



Experiencing  
customer benefit



Report on the  
1st Quarter 2013

# Key Figures

in m EUR	1st Quarter 2013	1st Quarter 2012	Change absolute	Change in %
<b>Sales and earnings</b>				
Sales	104.0	96.9	+7.1	+7
Sales abroad in %	87	86	+1.0	-
Cost of sales	41.9	39.4	+2.5	+7
Sales and service expenses	28.3	26.9	+1.4	+5
Research and development expenses	3.9	3.3	+0.6	+18
General administration expenses	5.2	4.4	+0.8	+18
Earnings before interest and taxes (EBIT)	24.7	22.9	+1.8	+8
Group earnings	18.7	17.2	+1.5	+9
<b>Balance sheet</b>				
Balance sheet total	336.6	289.9	+46.7	+16
Working capital <sup>1)</sup>	78.7	77.2	+1.5	+2
Equity	255.8	224.0	+31.8	+14
Equity ratio in %	76.0	77.3	-1.3	-
<b>Cash flow</b>				
Cash flow from operating activities	7.8	12.9	-5.1	-39
Investments	3.1	1.5	+1.6	+107
Free cash flow <sup>2)</sup>	4.7	11.4	-6.7	-59
<b>Key figures RATIONAL shares</b>				
Earnings per share (in EUR)	1.64	1.51	+0.13	+9
Quarter-end closing price <sup>3)</sup> (in EUR)	233.53	174.70	+58.83	+34
Market capitalization	2,655.2	1,986.3	+668.9	+34
<b>Employees</b>				
Number of employees as of Mar. 31	1,302	1,257	+45	+4
Number of employees (average)	1,298	1,253	+45	+4
Sales per employee (in kEUR)	80.1	77.4	+2.7	+4

<sup>1)</sup> Excluding liquid funds

<sup>2)</sup> Cash flow from operating activities less investments

<sup>3)</sup> German stock market

# Contents

4	Letter from the Executive Board	9	RATIONAL shares
5	Management Report	10	Financial Statements
5	Economic conditions	10	Statement of Comprehensive Income
5	Net assets, financial position and results of operations	11	Balance Sheet
6	Business segments	12	Cash Flow Statement
7	Employees	12	Statement of Changes in Equity
7	Non-financial performance indicators	13	Notes
8	Report on risks and opportunities		
8	Outlook		

## Letter from the Executive Board



### **Dear Shareholders, Customers and Business Partners,**

With sales growth of 7% in the first quarter of 2013, the overall performance of our business has been positive. Once again, we have benefited from our global market presence. By this, we are consistently able to cushion temporary fluctuations in individual national markets.

In the first quarter the performance of our business is exhibiting a particularly heterogeneous picture, with sales at the previous year's level in Europe (including Germany) and growth rates at 6% in the Americas and 21% in Asia.

The restrained start in Europe can be traced back to two essential factors:

Firstly, due to macroeconomic uncertainties, we have been very cautious about expanding our sales capacities here since 2010, and our growth has predominantly stemmed from efficiency increases within the existing organisations. In addition, the market situation in the crisis-ridden countries of southern Europe remains tense.

Our focus for investment in sales in recent years has been on setting up and expanding the organisations in the major emerging countries such as China, India and Latin America. Since current forecasts assume that Europe as a whole will emerge from recession this year, we have increasingly started to expand our capacities here, too. We expect this will also lead to higher growth rates in Europe again.

In view of the past performance of the business and the current economic environment, we are assuming a high single-digit growth rate for fiscal 2013, regarding both sales and earnings.

A handwritten signature in black ink, appearing to read 'G. Blaschke', written in a cursive style.

**Dr. Günter Blaschke**  
CEO of RATIONAL AG

# Management Report

## Economic conditions

### Regional imbalances

Worldwide, economists expect growth to continue at +3% in 2013. This is also confirmed by the growth rate for global economic output in the first quarter. However, the individual regions around the world are growing at very different rates. The engines for growth have been the aspiring emerging countries, with average growth rates of 5%. North America and Japan both posted growth of around 2%. In contrast, Europe again saw a slight decline in economic output. But also here, experts expect the recession to come to an end in the next few months, with total growth of 0.3% in Europe (source: Commerzbank April 2013).

The overall mood in the economy is also more optimistic. The ifo World Economic Climate, in which representatives from the world of finance, science and the capital market assess the current situation and expectations for the future, improved somewhat in the first quarter. This applies both for the assessment of the current economic situation and for future expectations.

### Good business climate in the catering and food service sector

After the slight rise in sales volumes for German professional kitchen suppliers last year, the mood in the hospitality and communal catering sectors at the start of the current fiscal year is still optimistic. This is demonstrated by the results of surveys taken at the first major German trade fairs of the year, Hoga in Nuremberg and Internorga in Hamburg.

According to the representative survey GV-Barometer 2013, the results of which were presented in early March at Internorga, willingness to invest in communal catering for 2013 is in fact somewhat higher compared to the previous year. The survey reveals that 44% of the businesses questioned are planning to invest more, and that the total investment budget has increased. Major investment plans include centralisation measures and higher efficiency of food preparation.

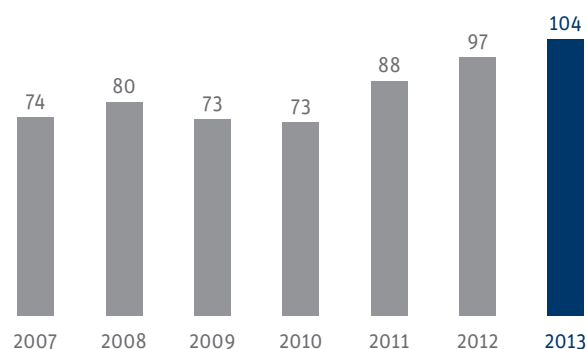
## Net assets, financial position and results of operations

### 7% rise in sales in first quarter

Following the generally positive business trend last year, we were able to continue to grow in the first quarter of the current fiscal year. Sales rose by 7% compared to the previous year, from 96.9 million euros to 104.0 million euros. The weakness of foreign currencies relevant to us, especially of the Japanese yen, negatively affected sales. Adjusted for this negative currency effect, sales growth stands at 8%.

### Sales in the 1st quarter

in m EUR



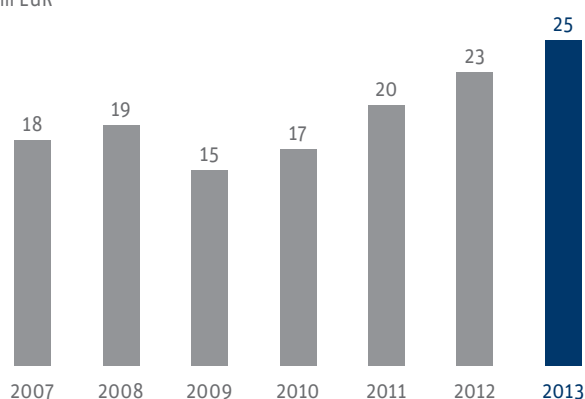
The largest contribution to Group growth came from the overseas markets, as was also the case in fiscal year 2012. Particularly in the region "Rest of the world", including Australia, the Middle East and Africa, (72%) and in Asia (+21%), we significantly increased sales. In the Americas, sales were 6% up on the previous year. In Germany and the rest of Europe, sales just reached previous year's levels.

**60% gross margin – 24% EBIT margin**

Gross profit grew in the first quarter of 2013 by 8% to 62.1 million euros (2012: 57.6 million euros). The gross margin of 60% is slightly up on the previous year (2012: 59%).

**EBIT in the 1st quarter**

in m EUR



Expenses for Research and Development, Sales and Service as well as General Administration rose by 8%. EBIT stood at 24.7 million euros (2012: 22.9 million euros), 8% up on last year. This results in an EBIT margin in the first quarter of 24% (2012: 24%). The currency-adjusted EBIT rose by 10% compared to the previous year.

**76% equity ratio – Higher cash and cash equivalents**

On March 31, 2013, we had an equity ratio of 76% (2012: 77%). Liquid funds were 171.8 million euros (2012: 131.9 million euros) and represented 51% of the balance sheet total. The company, thus, has sufficient liquid funds available to finance growth from its own resources. In addition, we have a high liquidity reserve as a provision against unexpected negative developments which could arise because of the macroeconomic uncertainties.

The rise in long-term borrowing from 22.5 million euros as at the 2012 balance sheet date to 23.1 million euros at the end of the quarter was the result of financing expansion and rationalisation investments in the machinery at the components plant.

**Operating cash flow**

In the first quarter, we posted an operating cash flow of 7.8 million euros (2012: 12.9 million euros). The fall compared to the previous year is essentially due to special effects in the previous year. The product launch in September 2011 led to a sharp rise in our sales in the fourth quarter of 2011, resulting in a high level of outstanding accounts as at the 2011 balance sheet date. These receivables were largely settled in the first quarter of 2012, and so fell back to a normal level. Ultimately, this led to the extraordinary high operating cash flow in the comparative quarter of the previous year.

The cash flow from investment activities includes, among other things, investments in intangible assets and property, plant and equipment. So far this year, they amount to 3.1 million euros, about 1.6 million euros up on the previous year. This is due to the construction measures at the new training centre in Landsberg.

**Business segments****RATIONAL segment**

The RATIONAL segment, which includes the production and sale of the SelfCookingCenter® whiteefficiency® and the CombiMaster® Plus, grew its sales by 8% in the first quarter. EBIT was 24.7 million euros (2012: 22.9 million euros) and the EBIT margin stood at 25% (2012: 25%).

**FRIMA segment**

The FRIMA segment produces the VarioCookingCenter MULTIFICIENCY® and markets it under the FRIMA brand. Segment sales rose by 1% in the first quarter. This was essentially due to low growth in Germany and slightly falling sales in France. Necessary structural adjustments in the organisation and correction measures to improve the general sales performance were introduced. Attributable to the positive trend in new orders in the first quarter, we are confident that the measures taken will be effective and so we expect to see a long-term improvement in performance.



## Employees

### Developing young talents from our own ranks

For us, training is an important investment in the future. For the future development of our employees, as well as for the company. The quality of our employees is the decisive factor for success in the face of global competition. Committed and well-trained employees are our greatest asset.

This is why we have been committed right from the outset to high-quality vocational training. At present, we train 52 young people as industrial managers, mechatronics engineers and industrial mechanics, as well as IT specialists and chefs. Eleven apprentices successfully graduated at the end of February. They were all taken on in permanent posts.

Besides vocational training, we also offer dual study courses leading to Bachelor of Engineering qualifications in Mechanical Engineering and Mechatronics, together with Bachelor of Arts qualifications in International Business and Business Informatics.

### Expansion of sales capacities

In the first quarter of 2013, we created 39 new jobs across the Group. The emphasis was on strengthening sales capacities, with the aim of exploiting the untapped market potentials.

On March 31, 2013, we employed a total of 1,302 people, of whom 767 were in Germany.

## Non-financial performance indicators

### „Best of Market“-Award 2013

At the Internorga trade fair in Hamburg in March, we were presented with the “Best of Market” award in the “Cooking Technology” category by the German trade magazines “first class”, “GVmanager” and “24 Stunden Gastlichkeit”. We managed to extend our top ranking from the previous year.

In addition, we emerged as the overall winner from the total of 488 brands assessed – across all – categories based on the survey of more than 2,000 decision-makers in the hotel industry, restaurants and communal catering. The criteria assessed were Quality, Service and Price/Performance Ratio.

### Bavarian Quality Award 2013

On March 19, 2013, we received the Bavarian Quality Award for outstanding performance in quality management and our consistent process organisation. In his speech in honour of the winner, Prof. Wildemann from the Technical University of Munich particularly stressed that by specialising and focusing on a single, clearly-defined target group, RATIONAL always achieves maximum quality for its products and, hence, continually increases customer benefit.

### “Germany’s most customer-oriented service provider 2013”

On March 20, 2013, ServiceRating GmbH – in collaboration with the University of St. Gallen and the Handelsblatt financial newspaper – awarded RATIONAL the title of “Germany’s most customer-oriented service provider 2013” in the B2B sector. The criteria assessed by the jury included customer orientation, satisfaction of customers’ requirements and efficient communication with customers.

### High esteem from Yum! China

RATIONAL has been presented with the “EN Leap Forward and Breakthrough” award by Yum! China. SelfCooking Control® and Efficient Level Control®, which produce a consistently high quality of food every time, the high levels of energy efficiency and the significantly lower cleaning costs were the particular deciding factors.

### Acquiring and retaining customers thanks to tailored social media offerings

Our social media activities boost our proximity to the customer, speed our communication and enable us to answer questions promptly.

Facebook, twitter and YouTube are very efficient ways of directing prospective customers to our website or our ClubRATIONAL portal. More than 40,000 members now use and appreciate the benefits of ClubRATIONAL.

Search machine marketing is assuming ever greater importance. In recent years, we have succeeded in positioning RATIONAL among the top ranks for all terms related to kitchens, and so have significantly increased awareness and market strength.

**Report on risks and opportunities**

RATIONAL's global risk management system makes every effort to ensure that risks are detected early on and that appropriate corrective measures are taken where necessary. The existing risks regarding developments in the global economy continue to represent an uncertainty factor for the further development of the business.

Nonetheless, there are no significant changes to the statement of risks and opportunities given in the last group financial statements.

**Outlook**

We have innovative products which are by far the global market leaders and which, especially in periods of economic difficulty, are highly attractive to our customers thanks to their productivity improvements. In conjunction with increased sales investments and the large untapped global market potential, this forms a solid foundation for the continued success of our business.

Against the backdrop of business trends in the first quarter of 2013 and the recent economic environment, we are assuming a high single-digit growth rate for 2013, regarding both sales and EBIT.

Landsberg am Lech, May 2, 2013

**RATIONAL AG**

The Executive Board



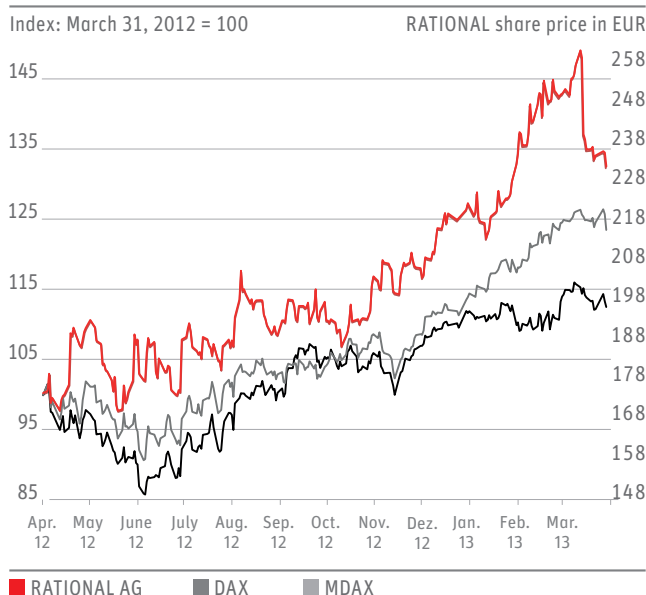
# RATIONAL shares

## Volatile price movement

In the course of the first quarter, RATIONAL shares hit a new record value of almost 270 euros. Towards the end of the quarter, the price then swung back to the average level of analysts' ratings of around 230 euros. At quarter-end, the price eventually stood at 233.53 euros. This equates to a market capitalisation of 2.7 billion euros.

Since the start of the year, RATIONAL shares have risen by 6% (DAX +/-0, MDAX +10%). This represents a 12-month rise of 34%. Together with the dividend distribution of 5.50 euros per share in May last year, the total yield is 37% (DAX +12%, MDAX +25%).

## Performance of RATIONAL shares in the last 12 months

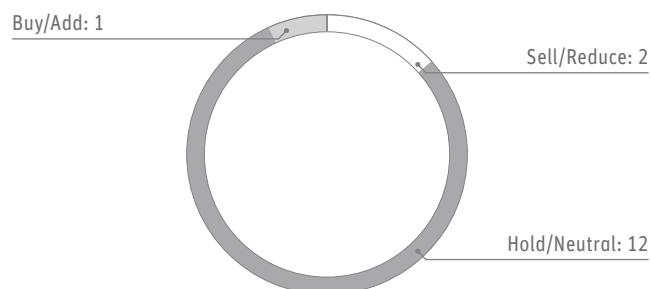


## Analysts' ratings

Since the last report, NordLB have become the latest analysts to include coverage. At present, 15 institutions publish detailed analyses containing investment recommendations for RATIONAL shares.

All share analysts have been impressed by the high quality of RATIONAL's business and its extraordinary earning power. Due to the current "fair" assessment for the price level, most analysts recommend holding the shares.

## Analysts' ratings



Status: March 31, 2013

Interested investors can find the latest ratings plus investment recommendations under Investor Relations / Analysts' Ratings at [www.rational-online.com](http://www.rational-online.com).

## Capital market communication

The demand for information on the capital markets is especially high in times of stock market turbulence. In response to this demand, we have committed ourselves to making financial information available openly and transparently at all times to both institutional market players and private investors. On March 20, 2013, we announced our detailed business figures for 2012 and published the annual report. On the same day, the Executive Board was available to answer questions from numerous representatives of the capital market and the press at the annual press conference in Munich and an analysts' conference in Frankfurt am Main.

To satisfy the high levels of interest by investors, the company's Executive Board attended numerous investor conferences and road shows in the first quarter of 2013. In addition, many investors took the opportunity to find out more at individual meetings at the company's headquarters in Landsberg or by telephone.

The positive development in the share price is due in no small measure to this prompt, transparent and trusting financial communication.

# Statement of Comprehensive Income

For the period January 1 - March 31

kEUR	1st Quarter 2013	1st Quarter 2012
Sales	103,989	96,923
Cost of sales	-41,914	-39,351
<b>Gross profit</b>	<b>62,075</b>	<b>57,572</b>
Sales and service expenses	-28,295	-26,873
Research and development expenses	-3,862	-3,276
General administration expenses	-5,166	-4,390
Other operating income	1,569	1,276
Other operating expenses	-1,628	-1,440
<b>Earnings before interest and taxes (EBIT)</b>	<b>24,693</b>	<b>22,869</b>
Interest and similar income	131	300
Interest and similar expenses	-241	-229
<b>Earnings from ordinary activities (EBT)</b>	<b>24,583</b>	<b>22,940</b>
Taxes on income	-5,897	-5,721
<b>Group earnings</b>	<b>18,686</b>	<b>17,219</b>
Items that may be reclassified to profit and loss in the future		
Differences from currency translation	-232	-147
<b>Other comprehensive income:</b>	<b>-232</b>	<b>-147</b>
<b>Total comprehensive income</b>	<b>18,454</b>	<b>17,072</b>
Average number of shares (undiluted / diluted)	11,370,000	11,370,000
Earnings per share (undiluted / diluted) in euros relating to the group earnings and the number of shares	1.64	1.51

# Balance Sheet

## Assets

kEUR	Mar. 31, 2013	Mar. 31, 2012	Dec. 31, 2012
<b>Non-current assets</b>	<b>62,872</b>	<b>57,700</b>	<b>61,319</b>
Intangible assets	1,548	1,218	1,532
Property, plant and equipment	56,007	52,363	54,629
Financial assets	0	0	0
Other non-current assets	344	179	355
Deferred tax assets	4,973	3,940	4,803
<b>Current assets</b>	<b>273,731</b>	<b>232,235</b>	<b>264,873</b>
Inventories	27,205	24,585	26,364
Trade receivables	67,594	66,937	65,941
Other current assets	7,083	8,855	6,148
Deposits with maturities of more than 3 months	80,000	63,400	80,000
Cash and cash equivalents	91,849	68,458	86,420
<b>Balance sheet total</b>	<b>336,603</b>	<b>289,935</b>	<b>326,192</b>

## Equity and Liabilities

kEUR	Mar. 31, 2013	Mar. 31, 2012	Dec. 31, 2012
<b>Equity</b>	<b>255,847</b>	<b>223,987</b>	<b>237,393</b>
Subscribed capital	11,370	11,370	11,370
Capital reserves	28,058	28,058	28,058
Retained earnings	218,245	186,028	199,559
Other components of equity	-1,826	-1,469	-1,594
<b>Non-current liabilities</b>	<b>26,123</b>	<b>19,851</b>	<b>25,453</b>
Provisions for pensions	782	669	795
Other non-current provisions	2,258	2,000	2,187
Non-current loans	23,083	17,182	22,471
<b>Current liabilities</b>	<b>54,633</b>	<b>46,097</b>	<b>63,346</b>
Liabilities for current tax	5,897	2,050	7,772
Current provisions	22,058	18,791	23,680
Current portion of non-current loans	3,117	1,763	2,817
Trade accounts payable	10,657	11,034	10,468
Other current liabilities	12,904	12,459	18,609
<b>Liabilities</b>	<b>80,756</b>	<b>65,948</b>	<b>88,799</b>
<b>Balance sheet total</b>	<b>336,603</b>	<b>289,935</b>	<b>326,192</b>

# Cash Flow Statement

For the period January 1 - March 31

kEUR	1st Quarter 2013	1st Quarter 2012
Earnings from ordinary activities	24,583	22,940
<b>Cash flow from operating activities</b>	<b>7,818</b>	<b>12,915</b>
Changes of fixed deposits with maturities of more than 3 months	0	-13,000
Cash flow from other investing activities	-3,073	-1,407
<b>Cash flow from investing activities</b>	<b>-3,073</b>	<b>-14,407</b>
<b>Cash flow from financing activities</b>	<b>671</b>	<b>-280</b>
<b>Net changes in cash and cash equivalents</b>	<b>5,416</b>	<b>-1,772</b>
Changes in cash from exchange rate changes	13	-138
<b>Change in cash funds</b>	<b>5,429</b>	<b>-1,910</b>
<b>Cash and cash equivalents on Jan. 1</b>	<b>86,420</b>	<b>70,368</b>
<b>Cash and cash equivalents on Mar. 31</b>	<b>91,849</b>	<b>68,458</b>

# Statement of Changes in Equity

kEUR	Subscribed capital	Capital reserves	Retained earnings	Differences from currency translation	Total
<b>Balance on Jan. 1, 2012</b>	<b>11,370</b>	<b>28,058</b>	<b>168,809</b>	<b>-1,322</b>	<b>206,915</b>
Dividend	–	–	–	–	–
Total comprehensive income	–	–	17,219	-147	17,072
<b>Balance on Mar. 31, 2012</b>	<b>11,370</b>	<b>28,058</b>	<b>186,028</b>	<b>-1,469</b>	<b>223,987</b>
<b>Balance on Jan. 1, 2013</b>	<b>11,370</b>	<b>28,058</b>	<b>199,559</b>	<b>-1,594</b>	<b>237,393</b>
Dividend	–	–	–	–	–
Total comprehensive income	–	–	18,686	-232	18,454
<b>Balance on Mar. 31, 2013</b>	<b>11,370</b>	<b>28,058</b>	<b>218,245</b>	<b>-1,826</b>	<b>255,847</b>

# Notes

## Sales by region<sup>1)</sup>

kEUR	1st Quarter 2013	% of total	Y-o-y change in %	1st Quarter 2012	% of total
Germany	13,691	13	-1	13,883	14
Europe (excluding Germany)	51,252	49	+2	50,246	52
Americas	16,206	16	+6	15,265	16
Asia	17,350	17	+21	14,337	15
Rest of the world <sup>2)</sup>	5,490	5	+72	3,192	3
<b>Total</b>	<b>103,989</b>	<b>100</b>	<b>+7</b>	<b>96,923</b>	<b>100</b>

<sup>1)</sup> Revenue by customer location

<sup>2)</sup> Australia, New Zealand, Near/Middle East, Africa

## Operating segments

### 1st Quarter 2013

kEUR	RATIONAL	FRIMA	Total of segments	Reconciliation	Group
External sales	98,582	5,414	103,996	-7	103,989
Intercompany sales	473	368	841	-841	-
Segment sales	99,055	5,782	104,837	-848	103,989
<b>Segment result</b>	<b>24,663</b>	<b>29</b>	<b>24,692</b>	<b>1</b>	<b>24,693</b>
Financial result	-	-	-	-	-110
<b>Earnings before taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,583</b>

### 1st Quarter 2012

kEUR	RATIONAL	FRIMA	Total of segments	Reconciliation	Group
External sales	91,559	5,364	96,923	-	96,923
Intercompany sales	426	457	883	-883	-
Segment sales	91,985	5,821	97,806	-883	96,923
<b>Segment result</b>	<b>22,875</b>	<b>15</b>	<b>22,890</b>	<b>-21</b>	<b>22,869</b>
Financial result	-	-	-	-	71
<b>Earnings before taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,940</b>

### **Fundamental accounting principles**

The group quarterly report was drawn up in line with the principles of the International Financial Reporting Standards (IFRS). The same valuation and balance sheet methods have therefore been applied as in the group's last financial statements. The rules in IAS 34 on condensed financial statements were applied in this case. With the start of the fiscal year, the following new or amended standards which are relevant to RATIONAL and were not applied voluntarily in previous years entered into force.

Implementation of IAS 1 "Presentation of Financial Statements: Presentation of Items of Other Comprehensive Income" requires other comprehensive income to be broken down into items that may be reclassified to profit or loss in subsequent periods and items to remain in other comprehensive income. The amendments to IAS 1 are mandatory for fiscal years starting on or after July 1, 2012.

The amendments associated with the new version of IAS 19 "Employee Benefits" affect RATIONAL in respect of how actuarial gains and losses are recognised in other comprehensive income. These must now be recognised immediately in other comprehensive income. The previous right to choose whether to recognise them in profit and loss or in other comprehensive income or to defer them using the corridor method has been abolished. RATIONAL used to recognise actuarial gains and losses immediately in administration and selling expenses in the income statement. The amendments to IAS 19 must be applied to fiscal years starting on or after January 1, 2013. The amended standard provides for retrospective application. Since the sums to be adjusted are insignificant, RATIONAL is only applying the amendment prospectively.

With the entry into force of IFRS 13 "Fair Value Measurement", the rules governing fair value measurement and the corresponding disclosures are summarised in a single standard. This standard affects RATIONAL in particular when determining the fair value of financial instruments and in the expanded notes. When determining the fair value the credit risk of the contracting party is now additionally taken into account for financial assets, as is the own credit risk for financial liabilities. IFRS 13 is mandatory for fiscal years starting on or after January 1, 2013.

The following new or amended standards which have no significant impact on the present interim financial statements also came into effect at the start of the fiscal year.

- > IFRS 1 "First-time Adoption of IFRS: Severe Hyperinflation and Removal of Fixed Dates of First-time Adopters"
- > IFRS 1 "First-time Adoption of IFRS: Government assistance"
- > IAS 12 "Deferred Taxes: Recovery of Underlying Assets"
- > IFRS 7 "Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities"
- > IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine"
- > Improvements to IFRS 2009 – 2011

### **Consolidated companies**

On March 31, 2013, RATIONAL AG's consolidated group includes, besides the parent company RATIONAL AG, seven German and 21 foreign subsidiaries. The change compared to the balance sheet date (December 31, 2012) is the result of a sales company being set up in India in the first quarter of 2013. The entry in the Commercial Register and the payment of the equity capital of INR 17,500 thousand (approx. 252 thousand euros) was effected in March 2013. Compared to March 31, 2012 the consolidated companies included one new domestic and two new foreign subsidiaries. Besides the sales company in India, a sales company was set up in Mexico in November 2012. In Germany, RATIONAL Montage GmbH with its registered office in Landsberg am Lech was set up in September 2012.

### Notes on financial instruments

The following table shows the carrying amounts and fair values of financial instruments. With the exception of derivative financial instruments, which are recognised at fair value, these instruments are carried at amortised cost in the balance sheet.

For the sake of simplicity due to the short residual maturity, it is generally assumed that the fair values of trade receivables, other current assets, trade accounts payable and other current liabilities are the same as their book values.

kEUR	Fair Value hierarchy*	Book value Mar. 31, 2013	Fair Value Mar. 31, 2013	Book value Dec. 31, 2012	Fair Value Dec. 31, 2012
<b>Assets</b>					
Trade receivables		67,594	67,594	65,941	65,941
Other financial assets					
Other current assets		244	244	233	233
Other non-current assets		344	339	355	352
Derivatives not in a hedging relationship	Level 2	291	291	60	60
Deposits with maturities of more than 3 months		80,000	80,029	80,000	80,048
Cash and cash equivalents		91,849	91,849	86,420	86,420
Financial assets		0	0	0	0
<b>Liabilities</b>					
Trade accounts payable		10,657	10,657	10,468	10,468
Other financial liabilities					
Other current liabilities		1,067	1,067	6,683	6,683
Derivatives not in a hedging relationship	Level 2	328	328	89	89
Liabilities from loans		26,200	28,730	25,288	27,789

During the reporting period, there were no reclassifications between the fair value hierarchy levels. If circumstances will occur which require the items to be classified differently, they will be reclassified at the end of the reporting period.

For the assessment of the fair value of derivatives, the valuations of the respective contracting party bank for the measurement date in question will be used, supplemented by the credit risk of the contracting party or of RATIONAL. The banks measure fair value on the basis of market data available as of the measurement date using recognised mathematical methods (discounted cash flow method for futures and swaps, the Black-Scholes method for options). The effects of taking the credit risks into account have no significant impact on the level of the fair value of derivatives.

### Notes on the Statement of Comprehensive Income

Since this year, sales with customers in Turkey have been allocated to “Europe” instead of to “Rest of the world”.

### Notes on the consolidated balance sheet

In fiscal year 2013, a loan of 1,620 thousand euros was taken out to finance investments in machinery.



**Operating segments**

The Group is exclusively active in the field of the thermal food preparation in professional kitchens. The reporting structure of the Group is geared to the RATIONAL and FRIMA brands. RATIONAL concentrates on cooking processes in which heat is transferred via steam, hot air or a combination of the two. FRIMA focuses on cooking applications in which food is cooked in liquid or with direct contact heat. Both segments include departments with responsibility for research and development, production, sales and marketing, service and administration.

Segment sales include both sales revenue from third parties and intercompany sales generated between Group companies across the segments. Intercompany sales are always based on arm's length prices. The segment profit is equivalent to the profit before interest and taxes of the respective segments. Also included in this, besides the segment sales, are all segment expenses except for taxes on earnings and the financial result.

The reconciliation column mainly reflects the effects of consolidation. It also includes differences between the internal reports submitted to management and the figures reported externally.

**Associated companies and persons**

In the first three months of 2013, no significant transactions occurred with companies or individuals in any way associated with RATIONAL AG.



RATIONAL AG  
Iglinger Straße 62  
86899 Landsberg am Lech  
Germany

Phone +49 (0)8191-327-0  
Fax +49 (0)8191-327-272  
[www.rational-online.com](http://www.rational-online.com)