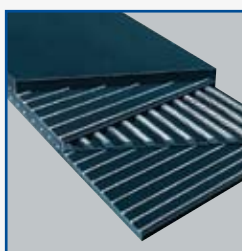


SEMPERIT AG Holding

HALF-YEAR FINANCIAL REPORT

H1 | 2010

SEMPERIT 





Success is in the details:
Surgical gloves by Semperit

Semperit at a glance

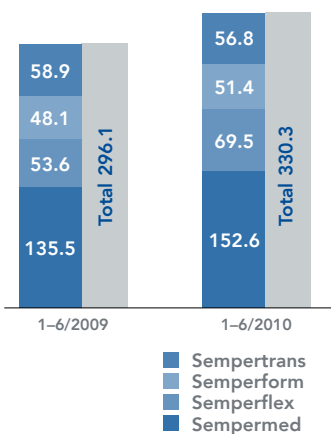
	1-6/2007	1-6/2008	1-6/2009	1-6/2010	Change 2009/2010 in %
Revenue in EUR million	303.6	326.4	296.1	330.3	+11.6
Earnings before tax (EBT) in EUR million	31.3	32.2	35.0	39.8	+13.6
Net profit for the period in EUR million	22.8	23.4	19.0	22.0	+15.7
Number of employees on June 30	7,058	7,093	6,682	7,238	+8.3

Dear shareholders!

The order situation of the Semperit Group as a whole during the first half of 2010 developed significantly better than in the particularly difficult 2009 financial year. The Semperflex division, which had been massively affected by the economic crisis, reported a perceptible recovery in demand, particularly in the second quarter. On balance, total revenue of the Semperit Group increased by 11.6% from the previous year to EUR 330.3 million. Earnings before tax reached a level of EUR 39.8 million (previous year: EUR 35.0 million).

In the first six months of 2010, the Sempermed division registered a 12.6% growth in revenue. The Semperflex division was clearly on the upswing, with revenue up 29.6%. Revenue growth at the Semperform division was lower at 6.9%. The Sempertrans division was the only one posting a decline in revenue, which fell by 3.6%.

Revenue by division in EUR million



Business environment

The global economy continued to recover in the first half-year 2010, which can be primarily attributed to robust growth in Asia and an economic pickup in the USA. In contrast, economic growth proceeded at a very sluggish pace in Europe. According to economists, the fading impetus provided by expiring fiscal stimulus measures, the continuation of restrictive lending policies and the increasing uncertainty on financial markets will likely dampen the upturn in Europe's industrialised markets.

The recovery of the global economy has been accompanied by a significant increase of raw material prices which far exceeded expectations. Semperit was faced with massive price hikes in the first half of 2010 for all the key raw materials it requires. In particular, the costs of natural rubber and latex purchased by Semperit were at record high levels. A similar trend was evident for synthetic rubber. Moreover, there were some supply shortfalls for several types of rubber. This development was related in part to strong demand by the automobile industry, which in turn also led to price increases for reinforcing materials such as wire and textiles.

Business development

The improvement in the overall economic environment was also reflected in the performance indicators of the Semperit Group. Total revenue rose to EUR 330.3 million in the first half of 2010, an increase of 11.6% from the previous year's level. Despite a significant rise in the cost of materials as a percentage of operating revenues by four percentage points to 55.6%, earnings before tax improved by 13.6% to EUR 39.8 million. The total net profit of the Semperit Group also climbed 15.7% from the previous year to EUR 22.0 million.

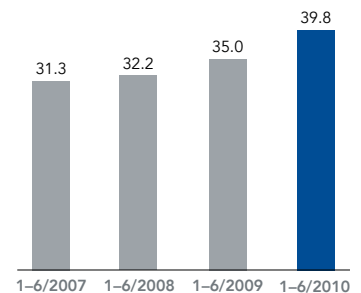
Investments were considerably expanded in order to provide a solid basis for further growth. In the first six months of 2010, investments in tangible and intangible fixed assets amounted to EUR 31.7 million (previous year: EUR 7.4 million).

The increased working capital tied up in trade receivables and inventories can be attributed in part to the sales and revenue growth, as well as to the higher cost of raw materials.

Dampened growth in industrialised countries

Record raw material prices

EBT development in EUR million



Further rise in revenue	Sempermed Sempermed reported good demand in the first half-year 2010. As a result, revenue generated by the Sempermed division rose by 12.6% to EUR 152.6 million (previous year: EUR 135.5 million). Margins increasingly normalised due to higher raw material prices and the appreciation of the Thai baht against the euro. Earnings before tax totalled EUR 20.2 million, a decrease of 6.0% from the previous year's figure of EUR 21.5 million.
Growth of the examination glove segment	Demand for examination gloves continued to rise again in 2010, ensuring that higher production capacities were well utilised. Four additional production lines in Thailand have been in full operation since May 2010 alongside the two pilot facilities, which came on stream in the previous year. Semperit is further expanding its market share for examination gloves in Europe due to the good demand. Sales in the USA during the first six months of 2010 only rose slightly compared to the previous year's level. However, there was increasing demand for the more expensive premium examination gloves, which contributed to the positive earnings situation on the U.S. market.
Declining demand for surgical gloves	Demand for surgical gloves decreased slightly during the period under review. The main reason was the ongoing trend towards shorter order intervals, and the increased price pressure in tender offers.
Rise in revenue and earnings	Semperflex The improvement of the economic situation was particularly reflected by the performance of the Semperflex division. Revenue in the first half-year 2010 climbed by 29.6% to EUR 69.5 million. However, the upturn in demand was partly related to the replenishment of stocks along the entire distribution chain. For this reason, it is hardly possible to make a reliable estimate of actual consumption by end customers.
Raw material costs strain earnings	Due to the fact that price adjustments are only carried out with a time delay, the rapid increase in raw material costs led to a reduction in the contribution margin. Nevertheless, this effect could be more than compensated by higher sales volumes. All in all, earnings before tax at EUR 10.0 million comprise a significant increase from the previous year's figure of EUR 1.1 million.
Significant upturn for hydraulic hoses	The hydraulic hose segment, which had been hit very hard by the economic crisis in the previous year, was characterised by a significant upturn in the volume of incoming orders. Demand climbed in all relevant markets and was particularly strong in Asia. As a consequence, temporarily shut down production capacities were put into operation again.
Improved demand for industrial hoses	The increase in sales for industrial hoses was less pronounced than for hydraulic hoses, but growth was also in the double-digit percent range in the second quarter of 2010. For this reason, it was necessary to increase the number of employees in this segment, in order to correspondingly raise production volume.
Elastomer sheeting above previous year's level	There was also a pick-up in demand for elastomer sheeting, surpassing the previous year's level. However, this particularly material-intensive product was most negatively impacted by the difficult raw material price situation.

Semperform

The second quarter of 2010 featured a turnaround in the Semperform division. Against this backdrop, revenue in the first six months rose by 6.9% to EUR 51.4 million. Earnings before tax also improved, rising by 65.1% to EUR 8.5 million.

The order situation for window and door seal profiles once again perceptibly improved in the months of May and June. Demand not only developed gratifyingly in the most important market of Germany, but there was also an evident upward trend on East European markets, particularly Russia.

Business in the handrail segment remained at a constant level in Europe and the USA. Semperit succeeded in increasing handrail sales in Asia due to good growth achieved with original equipment manufacturers.

The order situation for cable car rings developed in a clearly positive manner as the winter season came to an end and maintenance and repair work on cable cars had to be carried out. However, the business derived from new construction did not recover. A slight upward trend was perceptible in the ski industry. Accordingly, demand for high quality skis and the ski membranes required for them climbed once again.

Sales in the sponge rubber segment, which is highly dependent on the construction industry, stabilised at a somewhat higher level than in the previous year. The order volume in the railway superstructure segment has improved since May. Similarly, demand for filter membranes rose starting at the beginning of the second quarter of 2010. There were also positive tendencies in the field of moulded parts for industry and the construction sector.

Sempertrans

In the first half of 2010, revenue of the Sempertrans division amounted to EUR 56.8 million, a decrease of 3.6% from the EUR 58.9 million achieved in the comparable period of the previous year. The increased raw material costs could only be partly passed on to customers due to the particularly tough price competition. Accordingly, earnings before tax were down 93.8% to EUR 0.5 million.

Sempertrans experienced a further slight improvement in the order situation in the second quarter. Whereas the volume of incoming orders from Poland and Russia declined, demand increased in particular from South America and Asia. For this reason, capacity utilisation at the established production facilities was good. However, there was a significant drop in earnings in part.

The newly taken over conveyor belt factory Sempertrans Best primarily focused on initial consolidation measures designed to improve production in order to meet Semperit standards for quality and product construction. Sempertrans started to build up a customer base on the Chinese market.

Recovery in demand

Perceptible upward trend for window and door seal profiles

Increased orders for cable car rings and ski membranes

Positive tendencies

Revenue and earnings decline

Lower demand

Uncertain forecasts

Outlook remains unclear

The numerous uncertainties relating to current economic forecasts do not allow any reliable outlook to be made for the entire year 2010. In addition to difficulties involved in assessing the economic situation, the further development of raw material prices comprises the biggest element of uncertainty.

Based on the good market position in all divisions and the ability of the company to quickly react to changed market requirements and economic conditions, the management of the Semperit Group continues to anticipate a satisfactory business development, also for the 2010 financial year as a whole.

Consolidated balance sheet

Assets		
in TEUR	31.12.2009	30.6.2010
Intangible assets	5,450.7	5,563.9
Tangible assets	151,631.7	182,217.7
Financial assets	8,906.0	11,098.1
Investments in associated companies	397.5	397.5
Non-current trade receivables	0.0	0.0
Other non-current receivables and assets	1,029.9	1,027.1
Deferred taxes	13,114.2	15,148.3
Non-current assets	180,530.0	215,452.6
Inventories	74,616.2	110,935.7
Current trade receivables	79,493.9	103,475.2
Other current receivables and assets	11,135.6	17,563.7
Cash and cash equivalents	185,756.2	122,507.5
Current assets	351,001.9	354,482.1
Assets	531,531.9	569,934.7
Equity and liabilities		
in TEUR	31.12.2009	30.6.2010
Share capital	21,359.0	21,359.0
Capital reserves	21,503.2	21,503.2
Revenue reserves	266,902.8	265,294.1
Currency translation adjustments	792.5	20,346.7
Equity attributable to shareholders of the parent company Semperit AG	310,557.5	328,503.0
Equity attributable to non-controlling shareholders of subsidiaries	57,032.1	69,139.9
Capital and reserves	367,589.6	397,642.9
Provisions for pension and severance payments	42,821.9	42,568.9
Deferred taxes	4,616.0	4,549.5
Other non-current provisions	20,385.7	20,904.2
Non-current liabilities to banks	5,540.2	6,522.6
Non-current trade payables	0.0	0.0
Other non-current liabilities	4,523.4	5,004.5
Non-current provisions and liabilities	77,887.2	79,549.7
Current tax provisions	7,731.6	5,484.2
Other current provisions	18,649.0	21,552.8
Current liabilities to banks	0.1	0.0
Current trade payables	30,002.0	36,970.9
Prepayments	295.6	328.4
Other current liabilities	29,376.8	28,405.8
Current provisions and liabilities	86,055.1	92,742.1
Equity and liabilities	531,531.9	569,934.7

Consolidated income statement

in TEUR	2 nd quarter		1 st half-year	
	1.4.–30.6.2009	1.4.–30.6.2010	1.1.–30.6.2009	1.1.–30.6.2010
Revenue	149,181.8	177,914.2	296,096.9	330,313.3
Changes in inventories	–7,172.9	1,906.0	–7,860.9	10,644.2
Own work capitalised	170.8	161.7	370.2	384.6
Operating revenue	142,179.7	179,981.9	288,606.2	341,342.1
Other operating income	4,709.3	5,252.9	13,335.1	10,095.1
Cost of materials	–68,806.2	–99,038.7	–148,834.1	–189,599.6
Personnel expenses	–27,558.9	–26,752.5	–54,676.1	–52,807.5
Depreciation and amortisation	–6,993.7	–7,237.3	–13,735.5	–14,869.9
Other operating expenses	–23,703.6	–29,917.5	–50,820.4	–55,682.0
Earnings before interest and tax (EBIT)	19,826.6	22,288.8	33,875.2	38,478.2
Income from participations	0.0	0.0	0.0	0.0
Financial income	785.7	727.1	1,457.2	1,489.7
Financial expense	–95.5	–82.2	–286.1	–163.0
Financial results	690.2	644.9	1,171.1	1,326.7
Earnings before tax (EBT)	20,516.8	22,933.7	35,046.3	39,804.9
Income taxes	–5,387.0	–4,836.5	–8,178.4	–8,420.2
Earnings after tax	15,129.8	18,097.2	26,867.9	31,384.7
thereof:				
Non-controlling shareholders of subsidiaries	4,007.1	5,462.3	7,902.8	9,433.6
Shareholders of the parent company Semperit AG	11,122.7	12,634.9	18,965.1	21,951.1
Earnings per share (undiluted)	0.54	0.61	0.92	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 nd quarter		1 st half-year	
	1.4.–30.6.2009	1.4.–30.6.2010	1.1.–30.6.2009	1.1.–30.6.2010
Earnings after tax	15,129.8	18,097.2	26,867.9	31,384.7
Other comprehensive income (reported in equity)				
“Available for sale” financial assets	75.6	34.8	–20.2	132.8
thereof deferred taxes	–19.0	–8.7	4.9	–33.2
thereof currency translation	–238.5	12,109.9	–1,521.3	31,505.8
Total other comprehensive income, net of tax (reported in equity)	–181.9	12,136.0	–1,536.6	31,605.4
Total recognised comprehensive income	14,947.9	30,233.2	25,331.3	62,990.1
thereof:				
Non-controlling shareholders of subsidiaries	742.5	11,666.7	7,379.6	21,385.2
Shareholders of the parent company Semperit AG	14,205.4	18,566.5	17,951.7	41,604.9

Consolidated cash flow statement

in TEUR	1.1.–30.6.2009	1.1.–30.6.2010
Earnings after tax	26,867.9	31,384.7
Depreciation/write-ups of non-current assets	13,613.3	14,844.9
Profit and loss from asset disposal	13.8	112.8
Changes in non-current provisions	2,216.3	199.1
Changes in non-cash items resulting from currency translation adjustments, changes in minority interests and other	-314.6	3,078.4
Gross cash flow	42,396.7	49,619.9
Increase/decrease in inventories	16,185.4	-36,319.6
Increase/decrease in trade receivables	5,338.9	-23,981.3
Increase/decrease in other receivables and assets	-1,039.1	-8,322.4
Increase/decrease in trade payables and prepayments	-6,927.0	7,045.1
Increase/decrease in other liabilities and current provisions	9,147.4	-12,051.1
Cash flow from operating activities	65,102.3	-24,009.4
Proceeds from sale of assets	514.0	113.2
Investments in tangible and intangible assets	-7,364.2	-24,123.2
Investments in financial assets	-5,449.0	-2,034.3
Acquisition of subsidiaries less net cash and cash equivalents	-1,850.7	0.0
Net proceeds from the change of financial investments in securities	38.0	-137.0
Cash flow from investing activities	-14,111.9	-26,181.3
Net redemption of current and non-current financial liabilities	-1,276.1	982.3
Dividends	-22,425.0	-23,659.4
Dividends to non-controlling shareholders of subsidiaries	-5,912.6	-4,638.7
Changes in financial liabilities resulting from currency translation adjustments	-69.3	-982.5
Cash flow from financing activities	-29,683.0	-28,298.3
Change in cash and cash equivalents	21,307.4	-78,489.0
Effects of exchange rate fluctuations on cash and cash equivalents	55.4	15,240.3
Cash and cash equivalents at the beginning of the period	107,330.9	185,756.2
Cash and cash equivalents at the end of the period	128,693.7	122,507.5

Consolidated statement of changes in equity

in TEUR	Share capital	Capital reserves	Revenue reserves	Revaluation reserves	Currency translation	Semperit AG share-holders	Shares of non-controlling subsidiaries	Total
Balance at 31.12.2008	21,359.0	21,503.2	250,698.6	-191.0	-1,441.6	291,928.2	58,544.0	350,472.2
Total recognised comprehensive income	0.0	0.0	18,965.1	-15.3	-998.1	17,951.7	7,379.6	25,331.3
Dividends	0.0	0.0	-22,425.0	0.0	0.0	-22,425.0	-5,912.6	-28,337.6
Balance at 30.6.2009	21,359.0	21,503.2	247,238.7	-206.3	-2,439.7	287,454.9	60,011.0	347,465.9
Balance at 31.12.2009	21,359.0	21,503.2	267,085.2	-182.4	792.5	310,557.5	57,032.1	367,589.6
Total recognised comprehensive income	0.0	0.0	21,951.1	99.6	19,554.2	41,604.9	21,385.2	62,990.1
Dividends	0.0	0.0	-23,659.4	0.0	0.0	-23,659.4	-9,277.4	-32,936.8
Balance at 30.6.2010	21,359.0	21,503.2	265,376.9	-82.8	20,346.7	328,503.0	69,139.9	397,642.9

Accounting and valuation methods

These consolidated interim financial statements as at June 30, 2010 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, 2009, which are the basis for these consolidated interim statements.

This consolidated 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, 2010 was TEUR 397.5 (December 31, 2009: TEUR 397.5).

Purchase and sale of tangible and intangible fixed assets

In the first six months of 2010, the Semperit Group purchased tangible and intangible fixed assets amounting to TEUR 31,658.8 (previous year: TEUR 7,364.2). In contrast, tangible and intangible fixed assets with a net book value of TEUR 225.9 (previous year: TEUR 106.2) 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 Industrieholding GmbH has a dominating influence over the company. B & C Industrieholding GmbH and its associated companies are therefore in a group relationship with the Semperit Group.

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 our joint venture partner Sri Trang Agro Plc under established market conditions. The company Sempertrans Best (Shandong) Belting Co. Ltd., which was consolidated in the financial statements of the Semperit Group in 2009 for the first time, undertakes business transactions with the new joint venture partner Wang Chao Coal & Electricity Group under established market conditions. Furthermore, insignificant business transactions were carried out with related parties and individuals at prevailing market rates.

Related parties and individuals also include the members of the Management and Supervisory Boards and their close relatives. No further business ties exist above and beyond the employment relationships to these individuals.

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.

Other

The name of the Chinese company Shanghai Foremost Plastic Industrial Co. Ltd. was changed to Shanghai Sempermed Gloves Co. Ltd. in April 2010.

STATEMENT BY THE MANAGEMENT BOARD

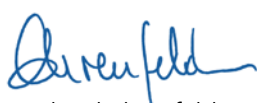
We confirm to the best of our knowledge, that the consolidated interim financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) give a true and fair view of the assets, liabilities, financial position and profit or loss of the Semperit Group, and that the half-year group management report gives a true and fair view of 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 3, 2010

The Management Board



Rainer Zellner
Chairman



Richard Ehrenfeldner



Richard Stralz

SEMPERIT SHARE INFORMATION

International Securities Identification Number (ISIN)	AT0000785555
Share price low H1 2010 in EUR	26.30
Share price high H1 2010 in EUR	32.06
Share price at June 30, 2010 in EUR	28.05
Market capitalisation at June 30, 2010 in EUR million	577.1
Earnings per share H1 2010 in EUR	1.07

FINANCIAL CALENDAR

3rd quarter report 2010

November 16, 2010

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As a result of the use of automatic calculating machines, differences derived from rounding may occur in the addition of rounded sums and percentage values.

