SEMPERIT

Report on the first three quarters of 2014

Highlights

- Revenue +2.0% to EUR 698.3 million
- EBITDA nearly unchanged at EUR 101.3 million
- EBIT -3.2% to EUR 66.7 million
- Earnings after tax -10.9% to EUR 39.6 million
- Investments of EUR 48.9 million

Income statement key figures

in EUR million	Q1–3 2014 (Jan.–Sep.)	Change	Q1–3 2013 (Jan.–Sep.)	Q3 2014 (Jul.–Sep.)	Change	Q3 2013 (Jul.–Sep.)	2013 (Jan.–Dec.)
Revenue	698.3	+2.0%	684.4	234.0	+0.4%	233.0	906.3
EBITDA	101.3	–0.7%	102.0	32.5	–10.3%	36.3	132.5
EBITDA margin	14.5%	–0.4 PP	14.9%	13.9%	–1.7 PP	15.6%	14.6%
EBIT	66.7	–3.2%	69.0	20.5	–18.8%	25.3	87.8
EBIT margin	9.6%	–0.5 PP	10.1%	8.8%	–2.0 PP	10.8%	9.7%
Earnings after tax	39.6	–10.9%	44.5	11.8	–27.1%	16.2	54.9
Earnings per share (EPS)[1], in EUR	1.93	–10.2%	2.15	0.58	–26.6%	0.79	2.65
Gross cash flow	83.4	–7.4%	90.1	26.4	–16.5%	31.6	116.2
Return on equity[2]	11.8%	–2.4 PP	14.2%	10.5%	–5.1 PP	15.6%	13.3%

Balance sheet key figures

in EUR million	30.9.2014	Change	30.9.2013	30.6.2014	Change	30.6.2013	31.12.2013
Balance sheet total	907.2	+8.4%	836.7	856.9	+5.1%	815.2	852.1
Equity[1]	449.8	+8.6%	414.1	418.9	+1.9%	411.1	411.5
Equity ratio	49.6%	+0.1 PP	49.5%	48.9%	–1.5 PP	50.4%	48.3%
Investments in tangible and intangible assets	48.9	+55.9%	31.4	21.1	+6.0%	19.9	49.7
Employees (at balance sheet date)	11,600	+16.9%	9,926	11,155	+11.1%	10,039	10,276

Sector and segment key figures

in EUR million	Q1–3 2014 (Jan.–Sep.)	Change	Q1–3 2013 (Jan.–Sep.)	Q3 2014 (Jul.–Sep.)	Change	Q3 2013 (Jul.–Sep.)	2013 (Jan.–Dec.)
Medical Sector = Sempermed							
Revenue	334.0	+0.9%	331.0	113.3	+0.6%	112.7	434.9
EBITDA	43.9	–0.5%	44.1	14.7	–7.9%	15.9	58.7
EBIT	25.5	–8.2%	27.8	8.1	–23.9%	10.7	36.6
Industrial Sector = Semperflex + Sempertrans + Semperform							
Revenue	364.3	+3.1%	353.4	120.7	+0.3%	120.3	471.5
EBITDA	72.0	+1.9%	70.7	22.3	–12.5%	25.5	90.1
EBIT	56.1	+3.4%	54.2	16.9	–14.7%	19.9	67.7
Semperflex							
Revenue	156.0	+13.5%	137.5	49.3	+4.8%	47.0	186.1
EBITDA	38.9	+23.7%	31.4	11.3	+5.1%	10.7	41.5
EBIT	30.4	+34.0%	22.7	8.4	+6.6%	7.8	29.7
Sempertrans							
Revenue	107.7	–6.8%	115.6	36.7	–1.4%	37.2	154.5
EBITDA	15.8	–13.1%	18.1	5.5	–11.4%	6.2	23.9
EBIT	12.6	–15.7%	15.0	4.5	–13.9%	5.2	19.4
Semperform							
Revenue	100.6	+0.2%	100.4	34.7	–3.9%	36.1	130.8
EBITDA	17.4	–17.7%	21.1	5.5	–35.4%	8.6	24.7
EBIT	13.0	–21.2%	16.5	4.1	–39.9%	6.8	18.6

Note: Rounding differences in the totalling of rounded amounts and percentages may arise from the use of automatic data processing.
[1] Attributable to the shareholders of Semperit AG Holding
[2] Based on a full-year projection

Revenue and earnings of Semperit Group

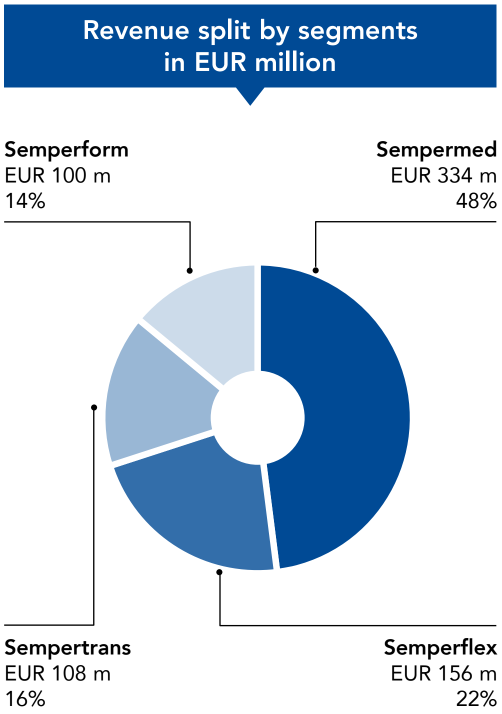
THE FIRST THREE QUARTERS OF 2014

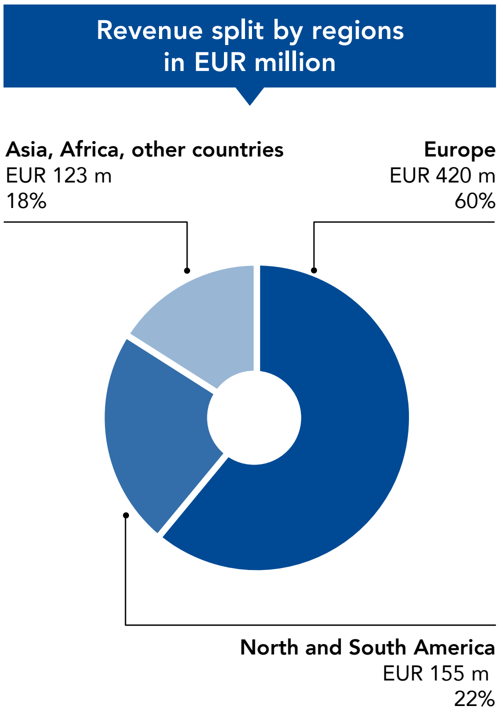
In the first three quarters of 2014 the Semperit Group increased its revenue by 2.0% or EUR 13.9 million to EUR 698.3 million. This improvement was solely due to organic volume growth. Strong sales and good capacity utilisation more than compensated for a lower level of prices caused by declines in raw material prices.

The revenue improvement in the Medical Sector is mostly the result of positive quantity effects for examination gloves. Revenue in the Semperflex segment, with an increase in organic terms of more than 10%, was considerably higher year-on-year. The Semperform segment was able to hold its revenue steady. Only the Sempertrans segment posted lower revenue due to price-related reasons.

The share of total revenue by segment in the first three quarters of 2014 was as follows: 48% is attributable to Sempermed, 22% to Semperflex, 16% to Sempertrans and 14% to Semperform.

Regionally, Europe's share of revenue declined in the first three quarters of 2014, reaching 60% compared with 63% in the first three quarters of 2013. In contrast, the regions North and South America as well as Asia posted a slight increase in their share.





In the first three quarters of 2014 the changes in inventories were positive by EUR 3.2 million compared with EUR 5.5 million in the first three quarters of 2013.

Other operating income fell from EUR 18.2 million to EUR 15.0 million.

Although revenue grew during the reporting period compared with the previous year, there was an opposite trend in material costs, which declined by 1.8% from EUR 388.8 million to EUR 382.0 million. The Semperit Group is continuing its active approach to managing raw materials in order to be able to address the price situation in procurement markets in a flexible manner. Furthermore, generally lower price levels had a favourable impact on material costs.

Personnel expenses rose by 11.1% to EUR 125.0 million due to increased employee headcount and higher wage and salary costs. This higher employee headcount was primarily caused by the strengthening of the staff in the Sempermed, Semperflex and Semperform segments.

Compared with the first three quarters of 2013, other operating expenses increased by 3.4% to EUR 109.4 million because of higher maintenance costs, outgoing freight charges and strategic projects.

EBITDA (earnings before interest, tax, depreciation and amortisation) was nearly unchanged at EUR 101.3 million (-0.7%) in the first three quarters of 2014. Higher operating revenue (+1.7%) amid a simultaneous decline in material costs (-1.8%) was offset by increases in personnel expenses (+11.1%) and other operating expenses (+3.4%). This led to a slight decline in the EBITDA margin from 14.9% to 14.5%.

Key figures Semperit Group

in EUR million	Q1–3 2014 (Jan.–Sep.)	Q1–3 2013 (Jan.–Sep.)	Change relative	Change absolute	2013 (Jan.–Dec.)
Revenue	698.3	684.4	+2.0%	+13.9	906.3
EBITDA	101.3	102.0	–0.7%	–0.7	132.5
EBITDA margin	14.5%	14.9%	–0.4 PP	–	14.6%
EBIT	66.7	69.0	–3.2%	–2.2	87.8
EBIT margin	9.6%	10.1%	–0.5 PP	–	9.7%
Earnings after tax	39.6	44.5	–10.9%	–4.8	54.9
Investments in tangible and intangible assets	48.9	31.4	+55.9%	+17.5	49.7
Employees (at balance sheet date)	11,600	9,926	+16.9%	+1,674	10,276

At EUR 34.6 million, depreciation expenses were 4.7% higher than the EUR 33.1 million recorded in the first three quarters of 2013. EBIT decreased from EUR 69.0 million to EUR 66.7 million (-3.2%), with the EBIT margin declining too, down from 10.1% to now 9.6%.

The negative financial result in the first three quarters of 2014 totalled EUR 15.3 million, following EUR 11.2 million in 2013. The main factors driving this increase were higher allocations of the group's profit to redeemable non-controlling interests as well as an increase in financial expenses from EUR 2.3 million to EUR 3.7 million in the first three quarters of 2014, which is due to the corporate Schuldschein loan. The item “Profit/loss attributable to redeemable non-controlling interests”, which is mostly related to several companies in the Sempermed segment, increased to EUR 12.8 million.

Income tax expense declined by 12.0% to EUR 11.7 million. The tax rate as a percentage of earnings before tax and redeemable non-controlling interests was lower as well, decreasing from 19.6% to 18.3%.

Earnings after tax (profit for the period) declined by 10.9% to EUR 39.6 million. This led to earnings per share of EUR 1.93 for the first three quarters of 2014, which compares to EUR 2.15 in the first three quarters of 2013.

THIRD QUARTER 2014

Semperit Group performed well in the third quarter of 2014. Quarter-on-quarter revenue versus the previous year was nearly unchanged at EUR 234.0 million. An increase in quantities sold boosted revenue, whereas lower raw material prices had a negative effect. Both sectors, Medical and Industrial, were able to growth their revenue slightly by 0.6% and 0.3%, respectively. The Semperit Group was likewise able to achieve slightly higher sequential revenue on the second quarter of 2014.

Profitability was adversely affected by higher expenses for materials and personnel, which were caused by higher volumes and consequently a higher number of employees as well as salary and wage adjustments and higher depreciation. In comparison with the very good third quarter of 2013, EBITDA declined by 10.3% to EUR 32.5 million, with EBIT falling by 18.8% to EUR 20.5 million. The EBITDA and EBIT margins were lower, too, decreasing to 13.9% and 8.8%, respectively. At these levels, both values are within the targeted margin range of 12% to 15% for the EBITDA margin and 8% to 11% for the EBIT margin.

Earnings after tax decreased by 27.1% to EUR 11.8 million, and earnings per share fell from EUR 0.79 in the third quarter of 2013 to now EUR 0.58 in the third quarter of 2014.

Third quarter 2014

in EUR million	Q3 2014 (Jul.–Sep.)	Q3 2013 (Jul.–Sep.)	Change relative	Change absolute	2013 (Jan.–Dec.)
Revenue	234.0	233.0	+0.4%	+1.0	906.3
EBITDA	32.5	36.3	–10.3%	–3.7	132.5
EBITDA margin	13.9%	15.6%	–1.7 PP	–	14.6%
EBIT	20.5	25.3	–18.8%	–4.7	87.8
EBIT margin	8.8%	10.8%	–2.0 PP	–	9.7%
Earnings after tax	11.8	16.2	–27.1%	–4.4	54.9
Investments in tangible and intangible assets	27.8	11.5	+142.5%	+16.4	49.7

BALANCE SHEET AND FINANCIAL POSITION

Compared with the balance at 31 December 2013, the balance sheet total rose in the first three quarters of 2014 by 6.5% to EUR 907.2 million. On the asset side of the balance sheet, the main reason for this trend was primarily higher trade receivables as well as a rise in tangible assets caused by expansion investments. These increases were offset by lower cash and cash equivalents. On the equity and liabilities side, particularly liabilities from redeemable non-controlling interests and trade payables increased.

Trade working capital (inventories plus trade receivables minus trade payables) rose from EUR 186.6 million at the end of 2013 to EUR 215.4 million, and therefore constituted 23.4% of the rolling 12-month revenue of EUR 920.2 million (value at 31 December 2013: 20.6%). The increase is mostly attributable to higher trade receivables and inventories. This rise was offset by higher trade payables.

Cash and cash equivalents decreased since the end of 2013, falling from EUR 182.6 million to EUR 163.2 million as at 30 September 2014. The reasons for this decline are the payment of the dividend to the shareholders of Semperit AG Holding in the amount of EUR 24.7 million (previous year: EUR 16.5 million) and the payment of a dividend to the non-controlling shareholders of subsidiaries in the amount of EUR 15.0 million (EUR 12.6 million in the first three quarters of 2013).

Liabilities from the corporate Schuldschein loan and to banks total EUR 139.6 million (at the end of 2013: EUR 139.3 million), resulting in overall net liquidity of EUR 23.5 million (year-end 2013: EUR 43.3 million).

As at 30 September 2014, Semperit Group's equity (without non-controlling interests) stood at EUR 449.8 million, EUR 38.3 million higher than at the end of 2013 (EUR 411.5 million). The change resulted from earnings after tax, the distribution of the dividend to the shareholders of Semperit AG Holding and the change in the currency translation reserve.

The group's equity ratio as at 30 September 2014 amounted to 49.6% (year end 2013: 48.3%), 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 11.8%, following 14.3% in the first three quarters of 2013. The return on equity is calculated based on the earnings after tax as extrapolated for the full year (EUR 52.8 million) in relation to the equity of EUR 449.8 million (each both in respect to the portion attributable to the shareholders of Semperit AG Holding).

Debt increased to EUR 454.9 million compared with the end of 2013. The liabilities from redeemable non-controlling interests rose by EUR 7.2 million to EUR 109.9 million. Provisions including social capital were somewhat higher at EUR 76.8 million. Other liabilities including the corporate Schuldschein loan and deferred taxes increased slightly by EUR 6.5 million to EUR 268.4 million.

Gross cash flow was EUR 83.4 million, a year-on-year decline of EUR 6.7 million or 7.4%. The main reasons for this were lower earnings before tax as well as an increase in taxes paid.

INVESTMENTS

At EUR 48.9 million, cash-relevant investments in tangible and intangible assets in the first three quarters of 2014 were considerably higher than the level of the same period last year. 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 facility at the plant in Wimpassing, Austria).

EMPLOYEES

As at 30 September 2014 the group's total headcount stood at 11,600 employees, 16.9% more than at 30 September 2013 (9,926 people). This trend is primarily attributable to the build-up of staff in the Sempermed, Semperflex and Semperform segments.

Economic environment

In its latest forecast from October 2014, the International Monetary Fund (IMF) anticipates that global economic trends will be mixed in 2014. As momentum was subdued during the first half of the year, the IMF forecasts that global economic output will grow only by 3.3% in 2014, with growth accelerating to 3.8% in 2015.

Following a weak first quarter caused by the weather, the economy in the USA rebounded in the second quarter and grew by 4.2%. The IMF forecasts the US economy will grow by 2.8% for the full year 2014 and 3.0% for 2015. Due to lower demand, both domestically and abroad, the GDP forecasts for Latin America stand at 1.3% for 2014 and 2.2% for 2015. GDP in Asia is expected to increase by 5.5% in 2014 and 5.6% in 2015. The Chinese economy is set to grow by 7.4% in 2014 and 7.1% in the subsequent year.

In its latest forecast from the beginning of November 2014, the European Commission predicts that the European economy will continue to slow. Its expectations for average GDP growth in 2014 are now just 1.3% for the EU and 0.8% for the Eurozone. The forecasted values for 2015 are currently 1.5% and 1.1%, respectively. Economic forecasts have deteriorated recently for Germany; GDP growth is forecast to be 1.3% in 2014, slowing to 1.1% in 2015. The expectations for Austria's GDP have been revised lower, too; growth of 0.7% is now anticipated for 2014, and 1.2% for 2015.

The business sectors of the Semperit Group are influenced in different ways by current macroeconomic developments. The Industrial Sector, with the relevant industries of energy, construction, mechanical engineering and industrial equipment, is influenced by the overall macroeconomic environment, whereas trends in the market for medical products are largely unaffected by the business cycle.

Developments in raw materials

At the start of 2014 price trends varied in the sub-markets for the 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. The development of these markets is influenced in part by demand from the main consumer of rubber products, the tyre and automobile industry.

Following a decline in prices for natural latex at the start of 2014, prices decreased further as the year progressed. The average prices during the first three quarters of 2014 were around 20% below the level of the first three quarters of 2013, and to the same extent under the level at the end of 2013. 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 and Malaysia.

In 2014 the price of synthetic rubber consolidated somewhat at the start of the first quarter and then gradually eased a bit following the peak it reached in March 2014. The average prices in the first three quarters of 2014 have hovered at levels unchanged versus December 2013, although they are much more than 10% below the comparable value from the same period in 2013.

The prices of the other important raw materials for the Semperit Group, such as the filling material carbon black and also wire and steel cord, were largely stable.

Revenue and earnings of the sectors

The Semperit Group divides its business activities into two sectors, Medical and Industrial. The Medical Sector comprises the Sempermed segment, while the Industrial Sector includes the Semperflex, Sempertrans and Semperform segments. In the first three quarters of 2014 the Semperit Group was able to boost the revenue of its two sectors: the Medical Sector posted an increase in revenue of 0.9% to EUR 334.0 million, while the Industrial Sector was 3.1% higher at EUR 364.3 million.

EBITDA in the Medical Sector edged lower by 0.5% to EUR 43.9 million, whereas the Industrial Sector was able to grow its EBITDA by 1.9% to EUR 72.0 million. The EBITDA margin of both sectors is therefore clearly in double-digit territory: 13.1% for Medical and 19.8% for Industrial.

EBIT in the Medical Sector fell by 8.2% to EUR 25.5 million, whereas the Industrial Sector was 3.4% higher at EUR 56.1 million. The EBIT margin in the Medical Sector decreased to 7.6%, down from 8.4% in the previous year. One positive aspect about the Medical Sector's performance in the reporting period is the double-digit growth rate in the volume of examination gloves sold, which resulted from a good sales performance. The Industrial Sector maintained its level of profitability. The EBIT margin was 15.3% for the first three quarters of 2014, virtually unchanged compared with the first three quarters of 2013. All three segments in the Industrial Sector have double-digit EBIT margins. The exposed Semperflex segment managed to grow its EBIT margin from 16.5% to 19.5% thanks to very good sales and the corresponding strong utilisation of capacity, whereas the EBIT margin in the sector's other two segments was lower. Sempertrans declined from 13.0% to 11.7%, and Semperform decreased from 16.5% to 13.0%.

Performance of the segments

SEMPERMED

In the first three quarters of 2014 the revenue in the Sempermed segment rose slightly by 0.9% to EUR 334.0 million. Considerably higher sales volumes thanks to a generally good sales performance were offset by negative price effects associated with raw material prices that were lower compared with 2013, particularly for natural latex but also in part for nitrile (synthetic latex).

The EBITDA of the Sempermed segment, at EUR 43.9 million in the first three quarters of 2014, was nearly unchanged year-on-year, demonstrating the stable operating performance of the segment. EBIT fell to EUR 25.5 million, down from 27.8 million in 2013 (-8.2%). This led to an EBITDA margin of 13.1%, following 13.3% in the prior year period, and a lower EBIT margin of 7.6%, down from 8.4% in 2013.

In a quarter-on-quarter comparison between 2014 and 2013, the segment posted a slight increase in revenue, while its EBITDA and EBIT were lower. Profitability in the third quarter of 2014 was adversely impacted by, among other things, an increase in electricity and gas prices in Malaysia during the first half of 2014. These incremental costs could not be completely passed on to customers due to competitive pressure.

Sales of examination gloves increased at double-digit rates compared with the first three quarters of 2013. Demand was particularly strong in Europe, and slightly weaker in the USA. Growth was achieved not just in the medical field; gains were also made in non-medical industries such as industrials and especially consumer goods, which are both performing better in the meantime. As in previous quarters, the capacity of Sempermed's production facilities was well utilised.

Sales of surgical gloves in the first three quarters of 2014 hovered at nearly the same level as in the comparable period last year.

Key figures Sempermed

in EUR million	Q1–3 2014 (Jan.–Sep.)	Change	Q1–3 2013 (Jan.–Sep.)	Q3 2014 (Jul.–Sep.)	Change	Q3 2013 (Jul.–Sep.)	2013 (Jan.–Dec.)
Revenue	334.0	+0.9%	331.0	113.3	+0.6%	112.7	434.9
EBITDA	43.9	–0.5%	44.1	14.7	–7.9%	15.9	58.7
EBITDA margin	13.1%	–0.2 PP	13.3%	12.9%	–1.2 PP	14.1%	13.5%
EBIT	25.5	–8.2%	27.8	8.1	–23.9%	10.7	36.6
EBIT margin	7.6%	–0.8 PP	8.4%	7.2%	–2.3 PP	9.5%	8.4%
Investments	18.6	+1.0%	18.4	13.2	+99.3%	6.6	33.2

In order to meet rising demand and boost productivity, Sempermed will increase its production capacity at the plant in Kamunting, Malaysia. A total of around EUR 50 million will be invested in the construction of a new glove factory during the period 2014 to 2016.

SEMPERFLEX

Of all of the group's segments, the Semperflex segment is particularly exposed to potential economic volatility. Thanks to an impressive production and sales performance, the segment's revenue surged during the first three quarters of 2014 by 13.5% to EUR 156.0 million. The segment was able to maintain a constantly high volume of production, thereby achieving economies of scale and boosting efficiency. All in all, this led to a further improvement in profitability compared with the same period last year, with the growth in both EBITDA and EBIT, at 20% and more than 30%, respectively, considerably outpacing the increase in revenue.

In the first three quarters of 2014 the segment's EBITDA advanced by 23.7% to EUR 38.9 million, with EBIT spiking by 34.0% to EUR 30.4 million. The EBITDA margin of 24.9% was higher than the 22.9% achieved in 2013, and the EBIT margin came in at 19.5%, up from 16.5% in the first three quarters of 2013. There were likewise significant increases in revenue, EBITDA and EBIT in the third quarter of 2014 compared with the same period in 2013.

Based on the order status to date, capacity is well utilised until the end of 2014. However, demand for 2015 has diminished. The expansion of capacity at the plant in Odry, Czech Republic, for which an investment of more than EUR 10 million is planned in 2014, is proceeding according to plan. The new production capacity is set to come on line starting from the first quarter of 2015.

Key figures Semperflex

in EUR million	Q1–3 2014 (Jan.–Sep.)	Change	Q1–3 2013 (Jan.–Sep.)	Q3 2014 (Jul.–Sep.)	Change	Q3 2013 (Jul.–Sep.)	2013 (Jan.–Dec.)
Revenue	156.0	+13.5%	137.5	49.3	+4.8%	47.0	186.1
EBITDA	38.9	+23.7%	31.4	11.3	+5.1%	10.7	41.5
EBITDA margin	24.9%	+2.0 PP	22.9%	22.9%	+0.1 PP	22.8%	22.3%
EBIT	30.4	+34.0%	22.7	8.4	+6.6%	7.8	29.7
EBIT margin	19.5%	+3.0 PP	16.5%	17.0%	+0.3 PP	16.7%	16.0%
Investments	11.5	+65.8%	6.9	5.2	>100.0%	2.0	6.0

The Hydraulic Hoses unit generates most of the segment's revenue. During the period under review it gained market share in terms of deliveries in both Europe and the USA 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.

As far as industrial hoses are concerned, sales volumes rose at a single-digit percentage pace compared with the good three quarters of 2013. Despite the challenging situation in Russia and Ukraine, the business unit performed very well in Europe. The group's decision to globalise the sale of industrial hoses beyond their traditional markets in Europe has led to further success, particularly in Asia.

Revenue trends in the smallest business unit of this segment, Elastomer and Wear-Resistant Sheeting, were positive thanks to an increase in volume.

SEMPERTRANS

Volume trends in the Sempertrans segment were good in the first three quarters of 2014 compared to the previous year, supported by acquisition of new customers and an expansion of sales activities in new markets and market segments. Despite lower prices for raw materials and the associated decline in revenue, the segment achieved a satisfactory EBIT margin of 11.7% in the first three quarters of 2014 (12.2% in the third quarter of 2014). All in all, revenue decreased by EUR 7.9 million to EUR 107.7 million. This decline also weighed on the development of both EBITDA, which fell by 13.1% to EUR 15.8 million, and EBIT, which at EUR 12.6 million was 15.7% below the level in the first three quarters of 2013. Nevertheless, both the EBITDA and the EBIT margins remained in double-digit territory, at 14.6% and 11.7%, respectively. A quarter-on-quarter comparison for the third quarter of 2014 shows that the segment posted a decline in revenue, EBITDA and EBIT, compared to the second quarter 2014 a stabilization is observed.

Individual new projects in both the project business and in mining 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 isolated exceptions such as the cement industry. The performance of the spare parts business has been satisfactory. Yet despite this competitive environment, the capacity of the Sempertrans segment is well utilised until into the first quarter of 2015.

Key figures Sempertrans

in EUR million	Q1–3 2014 (Jan.–Sep.)	Change	Q1–3 2013 (Jan.–Sep.)	Q3 2014 (Jul.–Sep.)	Change	Q3 2013 (Jul.–Sep.)	2013 (Jan.–Dec.)
Revenue	107.7	–6.8%	115.6	36.7	–1.4%	37.2	154.5
EBITDA	15.8	–13.1%	18.1	5.5	–11.4%	6.2	23.9
EBITDA margin	14.6%	–1.1 PP	15.7%	15.0%	–1.7 PP	16.7%	15.5%
EBIT	12.6	–15.7%	15.0	4.5	–13.9%	5.2	19.4
EBIT margin	11.7%	–1.3 PP	13.0%	12.2%	–1.8 PP	14.0%	12.5%
Investments	11.2	>100.0%	2.2	5.9	>100.0%	1.2	6.8

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 in crisis regions such as Ukraine – with effects on Russia – as well as in the Middle East and North Africa were weaker. This also means that Sempertrans's competitors are switching to other markets, increasing competition in these markets as a result. On the other hand, the order situation is good 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. The plant in China has benefited from better capacity utilisation and measures to improve operating performance. Order trends in other parts of Asia are likewise muted.

The work to expand capacity at the Polish conveyor-belt plant in Belchatów (total investment of around EUR 40 million) is continuing according to plan. As a result, the additional capacity will gradually become available during the second half of 2015. In addition to the gradual increase and induction of personnel for the production expansion in Bełchatów, targeted investments are also being made in personnel resources here to achieve two objectives: to position the segment as a solutions provider and to develop new markets and market segments through incremental sales personnel.

SEMPERFORM

The Semperform segment posted revenue of EUR 100.6 million in the first three quarters of 2014, nearly unchanged versus the same period last year. Volume growth in nearly all business units was offset by negative price effects, however. All in all, the Semperform segment generated EBITDA of EUR 17.4 million in the first three quarters of 2014, which compares with EUR 21.1 million in the previous year. EBIT was EUR 13.0 million versus EUR 16.5 million in 2013. These results represent declines of 17.7% and 21.2%, respectively. Compared with the segment's strong earnings in the first three quarters of 2013, profitability in the first three quarters of 2014 was negatively impacted by price concessions for customers from Russia (to offset the weaker rouble), the lack of earnings from the foam rubber business (production was discontinued in the first half of 2013) and uneven capacity utilisation in several business units. The EBITDA margin stood at 17.3%, following 21.0% in the first three quarters of 2013, while the EBIT margin declined from 16.5% to now 13.0%. In the third quarter of 2014, revenue, EBITDA and EBIT declined compared with the same period last year.

With its seal profiles for windows and doors, the Building Profiles unit is the largest unit in the Semperform segment. Order intake and capacity utilisation are good. Orders from Russia and Ukraine declined significantly during the third quarter due to a general decrease in demand, but the unit's market share did not change as a result. Moreover, the decline in Russia and Ukraine in the third quarter was offset by stronger sales of seals for aluminium windows in West Europe.

The Industrial Moulded Parts unit posted a more subdued performance in the third quarter of 2014. Industrial customers were more cautious when placing orders, which impacted overall order intake. Demand in railway-track superstructures remained volatile, and there was a global downturn in demand for filter membranes.

Key figures Semperform

in EUR million	Q1–3 2014 (Jan.–Sep.)	Change	Q1–3 2013 (Jan.–Sep.)	Q3 2014 (Jul.–Sep.)	Change	Q3 2013 (Jul.–Sep.)	2013 (Jan.–Dec.)
Revenue	100.6	+0.2%	100.4	34.7	–3.9%	36.1	130.8
EBITDA	17.4	–17.7%	21.1	5.5	–35.4%	8.6	24.7
EBITDA margin	17.3%	–3.7 PP	21.0%	16.0%	–7.7 PP	23.7%	18.9%
EBIT	13.0	–21.2%	16.5	4.1	–39.9%	6.8	18.6
EBIT margin	13.0%	–3.5 PP	16.5%	11.8%	–7.1 PP	18.9%	14.2%
Investments	6.4	>100.0%	3.1	3.2	>100.0%	1.3	3.1

Compared with the previous year the Handrails unit still continued to post solid volume growth worldwide in the business with original equipment manufacturers (OEMs). However, demand from escalator manufacturers stagnated in the third quarter of 2014, and a change in this trend is not expected in the fourth quarter. China, the most important OEM market, remains characterised by strong competition and high price pressure. Good progress was made in the After Sales market (ASM) globally, also in Asia. In order to address growing demand for handrails over the medium to long term, an investment of somewhat more than EUR 2 million will be made to expand the group's production site in China.

The segment's smallest business unit, Special Applications, increased slightly during the third quarter of 2014; its performance for the full year is expected to be stable.

Outlook

For the remainder of 2014 Semperit Group expects a continuation of the largely stable incoming order trend and a satisfying performance in both revenue and earnings compared with 2013. The slowdown in the global economy and geopolitical crises have resulted in subdued market and demand trends in the cyclical areas of the group. While North America continues to perform well, demand in Europe has weakened considerably. In Asia there are no comprehensive growth impulses.

The Medical Sector has a growth dynamic that is largely independent of the general trend in the economy. The Sempermed segment continues to focus on improving efficiency as well as on targeted marketing in new customer segments. The Semperit Group anticipates that global demand for examination and protective gloves will grow steadily. In order to take advantage of this market growth, Sempermed is expanding production capacity at its plant in Kamunting, Malaysia. A total of around EUR 50 million will be invested in the construction of a new glove factory during the period 2014 to 2016.

The Industrial Sector shows a good order intake for the next several months despite the current economic weakness. It is likely, however, that a further slowdown in the economy will have an adverse impact on demand in some of the business units. The Semperit Group is addressing the weaker market trends with intensive sales and marketing activities in order to gain additional market share.

To continue its long-term growth, the Semperit Group is implementing a comprehensive investment programme in the Industrial Sector. For instance, the group is expanding its manufacturing capacity for hydraulic and industrial hoses in Odry, Czech Republic, for conveyor belts at the plant in Belchatów, Poland, for handrails in Shanghai, China, and for profiles in Wimpassing, Austria. This additional capacity will gradually become available during the course of 2015 and 2016.

The group plans to invest more than EUR 60 million in plant and equipment (CAPEX) during 2014, which compares with an investment of EUR 49.7 million in 2013. Of this amount, around EUR 25 million is intended for the maintenance of existing facilities.

Semperit reaffirms its previous growth targets, namely to achieve double-digit revenue growth on average in the years from 2010 to 2015 inclusive. The group likewise still aims to achieve an EBITDA margin of between 12% and 15% and an EBIT margin of between 8% and 11%.

Note
This outlook is based on the assessments of the Management Board as of 14 November 2014 and does not take into account the effects of possible acquisitions, divestments or other structural changes during the remainder of 2014. 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

No significant events occurred between 30 September 2014 and the date this report was approved for publication on 14 November 2014.

Vienna, 14 November 2014

Thomas Fahnemann
Chief Executive Officer
Chairman

Johannes Schmidt-Schultes
Chief Financial Officer

Richard Ehrenfeldner
Chief Technical Officer

Declan Daly, MBA
Chief Information Officer

Interim consolidated financial statements and notes

Consolidated income statement

in EUR thousand	1.1.–30.9.2014	1.1.–30.9.2013	1.7.–30.9.2014	1.7.–30.9.2013
Revenue	698,308	684,403	234,013	233,003
Changes in inventories	3,208	5,498	2,703	–4,374
Own work capitalised	906	696	246	197
Operating revenue	**702,421**	**690,597**	**236,963**	**228,826**
Other operating income	15,035	18,243	4,779	5,800
Cost of material and purchased services	–382,034	–388,845	–130,726	–124,784
Personnel expenses	–125,042	–112,579	–41,246	–35,999
Other operating expenses	–109,368	–105,756	–37,340	–37,761
Share of profit from associated companies	314	348	110	174
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**101,326**	**102,008**	**32,540**	**36,257**
Depreciation, amortisation and impairment of tangible and intangible assets	–34,607	–33,054	–12,024	–11,004
Earnings before interest and tax (EBIT)	**66,719**	**68,953**	**20,516**	**25,254**
Financial income	1,149	1,275	393	426
Financial expenses	–3,710	–2,320	–1,251	–989
Profit/loss attributable to redeemable non-controlling interests	–12,785	–10,110	–4,673	–3,588
Financial result	**–15,346**	**–11,155**	**–5,531**	**–4,151**
Earnings before tax	**51,373**	**57,798**	**14,985**	**21,103**
Income taxes	–11,739	–13,332	–3,151	–4,868
Earnings after tax	**39,633**	**44,465**	**11,834**	**16,235**
of which attributable to the shareholders of Semperit AG Holding	39,714	44,149	11,857	16,165
of which attributable to non-controlling interests	–81	316	–23	70
Earnings per share (diluted and undiluted)[1]	**1.93**	**2.15**	**0.58**	**0.79**

[1] Attributable to the shareholders of Semperit AG Holding

Consolidated statement of comprehensive income

in EUR thousand	1.1.– 30.9.2014	1.1.– 30.9.2013	1.7.– 30.9.2014	1.7.– 30.9.2013
Earnings after tax according to the consolidated income statement	**39,633**	**44,465**	**11,834**	**16,235**
Other comprehensive income				
Amounts that will potentially be recognised through profit and loss in future periods				
Available-for-sale financial assets				
Revaluation gains/losses for the period	457	–79	80	–23
Reclassification to profit and loss for the period	98	72	21	0
	554	–7	101	–23
Cash flow Hedge				
Revaluation gains/losses for the period	–1,405	0	–255	0
Reclassification to profit and loss for the period	166	0	123	0
	–1,239	0	–133	0
Currency translation differences				
Currency translation differences for the period	24,077	–19,460	19,227	–13,350
Related deferred taxes	178	6	14	10
Other comprehensive income	**23,570**	**–19,461**	**19,210**	**–13,363**
Total recognised comprehensive income	**63,204**	**25,005**	**31,044**	**2,872**
of which on earnings attributable to the shareholders of Semperit AG Holding	63,004	24,263	30,873	2,927
of which on earnings attributable to non-controlling interests	200	742	172	–55

Consolidated cash flow statement

in EUR thousand	1.1.– 30.9.2014	1.1.– 30.9.2013
Earnings before tax	51,373	57,798
Depreciation/write-ups of tangible and intangible assets	34,607	33,054
Profit and loss from disposal of assets (including current and non-current financial assets)	424	246
Changes in non-current provisions	1,031	38
Share of profit from associated companies	–314	–348
Dividend received from associated companies	162	205
Profit/loss attributable to redeemable non-controlling interests	12,785	10,110
Net interest income (including income from securities)	1,846	593
Interest paid	–3,587	–1,411
Interest received	1,216	1,449
Taxes paid on income	–16,140	–11,668
Gross cash flow	**83,403**	**90,066**
Increase/decrease in inventories	–8,337	–400
Increase/decrease in trade receivables	–27,289	249
Increase/decrease in other receivables and assets	–3,701	1,915
Increase/decrease in trade payables	7,823	11,614
Increase/decrease in other liabilities and current provisions	8,540	425
Changes in working capital resulting from currency translation adjustments	6,319	–3,417
Cash flow from operating activities	**66,756**	**100,453**
Proceeds from sale of tangible and intangible assets	246	329
Proceeds from sale of current and non-current financial assets	2,000	1,051
Investments in tangible and intangible assets	–48,919	–31,378
Investments in current and non-current financial assets	–946	0
Cash flow from investing activities[1]	**–47,619**	**–29,999**
Cash receipts from current and non-current financing liabilities	7,728	124,568
Repayments of current and non-current financing liabilities	–12,550	–106,324
Dividend to shareholders of Semperit AG Holding	–24,688	–16,459
Dividends to non-controlling shareholders of subsidiaries	–14,984	–12,616
Acquisition of non-controlling interests	–351	–19,500
Cash flow from financing activities[1]	**–44,846**	**–30,331**
Net increase/decrease in cash and cash equivalents	**–25,708**	**40,123**
Effects resulting from currency translation	6,329	–3,919
Cash and cash equivalents at the beginning of the period	182,554	133,322
Cash and cash equivalents at the end of the period	**163,175**	**169,526**

[1] Figures for the prior-year period are adjusted (for an explanation see notes to the consolidated financial statements, page 21)

Consolidated balance sheet

in EUR thousand	30.9.2014	31.12.2013
ASSETS		
Non-current assets		
Intangible assets	113,638	106,826
Tangible assets	283,059	256,628
Investments in associated companies	1,571	1,419
Other financial assets	8,534	9,043
Other assets	3,965	3,982
Deferred taxes	16,824	15,733
	427,590	**393,630**
Current assets		
Inventories	156,766	148,428
Trade receivables	138,519	111,230
Other financial assets	3,912	1,518
Other assets	12,571	11,408
Current tax receivables	4,640	3,350
Cash and cash equivalents	163,175	182,554
	479,583	**458,488**
TOTAL ASSETS	**907,173**	**852,118**
EQUITY AND LIABILITIES		
Equity		
Share capital	21,359	21,359
Capital reserves	21,503	21,503
Revenue reserves	400,331	385,793
Currency translation reserve	6,593	–17,204
Equity attributable to the shareholders of Semperit AG Holding	**449,786**	**411,451**
Non-controlling interests	2,531	2,702
	452,317	**414,153**
Non-current provisions and liabilities		
Provisions for pension and severance payments	39,524	39,248
Other provisions	12,850	12,071
Liabilities from redeemable non-controlling interests	109,632	101,928
Corporate Schuldschein loan	126,632	124,539
Liabilities to banks	0	128
Other financial liabilities	2,835	5,798
Other liabilities	534	658
Deferred taxes	6,557	6,684
	298,564	**291,054**
Current provisions and liabilities		
Provisions for pension and severance payments	2,961	3,248
Other provisions	20,579	19,095
Liabilities from redeemable non-controlling interests	0	481
Corporate Schuldschein loan	539	1,225
Liabilities to banks	12,454	13,403
Trade payables	79,910	73,067
Other financial liabilities	19,341	17,532
Other liabilities	14,738	11,337
Current tax liabilities	5,769	7,524
	156,291	**146,912**
EQUITY AND LIABILITIES	**907,173**	**852,118**

Consolidated statement of changes in equity

in EUR thousand	Share capital	Capital reserves	Revenue reserves: Re-valuation reserves	Revenue reserves: Other revenue reserves	Revenue reserves: Total revenue reserves	Currency translation reserve	Total equity attributable to the share-holders of Semperit AG Holding	Non-control-ling interests	Total equity
As at 1.1.2013	**21,359**	**21,503**	**–125**	**349,786**	**349,661**	**13,715**	**406,238**	**21,755**	**427,993**
Earnings after tax	0	0	0	44,149	44,149	0	44,149	316	44,465
Other comprehensive income	0	0	–1	0	–1	–19,886	–19,887	426	–19,461
Total recognised comprehensive income	0	0	–1	44,149	44,149	–19,886	24,263	742	25,005
Dividend	0	0	0	–16,459	–16,459	0	–16,459	0	–16,459
Acquisition of non-controlling interests	0	0	0	29	29	0	29	–19,529	–19,500
As at 30.9.2013	**21,359**	**21,503**	**–125**	**377,506**	**377,381**	**–6,172**	**414,072**	**2,968**	**417,040**
As at 1.1.2014	**21,359**	**21,503**	**–115**	**385,907**	**385,793**	**–17,204**	**411,451**	**2,702**	**414,153**
Earnings after tax	0	0	0	39,714	39,714	0	39,714	–81	39,633
Other comprehensive income	0	0	–507	0	–507	23,797	23,290	280	23,570
Total recognised comprehensive income	0	0	–507	39,714	39,207	23,797	63,004	200	63,204
Dividend	0	0	0	–24,688	–24,688	0	–24,688	0	–24,688
Acquisition of non-controlling interests	0	0	0	19	19	0	19	–370	–351
As at 30.9.2014	**21,359**	**21,503**	**–621**	**400,953**	**400,331**	**6,593**	**449,786**	**2,531**	**452,317**

Notes to the interim consolidated financial statements

ACCOUNTING POLICIES

The interim consolidated financial statements as at 30 September 2014 have been prepared in accordance with International Financial Reporting Standards (IFRS) and IAS 34 Interim Financial Reporting. No material changes have been made to the accounting policies used. For more information on accounting policies, please see the consolidated financial statements as at 31 December 2013, which form the basis for these interim financial statements.

These interim consolidated financial statements of the Semperit Group have neither been audited nor reviewed by an auditor.

PRESENTATION OF CASH FLOW STATEMENT

Similar to the consolidated financial statements as at 31 December 2013, the acquisition of non-controlling interests in Latexx Partners Berhad, Kamunting, Malaysia, is presented in the consolidated cash flow statement as a cash flow from financing activities because of the financing nature of the transaction. The comparable period from 1 January to 30 September 2013 was adjusted accordingly (reclassification of the payment for the "acquisition of non-controlling interests" in the amount of EUR 19,500 thousand from cash flows from investing activities to cash flows from financing activities).

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. Exercising control entails the possibility to determine the financial and business policy of a company in order to benefit from its activities.

For the companies in which the Semperit Group has a de facto shareholding of either 50% or 41.43%, control, as defined under IFRS 10, is assumed because the chairman nominated by the Semperit Group for the respective committees has the right to cast a deciding vote (this is generally the chairman of the company's board of directors), thus allowing the financial and business policy of the company to be controlled. The group has concluded that it exercises control pursuant to IFRS 10. This conclusion is based on legal opinions under company law, which are updated on a regular basis, and on its own professional assessment, which is supported by external advisors.

The fact that certain decisions are taken at the shareholders' meeting does not affect this assessment. Such decisions are not day-to-day business decisions involved in running the company; instead, they are important decisions subject to corporate law for which a higher majority or unanimity is often required. The underlying legal interpretation is that, on account of the contractual agreements between the shareholders, the shareholders' meeting cannot take day-to-day business decisions against the will of the Semperit Group.

The Semperit Group is currently conducting several legal proceedings relating to the decision-making rights of the board of directors of the Siam Sempermed Corp. Ltd. joint venture (SSC) in Thailand, the business practices of SSC, and SSC's business relationships with group subsidiaries of the Thai joint venture partner Sri Trang Agro-Industry Public Company Limited (Sri Trang). Members of the board of directors of SSC nominated by Sri Trang are currently hindering control of Semperit. According to Sri Trang's interpretation of the law it is possible for SSC's shareholders' meeting to render ineffective the right of the chairman of the board of directors, who is appointed by Semperit, to cast a deciding vote. Based on several legal opinions, Semperit is convinced that the shareholders' meeting is not entitled to this right, and has accordingly submitted the issues to arbitration. The Semperit Group anticipates that its interpretation of the law will be confirmed in these proceedings.

If Semperit's legal interpretation is not confirmed, contrary to expectations, and the exercise of control remains permanently hindered, control over SSC would be limited. As a consequence, Semperit would have to change the accounting method for its investment in SSC from full consolidation to inclusion under the equity method. The effects of such a change would be a decrease in total assets on the balance sheet, a reduction in revenue and lower EBITDA and EBIT. The total pro rata share of the profit in SSC would have to be recognized in the item "Share of profit from associated companies". The item "Profit/loss attributable to redeemable non-controlling interests" would have to be reduced by the share that was previously attributable to SSC. Earnings after tax would remain largely unchanged.

ADOPTION OF NEW AND AMENDED ACCOUNTING STANDARDS

The following new or amended standards and interpretations were applied for the first time in the reporting period from 1 January to 30 September 2014:

First-time adoption of standards and interpretations		Effective date[1]	Endorsement
New standards and interpretations			
IFRS 10	Consolidated Financial Statements	1.1.2014	December 2012
IFRS 11	Joint Arrangements	1.1.2014	December 2012
IFRS 12	Disclosure of Interests in Other Entities	1.1.2014	December 2012
Amended standards and interpretations			
IAS 27	Separate Financial Statements (revised 2011)	1.1.2014	December 2012
IAS 28	Investments in Associates and Joint Ventures (revised 2011)	1.1.2014	December 2012
IAS 32	Financial Instruments: Presentation – Amendment: Offsetting Financial Assets and Financial Liabilities	1.1.2014	December 2012
IAS 39	Financial Instruments: Recognition and measurement – Changes: Novation of Derivatives and Continuation of Hedge Accounting	1.1.2014	December 2013
IFRS 10.11,12	Amendment: Investment Entities	1.1.2014	November 2013

[1] According to the Official Journal of the EU, the standards are obligatory for financial years commencing on or after the effective date.

IFRS 10 replaces IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation Special Purpose Entities. By providing a modified definition of the term "control," the new standard creates a uniform basis for defining the scope of consolidation and contains comprehensive application examples covering issues not previously regulated, such as protective rights and the principal/agent relationship. The standard has no effect on the interim consolidated financial statements or the consolidated financial statements of the Semperit Group.

IFRS 12 contains the disclosures required in the notes on investments in subsidiaries, joint arrangements, associated companies and, if applicable, structured entities. The standard replaces the disclosure requirements previously contained in IAS 27 Consolidated and Separate Financial Statements and IAS 28 Investments in Associates and Joint Ventures. The new standard will result in an increase in the notes required in the consolidated financial statements of the Semperit Group, but this will not have an effect on the interim consolidated financial statements.

Other amended or new standards and interpretations are not relevant to the Semperit Group or have no material impact on the interim consolidated financial statements and consolidated financial statements.

CHANGES IN THE SCOPE OF CONSOLIDATION

In January 2014 the group acquired a shell company in Malaysia. This company, which was renamed in March 2014 to Semperit Engineering Technology Asia Sdn Bhd, Kamunting, Malaysia, provides intergroup engineering services in Asia.

The Spanish subsidiary Semperit Ibérica S.A., Barcelona was liquidated as at 22 April 2014.

EQUITY TRANSACTIONS

A 0.26% interest in Latexx Partners Berhad was acquired for EUR 351 thousand during the first three quarters of 2014. As at 30 September 2014, the group's interest totalled 98.37%, up from 98.11% as at 31 December 2013. In the first three quarters of 2013 a 12.17% interest was acquired for EUR 19,500 thousand, thereby increasing the group's total interest to 98.11% as at 30 September 2013.

These transactions in the first three quarters of 2013 and the first three quarters of 2014 were each accounted for as equity transactions. For further information, please refer to the explanations on the principles and methods of consolidation in the consolidated financial statements as of 31 December 2013.

ASSOCIATED COMPANIES (EQUITY METHOD)

The consolidated carrying amount of the investment in Synergy Health Allershausen GmbH totalled EUR 1,571 thousand as at 30 September 2014 (31 December 2013: EUR 1,419 thousand). Furthermore, as at 30 September 2014 the Semperit Group has extended a loan totalling EUR 563 thousand to this associated company (31 December 2013: EUR 563 thousand).

SEGMENT REPORTING

in EUR thousand	Sempermed	Semperflex	Sempertrans	Semperform	Corporate Center and Group eliminations	Group
1.1.–30.9.2014						
Revenue	333,959	156,022	107,737	100,589	0	698,308
EBITDA	43,915	38,884	15,754	17,374	–14,601	101,326
EBIT = segment result	25,508	30,371	12,641	13,041	–14,841	66,719
1.1.–30.9.2013						
Revenue	330,979	137,474	115,590	100,360	0	684,403
EBITDA	44,146	31,443	18,119	21,098	–12,799	102,008
EBIT = segment result	27,786	22,667	14,996	16,544	–13,041	68,953

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.

There were no impairments on tangible and intangible assets in the first three quarters of 2014. In the first three quarters of 2013 the profit of the Sempermed segment was negatively impacted by an impairment charge of EUR 537 thousand on the Brazilian customer base, the segment Semperform was impacted by an impairment of EUR 358 thousand was necessary as a change in the strategic alignment occurred.

INVESTMENTS IN AND DISPOSALS OF TANGIBLE AND INTANGIBLE ASSETS

In the first three quarters of 2014 the Semperit Group made investments in tangible and intangible assets totalling EUR 48,919 thousand (previous year: EUR 31,378 thousand). In contrast, tangible and intangible assets with a net carrying amount of EUR 501 thousand (previous year: EUR 503 thousand) were sold.

OBLIGATIONS TO ACQUIRE TANGIBLE ASSETS

As at 30 September 2014 the group has contractual obligations to acquire tangible assets totalling EUR 47,689 thousand (31 December 2013: EUR 38,919 thousand). The increase on the previous year is due to the start of investment projects to expand production capacity.

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 30.9.2014	Carrying amount 31.12.2013
Trade receivables	Loans and receivables	138,519	111,230
Other financial assets			
Securities	Available-for-sale	6,680	7,277
Loans to associated companies	Loans and receivables	563	563
Other loans	Loans and receivables	6	6
Derivative financial instruments	Held for trading	178	219
Remaining other financial assets	Loans and receivables	5,019	2,497
Cash and cash equivalents			
Cash on hand, cheques and cash deposits in banks	–	157,566	152,948
Short-term deposits	Loans and receivables	5,608	29,606

Liabilities

in EUR thousand	Valuation category IAS 39	Carrying amount 30.9.2014	Carrying amount 31.12.2013
Corporate Schuldschein loan	Liabilities at amortised cost	127,172	125,764
Liabilities from redeemable non-controlling interests	Liabilities at amortised cost	109,632	102,409
Trade payables	Liabilities at amortised cost	79,910	73,067
Liabilities to banks	Liabilities at amortised cost	12,454	13,530
Other financial liabilities			
Derivative financial liabilities	Held for trading	457	177
Derivative financial liabilities	Designated as a hedging instrument	1,491	196
Liabilities from finance leases	Liabilities at amortised cost	128	3,131
Other financial liabilities	Liabilities at amortised cost	20,100	19,826

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 three quarters of 2014 there were no reclassifications of financial instruments between the individual 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 30.9.2014	Fair value 31.12.2013	Level
Assets				
Securities	Available-for-sale	6,680	7,277	1
Derivative financial instruments	Held for trading	178	219	2
Liabilities				
Derivative financial liabilities	Held for trading	457	177	2
Derivative financial liabilities	Designated as a hedging instrument	1,491	196	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, measurements are made of the positive exposures associated with the default risk of the counterparty and the negative exposures associated with 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 30.9.2014	Fair value 31.12.2013	Level
Liabilities				
Corporate Schuldschein loan	Liabilities at amortised cost	138,716	132,990	3
Liabilities from finance leases	Liabilities at amortised cost	131	3,215	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 in the market. These comparable interest rates were derived based on management's current assessment of the rating of the Semperit Group. The difference between the fair value as at 30 September 2014 and the fair value as at 31 December 2013 is the result of two factors. First, credit risk costs have declined during the first three quarters of 2014, and second, an additional corporate Schuldschein loan totalling EUR 2 million has been issued.

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

Regarding the measurement of liabilities from redeemable non-controlling interests, please refer to the explanations in the consolidated financial statements as at 31 December 2013. The fair value can only be calculated at a disproportionately high cost and is thus not disclosed.

CORPORATE SCHULDSCHEIN LOAN

In July 2013 Semperit AG Holding issued a corporate Schuldschein loan totalling EUR 125 million. In the second quarter of 2014 there was an increase of EUR 2 million associated with the issuance of another corporate Schuldschein loan at the same conditions. This issue was made to the "Privatstiftung zur Förderung der Gesundheit von Beschäftigten der Semperit AG Holding" (Private Foundation for the Promotion of the Health of Semperit AG Holding's Employees). This means that the total nominal volume now amounts to EUR 127 million.

In the first three quarters of 2014 the group paid interest totalling EUR 2,985 thousand. As at 30 September 2014 interest of EUR 539 thousand was accrued on a pro rata basis and reported as a current liability. The difference between the carrying amount of EUR 126,632 thousand (excluding interest) and the notional amount is the transaction costs of the issue in July 2013, which are distributed rateably over the term of the corporate Schuldschein loan based on the effective interest method.

Similar to the balance as at 31 December 2013, the hedged notional amount stands at 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 this measurement principle, in the first three quarters of 2014 the effective portion of the cash flow hedge totalling EUR –1,405 thousand (31 December 2013: EUR –100 thousand) was recognised in other comprehensive income and EUR 166 thousand was reclassified to the income statement. As a result, the cash flow hedge reserve changed by EUR –1,239 thousand to EUR –1,339 thousand (31 December 2013: EUR –100 thousand).

DIVIDEND AND TREASURY SHARES

On 29 April 2014, the Annual General Meeting approved the payment of an increased ordinary dividend of EUR 0.90 per share for the 2013 financial year (previous year: EUR 0.80 per share) and a one-time anniversary bonus of EUR 0.30 in celebration of the group's 190-year anniversary. A total of EUR 24,688 thousand was distributed on 8 May 2014 (previous year: EUR 16,459 thousand).

The Annual General Meeting also adopted a resolution authorising the Management Board for a period of 30 months to repurchase, and, if appropriate, retire treasury shares up to the legally permitted limit of 10% of the share capital.

Semperit AG Holding is not in possession of own shares as of 30 September 2014.

CONTINGENT LIABILITIES

There were no material changes in contingent liabilities since the last reporting date of 31 December 2013.

RELATED-PARTY TRANSACTIONS WITH COMPANIES AND INDIVIDUALS

The outstanding balances and transactions between Semperit Aktiengesellschaft Holding and its subsidiaries were eliminated in the course of consolidation and are not discussed here.

B & C Semperit Holding GmbH is the direct majority shareholder of Semperit Aktiengesellschaft Holding, and B & C Privatstiftung is the dominant legal entity. B & C Industrieholding GmbH is a shareholder holding an indirect majority stake. It prepares 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.

The related parties of the Semperit Group include the members of the Management and Supervisory Boards of Semperit Aktiengesellschaft Holding, the managing directors and supervisory board members of all companies which directly or indirectly hold a majority stake in Semperit Aktiengesellschaft 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.

A long-term loan was granted to the associated company Synergy Health Allershausen GmbH, which as at 30 September 2014 totalled EUR 563 thousand (31 December 2013: EUR 563 thousand). The remaining level of transactions with associated companies and 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., Siam Sempermed 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 Company Limited.

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

SUPERVISORY BOARD MATTERS

On 29 April 2014 the Annual General Meeting elected Dr. Stefan Fida and Dr. Astrid Skala-Kuhmann to join the Supervisory Board; in addition, Patrick Prügger was re-elected.

At the constituent meeting of the Supervisory Board that followed the Annual General Meeting, Dr. Veit Sorger and Dr. Michael Junghans were reappointed as Chairman and Deputy Chairman, respectively, of the Supervisory Board. Furthermore, Michaela Jagschitz from the Works Council was appointed as an additional member of the Supervisory Board. In total, the Supervisory Board therefore now comprises 12 members (previously 9 members).

MANAGEMENT BOARD MATTERS

In March 2014 the Supervisory Board appointed Declan Daly to be a member of the Management Board of Semperit AG Holding for a three year period; his mandate began on 1 June 2014. Mr. Daly is responsible for all IT issues, general process optimisation and business excellence within the Semperit Group.

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

The Semperit Group is currently conducting several legal proceedings before national courts in Thailand and arbitration tribunals of the International Chamber of Commerce (ICC) with seat in Zurich. These proceedings relate to the decision-making rights of the board of directors of the Siam Sempermed Corp. Ltd. joint venture (SSC) in Thailand, the business practices of SSC, and SSC's business relationships with group subsidiaries of the Thai joint venture partner Sri Trang Agro-Industry Public Company Limited (Sri Trang). Semperit is the plaintiff in most of these proceedings.

The main disputed fact is that the members of the board of directors of SSC nominated by Sri Trang are currently hindering control of Semperit. According to Sri Trang's interpretation of the law it is possible for SSC's shareholders' meeting to render ineffective the right of the chairman of the board of directors, who is appointed by Semperit, to cast a deciding vote. Based on several legal opinions, Semperit is convinced that the shareholders' meeting is not entitled to this right, and has accordingly submitted the issues to arbitration.

If Semperit's legal interpretation is not confirmed, contrary to expectations, and the exercise of control remains permanently hindered, control over SSC would be limited. As a consequence, Semperit would have to change the accounting method for its investment in SSC from full consolidation to inclusion under the equity method (for further information on the effects of such a change, please refer to the explanations contained in the section Principles and methods of consolidation).

At the present time, the legal proceedings are mostly still at an early stage; the arbitration tribunals are being constituted. Apart from the injunctions that are being sought, it is not expected that the proceedings will be concluded in the near future. The Semperit Group anticipates that its interpretation of the law will be confirmed by the arbitration courts. The costs for the ongoing proceedings are being recognised as incurred in profit and loss.

EVENTS AFTER THE BALANCE SHEET DATE

No significant events occurred between 30 September 2014 and the date this report was approved for publication on 14 November 2014.

Vienna, 14 November 2014

The Management Board

Thomas Fahnemann
Chief Executive Officer
Chairman

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 30 September 2014 prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) give a true and fair view of the group's net assets, financial position and results of operations, and that interim group management report gives a true and fair view of the net assets, financial position and results of operations in respect to important events that have occurred during the first nine months of the financial year and their impact on the condensed interim financial statements, of the principal risks and uncertainties for the remaining three months of the financial year and of the major related-party transactions to be disclosed.

Vienna, 14 November 2014

The Management Board

Thomas Fahnemann
Chief Executive Officer
Chairman

Johannes Schmidt-Schultes
Chief Financial Officer

Richard Ehrenfeldner
Chief Technical Officer

Declan Daly
Chief Information Officer

The Semperit share

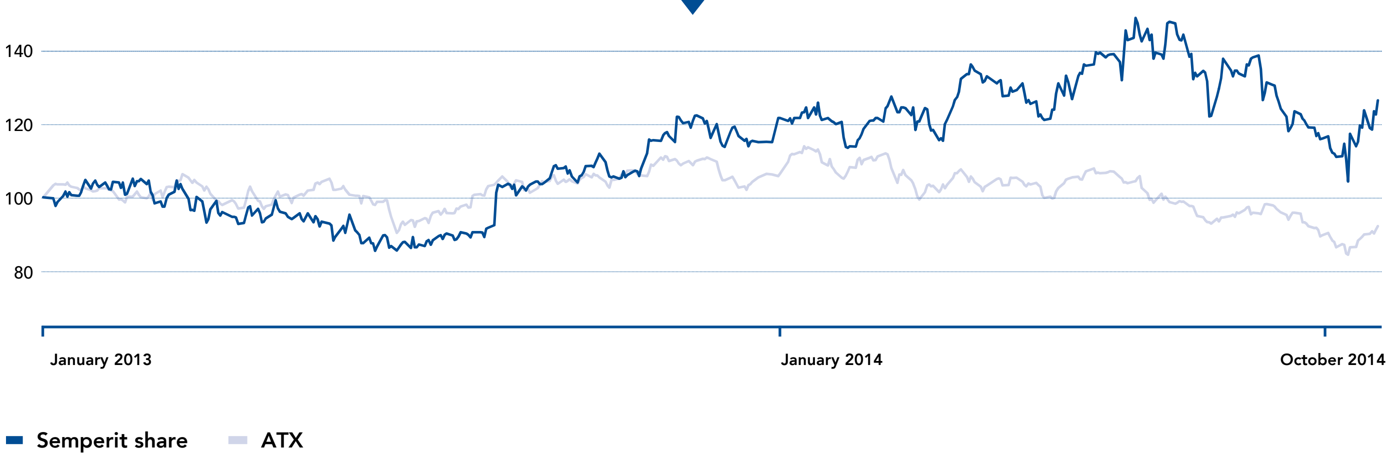
The 125th Annual General Meeting took place on 29 April 2014 in Vienna, Austria. All resolutions of this Annual General Meeting can be viewed at www.semperitgroup.com/ir under "annual general meeting". The Annual General Meeting approved the Management Board's proposal to distribute a total dividend of EUR 1.20 per share (increased ordinary dividend of EUR 0.90 plus an anniversary bonus of EUR 0.30 in celebration of Semperit's 190-year anniversary). The dividend was paid on 8 May 2014, the ex-dividend day was 6 May 2014.

Key figures Semperit share

Key figures		1.1.-30.9.2014	1.1.-31.12.2013
Price at balance sheet date	in EUR	36.50	36.00
Lowest price	in EUR	35.51	26.86
Highest price	in EUR	46.40	38.22
Market capitalisation at balance sheet date	in EUR million	750.9	740.6
Number of shares issued	in unit	20,573,434	20,573,434
Price-to-earnings ratio[1]		14.2	13.6
Earnings per share (EPS)[2]	in EUR	1.93	2.65

[1] Based on a full-year projection
[2] 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 2014	
18.11.2014	Report on the first three quarters of 2014

Financial Calendar 2015	
26.3.2015	Publication of 2014 annual financial statements and press conference
28.4.2015	Annual General Meeting
5.5.2015	Ex-dividend day
8.5.2015	Dividend payment day
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

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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 report of the Semperit Group has neither been audited nor reviewed by an auditor.

We have prepared this quarterly report and verified the information contained therein 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: 14 November 2014). 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.luishernanherreros.com

www.semperitgroup.com/en