN JOINT VENTURES AND ASSOCIATED COMPANIES (EQUITY METHOD)

The investments in joint ventures and associated companies are comprised as follows:

in EUR thousand	31.3.2015	31.12.2014
<b>Joint ventures</b>		
Siam Sempermed Corp. Ltd., Hat Yai, Thailand	106,000	89,361
<b>Associated companies</b>		
Synergy Health Allershausen GmbH, Allershausen, Germany	1,787	1,682
	<b>107,787</b>	<b>91,043</b>

The change in the investments in joint ventures and associated companies is as follows:

in EUR thousand	2015
As at 1.1.	91,043
Proportionate period result and intercompany elimination results	2,130
Currency translation	14,614
<b>As at 31.3.</b>	<b>107,787</b>

### Investments in joint ventures

The consolidated carrying amount of the investment in Siam Sempermed Corp. Ltd. totalled EUR 106,000 thousand as at 31 March 2015 (31 December 2014: EUR 89,361 thousand). As at 31 March 2015, group companies had the following assets and liabilities against the joint venture, and their business relationships resulted in the following income and expenses during the first quarter of 2015:

in EUR thousand	1.1.- 31.3.2015
Revenue	515
Other operating income	121
Cost of material and purchased services	29,373
	<b>31.3.2015</b>
Inventories	19,207
Trade receivables	1,191
Trade payables	19,656

### Investments in associated companies

The consolidated carrying amount of the investment in Synergy Health Allershausen GmbH totalled EUR 1,787 thousand as at 31 March 2015 (31 December 2014: EUR 1,682 thousand). As at 31 March 2015, group companies had the following assets and liabilities against the associated company, and their business relationships resulted in the following income and expenses during the first quarter of 2015:

in EUR thousand	1.1.- 31.3.2015	1.1.- 31.3.2014
Other operating expenses	80	151
Financial income	3	3
	31.3.2015	31.12.2014
Other financial assets	566	566
Trade payables	0	92

## SEGMENT REPORTING

in EUR thousand	Sempermed	Semperflex	Sempertrans	Semperform	Corporate Center and Group eliminations	Group
<b>1.1.-31.3.2015</b>						
Revenue	91,396	55,371	38,872	31,816	0	217,455
EBITDA	8,750	13,383	5,459	3,793	-4,674	26,712
EBIT = segment result	5,913	11,397	4,676	2,937	-4,819	20,103
<b>1.1.-31.3.2014</b>						
Revenue	114,117	52,910	35,039	30,628	0	232,694
EBITDA	15,778	13,143	4,821	5,247	-5,563	33,427
EBIT = segment result	9,940	10,395	3,791	3,810	-5,628	22,308

The income and expenses of companies involved in production and distribution in more than one segment are subdivided and allocated to the appropriate segments so that no further eliminations are necessary. The Corporate Center consists of Semperit AG Holding, which is not involved in operating activities, and those portions of a management company in China and a service company in Singapore that are allocated to the Corporate Center. Internal charging and the allocation of Corporate Center costs have already been made to the segments as far as possible.

In the first quarter of 2015, as in the first quarter of the previous year, there were no impairments on either tangible or intangible assets.

## INVESTMENTS IN AND DISPOSALS OF TANGIBLE AND INTANGIBLE ASSETS

In the first quarter of 2015 the Semperit Group made investments in tangible and intangible assets totalling EUR 14,461 thousand (previous year: EUR 9,907 thousand). In contrast, tangible and intangible assets with a net carrying amount of EUR 23 thousand (previous year: EUR 77 thousand) were sold.



## OBLIGATIONS TO ACQUIRE TANGIBLE ASSETS

As at 31 March 2015 the group has contractual obligations to acquire tangible assets totalling EUR 33,325 thousand (31 December 2014: EUR 32,412 thousand). The increase on the previous year is due to investment projects to expand production capacities.

## DISCLOSURES ON FINANCIAL INSTRUMENTS

The following tables show the carrying amounts of the individual financial assets and liabilities classified in accordance with the valuation categories stipulated in IAS 39.9.

### Assets

in EUR thousand	Valuation category IAS 39	Carrying amount 31.3.2015	Carrying amount 31.12.2014
Trade receivables	Loans and receivables	132,679	112,965
Other financial assets			
Securities	Available-for-sale	6,856	6,599
Loans to associated companies	Loans and receivables	563	563
Other loans	Loans and receivables	6	6
Derivative financial instruments	Held for trading	771	2
Other financial assets	Loans and receivables	5,283	4,843
Cash and cash equivalents			
Cash on hand, cheques and cash deposits in banks	–	103,619	115,574

### Liabilities

in EUR thousand	Valuation category IAS 39	Carrying amount 31.3.2015	Carrying amount 31.12.2014
Corporate Schuldschein loan	Liabilities at amortised cost	131,044	127,950
Liabilities from redeemable non-controlling interests	Liabilities at amortised cost	43,676	37,303
Trade payables	Liabilities at amortised cost	81,653	80,829
Liabilities to banks	Liabilities at amortised cost	9,209	9,581
Other financial liabilities			
Derivative financial liabilities	Held for trading	27	359
Derivative financial liabilities	Designated as a hedging instrument	1,718	1,640
Liabilities from finance leases	Liabilities at amortised cost	185	199
Other financial liabilities	Liabilities at amortised cost	18,354	15,884

### Fair value

The three levels in the fair value hierarchy are defined as follows:

Level 1: measurement based on quoted prices on an active market for a specific financial instrument.

Level 2: measurement based on quoted market prices for similar instruments or on the basis of valuation models based exclusively on input factors that are observable in the market.

Level 3: measurement based on models with significant input factors that are not observable in the market.

In the first quarter of 2015 there were no reclassifications of financial instruments between the above-mentioned levels.

**Assets and liabilities at fair value**

Financial instruments at fair value include securities and derivative financial instruments.

in EUR thousand	Valuation category IAS 39	Fair value 31.3.2015	Fair value 31.12.2014	Level
<b>Assets</b>				
Securities	Available-for-sale	6,856	6,599	1
Derivative financial instruments	Held for trading	771	2	2
<b>Liabilities</b>				
Derivative financial liabilities	Held for trading	27	359	2
Derivative financial liabilities	Designated as a hedging instrument	1,718	1,640	2

The fair values of available-for-sale securities are determined using publicly available prices.

The derivative financial instruments held for trading purposes are forward foreign exchange transactions. Their fair values are determined using generally accepted financial valuation models (e.g. determination of the present value of expected future cash flows based on current foreign exchange rates and yield curves).

The derivative financial instruments designated as hedges are interest rate swaps. Their fair value is determined using generally accepted financial valuation models, in which future cash flows are simulated using the yield curves published at the balance sheet date. In addition, the carrying amount is adjusted to take into account the credit risk of the respective counterparty. When doing so, positive exposures are measured considering the default risk of the counterparty, while negative exposures are measured considering the group's own default risk.

**Assets and liabilities not measured at fair value**

The fair value of all other financial assets and liabilities, except for the following items and liabilities from redeemable non-controlling interests, corresponds to their carrying amount.

in EUR thousand	Valuation category IAS 39	Fair value 31.3.2015	Fair value 31.12.2014	Level
<b>Liabilities</b>				
Corporate Schuldschein loan	Liabilities at amortised cost	145,220	141,227	3
Liabilities from finance leases	Liabilities at amortised cost	184	195	3

The fair value of the corporate Schuldschein loan was determined by discounting the contractual payment streams with current interest rates. The comparable interest rates as at the reporting date were derived from capital market yields with similar maturities and then adjusted for current risk and liquidity costs that are observable on the market. These comparable interest rates were derived based on management's assessment of the rating of the Semperit Group. The difference between the fair value as at 31 March 2015 and the fair value as at 31 December 2014 is primarily the result of the issue of an additional corporate Schuldschein loan totalling EUR 3 million.

For existing fixed-interest finance lease liabilities, current third-party interest rates were queried and then compared with the contractually agreed interest rates. As a result, the difference between the carrying amount and the fair value shows the margin between the contractually agreed historical return and the return currently available on the market. The finance lease liabilities are shown under the item "Other financial liabilities."

For information on the valuation of redeemable non-controlling interests, please refer to the explanations in the consolidated financial statements as at 31 December 2014. The calculation of the fair value would require a disproportionately high effort and is thus not disclosed in this report.

## CORPORATE SCHULDSCHEIN LOAN

In July 2013, Semperit AG Holding issued a corporate Schuldschein loan totalling EUR 125 million. In the second quarter of 2014 and in the first quarter of 2015, additional corporate Schuldschein loans amounting to EUR 5 million with the same conditions as the 10-year fixed-interest tranche of the original corporate Schuldschein loan were issued to "Privatstiftung zur Förderung der Gesundheit von Beschäftigten der Semperit AG Holding" (in English: Private Foundation to Promote the Health of the Employees of Semperit AG Holding). This means that the total notional volume now amounts to EUR 130 million.

In the first quarter of 2015 the group paid interest totalling EUR 668 thousand. As at 31 March 2015 accrued interest of EUR 1,410 thousand was reported as a current liability. The difference between the carrying amount of EUR 129,634 thousand (excluding interest) and the nominal amount is the transaction costs of the issue in July 2013. This difference is then allocated over the term of the corporate Schuldschein loan in accordance with the effective interest rate method.

Similar to the balance as at 31 December 2014, the hedged nominal amount for the issue from July 2013 amounts to EUR 30,240 thousand. This hedging of the variable-interest tranches of the corporate Schuldschein loan was undertaken in October 2013 by means of interest rate swaps, which converted a portion of the variable-interest tranches into fixed interest payments. The interest rate swaps are accounted for as cash flow hedges in accordance with IAS 39. Based on the valuation in the first quarter of 2015 the effective portion of the cash flow hedge totalling EUR -166 thousand (31 December 2014: EUR -1,460 thousand) was recognised in other comprehensive income and EUR 26 thousand was reclassified to the income statement. As a result, the cash flow hedge reserve changed by EUR -140 thousand to EUR -1,535 thousand (31 December 2014: EUR -1,395 thousand).

## DIVIDEND AND TREASURY SHARES

On 28 April 2015, the Annual General Meeting approved the payment of an increased ordinary dividend of EUR 1.10 per share for the 2014 financial year (previous year: EUR 0.90 per share) and a one-time special dividend of EUR 4.90 per share. A total of EUR 123,441 thousand was distributed on 8 May 2015 (previous year: EUR 24,688 thousand).

Semperit AG Holding has no treasury stock as at 31 March 2015.

## CONTINGENT LIABILITIES

There were no material changes in contingent liabilities since the last reporting date as at 31 December 2014.

## RELATED-PARTY TRANSACTIONS WITH COMPANIES AND INDIVIDUALS

Outstanding balances and transactions between Semperit AG Holding and its subsidiaries were eliminated in the course of consolidation and are not further discussed here.

B & C Semperit Holding GmbH is the direct majority shareholder of Semperit AG Holding, and B & C Privatstiftung is the dominant legal entity. B & C Industrieholding GmbH is the shareholder holding an indirect majority stake which draws up and publishes consolidated financial statements in which the Semperit Group is consolidated. Under IAS 24, B & C Privatstiftung and all its subsidiaries, joint ventures and associated companies are related parties of the Semperit Group.

Related parties of the Semperit Group include the members of the Management and Supervisory Boards of Semperit AG Holding, the managing directors and Supervisory Board members of all companies which directly or indirectly hold a majority stake in Semperit AG Holding, and finally the members of the Management Board of B & C Privatstiftung and the close family members of these Management and Supervisory Board members and managing directors.

Business to a total value of EUR 454 thousand was conducted with unit-it GmbH (an indirect investment of B & C Industrieholding GmbH) in the first quarter of 2015 (previous year: EUR 290 thousand). This related to the purchase and maintenance of SAP licences and was conducted at arms-length conditions. As at the balance sheet date on 31 March 2015 there are outstanding liabilities to the company in the amount of EUR 115 thousand (previous year: EUR 0 thousand).

For further information on business relationships with joint ventures and associated companies, please refer to the section "Investments in joint ventures and associated companies (equity method)" in this report.

The remaining level of transactions with other related parties is low, and they are conducted on normal business terms and conditions.

## TRANSACTIONS WITH CO-PARTNERS

The fully consolidated companies Semperflex Asia Corp. Ltd., Shanghai Semperit Rubber & Plastic Products Co. Ltd. and Semperflex Shanghai Ltd. conduct business with the non-controlling co-partner of these subsidiaries, Sri Trang Agro-Industry Public Co Ltd.

In addition, Sempertrans Best (Shandong) Belting Co. Ltd. conducts business with Wang Chao Coal & Electricity Group, the non-controlling co-partner of this subsidiary.

## **SUPERVISORY BOARD MATTERS**

On 28 April 2015, the Annual General Meeting reappointed Veit Sorger, Ingrid Wesseln and Walter Koppensteiner. In addition, Felix Strohbichler was newly appointed to the Supervisory Board. At the constituent meeting of the Supervisory Board that followed the Annual General Meeting, Veit Sorger was reappointed as the Chairman of the Supervisory Board, and Felix Strohbichler was elected as its new Deputy Chairman.

Among the members of the Supervisory Board appointed by the Works Council, Karl Voitl replaced Andreas Slama in March 2015.

## **LEGAL DISPUTES REGARDING THE SIAM SEMPERMED CORP. LTD. JOINT VENTURE**

Since 2014, the Semperit Group has been conducting several legal proceedings at domestic courts in Thailand and at international arbitration tribunals located in Zurich based on the rules of the International Chamber of Commerce (ICC). These litigations relate in particular to the competencies and internal organisation of the Board of Directors (BoD) being the supervisory body of Siam Sempermed Corp. Ltd. (SSC), a joint venture in Thailand. They also concern the business management of SSC, SSC's business relationships with group subsidiaries of the Thai joint venture partner Sri Trang Agro-Industry Public Co Ltd. (Sri Trang), and the exclusive distribution rights of the Semperit Group.

For further explanations regarding the legal disputes see the consolidated financial statements as at 31 December 2014, note 9., page 204 et. seq.

At present, the legal proceedings are mostly still at an early stage; the arbitrators constituted at the start of 2015. Case management conferences were held at the end of March 2015 in which the contents and the timing of the proceedings were defined. Based on its current assessment – except for injunctions which are being sought – the group expects that the first proceeding will be concluded in the first half of 2016.

In January 2015, a director nominated by Sri Trang for the BoD of Sempermed USA Inc. (SUSA) issued a legal challenge in Delaware, USA against a resolution adopted by the BoD of SUSA based on the BoD's right to cast a deciding vote. The director sought an injunction against this decision. The request for an injunction was not granted by the competent court, and a hearing was ordered to deal with the lawsuit, scheduled for July 2015. In May 2015 the termination of the proceedings was agreed upon and the effectiveness of the right to cast the deciding vote was recognised. The statutes of SUSA are adapted accordingly.

The Semperit Group continues to anticipate that its interpretation of the law will be confirmed in these proceedings. The costs for the ongoing proceedings are being expensed as incurred. Appropriate provisions have been set up for the expected costs of the proceedings in which Semperit is the defendant.

## EVENTS AFTER THE BALANCE SHEET DATE

On 19 March 2015, Semperit finalised a purchase agreement to acquire Leeser GmbH & Co. KG (Leeser). Leeser is a manufacturer of high-quality rubber seals with two production sites near Düsseldorf, Germany. Following the receipt of anti-trust approvals, the transaction closed on 29 April 2015. Going forward, Leeser will be assigned to the Semperform segment. The Semperit Group is thus strengthening the Semperform segment as a comprehensive provider on the profiles market and continuing to expand its presence in the growth market for building profiles. Detailed disclosures in accordance with IFRS 3.B64 have been omitted pursuant to IFRS 3.B66, because the purchase price allocation has not yet been completed as of the publication date of these interim consolidated financial statements.

Vienna, 15 May 2015

The Management Board



**Thomas Fahnemann**  
Chairman of the Management Board



**Johannes Schmidt-Schultes**  
Chief Financial Officer



**Richard Ehrenfeldner**  
Chief Technical Officer



**Declan Daly**  
Chief Information Officer

# Statement of all legal representatives

## PURSUANT TO SECTION 87 (1) LINE 3 OF THE AUSTRIAN STOCK EXCHANGE ACT

We confirm to the best of our knowledge that the condensed interim consolidated financial statements as at 31 March 2015 prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and that the group management report gives a true and fair view of important events that have occurred during the first three months of the financial year and their impact on the condensed interim financial statements, of the principal risks and uncertainties for the remaining nine months of the financial year and of the major related party transactions to be disclosed.

Vienna, 15 May 2015

The Management Board



**Thomas Fahnemann**  
Chairman of the Management Board



**Johannes Schmidt-Schultes**  
Chief Financial Officer



**Richard Ehrenfeldner**  
Chief Technical Officer



**Declan Daly**  
Chief Information Officer

# The Semperit share

The 126th Annual General Meeting took place on 28 April 2015 in Vienna, Austria. All resolutions of this Annual General Meeting can be viewed at [www.semperitgroup.com/ir](http://www.semperitgroup.com/ir) under "annual general meeting". The Annual General Meeting approved the Management Board's proposal to distribute a total dividend of EUR 6.00 per share (increased ordinary dividend of EUR 1.10 plus a one-time special dividend of EUR 4.90). The dividend was paid on 8 May 2015, the ex-dividend day was 5 May 2015.

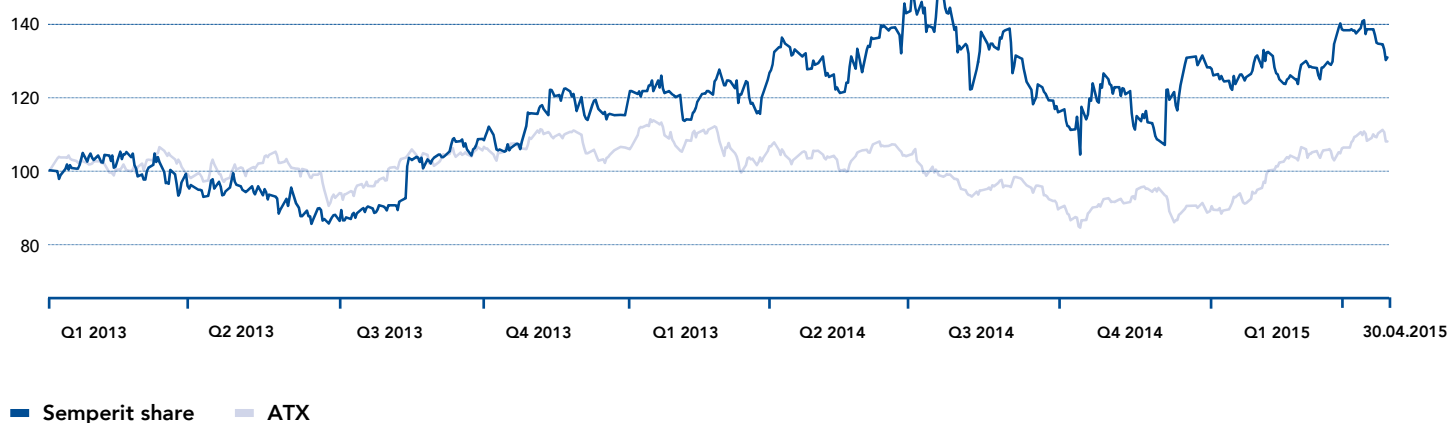
## Semperit share at a glance

Key figures		1.1. - 31.3.2015	Change	1.1. - 31.3.2014
Price at balance sheet date	in EUR	43.70	+12.1%	38.98
Lowest price	in EUR	38.10	+7.3%	35.51
Highest price	in EUR	43.70	+9.8%	39.80
Market capitalisation at balance sheet date	in EUR million	899.1	+12.1%	802.0
Number of shares issued	in unit	20,573,434	-	20,573,434
Price-to-earnings ratio		16.5	+7.6%	15.3
Earnings per share (EPS)	in EUR	0.66	+4.2%	0.64

<sup>1)</sup> Based on full year projection

<sup>2)</sup> Attributable to the shareholders of Semperit AG Holding

## Share price performance of Semperit and ATX, indexed 1.1.2013





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### Financial Calendar 2015

19.5.2015	Report on the first quarter of 2015
18.8.2015	Half-year financial report 2015
17.11.2015	Report on the first three quarters of 2015

## ADDRESSES OF THE SEMPERIT GROUP

[www.semperitgroup.com/en/contact](http://www.semperitgroup.com/en/contact)

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## DISCLAIMER

In this report the terms "Semperit" or the "Semperit Group" refers to the group; "Semperit AG Holding" or "Semperit Aktiengesellschaft Holding" is used to refer to the parent company (individual company).

This interim report of the Semperit Group has not been audited or reviewed by the group's auditor.

We have prepared this report and verified the information it contains with the greatest possible care. In spite of this, rounding, typesetting and printing errors cannot be ruled out. Rounding of differences in the totalling of rounded amounts and percentages may arise from the automatic processing of data.

The forecasts, plans and forward-looking statements contained in this report are based on the knowledge and information available and the assessments made at the time that this report was prepared (editorial deadline: 15 May 2015). As is true of all forward-looking statements, these statements are subject to risk and uncertainties. As a result, actual events may deviate significantly from these expectations. No liability whatsoever is assumed for the accuracy of projections or for the achievement of planned targets or for any other forward-looking statements.

All references to people are gender neutral.

This report has been produced in German and English. In case of doubt, the German version shall take precedence.

Photos: [www.andreas-hofer-fotograf.at](http://www.andreas-hofer-fotograf.at)

