Experiencing customer benefit

Report on the
1st Half Year 2013

Key Figures

in m EUR	2nd Quarter 2013	2nd Quarter 2012	Change absolute	Change in %	1st Half Year 2013	1st Half Year 2012	Change absolute	Change in %
Sales and earnings								
Sales	106.8	107.5	-0.7	-1	210.8	204.4	+6.4	+3
Sales abroad in %	88	87	+1	–	87	86	+1	–
Cost of sales	42.5	43.4	-0.9	-2	84.4	82.7	+1.7	+2
Sales and service expenses	27.4	26.4	+1.0	+4	55.7	53.3	+2.4	+5
Research and development expenses	3.9	3.3	+0.6	+21	7.8	6.5	+1.3	+19
General administration expenses	5.0	4.8	+0.2	+4	10.2	9.2	+1.0	+11
Earnings before interest and taxes (EBIT)	25.9	30.8	-4.9	-16	50.6	53.7	-3.1	-6
Group earnings	19.6	23.7	-4.1	-17	38.2	40.9	-2.7	-6
Balance sheet								
Balance sheet total					297.2	262.1	+35.1	+13
Working capital [1]					76.9	79.3	-2.4	-3
Equity					210.3	185.4	+24.9	+13
Equity ratio in %					70.8	70.8	+/-0	–
Cash flow								
Cash flow from operating activities					37.2	42.3	-5.1	-12
Investments					6.0	4.0	+2.0	+49
Free cash flow [2]					31.2	38.3	-7.1	-19
Key figures RATIONAL shares								
Earnings per share (in EUR)					3.36	3.60	-0.24	-6
Quarter-end closing price [3] (in EUR)					256.80	187.95	+68.85	+37
Market capitalization					2,919.8	2,137.0	+782.8	+37
Employees								
Number of employees as of Jun. 30					1,312	1,255	+57	+5
Number of employees (average)	1,312	1,256	+56	+4	1,307	1,256	+51	+4
Sales per employee (in kEUR)	81.4	85.6	-4.2	-5	161.3	162.8	-1.5	-1

[1] Excluding liquid funds
[2] Cash flow from operating activities less investments
[3] German stock market

Contents

Letter from the Executive Board

Dear Shareholders, Customers and Business Partners,

Whereas we still increased our sales by 7 percent in the first quarter of 2013, they were on the previous year's level in the second quarter. The reasons for this development were mainly one-off effects from the strong quarter in the previous year as well as negative currency effects, mainly from the falls in the Japanese yen and the pound sterling. Besides sales, earnings before interest and taxes (EBIT) also suffered considerably. This was the result of the steep depreciation – especially in June – in the foreign currencies of relevance and the consequent negative effects arising from the valuation of our foreign currency receivables.

RATIONAL customers are not only satisfied, they are enthusiastic. This is illustrated by the current international customer satisfaction survey carried out by market research institute TNS Infratest. We are among the best 5% of all companies worldwide for which TNS Infratest has ever carried out a corresponding survey. 83% of all customers are so satisfied that not only would they buy our products again themselves without hesitation, they would also be happy to recommend them to others. Virtually all customers surveyed feel that our new SelfCookingCenter® whitefficiency® offers by far the greatest benefits compared to competitor products. This confirms that we are on the right track with our innovation strategy.

But not only do we have enthusiastic customers, we also have a huge untapped global market potential. Against this backdrop, but also bearing in mind the continuing macroeconomic uncertainties, we are assuming sales growth of around 5% for 2013 as a whole, with earnings at the previous year's level.

Dr. Günter Blaschke
CEO of RATIONAL AG

Management Report

Economic Report

Stable economic development expected

The global economic environment is set to remain stable at the current level. Economists still expect global growth of around 3% for 2013. The highest growth rates of 5% on average are those of the emerging economies. But North America and Japan are growing again too, at around 2%. Europe, however, is still on the brink of recession (Source: Deutsche Bank, July 2013).

The ifo World Economic Climate, which represents the assessment of the current economic situation and future expectations by international representatives from business, science and the capital markets, has improved slightly in the second quarter. This applies both to the assessment of the current economic situation and also to future expectations.

Net assets, financial position and results of operation

3% sales growth in the first six months or +5% after exchange rate adjustments

In the first six months, we achieved sales of 210.8 million euros (2012: 204.4 million euros), equivalent to growth of 3%. Adjusted for negative currency effects – mainly from the Japanese yen and the pound sterling – our sales were up by 5%.
At 106.8 million euros, the sales volume in the second quarter was slightly below the same quarter last year (2012: 107.5 million euros). After exchange rate adjustments, however, sales were up 2% in this period.

Europe and Germany attained the previous year's level. Here, due to macroeconomic uncertainties, we have been very cautious about expanding our sales capacities since 2010, and our growth has predominantly stemmed from efficiency increases. The expansion of sales capacities recommenced this year should have a positive effect in the second half year.

In Asia, the second quarter was 10% below the previous year. This was mainly due to the negative currency effects and a base effect resulting from large project orders in the comparable period last year. Due to a similar base effect in the second quarter 2012, the Americas merely reached the previous year's level.

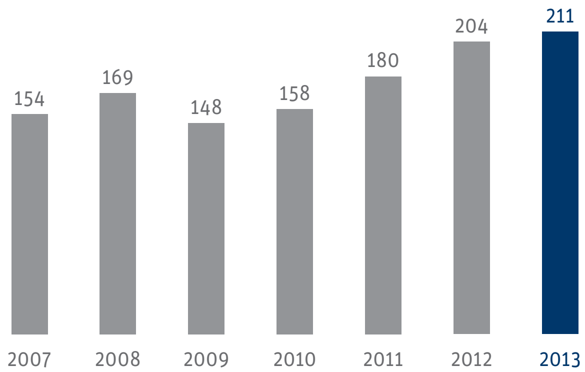
60% gross margin, 24% EBIT margin

In the first half of 2013, gross profit rose proportionately to sales revenues to 126.4 million euros (2012: 121.7 million euros). With 60%, the gross margin remained on a high level (2012: 60%).

Costs for Research and Development, Sales and Service as well as General Administration rose by 7% to 73.6 million euros (2012: 69.0 million euros). Furthermore, other operating expenses and income were negatively affected by 1.8 million euros by the currency movements, whereas in contrast the currency effect in the previous year was positive at 1.1 million euros. As a result, we achieved an EBIT (earnings before interest and taxes) of 50.6 million euros (2012: 53.7 million euros). The EBIT margin was 24%, compared to 26% in the previous year. Adjusted for the negative currency effects, EBIT rose by 3%, with an EBIT margin on previous year's level.

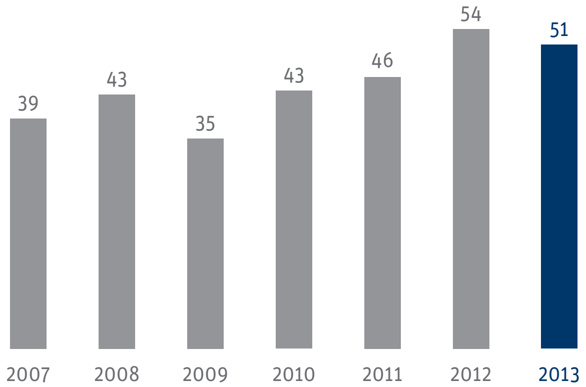
Sales in the 1st Half Year

in m EUR



EBIT in the 1st Half Year

in m EUR



71% equity ratio, high liquidity

With 71% (2012: 71%) on June 30, 2013, the equity ratio was at a high level. Liquid funds amounting to 132.3 million euros (2012: 100.7 million euros) represented 45% (2012: 38%) of the balance sheet total. The change in these two balance sheet items compared to the first quarter is the result of the dividend payout of 64.8 million euros (5.70 euros per share) paid in May.

The company has sufficient liquid funds available to finance growth from its own resources. Furthermore, we have a high liquidity reserve as a provision against unexpected negative developments arising from the ongoing macroeconomic uncertainties.

Operating cashflow

In the first six months, we posted an operating cashflow of 37.2 million euros (2012: 42.3 million euros). This approximately equates to the net earnings for the period.

The cashflow from investment activities includes, among other things, investments in intangible assets and property, plant and equipment. After six months, these amounted to 6.0 million euros, 2.0 million euros up on the previous year. The main reason for this is the construction of the new office building and training centre in Landsberg, which was opened in April 2013.

The cashflow from financing activities was driven by the dividend distribution in May and amounts to -65.1 million euros.

Business segments

RATIONAL

The RATIONAL segment, which covers the production and sale of the SelfCookingCenter® whitefficiency® and the CombiMaster® Plus, grew its sales in the first six months by 3%. EBIT was 50.2 million euros (2012: 52.9 million euros) and the EBIT margin stood at 25% (2012: 27%).

FRIMA

FRIMA produces and markets the VarioCookingCenter MULTIFICIENCY®. Segment sales in the first half year amounted to 11.7 million euros (2012: 11.9 million euros), thus slightly down on last year. The reason for this is essentially the business development in the European market, where FRIMA generates the majority of its sales. The structural and personnel measures initiated in the first quarter are already having a positive effect in France and Germany.

Employees

Targeted expansion of sales capacities

In the first half of 2013, our emphasis when expanding our workforce was on strengthening the sales capacities in order to selectively tap the free potential around the globe. In total, we created 49 new jobs across the group, more than half of which were in sales.

On June 30, 2013 we employed 1,312 people worldwide, 768 of whom are in Germany.

Non-financial performance indicators

Enthusiastic RATIONAL customers

RATIONAL customers are not only satisfied, they are enthusiastic. This is illustrated by a current customer satisfaction survey carried out by market research institute TNS Infratest. We are among the best 5% of all companies worldwide for which TNS Infratest has ever carried out a corresponding survey. 83% of all customers are so satisfied that not only would they buy our products again themselves without hesitation, they would also be happy to recommend them to others.

Virtually all customers surveyed are of the opinion that our new SelfCookingCenter® whitefficiency® offers by far the greatest benefits compared to competitor products. This result confirms our innovation strategy and spurs us on to continue to be a technology pioneer in future for maximum possible customer benefit.

Corporate Excellence Award 2013

Once again this year, Swiss consultancy firm CEAMS, in collaboration with the Universities of Zürich and Eichstätt-Ingolstadt, has carried out an analysis of the approximately 1,500 largest quoted companies in Europe in connection with the Corporate Excellence Award 2013.

RATIONAL is in first place in the country-specific analysis, the same as last year. One of the crucial factors in retaining the top position was the consistently successful business model, the stability of the Executive Board and the sound balance sheet structure with an equity ratio of over 70 percent.

Industry Award 2013
RATIONAL AG was named “Best of 2013” in the “Production Technology & Mechanical Engineering” category of the “Industry Award 2013” competition. This puts the company right at the forefront of the more than 1,200 entries received.

The Industry Award, presented by publishers “Huber Verlag für Neue Medien”, is aimed at companies with a particularly high technological, economic, ecological or social benefit. What distinguishes the winners is that they have built on what already exists or have created completely new ways and have revolutionised their industry with globally unique solutions. And have never lost sight of the ecological and economic aspects, nor of their significance in human aspects. Thanks to the SelfCookingCenter® whitefficiency®, RATIONAL is now included in the Top Industry Ranking.

RATIONAL is one of “Bavaria’s Best 50”
At a gala award ceremony at Munich’s Residenz Palace on June 27, 2013, RATIONAL AG was awarded the accolade of “Bavaria’s Best 50”.

The “Bavaria’s Best 50” award is presented to companies which seek out and consistently pursue new opportunities for growth and employment, thereby making a positive contribution to society. It honours small and medium-sized companies which have shown themselves to be particularly growth-oriented and which in recent years have seen above-average rises in sales and the number of employees. Another major assessment criterion is in-house training and education as a central determining factor for growth and long-term success.

Social responsibility

RATIONAL is a member of the “Verein Deutsches Netzwerk Schulverpflegung e.V.” (DNSV, German Network for School Meals).
Healthy, high-quality food is essential for physical and mental well-being. The demand for healthy food exists in all types of outside catering. Much has happened in this respect in recent years. Modern cooking technology enables any facility to serve high-quality meals. But when it comes to school meals, this development is still in its infancy.

The success of the catering provided to schools depends heavily on whether healthy and tasty meals suitable for children can be offered at an affordable price. The key to this lies in the use of a multifunctional device such as the SelfCookingCenter® whitefficiency®. This gently cooks all kinds of food in the ideal climate. In consequence, the taste and consistency, the vitamins and colours of vegetables, meat, fish, poultry or side dishes, are all perfectly retained.

The DNSV’s objective is to improve the quality of school meals. In close collaboration between practice and theory, it sets itself the task of bringing together all stakeholders (school boards, teachers, authorities, caterers, parents and politicians) under one roof, in order to gear itself to the present and future needs of school meals in Germany.

RATIONAL also makes its contribution, as a partner from industry and as a member of the DNSV. In nationwide campaigns, our chefs draw on their expertise and many years of experience to advise and support the people who run school kitchens. Only with a joint commitment, it is possible to make all stakeholders even more aware of the importance of healthy food in schools and to ensure a successful practical implementation.

Report on risks and opportunities

RATIONAL’s global risk management system makes every effort to ensure that risks are detected early 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.

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

Outlook

Customers are highly satisfied with our extremely competitive products, which even in economically difficult times remain attractive thanks to their high efficiency and potential for savings. In conjunction with the large worldwide market potential and the sound financial foundation, these are the best preconditions to continue on our successful growth path of the past years. Furthermore, the targeted expansion of additional sales capacity, which is already started, should also have a positive effect.

Against this backdrop, but also bearing in mind the continuing macroeconomic uncertainties, we are assuming sales growth of around 5% for 2013 as a whole, with EBIT at the previous year's level.

Landsberg am Lech, August 2, 2013

RATIONAL AG
The Executive Board

RATIONAL shares

Volatile share price development
After a decline at the start of the second quarter to 221 euros, the share price then almost reached the previous record level again and at quarter-end stood at 257 euros.

Subsequent to the publication of an ad-hoc report on July 10th, containing lower forecasts for sales and earnings for fiscal 2013, the price dropped significantly and at the end of the publication day was down by 17% at 206 euros.

Until July 31, 2013 the share price slightly recovered and closed at 219 euros. This equates to a market capitalisation of 2.5 billion euros.

This, therefore, represents a 12-month rise of 18%. Together with the dividend payout of 5.70 euros per share in May, the total yield is 20% (DAX +22%, MDAX +33%).

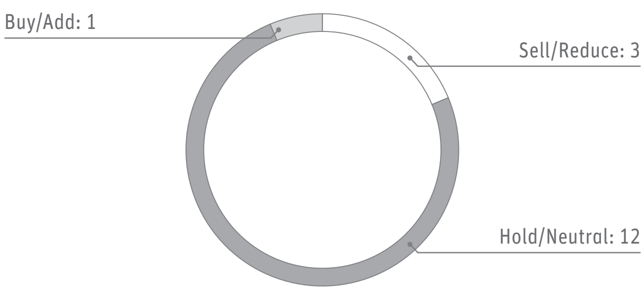
Analysts' ratings
Since the last report, Bankhaus Metzler have become the latest analysts to include coverage.

At this time last year, 11 institutes were publishing detailed analyses containing investment recommendations in respect of RATIONAL shares. The current figure is 16. This is indicative of investors' increasing interest in highly-profitable companies with a proven business model and good future prospects. Most analysts assess the valuation of the company at the current price level as fair and, therefore, recommend holding the shares.

Interested investors can find the latest ratings and investment recommendations under Investor Relations / Analysts' Ratings at www.rational-online.com.

Performance of RATIONAL shares in the last 12 months

Analysts' ratings



Status: July 31, 2013

RATIONAL shares – high-yield growth

The considerable price increase in RATIONAL shares since the IPO reflects the company's profitable long-term growth strategy and the favourable development of the business in recent years.

The share price has risen by an average of 18% per year since the IPO and has, thus, increased more than ninefold since then. Including the dividends distributed, the return is even higher. As a result, on July 31, 2013, shareholders who have reinvested the dividends each year since the IPO saw the value of their investment grow by more than 1,300%. This corresponds to an average annual yield of 22%.

Historical development of RATIONAL shares and relevant benchmark indices on July 31, 2013

	YTD	1 year	3 year	5 year	Since the IPO
RATIONAL AG (share price development)	+0%	+18%	+78%	+89%	+851%
RATIONAL AG (incl. dividends) [1]	+3%	+20%	+98%	+118%	+1,306%
DAX 30	+9%	+22%	+35%	+28%	+4%
MDAX	+20%	+33%	+72%	+73%	+236%

[1] Assumption: Reinvestment of dividends at the opening price of the ex-dividend date

Statement of Comprehensive Income

For the period January 1 - June 30

kEUR	2nd Quarter 2013	2nd Quarter 2012	1st Half Year 2013	1st Half Year 2012
Sales	106,842	107,516	210,831	204,439
Cost of sales	-42,470	-43,391	-84,384	-82,742
Gross profit	**64,372**	**64,125**	**126,447**	**121,697**
Sales and service expenses	-27,394	-26,417	-55,689	-53,290
Research and development expenses	-3,936	-3,263	-7,798	-6,539
General administration expenses	-4,991	-4,780	-10,157	-9,170
Other operating income	633	2,192	2,202	3,468
Other operating expenses	-2,820	-1,072	-4,448	-2,512
Earnings before interest and taxes (EBIT)	**25,864**	**30,785**	**50,557**	**53,654**
Interest and similar income	106	179	237	479
Interest and similar expenses	-249	-231	-490	-460
Earnings from ordinary activities (EBT)	**25,721**	**30,733**	**50,304**	**53,673**
Taxes on income	-6,165	-7,065	-12,062	-12,786
Group earnings	**19,556**	**23,668**	**38,242**	**40,887**
Items that may be reclassified to profit and loss in the future:				
Differences from currency translation	-280	329	-512	182
Total other comprehensive income	**-280**	**329**	**-512**	**182**
Total comprehensive income	**19,276**	**23,997**	**37,730**	**41,069**
Average number of shares (undiluted / diluted)	11,370,000	11,370,000	11,370,000	11,370,000
Earnings per share (undiluted / diluted) in euros relating to the group earnings and the number of shares	1.72	2.08	3.36	3.60

Balance Sheet

Assets

kEUR	Jun. 30, 2013	Jun. 30, 2012	Dec. 31, 2012
Non-current assets	**63,723**	**59,638**	**61,319**
Intangible assets	1,679	1,485	1,532
Property, plant and equipment	56,918	52,947	54,629
Financial assets	0	0	0
Other non-current assets	333	385	355
Deferred tax assets	4,793	4,821	4,803
Current assets	**233,511**	**202,431**	**264,873**
Inventories	26,886	25,561	26,364
Trade receivables	67,751	69,279	65,941
Other current assets	6,537	6,914	6,148
Deposits with maturities of more than 3 months	55,000	15,000	80,000
Cash and cash equivalents	77,337	85,677	86,420
Balance sheet total	**297,234**	**262,069**	**326,192**

Equity and Liabilities

kEUR	Jun. 30, 2013	Jun. 30, 2012	Dec. 31, 2012
Equity	**210,314**	**185,449**	**237,393**
Subscribed capital	11,370	11,370	11,370
Capital reserves	28,058	28,058	28,058
Retained earnings	172,992	147,161	199,559
Other components of equity	-2,106	-1,140	-1,594
Non-current liabilities	**25,414**	**23,746**	**25,453**
Provisions for pensions	770	656	795
Other non-current provisions	2,357	2,050	2,187
Non-current loans	22,287	21,040	22,471
Current liabilities	**61,506**	**52,874**	**63,346**
Liabilities for current tax	5,510	3,371	7,772
Current provisions	28,325	24,502	23,680
Current portion of non-current loans	3,200	1,949	2,817
Trade accounts payable	11,616	10,471	10,468
Other current liabilities	12,855	12,581	18,609
Liabilities	**86,920**	**76,620**	**88,799**
Balance sheet total	**297,234**	**262,069**	**326,192**

Cash Flow Statement

For the period January 1 - June 30

kEUR	1st Half Year 2013	1st Half Year 2012
Earnings from ordinary activities	50,304	53,673
Cash flow from operating activities	**37,164**	**42,260**
Changes of fixed deposits with maturities of more than 3 months	25,000	35,400
Cash flow from other investing activities	-5,687	-3,427
Cash flow from investing activities	**19,313**	**31,973**
Cash flow from financing activities	**-65,100**	**-59,002**
Net changes in cash and cash equivalents	**-8,623**	**15,231**
Changes in cash from exchange rate changes	-460	78
Change in cash funds	**-9,083**	**15,309**
Cash and cash equivalents on January 1	**86,420**	**70,368**
Cash and cash equivalents on June 30	**77,337**	**85,677**

Statement of Changes in Equity

kEUR	Subscribed capital	Capital reserves	Retained earnings	Differences from currency translation	Total
Balance on January 1, 2012	**11,370**	**28,058**	**168,809**	**-1,322**	**206,915**
Dividend	–	–	-62,535	–	–
Total comprehensive income	–	–	40,887	182	41,069
Balance on June 30, 2012	**11,370**	**28,058**	**147,161**	**-1,140**	**185,449**
Balance on January 1, 2013	**11,370**	**28,058**	**199,559**	**-1,594**	**237,393**
Dividend	–	–	-64,809	–	–
Total comprehensive income	–	–	38,242	-512	37,730
Balance on June 30, 2013	**11,370**	**28,058**	**172,992**	**-2,106**	**210,314**

Notes

Sales by region [1)]

kEUR	1st Half Year 2013	% of total	Y-o-y change in %	1st Half Year 2012	% of total
Germany	27,018	13	-2	27,571	14
Europe (excluding Germany)	106,315	50	2	103,983	51
Americas	35,579	17	3	34,510	17
Asia	30,766	15	5	29,279	14
Rest of the world [2)]	11,153	5	23	9,096	4
Total	**210,831**	**100**	**3**	**204,439**	**100**

[1)] Revenue by customer location
[2)] Australia, New Zealand, Near/Middle East, Africa

Operating segments

1st Half Year 2013

kEUR	RATIONAL	FRIMA	Total of segments	Reconciliation	Group
External sales	200,111	10,732	**210,843**	-12	**210,831**
Intercompany sales	929	970	**1,899**	-1,899	**–**
Segment sales	201,040	11,702	**212,742**	-1,911	**210,831**
Segment result	**50,202**	**424**	**50,626**	**-69**	**50,557**
Financial result	–	–	–	–	-253
Earnings before taxes	**–**	**–**	**–**	**–**	**50,304**

1st Half Year 2012

kEUR	RATIONAL	FRIMA	Total of segments	Reconciliation	Group
External sales	193,480	10,959	**204,439**	–	**204,439**
Intercompany sales	792	916	**1,708**	-1,708	**–**
Segment sales	194,272	11,875	**206,147**	-1,708	**204,439**
Segment result	**52,900**	**791**	**53,691**	**-37**	**53,654**
Financial result	–	–	–	–	19
Earnings before taxes	**–**	**–**	**–**	**–**	**53,673**

Fundamental accounting principles

The group half-year 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 interim financial reporting 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 to 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. For this RATIONAL uses the value of the credit default swaps of the respective counterparty. For own default risk, the fair value market yield curve for companies with a comparable rating is used. 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

This group six-month financial report was neither audited in accordance with § 317 German Commercial Code (HGB) nor reviewed by an auditor.

Consolidated companies

On June 30, 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 June 30, 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 Jun. 30, 2013	Fair Value 30.06.2013	Book value Dec. 31, 2012	Fair Value 31.12.2012
Assets					
Trade receivables		67,751	67,751	65,941	65,941
Other financial assets					
Other current assets		151	151	233	233
Other non-current assets		333	329	355	352
Derivatives not in a hedging relationship	Level 2	158	158	60	60
Deposits with maturities of more than 3 months		55,000	54,954	80,000	80,048
Cash and cash equivalents		77,337	77,337	86,420	86,420
Financial assets		0	0	0	0
Liabilities					
Trade accounts payable		11,616	11,616	10,468	10,468
Other financial liabilities					
Other current liabilities		1,206	1,206	6,683	6,683
Derivatives not in a hedging relationship	Level 2	8	8	89	89
Liabilities from loans		25,487	27,608	25,288	27,789

During the reporting period, there were no reclassifications between the fair value hierarchy levels. If circumstances have occurred, 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). To consider the default risks, RATIONAL uses the value of the credit default swaps of the respective counterparty. For own default risk, the fair value market yield curve for companies with a comparable rating is used. 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”.

There are foreign exchange rate gains of 1,698 thousand euros included in „Other operating income“ (2012: 2,705 thousand euros) and foreign exchange rate losses of 3,450 Tsd. Euro included in “Other operating expenses” (2012: 1,593 thousand euros).

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 six months of 2013, no significant transactions occurred with companies or individuals in any way associated with RATIONAL AG.

Responsibility Statement

Responsibility Statement
To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Landsberg am Lech, August 2, 2013

RATIONAL AG
The Executive Board

Dr. Günter Blaschke
Chief Executive Officer

Erich Baumgärtner
Chief Financial Officer

Peter Wiedemann
Chief Technical Officer

Reinhard Banasch
Chief Sales Officer

Dr. Peter Stadelmann
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