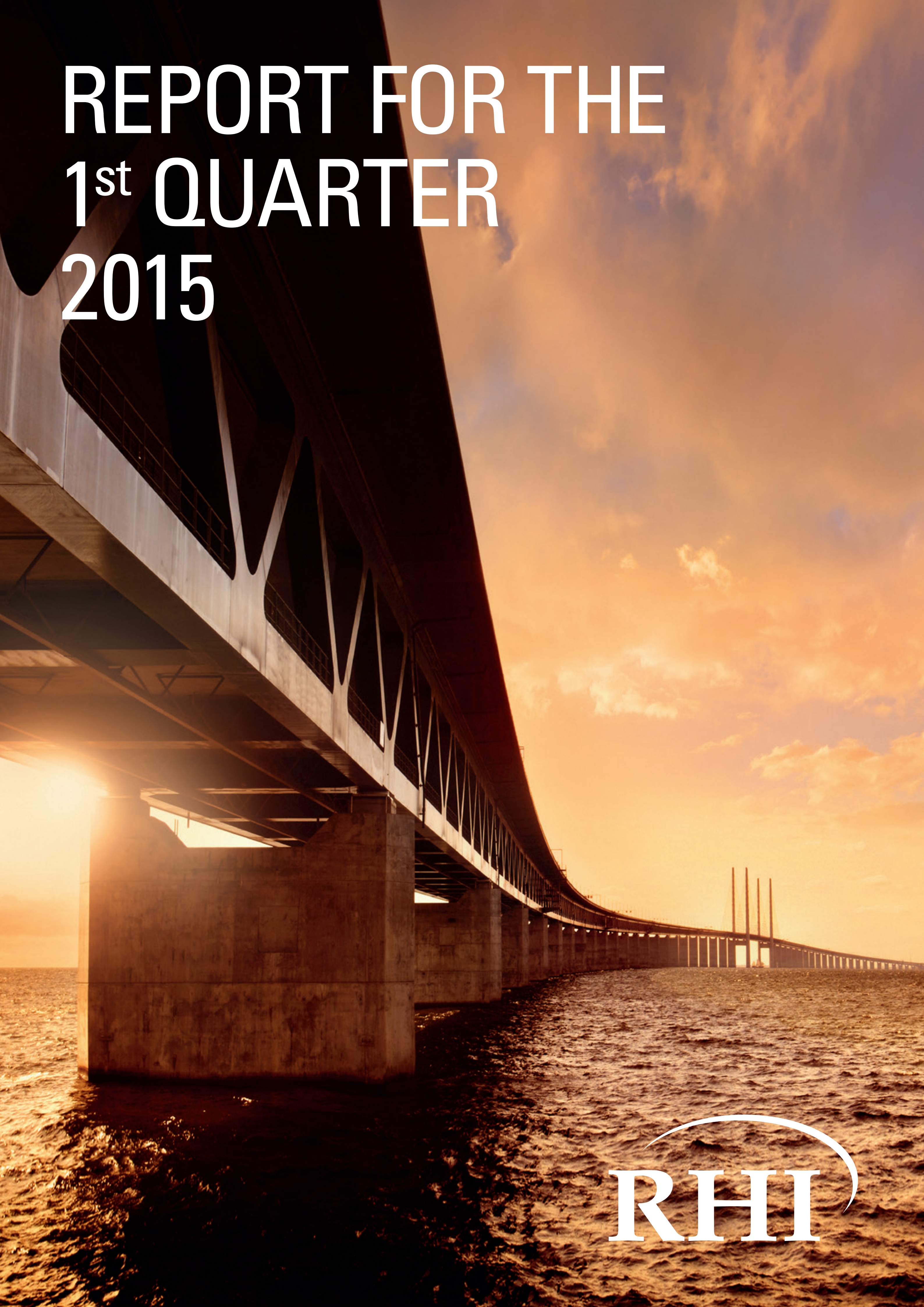
REPORT FOR THE 1st QUARTER 2015



RHI

Quarterly Overview

Earnings indicators (in € million)	Q1/2015	Q4/2014	Delta	Q3/2014	Q2/2014	Q1/2014
Revenue	424.1	466.5	(9.1)%	415.6	436.8	402.3
EBITDA	**51.2**	**51.8**	**(1.2)%**	**42.9**[1)]	**54.7**[1)]	**50.0**[1)]
Operating EBIT[2)]	34.5	41.8	(17.5)%	28.3	37.7	34.1
EBIT	34.5	11.9	189.9%	25.3	38.5	33.6
Net finance costs	(6.8)	(10.3)	34.0%	(8.7)	(6.9)	(6.8)
Share of profit of joint ventures	2.2	2.5	(12.0)%	1.5	2.2	2.0
Profit before income tax	29.9	4.1	629.3%	18.1	33.8	28.8
Income tax	(8.8)	(3.2)	(175.0)%	(9.1)	(11.0)	(9.0)
Profit from continuing operations	21.1	0.9	2,244.4%	9.0	22.8	19.8
EBITDA %	12.1%	11.1%	1.0pp	10.3%	12.5%	12.4%
Operating EBIT %	8.1%	9.0%	(0.9)pp	6.8%	8.6%	8.5%
Profit from continuing operations %	5.0%	0.2%	4.8pp	2.2%	5.2%	4.9%

Cash flow indicators (in € million)	Q1/2015	Q4/2014	Delta	Q3/2014	Q2/2014	Q1/2014
Cash flow from operating activities	**21.8**	**32.3**	**(32.5)%**	**27.7**	**(10.6)**	**23.0**
Cash flow from investing activities	(9.4)	(40.4)	76.7%	(11.3)	(4.1)	(5.3)
Cash flow from financing activities	(57.7)	67.9	(185.0)%	4.9	(46.3)	(1.9)
Free cash flow	12.4	(8.1)	253.1%	16.4	(14.7)	17.7

Balance sheet indicators (in € million)	Q1/2015	Q4/2014	Delta	Q3/2014	Q2/2014	Q1/2014
Balance sheet total	1,926.4	1,860.5	3.5%	1,778.4	1,714.6	1,759.1
Equity	547.6	493.9	10.9%	506.1	485.4	497.5
Equity ratio (in %)	28.4%	26.5%	1.9pp	28.5%	28.3%	28.3%
Net debt	462.2	466.9	(1.0)%	451.2	459.2	408.3
Gearing ratio (in %)[3)]	84.4%	94.5%	(10.1)pp	89.2%	94.6%	82.1%
Net debt / EBITDA[4)]	**2.3**	**2.3**	**0.0%**	**2.4**	**2.3**	**1.7**
Working capital[5)]	619.7	570.9	8.5%	563.2	542.7	507.5
Working capital %[6)]	36.5%	30.6%	5.9pp	33.9%	31.1%	31.5%
Capital employed[7)]	1,297.0	1,225.2	5.9%	1,215.8	1,184.6	1,152.6
Return on capital employed (in %)[8)]	**8.2%**	**2.9%**	**5.3pp**	**5.4%**	**9.4%**	**8.6%**

Stock exchange indicators (Vienna)	Q1/2015	Q4/2014	Delta	Q3/2014	Q2/2014	Q1/2014
Number of shares (million units)	39.819	39.819	0.0%	39.819	39.819	39.819
Closing price (in €)	27.40	18.81	45.7%	21.83	24.59	23.36
Market capitalization (in € million)	**1,091**	**749**	**45.7%**	**869**	**979**	**930**
Earnings per share (in €)	0.52	0.01	5,100.0%	0.22	0.56	0.49
Price-earnings ratio	**13.2**	**470.3**	**(97.2)%**	**24.8**	**11.0**	**11.9**

1) adjusted for income from the reversal of investment subsidies recognized as liabilities
2) EBIT before impairment and restructuring expenses and result from Chapter 11 proceedings
3) Gearing ratio: net debt / equity
4) EBITDA trailing twelve months
5) Working Capital: inventories + trade receivables + receivables from long-term construction contracts – trade payables – prepayments received
6) Working Capital / (Revenue x 4)
7) Capital employed: property, plant and equipment + goodwill + other intangible assets + working capital
8) Return on average capital employed: (EBIT - taxes) / average capital employed

Economic Environment

The IMF has left its forecast for global economic growth of 3.5% unchanged.

In its "World Economic Outlook" published in April 2015, the International Monetary Fund (IMF) did not change its forecast regarding the global economic growth of 3.5% made in its outlook in January 2015. However, the prospects for the different regions vary greatly. Oil-exporting countries are confronted with challenges due to the sharp decline in oil prices, while consumers in oil-importing countries have more disposable income as a result of the more favorable oil price, which thus acts as a support of the economy. Growth prospects in the emerging markets are viewed more critically due to lower increases in productivity. Consequently, the International Monetary Fund reduced its forecast for nearly all important emerging economies, with the exception of India, where growth projections were increased by 1.2% to 7.5% for the year 2015. In contrast, the recession in Russia is likely to be more severe than previously assumed. Here, the experts of the IMF now expect the gross domestic product to decline by 3.8% in the current year, after a contraction by 3.0% had been forecast in January 2015. The Brazilian economy is also expected to fall into a recession in the current year, with the economic performance declining by 1.0%. In China, the restructuring of the economy is causing lower growth rates. The plan is to boost domestic consumption and to reduce dependence on foreign investments and exports. The Chinese statistical office also considers the economy to be under increasing downward pressure after growth of 7.0% in the first quarter of 2015. Despite the weaker outlook, the emerging markets will again account for roughly 70% of the economic growth in the year 2015.

The euro area currently benefits from special factors such as the declining oil price and the weak euro.

According to the International Monetary Fund, the euro area will have to expect weak economic growth in the longer term. Although the region currently benefits from extraordinary factors such as the declining oil price and the weak euro related to the bond purchasing program of the European Central Bank, high national debts and the reluctance to invest on the part of companies are dampening growth prospects in the longer term. However, the picture has recently brightened up a little. Lending to companies and private households by banks of the euro area increased slightly for the first time in March of this year, after recording year-on-year declines every single month since Mai 2012. The Markit Purchasing Managers Index for industry and services rose to 54 points in March 2015, thus clearly exceeding the 50 point mark, which signals growth.

The US economy recorded surprisingly weak growth of 0.2% in the first quarter of 2015.

The US economy recorded surprisingly weak growth in the first quarter 2015 at a rate of 0.2% projected for the full year. At the end of 2014, growth had still amounted to 2.2%. While private consumption continued to grow, exports dropped significantly due to the strong US dollar. In addition, the harsh winter burdened economic activities. The imminent turnaround of interest rates in the US should therefore be delayed. Experts expect a first increase in the base rate in the second half of the year 2015, after it has been close to zero percent since the end of the year 2008.

The European stock markets reached record highs in the current low-interest environment.

The European stock markets reached record highs as a result of the purchase of government and corporate bonds of € 1,140 billion as adopted by the European Central Bank, and of the weak euro, which drives exports. The German lead index DAX, for example, rose from roughly 9,800 points at the end of the year 2014 to more than 12,000 points. The return on ten-year German government bonds fell to less than 0.2% annually in this low-interest environment.

Asset, Financial and Earnings Position

The increase in sales volume compared with the first quarter of 2014 results from higher external raw material sales.

The RHI Group's sales volume in the first quarter of 2015 was up 6.5% on the comparative period of 2014 and amounted to roughly 478,000 tons. This increase is predominantly a result of stepping up the sale of raw dolomite in Italy, which makes a large contribution in terms of volume. In terms of value, however, the contribution is small due to the low revenue per ton. Compared with the strong fourth quarter of 2014, sales volume dropped by 4.8%.

The revenue increase compared to the first quarter of 2014 is attributable to improvements in the product mix and currency effects.

Revenue of the RHI Group, at € 424.1 million in the first quarter of 2015, exceeded the revenue of the comparative period of 2014, at € 402.3 million, but fell short of the fourth quarter of 2014, at € 466.5 million. The increase in revenue compared with the first quarter of 2014 is attributable to improvements in the product mix and currency effects. The operating EBIT amounted to € 34.5 million in the first quarter of 2015, versus € 34.1 million in the comparative period of 2014, but was lower than in the fourth quarter of 2014, at € 41.8 million. While the Steel and Industrial Division significantly increased their contribution to earnings compared with the first quarter of 2014, the Raw Materials Division recorded a considerable decline due to poor utilization of the raw material plants. The operating EBIT margin, at 8.1% in the first quarter of 2015, was lower than in the comparative period of 2014, at 8.5%, and lower than in the fourth quarter of 2014, at 9.0%.

Equity amounted to € 547.6 million at March 31, 2015, versus € 493.9 million at March 31, 2014. The equity ratio rose from 26.5% at the end of the financial year 2014 to 28.4% at March 31, 2015. Cash and cash equivalents declined from € 151.1 million to € 109.7 million in comparison with December 31, 2014 due to the repayment of non-current financial liabilities. Net debt declined slightly from € 466.9 million to € 462.2 million. The gearing ratio, defined as net financial liabilities divided by equity, fell from 94.5% to 84.4%.

The increase in working capital is due to exchange rate effects and higher inventories in North America as demand was weaker than expected.

Working Capital, which consists of inventories and trade receivables less trade payables and prepayments received, rose by € 48.8 million compared with the end of the year 2014 and amounted to € 619.7 million at March 31, 2015. This corresponds to 35.6% of the revenue of the past twelve months. While trade accounts receivable and trade accounts payable remained largely constant, inventories increased significantly. This is primarily due to exchange rate effects and higher inventories in North America as demand was weaker than expected.

Net cash flow from operating activities is characterized by an increase in working capital and amounted to € 21.8 million in the past quarter. Net cash flow from investing activities amounted to € (9.4) million. Consequently, free cash flow totaled € 12.4 million in the first quarter of 2015.

ROACE (Return on Average Capital Employed), which is calculated as EBIT less taxes in relation to the average capital employed (property, plant and equipment, goodwill, other intangible assets and working capital) reached 8.2% in the first quarter of 2015.

The number of employees rose slightly from 8,016 at the end of the year 2014 to 8,079.

Segment Reporting

	Q1/2015	Q1/2014	Delta	Q4/2014	Q3/2014	Q2/2014
Sales volume (thousand tons)	478	449	6.5%	502	452	465
in € million						
Revenue	**424.1**	**402.3**	**5.4%**	**466.5**	**415.6**	**436.8**
Steel Division	279.7	256.7	9.0%	293.6	279.8	278.7
Industrial Division	136.8	133.2	2.7%	162.7	125.1	145.6
Raw Materials Division						
external revenue	7.6	12.4	(38.7)%	10.2	10.7	12.5
internal revenue	66.2	68.6	(3.5)%	62.6	62.4	63.9
EBITDA	**51.2**	**50.0**[1)]	**2.4%**	**51.8**	**42.9**[1)]	**54.7**[1)]
EBITDA margin	12.1%	12.4%	(0.3)pp	11.1%	10.3%	12.5%
Operating EBIT[2)]	**34.5**	**34.1**	**1.2%**	**41.8**	**28.3**	**37.7**
Steel Division	22.8	18.2	25.3%	27.9	22.4	24.6
Industrial Division	13.2	10.1	30.7%	18.2	7.0	13.3
Raw Materials Division	(1.5)	5.8	(125.9)%	(4.3)	(1.1)	(0.2)
Operating EBIT margin	**8.1%**	**8.5%**	**(0.4)pp**	**9.0%**	**6.8%**	**8.6%**
Steel Division	8.2%	7.1%	1.1pp	9.5%	8.0%	8.8%
Industrial Division	9.6%	7.6%	2.0pp	11.2%	5.6%	9.1%
Raw Materials Division[3)]	(2.0)%	7.2%	(9.2)pp	(5.9)%	(1.5)%	(0.3)%
EBIT	**34.5**	**33.6**	**2.7%**	**11.9**	**25.3**	**38.5**
Steel Division	22.8	17.9	27.4%	27.7	20.7	25.1
Industrial Division	13.2	9.9	33.3%	5.7	5.7	13.6
Raw Materials Division	(1.5)	5.8	(125.9)%	(21.5)	(1.1)	(0.2)
EBIT margin	**8.1%**	**8.4%**	**(0.3)pp**	**2.6%**	**6.1%**	**8.8%**
Steel Division	8.2%	7.0%	1.2pp	9.4%	7.4%	9.0%
Industrial Division	9.6%	7.4%	2.2pp	3.5%	4.6%	9.3%
Raw Materials Division[3)]	(2.0)%	7.2%	(9.2)pp	(29.5)%	(1.5)%	(0.3)%
Net finance costs	**(6.8)**	**(6.8)**	**0.0%**	**(10.3)**	**(8.7)**	**(6.9)**
Share of profit of joint ventures	2.2	2.0	10.0%	2.5	1.5	2.2
Profit before income tax	**29.9**	**28.8**	**3.8%**	**4.1**	**18.1**	**33.8**
Income tax	(8.8)	(9.0)	2.2%	(3.2)	(9.1)	(11.0)
Income tax in %	29.4%	31.3%	(1.9)pp	78.0%	50.3%	32.5%
Profit after income tax from continuing operations	**21.1**	**19.8**	**6.6%**	**0.9**	**9.0**	**22.8**
Earnings per share in €[4)]	0.52	0.49		0.01	0.22	0.56

1) adjusted for income from the reversal of investment subsidies recognized as liabilities
2) EBIT before impairment losses, restructuring effects and result from the US Chapter 11 proceedings
3) based on external and internal revenue
4) basic and diluted

Steel Division

The World Steel Association revised its growth expectations for the demand for steel in the year 2015 significantly downwards.

In April 2015 the World Steel Association revised its growth expectations for global steel demand significantly downwards in its semiannually published outlook. While in October 2014 the global demand for steel was still expected to grow by 2.0% in the year 2015, the estimate is now at 0.5%. The forecasts were reduced for all regions without exception, and significantly for some regions. In the CIS region, for example, the demand development was revised from 1.9% to (7.3)%. For South America, estimates now amount to (3.4)% after 3.4%, and to 2.2% for the Middle East after 6.0%. The restructuring of the Chinese economy from export and investment-driven growth to consumer-driven growth had a negative effect on the local steel demand and caused a decline for the first time since the year 1995, which amounted to 3,3% in 2014. In the year 2015, the World Steel Association projects another decrease by 0.5%. In the preceding outlook, growth of 0.8% had been forecast for China for the year 2015. However, not only the expectations regarding the development of the demand for steel in the emerging markets were reduced. The estimate for North America, for example, was revised from 2.2% to (0.9)%, one of the reasons being lower demand by the oil and gas processing industry as a result of the massive drop in oil prices in the second half of the year 2014. In contrast, expectations regarding the development of steel demand in Europe were adjusted to a less significant extent due to the devaluation of the euro and signs of a starting recovery and amount to 2.1% now after 2.9%. Overall, the forecast for the advanced economies was revised from 1.7% to 0.2% and for the emerging markets from 2.2% to 0.6%. The development of the demand for steel outside of China in the year 2015 was reduced from originally 3.2% to 1.3%. For the year 2016, the World Steel Association expects a substantial increase in the demand for steel outside of China to 2.9%.

With the exception of India, steel output declined in all important markets in comparison with the first quarter of 2014.

Global crude steel production fell significantly short of expert expectations in the first quarter of 2015. With the exception of India, steel output decreased in all important markets in comparison with the previous year. Although the order situation of car manufacturers continues to be good and there are signs of a gradual economic recovery in Europe, steel production within the European Union declined by 0.7%. This is partially due to a very good first quarter of 2014. Compared with the previous quarter, steel production grew by 5.3%. In the US, a massive drop in demand by the oil industry resulting from the plummeting oil price had an adverse effect on the steel industry and led to a decrease in production by 7.4%. In China steel production contracted by 1.7% as a result of the downturn in the construction industry and declining foreign investments. In contrast, the steel industry in India benefits from good economic prospects and a multitude of planned infrastructure projects, and increased its output by 9.6%.

in million tons	Q1/2015	Q1/2014	Delta	Q4/2014	Q3/2014	Q2/2014
China	200.1	203.5	(1.7)%	198.9	204.8	208.6
World ex China	199.9	203.9	(2.0)%	202.6	202.7	208.5
thereof EU28	43.7	44.0	(0.7)%	41.5	40.2	43.7
thereof US	20.0	21.6	(7.4)%	21.8	22.7	22.0
thereof India	22.8	20.8	9.6%	21.9	22.0	21.9
World	**400.0**	**407.4**	**(1.8)%**	**401.5**	**407.5**	**417.1**

Source: World Steel Association (April 2015)

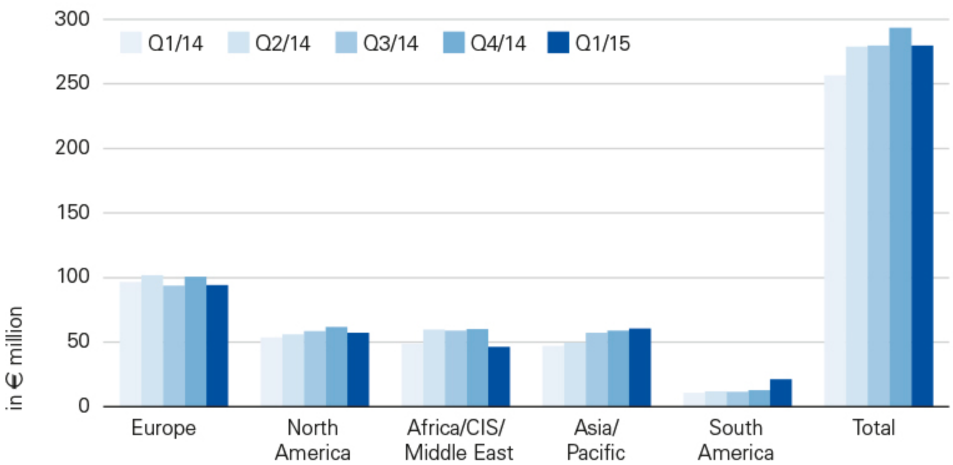
The Steel Division's sales volume fell by 2.3% compared with the same period of 2014 and amounted to approximately 298,000 tons in the first quarter of 2015. Weaker demand in Europe, North America and in the Middle East was only partly offset by a significant increase in business in South America and India. However, revenue increased by 9.0% due to improvements in the product mix and positive foreign currency effects. Compared with the strong fourth quarter of 2014, sales volume decreased by 4.2% and revenue by 4.7%.

In the first quarter of 2015, revenue of the Steel Division, at € 279.7 million, exceeded the revenue of the comparative period of 2014, at € 256.7 million, but was lower than revenue of the fourth quarter of 2014, at € 293.6 million. The operating EBIT amounted to € 22.8 million in the first quarter of 2015, versus € 18.2 million in the comparative period 2014, but was lower than in the fourth quarter of 2014, at € 27.9 million. The increase on the first quarter of 2014 is primarily attributable to higher profitability in North America as the US dollar strengthened against the euro, as well as in South America and India due to the significant increase in revenue. The operating EBIT margin, at 8.2% in the first quarter of 2015, exceeded that of the comparative period of 2014, at 7.1%, but fell short of the 9.5% in the fourth quarter of 2014.

Revenue of the Steel Division increased due to improvements in the product mix and positive currency effects.

Revenue in the past five quarters developed as follows:

Development of revenue



Europe

In the first quarter of 2015, steel production within the European Union declined by 0.7% compared with the same period of 2014, but was 5.3% percent higher than in the previous quarter. The main driver of demand is still the automotive industry. The number of new cars registrations in the European Union rose for the nineteenth consecutive month in March 2015 and exceeded 3.5 million in the past quarter. This corresponds to an increase by 8.6% compared with the first quarter of 2014. This increase in new registrations was particularly strong in Spain and Italy, at 32.2% and 13.5% respectively. The three largest markets, Germany, Great Britain and France, each also recorded growth of more than 6%.

The automotive industry continues to be the main driver of European steel producers.

In late March 2015 the European Commission decided to introduce anti-dumping duties on cold-rolled stainless steel sheets of 24.3% to 25.2% for Chinese producers and 10.9% to 12.0% for Taiwanese manufacturers. This material is used in a variety of household appliances, amongst other things.

The region's contribution to revenue in the first quarter of 2015 declined by roughly 3% compared with the same period of 2014. This is primarily attributable to a weaker business development in Italy as a result of a year-on-year decrease by roughly 10% in steel output. Here, the poor capacity utilization and the liquidity problems resulting from the high debt of many steel producers additionally have an adverse effect on the further business development. While the linings business declined, the flow control business was expanded, especially in the area of slide gate plates.

North America

The falling oil price led to a significant decline in the demand for steel as a result of drastically cut investment programs of many oil production companies.

North American steel producers reduced their output by 6.4% in the first quarter of 2015 compared with the same period of 2014. While demand by the automotive industry continued to be solid, business with the oil and gas industry came to a nearly complete standstill. Due to the falling oil price, many oil companies canceled their expansion plans and drastically reduced their investment programs. Consequently, the number of active oil drilling rigs dropped continuously from an all-time high of roughly 1,600 in October 2014 to only about 700 in April 2015. This is equivalent to the level of the year 2010 and explains the massive drop in demand for pipes, drill heads and other steel equipment for oil production. As the fracking boom was particularly strong in the US in the recent years, the decrease in the US steel production was more significant, at 7.6%.

The region's contribution to revenue in the first quarter of 2015 rose by approximately 7% compared with the same period of 2014 and was primarily due to favorable exchange rate developments. Consequently, the US accounted for the majority of the increase in revenue as the US dollar strengthened significantly against the euro, while revenue in the second important market, Mexico, remained constant. The North American flow control business developed very positively and was expanded by more than 15%. This is attributable to product and service initiatives in steel plants. The business in the tundish segment was thus expanded significantly in the first quarter of this year.

Africa/CIS/Middle East

Russian steel producers increased their output by 4.5% as export business grew due to the devaluation of the ruble.

Steel production in the CIS region declined by 5.9% in the first quarter of 2015 compared with the same period of 2014 due to the political tensions in Eastern Ukraine. While steel production in Ukraine plummeted by more than 30%, Russian producers increased their output by 4.5% as their export business grew due to the devaluation of the ruble. Chinese importers are suffering from declining competitiveness as a result of a revaluation of the yuan and are forced to raise prices accordingly. The region's contribution to revenue rose by roughly 21% due to the positive business development in Russia.

In Africa, steel production in the past quarter was down 6.8% on the comparative period of 2014 and reflects the dependence on the two important countries Egypt and South Africa. Taken together, these two countries account for more than 80% of the steel output on the continent. While steel production rose in Egypt, it fell significantly in South Africa due to economic difficulties. The region's contribution to revenue dropped by some 27% as a result of weak sales in the electric arc furnace and ladle segments.

Steel production in the Middle East rose by 7.0% in the first quarter of 2015 compared with the same period of 2014 as a result of a significant volume increase in Iran and the United Arab Emirates. The region's contribution to revenue was up 0.5% compared with the first quarter of 2014. While the flow control business grew by approximately 10%, increasing imports from China caused a decline in revenue by roughly 2% in the linings business.

South America

Steel production in South America increased slightly in the first quarter of 2015 and was up 0.2% on the comparative period of 2014. The national economies continue to suffer from low raw material prices, the withdrawal of capital by foreign investors and a lack of growth prospects. Consequently, industrial production in the important Brazilian market decreased by more than 5% and reflects the ongoing decline in investment activities in many industries. In addition, a major corruption scandal burdens the market environment.

The region's contribution to revenue increased significantly due to resumed deliveries to Venezuela and contracts won in Brazil.

Despite this challenging market environment, the region's contribution to revenue soared by roughly 96% in the first quarter of 2015. This positive development is attributable to the fact that deliveries to Venezuela were resumed after payments were received, and to contracts won in Brazil. Here, the linings business saw a particularly good development in the ladle and degasser segments. The contribution to earnings was improved significantly due to an increase in revenue.

Asia/Pacific

Steel production in the Asia/Pacific region declined in the first quarter of 2015 and was 1.3% lower than in the comparative period of 2014. Of the four largest markets, China, Japan, India and South Korea, only India recorded some growth, which was in turn strong, at 9.4%. It was attributable to the commissioning of new steel production capacities, which were built to cover the growing local demand related to a large number of planned infrastructure projects.

Experts expect steel exports from China of roughly 100 million tons in the year 2015.

In China, low profitability within the steel industry and high financing costs burdens the liquidity situation of many producers. In addition, declining demand resulting from lower economic growth and reduced investment activities make the market environment more difficult. Many steel producers consequently try to utilize their capacities and generate cash flow by expanding their export business. Experts estimate that steel exports from China will amount to approximately 100 million tons in 2015. This corresponds to more than double the steel output of Germany. Target regions primarily include countries in Southeast Asia and the Middle East.

The region's contribution to revenue increased by roughly 29% in the first quarter of 2015 compared with the same period of 2014 as business in India was expanded further. This development was additionally supported by the strengthening of the Indian rupee and the Chinese yuan against the euro. The Steel Division's revenue generated in India in the first quarter of 2015 increased by roughly 36% on the first quarter of 2014 and amounted to roughly € 38 million. Consequently, India clearly represents the most important individual market, ahead of the US.

Industrial Division

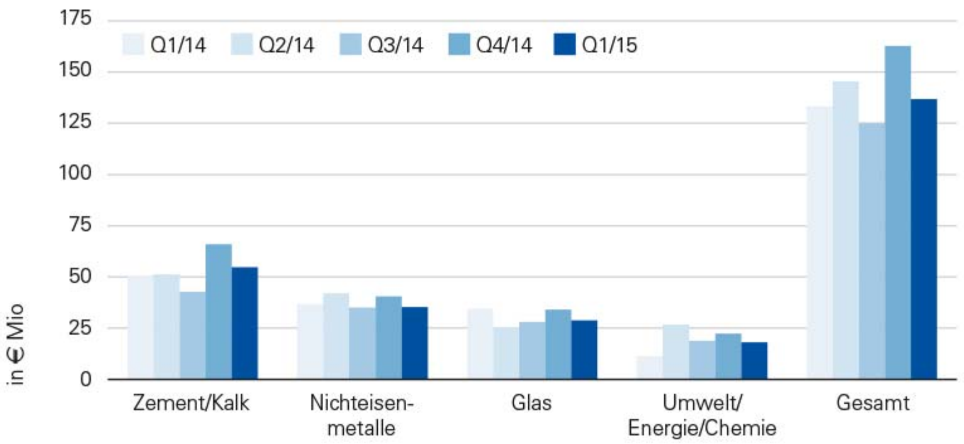
Sales volume of the Industrial Division in the first quarter of 2015 remained unchanged compared with the same period of 2014 and amounted to 102,000 tons. Weaker demand in the glass business unit was compensated by a stimulation of demand in the cement/lime and environment, energy, chemical business units. However, revenue increased by 2.7% due to shifts in the product mix. Compared with the fourth quarter of 2014, which was strongly project-driven, sales volume dropped by 22.7% and revenue by 15.9%.

The operating EBIT of the Industrial Division increased significantly compared with the first quarter of 2014.

In the first quarter of 2015, the Industrial Division's revenue, at € 136.8 million, exceeded the revenue of the comparative period of 2014, at € 133.2 million, but was lower than in the fourth quarter of 2014, at € 162.7 million. The operating EBIT amounted to € 13.2 million in the first quarter 2015, after € 10.1 million in the comparative period of 2014, but fell short of the figure of the fourth quarter of 2014, at € 18.2 million. The increase on the first quarter of 2014 is predominantly due to improved results in the environment, energy, chemicals business unit. The decline in comparison with the fourth quarter of 2014 is a consequence of a decrease in revenue and the related decline in the utilization of production capacities. The operating EBIT margin of the first quarter of 2015, at 9.6%, exceeded that of the comparative period of 2014, at 7.6%, but fell short of the 11.2% in the fourth quarter of 2014.

Revenue developed as follows in the past five quarters:

Development of revenue



Cement/Lime

In North America, straight-line business was expanded and a major project delivered.

The contribution to revenue of the cement/lime business unit in the first quarter of 2015 increased by roughly 8% compared with the same period of 2014. This is largely attributable to an encouraging business development in North America. In addition to an expansion of straight-line business, a major lining project was also completed. Due to the good economic framework conditions, a further stimulation of the business activities in this region can be expected. Business also continued to expand in Africa. In the past years, this region has turned into an important customer market as the production capacities for cement were expanded. However, in the Middle East and the CIS region, political uncertainties had a negative effect on the business development. The European cement industry is still struggling with excess capacities. Nevertheless, a stabilization of the demand for cement is now recognizable. This also applies to the crisis regions in Southern Europe such as Spain, Italy and Greece.

In China, the downturn of the construction industry and falling property prices are burdening local cement producers. As a result, capacities in the world's largest cement market have been shut down in some regions of the country due to the decline in production. Despite this difficult market climate, RHI was able to increase its revenue significantly. The expansion of market share is based on consistent product quality in combination with service packages, which are highly appreciated by the customers.

In India and Indonesia, new cement production facilities are currently built in order to meet the growing demand, which results from a multitude of infrastructure projects. RHI accounts for this development by building a third tunnel kiln at its site in Venkatapuram, India, thus expanding its production capacity by approximately 50%.

Many national economies in South America are struggling with declining economic growth as a result from falling raw material prices. After production capacities were massively expanded during the boom years, hardly any new plant projects are planned at present. Despite high import duties RHI achieved a good market position in the past year. As in China, customers appreciate the quality or the refractory products and an excellent after sales service.

Nonferrous metals

In the first quarter of 2015 the contribution to revenue of the nonferrous metals business unit declined by roughly 5% compared with the same period of 2014. This is predominantly due to a weaker ferronickel business in Asia. Despite the decline in revenue, the contribution to earnings was increased because of urgent repairs in the ferrochrome and the titanium oxide segments in the million euro range. In addition, two important projects for key aggregates in the copper sector were delivered in China, which were offered at high prices because of a special product mix.

The order level was up some 20% on the end of 2014 and roughly 40% on the end of the first quarter of 2014.

Another focus was placed on projects in Russia and Zambia, where material for a major repair in the nickel sector were delivered on the one hand, and, on the other hand, the remaining spare parts were installed for a copper project realized in the last year. In addition, major deliveries went to Germany, South Africa, Mexico, Sweden and Canada, where regular customers trusted in RHI materials.

The order situation developed very positively, increasing by roughly 20% compared with the end of 2014 and by roughly 40% compared with the first quarter of 2014. These orders include contracts for important major repairs in the nickel segment in Canada, where RHI material is used nearly exclusively. As a result, the capacity utilization of the plants looks very encouraging until this fall, but has also led to a considerable increase in delivery times. RHI strives to meet customers' delivery requests as far as possible despite the high capacity utilization.

The prices of copper, aluminum and zinc declined by roughly 4% in the past quarter. In contrast, the nickel price came under stronger pressure and dropped by some 18% to the lowest level in five years. This affects new installation business with mining companies and the relevant kiln manufacturers. However, the important maintenance business is expected to continue to develop positively.

Glass

The contribution to revenue declined due to a drop by more than 60% in North America related to a strike at the US plant in Falconer.

The contribution to revenue of the glass business unit fell by some 16% in the first quarter of 2015 compared with the same period of 2014. This is primarily attributable to a slump in revenue by more than 60% in North America due to a strike at the US plant in Falconer. This strike was only settled in February, leading to delays in deliveries. RHI thus expects strong revenues in the second quarter of the current financial year due to the planned deliveries of the delayed projects.

The Middle East and Eastern Europe recorded an encouraging business development, achieving growth rates in the double-digit percentage range. In Europe, a certain stabilization of the market environment is noticeable. Repair activities were thus carried out according to plan. The consolidation of the glass industry continued to progress in the past quarter. Further takeovers took place especially in the container glass segment in the US and in Europe.

In China the market environment improved slightly. While the flat glass segment is still characterized by high excess capacities, growing demand for special products such as cover glass is becoming apparent. In this context, a contract of roughly € 6 million was won for a special glass furnace. Capacity utilization also improved for the plant in Podolsk, Russia. Several contracts were concluded here as a result of the devaluation of the ruble.

Environment, energy, chemicals

In India, the delivery of a record contract in the refinery sector was started.

The contribution to revenue of the environment, energy, chemicals sector in the first quarter of 2015 was up roughly 60% on the comparative period of 2014. This is on the one hand due to a low revenue level in the first quarter of 2014 and, on the other hand, to a very positive development of revenue in India. Here, a record contract was won in the refinery sector and the deliveries have been started.

A particularly positive success is a first-time full-line contract covering the engineering, refractory material and the installation by supervisors for two new pelletizing plants in the Middles East. Another major contract, a complete package for several sulfur recovery plants, was won in India.

The decline of the oil price has led to a significant deterioration in the investment climate in the oil and gas production industry. In the US, the fracking industry is suffering from the low oil price due to the high investments made in the past. This leads to cost pressure and subsequently to a consolidation of the industry. In the year 2014, 130 mergers and takeovers took place, with a transaction volume of more than € 52 billion in the oil and gas production sector in the US. This consolidation trend continued unabated in the past quarter.

Raw Materials Division

The Raw Material Division's external sales volume reached a new record of approximately 78,000 tons in the first quarter of 2015. The increase by roughly 200% in comparison with the first quarter of 2014 is primarily a result of pushing the sale of raw dolomite in Italy. While these sales contribute a large share to volume, the effect in terms of value is small as the proceeds per ton are low.

The sale of raw dolomite was stepped up, producing a large contribution to volume, but little in terms of value.

In the first quarter of 2015, revenue of the Raw Materials Division, at € 73.8 million, was lower than in the same period of 2014, at € 81.0 million, but exceeded the revenue of the fourth quarter of 2014, at € 72.8 million. The decline in revenue on the comparative period of 2014 is primarily attributable to lower external revenue. The operating EBIT amounted to € (1.5) million in the first quarter of 2015, versus € 5.8 million in the comparative period of 2014, but exceeded that of the fourth quarter of 2014, at € (4.3) million. The decrease on the first quarter of 2014 is the result of lower capacity utilization of the raw material plants. The operating EBIT margin of (2.0)% in the first quarter of 2015 was lower than in the comparative period of 2014, at 7.2%, but higher than in the fourth quarter of 2014, at (5.9)%.

At the site in Porsgrunn, Norway, ongoing optimization projects were continued. The preparations to reduce production volume are proceeding according to plan. The silo capacities have to be adapted accordingly in order to decouple the continuous operation of the preceding caustic magnesia production from the fusion operation, which will then run discontinuously. Moreover, the introduction of new shift systems is planned. The implementation should be completed in the third quarter of 2015 and lead to a significant cost reduction. As of the fourth quarter of 2015, a projected annual production volume of approximately 30,000 tons is to be expected.

The implementation of volume reduction at the site in Norway should be completed in the third quarter of 2015 and lead to significant cost reductions.

As industrial production was weaker in the emerging markets due to slower economic growth, the most important refractory raw materials such as sintered and fused magnesia, bauxite, andalusite or fused corundum recorded slightly declining prices. Many of these raw materials are traded in US dollar. As the euro weakened against the US dollar, the cost for external purchases of European producers increased accordingly.

The establishment of a mixes facility at the site in Eskisehir, Turkey, with investments totaling roughly € 17 million, is proceeding according to plan. In the past quarter, the construction of the steel structure was started, and the first units were installed. The commissioning of the plant is scheduled for the fourth quarter of 2015, so that full availability of the plant is expected for the beginning of the year 2016.

Outlook

Provided that the macroeconomic environment and exchange rates remain stable, the Management Board of the RHI Group expects an increase in revenue by roughly 3% compared with the previous year and an operating EBIT margin of approximately 9% for the full year 2015.

Due to the current order situation of the Industrial Division, a significant increase in revenue is expected for the second quarter of 2015.

Risk Report

In the first quarter of 2015, the risk management processes and key risks remained essentially unchanged. No risks that are considered to be a threat to the existence of the Group were identified.

Condensed, unaudited interim consolidated financial statements

as of 03/31/2015

Consolidated statement of financial position

as of 03/31/2015

in € million	03/31/2015	12/31/2014
ASSETS		
Non-current assets		
Property, plant and equipment	559.3	544.2
Goodwill	39.2	36.1
Other intangible assets	78.8	74.0
Investments in joint ventures	20.3	18.3
Other non-current financial assets	42.1	39.6
Other non-current assets	19.9	19.6
Deferred tax assets	136.9	130.1
	896.5	**861.9**
Current assets		
Inventories	477.3	429.0
Trade and other current receivables	431.3	408.4
Income tax receivables	8.2	6.9
Other current financial assets	3.4	3.2
Cash and cash equivalents	109.7	151.1
	1,029.9	**998.6**
	1,926.4	**1,860.5**

EQUITY AND LIABILITIES		
Equity		
Share capital	289.4	289.4
Group reserves	243.9	192.3
Equity attributable to shareholders of RHI AG	533.3	481.7
Non-controlling interests	14.3	12.2
	547.6	**493.9**
Non-current liabilities		
Non-current financial liabilities	420.7	417.0
Other non-current financial liabilities	1.4	1.3
Deferred tax liabilities	18.1	16.5
Personnel provisions	377.3	355.1
Other non-current provisions	6.0	6.1
Other non-current liabilities	8.6	8.8
	832.1	**804.8**
Current liabilities		
Current financial liabilities	151.2	201.0
Other current financial liabilities	13.9	0.4
Trade payables and other current liabilities	315.0	296.4
Income tax liabilities	24.7	24.1
Current provisions	41.9	39.9
	546.7	**561.8**
	1,926.4	**1,860.5**

Consolidated statement of profit or loss

from 01/01/2015 to 03/31/2015

in € million	1-3/2015	1-3/2014[1)]
Revenue	424.1	402.3
Cost of sales	(331.1)	(309.7)
Gross profit	**93.0**	**92.6**
Selling and marketing expenses	(27.6)	(26.4)
General and administrative expenses	(33.4)	(30.8)
Other income	45.5	13.4
Other expenses	(43.0)	(14.7)
Operating EBIT	**34.5**	**34.1**
Restructuring costs	0.0	(0.5)
EBIT	**34.5**	**33.6**
Interest income	0.4	0.3
Interest expenses	(5.0)	(4.3)
Other net financial expenses	(2.2)	(2.8)
Net finance costs	**(6.8)**	**(6.8)**
Share of profit of joint ventures	2.2	2.0
Profit before income tax	**29.9**	**28.8**
Income tax	(8.8)	(9.0)
Profit after income tax	**21.1**	**19.8**
attributable to shareholders of RHI AG	20.7	19.5
attributable to non-controlling interests	0.4	0.3
in €		
Earnings per share (basic and diluted)	0.52	0.49

1) Explanations regarding adjustments are provided in the notes.

Consolidated statement of comprehensive income

from 01/01/2015 to 03/31/2015

in € million	1-3/2015	1-3/2014
Profit after income tax	**21.1**	**19.8**
Currency translation differences	46.0	(1.0)
Market valuation of cash flow hedges		
Unrealized results from fair value change	(0.1)	(0.7)
Deferred taxes on unrealized results from fair value change	0.0	0.2
Reclassification reserves to the statement of profit or loss	0.0	(0.1)
Market valuation of available-for-sale financial instruments		
Unrealized results from fair value change	2.4	0.8
Deferred taxes on unrealized results from fair value change	(0.6)	(0.2)
Items that will be reclassified subsequently to profit or loss, if necessary	**47.7**	**(1.0)**
Remeasurement of defined benefit plans		
Remeasurement of defined benefit plans	(21.0)	(9.3)
Deferred taxes on remeasurement of defined benefit plans	5.9	2.5
Items that will not be reclassified to profit or loss	**(15.1)**	**(6.8)**
Other comprehensive income after income tax	**32.6**	**(7.8)**
Total comprehensive income	**53.7**	**12.0**
attributable to shareholders of RHI AG	51.6	11.3
attributable to non-controlling interests	2.1	0.7

Consolidated statement of cash flows

from 01/01/2015 to 03/31/2015

in € million	1-3/2015	1-3/2014
Profit after income tax	21.1	19.8
Adjustments for		
income tax	8.8	9.0
depreciation and amortization charges	16.9	16.6
income from the reversal of investment subsidies	(0.2)	(0.2)
gains from the disposal of property, plant and equipment	(0.9)	0.0
interest result	4.6	4.0
share of profit of joint ventures	(2.2)	(2.0)
other non-cash changes	5.1	5.6
Changes in		
inventories	(27.6)	(26.7)
trade receivables	2.4	(9.8)
other receivables and assets	(6.4)	1.8
provisions	(2.8)	(5.8)
trade payables	(1.2)	4.7
other liabilities	12.4	15.4
Cash flow from operating activities	**30.0**	**32.4**
Income tax paid less refunds	(8.2)	(9.4)
Net cash flow from operating activities	**21.8**	**23.0**
Investments in property, plant and equipment and intangible assets	(11.3)	(6.4)
Cash inflows from the sale of property, plant and equipment	1.2	0.5
Investments in / cash inflows from non-current receivables	(0.2)	0.1
Dividend payments from joint ventures	0.5	0.2
Interest received	0.4	0.3
Net cash flow from investing activities	**(9.4)**	**(5.3)**
Repayments of non-current borrowings and loans	(51.7)	(0.1)
Changes in current borrowings	(1.7)	2.8
Interest payments	(4.3)	(4.6)
Net cash flow from financing activities	**(57.7)**	**(1.9)**
Total cash flow	**(45.3)**	**15.8**
Change in cash and cash equivalents	**(45.3)**	**15.8**
Cash and cash equivalents at beginning of year	151.1	112.4
Changes due to currency translation	3.9	(0.9)
Cash and cash equivalents at year-end	109.7	127.3
Total interest paid	4.3	5.1
Total interest received	0.4	0.3

Consolidated statement of changes in equity

from 01/01/2015 to 03/31/2015

in € million	Share capital	Additional paid-in capital	Retained earnings
12/31/2014	**289.4**	**38.3**	**307.9**
Profit after income tax	**-**	**-**	**20.7**
Currency translation differences	-	-	-
Market valuation of cash flow hedges	-	-	-
Market valuation of available-for-sale financial instruments	-	-	-
Remeasurement of defined benefit plans	-	-	-
Other comprehensive income after income tax	**-**	**-**	**-**
Total comprehensive income	**-**	**-**	**20.7**
03/31/2015	**289.4**	**38.3**	**328.6**

in € million	Share capital	Additional paid-in capital	Retained earnings
12/31/2013	**289.4**	**38.3**	**287.7**
Profit after income tax	**-**	**-**	**19.5**
Currency translation differences	-	-	-
Market valuation of cash flow hedges	-	-	-
Market valuation of available-for-sale financial instruments	-	-	-
Remeasurement of defined benefit plans	-	-	-
Other comprehensive income after income tax	**-**	**-**	**-**
Total comprehensive income	**-**	**-**	**19.5**
03/31/2014	**289.4**	**38.3**	**307.2**

Group reserves						
Accumulated other comprehensive income						
Cash flow hedges	Available-for-sale financial instruments	Defined benefit plans	Currency translation	Equity attributable to shareholders of RHI AG	Non-controlling interests	Total equity
(1.0)	**4.5**	**(106.1)**	**(51.3)**	**481.7**	**12.2**	**493.9**
-	**-**	**-**	**-**	**20.7**	**0.4**	**21.1**
-	-	-	44.3	**44.3**	**1.7**	**46.0**
(0.1)	-	-	-	**(0.1)**	**-**	**(0.1)**
-	1.8	-	-	**1.8**	**-**	**1.8**
-	-	(15.1)	-	**(15.1)**	**-**	**(15.1)**
(0.1)	**1.8**	**(15.1)**	**44.3**	**30.9**	**1.7**	**32.6**
(0.1)	**1.8**	**(15.1)**	**44.3**	**51.6**	**2.1**	**53.7**
(1.1)	**6.3**	**(121.2)**	**(7.0)**	**533.3**	**14.3**	**547.6**

Group reserves						
Accumulated other comprehensive income						
Cash flow hedges	Available-for-sale financial instruments	Defined benefit plans	Currency translation	Equity attributable to shareholders of RHI AG	Non-controlling interests	Total equity
0.5	**2.0**	**(70.3)**	**(72.3)**	**475.3**	**10.2**	**485.5**
-	**-**	**-**	**-**	**19.5**	**0.3**	**19.8**
-	-	-	(1.4)	**(1.4)**	**0.4**	**(1.0)**
(0.6)	-	-	-	**(0.6)**	**-**	**(0.6)**
-	0.6	-	-	**0.6**	**-**	**0.6**
-	-	(6.8)	-	**(6.8)**	**-**	**(6.8)**
(0.6)	**0.6**	**(6.8)**	**(1.4)**	**(8.2)**	**0.4**	**(7.8)**
(0.6)	**0.6**	**(6.8)**	**(1.4)**	**11.3**	**0.7**	**12.0**
(0.1)	**2.6**	**(77.1)**	**(73.7)**	**486.6**	**10.9**	**497.5**

Selected explanatory notes

Principles and methods

The interim financial statements as of 03/31/2015 were prepared in accordance with the requirements of IAS 34 "Interim Financial Reporting" and with the International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU).

The interim consolidated financial statements do not include all information and disclosures required in the annual financial statements and should therefore be read in conjunction with the RHI consolidated financial statements as of 12/31/2014.

Initial application of new financial reporting standards

With the exception of the changes described in the following, the same accounting and measurement principles were used as in the previous year:

Standard	Title	Publication (EU endorsement)	Effects on RHI consolidated interim financial statements
New interpretation			
IFRIC 21	Levies	05/20/2013 (06/13/2014)	No effect
Amendments of standards			
Various	Annual improvements to IFRSs 2011-2013 Cycle	12/12/2013 (12/18/2014)	No effect

Other changes in comparative information

The following changes in presentation were introduced as of 12/31/2014 to enhance the informative value of the RHI consolidated financial statements:

Amortization charges on development costs, which had been included in general and administrative expenses until the third quarter of 2014, were reclassified to cost of sales with retroactive effect as of the fourth quarter of 2014 as this presentation is more appropriate (Adjustment 1).

Foreign exchange results were previously shown as the net amount of foreign exchange gains and losses, either under other income or under other expenses. The net results from foreign exchange contracts were shown as a correcting item to the foreign exchange result. Due to the materiality of the effects, they have no longer been offset since 12/31/2014 based on the no-netting principle (Adjustment 2).

As a result of the changes in presentation, the consolidated statement of profit or loss changed as follows for the first quarter of 2014:

	1-3/2014	Effect 1-3/2014		1-3/2014
in € million	as published	Adjustment 1	Adjustment 2	adjusted
Cost of sales	(309.2)	(0.5)	-	(309.7)
Gross profit	93.1	(0.5)	-	92.6
General and administrative expenses	(31.3)	0.5	-	(30.8)
Other income	0.5	-	12.9	13.4
Other expenses	(1.8)	-	(12.9)	(14.7)

Audit and review by an auditor

The consolidated interim financial statements as of 03/31/2015 were neither fully audited nor reviewed by an auditor.

Group of consolidated companies

Compared with the reporting date 12/31/2014, the group of consolidated companies was reduced by the fully consolidated subsidiary Veitsch Radex America Inc., Burlington, Canada, due to a merger with RHI Canada Inc., Burlington, Canada, and now comprises 78 fully consolidated subsidiaries and one joint venture consolidated using the equity method.

Goodwill

Goodwill developed as follows:

in € million	01/01/ - 03/31/2015	01/01/ - 12/31/2014
Cost at beginning of period	38.6	36.7
Currency translation	3.6	1.9
Cost at end of period	**42.2**	**38.6**
Accumulated impairment at beginning of period	(2.5)	(2.2)
Currency translation	(0.5)	0.1
Impairment losses	0.0	(0.4)
Accumulated impairment at end of period	**(3.0)**	**(2.5)**
Carrying amounts at end of period	**39.2**	**36.1**

Personnel provisions

For interim reports, provisions for pensions and termination payments are determined on the basis of a preview for the entire year prepared by an actuary. If there are significant changes in the actuarial assumptions in the course of the year, a remeasurement of the net debt from employee-related defined benefit obligation is recognized.

As of 03/31/2015, a significant reduction in the actuarial interest rate, especially in the euro area, led to an increase in pension and termination benefit obligations amounting to € 21.0 million (03/31/2014: € 9.3 million) and to a reduction of equity amounting to € 15.1 million (03/31/2014: € 6.8 million) (after deferred taxes).

Financial liabilities

In the first quarter of 2015, Schuldscheindarlehen amounting to € 50.0 million were repaid.

Other income and expenses

Net foreign currency effects and the net amount of gains and losses from derivative financial instruments amount to € 1.4 million (1-3/2014: € (1.3) million).

Restructuring costs

The restructuring costs of € 0.5 million recognized in the first quarter of the previous year resulted from the closure of the plant in Duisburg, Germany, and were related to expenses for the social plan.

Income tax

The tax rate in the first quarter of 2015 amounts to 29% (1-3/2014: 31%).

Segment reporting

The key figures of the operating segments for the first quarter of 2015 and the first quarter of 2014 are shown in the tables below:

in € million	Steel	Industrial	Raw Materials	Elimination/Un-allocated assets	Group 1-3/2015
External revenue	279.7	136.8	7.6	0.0	424.1
Internal revenue	0.0	0.0	66.2	(66.2)	0.0
Segment revenue	**279.7**	**136.8**	**73.8**	**(66.2)**	**424.1**
Operating EBIT/EBIT	**22.8**	**13.2**	**(1.5)**	**0.0**	**34.5**
Net finance costs	0.0	0.0	0.0	(6.8)	(6.8)
Share of profit of joint ventures	0.0	0.0	2.2	0.0	2.2
Profit before income tax					**29.9**
Segment assets 03/31/2015	685.2	344.0	479.9	397.0	1,906.1
Investments in joint ventures 03/31/2015	0.0	0.0	20.3	0.0	20.3
					1,926.4

in € million	Steel	Industrial	Raw Materials	Elimination/Un-allocated assets	Group 1-3/2014
External revenue	256.7	133.2	12.4	0.0	402.3
Internal revenue	0.0	0.0	68.6	(68.6)	0.0
Segment revenue	**256.7**	**133.2**	**81.0**	**(68.6)**	**402.3**
Operating EBIT	**18.2**	**10.1**	**5.8**	**0.0**	**34.1**
Restructuring costs	(0.3)	(0.2)	0.0	0.0	(0.5)
EBIT	**17.9**	**9.9**	**5.8**	**0.0**	**33.6**
Net finance costs	0.0	0.0	0.0	(6.8)	(6.8)
Share of profit of joint ventures	0.0	0.0	2.0	0.0	2.0
Profit before income tax					**28.8**
Segment assets 12/31/2014	619.9	302.0	499.5	420.8	1,842.2
Investments in joint ventures 12/31/2014	0.0	0.0	18.3	0.0	18.3
					1,860.5

Disclosures on financial instruments

The following tables show the carrying amounts and fair values of the financial assets and liabilities by level and measurement category, and the allocation to the measurement levels in accordance with IFRS 13. In addition, the carrying amounts are shown aggregated according to measurement category.

in € million	IAS 39 Measurement category[1]	Level	(Amortized) cost	Fair value recognized in profit/loss	Fair value recognized in equity	03/31/2015 Carrying amount	03/31/2015 Fair value
Assets							
Available-for-sale investments	FAAC	-	0.5	-	-	0.5	-
Available-for-sale securities	AfS	1	-	-	36.1	36.1	36.1
Available-for-sale shares	AfS	3	-	-	2.2	2.2	2.2
Available-for-sale shares	FAAC	-	1.1	-	-	1.1	-
Other non-current financial receivables	LaR	-	2.2	-	-	2.2	-
Trade and other current receivables[2]	LaR	-	345.9	-	-	345.9	-
Other current financial receivables	LaR	-	1.8	-	-	1.8	-
Financial assets held for trading	FAHfT	2	-	1.6	-	1.6	1.6
Cash and cash equivalents	LaR	-	109.7	-	-	109.7	-
Equity and liabilities							
Non-current financial liabilities	FLAAC	2	420.7	-	-	420.7	449.5
Interest derivatives designated as cash flow hedges	-	2	-	-	1.4	1.4	1.4
Current financial liabilities	FLAAC	2	151.2	-	-	151.2	151.5
Financial liabilities held for trading	FLHfT	2	-	13.9	-	13.9	13.9
Trade payables and other current liabilities[3]	FLAAC	-	191.7	-	-	191.7	-
Aggregated according to measurement category							
Loans and receivables	LaR		459.6	-	-	459.6	
Available for sale financial instruments	AfS		-	-	38.3	38.3	
Financial assets at cost	FAAC		1.6	-	-	1.6	
Financial assets held for trading	FAHfT		-	1.6	-	1.6	
Financial liabilities measured at amortized cost	FLAAC		763.6	-	-	763.6	
Financial liabilities held for trading	FLHfT		-	13.9	-	13.9	

in € million	IAS 39 Measurement category[1]	Level	(Amortized) cost	Fair value recognized in profit/loss	Fair value recognized in equity	12/31/2014 Carrying amount	12/31/2014 Fair value
Assets							
Available-for-sale investments	FAAC	-	0.5	-	-	0.5	-
Available-for-sale securities	AfS	1	-	-	33.7	33.7	33.7
Available-for-sale shares	AfS	3	-	-	2.2	2.2	2.2
Available-for-sale shares	FAAC	-	1.1	-	-	1.1	-
Other non-current financial receivables	LaR	-	2.1	-	-	2.1	-
Trade and other current receivables[2]	LaR	-	334.0	-	-	334.0	-
Other current financial receivables	LaR	-	1.6	-	-	1.6	-
Financial assets held for trading	FAHfT	2	-	1.6	-	1.6	1.6
Cash and cash equivalents	LaR	-	151.1	-	-	151.1	-
Equity and liabilities							
Non-current financial liabilities	FLAAC	2	417.0	-	-	417.0	444.0
Interest derivatives designated as cash flow hedges	-	2	-	-	1.3	1.3	1.3
Current financial liabilities	FLAAC	2	201.0	-	-	201.0	201.3
Financial liabilities held for trading	FLHfT	2	-	0.4	-	0.4	0.4
Trade payables and other current liabilities[3]	FLAAC	-	195.8	-	-	195.8	-
Aggregated according to measurement category							
Loans and receivables	LaR		488.8	-	-	488.8	
Available for sale financial instruments	AfS		-	-	35.9	35.9	
Financial assets at cost	FAAC		1.6	-	-	1.6	
Financial assets held for trading	FAHfT		-	1.6	-	1.6	
Financial liabilities measured at amortized cost	FLAAC		813.8	-	-	813.8	
Financial liabilities held for trading	FLHfT		-	0.4	-	0.4	

1) FAAC: Financial assets at cost
AfS: Available for sale financial instruments
LaR: Loans and receivables
FAHfT: Financial assets held for trading
FLAAC: Financial liabilities measured at amortized cost
FLHfT: Financial liabilities held for trading

2) Trade and other current receivables of € 431.3 million (12/31/2014: € 408.4 million) as shown in the statement of financial position also include non-financial assets of € 85.4 million (12/31/2014: € 74.4 million).

3) Trade payables and other current liabilities of € 315.0 million (12/31/2014: € 296.4 million) as shown in the statement of financial position also include non-financial liabilities of € 123.3 million (12/31/2014: € 100.6 million).

In the RHI Group especially securities, derivative financial instruments and shares in a residential property company are measured at fair value on a recurring basis.

Fair value is defined as the amount for which an asset could be exchanged, or a liability settled, between market participants in an arm's length transaction on the day of measurement. When the fair value is determined it is assumed that the transaction in which the asset is sold or the liability is transferred takes place either in the main market for the asset or liability, or in the most favorable market if there is no main market. RHI considers the characteristics of the asset or liability to be measured which a market participant would consider in pricing. It is assumed that market participants act in their best economic interest.

RHI takes into account the availability of observable market prices in an active market and uses the following hierarchy to determine fair value:

Level 1: Prices quoted in active markets for identical financial instruments.
Level 2: Measurement techniques in which all important data used are based on observable market data.
Level 3: Measurement techniques in which all important data used are not based on observable market data.

The fair value of available-for-sale securities is based on price quotations at the reporting date (Level 1).

The fair value of interest derivatives in a hedging relationship (interest rate swaps) is determined by calculating the present value of future cash flows based on current yield curves taking into account the corresponding terms (Level 2).

The fair value of financial assets and liabilities held for trading corresponds to the market value of the forward exchange contracts and derivatives in orders denominated in a currency other than the functional currency. They are measured based on quoted forward rates (Level 2).

The fair value of available-for-sale shares which are not listed is determined by discounting the expected cash flow taking into account the country-specific weighted average cost of capital in the RHI Group (Level 3).

The development of Level 3 fair values is presented below:

in € million	01/01/ - 03/31/2015	01/01/ - 12/31/2014
Fair values at beginning of period	**2.2**	**1.6**
Unrealized results from fair value change recognized in other comprehensive income	0.0	0.6
Fair values at end of period	**2.2**	**2.2**

An increase or decrease in the weighted average cost of capital by 25 basis points would not lead to a significant change in fair value, as was the case at 12/31/2014.

RHI takes into account reclassifications in the measurement hierarchy at the end of the reporting period in which the changes occur. There were no shifts between the different measurement levels in the two reporting periods.

Financial liabilities are carried at amortized cost in the statement of financial position. The fair values of the financial liabilities are only shown in the notes. They are calculated as the present value of the discounted future cash flows using yield curves that are currently observable (Level 2).

Available-for-sale investments of € 0.5 million (12/31/2014: € 0.5 million) and available-for-sale shares of € 1.1 million (12/31/2014: € 1.1 million) are equity instruments carried at cost for which there is no quoted price on an active market. It was not possible to derive a fair value based on comparable transactions. These investments and shares are immaterial in comparison with the total position of the Group. The RHI Group intends to liquidate an investment with a carrying amount of € 0.1 million.

The financial receivables roughly correspond to the fair value as no material deviation between the fair value and the carrying amount is assumed due to the amount of the receivables and the credit default risk is accounted for by forming valuation allowances.

The remaining terms of trade and other current receivables and liabilities as well as cash and cash equivalents are predominantly short. Therefore, the carrying amounts of these items approximate fair value at the reporting date.

At the two reporting dates, no contractual netting agreements of financial assets and liabilities were in place.

Related companies

The volume of transactions carried out by RHI Group companies with related companies in the first quarter of 2015 is immaterial. The same also applies to accounts receivable from and accounts payable to related companies.

Contingent liabilities

There have been no significant changes in contingent liabilities since the previous reporting date.

Seasonal and cyclical influence

Explanations regarding seasonal and cyclical influences on the operating activities of the RHI Group can be found in the interim consolidated management report.

Employees

In the first quarter of 2015 the average number of employees of the RHI Group weighted by level of employment amounted to 7,973 (1-3/2014: 8,062).

Events after the reporting date 03/31/2015

The Annual General Meeting on 05/08/2015 approved the payout of a dividend of € 0.75 per share for the year 2014. Consequently, dividends totaling € 29.9 million will be paid to the shareholders of RHI AG in the second quarter of 2015.

No further events of material importance became known after the reporting date on 03/31/2015.

Vienna, 05/13/2015

Management Board

Franz Struzl CEO CSO Industrial Division	Barbara Potisk-Eibensteiner CFO
Franz Buxbaum COO CTO R&D	Reinhold Steiner CSO Steel Division

RHI Share

The shares of RHI AG are admitted to official trading on the Vienna Stock Exchange. RHI is represented in the ATX, the lead index and the most important trading segment of the Austrian capital market, and is a member of the Prime Market at the Vienna Stock Exchange. On March 31, 2015 39,819,039 no-par common shares of RHI AG with voting rights were admitted to trading in Vienna.

Shareholder Structure

- MS Privatstiftung, AUT >25%
- Chestnut Beteiligungsgesellschaft mbH, GER* >5%
- Silver Beteiligungsgesellschaft mbH, GER* >5%
- Streubesitz <65%

* gemeinsame Ausübung der Stimmrechte

Capital market calendar 2015

Preliminary result 2014	February 27, 2015
Final result 2014	March 27, 2015
RHI Annual General Meeting	May 8, 2015
Expected ex-dividend day	May 11, 2015
Report of the first quarter of 2015	May 13, 2015
Expected dividend payment day	May 18, 2015
Half-year result 2015	August 6, 2015
Report on the third quarter of 2015	November 5, 2015

Stock Exchange Indicators

Share price on the Vienna Stock Exchange (in €)	Q1/2015	Q1/2014
Highest closing price	29.87	26.05
Lowest closing price	19.04	22.85
Closing price at end of period	27.40	23.36
Market capitalization (in € million)	1,091	930

Share performance 01/2014 - 05/2015

ISIN
RHI share: AT0000676903
Reuters: RHIV.VI
Bloomberg: RHI AV

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The English translation of the RHI annual report is for convenience.
Only the German text is binding.

This quarterly report contains forward-looking statements based on the currently held beliefs and assumptions of the management of RHI AG ("RHI"), which are expressed in good faith and, in their opinion, reasonable. These statements may be identified by words such as "expectation" or "target" and similar expressions, or by their context. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of RHI to differ materially from the results, financial condition, performance or achievements express or implied by such forward-looking statements. Given these risks, uncertainties and other factors, recipients of this document are cautioned not to place undue reliance on these forward-looking statements. RHI disclaims any obligation to update these forward-looking statements to reflect future events or developments.

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