

autoneum

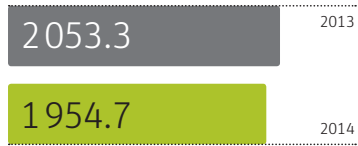
Annual Report 2014



Autoneum is the global market and technology leader in acoustic and thermal management for vehicles. The company is a partner for the major light vehicle manufacturers around the world. Autoneum develops and produces multifunctional and lightweight components and systems for optimal protection against noise and heat. Autoneum's innovations make vehicles quieter, lighter and safer and help to reduce fuel consumption and emissions.

Net sales

CHF million

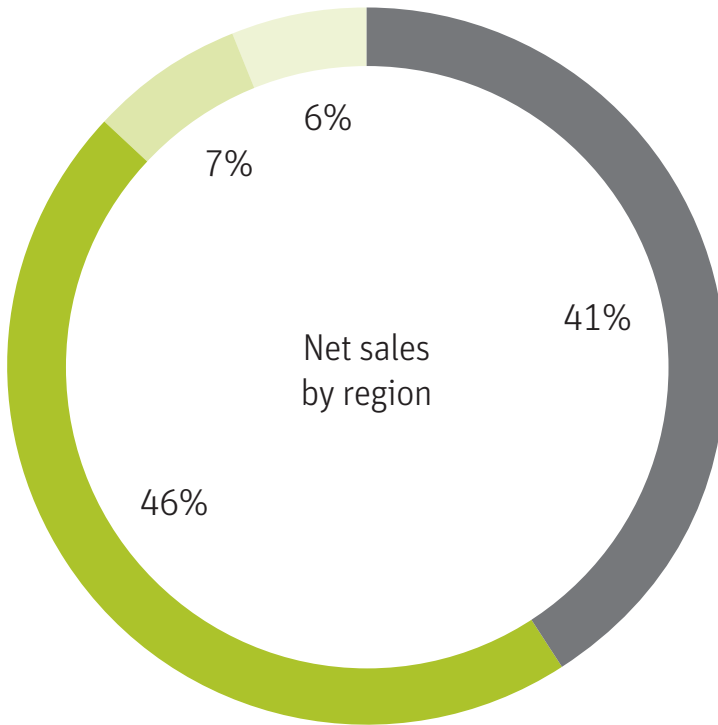


EBIT

CHF million



*before restructuring costs



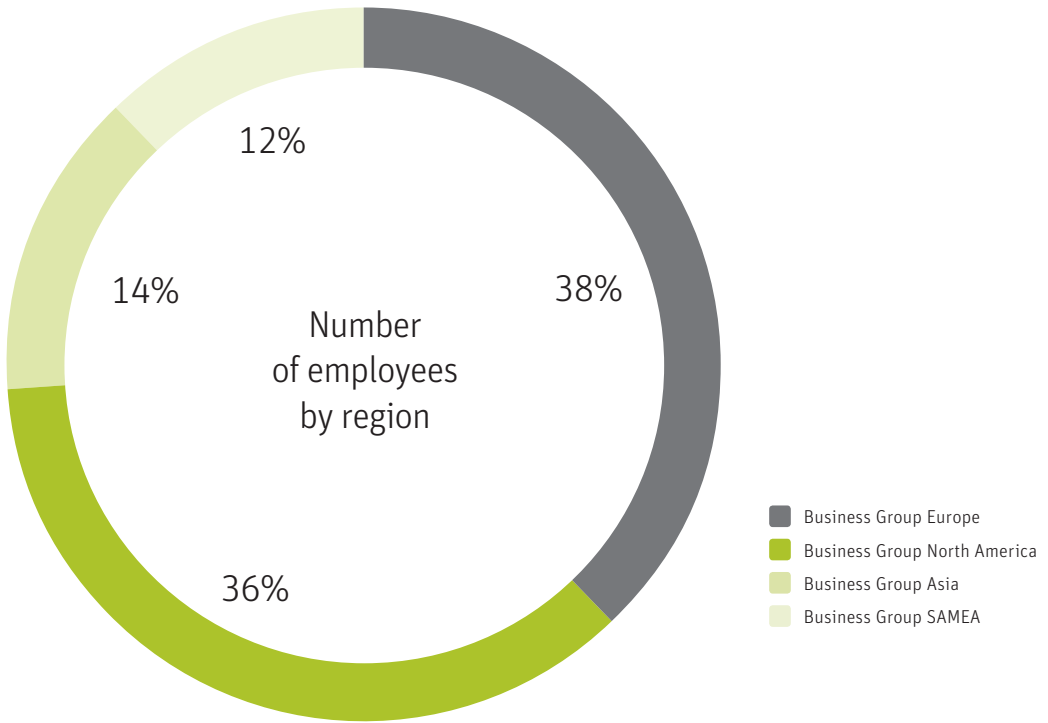
Net profit

CHF million



Operating cash flow

CHF million



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Profitability at new record high – net profit multiplied

Dear shareholders

In a heterogeneous market environment, Autoneum hit a new record high in profitability in 2014. Three years after going public, the results of Autoneum show a remarkable level of profitability achieved by focusing on its core competencies in line with the strategy. In order to include our shareholders in this success, the Board of Directors proposes to increase the dividend to 4.50 CHF.

Sales growth

The production of light vehicles developed unevenly in 2014. While production in Europe, North America and Asia grew, the volume of production in the SAMEA market region (South America, Middle East, Africa, and Russia) fell

sharply compared to the previous year. Altogether, global automobile production rose by a moderate 3.1% to 87.4 million light vehicles. Autoneum increased net sales in local currencies by 1.9% in line with expectations. Due to the lack of sales from the sold Italian subsidiary and the continued devaluation of various currencies, net sales in Swiss francs fell from 2053.3 million CHF to 1954.7 million CHF. Three out of four Business Groups increased sales in local currencies.

New record high in profitability

In 2014, Autoneum reached a new record high in profitability, including a rise in EBITDA by 17.3 million CHF to 201.6 million CHF. This means



Hans-Peter Schwald – Chairman of the Board



Martin Hirzel – Chief Executive Officer

that the EBITDA margin for the first time exceeded the 10% mark. EBIT improved by 17.7 million CHF to 135.1 million CHF, which corresponds to an EBIT margin of 6.9% (2013: 3.9%; 5.7% before restructuring costs). With the increase of 1.2 percentage points in the low-margin industry environment Autoneum has achieved a remarkable level of profitability. All Business Groups recorded a positive EBIT in the reporting year. The decisive factors behind these improved results were the successfully implemented capacity adjustments and associated enhancement of capacity utilization at the existing plants in Europe, the expansion of vertical integration through the in-house production of basic materials and higher production volumes in Asia.

Net profit multiplied, significant rise in earnings per share

Net profit before taxes increased by 86.4% to 120.1 million CHF (2013: 64.5 million CHF). The successful restructuring of subsidiaries enabled loss carryforwards to be recognized so that the tax ratio fell to 14.4%. Net profit after taxes therefore multiplied from 36.2 million CHF to 102.8 million CHF. The decisive

6.9%

The EBIT margin improved to 6.9%.

Key factors for the improved results were the capacity adjustments and associated enhancement of capacity utilization at the plants in Europe, the expansion of vertical integration and higher production volumes in Asia.

factor in this sharp growth was the increase in the operating result. The return on net assets (RONA) rose to 20.3% (2013: 10.3%), which made it more than double the weighted average cost of capital (WACC) of 8.7%.

Investments in the expansion of production capacities in the growth markets, in the increase of the vertical range of manufacture and in operating improvements totaled 101.9 million CHF in 2014 (2013: 80.7 million CHF). Despite this considerable rise in investments, Autoneum kept the operating net working capital at the low prior-year level, and an operating cash flow of 138.2 million CHF was generated (2013: 165.7 million CHF). At the same time net debt decreased to 53.9 million CHF (2013: 75.0 million CHF). The equity ratio improved from 33.0% to 35.7%. Earnings per share rose remarkably to 17.03 CHF (2013: 3.12 CHF), while cash and cash equivalents totaled 140.9 million CHF on December 31, 2014 (2013: 117.9 million CHF).

The significant improvement in the operating and financial performance of Autoneum since going public is also reflected in the more favorable refinancing of the Group. The syndicated loan of 130 million CHF that expired on December 31, 2014, was replaced in August by a new syndicated loan of 150 million CHF. At the same time the two subordinated loans of 12.5 million CHF each granted on the occasion of Autoneum's going public in 2011 were repaid ahead of schedule to the principal shareholders, Michael Pieper and Peter Spuhler.

Further dividend increase planned

In view of the financial progress achieved, the Board of Directors will propose to the Annual General Meeting of March 26, 2015, the payment of a dividend of 4.50 CHF per share (2013: 1.30 CHF). This is equivalent to a distribution of approximately 21 million CHF from the reserve from paid-in capital.

Financial highlights

CHF million	2014	in %	2013	in %	Change	Organic growth ¹
Autoneum Group						
Net sales	1 954.7	100.0%	2 053.3	100.0%	-4.8%	1.9%
EBITDA before loss on disposal and restructuring	201.6	10.3%	184.3	9.0%	9.4%	
EBIT before loss on disposal and restructuring	135.1	6.9%	117.4	5.7%	15.1%	
EBIT	135.1	6.9%	79.2	3.9%	70.7%	
Net profit	102.8	5.3%	36.2	1.8%	184.2%	
Return on net assets in % (RONA) ²	20.3		10.3			
Cash flows from operating activities	138.2		165.7			
Investments in tangible and intangible assets	101.9	5.2%	80.7	3.9%		
Net debt	53.9		75.0			
Number of employees at year-end ³	10 681		10 816		-1.2%	
BG Europe						
Net sales	807.7	100.0%	901.6	100.0%	-10.4%	-0.3%
EBIT before loss on disposal and restructuring	38.7	4.8%	15.4	1.7%		
EBIT	38.7	4.8%	-22.8	-2.5%		
BG North America⁴						
Net sales	882.7	100.0%	892.4	100.0%	-1.1%	1.2%
EBIT	75.1	8.5%	82.6	9.3%		
BG Asia						
Net sales	145.3	100.0%	128.3	100.0%	13.2%	15.0%
EBIT	19.9	13.7%	15.7	12.2%		
BG SAMEA⁵						
Net sales	123.9	100.0%	138.4	100.0%	-10.5%	5.3%
EBIT	1.5	1.2%	3.2	2.3%		
Share AUTN						
Share price at December 31 in CHF	169.50		136.60		24.1%	
Market capitalization at December 31	783.0		633.3		23.6%	
Basic earnings per share in CHF	17.03		3.12		445.8%	
Dividend per share in CHF ⁶	4.50		1.30		246.2%	

¹ Change in local currencies, adjusted for the sale of the Italian subsidiary

² Net profit before interest expenses in relation to equity plus interest bearing liabilities

³ Including temporary employees but excluding apprentices

⁴ Including USA, Canada and Mexico

⁵ Including South America, Middle East, Africa and Russia

⁶ As proposed by the Board of Directors and subject to the approval of the Annual General Meeting



Global light vehicle production grew by 3.1% to around 87 million light vehicles.

10.3%

The EBITDA margin reached a new peak at 10.3%.

10 000

Autoneum employs more than 10 000 people worldwide.



EPS increased from 3.12 CHF to 17.03 CHF.

135.1
million CHF

EBIT rose by 15.1% to 135.1 million CHF.

A horizontal bar chart with two bars. The first bar is grey and represents 10.3%. The second bar is green and represents 20.3%. The bars are positioned above a horizontal dotted line.

10.3%

20.3%

The return on net assets (RONA) improved from 10.3% in 2013 to 20.3%.

A large white percentage '1.9%' is displayed above a horizontal dotted line.

1.9%

Autoneum raised its net sales in local currencies by 1.9%.

Autoneum achieved a remarkable level of profitability by focusing on its core competencies in line with the strategy.

A large green number '102.8' is displayed above the text 'million CHF'. Below this is a horizontal dotted line.

102.8
million CHF

Net profit after taxes multiplied from 36.2 to 102.8 million CHF.

A large white percentage '4.8%' is displayed above a horizontal dotted line.

4.8%

At 4.8%, the EBIT margin of Business Group Europe reached a new profitability level.

Business Groups

Net sales of Business Group Europe nearly reached the previous year's level in local currencies in 2014. In Swiss francs, net sales fell by 10.4% to 807.7 million CHF (2013: 901.6 million CHF) due to the lack of sales from the sold Italian subsidiary and currency effects. With an EBITDA margin of 8.3%, Business Group Europe has exceeded an important mid-term financial objective. EBIT of Business Group Europe improved from 15.4 million CHF in 2013 to 38.7 million CHF thanks to the selective acceptance of orders in line with the strategy, increased production capacity utilization owing to the capacity adjustments completed in 2014 and optimized structural costs. The EBIT margin accordingly rose to 4.8% and in doing so marks a new profitability level for this Business Group.

8.3%

With an EBITDA margin of 8.3%, Business Group Europe has exceeded an important medium-term financial objective.

Business Group North America grew organically by 1.2% in the reporting year. Net sales in Swiss francs fell slightly by 1.1% to 882.7 million CHF (2013: 892.4 million CHF) due to the devaluation of the Canadian dollar. EBIT decreased to 75.1 million CHF (2013: 82.6 million CHF). This is equivalent to 8.5% of net sales. Lower production volumes and model changes among main customers, operating inefficiencies at a US plant with high sales volumes and investments in new production locations in the US impaired the year-on-year result of Business Group North America.

Net sales of Business Group Asia increased by 15.0% in local currencies in 2014. Sales in Swiss francs went up by 13.2% to 145.3 million CHF (2013: 128.3 million CHF). EBIT of Business Group Asia rose by 4.3 million CHF to 19.9 million CHF (2013: 15.7 million CHF), thereby enabling the already high EBIT margin to be increased by 1.5 percentage points to 13.7%. The decisive factors behind the growth were higher production volumes and successful ramp-ups among global customers, operational excellence and the expansion of vertical integration in China.

Business Group SAMEA (South America, Middle East, Africa and Russia) increased sales in local currencies by 5.3%. Net sales in Swiss francs fell by 10.5% to 123.9 million CHF (2013: 138.4 million CHF) due to the devaluation of all currencies in this market region. EBIT totaled 1.5 million CHF (2013: 3.2 million CHF), which is equivalent to 1.2% of net sales. This is attributable to lower production volumes owing to the abrupt market downturn in Brazil. The swift adjustment of the cost structure to the significantly worse market environment and operating progress in Argentina and Turkey mitigated the downturn of the result.

Change in the Group Executive Board

The Board of Directors of Autoneum Holding Ltd has appointed John T. Lenga as Head of Business Group North America and member of the Group Executive Board with effect from March 1, 2015. John T. Lenga, who has been responsible since 2007 as Chief Financial Officer of Business Group North America, succeeds Richard Derr, who retired at the end of February 2015. Richard Derr managed Business Group North America from 2004 until 2011 as a member of the Executive Committee of the Automotive Systems division of Rieter Holding Ltd and following Autoneum's going public in May 2011 as a member of the Group Executive Board. The Board of Directors and

CEO Martin Hirzel thank Richard Derr for his significant contribution and high level of commitment to the further development of Business Group North America and wish him all the best for this new stage in his life.

Outlook

A subdued increase in global automobile production of around 2% to approximately 90 million light vehicles is expected in 2015. In view of this challenging market environment, Autoneum expects to be able to grow by between 4% and 5% in local currencies in line with its financial mid-term targets. However, the present appreciation of the Swiss franc against other currencies will cause consolidated Group sales in Swiss francs to decrease slightly on 2014 in spite of the intended organic growth. Despite the negative currency effects, the Group's operating margin should increase further.

Thank you

On behalf of the Board of Directors and the Group Executive Board, we would like to thank our shareholders, customers and business partners, and the committed employees of Autoneum.

Winterthur, March 4, 2015



Hans-Peter Schwald
Chairman of the Board

Martin Hirzel
Chief Executive Officer

In 2015, Autoneum expects to achieve a sales growth of between 4% and 5% in local currencies and to further increase its operating margin despite negative currency effects.

Competence for the automotive future

Autoneum further enhanced its corporate profile as a successful automobile supplier in 2014. Whether in the development and market launch of innovative products, the expansion of customer relations or the strengthening of the brand: today Autoneum is a well-established and sought-after global player in the automotive industry.

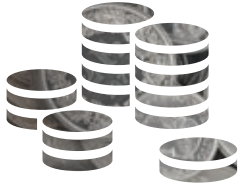


Solutions for future requirements

The automotive industry across the world is shaped by global trends that are exerting a major influence on the development of future vehicle models and components. The focus of these is increasingly lying on reducing the environmental impact caused by traffic. Regulations governing fuel consumption and CO₂ emissions are not only an issue in Europe but are gaining significance throughout the world. Following the EU regulation concerning pass-by noise introduced in 2014, the acoustic management of vehicles will in future become crucial for achieving the required noise reduction of vehicles. In order to develop the most suitable product for customers and convince them with innovative technologies, systematic predevelopment is essential. Preliminary studies on weight reduction by means of lightweight inner dashes made of Hybrid-Acoustics at a European SUV and a

Korean automobile manufacturer resulted in corresponding orders for Autoneum in the reporting year. Autoneum also supplied US and Japanese OEMs with innovative sound insulation systems for the interior floor following appropriate preliminary studies. Demand for Autoneum's measurement systems used in predevelopment peaked in 2014. Both automobile manufacturers and suppliers make use of the measurement systems throughout the world in product development, thereby once again confirming Autoneum's technological expertise.

Autoneum's brand image was sustainably strengthened by numerous measures in 2014. For instance, Autoneum selected the "World Car Awards" for its first global sponsorship campaign. The decisive factors for the sponsorship of this industry-leading award are the shared commitment to innovation and the common goal to promote operational excellence in the automotive industry. Awareness of the Autoneum brand as a leading automobile supplier in acoustic and thermal management was enhanced with an image campaign, the expansion of social media activities, and the new corporate slogan "Autoneum. Mastering sound and heat".



Profitability: basis for expansion

The selective acceptance of customer orders in line with the strategy that has been pursued since 2011 led to a growth in sales of 1.9% in 2014, which is below the annual average, while simultaneously reaching new highs in profitability. For the first time the EBIT margin reached what for an automotive supplier is an outstanding level of 6.9% while net profit

multiplied. These significant improvements in profitability have created the financial basis for the further expansion of production capacities to enable future sales growth also to be achieved. The production locations completed in 2014 in the USA – the Autoneum plant in Jeffersonville, Indiana, and the plant of the Autoneum subsidiary UGN in Monroe, Ohio – have already received orders for interior components and are preparing for serial production. With the launch of the textile underbody technology Ultra-Silent in the North American market Autoneum simultaneously laid the foundation for future sales growth with lightweight and multifunctional underbody shields for globally active car manufacturers.

Expansion of customer portfolio

In order also to be able to offer Korean automobile manufacturers innovative and high-performance solutions for acoustic and thermal management in their home market, Autoneum established a location in South Korea in the reporting year. This means that Korean manufacturers will now already benefit from Autoneum's long-standing expertise and extensive product portfolio during the vehicle development and prototype phase. With its new location Autoneum is not only making use of the potential of the South Korean automobile market, which is the third largest in Asia after China and Japan, but also creates the basis for expanding its collaboration with Korean OEMs on global production platforms. The thereby intended expansion of the market share in Asia is also being supported by initial extensive serial orders from two of the largest Chinese OEMs that are being supplied from the existing Autoneum plants in China and by the supply of vehicle models of British and US customers



that are now being produced in China. The utilization of production capacities in Europe is particularly secured in the Czech Republic, Poland, Belgium, and Spain due to follow-up orders for volume models of European vehicle manufacturers.

A large number of awards for customer satisfaction reflected the esteem enjoyed by Autoneum as a reliable and long-standing partner of OEMs. For example, the plants in Katowice, Poland, Bloomsburg, USA, and London, Canada, received the "GM Supplier Quality Excellence Award". In addition, the plant in Katowice was singled out by PSA Peugeot Citroën as one of the "Best Plants of 2013". The plant in Valldoreix, Spain, was honored for the first time as "Ford Q1

Supplier". Volvo not only rewarded the plants in Genk, Belgium, and Choceň, Czech Republic, with the "Quality Excellence Award", but also paid tribute to the Polish plant in Katowice for

its environmental and social sustainability and the Swiss plant in Sevelen for the innovative Ultra-Silent technology.



Innovative technologies secure market leadership

As a technology leader, the continuous development of new products that already meet future requirements today is decisive for Autoneum's long-term business success. Autoneum expanded its product portfolio in 2014 with innovative heatshields. As well as reflecting heat thanks to a specifically designed perforation, heatshields made of RIMIC also offer acoustic absorption that reduces both the

interior and exterior noise of vehicles. In combination with sound absorbers such as Theta-Cell, RIMIC heatshields now also provide protection against high-frequency sounds. RIMIC-based heatshields are already being used in vehicle models produced by European and Japanese automobile manufacturers. With Di-Light, Autoneum launched an innovative technology for needlepunch carpets in the reporting year. Carpet systems made of Di-Light not only weigh less than standard needlepunch carpets but are considerably more durable and therefore offer enhanced haptics and optics. The material, produced of recycled PET bottles, will enter serial production for needlepunch carpets in European and American car models from 2015.

Long-term success thanks to operational excellence

A key factor for further profitable growth is to increase the vertical range of manufacture through the production of basic materials. In 2014 Autoneum invested in additional carpet and felt production lines in Europe and China, facilities for the production of damping materials in South America and new facilities for the manufacturing of tailor-made felt blanks for bulkhead and floor components at North American and Asian locations. This will enable



the basic material for components and products to be manufactured with a high share of proprietary value creation.

Following the successful introduction of an ERP system at the Swiss locations in the previous year, this was also implemented at all

North American locations (USA, Canada, and Mexico) in 2014 without any impairment to production. The cross-divisional standardized business processes secured in this manner form the basis for future efficiency improvements.

The internal global exchange of knowledge that is already practiced intensively was

expanded further in 2014. A large number of conferences, training courses and workshops held for the first time in overarching corporate divisions such as Sales, Marketing, Communication and HR served not only to inform employees but also to enhance their knowledge and skills through best practice sharing.



Living a high-performance culture – assuming social responsibility

Environmental and social sustainability are an essential part of Autoneum’s corporate activities. The aim of Autoneum is therefore to further promote the social engagement of its employees at its locations worldwide. To this end a “Social Engagement Award” was offered throughout the Group in 2014 and presented to an employee in recognition of her engagement in a development aid project. The “Casa Guatemala Children’s Village” singled out for the Social Engagement Award offers orphaned

and neglected children in the northeast of Guatemala shelter, education and medical care. Thanks to the financial support of Autoneum, the water supply of the children’s village has been secured financially through the company’s donations.

Living a high-performance culture at all corporate locations is not possible without continuous communication and intensive dialogue with the employees. An employee satisfaction survey based on the existing corporate values was therefore carried out for the first time among all employees worldwide in 2014. The general satisfaction of employees confirms the consistent focusing of business activities on the corporate values. At the same time, the survey findings serve as a basis for future active dialogue with the employees.

Quo vadis, mobility?

An interview with Jim Carroll,
trend and innovation expert



Mr. Carroll, you are well-known as one of the world's leading futurists and experts on trends and innovations. From your point of view, what are the key trends and challenges in the automotive industry?

As a side note, the automotive industry is a growth industry and annual light vehicle production worldwide is expected to exceed the 100 million mark by 2018. I believe three key trends are evident. The dominant role of the Asia-Pacific region in the global automotive market of the future will not be driven by China alone; Indonesia and Thailand are also becoming important markets, and Mexico is in the fast lane, too. The second global trend is the growing use of various production platforms in the context of the standardization of modular platforms as the industry strives to become more efficient while also offering a broad and diversified product portfolio. CO₂ emissions are becoming an even more major concern due to the increasingly tough regulations worldwide. And while we are currently seeing lower carbon-based fuel prices, there is no doubt that a clear trend toward the development of alternatives, especially electric powertrains, remains the clear priority.

Could you please outline the impact of these trends for automobile suppliers?

As a consequence of increasing numbers of products, shorter technology cycles, rising pressure to innovate and global supply networks, and certainly the impact of technology and connectivity as primary in-vehicle features, automobile suppliers are confronted with ever-greater complexity. Tough competition makes efficiency, inventiveness and flexibility a must. As OEMs seek to develop optimized powertrain technologies, suppliers are likely to provide more value-added content per vehicle. Especially in emerging markets, the suppliers' production footprints will have to meet future market demands as everyone will have to deal with emerging Chinese players entering new segments and markets. Global presence

and a broad knowledge base are essential for offering product ranges tailored to address the realities and special needs of each market. Every supplier will have to carve out a position for himself in an extremely complex global network. This means managing relationships, building on one's own strengths and core competencies as well as sharpening the brand.

100 million

Annual light vehicle production worldwide is expected to exceed the 100 million mark by 2018.

How will the demand for cars and sustainable mobility evolve within the next few years?

To secure individual mobility, OEMs and automobile suppliers are focusing on safety, environmental compatibility and the preservation of resources. New technologies will change cars dramatically. This includes enhanced driver support and higher fuel efficiency as well as new or improved powertrains. In particular, it means focusing on connectivity and in-car electronics. Future cars will not really think for themselves, but they will be able to respond and remind us of things as they will be equipped with driver-assistance apps and active safety features. Cars of the future will also host infotainment services, enhance the usability of smartphone capabilities and support the driver with traffic and tourism information and suchlike. It is a great opportunity for suppliers, for example, to generate highly profitable digital media revenues, but there are risks, too. Since OEMs need to build up relationships with affiliated companies that can create apps tailor-made for cars, the number of players involved in the automotive sector has already become larger than ever. The other risk is that historically, technology companies innovate faster than other sectors of the economy, and

so automobile manufacturers and suppliers are going to have to learn to significantly increase their velocity of innovation.

Against this background, which direction will product development take in your opinion?

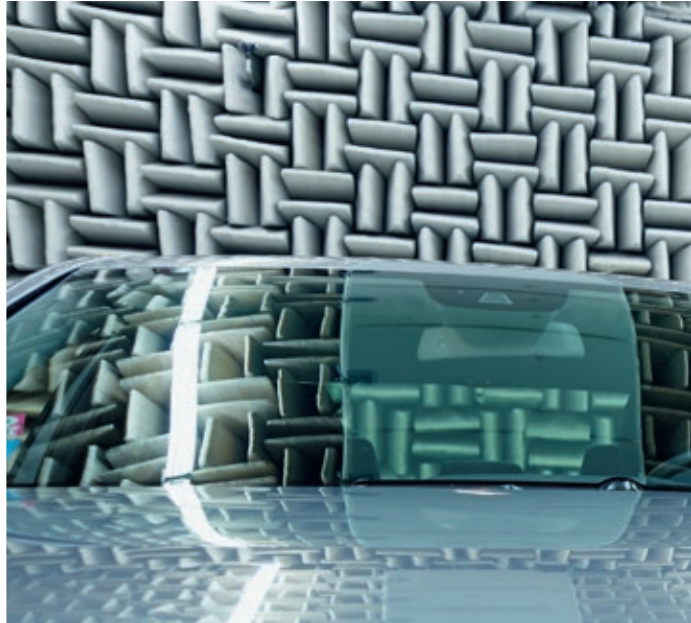
Even suppliers that have had a measure of success will need to go on transforming their business and focus on sustainable products. Not only new powertrain concepts and materials are changing the structure of the supplier industry; new vehicle concepts are contributing to it, too. To generate unique selling propositions, automakers constantly focus on developing innovative technical features that improve safety and driving comfort, ultimately aiming at the realization of autonomous driving as a suitable concept for everyday life. A car based on this concept could give its driver maximum relief from stress and responsibilities using holistic traffic information input generated via several sensors, cameras and assistance programs. This seems to be the ultimate response to faster traffic flow and increasing urbanization, and the growing demands they make on all traffic participants. From my point of view, however, there is still a long way to go, so this is primarily a long-term goal.

“Automobile manufacturers and suppliers have to significantly increase their velocity of innovation.”

What do you expect in the short term of the automotive industry?

In comparison to self-driving cars, alternative powertrain concepts such as hybrids, plug-in hybrids and pure electric vehicles are in today's focus, but they have to be affordable and

competitive as consumers are extremely price-sensitive. Restrictions of this kind put these technologies in a different order of preference with regard to their chances of becoming a common alternative to combustion engines. Electric vehicles now exist in reality. The concept that comes the closest to realization and consumer acceptance is the plug-in hybrid, and this is followed by battery electric vehicles. The interest for pure battery electric cars and with it their market share depends on the recharging infrastructure, which is still limited



at present. For this reason, models with range extenders are more future-proof. A technology that can be seen as an example of a typical miscalculation in this field is fuel cell technology. After the initial hype, expectations now seem more realistic. It is therefore obvious that, of the alternative powertrain concepts available at present, the plug-in hybrid is the one that customers prefer.

Besides fuel efficiency, drivers demand a high degree of comfort in their cars. Products therefore need to be multifunctional.

What do you intend to be the product category with the highest potential in this regard?

To provide just one meaningful example, lightweight products are particularly attractive for automobile manufacturers because they are multifunctional and thereby meet different demands. Obviously, they contribute to efforts aiming at reducing CO₂ emissions, but at the same time they offer various potential advantages when it comes to introducing new production methods, saving raw materials, improving driving performance through weight



reduction or implementing additional benefits not possible with the usual products or materials. To be part of the automotive supply chain, a product has to fulfill more than one purpose.

To cope with the challenges mentioned, automotive suppliers always need to think at least one step ahead. What should be taken into consideration?

There are a few principal trends with regard to the direction that specific trends will take now and in the future. You can see these as a structure of macro and micro trends. One of

the main trends is the general increase in comfort. This includes stress-free driving in the sense of autonomous driving as well as the fact of being connected to the world via the Internet wherever you go. As I already mentioned before, another principal trend is multifunctionality.

“OEMs and suppliers need to focus on trends such as multifunctionality, connectivity, and alternative powertrain concepts.”


This concerns all areas of automobile production and development. The lightweight example mentioned shows the way for OEMs and for suppliers alike: constant lightweighting will require a holistic view of materials and of construction and production technologies.

How can the automotive industry improve mobility for future generations?

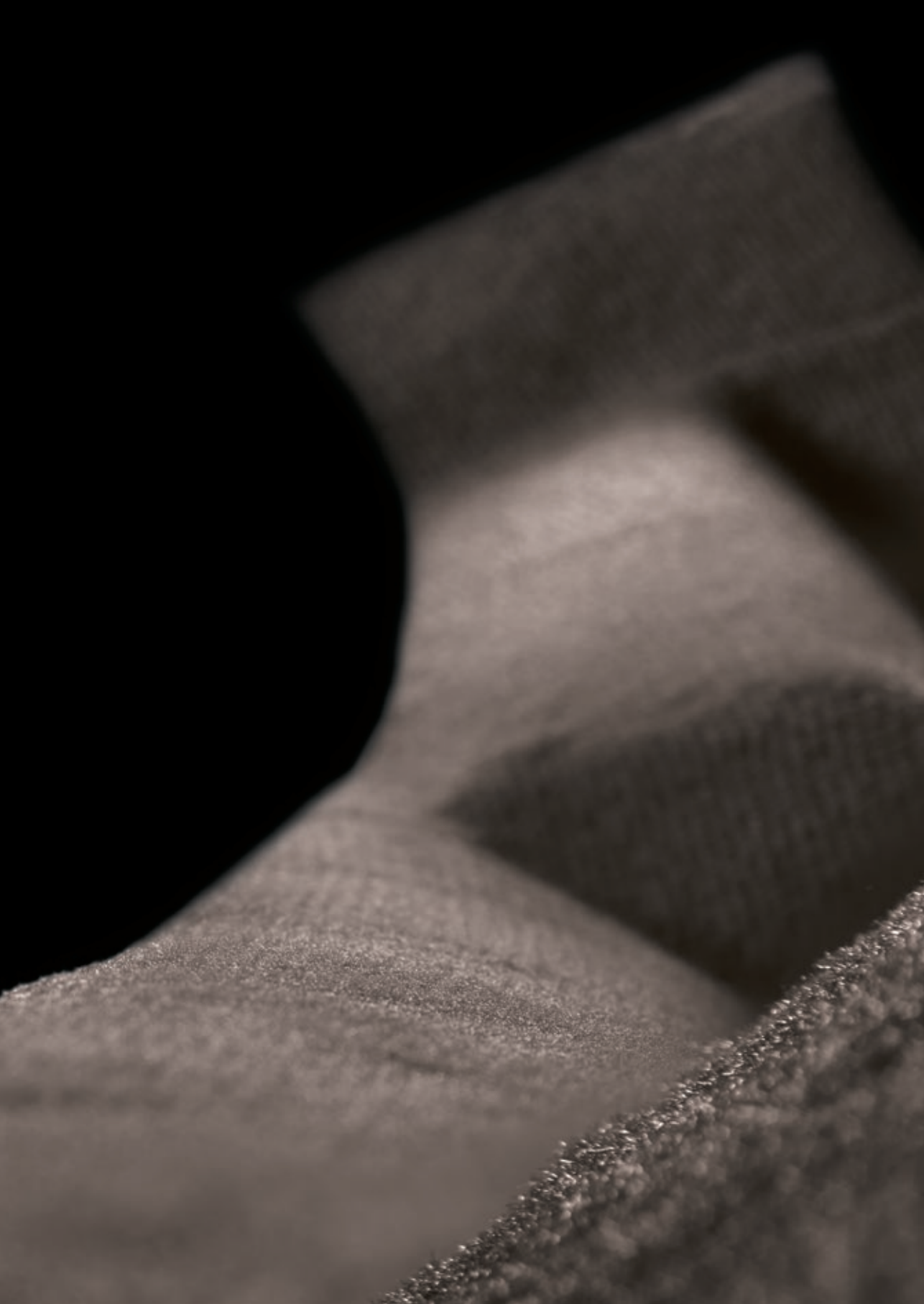
In order to meet both customer demands and stringent emissions standards, trends such as multifunctionality, connectivity and alternative powertrain concepts are in the focus of OEMs and suppliers. Among other things, weight reduction will become more and more important, and as a consequence, so will lightweight materials combined with optimized acoustic characteristics. Advanced combustion engines will become commonplace in the future, and smart efficiency and digital intelligence will be the key drivers.


Mr. Carroll, thank you for talking to us!





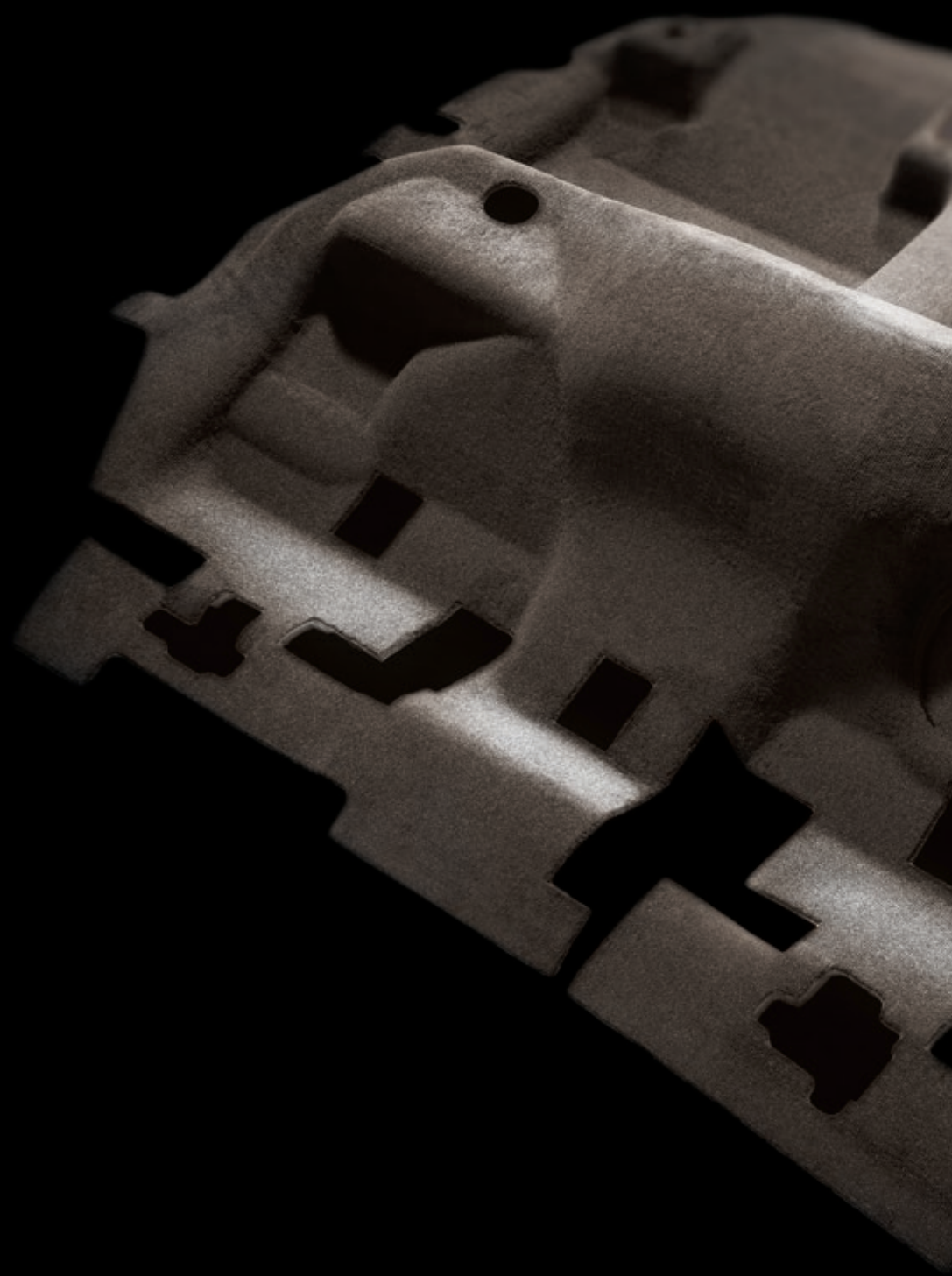
Autoneum is also onboard.
Not necessarily visibly,
but always perceptibly.

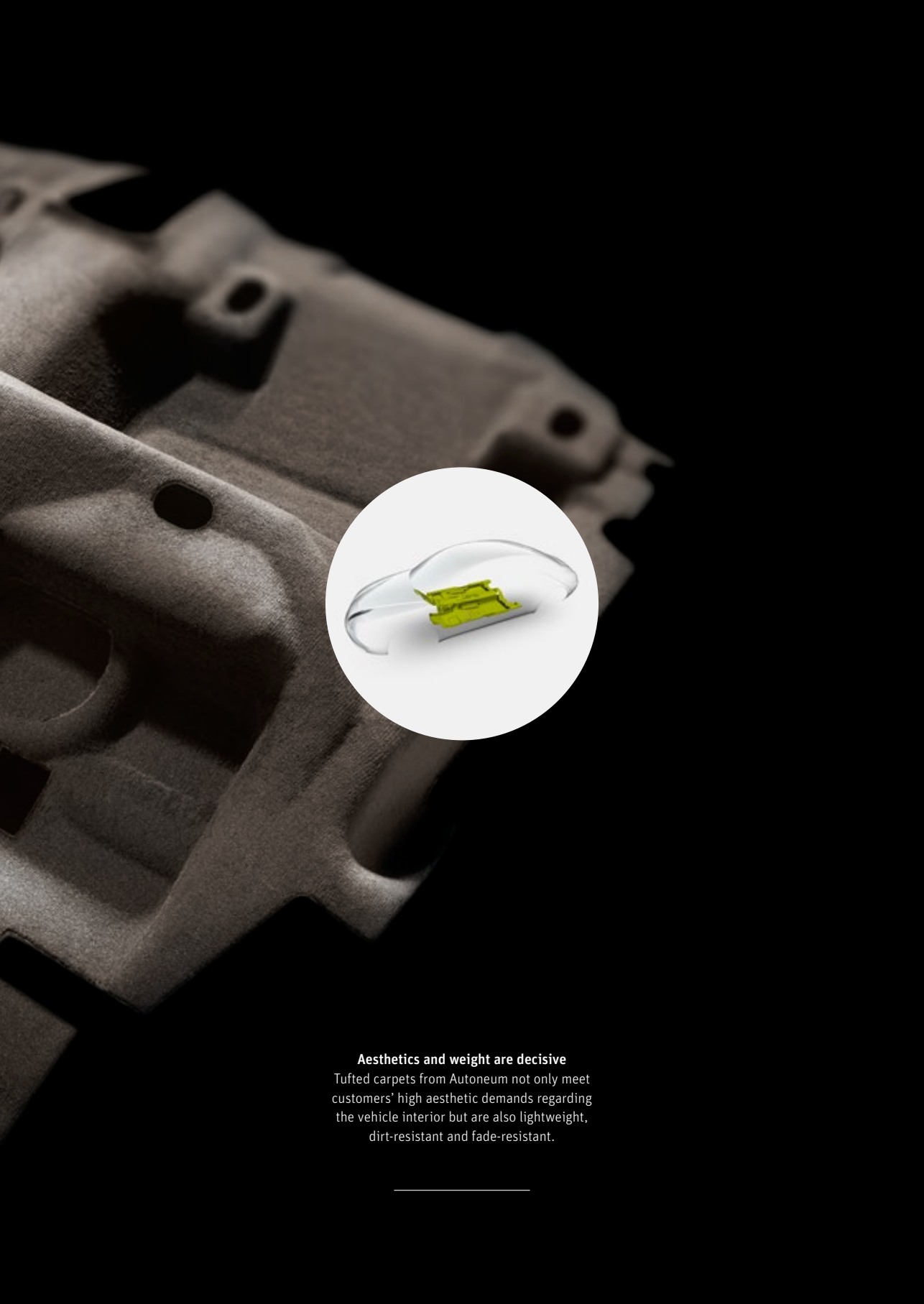


A close-up, black and white photograph of a textured carpet surface. The carpet fibers are visible, creating a granular, uneven texture. The lighting is dramatic, with a strong diagonal shadow line running from the top left towards the bottom right, highlighting the texture of the carpet. The background is dark and out of focus.

Sustained value

Carpet systems reduce noise entering the passenger compartment from the road or engine bay, thereby enhancing driving comfort.





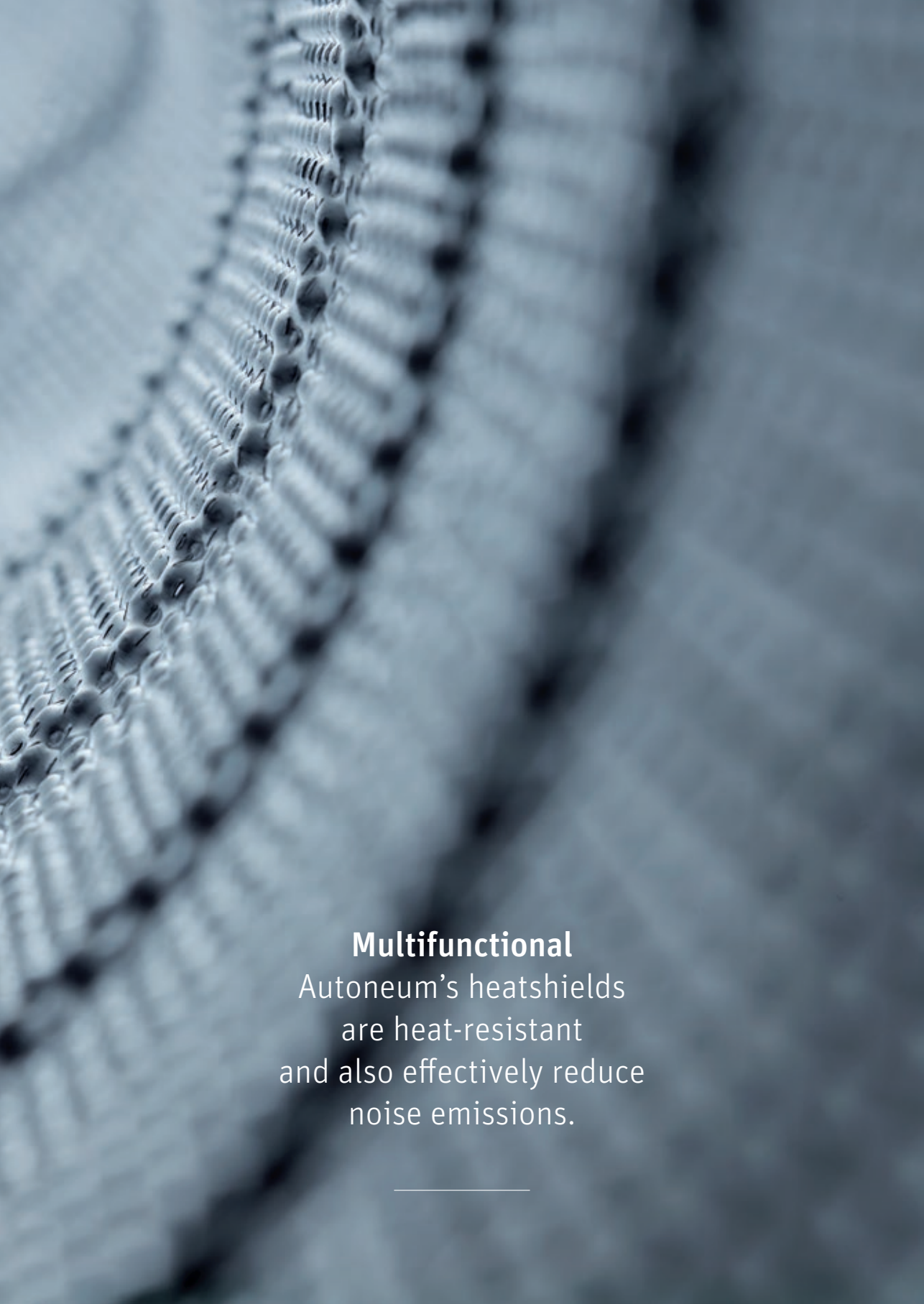
Aesthetics and weight are decisive

Tufted carpets from Autoneum not only meet customers' high aesthetic demands regarding the vehicle interior but are also lightweight, dirt-resistant and fade-resistant.



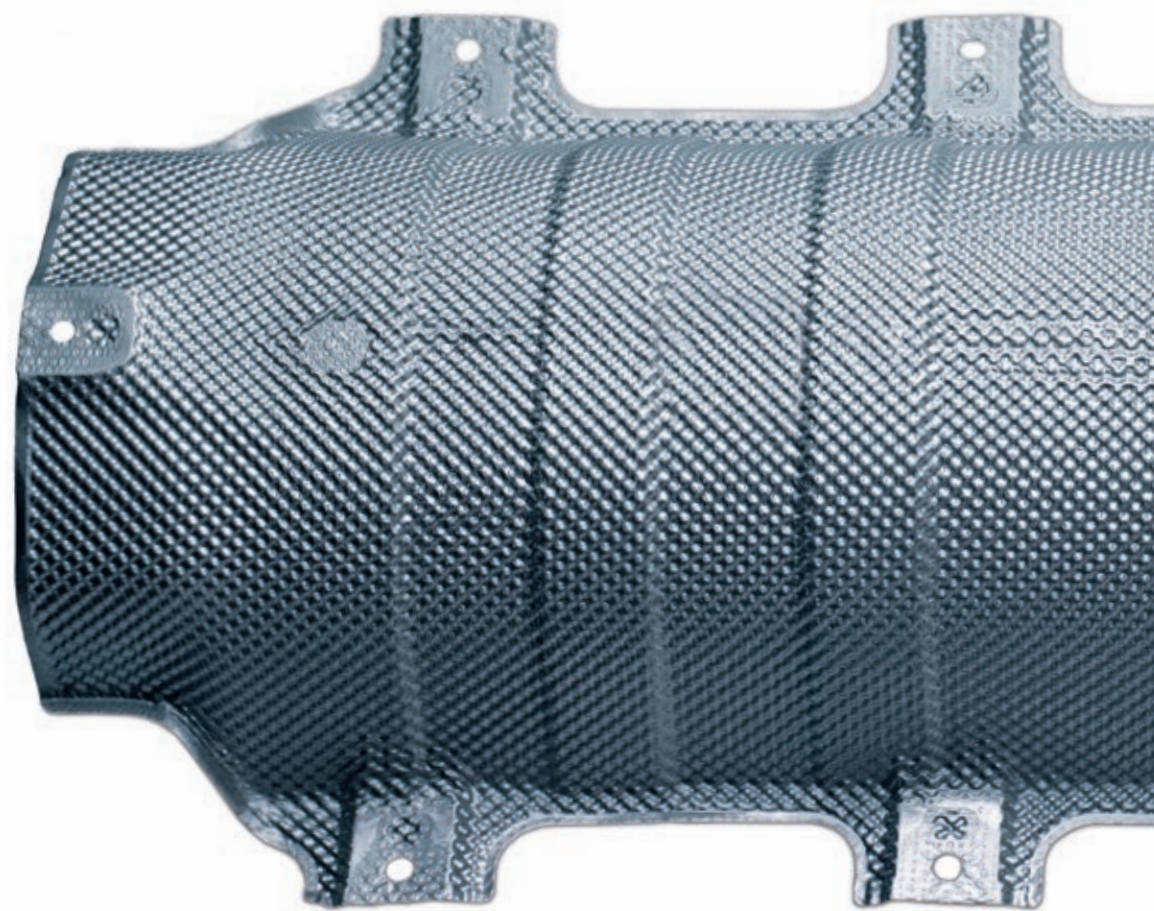






Multifunctional

Autoneum's heatshields
are heat-resistant
and also effectively reduce
noise emissions.






Quieter thanks to microperforation

Heatshields made of RIMIC reduce the interior and exterior noise of vehicles by absorbing sound. The acoustic performance is achieved through the perforation of the shield.





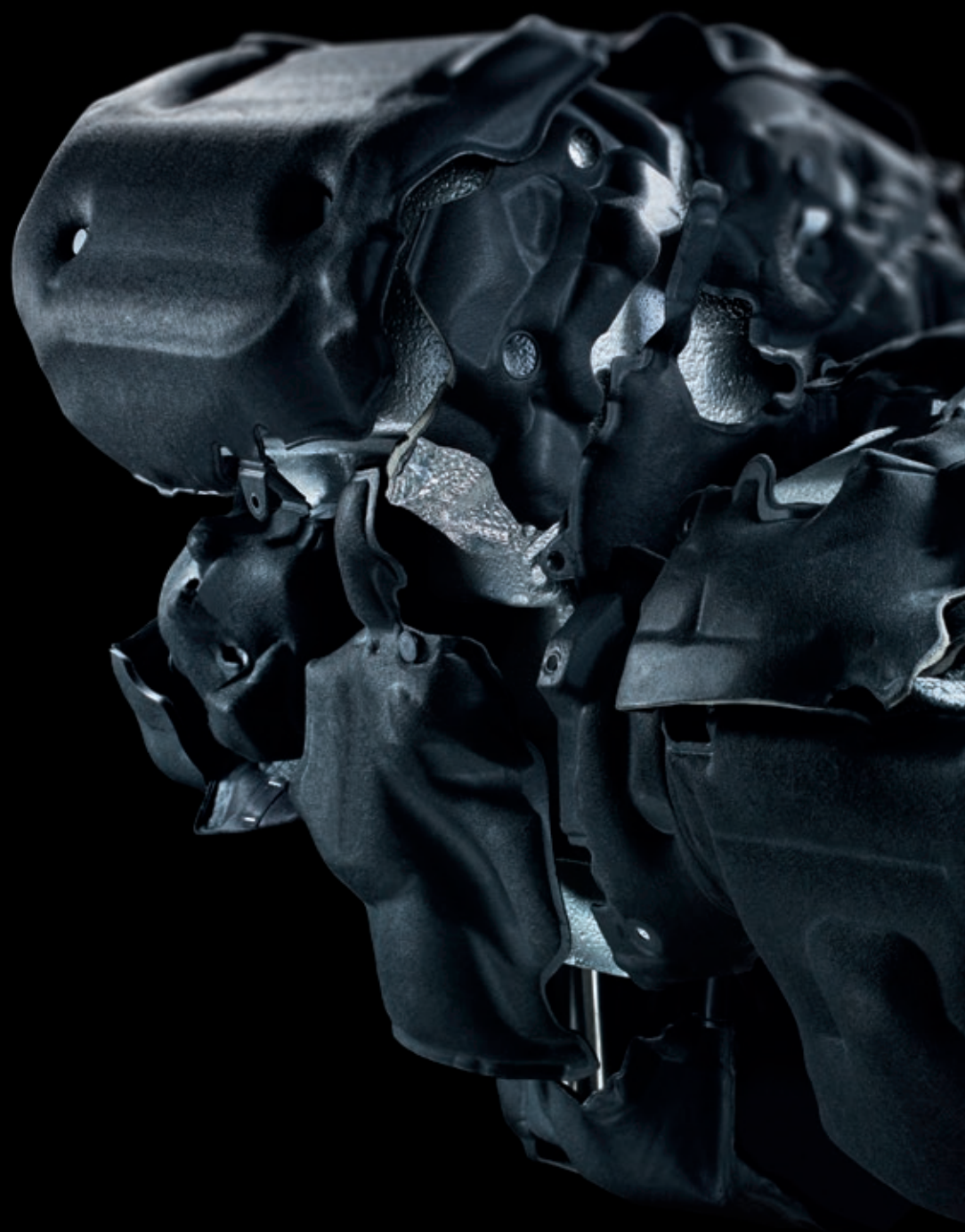


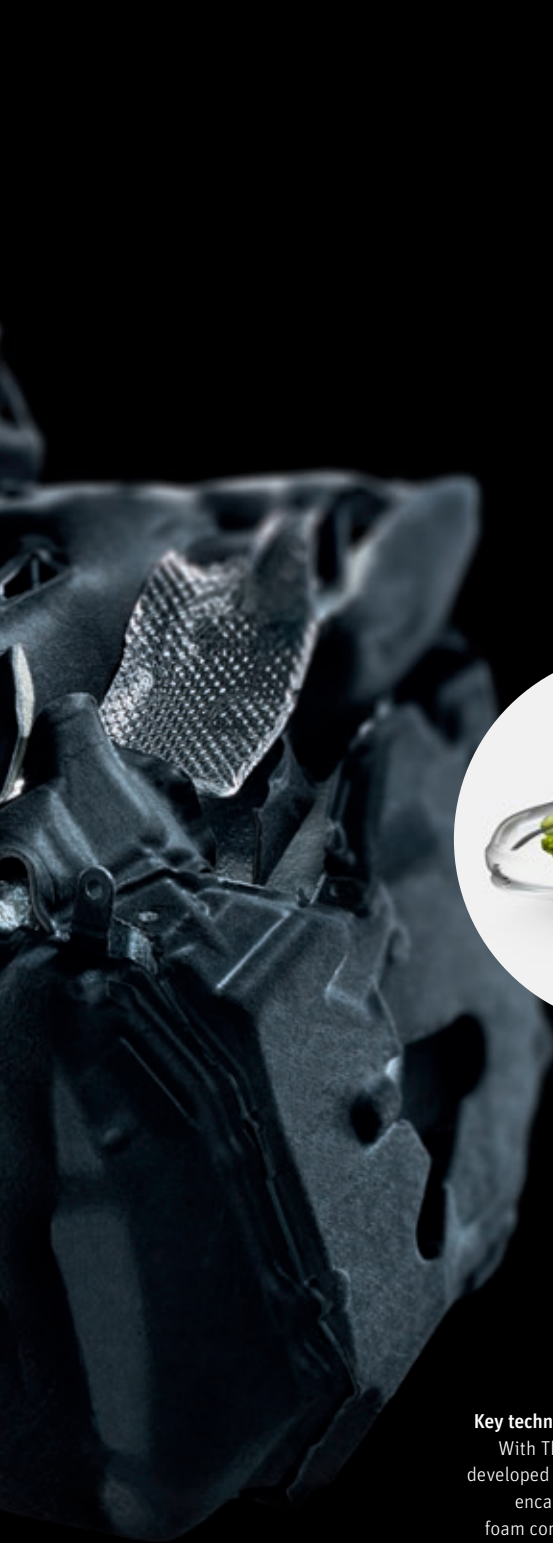
Heat-retaining

Engine encapsulations store heat in the engine bay for longer periods.

This reduces fuel consumption at the next cold start, thereby cutting emissions accordingly.







Key technology for engine encapsulations

With Theta-FiberCell, Autoneum has developed an innovative material for engine encapsulations. The robust fiber foam components are able to withstand engine vibrations and temperatures of up to 200°C.



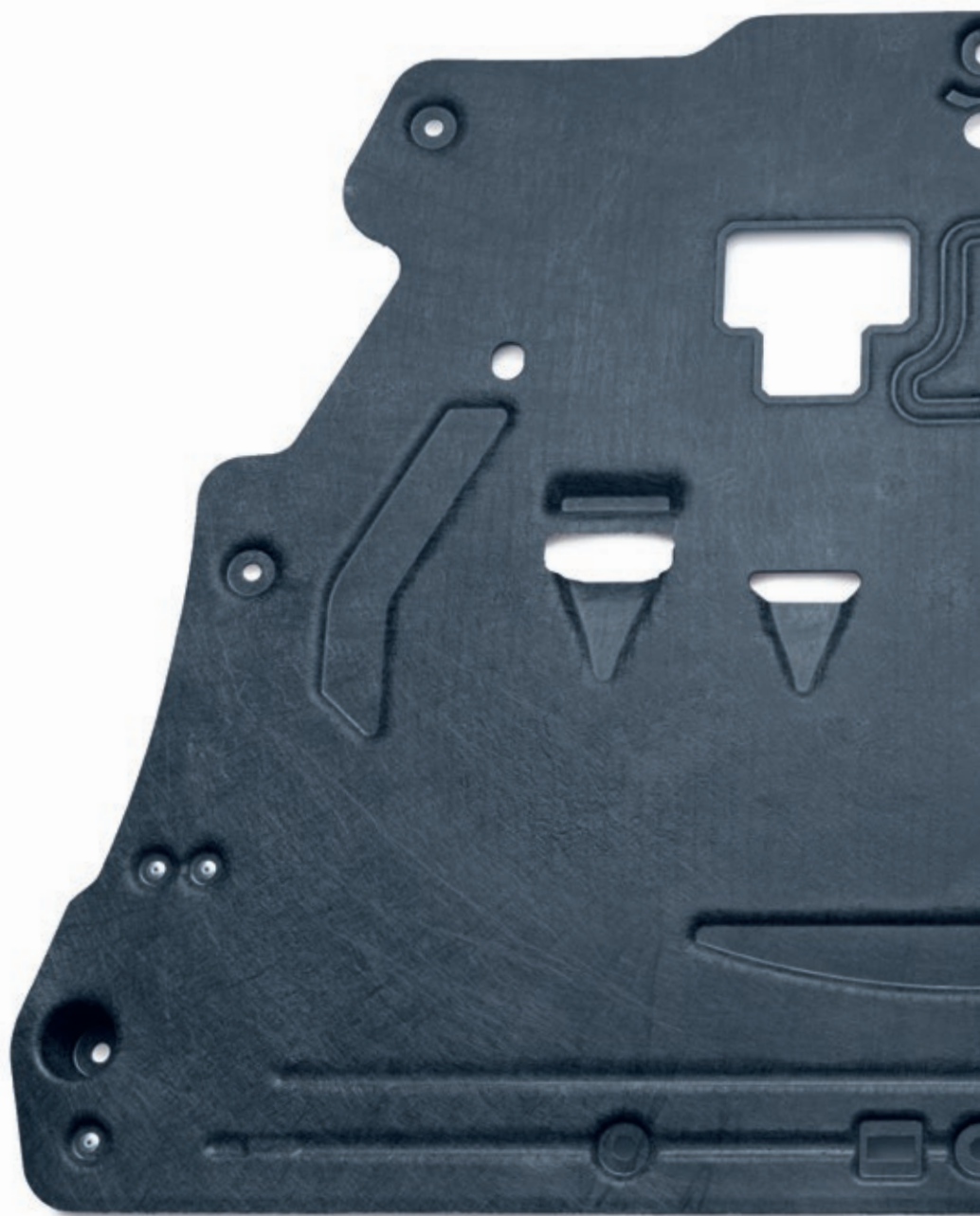


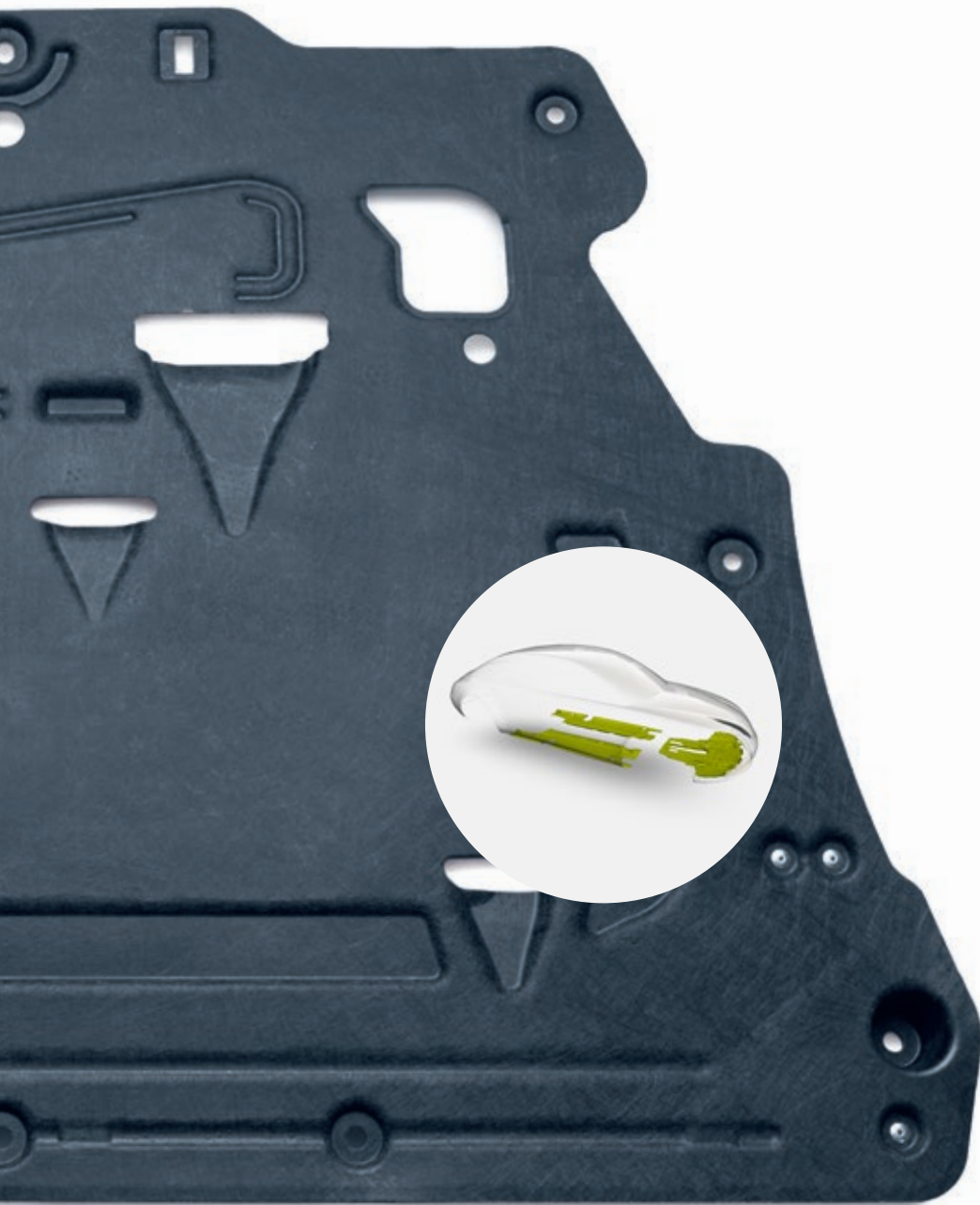
Lightweight

Autoneum produces underbody systems that weigh only half as much as conventional plastic solutions. Their manufacture is particularly environmentally friendly thanks to the use of recycled PET bottles.









Improved aerodynamics, less noise

Underbody systems enhance the aerodynamics of vehicles, thereby improving fuel efficiency and reducing CO₂ emissions.

The textile underbodies made of Ultra-Silent offer optimum stone chip protection and a high degree of resistance to impact.



In the development and manufacture of components, Autoneum sets great store on keeping the environmental impacts as low as possible throughout the entire product life cycle. This includes both the sustainable use of raw materials as well as the greatest possible recyclability of the products.

Sustainability – an integral part of global corporate activities

The principle of responsible conduct is one of Autoneum’s success factors. Sustainability at Autoneum includes careful handling of the environment and natural resources, responsible management of employees and an open dialogue with customers, business partners, authorities and the public.

Autoneum aims to keep the environmental impact caused by its products as low as possible throughout the entire product life cycle. This includes production procedures that facilitate a more effective utilization of the raw materials used. This not only concerns the recycling of production waste but also achieving the highest possible degree of recyclability of the manufactured components.

Autoneum’s innovations improve the environmental performance of vehicles in multiple ways. As well as helping to reduce interior and exterior vehicle noise, they also lower the weight of vehicles by means of lightweight construction, which in turn leads to lower fuel consumption and fewer CO₂ emissions.

In order to further reduce the environmental impact of components and systems, Autoneum launched an improved version of the “Eco Design Tool” software developed in-house

in the reporting year. This software can be used to forecast, analyze and optimize the selection of raw materials, the re-use of production waste and the energy efficiency of the manufacturing processes of individual products.

The further improvement of production processes was once again among the sustainability priorities of Autoneum in 2014. For example, in Behror, India, and Choceň, Czech Republic, the company reduced the size of the felt blanks used and optimized their cut in order to avoid production waste. An automatic waste extraction unit initially deployed in A Rúa, Spain, has been installed at three additional European locations in order to simplify internal production waste disposal. This means that fewer forklift trucks are required, which has a positive impact on occupational safety. Furthermore, twelve production locations across the world from all four Business Groups have implemented further

energy-saving measures; for instance, in Guangzhou, China, conventional lightbulbs have been replaced by LED lights.



The multifunctional and lightweight products of Autoneum improve the environmental performance of vehicles.

Global standards

Another focus of Autoneum's sustainability activities lies in the expansion of globally standardized processes at all sites. For this reason, among other things the standards for dealing with operational disruptions arising due to fire or flooding were revised and expanded in 2014 in order to continue production in such crisis situations as best as possible. At the same time the newly created "Global Procurement" department conducted detailed quality assessments of suppliers and enhanced the efficiency of material acquisition by reducing and standardizing the quantity and variety of raw materials used.

Compliance trainings

Autoneum not only respects local laws and provisions but also maintains business relations with all partners that are shaped by trust and respect. The corresponding guide-

lines are set out in the company's Code of Conduct¹. In order to sensitize the employees to the importance of these requirements, Autoneum held compliance trainings at numerous sites across the world in 2014.

By strengthening the Quality, Environmental, Health and Safety department (QEHS), Autoneum underlines the high priority accorded to Group-wide safety conditions and guarantees effective safety training for all employees: skilled QEHS professionals within the company were appointed as regional training officers and have since been responsible for the training and development of plant managers and QEHS experts at the production sites assigned to them.

A cross-border training course for the development of intercultural skills was held in 2014 for newly appointed managers. In addition, training courses for senior managers took place for the first time in the reporting year to enable the latter to anchor the company's values more strongly within their teams and areas of responsibility.

Based on the contract concluded in 2012 which regulates cooperation between Autoneum and the European Works Council, members of the company's Group Executive Board informed and consulted the European Works Council on specific issues concerning Business Group Europe in 2014².

¹ Published and available for download as a pdf document on Autoneum's website at www.autoneum.com/about-autoneum/code-of-conduct.

² There are no statutory requirements concerning such employee representations in the regions of the other Business Groups.

Corporate Governance

Autoneum is a globally oriented company that is committed to creating long-term value. As such, it considers high standards of Corporate Governance of utmost importance. A policy of transparent information provision to its various stakeholder groups creates a basis for mutual trust.

The rules and regulations of Corporate Governance are laid out in numerous Autoneum documents, in particular the Articles of Association¹, the Organizational Regulations² and the Board Committee Regulations. The content and structure of this report conform to the Corporate Governance guidelines and their related commentaries published by the SIX Swiss Exchange.

New legal regulations for listed companies in Switzerland came into force as of January 1, 2014, with the “Ordinance against Excessive Compensation in Listed Stock Corporations” (Ordinance) that replaced Art. 663b^{bis} of the Swiss Code of Obligations and contain more extensive provisions concerning the remuneration of the Board of Directors and Group Executive Board. After the approval of the shareholders at the 2014 Annual General Meeting, the ordinance was implemented and the Articles of Association¹ were amended accordingly. The Board of Directors also revised the Organizational Regulations² in the reporting year.

Unless stated otherwise, the data pertain to December 31, 2014. Information will be updated regularly on www.autoneum.com/investor-relations. Some data refer to the financial section of this Annual Report.

The Remuneration report can be found from page 104 onwards.

1 Group structure and shareholders

Group structure

Autoneum Holding Ltd is a company incorporated under Swiss law, with its registered offices in Winterthur. Its shares are listed on the SIX Swiss Exchange (securities code 12748036, ISIN CH0127480363, symbol AUTN). Market capitalization as of December 31, 2014, was 783.0 million CHF.

Autoneum Group consists of the four Business Groups Europe, North America, Asia, and SAMEA (South America, Middle East, Africa, and Russia), the Corporate Finance department and those cross functions that report directly to the CEO. It includes all

¹ www.autoneum.com/investor-relations/corporate-governance/

² www.autoneum.com/about-autoneum/

companies controlled by Autoneum Holding Ltd.

Within the framework of internal regulations, the Business Groups are responsible for the profitability of each individual company with the exception of those business activities and companies that report directly to the CEO.

Each Business Group has been established for a clearly defined and demarcated specific market region. Each of these Business Groups conducts its business within the framework of the Organizational Regulations³ and under the leadership of the Business Group Head, who reports directly to the CEO of the Autoneum Group.

The segment reporting information can be found on page 79f.

The Corporate Finance department and those cross functions that report directly to the CEO support the CEO, the Business Group Heads, and the Board of Directors in their management and supervisory functions, and are responsible for the activities outside the

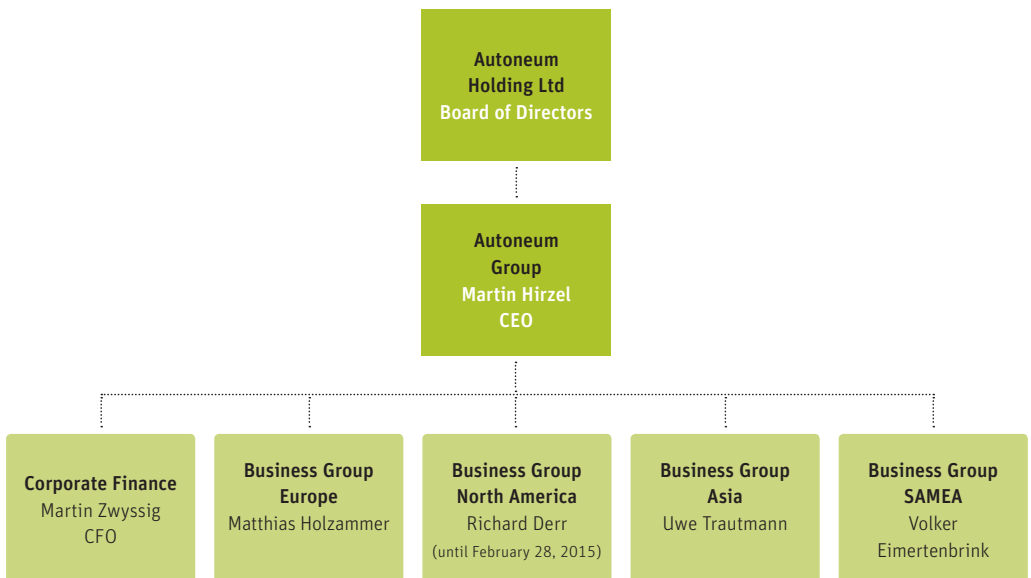
Business Groups such as management of holding companies and pension funds. Subsidiary companies are founded based on legal, business, and financial considerations. One responsible person (Head of Legal Unit) is appointed for each company. He is responsible for local financial management as well as for compliance with national laws and regulations and internal guidelines.

Companies with participation of further shareholders are principally managed as described above and according to the respective agreements.

35 companies worldwide belonged to the Autoneum Group as of December 31, 2014. An overview on affiliates comprising the names, domiciles and share capital of the affiliates and the voting rights held by the Autoneum Group can be found on page 102. The management organization of the Autoneum Group is independent of the legal structure of the Group and the individual companies.

Organization

As per December 31, 2014



³ www.autoneum.com/about-autoneum/

Significant shareholders

As of December 31, 2014, Autoneum was aware of the following shareholders with 3% or more of all voting rights in the company:

- Artemis Beteiligungen I AG/Centinox Holding AG/Michael Pieper, Hergiswil, Switzerland
- PCS Holding Ltd, Warth-Weiningen/Peter Spuhler, Weiningen, Switzerland

All notifications of shareholders with 3% or more of all voting rights in the company have been reported to the Disclosure Office of the SIX Swiss Exchange in accordance with Art. 20 of SESTA (Swiss Stock Exchanges and Securities Trading Act) and published via its electronic publication platform on www.six-exchange-regulation.com/obligations/disclosure/major_shareholders_en.html, where also further details can be found.

As of December 31, 2014, Autoneum Holding Ltd held 1.14% of the share capital (53 180 shares).

The lock-up agreement signed in connection with the separation of Autoneum by the two principal Autoneum shareholders, PCS Holding Ltd and Artemis Beteiligungen I Ltd, was cancelled on the conclusion of a new syndicated loan in the amount of 150 million CHF in August 2014.

Cross-holdings

Autoneum has no information about cross-holdings of capital or voting shares exceeding the limit of 5%.

2 Capital structure

Share capital

On December 31, 2014, the share capital of Autoneum Holding Ltd totaled 233618.15 CHF. This was divided into 4 672 363 fully paid up registered shares with a par value of 0.05 CHF each. The shares are listed on the SIX Swiss

Exchange (securities code 12748036, ISIN CH0127480363, symbol AUTN).

Authorized share capital

There is no authorized share capital available at Autoneum Holding Ltd.

Contingent capital for issuing convertible and/or warranty bonds or granting shareholder options

The share capital may be increased by up to 700 000 fully paid registered shares with a nominal value of 0.05 CHF each in an amount not to exceed 35 000 CHF through the voluntary or mandatory exercise of conversion rights and/or warrants granted in connection with the issuance of bonds or similar financial instruments by the company or one of its Group companies on national or international capital markets, and/or through the exercise of option rights granted to the shareholders. The preemptive rights of the shareholders on the issuance of bonds or similar financial instruments with which conversion rights and/or warrants are connected shall be excluded. The then current owners of conversion rights and/or warrants shall be entitled to subscribe to the new shares. The conditions of the conversion rights and/or warrants shall be determined by the Board of Directors. The acquisition of shares as well as each subsequent transfer of shares are subject to the restrictions in §4 of the Articles of Association⁴.

In connection with the issuance of bonds or similar financial instruments with which conversion rights and/or warrants are connected, the Board of Directors is empowered to restrict or exclude the advance subscription rights of shareholders if (1) such instrument is issued for the financing or refinancing of the acquisition of corporations, parts thereof, equity holdings or investments or if (2) such instrument is issued (i) on national or international capital markets or (ii) to one or more financial investors. If the advance subscription rights

⁴ www.autoneum.com/investor-relations/corporate-governance/

are restricted or excluded by the Board of Directors, the following shall apply: the issuance of such instrument shall be made at prevailing market conditions, and the new shares shall be issued pursuant to the relevant conditions of that financial instrument. Conversion rights may be exercised during a maximum ten-year period, and warrants may be exercised during a maximum seven-year period, in each case from the date of the respective issuance. The issuance of the new shares upon voluntary or mandatory exercise of conversion rights and/or warrants shall be made at conditions taking into account the market price of the shares and/or comparable instruments with a market price at the time of issuance of the relevant financial instrument.

Contingent capital for employee participation shares

The share capital may be increased by a maximum of 12 500 CHF through the issuance of up to 250 000 fully paid up registered shares with a par value of 0.05 CHF each to employees of the company or one of its Group companies. The preemptive rights and the advance subscription rights of the shareholders shall be excluded. The issuance of these shares to employees will be in accordance with one or more regulations issued by the Board of Directors and will take appropriate account of employee performance, position and degree of responsibility, and economic viability criteria subject to §24 of the Articles of Association⁵. Shares or options may be issued to employees at a price lower than that quoted on the stock exchange. The acquisition of shares within the framework of the employee participation plan, as well as every subsequent transfer of these shares, is subject to the limitations set forth in §4 of the Articles of Association⁵.

**There have been
no changes to the share
capital of Autoneum
Holding Ltd since the
company's founding
on December 2, 2010.**

Changes in share capital

There have been no changes to the share capital of Autoneum Holding Ltd since the company's founding on December 2, 2010. The General Meeting of March 22, 2011, adopted a contingent share capital of 35 000 CHF (see page 48) and a contingent share capital of 12 500 CHF (see above). The authorized share capital of 47 500 CHF adopted at the same General Meeting of March 22, 2011, expired after two years on March 22, 2013, without being utilized. It was not extended, and there is therefore no authorized share capital available at Autoneum Holding Ltd.

Participation and dividend-right certificates

Autoneum Holding Ltd has issued neither participation certificates nor dividend-right certificates.

Shares

Autoneum Holding Ltd has issued 4 672 363 fully paid up registered shares with a nominal value of 0.05 CHF each. Each registered share is entitled to dividends and entitles the holder to one vote at General Meetings of Autoneum Holding Ltd shareholders. The Board of Directors maintains a share register in which the owners and usufructuaries are registered with name/company name and address with the following conditions. Only those persons listed in the share register will be recognized as company

⁵ www.autoneum.com/investor-relations/corporate-governance/

shareholders or usufructuaries. Any changes of name or address must be communicated to the company. Those who acquire registered shares must make written application for entry in the share register. The company can refuse such entry to parties who do not expressly declare that they have acquired and will hold these registered shares in their own names and for their own account. If persons fail to expressly declare in their registration applications that they hold the shares for their own account (“nominees”), the Board of Directors shall enter such persons in the share register with the right to vote, provided that the nominee has entered into an agreement with the company concerning his or her status, and further provided that the nominee is subject to a recognized bank or financial market supervision. After hearing the registered shareholder or nominee, the Board of Directors may cancel any registration in the share register made based on incorrect information with retroactive effect as of the date of registration. The relevant shareholder or nominee must be informed immediately of the cancellation. The Board of Directors regulates the details and issues the instructions necessary for compliance with the provisions set forth above. In special cases, the Board of Directors may grant exemptions from the rule concerning nominees and may delegate its duties.

The company only recognizes one proxy per share. Voting rights and associated rights may only be exercised in relation to the company by a shareholder, usufructuary or nominee entered in the share register as having the right to vote.

The registered shares of Autoneum Holding Ltd are issued in the form of securities and registered as book-entry securities (in the sense of the Book-Entry Securities Act) at SIX SIS AG. Book-entry securities with underlying shares of the company may not be transferred by way of assignment. Security interests for these book-entry securities cannot be

granted by means of assignment. The company is entitled to convert at any time and without the approval of shareholders shares issued in the form of uncertificated securities into individual share certificates or global share certificates. Shareholders are not entitled to have shares issued in one particular form transformed into another form. Any shareholder is, however, entitled to request at any time that the company issues a certificate stating the number of shares registered in his or her name.

Restrictions on share transfers and nominee registrations

Those persons entered in the shareholders' register are recognized as voting shareholders. Autoneum shares can be bought and sold without any restrictions. In accordance with §4 of the Articles of Association⁶, entry in the register of shareholders can be denied in the absence of an explicit declaration that the shares are held in the applicant's own name and for the applicant's own account. There are no other registration restrictions.

Shares held in a fiduciary capacity are not principally entered in the shareholders' register. However, as an exception to this rule, a nominee is entered in the register if the nominee in question has concluded a nominee agreement with Autoneum and is subject to a recognized bank or financial supervisory authority. The nominee exercises voting rights at the Annual General Meeting of shareholders. At the request of Autoneum Holding Ltd, the nominee is obliged to disclose the name of the person on whose behalf it holds shares.

A resolution of the General Meeting approved by the absolute majority of the voting shares represented is required in order to cancel the restrictions on share transfers.

Convertible bonds and options

Autoneum Holding Ltd has no convertible bonds or options outstanding.

⁶ www.autoneum.com/investor-relations/corporate-governance/

3 Board of Directors

The composition, general rights, duties and responsibilities of the Board of Directors of Autoneum Holding Ltd are pursuant to the Swiss Code of Obligations and the Autoneum Holding Ltd Articles of Association⁷ and Organizational Regulations⁸.

Board membership

Pursuant to the Articles of Association⁷, the Board of Directors of Autoneum Holding Ltd consists of no less than three and no more than nine members. As of December 31, 2014, the Board of Directors comprised six members, none of whom performed executive duties. The functions of Chairman of the Board and CEO are separated in order to ensure a good balance between the company management and supervisory bodies.

Independence of non-executive members

The Board of Directors consists of non-executive members, which means that none of the members have exercised any operational activities for Autoneum in the three financial years preceding the reporting period. The members of the Board of Directors and the companies represented by them do not have any significant business relationships with companies of the Autoneum Group (but see page 99).

Permissible activities outside the Autoneum Group

According to §20 of the Articles of Association⁷, no member of the Board of Directors may assume more than fifteen additional mandates and no more than five of these may be held with listed companies. This restriction does not apply to (a) mandates held with companies that control or are controlled by Autoneum Holding Ltd; (b) mandates assumed by a member of the Board of Directors by order of Autoneum Holding Ltd or companies under its control;

(c) mandates held with companies that do not qualify as companies within the meaning of Art. 727, para. 1, clause 2 of the Swiss Code of Obligations; (d) mandates held with nonprofit organizations and foundations as well as pension funds. The number of mandates pursuant to (c) and (d) is limited to a total of 20.

Mandates held with various legal entities that are under joint control or controlled by the same beneficial owner count as one mandate. Mandates held with the supreme management or administrative body of a legal entity that is required to be registered in the commercial register or an equivalent register abroad count as mandates.

Election and term of office, principles of the election procedure

The Chairman and the other members of the Board are elected individually by the General Meeting and for a one-year term of office, meaning from one Annual General Meeting to the next one.

Board members can be reelected. They retire at the Annual General Meeting following their 70th birthday, although the Board of Directors can lift the age limit in individual cases. Nominations for election to the Board of Directors are made with due regard for the balanced composition of this body, taking industrial and international management experience and specialist knowledge into account.

Internal organization

The Board of Directors is responsible for the business strategy and supervisory management of the Autoneum Group and Group companies. It exercises a supervisory function over the persons who have been entrusted with the business management.

⁷ www.autoneum.com/investor-relations/corporate-governance/

⁸ www.autoneum.com/about-autoneum/

Board of Directors

Hans-Peter Schwald (1959)

Chairman
Swiss national

First elected to the Board Board member and Chairman since 2011 .

Educational and professional background Lic. iur. HSG, lawyer; Chairman and Managing Partner in the legal practice of Staiger, Schwald & Partner AG, Zurich . **Other activities and interests** Chairman of the Board of Directors of Ruag Holding AG, Bern; Vice Chairman of the Board, Stadler Rail AG, Bussnang; Board member, Rieter Holding Ltd, Winterthur; Chairman, AVIA Association of Independent Importers of Petroleum Products, Zurich; Board member of other Swiss joint stock companies .

Committees Chairman of the Strategy Committee; Member of the Audit, the Compensation and the Nomination Committee . **Non-executive**

Rainer Schmückle (1959)

Vice Chairman
German national

First elected to the Board Board member and Vice Chairman since 2011

Educational and professional background Dipl. Wirtsch.-Ing. University of Karlsruhe; from 1984 to 1997 various positions at the Daimler Group, including CFO and Senior Vice President IT of Freightliner LLC; from 1998 to 2000 first CFO and then CEO of Adtranz LLC; from 2001 to 2005 President and CEO of Freightliner LLC; from 2005 to 2010 COO of Mercedes Car Group; from 2010 to 2011 Operating Partner of Advent International; from 2011 to 2014 Chief Operating Officer and President Seating Systems of Johnson Controls; since November 2014 CEO of MAG Group .

Other activities and interests Member of the Board of Directors or Advisory Board of two privately held companies

Committees Chairman of the Audit Committee; Member of the Strategy Committee . **Non-executive**

Michael Pieper (1946)

Board member
Swiss national

First elected to the Board Board member since 2011 .

Educational and professional background Lic. oec. HSG; owner and CEO of Artemis Holding AG . **Other activities and interests** Member of the Board of various Artemis and Franke subsidiaries worldwide; Board member, Berenberg Bank (Schweiz) AG, Zurich; Hero AG, Lenzburg; Forbo Holding Ltd, Baar; Adval Tech Holding Ltd, Niederwangen; Rieter Holding Ltd, Winterthur . **Non-executive**



This E. Schneider (1952)

Board member
Swiss national

First elected to the Board Board member since 2011 . **Educational and professional background** Lic. oec. HSG; from 1991 to 1993 Chairman and CEO of listed company SAFAA, Paris; from 1994 to 1997 member of the Executive Board, Valora Group, as Managing Director of the Canteen and Catering Division; from 1997 to 2002 Executive Chairman and CEO of the Selecta Group; from 2004 until March 2014 Executive Chairman and CEO, Forbo Group; since April 2014 Executive Chairman of the Board of Directors of Forbo Group . **Other activities and interests** Board member, Galenica SA, Bern; member of the Board, Rieter Holding Ltd, Winterthur **Committees** Chairman of the Compensation and the Nomination Committee . **Non-executive**

Peter Spuhler (1959)

Board member
Swiss national

First elected to the Board Board member since 2011 . **Educational and professional background** Majority shareholder and CEO of Stadler Rail AG, Bussnang . **Other activities and interests** Chairman of the Board, Stadler Rail AG, Bussnang, and of several other companies of the Stadler Rail Group; Aebi-Schmidt Holding Ltd, Burgdorf, and PCS Holding Ltd, Warth-Weiningen. Board member, Walo Bertschinger Central AG, Zurich; Allreal Holding AG, Baar; Rieter Holding Ltd, Winterthur; DSH Holding AG, Warth-Weiningen; Wohnpark Promenade AG, Frauenfeld. Member of the National Council of the Swiss Parliament from 1999 to 2012 . **Non-executive**

Ferdinand Stutz (1957)

Board member
Swiss national

First elected to the Board Board member since 2011 . **Educational and professional background** Dipl. Giesserei-Ing. University of Duisburg; from 1982 to 1989 Operations Manager and Deputy Manager Foundry for Rieter Ltd, Winterthur; from 1989 to 1994 Department Manager and as of 1994 co-partner and Executive Director of Schubert+Salzer; from 1995 to 1997 Executive Director of Georg Fischer Eisenguss GmbH, Leipzig; from 1998 to 2009 member of the Management Board of Georg Fischer AG and CEO of GF Automotive; since 2009 owner and founder of Stutz Improvement AG . **Other activities and interests** Member of the Advisory Board of Halder Beteiligungsgesellschaft GmbH, Frankfurt; member of the Board of Directors or Advisory Board of other private stock companies . **Committees** Member of the Audit, Strategy, the Compensation and the Nomination Committee . **Non-executive**



The Board of Directors is responsible for all transactions that are not explicitly reserved for the General Meeting or other bodies according to the law, the Articles of Association⁹ and the Organizational Regulations¹⁰. It prepares the Annual General Meeting and makes the necessary arrangements for implementing resolutions adopted by the Annual General Meeting. The Board of Directors has the following decision-making authority:

- composition of the business portfolio and strategic direction of the Group;
- definition of the Group structure;
- appointment and dismissal of the members of the Group Executive Board;
- definition of the authority and duties of the Chairman and the committees of the Board of Directors as well as the CEO and CFO of the Autoneum Group and the Business Group Heads;
- organization of accounting, financial control and financial planning;
- approval of strategic and financial planning, the budget and the Annual Report with business review, financial statements, consolidated financial statements, and Remuneration report;
- principles of financial and investment policy, personnel and social policy, management and communications;
- signature regulations and allocation of authority of Autoneum Holding Ltd;
- principles of internal auditing;
- decisions on investment projects involving expenditure in excess of 10 million CHF;
- issuance of bonds and other financial market transactions;
- incorporation, purchase, sale and liquidation of subsidiaries.

The Board of Directors comprises the Chairman, the Vice Chairman and the other members. The Chairman of the Board of Directors and the members of the Compensation Committee are

Once a year the Board of Directors carries out a self-assessment.

elected for a one-year term of office by the General Meeting. Apart from this, the Board of Directors is self-constituting. The Board of Directors appoints a secretary who need not be a member of the Board of Directors. The Vice Chairman deputizes for the Chairman in his absence. The Board of Directors has a quorum if the majority of members are present or if the Board members are able to communicate with each other by telephone, video conference, Internet or other electronic means. Motions of the Board of Directors are approved by a simple majority of the votes of the members present. In the case of a tie, the Chairman has the casting vote.

In 2014, the members of the Board of Directors met for five regular meetings. They all lasted around half a day, one of which was held abroad followed by a visit of a production plant. The attendance rate was 100%. In addition, four telephone conferences were held.

The agendas for the Board meetings are drawn up by the Chairman. Any member of the Board can also propose items for inclusion on the agenda. Board meetings are generally also attended by the CEO and the CFO while the other members of the Group Executive Board attend as necessary regarding business matters concerning them. They give an overview of the results, outlook and budget of their operating units, and present those projects requiring the approval of the Board of Directors.

The Board of Directors holds a special meeting once a year to review its performance, internal working methods and cooperation with the Group Executive Board. This takes the

⁹ www.autoneum.com/investor-relations/corporate-governance/

¹⁰ www.autoneum.com/about-autoneum/

form of a self-assessment and includes an assessment of the state of information of Board members with regard to the Group and its business development.

Should there be a conflict of interest in the course of making decisions on business matters and items on the agenda, the respective Board member must stand aside prior to discussion of the matter in question and abstain from voting when passing a resolution.

Committees

Besides the Compensation Committee the Board of Directors has appointed an Audit, a Nomination and a Strategy Committee from among its members in order to assist it in its duties. The Compensation and the Nomination Committee took over the tasks of the former Personnel, Compensation and Nomination Committee in the reporting year. The committees are fundamentally advisory and preparatory bodies and have no decision-making powers; resolutions are passed by the Board as a whole. Each committee has written terms of reference specifying its tasks and responsibilities. Since April 2014, the members of the Compensation Committee have been elected by the Annual General Meeting. The Chairman and further members of the other committees are elected by the Board of Directors. The committees meet regularly and are required to prepare minutes of their meetings and recommendations for perusal at the regular meetings of the Board of Directors.

The **Audit Committee** currently consists of three members of the Board. Its Chairman is Rainer Schmückle; the other members are Hans-Peter Schwald and Ferdinand Stutz. In the 2014 financial year none of the members of the Audit Committee performed executive duties. The Chairman is elected for one year. The Audit Committee meets at least twice each financial year. The meetings are also attended by the Head of Internal Audit, representatives of the

statutory and Group auditors, the CEO and the CFO, and other members of the Group Executive Board and management as appropriate. The main duties of the Audit Committee are:

- elaborating principles for external and internal audits for submission to the Board of Directors, and providing information on their implementation;
- assessing the work of the external and internal auditors as well as their mutual cooperation and reporting to the Board of Directors;
- assessing the reports submitted by the statutory auditors as well as the invoiced costs;
- overall supervision of risk management and acceptance of the Group Executive Board's risk report addressed to the Board of Directors;
- assisting the Board of Directors in nominating the statutory auditors and the Group auditors for submission to the Annual General Meeting;
- scrutinizing the results of internal audits, approving the audit schedule for the following year and nominating the Head of Internal Audit;
- the Chairman of the Audit Committee is responsible for accepting complaints (whistle-blowing) in connection with the code of conduct¹¹.

The Audit Committee met for two regular meetings in 2014. Both meetings lasted three to four-and-a-half hours. All committee members attended these meetings and received regular written reports from the internal auditors.

The **Compensation Committee** consists of three members. The Chairman of this committee is This E. Schneider. The other members are Hans-Peter Schwald and Ferdinand Stutz. The committee meets whenever the need arises, but at least twice a year. It draws up the principles for the remuneration of members of the Board of Directors, the Group Executive Board and senior management within the Autoneum

¹¹ www.autoneum.com/investor-relations/corporate-governance/

Group, in particular bonus programs and share allocation plans (LTI), as well as the Remuneration report and the proposals concerning the total maximum remuneration amount for the Board of Directors and Group Executive Board to be submitted annually by the Board of Directors for approval by the shareholders at the Annual General Meeting.

The **Nomination Committee** consists of three members. This E. Schneider is Chairman of this committee, Hans-Peter Schwald and Ferdinand Stutz the other members. The committee meets whenever necessary, but at least twice a year. This committee stipulates the profile of requirements and the principles for selecting members of the Board of Directors and prepares the election of new members of the Group Executive Board and their terms of employment. It is also briefed on succession plans for the Board of Directors, Group Executive Board and senior management, and the relevant development plans.

The members of the Personnel, Compensation and Nomination Committee and of the Compensation and the Nomination Committee deriving therefrom in the reporting year held five regular meetings in 2014. Each meeting lasted one to three-and-a-half hours. All committee members attended all meetings.

The **Strategy Committee** consists of three members: Hans-Peter Schwald is Chairman; Rainer Schmückle and Ferdinand Stutz are the other members.

The Strategy Committee meets at least twice a year. The meetings are also attended by the CEO and the CFO, and other members of the Group Executive Board and management as appropriate.

The main duties of the strategy committee are: supporting and assisting the Board of Directors in strategic planning, especially in assessing market changes and developments affecting the Group; assessing Autoneum's

short- and long-term strategic orientation, in particular with regard to markets, customers, competitors, products and technologies; as well as support with strategically important projects.

The Strategy Committee met in 2014 for two regular meetings and a two-day strategy workshop with the entire Group Executive Board. Each of the regular meetings lasted between three and four hours depending on the agenda. All committee members attended all meetings and the strategy workshop.

The Strategy Committee met in 2014 for two regular meetings and a two-day strategy workshop with the entire Group Executive Board.

Allocation of authority

The Board of Directors delegates operational business management to the CEO. The members of the Group Executive Board report to the CEO. The allocation of authority between the Board of Directors and the CEO is stipulated in the Organizational Regulations¹², while details of the tasks reserved for the Board of Directors can be found on page 51ff. ("Internal Organization"). The cooperation between the Board of Directors, the CEO and the Business Groups is stipulated in the Group's Organizational Regulations¹², which include the following. The CEO draws up the strategic and financial planning statements and the budget with the Group Executive Board, and submits them to the Board of Directors for approval. He reports regularly on the course of business as well as on risks and changes in personnel at the

¹² www.autoneum.com/about-autoneum/

management level. In addition to periodic reporting, he is obliged to inform the Board of Directors immediately about any business transactions of fundamental importance.

Information and control instruments regarding the Group Executive Board

The Board of Directors receives a written monthly report on the key figures of the Group and the Business Groups from the Group Executive Board. This provides information on the balance sheet, cash flow and income statements as well as capital expenditure. The figures are compared with the budget and with the previous year. The Board of Directors is also informed at each meeting about the course of business, important projects and risks, as well as ongoing earnings and liquidity budget planning. Should the Board of Directors have to rule on major projects according to the Organizational Regulations¹³, a written request is submitted prior to the meeting.

The projects approved by the Board of Directors are monitored within the context of a special project controlling submitted to the Board of Directors every quarter. Once a year, the Board of Directors discusses and decides on the strategic plans drawn up by the Group Executive Board and the financial plan. Financial statements for publication are drawn up twice a year. Furthermore, the Chairman of the Board of Directors has a regular monthly meeting with the CEO and the CFO with respect to all major issues of corporate policy.

The Board of Directors has initiated and implemented a comprehensive internal control system for risk monitoring in connection with business activities, which covers risk identification, analysis, and control as well as risk reporting. Refer to pages 74-77 for details of this risk management process and on financial risk management.

The members of the Audit Committee, the CEO, the CFO and appointed members of the management receive the internal audit reports. Internal audit conducted eleven regular audits in 2014. The results were discussed in detail with the Business Groups and the companies concerned, and appropriate measures have been initiated and monitored accordingly.

Code of Conduct

The Code of Conduct is an integral part of every employment contract of every employee. The Code of Conduct is explained to employees in the individual units, and compliance with the same is verified regularly in the context of internal audits and by additional audits. The Code of Conduct can be found at www.autoneum.com/en/about-autoneum/code-of-conduct/.

4 Group Executive Board

The Group Executive Board had six members on December 31, 2014: the CEO, the CFO and the four Business Group Heads. For additional information about the Group Executive Board members please refer to page 58f.

Permissible activities outside the Autoneum Group

According to §20 of the Articles of Association¹⁴, no member of the Group Executive Board may assume more than four additional mandates and no more than five of these may be held with listed companies. This restriction does not apply to (a) mandates held with companies that control or are controlled by Autoneum Holding Ltd; (b) mandates assumed by a member of the Group Executive Board by order of Autoneum Holding Ltd or companies under its control; (c) mandates held with companies that do not qualify as companies within the meaning of Art. 727, para. 1, clause 2 of the Swiss Code of Obligations; (d) mandates held

¹³ www.autoneum.com/about-autoneum/

¹⁴ www.autoneum.com/investor-relations/corporate-governance/

Group Executive Board

Martin Zwyssig (1965)
Chief Financial Officer (CFO)
Swiss national

Member of the Group Executive Board since 2014 . Educational and professional background Master in Accounting and Finance, Dr. oec. HSG, University of St. Gallen; from 1995 to 1997 Group Controller Swiss Bank Corporation; from 1997 to 2001 Divisional Controller Sarna Kunststoff Holding; from 2001 to 2002 Senior Vice President Finance & Controlling EMS-TOGO Group; from 2003 to 2008 Group CFO Schaffner Holding AG; from 2008 to 2013 Group CFO Ascom Holding AG; in the current function since 2014 .

Martin Hirzel (1970)
Chief Executive Officer (CEO)
Swiss national

Member of the Group Executive Board since 2011 . Educational and professional background Dipl. Betriebsökonom HWV; General Management Program at Harvard Business School; from 1989 to 1994 Business Unit Controller of IBM (Switzerland) AG; from 1997 to 1999 Chief Controller International of Division Textile Systems for Rieter Holding Ltd; from 2000 to 2005 General Manager of Rieter Textile Systems China; from 2005 to 2007 Head of Business Unit China of Rieter Automotive Systems; from 2007 to 2011 as Head Business Group SAMEA a member of the Executive Committee of the Division Automotive Systems of Rieter Holding Ltd; in the current function since 2011 .

Uwe Trautmann (1957)
Head Business Group Asia
German national

Member of the Group Executive Board since 2011 . Educational and professional background Dipl. Maschinenbauingenieur, Dr. oec. Technische Hochschule Zwickau; from 1992 to 1997 responsible for the regional operations of the German company Aesculap AG in Penang, Malaysia; from 1997 to 2004 responsible for the Asian operations of the German company ZF Lenksysteme GmbH in Malaysia as well as in Shanghai as of 2002; from 2004 to 2007 CEO China operations of the German company KGaA Hella & Co. in Shanghai; from 2007 to 2011 as Head Business Group Asia a member of the Executive Committee of the Division Automotive Systems of Rieter Holding Ltd; in the current function since 2011 .



Volker Eimertenbrink (1959)
Head Business Group SAMEA
German national

Member of the Group Executive Board since 2012 . Educational and professional background Dipl. Wirtschaftsingenieur FH; from 1985 to 1995 as production/value engineer and design engineer for Hymmen GmbH and Fr. Buschjost GmbH & Co.; from 1995 to 2008 at Faurecia Autositze GmbH in various leading positions in controlling and engineering; from 2008 to 2011 CFO Automotive Systems Division of the Rieter Group; from 2011 to 2012 Head Corporate Controlling and Deputy CFO of Autoneum Management AG; in the current function since 2012 .

Matthias Holzammer (1965)
Head Business Group Europe
German national

Member of the Group Executive Board since 2012 . Educational and professional background Dipl. Wirtschaftsingenieur FH; from 1993 to 2009 leading functions in manufacturing and logistics at Brose Fahrzeugteile GmbH & Co. KG, Faurecia Sitztechnik GmbH & Co. KG and at Beru AG; from 2009 to 2011 Managing Director Production for Keiper GmbH & Co. KG (later Johnson Controls); most recently General Manager of the Product Business Unit "Metal Region Europe"; in the current function since 2012 .

Richard Derr (1952)*
Head Business Group North America . US national

Member of the Group Executive Board since 2011 . Educational and professional background MBA from Harvard Graduate School of Business; from 1979 to 1995 in the Automotive business of the US company Allied Signal, most recently as Group Director, Finance-Safety Restraints; from 1995 to 2000 at Solvay Automotive Inc. and its successor, Inergy Automotive Systems (USA) LLC, most recently as CFO and Vice President Program Management; from 2000 to 2001 Vice President Finance, USA and Canada at Tower Automotive; from 2002 to 2004 initially as CFO and from 2004 to 2011 as Head Business Group North America a member of the Executive Committee of the Division Automotive Systems of Rieter Holding Ltd; in the current function since 2011 .

*until February 28, 2015



with nonprofit organizations and foundations as well as pension funds. The number of mandates pursuant to (c) and (d) is limited to a total of 20. Mandates held with various legal entities that are under joint control or controlled by the same beneficial owner count as one mandate. Mandates held with the supreme management or administrative body of a legal entity that is required to be registered in the commercial register or an equivalent register abroad count as mandates.

Management contracts

There are no management contracts between Autoneum Holding Ltd and third parties.

5 Remuneration, shareholdings and loans

The content and process for determining remuneration and equity participation programs as well as information on the remuneration, shareholdings and loans of the Board of Directors and the Group Executive Board can be found in the Remuneration report on page 104ff.

6 Shareholders' participatory rights

Voting restrictions

Autoneum Holding Ltd imposes no voting restrictions.

Statutory quorum

General Meetings of shareholders adopt resolutions when the absolute majority of voting shares are represented unless the law or Articles of Association¹⁵ stipulate otherwise. Remuneration is approved with the majority of votes cast regardless of abstentions.

Autoneum Holding Ltd imposes no voting restrictions.

Convocation of General Meeting, agenda publication, voting proxies

General Meetings of Shareholders are called through publication in the Swiss Commercial Gazette by the Board of Directors at least 20 days prior to the event, with details of the agenda, pursuant to §8 of the Articles of Association¹⁵. Pursuant to §9 of the Articles of Association¹⁵, shareholders representing shares with a par value of at least CHF 20 000 can request the inclusion on the agenda of an item for discussion, with details of the relevant motions, by a closing date published by the company. Shareholders who do not attend General Meetings personally can arrange to be represented by another shareholder by written power of attorney or by the independent voting proxy by issuing written power of attorney and instructions pursuant to the signed registration form or electronically via the platform set up in the reporting year at <https://autoneum.shapp.ch>. The independent voting proxy is elected annually by the Annual General Meeting. Lic. iur. Ulrich B. Mayer, Attorney-at-Law, shall hold office as independent voting proxy until the closure of the 2015 Annual General Meeting.

Entries in the shareholders' register

In order to ensure an orderly procedure, the Board fixes the reference date shortly before the shareholders' meeting, by which time shareholders need to be entered in the share register in order to exercise their participation rights at the meeting. This reference date is published in the Swiss Commercial Gazette together with the invitation to the General Meeting.

¹⁵ www.autoneum.com/investor-relations/corporate-governance/

7 Change of control and defensive measures

Change of control clauses

There are no change of control clauses in Autoneum contracts of employment and office. In the event of a change of control, all shares blocked within the framework of the Group Bonus Plan are vested.

Obligation to submit an offer

The legal provisions according to Art. 22 of SESTA are applicable. This states that a shareholder or a group of shareholders acting in concert who hold more than 33 $\frac{1}{3}$ % of all shares must submit a takeover offer to the other shareholders.

8 Statutory auditors

Duration of mandate and term of office of the lead auditor

KPMG AG, Zurich, has been the statutory and Group auditor of Autoneum Holding Ltd and the Autoneum Group since the financial year 2011. Kurt Stocker, licensed audit expert, has been lead auditor for the Autoneum mandate at KPMG since the financial year 2011. The term of office of the lead auditor is limited to seven years.

Audit fees and additional fees

KPMG and other auditors charged Autoneum Holding Ltd approximately 1.1 million CHF in the financial year 2014 for services in connection with auditing the annual financial statements of the Group companies, the consolidated Autoneum Group accounts and the Remuneration report. KPMG and other auditors also charged Autoneum approximately 0.2 million CHF for additional services in the year under review, mainly for tax advisory services.

Information instruments of the external auditors

Prior to every meeting, the external auditor informs the Audit Committee in writing and verbally about relevant auditing activities and other important facts and figures related to the company. Representatives of the external and internal auditors attend Audit Committee meetings to explain their activities and answer questions. The statutory auditors have access to the minutes of the meetings of the Board of Directors.

Representatives of the external and internal auditors attend Audit Committee meetings.

The Audit Committee of the Board of Directors makes an annual assessment of the performance, fees and independence of the statutory and Group auditors. It submits a proposal to the Board of Directors regarding who should be proposed for election as statutory auditors at the General Meeting. In addition, the Audit Committee reviews the scope of external auditing, the auditing plans and relevant procedures annually, and discusses auditing results with the external auditors in each case. Further information on auditing can be found on page 51ff.

9 Information policy

Autoneum maintains regular, open communication with all stakeholders and relevant parties, in particular with investors, financial analysts and representatives of banks and the media. Communication takes place through the Annual Report and Semi-Annual Report, the Annual General Meeting, and at least one media and financial analyst conference each year.

Reporting on the financial year 2014 includes the Annual Report with review of the year, the annual and consolidated financial statements, the Corporate Governance report and Remuneration report, a media release, as well as a presentation. The Annual Report can be ordered by shareholders using the form enclosed with the invitation to the General Meeting. It is also available for perusal at company headquarters no later than 20 days prior to the General Meeting. At the Annual General Meeting, the Board of Directors and the Group Executive Board provide information on the annual accounts and the course of company business and answer shareholders' questions.

Sources of information

Autoneum provides extensive information to all interested parties. This is available online via the following links:

- Articles of Association Autoneum Holding AG: www.autoneum.com/investor-relations/corporate-governance
- Organizational Regulations: www.autoneum.com/about-autoneum
- Order of current Annual Report (printed version): www.autoneum.com/investor-relations/reports
- Annual Reports: www.autoneum.com/investor-relations/reports
- Share price: www.autoneum.com/investor-relations/share
- Presentations: www.autoneum.com/investor-relations/presentations
- Media releases: www.autoneum.com/investor-relations/media-releases
- Subscription to media releases: www.autoneum.com/news-subscription
- Sustainability: www.autoneum.com/about-autoneum/sustainability
- Contact: www.autoneum.com/contact

Shareholders and the capital market are informed by media releases of significant changes and developments in the company. Share-price-relevant events are published in accordance with the ad hoc publicity requirements of the SIX Swiss Exchange. In addition, Autoneum maintains communication with investors, financial analysts and representatives of the media at corresponding events.

Should shareholders and other interested parties wish to automatically receive the media releases, they may register at www.autoneum.com/news-subscription/.

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Consolidated income statement

CHF million	Notes	2014	% ¹	2013	% ¹
Net sales	(4)	1 954.7	100.0	2 053.3	100.0
Material expenses		-964.5	49.3	-1 036.5	50.5
Employee expenses	(6)	-499.8	25.6	-532.0	25.9
Other expenses	(7)	-305.3	15.6	-309.6	15.1
Other income	(8)	16.5	0.8	9.0	0.4
Loss on sale of subsidiary and restructuring costs ²		0.0	0.0	-38.2	1.9
Depreciation and amortization	(9)	-66.5	3.4	-66.8	3.3
Earnings before interest and taxes (EBIT)		135.1	6.9	79.2	3.9
Financial income	(10)	1.0		1.0	
Financial expenses	(11)	-16.4		-17.7	
Share of profit of associated companies	(16)	0.4		2.0	
Profit before taxes		120.1	6.1	64.5	3.1
Income taxes	(12)	-17.3		-28.3	
Net profit		102.8	5.3	36.2	1.8
Attributable:					
to shareholders of Autoneum Holding Ltd		78.9		14.5	
to non-controlling interests		23.9		21.7	
Basic earnings per share in CHF	(23)	17.03		3.12	
Diluted earnings per share in CHF	(23)	16.97		3.11	

Consolidated statement of comprehensive income

CHF million	2014	2013
Net profit	102.8	36.2
Items that will be reclassified to income statement:		
Changes in currency translation	18.6	-8.7
Changes in fair value of fin. instruments available for sale	2.8	3.1
Income taxes	0.0	0.0
Items that will not be reclassified to income statement:		
Remeasurement of defined benefit liabilities and assets	-18.8	17.9
Income taxes	5.3	-5.3
Total other comprehensive income	8.0	7.1
Total comprehensive income	110.8	43.3
Attributable:		
to shareholders of Autoneum Holding Ltd	79.5	24.3
to non-controlling interests	31.4	19.0

¹As a % of net sales.

²Loss on sale of subsidiary and restructuring costs consist of 24.8 million CHF from the sale of the subsidiary Autoneum Italy S.p.A. (refer to note 3 [p. 78]) and expenses of 13.4 million CHF from the closure of the plant Dieppe in France. The accompanying notes (p. 68–102) are part of the consolidated financial statements.

Consolidated balance sheet

CHF million	Notes	December 31, 2014	December 31, 2013
Assets			
Tangible assets	(14)	409.6	367.6
Intangible assets	(15)	10.0	7.9
Investments in associated companies	(16)	6.4	4.9
Other non-current assets	(17)	78.2	51.4
Deferred tax assets	(12)	32.0	8.9
Non-current assets		536.2	440.7
Inventories	(18)	130.5	116.9
Trade receivables	(19)	220.3	218.0
Advance payments to suppliers		4.7	6.2
Other receivables	(20)	65.8	72.1
Marketable securities and interest bearing receivables	(21)	0.9	18.7
Cash and cash equivalents	(22)	140.9	117.9
Current assets		563.0	549.9
Assets		1 099.3	990.6
Shareholders' equity and liabilities			
Share capital		0.2	0.2
Reserves and other equity components		303.3	232.7
Equity attributable to shareholders of Autoneum Holding Ltd	(23)	303.5	232.9
Equity attributable to non-controlling interests	(24)	89.0	69.1
Total shareholders' equity		392.5	302.0
Subordinated shareholder loans	(25)	0.0	25.0
Long-term financial liabilities	(25)	134.6	138.0
Deferred tax liabilities	(12)	9.9	8.1
Employee benefit liabilities	(29)	31.7	14.2
Long-term provisions	(27)	42.8	33.1
Other non-current liabilities		17.1	16.4
Non-current liabilities		236.1	234.9
Short-term financial liabilities	(25)	61.0	48.6
Advance payments from customers		35.6	41.2
Current tax liabilities		8.5	5.5
Short-term provisions	(27)	11.7	25.8
Other current liabilities	(26)	103.4	101.3
Trade payables		250.4	231.3
Current liabilities		470.7	453.8
Liabilities		706.8	688.6
Shareholders' equity and liabilities		1 099.3	990.6

The accompanying notes (p. 68–102) are part of the consolidated financial statements.

Consolidated statement of changes in equity

CHF million	Share capital	Treasury shares	Reserves ¹	Available for sale reserves	Currency transl. adjustm.	Attrib. to Autoneum	Non-controlling interests	Total equity
At December 31, 2012	0.2	-0.1	221.5	-0.6	-7.8	213.2	62.3	275.5
Net profit	0.0	0.0	14.5	0.0	0.0	14.5	21.7	36.2
Total other comprehensive income	0.0	0.0	12.6	3.1	-5.9	9.8	-2.7	7.1
Total comprehensive income	0.0	0.0	27.1	3.1	-5.9	24.3	19.0	43.3
Dividends paid ²	0.0	0.0	-3.0	0.0	0.0	-3.0	-12.2	-15.2
Purchase of treasury shares	0.0	-3.8	0.0	0.0	0.0	-3.8	0.0	-3.8
Share-based remuneration	0.0	1.6	0.7	0.0	0.0	2.3	0.0	2.3
At December 31, 2013	0.2	-2.3	246.2	2.5	-13.7	232.9	69.1	302.0
Net profit	0.0	0.0	78.9	0.0	0.0	78.9	23.9	102.8
Total other comprehensive income	0.0	0.0	-13.4	2.8	11.2	0.6	7.5	8.0
Total comprehensive income	0.0	0.0	65.5	2.8	11.2	79.5	31.4	110.8
Capital increase	0.0	0.0	0.0	0.0	0.0	0.0	4.8	4.8
Dividends paid ²	0.0	0.0	-6.0	0.0	0.0	-6.0	-16.3	-22.3
Purchase of treasury shares	0.0	-4.7	0.0	0.0	0.0	-4.7	0.0	-4.7
Share-based remuneration	0.0	0.9	0.9	0.0	0.0	1.9	0.0	1.9
At December 31, 2014	0.2	-6.1	306.6	5.3	-2.5	303.5	89.0	392.5

¹ Reserves include both retained earnings and capital reserves.

² Autoneum Holding Ltd paid a dividend of 1.30 CHF per share in 2014 (2013: 0.65 CHF) as decided by the Annual General Meeting. The accompanying notes (p. 68–102) are part of the consolidated financial statements.

Consolidated statement of cash flows

CHF million	Notes	2014	2013
Net profit		102.8	36.2
Dividend income		-0.2	-0.2
Interest income	(10)	-0.8	-0.6
Interest expenses	(11)	13.8	17.0
Income taxes	(12)	17.3	28.3
Depreciation and amortization	(9)	66.5	66.8
Share of profit of associated companies	(16)	-0.4	-2.0
Other non-cash income and expenses		-4.8	0.1
Change in net working capital		-12.0	34.6
Change in employee benefit assets and liabilities		-2.4	1.6
Change in long-term provisions		9.2	8.4
Change in operating receivables within non-current assets		-9.8	-0.8
Change in operating liabilities within non-current liabilities		-0.5	1.1
Gain and loss from disposal of subsidiary	(3)	-1.8	24.8
Dividends received		0.2	0.2
Interest received		0.8	0.6
Interest paid		-13.8	-16.1
Income taxes paid		-25.9	-34.3
Cash flows from operating activities		138.2	165.7
Investments in tangible assets	(14)	-98.7	-75.5
Investments in intangible assets	(15)	-3.1	-5.3
Investments in other non-current assets		-1.2	-1.1
Disposal of tangible assets	(14)	3.1	0.5
Disposal of subsidiary, net of cash disposed of	(3)	-8.0	-13.9
Increase in investments in associated companies		-0.6	-2.1
Increase in investments in non-consolidated companies		-0.8	-0.8
Purchase of marketable securities and interest bearing receivables		-0.5	-0.4
Sale of marketable securities and interest bearing receivables		1.1	0.0
Cash flows from investing activities		-108.8	-98.6
Dividends to shareholders of Autoneum Holding Ltd		-6.0	-3.0
Dividends to non-controlling interests		-16.3	-12.2
Proceeds from capital increase		4.8	0.0
Purchase of treasury shares		-4.7	-3.8
Proceeds from short-term financial liabilities		47.0	18.2
Repayment of short-term financial liabilities		-9.3	-27.1
Proceeds from long-term financial liabilities		1.5	8.8
Repayments of long-term financial liabilities		-7.0	-1.6
Repayment of subordinated shareholder loans		-25.0	0.0
Cash flows from financing activities		-15.0	-20.7
Currency effects on cash and cash equivalents		8.5	-3.8
Change in cash and cash equivalents		22.9	42.6
Cash and cash equivalents at beginning of the year		117.9	75.3
Cash and cash equivalents at end of the year	(22)	140.9	117.9

The accompanying notes (p. 68–102) are part of the consolidated financial statements.

Notes to the consolidated financial statements

1.1 Significant accounting policies

Basis of preparation

Autoneum Holding Ltd (“the Company”) was incorporated on December 2, 2010, as a Swiss corporation headquartered in Winterthur. The Company has been listed on the SIX Swiss Exchange (AUTN, ISIN Number: CH0127480363) since May 13, 2011. Autoneum Holding Ltd together with its subsidiaries will henceforth be referred to as “Autoneum Group” or “Autoneum”. A list of subsidiaries and associated companies of Autoneum Group can be found on page 102.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The consolidated financial statements are based on historic cost, with the exception of specific financial instruments, which are measured at fair value. The consolidated financial statements were authorized for issue by the Board of Directors on March 4, 2015, and are subject to approval by the Annual General Meeting of shareholders on March 26, 2015.

The consolidated financial statements are published exclusively in English. Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount.

Significant accounting judgments, estimates and assumptions

Financial reporting requires management to make judgments, estimates and assumptions that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, contingent assets and contingent liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. When

such estimates and assumptions deviate from the actual circumstances, the estimates and assumptions are updated in the reporting period in which the circumstances changed. The estimates, assumptions and judgments relate primarily to the areas of impairment, tangible assets, inventories, employee benefits, provisions, income taxes and whether Autoneum has control over an entity.

The most significant elements of estimates and assumptions are as follows:

Impairment losses on tangible assets are assessed based on estimated cash flows, which may vary from actual cash flows. Important assumptions to consider are useful lives, growth rates, achievable margins as well as discount rates.

When assessing inventories, estimates for their recoverability based on the expected consumption of the corresponding item are considered. The valuation adjustments for inventories are determined for each item using a coverage analysis. The parameters are checked annually and modified if necessary. Changes in sales or other circumstances can lead to the book value having to be adjusted accordingly.

For defined benefit plans, actuarial valuations are done regularly, which are the basis for the pension assets and liabilities in the balance sheet. These calculations are based on statistical and actuarial assumptions. In particular the present value of the defined benefit obligation is affected by assumptions such as discount rate, expected future salary growth and the life expectancy at age of 65. Other assumptions for the valuation are derived from statistical data such as mortality tables and staff turnover rates. Actuaries are independent from Autoneum. Assumptions made by actuaries may differ significantly from actual results. These deviations can ultimately have an effect on the pension assets or liabilities in future periods.

In the course of the ordinary operating activities of Autoneum Group, obligations from guarantee and warranty, litigations and claims related to environmental risks can arise. Provisions for these obligations are measured on the basis of estimates of the expected cash outflow. The outcome of these business transactions may result in claims against Autoneum that may be below or above the related provisions. Provisions for obligations from guarantee and warranty are recognized when damage has occurred and the related cash outflow can be estimated reliably, but a material uncertainty concerning the kind of damage and the kind of compensation exists. Provisions for litigation comprise complex cases that include material uncertainties. Environmental provisions are recognized for the expected costs for the cleanup and reconstruction of contaminated sites that are interdependent of many uncertainties, such as Autoneum's share of the cost or the applicable approach for determining these costs. The financial impact of these cases for future periods can only be estimated, because uncertainties relating to amount and date of cash outflow exist.

Assumptions in relation to income taxes include interpretations of the tax regulations in place in the relevant countries. The adequacy of these interpretations is assessed by the tax authorities. This can result, at a later stage, in changes in the tax expense. To determine whether a deferred tax asset on tax loss carry-forwards may be recognized requires judgment in assessing whether there will be future taxable profits against which these loss carry-forwards can be offset.

Assessing whether Autoneum has control over an entity includes all facts and circumstances that may indicate that the Group is able to direct the relevant activities and key decisions. Autoneum concludes that it has control over the entities in which it holds 50% or more (refer to note 24 [p. 90]), based on specific rights allocated. Facts and circumstances

indicating that Autoneum controls an entity may change and lead to a reassessment of the management's conclusion.

Scope and methods of consolidation

The consolidated financial statements of Autoneum Holding Ltd include the Company and its subsidiaries. Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control is lost. Acquisitions are accounted for using the acquisition method. Intercompany transactions are eliminated.

If Autoneum does not have control over entities but significant influence, which is usually the case if Autoneum holds interests of between 20% and 50%, these investments are classified as associated companies and accounted for using the equity method. Interests of less than 20% where Autoneum does not have significant influence are accounted for at fair value. The subsidiaries and associated companies are listed on page 102.

Foreign currency translation

Items included in the financial statements of each group company are measured using the currency of the primary economic environment in which the company operates ("functional currency"). The consolidated financial statements are prepared in Swiss francs, which is the functional currency and the reporting currency of Autoneum Holding Ltd.

Transactions in foreign currencies are translated into the functional currency by applying the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions

and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

For consolidation purposes, items in the balance sheet of foreign subsidiaries are translated at year-end exchange rates, while income statement items are translated at average rates for the period. The resulting currency translation differences are recognized in other comprehensive income and, in the event of an entity's deconsolidation, transferred to the income statement as part of the gain or loss of the entity's divestment or liquidation.

Tangible assets

Tangible assets are stated at historical cost less accumulated depreciation, which is recognized on a straight-line basis over the estimated useful life of the asset. Historical cost includes expenditures that are directly attributable to the acquisition of the assets. Useful life is determined according to the expected utilization of each asset. The relevant ranges are as follows:

Factory buildings	20–50 years
Machinery and plant equipment	5–15 years
Tools/IT equipment/furniture	3–10 years
Vehicles	3–5 years

The residual values and useful lives of tangible and intangible assets are reviewed, and adjusted if appropriate, at each balance sheet date. Tangible assets are tested for impairment if there are indications that, due to changed circumstances, their carrying value may no longer be fully recoverable. If such a situation arises, the recoverable amount is determined. This is the higher of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount is below the carrying amount, a cor-

responding impairment loss is recognized in the income statement. Where the recoverable amount cannot be determined for an individual asset, it is determined for the cash generating unit to which the asset belongs. To determine the value of an asset, estimates of the expected future cash flows from both usage and disposal are made.

Components of certain assets with differing useful lives are depreciated separately. All gains or losses arising from the disposal of tangible assets are recognized in the income statement. Costs of maintenance and repair are charged to the income statement as incurred.

Leases

Leased assets where Autoneum substantially bears all the risks and rewards of ownership (finance leases) are capitalized. Assets held under such finance leases are depreciated over the shorter of their estimated useful life or the lease term. The corresponding lease obligations, excluding finance charges, are included in either short-term or long-term financial liabilities. Lease installments are divided into an interest and a principal component.

All other leases are classified as operating leases. Payments in respect of operating leases are charged to the income statement on a straight-line basis over the duration of the lease.

Intangible assets

Intangible assets such as product licenses, patents and trademark rights as well as software acquired from third parties are included in the balance sheet at acquisition cost and are amortized on a straight-line basis over a period of up to eight years. Autoneum has neither in the current reporting period nor in the prior period material intangible assets that have an indefinite useful life recorded on the balance sheet.

Research and development

Research costs are recognized in the income statement when incurred. Development costs for major

projects are capitalized as intangible assets if the cost can be measured reliably, if it can be demonstrated that the project is technically feasible and is expected to generate future economic benefits and if Autoneum plans to provide sufficient resources in order to complete the development and to use or sell the intangible asset.

Goodwill

Autoneum has neither in the current reporting period nor in the prior period goodwill capitalized on the balance sheet.

Financial assets

Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the income statement.

Subsequent valuation depends on the category into which the financial assets are classified. Autoneum distinguishes between the following categories:

Financial assets at fair value through profit or loss include financial assets held for trading and those that are designated as such at inception. Derivatives are also assigned to this category. Assets in this category are presented as current assets if they are either held for trading or are expected to be realized within twelve months after the balance sheet date. They are measured at fair value, and changes in fair value are recognized in the income statement.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the balance sheet date, in which case they are presented as non-current assets. They are valued at amortized cost less impairment losses.

Available-for-sale financial assets are non-derivative financial assets that are either classified as such or not assigned to any of the above categories. They are measured at market value as of the balance sheet date. Changes in the value are recorded in equity prior to sale, and recognized in the income statement when they are sold. All impairment is charged to income. They are included in non-current assets unless management intends the disposal within twelve months of the balance sheet date.

Autoneum has no financial instruments that are classified as held-to-maturity.

Derivative financial instruments

Foreign currency risks can be hedged using forward foreign exchange contracts and currency options. Hedge accounting within the definition of IAS 39 is not applied.

Derivatives are initially recognized at fair value on the date a derivative contract is entered. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized directly in the income statement. The corresponding positive and negative fair values are recognized on the balance sheet as "Other receivables" and "Other current liabilities", respectively.

Inventories

Raw material, consumables and purchased parts are valued at the lower of average cost or net realizable value. Semi-finished goods and finished goods are valued at the lower of manufacturing cost or net realizable value. Valuation adjustments are made for obsolete materials and excess stock.

Trade receivables

Trade receivables are classified as "loans and receivables" and are stated at amortized cost, which usually equals the original invoice value less any impairment loss. The loss is measured as the difference between the invoiced amount

and the expected payment. The allowances are established based on maturity structure and identifiable solvency risks.

Cash and cash equivalents

Cash and cash equivalents include bank accounts and short-term time deposits with original maturities from the date of acquisition of up to three months.

Equity

Ordinary shares are classified as equity since the shares are non-redeemable and any dividends are discretionary.

When shares are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognized as a deduction from equity and presented as a separate component in equity. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity and the resulting surplus or deficit on the transaction is recognized in retained earnings, which are disclosed within reserves.

Financial liabilities

Financial liabilities are recognized initially at fair value, net of transaction costs incurred. Financial liabilities are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the obligation using the effective interest method.

Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle an obligation, and the amount can be reliably estimated. Provisions are discounted if the impact is significant.

Income taxes

Income taxes comprise both current and deferred income taxes. Normally income taxes are recognized in the income statement, unless they are linked to a position that is recognized directly in equity or in other comprehensive income. In this case, the current and deferred taxes are also recognized directly in equity or in other comprehensive income.

Current taxes are calculated and accrued on the basis of taxable income for the year. Deferred taxes on temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and amounts determined for local tax purposes are calculated using the liability method; deferred tax is measured at the tax rates expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date. Deferred tax assets and liabilities are offset to the extent that an entity has a legally enforceable right to offset current taxes, and the deferred taxes relate to income taxes levied by the same taxation authority and relate to the same taxable entity.

Temporary differences resulting from investments in group companies are not considered if it is probable that these temporary differences will not reverse in future.

The tax impact of losses and deductible temporary differences is capitalized to the extent it appears probable that such losses will be offset in the future by taxable income.

Employee benefits

Employee pension plans are operated by certain subsidiaries, depending upon the level of coverage provided by the government pension facilities in the various countries in which they are present. Some are provided by independent pension funds. If there is no independent pension fund, the respective obligations are shown in the balance sheet under employee benefit liabilities. As a rule, pensions are funded by employees' and

employer's contributions. Pension plans exist on the basis of both defined contribution and defined benefit.

Pension liabilities arising from defined benefit plans are calculated annually by independent actuaries using the projected unit credit method. The discount rate used for the calculation is based on interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. Actuarial gains and losses are recognized in other comprehensive income. Pension costs relating to services rendered in the reporting period are recognized in the income statement as current service costs. Pension costs relating to services rendered in previous periods as a result of new or amended pension benefits are recognized in the income statement as past service costs. The net interest expense (income) on the net defined benefit liability (asset) for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. The fair value of plan assets is deducted from the pension obligation. Any asset resulting from this calculation is only capitalized up to an amount not exceeding benefits from future contribution reductions or refunds.

In the case of defined contribution plans, the contributions are recognized as expense in the period in which they incurred.

Share-based payments

Share-based payments to members of the Board of Directors, the Executive Board and senior management are measured at fair value at the grant date, and recognized in the income statement over the vesting period. For share-based payments that are settled with equity

instruments a corresponding increase in equity is recognized.

Revenue recognition

Sales resulting from business activities are disclosed as revenue. Autoneum recognizes revenue when the significant risks and rewards of ownership of the goods were transferred to the customer. Revenues arising from services are recorded based on the stage of completion of the services. Credits, discounts and rebates are already deducted from net sales.

Financing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualified asset are capitalized as a part of the acquisition costs of the qualified asset. All other financial costs are recognized in the income statement.

1.2 Changes in accounting policies

Adopted changes in accounting policies

The following change in accounting policies was adopted as of January 1, 2014:

The change in semi-finished and finished goods has previously been disclosed as a separate line item in the consolidated income statement. Due to materiality reasons, the change in semi-finished and finished goods is now disclosed in the consolidated income statement as a part of material expenses. As a consequence of this aggregation, material expenses increased by 4.3 million CHF for 2013. The impact of this aggregation for 2014 is not materially different than for 2013.

The adoption of other new and revised IFRS standards had no material impact on the consolidated financial statements 2014.

Future changes in accounting policies

The following new and revised standards and interpretations have been issued, but are not yet

effective. They have not been applied early in these consolidated financial statements. However, a preliminary assessment has been conduct-

ed by Group Management, and the expected impact of each standard and interpretation is presented in the table below.

	Effective date	Planned application by Autoneum
New standards or interpretations		
IFRS 15 Revenue from contracts with customers ¹	January 1, 2017	January 1, 2017
IFRS 9 Financial instruments ¹	January 1, 2018	January 1, 2018
Revisions and amendments of standards and interpretations		
Defined benefit plans: employee contributions (amendments to IAS 19) ²	July 1, 2014	January 1, 2015
Accounting for acquisitions of interests in joint operations (amendments to IFRS 11) ²	January 1, 2016	January 1, 2016
Clarification of acceptable methods of depreciation and amortization (amendments to IAS 16 and IAS 38) ²	January 1, 2016	January 1, 2016
Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28) ²	January 1, 2016	January 1, 2016
Annual improvements to IFRS 2012–2014 cycle ²	January 1, 2016	January 1, 2016

¹The impact on the consolidated financial statements cannot yet be determined with sufficient reliability.

²No impact or no significant impact is expected on the consolidated financial statements.

2.1 Risk management process

Autoneum maintains an Internal Control System with the objective of ensuring effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The Internal Control System is a significant part of the risk management system.

The process of risk management is governed by the directive “Autoneum risk management system”, which was adopted by the Board of Directors. The directive defines the main categories of risks, which serve as a basis of the risk management, and the bodies that deal within the Group with the various risks. In addition, the policy defines the procedures for detecting, reporting and managing risks, the criteria for qualitative and quantitative risk assessment as well as limits for reporting identified risks to the appropriate management levels.

The directive defines the following main risk categories: strategic risks (market and products), operational risks, financial risks, litigation and other risks (political, legal, organizational, environmental and work safety risks).

Besides the financial risks (refer to paragraph 2.2), the following risks within the main risk categories are a focus of Autoneum:

- Strategic market and product risks: these risks result on the one hand from different markets in which Autoneum is operating (local aspects, legal regularizations, degree of maturity of markets). On the other hand, the risks result from the dimension of the customers in relation to Autoneum, as well as from the technical and regulatory requirements on Autoneum products.
- Operational risks: these risks result from the technical development of orders until end of production, from the need for cost-efficient production and the possibility of interruptions in production.
- Environmental and work safety risks.

Market and business risks resulting from developments in the relevant markets and of the products offered therein are assessed as part of the strategic planning and the financial planning processes. On the other hand, these risks, as well as operational risks, were regularly reviewed at the monthly meetings within the Business Groups and with the CEO and the CFO of the Group. As a part of these meetings, other risks impacting actual performance against budget were also dealt with, in order to identify and implement corrective measures. Significant individual risks were included in the monthly reports to the attention of the CEO.

Risks resulting from acquisitions, divestments or other major projects are monitored at the corporate level within the framework of competencies and approvals for the respective project. Such projects are reviewed in the monthly meetings of the CEO and CFO with the Business Groups. Quarterly review reports were prepared for the attention of the Board of Directors.

Specific risks were addressed by periodic reports. Such reports cover environmental and work safety risks at the various sites, treasury risks and risks from legal actions and legal compliance.

An aggregate review of all identified risks and of the instruments and measures to address these risks is performed on a semi-annual basis. The review results are reported to the Board of Directors and Group Executive Board.

2.2 Financial risk management

Financial risk factors

As a result of its worldwide activities, Autoneum is exposed to various financial risks, such as fluctuations in exchange rates, interest rates and stock market prices, credit risks and liquidity risks. Autoneum's financial risk management has the aim to minimize the potential adverse impact of the development of the financial markets on the Group's financial performance and to secure its financial stability. This includes the use of derivative financial instruments to hedge certain risk exposures.

Financial risk management is carried out centrally for the Group, in accordance with the directives adopted by the Board of Directors and the Group Executive Board. Financial risks are identified primarily locally and evaluated and managed centrally in close cooperation with the Group's legal units.

Foreign exchange risk

Foreign currency risks arise from investments in foreign subsidiaries (translation risk) and from transactions, assets or liabilities that are denominated in a currency other than the functional currency of a legal unit (transaction risk). In order to hedge transaction risks that cannot be reduced through offsetting transactions in the same foreign currency (natural hedging), subsidiaries may use forward contracts and currency options, which are usually completed with the corporate headquarters and from the latter by trading with banks.

The majority of the business transacted in Autoneum's foreign subsidiaries is in their functional currency. Nevertheless, the Group is exposed to foreign currency risks, mostly against the euro. Assuming that the euro against the Swiss franc as at December 31, 2014, would have been 15% stronger, and all other parameters remained the same, the profit before taxes would have been 0.9 million CHF higher (2013: 2.7 mil-

lion CHF). In the opposite case, the profit before taxes would have been reduced to the same extent. This would mainly have been due to exchange gains/losses on trade receivables and payables.

The companies' cash holdings with banks are denominated mostly in the relevant functional currency. The foreign currency risks of cash positions in foreign currencies are reviewed periodically.

Interest rate risk

The interest risks of the Group relate to interest bearing assets and liabilities. Assets and liabilities with fluctuating interests result in cash flow risks, while fixed interest bearing assets and liabilities lead to a fair value interest risk if measured at fair value. Autoneum maintains, in consideration of seasonal fluctuations, a balanced relation between fixed and fluctuating interest bearing financial liabilities. The Group analyzes the interest risk on a net basis. A 1% higher interest rate would have reduced the profit before taxes of the group by 1.2 million CHF (2013: 1.2 million CHF).

No hedging of the interest rate was performed in the reporting period or in the prior period.

Price risk

Holding marketable securities exposes Autoneum to a risk of price fluctuation. Since Autoneum held no significant shares (except for treasury shares) or options at the end of the reporting period, no sensitivity analysis of fair value risk is prepared.

Credit risk

Credit risks arise from deposits and financial derivatives held with financial institutions and from trade receivable accounts, other receivables and marketable securities and interest bearing receivables. The maximum risk of these positions corresponds to the book values and

is disclosed in the balance sheet or in the relevant notes. Significant relationships with financial institutions are basically only entered into with counterparties rated no lower than "A" (according to S&P). Autoneum maintains business relationships with all significant automotive manufacturers and, compared to the industry sector, has a geographically broad, diversified customer portfolio. Relevant risks of loss are considered low based on historical data. No customer accounted for more than 16.8% (2013: 16.8%) of Autoneum's sales.

Capital management

Autoneum Group maintains a healthy balance sheet with an adequate portion of equity. Autoneum aspires that the equity ratio shall not fall below 30% over a longer period. As of December 31, 2014, the equity ratio (including subordinated shareholder loans) equaled 35.8% (2013: 33.0%).

For the next few years, the dividend policy will depend on a number of factors, such as net income and the financial situation of the Group, the demand for capital and liquidity, the general business environment as well as legal and contractual restrictions. Subject to the foregoing, the Group intends to distribute up to 30% of its net profit attributable to shareholders of Autoneum Holding Ltd.

Dividends, if any, are expected to be declared and paid in Swiss francs. If possible, dividends are taken from the reserve from paid-in capital.

Liquidity risk

The liquidity risk management of Autoneum includes the maintenance of sufficient reserves of cash and time deposits and the availability of funding through an adequate amount of credit lines. Due to the dynamic business environment in which the Group operates, it is the aim of the Group to ensure the financial stability and to maintain the necessary flexibility in funding by

generating sufficient free cash flow and holding a reasonable amount of unused credit lines. Autoneum maintains a credit agreement for the medium- and long-term financing with a group of banks (refer to note 25, p. 91), which expires in December 2019. Furthermore, a bond in the

amount of 125.0 million CHF with maturity as of December 14, 2017, was issued on the SIX Swiss Exchange.

The table below shows the contractual maturities of Autoneum's financial liabilities (including interest):

Financial liabilities at December 31, 2014	Carrying amount	Contractual undiscounted cash flows			
		Less than 1 year	1 to 5 years	More than 5 years	Total cash flow
CHF million					
Bond	124.4	5.5	135.9	0.0	141.4
Bank debt	67.3	61.7	10.0	0.0	71.7
Finance leasing obligations	0.7	0.2	0.5	0.0	0.7
Other financial liabilities	3.3	2.2	1.6	0.0	3.8
Trade payables	250.4	250.4	0.0	0.0	250.4
Other liabilities	90.4	90.4	0.0	0.0	90.4
Total	536.5	410.4	148.0	0.0	558.3

Financial liabilities at December 31, 2013	Carrying amount	Contractual undiscounted cash flows			
		Less than 1 year	1 to 5 years	More than 5 years	Total cash flow
CHF million					
Bond	124.2	5.5	141.4	0.0	146.9
Bank debt	31.8	20.4	13.6	0.0	34.0
Subordinated shareholder loans	25.0	1.5	25.0	0.0	26.5
Finance leasing obligations	1.3	0.7	0.7	0.0	1.4
Other financial liabilities	29.3	29.6	0.0	0.0	29.6
Trade payables	231.3	231.3	0.0	0.0	231.3
Other liabilities	88.1	88.1	0.0	0.0	88.1
Total	531.0	377.1	180.7	0.0	557.8

3 Change in scope of consolidation

On July 23, 2014, Autoneum sold its subsidiary Porfima Due S.r.l., Torino (Italy), to the Italian automotive supplier STS acoustics S.p.A., Torino (Italy). The transaction resulted in a gain of 1.8 million CHF.

In 2014, the company Autoneum Korea Ltd., Seoul, was established.

In 2013, the company Summit & Autoneum (Thailand) Co., Ltd., Rayong, was established.

Autoneum Spain Northwest S.L.U., Terrassa, was merged into Autoneum Spain S.A.U., Terrassa, with effect as of January 1, 2013.

On July 22, 2013, Autoneum sold its subsidiary Autoneum Italy S.p.A., Torino, to the German industrial holding company Mutares. The transaction resulted in a loss of 24.8 million CHF.

CHF million	2014	2013
Tangible assets	2.3	12.1
Other non-current assets	0.0	0.2
Current assets	0.0	55.3
Long-term provisions	0.0	-1.0
Employee benefit liabilities	0.0	-11.1
Current liabilities	0.0	-50.8
Net assets disposed	2.3	4.7
Net assets disposed	2.3	4.7
Net gain/loss on disposal	1.8	-24.8
Release of the related restructuring provision	0.0	-7.1
Recycling of currency translation adjustments in other comprehensive income	-0.1	5.1
Non-cash items	0.0	1.2
Deferred consideration	-4.1	7.7
Cash-out from deferred consideration previous years	-7.9	0.0
Cash and cash equivalents disposed of	0.0	-0.7
Cash outflow on disposal	-8.0	-13.9

4 Segment information

Segment information is based on Autoneum Group's internal organization and management structure as well as on the internal financial reporting to the Executive Committee and to the Board of Directors. Chief Operating Decision Maker is the CEO.

Autoneum Group develops, produces and sells components, modules and integrated systems in order to provide acoustic and thermal comfort in motor vehicles. The reporting is based on the following four reportable segments (Business Groups): BG Europe, BG North America (USA, Canada and Mexico), BG Asia and BG SAMEA (South America, Middle East, Africa and Russia). Corporate includes Autoneum Holding Ltd, the corporate center with its respective legal entities, investments in associates as well as inter-segment eliminations. Transactions between the Business Groups are made on the same basis as with independent third parties.

Segment information 2014

CHF million	Total Group	Corporate	Total segments	BG Europe	BG North America	BG Asia	BG SAMEA
Third-party net sales	1 954.7	5.4	1 949.3	798.1	882.7	145.2	123.3
Inter-segment net sales	0.0	-10.4	10.4	9.6	0.0	0.1	0.6
Net sales	1 954.7	-5.0	1 959.7	807.7	882.7	145.3	123.9
EBITDA	201.6	2.3	199.3	67.4	100.1	27.0	4.8
as a % of net sales	10.3	n/a	10.2	8.3	11.3	18.6	3.9
Depreciation and amortization	-66.5	-2.4	-64.0	-28.7	-25.0	-7.1	-3.3
EBIT	135.1	-0.2	135.3	38.7	75.1	19.9	1.5
Assets ¹	1 099.3	4.3	1 094.9	437.7	454.4	127.4	75.5
Liabilities	706.8	70.1	636.6	323.8	203.2	53.9	55.8
Investments in tangible and intangible assets	101.9	3.8	98.1	26.4	48.2	9.9	13.6
Number of employees ²	10 681	179	10 503	3 858	3 803	1 515	1 327

Segment information 2013

CHF million	Total Group	Corporate	Total segments	BG Europe	BG North America	BG Asia	BG SAMEA
Third-party net sales	2 053.3	4.3	2 049.0	891.1	892.4	128.1	137.5
Inter-segment net sales	0.0	-11.8	11.8	10.6	0.0	0.3	1.0
Net sales	2 053.3	-7.5	2 060.8	901.6	892.4	128.3	138.4
EBITDA before loss on disposal and restr.	184.3	1.4	182.9	46.9	107.2	22.4	6.3
as a % of net sales	9.0	n/a	8.9	5.2	12.0	17.5	4.6
Depreciation and amortization	-66.8	-0.9	-66.0	-31.5	-24.6	-6.7	-3.1
EBIT before loss on disposal and restr.	117.4	0.5	116.9	15.4	82.6	15.7	3.2
EBIT	79.2	0.5	78.7	-22.8	82.6	15.7	3.2
Assets ¹	990.6	25.9	964.7	435.3	359.3	105.1	65.1
Liabilities	688.6	31.8	656.8	383.9	176.7	46.4	49.8
Investments in tangible and intangible assets	80.7	6.2	74.5	23.1	34.0	10.5	7.0
Number of employees ²	10 816	166	10 651	4 088	3 694	1 477	1 392

¹ Assets in Corporate include investments in associated companies in the amount of 6.4 million CHF (2013: 4.9 million CHF), refer to note 16 (p. 86).

² Including temporary employees but excluding apprentices.

Net sales and non-current assets by country

CHF million	Net sales 2014	Net sales 2013	Non-current assets 2014	Non-current assets 2013
Switzerland ¹	1.5	5.1	41.3	42.2
USA	626.3	663.4	156.8	116.0
Germany	244.6	252.6	7.1	7.5
Great Britain	177.7	193.7	16.1	15.1
France	136.0	135.0	26.6	33.8
Remaining countries	768.6	803.5	171.8	161.0
Total	1 954.7	2 053.3	419.7	375.6

¹ Domicile of Autoneum Holding Ltd.

Net sales are disclosed by location of customers. Non-current assets consist of tangible assets and intangible assets.

Net sales to major customers

CHF million	2014	2013
The following customers accounted for more than 10% of annual net sales:		
Ford	327.5	345.1
BMW	213.3	228.6
Honda	201.6	201.2

Information on sales by product group is not available. The major customers generate turnover in all geographic segments.

5 Changes in net sales compared to the previous year

CHF million	2014	2013
Change in net sales due to volume and price in BG Europe	-2.3	46.1
Change in net sales due to volume and price in BG North America	11.0	106.1
Change in net sales due to volume and price in BG Asia	19.2	26.5
Change in net sales due to volume and price in BG SAMEA	7.4	11.8
Change in net sales due to volume and price in Corporate	2.3	-1.1
Effect from sale of subsidiary	-84.3	-51.6
Currency effects	-51.9	-25.4
Total	-98.6	112.4

6 Employee expenses

CHF million	2014	2013
Wages and salaries	389.1	417.3
Social security expenses	65.7	53.9
Pension expenses for defined contribution plans	7.4	5.1
Pension expenses for defined benefit plans	5.1	6.0
Other personnel expenses	32.5	49.6
Total	499.8	532.0

Autoneum started a long-term incentive plan (LTI) for the Management in 2012. In the frame of the LTI, part of Autoneum's net profit is converted into Autoneum shares, and the shares are allocated to defined beneficiaries. The shares become property of the beneficiaries after a vesting period of three years, if the beneficiaries are then still employed by an Autoneum company. Immediate vesting occurs in case of death or retirement of the beneficiary. In case of employment termination, shares not yet vested lapse without compensation. Exceptions are possible at the discretion of the Nomination and Compensation Committee. The first vesting date is in spring 2015. Employee costs resulting from share-based compensation are recognized over the vesting period. 4 193 shares (2013: 10 248 shares) valued at 136.60 CHF (2013: 63.45 CHF) were granted in 2014, and an expense of 0.5 million CHF (2013: 0.3 million CHF) was recognized in wages and salaries.

The Board of Directors and the Group Executive Board receive part of their remuneration in Autoneum shares. These transactions are disclosed in the Remuneration report (p. 104 ff.).

7 Other expenses

CHF million	2014	2013
Energy, maintenance and repairs	146.9	150.4
Consulting and other fees	27.9	24.4
Marketing and distribution costs	18.4	16.4
Operating leasing expenses	31.3	32.9
Miscellaneous expenses	80.8	85.5
Total	305.3	309.6

8 Other income

Other income contains mainly income generated with by-products arising during the manufacturing process. In 2014, the gain of 1.8 million CHF from the sale of the former subsidiary Porfima Due S.r.l., Torino (Italy), is included (refer to note 3 [p. 78]).

9 Depreciation and amortization

CHF million	2014	2013
Tangible assets	65.4	66.7
Intangible assets	1.0	0.1
Total	66.5	66.8

10 Financial income

CHF million	2014	2013
Interest income	0.8	0.6
Other financial income	0.2	0.3
Total	1.0	1.0

11 Financial expenses

CHF million	2014	2013
Interest expenses	12.4	14.7
Amortization on transaction costs	1.1	1.0
Interest expenses for defined benefit plans	0.3	1.2
Foreign exchange result net	2.5	0.6
Other financial expenses	0.1	0.1
Total	16.4	17.7

12 Income taxes

CHF million	2014	2013
Current income taxes	33.3	26.3
Deferred income taxes	-16.0	2.0
Total	17.3	28.3

Deferred income taxes resulting from the remeasurement of the defined benefit liabilities and assets in the amount of 5.3 million CHF (2013: -5.3 million CHF) are recognized in other comprehensive income.

Reconciliation of expected and actual income tax expenses:

CHF million	2014	2013
Profit before taxes	120.1	64.5
Expected average tax rate	28.5%	28.1%
Expected income tax expenses on profit before taxes	34.2	18.1
Income and expenses without tax impact and effects from prior periods	4.2	8.4
Current year tax losses for which no deferred tax assets were recognized	5.7	18.0
Utilization of previously unrecognized tax loss carry-forwards	-11.1	-15.3
Change in unrecognized tax losses and deductible temporary differences	-18.6	-4.1
Income taxes at other tax rates	2.8	2.2
Impact of changes in tax rates	0.1	0.8
Other effects	0.0	0.2
Actual income tax expenses	17.3	28.3

The change in the expected average tax rate is due to the different geographic composition of earnings before tax.

Deferred tax assets and liabilities on temporary differences result from the following balance sheet items:

CHF million	Deferred tax assets 2014	Deferred tax liabilities 2014	Deferred tax assets 2013	Deferred tax liabilities 2013
Tangible assets	2.2	-12.9	2.3	-9.0
Inventories	3.3	-0.9	2.8	-0.9
Other assets	2.1	-2.7	3.2	-3.0
Provisions	5.7	-3.4	7.1	-1.3
Other liabilities	16.7	-12.6	3.6	-7.4
Tax assets from tax loss carry-forwards and tax credits	24.6		3.4	
Total	54.6	-32.5	22.4	-21.6
Offsetting	-22.6	22.6	-13.5	13.5
Deferred tax assets and liabilities	32.0	-9.9	8.9	-8.1

No deferred tax assets have been recognized from deductible temporary differences in the amount of 107.6 million CHF (2013: 96.8 million CHF).

The table below discloses tax loss carry-forwards and tax credits by their year of expiry:

CHF million	Capitalized 2014	Non-capitalized 2014	Total 2014	Total 2013
Less than 3 years	2.3	15.6	17.9	18.6
In 3 to 7 years	1.0	14.1	15.1	19.2
Thereafter	64.9	328.6	393.5	461.1
Total	68.2	358.3	426.5	498.9

Some subsidiaries with a loss-making history became recently profitable. The economic turnaround is deemed to be sustainable. Consequently, previously unrecognized tax loss carry-forwards were capitalized in the reporting period.

The unused tax losses for which no deferred tax assets have been recognized originate primarily from countries with a tax rate between 19% and 40%.

13 Research and development

In 2014, 57.1 million CHF was spent on research and development (2013: 64.4 million CHF).

Autoneum Group invests in new production techniques and materials to improve product quality and thereby allow customers cost savings and product improvements (acoustic and thermal insulation). The focus in 2014 and 2013 was the development of acoustic solutions, underbody components and carpets for new models, and customer-specific requests from automobile manufacturers in Europe, America and Asia.

Development costs must meet several criteria to be recognized as an intangible asset. Technical and financial resources must be available to ensure the completion of the development, and the costs attributed to the development must be reliably measured. Although for all major development projects in 2014 and 2013 this was the case, and the intention and ability to complete the projects was confirmed by the management, no development costs could be capitalized as intangible assets during the reporting year as in the previous year. Due to rapid technological changes, the required proof of future economic benefits could not be sufficiently supported.

14 Tangible assets

CHF million	Land and buildings	Machinery and tools	Data processing equipment	Vehicles and furniture	Tangibles under construction	Total
Cost at January 1, 2014	237.5	897.4	12.8	14.9	47.5	1 210.1
Additions	2.1	14.1	1.0	0.7	80.9	98.7
Disposals	-9.2	-42.8	-2.1	-0.4	-0.6	-55.1
Sale of subsidiary	-2.5	0.0	0.0	0.0	0.0	-2.5
Reclassification	5.0	38.0	0.1	0.8	-43.9	0.0
Currency effects	4.7	27.6	-0.1	0.3	3.3	35.8
Cost at December 31, 2014	237.6	934.4	11.8	16.2	87.1	1 287.1
Accumulated depreciation at January 1, 2014	-129.2	-690.4	-11.0	-11.9	0.0	-842.5
Depreciation	-8.5	-55.1	-1.0	-0.8	0.0	-65.5
Disposals	7.9	41.6	2.1	0.5	0.0	52.1
Sale of subsidiary	0.2	0.0	0.0	0.0	0.0	0.2
Reclassification	-1.2	1.2	0.0	0.0	0.0	0.0
Currency effects	-2.7	-18.9	0.1	-0.1	0.0	-21.8
Acc. depreciation at December 31, 2014	-133.5	-721.7	-9.8	-12.4	0.0	-877.5
Net book value at December 31, 2014	104.1	212.7	2.0	3.8	87.1	409.6

CHF million	Land and buildings	Machinery and tools	Data processing equipment	Vehicles and furniture	Tangibles under construction	Total
Cost at January 1, 2013	249.8	995.7	22.6	18.4	54.4	1 340.9
Additions	2.3	20.1	0.5	0.4	52.2	75.5
Disposals	-1.3	-23.6	-7.3	-2.3	-0.3	-34.8
Sale of subsidiary	-14.2	-124.2	-2.8	-2.1	0.0	-143.3
Reclassification	5.3	51.6	0.2	0.8	-57.9	0.0
Currency effects	-4.4	-22.1	-0.4	-0.3	-0.9	-28.1
Cost at December 31, 2013	237.5	897.4	12.8	14.9	47.5	1 210.1
Accumulated depreciation at January 1, 2013	-139.1	-783.9	-20.2	-15.6	0.0	-958.8
Depreciation	-8.9	-56.0	-1.1	-0.7	0.0	-66.7
Disposals	1.2	23.4	7.3	2.3	0.0	34.3
Sale of subsidiary	14.2	112.3	2.6	2.0	0.0	131.1
Reclassification	2.2	-2.3	0.0	0.1	0.0	0.0
Currency effects	1.2	16.1	0.3	-0.1	0.0	17.6
Acc. depreciation at December 31, 2013	-129.2	-690.4	-11.0	-11.9	0.0	-842.5
Net book value at December 31, 2013	108.3	207.0	1.8	3.0	47.5	367.6

The book value of the tangible assets financed by long-term leasing contracts is 0.3 million CHF (2013: 0.7 million CHF). In both the reporting year and the prior year no borrowing costs were capitalized.

Tangible assets in the amount of 0.1 million CHF (2013: 0.1 million CHF) are pledged as security for financial liabilities.

15 Intangible assets

CHF million	2014	2013
Cost at January 1	9.7	4.4
Additions	3.1	5.3
Currency effects	-0.1	0.0
Cost at December 31	12.7	9.7
Accumulated amortization at January 1	-1.7	-1.6
Amortization	-1.0	-0.1
Currency effects	0.1	0.0
Accumulated amortization at December 31	-2.6	-1.7
Net book value at December 31	10.0	7.9

The additions comprise mainly investments in a new ERP system.

16 Investments in associated companies

Investments in associated companies comprise the 49% share in SHN CO., Ltd., Daegu (Korea), the 30% share in SRN Sound Proof Co., Ltd., Chonburi (Thailand), and the 25% share in Wuhan Nittoku Autoneum Sound-Proof Co. Ltd., Wuhan (China). The investments are measured using the equity method. The net book value of investments in associated companies changed as follows:

CHF million	2014	2013
Net book value at January 1	4.9	1.0
Additions	0.6	2.1
Share of profit	0.4	2.0
Currency effects	0.5	-0.2
Net book value at December 31	6.4	4.9

17 Other non-current assets

CHF million	2014	2013
Investments in non-consolidated companies	15.3	11.6
Long-term interest-bearing receivables	7.7	5.0
Pension plan assets	6.2	6.9
Non-current receivables	49.1	27.9
Total	78.2	51.4

18 Inventories

CHF million	2014	2013
Raw materials and consumables	31.5	34.3
Purchased parts	2.7	2.8
Semi-finished and finished goods	36.8	35.0
Work in progress	62.4	46.7
Allowance	-3.0	-1.9
Total	130.5	116.9

19 Trade receivables

CHF million	2014	2013
Trade receivables	227.8	224.3
Allowance for doubtful receivables	-7.5	-6.3
Total	220.3	218.0

The following summarizes the movement in the allowance for doubtful receivables:

CHF million	2014	2013
Allowance at January 1	-6.3	-5.0
Additions	-1.8	-4.6
Utilization and release	1.2	2.5
Sale of subsidiary	0.0	0.4
Currency effects	-0.6	0.4
Allowance at December 31	-7.5	-6.3

The collectability of receivables is monitored on an ongoing basis. An allowance for doubtful receivables is recorded, which is calculated from the difference between the invoiced amount and the expected payment.

Trade receivables include amounts denominated in the following major currencies:

CHF million	2014	2013
CHF	3.3	1.6
EUR	80.6	91.9
USD	73.2	62.7
CNY	26.8	19.3
CAD	10.8	13.0
BRL	6.2	8.6
GBP	5.9	7.3
Other	13.5	13.6
Total	220.3	218.0

The table below sets forth the aging of trade receivables and the allowance for doubtful receivables, showing amounts that are not yet due as well as an analysis of overdue amounts. Trade receivables that are not due and that are not impaired are expected to be settled within the agreed payment terms.

CHF million	2014 receivables	2014 allowance	2013 receivables	2013 allowance
Not due	216.1	-7.2	201.6	-5.7
Overdue 1 to 89 days	8.3	0.0	19.6	0.0
Overdue 90 to 179 days	1.3	-0.1	1.7	-0.1
Overdue 180 to 359 days	0.9	-0.1	0.9	-0.2
Thereafter	1.1	-0.2	0.5	-0.2
Total	227.8	-7.5	224.3	-6.2

At December 31, 2014, trade receivables with a book value of 5.4 million CHF (2013: 4.0 million CHF) were used as collateral for credit facilities with financing banks. In addition, trade receivables with a book value of 2.4 million CHF (2013: 3.4 million CHF) were sold to third parties based on factoring agreements, and no material risks remain with Autoneum.

20 Other receivables

CHF million	2014	2013
Short-term receivables	52.1	55.3
Prepaid expenses and accruals	13.7	16.5
Fair value of derivative financial instruments	0.1	0.2
Total	65.8	72.1

Short-term receivables are non-interest bearing.

21 Marketable securities and interest bearing receivables

CHF million	2014	2013
Short-term loans	0.8	17.9
Marketable securities	0.2	0.6
Time deposits with original maturities between 3 and 12 months	0.0	0.1
Total	0.9	18.7

22 Cash and cash equivalents

CHF million	2014	2013
Cash at banks	112.9	103.1
Time deposit with original maturities up to 3 months	27.9	14.8
Total	140.9	117.9

23 Shareholders' equity

Since the founding of Autoneum Holding Ltd on December 2, 2010, the number of registered shares has remained unchanged at 4 672 363, each with a nominal value of 0.05 CHF per share. The share capital amounts to 233 618 CHF and is as follows:

		2014	2013
Shares outstanding	Number of shares	4 619 183	4 636 301
Treasury shares	Number of shares	53 180	36 062
Total shares issued	Number of shares	4 672 363	4 672 363
Nominal value per share	CHF	0.05	0.05
Share capital	CHF	233 618	233 618

Share capital

The holders of shares are entitled to receive dividends and are entitled to one vote per share at general meetings of the Company.

Conditional share capital

For issuing bonds and/or granting shareholder options, the share capital can be increased by a maximum of 700 000 paid registered shares with a par value of 0.05 CHF up to a maximum value of 35 000 CHF. Furthermore, for the issue of shares to employees and subsidiaries, the share capital can be increased by a maximum of 250 000 paid registered shares with a par value of 0.05 CHF up to a maximum value of 12 500 CHF.

Treasury shares

For information regarding transactions with treasury shares refer to Autoneum Holding Ltd, note 4 (p. 110).

Reserves

Reserves include the following components:

- Capital reserves arising from the contribution of the Autoneum companies to the Group in the course of the separation in 2011, as well as capital contributions from non-controlling interests.
- Accumulated earnings since the Company was established in December 2010.
- Accumulated effects from the remeasurement of defined benefit liabilities and assets, net of deferred tax.

Earnings per share

		2014	2013
Profit attributable to shareholders of Autoneum Holding Ltd ¹	CHF million	78.9	14.5
Average number of shares outstanding	Number of shares	4 630 773	4 639 847
Average number of shares outstanding diluted	Number of shares	4 647 353	4 658 582
Basic earnings per share	CHF	17.03	3.12
Diluted earnings per share	CHF	16.97	3.11

¹ The LTI does not lead to a dilution effect in profit attributable to shareholders of Autoneum Holding Ltd.

The average number of shares outstanding is calculated based on the number of shares issued less the weighted average number of treasury shares held. The consideration of shares granted but not yet vested in the course of the Management's long-term incentive plan (LTI) leads to a diluted average number of shares outstanding.

24 Non-controlling interests

The non-controlling interests derive from UGN Inc. (USA), Autoneum Erkurt Otomotive AS (Turkey), Tianjin Autoneum Nittoku Sound-Proof Co. Ltd. (China), Autoneum Nittoku (Guangzhou) Sound-Proof Co. Ltd. (China), Autoneum Nittoku Sound Proof Products India Pvt. Ltd., Autoneum Feltex (Pty) Ltd. (South Africa), Autoneum Portugal Lda. and Autoneum Korea Ltd. Due to disclosure restrictions in shareholder agreements, information on significant non-controlling interests are only disclosed on an aggregated level.

The table below sets out aggregated financial information of the subsidiaries that have a non-controlling interest:

CHF million	2014	2013
Non-current assets	149.5	112.9
Current assets	156.2	134.9
Non-current liabilities	-34.0	-32.5
Current liabilities	-85.3	-70.1
Net assets	186.5	145.2
Thereof non-controlling interests	89.0	69.1
Net sales	467.6	454.2
Net profit	50.5	45.0
Other comprehensive income	14.8	-5.4
Total comprehensive income	65.3	39.6
Thereof non-controlling interests	31.4	19.0
Cash flows from operating activities	60.2	59.3
Cash flows from investing activities	-27.0	-22.6
Cash flows from financing activities	-29.3	-16.2
Net change in cash and cash equivalents	4.0	20.5

25 Financial liabilities

CHF million	Duration less than 1 year	Duration 1 to 5 years	Duration 5 and more years	Total
Bond	0.0	124.4	0.0	124.4
Bank debt	58.6	8.7	0.0	67.3
Finance lease obligations	0.2	0.5	0.0	0.7
Other financial liabilities	2.2	1.0	0.0	3.3
Total 2014	61.0	134.6	0.0	195.6

CHF million	Duration less than 1 year	Duration 1 to 5 years	Duration 5 and more years	Total
Bond	0.0	124.2	0.0	124.2
Bank debt	18.7	13.1	0.0	31.8
Subordinated shareholder loans	0.0	25.0	0.0	25.0
Finance lease obligations	0.6	0.7	0.0	1.3
Other financial liabilities	29.3	0.0	0.0	29.3
Total 2013	48.6	163.0	0.0	211.6

On December 14, 2012, Autoneum Holding Ltd issued a fixed rate bond with a nominal value of 125.0 million CHF, which is listed on the SIX Swiss Exchange. The bond carries a coupon rate of 4.375%, and has a term of five years with a final maturity on December 14, 2017. The proceeds from the bond issue were used to repay existing bank debt and allowed Autoneum to diversify its financial resources, extend the maturity of the financing and take advantage of the favorable capital market. On December 31, 2014, the market value of the bond was 133.9 million CHF (2013: 132.4 million CHF).

On August 21, 2014, the long-term credit agreement of 285.0 million CHF, which was concluded on April 12, 2011, between a banking syndicate, Autoneum Holding Ltd and certain of its subsidiaries, reduced to 130.0 million CHF and amended in various ways in December 2012 in connection with the issuance of the bond mentioned above, was replaced by a new long-term credit agreement in the amount of 150.0 million CHF. The line of credit may partly also be used as a guarantee facility. The final maturity date is December 31, 2019. The interest rate remains based on the LIBOR rate plus an applicable margin, which is determined based on the ratio of net debt to EBITDA.

The new credit agreement contains customary financial covenants. Compliance with financial covenants was checked quarterly and reported to the banking syndicate. In fiscal years 2014 and 2013, the minimum financial requirements were met at all times.

The subordinated loans of total 25.0 million CHF have been repaid to the main shareholders on August 21, 2014. These are described in note 30 (p. 99).

In addition to the aforementioned bond and the long-term credit agreement, local credit limits and borrowings exist in several countries with individual, customary market conditions.

The financial liabilities are denominated in the following currencies:

CHF million	2014	2013
CHF	165.4	151.0
EUR	1.2	27.0
USD	14.3	18.3
BRL	11.1	12.3
Other	3.6	3.0
Total	195.6	211.6

26 Other current liabilities

CHF million	2014	2013
Accrued holidays and overtime	12.9	13.2
Accrued expenses	42.2	39.9
Derivative financial liabilities	2.5	0.5
Short-term liabilities	45.8	47.7
Total	103.4	101.3

Short-term liabilities are non-interest bearing.

27 Provisions

CHF million	Guarantee and warranty	Litigation and tax risk	Environmental	Restructuring	Other	Total
Provisions at January 1, 2014	7.3	22.8	9.9	13.2	5.6	58.9
Additions	0.4	12.5	0.6	0.0	6.6	20.0
Utilization	-0.7	-1.5	0.0	-12.2	-1.4	-15.8
Release	-1.7	-6.2	0.0	0.0	-1.0	-8.9
Reclassification	0.0	0.0	0.0	0.0	0.3	0.3
Sale of subsidiary	0.0	0.0	0.0	0.0	0.0	0.0
Currency effects	0.0	-0.1	0.0	-0.1	0.3	0.0
Provisions at December 31, 2014	5.3	27.4	10.5	0.9	10.4	54.5
Thereof long-term	2.0	24.8	10.5	0.0	5.6	42.8
Thereof short-term	3.3	2.7	0.0	0.9	4.8	11.7

Guarantee and warranty provisions are related to the production and supply of goods or services and are based on experience. The long-term guarantee and warranty provisions of 2.0 million CHF are expected to be used over a period of one to two years on average.

Litigation and tax risk provisions comprise provisions for expected costs resulting from investigations and proceedings of government agencies, provisions for court cases, such as claims brought up by workers for health- or accident-related incidents, and provisions for tax risks. The majority of litigation and tax risk provisions are expected to be used within the next two to three years.

Environmental provisions contain the estimated costs for the cleanup of contaminated sites due to past industrial operations. The majority of provisions stems from legal entities within Business Group Europe. Long-term environmental provisions are expected to be used mainly over the next five to ten years.

Restructuring provisions comprise legal and factual liabilities from restructuring. The provisions were utilized in the course of the closure of the plant Dieppe in France.

Other provisions are made for contracts where the unavoidable costs to fulfill the obligation are greater than the expected economic benefits, as well as for other constructive or legal liabilities of Group companies. The majority of the remaining other long-term provisions are expected to be used within the next two to three years.

28 Financial instruments

The following tables summarize all financial instruments classified by categories according to IAS 39.

CHF million	2014	2013
Securities held for trading ¹	0.2	0.6
Fair value of derivative financial instruments ²	0.1	0.2
Total financial assets at fair value through profit or loss	0.3	0.8
Cash at banks	112.9	103.1
Time deposits with original maturities up to 3 months	27.9	14.8
Time deposits with original maturities between 3 and 12 months	0.0	0.1
Short-term loans	0.8	17.9
Trade receivables	220.3	218.0
Other short-term receivables	52.1	55.3
Long-term interest-bearing receivables	7.7	5.0
Other long-term receivables	49.1	27.9
Total loans and receivables	470.7	442.1
Investments in non-consolidated companies ¹	15.3	11.6
Total available-for-sale financial assets	15.3	11.6
Total financial assets and derivatives	486.3	454.5

CHF million	2014	2013
Long-term financial liabilities	134.6	163.0
Short-term financial liabilities	61.0	48.6
Trade payables	250.4	231.3
Other current liabilities	88.0	87.6
Total financial liabilities at amortized cost	534.0	530.5
Fair value of derivative financial instruments ²	2.5	0.5
Total financial liabilities and derivatives	536.5	531.0

¹ Measured at fair values that are based on quoted prices in active markets (level 1).

² Measured at fair values that are calculated based on observable market data (level 2).

The long-term financial liabilities comprise the bond with a net book value of 124.4 million CHF (2013: 124.2 million CHF) and a fair value¹ of 133.9 million CHF (2013: 132.4 million CHF). Refer to note 25 (p. 91) for further information. The book values of other financial instruments measured at amortized cost correspond to their fair values.

29 Pension plans

The costs for pensions are charged to employee costs and for the current reporting year totaled 12.8 million CHF (2013: 12.3 million CHF).

Some employees have defined contribution plans whose insurance benefit results solely from the paid contributions and the return on investment on the plan asset. The other employees have defined benefit plans that are based upon direct benefits of Autoneum Group.

Defined contribution plans

The expenses for defined contribution plans totaled 7.4 million CHF in the current reporting year (2013: 5.1 million CHF).

Defined benefit plans

Autoneum maintains defined benefit pension plans in Switzerland, the United Kingdom, Italy (until July 2013), the United States of America and Canada. The most significant pension plans are the Swiss and the US pension plans. Those plans sum up to 78.1% (2013: 79.1%) of the Group's defined benefit liability and to 78.5% (2013: 79.6%) of the Group's plan assets.

The status of the defined benefit plans at year-end was as follows:

CHF million	2014	2013
Switzerland		
Fair value of plan assets at December 31	111.0	98.8
Present value of defined benefit obligation at December 31	-111.1	-93.3
Surplus at December 31	-0.1	5.5
USA		
Fair value of plan assets at December 31	31.2	27.2
Present value of defined benefit obligation at December 31	-49.4	-36.4
Deficit at December 31	-18.2	-9.2
Other countries		
Fair value of plan assets at December 31	38.9	32.3
Present value of defined benefit obligation at December 31	-44.5	-34.2
Deficit at December 31	-5.6	-1.9
Total deficit at December 31	-23.9	-5.6
Recognized in the balance sheet		
as pension assets (within other non-current assets)	6.2	6.9
as pension liabilities (within employee benefit liabilities) ¹	-30.1	-12.5

¹ Employee benefit liabilities include besides pension liabilities other employee-related liabilities in the amount of 1.6 million CHF (2013: 1.7 million CHF).

Swiss pension plans

Pension plans are governed by the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG). The Group's pension plans are administered by separate legal foundations, which are funded by regular employee and company contributions. Plan participants are insured against the financial consequences of old age, disability and death. The most senior governing body of the pension plan is the Board of Trustees. All governing and administration bodies have an obligation to act in the interests of the plan participants. The final benefit is contribution-based with certain minimum guarantees. Due to these minimum guarantees, the Swiss plans are treated as defined benefit plans for the purposes of these IFRS financial statements, although they have many of the characteristics of defined contribution plans. Retirement benefits are based on the accumulated savings capital, which can either be drawn as a lifelong pension or as a lump sum payment. The pension is calculated by multiplying the balance of the savings capital with the currently applicable conversion rate. The plan is exposed to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk. In case of an underfunding, the Board of Trustees is required to take the necessary measures to ensure that full funding can be expected to be restored within a reasonable period. The measures may include increasing employee and company contributions, lowering the interest rate on retirement account balances or reducing prospective benefits.

US pension plans

The Group's major defined benefit plans in the USA have been closed to new members. New employees in the US now join defined contribution plans. The defined benefit plans are subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), which defines minimum standards such as the statutory minimum funded status.

Pension plans in other countries

Autoneum maintains defined benefit plans in Canada and in Great Britain. The pension plan in Great Britain has been closed for new members. New employees join a defined contribution plan. The pension plan in Canada is open for all Canadian employees. The plan is funded, and the majority of the contributions are paid by the employer.

The movement in the defined benefit obligation over the year was as follows:

CHF million	2014	2013
Defined benefit obligation at January 1	163.9	180.0
Current service cost	5.1	5.2
Past service cost	0.0	0.7
Interest cost	5.5	5.1
Actuarial gains and losses	28.0	-6.7
Employee contributions	2.9	3.0
Benefits paid	-6.5	-8.9
Sale of subsidiary	0.0	-10.6
Currency effects	6.1	-3.9
Defined benefit obligation at December 31	205.0	163.9

The movement in the fair value of plan assets over the year was as follows:

CHF million	2014	2013
Fair value of plan assets at January 1	158.3	145.7
Interest income	5.2	3.8
Return on plan assets excluding interest income	9.2	11.2
Employer contributions	7.8	7.2
Employee contributions	2.9	3.0
Benefits paid	-6.5	-8.9
Currency effects	4.2	-3.7
Fair value of plan assets at December 31	181.1	158.3

The major categories of plan assets as a percentage of total plan assets were as follows:

in %	2014	2013
Equity	44	44
Debt	31	28
Real estate	6	11
Other	19	18

All equity and debt instruments are listed on a stock exchange.

The amounts recognized in the income statement were as follows:

CHF million	2014	2013
Current service cost	5.1	5.2
Past service cost	0.0	0.7
Net interest cost	0.3	1.2
Pension costs of defined benefit plans	5.4	7.2
Recognized in the income statement:		
as employee costs	5.1	6.0
as interest expense (within financial expenses)	0.3	1.2

The amounts recognized in the income statement result from plans in the following regions:

CHF million	2014	2013
Expense from defined benefit plans in Switzerland	3.4	3.6
Expense from defined benefit plans in the USA	1.0	1.1
Expense from defined benefit plans in other countries	1.0	2.5
Total	5.4	7.2

The expected contributions for the Group's defined benefit pension plans for 2015 amount to 7.3 million CHF (2014: 8.7 million CHF). The actual return on plan assets amounted to 14.4 million CHF in 2014 (2013: 14.9 million CHF).

The effects of the revaluation of the defined benefit pension plans recognized in the statement of comprehensive income are as follows:

CHF million	2014	2013
Actuarial gains and losses		
from changes in demographic assumptions	-3.9	-4.1
from changes in financial assumptions	-22.1	14.7
from experience adjustment	-2.0	-3.9
Return on plan assets excluding interest income	9.2	11.2
Recognized in statement of comprehensive income	-18.8	17.9

The table below discloses the main actuarial assumptions at year-end:

Weighted average all pension plans		2014	2013
Discount rate	in %	2.4	3.3
Expected future salary growth	in %	0.5	0.6
Life expectancy for females at age of 65	in years	23.9	22.8
Life expectancy for males at age of 65	in years	21.5	20.5

At December 31, 2014, the weighted average duration of the defined benefit obligation was 16.7 years (2013: 14.5 years).

The table below shows the results of the sensitivity analysis. It was analyzed how expected changes in the discount rate and expected changes in the future salary growth rate would impact the defined benefit liability. A change in the discount rate by 0.25 points or a change in the future salary growth rate by 0.5 points would have had the following effect on the defined benefit liabilities and assets:

CHF million	2014	2013
Increase in discount rate by 0.25 percentage point	-8.0	-5.8
Decrease in discount rate by 0.25 percentage point	8.6	6.1
Increase in future salary growth by 0.5 percentage point	2.7	1.5
Decrease in future salary growth by 0.5 percentage point	-2.7	-1.5

30 Related parties

Related parties are members of the Board of Directors and the Executive Board, pension funds, associated companies as well as companies controlled by significant shareholders. Information on significant shareholders is disclosed in the notes to the financial statements of Autoneum Holding Ltd on page 112.

The following transactions were carried out with related parties:

CHF million	2014	2013
Interest paid to shareholders on shareholder loans	1.0	1.5
Fees paid to the law firm of the Chairman of the Board of Directors	0.2	0.3

The total remuneration to the Board of Directors and to the Group Executive Board was as follows:

CHF million	2014	2013
Remuneration in cash	4.7	4.0
Remuneration in shares of Autoneum Holding Ltd	1.7	1.8
Employer contributions in pension fund	0.5	0.2
Employer contributions in social security	0.3	0.3

The compensation of the Board of Directors and of the Group Executive Board is disclosed in the Remuneration report on pages 104 to 107.

Members of the Group Executive Board can deposit part of their cash remuneration as a receivable due from Autoneum Management Ltd. The interest rate of these deposits is in line with market conditions.

The main shareholders of Autoneum Holding Ltd have granted a subordinated loan of 12.5 million CHF each. The interest rate on these loans was 6% per annum. The loans were due after written notification of the creditors of the company, but not before the credit facilities of the bank syndicate were fully repaid. They ranked after the claims of any unsubordinated creditors of the company and certain of its subsidiaries, and prior to the claims of other subordinated creditors without fixed maturity. The subordinated loans were repaid to the main shareholders on August 21, 2014.

Year-end balances were as follows:

CHF million	2014	2013
Payables due to employees	1.0	2.3
Subordinated shareholder loans	0.0	25.0

31 Other commitments

Some Group companies rent factory and office space under operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future, cumulated minimum lease payments for operating leases are due as follows:

CHF million	2014	2013
Less than 1 year	25.1	21.7
1 to 5 years	68.4	45.1
Thereafter	41.2	15.8
Total	134.7	82.6

In the reporting period, 31.3 million CHF was charged to the income statement under operating leases (2013: 31.9 million CHF).

At year-end, open commitments for large investments in tangible assets summed up to 24.9 million CHF (2013: 5.8 million CHF).

32 Contingent liabilities

Along with other automobile suppliers, Autoneum Germany GmbH, a subsidiary of Autoneum Holding Ltd, is subject to investigations by the German Federal Cartel Office. The investigations affect, among others, the market for floor systems and trunk trim.

The investigations are ongoing and no decisions have been received from the German Federal Cartel Office so far. No provision or quantification of the contingent liability for this case was made in the consolidated financial statements 2014, since it is currently not possible to reliably estimate a potential financial impact for this case.

There are no further single matters pending that Autoneum expects to be material in relation to the Group's business, financial position or results of operations.

33 Net debt

CHF million	2014	2013
Cash and cash equivalents	-140.9	-117.9
Marketable securities and interest bearing receivables	-0.9	-18.7
Short-term financial liabilities	61.0	48.6
Long-term financial liabilities	134.6	138.0
Subordinated shareholder loans	0.0	25.0
Net debt	53.9	75.0

34 Exchange rates for currency translation

CHF		Average rate 2014	Average rate 2013	Year-end rate 2014	Year-end rate 2013
Argentina	1 ARS	0.11	0.17	0.12	0.14
Brazil	1 BRL	0.39	0.43	0.37	0.38
Canada	1 CAD	0.83	0.89	0.85	0.83
China	100 CNY	14.86	15.03	15.94	14.67
Czech Republic	100 CZK	4.41	4.73	4.34	4.47
Euro countries	1 EUR	1.21	1.23	1.20	1.23
Great Britain	1 GBP	1.51	1.45	1.54	1.47
India	100 INR	1.50	1.58	1.56	1.44
Poland	100 PLN	28.97	29.19	27.91	29.55
USA	1 USD	0.92	0.92	0.99	0.89

35 Events after balance sheet date

On January 15, 2015, the Swiss National Bank announced that it was discontinuing the minimum exchange rate of 1.20 Swiss francs per euro. The amounts reported in these consolidated financial statements do not reflect changes in foreign exchange rates after December 31, 2014. Since the Group uses the Swiss franc as the presentation currency in its consolidated financial statements, then a weakening of foreign currencies against the Swiss franc will have a negative currency translation impact on the Group's consolidated results.

Subsidiaries and associated companies

			Capital in million Consolidated	Voting rights	Research & development	Sales/trading	Production	Service/financing
Switzerland	Autoneum Holding Ltd, Winterthur	CHF	0.2	• 100%				•
	Autoneum International Ltd, Winterthur	CHF	7.0	• 100%				•
	Autoneum Management Ltd, Winterthur	CHF	1.3	• 100%	•			•
	Autoneum Switzerland Ltd, Sevelen	CHF	0.3	• 100%	•		•	
Argentina	Autoneum Argentina SA, Córdoba	ARS	22.5	• 100%		•	•	
Belgium	Autoneum Belgium N.V., Genk	EUR	8.0	• 100%		•	•	
Brazil	Autoneum Brasil Têxteis Acústicos Ltda., São Bernardo do Campo	BRL	43.0	• 100%	•	•	•	
Canada	Autoneum Canada Ltd., Tillsonburg	CAD	0.9	• 100%			•	
China	Autoneum (Chongqing) Sound-Proof Parts Co. Ltd., Chongqing	CNY	49.3	• 100%	•	•	•	
	Autoneum (Shenyang) Sound-Proof Parts Co. Ltd., Shenyang	CNY	49.2	• 100%		•	•	
	Autoneum Nittoku (Guangzhou) Sound-Proof Co. Ltd., Guangzhou	CNY	75.8	• 51%		•	•	
	Tianjin Autoneum Nittoku Sound-Proof Co. Ltd., Tianjin	CNY	47.2	• 51%		•	•	
	Wuhan Nittoku Autoneum Sound-Proof Co. Ltd., Wuhan	CNY	76.9	25%		•	•	
Czech Republic	Autoneum CZ s.r.o., Choceň	CZK	206.2	• 100%		•	•	
France	Autoneum Holding France SASU, Lyon	EUR	39.8	• 100%				•
	Autoneum France SASU, Aubergenville	EUR	8.0	• 100%	•	•	•	
Germany	Autoneum Germany GmbH, Rossdorf	EUR	11.2	• 100%	•	•	•	
Italy	Porfima Uno S.r.l., Torino	EUR	0.0	• 100%				•
India	Autoneum India Pvt. Ltd., New Delhi	INR	293.6	• 100%		•	•	
	Autoneum Nittoku Sound Proof Products India Pvt. Ltd., Chennai	INR	220.0	• 51%		•	•	
Korea	SHN CO., Ltd., Daegu	KRW	2 640.0	49%		•	•	
	Autoneum Korea Ltd., Seoul	KRW	240.0	• 60%		•		
Mexico	Autoneum Mexico, S. de R.L. de C.V., Hermosillo	MXN	0.0	• 100%		•	•	
	UGN de Mexico, S. de R.L. de C.V., Silao	MXN	0.1	• 50%		•	•	
	Servicios de Acoustical Solutions, S. de R.L. de C.V., Silao	MXN	0.1	• 50%		•		
Netherlands	Autoneum Netherland B.V., Weert	EUR	2.0	• 100%				•
Poland	Autoneum Poland Sp.z.o.o., Katowice	PLN	20.8	• 100%	•		•	
Portugal	Autoneum Portugal Lda., Setúbal	EUR	1.2	• 87%			•	
Russia	Autoneum Rus LLC, Ryazan	RUB	0.8	• 100%		•	•	
Spain	Autoneum Spain S.A.U., Terrassa	EUR	10.8	• 100%		•	•	
South Africa	Autoneum Feltex (Pty) Ltd., Durban	ZAR	11.1	• 51%		•	•	
Thailand	SRN Sound Proof Co., Ltd., Chonburi	THB	100.0	30%		•	•	
	Summit & Autoneum (Thailand) Co., Ltd., Rayong	THB	2.8	• 51%		•	•	
Turkey	Autoneum Erkurt Otomotive AS, Bursa	TRY	3.1	• 51%		•	•	
United Kingdom	Autoneum Great Britain Ltd., Stoke-on-Trent	GBP	41.8	• 100%		•	•	
USA	Autoneum America Corporation, Farmington Hills	USD	130.4	• 100%				•
	Autoneum North America Inc., Farmington Hills	USD	47.2	• 100%	•	•	•	
	UGN Inc., Tinley Park	USD	1.0	• 50%	•	•	•	



Report of the statutory auditor on the consolidated financial statements to the General Meeting of Shareholders of Autoneum Holding Ltd, Winterthur

As statutory auditor, we have audited the accompanying consolidated financial statements of Autoneum Holding Ltd, which comprise the balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes on pages 64 to 102 for the year ended December 31, 2014.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards as well as International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended December 31, 2014, give a true and fair view of the financial position, the results of operations and the cash flows in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

Kurt Stocker
Licensed audit expert
Auditor in charge

Kathrin Schünke
Licensed audit expert

Zurich, March 4, 2015

Remuneration report

Components and definition process for remuneration and equity participation plans

Authority and definition process

The basic features of the remuneration policy are elaborated by the Compensation Committee (COC) and approved by the Board of Directors, which also approves the Group bonus plan and the long-term incentive plan (LTI). The Board of Directors fixes annually the remuneration of the Directors and of the members of the Group Executive Board, based on suggestions of the COC. The Directors, whose remuneration is decided on, also participate in the meeting. The Board of Directors reviews annually the main features of the remuneration policy, approves the fixed portion of the remuneration of the Group Executive Board members and defines the targets for the Group bonus plan as well as the parameters for the LTI. The Board of Directors has not engaged third-party consultants for the elaboration of the salary policy or of compensation programs.

Remuneration of the Board of Directors

The remuneration of the Board of Directors consists of the annual fee and of the compensation for representation expenses. The remuneration is determined at the discretion of the Board of Directors, taking into consideration the remuneration at companies with comparable size, industry and globalization.

The members of the Board of Directors may opt to obtain all or part of their remuneration in cash or in Autoneum shares. The cash component is paid out in December of the related business year. The share price applicable for the conversion of the remuneration into shares is based on the average trading price of the ten trading days following the dividend payment. The shares are delivered at tax values and are blocked for three years following the fixing day. The tax value equals the average trading price described above, discounted to reflect the three-year block period.

Remuneration of the Group Executive Board

Remuneration of the Group Executive Board consists of a fixed component, a performance-related bonus and the participation in the long-term incentive plan (LTI).

Remuneration is determined at the discretion of the Board of Directors taking into consideration function, responsibility and experience, as well as remuneration at comparable industrial companies for which information is publicly available or known to the Directors from their experience or office at similar companies. Industrial companies are considered comparable with Autoneum if they are similar in terms of business sector, structure, size and international activity.

The members of the Group Executive Board may reach a performance-related remuneration of up to 80% of their basic salary, subject to the achievement or exceeding of defined minimum profitability and liquidity targets of the Group or of the Business Groups (BG), as well as to the achievement of agreed individual targets.

The targets for the CEO and the CFO refer to the net profit margin (weighted with 52.5%), RONA (22.5%) and individual targets (25%). For the heads of the BG the targets refer to the net profit margin (17.5%), Group RONA (7.5%), BG EBIT margin (35%), BG free cash flow (15%) and individual targets (25%). Minimum and maximum limits are defined for the weighted targets. Achievement of the minimum limit is a condition for the bonus, while maximum bonus is achieved at the maximum

limit. Bonus develops linearly between the two limits. Irrespective of the other targets, a bonus is only earned in case of a positive Group net profit.

At least 40% of the bonus is paid in shares of Autoneum. Each member of the Group Executive Board can opt for receiving up to 100% of the bonus in shares. The calculated bonus is multiplied by 1.4 and then converted into shares considering the average trading price of the first ten trading days in January. The resulting shares are blocked for three years.

The long-term incentive plan (LTI) allows the Board of Directors to allocate part of the Group net profit to the beneficiaries defined in advance. Beneficiaries are the upper management of the Group, including the Group Executive Board. The total amount of net profit dedicated to the LTI is converted into Autoneum shares. The shares are allocated to the beneficiaries at fixed percentage rates, corresponding to the internal function levels. The shares become property of the beneficiaries after a vesting period of three years, if the beneficiaries are then still employed by an Autoneum company. Immediate vesting occurs in case of death or retirement of a beneficiary. In case of employment termination, shares not yet vested lapse without compensation. Exceptions are possible at the discretion of the COC. For the year 2015, 1% of net profit has been allocated (2014: 1%).

There are no share options or share purchase plans.

Remuneration to the members of the Board of Directors and of the Group Executive Board in 2014

CHF	Remuneration in cash		Shares instead of cash		Other ²	Total
			Number	Value ¹		
Board of Directors						
Hans-Peter Schwald, Chairman	0	1 789	280 000		50 066	330 066
Rainer Schmückle, Vice Chairman	106 523	400	83 477		25 000	215 000
Michael W. Pieper	0	612	100 000		25 322	125 322
This E. Schneider	65 000	286	65 000		29 721	159 721
Peter Spuhler	0	599	100 000		27 496	127 496
Ferdinand Stutz	100 000	419	70 000		32 480	202 480
Total	271 523	4 105	698 477		190 085	1 160 085

CHF	Remuneration in cash		Shares (bonus plan)		LTI ⁵	Other ⁶	Total
	Fixed ³	Variable	Number	Value ⁴			
Group Executive Board							
All members	2 893 853	1 209 989	5 081	887 905	190 303	863 664	6 045 714
Thereof Martin Hirzel, CEO	636 542	293 654	1 568	274 008	70 075	174 790	1 449 069

¹ The applicable share price (average trading price during the defined period, less 16% for the three-year blocking period) was 156.52 CHF.

The transfer took place after deduction of applicable social security contributions and withholding taxes.

² Other remuneration includes the employer portion of social insurance contributions as well as lump-sum remuneration for representation expenses.

³ Variations from prior year remuneration stem from adjusting fixed cash remuneration to market level and transition periods of Group Executive Board members.

⁴ The part of the bonus opted to be paid out in shares (at least 40%) is multiplied by the factor 1.4 and then converted into shares at the relevant share price (average trading price during the defined period). The applicable share price was 174.75 CHF.

⁵ The rights allocated in April 2015 will vest end of February 2018.

⁶ Other remuneration includes the employer portion of social insurance contributions, the employer portion of contributions to pension funds and other fringe benefits.

Remuneration to the members of the Board of Directors and of the Group Executive Board in 2013

CHF	Remuneration in cash		Shares instead of cash		Other ²	Total
			Number	Value ¹		
Board of Directors						
Hans-Peter Schwald, Chairman		0	5 258	280 000	48 270	328 270
Rainer Schmückle, Vice Chairman	119 000		1 000	71 000	25 000	215 000
Michael W. Pieper		0	1 797	100 000	25 322	125 322
This E. Schneider	65 000		839	65 000	29 721	159 721
Peter Spuhler		0	1 760	100 000	27 496	127 496
Ferdinand Stutz	130 000		704	40 000	32 413	202 413
Total	314 000		11 358	656 000	188 222	1 158 222

CHF	Remuneration in cash		Shares (bonus plan)		LTI ⁴	Other ⁵	Total
	Fixed	Variable ⁶	Number	Value ³			
Group Executive Board							
All members	2 669 279	999 317	5 448	1 082 792	217 000	492 320	5 460 708
Thereof Martin Hirzel, CEO	630 240	252 096	1 598	352 934	54 250	96 107	1 385 627

¹ The applicable share price (average trading price during the defined period, less 16% for the three-year blocking period) was 53.25 CHF. The transfer took place after deduction of applicable social security contributions and withholding taxes.

² Other remuneration includes the employer portion of social insurance contributions as well as lump-sum remuneration for representation expenses.

³ The part of the bonus opted to be paid out in shares (at least 40%) is multiplied by the factor 1.4 and then converted into shares at the relevant share price (average trading price during the defined period). The applicable share price was not yet available by the closing of the financial statements 2013.

⁴ The rights allocated in April 2014 will vest end of February 2017.

⁵ Other remuneration includes the employer portion of social insurance contributions, the employer portion of contributions to pension funds and other fringe benefits.

⁶ For the bonus calculation, the net profit 2013, 36.2 million CHF, has been adjusted for the sale of the subsidiary Autoneum Italy S.p.A. and closure of the plant Dieppe in France to 74.4 million CHF.

Remuneration to former members of the Board of Directors and of the Group Executive Board

There has been no remuneration to former members of the Board of Directors or of the Group Executive Board.

Directorships at other companies

The Board of Directors decides on directorships of members of the Group Executive Board or of other members of senior management at other companies. When the directorship is exercised outside the contractual working time, the director's remuneration received must not be surrendered to Autoneum.

Loans to directors or officers

No loans have been granted to members of the Board of Directors or of the Group Executive Board.

Other remuneration and payments to related parties

There have been no further remuneration or payments to members of the Board of Directors or of the Group Executive Board in 2014 or in 2013. In 2014, 211 138 CHF (2013: 271 975 CHF) of fees were paid to the law firm managed by the Chairman of the Board of Directors, for legal services provided.



**Report of the Statutory Auditor on the Remuneration report
to the General Meeting of Shareholders of Autoneum Holding Ltd, Winterthur**

We have audited the accompanying Remuneration report dated March 4, 2015, of Autoneum Holding Ltd for the year ended December 31, 2014. The audit was limited to the information according to articles 14–16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained in the tables “Remuneration to the members of the Board of Directors and of the Group Executive Board in 2014” and “Remuneration to the members of the Board of Directors and of the Group Executive Board in 2013” on pages 105 to 106 of the Remuneration report.

Responsibility of the Board of Directors

The Board of Directors is responsible for the preparation and overall fair presentation of the Remuneration report in accordance with Swiss law and the Ordinance against Excessive Compensation in Stock Exchange Listed Companies. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibility

Our responsibility is to express an opinion on the accompanying Remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Remuneration report complies with Swiss law and articles 14–16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the Remuneration report with regard to compensation, loans and credits in accordance with articles 14–16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the Remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration as well as assessing the overall presentation of the Remuneration report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Remuneration report for the year ended December 31, 2014, of Autoneum Holding Ltd complies with Swiss law and articles 14–16 of the Ordinance.

KPMG AG

Kurt Stocker
Licensed audit expert
Auditor in charge

Kathrin Schünke
Licensed audit expert

Zurich, March 4, 2015

Income statement of Autoneum Holding Ltd

For the period from January 1 to December 31

CHF million	Notes	2014	2013
Income			
Dividend income		6.6	5.7
License income		5.3	5.6
Financial income	(1)	19.9	18.9
Total income		31.8	30.1
Expenses			
Financial expenses	(2)	9.1	12.5
Administration expenses		3.9	4.2
Sale of subsidiary		6.9	0.0
Total expenses		19.9	16.7
Net profit		11.9	13.4

Balance sheet of Autoneum Holding Ltd

At December 31

CHF million	Notes	2014	2013
Assets			
Investments	(3)	267.1	205.6
Loans due from subsidiaries		234.1	253.8
Loans due from third parties		7.6	4.3
Non-current assets		508.9	463.8
Loans due from subsidiaries		96.9	79.6
Loans due from third parties		0.7	17.8
Receivables and accruals due from subsidiaries		16.5	41.0
Receivables and accruals due from third parties		0.9	2.9
Treasury shares	(4)	6.1	2.3
Cash and cash equivalents		10.3	14.7
Current assets		131.2	158.4
Total assets		640.1	622.2
Shareholders' equity and liabilities			
Share capital	(5)	0.2	0.2
Legal reserves			
General reserve		288.8	292.5
Reserve for treasury shares	(5)	6.1	2.3
Reserve from paid-in capital	(5)	76.0	82.0
Retained earnings			
Balance brought forward		27.7	14.3
Net profit for the year		11.9	13.4
Shareholders' equity		410.6	404.7
Subordinated shareholder loans	(6)	0.0	25.0
Bond	(7)	124.4	124.2
Long-term provisions	(9)	11.9	11.9
Non-current liabilities		136.3	161.1
Liabilities due to banks		33.3	0.0
Liabilities and accruals due to subsidiaries		53.9	51.7
Liabilities and accruals due to third parties		6.0	4.7
Current liabilities		93.3	56.3
Liabilities		229.5	217.4
Total shareholders' equity and liabilities		640.1	622.2

Notes to the financial statements of Autoneum Holding Ltd

1 Financial income

CHF million	2014	2013
Interest income	15.0	18.7
Foreign exchange result net	4.0	0.0
Other financial income	0.8	0.2
Total	19.9	18.9

2 Financial expenses

CHF million	2014	2013
Interest expenses	9.1	9.8
Foreign exchange result net	0.0	2.6
Other financial expenses	0.0	0.1
Total	9.1	12.5

3 Investments

Autoneum Holding Ltd recapitalized subsidiaries by converting loans into equity in 2014 and 2013. Participation levels were increased accordingly. The subsidiaries and associated companies are listed on page 102. They are owned directly or indirectly by Autoneum Holding Ltd.

4 Treasury shares

At December 31, 2014, the Company held 53 180 shares (2013: 36 062) that were purchased in 2014 and in prior periods at an average market price of 114.18 CHF (2013: 64.62 CHF) per share. In 2014, the Company purchased 28 069 (2013: 61 747) shares at an average share price of 167.15 CHF (2013: 61.20 CHF), transferred 4 105 shares (2013: 11 358) to beneficiaries at an average share price of 96.75 CHF (2013: 53.26 CHF) and sold 7 250 shares (2013: 16 777) to subsidiaries at an average share price of 76.18 CHF (2013: 64.86 CHF). The treasury shares are valued at the lower of cost or market value. At December 31, 2014, the shares were valued at historic cost.

5 Shareholders' equity

Share capital

The share capital amounts to 233 618.15 CHF. It is divided into 4 672 363 fully paid registered shares with a par value of 0.05 CHF each.

Conditional share capital

For issuing bonds and/or granting shareholder options, the share capital can be increased by a maximum of 700 000 paid registered shares with a par value of 0.05 CHF up to a maximum value of 35 000 CHF. Furthermore, for the issue of shares to employees and subsidiaries, the share capital

can be increased by a maximum of 250 000 paid registered shares with a par value of 0.05 CHF up to a maximum value of 12 500 CHF.

Reserve for treasury shares

A reserve for treasury shares in the amount of the acquisition costs of the treasury shares was transferred from the general reserve.

Reserve from paid-in capital

The reserve includes an amount of 21.0 million CHF (2013: 27.0 million CHF) whose distribution as dividends is not subject to income taxes in Switzerland. As a consequence, the dividend distribution can be effected free of Swiss withholding tax.

6 Subordinated shareholder loans

The two main shareholders of Autoneum Holding Ltd have granted a subordinated loan of 12.5 million CHF each. The interest rate on these loans was 6% per annum. The loans were due after written notification of the creditors of the Company, but not before the credit facilities of the bank syndicate were fully repaid. They ranked after the claims of any unsubordinated creditors of the Company and specific subsidiaries, and prior to the claims of other subordinated creditors without fixed maturity. The subordinated loans were repaid to the main shareholders on August 21, 2014.

7 Bond

On December 14, 2012, Autoneum Holding Ltd issued a fixed rate bond with a nominal value of 125.0 million CHF, which is listed on the SIX Swiss Exchange. The bond carries a coupon rate of 4.375%, and has a term of five years with a final maturity on December 14, 2017. The proceeds from the bond issue were used to repay existing bank debt and allowed Autoneum to diversify its financial resources, extend the maturity of the financing and take advantage of the favorable capital market.

8 Bank debt

On August 21, 2014, the long-term credit agreement of 285.0 million CHF, which was concluded on April 12, 2011, between a banking syndicate, Autoneum Holding Ltd, and certain of its subsidiaries, reduced to 130.0 million CHF and amended in various ways in December 2012 in connection with the issuance of the bond mentioned above, was replaced by a new long-term credit agreement in the amount of 150.0 million CHF. The line of credit may partly also be used as a guarantee facility. The final maturity date is December 31, 2019. The interest rate remains based on the LIBOR rate plus an applicable margin, which is determined based on the ratio of net debt to EBITDA.

The new credit agreement contains customary financial covenants. Compliance with financial covenants was checked quarterly and reported to the banking syndicate. In fiscal years 2014 and 2013, the minimum financial requirements were met at all times.

9 Long-term provisions

CHF million	2014	2013
At January 1	11.9	46.0
Loss from the sale of Autoneum Italy S.p.A.	0.0	-28.4
Other losses	0.0	-5.7
At December 31	11.9	11.9

10 Guarantees

Autoneum Holding Ltd has guaranteed 24.1 million CHF (2013: 23.9 million CHF) to financial institutions for granting credit facilities to direct and indirect subsidiaries and 23.8 million CHF (2013: 48.3 million CHF) to other third parties for securing transactions they entered with direct and indirect subsidiaries. Furthermore, a financing commitment in the amount of 13.6 million CHF (2013: 7.4 million CHF) was given in favor of a subsidiary.

11 Significant shareholders

At December 31, Autoneum knew that the following shareholders had more than 3% of the Company voting rights (in accordance with Art. 663c Swiss Code of Obligations):

	2014	2013
Artemis Beteiligungen I AG, Hergiswil, Switzerland, Centinox Holding AG, Hergiswil, Switzerland, and Michael Pieper	20.27%	20.18%
PCS Holding AG, Weiningen, Switzerland, and Peter Spuhler	18.26%	18.24%
Capital Group Companies, Inc. (CGC), Los Angeles, USA	n/a	5.07%
First Eagle Overseas Fund, New York, USA	n/a	3.43%

Details of the disclosures can be found at:

www.six-exchange-regulation.com/obligations/disclosure/major_shareholders_en.html

12 Risk management

Risk management in Autoneum Group is based primarily on the management structure. The Company participates in this risk management process which is described in the consolidated financial statements of Autoneum Holding Ltd on pages 74 to 77.

13 Shares held by the Board of Directors or by the Group Executive Board

The following shares were held by the Board of Directors or by the Group Executive Board (incl. parties related to them) as of December 31 (Art. 663c Swiss Code of Obligations):

Number of shares	2014	2013
Hans-Peter Schwald, Chairman	33 000	30 000
Rainer Schmückle, Vice Chairman	2 171	1 771
Michael W. Pieper	947 245	943 000
This E. Schneider	3 850	3 564
Peter Spuhler	853 035	852 436
Ferdinand Stutz	1 756	1 337
Total Board of Directors	1 841 057	1 832 108
Martin Hirzel	7 512	5 914
Martin Zwyszig ¹	0	n/a
Urs Leinhäuser ²	n/a	4 189
Matthias Holzammer	2 593	1 579
Richard Derr	3 480	2 602
Uwe Trautmann	2 818	2 549
Volker Eimertenbrink	1 645	1 257
Total Group Executive Board	18 048	18 090

¹ Martin Zwyszig was appointed as member of the Group Executive Board as of April 1, 2014.

² Urs Leinhäuser left the Group Executive Board as of March 31, 2014.

14 Events after balance sheet date

On January 15, 2015, the Swiss National Bank announced that it was discontinuing the minimum exchange rate of 1.20 Swiss francs per euro. The amounts reported in these financial statements do not reflect changes in foreign exchange rates after December 31, 2014.

Dividend proposal

for the appropriation of profit

CHF	2014
Net profit according to income statement	11 884 496
Balance brought forward	27 661 071
Reversal of reserve from paid-in capital ¹	20 844 059
At the disposal of the Annual General Meeting	60 389 626
Proposal	
Distribution of a dividend ¹	20 844 059
Carried forward to new account	39 545 567
	60 389 626

¹ Shares held by Autoneum Holding Ltd at the time of dividend distribution are not entitled to dividends.

The Board of Directors proposes that a dividend of 4.50 CHF is paid per registered share, which will be charged to the reserve from paid-in capital. As a consequence, the dividend distribution will be effected free of Swiss withholding tax.



Report of the statutory auditor on the financial statements to the General Meeting of Shareholders of Autoneum Holding Ltd, Winterthur

As statutory auditor, we have audited the accompanying financial statements of Autoneum Holding Ltd, which comprise the balance sheet, income statement and notes on pages 108 to 114 for the year ended December 31, 2014.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the Company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended December 31, 2014, comply with Swiss law and the Company's articles of incorporation.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

Kurt Stocker
Licensed audit expert
Auditor in charge

Kathrin Schünke
Licensed audit expert

Zurich, March 4, 2015

Review 2010 – 2014

Consolidated income statement

CHF million	2014	2013	2012	2011	2010 ¹
Net sales	1 954.7	2 053.3	1 940.9	1 682.4	1 677.5
BG Europe	807.7	901.6	901.2	888.0	897.1
BG North America ²	882.7	892.4	800.0	571.3	548.9
BG Asia	145.3	128.3	101.4	91.8	76.7
BG SAMEA ³	123.9	138.4	144.7	140.6	149.5
EBITDA ⁴	201.6	184.3	146.4	104.2	107.2
as a % of net sales	10.3	9.0	7.5	6.2	6.4
EBIT ⁴	135.1	117.4	77.3	34.9	22.3
as a % of net sales	6.9	5.7	4.0	2.1	1.3
Net profit	102.8	36.2	29.6	2.3	-41.3
as a % of net sales	5.3	1.8	1.5	0.1	-2.5
Return on net assets in % (RONA)	20.3	10.3	10.0	4.1	-0.5
Return on equity in % (ROE)	29.6	12.5	11.1	0.9	n/a

Consolidated balance sheet

Non-current assets	536.2	440.7	434.4	417.0	432.1
Current assets	563.0	549.9	517.5	566.2	590.3
Equity attributable to shareholders of Autoneum	303.5	232.9	213.2	200.4	193.0
Equity attributable to non-controlling interests	89.0	69.1	62.3	56.4	55.1
Total shareholders' equity	392.5	302.0	275.5	256.8	248.1
Non-current liabilities	236.1	234.9	237.0	228.9	187.0
Current liabilities	470.7	453.8	439.4	497.5	587.3
Total assets	1 099.3	990.6	951.9	983.2	1 022.4
Net debt	53.9	75.0	123.0	154.8	151.0
Shareholders' equity in % of total assets	35.7	30.5	28.9	26.1	24.3

Consolidated statement of cash flows

Cash flows from operating activities	138.2	165.7	114.9	35.6	6.9
Cash flows from investing activities	-108.8	-98.6	-66.8	-82.5	-72.0
Cash flows from financing activities	-15.0	-20.7	-36.4	-10.6	125.6

Employees at the end of the year ⁵	10 681	10 816	10 799	10 424	9 423
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¹ According to Historical Combined Financial Statements.

² Including USA, Canada and Mexico.

³ Including South America, Middle East, Africa and Russia.

⁴ Before loss on disposal and restructuring expenses in 2013.

⁵ Including temporary employees but excluding apprentices.

Information for investors

CHF million	2014	2013	2012	2011	2010
Number of issued shares	4 672 363	4 672 363	4 672 363	4 672 363	4 672 363
Share capital of Autoneum Holding Ltd	0.2	0.2	0.2	0.2	0.2
Net profit of Autoneum Holding Ltd	11.9	13.4	8.2	14.2	-8.1
Market capitalization at December 31	783.0	633.3	207.1	228.6	n/a
as a % of net sales	40.1	30.8	10.7	13.6	n/a
as a % of equity attr. to AUTN shareholders	258.0	271.9	97.2	114.1	n/a

Data per share (AUTN)

CHF	2014	2013	2012	2011	2010	
Basic earnings per share	17.03	3.12	2.61	-2.13	n/a	
Dividend per share ¹	4.50	1.30	0.65	0.00	n/a	
Shareholders' equity per share ²	65.71	50.24	45.65	49.38	n/a	
Share price at December 31	169.50	136.60	44.35	48.95	n/a	
Share price development during the year	High	209.30	140.00	57.95	119.00	n/a
	Low	129.10	43.30	36.00	43.75	n/a

¹ As proposed by the Board of Directors and subject to the agreement of the Annual General Meeting.

² Equity attributable to shareholders of Autoneum Holding Ltd per share outstanding at December 31.

Important dates

- Annual General Meeting 2015: March 26, 2015
- Semi-Annual Report 2015: July 22, 2015
- Annual General Meeting 2016: March 30, 2016

For investors and financial analysts

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All statements in this report which do not refer to historical facts are forecasts for the future which offer no guarantee whatsoever with respect to future performance; they embody risks and uncertainties which include – but are not confined to – future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors, and other factors which are outside the company's control.

March 2015

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대한민국



June Founding of Autoneum Korea for future cooperation with Korean OEMs in their home market and on global production platforms.



August Favorable refinancing through a syndicated loan lays the financial foundation for future growth and further operational improvements.



March Groundbreaking of new plant in Jeffersonville, USA.

Highlights

2014



December The first Global Employee Survey confirms Autoneum's High Performance Culture and forms the starting point for further future dialogue with the employees.



September The successful implementation of a new ERP system at the North American locations in the US, Canada and Mexico ensures standardized business processes and efficiency increases.



October As new Presenting Partner of the renowned "World Car Awards" Autoneum promotes innovative strength in the automotive industry and thus shapes the future of mobility.

Global footprint of Autoneum



Autoneum

Locations with minority shareholders

Investments in associates

Licensees

Argentina

· Córdoba

Belgium

· Genk

Brazil

· Betim
· Gravataí
· São Bernardo do Campo
· Taubaté

Canada

· London, Ontario
· Tillsonburg, Ontario

China

· Chongqing
· Shanghai
· Shenyang
· Taicang
· Guangzhou
· Tianjin
· Wuhan
· Fuzhou

Czech Republic

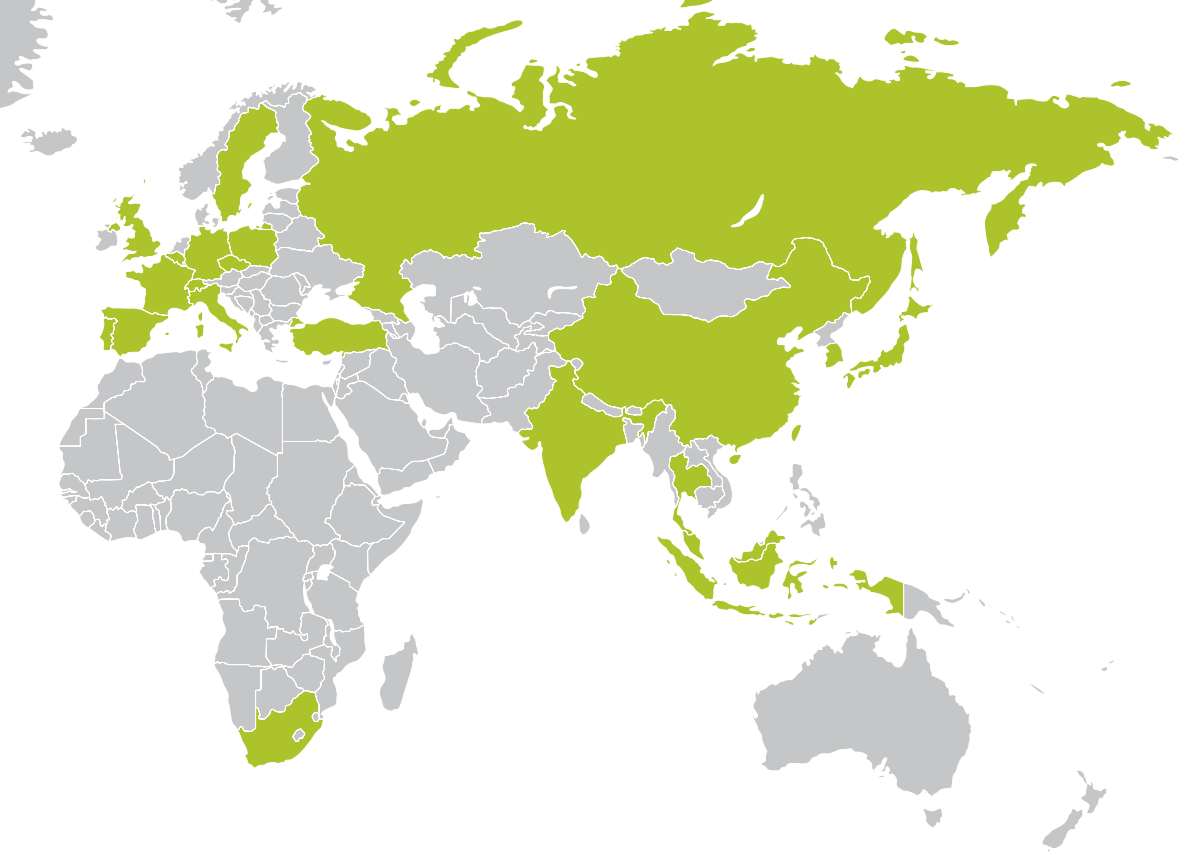
· Bor
· Choceň
· Hnátnice

France

· Aubergenville
· Blainville
· Lachapelle-aux-Pots
· Moissac
· Ons-en-Bray

Germany

· Böblingen
· Großostheim
· Munich
· Roßdorf-Gundernhausen

**Great Britain**

- Halesowen
- Heckmondwike
- Stoke-on-Trent

India

- Behror
- Chennai

Indonesia

- Jakarta

Italy

- Santhià

Japan

- Aichi
- Higashi Kyushu
- Hiratsuka
- Hiroshima
- Kyushu
- Shizuoka
- Tokyo

Malaysia

- Shah Alam

Mexico

- Hermosillo
- Silao

Poland

- Katowice
- Nowogard

Portugal

- Setúbal

Russia

- Ryazan

South Africa

- Rosslyn
- Durban

South Korea

- Incheon
- Daegu

Spain

- A Rúa
- Valldoreix

Sweden

- Göteborg

Switzerland

- Winterthur (HQ)
- Sevelen

Thailand

- Laem Chabang
- Chonburi
- Samutprakarn

Turkey

- Bursa

USA

- Aiken, South Carolina
- Bloomsburg, Pennsylvania
- Farmington Hills, Michigan
- Oregon-Lallendorf, Ohio
- Oregon-Wynn, Ohio
- Chicago Heights, Illinois
- Jackson, Tennessee
- Somerset, Kentucky
- Tinley Park, Illinois
- Valparaiso, Indiana

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