

RATIONAL AG company profile



Local. Global. Connected.

Thermal food preparation with RATIONAL and FRIMA

We are the global market and technology leaders in innovative solutions for thermal food preparation with a market share of around 50%. A key factor in our success is uncompromising customer orientation. Our primary corporate objective is as follows: "We offer the greatest possible benefit to the people preparing hot food in the professional kitchens of the world."

Our appliances are ideal for any organisation in which at least 20 warm meals a day are prepared. Our customer base ranges from restaurants and hotels to large-scale catering operations, such as company canteens, hospitals, schools, universities, military facilities, prisons and retirement homes, to quick service restaurants, caterers, supermarkets, bakeries, snack outlets, butchers' shops and service stations.

Expenditure on eating out has risen by 3 to 4% p.a. in recent years. Similar growth rates are also expected in the future. Consequently, the prospects for the catering industry are extremely promising. By being aligned to the basic human need to eat, the food service industry as a whole, and RATIONAL as its market leader, are less dependent on economic conditions than other sectors and companies.

The potential global market comprises more than 3 million customers, of which only around 30% use combi-steamers. 70% of all potential customers use traditional cooking equipment. The SelfCookingCenter® replaces conventional cooking technology and, thanks to its cooking intelligence, standard combi-steamers as well, thus providing additional market potential. There is similar market potential for the VarioCooking Center®. As the product has only been on the market for a few years, market penetration is still low. This huge untapped market potential will allow us to grow based on further market penetration and a rising demand for replacements.

It is part of our corporate philosophy to exploit this potential organically. We are frequently the trailblazers in developing new markets. This leads to increasing brand recognition and makes a lasting contribution to consolidating and building on our position as the global market leader. In the meantime, we maintain a presence in over 100 countries through our own sales companies and independent sales partners.

In addition to powerful high-quality products, we offer our customers a comprehensive service offering for the entire duration of the business relationship, enabling them to use their appliances in the best possible way at all times. ConnectedCooking provides an online portal for professional chefs and a cloud-based networking solution offered free of charge. Customers can use it to connect their appliances, control them remotely, update their software, and transfer cooking programs. With more than 120,000 members, ConnectedCooking is the biggest online platform for professional chefs.

One key foundation of our company's success is our focus on professional kitchens and on their core activity: cooking. Through this specialisation, we can offer our customers ever better solutions and thereby continuously increase their benefit. Our products set standards for cooking intelligence, cooking quality, user-friendliness, and resource efficiency. They can perform practically all cooking processes. They can grill, steam, gratinate, bake, proof, roast, braise, simmer, stew, poach, blanch, deep-fry, cook at low temperatures, and much more. Thus, they replace virtually all conventional cooking equipment in the professional kitchen and are winning over ever more customers worldwide.

Today, the RATIONAL combi-steamer is considered one of the most important cooking appliances in a professional kitchen. We are perceived as a provider of innovative solutions, supplying high-quality, reliable products accompanied by an outstanding level of service quality. According to our latest customer satisfaction survey conducted by TNS Infratest, 93% of our customers have confirmed that we offer them the greatest benefit. As a result, we continue to enjoy a significant market lead.

Another key factor in our success is the principle of the "Entrepreneur in the Company" (U.i.U.®). The U.i.U.® entrepreneurs operate as independent business people within their own area of responsibility, make the necessary decisions independently and take responsibility for them. At the end of 2017, we employed around 1,900 people, over 1,000 of whom are in Germany.

We are confident that we will be able to continue our success story in the coming years with the moderate growth trend of the past years and high profitability.

Global presence

Sales revenues by region in 2017



Our products

Maximum customer benefit due to easy handling, best cooking quality and efficiency



Uniquely intelligent SelfCookingCenter®

The SelfCookingCenter® is a combi-steamer with intelligent cooking processes. The heat during cooking is transferred via steam, hot air or a combination of the two. SelfCookingControl® detects the size and consistency of the food and automatically determines the optimum cooking process, so that the desired result can be achieved with perfect precision every time and without any need for the cooking process to be supervised. Alongside cooking intelligence, the main unique selling points of the SelfCookingCenter® are high resource efficiency, ease and flexibility of use, as well as minimal cleaning and care effort. That leaves the cook time for the essentials: creativity and the well-being of his guests. With seven different appliance sizes, we can always offer the right product for all markets and customer groups.



Smart cooking VarioCooking Center®

The VarioCooking Center® is a multifunctional cooking appliance. It cooks in liquids or in direct contact with heat and is up to four times faster than comparable products, with 40% less energy consumption. The cooking intelligence controls the cooking process fully automatically and perfectly matches it to the desired results for the dishes. The chef is notified as soon as he needs to take action himself. Nothing boils over, nothing burns. From restaurant businesses to communal catering establishments, we offer the optimum solution for all markets and customer groups with the five different models in the VarioCooking Center® range.

Key figures

				m EUR
	2017	2016	Change absolute	Change in %
Sales and earnings				
Sales revenues	702.1	613.0	+89.1	+15
Sales revenues abroad (in %)	87	87	0	–
Cost of sales	275.7	234.2	+41.5	+18
Gross profit	426.4	378.8	+47.6	+13
as a percentage of sales revenues	60.7	61.8	–1.1	–
Sales and service expenses	171.5	155.6	+15.9	+10
Research and development expenses	33.2	28.8	+4.4	+15
General administration expenses	29.8	26.4	+3.4	+13
Earnings before interest and taxes (EBIT)	187.6	166.5	+21.1	+13
as a percentage of sales revenues	26.7	27.2	–0.5	–
Net income	143.0	127.1	+15.9	+13
Balance sheet				
Balance sheet total	570.7	539.8	+30.9	+6
Equity	424.5	397.0	+27.5	+7
Equity ratio (in %)	74.4	73.5	+0.9	–
Cash flow				
Cash flow from operating activities	145.9	129.5	+16.4	+13
Cash-effective investments	34.2	24.6	+9.6	+39
Free cash flow ¹	111.7	104.9	+6.8	+6
Employees				
Number of employees as at 31 Dec	1,884	1,713	+171	+10
Number of employees (average)	1,836	1,653	+183	+11
Key figures RATIONAL shares				
Earnings per share (in EUR)	12.58	11.18	+1.40	+13
Year-end closing price ² (in EUR)	537.20	424.00	+113.20	+27
Market capitalisation	6,108.0	4,820.9	+1,287.1	+27

¹ Cash flow from operating activities less investments ² Xetra

Key figures regarding RATIONAL shares

Key figures

		2017	2016
Maximum price last 12 months ²	EUR	596.35	482.25
Minimum price last 12 months ²	EUR	405.35	365.00
Year-end closing price ²	EUR	537.20	424.00
Market capitalisation ¹	m EUR	6,108.0	4,820.9
Dividend yield ⁴	%	2.0	2.4
Beta factor (one year) as at Dec. 30 ³	%	0.79	0.74
Sales revenues per share	EUR	61.75	53.91
Price-to-sales ratio ¹		8.7	7.9
Earnings per share	EUR	12.58	11.18
Price-earnings ratio ¹		42.7	37.9
Cash flow per share	EUR	12.84	11.39
Price-cash flow ratio ¹		41.9	37.2

¹As at balance sheet date ²Xetra ³In relation to the SDAX

⁴In relation to the year-end closing price

Performance of RATIONAL shares since the IPO in 2000

Index (issue price
23.00 EUR = 100)
in %



RATIONAL shares—basic information

Number of outstanding shares	11,370,000
Shareholder structure	Holding shares 70.9%, Free float 29.1%
ISIN	DE0007010803
WKN	701 080
Market abbreviation	RAA

Status: 27 February 2018

Financial calendar 2018

Financial Figures Fiscal Year 2017	Landsberg	15 Mar '18
Balance Sheet Press Conference Fiscal Year 2017	Munich	15 Mar '18
Telephone Conference Fiscal Year 2017	Landsberg	15 Mar '18
Financial Figures Q1 2018	Landsberg	3 May '18
General Shareholders' Meeting 2018	Augsburg	9 May '18
Financial Figures Half Year Meeting 2018	Landsberg	9 Aug '18
RATIONAL Analysts' Day 2018	Landsberg	12 Sep '18
Financial Figures 9 Months 2018	Landsberg	30 Oct '18

23%

Average annual return for RATIONAL shareholders since the IPO (including dividends)

The Executive Board

Dr Peter Stadelmann, CEO

Dr Axel Kaufmann, CFO

Peter Wiedemann, CTO

Markus Paschmann, CSO

The Supervisory Board

Walter Kurtz, Chairman

Dr Hans Maerz, Deputy Chairman

Dr Gerd Lintz

Werner Schwind

Erich Baumgärtner

Dr Georg Sick

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10-year overview

Key figures

Earnings situation		2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Sales revenues	m EUR	702	613	564	497	461	435	392	350	314	343
Sales revenues abroad	%	87	87	87	87	87	86	85	84	83	84
Sales revenues RATIONAL segment ^{1 2 3}	m EUR	646	567	529	467	436	413	372	–	–	–
Sales revenues FRIMA segment ^{1 2 3}	m EUR	58	47	39	33	28	26	23	–	–	–
Gross profit	m EUR	426	379	349	304	281	262	234	217	192	204
as a percentage of sales revenues	%	61	62	62	61	61	60	60	62	61	59
EBIT	m EUR	188	167	160	145	128	123	102	106	90	83
as a percentage of sales revenues	%	27	27	28	29	28	28	26	30	29	24
Profit or loss after taxes	m EUR	143	127	122	110	97	93	79	80	67	62
as a percentage of sales revenues	%	20	21	22	22	21	21	20	23	21	18
Earnings per share (undiluted)	EUR	12.58	11.18	10.71	9.68	8.55	8.20	6.93	7.02	5.92	5.42
Return on equity (after taxes) ⁴	%	35	34	37	38	38	42	35	38	42	48
Return on invested capital (ROIC) ⁵	%	33	31	34	34	35	38	33	34	35	41
Asset situation											
Total assets	m EUR	571	540	483	423	377	326	283	306	266	209
Equity	m EUR	425	397	356	311	269	237	207	230	190	134
Equity ratio	%	74	74	74	73	71	73	73	75	71	64
Liabilities to banks	m EUR	14	28	28	33	34	25	19	21	32	26
Cash and cash equivalents (incl. fixed deposits)	m EUR	267	278	267	225	200	166	121	163	132	57
Net financial position ⁶	m EUR	253	250	239	193	166	141	102	142	100	31
Fixed assets	m EUR	127	102	79	69	61	56	54	55	58	63
Investments	m EUR	43	25	19	17	12	9	6	5	2	33
Working capital ⁷ (excluding liquid funds)	m EUR	117	108	99	93	84	75	79	65	59	63
as a percentage of sales revenues	%	17	18	17	19	18	17	20	19	19	18
Cash flow/investments											
Cash flow from operating activities	m EUR	146	129	143	112	103	111	68	87	83	71
Cash flow from investing activities	m EUR	77	-97	-11	-39	-28	-38	61	-23	-72	-38
Cash flow from financing activities	m EUR	-128	-87	-83	-71	-57	-57	-106	-52	-8	-45
Employees											
Number of employees (average)		1,884	1,713	1,530	1,424	1,341	1,263	1,224	1,092	993	1,117
RATIONAL shares											
Year-end closing price ⁸	EUR	537.20	424.00	419.90	259.75	241.10	218.00	168.20	161.89	115.99	82.61
Year-end market capitalisation	m EUR	6,108	4,821	4,774	2,953	2,741	2,479	1,912	1,841	1,319	939
Dividend ⁹	m EUR	125	114	85	77	68	65	63	102	40	11
Dividend per share ⁹	EUR	11.00	10.00	7.50	6.80	6.00	5.70	5.50	9.00	3.50	1.00

¹ 2017 Conversion for product-related segment view (previously related to the legal subsidiary structure); 2016 was adjusted accordingly ² Introduction of the RATIONAL/FRIMA segment structure in 2011 ³ Includes sales revenues between the segments, segment sales revenue total does not correspond to the consolidated sales revenues ⁴ Earnings after tax in relation to the average equity for the respective fiscal year ⁵ Profit after tax less finance costs divided by the invested capital (equity + interest-bearing borrowings) ⁶ Liquid funds less liabilities to banks ⁷ Total inventories and trade receivables less trade accounts payable and advance payments received ⁸ Xetra ⁹ Payout in the following year; dividend 2017 subject to approval by General Meeting of Shareholders 2018; 2011, 2016 and 2017 include a special dividend of 4.00 euros/2.00 euros/2.20 euros respectively

7.6 bn
people live on earth.

“Thanks to our international sales and service structure we can optimally meet the growing global demand for our products and services.”