



RATIONAL的SelfCooking Center®

总是仅需 选取烹饪原料 确定烹饪结果 这就行了!

**RATIONAL**

Key figures	Thousands of euros	1. Quarter 2007	1. Quarter 2006	Change
	Sales		73,949	62,878
Sales abroad as a percentage of sales		85%	85%	+/- 0%-pts.
Cost of sales		30,150	24,890	+21%
as a percentage of sales		40.8%	39.6%	
Gross profit		43,799	37,988	+15%
as a percentage of sales		59.2%	60.4%	
Sales and service expenses		19,401	17,720	+9%
as a percentage of sales		26.2%	28.2%	
Research and development expenses		2,715	2,452	+11%
as a percentage of sales		3.7%	3.9%	
General administration expenses		3,870	3,056	+27%
as a percentage of sales		5.2%	4.9%	
EBIT – earnings before interest and taxes		17,539	14,648	+20%
as a percentage of sales		23.7%	23.3%	
EBT – earnings before taxes		17,714	14,665	+21%
as a percentage of sales		24.0%	23.3%	
Group earnings		11,329	9,334	+21%
as a percentage of sales		15.3%	14.8%	
per share in euros		1.00	0.82	
Employees (as an annual average)		927	837	+11%
Sales per employee		79.8	75.1	+6%
Cash flow from operating activities		4,190	7,917	-47%
per share in euros		0.37	0.70	
Balance sheet total		152,549	140,861	+8%
Equity as a percentage		117,478	97,398	+21%
of balance sheet total		77.0%	69.1%	
Working capital (without liquid funds)		63,433	55,161	+15%
as a percentage of sales		85.8%	87.7%	

Dear Shareholders,  
Dear Business Partners,

Thank you for your interest in RATIONAL AG.

This report sets out information on RATIONAL AG's business situation in the first quarter of 2007, along with the prospects for the further development of the company during fiscal year 2007.

### **Economic report**

#### **Robust global economy**

Even after four years of strong expansion there was still plenty of momentum in the global economy as 2007 dawned. The Institute for the World Economy (IfW) has revised its forecast for growth in global production upwards from 4.4 percent to 4.7 percent. This optimistic outlook is based on the assessment that the growth in the world's production potential has intensified considerably in recent years. While it is expected that macroeconomic capacity utilization will continue to fall in the US until next year, the upturn in Japan and the European Union looks set to continue.

The euro has strengthened considerably compared to the first quarter of the previous year, particularly against the US dollar and the Japanese yen.

### **Business development**

#### **RATIONAL sales up by 18 percent**

With sales growth of 11 million euros or 18 percent to 73.9 million euros (previous year 62.9 million euros) RATIONAL AG has continued with its impressive international course of success in the first quarter of 2007. The strongest growth was seen not simply in the established subsidiaries in the industrialized countries, but above all in sales in the new markets of Eastern Europe, Latin America and Asia. Opening up high-potential markets with our own extremely efficient sales organizations proved once again to be the guarantee of successful growth for RATIONAL AG in the first quarter of 2007.

#### **EBIT up over-proportionately by 20 percent**

Despite the further significant rise in raw material prices at the start of 2007, especially the alloy surcharge for high-grade stainless steel, the 20 percent rise in EBIT (earnings before interest and taxes) to 17.5 million euros (previous year 14.6 million euros) was above average. The EBIT margin is also slightly up, from 23.3 percent to 23.7 percent. Major productivity gains were achieved again in manufacturing as well as in sales and service costs, where, according to the principle "learning from the best", the sales subsidiaries were able to translate RATIONAL's uniform global sales process into action with ever increasing success. The over-proportionate rise in administrative costs is because of higher consultancy fees and severance payments in the reporting period.

### Higher growth thanks to cell division, success in new markets

In many companies increasing growth and increasing size bring with them disproportionate complexity, division of labour and hierarchical levels. Consistent focus on customer benefit often falls by the wayside. To prevent this happening from the outset, RATIONAL has for years been divided into transparent, legally autonomous subsidiaries with professional entrepreneurial management and clearly defined tasks. Employees of any company know their precise objectives and tasks, and hence their contribution to customer benefit. As entrepreneurs within the business they take personal responsibility and make whatever decisions are needed themselves.



One example of the successful implementation of this strategy is the new subsidiary RATIONAL International AG established in 2006. With its flexible and highly efficient sales structures the company mainly focuses on tapping growth potential in emerging countries. In this way RATIONAL AG is in an ideal position to take advantage of the fast-growing economic importance of the emerging markets.

The economic strength of the emerging markets has already reached the level of the traditional industrialized countries and is likely to surpass them more and more in

coming years. In future the world's major economies will be China, the US, Japan, India and Russia.

### Participation in trade fairs impresses customers worldwide

RATIONAL AG has fundamentally revamped its international trade fair strategy. To impress upon visitors to trade fairs its message about the benefits and the time that the SelfCooking Center® frees up for chefs in professional kitchens to give free rein to their creativity, the excellent quality of the food and attractively presented dishes are at the centre of RATIONAL's gastronomic experience. At fairs held in the first quarter of 2007, such as "Internorga" in Hamburg, "Hostelequip" in Malaga, "Alles für den Gast" in Salzburg, "Hoteres" in Tokyo or "Eurogastro" in Warsaw, visitors were highly impressed by the technology on view on the RATIONAL stand.



# ... always better: New trade fair concept



## Malaga, Spain

The new RATIONAL trade fair concept delighted visitors on the HOSTELEQUIP in Spain from March 03 to 06, 2007. Booth-design and demonstration have been perfectly synchronised.



## Tokio, Japan

On the HOTERES from March 13 to 16, 2007 RATIONAL reached new records. With a huge increase in customer contacts the exhibition was the most successful ever for the team of RATIONAL Japan.



## Hamburg, Germany

The INTERNORGA from March 09 to 14, 2007 was the most successful ever for RATIONAL Germany. Experienced and motivated employees generated customer contacts on a new top level.

### International Best Service Award 2007

The International Best Service Award is one of the most prestigious international awards for innovative and future-oriented service strategies. More than 30 companies from around the globe with excellent service organizations competed for the International Best Service Award, which is supported by famous names such as SAP and the business magazine "Markt und Mittelstand". RATIONAL AG excelled in the customer service category and as one of the Top 3 companies won the "International Best Service Award 2007" for its outstanding worldwide service partner strategy. Another crucial factor was the strictly applied "one-piece-flow process" and the "Entrepreneurs in the Business" principle practised by all employees. The award was presented by Prof. Pfeiffer from the University of Reutlingen in Germany at the award ceremony held on February 22, 2007 in Berlin.

### Investor Relations is a Board matter

Investor Relations work has a very high profile at RATIONAL AG. Board members are always personally available to shareholders, analysts, fund managers and interested parties. We regard open, transparent and timely provision of information for everyone involved in the capital market as our prime maxim. In the first quarter of 2007 the Board provided full details of business trends and future plans for the company at the Financial Statement Press Conference in Munich, the DVFA analysts' conference in Frankfurt, at roadshows in Zurich, Paris, Edinburgh, London, Amsterdam and Vienna, and during numerous visits by international investors to the company's headquarter in Landsberg.

## I Risk report

### Opportunities and risks



The opportunities for the further successful development of RATIONAL AG lie in its competition-beating technology, the transparent and highly efficient global sales and marketing network with its own sales subsidiaries and the fact that only a small part of the potential market of 2.5 million professional kitchens with a requirement for RATIONAL technology has been tapped. The technology lead is being further extended through targeted investment in research and development.

# ... always better: International recognition



RATIONAL AG was honoured with the „International Best Service Award 2007“ as one of the Top 3 companies.

## European Roadshows

EDINBURGH



VIENNA



LONDON



ZURICH



AMSTERDAM



PARIS



Opening up new markets and the ever better penetration of established markets combined with rising sales efficiency are also the safeguard for future outstanding sales opportunities.

Theoretical risks predominantly relate to a further rise in raw material prices, the increasing strength of the euro against the USD, GBP and JPY, and general geopolitical processes of change in individual sales markets. Risk reducing effect come from the fact, that some 70 percent of total sales are handled in euro.

RATIONAL AG possesses an international risk management system ideally suited to identify and analyse opportunities and risks at an early stage and to take the appropriate measures.

## **I Outlook**

### **High sales and earnings growth for 2007 confirmed**

2007 will see investment in the further expansion of the international sales and marketing network, in research and development and in the expansion of production capacities. With the SelfCooking Center® and the VarioCooking Center® the RATIONAL group has a unique, innovative technology platform entailing maximum customer acceptance. Against this background we expect sales growth in fiscal 2007 of 15 percent to 325 million euros, together with a rise in EBIT, also of 15 percent, to 93 million euros.

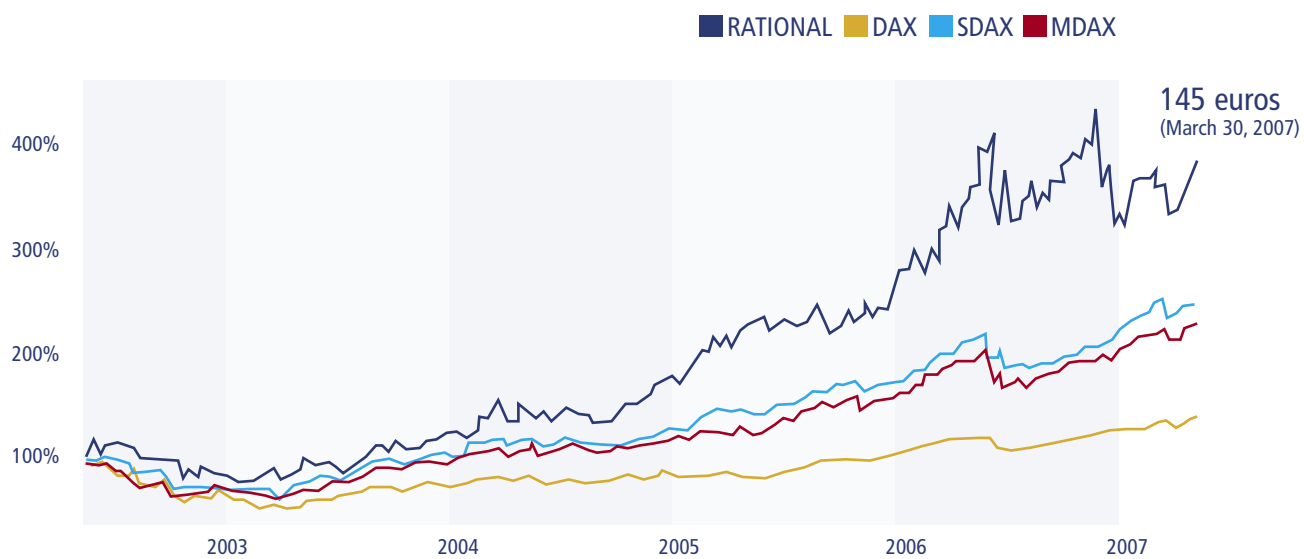
Landsberg am Lech, April 27, 2007

RATIONAL AG  
The Managing Board

---



# ... always better: the RATIONAL share



## Finance calendar 2007



## Income Statement RATIONAL Group

Thousands of euros	Q1 2007	Q1 2006
Sales	73,949	62,878
Cost of sales	-30,150	-24,890
<b>Gross profit</b>	<b>43,799</b>	<b>37,988</b>
Sales and service expenses	-19,401	-17,720
Research and development expenses	-2,715	-2,452
General administration expenses	-3,870	-3,056
Other operating income	613	1,052
Other operating expenses	-887	-1,164
<b>Earnings before interest and taxes (EBIT)</b>	<b>17,539</b>	<b>14,648</b>
Financial results	175	17
<b>Earnings before taxes (EBT)</b>	<b>17,714</b>	<b>14,665</b>
Taxes on income	-6,385	-5,331
<b>Group earnings</b>	<b>11,329</b>	<b>9,334</b>
<b>Retained earnings brought forward</b>	<b>66,914</b>	<b>49,248</b>
<b>Retained earnings</b>	<b>78,243</b>	<b>58,582</b>

	Q1 2007	Q1 2006
Average number of shares (undiluted)	11,370,000	11,370,000
Earnings per share (undiluted) in euros relating to the consolidated results and the number of shares	1.00	0.82
Average number of shares (diluted)	11,370,000	11,381,500
Earnings per share (diluted) in euros relating to the consolidated results and the number of shares	1.00	0.82

Balance Sheet RATIONAL Group Assets	Thousands of euros	March 31, 2007	March 31, 2006	Dec. 31, 2006
<b>Long-term assets</b>		<b>32,508</b>	32,064	32,525
Intangible assets		1,741	1,051	1,441
Property, plant and equipment		27,305	27,456	27,576
Financial assets		218	218	218
Other long-term assets		101	94	191
Deferred tax assets		3,143	3,245	3,099
<b>Short-term assets</b>		<b>120,041</b>	108,797	114,034
Inventories		16,918	15,322	15,496
Trade receivables		55,513	46,323	53,140
Other short-term assets		4,331	3,374	4,815
Securities		5,996	12,997	-
Cash and cash equivalents		37,283	30,781	40,583
<b>Balance sheet total</b>		<b>152,549</b>	140,861	146,559

Balance Sheet RATIONAL Group Equity and liabilities	Thousands of euros	March 31, 2007	March 31, 2006	Dec. 31, 2006
<b>Equity</b>		<b>117,478</b>	97,398	105,816
Subscribed capital		11,370	11,370	11,370
Capital reserves		27,351	26,932	27,018
Revenue reserves		514	514	514
Retained earnings		78,243	58,582	66,914
<b>Long-term liabilities</b>		<b>3,379</b>	4,388	3,633
Provision for pensions		677	689	672
Other long-term liabilities		2,702	3,699	2,961
<b>Short-term liabilities</b>		<b>31,692</b>	39,075	37,110
Liabilities for current tax		2,340	5,655	3,432
Short-term provisions		15,546	16,867	17,675
Liabilities to banks		-	5,620	-
Trade accounts payable		10,302	6,820	6,787
Other short-term liabilities		3,504	4,113	9,216
<b>Liabilities</b>		<b>35,071</b>	43,463	40,743
<b>Balance sheet total</b>		<b>152,549</b>	140,861	146,559

## Statement of Changes in Equity RATIONAL Group

Thousands of euros	Subscribed capital	Capital reserve	thereof non-realised	Revenue reserves	Retained earnings	Total
<b>Balance at Jan. 1, 2006</b>	<b>11,370</b>	<b>28,792</b>	<b>-2,338</b>	<b>514</b>	<b>49,248</b>	<b>89,924</b>
Dividends	-	-	-	-	-	-
Group earnings	-	-	-	-	9,334	9,334
Differences from currency conversion	-	-59	-	-	-	-59
Other changes	-	-1,801	-1,801	-	-	-1,801
Total changes	-	-1,860	-1,801	-	9,334	7,474
<b>Balance at Mar. 31, 2006</b>	<b>11,370</b>	<b>26,932</b>	<b>-4,139</b>	<b>514</b>	<b>58,582</b>	<b>97,398</b>
<b>Balance at Jan. 1, 2007</b>	<b>11,370</b>	<b>27,018</b>	<b>-3,792</b>	<b>514</b>	<b>66,914</b>	<b>105,816</b>
Dividends	-	-	-	-	-	-
Group earnings	-	-	-	-	11,329	11,329
Differences from currency conversion	-	333	333	-	-	333
Other changes	-	-	-	-	-	-
Total changes	-	333	333	-	11,329	11,662
<b>Balance at Mar. 31, 2007</b>	<b>11,370</b>	<b>27,351</b>	<b>-3,459</b>	<b>514</b>	<b>78,243</b>	<b>117,478</b>

## Cash Flow Statement RATIONAL Group

Thousands of euros	Q1 2007	Q1 2006
Earnings from ordinary activities	17,714	14,665
Cash flow from operating activities	4,190	7,917
Cash flow from investing activities	-1,010	-1,688
Cash flow from financing activities	-438	5,814
Exchange rate changes	-46	-28
Change in cash funds	2,696	12,015
Cash on January 1	40,583	31,763
Cash on March 31	43,279	43,778
Cash in hand, cash in bank accounts, securities on March 31	43,279	43,778
Long-term funds not included in cash position (> 3 months)	0	0

## Sales

Thousands of euros	Q1 2007		Q1 2006	
Germany	11,443	15%	9,359	15%
Europe (excluding Germany)	42,229	57%	34,696	55%
Americas	8,506	12%	7,959	13%
Asia	8,453	11%	7,842	12%
Rest of the world *)	3,318	5%	3,022	5%
<b>Total</b>	<b>73,949</b>	<b>100%</b>	<b>62,878</b>	<b>100%</b>

\*) Australia, New Zealand, Near/Middle East, Africa

The sales per region are shown according to customer location.



Segment reporting Q1 2007 Thousands of euros	Activities of the subsidiaries in:				Activities of the parent company	Total for segments	Reconcl.	Group
	Germany	Europe excl. Germany	Americas	Asia				
<b>External sales*</b>	11,354	47,918	6,735	2,703	5,239	<b>73,949</b>	-	<b>73,949</b>
vs. previous year	+22%	+25%	+9%	-9%	-15%	+18%	-	+18%
share	15%	65%	9%	4%	7%	100%	-	100%
<b>Inter-company sales</b>	-	686	-	-	48,817	<b>49,503</b>	-	<b>49,503</b>
<b>Segment sales*</b>	11,354	48,604	6,735	2,703	54,056	<b>123,452</b>	-	<b>123,452</b>
vs. previous year	+22%	+25%	+9%	-9%	+14%	+18%	-	+18%
<b>Segment result*</b>	21	3,860	-431	-116	14,281	<b>17,615</b>	-75	<b>17,539</b>
vs. previous year	+292	+3,336	-883	-89	+598	+3,254	-363	+2,891

\* Compared to 2006 the new group structure has effects on sales and results especially in the segments "Parent company" and "Europe"

Segment reporting Q1 2006 Thousands of euros	Activities of the subsidiaries in:				Activities of the parent company	Total for segments	Reconcl.	Group
	Germany	Europe excl. Germany	Americas	Asia				
<b>External sales</b>	9,311	38,301	6,155	2,977	6,134	<b>62,878</b>	-	<b>62,878</b>
share	15%	61%	10%	4%	10%	100%	-	100%
<b>Inter-company sales</b>	-	435	-	-	41,299	<b>41,734</b>	-	<b>41,734</b>
<b>Segment sales</b>	9,311	38,736	6,155	2,977	47,433	<b>104,612</b>	-	<b>104,612</b>
<b>Segment result</b>	- 271	524	452	-27	13,683	<b>14,361</b>	287	<b>14,648</b>

## I Segment reporting

RATIONAL activities are focussed on one business segment: the development, production and marketing of devices used for the thermal preparation of food in industrial kitchens. The company does currently not engage in further significant independent product lines which are also reported internally as segments. That is why the primary and only reporting format for the segments is organised geographically. In the segments RATIONAL summarises the subsidiaries in the geographical regions in accordance with the stipulations in IAS 14.13 governing the structure according to the location of assets.

Besides the segments Germany, Europe excl. Germany, Americas and Asia the fifth segment represents the activities of the parent company, including the LechMetall Landsberg GmbH and the RATIONAL Technical Services GmbH, founded in April 2004. The activity of this segment comprises the development, production and delivery of the products to the subsidiaries, but also the supply of OEM-customers around the world. Sales revenues of FRIMA Deutschland GmbH have been allocated from segment "Europe" to segment "Germany" for business year 2006. The reconciliation column reflects the effects of consolidation.

- | Accounting principles** The consolidated financial statements of RATIONAL AG as per March 31, 2007 were prepared in compliance with the International Accounting Standards (IAS) adopted and published by the International Accounting Standards Board (IASB) and the International Financial Reporting Standards (IFRS), and their interpretation by the Standing Interpretation Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC) respectively as these are to be applied in the EU, along with the IFRS in their entirety and those supplementary conditions to be applied as per section 315a (1) German Commercial Code (HGB). All the effective standards for the financial year 2007 were taken into account, with the result that a true and fair view of the RATIONAL group's net assets, financial positions and result of operations has been given. The accounting, valuation and consolidation methods remain unchanged from those used last year. Balance sheet structure is in accordance with requirements of IAS 1.
- | Consolidated companies** The consolidated companies as per March 31, 2007 comprise four domestic and fifteen foreign subsidiaries, beside RATIONAL AG as the parent company. There is no change in consolidated companies versus 1st quarter 2006 and balance sheet date December 31, 2006.
- | Associated companies and persons** There were no significant transactions with companies or people associated in any way whatsoever with RATIONAL AG in the 1st quarter 2007.
- | Change in the Executive Board** Mr Thomas Polonyi, chief operating officer sales and marketing, left the RATIONAL AG by mutual agreement as from April 30, 2007.
- | DVFA result** DVFA result as per March 31, 2007 matches to earnings per share according to IAS/IFRS as shown in the profit and loss statement.





Iglinger Straße 62  
86899 Landsberg am Lech  
Tel. 08191 3270  
Fax 08191 327272  
[www.rational-ag.com](http://www.rational-ag.com)