

SEMPERIT AG Holding

# HALF-YEAR FINANCIAL REPORT 2011

## HIGHLIGHTS

- Revenue increase of 23% to EUR 406 million
- Earnings after tax for the period improved 16% to EUR 26 million
- EBIT increase of 9% to EUR 42 million despite margin pressure
- Further price increases and ongoing issues with the availability of synthetic rubber
- Adjustment of selling prices in all business segments
- Go-ahead for capacity increase in Thailand, China, India and Czech Republic

# Key Figures for the Semperit Group

		1-6/2011	1-6/2010	Changes 2011/2010 in %	2010
Revenue	in EUR million	406.1	330.3	+22.9	689.4
Earnings before interest, taxes, depreciation and amortization (EBITDA)	in EUR million	56.4	53.3	+5.7	112.3
Earnings before interest and tax (EBIT)	in EUR million	41.8	38.5	+8.6	82.3
EBITDA margin	in %	13.9	16.2	-2.3 <sup>1)</sup>	16.3
EBIT margin	in %	10.3	11.6	-1.4 <sup>1)</sup>	11.9
Earnings after tax	in EUR million	25.5	22.0	+16.3	45.4
Earnings per share	in EUR	1.24	1.07	+16.3	2.21
Balance sheet total	in EUR million	592.2	569.9	+3.9	593.5
Equity and Capital reserves	in EUR million	341.4	328.5	+3.9	351.1
Equity ratio	in %	57.6	57.6	0.0 <sup>1)</sup>	59.2
Return on equity <sup>2)</sup>	in %	15.0	13.4	+1.6 <sup>1)</sup>	12.9
Gross cash flow	in EUR million	47.6	46.0	+3.4	91.0
Investments in tangible and intangible assets	in EUR million	22.6	31.7	-28.6	60.0
Number of employees (at balance sheet date)		7,767	7,238	+7.3	7,019
<b>Sempermed</b>					
Revenue	in EUR million	179.2	152.6	+17.4	316.4
Operating profit (EBIT) = segment results	in EUR million	19.4	20.2	-3.6	47.1
<b>Semperflex</b>					
Revenue	in EUR million	97.6	69.5	+40.5	145.5
Operating profit (EBIT) = segment results	in EUR million	15.6	10.0	+57.0	24.2
<b>Semperform</b>					
Revenue	in EUR million	59.3	51.4	+15.3	109.4
Operating profit (EBIT) = segment results	in EUR million	7.4	8.4	-12.1	15.9
<b>Sempertrans</b>					
Revenue	in EUR million	70.0	56.8	+23.3	118.1
Operating profit (EBIT) = segment results	in EUR million	3.2	-0.2	n.a.	0.0

<sup>1)</sup> Percentage points <sup>2)</sup> Calculated on the basis of the full-year projection; 7.5% isolated for the H1 2011 (H1 2010: 6.7%).

## Content

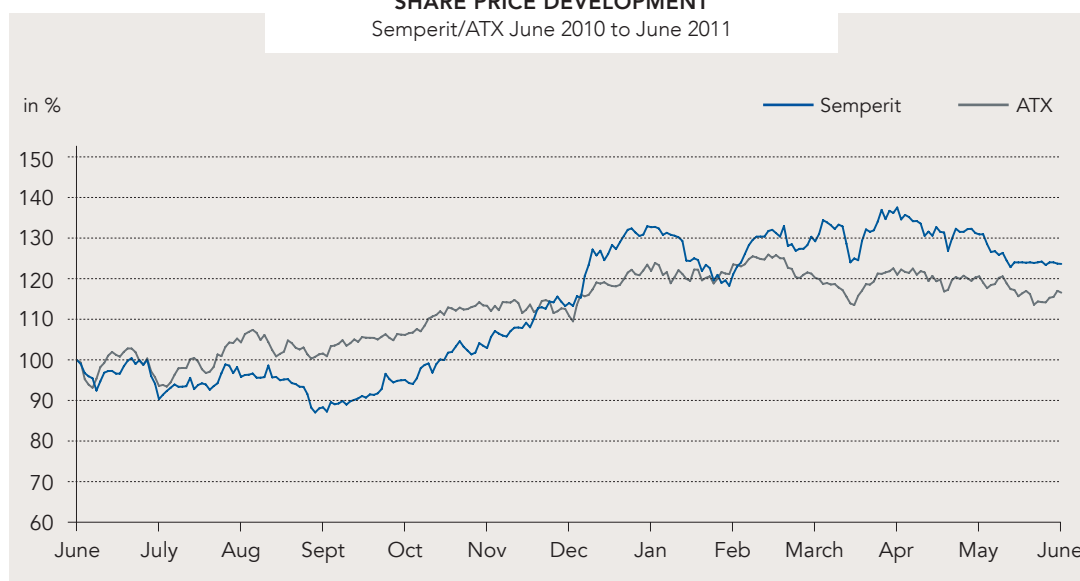
The Semperit share	2
Group Management Report	3
Interim financial statements and notes to the interim financial statements	11
Statement of the legal representatives	16
Financial calendar	17

# The Semperit Share

## KEY DATA

International Securities Identification Number (ISIN)		AT0000785555
Share price low 1–6/2011	in EUR	33.73
Share price high 1–6/2011	in EUR	41.05
Share price at June 30, 2011	in EUR	34.40
Market capitalization at June 30, 2011	in EUR million	707.7
Earnings per share 1–6/2011	in EUR	1.24

**SHARE PRICE DEVELOPMENT**  
Semperit/ATX June 2010 to June 2011



## Business environment

During the first half of 2011, all relevant markets for the Semperit Group experienced good demand. The above-average economic momentum of the first quarter, which led to overheating in the emerging markets, slowed down somewhat in the course of the second quarter of 2011.

On balance, the International Monetary Fund (IMF) expects average global economic growth to reach 4.3% in the year 2011 (compared to 5.1% in 2010).<sup>1)</sup> There were major differences between the industrialized nations and the emerging markets. According to the IMF, the ongoing restrained economic activity in the Western industrialized markets will be reflected in the predicted growth rate of 2.2% in 2011.<sup>1)</sup> In contrast, the economies of the emerging markets are continuing to boom and should expand by an average of 6.6% in 2011, concludes the IMF.<sup>1)</sup> The IMF forecast predicts that China and India will post the highest growth rates in 2011, at 9.6% and 8.2%, respectively.

2011 global  
economic growth:  
4.3%

All in all, the sectors which are relevant to Semperit's industrial business, such as construction, mechanical engineering as well as industrial plants and equipment, developed very positively.

The European construction industry, which strongly contracted during the crisis years, evened out at a healthy level in most European countries. On balance, the construction industry in Europe declined in 2011 for the fourth straight year. However, the individual countries showed considerable differences in their development. The downswing continued in Spain, Ireland and Portugal, whereas the construction sector in Poland and Scandinavia expanded strongly.<sup>2)</sup>

Sectors relevant  
to Semperit  
very positive

The mechanical engineering industry was subject to robust growth in the first half of 2011, especially in Germany and Austria. Accordingly, in the first quarter of 2011 the incoming orders from the German mechanical engineering industry expanded by 18% compared to the prior-year.<sup>3)</sup> In the period April to June 2011, the sector grew by 14% from the previous year. Domestic orders in Germany increased 5%, whereas the volume of foreign orders was up 18%.<sup>4)</sup>

<sup>1)</sup> Refer to IMF, World Economic Outlook Update, June 2011

<sup>2)</sup> Refer to Euroconstruct, Press Information, "Europe has passed the construction low – growth will be hampered by the international debt crisis", June 17, 2011

<sup>3)</sup> Refer to VDMA, Press Information, "Order intake March 2011 – Successful first quarter", May 3, 2011

<sup>4)</sup> Refer to VDMA, Press Information, "Order intake June 2011 – Respectable half-year result", August 1, 2011.

## Volatile development of raw material markets

In the first half of 2011, rubber industry related raw material markets were characterized by extensive volatility and, in part, quantitative shortages in various segments.

Due to the globally strong demand driven by the automotive and tire industries, the prices for natural rubber continued their upward trend in the first quarter. Starting at the beginning of the second quarter, prices declined slightly, subsequently followed by a period of stable or slightly declining prices.

In contrast, synthetic rubber prices developed in the opposite direction. The dramatic price rises for butadiene resulted in a massive leap in the cost of secondary products. Moreover, the production capacities which were shut down in 2008 and 2009 also aggravated the current situation. As a consequence, the price of the raw material butadiene has risen by about 88% from the beginning to the middle of 2011. Furthermore, the quantitative availability of synthetic rubber was limited in the first half of 2011. Manufacturers of synthetic rubber announced further price adjustments towards the middle of 2011.

**Synthetic rubber:  
massive price rise**

Following the first-quarter shortage of carbon black, an important filling material used in the rubber industry, sufficient quantities have been available in the second quarter, though at drastically higher prices.

## Business development of the Semperit Group

Against the backdrop of an extremely volatile raw material price development in the first half of 2011, Semperit pursued a strategy of profit-oriented growth, even if this approach was to the detriment of growth in sales volumes, particularly in the case of Sempermed in the second quarter. Another objective was to gain further market share in Semperit's strategically defined growth areas in the industrial sector.

**Profit-oriented  
growth**

Total revenue of the Semperit Group climbed to EUR 406.1 million in the first half of 2011, a rise of 22.9% from EUR 330.3 million in the prior-year. 14% of the revenue increase can be attributed to selling price increases, which reflected raw material price developments that could be passed on to customers with a certain time delay. Volume growth, especially for industrial products, accounted for the remainder of the revenue increase.

The difficult raw material price situation was reflected in the use of materials as a percentage of total costs. Material costs climbed 34.3% in the first half of 2011, significantly more than the corresponding growth in revenue. This development was successfully counteracted by adjusting raw material use within the context of active raw material management, as well as exploiting economies of scale. Despite the challenging conditions, earnings before interest, tax, depreciation and amortization (EBITDA) improved 5.7%, from EUR 53.3 million to EUR 56.4 million. At the same time, the operating profit (EBIT) rose 8.6% to EUR 41.8 million from EUR 38.5 million in the previous year. In the light of a compared to the prior-year period virtually unchanged financial result of minus EUR 8.2 million as well as an almost unchanged income tax burden of minus EUR 8.1 million, the earnings after tax for the period improved by 16.3%, from EUR 22.0 million in the previous year to EUR 25.5 million in the first half of 2011. This corresponds to earnings per share of EUR 1.24 in the first half of 2011 (first half of 2010: EUR 1.07).

**Active raw material  
management and  
implementation of  
economies of scale**

The return on equity (adjusted for the full year 2011) increased in the first half of 2011 by 1.6 percentage points to 15.0% compared to the prior-year. Due to unfavorable currency parities, shareholders' equity at the middle of the year totaled EUR 341.4 million, slightly down from EUR 351.1 million at the end of 2010. The equity ratio as of June 30, 2011 amounted to 57.6% of the balance sheet.

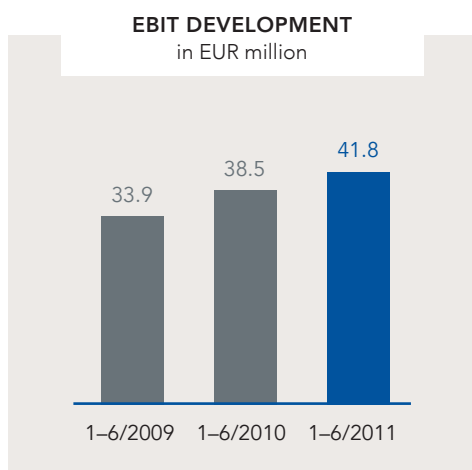
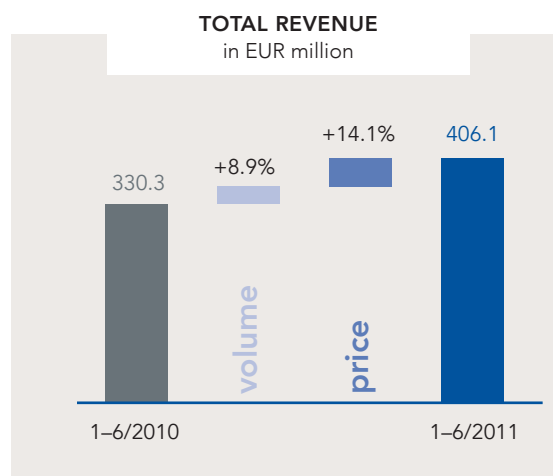
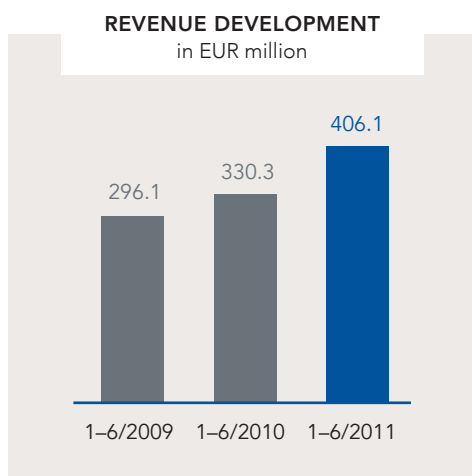
Attractive return on equity

The decline in cash and cash equivalents was the result of the financial requirements arising in connection with active raw material management as well as investments and the dividend payment.

Investments totaled EUR 22.6 million in the first half of 2011, compared to EUR 31.7 million invested in the first half of 2010. Investments primarily focused on completing the new glove factory in Thailand and on technology and expansion at the Semperflex division's plant in the Czech Republic.

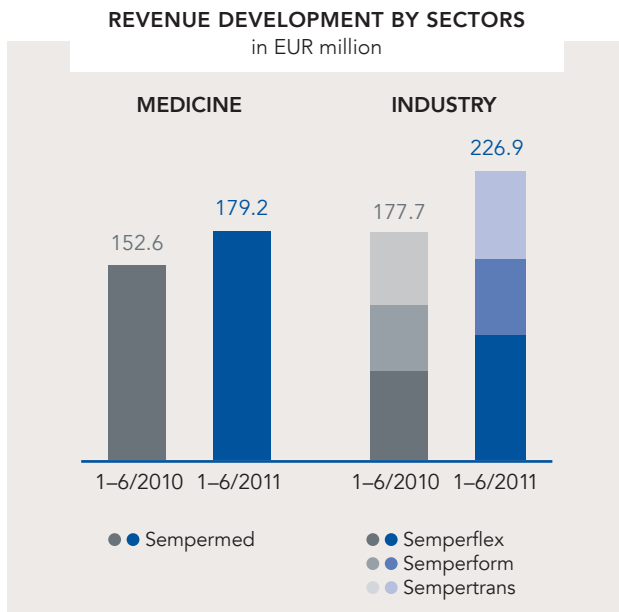
The number of employees rose by 7.3%, from 7,238 in the first half of 2010 to 7,767 in 2011. This increase can be mainly attributed to the additional staff hired in connection with capacity expansion in the medical sector and expansion measures on the part of Semperflex in the Czech Republic and Asia.

Capacity expansion leads to additional staff



## Performance of the divisions

The sector of industrial products consisting of the Semperflex, Semperform and Sempertrans divisions achieved attractive volume growth in the first half of 2011 as a result of increased incoming orders. In the medical sector, Sempermed focused on safeguarding profitability despite volatile raw material prices.



## Sempermed

Revenue for the Sempermed division climbed 17.4%, from EUR 152.6 million in 2010 to EUR 179.2 million in the first half of 2011. For the most part, the revenue increase was due to selling price increases which partly compensated for raw material price rises. During the phase of very high prices for natural latex, Sempermed increasingly resorted to using synthetic latex in the first half of 2011 compared to the previous year. This flexibility served as the basis for a stabilization of the division's profitability. However, due to technical production reasons this development took place to the detriment of the growth in volumes. The quickly rising raw material prices could only be passed on to the market with a time delay. As a consequence, the division's operating profit (EBIT) amounted to EUR 19.4 million in the first half-year, slightly below the EUR 20.2 million in the first half of 2010. In any case, the slight improvement of the raw material situation and selling price increases for the division's products in the second quarter already enabled an increase in the earnings margin compared to the first quarter of 2011.

Flexible use of raw materials



In April 2011, Siam Sempermed launched production of examination gloves at its new Surat Thani facility in Thailand. When completed, this plant will boast a capacity of approximately 4.7 billion units of natural latex and nitrile gloves. In 2012, approximately 3 billion units will already be available for shipping to customers.

New plant in Thailand

In the examination glove segment, the business in Europe was satisfactory, especially in the industrial sector, with demand rising slightly in the second quarter. In contrast, sales in the USA were below the prior-year level during the period under review. However, the month of May also featured increased sales volumes and thus a reversal of the downward trend in the USA. Sales of examination gloves rose slightly in all of Sempermed's other markets.

Examination gloves:  
Europe satisfactory

Demand for nitrile gloves, now more favorably priced than their latex counterparts, was strong throughout the entire first half of 2011, especially in the hospital sector. However, the continuing price rises for butadiene also led to margin pressure in this segment. There were also indications of increasing price pressure for examination gloves made of natural latex due to the particularly aggressive price offers on the part of several competitors.

Strong demand for  
nitrile products

In the surgical glove segment, demand remained at a good level in the second quarter of the year. Accordingly, sales in this segment during the reporting period were slightly higher than in the previous year. Due to the good volume of incoming orders, packaging capacities were increased by hiring additional employees in Sopron, Hungary.

Surgical gloves:  
Good volume of  
incoming orders

## Semperflex

At the Semperflex division the first half of 2011 was characterized by ongoing strong order intake and dynamic volume growth. All production facilities were operating at full capacity. In part, 24/7 shifts and additional shifts had to be introduced. Business first consolidated towards the end of the second quarter in light of growing indications that customer stocks were rapidly filling up.

Dynamic  
volume growth

The rising raw material prices could be partially passed on to customers in the form of two separate selling price increases.

Revenue of the Semperflex division was up 40.5% from the first half of 2010, climbing from EUR 69.5 million to EUR 97.6 million. This disproportionately high revenue increase was largely driven by higher production and sales figures. The operating profit (EBIT) of the division improved by 57.0%, climbing from EUR 10.0 million to EUR 15.6 million.

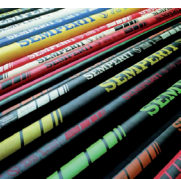
The production plants of the hydraulic hose segment were operating at full capacity throughout the entire first half of 2011, and demand also developed positively in all markets in the second quarter. Due to the dynamic volume of incoming orders in the first half of the year, the hydraulic hose segment features an excellent order situation which already suffices until the end of 2011. The order intake slowed down towards the end of the second quarter.

Hydraulic hoses:  
Full order books

The newly founded Brazilian subsidiary, responsible for local sales, established a good foothold during the period under review.

In the industrial hose segment demand developed satisfactorily for all product groups. The order situation was particularly good in Germany, Austria, France, Scandinavia and Eastern Europe. In contrast, business was more restrained in Bulgaria, Romania, Greece and Spain. The earnings

Good demand for  
industrial hoses





situation was good during the period under review thanks to the high sales volumes. However, the rising costs for materials could not be fully compensated by selling price increases. The level of incoming orders slowed down somewhat in this segment at the end of the second quarter.

Demand for elastomer sheeting was satisfactory in the first half of 2011. The segment boasts a well-filled order book, ensuring high capacity utilization in the upcoming months. However, due to its high material share, the elastomer sheeting business was more negatively impacted by rising raw material prices than all other segments in the division and had to endure margin losses despite significant selling price increases.

Elastomer sheeting:  
Good order situation

## Semperform

The Semperform division reported good order and revenue development throughout the entire first half of 2011 against the backdrop of rising sales volumes. Division revenue improved 15.3% in the first half of 2011, rising to EUR 59.3 million from EUR 51.4 million in the first half of 2010. Raw material prices could not be fully passed on to customers in all business areas. Accordingly, the division's operating profit (EBIT) declined slightly from EUR 8.4 million in the first half of 2010 to EUR 7.4 million in the first half of 2011.

Good order and  
revenue development



Following particularly good business development in the first quarter, demand for seal profiles for windows and building construction has declined since April. Accordingly, second-quarter sales volume was down from the previous year, but revenue still rose due to selling price increases. The decrease in incoming orders was more dramatic in Eastern Europe, especially in Russia, than in the domestic German market.

Seal profiles:  
Cooling off in  
second quarter



The industrial molded goods segment showed increased business development throughout the entire first half of 2011. Sales surpassed the prior-year level, thus leading to improved earnings. However, this segment was also confronted with a slightly weakened order intake towards the end of the second quarter.

Good growth  
for industrial  
molded goods



Business in the handrail segment also developed satisfactorily in the first half of 2011. Demand in the OEM (Original Equipment Manufacturer) segment in the Asian markets rose during the second quarter. In turn, spare parts sales in America and Europe increased, enabling the Semperform division to expand its market share in this segment. The raw material price increases could not be sufficiently passed on to the market.

Market share gains  
in spare parts  
segment

The special application segment (cable cars, ski membranes and sponge rubber) developed dynamically during the entire period under review. The business with cable car rings proceeded very well, not only on the basis of the seasonality of this sector but also by intensified sales activities in the spare parts segment. The extremely high order intake from ski producers also led to a dynamic rise in orders for ski membranes and extra shifts at the manufacturing plants.

Gains for special  
application

## Sempertrans



Due to a strong mining sector and a stable industrial business, the conveyor belt division, Sempertrans, experienced increased revenue and earnings. The Sempertrans division succeeded in raising its revenues by 23.3% to EUR 70.0 million in the first half of 2011 from EUR 56.8 million in the first half of 2010. There was a turnaround in the division EBIT in the first half of 2011, improving to EUR 3.2 million from minus EUR 0.2 million in the first six months of the previous year.

As a result of new expansion plans for conventional power plants, Sempertrans has seen increased demand in the energy sector in the past few weeks.

Business developed well in the first half of 2011, particularly in Asia, South America and North Africa, whereas demand was stable in Europe. In the case of standard textile-reinforced conveyor belts, price competition from cheap Asian competitors continued to intensify in Europe. The French production plant is thus focusing on high-value metal and specialty conveyor belts, whereas standard conveyor belts are primarily being manufactured at the division's Asian facilities.

Due to the satisfactory level of demand for metal conveyor belts, the factory in Poland was operating at full capacity, and the Indian plant also came close to its maximum capacity. The Chinese facility worked on further expanding its local customer base in the first half of 2011, but continued to mainly export to Europe.

Turnaround  
in earnings compared  
to previous year

Competitive pressure  
for standard  
conveyor belts

Good capacity  
utilization in India  
and Poland

## Organic growth through investments

With the approval of the Supervisory Board, the Management Board resolved to implement several investment projects in the first half of the year, laying the groundwork for the further growth. These projects encompass the following measures:

### Medical sector

Following the opening of the new production plant of Siam Sempermed in Surat Thani in April 2011, another facility will be constructed in Trang, Thailand. The new factory is designed to manufacture 3 billion units of examination gloves by 2013, with the option of expanding production to 4.5 billion units. In addition, a joint venture to manufacture porcelain dip molds was established in Malaysia. On balance, up to EUR 35 million will be invested in Semperit's medical sector business.

The medium-term objective of Semperit is to reach an annual capacity of 23 billion units of examination gloves.

### Industrial sector

The growth segment Semperflex, which is strategically important to the Semperit Group, plans to expand production capacity at its plants in the Czech Republic, Thailand and China. Production capacity in Asia should be increased by up to 15% in the course of the second half of 2012. Capacities at the Czech plant of Semperflex will also be increased by about 20%.

New glove factory in  
Thailand resolved

Semperflex:  
Czech Republic,  
China, Thailand are  
focus of investment

In order to fulfill demand in the quickly growing Indian conveyor belts market, the Indian facility of Sempertrans will raise its capacity by 30%. This project is planned for completion during 2012.

**Expansion of  
conveyor belts  
in India**

Furthermore, the existing Chinese handrail manufacturing plant will be further expanded in order to boost capacity by approximately 15%.

All in all, some EUR 10 million will be invested in the upcoming months for capacity enhancement projects for Semperit's industrial products.

## Outlook

Following the strong economic upturn in the first half of 2011, a consolidation in industrial demand at high levels is expected in the second half of the year. On the basis of a high order situation in the industrial divisions of the Semperit Group, gratifying capacity utilization is anticipated once again in the second half-year. Demand for medical products is likely to remain unchanged, although an intensified need for latex gloves should become evident to the detriment of nitrile gloves.

**Consolidation in  
industrial sector,  
demand for medical  
products unchanged**

With respect to raw materials, the high level of uncertainty is expected to continue. Further price rises for synthetic rubber will likely take place, whereas a sideways movement at a high level in the prices for natural rubber is expected.

In the second half of 2011, the Semperit Group expects a continuing increase in revenue. This development will be driven both by good demand as well as selling price increases. The challenging situation on the raw material markets will be counteracted by global raw material management, a changed purchasing policy focusing on longer-term contracts for raw materials, a pro-active strategy of increasing inventories and the more flexible use of raw material mixtures. At the beginning of the third quarter upward price adjustments were already announced in several divisions. Moreover, productivity and efficiency improvement measures will be implemented throughout the entire Group.

Sales in the second half of 2011 are expected to be below the comparable first half-year figures for seasonal reasons and also as a consequence of the scheduled production shut down at the Wimpassing plant in order to carry out maintenance and repair work. Nevertheless, the counter-measures should serve as the basis for the satisfactory earnings development of the Semperit Group.

**Satisfactory earnings  
development  
expected**

We will inform you about further developments at Semperit AG Holding in our Report for the 1<sup>st</sup>-3<sup>rd</sup> quarter 2011.

August 2011  
The Management Board

## Consolidated balance sheet

### Assets

in TEUR	30.6.2011	31.12.2010
<b>Non-current assets</b>		
Intangible assets	5,597	6,031
Tangible assets	198,141	199,843
Financial assets	12,393	13,397
Investments in associated companies	560	560
Other receivables and assets	1,616	767
	<b>218,307</b>	<b>220,599</b>
<b>Deferred Taxes</b>	<b>10,085</b>	<b>10,761</b>
<b>Current assets</b>		
Inventories	152,276	113,704
Trade receivables	118,095	85,531
Other receivables and assets	20,922	23,695
Cash and cash equivalents	72,541	139,186
	<b>363,834</b>	<b>362,116</b>
<b>Assets</b>	<b>592,227</b>	<b>593,476</b>

### Equity and liabilities

in TEUR	30.6.2011	31.12.2010
<b>Capital and reserves</b>		
Share capital	21,359	21,359
Capital reserves	21,503	21,503
Revenue reserves	288,350	288,613
Currency translation adjustments	10,201	19,590
	<b>341,413</b>	<b>351,065</b>
<b>Non-current provisions and liabilities</b>		
Liabilities from redeemable non-controlling shares	83,717	83,405
Provisions for pension and severance payments	39,780	41,998
Other provisions	18,876	18,924
Liabilities to banks	5,531	5,974
Other liabilities	1,775	972
	<b>149,679</b>	<b>151,274</b>
<b>Deferred taxes</b>	<b>2,291</b>	<b>4,206</b>
<b>Current provisions and liabilities</b>		
Tax provisions	5,087	5,710
Other provisions	24,954	24,848
Liabilities to banks	106	0
Trade payables	50,850	40,969
Other liabilities	17,847	15,404
	<b>98,844</b>	<b>86,931</b>
<b>Equity and liabilities</b>	<b>592,227</b>	<b>593,476</b>

## Consolidated income statement

in TEUR	2 <sup>nd</sup> Quarter		1 <sup>st</sup> Half-year	
	1.4.– 30.6.2011	1.4.– 30.6.2010	1.1.– 30.6.2011	1.1.– 30.6.2010
<b>Revenue</b>	<b>212,425</b>	<b>177,914</b>	<b>406,089</b>	<b>330,313</b>
Changes in inventories	2,345	1,906	9,670	10,644
Own work capitalised	178	162	394	385
<b>Operating revenue</b>	<b>214,948</b>	<b>179,982</b>	<b>416,153</b>	<b>341,342</b>
Other operating income	6,205	5,253	11,618	10,095
Material costs	-131,509	-99,039	-254,715	-189,600
Personnel expenses	-30,582	-26,753	-59,579	-52,808
Other operating expenses	-27,975	-29,917	-57,100	-55,682
<b>Earnings before interest, taxes, depreciation and amortization (EBITDA)</b>	<b>31,086</b>	<b>29,526</b>	<b>56,377</b>	<b>53,348</b>
Depreciation and amortization of tangible and intangible assets	-7,310	-7,237	-14,582	-14,870
<b>Earnings before interest and tax (EBIT)</b>	<b>23,777</b>	<b>22,289</b>	<b>41,795</b>	<b>38,478</b>
Interest and other income from financial investments	395	419	765	950
Expenses on financial assets	-5	-54	-8	-65
Interest and other financial expenses	-31	-29	-82	-98
Profit/loss attributable to redeemable non-controlling shares	-5,203	-5,155	-8,837	-8,894
<b>Financial results</b>	<b>-4,843</b>	<b>-4,817</b>	<b>-8,161</b>	<b>-8,107</b>
<b>Earnings before tax (EBT)</b>	<b>18,933</b>	<b>17,471</b>	<b>33,634</b>	<b>30,371</b>
Income taxes	-4,603	-4,837	-8,097	-8,420
<b>Earnings after tax</b>	<b>14,330</b>	<b>12,635</b>	<b>25,537</b>	<b>21,951</b>
Earnings per share (undiluted)	0.70	0.61	1.24	1.07
Average number of outstanding shares	20,573,434	20,573,434	20,573,434	20,573,434

## Consolidated statement of comprehensive income pursuant to IFRS

in TEUR	2 <sup>nd</sup> Quarter		1 <sup>st</sup> Half-year	
	1.4.–30.6.2011	1.4.–30.6.2010	1.1.–30.6.2011	1.1.–30.6.2010
<b>Earnings after tax</b>	<b>14,330</b>	<b>12,635</b>	<b>25,537</b>	<b>21,951</b>
<b>Other comprehensive income</b>				
“Available for sale” financial assets	41	35	-111	133
thereof deferred taxes	-10	-9	28	-33
Currency translation differences of the period	-2,481	5,906	-9,409	19,554
Reclassification in the net profit	7	0	21	0
	<b>-2,444</b>	<b>5,932</b>	<b>-9,472</b>	<b>19,654</b>
<b>Total recognised comprehensive income</b>	<b>11,886</b>	<b>18,567</b>	<b>16,065</b>	<b>41,605</b>

## Consolidated cash flow statement

in TEUR	1.1.–30.6.2011	1.1.–30.6.2010
Earnings after tax	25,537	21,951
Depreciation/write-ups of tangible and intangible assets	14,582	14,845
Profit and loss from asset disposal	-127	113
Changes in non-current provisions	-2,267	266
Other non-cash expense/income	992	-82
Profit/loss attributable to redeemable non-controlling shares	8,837	8,894
<b>Gross cash flow</b>	<b>47,553</b>	<b>45,987</b>
Increase/decrease in inventories	-38,572	-35,981
Increase/decrease in trade receivables	-32,565	-23,981
Increase/decrease in other receivables and assets and deferred taxes	2,600	-8,322
Increase/decrease in trade payables	9,881	6,992
Increase/decrease in other liabilities and current provisions and deferred taxes	813	4,376
Changes in working capital resulting from currency translation adjustments	-4,158	-6,588
<b>Cash flow from operating activities</b>	<b>-14,447</b>	<b>-17,518</b>
Proceeds from sale of tangible and intangible assets	954	113
Proceeds from sale of current and non-current financial assets	2,000	0
Investments in tangible and intangible assets	-22,617	-31,659
Investments in current and non-current financial assets	-1,110	-2,171
Net cash outflow on acquisition of businesses	0	6,246
<b>Cash flow from investing activities</b>	<b>-20,773</b>	<b>-27,471</b>
Redemption of current and non-current financial liabilities	106	0
Dividends to shareholders of the parent company Semperit AG	-25,717	-23,659
Dividends to non-controlling shareholders of subsidiaries	-1,185	-20,290
<b>Cash flow from financing activities</b>	<b>-26,795</b>	<b>-43,950</b>
<b>Net increase/-decrease in cash and cash equivalents</b>	<b>-62,015</b>	<b>-88,938</b>
Effects resulting from currency translation	-4,630	25,690
Cash and cash equivalents at the beginning of the period	139,186	185,756
<b>Cash and cash equivalents at the end of the period</b>	<b>72,541</b>	<b>122,508</b>

## Consolidated statement of changes in equity

in TEUR	Share capital	Capital reserves	Revenue reserves	Revaluation reserves	Currency translation	Total
<b>Balance at 31.12.2009</b>	<b>21,359</b>	<b>21,503</b>	<b>267,085</b>	<b>-182</b>	<b>793</b>	<b>310,558</b>
Total recognised comprehensive income	0	0	21,951	100	19,554	41,605
Dividend	0	0	-23,659	0	0	-23,659
<b>Balance at 30.6.2010</b>	<b>21,359</b>	<b>21,503</b>	<b>265,377</b>	<b>-83</b>	<b>20,347</b>	<b>328,503</b>
<b>Balance at 31.12.2010</b>	<b>21,359</b>	<b>21,503</b>	<b>288,811</b>	<b>-198</b>	<b>19,590</b>	<b>351,065</b>
Total recognised comprehensive	0	0	25,537	-83	-9,389	16,065
Dividend	0	0	-25,717	0	0	-25,717
<b>Balance at 30.6.2011</b>	<b>21,359</b>	<b>21,503</b>	<b>288,632</b>	<b>-281</b>	<b>10,201</b>	<b>341,413</b>

## Notes to the interim financial statement

### Accounting and valuation methods

These interim financial statements as at June 30, 2011 have been prepared in keeping with the principles set forth by the International Financial Reporting Standards (IFRS) as contained in IAS 34, Interim Financial Reporting. There have been no major changes made in the accounting and valuation methods applied by the Semperit Group. For more detailed information on the accounting and valuation methods applied, readers are referred to the consolidated annual financial statements for the year ending December 31, 2010, which are the basis for these interim statements.

This interim report of the Semperit Group has neither been audited nor subject to an auditor's review.

### Associated companies (equity method)

The net book value of Isotron Deutschland GmbH on June 30, 2011 amounted to TEUR 560 (December 31, 2010: TEUR 560).

### Purchase and sale of tangible and intangible fixed assets

In the first six months of 2011, the Semperit Group purchased tangible and intangible fixed assets amounting to TEUR 22,617 (previous year: TEUR 31,659). In contrast, tangible and intangible fixed assets with a net book value of TEUR 824 (previous year: TEUR 226) were disposed of.

### Contingent liabilities

There were no material changes in respect to contingent liabilities since the last balance sheet date.

### Transactions with related parties and individuals

Balances and transactions between Semperit AG Holding and its subsidiaries are eliminated within the context of consolidation and are not further described 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 the shareholder holding an indirect majority stake. It prepares and publishes consolidated financial statements, in which the Semperit Group is included in consolidation. B&C Privatstiftung and all its subsidiaries are considered as related parties or individuals of the Semperit Group pursuant to IAS 24.

Related parties and individuals 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 own a majority stake in Semperit Aktiengesellschaft Holding, and finally the members of the Management Board of B&C Privatstiftung and the close relatives of these Management and Supervisory Board members and managing directors.

The following fully-consolidated companies – Semperflex Asia Corp. Ltd., Semperform Pacific Corp. Ltd., Siam Sempermed Corp. Ltd., Shanghai Semperit Rubber & Plastic Products Co. Ltd., Shanghai Sempermed Gloves Co. Ltd. and Semperflex Shanghai Ltd. - undertake business transactions with the non-controlling co-partner of these subsidiaries Sri Trang Agro Plc under established market conditions. Sempertrans Best (Shandong) Belting Co. Ltd. undertakes business transactions with the joint venture partner Wang Chao Coal & Electricity Group, the non-controlling co-partner of this subsidiary, under established market conditions. Furthermore, insignificant business transactions were carried out with related parties and individuals at prevailing market rates.

#### Changes in the scope of consolidation

FormTech Engineering (M) Sdn Bhd, Malaysia was established in May. The company will produce porcelain dip molds to fulfill the Sempermed division's own requirements.

#### Significant events after the balance sheet date

There were no significant events requiring disclosure between the balance sheet date of June 30, 2010 and publication approval of this interim report.



## Statement of the legal representatives

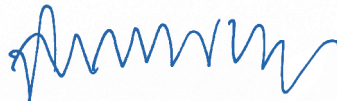
We confirm to the best of our knowledge that the consolidated interim financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) give a true and fair view of the assets, liabilities, financial position and profit or loss of the Semperit Group, and that the half-year Group Management Report gives a true and fair view of the assets, liabilities, financial position and profit or loss with respect to the important events that have occurred during the first six months of the financial year and their impact on the consolidated interim financial statements, of the principal risks and uncertainties for the remaining six months of the financial year, and of the major related party transactions disclosed.

Vienna, August 4, 2011

The Management Board



Thomas Fahnemann  
Chairman



Johannes Schmidt-Schultes



Richard Ehrenfeldner



Richard Stralz

# Financial calendar

---

Report on the 1<sup>st</sup>–3<sup>rd</sup> quarter 2011

November 15, 2011

---

## IMPRINT

Media proprietor: Semperit Aktiengesellschaft Holding, Modecenterstrasse 22, 1030 Vienna, Austria  
Design, typesetting and lithography: be.public Werbung Finanzkommunikation GmbH, Vienna

We have prepared this half-year financial report and verified the information contained in it 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 half-year financial report are based on the knowledge and information available and the assessments made at the time that this report was prepared. As is true of all forward-looking statements, these statements are subject to risk and uncertainties. As a result, the 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.

Statements referring to people are valid for both men and women.  
This interim report was prepared in German and English.  
In case of doubt, the German version shall take precedence.

## CONTACT

Sybille Richter  
Investor Relations  
Tel: +43 1 79 777-210  
Fax: +43 1 79 777-602  
E-Mail: [sybille.richter@semperit.at](mailto:sybille.richter@semperit.at)

[www.semperit.at](http://www.semperit.at)