Cooper-Standard Holdings Inc.
Form S-1/A
November 16, 2010
Table of Contents

As filed with the Securities and Exchange Commission on November 15, 2010

Registration No. 333-168316

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 2

to

FORM S-1

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Cooper-Standard Holdings Inc.

(Exact name of registrant as specified in its charter)

Delaware	**3714**	**20-1945088**

(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

39550 Orchard Hill Place Drive

Novi, MI 48375

(248) 596-5900
(Address, including zip code, and telephone number, including area code,

of registrant s principal executive offices)

Timothy W. Hefferon, Esq.

Vice President, General Counsel and Secretary

Cooper-Standard Holdings Inc.

39550 Orchard Hill Place Drive

Novi, MI 48375

(248) 596-5900
(Name, address, including zip code, and telephone number,

including area code, of agent for service)

Copy to:

Daniel J. Bursky, Esq.

Fried, Frank, Harris, Shriver & Jacobson LLP

One New York Plaza

New York, New York 10004

(212) 859-8000

Approximate date of commencement of proposed sale to public: From time to time after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. x

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ¨	Accelerated filer ¨	Non-accelerated filer x (Do not check if a smaller reporting company)	Smaller reporting company ¨

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered(1)	Proposed maximum offering price per security	Proposed maximum aggregate offering price	Amount of registration fee
Common stock, par value $0.001 per share	11,181,673	$29.80(2)	$333,213,855	$23,758
7% cumulative participating convertible preferred stock, par value $0.001 per share	1,160,772(3)	$100.00(4)	$116,077,200	$8,276
Common stock, par value $0.001 per share	4,980,627	(5)		
Warrants to purchase common stock, par value $0.001 per share	1,693,827	(6)		
Common stock, par value $0.001 per share	1,693,827	$27.33(7)	$46,292,292	$3,301
Total				$35,335(8)

(1) Represents shares of common stock, shares of 7% cumulative participating convertible preferred stock, including shares of common stock issuable upon conversion, and warrants to purchase common stock, including shares of common stock underlying the warrants, being registered for resale that were privately placed to investors in connection with the registrant s emergence from bankruptcy on May 27, 2010. In accordance with Rule 416 under the Securities Act, the shares of common stock offered hereby also include such indeterminate number of shares of common stock that may be issued with respect to stock splits, stock dividends or similar transactions.
(2) Includes a bona fide estimate of shares of 7% cumulative participating convertible preferred stock to be issued as dividends paid in kind during the next two years.
(3) Estimated solely for the purpose of determining the registration fee pursuant to Rule 457(c) under the Securities Act, based on the average of the high and low sales price of our common stock as of July 21, 2010 as reported on the Over-the-Counter Bulletin Board.
(4) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457 under the Securities Act.
(5) Pursuant to Rule 457(i) under the Securities Act, no additional registration fee is required with respect to the shares of common stock issuable upon conversion of the preferred stock.
(6) Pursuant to Rule 457(i), no additional registration fee is required with respect to the warrants as a fee is being paid for the registration of the shares of common stock underlying the warrants.
(7) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(g) under the Securities Act, based on an exercise price of $27.33 per share.
(8) Previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

The information in this prospectus is not complete and may be changed. The selling security holders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED NOVEMBER 15, 2010

Prospectus

Cooper-Standard Holdings Inc.

17,210,676 Shares of Common Stock

1,010,345 Shares of 7% Cumulative Participating Convertible Preferred Stock

Warrants to Purchase 1,693,827 Shares of Common Stock

We emerged from Chapter 11 reorganization on May 27, 2010. As part of our plan of reorganization, we issued the securities listed below in a private placement to certain creditors in order to raise a portion of the funds necessary for our emergence from bankruptcy. Pursuant to our plan of reorganization, certain creditors that received these securities and their transferees, who are identified as selling security holders throughout this prospectus, are entitled to have these securities registered for resale.

This prospectus relates to the following securities that may be sold from time to time by the selling security holders identified in this prospectus:

- 11,181,673 shares of our common stock, par value $0.001 per share, which consists of 8,623,491 shares issued to certain creditors pursuant to a rights offering and 2,558,182 shares issued to certain creditors pursuant to a commitment agreement that provided for the backstop of the rights offering;

- 1,010,345 shares of our 7% cumulative participating convertible preferred stock, par value $0.001 per share, issued to certain creditors pursuant to the commitment agreement that provided for the backstop of the rights offering (including 10,345 shares of 7% preferred stock issued as a dividend payment on our outstanding shares of 7% preferred stock);

- 4,335,176 shares of our common stock issuable to holders of our 7% preferred stock upon conversion of their 7% preferred stock;

- warrants to purchase 1,693,827 shares of our common stock issued to certain creditors pursuant to the commitment agreement that provided for the backstop of the rights offering; and

- 1,693,827 shares of our common stock issuable to holders of our warrants upon exercise of their warrants.

All of the securities covered by this prospectus are being sold by the selling security holders. We will not receive any proceeds from the sales of any of these securities other than proceeds from the exercise of warrants to purchase shares of our common stock, which will be used for general corporate purposes. It is anticipated that the selling security holders will sell these securities from time to time in one or more transactions, in negotiated transactions or otherwise, at prevailing market prices or at prices otherwise negotiated.

Our common stock and warrants are currently traded on the Over-the-Counter Bulletin Board, commonly known as the OTC Bulletin Board, under the symbols COSH and COSHW, respectively. On November 11, 2010, the last sale price of our common stock was $46.00 per share and the last sale price of our warrants was $22.00 per warrant. There is currently no established market for our preferred stock.

Investing in our securities involves substantial risks. You should carefully consider the matters discussed under the section entitled Risk Factors beginning on page 15 of this prospectus.

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

The date of this prospectus is , 2010

Table of Contents

TABLE OF CONTENTS

You should rely only on the information contained in this prospectus and any applicable prospectus supplement or amendment. We have not authorized any person to provide you with different information. This prospectus is not an offer to sell, nor is it an offer to buy, these securities in any state where the offer or sale is not permitted. The information in this prospectus is complete and accurate as of the date on the front cover of this prospectus, but our business, financial condition or results of operations may have changed since that date.

i

Table of Contents

PROSPECTUS SUMMARY

This summary highlights information about us that is contained elsewhere in this prospectus. This summary may not contain all of the information that may be important to you. You should read the entire prospectus carefully before making an investment decision, including the section entitled Risk Factors and our consolidated financial statements and related notes. Unless the context requires otherwise, references in this prospectus to Cooper-Standard, the Company, we, us, our or similar terms refer to Cooper-Standard Holdings Inc. and all of its consolidated subsidiaries.

Our Business

We are a leading manufacturer of body sealing, anti-vibration, or AVS, and fluid handling components, systems, subsystems and modules. 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 that we are the largest global producer of body sealing systems, the second largest global producer of the types of fluid handling products that we manufacture and one of the largest North American producers in the AVS business.

We design and manufacture our products in each major automotive region of the world in close proximity to our customers through a disciplined and consistent approach to engineering and production. We operate in 66 manufacturing locations and nine design, engineering and administrative locations around the world, including Australia, Belgium, Brazil, Canada, China, Czech Republic, France, Germany, India, Italy, Japan, Korea, Mexico, the Netherlands, Poland, Spain, the United Kingdom and the United States. For the year ended December 31, 2009, we generated approximately 47% of our sales in North America, 40% in Europe, 6% in South America and 7% in Asia/Pacific.

For the year ended December 31, 2009, approximately 80% of our sales were direct to OEMs, including Ford Motor Company, or Ford, GM, defined herein as General Motors Corporation combined with General Motors Company, and Chrysler, defined herein as Chrysler LLC combined with Chrysler Group LLC, or, collectively, the Detroit 3, Fiat, Volkswagen/Audi Group, Renault/Nissan, PSA Peugeot Citroën, Daimler, BMW, Toyota, Volvo, Jaguar/Land Rover and Honda. The remaining 20% of our sales for the year ended December 31, 2009 were primarily to Tier I and Tier II automotive suppliers and non-automotive customers. In 2009, our products were found in 17 of the 20 top-selling vehicle models in North America and in 19 of the 20 top-selling vehicle models in Europe.

The following chart illustrates our balance and diversity by providing a breakdown of our $1.9 billion in sales for the year ended December 31, 2009 by geography and customer.

Table of Contents

We conduct substantially all of our activities through our subsidiaries and sell our product lines through two reportable segments North America and International. The International segment covers Europe, South America and Asia. For the year ended December 31, 2009, the five months ended May 31, 2010 and the four months ended September 30, 2010, we had sales of $1.9 billion, $1.0 billion and $0.8 billion and a net loss of $(356.1) million and net income of $636.3 million and $25.7 million, respectively. See Business for a more detailed description of our business. On a pro forma basis, for the year ended December 31, 2009 and on a combined pro forma basis for the nine months ended September 30, 2010, we had sales of $1.9 billion and $1.8 billion and a net loss of $(332.4) million and net income of $44.7 million, respectively. See Business for a more detailed description of our business.

Products

We supply a diverse range of products on a global basis to a broad group of customers across a wide range of vehicles. Our principal product lines are body and chassis products and fluid handling products. For the years ended December 31, 2008 and 2009, and the nine months ended September 30, 2010, body and chassis products accounted for 66%, 65% and 66%, respectively, of our sales, and fluid handling products accounted for 34%, 35% and 34%, respectively, of our sales. The top ten vehicle platforms we supply accounted for approximately 28% of our sales in 2008, 32% of our sales in 2009 and 34% of our sales in the nine months ended September 30, 2010. Our principal product lines are described below.

Product Lines	Solutions	Products & Modules	Market Position*
Body & Chassis:			
Body Sealing	Protect vehicle interiors from weather, dust and noise intrusion	Extruded rubber and thermoplastic sealing, weather strip assemblies and encapsulated glass products	#1 globally
Anti-Vibration	Control and isolate noise and vibration in the vehicle to improve ride and handling	Engine and body mounts, dampers, isolators, springs, stamped or cast metal products and rubber products	#3 North America
Fluid Handling	Control, sense, measure and deliver fluids and vapors throughout the vehicle	Pumps, tubes and hoses, connectors and valves (individually and in systems and subsystems)	#2 globally

* Market positions are management s estimates, which are based on reports prepared by industry consultants commissioned by us in 2008. See Market and Industry Data.

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, and component suppliers rely on high levels of vehicle sales and production to be successful.

The automotive supplier industry is generally characterized by high barriers to entry, significant start-up costs and long-standing customer relationships. The key criteria by which OEMs judge automotive suppliers include price, quality, service, performance, design and engineering capabilities, innovation, timely delivery and, more recently, financial stability. Over the last decade, those suppliers that have been able to achieve manufacturing

Table of Contents

scale, reduce structural costs, diversify their customer bases and establish a global manufacturing footprint have been successful.

The table below outlines vehicle production forecasts for years 2010 through 2014:

	2010	2011	2012	2013	2014
		(vehicle units in millions)			
Europe	18.0	18.3	19.3	20.8	21.7
North America	11.8	12.2	13.3	14.4	15.2
Asia	33.4	34.9	38.1	41.1	43.0

Source: IHS Automotive (formerly CSM Worldwide) September 2010 Forecast

Among the leading drivers of new vehicle demand is the availability of consumer credit to finance purchases. Beginning in late 2008, turmoil in the global credit markets and the recession in the United States and global economies led to a severe contraction in the availability of consumer credit. As a result, global vehicle sales volumes plummeted, led by severe declines in the mature North American and European markets. During 2009, North American light vehicle industry production declined by approximately 32% from 2008 levels to 8.6 million units, while European light vehicle industry production declined by approximately 20% from 2008 levels to 16.3 million units. The decline was less pronounced in Asia, where volumes were down only 1% from 2008 levels to 26.6 million units. This resilience was largely attributable to the continued expansion of the Chinese and Indian markets, both of which are expected to continue to increase as a share of the global automotive market in the coming years.

The severe decline in vehicle sales and production in 2009 led to major restructuring activity in the industry, particularly in North America. GM and Chrysler reorganized through chapter 11 bankruptcy proceedings and the Detroit 3 undertook other strategic actions, including the divestiture or discontinuance of non-core businesses and brands and the acceleration or broadening of operational and financial restructuring activities. A number of significant automotive suppliers, including us, restructured through chapter 11 bankruptcy proceedings or through other means.

Several significant trends and developments are now contributing to improvement in the automotive supplier industry. These include improved retail vehicle sales and production in North America in the fourth quarter of 2009 and first quarter of 2010, a more positive credit environment, the continued growth of new markets in Asia, particularly China, and increased emphasis on green and other innovative technologies.

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 development of innovative solutions, including our ESP Thermoplastic Glassruns (body sealing), ride stabilizing hydromounts (AVS) and proprietary plastics-to-aluminum overmolding process (fluid handling). 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, among others, the DaimlerChrysler Global Supplier Award, GM Supplier of the Year, Ford s Silver World Excellence Award and Toyota s Cost Excellence Performance Award.

Operational excellence

We have a proven track record and disciplined approach to operational excellence, which has generated significant cost savings of approximately 4% of sales annually since 2004. We believe we have the ability to

Table of Contents

generate similar savings in the future 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 GMT900 platform, which includes the Yukon, Tahoe, Sierra and Silverado vehicle models.

Global manufacturing footprint

We have established a global manufacturing footprint that allows us to serve our customers worldwide. Our global manufacturing operations are supported by 66 manufacturing locations and nine design, engineering and administrative locations around the world, including Australia, Belgium, Brazil, Canada, China, Czech Republic, France, Germany, India, Italy, Japan, Korea, Mexico, the Netherlands, Poland, Spain, the United Kingdom and the United States. Since 2004, we have increased our sales outside North America from 30% to 53%, largely reflecting our strategic focus on gaining exposure to high growth Asian markets and from key acquisitions in Europe. As part of our strategy, we operate several successful international joint ventures, which has allowed us to enter into new geographic markets, to acquire new customers and to develop new technologies. 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 by allowing us to efficiently transport parts to local customers at a significantly lower cost as many of the parts are difficult to transport across long distances.

Incumbent position across diverse customer base

In 2009, our products were found in 17 of the 20 top-selling vehicle models in North America and in 19 of the 20 top-selling vehicle models in Europe. 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 experience in the automotive industry and collectively has over 130 years of experience in the 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 Directors and Executive Officers.

Conservative capital structure

Upon the date of our emergence from bankruptcy, May 27, 2010, or the emergence date, we significantly improved our leverage as compared to historical levels. As part of our plan of reorganization, we extinguished $1,126.7 million of prepetition debt, issued $450 million of 8 $^1/_2$% senior notes due 2018, or our senior notes, and entered into a $125 million senior secured asset-based revolving credit facility, or our senior ABL facility. At the emergence date, we had $479.3 million of outstanding indebtedness, consisting of our senior notes and $29.3 million in other debt of certain of our foreign subsidiaries. Our senior ABL facility is subject to borrowing base limitations, and we had approximately $34.3 million of letters of credit outstanding but not drawn under our senior ABL facility on the emergence date. For the year ended December 31, 2009, the five months ended May 31, 2010 and the four months ended September 30, 2010, we had a net loss of $(356.1) million and net income of $636.3 million and $25.7 million, respectively. On a pro forma basis, for the year ended December 31, 2009 and on a combined pro forma basis for the nine months ended September 30, 2010, we had a net loss of $(332.4) million and net income of $44.7 million, respectively. We believe our emergence date capital structure is a conservative and stable structure.

Our Business Strategy

Continue optimization of our business and cost structure

We seek to optimize our business and cost structure so that we are appropriately configured in the rapidly changing environment in the automotive industry, with an emphasis on reducing our overall cost structure and making our manufacturing operations more efficient. Our primary areas of focus are:

Identifying and implementing lean manufacturing initiatives. Our lean manufacturing initiatives focus on optimizing manufacturing by eliminating waste, controlling cost and enhancing productivity. Lean manufacturing initiatives have been implemented at each of our manufacturing and design facilities and continue to be an important element in our disciplined approach to operational excellence.

Relocating operations to lower-cost countries. We are supplementing our Western European operations with Central and Eastern European facilities where there are lower operating costs and to more closely match our customers footprints for more efficient transport of parts. In addition, we have expanded our operations in China, India and Mexico.

Consolidating facilities to reduce our cost structure. Our optimization efforts are designed to streamline our global operations and include taking advantage of opportunities to reduce our overall cost structure by consolidating and closing facilities. For example, in the second half of 2009, we closed two manufacturing facilities, one located in Ohio and another located in Germany, and in March 2010, we announced the closure of our manufacturing facility in Spain. We will continue to take a disciplined approach to evaluating opportunities that would improve our efficiency, profitability and cost structure.

Maintaining flexibility in all areas of our operations. Our operational capital needs are generally lower than many in our industry and a major portion of our manufacturing machinery is movable from job-to-job, providing us flexibility in adapting to market changes and serving customers worldwide.

Further developing technologies

We will draw on our technical expertise to provide customers with innovative solutions. Our engineers combine product design with a broad understanding of material options for enhanced vehicle performance. We believe our

5

Table of Contents

reputation for successful innovation in product design and material usage is the reason our customers consult us early in the development and design process of their next generation vehicles.

Recent innovations that highlight our ability to combine materials and product design expertise can be found in the following products:

- *Safe Seal* . Safe Seal is a body sealing product featuring sensors built into the seal capable of reversing power windows, doors and partitions to prevent injury.

- *Our new generation Hydro Body Mount*. Our new generation Hydro Body Mount features patented Inertia-track design, combining plastic, metal and rubber to provide superior damping in the driver compartment for improved ride.

- *Direct Injection Fuel Rail*. Direct Injection Fuel Rails draw upon our innovative welding processes and understanding of metal dynamics to create high pressure capability for highly advanced direct injection engines, improving fuel economy and performance.

- *Stratlink*. Utilizing our internal material engineering capabilities, we have developed a rubber compound that performs equally with externally sourced compounds, which will significantly reduce cost.

- *PlastiCool*. PlastiCool is a low cost, low weight, high temperature alternative to metal and rubber hose currently used in transmission cooling that offers a more robust joint design, improving quality and potentially reducing warranty costs. Additionally, because the material is smaller than current alternatives, it allows for greater design flexibility.

Continued emphasis on fuel efficient, global and high volume vehicles

We believe that by focusing on fuel efficient, global and high volume vehicles, we will be able to solidify and expand our global leadership position.

- *Fuel efficient*. With the recent shift in customer preferences toward light weight, fuel efficient vehicles, we intend to target small car, hybrid and alternative powertrains and increase the content we provide to these platforms. We believe that furthering our position in the small car and hybrid market and alternative powertrains will allow us to increase market share, create greater economies of scale and provide more opportunities to partner with customers.

- *Global*. Our global presence makes us one of the select few manufacturers of products in our product line areas who can take advantage of the many business opportunities that are becoming available worldwide as a result of the OEMs expanding emphasis on global platforms. Examples of successful global platforms we supply are the redesigned Ford Fiesta and GM s Buick LaCrosse.

China, India and South America will continue to be regions of emphasis as their light vehicle market is projected to grow substantially as their economies continue to develop. In China, we are developing a substantial manufacturing and marketing presence to serve local OEMs, and we intend to follow our customers as they target other high growth developing markets.

- *High volume*. While smaller cars and crossover vehicles have grown in popularity, certain large car and truck platforms continue to be in demand and remain important to our business. For example, the Ford F-150 and GM s GMT 900 platform (the Silverado, Sierra, Tahoe and Yukon nameplates) continue to be popular models for which we supply a broad range of our product offerings, including body sealing systems, anti-vibration systems and fuel, brake, emissions and thermal management components.

Through our extensive product portfolio, innovative solutions and broad global capabilities, we expect to continue winning new business across all major regions and automakers.

Developing systems solutions and other value-added products

We believe that significant opportunities exist to grow by providing complete subsystems, modules and assemblies. As a leader in design, engineering and technical capabilities, we are able to focus on improving products, developing new technologies and implementing more efficient processes in each of our product lines. Our body sealing products are visible to vehicle passengers and can enhance the vehicle s aesthetic appeal, in addition to creating a barrier to wind, precipitation, dust and noise. Our AVS products are an important contributor to vehicle quality, significantly improving ride and handling. Our fluid handling modules and subsystems are designed to increase functionality and decrease costs to the OEM, which can be the deciding factor in winning new business.

Selectively pursuing complementary acquisitions and alliances

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 fewer supplier relationships. 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. In addition, we believe joint ventures allow us to penetrate new markets with less relative risk and capital investment. We currently operate through several successful joint ventures, including those with Nishikawa Rubber Company, Zhejiang Saiyang Seal Products Co., Ltd., Guyoung Technology Co. Ltd., Hubei Jingda Precision Steel Tube Industry Co., Ltd., Shanghai Automotive Industry Corporation and Toyoda Gosei Co., Ltd.

Developing business in non-automotive markets

While the automotive industry will continue to be our core business, we supply other industries with products using our expertise and material compounding capabilities. For example, we supply parts to customers in the technical rubber business and develop and produce synthetic rubber products for a variety of industry applications, including aircraft flooring, commercial flooring, insulating sheets for power stations, non-slip step coverings, rubber for appliances and construction applications. In our technical rubber business we fabricate products from a wide variety of elastomer compounds and can custom fit many applications.

Risk Factors

Investing in our equity securities involves substantial risk, and our ability to successfully operate our business is subject to numerous risks. Any of the factors set forth under Risk Factors may limit our ability to successfully execute our business strategy. You should carefully consider all of the information set forth in this prospectus and, in particular, the specific factors set forth under Risk Factors in deciding whether to invest in our equity securities. Among these important risks are the following:

- Because of our new post-bankruptcy capital structure and implementation of fresh-start accounting, our financial condition or results of operations will not be comparable to the financial condition or results of operations reflected in our historical financial statements.

- We may not be able to generate sufficient cash to service all of our indebtedness and meet the dividend obligations of our preferred stock, and we may be forced to take other actions to satisfy our obligations under our indebtedness and preferred stock, which may not be successful. Because our ability to make scheduled payments on our debt and meet the dividend obligations of our preferred stock depends on our financial condition and operating performance, we are subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control.

Table of Contents

The financial condition of our customers, particularly the Detroit 3, may adversely affect our results of operations and financial condition. Chrysler, Ford and GM have engaged in unprecedented restructuring, which included Chrysler and GM reorganizing under bankruptcy laws, and while portions of Chrysler and GM have successfully emerged from bankruptcy proceedings, it is still uncertain what portion of their respective sales will return and whether they can be viable at a lower level of sales.

A prolonged or further material contraction in automotive sales and production volumes could materially adversely affect our liquidity, the viability of our supply base and the financial conditions of our customers. Our customers have been severely affected by the turmoil in the global credit markets and the economic recession. Our supply base has also been adversely affected by the current industry environment. Our financial condition, operating results and cash flows could be further affected by a material contraction in the automotive industry, which would impact our ability to meet our obligations.

Disruptions in the financial markets are adversely impacting the availability and cost of credit to us, which could continue to negatively affect our business. In addition, if our customers and suppliers are not able to obtain required capital, their businesses would be negatively impacted, which could negatively impact our business, whether through loss of sales or an inability to meet our commitments.

We could be materially adversely affected if we are unable to continue to compete successfully in the highly competitive automotive parts industry. We face numerous competitors in each of the product lines we produce and increased competition from suppliers producing in lower-cost countries.

We are subject to other risks associated with our non-U.S. operations, including: exchange controls and currency restrictions; currency fluctuations and devaluations; changes in local economic conditions; changes in laws and regulations, including the imposition of embargos; exposure to possible expropriation or other government actions; and unsettled political conditions and possible terrorist attacks. These and other factors may have a material adverse effect on out international operations or on our business, results of operations and financial condition.

Our Reorganization

On August 3, 2009, we along with our U.S. subsidiaries, or the debtors, filed voluntary petitions for chapter 11 bankruptcy protection in the United States Bankruptcy Court for the District of Delaware. On August 4, 2009, our Canadian subsidiary, Cooper-Standard Automotive Canada Limited, or CSA Canada, sought relief under the Companies Creditors Arrangement Act in the Ontario Superior Court of Justice in Toronto, Ontario, Canada. The debtors and CSA Canada emerged from their respective insolvency proceedings on May 27, 2010, with approximately $480 million of funded debt, representing a reduction of over $650 million from prepetition levels.

As part of our emergence from chapter 11, we raised $450 million through the issuance of our senior notes and entered into our $125 million senior ABL facility with certain agent and lending banks. In addition, we raised $355 million through the issuance of (i) $100 million of our 7% cumulative participating convertible preferred stock, or our 7% preferred stock, to certain creditors pursuant to a commitment agreement that provided for the backstop of our rights offering, or the Backstop Parties, and (ii) $255 million of our common stock to the Backstop Parties and holders of our prepetition 8 $^{3}/8$% senior subordinated notes due 2014, or our prepetition senior subordinated notes, pursuant to our rights offering. The Backstop Parties also received warrants to purchase 7% of our common stock (assuming the conversion of our 7% preferred stock) for their commitment to backstop the rights offering.

In connection with our emergence from chapter 11, amounts outstanding under our $175 million debtor-in- possession financing facility and $639.6 million of claims under our prepetition credit facility were paid in full in cash. Holders of our prepetition 7% senior notes due 2012, or our prepetition senior notes, were also paid in full in cash, except that the Backstop Parties received a distribution of our common stock in lieu of the cash payment for certain of their prepetition senior note claims. Holders of our prepetition senior subordinated notes were issued 8% of our outstanding common stock and warrants to purchase, in the aggregate, 3% of our outstanding common stock (in each case, assuming the conversion of our 7% preferred stock). In addition, our obligations under both our prepetition senior notes and our prepetition senior subordinated notes were cancelled. See Description of Certain Indebtedness for a more detailed description of our senior notes and senior ABL facility, Description of Capital Stock for a more detailed description of our equity securities and Our Reorganization for a more detailed description of our reorganization.

Accounting Impact of Emergence from Chapter 11

In accordance with the provisions of Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or ASC, 852, Reorganizations, we adopted fresh-start accounting upon our emergence from bankruptcy and became a new entity for financial reporting purposes as of June 1, 2010. Accordingly, the consolidated financial statements for the reporting entity subsequent to emergence from bankruptcy, or the Successor, are not comparable to the consolidated financial statements for the reporting entity prior to emergence from bankruptcy, or the Predecessor. For a discussion of fresh-start accounting, see note 3 to our unaudited interim financial statements as of September 30, 2010.

Corporate History

Cooper-Standard Holdings Inc. was formed and capitalized in 2004 as a Delaware corporation and began operating on December 23, 2004, when it acquired the automotive segment of Cooper Tire & Rubber Company, or the 2004 acquisition. Cooper-Standard Holdings Inc. operates the business primarily through its principal operating subsidiary, Cooper-Standard Automotive Inc. Our principal executive office is located at 39550 Orchard Hill Place Drive, Novi, MI 48375. Our telephone number is (248) 596-5900. Our website address is www.cooperstandard.com. The information available on or through our website is not part of this prospectus.

Market and Industry Data

Market data and other statistical information, including market share, ranking and similar information, used throughout this prospectus is based on data available from third party market research firms, other third party sources and our good faith estimates based on internal surveys and market intelligence. For a more detailed description of the market and industry data used in this prospectus, including a discussion of the risks and uncertainties inherent in such data, see Risk Factors, Forward-Looking Statements and Market and Industry Data.

Trademarks and Tradenames

We own or have rights to trademarks or trade names that we use in conjunction with the operation of our business. In addition, Stratlink, Safe Seal, PosiBond, and PosiLock, our name, logo and website name and address are our service marks or trademarks. Each trademark, trade name or service mark of any other company appearing in this prospectus belongs to its holder.

Table of Contents

The Offering

Common Stock:	
Offered by the selling security holders	Up to 17,210,676 shares of our common stock consisting of: 11,181,673 shares of our outstanding common stock; 4,335,176 shares of our common stock issuable to holders of our 7% preferred stock upon conversion of their preferred stock; and 1,693,827 shares of our common stock issuable to holders of our warrants upon exercise of their warrants.
Outstanding prior to and after to the offering(1)	18,376,112.
Outstanding prior to and after the offering, diluted(2)	26,101,583.
7% Preferred Stock:	
Offered by the selling security holders	Up to 1,010,345 shares of our 7% preferred stock.
Outstanding prior to and after the offering(3)	1,052,446.
Warrants:	
Offered by the selling security holders	Warrants to purchase up to 1,693,827 shares of our common stock. We use the term warrant to refer to the right to purchase one share of our common stock.
Outstanding prior to and after the offering(4)	2,419,753.
Use of Proceeds	We will not receive any of the proceeds from the sale of the securities by the selling security holders. We may receive proceeds upon the exercise of warrants if any warrant holder pays the exercise price in cash rather than exercising on a cashless basis. If we receive any proceeds from the issuance of shares of our common stock upon the exercise of warrants, such proceeds will be used for working capital and general corporate purposes. See Use of Proceeds.
OTC Bulletin Board Symbol:	

Common stock	COSH.
Warrants	COSHW.
7% Preferred Stock	There is currently no established market for our 7% preferred stock.
Risk Factors	Investing in our securities involves a high degree of risk. You should carefully read and consider the information set forth under the heading Risk Factors beginning on page 15 of this prospectus and all other information in this prospectus before investing in our securities.

(1) Reflects the total number of outstanding shares of our common stock as of November 11, 2010 without giving effect to shares of our common stock that may be issued upon the conversion of outstanding shares of our 7% preferred stock or upon the exercise of outstanding warrants or options to purchase shares of our common stock.
(2) Reflects the total number of outstanding shares of our common stock as of November 11, 2010, plus 4,515,823 shares issuable upon the conversion of our 7% preferred stock, 2,419,753 shares issuable upon the exercise of our warrants and 787,895 shares of our common stock that may be issued to certain of our officers and key employees and directors upon the exercise of options.
(3) Based upon the total number of outstanding shares of our 7% preferred stock as of November 11, 2010, including 42,101 shares of restricted 7% preferred stock issued to certain of our officers and key employees.
(4) Based upon the total number of outstanding warrants as of November 11, 2010.

Table of Contents

Summary Historical and Pro Forma Financial Data

The following tables set forth our summary consolidated historical financial data and unaudited pro forma condensed consolidated financial information for the periods ended and as of the dates set forth below. The summary consolidated historical financial data as of December 31, 2008 and 2009 and for the years ended December 31, 2007, 2008 and 2009 have been derived from our audited consolidated financial statements and the notes thereto, which are included elsewhere in this prospectus. Ernst & Young LLP s report on the consolidated financial statements for the year ended December 31, 2009, which appears elsewhere herein, includes an explanatory paragraph which describes an uncertainty about Cooper-Standard Holding, Inc. s ability to continue as a going concern. The data should be read in conjunction with the consolidated financial statements, related notes, and other financial information included herein. The financial information as of December 31, 2007 was derived from our 2007 audited consolidated financial statements, which are not included in this prospectus. The summary historical financial data as of September 30, 2010 and for the nine months ended September 30, 2009, the five months ended May 31, 2010 and the four months ended September 30, 2010 have been derived from our unaudited consolidated financial statements and the notes thereto, which are included elsewhere in this prospectus.

We have prepared the unaudited summary consolidated financial data as of and for the nine months ended September 30, 2009, the five months ended May 31, 2010 and the four months ended September 30, 2010 on a basis consistent with our audited consolidated financial statements for the year ended December 31, 2009, and this information includes all adjustments (consisting of only normal recurring adjustments unless otherwise disclosed therein) that management considers necessary for a fair presentation of our financial position and results of operations for the periods indicated. Historical results are not necessarily indicative of future performance. Operating results for the five months ended May 31, 2010 and the four months ended September 30, 2010 are not necessarily indicative of results that may be expected for the full fiscal year.

The summary unaudited pro forma condensed consolidated financial data set forth below has been derived by applying the pro forma adjustments described under Unaudited Pro Forma Condensed Consolidated Financial Information to our historical consolidated statement of operations for the year ended December 31, 2009 and the combined historical five months ended May 31, 2010 and four months ended September 30, 2010, respectively. The summary unaudited pro forma condensed consolidated statement of operations data has been prepared to give effect to the Pro Forma Adjustments, as further described under Unaudited Pro Forma Condensed Consolidated Financial Information, as if they had occurred on January 1, 2009.

The summary unaudited pro forma condensed consolidated financial data presented for the year ended December 31, 2009 are based on the historical consolidated financial statements and the summary unaudited pro forma condensed consolidated financial data presented for the nine months ended September 30, 2010 was derived from the unaudited consolidated financial statements and each has been prepared to give effect to the following:

- the effectiveness of the debtors Second Amended Joint Chapter 11 Plan, or our plan of reorganization, including the issuance of our senior notes and the rights offering, collectively referred to as Reorganization Adjustments in Unaudited Pro Forma Condensed Consolidated Financial Information ; and

- the adjustments required under fresh-start accounting for the entities that emerged from the bankruptcy cases, classified as Fresh-Start Adjustments in Unaudited Pro Forma Condensed Consolidated Financial Information.

We adopted fresh-start accounting upon our emergence from Chapter 11 bankruptcy proceedings and became a new entity for financial reporting purposes as of June 1, 2010. Accordingly, the consolidated financial statements for the reporting entity subsequent to emergence from Chapter 11 bankruptcy proceedings, or the Successor, are not comparable to the consolidated financial statements for the reporting entity prior to emergence from Chapter 11 bankruptcy proceedings, or the Predecessor. For a discussion of fresh-start accounting, see note 3 to our unaudited interim financial statements as of September 30, 2010.

Table of Contents

The following summary historical and unaudited pro forma condensed consolidated financial data is qualified by reference to, and should be read in conjunction with, our historical consolidated financial statements and the notes to those statements included elsewhere in this prospectus and the information under Unaudited Pro Forma Condensed Consolidated Financial Information, Capitalization and Management s Discussion and Analysis of Financial Condition and Results of Operations.

The summary unaudited pro forma condensed consolidated financial information set forth below is presented for illustrative purposes only and is not necessarily indicative of the results of operations or financial position that would have actually been reported had the transactions and other matters reflected in the Pro Forma Adjustments occurred on January 1, 2009, nor is it indicative of our future results of operations or financial position. In addition, our historical financial statements will not be comparable to our financial statements following our emergence from bankruptcy due to the effects of the consummation of our plan of reorganization as well as adjustments for fresh-start accounting. In addition, the amount of new stockholders equity in the unaudited pro forma condensed consolidated balance sheet is not an estimate of the market value of our common stock or 7% preferred stock as of the emergence date or at any other time. We make no representations as to the market value, if any, of our common stock and 7% preferred stock.

	Historical						Pro Forma	
	Predecessor					Successor		
	Year Ended December 31,			Nine Months Ended September 30,	Five Months Ended May 31,	Four Months Ended September 30,	Year Ended December 31,	Nine Months Ended September 30,
	2007	2008	2009	2009	2010	2010	2009	2010
			(in millions)					
Statement of operations:								
Sales	$ 2,511.2	$ 2,594.6	$ 1,945.3	$ 1,367.6	$ 1,009.1	$ 801.3	$ 1,945.3	$ 1,810.4
Cost of products sold	2,114.1	2,260.1	1,679.0	1,192.5	832.2	665.4	1,691.9	1,492.3
Gross profit	397.1	334.5	266.3	175.1	176.9	135.9	253.4	318.1
Selling, administration & engineering expenses	222.1	231.7	199.5	146.2	92.1	91.6	199.7	187.3
Amortization of intangibles	31.9	31.0	15.0	14.8	0.3	5.1	15.1	11.4
Impairment charges	146.4	33.4	363.5	362.7			363.5	
Restructuring	26.4	38.3	32.4	32.9	5.9	1.2	32.4	7.1
Operating profit (loss)	(29.7)	0.1	(344.1)	(381.5)	78.6	38.0	(357.3)	112.3
Interest expense, net of interest income	(89.5)	(92.9)	(64.3)	(53.6)	(44.5)	(14.2)	(45.4)	(33.4)
Equity earnings (losses)	2.2	0.9	4.0	1.7	3.6	2.5	3.2	5.8
Reorganization items, net			(17.4)	(5.6)	660.0			
Other income (expense)	(0.5)	(1.4)	9.9	13.7	(21.2)	5.0	12.3	(16.2)
Income (loss) before income taxes	(117.5)	(93.3)	(411.9)	(425.3)	676.5	31.3	(387.2)	68.5
Provision for income tax expense (benefit)	32.9	29.3	(55.7)	(31.3)	39.9	5.4	(54.7)	23.3
Consolidated net income (loss)	(150.4)	(122.6)	(356.2)	(394.0)	636.6	25.9	(332.5)	45.2
Add: Net loss (income) attributable to noncontrolling interests(1)	(0.6)	1.1	0.1	0.5	(0.3)	(0.2)	0.1	(0.5)
Net income (loss) attributable to Cooper-Standard Holdings Inc.	$ (151.0)	$ (121.5)	$ (356.1)	$ (393.5)	$ 636.3	$ 25.7	$ (332.4)	$ 44.7
Balance sheet data (at end of period):								
Cash and cash equivalents	$ 40.9	$ 111.5	$ 380.3	$ 253.7		$ 232.3		
Net working capital(2)	249.8	154.5	240.8	286.9		230.9		
Total assets	2,162.3	1,818.3	1,737.4	1,651.2		1,862.5		

Total non-current liabilities	1,351.6	1,346.9	263.9	275.1	771.9
Total debt(3)	1,140.2	1,144.1	204.3	154.0	477.0
Liabilities subject to compromise			1,261.9	1,262.3	
Preferred stock					129.9
Equity (deficit)	276.8	19.7	(306.5)	(341.4)	544.8

Table of Contents

	Historical						Pro Forma	
	Predecessor					Successor		
	Year Ended December 31,			Nine Months Ended September 30,	Five Months Ended May 31,	Four Months Ended September 30,	Year Ended December 31,	Nine Months Ended September 30,
	2007	2008	2009	2009	2010	2010	2009	2010
	(in millions)							
Statement of cash flows data:								
Net cash provided (used) by:								
Operating activities	$ 185.4	$ 136.5	$ 130.0	$ 30.2	$ (75.4)	$ 80.3		
Investment activities	(260.0)	(73.9)	(45.5)	(25.2)	(19.1)	(23.4)		
Financing activities	55.0	14.1	166.1	118.9	(112.6)	0.3		
Capital expenditures	107.3	92.1	46.1	25.5	22.9	23.5		
Other financial data (unaudited):								
EBITDA(4)	$ 107.5	$ 140.8	$ (233.6)	$ (283.1)	$ 756.4	$ 82.3		
Adjusted EBITDA(4)	285.7	210.2	176.5	105.7	120.0	94.8		
Ratio of earnings to combined fixed charges and preferred stock dividends					14.9x	2.3x		2.3x

(1) Certain prior period amounts have been reclassified from other income to net loss (income) attributable to noncontrolling interests due to recent accounting pronouncements.

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

(3) Includes $175.0 million and $0.0 million of borrowings under our debtor-in-possession credit agreement, dated December 18, 2009, or our DIP credit agreement, $0.8 million and $0.4 million in capital leases and $28.5 million and $22.6 million of other third party debt as of December 31, 2009 and September 30, 2010, respectively.

(4) In evaluating our business, management considers EBITDA and Adjusted EBITDA as key indicators of our operating performance. In addition, our management uses EBITDA and Adjusted EBITDA:

- 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, see Management Compensation Discussion and Analysis ;
- 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.

In addition, we believe EBITDA and Adjusted EBITDA and similar measures are widely used by investors, securities analysts and other interested parties in evaluating our performance. We define Adjusted EBITDA as net income (loss) plus provision for income tax expense (benefit), interest expense, net of interest income, depreciation and amortization, or EBITDA, as adjusted for items that management does not consider to be reflective of our core operating performance. These adjustments include restructuring costs, impairment charges, non-cash fair value adjustments, acquisition related costs, professional fees and expenses associated with our reorganization, non-cash stock based compensation and non-cash gains and losses from certain foreign currency transactions and translation.

We calculate EBITDA and Adjusted EBITDA by adjusting net income (loss) to eliminate the impact of a number of items we do not consider indicative of our ongoing operating performance. You are encouraged to evaluate each adjustment and the reasons we consider it appropriate for supplemental analysis. However, EBITDA and Adjusted EBITDA are not financial measurements recognized under U.S. GAAP, and when analyzing our operating performance, investors should use EBITDA and Adjusted EBITDA in addition to, and not as an alternative for, net income (loss), operating income, or any other performance measure derived in accordance with U.S. GAAP, or as an alternative to cash flow from operating activities as a measure of our liquidity. EBITDA and Adjusted EBITDA have limitations as analytical tools, and they should not be considered in isolation or as substitutes for analysis of our results of operations as reported under U.S. GAAP. These limitations include:

- they do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;

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

- they do not reflect interest expense or cash requirements necessary to service interest or principal payments under our senior notes and senior ABL facility;

- they do not reflect certain tax payments that may represent a reduction in cash available to us;

- although depreciation and amortization are non-cash charges, the assets being depreciated or amortized may have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect cash requirements for such replacements; and other companies, including companies in our industry, may calculate these measures differently and, as the number of differences in the way companies calculate these measures increases, the degree of their usefulness as a comparative measure correspondingly decreases.

In addition, in evaluating Adjusted EBITDA, it should be noted that in the future we may incur expenses similar to the adjustments in the below presentation. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

The following table provides a reconciliation of EBITDA and Adjusted EBITDA to net income (loss), which is the most directly comparable financial measure presented in accordance with U.S. GAAP:

	Historical					
	Year Ended December 31, 2007	2008	2009	Nine Months Ended September 30, 2009	Five Months Ended May 31, 2010	Four Months Ended September 30, 2010
				(in millions)		
Net income (loss) attributable to Cooper-Standard Holdings Inc.	$ (151.0)	$ (121.5)	$ (356.1)	$ (393.5)	$ 636.3	$ 25.8
Plus:						
Provision for income tax expense (benefit)	32.9	29.3	(55.7)	(31.3)	39.9	5.4
Interest expense, net of interest income	89.6	92.9	64.3	53.6	44.5	14.2
Depreciation and amortization	136.0	140.1	113.9	88.1	35.7	36.9
EBITDA	$ 107.5	$ 140.8	$ (233.6)	$ (283.1)	$ 756.4	$ 82.3
Restructuring	26.4	30.6	32.4	32.9	5.9	1.2
Foreign exchange losses (gains)	(0.1)	0.1	(4.2)	(10.8)	17.2	(0.1)
Net gain on bond repurchase(a)		(1.7)	(9.1)	(9.1)		
Inventory write-up(b)	2.5					8.1
Impairment(c)	146.4	36.0	363.5	362.7		
Reorganization costs(d)			25.1	5.6	(660.0)	
Transition and integration costs(e)	1.5	0.5				
Stock compensation expense(f)	1.5	1.2	1.4		0.2	3.6
Other		2.7	1.0	7.5	0.3	(0.3)
Adjusted EBITDA	$ 285.7	$ 210.2	$ 176.5	$ 105.7	$ 120.0	$ 94.8

(a) Net gain on purchases of our prepetition senior subordinated notes.

(b) Write-ups of inventory to fair value.

(c) For the year ended December 31, 2007, impairment included charges related to goodwill of $142.9 million and certain intangibles of $3.5 million. For the year ended December 31, 2008, impairment included charges related to goodwill of $23.1 million, certain intangibles of $3.9 million, fixed assets of $6.4 million and our investment in Guyoung Technology Co. Ltd., or Guyoung, of $2.7 million. For the year ended December 31, 2009, impairment included charges related to goodwill of $157.2 million, certain intangibles of $202.4 million and fixed assets of $3.9 million.

(d) Reorganization and bankruptcy-related expenses, including the effect of the Fresh-Start Adjustments and professional fees incurred before filing for bankruptcy in 2009.

(e) Transition and integration costs related to the acquisition of nine Metzeler Automotive Profile Systems sealing systems operations in Germany, Italy, Poland, Belarus and Belgium and a joint venture interest in China, or, collectively, MAPS, and the El Jarudo fuel rail manufacturing business of Automotive Components Holdings, LLC, or El Jarudo, in 2007 and a MAPS related acquisition of a joint venture interest in India, or MAP India, in 2008.

(f) Compensation expense related to stock options and stock units issued to management.

Table of Contents

RISK FACTORS

Before investing in the securities offered hereby, you should carefully consider the following risks and all of the other information contained in this prospectus. The risks described below are not the only risks we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may adversely affect us and your investment. If any of the risks or uncertainties occur, our business, financial condition or results of operations could be materially adversely affected.

Risks Related to Our Business

We are highly dependent on the automotive industry. A prolonged or further material contraction in automotive sales and production volumes could materially adversely affect our liquidity, the viability of our supply base and the financial conditions of our customers, all of which could have a material adverse affect on our business, results of operations and financial condition.

The great majority of our customers are OEMs and their suppliers. In 2009, the automotive industry was severely affected by the turmoil in the global credit markets and the economic recession. These conditions had a dramatic impact on consumer vehicle demand in 2009. During 2009, North American light vehicle industry production declined by approximately 32% from 2008 levels to 8.6 million units. European light vehicle industry production declined by approximately 20% from 2008 levels to 16.3 million units.

Automotive sales and production are highly cyclical and depend, among other things, on general economic conditions and consumer spending and preferences (which can be affected by a number of issues, 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. Declines in automotive sales and production in the second half of 2008 and into 2009 lead to our focused efforts, which are ongoing, to restructure our business and take other actions in order to reduce costs. There is no assurance that our actions to date will be sustainable over the long term or will be sufficient if there is further decline. In addition, if lower levels of sales and production are forecasted, non-cash impairment charges could result as the value of certain long-lived assets is reduced. As a result, our financial condition and results of operations could be materially adversely affected by further declines in vehicle production. Production levels in Europe and North America, most notably, affect us given our concentration of sales in those regions, which accounted for 40% and 47%, respectively, of our 2009 sales.

Our supply base has also been adversely affected by the current industry environment. Lower global automotive production, turmoil in the credit markets and extreme volatility over the past several years in raw material, energy and commodity costs have resulted in financial distress within our supply base and an increase in the risk of supply disruption. In addition, several automotive suppliers have filed for bankruptcy protection or have ceased operations. While we have developed and implemented strategies to mitigate these factors, these strategies have offset only a portion of the adverse impact. The continuation or worsening of these industry conditions could adversely affect our financial condition, operating results and cash flows, thereby making it more difficult for us to make payments under our indebtedness and our 7% preferred stock.

In addition, if our suppliers were to reduce normal trade credit terms, our liquidity could be adversely impacted. Likewise, our liquidity could be adversely impacted if our customers were to extend their normal payment terms, whether or not permitted under our contracts. 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.

As a result of the above factors, further material contraction in automotive sales and production could have a material adverse effect on our results of operations and liquidity. In addition, our suppliers would also be subject to many of the same consequences, which could adversely impact their results of operations and liquidity. If a supplier s viability was to become impaired, it could impact the supplier s ability to perform as we expect and consequently our ability to meet our own commitments.

Table of Contents

The financial conditions of our customers, particularly the Detroit 3, may adversely affect our results of operations and financial condition.

Significantly lower global production levels, tightened liquidity and increased costs of capital have combined to cause severe financial distress among many of our customers and have forced those companies to implement various forms of restructuring actions. In some cases, these actions have involved significant capacity reductions, the discontinuation of entire vehicle brands or even reorganization under bankruptcy laws. Discontinuation of a brand can result in not only a loss of sales associated with any systems or components we supplied but also customer disputes regarding capital we expended to support production of such systems or components for the discontinued brand, and such disputes could potentially be resolved adversely to us.

In North America, Chrysler, Ford and GM have been engaged in unprecedented restructuring, which included, in the case of Chrysler and GM, reorganization under bankruptcy laws and subsequent asset sales. While portions of Chrysler and GM have successfully emerged from bankruptcy proceedings in the United States, it is still uncertain what portion of their respective sales will return and whether they can be viable at a lower level of sales.

We may not be able to generate sufficient cash to service all of our indebtedness and meet the dividend obligations of our 7% preferred stock, and we may be forced to take other actions to satisfy our obligations under our indebtedness and 7% preferred stock, which may not be successful.

Our ability to make scheduled payments on our debt and meet the dividend obligations of our 7% preferred stock or to refinance these obligations depends on our financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We cannot assure you that we will maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness, and dividend obligations on our 7% preferred stock. For a description of our obligations to pay dividends on our 7% preferred stock, see Description of Capital Stock Preferred Stock.

If our cash flows and capital resources are insufficient to fund our debt service obligations and our dividend obligations on our 7% preferred stock, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance our indebtedness or our 7% preferred stock. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations or our dividend obligations on our 7% preferred stock. If our operating results and available cash are insufficient to meet our debt service obligations or our dividend obligations on our 7% preferred stock, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service, dividend and other obligations. We may not be able to consummate those dispositions or to obtain the proceeds that we could realize from them, and these proceeds may not be adequate to meet any debt service and dividend obligations then due. Additionally, terms of our indebtedness may limit the use of the proceeds from any disposition; as a result, we may not be allowed to use proceeds from such dispositions to satisfy all current debt service and dividend obligations.

Disruptions in the financial markets are adversely impacting the availability and cost of credit, which could continue to negatively affect our business.

Disruptions in the financial markets, including the bankruptcy, insolvency or restructuring of certain financial institutions, and the general lack of liquidity continue to adversely impact the availability and cost of incremental credit for many companies, including us, and may adversely affect the availability of credit already arranged. These disruptions are also adversely affecting the U.S. and world economy, further negatively impacting consumer spending patterns in the automotive industry. In addition, as our customers and suppliers respond to rapidly changing consumer preferences, they may require access to additional capital. If required capital is not obtained or its cost is prohibitively high, their businesses would be negatively impacted, which could result in further restructuring or even reorganization under bankruptcy laws. Any such negative impact, in turn, could negatively affect our business, either through loss of sales to any of our customers so affected or through inability to meet our commitments (or inability to meet them without excess expense) because of our suppliers inability to perform.

We could be adversely affected by any shortage of supplies.

In the event of a rapid increase in production demands, either we or our customers or other suppliers may experience supply shortages of raw materials or components. This could be caused by a number of factors, including a lack of production line capacity or manpower or working capital constraints. In order to manage and reduce the cost of purchased goods and services, we and others within our industry have been rationalizing and consolidating our supply base. In addition, due to the turbulence in the automotive industry, several suppliers have initiated bankruptcy proceedings or ceased operations. As a result, there is greater dependence on fewer sources of supply for certain components and materials, which could increase the possibility of a supply shortage of any particular component. If any of our customers experience 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. Similarly, if we or one of our own suppliers experience a supply shortage, we may become unable to produce the affected products if we cannot procure the components from another source. Such production interruptions could impede a ramp-up in vehicle production and could have a material adverse effect on our business, results of operations and financial condition.

Escalating pricing pressures from our customers may adversely affect our business.

Pricing pressure in the automotive supply industry has been substantial and is likely to continue. Virtually all vehicle manufacturers seek price reductions in both the initial bidding process and during the term of the contract. Price reductions have 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 material adverse effect on our results of operations.

We may be at risk of not being able to meet significant increases in demand.

If demand increases significantly from what has been a historical low for production over the last two years, we may have difficulty meeting such demand, particularly if such increases in demand occur rapidly. This difficulty may include not having sufficient manpower or relying on suppliers who may not be able to respond quickly to a changed environment when demand significantly increases. Our inability to meet significant increases in demand could require us to delay delivery dates and could result in customers cancelling their orders, requesting discounts or ceasing to do business with us. In addition, as demand and volumes increase, we will need to purchase more inventory, which will increase our working capital needs. If our working capital needs exceed our cash flows from operations, we will be required to use our cash balances and available borrowings, as well as potential sources of additional capital, which may not be available on satisfactory terms and in adequate amounts, if at all, to satisfy those needs.

Increasing costs for, or reduced availability of, manufactured components and raw materials may adversely affect our profitability.

The principal raw materials we purchase include fabricated metal-based components, synthetic rubber, carbon black and natural rubber. Raw materials comprise the largest component of our costs, representing approximately 45% of our total costs in 2009. A significant increase in the price of these items could materially increase our operating costs and materially and adversely affect our profit margins because it is generally difficult to pass through these increased costs to our customers. Raw material costs remain volatile and could have an adverse impact on our profitability in the foreseeable future.

Because we purchase various types of raw materials and manufactured components, we may be materially and adversely affected by the failure of our suppliers of those materials to perform as expected. This non-performance may consist of delivery delays or failures caused by production issues or delivery of non-conforming products. The risk of non-performance may also result from the insolvency or bankruptcy of one or more of our suppliers. Our suppliers ability to supply products to us is also subject to a number of risks to such suppliers, including availability

Table of Contents

of raw materials, such as steel and natural rubber, destruction of their facilities or work stoppages. In addition, our failure to promptly pay, or order sufficient quantities of inventory from, our suppliers may increase the cost of products we purchase or may lead to suppliers refusing to sell products to us at all. Our efforts to protect against and to minimize these risks may not always be effective.

We consider the production capacities and financial condition of suppliers in our selection process and expect that they will meet our delivery requirements. However, there can be no assurance that strong demand, capacity limitations, shortages of raw materials or other problems will not result in any shortages or delays in the supply of components to us.

We could be materially adversely affected if we are unable to continue to compete successfully in the highly competitive automotive parts industry.

The automotive parts industry is highly competitive. We face numerous competitors in each of the product lines we serve. In general, there are three or more significant competitors and numerous smaller competitors for most of the products we offer. We also face increased competition for certain of our products from suppliers producing in lower-cost countries such as Korea and China, especially for certain lower-technology noise, vibration and harshness control products that have physical characteristics that make long-distance shipping more feasible and economical. We may not be able to continue to compete favorably, and increased competition in our markets may have a material adverse effect on our business.

We are subject to other risks associated with our non-U.S. operations.

We have significant manufacturing operations outside the United States, including joint ventures and other alliances. Our operations are located in 18 countries, and we export to several other countries. In 2009, approximately 73% of our sales were attributable to products manufactured outside the United States. Risks are inherent in international operations, including:

- exchange controls and currency restrictions;
- currency fluctuations and devaluations;
- changes in local economic conditions;
- changes in laws and regulations, including the imposition of embargos;
- exposure to possible expropriation or other government actions; and
- unsettled political conditions and possible terrorist attacks.

These and other factors may have a material adverse effect on our international operations or on our business, results of operations and financial condition. For example, we are faced with potential difficulties in staffing and managing local operations, and we have to design local solutions to manage credit risks of local customers and distributors. Also, the cost and complexity of streamlining operations in certain European countries is greater than would be the case in the United States, due primarily to labor laws in those countries that can make reducing employment levels more time-consuming and expensive than in the United States. Our flexibility in our foreign operations can also be somewhat limited by agreements we have entered into with our foreign joint venture partners.

Our overall success as a global business depends, in part, upon our ability to succeed in differing economic, social and political conditions. We may not continue to succeed in developing and implementing policies and strategies that are effective in each location where we do business, and failure to do so could harm our business, results of operations and financial condition.

Table of Contents

Our sales outside the United States expose us to currency risks. During times of a strengthening U.S. dollar, at a constant level of business, our reported international sales and earnings will be reduced because the local currency will translate into fewer U.S. dollars. In addition to currency translation risks, we incur a currency transaction risk whenever one of our operating subsidiaries enters into either a purchase or a sales transaction using a different currency from the currency in which it receives revenues. Given the volatility of exchange rates, we may not be able to manage our currency transaction and translation risks effectively, or volatility in currency exchange rates may have a material adverse effect on our financial condition or results of operations.

Our lean manufacturing and other cost savings plans may not be effective.

Our operations strategy includes cutting costs by reducing production errors, inventory levels, operator motion, overproduction and waiting while fostering the increased flow of material, information and communication. The cost savings that we anticipate from these initiatives may not be achieved on schedule or at the level anticipated by management. If we are unable to realize these anticipated savings, our operating results and financial condition may be materially adversely affected. Moreover, the implementation of cost saving plans and facilities integration may disrupt our operations and performance.

Our business could be materially adversely affected if we lost any of our largest customers.

In 2009, sales to our three largest customers, Ford, GM and Fiat, on a worldwide basis represented approximately 58% of our sales. Although business with each customer is typically split among numerous contracts, if we lost a major customer or that customer significantly reduced its purchases of our products, there could be a material adverse affect on our business, results of operations and financial condition.

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 losses 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. Our costs associated with providing product warranties could be material. Product liability, warranty and recall costs may have a material adverse effect on our business, results of operations and financial condition.

Work stoppages or similar difficulties could disrupt our operations.

As of September 30, 2010, approximately 32% of our employees were represented by unions, approximately 13% of which were located in the United States. It is possible that our workforce will become more unionized in the future. A work stoppage at one or more of our plants may have a material adverse effect on our business. Unionization activities could also increase our costs, which could have a material adverse effect on our profitability. We may be subject to work stoppages and may be affected by other labor disputes. Additionally, a work stoppage at one or more of our customers or our customers suppliers could materially adversely affect our operations if an alternative source of supply were not readily available. Work stoppages by employees of our customers also could result in reduced demand for our products and could have a material adverse effect on our business.

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, machinery 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 as successfully as in the past or to keep pace with technological developments by our competitors and the industry generally. 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, financial condition and results of operations could be materially adversely affected.

Our ability to operate our company effectively could be impaired if we fail to attract and retain key personnel.

Our ability to operate our business and implement our strategies depends, in part, on the efforts of our key employees. The severe down-turn in the automotive industry may add additional pressure on our ability to retain key employees. In addition, our future success will depend on, among other factors, our ability to attract and retain other qualified personnel. The loss of the services of any of our key employees or the failure to attract or retain other qualified personnel could have a material adverse effect on our business, financial condition and results of operations.

Our intellectual property portfolio is subject to legal challenges and considerable uncertainty.

We have developed and actively pursue the development of proprietary technology in the automotive industry and rely on intellectual property laws and a number of patents in many jurisdictions to protect such technology. There can be no assurances that the protections we have available for our proprietary technology in the United States and other countries will be available to us in many places we sell our products. Therefore, we may be unable to prevent third parties from using our intellectual property without authorization. If we had to litigate to protect these rights, any proceedings could be costly, and we may not prevail. We also face increasing exposure to the claims of others for infringement of intellectual property rights. We may have material intellectual property claims asserted against us in the future and could incur significant costs or losses related to such claims. In addition, any infringement or misappropriation of our technology that we cannot control could have a material negative impact on our business and results of operations.

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. If our cash flow from operations is insufficient to fund our worldwide pension liability, we may be forced to reduce or delay capital expenditures, seek additional capital or seek to restructure or refinance our indebtedness or sell assets.

As of December 31, 2009, our $270.8 million projected benefit obligation, or PBO, for U.S. pension benefit obligations exceeded the fair value of the relevant plans assets, which totaled $186.6 million, by $84.2 million. Additionally, the international employees plans PBO exceeded plan assets by approximately $77.6 million as of December 31, 2009. The PBO for other postretirement benefits, or OPEB, was $69.4 million as of December 31, 2009. Our estimated funding requirement for pensions and OPEB during 2010 is approximately $18.4 million. Net periodic pension costs for U.S. and international plans, including pension benefits and OPEB, were $18.9 million and $14.4 million for the years ended December 31, 2008 and 2009, respectively. For more information, see notes 11 and 12 to our audited consolidated financial statements.

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 federal, state and local environmental and occupational safety and health laws and regulations in the United States and other countries, including those governing: emissions to air; discharges to water; noise and odor emissions; the generation, handling, storage, transportation, treatment and disposal of waste materials; the cleanup of contaminated properties; and human health and safety. We may incur substantial costs associated with hazardous substance contamination or exposure, including cleanup costs, fines and civil or criminal sanctions, third party property or natural resource damage, personal injury claims or costs to upgrade or replace existing equipment as a result of violations of or liabilities under environmental laws or the failure to maintain or comply with environmental permits required at our locations. In addition, many of our current and former facilities are located on properties with long histories of industrial or commercial operations and some of these properties have been subject to certain environmental investigations and remediation activities. We maintain environmental reserves for certain of these sites, which we believe are adequate. Because some environmental laws (such as the Comprehensive Environmental Response, Compensation and Liability Act and analogous state laws) can impose liability retroactively and regardless of fault on potentially responsible parties for the entire cost of cleanup at currently or formerly owned and operated facilities, as well as sites at which such parties disposed or arranged for disposal of hazardous waste, we could become liable for investigating or remediating contamination at our current or former properties or other properties (including offsite waste disposal locations). We may not always be in complete compliance with all applicable requirements of environmental law or regulation, and we may receive notices of violation or become subject to enforcement actions or incur material costs or liabilities in connection with such requirements. In addition, new environmental requirements or changes to interpretations of existing requirements, or in their enforcement, could have a material adverse effect on our business, results of operations and financial condition. For example, while we are not large emitters of greenhouse gases, laws, regulations and certain regional initiatives under consideration by the U.S. Congress, the U.S. Environmental Protection Agency and various states, and in effect in certain foreign jurisdictions, could result in increased operating costs to control and monitor such emissions. We have made and will continue to make expenditures to comply with environmental requirements. While our costs to defend and settle claims arising under environmental laws in the past have not been material, such costs may be material in the future.

If our acquisition strategy is not successful, we may not achieve our growth and profit objectives.

We may selectively pursue complementary acquisitions in the future as part of our growth strategy. While we will evaluate business opportunities on a regular basis, we may not be successful in identifying any attractive acquisitions. 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. In addition, any acquisitions we make will be subject to all of the risks inherent in an acquisition strategy, including integrating financial and operational reporting systems, establishing satisfactory budgetary and other financial controls, funding increased capital needs and overhead expenses, obtaining management personnel required for expanded operations and funding cash flow shortages that may occur if anticipated sales are not realized or are delayed, whether by general economic or market conditions or unforeseen internal difficulties.

Because of our adoption of fresh-start accounting and the effects of the transactions contemplated by our plan of reorganization, financial information subsequent to May 31, 2010, will not be comparable to financial information prior to May 31, 2010.

Upon our emergence from Chapter 11 bankruptcy proceedings, we adopted fresh-start accounting in accordance with the provisions of ASC 852, pursuant to which our reorganization value was allocated to our assets in conformity with the procedures specified by ASC 805, Business Combinations. The excess of reorganization value over the fair value of tangible and identifiable intangible assets was recorded as goodwill, which is subject to periodic evaluation for impairment. Liabilities, other than deferred taxes, were recorded at the present value of amounts expected to be paid. In addition, under fresh-start accounting, common stock, retained deficit and accumulated other comprehensive loss were eliminated. Our consolidated financial statements also reflect all of the transactions contemplated by our plan of reorganization. Accordingly, our consolidated financial statements subsequent to May 31, 2010, will not be comparable in many respects to our consolidated financial statements prior to May 31, 2010. The lack of comparable historical financial information may discourage investors from purchasing our capital stock.

Table of Contents

Our historical financial statements state that uncertainties related to our emergence from bankruptcy raise substantial doubt about our ability to continue as a going concern.

The financial statements included in this prospectus state that uncertainties related to our emergence from bankruptcy raise substantial doubt about our ability to continue as a going concern. Although we believe that as of our emergence from bankruptcy the basis for the uncertainties relating to our ability to continue as a going concern no longer exist, we cannot assure you that a similar disclosure will not be included in our future financial statements.

Regardless of the foregoing, our historical financial statements have been prepared in accordance with U.S. GAAP applicable to a going concern, which assumes that we will be able to meet our obligations and continue our operations over a reasonable length of time. Realization values may be substantially different from carrying values as shown, and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should we be unable to continue as a going concern.

Our emergence from bankruptcy will reduce or eliminate our U.S. net operating losses and other tax attributes and limit our ability to offset future U.S. taxable income with tax losses and credits incurred prior to our emergence from bankruptcy.

The discharge of a debt obligation by a taxpayer in a bankruptcy proceeding for an amount less than its adjusted issue price (as defined for tax purposes) generally creates cancellation of indebtedness income, or COD income, that is excludable from a taxpayer s taxable income. However certain tax attributes otherwise available and of value to a debtor will be reduced to the extent of the excludable COD income. Additionally, Internal Revenue Code Sections 382 and 383 provide an annual limitation with respect to the ability of a corporation to utilize its tax attributes, as well as certain built-in-losses, against future U.S. taxable income in the event of a change in ownership. As a result of our emergence from bankruptcy we have had significant excludable COD income that will reduce or eliminate our U.S. net operating losses and other tax attributes and we have had an ownership change and a resulting limitation under Internal Revenue Code Sections 382 and 383.

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

We regularly monitor our goodwill and long-lived 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 assets, we compare the undiscounted cash flows expected to be generated from the long-lived 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 or long-lived assets. In the event that we determine that our goodwill or long-lived assets are impaired, we may be required to record a significant charge to earnings, which could adversely affect our results of operations.

We cannot be certain that our emergence from bankruptcy will not adversely affect our operations going forward.

Although we emerged from bankruptcy on May 27, 2010, we cannot assure you that having been subject to bankruptcy protection will not adversely affect our operations going forward, including our ability to negotiate favorable terms from suppliers, hedging counterparties and others and to attract and retain customers. The failure to obtain such favorable terms and retain customers could materially adversely affect our financial performance.

Table of Contents

Risks Related to Our Equity Securities

Our common stock and warrants are currently quoted on the OTC Bulletin Board, which may limit the liquidity and price of our common stock and warrants more than if these securities were quoted or listed on a national securities exchange. In addition, an active trading market for our 7% preferred stock does not exist and may not develop.

Our common stock and warrants are currently quoted on the OTC Bulletin Board, an inter-dealer automated quotation system. To date, there has been a limited trading market for our common stock and warrants on the OTC Bulletin Board. Daily trading volume in shares of our common stock has averaged approximately 30,267 shares since our common stock has been quoted on the OTC Bulletin Board and daily trading volume in our warrants has averaged approximately 1,824 warrants since our warrants have been quoted on the OTC Bulletin Board. Although our common stock and warrants are quoted on the OTC Bulletin Board, only a limited trading market has developed for the purchase and sale of these securities and a more liquid market may not develop. We cannot predict how liquid the market for our common stock and warrants might become. In addition, there are risks associated with trading securities quoted on the OTC Bulletin Board compared to securities traded on a national securities exchange, including limited availability of order information and market data, liquidity risks and communications risks. In addition, an active trading market for our 7% preferred stock does not exist and may not develop. Our 7% preferred stock is not quoted on the OTC Bulletin Board and is not listed on any securities exchange. Since our 7% preferred stock has no stated maturity date, investors seeking liquidity will be limited to selling their shares of 7% preferred stock in the secondary market or converting their shares of 7% preferred stock into shares of our common stock and subsequently seeking to sell those shares of common stock.

We cannot assure you that an active trading market for our 7% preferred stock will develop or, even if one develops, we cannot assure you that it will last. As a result of the limited trading market for our common stock and warrants and the absence of any market for our 7% preferred stock, the trading price of our common stock, warrants and 7% preferred stock could be materially adversely affected and holders ability to transfer these securities will be limited. For the foregoing reasons, the purchase of our securities must be considered a long-term investment acceptable only for prospective investors who are willing and can afford to accept and bear the substantial risk of the investment for an indefinite period of time. In addition, an investor in our securities may not be able to liquidate his or her investment, and our securities may not be acceptable as collateral for a loan.

The price of our common stock has been and may continue to be volatile, and such volatility could adversely affect our business and cause our stockholders to suffer significant losses.

There is a limited trading market for our common stock, and its price may be volatile in the indefinite future. Since trading of our common stock began being quoted on the OTC Bulletin Board on May 25, 2010, the high and low sale prices of our common stock through November 11, 2010 were $49.55 and 27.45, respectively. The price at which our common stock will trade may be volatile due to various factors, many of which are beyond our control, including the following:

- changes in our industry or the auto industry generally;
- increased competition and competitive pricing pressures;
- our ability to execute our business plan;
- regulatory or political developments;
- litigation and government investigations;

changes or proposed changes in governmental regulations affecting our business;

our ability to obtain working capital or project financing;

additions or departures of key personnel;

market conditions in the broader stock market in general;

Table of Contents

- limited public float in the hands of a small number of persons, whose sales or lack of sales could result in positive or negative pricing pressure on the market price for our common stock;
- actual or anticipated fluctuations in our financial condition or annual or quarterly results of operations;
- changes in investors and financial analysts perception of the business risks and conditions of our business;
- changes in, or our failure to meet, earnings estimates and other performance expectations of investors or financial analysts;
- unfavorable commentary or downgrades of our common stock by equity research analysts, or the announcement of any changes to our credit rating;
- changes in the market valuations of companies in our industry viewed as similar to us;
- depth of trading activity in our common stock;
- future sales of our common stock;
- the granting or exercise of employee stock options or other equity awards;
- general market and economic conditions; and
- realization of any of the risks described elsewhere in this prospectus under Risk Factors.

In addition, the equity markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These broad market fluctuations may result in a material decline in the market price of our common stock and holders may not be able to sell their shares at prices they deem acceptable.

We have no present intention to pay dividends on our common stock and, even if we change that policy, we may be unable to pay dividends on our common stock.

We have not paid any dividends to date on our common stock and we do not currently anticipate paying any dividends on our common stock in the foreseeable future. We currently intend to retain future earnings, if any, to finance operations and invest in our business. Any declaration and payment of future dividends to holders of our common stock will be at the discretion of our board of directors and will depend on many factors, including our financial condition, earnings, capital requirements, level of indebtedness, statutory and contractual restrictions applying to the payment of dividends and other considerations that our board of directors deems relevant. In addition, the covenants of the credit agreement governing our senior ABL facility and the indenture governing our senior notes limit our ability to pay dividends on our common stock and limit the ability of our subsidiaries to pay dividends to us. Furthermore, we are permitted under our senior ABL facility and the indenture governing our notes senior to incur additional indebtedness, which in turn may severely restrict or prohibit the payment of dividends. Our future dividend policy will also depend on the limitations of financing instruments and arrangements to which we may become a party.

If we change that policy and commence paying dividends, we will not be obligated to continue paying those dividends and our stockholders will not be guaranteed, or have contractual or other rights, to receive dividends. If we commence paying dividends in the future, our board of directors may decide, in its discretion, at any time, to decrease the amount of dividends, otherwise modify or repeal the dividend policy or discontinue entirely the payment of dividends. Furthermore, Cooper-Standard Holdings Inc. is a holding company with no significant operations or material assets other than the equity interests it holds in its subsidiaries through which Cooper-Standard Holdings Inc. conducts all of its business operations. As a result, its ability to pay dividends is dependent on the generation of cash flow by its subsidiaries and their ability to make such cash available, by dividend or otherwise. Under the Delaware General Corporate Law, as amended, or the DGCL, our board of directors may not authorize the payment of a dividend unless it is either paid out of our surplus, as calculated in accordance with the DGCL, or if we do not have a surplus, it is paid out of our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year.

Table of Contents

Sales of large amounts of our common stock or the perception that sales could occur may depress our stock price.

In connection with our emergence from bankruptcy, we issued 11,181,673 shares of common stock, 1,000,000 shares of 7% preferred stock and 1,693,827 warrants to purchase shares of our common stock, which constitute restricted securities under Rule 144 of the Securities Act and the resale of which is covered by this registration statement. As of November 11, 2010, we had 18,376,112 shares of common stock outstanding, without giving effect to the shares issuable upon the conversion of our 7% preferred stock or issuable upon the exercise of our warrants. At the time of our emergence from bankruptcy, we granted the selling security holders rights pursuant to our plan of reorganization to cause us to file one or more shelf registration statements under the Securities Act covering resales of these securities held by them, including the shares of common stock underlying the 7% preferred stock and the warrants. This registration statement is being filed pursuant to the rights provided in our plan of reorganization. In addition, we granted the security holders that backstopped our rights offering certain registration rights, including demand registration, shelf registration and piggyback registration rights, with respect to the common stock, 7% preferred stock and warrants held by them. All of these securities may also be sold under Rule 144 under the Securities Act, depending on their holding period and subject to significant restrictions in the case of securities held by persons deemed to be our affiliates.

Sales of large blocks of shares of our common stock, whether as resales, upon the conversion of our 7% preferred stock or upon the exercise of our warrants, in the public market could lower our stock price and impair our ability to raise funds in future stock offerings.

We may in the future seek to raise funds through equity offerings, which could have a dilutive effect on our common stock.

In the future we may determine to raise capital through offerings of our common stock, securities convertible into our common stock or rights to acquire these securities or our common stock. In any case, the result would ultimately be dilutive to our common stock by increasing the number of shares outstanding. We cannot predict the effect this dilution may have on the price of our common stock.

In the event of our bankruptcy, liquidation or winding-up, our 7% preferred stock will rank senior to our common stock but junior to all of our liabilities and our subsidiaries liabilities.

In the event of our bankruptcy, liquidation or winding-up, our assets will be available to pay obligations on our 7% preferred stock only after all of our liabilities have been paid, but prior to any payments are made with respect to our common stock. In addition, our 7% preferred stock effectively ranks junior to all existing and future liabilities of our subsidiaries. The rights of holders of our 7% preferred stock to participate in the assets of our subsidiaries upon any liquidation or reorganization of any subsidiary will rank junior to the prior claims of that subsidiary s creditors. In the event of our bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining after paying our liabilities and our subsidiaries liabilities to pay amounts due on any or all of our 7% preferred stock then outstanding.

Additionally, unlike indebtedness where principal and interest customarily are payable on specified due dates, (1) dividends on our 7% preferred stock are payable only if and when declared by our board of directors or a duly authorized committee of the board, and (2) as a Delaware corporation, we are restricted to making dividend and redemption payments on our 7% preferred stock only out of legally available assets. Further, our 7% preferred stock places no restrictions on our business or operations or on our ability to incur indebtedness or engage in any transactions, except that the consent of the holders representing at least two-thirds of our outstanding 7% preferred stock is required to amend our certificate of incorporation (including the certificate of designations of the 7% preferred stock) in a manner that adversely affects the preferences, rights or powers of our 7% preferred stock or to issue additional shares of 7% preferred stock, other than shares issued as dividends paid in-kind or any other equity security that ranks senior to or on a parity with our 7% preferred stock. In addition, the affirmative vote of each holder of our 7% preferred stock is required for the additional issuance of shares of 7% preferred stock if such additional shares are not offered to the holders of our 7% preferred stock on the same terms on a pro rata basis.

The market price of our 7% preferred stock and warrants will be directly affected by the market price of our common stock, which may be volatile.

To the extent that a secondary market for our 7% preferred stock or warrants develops, we believe that the market price of our 7% preferred stock and warrants will be significantly affected by the market price of our common stock. We cannot predict how the shares of our common stock will trade in the future. This may result in greater volatility in the market price of our 7% preferred stock and warrants than would be expected for non-convertible or -exercisable securities.

There may be future sales or other dilution of our common stock, including from the conversion of our 7% preferred stock, the exercise of our warrants and options and the vesting of our restricted stock, which may materially adversely affect the market price of our common stock, our 7% preferred stock or our warrants and negatively impact a holders investments.

We are not restricted from issuing additional common stock, including any securities that are convertible into or exercisable for, or that represent the right to receive, common stock or any substantially similar securities. In addition, quarterly dividends payable on our 7% preferred stock may be paid in-kind, at the Company s option, in additional shares of 7% preferred stock. Furthermore, we may issue additional preferred stock that ranks senior to, or on a parity with, our 7% preferred stock with the applicable consent of holders of two-thirds of our 7% preferred stock. The market price of our common stock, our 7% preferred stock or our warrants could decline as a result of sales of a large number of shares of common stock, 7% preferred stock, warrants or similar securities in the market in the future or the perception that such sales could occur. For example, if we issue preferred stock in the future that has a preference over our common stock with respect to the payment of dividends or upon our liquidation, dissolution or winding-up, or if we issue preferred stock with voting rights that dilute the voting power of our common stock, the rights of holders of our common stock or the market price of our common stock could be adversely affected.

Each share of our 7% preferred stock is convertible into, and each warrant is exercisable for, at the option of the holder, shares of our common stock. The conversion or exercise of some or all of our 7% preferred stock or warrants, as applicable, will dilute the ownership interest of our existing stockholders. Any sales in the public market of our common stock issuable upon such conversion or exercise could adversely affect prevailing market prices of the outstanding shares of our common stock or 7% preferred stock or warrants. In addition, the existence of our 7% preferred stock and warrants may encourage short selling or arbitrage trading activity by market participants because the conversion of our 7% preferred stock or exercise of our warrants could depress the price of our common stock. As noted above, a decline in the market price of our common stock may negatively impact the market price for our 7% preferred stock and warrants.

Furthermore, initial grants of restricted common stock, restricted 7% preferred stock and options were made to our officers and key employees under our Management Incentive Plan.

Together with these grants, there are currently outstanding 1,052,446 shares of our 7% preferred stock that are currently convertible into 4,515,823 shares of our common stock and warrants to purchase 2,419,753 shares of our common stock. Upon the vesting of restricted shares, the conversion of our 7% preferred stock or the exercise of warrants and options, these securities would have a dilutive effect on our outstanding shares of common stock.

Until the conversion of our 7% preferred stock or the exercise of our warrants, holders of these securities do not have identical rights as holders of our common stock, but they will be subject to all changes made with respect to our common stock.

Before converting shares of our 7% preferred stock, holders of our 7% preferred stock are not entitled to any rights with respect to our common stock (other than voting rights and rights to receive dividends or other distributions on our common stock), but they are subject to all changes affecting our common stock. In addition, holders of warrants are not entitled to any rights with respect to our common stock (including, without limitation, voting rights and rights to receive any dividends or other distributions on our common stock), but they also will be subject to all changes affecting our common stock. See Description of Capital Stock Preferred Stock Voting and Description of Capital Stock Warrants. Even though holders of our 7% preferred stock vote on an as-converted basis with holders of our common stock, they will only be entitled to exercise all of the rights of a holder of our common stock upon conversion of their 7% preferred stock and only as to matters for which the record date occurs on or after the applicable conversion date and to the extent permitted by law, although they will be subject to any changes in the powers, preferences or special rights of our common stock that may occur as a result of any stockholder action taken before the applicable conversion date. Similarly, holders of our warrants will have rights with respect to our common stock only if they receive our common stock upon exercise of the warrants and only as of the date when such holder becomes a record owner of the shares of our common stock upon such exercise. For example, with respect to warrants, if an amendment is proposed to our certificate of incorporation or bylaws requiring stockholder approval and the record date for determining the stockholders of record entitled to vote on the amendment occurs prior to the date a warrant holder is deemed to be the owner of the shares of our common stock due upon exercise of the warrants, the exercising warrant holder will not be entitled to vote on the amendment, although such holder will nevertheless be subject to any changes in the powers, preferences or special rights of our common stock.

Our 7% preferred stock is perpetual in nature.

Shares of our 7% preferred stock represent a perpetual interest in us and, unlike indebtedness, will not give rise to a claim for payment of a principal amount at a particular date. Other than in connection with a change of control or a cash transaction (as defined in the certificate of designations for our 7% preferred stock), holders of our 7% preferred stock will not have the right to call for the redemption of our 7% preferred stock. See Description of Capital Stock Preferred Stock Redemption rights upon certain transactions. Therefore, holders should be aware that they may be required to bear the financial risks of an investment in our 7% preferred stock for an indefinite period of time, unless such holders convert, at their option, their shares of 7% preferred stock into common stock.

The conversion rate of our 7% preferred stock and the exercise price of our warrants may not be adjusted for all dilutive events.

The number of shares of our common stock that holders are entitled to receive upon conversion of a share of 7% preferred stock and the exercise price of our warrants are subject to adjustment for certain events, including, but not limited to, the issuance of stock dividends on our common stock, the issuance of certain rights with respect to our common stock, subdivisions and combinations of our common stock, certain issuer tender or exchange offers and certain reorganization events. Such conversion rate or exercise price will not be adjusted, however, for other events, such as a third-party tender or exchange offer, that may adversely affect the market price of our 7% preferred stock or warrants. In addition, if any of these other events adversely affects the market price of our common stock, it may also adversely affect the market price of our 7% preferred stock and warrants. In addition, we are not restricted from offering common stock in the future or engaging in other transactions that may dilute our common stock and we may issue additional shares of 7% preferred stock and pay dividends on our 7% preferred stock in-kind with additional shares of 7% preferred stock, which may dilute our common stock.

A change in control with respect to us may not trigger certain rights for the purpose of our 7% preferred stock.

The certificate of designations of our 7% preferred stock contains no covenants or other provisions to afford protection to holders in the event of a change of control with respect to us, except upon the occurrence of transactions that constitute a change of control or a cash transaction as those terms are defined in the certificate of designations of our 7% preferred stock. However, the terms change of control and cash transaction are limited and may not include every change of control event that might cause the market price of our common stock or our 7% preferred stock to decline. As a result, the rights of holders of our 7% preferred

Table of Contents

stock upon the occurrence of a change of control or a cash transaction may not preserve the value of our 7% preferred stock in the event of certain change of control transactions with respect to us. Any change of control transaction with respect to us may also negatively affect the liquidity, value or volatility of our common stock and thereby negatively impact the value of our 7% preferred stock. Additionally, the provisions of our 7% preferred stock related to change of control transactions may have the effect of discouraging third parties from pursuing certain transactions with us, which may otherwise be in the best interest of our stockholders.

We may not have the funds necessary to redeem our 7% preferred stock following a change in control or a cash transaction.

Holders of our 7% preferred stock have the right to require us to redeem the shares of our 7% preferred stock held by them for cash upon the occurrence of a change in control or a cash transaction as those terms are defined in the certificate of designations of our 7% preferred stock. We may not have sufficient funds to redeem our 7% preferred stock at such time and may not have the ability to arrange necessary financing on acceptable terms or at all. In addition, our ability to purchase our 7% preferred stock may be limited by law or the terms of other agreements outstanding at such time. Moreover, a failure to repurchase our 7% preferred stock may also constitute an event of default under our existing or future debt agreements, and could result in the acceleration of the maturity of any existing or future outstanding indebtedness under such agreements, which would further restrict our ability to make such payments.

The adjustment to the exercise price for warrants exercised in connection with an anti-dilutive adjustment event may not adequately compensate you for any lost value of your warrants as a result of such transaction.

If a specified corporate event or transaction constituting a dilutive event occurs, under certain circumstances we will decrease the exercise price for warrants exercised in connection with such dilutive adjustment event. The decrease in the exercise price will be determined based on the date on which the dilutive event occurs or becomes effective and the price paid per share of our common stock in such dilutive event. The adjustment to the exercise price for warrants exercised in connection with a dilutive event may not adequately compensate you for any lost value of your warrants as a result of such dilutive event.

Under certain circumstances, holders may have to pay U.S. federal income tax as a result of a deemed distribution with respect to our 7% preferred stock, common stock or warrants even if holders do not receive a corresponding distribution of cash such as, for example, if we adjust, or fail to adjust, the conversion rate of our 7% preferred stock or the exercise price of the warrants in certain circumstances.

Holders of our 7% preferred stock, common stock and warrants may be treated as having received a constructive distribution in certain circumstances, for example if we make certain adjustments to (or certain failures to make adjustments to) the conversion rate or other terms of our 7% preferred stock or the exercise price of the warrants and such adjustment (or failure to make an adjustment) has the effect of increasing the proportionate interest of certain holders in our earnings and profits or assets. Such a distribution could be treated as a taxable dividend or capital gain for U.S. federal income tax purposes even though holders do not receive any cash with respect to such constructive distribution. In addition, non-U.S. holders (as defined in Certain U.S. Federal Income Tax Considerations) may be subject to U.S. federal withholding tax on any such constructive distribution on our 7% preferred stock, common stock and warrants. You are advised to consult your independent tax advisor and to read the section titled Certain U.S. Federal Income Tax Considerations regarding the possibility and tax treatment of any deemed distributions for U.S. federal income tax purposes.

Table of Contents

FORWARD-LOOKING STATEMENTS

In addition to historical information, certain statements contained in this prospectus are forward-looking statements within the meaning of federal securities laws, and we intend that such forward-looking statements be subject to the safe-harbor created thereby. 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, the impact of fresh-start accounting, the impact of our bankruptcy on our future performance and other information that is not historical information. When used in this prospectus, the words estimates, expects, anticipates, projects, plans, intends, believes, forecasts, or future or conditional verbs, such as will, should, variations of such words or similar expressions are intended to identify forward-looking statements. 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, no assurances can be made 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 results or achievements to be materially different from the future results or achievements expressed or implied by the forward-looking statements.

There are a number of risks and uncertainties that could cause our actual results to differ materially from the forward-looking statements contained in this prospectus. Important factors that could cause our actual results to differ materially from the forward-looking statements we make in this prospectus are described in Risk Factors. Such risks and uncertainties and other important factors include, but are not limited to:

- our dependence on the automotive industry and the possibility of further material contractions in automotive sales and production;
- our ability to generate sufficient cash to service our indebtedness and meet dividend obligations on our 7% preferred stock;
- disruptions in the financial markets and the availability of and cost of credit;
- viability of our supply base;
- escalating pricing pressures;
- our ability to meet a significant increase in demand;
- availability and cost of raw materials;
- our ability to compete in the highly competitive automotive parts industry;
- our significant non-U.S. operations;
- our dependence on certain major customers;

labor conditions;

our ability to meet our customers needs for new and improved products in a timely manner;

our ability to attract and retain key personnel;

our legal rights to our intellectual property portfolio;

our underfunded pension plans;

environmental and other regulation;

the possibility that our acquisition strategy will not be successful;

the lack of comparability of our financial condition and results of operations following our emergence from bankruptcy to those reflected in our historical financial statements;

Table of Contents

- whether our future financial statements will contain disclosure about our ability to continue as a going concern;

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

- uncertainty as to the effect of our emergence from bankruptcy on our operations going forward.

There may be other factors that may cause our actual results to differ materially from the forward-looking statements. All forward-looking statements attributable to us or persons acting on our behalf apply only as of the date of this prospectus and other reports we file with the Securities and Exchange Commission, or the SEC, and are expressly qualified in their entirety by the cautionary statements included herein and therein. We undertake no obligation to update or revise forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events.

Table of Contents

RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS

The following table presents our ratio of earnings to combined fixed charges and preferred stock dividends for the periods indicated.

For purposes of this table, earnings consist of pre-tax income (loss) from continuing operations before adjustments for minority interest in consolidated subsidiary, plus fixed charges. Fixed charges consist of interest on all debt, amortization of debt expenses incurred on issuance and an estimate of the interest within rental expense.

	Historical								Pro Forma	
	Predecessor(1)							Successor(1)		
	Year Ended December 31,					Nine Months Ended September 30,	Five Months Ended May 31,	Four Months Ended September 30,	Year Ended December 31,	Nine Months Ended September 30,
	2005	2006	2007	2008	2009	2009	2010	2010	2009	2010
Ratio of earnings to combined fixed charges and preferred stock dividends(2)	1.1x						14.9x	2.3x		2.3x

(1) We adopted fresh-start accounting upon our emergence from bankruptcy and became a new entity for financial reporting purposes as of June 1, 2010. Accordingly, the consolidated financial statements for the Successor are not comparable to the consolidated financial statements for the Predecessor. For a discussion of fresh-start accounting, see note 3 to our unaudited interim financial statements as of September 30, 2010.

(2) Earnings were insufficient to cover fixed charges by $15.0 million, $119.7 million, $94.2 million and $415.9 million for the years ended December 31, 2006, 2007, 2008 and 2009, respectively and $427.0 million for the nine months ended September 30, 2009. On a pro forma basis, earnings were insufficient to cover fixed charges by $397.4 million for the year ended December 31, 2009.

Table of Contents

CAPITALIZATION

The following table sets forth our capitalization as of September 30, 2010. This table should be read with our consolidated financial statements and the related notes thereto and Management s Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this prospectus.

	As of September 30, 2010 (unaudited) (in millions)
Debt, including current maturities:	
Current maturities of long term debt	19.2
Senior notes	450.0
Other long term debt(1)	7.8
Total debt, including current maturities	477.0
Noncontrolling interest	2.4
Preferred stock	129.9
Total equity (deficit)	542.4
Total capitalization	$ 1,151.7

(1) Includes foreign subsidiary debt and capitalized lease obligations.

Table of Contents

DIVIDEND POLICY

We have not paid any dividends to date on our common stock and we do not currently anticipate paying any dividends on our common stock in the foreseeable future. We currently intend to retain future earnings, if any, to finance operations and invest in our business. Any declaration and payment of future dividends to holders of our common stock will be at the discretion of our board of directors and will depend on many factors, including our financial condition, earnings, capital requirements, level of indebtedness, statutory and contractual restrictions applying to the payment of dividends and other considerations that our board of directors deems relevant. In addition, the covenants of the credit agreement governing our senior ABL facility and the indenture governing our senior notes limit our ability to pay dividends on our common stock and limit the ability of our subsidiaries to pay dividends to us. Our future dividend policy will also depend on the limitations of financing instruments and arrangements to which we may become a party. See Description of Capital Stock Preferred Stock and Description of Certain Indebtedness Senior ABL Facility.

USE OF PROCEEDS

We will not receive any of the proceeds from the sale of the securities by the selling security holders. We may receive proceeds upon the exercise of warrants if any warrant holder pays the exercise price in cash rather than exercising on a cashless basis. Based on the initial exercise price of $27.33 per share for each warrant, if all of the warrants offered for resale under this prospectus are exercised for cash, we would receive proceeds of $46,292,292 from the issuance of shares of our common stock upon exercise of the warrants. If we receive any proceeds from the issuance of shares of our common stock upon exercise of warrants, such proceeds will be used for working capital and general corporate purposes.

MARKET FOR OUR COMMON STOCK AND WARRANTS

AND RELATED STOCKHOLDER MATTERS

Our common stock has been quoted on the OTC Bulletin Board since May 25, 2010 under the symbol COSH and our warrants have been quoted on the OTC Bulletin Board since June 4, 2010 under the symbol COSHW. No prior established public trading market existed for our common stock or warrants prior to these dates.

There currently is a limited trading market for our common stock and warrants. The following chart lists the high and low sale prices for shares of our common stock and warrants for the calendar quarter indicated through October 29, 2010. These prices are between dealers and do not include retail markups, markdowns or other fees and commissions and may not represent actual transactions.

	Common Stock		Warrants	
Quarter Ended	**High**	**Low**	**High**	**Low**
June 30, 2010	$ 35.75	$ 31.50	$ 17.00	$ 14.00
September 30, 2010	$ 37.00	$ 27.45	$ 20.00	$ 13.00
December 31, 2010 (through November 11, 2010)	$ 49.55	$ 36.00	$ 22.80	$ 15.00

The closing price of our common stock on the OTC Bulletin Board on November 11, 2010 was $46.00 per share and the closing price of our warrants on the OTC Bulletin Board on November 11, 2010 was $22.00 per warrant.

As of November 11, 2010, we had approximately 110 holders of record of our common stock, based on information provided by our transfer agent.

As of the date hereof, an aggregate of 7,544,691 shares of our common stock may be purchased upon the exercise of outstanding options, issued upon the exercise of our outstanding warrants and issued upon the conversion of our outstanding shares of 7% preferred stock.

Table of Contents

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Our unaudited pro forma condensed consolidated statement of operations is presented for the year ended December 31, 2009 and for the nine months ended September 30, 2010 and apply our accounting policies to the periods presented. As used herein, Predecessor refers to Cooper-Standard Holdings Inc. and all of our consolidated subsidiaries prior to the emergence date and Successor refers to Cooper-Standard Holdings Inc. and all of our consolidated subsidiaries on and after the emergence date. We prepared the December 31, 2009 unaudited pro forma condensed consolidated financial information by applying adjustments to our historical audited consolidated financial statements included elsewhere in this prospectus. We prepared our September 30, 2010 unaudited pro forma condensed consolidated financial information by applying adjustments to our historical unaudited consolidated financial statements included elsewhere in this prospectus. The unaudited pro forma condensed financial information gives effect to our plan of reorganization and fresh-start accounting as if the emergence date had occurred on January 1, 2009 for the unaudited pro forma condensed consolidated statement of operations for the year ended December 31, 2009 and the nine months ended September 30, 2010. The unaudited pro forma condensed consolidated financial information should be read in conjunction with Use of Proceeds, Capitalization, Selected Historical Consolidated Financial Data, Management s Discussion and Analysis of Financial Condition and Results of Operations, our audited consolidated financial statements and related notes as of and for the year ended December 31, 2009 and our unaudited consolidated financial statements and related notes as of September 30, 2010, for the five months ended May 31, 2010 and the four months ended September 30, 2010, which are included elsewhere in this prospectus.

The unaudited pro forma condensed consolidated financial information is presented for informational purposes only. The unaudited pro forma condensed consolidated financial information is not necessarily indicative of what our financial position or results of operations would have been if the effectiveness of our plan of reorganization had actually occurred on January 1, 2009, and is not necessarily indicative of our future financial position or results of operations. In addition, our historical financial statements will not be comparable to our financial statements following our emergence from bankruptcy due to the effects of the consummation of our plan of reorganization as well as adjustments for fresh-start accounting.

The following unaudited pro forma condensed consolidated financial information adjusts historical information for the effects of:

- our plan of reorganization, which includes the Reorganization Adjustments; and
- the estimated adjustments required under fresh-start accounting for the entities that emerged from the bankruptcy cases (classified as Fresh-Start Adjustments in the unaudited pro forma condensed consolidated financial information).

Reorganization Adjustments

The unaudited pro forma condensed consolidated financial information gives effect to the following Reorganization Adjustments, our plan of reorganization and the implementation of the transactions contemplated by our plan of reorganization. These adjustments give effect to the terms of our plan of reorganization and certain underlying assumptions, which include, but are not limited to, the below.

- The issuance of our senior notes, which resulted in cash proceeds of $450.0 million.
- The issuance of 17.5 million shares of our common stock, including 8.6 million shares offered to holders of our prepetition senior subordinated notes in connection with the rights offering, 2.6 million shares to the Backstop Parties pursuant to the commitment agreement, dated March 19, 2010, or the equity commitment agreement, and 6.3 million shares to certain holders of our prepetition senior notes and prepetition senior subordinated notes. We also issued shares of our 7% preferred stock convertible into 4.3 million shares of

Table of Contents

our common stock pursuant to the equity commitment agreement. We received cash proceeds of $355 million in connection with the rights offering and equity commitment agreement and also received the full and complete satisfaction, settlement and release of allowed prepetition senior note claims and allowed prepetition senior subordinated note claims for such shares. In addition, we also issued warrants to purchase 2.4 million shares of our common stock.

The repayment of $124.6 million of liabilities under our DIP credit agreement. On the emergence date, each holder of an allowed DIP claim received, in full and complete satisfaction, settlement and release of and in exchange for such allowed claim against the debtors, an amount in cash equal to the allowed amount of such claim.

The repayment of the $634.7 million outstanding under the credit agreement entered into in connection with the 2004 acquisition, or, including subsequent amendments thereto, our prepetition credit agreement.

The repayment of the $104.1 million outstanding of our prepetition senior notes in cash.

A decrease in interest expense, including the amortization of debt issuance costs, resulting from a lower level of debt.

Fresh-Start Adjustments

The unaudited pro forma condensed consolidated financial information also gives effect to the following Fresh-Start Adjustments relating to the preliminary application of fresh-start accounting pursuant to U.S. GAAP. Under fresh-start accounting, reorganization value represents the fair value of the entity before considering debt and approximates the amount a willing buyer would pay for the assets of the entity immediately after the reorganization. The Pro Forma Adjustments are based on an assumed reorganization value of $1,025 million for (i) differences in assumed working capital as of the emergence date and actual working capital as reported at the balance sheet date and (ii) the inclusion of a deferred tax liability at nominal value.

As such, the following unaudited pro forma condensed consolidated financial information is not intended to represent our actual post-emergence financial condition and statement of operations, and any differences could be material.

Table of Contents

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

For the nine months ended September 30, 2010

(dollars in millions except per share data)

	Historical			Pro Forma
	Predecessor	Successor		
	Five Months Ended May 31, 2010	Four Months Ended September 30, 2010	Reorganization and Fresh-Start Pro Forma Adjustments	Nine Months Ended September 30, 2010
Sales	$ 1,009.1	$ 801.3	$	$ 1,810.4
Cost of products sold	832.2	665.4	(5.3)(a)	1,492.3
Gross profit	176.9	135.9	5.3	318.1
Selling, administration & engineering expenses	92.1	91.6	3.6(b)	187.3
Amortization of intangibles	0.3	5.1	6.0(c)	11.4
Restructuring	5.9	1.2		7.1
Operating profit	78.6	38.0	(4.3)	112.3
Interest expense, net of interest income	(44.5)	(14.2)	25.3(d)	(33.4)
Equity earnings	3.6	2.5	(0.3)(e)	5.8
Reorganization items and fresh-start adjustments, net	660.0		(660.0)(f)	
Other expense	(21.2)	5.0		(16.2)
Income before income taxes	676.5	31.3	(639.3)	68.5
Provision for income tax benefit	39.9	5.4	(22.0)(g)	23.3
Net income (loss)	636.6	25.9	(617.3)	45.2
Less: Net income attributed to noncontrolling interest	(0.3)	(0.2)		(0.5)
Net income attributable to Cooper-Standard Holdings Inc.	$ 636.3	$ 25.7	$ (617.3)	$ 44.7
Basic net income per share attributable to common stockholders of Cooper-Standard Holdings Inc.				$ 1.76(h)
Diluted net income per share attributable to common stockholders of Cooper-Standard Holdings Inc.				$ 1.69(h)

See accompanying notes to the unaudited pro forma condensed consolidated financial statements.

Table of Contents

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31, 2009

(dollars in millions except per share data)

	Historical	Reorganization and Fresh-Start Pro Forma Adjustments	Pro Forma
Sales	$ 1,945.3	$	$ 1,945.3
Cost of products sold	1,679.0	12.9(a)	1,691.9
Gross profit	266.3	(12.9)	253.4
Selling, administration & engineering expenses	199.5	0.2(b)	199.7
Amortization of intangibles	15.0	0.1(c)	15.1
Impairment charges	363.5	(i)	363.5
Restructuring	32.4		32.4
Operating loss	(344.1)	(13.2)	(357.3)
Interest expense, net of interest income	(64.3)	18.9(d)	(45.4)
Equity earnings	4.0	(0.8)(e)	3.2
Reorganization items, net	(17.4)	17.4(f)	
Other income	9.9	2.4(j)	12.3
Loss before income taxes	(411.9)	24.7	(387.2)
Provision for income tax benefit	(55.7)	1.0(g)	(54.7)
Net loss	(356.2)	23.7	(332.5)
Less: Net loss attributed to noncontrolling interest	0.1		0.1
Net loss attributable to Cooper-Standard Holdings Inc.	$ (356.1)	$ 23.7	$ (332.4)
Basic net loss per share attributable to common stockholders of Cooper-Standard Holdings Inc.			$ (19.41)(h)
Diluted net loss per share attributable to common stockholders of Cooper-Standard Holdings Inc.			$ (19.41)(h)

See accompanying notes to the unaudited pro forma condensed consolidated financial statements.

Table of Contents

NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(dollars in millions except per share and share data)

1. Basis of Presentation

The unaudited pro forma condensed consolidated statements of operations of the Successor are presented for the year ended December 31, 2009 and the nine months ended September 30, 2010 and apply the Predecessor s accounting policies to the periods presented. We prepared the following unaudited pro forma condensed consolidated financial information by applying adjustments to our historical consolidated financial statements. These adjustments give effect to our plan of reorganization and fresh-start accounting guidance pursuant to U.S. GAAP, reflecting the Successor s post-emergence balance sheet as if the emergence date had occurred on January 1, 2009 for the periods presented for the unaudited pro forma condensed consolidated statements of operations.

2. Notes to Unaudited Pro Forma Condensed Consolidated Statement of Operations

Reorganization and fresh-start pro forma adjustments

(a) Reflects the following adjustments to cost of products sold:

	Year Ended December 31, 2009	Nine Months Ended September 30, 2010
Adjust inventory to fair value	$ 7.6	$ (8.1)(1)
Adjust depreciation expense based on preliminary application of fresh-start accounting	7.4	3.1
Eliminate net hedging losses pursuant to settlement of hedges upon emergence date	(1.6)	
Amortization of fair value of unfavorable leases	(0.5)	(0.3)
	$ 12.9	$ (5.3)

(1) Adjustment reflects the reversal of inventory fair value adjustment recorded in the month of June 2010.

(b) Reflects adjustments to selling, administration and engineering expenses for the following items:

	Year Ended December 31, 2009	Nine Months Ended September 30, 2010
Eliminate bankruptcy related professional fees incurred in 2009 before bankruptcy filing	$ (7.7)	$ (0.4)
Eliminate stock compensation expense related to Predecessor equity	(1.4)	(0.2)
Record stock compensation expense related to Successor equity	9.9	4.4
Amortization of fair value of unfavorable leases	(0.6)	(0.2)
	$ 0.2	$ 3.6

Table of Contents

NOTES TO THE UNAUDITED PRO FORMA CONDENSED

CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(dollars in millions except per share and share data)

(c) Reflects adjustments to increase the amortization of intangibles based on an application of fresh-start accounting, which results in total pro forma amortization of intangibles for the periods presented as follows:

	Year Ended December 31, 2009	Nine Months Ended September 30, 2010
Customer contracts and relationships	$ 13.5	$ 10.2
Technology	1.5	1.1
Other	0.1	0.1
	$ 15.1	$ 11.4

(d) Adjustments reflect the elimination of interest expense and amortization of debt issuance costs on prepetition and debtor-in-possession indebtedness and the addition of the interest expense and amortization of debt issuance costs on our senior notes and our senior ABL facility:

	Year Ended December 31, 2009	Nine Months Ended September 30, 2010
Eliminate Predecessor interest expense and amortization of debt issuance costs	$ (64.3)	$ (44.5)
Add new interest on the following debt:		
Interest on our senior notes and our senior ABL facility (including letter of credit charges)	40.5	16.7
Amortization of debt issuance costs	3.0	1.2
Interest on other debt	1.9	1.3
Net reduction in interest expense	$ (18.9)	$ (25.3)

A 0.125% increase or decrease in the effective interest rate used above would increase or decrease the pro forma interest expense by $0.6 million and $0.5 million for the year ended December 31, 2009 and the nine months ended September 30, 2010, respectively.

(e) Reflects amortization for the fair value adjustment on the equity investment related to joint ventures.

(f) Reflects the elimination of reorganization items incurred after filing for bankruptcy in 2009.

(g) Reflects the change in estimated total income tax provision through Reorganization and Pro Forma Adjustments using expected country specific effective income tax rates. No income tax provision adjustment was made on the portion of the pre-tax adjustments attributable to operations with anticipated valuation allowances.

NOTES TO THE UNAUDITED PRO FORMA CONDENSED

CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(dollars in millions except per share and share data)

(h) The information used to compute, and the calculation of, basic and diluted earnings per share, after giving effect to our new equity capital structure, is set forth below:

	Year Ended December 31, 2009	Nine Months Ended September 30, 2010
Income (loss) attributable to common stockholders of Cooper-Standard Holdings, Inc.	$ (332.4)	44.7
Less dividends declared or accumulated on 7% preferred stock	(7.0)	(5.8)
Less undistributed earnings allocated to participating securities		(7.7)
Income (loss) available to common stockholders of Cooper-Standard Holdings Inc.	$ (339.4)	$ 31.2
Average shares outstanding-basic	17,489,693	17,749,738
Effect of dilutive securities:		
Options		11,014
Common restricted stock		220,439
Preferred restricted stock		52,890
Warrants		437,680
Average shares outstanding-diluted	17,489,693	18,471,761

In 2009, basic and diluted average shares outstanding were the same because the effect of potential shares of common stock was antidilutive. In addition, in 2009, no undistributed loss was allocated to participating securities based on the contractual obligations of the securities. For 2010, diluted net income per share attributable to Cooper-Standard Holdings Inc. was computed using the treasury stock method as the two class method was anti-dilutive.

(i) Although fresh-start accounting will result in an adjustment to the historical cost basis of our assets, no adjustments have been made to the goodwill impairment charge of $157.2 million, the impairment charge of $202.4 million related to certain intangible assets and the impairment charge of $3.9 million related to certain fixed assets.

(j) Reflects the elimination of losses on interest rate swaps recorded in 2009 to reflect the settlement of these instruments upon our emergence from bankruptcy.

Table of Contents

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following table sets forth our selected consolidated financial data, consisting of statement of operations, balance sheet, statement of cash flows and other financial data, for each of the periods indicated. The following selected consolidated financial data has been derived from our audited consolidated financial statements as of December 31, 2008 and 2009 and for the years ended December 31, 2007, 2008 and 2009, which are included elsewhere in this prospectus, and from our audited consolidated financial statements as of December 31, 2005, 2006 and 2007 and for the years ended December 31, 2005 and 2006, which are not included in this prospectus, all of which have been audited by Ernst & Young LLP, independent registered public accountants. Ernst & Young LLP s report on the consolidated financial statements for the year ended December 31, 2009, which appears elsewhere herein, includes an explanatory paragraph which describes an uncertainty about our ability to continue as a going concern. The data should be read in conjunction with the consolidated financial statements, related notes and other financial information included herein. The following selected consolidated financial data as of September 30, 2009 and 2010 and for the nine months ended September 30, 2009, the five months ended May 31, 2010 and the four months ended September 30, 2010 has been derived from our unaudited consolidated financial statements included elsewhere in this prospectus.

We adopted fresh-start accounting upon our emergence from bankruptcy and became a new entity for financial reporting purposes as of June 1, 2010. Accordingly, the consolidated financial statements for the Successor are not comparable to the consolidated financial statements for the Predecessor. For a discussion of fresh-start accounting, see note 3 to our unaudited interim financial statements as of September 30, 2010.

We have prepared the unaudited selected consolidated financial data as of and for the nine months ended September 30, 2009, the five months ended May 31, 2010 and the four months ended September 30, 2010 on a basis consistent with our audited consolidated financial statements for the year ended December 31, 2009, and this information includes all adjustments (consisting of only normal recurring adjustments unless otherwise disclosed therein) that management considers necessary for a fair presentation of our financial position and results of operations for the periods indicated. Historical results are not necessarily indicative of future performance. Operating results for the four months ended September 30, 2010 are not necessarily indicative of results that may be expected for the full fiscal year.

The following selected consolidated financial data is qualified by reference to, and should be read in conjunction with, our consolidated financial statements and the notes to those statements included elsewhere in this prospectus and the information under Capitalization and Management s Discussion and Analysis of Financial Condition and Results of Operations.

Table of Contents

	Predecessor							Successor
	Year Ended December 31,					Nine Months Ended September 30,	Five Months Ended May 31,	Four Months Ended September 30,
	2005	2006	2007	2008	2009	2009	2010	2010
Statement of operations:								
Sales	$ 1,827.4	$ 2,164.3	$ 2,511.2	$ 2,594.6	$ 1,945.3	$ 1,367.6	$ 1,009.1	$ 801.3
Cost of products sold	1,550.2	1,832.1	2,114.1	2,260.1	1,679.0	1,192.5	832.2	665.4
Gross profit	277.2	332.2	397.1	334.5	266.3	175.1	176.9	135.9
Selling, administration & engineering expenses	169.7	199.8	222.1	231.7	199.5	146.2	92.1	91.6
Amortization of intangibles	28.2	31.0	31.9	31.0	15.0	14.8	0.3	5.1
Impairment charges		13.2	146.4	33.4	363.5	362.7		
Restructuring	3.0	23.9	26.4	38.3	32.4	32.9	5.9	1.2
Operating profit (loss)	76.3	64.3	(29.7)	0.1	(344.1)	(381.5)	78.6	38.0
Interest expense, net of interest income	(66.6)	(87.2)	(89.5)	(92.9)	(64.3)	(53.6)	(44.5)	(14.2)
Equity earnings (losses)	2.8	0.2	2.2	0.9	4.0	1.7	3.6	2.5
Reorganization items, net					(17.4)	(5.6)	660.0	
Other income (expense)	(0.1)	7.9	(0.5)	(1.4)	9.9	13.7	(21.2)	5.0
Income (loss) before income taxes	12.4	(14.8)	(117.5)	(93.3)	(411.9)	(425.3)	676.5	31.3
Provision for income taxes (benefit)	2.4	(7.3)	32.9	29.3	(55.7)	(31.3)	39.9	5.4
Consolidated net income (loss)	10.0	(7.5)	(150.4)	(122.6)	(356.2)	(394.0)	636.6	25.9
Add: Net loss (income) attributable to noncontrolling interests(1)	(1.2)	(0.9)	(0.6)	1.1	0.1	0.5	(0.3)	(0.2)
Net income (loss) attributable to Cooper-Standard Holdings Inc.	$ 8.8	$ (8.4)	$ (151.0)	$ (121.5)	$ (356.1)	$ (393.5)	$ 636.3	$ 25.7
Balance sheet data (at end of period):								
Cash and cash equivalents	$ 62.2	$ 56.3	$ 40.9	$ 111.5	$ 380.3	$ 253.7		$ 232.3
Net working capital(2)	162.9	212.1	249.8	154.5	240.8	286.9		230.9
Total assets	1,734.2	1,911.4	2,162.3	1,818.3	1,737.4	1,651.2		1,862.5
Total non-current liabilities	1,112.8	1,256.1	1,351.6	1,346.9	263.9	275.1		771.9
Total debt(3)	902.5	1,055.5	1,140.2	1,144.1	204.3	154.0		477.0
Liabilities subject to compromise					1,261.9	1,262.3		
Preferred Stock								129.9
Equity (deficit)	$ 317.3	$ 324.0	$ 276.8	$ 19.7	$ (306.5)	$ (341.4)		$ 544.8
Statement of cash flows data:								
Net cash provided (used) by:								
Operating activities	$ 113.0	$ 135.9	$ 185.4	$ 136.5	$ 130.0	$ 30.2	$ (75.4)	$ 80.3
Investment activities	(133.0)	(281.8)	(260.0)	(73.9)	(45.5)	(25.2)	(19.1)	(23.4)
Financing activities	(7.2)	147.6	55.0	14.1	166.1	118.9	(112.6)	0.3
Capital expenditures	$ 54.5	$ 82.9	$ 107.3	$ 92.1	$ 46.1	$ 25.5	$ 22.9	$ 23.5
Other financial data (unaudited):								
Ratio of earnings to combined fixed charges and preferred stock dividends	1.1x						14.9x	2.3x

(1) Due to the implementation of ASC Topic 810, Consolidation, certain prior period amounts have been reclassified to conform to the current period financial statement presentation.

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

(3) Includes $175.0 million and $0.0 of borrowings under our DIP credit agreement, $0.8 million and $0.4 million in capital leases and $28.5 million and $22.6 million of other third-party debt as of December 31, 2009 and September 30, 2010, respectively.

Table of Contents

MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION 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 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, particularly in Risk Factors. Management s discussion and analysis of financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and our consolidated financial statements and the notes thereto included elsewhere in this prospectus.

Basis of Presentation

The financial information of the Company included in this prospectus represents our consolidated financial position as of December 31, 2008 and 2009, and for the nine-month period ended September 30, 2010, and our consolidated results of operations and cash flows for the years ended December 31, 2007, 2008 and 2009, and for the five month period ended May 31, 2010 and the four-month period ended September 30, 2010, and reflects the application of purchase accounting.

Company Overview

We design, manufacture and sell body sealing, fluid handling components, systems, subsystems and modules and Anti-Vibration Systems, or AVS, for use in passenger vehicles and light trucks manufactured by global automotive original equipment manufacturers, or OEMs. In 2009, approximately 80% of our sales consisted of original equipment sold directly to OEMs for installation on new vehicles. The remaining 20% of our sales were primarily to Tier I and Tier II suppliers and non-automotive customers. Accordingly, sales of our products are directly affected by the annual vehicle production of OEMs and, in particular, the production levels of the vehicles for which we provide specific parts. Most of our products are custom designed and engineered for a specific vehicle platform. Our sales and product development personnel frequently work directly with the OEMs engineering departments in the design and development of our various products.

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 and timely delivery. Importantly, we believe our continued commitment to investment in our design and engineering capability, including enhanced computerized software design capabilities, is important to our future success, and many of our present initiatives are designed to enhance these capabilities. In addition, in order to remain competitive we must also consistently achieve and sustain cost savings. In an effort to continuously reduce our cost structure, we seek to identify and implement lean initiatives, which focus on optimizing manufacturing by eliminating waste, controlling cost and enhancing productivity, and we 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 lean initiatives.

Our OEM sales are principally generated from purchase orders issued by OEMs and as a result we 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 six to eight 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.

We provide parts to virtually every major global OEM for use on a multitude of different platforms. However, we generate a significant portion of our sales from Ford Motor Company, or Ford, GM, defined herein as General Motors Corporation combined with General Motors Company, and Chrysler, defined herein as Chrysler LLC combined with Chrysler Group LLC, or, collectively, the Detroit 3. For the year ended December 31, 2009, our sales of product on platforms produced by Ford, GM and Chrysler comprised approximately 34.8%, 15.5% and 5.5% of our sales, respectively, or 55.8% in the aggregate of our sales. Consequently, any significant reduction of our sales to, or the loss of any one of, the Detroit 3 or any significant reduction in the market shares of the Detroit 3 could have a material adverse effect on our financial results.

In the year ended December 31, 2009, approximately 47% of sales were generated in North America while approximately 53% of our sales were generated outside of North America. Because of our significant international operations, we are subject to the risks associated with doing business in other countries. Historically, our operations in Canada and Western Europe have not presented materially different risks or problems from those we have encountered in the United States, although the cost and complexity of streamlining operations in certain European countries is greater than would be the case in the United States. This is due primarily to labor laws in those countries that can make reducing employment levels more time-consuming and expensive than in the United States. We believe the risks of conducting business in less developed markets, including Brazil, China, Czech Republic, India, Korea, Mexico and Poland are sometimes greater than in the U.S., Canadian and Western European markets. This is due to the potential for currency volatility, high interest, inflation rates and the general political and economic instability that are associated with these markets.

Our Reorganization

On August 3, 2009, we along with our U.S. subsidiaries, or the debtors, filed voluntary petitions for chapter 11 bankruptcy protection in the United States Bankruptcy Court for the District of Delaware, or the Bankruptcy Court. On August 4, 2009, our Canadian subsidiary, Cooper-Standard Automotive Canada Limited, or CSA Canada, sought relief under the Companies Creditors Arrangement Act in the Ontario Superior Court of Justice in Toronto, Ontario, Canada, or the Canadian Court. The debtors and CSA Canada emerged from their respective insolvency proceedings on May 27, 2010, or the effective date, with approximately $480 million of funded debt, representing a reduction of over $650 million from prepetition levels.

As part of our emergence from chapter 11, we raised $450 million through the issuance of our senior notes and entered into our $125 million senior ABL facility with certain agent and lending banks. In addition, we raised $355 million through the issuance of (i) $100 million of our 7% cumulative participating convertible preferred stock, or our 7% preferred stock, to certain creditors pursuant to a commitment agreement that provided for the backstop of our rights offering, or the Backstop Parties, and (ii) $255 million of our common stock to the Backstop Parties and holders of our prepetition 8 $^{3}/8$% senior subordinated notes due 2014, or our prepetition senior subordinated notes, pursuant to our rights offering. The Backstop Parties also received warrants to purchase 7% of our common stock (assuming the conversion of our 7% preferred stock) for their commitment to backstop the rights offering.

In connection with our emergence from chapter 11, amounts outstanding under our $175 million debtor-in-possession financing facility and $639.6 million of claims under our prepetition credit facility were paid in full in cash. Holders of our prepetition 7% senior notes due 2012, or our prepetition senior notes, were also paid in full in cash, except that the Backstop Parties received a distribution of our common stock in lieu of the cash payment for certain of their prepetition senior note claims. Holders of our prepetition senior subordinated notes were issued 8% of our outstanding common stock and warrants to purchase, in the aggregate, 3% of our outstanding common stock (in each case, assuming the conversion of our 7% preferred stock). In addition, our obligations under both our prepetition senior notes and our prepetition senior subordinated notes were cancelled. See Liquidity and Capital Resources After Emergence from Bankruptcy Proceedings and Description of Certain Indebtedness for a more detailed description of our senior notes and senior ABL facility, Description of Capital Stock for a more detailed description of our equity securities and Our Reorganization for a more detailed description of our reorganization.

Table of Contents

In connection with our emergence from bankruptcy, we implemented fresh-start accounting. As required by fresh-start accounting, assets and liabilities were recorded at fair value, based on values determined in connection with the implementation of our plan of reorganization. Accordingly, the consolidated financial statements for the reporting entity subsequent to emergence from bankruptcy, or the Successor, are not comparable to the consolidated financial statements for the reporting entity prior to emergence from bankruptcy, or the Predecessor. For a discussion of fresh-start accounting, see note 3 to our unaudited interim financial statements as of September 30, 2010.

Business Environment and Outlook

Our business is directly affected by the automotive build rates in North America and Europe. It is also becoming increasingly impacted by build rates in Brazil and Asia Pacific. 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, government incentives such as cash for clunkers and tax incentives. The severe global financial crisis that started in the second half of 2008 reduced vehicle demand overall with the low point occurring in 2009 with 8.6 million units in North America and 16.3 million units in Europe. IHS Automotive s (formerly CSM Worldwide) September 2010 expected annualized light vehicle production volumes for 2010 are 11.8 million units in North America, while Europe s volumes are expected to be 18.0 million units.

According to IHS Automotive, actual North American light vehicle production volumes for the three months ended September 30, 2010 were 3.0 million compared to 2.4 million for the three months ended September 30, 2009, an increase of approximately 25.3%, and European light vehicle production volumes for the three months ended September 30, 2010 were 4.0 million compared to 4.1 million for the three months ended September 30, 2009, a decrease of approximately 2.7%. According to IHS Automotive, actual North American light vehicle production volumes for the nine months ended September 30, 2010 were 8.9 million compared to 5.8 million for the nine months ended September 30, 2009, an increase of approximately 53.4%, and European light vehicle production volumes for the nine months ended September 30, 2010 were 13.7 million compared to 11.8 million for the nine months ended September 30, 2009, an increase of approximately 16.3%. According to IHS Automotive, North America and Europe light vehicle production volumes in the fourth quarter of 2010 is estimated at 2.8 million and 4.3 million units, respectively, which is a 0.1 million unit increase for North America and a 0.2 million unit decrease for Europe.

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. Globalization and the importance to service customers around the world will continue to shape the success of suppliers 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 concessions. Consolidations and market share shifts among vehicle manufacturers continues to put additional pressures on the supply chain. These pricing and market pressures, along with the reduced production volumes, will continue to drive our focus on reducing our overall cost structure through lean initiatives, capital redeployment, restructuring and other cost management processes.

Table of Contents

Results of Operations for the Three and Nine Month Periods Ended September 30, 2010

Results of Operations

(in thousands, except per share data)

	Predecessor Three Months Ended September 30, 2009	Successor Three Months Ended September 30, 2010
Sales	$ 517,842	$ 585,650
Cost of products sold	435,775	483,559
Gross profit	82,067	102,091
Selling, administration & engineering expenses	52,658	68,584
Amortization of intangibles	194	3,842
Restructuring	4,378	818
Operating profit	24,837	28,847
Interest expense, net of interest income	(11,914)	(10,664)
Equity earnings	1,228	1,815
Reorganization items, net	(5,642)	
Other income, net	5,930	5,454
Income before income taxes	14,439	25,452
Provision for income tax expense	3,773	4,443
Consolidated net income	10,666	21,009
Add: Net (income) loss attributed to noncontrolling interests	181	(176)
Net income attributable to Cooper-Standard Holdings Inc.	$ 10,847	$ 20,833
Net income available to Cooper-Standard Holdings Inc. common stockholders	N/A	$ 15,116
Basic net income per share attributable to Cooper-Standard Holdings Inc.	N/A	$ 0.86
Diluted net income per share attributable to Cooper-Standard Holdings Inc.	N/A	$ 0.83

	Predecessor		Successor
	Nine Months Ended September 30, 2009	Five Months Ended May 31, 2010	Four Months Ended September 30, 2010
Sales	$ 1,367,656	$ 1,009,128	$ 801,292
Cost of products sold	1,192,470	832,201	665,434
Gross profit	175,186	176,927	135,858
Selling, administration & engineering expenses	146,233	92,166	91,629
Amortization of intangibles	14,783	319	5,106
Impairment charges	362,699		
Restructuring	32,871	5,893	1,200

Operating profit (loss)	(381,400)	78,549	37,923
Interest expense, net of interest income	(53,632)	(44,505)	(14,195)
Equity earnings	1,701	3,613	2,549
Reorganization items and fresh-start accounting adjustments, net	(5,642)	660,048	
Other income (expense), net	13,679	(21,156)	5,024
Income (loss) before income taxes	(425,294)	676,549	31,301
Provision (benefit) for income tax expense	(31,339)	39,940	5,352
Consolidated net income (loss)	(393,955)	636,609	25,949
Add: Net (income) loss attributed to noncontrolling interests	496	(322)	(186)
Net income (loss) attributable to Cooper-Standard Holdings Inc.	$ (393,459)	$ 636,287	$ 25,763
Net income available to Cooper-Standard Holdings Inc. common stockholders	N/A	N/A	$ 18,328
Basic net income per share attributable to Cooper-Standard Holdings Inc.	N/A	N/A	$ 1.05
Diluted net income per share attributable to Cooper-Standard Holdings Inc.	N/A	N/A	$ 1.00

Table of Contents

Three months ended September 30, 2010 compared with three months ended September 30, 2009

Sales. Our sales increased to $585.7 million in the third quarter of 2010 from $517.8 million in the third quarter of 2009, an increase of $67.9 million, or 13.1%. The improvement is a result of a significant increase in volumes primarily in North America and Asia Pacific partially offset by a decline in certain regions of Europe. The increased volume was partially offset by foreign currency exchange, which had a net unfavorable impact on sales of $10.5 million.

Gross profit. Gross profit increased $20.0 million from $82.1 million in the third quarter of 2009 to $102.1 million in the third quarter of 2010. As a percentage of sales, gross profit increased to 17.4% of sales in the third quarter of 2010 as compared to 15.8% of sales in the third quarter of 2009. The improved gross profit and gross profit margin is a result of the increase in volumes in most of the regions and our lean savings, partially offset by the restoration of certain employee pay and benefits and slightly higher raw material costs.

Selling, administration and engineering. Selling, administration and engineering expenses increased $15.9 million to $68.6 million in the third quarter of 2010 compared to $52.7 million in the third quarter of 2009, primarily due to the restoration of certain employee pay and benefits.

Restructuring. Restructuring charges decreased $3.6 million to $0.8 million in the third quarter of 2010 compared to $4.4 million in the third quarter of 2009, primarily due to timing of restructuring initiatives in 2010.

Interest expense, net. Interest expense of $10.7 million for the three months ended September 30, 2010 is primarily interest on our senior notes. Interest expense of $11.9 million for the three months ended September 30, 2009 includes interest on some of our prepetition debt obligations and debtor-in-possession financing, which were no longer outstanding upon our emergence from bankruptcy. During 2009, we ceased recording interest expense on certain prepetition debt obligations.

Other income. Other income of $5.5 million in the third quarter of 2010 compared to $5.9 million in the same period in 2009 was primarily attributable to foreign currency gains.

Provision for income tax expense (benefit). For the three months ended September 30, 2010, we recorded income tax provision of $4.4 million on earnings before income taxes of $25.5 million. This compares to an income tax provision of $3.8 million on income before income taxes of $14.4 million for the same period of 2009. Income tax rate for the three months ended September 30, 2010 differs from statutory rates due to the impact of deferred taxes recorded on income taxes on foreign earnings, the inability to record a tax benefit for pre-tax losses in the United States and certain foreign jurisdictions to the extent not offset by other categories of income, tax credits, income tax incentives, withholding taxes and other permanent items. Further, our current and future provision for income taxes will be significantly impacted by the recognition of valuation allowances in certain countries, particularly the United States. We intend to maintain these allowances until it is more likely than not that the deferred tax assets will be realized. Accordingly, income taxes are impacted by the U.S. valuation allowance and the mix of earnings among jurisdictions.

Four months ended September 30, 2010, five months ended May 31, 2010 and nine months ended September 30, 2009

Due to our adoption of fresh-start reporting on May 31, 2010, the Condensed Consolidated Statements of Operations included in our unaudited interim financial statements as of September 30, 2010 include the year-to-date results of operations for the five months ended May 31, 2010 of the Predecessor and the four months ended September 30, 2010 of the Successor.

For the period ended May 31, 2010, we recognized a gain of approximately $660.0 million for reorganization items as a result of the bankruptcy proceedings and the effects of fresh-start accounting. This gain reflects the cancellation of our prepetition equity, debt and certain of our other obligations, partially offset by the recognition of certain of our new equity and debt obligations, as well as professional fees incurred as a direct result of the bankruptcy proceedings.

In addition, we recognized charges of approximately $9.9 million in the four months ended September 30, 2010 as a result of the bankruptcy proceedings and the adoption of fresh-start accounting. The majority of these charges related to the inventory fair value adjustment of approximately $8.1 million, which was recognized in cost of sales in the four months ended September 30, 2010 as the inventory was sold.

Sales. Sales for the four months ended September 30, 2010 were $801.3 million. Sales were favorably impacted by a significant increase in volume, partially offset by unfavorable foreign exchange of $18.0 million. Sales were $1,009.1 million for the five months ended May 31, 2010. Sales were favorably impacted by a significant increase in volume and favorable foreign exchange of $52.5 million. Sales for the nine months ended September 30, 2009 were $1,367.7 million.

Gross profit. Gross profit for the four months ended September 30, 2010 and the five months ended May 31, 2010 were $135.9 million and $176.9 million, respectively. Gross profit as a percentage of sales was 17.0% for the four months ended September 30, 2010 and 17.5% for the five months ended May 31, 2010. Gross profit and gross profit margin for these two periods were favorably impacted by a significant increase in volumes in most regions and our lean savings, partially offset by the restoration of certain employee pay and benefits and slightly higher raw material costs. The four months ended September 30, 2010 was also impacted by the liquidation of the fair value adjustment to inventory of $8.1 million, which was recognized in cost of sales as the inventory was sold. Gross profit and gross profit as a percentage of sales for the nine months ended September 30, 2009 were $175.2 million and 12.8%, respectively.

Selling, administration and engineering. Selling, administration and engineering expenses for the four months ended September 30, 2010 were $91.6 million and $92.2 million for the five months ended May 31, 2010. Both periods were primarily impacted by the restoration of certain employee pay and benefits. Selling, administration and engineering expenses were $146.2 million for the nine months ended September 30, 2009.

Impairment charges. In the second quarter of 2009, we recorded a goodwill impairment charge of $157.2 million. In addition, impairment charges of $202.5 million related to certain intangible assets and impairment charges of $3.0 million related to certain fixed assets were recorded. During the second quarter of 2009, several events occurred that indicated potential impairment of our goodwill. Such events included: a) the chapter 11 bankruptcy of two of our main customers, Chrysler LLC and General Motors, and unplanned plant shut-downs; b) continued product volume risk and negative product mix changes; c) our commencement of negotiations with our sponsors, senior secured lenders, and bondholders to recapitalize our long term debt and equity; d) our recognition as the second quarter progressed that there was an increasing likelihood that we would breach our financial covenants under our prepetition credit agreement; and e) our decision to defer our June 15, 2009 interest payment on our prepetition notes pending the outcome of our quarterly financial results, an analysis of whether we would meet our financial covenants for the past quarter and negotiations with our various constituencies. As a result of the combination of the above factors, we significantly reduced our second quarter projections.

Restructuring. Restructuring charges were $1.2 million for the four months ended September 30, 2010, $5.9 million for the five months ended May 31, 2010, primarily representing the continuation of previously announced actions, and $32.9 million for the nine months ended September 30, 2009. The nine months ended September 30, 2009 was affected by the final phase of the discontinuation of our global product line operating divisions that was initiated in the first quarter of 2009. Restructuring charges of $21.3 million of this phase were recognized for the nine months ended September 30, 2009.

Interest expense, net. Interest expense for the four months ended September 30, 2010 consisted primarily of interest on our senior notes. Interest expense for the five months ended May 31, 2010 includes $28.0 million of interest from the period August 3, 2009 through May 27, 2010 and interest on the DIP facility. The interest on the prepetition debt obligations was recorded when our plan of reorganization was approved by the claimholders. Interest expense for the nine months ended September 30, 2009 includes interest on all of our prepetition debt obligations and debtor-in-possession financing.

Table of Contents

Reorganization items and fresh-start accounting adjustments, net. In the five months ended May 31, 2010, we recognized a gain of $520.1 million for reorganization items as a result of the bankruptcy proceedings. This gain reflects the cancellation of our prepetition equity, debt and certain of our other obligations, partially offset by the recognition of certain of our new equity and debt obligations, as well as professional fees incurred as a direct result of the bankruptcy proceedings. In addition, we recognized a gain of $139.9 million related to the valuation of our net assets upon emergence from Chapter 11 bankruptcy proceedings pursuant to the provisions of fresh-start accounting.

Other income (expense). Other income for the four months ended September 30, 2010 was $5.0 million, which consisted primarily of foreign currency gains. Other expense of $21.2 million for the five months ended May 31, 2010, consisted primarily of foreign currency losses. For the nine months ended September 30, 2009, other income consisted of a gain of $9.1 million on the repurchase of debt, $7.8 million of foreign currency gains and $3.3 million of losses on interest rate swaps and sale of receivables.

Provision for income tax expense (benefit). For the five months ended May 31, 2010 and the four months ended September 30, 2010, we recorded income tax provisions of $39.9 million and $5.4 million on earnings before income taxes of $676.6 million and $31.3 million, respectively. This compares to an income tax benefit of $(31.3) million on losses before income taxes of $(425.3) million for the nine months ended September 30, 2009. Income tax expense for the five months ended May 31, 2010 and the four months ended September 30, 2010 differ from statutory rates due to the impact of deferred taxes recorded on fresh-start adjustments, income taxes on foreign earnings, the inability to record a tax benefit for pre-tax losses in the United States and certain foreign jurisdictions to the extent not offset by other categories of income, tax credits, income tax incentives, withholding taxes and other permanent items. Further, our current and future provision for income taxes will be significantly impacted by the recognition of valuation allowances in certain countries, particularly the United States. We intend to maintain these allowances until it is more likely than not that the deferred tax assets will be realized. Accordingly, income taxes are impacted by the U.S. valuation allowance and the mix of earnings among jurisdictions.

Results of Operations for the Year Ended December 31, 2009

	For the Year Ended December 31,		
	2007	2008	2009
		(in thousands)	
Sales	$ 2,511,153	$ 2,594,577	$ 1,945,259
Cost of products sold	2,114,039	2,260,063	1,678,953
Gross profit	397,114	334,514	266,306
Selling, administration & engineering expenses	222,134	231,709	199,552
Amortization of intangibles	31,850	30,996	14,976
Impairment charges	146,366	33,369	363,496
Restructuring	26,386	38,300	32,411
Operating profit (loss)	(29,622)	140	(344,129)
Interest expense, net of interest income	(89,577)	(92,894)	(64,333)
Equity earnings	2,207	897	4,036
Reorganization items, net			(17,367)
Other income (expense), net	(468)	(1,368)	9,919
Loss before income taxes	(117,460)	(93,225)	(411,874)
Provision (benefit) for income tax expense	32,946	29,295	(55,686)
Consolidated net loss	(150,406)	(122,520)	(356,188)
Add: Net (income) loss attributed to noncontrolling interests	(587)	1,069	126
Net loss attributable to Cooper-Standard Holdings Inc.	$ (150,993)	$ (121,451)	$ (356,062)

Table of Contents

Year ended December 31, 2009 compared to year ended December 31, 2008

Sales. Our sales decreased from $2,594.6 million in 2008 to $1,945.3 million in 2009, a decrease of $649.3 million, or 25.0%. The decrease resulted primarily from lower unit sales volume in both our North America (primarily the United States and Canada) and International (primarily Europe) segments. In addition, foreign currency exchange had a net unfavorable impact on sales of $110.8 million due to the relative strength of the dollar against other currencies (most notably the euro). Customer price concessions also contributed to our decrease in sales.

Gross profit. Gross profit decreased $68.2 million from $334.5 million in 2008 to $266.3 million in 2009. As a percentage of sales, gross profit increased to 13.7% of sales in 2009 as compared to 12.9% of sales in 2008. The decrease in gross profit resulted primarily from reduced North America and Europe volume and unfavorable product mix. The increase in gross profit margin is primarily the result of the favorable impact of management actions and various cost saving initiatives, partially offset by the lower volume.

Selling, administration and engineering. Selling, administration and engineering expenses decreased $32.2 million to $199.6 million for the year ended December 31, 2009 compared to $231.7 million for the year ended December 31, 2008. This decrease is due primarily to the favorable impact of various cost saving initiatives and management actions.

Operating profit (loss). Operating loss in 2009 was $344.1 million compared to an operating profit of $0.1 million in 2008. This decrease is primarily due to the impairment charges of $363.5 million in 2009 compared to $33.4 million in 2008, reduced volumes and unfavorable foreign exchange, partially offset by the favorable impact of management actions and various cost saving initiatives.

Impairment charges. In 2009, we recorded a goodwill impairment charge of $157.2 million and impairment charges of $202.4 million related to certain intangible assets and $3.8 million related to certain fixed assets within our North America and International segments. During the second quarter of 2009, several events occurred that indicated potential impairment of our goodwill, other intangible assets and certain fixed assets. Such events included: (a) the chapter 11 bankruptcy of both Chrysler and GM and unplanned plant shut-downs by both Chrysler and GM; (b) continued product volume risk and negative product mix changes; (c) the commencement of negotiations with our pre-reorganization affiliate shareholders, senior secured lenders and bondholders to recapitalize our long term debt and equity; (d) our recognition as the second quarter progressed that there was an increasing likelihood that we would breach our financial covenants under the prepetition credit agreement; (e) our decision to defer the June 15, 2009 interest payment on our prepetition senior notes and our prepetition senior subordinated notes pending the outcome of our quarterly financial results; (f) an analysis of whether we would meet our financial covenants for the past quarter; and (g) negotiations with our various constituencies. As a result of the combination of the above factors, we significantly reduced our second quarter projections.

In 2008, we recorded a goodwill impairment charge of $23.1 million in our International segment. This charge resulted from the weakening global economy, the global decline in vehicle production volumes and changes in product mix. Also, in 2008 we recorded intangible impairment charges of $3.9 million related to certain technology in our North America segment. Based on a discounted cash flow analysis it was determined that the historical cost of these intangible assets exceeded their fair value and impairment charges were recorded. Also, in 2008 we recorded fixed asset impairment charges of $6.4 million in our North America and International segments.

Interest expense, net. The decrease in interest expense of $28.6 million in 2009 resulted primarily from the cessation of recording interest expense on our debt obligations that are in default, decreased interest rates and decreased term loan balances.

Other income (expense). Other income was $9.9 million in 2009 as a result of foreign currency gains of $4.5 million and gains on debt repurchases of $9.1 million, partially offset by the loss on the sale of receivables of

$1.2 million and losses on interest rate swaps of $2.4 million. Other expense of $1.4 million in 2008 was primarily a result of foreign currency losses of $0.9 million and a loss on the sale of receivables of $2.2 million, partially offset by gains on debt repurchases of $1.7 million.

Provision for income tax expense (benefit). Income taxes in 2008 included an expense of $29.3 million for an effective tax rate of 31.4% as compared to an income tax benefit of $55.7 million for an effective tax benefit rate of 13.5% in 2009. The effective tax benefit rate in 2009 differs from the statutory tax rate primarily as a result of the nondeductible nature of the goodwill impairment charge, the valuation allowances recorded on tax losses and credits generated in the United States and certain foreign jurisdictions, the benefit related to the settlement of a bi-lateral advanced pricing agreement, the distribution of income between the United States and foreign sources and other non-recurring discrete items.

Year ended December 31, 2008 compared to year ended December 31, 2007

Sales. Our sales increased from $2,511.2 million in 2007 to $2,594.6 million in 2008, an increase of $83.4 million, or 3.3%. The increase resulted primarily from the full twelve months impact of the acquisitions of nine Metzeler Automotive Profile Systems sealing systems operations in Germany, Italy, Poland, Belarus and Belgium and a joint venture interest in China, or collectively, MAPS, and a related acquisition of a joint venture interest in India, or MAP India, and the El Jarudo fuel rail manufacturing business of Automotive Components Holdings, LLC, or El Jarudo, and favorable foreign exchange rates of $70.6 million, partially offset by lower volume. In our North America segment, our sales decreased by $282.0 million primarily due to lower unit sales volume, partially offset by $6.0 million of favorable foreign currency translation. In our International segment, sales increased by $365.4 million primarily due to a combination of factors including the acquisition of MAPS and MAP India, a $64.6 million favorable impact from foreign currency translation and higher unit sales volumes, partially offset by customer price concessions.

Gross profit. Gross profit decreased $62.6 million from $397.1 million in 2007 to $334.5 million in 2008. As a percentage of sales, gross profit decreased to 12.9% of sales in 2008 as compared to 15.8% of sales in 2007. This decrease resulted primarily from reduced North America volume and unfavorable product mix.

Operating profit (loss). Operating profit in 2008 was $0.1 million compared to an operating loss reported in 2007 of $29.6 million. This increase is primarily due to the impairment charges of $146.4 million in 2007 compared to $33.4 million in 2008, partially offset by reduced volumes, increased material costs and unfavorable foreign exchange.

Impairment charges. In 2008, we recorded a goodwill impairment charge of $23.1 million in our International segment. This charge resulted from the weakening global economy, the global decline in vehicle production volumes and changes in product mix. Also, in 2008 we recorded intangible impairment charges of $3.9 million related to certain technology in our North America segment. Based on a discounted cash flow analysis it was determined that the historical cost of these intangible assets exceeded their fair value and impairment charges were recorded. Also, in 2008 we recorded fixed asset impairment charges of $6.4 million in our North America and International segments.

In 2007 we recorded a goodwill impairment charge of $142.9 million and a $3.5 million charge related to the impairment of certain intangible assets within our North America segment. These charges resulted from projected declines in anticipated production volumes and a change in the production mix for certain key platforms in North America since our 2004 acquisition as well as the impact of increases in material costs and customer price concessions in North America.

Interest expense, net. Interest expense increased by $3.3 million in 2008 primarily due to increased indebtedness resulting from the acquisition of MAPS and increased short-term borrowings.

Table of Contents

Other expense. Other expense of $1.4 million in 2008 was primarily a result of foreign currency losses of $0.9 million and a loss on the sale of receivables of $2.2 million, partially offset by gains on debt repurchases of $1.7 million. Other expense of $0.5 million in 2007 was primarily a result of foreign currency losses.

Provision for income tax expense (benefit). Income taxes in 2007 included an expense of $32.9 million for an effective tax rate of 28.0% as compared to income tax expense of $29.3 million for an effective tax rate of 31.4% in 2008. The effective tax rate in 2008 differs from the statutory tax rate primarily as a result of the nondeductible nature of the goodwill impairment charge, the valuation allowances recorded on tax losses and credits generated in the United States and certain foreign jurisdictions, the write-off of deferred tax assets in the United Kingdom, the distribution of income between the United States and foreign sources and other non-recurring discrete items. The effective tax rate in 2007 differs from the statutory tax rate primarily as a result of the nondeductible nature of the goodwill impairment charge, the valuation allowances recorded on tax losses and credits generated in the United States, the tax rate changes enacted during 2007 in the Czech Republic, Canada, Germany, Spain and the United Kingdom resulting in additional expense related to the impact of deferred taxes recorded in those jurisdictions, the distribution of income between the United States and foreign sources and other non-recurring discrete items.

Segment Operating Results

Through March 31, 2009, we reported our operating results in three business segments: Body & Chassis Systems, Fluid Systems and Asia Pacific. The Body & Chassis segment consisted mainly of body sealing products and components that protect vehicle interiors from weather, dust, and noise intrusion as well as systems and components that control and isolate noise vibration in a vehicle to improve ride and handling. The Fluid Systems segment consisted primarily of subsystems and components that direct, control, measure, and transport fluids and vapors throughout a vehicle. The Asia Pacific segment consisted of both Body & Chassis Systems and Fluid Systems operations in that region with the exception of our interest in a joint venture in China which was acquired as part of the MAPS acquisition, and the MAP India joint venture. These joint ventures were included in the Body & Chassis Systems segment, which was in line with the internal management structure at the time.

On March 26, 2009, we announced the implementation of a plan involving the discontinuation of its global Body & Chassis Systems and Fluid Systems segments and the establishment of a new operating structure organized on the basis of geographic regions. Under the plan, our operating structure as well as our reporting segments changed. As a result, we revised our segment disclosures beginning with the second quarter of 2009 from three reportable segments to the following two reportable segments, North America and International (comprising all of our operations outside of North America). Prior periods have been recast to conform to the current period presentation.

Table of Contents

We evaluate segment performance based on segment profit before tax. The following table details information on our business segments:

	Predecessor Three Months Ended September 30, 2009	Successor Three Months Ended September 30, 2010
	(in thousands)	
Sales		
North America	$ 251,700	$ 316,585
International	266,142	269,065
	$ 517,842	$ 585,650
Segment profit (loss)		
North America	$ 20,036	$ 29,122
International	(5,597)	(3,670)
	$ 14,439	$ 25,452

	Predecessor		Successor
	Nine Months Ended September 30, 2009	Five Months Ended May 31, 2010	Four Months Ended September 30, 2010
Sales			
North America	$ 632,234	$ 508,738	$ 432,981
International	735,422	500,390	368,311
	$ 1,367,656	$ 1,009,128	$ 801,292
Segment profit (loss)			
North America	$ (259,702)	$ 590,121	$ 37,255
International	(165,592)	86,428	(5,954)
	$ (425,294)	$ 676,549	$ 31,301

Three months ended September 30, 2010 compared with three months ended September 30, 2009

North America. Sales increased $64.9 million, or 25.8%, primarily due to stronger sales production volume and favorable foreign exchange of $4.1 million. Segment profit for the third quarter of 2010 increased by $9.1 million compared to the third quarter of 2009. Segment profit also increased due to volume and the favorable impact of our lean savings, partially offset by the restoration of certain employee pay and benefits and slightly higher raw material costs.

International. Sales increased $2.9 million, or 1.1%, primarily due to an increase in sales volume offset by unfavorable foreign exchange of $14.6 million. Segment loss for the third quarter of 2010 improved by $1.9 million compared to the third quarter of 2009. Segment loss also improved due to the increase in volumes and the favorable impact of our lean savings. Segment loss was negatively impacted by the restoration of certain employee pay and benefits and slightly higher raw material costs.

Four months ended September 30, 2010, five months ended May 31, 2010 and nine months ended September 30, 2009

North America. Sales for the four months ended September 30, 2010 were $433.0 million. Sales were favorably impacted by a significant increase in volume and favorable foreign exchange of $6.3 million. Sales for the five months ended May 31, 2010 were $508.7 million. Sales were favorably impacted by a significant increase in volume and favorable foreign exchange of $19.3 million. Sales for the nine months ended September 30, 2009 were $632.2 million. Segment profit for the four months ended September 30, 2010 was $37.3 million, which was favorably impacted by the improved volumes and our lean savings, partially offset by the restoration of certain employee pay and benefits and slightly higher raw material costs. Segment profit for the five months ended May 31, 2010 was $590.1 million. As a result of the reorganization and fresh-start accounting adjustments, a gain of $565.1 million was recognized in the North America segment. Segment profit also increased due to improved volumes and the favorable impact of our lean savings, partially offset by the restoration of certain employee pay and benefits, slightly higher raw material costs and recognition of interest on certain prepetition debt obligations for the period of August 3, 2009 through May 27, 2010, which was recorded when our plan of reorganization was approved by the claimholders. Segment loss for the nine months ended September 30, 2009 was $259.7 million, which included impairment charges of $242.2 million for goodwill, intangibles and fixed assets.

International. Sales for the four months ended September 30, 2010 were $368.3 million. Sales were favorably impacted by a significant increase in volume partially offset by unfavorable foreign exchange of $24.3 million. Sales for the five months ended May 31, 2010 were $500.4 million. Sales were favorably impacted by a significant increase in volume and favorable foreign exchange of $33.2 million. Sales for the nine months ended September 30, 2009 were $735.4 million. Segment loss for the four months ended September 30, 2010 was $6.0 million, which was negatively impacted by higher raw material costs, restoration of certain employee pay and benefits and unfavorable foreign exchange partially offset by the improved volumes and our lean savings. Segment profit for the five months ended May 31, 2010 was $86.4 million. As a result of the reorganization and fresh-start accounting adjustments, a gain of $94.9 million was recognized in the International segment. Segment profit also increased due to improved volumes and the favorable impact of our lean savings, partially offset by the restoration of certain employee pay and benefits and slightly higher raw material costs. Segment loss for the nine months ended September 30, 2009 was $165.6 million, which included impairment charges of $120.5 million for goodwill, intangibles and fixed assets.

Segment Results of Operations for the Year Ended December 31, 2009

During 2007, we began reporting our operating results in the following three business segments: Body & Chassis Systems, Fluid Systems and Asia Pacific. The Body & Chassis Systems segment consisted mainly of body sealing products and components that protect vehicle interiors from weather, dust and noise intrusion as well as systems and components that control and isolate noise vibration in a vehicle to improve ride and handling. The Fluid Systems segment consisted primarily of subsystems and components that direct, control, measure and transport fluids and vapors throughout a vehicle. The Asia Pacific segment consisted of both Body & Chassis Systems and Fluid Systems operations in that region with the exception of our interest in a joint venture in China, which was acquired as part of the MAPS acquisition, and the MAP India joint venture. These joint ventures were included in the Body & Chassis Systems segment, which was in line with the internal management structure at the time. We continued to report our operating results in three business segments for all of 2008 and the first quarter of 2009.

On March 26, 2009, we announced the implementation of a plan involving the discontinuation of our Body & Chassis Systems and Fluid Systems segments and the establishment of a new operating structure organized on the basis of geographic regions. Under the plan, our operating structure as well as our reporting segments changed. As a result, we revised our segment disclosure beginning with the second quarter of 2009 from three reportable segments to the following two reportable segments, North America and International (comprising all of our operations outside of North America). Prior periods presented in this prospectus have been recast to conform to the current period presentation.

Table of Contents

The following table presents sales and segment loss for each of our reportable segments for the years ended December 31, 2007, 2008 and 2009:

	For the Year Ended December 31,		
	2007	2008	2009
		(in thousands)	
Sales			
North America	$ 1,526,458	$ 1,244,423	$ 910,306
International	984,695	1,350,154	1,034,953
	$ 2,511,153	$ 2,594,577	$ 1,945,259
Segment loss			
North America	$ (86,723)	$ (36,662)	$ (246,015)
International	(30,737)	(56,563)	(165,859)
	$ (117,460)	$ (93,225)	$ (411,874)

Year ended December 31, 2009 compared to year ended December 31, 2008

North America. Sales decreased $334.1 million, or 26.8%, primarily due to lower sales volume of $302.4 million and unfavorable foreign exchange of $23.4 million. Segment loss increased by $209.4 million primarily due to the increased impairment charges of goodwill, intangibles and fixed assets of $234.9 million, lower sales volume and unfavorable foreign exchange, partially offset by the favorable impact of management actions and various cost saving initiatives.

International. Sales decreased $315.2 million, or 23.3%, primarily due to lower sales volume of $225.6 million and unfavorable foreign exchange $87.4 million. Segment loss increased by $109.3 million primarily due to the increased impairment charges of goodwill, intangibles and fixed assets of $95.2 million, lower sales volume and unfavorable foreign exchange, partially offset by the favorable impact of management actions and various cost saving initiatives.

Year ended December 31, 2008 compared to year ended December 31, 2007

North America. Sales decreased $282.0 million, or 18.5%, primarily due to lower sales volume, partially offset by favorable foreign exchange of $6.0 million. Segment loss decreased by $50.1 million as the result of a decrease of $138.5 million in impairment charges, offset by lower sales volumes and higher raw material costs in 2008.

International. Sales increased $365.5 million, or 37.1%, primarily due to the MAPS and MAP India acquisitions, favorable foreign exchange of $64.6 million, partially offset by lower sales volume. Segment loss increased by $25.8 million as the result of lower sales volume, unfavorable foreign exchange, impairment charges of $25.5 million and higher raw material costs, partially offset by the acquisitions.

Off-Balance Sheet Arrangements

As a part of our working capital management, we sell certain foreign receivables through third party financial institutions without recourse. The amount sold varies each month based on the amount of our underlying receivables and cash flow needs.

As of December 31, 2009 and September 30, 2010, we had $39.7 million and $39.0 million, respectively of receivables outstanding under receivables transfer agreements entered into by various foreign locations. For the four months ended September 30, 2010 and five months ended May 31, 2010, total accounts receivables factored was $31.5 million and $40.6 million, respectively. We incurred losses on the sale of the receivables of $0.9 million in 2009, $0.0 million for the three months ended September 30, 2010, $0.4 million for the five months ended May 31, 2010 and $0.3 million for the four months ended September 30, 2010, which are recorded in other

55

Table of Contents

income (expense) in our consolidated statements of operations. We are continuing to service receivables for one of the locations. These are permitted transactions under our credit agreement. We are also pursuing similar arrangements in various locations.

In addition, during the second quarter of 2009, we elected to participate in the Auto Supplier Support Program sponsored by the U.S. Treasury Department. The Auto Supplier Support Program is designed to provide eligible suppliers with access to government-backed protection on those Chrysler and GM U.S. dollar receivables that are accepted into the program. In applying for the program, we selected the program option that provides government-backed protection on collection of the receivables and expedited payment terms, for which a charge of 3% of the accepted receivables is applicable. We have been designated by both Chrysler and GM as an eligible supplier. During the year ended December 31, 2009, we received payments of $8.9 million and incurred charges of $0.3 million which was recorded in other income (expense) in our consolidated statements of operations.

As of December 31, 2009 and September 30, 2010, we had no other material off-balance sheet arrangements.

At December 31, 2008, we had $43.5 million of receivables outstanding under receivable transfer agreements entered into by various foreign locations. We incurred losses on the sale of the receivables for the year ended December 31, 2008 of $2.2 million, which was recorded in other income (expense) in our consolidated statements of operations.

Liquidity and Capital Resources Prior to Emergence from Bankruptcy Proceedings

Short and long-term liquidity considerations and risks

During the pendency of the chapter 11 cases and the Canadian proceedings, our primary sources of liquidity were cash flows from operations and borrowings made under our DIP credit agreement. In addition to the cash requirements necessary to fund ongoing operations, we incurred significant professional fees and other costs in connection with the chapter 11 cases and the Canadian proceedings.

Cash flows

The following table summarizes our operating, investing and financing activities for the years ended December 31, 2007, 2008 and 2009, the nine months ended September 30, 2009, the five months ended May 31, 2010 and the four months ended September 30, 2010.

	Predecessor					Successor
	For the Year Ended December 31,			For the Nine Months Ended September 30,	For the Five Months Ended May 31,	For the Four Months Ended September 30,
	2007	2008	2009	2009	2010	2010
	(in millions)					
Net cash provided (used) by:						
Operating activities	$ 185.4	$ 136.5	$ 130.0	$ 30.2	$ (75.4)	$ 80.3
Investing activities	(260.0)	(73.9)	(45.5)	(25.2)	(19.1)	(23.4)
Financing activities	$ 55.0	$ 14.1	$ 166.1	$ 118.9	$ (112.6)	$ 0.3

Operating activities

Cash flows provided by operations were $80.3 million for the four months ended September 30, 2010, which includes $17.0 million of cash provided by changes in operating assets and liabilities. Cash flows used in operations were $75.4 million for the five months ended May 31, 2010, which were a result of an increase in our working capital requirements due to the significant increase in volumes and $37.2 million of interest payments on our prepetition debt obligations and DIP facility. Cash flows provided by operations were $30.2 million for the nine months ended September 30, 2009, which included $28.8 million of changes in operating assets and liabilities.

Cash flow provided by operations was $130.0 million in 2009, which included $25.9 million of changes in operating assets and liabilities. Cash flow provided by operations was $136.5 million in 2008, which included $59.3 million of changes in operating assets and liabilities. Cash flow provided by operations was $185.4 million in 2007.

56

Investing activities

Cash used in investing activities was $23.4 million for the four months ended September 30, 2010, which consisted primarily of $23.5 million of capital spending. Cash used in investing activities was $19.1 million for the five months ended May 31, 2010, which consisted of $22.9 million of capital spending offset by proceeds from the sale of assets and other of $3.9 million. Cash used in investing activities was $25.2 million for the nine months ended September 30, 2009, which was primarily capital spending. We anticipate that we will spend approximately $50.0 million to $60.0 million on capital expenditures for the Successor period in 2010.

Cash used in investing activities was $45.5 million in 2009, which primarily consisted of $46.1 million of capital spending. This compared to $73.9 million in 2008, which primarily consisted of $92.1 million of capital spending, partially offset by gross proceeds of $8.6 million from a sale-leaseback transaction and $4.8 million of proceeds from the sale of fixed assets. Cash used in investing activities was $260.0 million in 2007.

We anticipate that we will spend approximately $75.0 million to $85.0 million on capital expenditures in 2010.

Financing activities

Net cash provided by financing activities totaled $0.3 million for the four months ended September 30, 2010, which consisted primarily of an increase in short term debt, partially offset by dividends paid and payments on long-term debt. Net cash used in financing activities totaled $112.6 million for the five months ended May 31, 2010, which primarily resulted from activities related to our emergence from bankruptcy. Payments for settlement on our prepetition debt, DIP facility, debt issuance costs and backstop fees totaled $914.6 million. These payments were offset by cash proceeds from the rights offering conducted pursuant to our plan of reorganization of $355.0 million and our senior notes offering of $450.0 million. Net cash provided by financing activities totaled $118.9 million for the nine months ended September 30, 2009, which consisted primarily of $108.0 million of debtor-in-possession financing, net of debt issuance cost and increased short term debt partially offset by normal debt payments and repurchase of bonds.

Net cash provided by financing activities totaled $166.1 million in 2009, which consisted primarily of debtor-in-possession financing net of debt issuance costs of $154.4 million, a net increase of short-term debt, partially offset by normal debt payments and repurchases of $10.0 million aggregate principal amount of our outstanding prepetition senior notes and our prepetition senior subordinated notes for $0.7 million. Net cash provided by financing activities totaled $14.1 million in 2008, which consisted primarily of a net increase of short-term debt, partially offset by normal debt payments and repurchases of $7.2 million aggregate principal amount of our outstanding prepetition senior notes and prepetition senior subordinated notes for $5.3 million. Net cash provided by financing activities was $55.0 million in 2007.

Financing

Prepetition debt obligations. As of August 3, 2009, the date of the filing of the chapter 11 cases by the debtors, we had approximately $1.2 billion of outstanding indebtedness on a consolidated basis, of which $86.4 million consisted of draws on a senior secured revolving credit facility, $527.0 million consisted of five senior secured term loan facilities, $513.4 million consisted of our prepetition senior notes and our prepetition senior subordinated notes and $50.8 million consisted of debt on account of other credit facilities, capital leases for affiliates, swaps, and other miscellaneous obligations. As a result of the filing of the chapter 11 cases, the loan commitments of the lenders under the prepetition credit agreement were terminated (including the availability under the revolving credit facility, including with respect to standby letters of credit) and all principal and accrued and unpaid interest outstanding under the prepetition credit agreement, our prepetition senior notes and our prepetition senior subordinated notes accelerated and became due and payable, subject to an automatic stay of any action to collect, assert or recover a claim against us as a result of the commencement of the chapter 11 proceedings and applicable bankruptcy law. Effective August 3, 2009, we ceased recording interest expense on outstanding prepetition debt instruments classified as liabilities subject to compromise.

Prepetition senior credit agreement. In connection with Cooper-Standard Holdings Inc. s acquisition of the automotive segment of Cooper Tire & Rubber Company in 2004, or the 2004 acquisition, the Company, CSA U.S. and CSA Canada entered into a credit agreement with various lending institutions, Deutsche Bank Trust Company Americas, as administrative agent, Lehman Commercial Paper Inc., as syndication agent, and Goldman Sachs Credit Partners, L.P., UBS Securities LLC and The Bank of Nova Scotia, as co-documentation agents, or, with subsequent amendments thereto, the prepetition credit agreement, which provided for revolving credit facilities and term loan facilities. Our revolving credit facilities provided for loans in a total principal amount of up to $125.0 million with a maturity of December 2010. The term loan facilities included a Term Loan A facility of the Canadian dollar equivalent of $51.3 million with a maturity of December 2010, a Term Loan B facility of $115.0 million with a maturity of December 2011 and a Term Loan C facility of $185.0 million with a maturity of December 2011. These term loans were used to fund the 2004 acquisition. To finance, in part, the acquisition of fifteen fluid handling systems operations in North America, Europe and China from ITT Industries, Inc. and the MAPS acquisition, we also established and borrowed under two new term loan tranches, with an aggregate of $190 million borrowed in U.S. dollars and 64.725 million borrowed in euros. As of August 3, 2009, the date of the commencement of the chapter 11 proceedings, approximately $613.4 million of principal and accrued and unpaid interest was outstanding under the prepetition credit agreement, of which $86.4 million consisted of draws on the revolving credit facilities and $527.0 million consisted of five term loan facilities.

As a result of the filing of the chapter 11 cases, the loan commitments of the lenders under the prepetition credit agreement were terminated and all principal and accrued and unpaid interest outstanding under the prepetition credit agreement accelerated and became due and payable, subject to an automatic stay under applicable bankruptcy law.

Upon our emergence from bankruptcy, the prepetition credit agreement was cancelled and terminated, including all agreements relating thereto, except to the extent to allow the debtors, reorganized debtors or the administrative agent, as applicable, to make distributions pursuant to our plan of reorganization on account of claims related to such prepetition credit agreement and to perform certain other administrative duties thereunder.

Prepetition senior notes and prepetition senior subordinated notes. In connection with the 2004 acquisition, CSA U.S. issued $200 million aggregate principal amount of our prepetition senior notes, and $350 million aggregate principal amount of our prepetition senior subordinated notes. As a result of the filing of the chapter 11 cases, all principal and accrued and unpaid interest outstanding under our prepetition senior notes and our prepetition senior subordinated notes accelerated and became due and payable, subject to an automatic stay under applicable bankruptcy law.

Upon our emergence from bankruptcy, our prepetition senior notes and our prepetition senior subordinated notes were cancelled and the indentures governing such obligations were terminated, except to the extent to allow the debtors, reorganized debtors or the relevant trustee, as applicable, to make distributions pursuant to our plan of reorganization on account of claims related to such notes and perform certain other administrative duties or exercise certain protective rights thereunder.

DIP financing. In connection with the commencement of the chapter 11 cases and the Canadian proceedings, we and certain of our subsidiaries entered into a Debtor-In-Possession Credit Agreement, dated August 5, 2009, or our initial DIP credit agreement, with various lenders party thereto. On December 2, 2009, Metzeler Automotive Profile Systems GmbH, a German limited liability company, became an additional borrower under our initial DIP credit agreement. Under our initial DIP credit agreement, we borrowed an aggregate of $175 million principal amount of superpriority senior secured term loans in order to finance our operating, working capital and other general corporate needs (including the payment of fees and expenses in accordance with the orders of the Bankruptcy Court and the Canadian Court authorizing such borrowings).

In order to refinance our initial DIP credit agreement on terms more favorable to us, we and certain of our subsidiaries entered into our DIP credit agreement on December 18, 2009 with various lenders party thereto, which provided for superpriority senior secured term loans in an aggregate principal amount of up to $175 million, subject to certain conditions, and an uncommitted $25 million incremental facility.

Following the entry of a final order by the Bankruptcy Court approving our DIP credit agreement, on December 29, 2009, we borrowed $175 million under our DIP credit agreement. All of the proceeds of the borrowings under our DIP credit agreement, together with our cash on hand, were used to repay all borrowings and amounts outstanding under our initial DIP credit agreement, and to pay related fees and expenses. We prepaid $25 million of the borrowings under our DIP credit agreement on each of January 29, 2010, March 26, 2010 and April 20, 2010. In addition, we repaid $0.2 million on March 31, 2010. The remaining balance was repaid upon our emergence from bankruptcy, at which time our DIP credit agreement was cancelled and terminated, including all agreements related thereto.

Liquidity and Capital Resources After Emergence from Bankruptcy Proceedings

As part of our plan of reorganization, we issued $450 million of our senior notes and entered into our $125 million senior ABL facility. Proceeds from our senior notes offering, together with proceeds of the rights offering and cash on hand, was used to pay claims under the prepetition credit agreement, our DIP credit agreement and the portion of the prepetition senior notes payable in cash, in full, together with related fees and expenses. Upon our emergence from bankruptcy, we had $479.3 million of outstanding indebtedness, consisting of $450 million of our senior notes and $29.3 million in other debt of certain of our foreign subsidiaries. We intend to fund our ongoing capital and working capital requirements through a combination of cash flows from operations and borrowings under our senior ABL facility. We anticipate that funds generated by operations and funds available under our senior ABL facility will be sufficient to meet working capital requirements for the next 12 months. For a description of our senior notes and our senior ABL facility, see Description of Certain Indebtedness.

Based on our current and anticipated levels of operations and the condition in our markets and industry, we believe that our cash on hand, cash flow from operations and availability under our senior ABL facility will enable us to meet our working capital, capital expenditures, debt service and other funding requirements for the foreseeable future. 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, including those described under Risk Factors herein. Any future acquisitions, joint ventures or other similar transactions will likely require additional capital and there can be no assurance that any such capital will be available to us on acceptable terms, if at all.

Senior ABL facility

On the date of our emergence from bankruptcy, the Company, CSA U.S., or the U.S. Borrower, CSA Canada, or the Canadian Borrower and, together with the U.S. Borrower, the Borrowers, and certain subsidiaries of the U.S. Borrower entered into a senior secured asset-based revolving credit facility, or our senior ABL facility, with certain lenders, Bank of America, N.A., as agent, or the Agent, for such lenders, Deutsche Bank Trust Company Americas, as syndication agent, and Banc of America Securities LLC, Deutsche Bank Securities Inc., UBS Securities LLC and Barclays Capital, as joint lead arrangers and bookrunners. A summary of our senior ABL facility is set forth below. Also see Description of Certain Indebtedness Senior ABL Facility for more information on our senior ABL facility. This description and the description in Description of Certain Indebtedness Senior ABL facility are qualified in their entirety by reference to the credit agreement governing our senior ABL facility, which is included as an exhibit to the registration statement of which this prospectus is a part.

General. Our senior ABL facility provides for an aggregate revolving loan availability of up to $125 million, subject to borrowing base availability, including a $45 million letter of credit sub-facility and a $20 million swing line sub-facility. Our senior ABL facility also provides for an uncommitted $25 million incremental loan facility, for a potential total senior ABL facility of $150 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.

Maturity. Any borrowings under our senior ABL facility will mature, and the commitments of the lenders under our senior ABL facility will terminate, on May 27, 2014.

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) up to 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 an independent appraisal. 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: $100 million to the U.S. Borrower and $25 million to the Canadian Borrower.

Guarantees; security. The obligations of the U.S. Borrower under our senior ABL facility and cash management arrangements and interest rate, foreign currency or commodity swaps entered into by us, in each case with the lenders and their affiliates, or, collectively, additional ABL secured obligations, are guaranteed on a senior secured basis by us and all of our U.S. subsidiaries (other than CS Automotive LLC), and the 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 us, all of the Canadian subsidiaries of the Canadian Borrower and all of our U.S. subsidiaries. The U.S. Borrower guarantees the additional ABL secured obligations of its subsidiaries and the Canadian Borrower guarantees the additional ABL secured obligations of its Canadian subsidiaries. The obligations under our senior ABL facility and related guarantees are secured by 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 and securities accounts and certain related assets and proceeds of the foregoing.

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; or

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

The initial applicable margin is 3.5% with respect to the LIBOR or BA-based borrowings and 2.5% with respect to base rate, Canadian prime rate and Canadian base rate borrowings. The applicable margin is subject, in each case, to quarterly performance pricing adjustments commencing six months after the closing date.

Covenants; events of default. Our senior ABL facility includes affirmative and negative covenants that will impose substantial restrictions on our financial and business operations, including its 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 1.1 to 1.0 when availability under our senior ABL facility is less than specified levels. Our senior ABL facility also contains various events of default that are customary for comparable facilities.

Our current revenue forecast for 2010 is determined from specific platform volume projections consistent with a North American and European light vehicle production estimate of 11.8 million units and 18.0 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. We took significant actions during the second half of 2008 and first quarter of 2009 to reduce our cost base and improve profitability. While we believe the vehicle production and other assumptions within our forecast are reasonable, we have also considered the possibility of even weaker demand. 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.

Senior notes due 2018

On May 11, 2010, CSA Escrow Corporation, or the escrow issuer, an indirect wholly-owned non-debtor subsidiary of CSA U.S. closed an offering of $450 million aggregate principal amount of our senior notes. Our senior notes were issued in a private placement exempt from registration under the Securities Act of 1933, as amended. A summary of our senior notes is set forth below. Also see Description of Certain Indebtedness Senior Notes due 2018 for more information on our senior notes. This description and the description in Description of Certain Indebtedness Senior Notes due 2018 are qualified in their entirety by reference to the indenture governing our senior notes, which is included as an exhibit to the registration statement of which this prospectus is a part.

General. Our senior notes were issued pursuant to an indenture dated May 11, 2010 by and between the escrow issuer and the trustee thereunder. Upon satisfaction of the escrow release conditions described above, the escrow issuer was merged with and into CSA U.S., with CSA U.S. as the surviving entity, and upon the consummation of the merger, CSA U.S. assumed all of the obligations of the escrow issuer under our senior notes and the indenture and the guarantees by the guarantors became effective, or the assumption. For purposes of this description, references to the issuer prior to the assumption refer to the escrow issuer and after the assumption refer to CSA U.S.

Guarantees. Our senior notes are guaranteed, jointly and severally, on a senior unsecured basis, by us and all of CSA U.S. wholly-owned domestic restricted subsidiaries, together with the escrow issuer, the obligors. If CSA U.S. or any of its domestic restricted subsidiaries acquires or creates another wholly-owned domestic restricted subsidiary that guarantees certain debt of CSA U.S. or a guarantor, such newly acquired or created subsidiary will also guarantee our senior notes.

Ranking. Our senior notes and guarantees constitute senior debt of the obligors. They (1) rank equally in right of payment with all of the obligors existing and future senior debt, (2) rank senior in right of payment to all of the obligors existing and future subordinated debt, (3) are effectively subordinated in right of payment to all of the obligors existing and future secured indebtedness and secured obligations to the extent of the value of the collateral securing such indebtedness and obligations and (4) are structurally subordinated to all existing and future indebtedness and other liabilities of the issuer s non-guarantor subsidiaries (other than indebtedness and liabilities owed to the issuer or one of its guarantor subsidiaries).

Optional redemption. The issuer has the right to redeem our senior notes at the redemption prices set forth below:

- on and after May 1, 2014, all or a portion of our senior notes may be redeemed at a redemption price of 104.250% of the principal amount thereof if redeemed during the twelve-month period beginning on May 1, 2014, 102.125% of the principal amount thereof if redeemed during the twelve-month period beginning on May 1, 2015, and 100% of the principal amount thereof if redeemed on or after May 1, 2016, plus any accrued an unpaid interest to the redemption date;

- prior to May 1, 2013, up to 35% of our senior notes issued under the indenture may be redeemed with the proceeds from certain equity offerings at a redemption price of 108.50% of the principal amount thereof, plus any accrued and unpaid interest to the redemption date; and

- prior to May 1, 2014, all or a portion of our senior notes may be redeemed at a price equal to 100% of the principal amount thereof plus a make-whole premium.

Table of Contents

Change of control. If a change of control occurs, unless CSA U.S. has exercised its right to redeem all of our outstanding senior notes through an optional redemption, each noteholder shall have the right to require that CSA U.S. repurchase such noteholder s senior notes at a purchase price in cash equal to 101% of the principal amount on the date of purchase plus accrued and unpaid interest, if any, to the date of purchase, subject to the right of the noteholders of record on the relevant record date to receive interest due on the relevant interest payment date.

Covenants. The indenture limits, among other things, the ability of CSA U.S and its restricted subsidiaries to pay dividends or distributions, repurchase equity, prepay subordinated debt or make certain investments, incur additional debt or issue certain disqualified stock and preferred stock, incur liens, merge or consolidate with another company or sell all or substantially all of its assets, enter into transactions with affiliates and allow to exist certain restrictions on the ability of the subsidiary guarantors to pay dividends or make other payments to CSA U.S., in each case, subject to exclusions and other customary exceptions. In addition, certain of these covenants will not be applicable during any period of time when our senior notes have an investment grade rating. The indenture also contains customary events of default.

EBITDA and Adjusted EBITDA

In evaluating our business, management considers EBITDA and Adjusted EBITDA as key indicators of our operating performance. Our management also uses EBITDA and Adjusted EBITDA:

- 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, see Management Compensation Discussion and Analysis ;
- 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 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.

In addition, we believe EBITDA and Adjusted EBITDA and similar measures are widely used by investors, securities analysts and other interested parties in evaluating our performance. We define Adjusted EBITDA as net income (loss) plus provision for income tax expense (benefit), interest expense, net of interest income, depreciation and amortization or EBITDA, as adjusted for items that management does not consider to be reflective of our core operating performance. These adjustments include restructuring costs, impairment charges, non-cash fair value adjustments, acquisition related costs, professional fees and expenses associated with our reorganization, non-cash stock based compensation and non-cash gains and losses from certain foreign currency transactions and translation.

We calculate EBITDA and Adjusted EBITDA by adjusting net income (loss) to eliminate the impact of a number of items we do not consider indicative of our ongoing operating performance. You are encouraged to evaluate each adjustment and the reasons we consider it appropriate for supplemental analysis. However, EBITDA and Adjusted EBITDA are not financial measurements recognized under U.S. generally accepted accounting principles, or U.S. GAAP, and when analyzing our operating performance, investors should use EBITDA and Adjusted EBITDA in addition to, and not as an alternative for, net income (loss), operating income, or any other performance measure derived in accordance with U.S. GAAP, or as an alternative to cash flow from operating activities as a measure of our liquidity. EBITDA and Adjusted EBITDA have limitations as analytical tools, and

Table of Contents

they should not be considered in isolation or as substitutes for analysis of our results of operations as reported under U.S. GAAP. These limitations include:

- they do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;
- they do not reflect changes in, or cash requirements for, our working capital needs;
- they do not reflect interest expense or cash requirements necessary to service interest or principal payments under our senior notes and senior ABL facility;
- they do not reflect certain tax payments that may represent a reduction in cash available to us;
- although depreciation and amortization are non-cash charges, the assets being depreciated or amortized may have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect cash requirements for such replacements; and
- other companies, including companies in our industry, may calculate these measures differently and, as the number of differences in the way companies calculate these measures increases, the degree of their usefulness as a comparative measure correspondingly decreases.

In addition, in evaluating Adjusted EBITDA, it should be noted that in the future we may incur expenses similar to the adjustments in the below presentation. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

The following table provides a reconciliation of EBITDA and Adjusted EBITDA to net income (loss), which is the most directly comparable financial measure presented in accordance with U.S. GAAP:

	Year Ended December 31,			Historical Nine Months Ended September 30,	Five Months Ended May 31,	Four Months Ended September 30,
	2007	2008	2009	2009	2010	2010
				(in millions)		
Net income (loss) attributable to Cooper-Standard Holdings Inc.	$ (151.0)	$ (121.5)	$ (356.1)	$ (393.5)	$ 636.3	$ 25.8
Plus:						
Provision for income tax expense (benefit)	32.9	29.3	(55.7)	(31.3)	39.9	5.4
Interest expense, net of interest income	89.6	92.9	64.3	53.6	44.5	14.2
Depreciation and amortization	136.0	140.1	113.9	88.1	35.7	36.9
EBITDA	$ 107.5	$ 140.8	$ (233.6)	$ (283.1)	$ 756.4	$ 82.3
Restructuring	26.4	30.6	32.4	32.9	5.9	1.2
Foreign exchange losses (gains)	(0.1)	0.1	(4.2)	(10.8)	17.2	(0.1)
Net gain on bond repurchase(a)		(1.7)	(9.1)	(9.1)		
Inventory write-up(b)	2.5					8.1
Impairment(c)	146.4	36.0	363.5	362.7		
Reorganization costs(d)			25.1	5.6	(660.0)	
Transition and integration costs(e)	1.5	0.5				

Stock compensation expense(f)	1.5	1.2	1.4		0.2	3.6
Other		2.7	1.0	7.5	0.3	(0.3)
Adjusted EBITDA	$ 285.7	$ 210.2	$ 176.5	$ 105.7	$ 120.0	$ 94.8

63

(a) Net gain on purchases of our prepetition senior subordinated notes.
(b) Write-ups of inventory to fair value.
(c) For the year ended December 31, 2007, impairment included charges related to goodwill of $142.9 million and certain intangibles of $3.5 million. For the year ended December 31, 2008, impairment included charges related to goodwill of $23.1 million, certain intangibles of $3.9 million, fixed assets of $6.4 million and our investment in Guyoung of $2.7 million. For the year ended December 31, 2009, impairment included charges related to goodwill of $157.2 million, certain intangibles of $202.4 million and fixed assets of $3.9 million.
(d) Reorganization and bankruptcy-related expenses, including the effect of the Fresh-Start Adjustments and professional fees incurred before our bankruptcy filing in 2009.
(e) Transition and integration costs related to the acquisition of MAPS and El Jarudo in 2007 and MAP India in 2008.
(f) Compensation expense related to stock options and stock units issued to management.

Working Capital

Historically, we have not generally experienced difficulties in collecting our accounts receivable, but the dynamics associated with the recent economic downturn have impacted both the amount of our receivables and the stressed ability for our customers to pay within normal terms. Certain government sponsored programs may ease these constraints, but pressure on accounts receivable will continue until vehicle sales and production volumes stabilize. As of September 30, 2010, we had net cash of $232.3 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 disclosed, the below tables do not include information on our recurring purchase of materials for use in production, as our raw materials purchase contracts typically do not meet this definition because they do not require fixed or minimum quantities.

In addition to our contractual obligations and commitments set forth in the table below, 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 cash contributions of approximately $14.8 million to our domestic and foreign pension plan asset portfolios in 2010. Our minimum funding requirements after 2010 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. 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 $3.6 million in 2010.

In addition, excluded from the contractual obligation table are open purchase orders at September 30, 2010 for raw materials and supplies used in the normal course of business, supply contracts with customers, distribution agreements, joint venture agreements and other contracts without express funding requirements.

Table of Contents

The following table summarizes the total amounts due as of September 30, 2010, under all debt agreements, commitments and other contractual obligations.

		Payment due by period	
Contractual Obligations	**Total**	**Less than 1 year**	**1-3 Years**