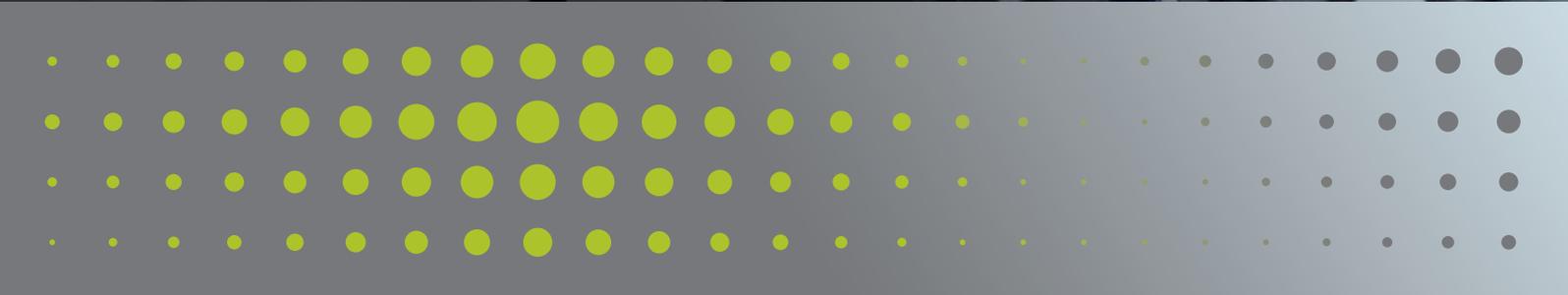




Semi-Annual Report 2012



## Autoneum at a glance

CHF million

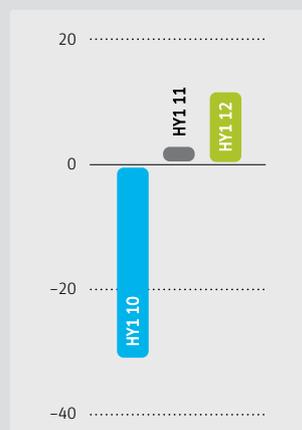
### Net sales



### EBIT



### Net result



### Operating cash flows



CHF million	January – June 2012	January – June 2011	Change	Change in local currencies
<b>Autoneum Group</b>				
Net sales	950.5	860.5	10.5%	13.1%
Operating result before interest, taxes, depreciation and amortization (EBITDA)	69.5	58.5		
• in % of net sales	7.3	6.8		
Operating result before interest and taxes (EBIT)	35.3	21.6		
• in % of net sales	3.7	2.5		
Net profit	11.7	1.5		
• in % of net sales	1.2	0.2		
Earnings per share (in CHF)	0.43	-0.69		
Number of employees at the end of the reporting period <sup>1</sup>	9 605	9 124	5.3%	
<b>Business Groups (BG)</b>				
Net sales BG Europe	460.4	461.3	-0.2%	4.9%
EBIT – BG Europe	1.2	0.5		
• in % of net sales	0.3	0.1		
Net sales BG North America <sup>2</sup>	380.1	286.6	32.6%	31.0%
EBIT – BG North America	27.1	16.2		
• in % of net sales	7.1	5.7		
Net sales BG Asia	48.9	42.9	14.0%	10.5%
EBIT – BG Asia	5.1	0.6		
• in % of net sales	10.4	1.4		
Net sales BG SAMEA <sup>3</sup>	64.2	71.1	-9.7%	-0.3%
EBIT – BG SAMEA	0.1	3.4		
• in % of net sales	0.2	4.8		

1. Excluding apprentices and temporary employees.

2. Including USA, Canada und Mexico.

3. Including South America, Middle East and Africa.

## Autoneum: significant rise in sales and earnings



**Hans-Peter Schwald**  
Chairman of the Board of Directors



**Martin Hirzel**  
Chief Executive Officer

**Autoneum sales and earnings rose again in the first half of 2012, mainly thanks to strong growth in North America and Asia, where Autoneum made good use of the positive market trend.**

**Worldwide automobile production increased by 8.5% in the first half of 2012 despite weakening in Western Europe and South America. With 13.1% higher sales in local currencies than in the prior year period, Autoneum exceeded global automobile production and remains on a growth course thanks to its broad global presence. Net sales in Swiss francs rose 10.5% to 950.5 million CHF (previous year: 860.5 million CHF).**

**Thanks to operative improvements and sales growth, the operating result before interest and taxes (EBIT) rose significantly to 35.3 million CHF (previous year: 21.6 million CHF) with an EBIT margin of 3.7% for the first half-year 2012 (previous year: 2.5%). Net profit rose by 10.2 million CHF to 11.7 million CHF; earnings per share amounted to 0.43 CHF.**

### Dear shareholders,

The automotive market boom in North America continued during the first half of 2012. China and India likewise continued on a growth course. The unresolved Euro and debt crisis, respectively, impacted automobile production in Western Europe and South America during the first half-year. Global automobile production increased to 41.3 million vehicles, 8.5% higher than in the first half of 2011. Autoneum sales in local currencies rose 13.1% during the first half of 2012, with net sales totaling 950.5 million CHF (previous year: 860.5 million CHF). Three of the four business groups recorded higher sales in local currencies than in the prior year period. This growth is attributable to Autoneum's global presence, broad and well-balanced customer base, and high sales volumes for new models. Another reason is the markedly higher sales to Japanese customers, who were

seriously impacted globally in the first half-year 2011 by the earthquake and tsunami in Japan.

The Autoneum half-year operating result before interest, taxes, depreciation and amortization (EBITDA) rose from 58.5 million CHF in the prior year period to 69.5 million CHF, an EBITDA margin of 7.3%. The operating result (EBIT) improved by 13.7 million CHF to 35.3 million CHF, 3.7% of net sales (previous year: 2.5%). Apart from Business Group SAMEA (South America, Middle East and Africa), all business groups improved their operating result (EBIT) compared with the prior year period. Autoneum is therefore one step nearer its financial mid-term goals. The Operational Excellence measures taken have played a key role in these improved results.

Autoneum net profit improved during the first half-year by 10.2 million CHF to 11.7 million CHF.

The Autoneum equity ratio (including subordinated shareholder loans) per June 30, 2012 rose to 32.6% (per 31.12.2011: 31.3%). Despite business expansion, the balance sheet total has diminished. Compared with year-end 2011, gross debt has declined to 172.7 million CHF per June 30, 2012 thanks to a 32.2 million CHF reduction of short-term financial liabilities. Cash flow from operating activities developed positively to the amount of 32.9 million CHF for the period under review (previous year: -11.6 million CHF).

Per June 30, 2012, Autoneum employed 9 605 people, as against 9 124 per prior year reference date. This increase of about 5%, underproportional to the 13.1% sales rise in local currencies, is mainly because of capacity adjustments to meet the higher demand.

### Business groups

Automobile production in Europe declined during the first half-year by 6% to 10.0 million vehicles, the main impact being in southern Europe. Thanks to a favorable model mix and new launches, Business Group Europe net sales for the first half-year in local currencies rose 4.9% to 460.4 million CHF (previous year: 461.3 million CHF) despite difficult market conditions. EBIT rose to 1.2 million CHF. Several measures of the Operational Excellence plan are already having a positive effect, and there is further potential for improvement. The result was impacted on the one hand by uneven capacity utilization due to market weakness in southern Europe, and on other hand by new model launches with customarily low initial margins.

Automobile production in North America rose again steeply in the first half-year 2012, by 21% to 7.9 million vehicles. Business Group North America sales in local currency rose by as much as 31.0%. Net sales in Swiss francs increased by 32.6% to 380.1 million CHF. This business group was operationally challenged and also faced with additional costs in meeting the far higher demand. EBIT rose to 27.1 million CHF (previous year: 16.2 million CHF), an EBIT margin of 7.1%.

Automobile production in Asia (apart from Japan) increased by 6% in the period under review to 15.5 million vehicles overall. China and India each recorded 7% production growth. Business Group Asia sales in local currencies for the first half of 2012 rose 10.5%. Net sales in Swiss francs increased by 14.0% to 48.9 million CHF. The improved result is attributable to the positive volume effect with global customers, and to operative improvements. EBIT rose from 0.6 million CHF in prior year to 5.1 million CHF in the period under review, an EBIT margin of 10.4% for the first half-year 2012.

Business Group SAMEA sales in local currencies declined slightly by 0.3% in the first half of 2012. In South America, this business group's biggest region, automobile production in the first half-year 2012 declined by 6% to 2.0 million vehicles. Net sales totaled 64.2 million CHF as against 71.1 million CHF in the first half of 2011. EBIT declined to 0.1 million CHF from 3.4 million CHF in the prior year period. Apart from sales decline, the increasingly difficult economic policy conditions in Argentina also impacted the result.

### Executive management changes

As announced, Autoneum strengthened the Group Executive Board during the first half-year 2012 with two new appointments. The Board of Directors appointed Volker Eimertenbrink as new head of the Business Group SAMEA per March 1, 2012, and Matthias Holzammer as new head of the Business Group Europe per April 1, 2012. Both these new business group heads have years of production-related experience in the automotive supply industry, and will be paying special attention to implementing the Operational Excellence improvement measures as first priority.

### Outlook

Automobile production is expected to develop heterogeneously in the second half-year as well, with market prospects in North America and Asia remaining considerably better than in Europe.

Assuming the same currency relations as in the first half-year, Autoneum sees good chances of about 10% sales growth for the current year, higher than the global automobile production growth rate. In Europe lower sales are expected for the second half of 2012 than in the first half-year, not only on seasonal grounds but also due to the state of the economy.

Autoneum will continue to concentrate on systematically implementing operative improvement measures during the second half of 2012 in order to confirm the progress achieved in the first half-year. The focus thereby will be on further cost reductions as well as on cash flow and liquidity.

Investments amounting to about 4.5% of sales are planned during 2012 for additional operative improvements and business expansion.

Winterthur, July 25, 2012

Hans-Peter Schwald



Chairman  
of the Board of Directors

Martin Hirzel



Chief Executive Officer

## Consolidated income statement

	January – June 2012		January – June 2011	
	CHF million	% <sup>1</sup>	CHF million	% <sup>1</sup>
<b>Net sales</b>	<b>950.5</b>	<b>100.0</b>	<b>860.5</b>	<b>100.0</b>
Change in semi-finished and finished goods	3.5		0.7	
Material costs	-487.2	-51.3	-437.4	-50.8
Employee costs	-263.2	-27.7	-242.7	-28.2
Other operating expenses	-137.5	-14.5	-125.2	-14.6
Other operating income	3.4	0.4	2.6	0.3
<b>Operating result before interest, taxes, depreciation and amortization (EBITDA)</b>	<b>69.5</b>	<b>7.3</b>	<b>58.5</b>	<b>6.8</b>
Depreciation and amortization	-34.2	-3.6	-36.9	-4.3
<b>Operating result before interest and taxes (EBIT)</b>	<b>35.3</b>	<b>3.7</b>	<b>21.6</b>	<b>2.5</b>
Financial result	-10.2		-11.2	
<b>Profit before taxes</b>	<b>25.1</b>	<b>2.6</b>	<b>10.4</b>	<b>1.2</b>
Income taxes	-13.4		-8.9	
<b>Net profit</b>	<b>11.7</b>	<b>1.2</b>	<b>1.5</b>	<b>0.2</b>
Attributable:				
- to shareholders of Autoneum Holding Ltd	2.0		-3.2	
- to non-controlling interests	9.7		4.7	
Earnings per share (in CHF) <sup>2</sup>	0.43		-0.69	

1. In % of net sales.

2. No dilution.

## Consolidated statement of comprehensive income

CHF million	January – June 2012	January – June 2011
<b>Net profit</b>	<b>11.7</b>	<b>1.5</b>
Changes in currency translation	3.5	-26.1
Financial instruments available for sale:		
Change in fair value	0.4	-1.3
Income taxes	0.0	0.2
<b>Total other comprehensive income</b>	<b>3.9</b>	<b>-27.2</b>
<b>Total comprehensive income</b>	<b>15.6</b>	<b>-25.7</b>
Attributable:		
- to shareholders of Autoneum Holding Ltd	5.0	-24.7
- to non-controlling interests	10.6	-1.0

## Consolidated balance sheet

CHF million	June 30, 2012	December 31, 2011
<b>Assets</b>		
Tangible fixed assets	372.6	381.9
Other non-current assets	49.8	48.3
<b>Non-current assets</b>	<b>422.4</b>	<b>430.2</b>
Inventories	131.3	130.1
Trade receivables	310.9	297.1
Other receivables and advance payments to suppliers	66.6	65.1
Marketable securities and time deposits	0.2	9.0
Cash and cash equivalents	42.1	64.9
<b>Current assets</b>	<b>551.1</b>	<b>566.2</b>
<b>Assets</b>	<b>973.5</b>	<b>996.4</b>
<b>Equity and liabilities</b>		
Equity attributable to shareholders of Autoneum Holding Ltd	235.6	230.6
Equity attributable to non-controlling interests	56.9	56.4
<b>Total equity</b>	<b>292.5</b>	<b>287.0</b>
Subordinated shareholder loans	25.0	25.0
Long-term financial debt	121.8	121.7
Provisions, other non-current liabilities	68.0	65.2
<b>Non-current liabilities</b>	<b>214.8</b>	<b>211.9</b>
Provisions, other current liabilities	128.5	114.3
Short-term financial debt	50.9	83.1
Advance payments from customers	41.6	46.0
Trade payables	245.2	254.1
<b>Current liabilities</b>	<b>466.2</b>	<b>497.5</b>
<b>Liabilities</b>	<b>681.0</b>	<b>709.4</b>
<b>Shareholders' equity and liabilities</b>	<b>973.5</b>	<b>996.4</b>

## Changes in consolidated equity

CHF million	Share capital	Reserves <sup>1</sup>	Other comprehensive income	Attributable to shareholders of Autoneum Holding Ltd	Attributable to non-controlling interests	Total equity
At December 31, 2010	0.2	192.4	0.4	193.0	55.1	248.1
Net profit	0.0	-3.2	0.0	-3.2	4.7	1.5
Other comprehensive income	0.0	0.0	-21.5	-21.5	-5.7	-27.2
Total comprehensive income	0.0	-3.2	-21.5	-24.7	-1.0	-25.7
Capital increase by Rieter Holding AG	0.0	55.0	0.0	55.0	0.0	55.0
Dividends to non-controlling interests	0.0	0.0	0.0	0.0	-10.2	-10.2
At June 30, 2011	0.2	244.2	-21.1	223.3	43.9	267.2
At December 31, 2011	0.2	236.4	-6.0	230.6	56.4	287.0
Net profit	0.0	2.0	0.0	2.0	9.7	11.7
Other comprehensive income	0.0	0.0	3.0	3.0	0.9	3.9
Total comprehensive income	0.0	2.0	3.0	5.0	10.6	15.6
Dividends to non-controlling interests	0.0	0.0	0.0	0.0	-10.1	-10.1
At June 30, 2012	0.2	238.4	-3.0	235.6	56.9	292.5

1. Until the separation the reserves represent the net investment made by Rieter Holding AG.

## Consolidated statement of cash flows

CHF million	January – June 2012	January – June 2011
<b>Net profit</b>	<b>11.7</b>	<b>1.5</b>
Interest income / interest expenses	9.0	9.9
Income taxes	13.4	8.9
Depreciation, amortization and other non-cash income and expenses	33.2	36.9
Change in net working capital	-7.6	-53.4
Interest received / interest paid	-9.6	-9.7
Income taxes paid	-17.2	-5.7
<b>Net cash flows from operating activities</b>	<b>32.9</b>	<b>-11.6</b>
Capital expenditure and investments in other non-current assets	-23.9	-30.1
Proceeds from disposal of tangible fixed assets	0.1	2.0
Sale / purchase of marketable securities and deposits	8.7	0.9
<b>Net cash flows from investing activities</b>	<b>-15.1</b>	<b>-27.2</b>
Dividends to non-controlling interests	-10.1	-10.2
Proceeds from short-term financial debt – Rieter Group	0.0	50.9
Netting proceeds from short-term financial debt – Rieter Group	0.0	-193.1
Proceeds from subordinated shareholder loans	0.0	25.0
Repayments of / proceeds from short-term financial debt	-32.0	13.5
Repayments of / proceeds from long-term financial debt	0.0	91.1
<b>Net cash flows from financing activities</b>	<b>-42.1</b>	<b>-22.8</b>
Currency effects on cash and cash equivalents	1.5	-6.5
<b>Change in cash and cash equivalents</b>	<b>-22.8</b>	<b>-68.1</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>64.9</b>	<b>123.4</b>
<b>Cash and cash equivalents at end of reporting period</b>	<b>42.1</b>	<b>55.3</b>

## Notes to the semi-annual financial statements

### 1 Principles of consolidation and accounting principles

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#### **Basis of preparation of the consolidated semi-annual financial statements**

The unaudited consolidated semi-annual financial statements have been prepared in accordance with IAS 34 «Interim Financial Reporting». They are based on the financial statements of the individual group companies drawn up according to uniform accounting policies as of June 30, 2012. The consolidated income statement, balance sheet, changes in equity and statement of cash flows are presented in condensed form.

The condensed consolidated semi-annual financial statements are not subject to the same requirements as for consolidated annual financial statements. It is recommended to read the semi-annual report in conjunction with the consolidated financial statements as of December 31, 2011. Before May 13, 2011, Autoneum was not operating independently. Autoneum prepared its first consolidated financial statements as of December 31, 2011.

Since financial year 2012, gross sales and corporate output are no longer disclosed in the income statement, because ratios and key figures are, same as in the prior period, calculated based on net sales. The prior year financial information in the notes two and three have been restated accordingly.

The adoption in 2012 of new and revised IFRS standards had no material impact on the condensed consolidated financial statements.

The semi-annual report is published in English and German. The German version takes precedence.

#### **Separation and listing on the SIX Swiss Exchange**

In order to effect the separation, the shareholders resolved at the annual general shareholders' meeting of Rieter Holding AG on April 13, 2011, to distribute the issued shares of its Automotive Systems Division as a special dividend to the shareholders of Rieter Holding AG. The issued shares of Autoneum Holding Ltd have been listed and traded on the SIX Swiss Exchange since May 13, 2011, the first trading day.

## 2 Segment information by Business Group

Segment information is based on Autoneum Group's internal organization and management structure as well as on the internal financial reporting to the Chief Operating Decision Maker and consists of the following four reportable segments (Business Groups):

Europe, North America (USA, Canada, Mexico), Asia and SAMEA (South America, Middle East and Africa).

Besides inter-company eliminations, Corporate mainly contains Autoneum Holding Ltd and the corporate center with its respective legal entities and functions. The number of employees excludes apprentices and temporary employees.

### January – June 2012

CHF million	Total Group	BG Europe	BG North America	BG Asia	BG SAMEA	Corporate
Third party sales	950.5	456.6	380.1	48.9	63.8	1.1
Inter-segment sales	0.0	3.8	0.0	0.0	0.4	-4.2
Net sales	950.5	460.4	380.1	48.9	64.2	-3.1
EBITDA	69.5	18.6	38.9	8.2	1.6	2.2
Depreciation and amortization of tangible and intangible assets	-34.2	-17.4	-11.8	-3.1	-1.5	-0.4
EBIT	35.3	1.2	27.1	5.1	0.1	1.8
Capital expenditures on tangible and intangible assets	23.9	7.2	11.9	2.7	2.0	0.1
Number of employees	9 605	4 311	2 922	1 049	1 176	147

### January – June 2011

CHF million	Total Group	BG Europe	BG North America	BG Asia	BG SAMEA	Corporate
Third party sales	860.5	456.6	286.6	42.9	71.1	3.3
Inter-segment sales	0.0	4.7	0.0	0.0	0.0	-4.7
Net sales	860.5	461.3	286.6	42.9	71.1	-1.4
EBITDA	58.5	20.4	27.9	3.3	5.1	1.8
Depreciation and amortization of tangible and intangible assets	-36.9	-19.9	-11.7	-2.7	-1.7	-0.9
EBIT	21.6	0.5	16.2	0.6	3.4	0.9
Capital expenditures on tangible and intangible assets	30.1	12.4	12.8	3.2	1.4	0.3
Number of employees	9 124	3 788	2 625	1 144	1 234	333

### 3 Changes in net sales to prior year period

CHF million	January – June 2012	January – June 2011
Change in net sales due to volume and price, BG Europe	22.4	51.8
Change in net sales due to volume and price, BG North America	88.8	68.3
Change in net sales due to volume and price, BG Asia	4.5	15.2
Change in net sales due to volume and price, BG SAMEA	-0.2	4.7
Change in net sales due to volume and price, Corporate	-2.6	0.0
Impact from changes in the scope of consolidation	0.0	-10.1
Currency effects	-22.9	-126.3
<b>Total change in net sales</b>	<b>90.0</b>	<b>3.6</b>

The changes in net sales discloses the changes in sales due to volume and price development by Business Group. The currency effects discloses the effect from the translation of sales of legal units from their local currencies into the presentation currency of the Group (Swiss Franc). For the comparison, respective previous year sales and currency exchange rates are applied.

### 4 Changes in financing transactions related to the separation

Since May 13, 2011, Autoneum Group is subject to imposed minimum financial requirements – financial covenants – related to equity, debt and other common ratios and key figures, pursuant to the long-term credit agreement with a syndicate of lender banks. The compliance is tested and reported to the bank syndicate on a quarterly basis. Thus, all financial covenants must be tested and reported to the syndicate of lender banks on a quarterly basis. As of March 31, 2012 and June 30, 2012, the minimum financial requirements were complied with.

In connection with the separation and listing on the SIX Swiss Exchange on May 13, 2011, mutual accounts payables and accounts receivables with Rieter Holding AG have been offset and replaced by new financing. This includes the following major transactions:

Transactions realized in 2011 before the separation:

- i) Rieter Holding AG waived CHF 55 million of the company's obligations (non-cash movement), which increased the equity of Autoneum Holding Ltd and the Group accordingly.
- ii) Termination of existing cash-pool arrangements of the Rieter Holding AG and its subsidiaries with Autoneum Holding Ltd and its subsidiaries.

Transactions realized on May 12 and 13, 2011:

- i) Proceeds from subordinated shareholder loans of two related parties in a total amount of CHF 25 million and with a final maturity date on December 31, 2014.
- ii) Proceeds from a credit agreement with a syndicate of lender banks for a long-term loan to the amount of CHF 235 million with a final maturity date on December 31, 2014, of which CHF 165 million have been demanded. The term loan will bear interest based on the London Interbank Offered Rate (LIBOR) plus an applicable margin, which depend on the proportion of credit amount demanded and EBITDA. At the same time, a credit guarantee facility in a total amount equal to CHF 50 million and with a final maturity date on June 30, 2013, has been demanded to the amount of CHF 15 million.
- iii) Repayments to Rieter of terminated cash-pool arrangements of CHF 122 million.
- iv) Repayments to Rieter Holding AG of all not yet fully terminated financial liabilities of CHF 71 million, involving all non-Autoneum Holding Ltd subsidiaries.

## 5 Average exchange rates for currency translation

	January – June 2012	January – June 2011	Change
1 EUR	1.20	1.27	- 6%
1 USD	0.92	0.90	2%
1 CAD	0.92	0.93	- 1%
1 BRL	0.50	0.55	- 9%
100 CNY	14.63	13.84	6%

## 6 Events after balance sheet date

The semi-annual report for 2012 was approved for publication by the Board of Directors on July 25, 2012. No events have occurred up to July 25, 2012, which would necessitate adjustments to the semi-annual report.

## 7 Financial calendar

Publication of sales figures for the 2012 financial year	February 1, 2013
Results press conference and presentation of the 2012 financial statements	March 20, 2013
Annual General Meeting	April 17, 2013

**Autoneum** is the global technology leader in acoustic and thermal management solutions for motor vehicles. Autoneum is a leading partner for the major light vehicle and heavy truck manufacturers around the world. Autoneum provides innovative and cost effective solutions for noise reduction and thermal management to increase vehicle comfort and value.



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All statements in this report which do not refer to historical facts are statements related to the future which offer no guarantee with regard to future performance; they are subject to risks and uncertainties including, but not confined to, future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors and other factors outside the company's control. The production figures of the vehicle manufacturers are based on the latest estimates of IHS Global Insight.

[www.autoneum.com](http://www.autoneum.com)