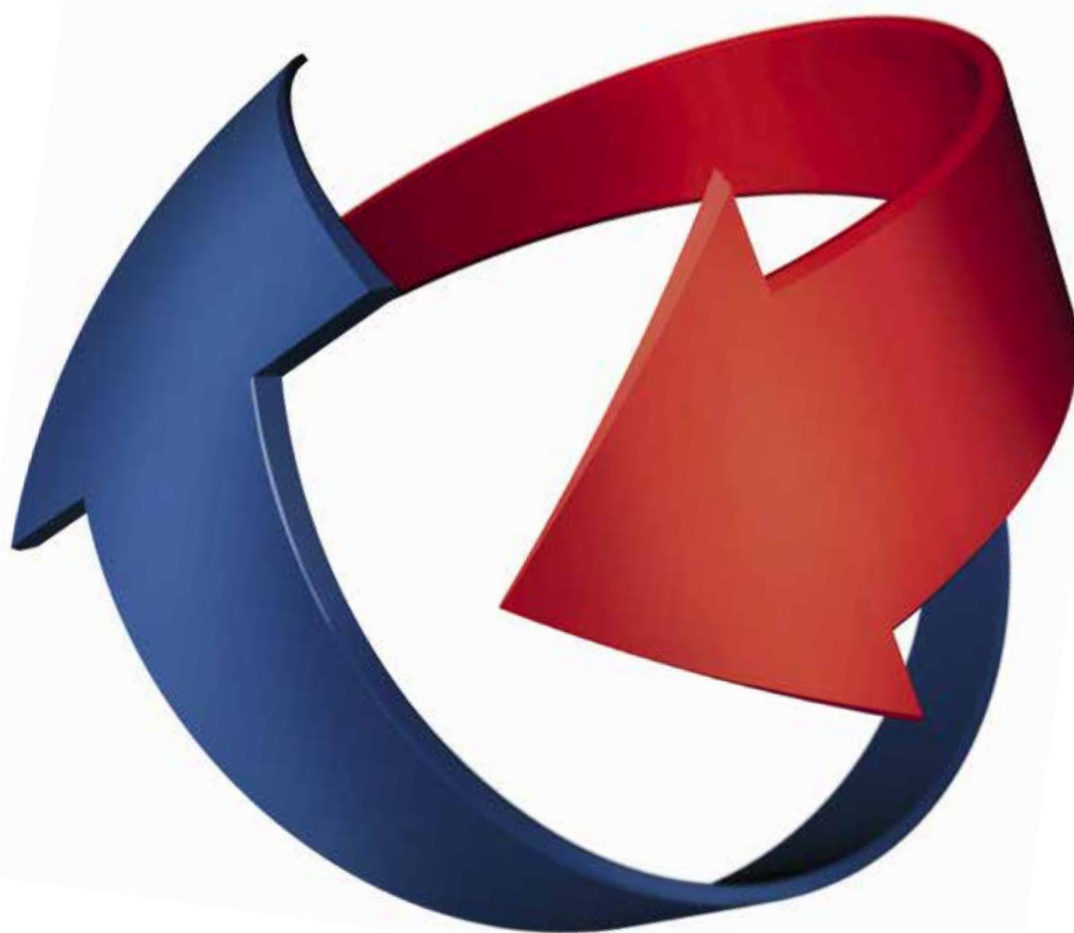

STATEMENT ON THE FIRST QUARTER OF 2016

LANDSBERG AM LECH, 4 MAY 2016



**RATIONAL AG –
successful start into
fiscal year 2016**

*Group-wide sales revenues increase by **9%***

Growth driven by Europe and the Americas

*Gross margin of **62%***

*EBIT margin of **24%** – currency-adjusted: **27%***

***78%** equity ratio*

***8 million euros** in operating cash flow*

*FRIMA grows by **32%***

***66 new employees** in the first quarter*

Outlook confirmed

RATIONAL AG – successful start into fiscal year 2016	Key Figures	RATIONAL AG – successful start into fiscal year 2016	Statement of Comprehensive Income RATIONAL Group	Balance Sheet RATIONAL Group	Cash Flow Statement RATIONAL Group	Statement of Changes in Equity RATIONAL Group	Sales revenues per regions RATIONAL Group	Operating Segments RATIONAL Group	Legal notice, contact, disclaimer
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KEY FIGURES

m EUR

	Q1 2016	Q1 2015	Change absolute	Change in %
Sales and earnings				
Sales revenues	135.7	124.7	+11.0	+9
Sales revenues abroad in %	85	87	-2	-
Cost of sales	51.8	49.5	+2.3	+5
Gross profit	83.9	75.3	+8.6	+11
Gross margin in %	61.8	60.3	+1.5	-
Sales and service expenses	36.9	34.0	+2.9	+8
Research and development expenses	5.7	5.9	-0.2	-4
General administration expenses	6.5	6.2	+0.3	+5
Depreciation/Amortisation	2.4	2.3	+0.1	+5
Earnings before interest and taxes (EBIT)	32.2	35.0	-2.8	-8
EBIT margin in %	23.7	28.1	-4.4	-
Net income	24.5	26.6	-2.1	-8
Balance Sheet				
Balance sheet total	487.3	438.5	+48.8	+11
Working capital ¹⁾	93.4	97.4	-4.0	-4
Equity	380.3	339.0	+41.3	+12
Equity ratio in %	78.0	77.3	+0.7	-
Cash flow				
Cash flow from operating activities	8.2	13.2	-5.0	-38
Investments	4.0	2.0	+2.0	+102
Free Cash flow ²⁾	4.2	11.2	-6.9	-62
Key figures RATIONAL shares				
Earnings per share (in EUR)	2.15	2.34	-0.19	-8
Quarter-end closing price ³⁾ (in EUR)	469.70	311.75	+157.95	+51
Market capitalisation	5.340.5	3.544.6	+1.795.9	+51
Employees				
Number of employees as at 31 March	1.596	1.479	+117	+8
Number of employees (average)	1.574	1.463	+111	+8
Sales revenues per employee (kEUR)	86.2	85.3	+0.9	+1

¹⁾ Excluding liquid funds²⁾ Cash flow from operating activities less investments³⁾ German stock market

RATIONAL AG – SUCCESSFUL START INTO FISCAL YEAR 2016

Group-wide sales revenues increase by 9%

RATIONAL AG was able to continue its successful business performance in 2015 in the first quarter of 2016. Year-on-year growth was 9%. In total, sales revenues of 135.7 million euros were generated (previous year: 124.7 million euros).

The currencies of relevance to RATIONAL fell on average against the euro compared to the previous year. Accordingly, sales revenues were negatively impacted by fluctuations in exchange rates. In particular, the weakness of the pound sterling, but also of currencies in emerging countries, was responsible for this effect. After exchange rate adjustments, sales revenues growth in the first quarter stood at 11%.

Growth driven by Europe and the Americas

The main growth drivers of business in the year to date were European markets.

In particular, our home market of Germany delivered impressive growth of 22%. RATIONAL is benefiting here increasingly from the fact that the SelfCookingCenter® can be used to prepare a growing range of dishes thanks to its continuous further development. Moreover, the positive trend in company catering and orders from new customer groups, such as supermarkets or bakeries, also helps increasing market penetration in Germany. The exceptional performance in the first three months of 2016 was also attributable to pull-forward effects due to price harmonisation in German-speaking markets. This will normalise in the further course of the year. FRIMA, too, was able to grow by more than 20% in Germany.

In the rest of Europe, growth is due in particular to a recovery in the Russian market, a very good business performance by FRIMA in France, and further consolidation of our good market position in Austria and the Netherlands. Overall, sales revenues in the rest of Europe were increased by 8% compared to the previous year, or by 10% after exchange-rate adjustments. Despite the fact that it still accounts for a relatively low share of total sales revenues, the FRIMA VarioCooking Center® was able to make a major contribution to our success in Europe with an increase of 42%. One important reason for that is the market launch of our new table-top unit VarioCooking Center® 112L in February.

In the Americas region, our important market of the USA was the strongest growth driver with an increase in sales revenues of 25% compared to the first quarter of last year. In particular,

business with small customers was again very successful. Apart from the USA, Canada and the Latin American markets also contributed to growth in the region – but to a lesser extent.

The regions Asia and “Rest of the World” closed the first quarter of 2016 with sales revenues slightly below those for the same period of the previous year. This is mainly due to declining sales revenues in China and the ASEAN countries. One of the reasons for that is a basis effect from last year, since both regions impressed with particularly high rates of increase in the first quarter of 2015.

Gross margin of 62%

In the first quarter of 2016, we generated a gross profit of 83.9 million euros (previous year: 75.3 million euros). This equates to growth of 11% compared to the previous year. The gross margin was 62% (previous year: 60%), slightly above the already high level of the same quarter of the previous year and at the level of fiscal year 2015. The good gross margin is primarily attributable to the constant efficiency gains in manufacturing, as well as continuing positive contributions from commodity price movements.

EBIT margin of 24% – currency-adjusted: 27%

EBIT (earnings before interest and taxes) stood at 32.2 million euros, 8% down on the previous year (previous year: 35.0 million euros). An EBIT margin of 24% was achieved in the first quarter (previous year: 28%). Whereas the increase in operating costs was disproportionately small relative to sales revenues, there were negative impacts on EBIT and the EBIT margin from currency effects.

Operating costs rose compared to the first quarter of 2015 by 6% to 49.1 million euros (previous year: 46.1 million euros). After exchange rate adjustments, the increase was 8%.

The increase was largely attributable to sales and service, which saw a rise of 8% to 36.9 million euros (previous year: 34.0 million euros). Further investments were made here in the global sales and service organisation. Administration expenses rose by 5% and were 6.5 million euros after three months (previous year: 6.2 million euros). Research and development expenses declined slightly in the first quarter to 5.7 million euros (previous year: 5.9 million euros). That is mainly attributable to capitalisation of development expenses to an amount of 0.8 million euros in the past quarter. No development services were capitalised in the first quarter of the previous year.

RATIONAL AG – successful start into fiscal year 2016	Key Figures	RATIONAL AG – successful start into fiscal year 2016	Statement of Comprehensive Income RATIONAL Group	Balance Sheet RATIONAL Group	Cash Flow Statement RATIONAL Group	Statement of Changes in Equity RATIONAL Group	Sales revenues per regions RATIONAL Group	Operating Segments RATIONAL Group	Legal notice, contact, disclaimer
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After adjusting for this effect, development expenses increased by 10%.

Translation effects on our foreign currency positions in other operating expenses and income had a negative impact on our EBIT in the first quarter. This led to a decrease of 2.6 million euros in earnings. In the first three months of the previous year, there was a positive effect of 5.8 million euros. After exchange rate adjustments, RATIONAL achieved an EBIT margin of 27% (previous year: 23%).

Net earnings for the first quarter were 24.5 million euros, a year-on-year decrease of 2.1 million euros (previous year: 26.6 million euros). The tax ratio was virtually unchanged at 24%.

78% equity ratio

At 78 % (previous year: 77%) on 31 March 2016, the equity ratio was at its customary high level. Cash, cash equivalents and short-term deposits, at 264.8 million euros (previous year: 237.1 million euros), represented around 54% of total assets (previous year: 54%).

8 million euros in operating cash flow

Due to the fact that sales revenues in the first quarter accounts for a relatively small share of the total figure for the year for seasonal reasons, the operating cash flow in this period is usually relatively low. In the first three months of the current fiscal year, our cash flow from operating activities was 8.2 million euros, slightly down on the previous year (13.2 million euros). The decline is mainly due to the somewhat lower net earnings for the period and the sharper reduction in provisions for personnel costs and bonuses for sales partners compared to the previous year.

The cash flow from investing activities includes investments in property, plant and equipment and in intangible assets. In the first quarter, these amounted to 4.0 million euros, 2.0 million euros up on the previous year. The increase is mainly the result of capitalisation of development costs to an amount of 0.8 million euros (previous year: 0 million euros) and reconstruction and renovation measures at Landsberg and Wittenheim (FRIMA).

The cash flow from financing activities mainly reflects the repayments of principal and interest payments on outstanding loans up to the end of March and was -1.4 million euros in the period under review (previous year: -1.3 million euros).

Both segments perform well – FRIMA grows by 32% after product launch in February

The RATIONAL segment, which represents the production and sale of the SelfCookingCenter® 5 Senses and the CombiMaster® Plus, grew its sales revenues in the first three months by 7% to 127.1 million euros (previous year: 118.3 million euros). Segment earnings amounted to 31.3 million euros, 10% down on the previous year (34.8 million euros). After adjustment for the described currency effects, the RATIONAL segment grew its sales revenues by around 10% and its EBIT by almost 20%.

FRIMA produces and markets the VarioCookingCenter MULTI-FICIENCY®. Segment sales revenues were 9.5 million euros (previous year: 7.2 million euros), 32% up on the previous year. Segment earnings amounted to 0.9 million euros and so more than doubled (previous year: 0.4 million euros). One major driver of the positive trend is the market launch of the VarioCooking Center® 112L in February 2016. Currency effects play only a minor role at FRIMA because its business largely focuses on Europe.

66 new employees in the first quarter

Around 150 new posts are to be created worldwide in fiscal year 2016. One particular focus is on further expansion of the global sales and service organisations. 66 new employees were already added in the first quarter of 2016, around one-third of them in Germany. Most of the new jobs are in sales, sales-related functions and technical service.

Outlook confirmed

The large majority of customers of RATIONAL and FRIMA are so satisfied with the products and services that they would be happy to purchase them again at any time and also recommend them to friends and colleagues. Given that, the still very high market potential and the all in all solid forecasts for the global economy, the Executive Board of RATIONAL AG believes the company is well placed to keep on growing as in the past years.

In view of that, as well as the development in the sales regions to date, the Executive Board confirms the growth forecast for fiscal year 2016 given in the Annual Report 2015.

STATEMENT OF COMPREHENSIVE INCOME

RATIONAL GROUP

PERIOD 1 JANUARY - 31 MARCH	kEUR	
	2016	2015
Sales revenues	135,655	124,746
Cost of sales	-51,758	-49,485
Gross profit	83,897	75,261
Sales and service expenses	-36,880	-34,049
Research and development expenses	-5,712	-5,926
General administration expenses	-6,479	-6,172
Other operating income	2,356	7,965
Other operating expenses	-5,013	-2,076
Earnings before interest and taxes (EBIT)	32,169	35,003
Interest and similar income	126	146
Interest and similar expenses	-218	-245
Earnings from ordinary activities (EBT)	32,077	34,904
Income taxes	-7,598	-8,342
Net income	24,479	26,562
Items that may be reclassified to profit and loss in the future:		
Differences from currency translation	-305	1,737
Other comprehensive income	-305	1,737
Total comprehensive income	24,174	28,299
Average number of shares (undiluted/diluted)	11,370,000	11,370,000
Earnings per share (undiluted/diluted) in euros relating to the net income and the number of shares	2,15	2,34

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BALANCE SHEET RATIONAL GROUP

ASSETS	kEUR		
	31 Mar 2016	31 Mar 2015	31 Dec 2015
Non-current assets	94,458	77,255	87,316
Intangible assets	6,611	2,096	5,444
Property, plant and equipment	74,235	67,004	73,696
Financial assets	0	0	0
Other non-current assets	7,051	2,066	2,052
Deferred tax assets	6,561	6,089	6,124
Current assets	392,801	361,219	395,385
Inventories	32,471	30,762	30,949
Trade receivables	81,074	82,339	89,613
Other current assets	14,460	11,026	7,801
Deposits with maturities of more than 3 months	132,551	139,000	110,900
Cash and cash equivalents	132,245	98,092	156,122
Balance sheet total	487,259	438,474	482,701

EQUITY AND LIABILITIES	kEUR		
	31 Mar 2016	31 Mar 2015	31 Dec 2015
Equity	380,281	338,971	356,107
Subscribed capital	11,370	11,370	11,370
Capital reserves	28,058	28,058	28,058
Retained earnings	342,789	300,399	318,310
Other components of equity	-1,936	-856	-1,631
Non-current liabilities	31,718	29,995	32,330
Provisions for pensions	2,579	795	2,597
Other non-current provisions	6,804	3,389	6,730
Non-current liabilities to banks	20,643	25,219	21,769
Deferred tax liabilities	850	0	471
Other non-current liabilities	842	592	763
Current liabilities	75,260	69,508	94,264
Current income tax liabilities	6,672	9,500	9,860
Current provisions	27,852	24,656	36,885
Current liabilities to banks	6,655	6,384	6,666
Trade accounts payable	13,328	12,992	14,681
Other current liabilities	20,753	15,976	26,172
Liabilities	106,978	99,503	126,594
Balance sheet total	487,259	438,474	482,701

CASH FLOW STATEMENT

RATIONAL GROUP

PERIOD 1 JANUARY - 31 MARCH	KEUR	
	2016	2015
Earnings from ordinary activities	32,077	34,904
Cash flow from operating activities	8,245	13,245
Changes of fixed deposits with maturities of more than 3 months	-26,651	-20,000
Cash flow from other investing activities	-3,863	-1,538
Cash flow from investing activities	-30,514	-21,538
Cash flow from financing activities	-1,354	-1,274
Net changes in cash and cash equivalents	-23,623	-9,567
Changes in cash from exchange rate fluctuations	-254	1,257
Change in cash funds	-23,877	-8,310
Cash and cash equivalents on 1 Jan	156,122	106,402
Cash and cash equivalents on 31 Mar	132,245	98,092

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STATEMENT OF CHANGES IN EQUITY RATIONAL GROUP

	Subscribed capital	Capital reserves	Retained earnings	Other components of equity	Total
					kEUR
Balance on 1 Jan 2016	11,370	28,058	318,310	-1,631	356,107
Dividend	-	-	-	-	-
Total comprehensive income	-	-	24,479	-305	24,174
Balance on 31 Mar 2016	11,370	28,058	342,789	-1,936	380,281
Balance on 1 Jan 2015	11,370	28,058	273,837	-2,593	310,672
Dividend	-	-	-	-	-
Total comprehensive income	-	-	26,562	1,737	28,299
Balance on 31 Mar 2015	11,370	28,058	300,399	-856	338,971

SALES REVENUES PER REGIONS ¹⁾

RATIONAL GROUP

	KEUR				
	Q1 2016	Share in %	Y-o-y-change in %	Q1 2015	Share in %
Germany	20,488	15	+22	16,769	14
Europe (excl. Germany)	67,481	50	+8	62,521	50
Americas	24,725	18	+15	21,442	17
Asia	16,469	12	-6	17,488	14
Rest of the world ²⁾	6,492	5	-1	6,526	5
Total	135,655	100	+9	124,746	100

¹⁾ Revenues by custom location

²⁾ Australia, New Zealand, Near/Middle East, Africa

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OPERATING SEGMENTS

RATIONAL GROUP

KEUR

1st quarter 2016	RATIONAL	FRIMA	Total of Segments	Reconciliation	Group
External sales revenues	126,618	9,037	135,655	0	135,655
Intercompany sales revenues	528	444	972	-972	-
Segment sales revenues	127,146	9,481	136,627	-972	135,655
Segment result	31,259	884	32,143	26	32,169
Financial result	-	-	-	-	-99
Earnings before taxes	-	-	-	-	32,077

1st quarter 2015	RATIONAL	FRIMA	Summe der Segmente	Überleitung	Konzern
External sales revenues	117,864	6,874	124,738	8	124,746
Intercompany sales revenues	479	328	807	-807	-
Segment sales revenues	118,343	7,202	125,545	-799	124,746
Segment result	34,811	426	35,237	-234	35,003
Financial result	-	-	-	-	-99
Earnings before taxes	-	-	-	-	34,904

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DISCLAIMER

This quarterly statement contains forward-looking statements that are based on assumptions and expectations at the time the statement is published.

They are subject to risks and uncertainties and the actual results may differ significantly from those in the forward-looking statements.

Many of these risks and uncertainties are determined by factors that are outside the influence of RATIONAL AG and cannot be assessed reliably at present.

They include future market conditions and economic trends, the actions of other market players, and legal and political decisions.

RATIONAL AG is also not obligated to publish revisions to these forward-looking statements in order to reflect events or circumstances that have occurred after they were published.