Cooper-Standard Holdings Inc.
Form 424B7
March 18, 2016
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Filed pursuant to Rule 424(b)(7)
Registration No. 333-175637

PROSPECTUS SUPPLEMENT

(To Prospectus dated August 26, 2011)

2,000,000 Shares

COOPER-STANDARD HOLDINGS INC.

Common Stock

The selling stockholders identified in this prospectus supplement are offering 2,000,000 shares of common stock of Cooper-Standard Holdings Inc. in this offering. We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders.

We have agreed to purchase from the underwriters 350,000 shares, or the Repurchased Shares, of the 2,000,000 shares of our common stock offered hereby, having an aggregate value of $23.8 million at a price per share of $68.00, which is the price to the public for the shares offered hereby and not purchased by us. We refer to the shares offered hereby and not purchased by us as the Marketed Shares.

Our common stock is listed on the New York Stock Exchange, or NYSE, under the trading symbol CPS. On March 17, 2016, the last sale price of our common stock as reported on NYSE was $71.27 per share.

This investment involves risks. See Risk Factors beginning on page S-17 of this prospectus supplement and in the documents we incorporate by reference into this prospectus supplement and the accompanying prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved of anyone s investment in these securities or determined if this prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	$ 68.00	$ 136,000,000(4)
Underwriting discounts and commissions(1)(2)	$ 3.06	$ 5,049,000
Proceeds to selling stockholders before expenses(3)	$ 68.00	$ 136,000,000

(1) We have agreed to pay 100% of the underwriting discounts and commissions on the Marketed Shares sold by the selling stockholders pursuant to this prospectus supplement. See Underwriting for additional information regarding underwriting compensation.
(2) Represents the underwriting discount that is payable on the Marketed Shares. The underwriters will not receive any underwriting discount or commission on the Repurchased Shares.
(3) Represents proceeds to the selling stockholders before expenses for the sale by the selling stockholders to the underwriters of the Marketed Shares at a price of $68.00 per share and the Repurchased Shares at a price of $68.00 per share. See Underwriting.
(4) Includes the sale of 350,000 shares of our common stock to us at a price of $68.00 per share.

The selling stockholders identified in this prospectus supplement have granted the underwriters an option to purchase up to 300,000 shares of common stock at the public offering price for 30 days after the date of this prospectus supplement. We will not receive any proceeds from the sale of shares of common stock by the selling stockholders, including from any exercise by the underwriters of their option to purchase additional shares from such selling stockholders.

The underwriters expect to deliver the shares against payment in New York, New York on March 23, 2016.

Goldman, Sachs & Co. **BofA Merrill Lynch**

KeyBanc Capital Markets

Sterne Agee CRT **The Buckingham Research Group Incorporated**

Prospectus supplement dated March 18, 2016.

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You should rely only on information contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus and any related free writing prospectus. We and the selling stockholders have not, and the underwriters have not, authorized anyone to provide any information or to make any representations other than those contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or in any free writing prospectuses we have prepared and take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus supplement and the accompanying prospectus are an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus supplement and the accompanying prospectus is current only as of its date. Our business, financial condition, results of operation and prospects may have changed since that date.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document has two parts, a prospectus supplement and an accompanying prospectus dated August 26, 2011. This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the Securities and Exchange Commission, which we refer to as the SEC, utilizing the SEC s shelf registration process. This prospectus supplement, which describes certain matters relating to us and the specific terms of this offering of shares of common stock, adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference herein and in the accompanying prospectus. Generally, when we refer to this document, we are referring to both parts of this document combined. Both this prospectus supplement and the accompanying prospectus include important information about us, our common stock and other information you should know before investing in our common stock. The accompanying prospectus gives more general information, some of which may not apply to the shares of common stock offered by this prospectus supplement. To the extent the information contained in this prospectus supplement differs or varies from the information contained in the accompanying prospectus, you should rely on the information contained in this prospectus supplement. If the information contained in this prospectus supplement differs or varies from the information contained in a document we have incorporated by reference, you should rely on the information in the more recent document.

Before you invest in our common stock, you should read the registration statement of which this document forms a part and this document, including the documents incorporated by reference herein that are described under the heading Incorporation by Reference.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the common stock in certain jurisdictions may be restricted by law. Neither we, the selling stockholders nor the underwriters are making an offer of the common stock in any jurisdiction where the offer is not permitted. Persons who come into possession of this prospectus supplement and the accompanying prospectus should inform themselves about and observe any such restrictions. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

You should not consider any information in this prospectus supplement or the accompanying prospectus to be investment, legal or tax advice. You should consult your own counsel, accountant and other advisors for legal, tax, business, financial and related advice regarding the purchase of the common stock. Neither we, the selling stockholders nor the underwriters are making any representation to you regarding the legality of an investment in the common stock by you under applicable investment or similar laws.

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INDUSTRY AND MARKET DATA

Some market data and other statistical information presented or incorporated by reference in this prospectus supplement are based on data from various independent third-party sources, including independent industry publications, reports by market research firms and other independent sources. Other data is based on management s estimates and calculations, which are derived from our review and interpretation of internal analyses, as well as third party sources. Although we believe these third party sources are reliable, we have not independently verified any information and cannot guarantee its accuracy and completeness. To the extent that we have been unable to obtain information from third party sources, we have expressed our belief on the basis of our own internal analyses of our products and capabilities in comparison to our competitors.

TRADEMARKS AND SERVICE MARKS

We own or have rights to various trademarks, service marks and trade names that we use in connection with the operation of our business. Other trademarks, service marks and trade names appearing or incorporated by reference in this prospectus supplement are the property of their respective owners. The trademarks we own or have the right to use include, without limitation, Cooper-Standard, ArmorHose, Ultra Pro Coat, MagAlloy and Fortrex. Solely for convenience, the trademarks, service marks and trade names referred to or incorporated by reference in this prospectus supplement may appear without the ®, TM or SM symbols, but the absence of such references does not indicate the registration status of the trademarks, service marks and trade names and is not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to such trademarks, service marks and trade names.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information contained elsewhere or incorporated by reference in this prospectus supplement or the accompanying prospectus and does not contain all of the information you should consider before investing in shares of our common stock. You should carefully read this entire prospectus supplement and the accompanying prospectus, including the information incorporated by reference herein, the information included under the section entitled Risk Factors and the financial statements and the related notes thereto included elsewhere in this prospectus supplement, before you decide to invest in shares of our common stock.

Except where the context requires otherwise, references in this prospectus supplement to CPS, Cooper Standard, the Company, we, us and our refer to Cooper-Standard Holdings Inc., together with its consolidated subsidiaries.

Our Business

Cooper Standard is a leading manufacturer of sealing, fuel and brake delivery, fluid transfer and anti-vibration systems. Our products are primarily for use in passenger vehicles and light trucks that are manufactured by global automotive original equipment manufacturers, or OEMs, and replacement markets. We believe we are the largest global producer of sealing systems, the second largest global producer of the types of fuel and brake delivery products that we manufacture, the third largest global producer of fluid transfer systems, and one of the largest North American producers of anti-vibration systems.

We design and manufacture our products in each major region of the world through a disciplined and sustained approach to engineering and operational excellence. As of December 31, 2015, our operations were conducted through 98 wholly owned, leased and joint venture facilities in 20 countries, of which 79 are predominantly manufacturing facilities and 19 have design, engineering, administrative or logistics designation(s). The countries in which we operate include Brazil, Canada, China, Czech Republic, France, Germany, India, Italy, Japan, Mexico, the Netherlands, Poland, Romania, Serbia, South Korea, Spain, Sweden, Thailand, the United Kingdom and the United States. For the year ended December 31, 2015, we generated approximately 53% of our sales in North America, 31% in Europe, 13% in Asia Pacific, and 3% in South America.

We believe that we are well-positioned for growth from increasing global vehicle production volumes, increasing average content of our products on each vehicle produced, and our continued new business wins with existing and new customers. For the year ended December 31, 2015, approximately 82% of our sales were to OEMs, including Ford Motor Company, or Ford, General Motors Company, or GM, Fiat Chrysler Automobiles, or FCA, PSA Peugeot Citroën, Volkswagen Group, Daimler, Renault-Nissan, BMW, Toyota, Volvo, Jaguar/Land Rover and Honda and various other OEMs based in India and China. The remaining 18% of our 2015 sales were primarily to Tier I and Tier II automotive suppliers, non-automotive manufacturers, and replacement market distributors.

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The following chart illustrates our balance and business diversity by providing a breakdown of our $3.3 billion in sales for the year ended December 31, 2015 by geography, customer, and product line.

We conduct substantially all of our activities through our subsidiaries and sell our product lines through four reportable segments North America, Europe, Asia Pacific, and South America. For the year ended December 31, 2015, we had sales in such segments of $1.8 billion, $1.0 billion, $0.4 billion, and $0.1 billion, respectively. For the year ended December 31, 2015, we generated sales of $3.3 billion, net income of $111.9 million and Adjusted EBITDA of $362.4 million. See Prospectus Supplement Summary Summary Financial and Other Data for a reconciliation of Adjusted EBITDA to net income attributable to Cooper-Standard Holdings Inc. See Business for a more detailed description of our business.

Products

We have four distinct product lines. These products are produced and supplied globally to a broad range of customers in multiple markets. The percentage of sales by product for the years ended December 31, 2015, 2014 and 2013 are as follows:

	Percentage of Sales		
Product Line	**2015**	**2014**	**2013**
Sealing systems	53%	52%	51%
Fuel and brake delivery systems	20%	20%	23%
Fluid transfer systems	14%	14%	13%
Anti-vibration systems	8%	8%	9%

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In addition to these product lines, we also have sales to other adjacent markets.

Product Lines		Market Position
SEALING SYSTEMS	Protect vehicle interiors from weather, dust and noise intrusion for improved driving experience; provide aesthetic and functional class-A exterior surface treatment Products: Fortrex; Stainless steel trim Dynamic seals; Flush glass systems Static seals; Variable extrusion Encapsulated glass; Specialty sealing products	Global leader
FUEL & BRAKE DELIVERY SYSTEMS	Sense, deliver and control fluids to fuel and brake systems Products: Chassis and tank fuel lines and bundles (fuel lines, vapor lines and bundles); Direct injection & port fuel rails (fuel rails and fuel charging assemblies) Metallic brake lines and bundles; Quick connects	Top 2 globally
FLUID TRANSFER SYSTEMS	Sense, deliver and control fluid and vapors for optimal powertrain & HVAC operation Products: Heater/coolant hoses; Turbo charger hoses Quick connects; Secondary air hoses DPF and SCR emission lines; Brake and clutch hoses Degas tanks; ArmorHose Air intake and charge; ArmorHose II Transmission Oil Cooling Hoses; ArmorHose TPV	Top 3 globally
ANTI-VIBRATION SYSTEMS	Control and isolate noise and vibration in the vehicle to improve ride and handling Products: Powertrain Mount Systems: (Multi-state Vacuum Switchable Hydraulic Engine Mounts, Bi-state Electric Switchable Hydraulic Engine Mounts, Conventional Hydraulic Mounts, Elastomeric Mounts)	North America leader

Suspension Mounts: (Conventional & Hydraulic Bushings, Strut Mounts, Spring Seats & Bumpers, Mass Dampers, Dual Durometer (Bi-compound) Bushings)

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Our Industry

The automotive industry is one of the world s largest and most competitive. Consumer demand for new vehicles largely determines sales and production volumes of global OEMs.

The automotive supplier industry is generally characterized by high barriers to entry, significant start-up costs and long-standing customer relationships. The criteria by which OEMs judge automotive suppliers include quality, price, service, performance, design and engineering capabilities, innovation, timely delivery, financial stability and global footprint. Over the last decade, suppliers that have been able to achieve manufacturing scale, reduce structural costs, diversify their customer base and establish a global footprint have been successful.

New vehicle sales are expected to increase in certain regions of the world, particularly in Asia, where we have a strong local market presence. Asia is the largest and fastest growing market for light vehicles in the world.

Competition in the automotive supplier industry is intense and has increased in recent years as OEMs have demonstrated a preference for stronger relationships with fewer suppliers. There are typically three or more significant competitors and numerous smaller competitors for most of the products we produce. Automotive suppliers with a global manufacturing footprint capable of fully servicing customers around the world will continue to lead the supply industry going forward. OEMs have shifted certain research and development, design and testing responsibility to suppliers. At the same time they have shortened new product cycle times. To remain competitive, suppliers must have state-of-the-art engineering and design capabilities and must be able to continuously improve their engineering, design and manufacturing processes to effectively service the customer. Suppliers are increasingly expected to collaborate on, or assume the product design and development of, key automotive components and to provide innovative solutions to meet evolving technologies aimed at improved emissions and fuel economy.

Pricing pressure has continued as competition for market share has reduced the overall profitability of the industry and resulted in continued pressure on suppliers for price reductions. Consolidations and market share shifts among vehicle manufacturers continue to put additional pressures on the supply chain. These pricing and market pressures will continue to drive our focus on reducing our overall cost structure through continuous improvement initiatives, capital redeployment, restructuring and other cost management processes.

The automotive industry is increasingly being shaped by tightening government regulations for vehicle safety, fuel efficiency, and emissions controls. OEMs continue to focus on improving occupant and pedestrian safety in order to meet increasingly stringent regulatory requirements in various critical markets. Similarly, OEMs must focus on fuel economy and reducing emissions to meet increasingly stringent standards imposed by governmental authorities around the world. As a result, suppliers are increasingly focused on developing technologies and products designed to improve vehicle safety, emissions and fuel economy. Suppliers who can provide product solutions in these areas will realize greater opportunities for above-market growth.

Our Competitive Strengths

Innovative and High Quality Products

We believe we have distinguished ourselves in the automotive industry through our engineering and technological capabilities, as evidenced by our i^3 innovations group and the recent development of

several key innovative product and technology solutions including our MagAlloy coating process, Quick Connect with integrated sensor technology, ArmorHose product line and our revolutionary new Fortrex material technology. Our innovative products increase the lifespan of automotive components such as fuel and brake lines, improve efficiency in the assembly process and reduce material and weight in vehicles. Over the last three years, we have spent $314.3 million on engineering, research and development to further develop innovative products. We believe our focus on innovation and our delivery of innovative products and solutions provides us with a sustainable competitive advantage.

In addition, we believe we have a reputation for outstanding quality within the automotive industry, a factor that has been important to maintaining and expanding our successful relationships with our customers. We have earned numerous awards, including the DaimlerChrysler Global Supplier Award, GM Supplier of the Year, Ford s Silver World Excellence Award and Toyota s Cost Excellence Performance Award.

Global Manufacturing Footprint

We have established an advantaged global manufacturing footprint from which we serve our customers worldwide. Our global operations include 79 facilities which are predominantly utilized for our manufacturing operations. Our operations are located in Brazil, Canada, China, Czech Republic, France, Germany, India, Italy, Japan, Mexico, the Netherlands, Poland, Romania, Serbia, South Korea, Spain, Sweden, Thailand, the United Kingdom and the United States. Since 2004, we have increased the proportion of our sales outside North America from 30% to 47%, largely reflecting our focus on obtaining and retaining business on high-volume global platforms. As part of our strategy, we operate several successful international joint ventures, which have allowed us to enter into new geographic markets, to establish new customer relationships and to expand our products, technologies and capabilities. Our joint venture partners provide knowledge and insight into local markets and access to local suppliers of raw materials and components. We believe our global manufacturing footprint and proximity to customers provides us with a competitive advantage in the areas of customer service, improved logistics and lower costs.

World-Class Operations/Cooper Standard Operating System

In an ongoing effort to reduce our cost structure, we run a global continuous improvement program, as well as implementation of lean tools, structured problem solving, best business practices, standardized processes and change management.

We also evaluate opportunities to consolidate facilities and to relocate certain operations to lower cost countries. We believe we will continue to be successful in our efforts to improve our design and engineering capability and manufacturing processes while achieving cost savings due to the flexible nature of our manufacturing capabilities, our highly efficient operations and our ability to leverage economies of scale from the high volumes of products we produce for the world s top-selling vehicle platforms. We have created a culture of continuous improvement and lean manufacturing in all aspects of our operations. Over the life cycle of each platform, we focus on streamlining manufacturing, increasing automation and reducing material and other costs in an effort to generate additional operational savings. We budget and track operational savings at the facility level, which management regularly reports and reviews.

Strong Customer Relations and Program Management

We believe that our customer relationships, program management capabilities, global presence, comprehensive product line, excellence in manufacturing, product innovation and quality assurance

combine to provide us with significant competitive advantages. We have proven our ability to expand globally with customers, increase scale in a consolidating industry and be first-to-market with design and engineering innovations.

We have a high level of dedication to customer service, and for each major product launch we dedicate a team of sales representatives, engineers, quality specialists and senior management, who work together to ensure that the product launch is completed on time and consistent with rigorous quality standards. These characteristics have allowed us to remain a leading supplier to Ford and GM while steadily growing our business with European and Asian OEMs. Our capabilities are evidenced by our success in being awarded significant content on our customers top-selling platforms, including the Ford F-Series and GM s Silverado, Sierra, Tahoe, Yukon and Escalade vehicle models.

Incumbent Position Across Diverse Customer Base

As the incumbent supplier to platforms, we have typically participated in the design of their successor platforms, and therefore, we believe we have been afforded a competitive advantage to win the upgrade and the ultimate replacement business. In addition, we believe that our presence on our largest customers highest-volume and most important platforms is a competitive advantage that allows us to further increase our market share, cross-sell our other product lines, fully leverage our lean initiatives, spread our fixed costs over higher volumes and increase our return on capital.

Experienced Management Team

Our senior management team has extensive background in the automotive industry. Our management team is focused on guiding us through the challenges facing the automotive industry and the changing economic environment through ongoing and continued cost reduction and restructuring initiatives and is intent on continuing to implement our business strategies. For more information on our executive officers, see Management.

Adaptable Approach to Global Manufacturing Footprint to Ensure Continued Profitability

We continuously evaluate our global manufacturing footprint to ensure we are optimizing our operations to remain accessible to our customers while driving cost improvement. We are currently in the process of transitioning a significant portion of our manufacturing operations from high-cost to low-cost countries. In Europe, we have transferred many of our manufacturing operations in Western Europe to lower cost countries in Eastern Europe. In addition, we have restructured our European employee base by increasing the percentage of lower cost local employees. Both of these efforts have allowed us to decrease our operating costs and drive increased profitability without sacrificing product quality. In North America, we have added significant production capacity and headcount in Mexico while maintaining or reducing production capacity in Canada and the United States. Our current forecasts anticipate a continuation of these trends.

Driving Profitable Growth and Cash Flow Generation

We are committed to growing shareholder value by driving profitable growth, increased Adjusted EBITDA, and strong cash flow generation. We continue to drive revenue growth through increased market share and targeted growth in China, and our Adjusted EBITDA margins continue to grow through our restructuring efforts. Since 2013, our Adjusted EBITDA margin has increased from 9.3% to 10.8% for the year ended December 31, 2015. We are also driving increased cash flow through rigorous capital management. Capital expenditure levels are being reduced to levels in line with our

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industry peers following a period of higher spending which was necessitated by deferred maintenance during the most recent cyclical downturn. In addition, we are focused on reducing working capital through optimizing inventory, receivables and payables.

Our Business Strategy

Our business strategy is to drive for profitable growth, become one of the thirty largest global automotive suppliers in terms of sales, and among the top 5% of global automotive suppliers in terms of return on invested capital (what we refer to as Top 30 / Top 5). We are seeking to realize this vision by matching our priorities and strengths to the emerging global industry environment by:

- Focusing on core product lines;
- Producing superior products as a recognized innovation leader;
- Creating an advantaged global manufacturing footprint to support customers;
- Commonizing and standardizing world-class engineering and manufacturing operations;

As the Company continues to grow, we will look to further evolve our strategy to create additional opportunities to drive shareholder value.

Operational and Strategic Initiatives

As part of our profitable growth strategy, we implemented the Cooper Standard Operating System, or CSOS, to fully position the Company for growth and ensure global consistency in engineering design, program management, manufacturing process, purchasing and IT systems. Standardization across all regions is especially critical in support of customers global platforms that require the same design, quality and delivery standards everywhere across the world.

The CSOS consists of the following areas, with a strategic focus that aligns with the Company s growth strategy:

CSOS Function	Strategic Focus
World-Class Safety	Implement globally consistent measurement system with zero incidents goal.
World-Class Operations	Optimize global performance by implementing best business practices across the organization.
Continuous Improvement	Implement lean manufacturing tools across all facilities to achieve cost savings and increased performance.
Global Purchasing	Develop an advantaged supply base to effectively leverage scale and optimize supplier quality.

Innovation Management	Focused innovation processes to create breakthrough technologies for market differentiation.
Global Program Management	Ensure consistent and flawless product launch process across all regions.
IT Systems	Implement common systems to effectively communicate information throughout the business.

Leverage Technology for Innovative Solutions

We utilize our technical expertise to provide customers with innovative solutions. Our engineers combine product design with a broad understanding of material characteristics for enhanced vehicle performance. We believe our reputation for successful innovation in product design and materials is the reason our customers consult us early in their vehicle development and design process of their next generation vehicles.

Cooper Standard has evolved and further energized its approach to innovation with its i^3 Innovation Process (Imagine, Initiate, Innovate). This approach is used as a mechanism to capture ideas from across our Company and supply partners while promoting a culture of innovation.

Ideas are carefully evaluated by a Global Technology Council and those that are selected are put on an accelerated development cycle with a dedicated innovation team focused on breakthrough ideas. This team is developing innovative technologies based on materials expertise, process know-how, and application vision, which will drive future product direction. Among recently announced technologies is ArmorHose, a breakthrough technology which results in significantly more durable coolant hoses, and eliminates the need for separate abrasion sleeves on under-hood hose assemblies. Several other significant technologies, especially related to advanced materials, processing and weight reduction have recently been realized. These include: Fortrex, a revolutionary material that provides higher performance and lower weight to weather seals; and MagAlloy, a new processing technology for brake lines that increases long term durability through superior corrosion resistance.

Continued Emphasis on Global Platforms

We believe global platforms will drive increased growth for capable global suppliers. Our global presence and technological capabilities ideally position us to win business on global platforms. Based on our 2015 revenue, six of the top ten vehicle platforms on which we provide content are global platforms, which demonstrates that customers already look to us to support global platforms. It is predicted that the top ten global platforms produced by automakers will account for about 30% of the world s light vehicle volume by 2021, further highlighting the importance of being well-positioned to participate in these high volume global programs.

Invest in Emerging Markets to Accelerate Growth

We are committed to expanding our presence in Asia. In China, vehicle production is expected to grow at a 4.1% CAGR from 2015 through 2020 to 30 million vehicles. Accordingly, we have accelerated the Company s sealing business growth and provided additional growth opportunities with domestic Chinese automakers across product lines through the Huayu-Cooper Standard Sealing Systems Co., or Shenya, transaction, which resulted in our 95% majority stake in the largest Chinese automotive sealing supplier. Additionally, our Cooper Standard / INOAC JV has accelerated fluid transfer systems growth and provides additional growth opportunities with Japanese OEMs in China and Southeast Asia. In India, we have launched new sealing and fuel and brake facilities to expand our market leading positions for both product lines. We have also become 100% owner of our existing sealing JV and have expanded our relationship with Sujan Group with a new fluid transfer systems JV. Collectively, these initiatives further develop our global platform to serve our global customer base.

Pursue Acquisitions and Strategic Alliances to Enhance Capabilities and Accelerate Growth

We intend to continue to selectively pursue complementary acquisitions and joint ventures to enhance our customer base, geographic penetration, scale and technology. Consolidation is an

industry trend and is encouraged by the OEMs desire for global automotive suppliers. We believe we have a strong platform for growth through acquisitions based on our past integration successes, experienced management team, global presence and operational excellence. We currently operate through several successful joint ventures.

Share Repurchase Program and Concurrent Share Purchase

On March 14, 2016, we announced that our Board of Directors has approved a securities repurchase program, authorizing us to repurchase, in the aggregate, up to $125 million of our outstanding common stock or warrants to purchase common stock. The authorization replaces the remaining balance of a previous $50 million repurchase program authorized in May 2013. Under the program authorized by the Board of Directors, repurchases may be made on the open market or through private transactions, as determined by our management and in accordance with prevailing market conditions and Securities and Exchange Commission requirements. We are not obligated to acquire a particular number of securities, and the program may be discontinued at any time at our discretion.

Of such $125 million, we have agreed to purchase from the underwriters $23.8 million of shares of common stock at a price per share equal to the price to the public for the Marketed Shares, resulting in the purchase by us of 350,000 shares at $68.00 per share. We refer to this purchase as the share purchase.

We intend to fund the share purchase with available cash. The completion of the share purchase is contingent on the satisfaction of customary closing conditions and conditioned upon, among other things, the completion of this offering.

Corporate Information

Cooper-Standing Holdings Inc. was incorporated in Delaware in December 2004. In August 2009, following the onset of the financial crisis and economic downturn that severely impacted the global automotive industry, Cooper-Standard Holdings Inc. and its wholly-owned subsidiaries in the United States and Canada commenced reorganization proceedings in the United States and Canada. In May 2010, the Company consummated its reorganization pursuant to a court-confirmed plan of reorganization and emerged from the Chapter 11 proceedings and the Canadian proceedings.

In October 2013, the Company s common stock was listed on the NYSE and began trading under the ticker symbol CPS. Prior to the NYSE listing, the Company s common stock was traded on the Over-the-Counter, or OTC, Bulletin Board under the symbol COSH.

Our principal executive offices are located at 39550 Orchard Hill Place Drive, Novi, Michigan 48375 and our telephone number is (248) 596-5900. Our website address is www.cooperstandard.com. The information contained on, or accessible through, our website is not part of this prospectus supplement or the accompanying prospectus and is not incorporated by reference in this prospectus supplement or the accompanying prospectus.

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The Offering

The following summary of the offering contains basic information about the offering and our common stock and is not intended to be complete. It does not contain all the information that may be important to you. For a more complete understanding of our common stock, please refer to the section of the accompanying prospectus entitled Description of Capital Stock.

Issuer	Cooper-Standard Holdings Inc.
Common stock offered by the selling stockholders	2,000,000 shares.
Common stock to be sold to the public	1,650,000 shares.
Common stock to be purchased by us	350,000 shares.
Common stock to be outstanding immediately after this offering and the share purchase	17,193,251 shares.
Option to purchase additional shares of common stock from the selling stockholders	The selling stockholders have granted the underwriter a 30-day option from the date of this prospectus supplement to purchase up to 300,000 additional shares of our common stock at the public offering price. We have agreed to pay 100% of the underwriting discounts and commissions on the Marketed Shares sold by the selling stockholders pursuant to this prospectus supplement, including the shares sold pursuant to the underwriters option.
Use of proceeds	We will not receive any proceeds from the sale of any shares of our common stock by the selling stockholders, including from any exercise by the underwriters of their option to purchase additional shares from the selling stockholders. See Use of Proceeds.
Share purchase	Subject to completion of this offering, we have agreed to purchase 350,000 shares of our common stock from the underwriters having an aggregate value of $23.8 million at $68.00 per share, which is equal to the price to the public for the Marketed Shares.
Dividend policy	We have never paid or declared a dividend on our common stock and we have no current plan to pay dividends on our common stock. Any decision to declare and pay dividends in the future will be made at the sole discretion of our Board of Directors and will

depend on, among other things, our results of operations, capital requirements, financial condition, contractual restrictions, restrictions in our debt agreements, general economic conditions, state law

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	requirements and other factors that our Board of Directors may deem relevant. Additionally, our existing credit facilities contain covenants limiting our ability to pay dividends to stockholders. See Dividend Policy.
Risk factors	See Risk Factors for a discussion of risks you should carefully consider before deciding to invest in our common stock.
NYSE trading symbol	CPS

Unless otherwise indicated, information in this prospectus supplement and the accompanying prospectus with respect to the number of shares of our common stock to be outstanding immediately after the consummation of this offering and the share purchase is based on 17,543,251 shares of common stock outstanding as of March 10, 2016 and does not reflect:

- 1,139,093 shares of common stock issuable upon exercise of 1,135,686 warrants to purchase shares of common stock outstanding;
- 2,027,217 shares of common stock reserved for future issuance under our Omnibus Incentive Plan (the 2011 Omnibus Incentive Plan);
- 1,216,409 shares of common stock issuable upon exercise of outstanding options issued under the 2011 Omnibus Incentive Plan at a weighted exercise price of $47.84431 per share; or
- 468,041 shares of common stock issuable upon vesting of outstanding restricted stock units and stock settled performance units at target.

Unless otherwise indicated, this prospectus supplement reflects and assumes the purchase by us of $23.8 million of shares at the purchase price of $68.00 per share, resulting in the purchase by us of 350,000 shares, and the retirement of such shares upon purchase by us.

Unless otherwise indicated, this prospectus supplement reflects and assumes no exercise by the underwriters of their 30-day option to purchase up to 300,000 additional shares from the selling stockholders at the public offering price. We have agreed to pay 100% of the underwriting discounts and commissions on the Marketed Shares sold by the selling stockholders pursuant to this prospectus supplement, including the shares sold pursuant to the underwriters option.

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Summary Financial and Other Data

The following table shows summary historical consolidated financial and other data for Cooper-Standard Holdings Inc. for the periods and as of the dates presented. The summary historical consolidated financial information as of December 31, 2015 and 2014 and for each of the three years ended December 31, 2015, 2014 and 2013 has been derived from our audited consolidated financial statements and the related notes included elsewhere in this prospectus supplement. The summary historical consolidated balance sheet as of December 31, 2013 has been derived from our audited consolidated financial statements not included or incorporated by reference in this prospectus supplement.

You should read the following summary financial and other data together with the information under Selected Financial Data, Management s Discussion and Analysis of Financial Condition and Results of Operations, Risk Factors and our audited consolidated financial statements and the related notes included elsewhere in this prospectus supplement.

	Year Ended December 31,		
	2015	2014	2013
	(dollars in thousands, except for share and per share amounts)		
Statements of Net Income Data:			
Sales	$ 3,342,804	$ 3,243,987	$ 3,090,542
Cost of products sold	2,755,691	2,734,558	2,617,804
Gross profit	587,113	509,429	472,738
Selling, administration & engineering expenses	329,922	301,724	293,446
Amortization of intangibles	13,892	16,437	15,431
Impairment charges	21,611	26,273	
Restructuring charges	53,844	17,414	21,720
Other operating profit	(8,033)	(16,927)	
Operating profit	175,877	164,508	142,141
Interest expense, net of interest income	(38,331)	(45,604)	(54,921)
Equity earnings	5,683	6,037	11,070
Other income (expense), net	9,759	(36,658)	(7,437)
Income before income taxes	152,988	88,283	90,853
Income tax expense	41,218	42,810	45,599
Net income	111,770	45,473	45,254
Net loss (income) attributable to noncontrolling interests	110	(2,694)	2,687
Net income attributable to Cooper-Standard Holdings Inc.	$ 111,880	$ 42,779	$ 47,941
Net income available to Cooper-Standard Holdings Inc. common stockholders	$ 111,880	$ 42,779	$ 35,054

Earnings Per Share:			
Basic	$ 6.50	$ 2.56	$ 2.39
Diluted	$ 6.08	$ 2.39	$ 2.24
Statements of Cash Flows Data:			
Net cash provided by operating activities	$ 270,385	$ 171,049	$ 133,257
Net cash used in investing activities	$ (166,394)	$ (157,396)	$ (191,084)
Net cash provided by (used in) financing activities	$ (11,590)	$ 49,411	$ (23,047)

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	Year Ended December 31, 2015	2014	2013
	(dollars in thousands)		
Balance Sheet Data (as of period end):			
Cash and cash equivalents	$ 378,243	$ 267,270	$ 184,370
Net working capital(1)	175,312	294,315	269,120
Total assets	2,304,292	2,125,630	2,102,754
Total debt(2)	777,912	778,737	684,424
Total equity	614,799	548,714	615,572
Other Financial Data:			
EBITDA(3)	$ 305,856	$ 243,773	$ 259,489
Adjusted EBITDA(3)	362,365	311,537	287,367
Adjusted EBITDA Margin(3)	10.8%	9.6%	9.3%
Adjusted Net Income(3)	$ 8,697	$ 85,994	N/A
Capital expenditures.	166,267	192,089	$ 183,336
Free Cash Flow(3)	104,118	(21,040)	(50,079)

(1) Net working capital is defined as current assets (excluding cash and cash equivalents) less current liabilities (excluding debt payable in one year).

(2) Total debt includes term loans, capital lease obligations and other third-party debt, as applicable.

(3) We define EBITDA as net income attributable to Cooper-Standard Holdings Inc., plus income tax expense, interest expense, net of interest income, and depreciation and other amortization. We define Adjusted EBITDA as EBITDA, as further adjusted to exclude restructuring, impairment charges, gain on remeasurement of previously held equity interest, gain on divestitures, loss on extinguishments of debt, amortization of inventory write-ups, settlement charges, stock-based compensation, acquisition costs and other expenses that management does not consider to be reflective of our core operating performance. We describe these adjustments reconciling net income attributable to Cooper-Standard Holdings Inc. to Adjusted EBITDA in the table below. Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by sales for each period.

We define Adjusted Net Income as net income attributable to Cooper-Standard Holdings Inc., plus restructuring expenses (net of tax), impairment charges (net of tax), (gain) loss on divestitures (net of tax), loss on extinguishments of debt and other unusual, non-cash or non-recurring items that management does not consider to be reflective of our core operating performance. We describe these adjustments reconciling net income attributable to Cooper-Standard Holdings Inc. to Adjusted Net Income in the table below. We define Free Cash Flow as net cash provided by operating activities, minus capital expenditures.

We present EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Free Cash Flow because we believe they are useful indicators of our operating performance. Our management uses EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin principally as measures of our operating performance and also:

because similar measures are utilized in the calculation of the financial covenants and ratios contained in our financing arrangements;

in developing our internal budgets and forecasts;

as a significant factor in evaluating our management for compensation purposes;

in evaluating potential acquisitions;

in comparing our current operating results with corresponding historical periods and with the operational performance of other companies in our industry; and in presentations to the members of our Board of Directors to enable our Board of Directors to have the same measurement basis of operating performance as is used by management in their assessments of performance and in forecasting and budgeting for our company.

Our management also believes that EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Free Cash Flow are useful to investors because they are frequently used by analysts, investors and other interested parties to evaluate companies in our industry.

EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Free Cash Flow are non-GAAP financial measures and should not be considered as an alternative to net income, operating profit or as a measure of financial performance or cash flows from operating activities as a measure of liquidity, or any other performance measure derived in accordance with GAAP and they should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. In evaluating EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, and Adjusted Net Income, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted EBITDA, Adjusted EBITDA Margin, and Adjusted Net Income should not be construed to imply that our future results will be unaffected by any such adjustments. Management compensates for these limitations by primarily relying on our GAAP results in addition to using EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Free Cash Flow supplementally.

Our EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Free Cash Flow measures have limitations as analytical tools, and you should not consider them in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of the limitations of EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Free Cash Flow are:

EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, and Adjusted Net Income do not reflect costs or cash outlays for capital expenditures or contractual commitments;

they do not reflect changes in, or cash requirements for, our working capital needs;

they do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments, on our debt;

they do not reflect period to period changes in taxes, income tax expense or the cash necessary to pay income taxes;

they do not reflect the impact of earnings or charges resulting from matters we consider not to be indicative of our ongoing operations;

although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin do not reflect cash requirements for such replacements;

and other companies in our industry may calculate these measures differently than we do, limiting their usefulness as comparative measures.

Because of these limitations, EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Free Cash Flow should not be considered as measures of discretionary cash available to invest in business growth or to reduce indebtedness.

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The following table provides a reconciliation of net income attributable to Cooper-Standard Holdings Inc. to EBITDA and Adjusted EBITDA for the periods presented.

	Year Ended December 31,		
	2015	2014	2013
	(dollars in thousands)		
Net income attributable to Cooper-Standard Holdings Inc.	$ 111,880	$ 42,779	$ 47,941
Income tax expense	41,218	42,810	45,599
Interest expense, net of interest income	38,331	45,604	54,921
Depreciation and amortization	114,427	112,580	111,028
EBITDA	$ 305,856	$ 243,773	$ 259,489
Restructuring(1)	53,844	17,188	21,192
Impairment charges(2)	21,611	26,273	
Gain on remeasurement of previously held equity interest(3)	(14,199)		
Gain on divestiture(4)	(8,033)	(14,568)	
Loss on extinguishment of debt(5)		30,488	
Amortization of inventory write-up(6)	1,419		
Settlement charges(7)		3,637	
Stock-based compensation(8)	(71)	2,770	5,225
Acquisition costs	1,637	740	946
Other	301	1,236	515
Adjusted EBITDA	$ 362,365	$ 311,537	$ 287,367

(1) Includes non-cash restructuring and is net of non-controlling interest.

(2) Impairment charges in 2015 related to fixed assets of $13.6 million and intangible assets of $8.0 million. Impairment charges in 2014 related to fixed assets of $24.6 million and intangible assets of $1.7 million.

(3) Gain on remeasurement of previously held equity interest in Shenya.

(4) Gain on sale of hard coat plastic exterior trim business in 2015 and thermal and emissions product line in 2014.

(5) Loss on extinguishment of debt relating to the repurchase of our 8 ½% Senior Notes due 2018, or Senior Notes, and 7 ⅜% Senior PIK Toggle Notes due 2018, or Senior PIK Toggle Notes.

(6) Amortization of write-up of inventory to fair value for the Shenya acquisition.

(7) Settlement charges relating to the U.S. pension plans that were amended to offer a one-time voluntary lump sum window to certain terminated vested participants.

(8) Non-cash stock amortization expense and non-cash stock option expense for grants issued at emergence from bankruptcy.

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The following table provides a reconciliation of net income attributable to Cooper-Standard Holdings Inc. to Adjusted Net Income for the periods presented.

	Year Ended December 31,	
	2015	2014(1)
	(dollars in thousands)	
Net income attributable to Cooper-Standard Holdings Inc.	$ 111,880	$ 42,779
Restructuring expense (net of tax)	52,027	17,301
Impairment charges (net of tax)	21,611	19,945
(Gain) Loss on divestiture (net of tax)	(16,821)	(12,810)
Loss on extinguishment of debt		18,779
Adjusted Net Income	$ 168,697	$ 85,994

(1) The Company did not calculate Adjusted Net Income prior to 2014.

The following table provides a reconciliation of net cash provided by the operating activities to Free Cash Flow for the periods presented.

	Year Ended December 31,		
	2015	2014	2013
	(dollars in thousands)		
Net cash provided by operating activities	$ 270,385	$ 171,049	$ 133,257
Capital expenditures	(166,267)	(192,089)	(183,336)
Free Cash Flow	$ 104,118	$ (21,040)	$ (50,079)

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RISK FACTORS

Investing in our common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below and the accompanying prospectus and other information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus, including our audited consolidated financial statements and the related notes, before you decide whether to purchase our common stock. If any of the following risks actually occurs, our business, financial condition, results of operations, cash flow and prospects could be materially and adversely affected. As a result, the trading price of our common stock could decline and you could lose all or part of your investment in our common stock.

Risks Related to Our Business

We are highly dependent on the automotive industry. A prolonged or material contraction in automotive sales and production volumes could adversely affect our business, results of operations and financial condition.

Automotive sales and production are cyclical and depend on, among other things, general economic conditions and consumer spending, vehicle demand and preferences (which can be affected by a number of factors, including fuel costs, employment levels and the availability of consumer financing). As the volume of automotive production fluctuates, the demand for our products also fluctuates. Prolonged or material contraction in automotive sales and production volume could cause our customers to reduce orders of our products, which could adversely affect our business, results of operations and financial condition.

In addition, our liquidity could be adversely impacted if our customers were to extend their normal payment terms. Likewise, if our suppliers were to reduce normal trade credit terms, our liquidity could be adversely impacted. If either of these situations occurs, we may need to rely on other sources of funding to bridge the additional gap between the time we pay our suppliers and the time we receive corresponding payments from our customers.

Escalating pricing pressures may adversely affect our business.

Pricing pressure in the automotive supply industry has been substantial and is likely to continue. Nearly all vehicle manufacturers seek price reductions in both the initial bidding process and during the term of the contract. Price reductions have adversely impacted our sales and profit margins and are expected to do so in the future. If we are not able to offset continued price reductions through improved operating efficiencies and reduced expenditures, those price reductions may have a negative impact on our financial condition.

Our business could be adversely affected if we lose any of our largest customers or significant platforms.

While we provide parts to virtually every major global OEMs for use on a multitude of different platforms, sales to our three largest customers, Ford, GM, and FCA, on a worldwide basis represented approximately 54% of our sales for the year ended December 31, 2015. Our ability to reduce the risks inherent in certain concentrations of business will depend, in part, on our ability to continue to diversify our sales on a customer, product, platform and geographic basis. Although business with each customer is typically split among numerous contracts, the loss of a major customer, significant reduction in purchases of our products by such customer, or any discontinuance or resourcing of a significant platform could adversely affect our business, results of operations and financial condition.

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We operate in a highly competitive industry and efforts by our competitors to gain market share could adversely affect our financial performance.

The automotive parts industry is highly competitive. We face numerous competitors in each of our product lines. In general, there are three or more significant competitors and numerous smaller competitors for most of the products we offer. We also face competition for certain of our products from suppliers producing in lower-cost regions such as Asia and Eastern Europe. Our competitors efforts to grow market share could exert downward pressure on the pricing of our products and our margins.

Increases in the costs, or reduced availability of, raw materials and manufactured components may adversely affect our profitability.

Raw material costs can be volatile. The principal raw materials we purchase include ethylene propylene diene monomer M-Class rubber, or EPDM, and synthetic rubber, components manufactured from carbon steel, plastic resins, carbon black, process oils, components manufactured from aluminum and natural rubber. Raw materials are the largest component of our costs, representing approximately 50% of our total cost of products sold in 2015. The availability of raw materials and manufactured components can fluctuate due to factors beyond our control. A significant increase in the price of these items, or a restriction in their availability, could materially increase our operating costs and adversely affect our profitability because it is generally difficult to pass through these increased costs to our customers.

Disruptions in the supply chain could have an adverse effect on our business, financial condition, results of operations and cash flows.

We obtain components and other products and services from numerous suppliers and other vendors throughout the world. We are responsible for managing our supply chain, including suppliers that may be the sole sources of products that we require, that our customers direct us to use or that have unique capabilities that would make it difficult and/or expensive to re-source. In certain instances, entire industries may experience short-term capacity constraints. Any significant disruption could adversely affect our financial performance. Furthermore, unfavorable economic or industry conditions could result in financial distress within our supply base, thereby increasing the risk of supply disruption. Although market conditions generally have improved in recent years, uncertainty remains, and another economic downturn or other unfavorable industry conditions in one or more of the regions in which we operate could cause a supply disruption and thereby adversely affect our financial condition, operating results and cash flows.

If a customer experiences a material supply shortage, either directly or as a result of a supply shortage at another supplier, that customer may halt or limit the purchase of our products, which could adversely affect our business, results of operations and financial condition.

We are subject to other risks associated with our international operations.

We have significant manufacturing operations outside the United States, including joint ventures and other alliances. Our operations are located in 20 countries, and we export to several other countries. In 2015, approximately 73% of our sales were attributable to products manufactured outside the United States. Risks inherent in our international operations include:

- currency exchange rate fluctuations, currency controls and restrictions, and the ability to hedge currencies;

changes in local economic conditions;

repatriation restrictions or requirements, including tax increases on remittances and other payments by our foreign subsidiaries;

global sovereign fiscal uncertainty and hyperinflation in certain foreign countries;

changes in laws and regulations, including export and import restrictions and the imposition of embargos;

exposure to possible expropriation or other government actions; and

exposure to local political or social unrest including resultant acts of war, terrorism, or similar events.

Expanding our sales and manufacturing operations in the Asia Pacific region, particularly in China, is an integral part of our strategy, and, as a result, our exposure to the risks described above is substantial. The occurrence of any of these risks may adversely affect the results of operations and financial condition of our international operations and our business as a whole.

Foreign currency exchange rate fluctuations could materially impact our operating results.

Our sales and manufacturing operations outside the United States expose us to currency risks. Our sales and earnings denominated in foreign currencies are translated into U.S. dollars for our consolidated financial statements. This translation is calculated based on average exchange rates during the reporting period. Our reported international sales and earnings could be adversely impacted in periods of a strengthening U.S. dollar.

Although we generally produce in the same geographic region as our products are sold, we also produce in countries that predominately sell in another currency. Some of our commodities are purchased in or tied to the U.S. dollar; therefore our earnings could be adversely impacted during the periods of a strengthening U.S. dollar relative to other foreign currencies. We employ financial instruments to hedge certain portions of our foreign currency exposures. However, this will not completely insulate us from the effects of currency fluctuation.

A portion of our operations are conducted by joint ventures which have unique risks.

Certain of our operations are carried on by joint ventures. In joint ventures, we share the management of the company with one or more partners who may not have the same goals, resources or priorities as we do. The operations of our joint ventures are subject to agreements with our partners, which typically include additional organizational formalities as well as requirements to share information and decision making, and may also limit our ability to sell our interest. Additional risks include one or more partners failing to satisfy contractual obligations, a change in ownership of any of our partners and our limited ability to control our partners compliance with applicable laws, including the Foreign Corrupt Practices Act. Any such occurrences could adversely affect our financial condition, operating results, cash flow or reputation.

Our capital structure includes a substantial amount of indebtedness, which imposes demands on our liquidity that could have an adverse effect on our financial condition or on our ability to obtain financing in the future.

As of December 31, 2015, we had approximately $777.9 million of outstanding indebtedness, including our $750 million senior term loan facility, or the Term Loan Facility, our $180 million senior asset-based revolving credit facility, or Senior ABL Facility, and the debt of certain foreign subsidiaries, which requires principal and interest payments. We are permitted by the terms of the Term Loan Facility and our Senior ABL Facility to incur additional indebtedness, subject to the restrictions therein, which could:

make it more difficult for us to satisfy our obligations under the Term Loan Facility and the Senior ABL facility;

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- increase our vulnerability to adverse economic and general industry conditions, including interest rate fluctuations, since the majority of our borrowings are at variable rates of interest; and
- increase our cost of borrowing.

Our ability to make scheduled payments on our debt or to refinance these obligations depends on our financial condition and operating performance. If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay investments and capital expenditures, sell material assets, seek additional capital or restructure or refinance our indebtedness, which could have an adverse effect on our business, results of operations and financial condition.

The Term Loan Facility and the Senior ABL Facility impose significant operating and financial restrictions on us and our subsidiaries.

The Term Loan Facility and the Senior ABL Facility limit our ability, among other things, to:

- incur additional indebtedness or issue certain disqualified stock and preferred stock;
- pay dividends or certain other distributions on our capital stock or repurchase our capital stock;
- make certain investments or other restricted payments;
- enter into certain restrictive agreements;
- engage in transactions with affiliates;
- sell certain assets or merge with or into other companies;
- guarantee indebtedness; and
- permit liens.

Moreover, our Senior ABL Facility provides the agent considerable discretion to impose reserves, which could materially reduce the amount of borrowings that would otherwise be available to us.

As a result of these covenants and restrictions (including borrowing base availability), we are limited in how we conduct our business, and we may be unable to raise additional debt or equity financing to compete effectively or to take advantage of new business opportunities or acquisitions. A breach of any of these covenants could result in a default under the Senior ABL Facility and under the Term Loan Facility. The terms of any future indebtedness we may incur could include more restrictive covenants. We cannot assure that we will be able to maintain compliance with these covenants in the future and, if we fail to do so, that we will be able to obtain waivers from the lenders under the Senior ABL Facility and the Term Loan Facility and/or amend the covenants in such agreements.

Our pension plans are currently underfunded, and we may have to make cash payments to the plans, reducing the cash available for our business.

We sponsor various pension plans worldwide that are underfunded and will require cash payments. Additionally, if the performance of the assets in our pension plans does not meet our expectations, or if other actuarial assumptions are modified, our required contributions may be higher than we expect. As of December 31, 2015, our net underfunded status was $173.3 million. If our cash flow from operations is insufficient to fund our worldwide pension liabilities, it could have an adverse effect on our financial condition and results of operations.

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Significant changes in discount rates, the actual return on pension assets and other factors could adversely affect our liquidity, results of operations and financial condition.

Our earnings may be positively or negatively impacted by the amount of income or expense recorded related to our pension plans. Generally accepted accounting principles in the United States, or U.S. GAAP, require that income or expense related to the pension plans be calculated at the annual measurement date using actuarial calculations, which reflect certain assumptions. Because these assumptions have fluctuated and will continue to fluctuate in response to changing market conditions, the amount of gains or losses that will be recognized in subsequent periods, the impact on the funded status of the pension plans and the future minimum required contributions, if any, could adversely affect our liquidity, results of operations and financial condition.

The benefits of our continuous improvement program and other cost savings plans may not be fully realized.

Our operations strategy includes continuous improvement programs and implementation of lean manufacturing tools across all facilities to achieve cost savings and increased performance. We have and may continue to initiate restructuring actions designed to improve future profitability and competitiveness. We have disclosed that we aim to achieve $100 million of cost savings in 2016 from these initiatives. Our expectations may not be achieved on schedule or at the level we anticipate. If we are unable to realize these anticipated savings, our operating results and financial condition may be adversely affected.

We may incur significant costs related to manufacturing facility closings or consolidation which could have an adverse effect on our financial condition.

We are seeking to reduce the cost of our manufacturing and operations, and may reduce utilization of or close or consolidate manufacturing locations. The exit costs associated with such actions, including employee termination costs, may be significant. These or future costs could negatively affect our cash flows, results of operations and financial condition.

Our inability to effectively manage the timing, quality and costs of new program launches could adversely affect our financial performance.

In connection with the award of new business, we may obligate ourselves to deliver new products that are subject to our customers timing, performance and quality standards. Given the number and complexity of new program launches, we may experience difficulties managing product quality, timeliness and associated costs. In addition, new program launches require a significant ramp up of costs. However, our sales related to these new programs generally are dependent upon the timing and success of our customers introduction of new vehicles. Our inability to effectively manage the timing, quality and costs of these new program launches could adversely affect our financial condition, operating results and cash flows.

Our success depends in part on our development of improved products, and our efforts may fail to meet the needs of customers on a timely or cost-effective basis.

Our continued success depends on our ability to maintain advanced technological capabilities and knowledge necessary to adapt to changing market demands as well as to develop and commercialize innovative products. We may be unable to develop new products successfully or to keep pace with technological developments by our competitors and the industry in general. In addition, we may develop specific technologies and capabilities in anticipation of customers demands for new innovations and technologies. If such demand does not materialize, we may be unable to recover the costs incurred in such programs. If we are unable to recover these costs or if any such programs do not progress as expected, our business, results of operations and financial condition could be adversely affected.

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Any acquisitions or divestitures we make may be unsuccessful, may take longer than anticipated or may negatively impact our business, financial condition, results of operations and cash flows.

We may pursue acquisitions or divestitures in the future as part of our strategy. Acquisitions and divestitures involve numerous risks, including identifying attractive target acquisitions, undisclosed risks affecting the target, difficulties integrating acquired businesses, the assumption of unknown liabilities, potential adverse effects on existing customer or supplier relationships, and the diversion of management s attention from day-to-day business. We may not have, or be able to raise on acceptable terms, sufficient financial resources to make acquisitions. Our ability to make investments may also be limited by the terms of our existing or future financing arrangements. Any acquisitions or divestitures we pursue may not be successful or prove to be beneficial to our operations and cash flow.

We may incur material losses and costs as a result of product liability and warranty and recall claims that may be brought against us.

We may be exposed to product liability and warranty claims in the event that our products actually or allegedly fail to perform as expected or the use of our products results, or is alleged to result, in bodily injury and/or property damage. Accordingly, we could experience material warranty or product liability expenses in the future and incur significant costs to defend against these claims. In addition, if any of our products are, or are alleged to be, defective, we may be required to participate in a recall of that product if the defect or the alleged defect relates to automotive safety. Product recalls could cause us to incur material costs and could harm our reputation or cause us to lose customers, particularly if any such recall causes customers to question the safety or reliability of our products. Also, while we possess considerable historical warranty and recall data with respect to the products we currently produce, we do not have such data relating to new products, assembly programs or technologies, including any new fuel and emissions technology and systems being brought into production, to allow us to accurately estimate future warranty or recall costs.

In addition, the increased focus on systems integration platforms utilizing fuel and emissions technology with more sophisticated components from multiple sources could result in an increased risk of component warranty costs over which we have little or no control and for which we may be subject to an increasing share of liability to the extent any of the other component suppliers are in financial distress or are otherwise incapable of fulfilling their warranty or product recall obligations. Our costs associated with providing product warranties and responding to product recall claims could be material, and we do not have insurance covering product recalls. Product liability, warranty and recall costs may adversely affect our business, results of operations and financial condition.

We are subject to a broad range of environmental, health and safety laws and regulations which could adversely affect our business and results of operations.

We are subject to a broad range of laws and regulations governing emissions to air; discharges to water; noise and odor emissions; the generation, handling, storage, transportation, treatment, reclamation and disposal of chemicals and waste materials; the cleanup of contaminated properties; and health and safety. We may incur substantial costs in complying with, or as a result of violations of or liabilities under, these laws and regulations. Some of our current and former facilities have been subject to certain environmental investigations and remediation activities. Although we maintain environmental reserves for certain of these sites, these remediation costs are difficult to accurately predict and the ultimate remediation costs at these or other sites could exceed current estimates. Through various acquisitions, we have acquired a number of manufacturing facilities, and predecessor entities we have acquired may have a long history of industrial and commercial operations. As a result, we cannot assure that we will not incur material costs or liabilities relating to activities that predate our ownership or that relate to the operations of predecessor entities. Material future expenditures may be

necessary if compliance standards change or material unknown conditions that require remediation are discovered. Environmental laws could also restrict our ability to expand our facilities or could require us to acquire costly equipment or to incur other significant expenses. If we fail to comply with present and future environmental laws and regulations, we could be subject to future liabilities, which could adversely affect our financial condition, operating results and cash flows.

Work stoppages or similar difficulties could disrupt our operations and negatively affect our operations and financial performance.

We may be subject to work stoppages and may be affected by other labor disputes. A number of our collective bargaining agreements expire in any given year. There is no certainty that we will be successful in negotiating new agreements with these unions that extend beyond the current expiration dates or that these new agreements will be on terms as favorable to us as past labor agreements. Failure to renew these agreements when they expire or to establish new collective bargaining agreements on terms acceptable to us and the unions could result in work stoppages or other labor disruptions which may have an adverse effect on our operations, customer relationships and financial results. Additionally, a work stoppage at one or more of our suppliers or our customers suppliers could adversely affect our operations if an alternative source of supply were not readily available. Work stoppages by our customers employees could result in reduced demand for our products and could have an adverse effect on our business. As of December 31, 2015, approximately 28% of our employees were represented by unions, and approximately 9% of the unionized employees were located in the United States. In addition, it is possible that our workforce will become more unionized in the future. Unionization activities could increase our costs, which could negatively affect our profitability.

If we are unable to protect our intellectual property or if a third party challenges our intellectual property rights, our business could be adversely affected.

We own or have rights to proprietary technology that is important to our business. We rely on intellectual property laws, patents, trademarks and trade secrets to protect such technology. Such protections, however, vary among the countries in which we market and sell our products, and as a result, we may be unable to prevent third parties from using our intellectual property without authorization. Any infringement or misappropriation of our technology could have an adverse effect on our business and results of operations. We also face exposure to claims by others for infringement of intellectual property rights and could incur significant costs or losses related to such claims. In addition, many of our supply agreements require us to indemnify our customers from third-party infringement claims. These claims, regardless of their merit or resolution, are frequently costly to prosecute, defend or settle and divert the efforts and attention of our management and employees. If any such claim were to result in an adverse outcome, we could be required to take actions which may include: ceasing the manufacture, use or sale of the infringing products; paying substantial damages to third parties, including to customers to compensate them for the discontinued use of a product or to replace infringing technology with non-infringing technology; or expending significant resources to develop or license non-infringing products, any of which could adversely affect our operations, business and financial condition.

A disruption in, or the inability to successfully implement upgrades to, our information technology systems, including disruptions relating to cybersecurity, could adversely affect our business and financial performance.

We rely upon information technology networks, systems and processes to manage and support our business. We have implemented a number of procedures and practices designed to protect against breaches or failures of our systems. Despite the security measures that we have implemented, including those measures to prevent cyber-attacks, our systems could be breached or damaged by

computer viruses or unauthorized physical or electronic access. A breach of our information technology systems could result in theft of our intellectual property, disruption to business or unauthorized access to customer or personal information. Such a breach could adversely impact our operations and/or our reputation and may cause us to incur significant time and expense to cure or remediate the breach.

Further, we continually update and expand our information technology systems to enable us to more efficiently run our business. If these systems are not implemented successfully, our operations and business could be disrupted and our ability to report accurate and timely financial results could be adversely effected.

Changes to U.S.-EU data transfer regulations could adversely affect our financial condition and operating ability.

On October 6, 2015, the European Court of Justice issued a judgment declaring as invalid the European Commission s Decision on the adequacy of the U.S.-EU Safe Harbor Framework. After extended negotiations, the European Commission and the U.S. Department of Commerce agreed on a new framework for transatlantic exchanges of personal data for commercial purposes: the EU-U.S. Privacy Shield. The new arrangement provides stronger obligations on companies in the U.S. to protect the personal data of Europeans. We may incur costs in complying with the new framework. The new regulations may also impose new restrictions on our internal operations. If we fail to comply with the new regulations, we could be subject to future liabilities, which could adversely affect our financial condition and operating ability.

Our expected annual effective tax rate could be volatile and could materially change as a result of changes in many items including mix of earnings, debt and capital structure and other factors.

Many items could impact our effective tax rate including changes in our debt and capital structure, mix of earnings and many other factors. Our overall effective tax rate is based upon the consolidated tax expense as a percentage of consolidated earnings before tax. However, tax expenses and benefits are not recognized on a consolidated or global basis, but rather on a jurisdictional, legal entity basis. Further, certain jurisdictions in which we operate generate losses where no current financial statement benefit is realized. In addition, certain jurisdictions have statutory rates greater than or less than the United States statutory rate. As such, changes in the mix and source of earnings between jurisdictions could have a significant impact on our overall effective tax rate in future years. Changes in rules related to accounting for income taxes, changes in tax laws and rates or adverse outcomes from tax audits that occur regularly in any of our jurisdictions could also have a significant impact on our overall effective tax rate in future periods.

Impairment charges relating to our goodwill, long-lived assets or intangible assets could adversely affect our results of operations.

We regularly monitor our goodwill, long-lived assets and intangible assets for impairment indicators. In conducting our goodwill impairment testing, we compare the fair value of each of our reporting units to the related net book value. In conducting our impairment analysis of long-lived and intangible assets, we compare the undiscounted cash flows expected to be generated from the long-lived or intangible assets to the related net book values. Changes in economic or operating conditions impacting our estimates and assumptions could result in the impairment of our goodwill, long-lived assets or intangible assets. In the event that we determine that our goodwill, long-lived assets or intangible assets are impaired, we may be required to record a significant charge to earnings, which could adversely affect our results of operations.

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We operate as a holding company and depend on our subsidiaries for cash to satisfy the obligations of the holding company.

Cooper-Standard Holdings Inc. is a holding company. Our subsidiaries conduct all of our operations and own substantially all of our assets. Our cash flow and our ability to meet our obligations depend on the cash flow of our subsidiaries. In addition, the payment of funds in the form of dividends, intercompany payments, tax sharing payments and otherwise may be subject to restrictions under the laws of the countries of incorporation of our subsidiaries or the by-laws of the subsidiary.

Risks Related to this Offering and Ownership of Our Common Stock

The market price of shares of our common stock may be volatile, and you may not be able to resell shares of our common stock at or above the price you paid or at all, and you could lose all or part of your investment as a result.

The market price of our common stock may be highly volatile and could be subject to wide fluctuations. Securities markets worldwide experience significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions, could reduce the market price of shares of our common stock in spite of our operating performance. The trading price of our common stock may be adversely affected due to a number of factors, most of which we cannot predict or control, such as those listed under Risks Related to Our Business and the following:

- results of operations that vary from our expectations and the expectations of securities analysts and investors;
- our lack of visibility into near-term results of operations and difficulty in accurately forecasting our quarterly results;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates and investment recommendations by securities analysts and investors;
- fluctuations in the market prices of stocks generally, or those of companies in our industry;
- strategic actions by us or our competitors;
- announcements by us or our competitors of significant contracts, new products, acquisitions, joint marketing relationships, joint ventures, other strategic relationships or capital commitments;
- failure of any of our initiatives to achieve commercial success;

changes in general economic or market conditions or trends in our industry or markets;

changes in business, legal or regulatory conditions in the United States or other countries;

future sales of our common stock or other securities and the timing and amount of any share repurchases we make pursuant to our newly announced plan or otherwise;

investor perceptions or the investment opportunity associated with our common stock relative to other investment alternatives;

the public s response to press releases or other public announcements by us or third parties, including our filings with the SEC;

announcements relating to litigation or governmental investigations;

guidance, if any, that we provide to the public, any change in this guidance or our failure to meet this guidance;

the development and sustainability of an active trading market for our stock;

additions or departures of any of our key personnel;

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changes in accounting principles or policies;

adverse publicity about the industries we participate in or individual scandals; and

other events or factors, including those resulting from natural disasters, war, acts of terrorism or responses to these events.

You may be unable to resell your shares of common stock at or above the public offering price. In addition, price volatility may be greater if the public float and trading volume of our common stock is low.

In the past few years, stock markets have experienced extreme price and volume fluctuations. In the past, following periods of volatility in the overall market and the market price of a company s securities, securities class action litigation has often been instituted against these companies. This litigation, if instituted against us, could result in substantial costs and a diversion of our management s attention and resources.

Because we have no current plans to pay cash dividends on our common stock, you may not receive any return on investment unless you sell your common stock for a price greater than that which you paid for it.

We have no current plans to pay dividends on our common stock. The declaration, amount and payment of any future dividends on shares of common stock will be at the sole discretion of our Board of Directors. Our Board of Directors may take into account general and economic conditions, our financial condition and results of operations, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions and implications on the payment of dividends by us to our stockholders or by our subsidiaries to us and such other factors as our Board of Directors may deem relevant. In addition, our ability to pay dividends will be limited by our Term Loan Facility and Senior ABL Facility and may be limited by covenants of other indebtedness we or our subsidiaries incur in the future. As a result, you may not receive any return on an investment in our common stock unless you sell our common stock for a price greater than that which you paid for it.

If securities analysts do not publish research or reports about our business or if they downgrade our stock or our industry, our stock price and trading volume could decline.

The trading market for our common stock relies in part on the research and reports that industry or financial analysts publish about us or our business or industry. We do not control these analysts. Furthermore, if one or more of the analysts who do cover us downgrade our stock or our industry, or the stock of any of our competitors, or publish inaccurate or unfavorable research about our business, the price of our stock could decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the market, which in turn could cause our stock price or trading volume to decline.

Future sales, or the perception of future sales, by us or our stockholders in the public market following this offering could cause the market price for our common stock to decline.

The sale of substantial number of shares of our common stock in the public market, or the perception that such sales could occur, could substantially decrease the market price of shares of our common stock. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. Upon completion of this offering and the share purchase, we will have a total of 17,193,251 shares of our common stock outstanding. Of the outstanding shares, the 1,650,000 shares sold in this offering and not purchased by us (or 1,950,000 shares if the underwriters exercise their option to purchase additional shares in full) will be freely tradable without restriction or further registration under the Securities Act of 1933, as amended, or the Securities Act.

In connection with this offering, we, certain of our executive officers, directors and the selling stockholders will sign lock-up agreements with the underwriters of this offering that, subject to certain customary exceptions (which exceptions include issuance of common stock by us in connection with acquisitions, licenses, business combinations, joint ventures, commercial relationships or other strategic transactions; provided that the aggregate number of shares issued or issuable in connection therewith does not exceed 10% of the number of shares of common stock outstanding immediately after this offering and the recipient thereof agrees to be bound by the terms of the lockup), restrict the sale of the shares of our common stock and certain other securities held by them for 90 days following the date of this prospectus supplement. Goldman, Sachs & Co. may, in its sole discretion and without notice, release all or any portion of the shares of common stock and certain other securities subject to lock-up agreements. See Underwriting for a description of these lock-up agreements. Upon the expiration of these lock-up agreements, all of the 8,066,099 shares (or 7,766,100 shares if the underwriters exercise their option to purchase additional shares in full) held by the signatories will be eligible for resale in the public market, subject, in the case of shares held by our affiliates, to volume, manner of sale and other limitations under Rule 144 under the Securities Act if such sales are being made pursuant to Rule 144. Certain of our stockholders may be considered affiliates at the expiration of the lock-up period.

In addition, we registered 15,528,849 shares of our common stock to be offered by certain of our stockholders under a registration statement declared effective as of August 26, 2011 pursuant to the Securities Act, of which this prospectus supplement and the accompanying prospectus is a part, and registered 3,548,904 shares of our common stock to be offered by certain of our stockholders under a registration statement filed subsequently declared effective as of August 14, 2013. A sale of a large number of shares under such registration statements could cause the prevailing market price of our common stock to decline. Following completion of this offering and share purchase, the shares registered for resale pursuant to the registration statements would represent approximately 99.3% of our outstanding common stock (or 97.6% if the underwriters exercise in full their option to purchase additional shares).

Pursuant to a registration rights agreement, we have granted certain of our stockholders the right to cause us, in certain instances, at our expense, to file registration statements under the Securities Act, covering resales of our common stock held by them, and conduct certain offerings thereunder. If these stockholders exercise their registration rights, the market price of our common stock could decline.

In addition, 1,216,409 shares of common stock are eligible for sale upon exercise of options. We have filed a registration statement on Form S-8 under the Securities Act to register all shares of common stock subject to outstanding stock options and the shares of common stock subject to issuance under the 2011 Omnibus Incentive Plan. The Form S-8 registration statement automatically became effective upon filing. The initial registration statement on Form S-8 covered 1,940,741 shares of common stock and a subsequent registration statement on Form S-8 covered an additional 3,272,834 shares of common stock. These shares can be sold in the public market upon issuance, subject to restrictions under the securities laws applicable to resales by affiliates.

As restrictions on resale end, the market price of our shares of common stock could drop significantly if the holders of these restricted shares sell them or are perceived by the market as intending to sell them. These factors could also make it more difficult for us to raise additional funds through future offerings of our shares of common stock or other securities.

In the future, we may also issue our securities in connection with investments or acquisitions. The amount of shares of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then-outstanding shares of our common stock. Any issuance of securities in connection with investments or acquisitions may result in dilution to you.

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A substantial portion of our total outstanding shares are held by a small number of investors who may, individually or collectively, exert significant control over us.

Certain stockholders, including the selling stockholders after this offering, own a substantial portion of our outstanding common stock. As long as such major stockholders (whether or not acting in a coordinated manner) and any other substantial stockholder own, directly or indirectly, a substantial portion of our outstanding shares, they will be able to exert significant influence over matters requiring stockholder approval, including the composition of our Board of Directors. Further, to the extent that the substantial stockholders were to act in concert, they could potentially control any action taken by our stockholders.

The concentration of ownership of our outstanding equity in such major stockholders may make some transactions more difficult or impossible without the support of such stockholders or more likely with the support of such stockholders. The interests of any of such stockholders, any other substantial stockholder or any of their respective affiliates could conflict with or differ from the interests of our other stockholders.

Anti-takeover provisions in our organizational documents and Delaware law might discourage or delay acquisition attempts for us that you might consider favorable.

Our Third Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws contain provisions that may have an anti-takeover effect and may delay, defer or prevent a merger, acquisition, tender offer, takeover attempt or other change of control transaction that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by our stockholders. These provisions, among other things:

- provide for the ability of our Board of Directors to issue one or more series of preferred stock;
- prohibit stockholder action by written consent, unless the action by written consent of the stockholders is approved in advance by a resolution of our Board of Directors or except as expressly provided by the terms of any series of preferred stock;
- impose certain limitations on convening special stockholder meetings;
- provide that the Board of Directors is expressly authorized to make, repeal, alter, amend or rescind our bylaws without the assent or vote of the stockholders, and any amendment, alteration, rescission or repeal of our bylaws by our stockholders will require the affirmative vote of the holders of at least a majority in voting power of all the then-outstanding shares of stock of the Company entitled to vote thereon, voting together as a single class; and
- establish advance notice requirements for nominations for elections to our Board of Directors or for proposing matters that can be acted upon by stockholders at stockholder meetings.

Further, as a Delaware corporation, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which limits the ability of stockholders owning in excess of 15% of our outstanding voting stock to merge or combine with us. Although we believe these provisions collectively provide for an opportunity to obtain greater value for stockholders by requiring potential acquirers to negotiate with our Board of Directors, they would apply even if an offer rejected by our Board of Directors were considered beneficial by some stockholders. In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our Board of Directors, which is responsible for appointing the members of our management.

These anti-takeover provisions and other provisions under Delaware law could discourage, delay or prevent a transaction involving a change in control of the Company, including actions that our stockholders may deem advantageous, or negatively affect the trading price of our common stock. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and to cause us to take other corporate actions you desire.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus contain or incorporate by reference forward-looking statements within the meaning of Section 27A of the Securities Act, Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and the Private Securities Litigation Reform Act of 1995, that reflect our current views with respect to, among other things, our operations and financial performance. These forward-looking statements include statements concerning our plans, objectives, goals, strategies, future events, future revenue or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, business trends, and other information that is not historical information and, in particular, appear under Business, Risk Factors and Management s Discussion and Analysis of Financial Condition and Results of Operations. Forward-looking statements include all statements that are not historical facts. In some cases, you can identify these forward-looking statements by the use of words such as outlook, believes, expects, potential, continues, may, will, should, could, s intends, plans, estimates, anticipates, projects, forecasts or the negative version of these words or other comp words. All forward-looking statements, including, without limitation, management s examination of historical operating trends and data are based upon our current expectations and various assumptions. Our expectations, beliefs, and projections are expressed in good faith and we believe there is a reasonable basis for them. However, we cannot assure you that these expectations, beliefs and projections will be achieved. Forward-looking statements are not guarantees of future performance and are subject to significant risks and uncertainties that may cause actual outcomes, results or achievements to be materially different from the future results or achievements expressed or implied by the forward-looking statements. We believe these factors include, but are not limited to, those described under Risk Factors included or incorporated by reference in this prospectus supplement and the accompanying prospectus and the following risks, uncertainties and factors:

- high dependence on the automotive industry; prolonged or material contraction in automotive sales and production volumes could adversely affect our business, results of operations and financial condition;
- escalating pricing pressures;
- loss of any of our largest customers or significant platforms;
- highly competitive industry and efforts by our competitors to gain market share;
- increases in the costs, or reduced availability of, raw materials and manufactured components;
- disruptions in the supply chain;
- other risks associated with our international operations;
- foreign currency exchange rate fluctuations;

unique risks related to operations are conducted by joint ventures;

our substantial indebtedness;

the Term Loan Facility and the Senior ABL Facility impose significant operating and financial restrictions;

our pension plans are currently underfunded, and we may have to make cash payments to the plans;

significant changes in discount rates, the actual return on pension assets and other factors;

benefits of our continuous improvement program and other cost savings plans may not be fully realized;

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we may incur significant costs related to manufacturing facility closings or consolidation;

our inability to effectively manage the timing, quality and costs of new program launches;

development of improved products;

any acquisitions or divestitures we make may be unsuccessful;

material losses and costs as a result of product liability and warranty and recall claims that may be brought against us;

broad range of environmental, health and safety laws and regulations;

work stoppages or similar difficulties could disrupt our operations;

our ability to protect our intellectual property or if a third party challenges our intellectual property rights;

disruption in, or the inability to successfully implement upgrades to, our information technology systems, including disruptions relating to cybersecurity;

changes to U.S. E.U. data transfer regulations could adversely affect our financial condition and operating ability;

our expected annual effective tax rate could be volatile;

the possibility of future impairment charges to our goodwill and long-lived assets;

dependence on our subsidiaries for cash to satisfy the obligations of the holding company; and

the concentration of our stock ownership which may allow a few owners to exert significant control over us.

These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included or incorporated by reference in this prospectus supplement and the accompanying prospectus. We operate in a very competitive and challenging environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We cannot assure you that the results, events and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements made or incorporated by reference in this prospectus supplement and the accompanying prospectus relate only to events as of the date on which the statements are made. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, investments or other strategic transactions we may make.

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USE OF PROCEEDS

We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders, including any sales pursuant to the underwriters option to purchase additional shares from the selling stockholders. For more information about the selling stockholders, see Selling Stockholders.

MARKET PRICE OF COMMON STOCK

Our common stock has been listed on the NYSE under the symbol CPS since October 17, 2013. Prior to our listing on the NYSE, our common stock was traded on the OTC Bulletin Board under the symbol COSH since May 25, 2010. Prior to that time, there was no public market for our common stock. The following table sets forth for the periods indicated the high and low intra-day sale prices per share of our common stock as reported on the NYSE:

	High	Low
2013		
Fourth Quarter 2013 (from October 17, 2013)	$ 56.85	$ 46.00
2014		
First Quarter 2014	$ 71.11	$ 48.04
Second Quarter 2014	$ 70.79	$ 60.13
Third Quarter 2014	$ 66.64	$ 60.50
Fourth Quarter 2014	$ 62.18	$ 50.57
2015		
First Quarter 2015	$ 59.90	$ 50.26
Second Quarter 2015	$ 64.83	$ 58.09
Third Quarter 2015	$ 67.54	$ 54.03
Fourth Quarter 2015	$ 80.63	$ 56.96
2016		
First Quarter 2016 (through March 17, 2016)	$ 77.81	$ 63.01

On March 17, 2016, the last reported sale price of our common stock on the NYSE was $71.27 per share. As of March 8, 2016, we had 4,287 holders of record of our common stock. The actual number of holders of common stock is greater than this number of record holders and includes stockholders who are beneficial owners, but whose shares are held in street name by brokers and nominees. The number of holders of record also does not include stockholders whose shares may be held in trust by other entities.

DIVIDEND POLICY

We have never paid or declared a dividend on our common stock and we have no current plan to pay dividends on our common stock. Any decision to declare and pay dividends in the future will be made at the sole discretion of our Board of Directors and will depend on, among other things, our results of operations, capital requirements, financial condition, contractual restrictions, restrictions in our debt agreements, general economic conditions, state law requirements and other factors that our Board of Directors may deem relevant. Additionally, our ability to declare and pay dividends also depends in part on our receipt of cash distributions from our operating subsidiaries, which may be restricted from distributing us cash as a result of the laws of their jurisdiction of organization, agreements of our subsidiaries or covenants under any existing and future outstanding indebtedness

we or our subsidiaries incur. Our credit agreements governing our Senior ABL Facility and Term Loan Facility contain covenants that, among other things, restrict our ability to pay certain dividends and distributions subject to certain qualifications and limitations. See Management s Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources Financing Arrangements.

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CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of December 31, 2015:

- on an actual basis; and

- on an as adjusted basis to give effect to the use of cash to fund the share purchase and the retirement of the Repurchased Shares.

You should read this table in conjunction with Prospectus Supplement Summary Share Repurchase Program and Concurrent Share Purchase , Selected Historical Financial Data Management s Discussion and Analysis of Financial Condition and Results of Operations and Risk Factors in this prospectus supplement and our audited consolidated financial statements and notes thereto that are included elsewhere in this prospectus supplement.

	December 31, 2015	
	Actual	As Adjusted
	(dollars in thousands, except share amounts)	
Cash and cash equivalents	$ 378,243	$ 354,443(1)
Debt:		
Term Loan Facility(2)	$ 729,841	$ 729,841
Other borrowings(3)	48,071	48,071
Total debt	777,912	777,912
Equity:		
Common shares, $0.001 par value, 190,000,000 shares authorized, 19,105,251 shares issued and 17,458,945 shares outstanding, actual; 18,755,251 shares issued and 17,108,945 shares outstanding, as adjusted(1)	17	17
Additional paid-in capital	513,764	513,764
Retained earnings	306,713	282,913
Accumulated other comprehensive loss	(217,065)	(217,065)
Total Cooper-Standard Holdings Inc. equity	603,429	579,629
Noncontrolling interests	11,370	11,370
Total equity	614,799	590,999
Total capitalization	$ 1,392,711	$ 1,368,911

(1)

The as adjusted cash and cash equivalents and the as adjusted number of shares of common stock assume the purchase by us of $23.8 million of shares at the purchase price per share of $68.00, or 350,000 shares, and that such shares are retired upon purchase by us.

(2) The amount shown is net of approximately $6.1 million of unamortized issuance costs.

(3) Other borrowings reflect borrowings under capital leases, local bank lines and accounts receivable factoring sold with recourse classified in debt payable within one year on our consolidated balance sheet.

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SELECTED HISTORICAL FINANCIAL DATA

The following table shows selected historical consolidated financial and other data for Cooper-Standard Holdings Inc. for the periods and as of the dates presented. The selected historical consolidated financial information as of December 31, 2015 and 2014 and for each of the three years ended December 31, 2015, 2014 and 2013 has been derived from our audited consolidated financial statements and the related notes included elsewhere in this prospectus supplement. The selected historical consolidated financial information as of December 31, 2013, 2012 and 2011 and for each of the two years ended December 31, 2012 and 2011 has been derived from our audited consolidated financial statements not included or incorporated by reference in this prospectus supplement.

You should read the following selected financial data together with the information under Management s Discussion and Analysis of Financial Condition and Results of Operations, Risk Factors and our audited consolidated financial statements and the related notes included elsewhere in this prospectus supplement.

	Year Ended December 31,				
	2015	2014	2013	2012	2011
	(dollars in thousands, except for share and per share amounts)				
Statements of Net Income Data:					
Sales	$ 3,342,804	$ 3,243,987	$ 3,090,542	$ 2,880,902	$ 2,853,509
Cost of products sold	2,755,691	2,734,558	2,617,804	2,442,014	2,402,920
Gross profit	587,113	509,429	472,738	438,888	450,589
Selling, administration & engineering expenses	329,922	301,724	293,446	281,268	257,559
Amortization of intangibles	13,892	16,437	15,431	15,456	15,601
Impairment charges	21,611	26,273		10,069	
Restructuring charges	53,844	17,414	21,720	28,763	52,206
Other operating profit	(8,033)	(16,927)			
Operating profit	175,877	164,508	142,141	103,332	125,223
Interest expense, net of interest income.	(38,331)	(45,604)	(54,921)	(44,762)	(40,559)
Equity earnings.	5,683	6,037	11,070	8,778	5,425
Other income (expense), net.	9,759	(36,658)	(7,437)	(63)	7,174
Income before income taxes	152,988	88,283	90,853	67,285	97,263
Income tax expense	41,218	42,810	45,599	(31,531)	20,765
Net income	111,770	45,473	45,254	98,816	76,498
Net loss (income) attributable to noncontrolling interests	110	(2,694)	2,687	3,988	26,346
Net income attributable to Cooper-Standard Holdings Inc.	111,880	42,779	47,941	102,804	102,844
Net income available to Cooper-Standard Holdings Inc. common stockholders	111,880	42,779	35,054	76,730	75,260

Earnings Per Share:					
Basic	$ 6.50	$ 2.56	$ 2.39	$ 4.40	$ 4.27
Diluted	$ 6.08	$ 2.39	$ 2.24	$ 4.14	$ 3.93
Statements of Cash Flows Data:					
Net cash provided by operating activities.	$ 270,385	$ 171,049	$ 133,257	$ 84,401	$ 172,339
Net cash used in investing activities.	(166,394)	(157,396)	(191,084)	(117,570)	(73,753)
Net cash provided by (used in) financing activities.	(11,590)	49,411	(23,047)	(58,076)	(24,584)
Balance Sheet Data (as of period end):					
Cash and cash equivalents	$ 378,243	$ 267,270	$ 184,370	$ 270,555	$ 361,745
Net working capital(1)	175,312	294,315	269,120	265,557	193,886
Total assets	2,304,292	2,125,630	2,102,754	2,025,977	2,003,788
Total debt(2)	777,912	778,737	684,424	483,365	488,652
Total equity	614,799	548,714	615,572	629,231	601,203

(1) Net working capital is defined as current assets (excluding cash and cash equivalents) less current liabilities (excluding debt payable within one year).

(2) Total debt includes term loans, capital lease obligations and other third-party debt, as applicable.

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MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

This management s discussion and analysis of financial condition and results of operations is intended to assist in understanding and assessing the trends and significant changes in our results of operations and financial condition. Our historical results may not indicate, and should not be relied upon as an indication of, our future performance. Our forward-looking statements reflect our current views about future events, are based on assumptions and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those contemplated by these statements. See Cautionary Statements Regarding Forward-Looking Statements for a discussion of risks associated with reliance on forward-looking statements. Factors that may cause differences between actual results and those contemplated by forward-looking statements include, but are not limited to, those discussed below and elsewhere in this prospectus supplement, particularly in the section entitled Risk Factors. Management s discussion and analysis of financial condition and results of operations should be read in conjunction with Selected Financial Data and our audited consolidated financial statements and the notes thereto included elsewhere in this prospectus supplement.

Company Overview

We are a leading manufacturer of sealing, fuel and brake delivery, fluid transfer and anti-vibration systems. Our products are primarily for use in passenger vehicles and light trucks that are manufactured by global automotive OEMs and replacement markets. We believe we are the largest global producer of sealing systems, the second largest global producer of the types of fuel and brake delivery products that we manufacture, the third largest global producer of fluid transfer systems, and one of the largest North American producers of anti-vibration systems.

We design and manufacture our products in each major region of the world through a disciplined and sustained approach to engineering and operational excellence. As of December 31, 2015, our operations were conducted through 98 wholly owned, leased and joint venture facilities in 20 countries, of which 79 are predominantly manufacturing facilities and 19 have design, engineering, administrative or logistics designation(s). The countries in which we operate include Brazil, Canada, China, Czech Republic, France, Germany, India, Italy, Japan, Mexico, the Netherlands, Poland, Romania, Serbia, South Korea, Spain, Sweden, Thailand, the United Kingdom and the United States. For the year ended December 31, 2015, we generated approximately 53% of our sales in North America, 31% in Europe, 13% in Asia Pacific, and 3% in South America. Because of our significant international operations, we are subject to the risks associated with doing business in other countries, such as currency volatility, high interest and inflation rates, and the general political and economic risk that are associated with some of these markets.

We believe that we are well-positioned for growth from increasing global vehicle production volumes, increasing average content of our products on each vehicle produced, and our continued new business wins with existing and new customers. For the year ended December 31, 2015, approximately 82% of our sales were to OEMs, including Ford, GM, FCA, PSA Peugeot Citroën, Volkswagen Group, Daimler, Renault-Nissan, BMW, Toyota, Volvo, Jaguar/Land Rover and Honda and various other OEMs based in India and China. The remaining 18% of our 2015 sales were primarily to Tier I and Tier II automotive suppliers, non-automotive manufacturers, and replacement market distributors.

Although each OEM may emphasize different requirements as the primary criteria for judging its suppliers, we believe success as an automotive supplier generally requires outstanding performance with respect to price, quality, service, performance, design and engineering capabilities, innovation,

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timely delivery and an extensive global footprint. Also, we believe our continued commitment to invest in global common processes is an important factor in servicing global customers with the same quality and consistency of product wherever we produce in the world. This is especially important when supplying products for global platforms.

In addition, to remain competitive, we must also consistently achieve and sustain cost savings. In an ongoing effort to reduce our cost structure, we run a global continuous improvement program which includes training for our employees, as well as implementation of lean tools, structured problem solving, best business practices, standardized processes and change management. We also evaluate opportunities to consolidate facilities and to relocate certain operations to lower cost countries. We believe we will continue to be successful in our efforts to improve our design and engineering capability and manufacturing processes while achieving cost savings, including through our continuous improvement initiatives.

Our OEM sales are principally generated from purchase orders issued by OEMs and as a result, we have typically have no order backlog. Once selected by an OEM to supply products for a particular platform, we typically supply those products for the life of the platform, which is normally three to five years (although there is no guarantee that this will occur). In addition, when we are the incumbent supplier to a given platform, we believe we have a competitive advantage in winning the redesign or replacement platform.

Business Environment and Outlook

Several factors will present significant opportunities for automotive suppliers who are positioned for the changing environment, such as:

- continued shift to global platforms;
- consolidation of suppliers;
- increased government regulation; and
- intensified consumer demand for advanced technological features in vehicles.

Our business is directly affected by the automotive build rates in North America, Europe, the Asia Pacific region and South America. New vehicle demand is driven by macro-economic and other factors, such as interest rates, manufacturer and dealer sales incentives, fuel prices, consumer confidence, employment levels, income growth trends and government and tax incentives.

The global automotive industry remains susceptible to uncertain economic conditions that could adversely impact new vehicle demand. While the U.S. economy remains strong, and the European economy shows indications of improvement, global economic sentiment remains cautious given continued geopolitical uncertainty, oil supply and demand issues and unfavorable foreign exchange rates. Ongoing volatility within the emerging markets, including declining economic conditions in Brazil and the slowing pace of economic growth in China, have impacted light vehicle production volume in recent periods.

Competition in the automotive supplier industry is intense and has increased in recent years as OEMs have demonstrated a preference for stronger relationships with fewer suppliers. There are typically three or more significant competitors and numerous smaller competitors for most of the products we produce. Automotive suppliers with a global manufacturing footprint capable of fully servicing customers around the world will continue to lead the supply industry going forward.

OEMs have shifted some research and development, design and testing responsibility to suppliers, while at the same time shortening new product cycle times. To remain competitive, suppliers must have state-of-the-art engineering and design capabilities and must be able to continuously improve their engineering, design and manufacturing processes to effectively service the customer. Suppliers are increasingly expected to collaborate on, or assume the product design and development of, key automotive components and to provide innovative solutions to meet evolving technologies aimed at improved emissions and fuel economy.

Pricing pressure has continued as competition for market share has reduced the overall profitability of the industry and resulted in continued pressure on suppliers for price reductions. Consolidations and market share shifts among vehicle manufacturers continues to put additional pressures on the supply chain. These pricing and market pressures will continue to drive our focus on reducing our overall cost structure through continuous improvement initiatives, capital redeployment, restructuring and other cost management processes.

Results of Operations

	Year Ended December 31,		
	2015	**2014**	**2013**
	(dollar amounts in thousands)		
Sales	$ 3,342,804	$ 3,243,987	$ 3,090,542
Cost of products sold	2,755,691	2,734,558	2,617,804
Gross profit	587,113	509,429	472,738
Selling, administration & engineering expenses	329,922	301,724	293,446
Amortization of intangibles	13,892	16,437	15,431
Impairment charges	21,611	26,273	
Restructuring charges	53,844	17,414	21,720
Other operating profit	(8,033)	(16,927)	
Operating profit	175,877	164,508	142,141
Interest expense, net of interest income	(38,331)	(45,604)	(54,921)
Equity earnings	5,683	6,037	11,070
Other income (expense), net	9,759	(36,658)	(7,437)
Income before income taxes	152,988	88,283	90,853
Income tax expense	41,218	42,810	45,599
Net income	111,770	45,473	45,254
Net loss (income) attributable to noncontrolling interests	110	(2,694)	2,687
Net income attributable to Cooper-Standard Holdings Inc.	$ 111,880	$ 42,779	$ 47,941

Year Ended December 31, 2015 Compared to Year Ended December 31, 2014.

Sales. Sales were $3,342.8 million for the year ended December 31, 2015, compared to $3,244.0 million for the year ended December 31, 2014, an increase of $98.8 million, or 3.0%. Sales were favorably impacted by improved volume and product mix in North America, Europe and Asia Pacific, as well as our Shenya acquisition, partially offset by unfavorable foreign exchange of $298.2 million, decreased volumes in South America and customer price reductions.

Cost of Products Sold. Cost of products sold is primarily comprised of material, labor, manufacturing overhead, depreciation and amortization and other direct operating expenses. Cost of products sold was $2,755.7 million for the year ended December 31, 2015, compared to $2,734.6 million for the year ended December 31, 2014, an increase of $21.1 million or 0.8%. Materials comprise the largest component of our cost of products sold and represented approximately 50% and 49% of total cost of products sold for the years ended December 31, 2015 and 2014, respectively. Cost of sales was impacted by higher production volumes in North America, Europe and Asia Pacific, as well as our Shenya acquisition. These items were partially offset by decreased volumes in South America and continuous improvement savings.

Gross Profit. Gross profit for the year ended December 31, 2015 was $587.1 million compared to $509.4 million for the year ended December 31, 2014. As a percentage of sales, gross profit was 17.6% and 15.7% of sales for the years ended December 31, 2015 and 2014, respectively. The increase in gross profit was driven primarily by continuous improvement and material costs savings and improved volume and mix in North America, Europe and Asia Pacific. These items were partially offset by unfavorable foreign exchange, customer price reductions and decreased volumes in South America.

Selling, Administration and Engineering. Selling, administration and engineering expense for the year ended December 31, 2015 was $329.9 million or 9.9% of sales compared to $301.7 million or 9.3% of sales for the year ended December 31, 2014. Selling, administration and engineering expense for the year ended December 31, 2015 was impacted primarily by incentive compensation due to favorable operating results, higher infrastructure costs and the Shenya acquisition, partially offset by favorable foreign exchange.

Impairment Charges. In 2015, due to the deterioration of financial results the undiscounted cash flows at one of our European facilities and two of our South American facilities did not exceed their book value, resulting in non-cash asset impairment charges of $13.6 million being recorded in the fourth quarter of 2015. Additionally, due to the deterioration of the economic conditions in the region customer relationships in South America were fully impaired, resulting in a non-cash impairment charge of $8.0 million. In 2014, due to the deterioration of financial results the undiscounted cash flows at two of our European facilities and two of our North American facilities did not exceed their book value, resulting in an asset impairment charge of $24.2 million being recorded in the fourth quarter of 2014. Additionally, certain assets and patents in the North America segment were written down to their estimated fair market values, resulting in an impairment charge of $2.1 million.

Restructuring. Restructuring charges of $53.8 million for the year ended December 31, 2015 increased $36.4 million compared to $17.4 million for the year ended December 31, 2014. The increase is primarily the result of expenses incurred related to our European restructuring initiative.

Other Operating Profit. Other operating profit for the year ended December 31, 2015 was $8.0 million resulting from the gain on the sale of our hard coat plastic exterior trim business. Other operating profit for the year ended December 31, 2014 was $16.9 million, of which $16.0 million related to the gain on the sale of our thermal and emissions business.

Interest Expense, Net. Net interest expense of $38.3 million for the year ended December 31, 2015 resulted primarily from interest and debt issuance amortization recorded on the Term Loan Facility. Net interest expense of $45.6 million for the year ended December 31, 2014 resulted primarily from interest and debt issuance amortization recorded on the Term Loan Facility, Senior Notes and Senior PIK Toggle Notes.

Other Income (Expense), Net. Other income for the year ended December 31, 2015 was $9.8 million, consisting of the gain from remeasurement of our previously held equity interest in Shenya of $14.2 million, which was partially offset by $3.4 million of foreign currency losses and $1.0 million of

loss on sale of receivables. Other expense for the year ended December 31, 2014 was $36.7 million, consisting of a $30.5 million loss on extinguishment of debt, $7.1 million of foreign currency losses and $1.9 million of loss on sale of receivables, which were partially offset by a $1.9 million gain on the sale of an equity method investment and $0.9 million of other miscellaneous income.

Income Tax Expense. Income taxes for the year ended December 31, 2015 included an expense of $41.2 million on earnings before taxes of $153.0 million. This compares to an expense of $42.8 million on $88.3 million of earnings before taxes for the year ended December 31, 2014. Tax expense in 2015 and 2014 differed from the statutory rate due to the incremental valuation allowance recorded on tax losses and credits generated in certain foreign jurisdictions, tax incentives recognized in Poland resulting from increased current and future profitability and a new Special Economic Zone permit, the mix of income between the United States and foreign sources, tax credits and incentives, and other nonrecurring discrete items.

Year Ended December 31, 2014 Compared to Year Ended December 31, 2013.

Sales. Sales were $3,244.0 million for the year ended December 31, 2014, compared to $3,090.5 million for the year ended December 31, 2013, an increase of $153.5 million, or 5.0%. Sales were favorably impacted by an increase in volumes in the North America, Europe and Asia Pacific segments. In addition, the Jyco Sealing Technologies, or Jyco, acquisition, which was completed July 31, 2013, provided $45.2 million of incremental sales. These items were partially offset by unfavorable foreign exchange of $31.3 million, customer price reductions and the sale of our thermal and emissions product line.

Cost of Products Sold. Cost of products sold is primarily comprised of material, labor, manufacturing overhead, depreciation and amortization and other direct operating expenses. Cost of products sold was $2,734.6 million for the year ended December 31, 2014, compared to $2,617.8 million for the year ended December 31, 2013, an increase of $116.8 million or 4.5%. Raw materials comprise the largest component of our cost of products sold and represented approximately 49% of total cost of products sold for the years ended December 31, 2014 and 2013. The period was impacted primarily by increased volumes.

Gross Profit. Gross profit for the year ended December 31, 2014 was $509.4 million compared to $472.7 million for the year ended December 31, 2013. As a percentage of sales, gross profit was 15.7% and 15.3% of sales for the years ended December 31, 2014 and 2013, respectively. The increase in gross profit was driven by the favorable impact of continuous improvement and material costs savings and increased volumes in the North America, Europe and Asia Pacific segments, partially offset by customer price reductions.

Selling, Administration and Engineering. Selling, administration and engineering expense for the year ended December 31, 2014 was $301.7 million or 9.3% of sales compared to $293.4 million or 9.5% of sales for the year ended December 31, 2013. Selling, administration and engineering expense for the year ended December 31, 2014 was impacted by increased staffing expenses as we increase our research and development and engineering resources to support our growth initiatives around the world.

Impairment Charges. In 2014, the undiscounted cash flows at two of our European facilities and two of our North American facilities did not exceed their book value, resulting in an asset impairment charge of $24.2 million being recorded in the fourth quarter of 2014. Additionally, certain assets and patents in the North America segment were written down to their estimated fair market values, resulting in an impairment charge of $2.1 million.

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Restructuring. Restructuring charges of $17.4 million for the year ended December 31, 2014 consisted primarily of initiatives in Europe to change our manufacturing footprint. Restructuring charges of $21.7 million for the year ended December 31, 2013 consisted primarily of $5.3 million of costs associated with initiatives announced prior to 2013 and $16.4 million of costs associated with initiatives announced in 2013, primarily relating to an initiative in Europe to change our manufacturing footprint.

Other Operating Profit. Other operating profit for the year ended December 31, 2014 was $16.9 million, of which $16.0 million related to the gain on the sale of our thermal and emissions business.

Interest Expense, Net. Net interest expense of $45.6 million for the year ended December 31, 2014 resulted primarily from interest and debt issuance amortization recorded on the Term Loan Facility, Senior Notes and Senior PIK Toggle Notes. Net interest expense of $54.9 million for the year ended December 31, 2013 resulted primarily from interest and debt issuance amortization recorded on the Senior Notes and Senior PIK Toggle Notes.

Other Income (Expense), Net. Other expense for the year ended December 31, 2014 was $36.7 million, consisting of a $30.5 million loss on extinguishment of debt, $7.1 million of foreign currency losses and $1.9 million of loss on sale of receivables, which were partially offset by a $1.9 million gain on the sale of an equity method investment and $0.9 million of other miscellaneous income. Other expense for the year ended December 31, 2013 was $7.4 million, consisting of $9.4 million of foreign currency losses and $1.7 million of loss on sale of receivables, which were partially offset by $3.7 million of other miscellaneous income.

Income Tax Expense. Income taxes for the year ended December 31, 2014 included an expense of $42.8 million on earnings before taxes of $88.3 million. This compares to an expense of $45.6 million on $90.9 million of earnings before taxes for the year ended December 31, 2013. Tax expense in 2014 differed from the statutory rate due to the incremental valuation allowance recorded on tax losses and credits generated in certain foreign jurisdictions, tax incentives recognized in Poland resulting from increased current and future profitability and a new Special Economic Zone permit, the distribution of income between the United States and foreign sources, tax credits and incentives, and other nonrecurring discrete items. Tax expense in 2013 differed from the statutory rate due to the incremental valuation allowance recorded on tax losses and credits generated in certain foreign jurisdictions, the mix of income between the United States and foreign sources, tax credits and incentives, and other nonrecurring discrete items.

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Segment Results of Operations

The following table presents sales and segment profit (loss) for each of the reportable segments for the years ended December 31, 2015, 2014 and 2013:

	Year Ended December 31,		
	2015	2014	2013
	(dollar amounts in thousands)		
Sales to external customers			
North America	$ 1,778,621	$ 1,698,826	$ 1,617,981
Europe	1,033,635	1,138,428	1,076,122
Asia Pacific	435,127	249,172	219,899
South America	95,421	157,561	176,540
Consolidated	$ 3,342,804	$ 3,243,987	$ 3,090,542
Segment profit (loss)			
North America	$ 215,487	136,682	134,727
Europe	(22,435)	(28,062)	(40,046)
Asia Pacific	4,063	3,524	8,104
South America	(44,127)	(23,861)	(11,932)
Income before income taxes	$ 152,988	$ 88,283	$ 90,853

Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014.

North America. Sales for the year ended December 31, 2015 increased $79.8 million or 4.7%, compared to the year ended December 31, 2014, primarily due to an improvement in sales volume and product mix, partially offset by unfavorable foreign exchange of $44.9 million and customer price reductions. Segment profit for the year ended December 31, 2015 increased $78.8 million primarily due to the favorable impact of continuous improvement and material cost savings, an improvement in sales volume and mix, partially offset by customer price reductions, unfavorable foreign exchange and higher incentive compensation due to favorable operating results.

Europe. Sales for the year ended December 31, 2015 decreased $104.8 million, or 9.2%, compared to the year ended December 31, 2014, primarily due to unfavorable foreign exchange of $204.8 million and customer price reductions, partially offset by improved sales volume. Segment loss improved by $5.6 million, primarily due to improved sales volume and mix, continuous improvement and material cost savings and the gain from the remeasurement of a previously held equity interest in Shenya as the legal ownership was held by one of our European entities, partially offset by unfavorable foreign exchange, increased restructuring costs, customer price reductions and higher incentive compensation due to improved operating results.

Asia Pacific. Sales for the year ended December 31, 2015 increased $186.0 million, or 74.6%, compared to the year ended December 31, 2014, primarily due to the Shenya acquisition which was completed February 27, 2015, and improved sales volume, partially offset by unfavorable foreign exchange of $11.7 million. Segment profit increased by $0.5 million, primarily due to improved sales volume and mix, the Shenya acquisition and the favorable impact of continuous improvement and material costs savings, partially offset by higher engineering and administrative costs to support growth in the region as well as higher incentive compensation due to favorable operating results.

South America. Sales for the year ended December 31, 2015 decreased $62.1 million or 39.4%, compared to the year ended December 31, 2014, primarily due to unfavorable foreign exchange of $36.8 million and a decrease in sales volumes. Segment loss increased by $20.3 million, primarily due to impairment charges at two facilities and the write off of customer relationships that were impaired, a decrease in sales volume and unfavorable foreign exchange, partially offset by the favorable impact of continuous improvement savings.

Year Ended December 31, 2014 Compared to the Year Ended December 31, 2013.

North America. Sales for the year ended December 31, 2014 increased $80.8 million or 5.0%, compared to the year ended December 31, 2013, primarily due to an increase in sales volume. In addition, sales were favorably impacted by the Jyco acquisition, which was completed July 31, 2013. These items were partially offset by customer price reductions, the sale of our thermal and emissions product line, and unfavorable foreign exchange of $21.8 million. Segment profit for the year ended December 31, 2014 increased $2.0 million, primarily due to the favorable impact of continuous improvement savings, increased sales volume and material cost savings, partially offset by the loss on extinguishment of debt, impairment charges, customer price reductions, and higher staffing costs.

Europe. Sales for the year ended December 31, 2014 increased $62.3 million, or 5.8%, compared to the year ended December 31, 2013, primarily due to an increase in sales volume and favorable foreign exchange of $2.5 million, which were partially offset by customer price reductions and the sale of our thermal and emissions product line. Segment loss improved by $12.0 million, primarily due to increased sales volume, and the favorable impact of continuous improvement and material cost savings, which were partially offset by the loss on extinguishment of debt, impairment charges, customer price reductions and higher staffing costs.

Asia Pacific. Sales for the year ended December 31, 2014 increased $29.3 million, or 13.3%, compared to the year ended December 31, 2013, primarily due to an increase in sales volume. In addition, sales were favorably impacted by the Jyco acquisition, which was completed July 31, 2013. These items were partially offset by unfavorable foreign exchange of $2.1 million and customer price reductions. Segment profit decreased by $4.6 million, primarily due to the loss on extinguishment of debt, higher staffing costs and customer price reductions, which were partially offset by increased volumes and the favorable impact of continuous improvement and material cost savings.

South America. Sales for the year ended December 31, 2014 decreased $19.0 million, or 10.8%, compared to the year ended December 31, 2013, primarily due to a decrease in sales volumes and unfavorable foreign exchange of $9.9 million. Segment loss increased by $11.9 million, primarily due to the loss on extinguishment of debt, and a decrease in sales volume.

Liquidity and Capital Resources

Short and Long-Term Liquidity Considerations and Risks

We intend to fund our ongoing working capital, capital expenditures, debt service and other funding requirements through a combination of cash flows from operations, cash on hand, borrowings under our Senior ABL Facility, and receivables factoring. We anticipate that these funding sources will be sufficient to meet our needs for the next twelve months. The Company utilizes intercompany loans and equity contributions to fund its worldwide operations. There may be country specific regulations which may restrict or result in increased costs in the repatriation of these funds. See Note 7. Debt to our consolidated financial statements included elsewhere in this prospectus supplement for additional information.

Based on our current and anticipated levels of operations and the condition in our markets and industry, we believe that our cash flows from operations, cash on hand, borrowings under our Senior ABL Facility and receivables factoring will enable us to meet our ongoing working capital, capital

expenditures, debt service and other funding requirements for the next twelve months. However, our ability to fund our working capital needs, debt payments and other obligations, and to comply with the financial covenants, including borrowing base limitations, under our Senior ABL Facility, depends on our future operating performance and cash flow and many factors outside of our control, including the costs of raw materials, the state of the overall automotive industry and financial and economic conditions and other factors.

Cash Flows

Operating Activities. Net cash provided by operations was $270.4 million for the year ended December 31, 2015, which included $36.6 million of cash provided by operating assets and liabilities. Cash provided by operations was primarily the result of increased earnings, as well as changes in accounts and tooling receivables, accounts payable and accrued liabilities of $63.9 million. In addition, pension contributions of $7.9 million were made during the year ended December 31, 2015. Net cash provided by operations was $171.0 million for the year ended December 31, 2014, which included $43.1 million of cash used that related to changes in operating assets and liabilities. The use of cash related to operating assets and liabilities was primarily a result of changes in accounts receivable and tooling receivables and accounts payable of $29.4 million and pension contributions of $12.2 million.

Investing Activities. Net cash used in investing activities was $166.4 million for the year ended December 31, 2015, which consisted primarily of $166.3 million of capital spending, $34.4 million for the Shenya acquisition and $4.3 million for investment in joint ventures, offset by proceeds of $33.5 million for the sale of our hard coat plastic exterior trim business and $5.1 million for the sale of fixed assets and other. Net cash used in investing activities was $157.4 million for the year ended December 31, 2014, which consisted primarily of $192.1 million of capital spending and $21.2 million for the acquisition of businesses, offset by proceeds of $50.6 million from the sale of our thermal and emissions product line, the Australian business and the sale of an investment in affiliate, proceeds of $4.4 million for the sale of fixed assets and other, and a $1.0 million return on equity investments. We anticipate that we will spend approximately $155 million to $165 million on capital expenditures in 2016.

Financing Activities. Net cash used in financing activities totaled $11.6 million for the year ended December 31, 2015, which consisted primarily of a decrease in short term debt of $9.0 million, payments on long term debt of $8.9 million, taxes withheld and paid on employees share based awards of $2.0 million, and the purchase of noncontrolling interests of $1.3 million, partially offset by $9.3 million related to the exercise of stock warrants. Net cash provided by financing activities totaled $49.4 million for the year ended December 31, 2014, which consisted primarily of $737.5 million related to the proceeds from issuance of long-term debt, $9.0 million related to the exercise of stock warrants, increase in long-term debt of $6.6 million and excess tax benefit on stock options exercised of $4.1 million, partially offset by the repurchase of the Senior Notes and the Senior PIK Toggle Notes of $675.6 million, purchase of noncontrolling interest of $18.5 million, payments on long-term debt of $4.3 million, repurchase of common stock of $5.2 million and taxes withheld and paid on employees share based awards of $4.2 million.

Financing Arrangements

Senior ABL Facility

On April 4, 2014, CS Intermediate Holdco 1 LLC, or Parent, Cooper-Standard Automotive Inc., or the U.S. Borrower, Cooper-Standard Automotive Canada Limited, or the Canadian Borrower, Cooper-Standard Automotive International Holdings BV, or the European Borrower and, together with the U.S. Borrower and Canadian Borrower, the Borrowers, and certain subsidiaries of the U.S. Borrower

entered into the Second Amended and Restated Loan and Security Agreement in connection with its Senior ABL Facility, with certain lenders, Bank of America, N.A., as agent, or the Agent, for such lenders, Deutsche Bank Securities Inc., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated, Deutsche Bank Securities Inc., and J.P. Morgan Securities LLC, as joint lead arrangers and bookrunners. On June 11, 2014, the Parent and the Borrowers entered into Amendment No. 1 to the Second Amended and Restated Senior ABL Facility. A summary of our Senior ABL Facility is set forth below. This description is qualified in its entirety by reference to the credit agreement governing our Senior ABL Facility.

General. Our Senior ABL Facility provides for an aggregate revolving loan availability of up to $180.0 million, subject to borrowing base availability, including a $60.0 million letter of credit sub-facility and a $25.0 million swing line sub-facility. Our Senior ABL Facility also provides for an uncommitted $75.0 million incremental loan facility, for a potential total Senior ABL Facility of $255.0 million (if requested by the Borrowers and the lenders agree to fund such increase). No consent of any lender (other than those participating in the increase) is required to effect any such increase. On December 31, 2015, there were no borrowings under the Senior ABL Facility, and subject to borrowing base availability, the Company had $180.0 million in availability, less outstanding letters of credit of $42.6 million.

Maturity. Any borrowings under our Senior ABL Facility will mature, and the commitments of the lenders under our Senior ABL Facility will terminate, on March 1, 2018.

Borrowing Base. Loan and letter of credit availability under our Senior ABL Facility is subject to a borrowing base, which at any time is limited to the lesser of: (A) the maximum facility amount (subject to certain adjustments) and (B) (i) up to 85% of eligible accounts receivable; plus (ii) the lesser of 70% of eligible inventory or 85% of the appraised net orderly liquidation value of eligible inventory; minus reserves established by the Agent. The accounts receivable portion of the borrowing base is subject to certain formulaic limitations (including concentration limits). The inventory portion of the borrowing base is limited to eligible inventory, as determined by the Agent. The borrowing base is also subject to certain reserves, which are established by the Agent (which may include changes to the advance rates indicated above). Loan availability under our Senior ABL Facility is apportioned as follows: $150.0 million to the U.S. Borrower., which includes a $60.0 million sublimit to the European Borrower and $30.0 million to the Canadian Borrower.

Guarantees; Security. Obligations under our Senior ABL Facility and cash management arrangements and hedging arrangements, in each case with the lenders and their affiliates, or collectively, Additional ABL Secured Obligations, entered into by the U.S. Borrower are guaranteed on a senior secured basis by the Company and all of its U.S. subsidiaries. Obligations of the Canadian Borrower under our Senior ABL Facility and Additional ABL Secured Obligations of the Canadian Borrower and its Canadian subsidiaries are guaranteed on a senior secured basis by the Company, its U.S. subsidiaries and the Canadian Borrower and Canadian subsidiaries. Obligations of the European Borrower under our Senior ABL Facility and Additional ABL Secured Obligations of the European Borrower are guaranteed on a senior secured basis by the Parent and its U.S. subsidiaries. The obligations under our Senior ABL Facility and related guarantees are secured by (1) a first priority lien on all of each Borrower s and each guarantor s existing and future personal property consisting of accounts receivable, payment intangibles, inventory, documents, instruments, chattel paper and investment property, certain money, deposit accounts, securities accounts, letters of credit, commercial tort claims and certain related assets and proceeds of the foregoing and (2) a second priority lien on all the capital stock in restricted subsidiaries directly held by the U.S. Borrower and each of the U.S. Guarantors, substantially all material owned real property located in the U.S. and equipment of the U.S. Borrower and the U.S. Guarantors and all other material personal property of the U.S. Borrower and the U.S. Guarantors.

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Interest. Borrowings under our Senior ABL Facility bear interest at a rate equal to, at the Borrowers option:

- in the case of borrowings by the U.S. Borrower, LIBOR or the base rate plus, in each case, an applicable margin;

- in the case of borrowings by the Canadian Borrower, bankers acceptance, or BA, rate, Canadian prime rate or Canadian base rate plus, in each case, an applicable margin; or

- in the case of borrowings by the European Borrower, LIBOR plus an applicable margin.

The applicable margin may vary between 1.50% and 2.00% with respect to the LIBOR or BA-based borrowings and between 0.50% and 1.00% with respect to base rate, Canadian prime rate and Canadian base rate borrowings. The applicable margin is subject, in each case, to quarterly pricing adjustments based on usage over the immediately preceding quarter.

In addition to paying interest on outstanding principal under our Senior ABL Facility, the Borrowers are required to pay a fee in respect of committed but unused commitments. The Borrowers are also required to pay a fee on outstanding letters of credit under our Senior ABL Facility together with customary issuance and other letter of credit fees. Our Senior ABL Facility also required the payment of customary agency and administrative fees.

The Borrowers are able to voluntarily reduce the unutilized portion of the commitment amount and repay outstanding loans, in each case, in whole or in part, at any time without premium or penalty (other than customary breakage and related reemployment costs with respect to repayments of any outstanding borrowings).

Covenants; Events of Default. Our Senior ABL Facility includes affirmative and negative covenants that impose substantial restrictions on our financial and business operations, including our ability to incur and secure debt, make investments, sell assets, pay dividends or make acquisitions. Our Senior ABL Facility also includes a requirement to maintain a monthly fixed charge coverage ratio of no less than 1.0 to 1.0 when availability under our Senior ABL Facility is less than specified levels or an event of default has occurred. Our Senior ABL Facility also contains various events of default that are customary for comparable facilities.

Our current revenue forecast for 2016 is determined from specific platform volume projections consistent with a North American and European light vehicle production estimate of 18.2 million units and 21.2 million units, respectively. Adverse changes to the vehicle production levels could have a negative impact on our future sales, liquidity, results of operations and ability to comply with our debt covenants under our Senior ABL Facility or any future financing arrangements we enter into. In addition to the potential impact of changes on our sales, our current operating performance and future compliance with the covenants under our Senior ABL Facility or any future financing arrangements we enter into are dependent upon a number of other external and internal factors, such as changes in raw material costs, changes in foreign currency rates, our ability to execute our cost savings initiatives, our ability to implement and achieve the savings expected by the changes in our operating structure and other factors beyond our control.

Term Loan Facility

On April 4, 2014, certain subsidiaries of the Company entered into a Term Loan Facility in order to (i) refinance the 8 ½% Senior Notes due 2018 and 7 ⅜% Senior PIK Toggle Notes due 2018, including applicable call premiums and accrued and unpaid interest, (ii) pay related fees and expenses and (iii) provide for working capital and other general corporate purposes. The Term Loan Facility provides for loans in an aggregate principal amount of $750.0 million and may be increased (or a new term loan facility added) by an amount that will not cause the consolidated first lien debt ratio to exceed 2.25 to 1.00 plus $300.0 million. All obligations of the borrower are guaranteed jointly and severally on a senior secured basis by the direct parent company of the borrower and each existing and subsequently acquired direct or indirect wholly-owned U.S. restricted subsidiary of the borrower. The obligations are secured by amongst other items (a) a first priority security interest (subject to permitted liens and other customary exceptions) on (i) all the capital stock in restricted subsidiaries directly held by the borrower and each of the guarantors (limited to 65% of the capital stock of any Foreign subsidiaries), (ii) substantially all plant, material owned real property located in the U.S. and equipment of the borrower and the guarantors and (iii) all other personal property of the borrower and the guarantors, and (b) a second priority security interest (subject to permitted liens and other customary exceptions) in accounts receivable of the borrowers and the guarantors arising from the sale of goods and services, inventory, excluding certain collateral and subject to certain limitations. Loans under the Term Loan Facility bear interest at a rate equal to, at the Borrower s option, LIBOR, subject to a 1.00% LIBOR Floor, plus an applicable margin of 3.00% or the base rate option (the highest of the Federal Funds rate plus 0.50%, prime rate, or one-month Eurodollar rate plus 1.00%), plus an applicable margin of 2.00%. The Term Loan Facility matures on April 4, 2021. On April 4, 2014, the aggregate principal amount of $750.0 million was fully drawn to extinguish the Senior PIK Toggle Notes and the Senior Notes and to pay related fees and expenses. Debt issuance costs of approximately $7.9 million were incurred on this transaction, along with the original issue discount of $3.8 million. Both the debt issuance costs and the original issue discount will be amortized into interest expense over the term of the Term Loan Facility. As of December 31, 2015, the principal amount of $738.8 million was outstanding. As of December 31, 2015, the Company had $2.8 million of unamortized original issue discount.

Off-Balance Sheet Arrangements

As a part of our working capital management, we sell certain receivables through third party financial institutions without recourse. The amount sold varies each month based on the amount of underlying receivables and cash flow needs. At December 31, 2015 and 2014, we had $63.5 million and $96.0 million, respectively, of receivables outstanding under receivable transfer agreements entered into by various locations. For the years ended December 31, 2015 and 2014, total accounts receivables factored were $264.8 million and $509.3 million, respectively. Costs incurred on the sale of receivables were $2.1 million, $3.3 million and $2.9 million for the years ended December 31, 2015, 2014 and 2013, respectively. These amounts are recorded in other income (expense), net and interest expense, net of interest income in the consolidated statements of net income. These are permitted transactions under our credit agreement governing our Senior ABL Facility and Term Loan Facility.

As of December 31, 2015, we had no other material off-balance sheet arrangements.

Working Capital

Historically, we have not generally experienced difficulties in collecting our accounts receivable, other than the dynamics associated with a global economic downturn which impact both the amount of our receivables and adversely impacts the ability of our customers to pay within normal terms. We believe that we currently have a strong working capital position. As of December 31, 2015, we had cash and cash equivalents of $378.2 million.

Contractual Obligations

Our contractual cash obligations consist of legal commitments requiring us to make fixed or determinable cash payments, regardless of the contractual requirements of the vendor to provide future goods or services. Except as otherwise disclosed, this table does not include information on our

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recurring purchase of materials for use in production because our raw materials purchase contracts typically do not require fixed or minimum quantities.

The following table summarizes the total amounts due as of December 31, 2015 under all debt agreements, commitments and other contractual obligations.

		Payment due by period			
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
	(dollar amounts in millions)				
Debt obligations	$ 738.8	$ 7.5	15.0	$ 15.0	$ 701.3
Interest on debt obligations	155.5	29.8	58.8	57.6	9.3
Operating lease obligations	85.5	24.5	28.0	18.5	14.5
Other obligations(1)	48.1	39.7	4.4	4.0	
Total	$ 1,027.9	$ 101.5	$ 106.2	$ 95.1	$ 725.1

(1) Represents borrowings and capital lease obligations.

In addition to our contractual obligations and commitments set forth in the table above, we have employment arrangements with certain key executives that provide for continuity of management. These arrangements include payments of multiples of annual salary, certain incentives and continuation of benefits upon the occurrence of specified events in a manner that is believed to be consistent with comparable companies.

We also have minimum funding requirements with respect to our pension obligations. We expect to make minimum cash contributions of approximately $2.3 million to our foreign pension plan asset portfolios in 2016. We do not expect to make cash contributions to our U.S. pension plans in 2016. Our minimum funding requirements after 2016 will depend on several factors, including the investment performance of our retirement plans and prevailing interest rates. Our funding obligations may also be affected by changes in applicable legal requirements. Further, we expect to make cash contributions of $3.9 million to certain of our unfunded pension plans in 2016. We also have payments due with respect to our postretirement benefit obligations. We do not prefund our postretirement benefit obligations. Rather, payments are made as costs are incurred by covered retirees. We expect other postretirement benefit net payments to be approximately $2.6 million in 2016.

We may be required to make significant cash outlays due to our unrecognized tax benefits. However, due to the uncertainty of the timing of future cash flows associated with our unrecognized tax benefits, we are unable to make reasonably reliable estimates of the period of cash settlement, if any, with the respective taxing authorities. Accordingly, unrecognized tax benefits of $7.8 million as of December 31, 2015 have been excluded from the contractual obligations table above. See Note 10. Income Taxes to our consolidated financial statements included elsewhere in this prospectus supplement for additional information.

In addition, excluded from the contractual obligation table are open purchase orders at December 31, 2015 for raw materials, supplies and capital expenditures in the normal course of business, supply contracts with customers, distribution agreements, joint venture agreements and other contracts without express funding requirements.

Raw Materials and Manufactured Components

The principal raw materials for our business include EPDM and synthetic rubber, components manufactured from carbon steel, plastic resins and components, carbon black, process oils, components manufactured from aluminum and natural rubber. We manage the procurement of our raw materials to assure supply and to obtain the most favorable total cost of ownership. Procurement arrangements include short-term and long-term supply agreements that may contain formula-based pricing based on commodity indices. These arrangements provide quantities needed to satisfy normal manufacturing demands.

We believe we have adequate sources for the supply of raw materials and components for our products with suppliers located around the world. We often use offshore suppliers for machined components, die castings and other labor-intensive, economically freighted products in our North American and European facilities.

Extreme fluctuations in material pricing have occurred in recent years, adding challenges in forecasting supply costs. Our inability generally to recover higher than anticipated material costs from our customers could impact our profitability.

Seasonal Trends

Historically, sales to automotive customers are lowest during the months prior to model changeovers and during assembly plant shutdowns. However, economic conditions and consumer demand may change the traditional seasonality of the industry, and lower production may prevail without the impact of seasonality. In the past, model changeover periods have typically resulted in lower sales volumes during July, August and December. During these periods of lower sales volumes, profit performance is reduced but working capital often improves due to the continued collection of accounts receivable.

Critical Accounting Policies and Estimates

Our accounting policies are more fully described in Note 2. Significant Accounting Policies, to our consolidated financial statements included elsewhere in this prospectus supplement. Application of these accounting policies requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the reporting period. Management bases its estimates and judgments on historical experience and on other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. We believe that, of our significant accounting policies, the following may involve a higher degree of judgment or estimation than other accounting policies.

Pre-Production Costs Related to Long Term Supply Arrangements. Costs for molds, dies and other tools owned by us to produce products under long-term supply arrangements are recorded at cost in property, plant, and equipment and amortized over the lesser of three years or the term of the related supply agreement. We expense all pre-production tooling costs related to customer-owned tools for which reimbursement is not contractually guaranteed by the customer.

Goodwill. As of December 31, 2015 and 2014, we had recorded goodwill of approximately $149.2 million and $135.2 million, respectively. Goodwill is not amortized but is tested for impairment, either annually or when events or circumstances indicate that impairment may exist. We evaluate each reporting unit s fair value versus its carrying value annually or more frequently if events or changes in circumstances indicate that the carrying value may exceed the fair value of the reporting unit. Estimated fair values are based on the cash flows projected in the reporting units strategic plans and

long-range planning forecasts discounted at a risk-adjusted rate of return. We assess the reasonableness of these estimated fair values using market based multiples of comparable companies. If the carrying value exceeds the fair value, an impairment loss is measured and recognized. Goodwill fair value measurements are classified within Level 3 of the fair value hierarchy, which are generally determined using unobservable inputs. We conduct our annual goodwill impairment as of October 1st of each year.

Our annual goodwill impairment analysis, completed as of the first day of the fourth quarter, resulted in no impairment for 2015 or 2014.

Long-Lived Assets. We monitor our long-lived assets for impairment indicators on an ongoing basis in accordance with ASC 360, Property, Plant, and Equipment. If impairment indicators exist, we perform the required analysis by comparing the undiscounted cash flows expected to be generated from the long-lived assets to the related net book values. If the net book value exceeds the undiscounted cash flows, an impairment loss is measured and recognized. An impairment loss is measured as the difference between the net book value and the fair value of the long-lived assets. Fair value is estimated based upon either discounted cash flow analysis or estimated salvage values. Cash flows are estimated using internal budgets based on recent sales data, independent automotive production volume estimates and customer commitments, as well as assumptions related to discount rates. Changes in economic or operating conditions impacting these estimates and assumptions could result in the impairment of long-lived assets. During 2015, we impaired property, plant and equipment at our South American and European facilities with a carrying value of $36.2 million to their fair value of $22.6 million, resulting in an impairment charge of $13.6 million. Fair value was determined using the estimated salvage values. Additionally, customer relationship intangible assets in South America were fully impaired, resulting in an impairment charge of $8.0 million.

Restructuring. Specific accruals have been recorded in connection with restructuring initiatives. These accruals include estimates principally related to employee separation costs, the closure and/or consolidation of facilities, contractual obligations and the valuation of certain assets. Actual amounts recognized could differ from the original estimates. Restructuring-related reserves are reviewed on a quarterly basis, and changes to plans are appropriately recognized when identified. Changes to plans associated with the restructuring of existing businesses are generally recognized as employee separation and plant phase-out costs in the period the change occurs. See Note 4. Restructuring to our consolidated financial statements included elsewhere in this prospectus supplement for additional information.

Revenue Recognition and Sales Commitments. We generally enter into agreements with our customers to produce products at the beginning of a vehicle s life. Although such agreements do not generally provide for minimum quantities, once we enter into such agreements, fulfillment of our customers purchasing requirements can be our obligation for an extended period or the entire production life of the vehicle. These agreements generally may be terminated by our customer at any time. Historically, terminations of these agreements have been minimal. In certain limited instances, we may be committed under existing agreements to supply products to our customers at selling prices which are not sufficient to cover the direct cost to produce such products. In such situations, we recognize losses as they are incurred.

We receive blanket purchase orders from many of our customers on an annual basis. Generally, such purchase orders and related documents set forth the annual terms, including pricing, related to a particular vehicle model. Such purchase orders generally do not specify quantities. We recognize revenue based on the pricing terms included in our annual purchase orders as our products are shipped to our customers. As part of certain agreements, we are asked to provide our customers with annual cost reductions. We accrue for such amounts as a reduction of revenue as our products are

shipped to our customers. In addition, we generally have ongoing adjustments to our pricing arrangements with our customers based on the related content and cost of our products. Such pricing accruals are adjusted as they are settled with our customers.

Income Taxes. In determining the provision for income taxes for financial statement purposes, we make estimates and judgments which affect our evaluation of the carrying value of our deferred tax assets as well as our calculation of certain tax liabilities. In accordance with ASC Topic 740, Accounting for Income Taxes, we evaluate the carrying value of our deferred tax assets on a quarterly basis. In completing this evaluation, we consider all available positive and negative evidence. Such evidence includes historical operating results, the existence of cumulative earnings and losses in the most recent fiscal years, expectations for future pretax operating income, the time period over which our temporary differences will reverse, and the implementation of feasible and prudent tax planning strategies. Deferred tax assets are reduced by a valuation allowance if, based on the weight of this evidence, it is more likely than not that all or a portion of the recorded deferred tax assets will not be realized in future periods.

Concluding that a valuation allowance is not required is difficult when there is significant negative evidence which is objective and verifiable, such as cumulative losses in recent years. The Company utilizes three years cumulative pre-tax book results adjusted for significant permanent book to tax differences as a measure of cumulative results in recent years. In certain foreign jurisdictions, our analysis indicates that we have cumulative three year historical losses on this basis. This is considered significant negative evidence which is difficult to overcome. However, the three-year loss position is not solely determinative, and, accordingly, management considers all other available positive and negative evidence in its analysis. Based upon this analysis, management concluded that it is more likely than not that the net deferred tax assets in certain foreign jurisdictions may not be realized in the future. Accordingly, the Company continues to maintain a valuation allowance related to those net deferred tax assets.

We continue to maintain a valuation allowance related to our net deferred tax assets in several foreign jurisdictions. As of December 31, 2015, we had valuation allowances of $137.0 million related to tax loss and credit carryforwards and other deferred tax assets in several foreign jurisdictions. Our valuation allowance decreased in 2015 primarily as a result of foreign currency, as well as the release of valuation allowances against our net deferred tax asset in certain foreign jurisdictions partially offset by current year losses with no benefit in certain foreign jurisdictions. The effective tax rate in the year ended December 31, 2015 was impacted by a tax benefit of $14.9 million resulting from changes in judgment related to deferred tax asset valuation allowances. Our current and future provision for income taxes is significantly impacted by the initial recognition of and changes in valuation allowances in certain countries. We intend to maintain these allowances until it is more likely than not that the deferred tax assets will be realized. Our future provision for income taxes will include no tax benefit with respect to losses incurred and no tax expense with respect to income generated in these countries until the respective valuation allowance is eliminated.

In addition, the calculation of our tax benefits and liabilities includes uncertainties in the application of complex tax regulations in a multitude of jurisdictions across our global operations. We recognize tax benefits and liabilities based on our estimate of whether and the extent to which additional taxes will be due. We adjust these liabilities based on changing facts and circumstances; however, due to the complexity of some of these uncertainties and the impact of any tax audits, the ultimate resolutions may be materially different from our estimated liabilities. See Note 10. Income Taxes to our consolidated financial statements included elsewhere in this prospectus supplement for additional information.

Pensions and Postretirement Benefits Other Than Pensions. Included in our results of operations are significant pension and postretirement benefit costs, which are measured using

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actuarial valuations. Inherent in these valuations are key assumptions, including assumptions about discount rates and expected returns on plan assets. These assumptions are determined as of the current year measurement date. We are required to consider current market conditions, including changes in interest rates, in making these assumptions. Changes in pension and postretirement benefit costs may occur in the future due to changes in these assumptions. Our net pension and postretirement benefit costs were approximately $4.9 million and $1.3 million, respectively, for the year ended December 31, 2015.

To develop the discount rate for each plan, the expected cash flows underlying the plan s benefit obligations were discounted using a December 31, 2015 pension index to determine a single equivalent rate. To develop our expected return on plan assets, we considered historical long-term asset return experience, the expected investment portfolio mix of plan assets and an estimate of long-term investment returns. To develop our portfolio of plan assets, we considered the duration of the plan liabilities and gave more weight to equity positions, including both public and private equity investments, than to fixed-income securities. Holding all other assumptions constant, a 1% increase or decrease in the discount rate would have decreased or increased the fiscal 2016 net periodic benefit cost expense by approximately $0.9 million or $1.2 million, respectively. Likewise, a 1% increase or decrease in the expected return on plan assets would have decreased or increased the fiscal 2016 net periodic benefit cost by approximately $3.1 million. Decreasing or increasing the discount rate by 1% would have increased or decreased the projected benefit obligations by approximately $67.9 million or $54.9 million, respectively. Aggregate pension net periodic benefit cost is forecasted to be approximately $6.7 million in 2016.

The expected annual rate of increase in health care costs is approximately 5.97% for 2015 (5.96% for the United States, 6.00% for Canada), grading down to 5% in 2018, and was held constant at 5.00% for years past 2018. These trend rates were assumed to reflect market trend, actual experience and future expectations. The health care cost trend rate assumption has a significant effect on the amounts reported. Only certain employees hired are eligible to participate in our subsidized postretirement plan. A 1% change in the assumed health care cost trend rate would have increased or decreased the fiscal 2016 service and interest cost components by $0.2 million in each case, and the projected benefit obligations would have increased or decreased by $3.1 million or $2.5 million, respectively. Aggregate other postretirement net periodic benefit cost is forecasted to be approximately $0.7 million in 2016.

The general funding policy is to contribute amounts deductible for U.S. federal income tax purposes or amounts required by local statute.

Quantitative and Qualitative Disclosures About Market Risk

We are exposed to fluctuations in interest rates, currency exchange rates and commodity prices. We actively monitor our exposure to risk from changes in foreign currency exchange rates and interest rates through the use of derivative financial instruments in accordance with management s guidelines. We do not enter into derivative instruments for trading purposes. See Note 20. Fair Value Measurements and Financial Instruments to our consolidated financial statements included elsewhere in this prospectus supplement.

Foreign Currency Exchange Rate Risk. We use forward foreign exchange contracts to reduce the effect of fluctuations in foreign exchange rates on a portion of forecasted material purchases and operating expenses. As of December 31, 2015, the notional amount of these contracts was $29.3 million. As of December 31, 2015, the fair value of the Company s forward foreign exchange contracts was an asset of $0.8 million.

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In addition to transactional exposures, our operating results are impacted by the translation of our foreign operating income into U.S. dollars. In 2015, net sales outside of the United States accounted for 73% of our consolidated net sales, although certain non-U.S. sales are U.S. dollar denominated. We do not enter into foreign exchange contracts to mitigate this exposure.

Interest Rates. In August 2014, the Company entered into interest rate swap transactions to manage cash flow variability associated with its variable rate Term Loan Facility. The interest rate swap contracts, which fix the interest payments of variable rate debt instruments, are used to manage exposure to fluctuations in interest rates. At December 31, 2015, the notional amount of these contracts was $300.0 million. As of December 31, 2015, the fair value of the Company s interest rate swaps was a liability of $4.7 million.

Commodity Prices. We have commodity price risk with respect to purchases of certain raw materials, including natural gas and carbon black. Raw material, energy and commodity costs have been extremely volatile over the past several years. Historically, we have used derivative instruments to reduce our exposure to fluctuations in certain commodity prices. We did not enter into any commodity derivative instruments in 2015. We will continue to evaluate, and may use, derivative financial instruments to manage our exposure to higher raw material, energy and commodity prices in the future.

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BUSINESS

Our Business

Cooper Standard is a leading manufacturer of sealing, fuel and brake delivery, fluid transfer and anti-vibration systems. Our products are primarily for use in passenger vehicles and light trucks that are manufactured by global automotive OEMs and replacement markets. We believe we are the largest global producer of sealing systems, the second largest global producer of the types of fuel and brake delivery products that we manufacture, the third largest global producer of fluid transfer systems, and one of the largest North American producers of anti-vibration systems.

We design and manufacture our products in each major region of the world through a disciplined and sustained approach to engineering and operational excellence. As of December 31, 2015, our operations were conducted through 98 wholly owned, leased and joint venture facilities in 20 countries, of which 79 are predominantly manufacturing facilities and 19 have design, engineering, administrative or logistics designation(s). The countries in which we operate include Brazil, Canada, China, Czech Republic, France, Germany, India, Italy, Japan, Mexico, the Netherlands, Poland, Romania, Serbia, South Korea, Spain, Sweden, Thailand, the United Kingdom and the United States. For the year ended December 31, 2015, we generated approximately 53% of our sales in North America, 31% in Europe, 13% in Asia Pacific, and 3% in South America.

We believe that we are well-positioned for growth from increasing global vehicle production volumes, increasing average content of our products on each vehicle produced, and our continued new business wins with existing and new customers. For the year ended December 31, 2015, approximately 82% of our sales were to OEMs, including Ford, GM, FCA, PSA Peugeot Citroën, Volkswagen Group, Daimler, Renault-Nissan, BMW, Toyota, Volvo, Jaguar/Land Rover and Honda and various other OEMs based in India and China. The remaining 18% of our 2015 sales were primarily to Tier I and Tier II automotive suppliers, non-automotive manufacturers, and replacement market distributors.

The following chart illustrates our balance and business diversity by providing a breakdown of our $3.3 billion in sales for the year ended December 31, 2015 by geography, customer, and product line.

We conduct substantially all of our activities through our subsidiaries and sell our product lines through four reportable segments North America, Europe, Asia Pacific, and South America. For the year ended December 31, 2015, we had sales in such segments of $1.8 billion, $1.0 billion, $0.4 billion, and $0.1 billion, respectively.

Products

We have four distinct product lines. These products are produced and supplied globally to a broad range of customers in multiple markets. The percentage of sales by product for the years ended December 31, 2015, 2014 and 2013 are as follows:

	Percentage of Sales		
Product Line	**2015**	**2014**	**2013**
Sealing systems	53%	52%	51%
Fuel and brake delivery systems	20%	20%	23%
Fluid transfer systems	14%	14%	13%
Anti-vibration systems	8%	8%	9%

In addition to these product lines, we also have sales to other adjacent markets.

Product Lines		**Market Position**
SEALING SYSTEMS	Protect vehicle interiors from weather, dust and noise intrusion for improved driving experience; provide aesthetic and functional class-A exterior surface treatment Products: Fortrex — Stainless steel trim Dynamic seals — Flush glass systems Static seals — Variable extrusion Encapsulated glass — Specialty sealing products	Global leader
FUEL & BRAKE DELIVERY SYSTEMS	Sense, deliver and control fluids to fuel and brake systems Products: Chassis and tank fuel lines and bundles (fuel lines, vapor lines and bundles) — Direct injection & port fuel rails (fuel rails and fuel charging assemblies) Metallic brake lines and bundles — Quick connects	Top 2 globally
FLUID TRANSFER SYSTEMS	Sense, deliver and control fluid and vapors for optimal powertrain & HVAC operation Products: Heater/coolant hoses — Turbo charger hoses Quick connects — Secondary air hoses DPF and SCR emission lines — Brake and clutch hoses Degas tanks — ArmorHose	Top 3 globally

Air intake and charge	ArmorHose II
Transmission Oil Cooling Hoses	ArmorHose TPV

Product Lines		Market Position
ANTI-VIBRATION SYSTEMS	Control and isolate noise and vibration in the vehicle to improve ride and handling Products: Powertrain Mount Systems: (Multi-state Vacuum Switchable Hydraulic Engine Mounts, Bi-state Electric Switchable Hydraulic Engine Mounts, Conventional Hydraulic Mounts, Elastomeric Mounts) Suspension Mounts: (Conventional & Hydraulic Bushings, Strut Mounts, Spring Seats & Bumpers, Mass Dampers, Dual Durometer (Bi-compound) Bushings)	North America leader

Our Industry

The automotive industry is one of the world s largest and most competitive. Consumer demand for new vehicles largely determines sales and production volumes of global OEMs.

The automotive supplier industry is generally characterized by high barriers to entry, significant start-up costs and long-standing customer relationships. The criteria by which OEMs judge automotive suppliers include quality, price, service, performance, design and engineering capabilities, innovation, timely delivery, financial stability and global footprint. Over the last decade, suppliers that have been able to achieve manufacturing scale, reduce structural costs, diversify their customer base and establish a global footprint have been successful.

New vehicle sales are expected to increase in certain regions of the world, particularly in Asia, where we have a strong local market presence. Asia is the largest and fastest growing market for light vehicles in the world.

Competition in the automotive supplier industry is intense and has increased in recent years as OEMs have demonstrated a preference for stronger relationships with fewer suppliers. There are typically three or more significant competitors and numerous smaller competitors for most of the products we produce. Automotive suppliers with a global manufacturing footprint capable of fully servicing customers around the world will continue to lead the supply industry going forward. OEMs have shifted certain research and development, design and testing responsibility to suppliers. At the same time they have shortened new product cycle times. To remain competitive, suppliers must have state-of-the-art engineering and design capabilities and must be able to continuously improve their engineering, design and manufacturing processes to effectively service the customer. Suppliers are increasingly expected to collaborate on, or assume the product design and development of, key automotive components and to provide innovative solutions to meet evolving technologies aimed at improved emissions and fuel economy.

Pricing pressure has continued as competition for market share has reduced the overall profitability of the industry and resulted in continued pressure on suppliers for price reductions. Consolidations and market share shifts among vehicle manufacturers continue to put additional pressures on the supply chain. These pricing and market pressures will continue to drive our focus on reducing our overall cost structure through continuous improvement initiatives, capital redeployment, restructuring and other cost management processes.

The automotive industry is increasingly being shaped by tightening government regulations for vehicle safety, fuel efficiency, and emissions controls. OEMs continue to focus on improving occupant

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and pedestrian safety in order to meet increasingly stringent regulatory requirements in various critical markets. Similarly, OEMs must focus on fuel economy and reducing emissions to meet increasingly stringent standards imposed by governmental authorities around the world. As a result, suppliers are increasingly focused on developing technologies and products designed to improve vehicle safety, emissions and fuel economy. Suppliers who can provide product solutions in these areas will realize greater opportunities for above-market growth.

Our Competitive Strengths

Innovative and High Quality Products

We believe we have distinguished ourselves in the automotive industry through our engineering and technological capabilities, as evidenced by our i^3 innovations group and the recent development of several key innovative product and technology solutions including our MagAlloy coating process, Quick Connect with integrated sensor technology, ArmorHose product line and our revolutionary new Fortrex material technology. Our innovative products increase the lifespan of automotive components such as fuel and brake lines, improve efficiency in the assembly process and reduce material and weight in vehicles. Over the last three years, we have spent $314.3 million on engineering, research and development to further develop innovative products. We believe our focus on innovation and our delivery of innovative products and solutions provides us with a sustainable competitive advantage.

In addition, we believe we have a reputation for outstanding quality within the automotive industry, a factor that has been important to maintaining and expanding our successful relationships with our customers. We have earned numerous awards, including the DaimlerChrysler Global Supplier Award, GM Supplier of the Year, Ford s Silver World Excellence Award and Toyota s Cost Excellence Performance Award.

Global Manufacturing Footprint

We have established an advantaged global manufacturing footprint from which we serve our customers worldwide. Our global operations include 79 facilities which are predominantly utilized for our manufacturing operations. Our operations are located in Brazil, Canada, China, Czech Republic, France, Germany, India, Italy, Japan, Mexico, the Netherlands, Poland, Romania, Serbia, South Korea, Spain, Sweden, Thailand, the United Kingdom and the United States. Since 2004, we have increased the proportion of our sales outside North America from 30% to 47%, largely reflecting our focus on obtaining and retaining business on high-volume global platforms. As part of our strategy, we operate several successful international joint ventures, which have allowed us to enter into new geographic markets, to establish new customer relationships and to expand our products, technologies and capabilities. Our joint venture partners provide knowledge and insight into local markets and access to local suppliers of raw materials and components. We believe our global manufacturing footprint and proximity to customers provides us with a competitive advantage in the areas of customer service, improved logistics and lower costs.

World-Class Operations/Cooper Standard Operating System

In an ongoing effort to reduce our cost structure, we run a global continuous improvement program, as well as implementation of lean tools, structured problem solving, best business practices, standardized processes and change management.

We also evaluate opportunities to consolidate facilities and to relocate certain operations to lower cost countries. We believe we will continue to be successful in our efforts to improve our design and

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engineering capability and manufacturing processes while achieving cost savings due to the flexible nature of our manufacturing capabilities, our highly efficient operations and our ability to leverage economies of scale from the high volumes of products we produce for the world s top-selling vehicle platforms. We have created a culture of continuous improvement and lean manufacturing in all aspects of our operations. Over the life cycle of each platform, we focus on streamlining manufacturing, increasing automation and reducing material and other costs in an effort to generate additional operational savings. We budget and track operational savings at the facility level, which management regularly reports and reviews.

Strong Customer Relations and Program Management

We believe that our customer relationships, program management capabilities, global presence, comprehensive product line, excellence in manufacturing, product innovation and quality assurance combine to provide us with significant competitive advantages. We have proven our ability to expand globally with customers, increase scale in a consolidating industry and be first-to-market with design and engineering innovations.

We have a high level of dedication to customer service, and for each major product launch we dedicate a team of sales representatives, engineers, quality specialists and senior management, who work together to ensure that the product launch is completed on time and consistent with rigorous quality standards. These characteristics have allowed us to remain a leading supplier to Ford and GM while steadily growing our business with European and Asian OEMs. Our capabilities are evidenced by our success in being awarded significant content on our customers top-selling platforms, including the Ford F-Series and GM s Silverado, Sierra, Tahoe, Yukon and Escalade vehicle models.

Incumbent Position Across Diverse Customer Base

As the incumbent supplier to platforms, we have typically participated in the design of their successor platforms, and therefore, we believe we have been afforded a competitive advantage to win the upgrade and the ultimate replacement business. In addition, we believe that our presence on our largest customers highest-volume and most important platforms is a competitive advantage that allows us to further increase our market share, cross-sell our other product lines, fully leverage our lean initiatives, spread our fixed costs over higher volumes and increase our return on capital.

Experienced Management Team

Our senior management team has extensive background in the automotive industry. Our management team is focused on guiding us through the challenges facing the automotive industry and the changing economic environment through ongoing and continued cost reduction and restructuring initiatives and is intent on continuing to implement our business strategies. For more information on our executive officers, see Management.

Adaptable Approach to Global Manufacturing Footprint to Ensure Continued Profitability

We continuously evaluate our global manufacturing footprint to ensure we are optimizing our operations to remain accessible to our customers while driving cost improvement. We are currently in the process of transitioning a significant portion of our manufacturing operations from high-cost to low-cost countries. In Europe, we have transferred many of our manufacturing operations in Western Europe to lower cost countries in Eastern Europe. In addition, we have restructured our European employee base by increasing the percentage of lower cost local employees. Both of these efforts have allowed us to decrease our operating costs and drive increased profitability without sacrificing product quality. In North America, we have added significant production capacity and headcount in Mexico

while maintaining or reducing production capacity in Canada and the United States. Our current forecasts anticipate a continuation of these trends.

Driving Profitable Growth and Cash Flow Generation

We are committed to growing shareholder value by driving profitable growth, increased Adjusted EBITDA, and strong cash flow generation. We continue to drive revenue growth through increased market share and targeted growth in China, and our Adjusted EBITDA margins continue to grow through our restructuring efforts. Since 2013, our Adjusted EBITDA margin has increased from 9.3% to 10.8% for the year ended December 31, 2015. We are also driving increased cash flow through rigorous capital management. Capital expenditure levels are being reduced to levels in line with our industry peers following a period of higher spending which was necessitated by deferred maintenance during the most recent cyclical downturn. In addition, we are focused on reducing working capital through optimizing inventory, receivables and payables.

Our Business Strategy

Our business strategy is to drive for profitable growth, become one of the thirty largest global automotive suppliers in terms of sales, and among the top 5% of global automotive suppliers in terms of return on invested capital (what we refer to as Top 30 / Top 5). We are seeking to realize this vision by matching our priorities and strengths to the emerging global industry environment by:

- Focusing on core product lines;
- Producing superior products as a recognized innovation leader;
- Creating an advantaged global manufacturing footprint to support customers;
- Commonizing and standardizing world-class engineering and manufacturing operations;

As the Company continues to grow, we will look to further evolve our strategy to create additional opportunities to drive shareholder value.

Operational and Strategic Initiatives

As part of our profitable growth strategy, we implemented the CSOS to fully position the Company for growth and ensure global consistency in engineering design, program management, manufacturing process, purchasing and IT systems. Standardization across all regions is especially critical in support of customers global platforms that require the same design, quality and delivery standards everywhere across the world.