

INTERIM REPORT Q1 2014

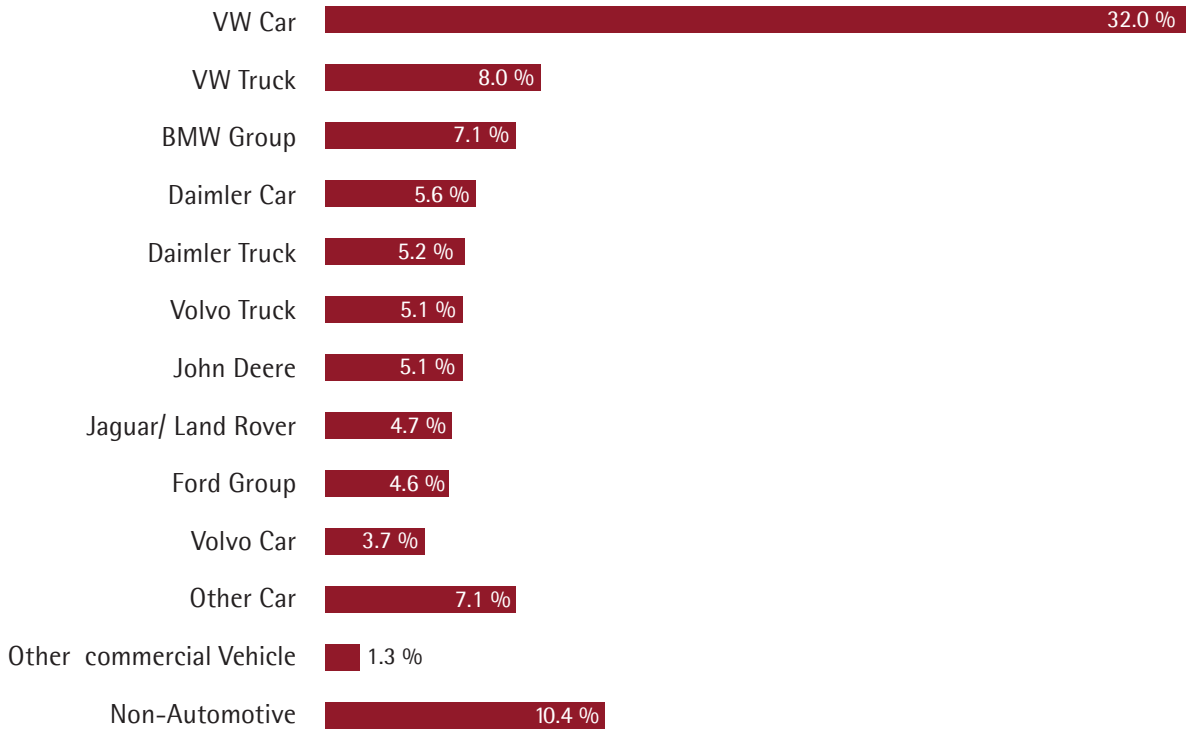


POLYTEC GROUP KEY FIGURES 2014

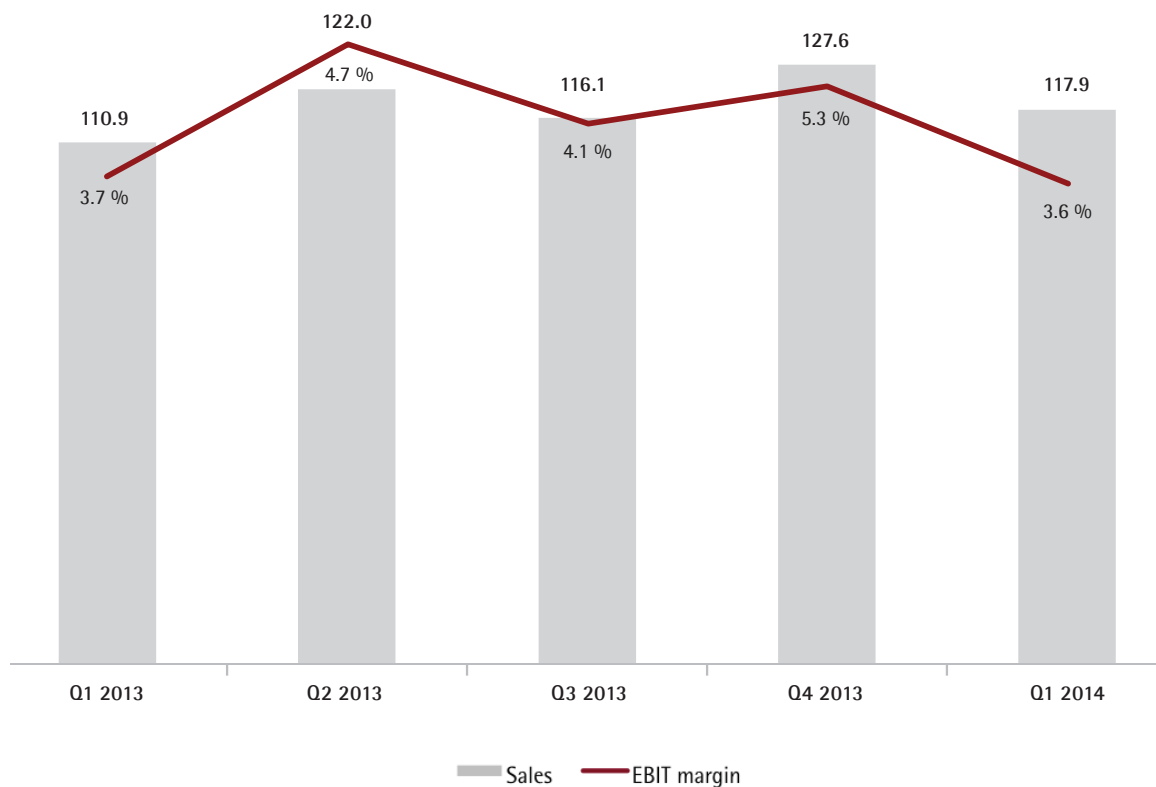
EURO mill.	Q1 2014	Q1 2013	CHANGE
Sales	117.9	110.9	6.3%
EBITDA	8.2	7.7	6.5%
EBITDA margin	7.0%	7.0%	
EBIT	4.3	4.1	4.9%
EBIT margin	3.6%	3.7%	
Earnings after tax	3.2	3.2	0,0%
Earnings per share	0.13	0.13	0,0%
Capital expenditures	3.7	2.9	27.6%
Equity ratio	49.7%	51.2%	
Net Working Capital	60.0	57.8	3.8%
Capital employed	147.0	137.5	6.9%
Net financial debt	-3.8	-8.0	-52.5%
Employees - End of period	3,503	3,523	-0.6%

EURO mill.	Q3 2013	Q4 2013	Q1 2014	CHANGE
Sales	116.1	127.6	117.9	-7.6%
EBITDA	8.6	10.6	8.2	-22.6%
EBITDA margin	7.4%	8.3%	7.0%	
EBIT	4.8	6.7	4.3	-35.8%
Restructuring costs	1.2	-	-	
EBIT after restructuring costs	3.6	6.7	4.3	-35.8%
EBIT margin	4.1%	5.3%	3.6%	
Earnings after Tax	2.4	5.0	3.2	-36%
Earnings per share	0.10	0.22	0.13	-40.9%
Capital expenditures	5.4	4.4	3.7	-15.9%
Equity ratio	49.7%	50.2%	49.7%	
Net Working Capital	60.5	49.3	60.0	21.7%
Capital employed	143.7	135.9	147.0	8.2%
Net financial debt	-0.1	-11.6	-3.8	-67.2%
Employees - End of period	3,569	3,504	3,503	0.0%

GROUP SALES BY CUSTOMERS



SALES & EBIT MARGIN



POLYTEC GROUP

INTERIM REPORT

ECONOMIC FRAMEWORK CONDITIONS

All three largest automotive markets – Western Europe, the USA and China – expanded significantly in the first quarter 2014. In the first three months of this year, the total Western European passenger car market increased by just over 7% to 3.1 million units. New car registrations in the new EU Member States rose by 22% in the period under review. In the USA, passenger cars sales rose by almost 2%. In China, the passenger car market grew by 14.1%, whereas in Brazil, India and Russia, new car sales were below the previous year's level in the first quarter 2014. Matthias Wissmann, President of the German Association of the Automotive Industry (VDA), pointed out: "The favorable development on the German market further consolidated in March, and the first quarter of the year brought decent results. Export business also continued to expand in the period under review." Here, the positive trend seen

at the beginning of the year could be continued. Foreign demand for German passenger cars remained high in March, with exports climbing by 7% to 394,700 vehicles. This resulted in a 10% growth year-to-date. In the first quarter 2014, global demand for mid-sized and heavy trucks with a gross weight of more than six tones was slightly above the previous year's level. Thanks to the improved economic environment, registrations in Western Europe in the first quarter 2014 considerably exceeded prior levels. Sales rose significantly year-on-year in Germany, Western Europe's largest market. Demand in Central and Eastern Europe reached the level of the same period in 2013. Significant growth, in particular in the Eastern EU countries, compensated for the decline in demand in Russia, which was due among other things to the recycling fee being extended to locally produced vehicles at the start of 2014.

GROUP RESULTS

Millionen EURO	Q1 2014	Q1 2013	CHANGE
Sales	117.9	110.9	6.3%
EBITDA	8.2	7.7	6.5%
EBIT	4.3	4.1	4.9 %
Earnings after tax	3.2	3.2	

EBITDA margin	7.0%	7.0%	
EBIT margin	3.6%	3.7%	
Earnings per share	0.13	0.13	0.0%

POYLTEC GROUP's total sales increased by 6.3% to EUR 117.9 million in the first quarter 2014. Group EBIT rose by 4.9% to EUR 4.3 million in the first three months of 2014. Both the materials and personnel ratios were reduced compared to the same period of the previous year. However, including costs for leased staff – which were shown in other operating expenses pursuant to IFRS – the personnel ratio remained almost stable at the previous year's level. EBIT margin amounted to 3.6% in the first quarter 2014 (Q1 2013:

3.7%).

The tax ratio of the POLYTEC GROUP amounted to 22.2% at the end of the period under review. The tax ratio for the full year 2013 was 21.5%.

All in all, the POLYTEC GROUP reported a net result of EUR 3.0 million in the first quarter 2014. This corresponds to earnings per share of EUR 0.13.

CROSS SEGEMENT DATA

SALES BY MARKET SEGMENT

Millionen EURO	Q1 2014	SHARE	Q3 2013
Passenger cars	76.5	64.9%	67.8
Commerical vehycles	29.1	24.7%	30.9
Non-automotive	12.3	10.4%	12.1
Group	117.9	100.0%	110.9

In the first quarter 2014, almost all Group's customers in the passenger car segment could make a positive contribution to the reported increase in sales of 6.3% to EUR 117.9 million. In the case of the customer Daimler Truck, however, a decline in sales of 35.1% was registered in the period under review due to a partial model change (EURO 5 / EURO 6), which requires a lower amount of components supplied by the POLYTEC GROUP (see also interim reports for 2013 for further details). Also the customer MAN showed a negative sales development in the first quarter 2014, reporting a

decline of roughly 9%. This decline could, however, be partly offset by new contract awards from Volvo Truck and DAF. As a result, the decline in sales in the commercial vehicle area only amounted to 6% in the period under review. In the first quarter 2014, sales in the non-automotive business remained almost stable compared to the previous year's period. The loss in garden furniture sales could be partly compensated for by sales generated with the new customer Miele. The start of production (SOP) for this project was in Q3 2013.

SALES BY CATEGORY

Millionen EURO	Q1 2014	SHARE	Q1 2013
Part sales and other sales	104.6	88.7%	101.9
Tooling- and engineering sales	13.3	11.3%	8.9
Group	117.9	100.0%	110.9

The significant increase in tooling sales in the period under review is still to be mainly attributed to the good project development in

the passenger car segment, where tooling sales rose by 45.2% or EUR 3.6 million.

SALES BY REGION

Millionen EURO	Q1 2014	SHARE	Q1 2013
AUSTRIA	3.2	2.7%	3.9
GERMANY	70.4	59.7%	68.0
OTHER EU	36.6	31.0%	30.7
REST OF THE WORLD	7.7	6.6%	8.3
GROUP	117.9	100.0%	110.9

EMPLOYEES

	END OF PERIOD			AVERAGE PERIOD		
	MARCH 31, 14	MARCH 31, 13	CHANGE	Q1 2014	Q1 2013	CHANGE
AUSTRIA	545	565	20	537	556	19
GERMANY	2,275	2,191	84	2,272	2,177	95
OTHER EU	522	601	-79	527	610	-83
REST OF THE WORLD	161	166	-5	164	162	2
GROUP	3,503	3,523	20	3,500	3,505	5

POLYTEC GROUP's total headcount (including leased staff) decreased by 20 employees in the first quarter 2014 compared to the same period in 2013. An increase in the flexible workforce of 17 FTE in the production area was accompanied by a drop of 37 FTE in the number of fixed-term employees. This change was mainly

attributable to personnel adjustments in all production plants. Compared to the balance sheet date as of December 31, 2013 the number of leased staff was reduced by 29 FTE to a total of 220 FTE. As of March 31, 2014 leased staff accounted for 6.3% of total headcount.

CAPITAL EXPENDITURES AND KEY FINANCIAL FIGURES

CAPITAL EXPENDITURES

EURO mill.	Q1 2014	Q1 2013	CHANGE
Capital Expenditures	3.7	2.9	27.6%

In the first quarter 2014, capital expenditures increased by 27.6% to EUR 3.7 million compared to the same period of the previous year. Additions to fixed assets increased by 23.1% to EUR 4.8 million in the period under review. The resulting difference of EUR 1.1 million between fixed asset additions and capital expenditures is to be at-

tributed to lease financing of injection molding equipment. Capital expenditures incurred in previous periods for the acquisition of production systems led to an increase in depreciation and amortization by 8.0% to EUR 3.9 million in the first quarter 2014.

KEY FINANCIAL FIGURES

	MARCH 31, 2014	DEC. 31, 2014
Equity	140.3	137.2
Equity ratio	49.7%	50.2%
Net working capital (in EUR mill.)	60,0	49.3
Net working capital in % of sales	12.4%	10.4%
Net debt (+) /- cash (-) (in EUR mill.)	3.8	11.6
Net debt (+) /- cash (-) to EBITDA	-0.10	-0.32
Gearing	-0.03	-0.08
Average Capital Employed (EUR mill.)	141.5	132.0

At the end of the first quarter 2014, the balance sheet total rose by EUR 9.1 million to EUR 282.2 million. This is mainly attributable to an increase in trade account receivables and other receivables of EUR 6.2 million as well as an increase in receivables from construction contracts of EUR 2.5 million. The equity ratio dropped by 0.5 percentage points to 49.7% compared to the balance sheet date as of December 31, 2013 due to the aforementioned increase in the balance sheet total. At the end of the period under review, the equity ratio amounted to 51.2%. The company's treasury shares acquired within the framework of a share buy-back program remained unchanged at EUR 1.7 million of 310,541 shares in the first three months of the year compared to the balance sheet date as

of December 31, 2013. Net financial assets decreased by EUR 7.8 million to EUR 3.8 million compared to the balance sheet date as of December 31, 2013 due to the increase in short-term interest-bearing liabilities. The net working capital increased slightly by EUR 2.2 million to EUR 60.0 million compared to the same period of the previous year due to the high number of project start-ups in the injection molding area and the necessary pre-financing of related tooling projects as well as the increase in the overall business volume. Interest-bearing receivables shown in current assets rose by EUR 0.1 million to EUR 12.2 million compared to year-end 2013 due to interests due thereon.

OUTLOOK

For the full year 2014, the POLYTEC GROUP's management expects a stable operating performance. Group sales and the operating result is are expected to match the level in 2013. For the coming years, POLYTEC GROUP expects sales growth mainly driven by organic ex-

pansion in the injection molding area based on the production of complex engine and engine compartment components. This should also lead to an improvement of the results' quality.

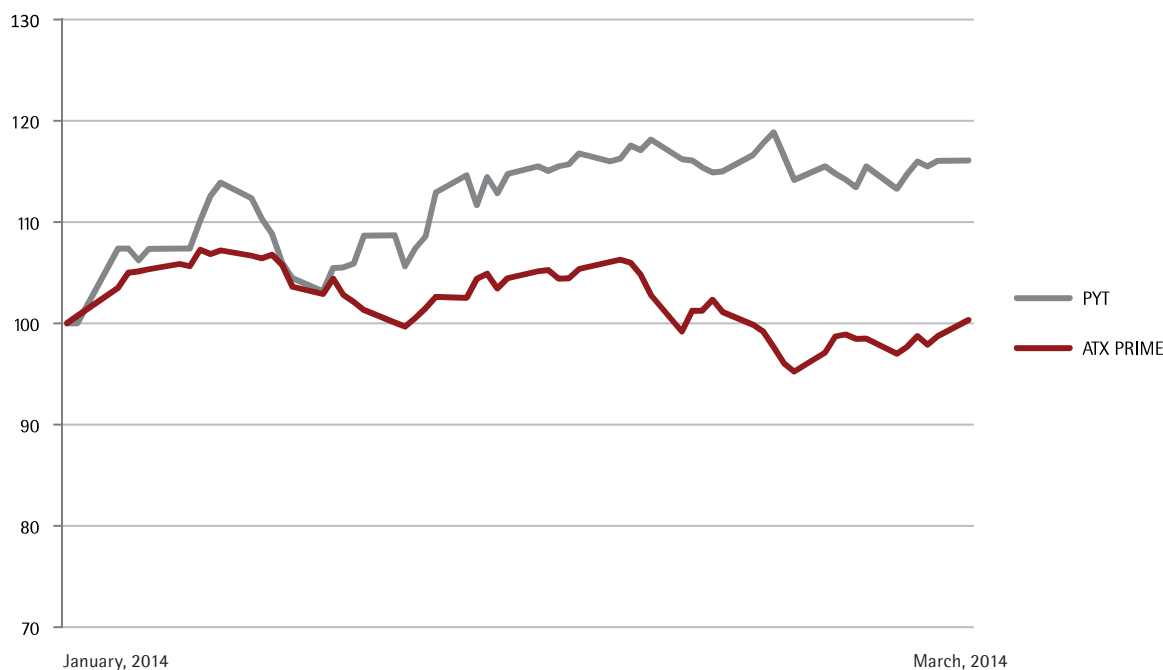
POLYTEC GROUP

SHARE AND INVESTOR RELATIONS

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POLYTEC SHARE PRICE PERFORMANCE



TRADING VOLUME

In the first quarter 2014, average trading volume (double counting) of POLYTEC shares amounted to 52,765 shares per day. Compared to

the same period of the previous year, this corresponds to a decline of roughly 30%.

KEY SHARE FIGURES

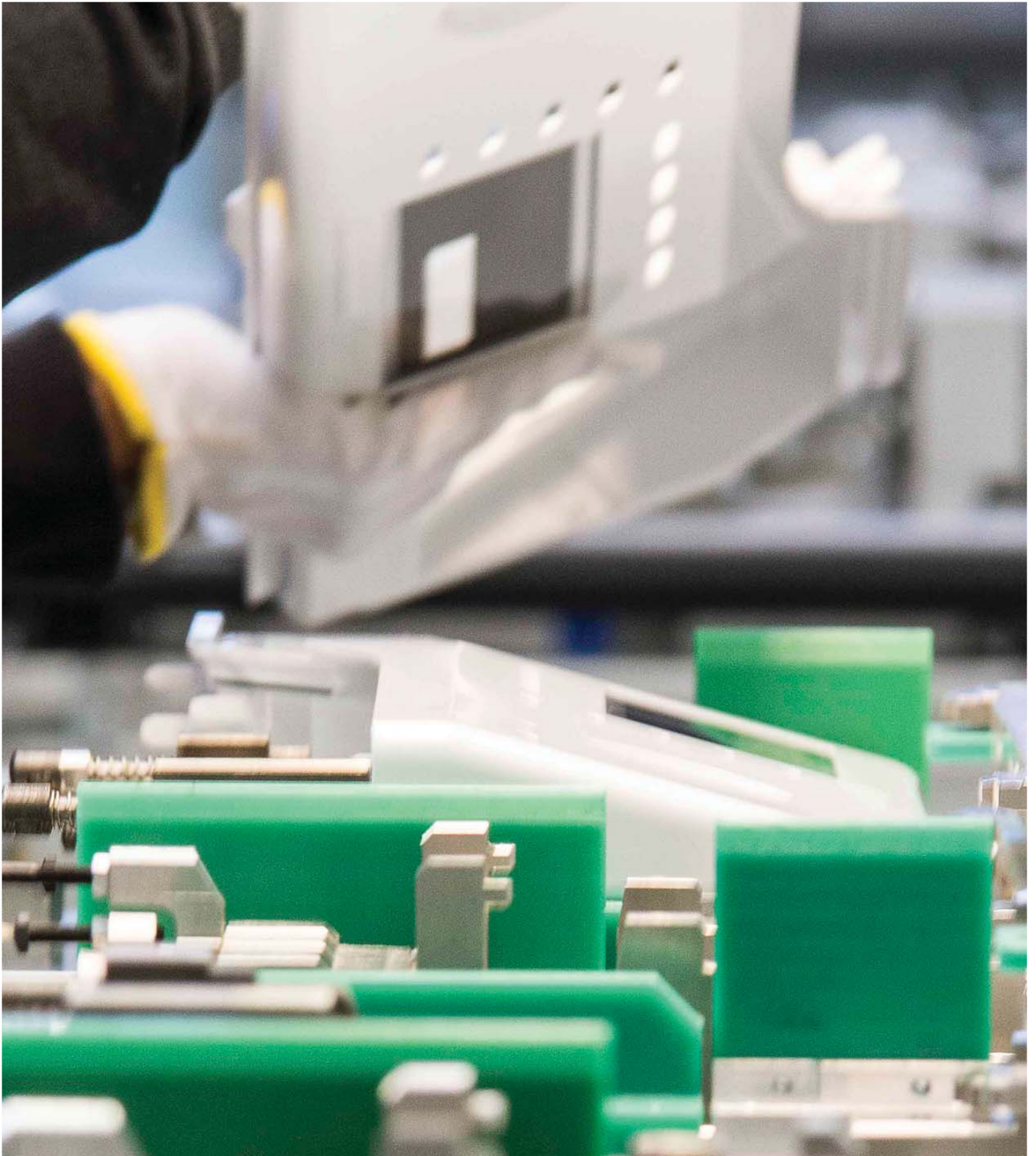
	UNIT	Q1 2014	CHANGE	Q1 2013	Q1 2012
Share price as of end of the period	EUR	7.89	22.9%	6.42	6.86
Share price high	EUR	8.08	11.4%	7.25	7.46
Share price low	EUR	6.80	10.6%	6.15	5.63
Market capitalization	Mill. EUR	176.2	22.9%	143.4	153.2
Earning per Share	EUR	0.13	0.0%	0.13	0.33

Number of shares issued	Piece	22,329,585		22,329,585	22,329,585
Number of shares outstanding	Piece	22,019,044	98,6%	22,071,544	22,329,585
Treasury shares	Piece	310,541	1,4%	258,041	-

SHARE BUYBACKS

On August 8, 2012 the Board of Directors of POLYTEC Holding AG announced its intention to exercise the authorization granted by the 12th Annual General Meeting and to start buying back own shares beginning with August 14, 2012. This authorization will end on October 14, 2014. Until March 31, 2014 a total of 310,541

own shares were bought back at an average price of EUR 5.50, which corresponds to a proportion of POLYTEC Holding AG share capital of 1.4%. A more detailed description of the share buybacks carried out to date can be found under Investor Relations at www.polytec-group.com



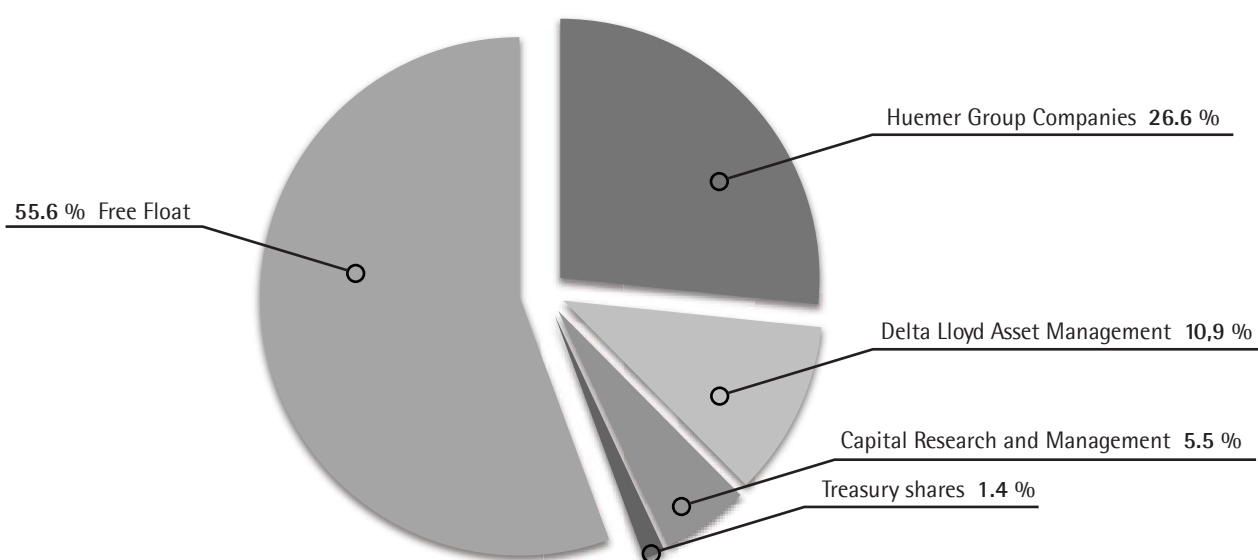
The POLYTEC GROUP is worldwide successful as a leading developer and manufacturer of high-quality plastic parts. For over two decades, the company has offered its customers in-depth expertise and hands-on experience as a full-service provider in the area of injection molding, as a specialist in fiber-reinforced plastic components, as a manufacturer of original accessory parts made from plastic and as a leading developer of tailor-made industrial solutions made of polyurethane. Innovative applications

coupled with the ability to leverage the wide range of inhouse R&D capacities and competences take center stage at POLYTEC. POLYTEC counts the world-renowned brands of the automotive industry among its customers but is also increasingly supplying markets outside of this sector. In both the automotive and non-automotive areas, the company's most important criteria for success encompass state-of-the-art technologies, top quality, absolute delivery reliability and competitive pricing.

SHAREHOLDER STRUCTURE

As of March 31, 2014 POLYTEC Holding AG's share capital amounted to EUR 22.3 million and was divided into 22,329,585 bearer shares with a nominal value of EUR 1.00 each. In the period under review between

January 1 and March 31, 2014, no notifications of voting rights pursuant to Sec. 91 of the Austrian Stock Exchange Act were received by POLYTEC Holding AG.



INFORMATION ABOUT POLYTEC SHARE

ISIN	AT00000A00XX9
Ticker symbol	
Vienna Stock Exchange	PYT
Bloomberg	PYT.AV
Reuters	POLV.VI
Stock exchange:	Vienna Stock Exchange, Prime Market
Type of shares	no par value ordinary bearer shares
Number of shares issued	22,329,585
Authorized capital	EUR 6.7 million
Other stock exchanges	none
Indices	ATX Prime, WBI

POLYTEC GROUP

**INTERIM CONSOLIDATED
FINANCIAL STATEMENT
ACCORDING TO IAS 34**

CONSOLIDATED INCOME STATEMENT

in TEUR	Q1	
	2014	2013
Net Sales	117,909	110,889
Other operating income	2,057	1,531
Changes in inventory of finished and unfinished goods	638	1,477
Own work capitalised	601	760
Expenses for materials and services received	-59,172	-56,925
Personnel expenses	-39,058	-37,258
Other operating expenses	-14,758	-12,743
Deconsolidation gain	0	0
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	8,218	7,731
Depreciation	-3,907	-3,619
Earnings before interest, taxes, depreciation and amorisation of goodwill (EBITA)	4,311	4,112
Amorisation of goodwill	0	0
Earnings before interest and taxes (EBIT)	4,311	4,112
Income from associated companies	0	24
Financial expenses	-256	-285
Other financial results	0	0
Financial result	-256	-262
Earnings before tax	4,055	3,850
Taxes on income	-901	-690
Profit after tax	3,155	3,160
Thereof result of non controlling interests	-190	-213
Thereof result of the parent company	2,965	2,947
Earnings per share	0.13	0.13

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1.1. - 31.3.2014 (in TEUR)	GROUP	NON CONTROLLING INTERESTS	TOTAL
Profit after tax	2,965	190	3,155
Currency translation	44	0	44
Total comprehensive income	3,009	190	3,198

1.1. - 31.3.2013 (in TEUR)	GROUP	NON CONTROLLING INTERESTS	TOTAL
Profit after tax	2,947	213	3,160
Currency translation	-284	-13	-297
Total comprehensive income	2,663	200	2,863

CONSOLIDATED BALANCE SHEET

ASSETS (in TEUR)	MARCH 31, 2014	DECEMBER 31, 2013
NON CURRENT ASSETS		
Intangible assets	791	717
Goodwill	19,180	19,180
Tangible assets	66,700	66,124
Investments in affiliated companies	135	135
Investments in associated companies	31	31
Other financial assets	598	598
Trade accounts receivable and other receivables and assets	339	588
Interest bearing receivables	0	0
Deferred tax assets	10,697	10,798
	98,471	98,171
CURRENT ASSETS		
Inventories	41,848	39,994
Trade accounts receivable and other receivables and assets	60,073	53,908
Receivables from construction contracts	37,288	34,765
Interest bearing receivables	12,185	12,065
Cash and cash equivalents	32,319	34,174
	183,714	174,906
	282,184	273,077
LIABILITIES (in TEUR)		
SHAREHOLDERS EQUITY		
Share capital	22,330	22,330
Capital reserves	37,563	37,563
Treasury shares	-1,709	-1,709
Non controlling interests	5,718	5,528
Retained earnings	80,908	77,943
Other earnings	-4,462	-4,506
	140,348	137,150
LONG-TERM LIABILITIES		
Interest-bearing liabilities	12,905	13,295
Provision for deferred taxes	278	354
Long-term provisions for personnel	21,696	21,649
Other long-term liabilities	0	0
	34,878	35,298
SHORT-TERM LIABILITIES		
Trade accounts payable	35,998	39,773
Liabilities from construction contracts	2,193	2,704
Short-term interest-bearing liabilities	20,809	13,708
Short-term portion of long-term loans	6,947	7,591
Liabilities on income taxes	3,988	3,574
Short-term provisions	21,073	18,974
Other short-term liabilities	15,950	14,305
	106,958	100,629
	282,184	273,077

CONSOLIDATED CASH FLOW STATEMENT

in TEUR		1.1. – 31.03	
		2014	2013
	Earnings before tax	4,055	3,850
-	Income taxes	-462	-450
+(-)	Depreciation (appreciation) of fixed assets	3,907	3,619
+(-)	Other non-cash expenses/ income	-3	168
=	Consolidated financial Cash flow	7,497	7,187
+(-)	Changes in net working capital	-11,084	-10,398
=	Cash flow from operating activities	-3,587	-3,211
+(-)	Cash flow from investing activities	-3,237	-2,202
+(-)	Cash flow from financing activities	4,963	-2,786
=	Changes in cash and cash equivalents	-1,861	-8,199
+(-)	Effect of currency translation rate	7	-72
+	Opening balance of cash and cash equivalents	34,174	37,941
=	Closing balance of cash and cash equivalents	32,319	29,670

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in TEUR	SHARE CAPITAL	CAPITAL RESERVES	TREASURY SHARES	RETAINED EARNINGS	OTHER EARNINGS	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	NON CONTROLLING INTERESTS	TOTAL
Balance as of January 1, 2014	22,330	37,563	-1,709	77,943	-4,506	131,622	5,528	137,150
Earnings after tax according to profit and loss statement	0	0	0	2,965	0	2,965	190	3,155
Earnings after tax	0	0	0	0	44	44	0	44
Balance as of September 30, 2013	22,330	37,563	-1,709	80,908	-4,462	134,630	5,718	140,348

in TEUR	SHARE CAPITAL	CAPITAL RESERVES	TREASURY SHARES	RETAINED EARNINGS	OTHER EARNINGS	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	NON CONTROLLING INTERESTS	TOTAL
Balance as of January 1, 2013	22,330	37,563	-1,396	71,342	-2,795	127,045	5,249	132,293
Earnings after tax according to profit and loss statement	0	0	0	2,947	0	2,947	213	3,160
Earnings after tax	0	0	0	0	-284	-284	-13	-297
Balance as of September 30, 2013	22,330	37,563	-1,396	74,289	-3,079	129,707	5,449	135,156

SEGMENT REPORTING

in TEUR	PLASTICS PROCESSING 1.1. – 31.03		OTHERS 1.1. – 31.03		TRANSITION 1.1. – 31.03		GROUP 1.1. – 31.03	
	2014	2013	2014	2013	2014	2013	2014	2013
External sales	115,611	108,740	2,298	2,149	0	0	117,909	110,889
Intra group sales	29	106	2,843	2,821	-2,871	-2,927	0	0
Total sales	115,639	108,846	5,141	4,970	-2,871	-2,927	117,909	110,889
Depreciation	-3,804	-3,494	-103	-125	0	0	-3,907	-3,619
thereof extraordinary	0	0	0	0	0	0	0	0
Operating income	3,531	2,727	780	1,384	-1	0	4,311	4,112

SELECTED EXPLANATORY NOTES

GENERAL INFORMATION

POLYTEC Holding AG (listed in the Commercial Registry of the City of Linz under the number FN 197646 g) is an Austrian holding company, which together with its subsidiaries is mainly operating in the automotive and plastics industry.

ACCOUNTING AND EVALUATION METHODS

This interim report as of March 31, 2014 was compiled pursuant to the legal provisions of International Financial Reporting Standards (IFRS), and more specifically, in conformity with IAS 34 (interim reports). The same accounting and evaluation methods adopted on December 31, 2013 were applied to this report. This interim report does not include all information and data contained in the consolidated financial statements as of December 31, 2013 of POLYTEC Holding AG. Please refer to the consolidated financial statements for more information.

BASIS OF CONSOLIDATION

The consolidated financial statements include all relevant domestic and foreign companies, of which POLYTEC Holding AG directly or indirectly holds the majority of voting rights. Compared to December 31, 2013 the basis of consolidation has remained unchanged.

FIXED ASSETS

In the period under review between January 1 and March 31, 2014 POLYTEC GROUP acquired fixed assets with a total value of TEUR 4,822. In the same period, total fixed assets with a book value of TEUR 288 were sold.

EQUITY

The Board of Directors of POLYTEC Holding AG will propose to the Annual General Meeting for the 2013 financial year to distribute a dividend of EUR 0.25 per share. The number of share in circulation developed as follows:

	SHARES	TREASURY SHARES	SHARES IN CIRCULATION
Dec. 31,2012	22,329,585	-258,041	22,071,544
Purchase of treasury shares	0	-52,500	-52,500
Dec. 31, 2013	22,329,585	-310,541	22,019,044
Purchase of treasury shares	0	0	0
March 31, 2014	22,329,585	-310,541	22,019,044

RELATED PARTIES

With regard to business transactions with related parties, no relevant changes were reported compared to December 31, 2013. Please refer to the explanations in the consolidated financial statements of the POLYTEC Holding AG as of December 31, 2013 for more information.

BUSINESS SEASONALITY

The quarterly reporting of POLYTEC GROUP's sales throughout one financial year strictly correlates to the car manufacturing operations of the Group's customers. For this reason, quarters in which customers normally close for works holidays generally have lower rates of sales turnover than quarters without such effects. In addition to this, sales from one quarter can also be influenced by the billing of large tool or development projects.

EVENTS AFTER THE BALANCE SHEET DATE

No significant events took place after the balance sheet date as of March 31, 2014.

DECLARATION BY THE LEGAL REPRESENTATIVES

The Board of Directors declares that the present condensed interim report and the Group Management Report for the first quarter 2014, which were prepared in accordance with the applying International Financial Reporting Standards (IFRS) provide a true and fair view of the asset, financial and earnings situation of the POLYTEC GROUP. This interim report has not been subject to an audit or a review.


Hörsching, May 7, 2014



Friedrich Huemer
Chairman



Alice Godderidge
Member



Markus Huemer
Member



Peter Haidenek
Member



Alfred Kollros
Member

IMPRINT

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