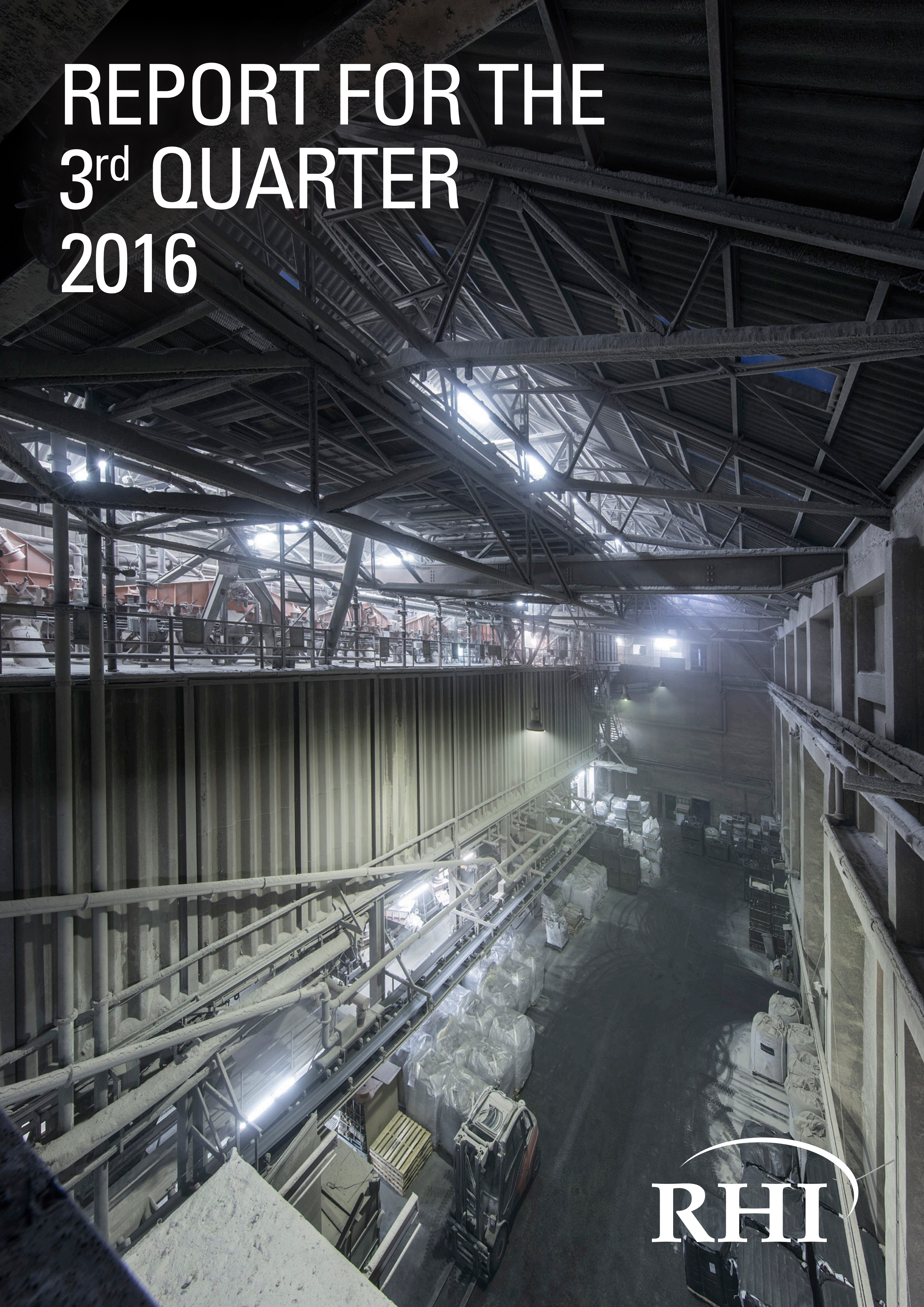
REPORT FOR THE 3rd QUARTER 2016



RHI

Quarterly Overview

Earnings indicators (in € million)	Q3/2016	Q2/2016	Delta	Q1/2016	Q4/2015	Q3/2015
Revenue	397.1	440.5	(9.9)%	389.7	440.0	410.5
EBITDA	**48.1**	**57.4**	**(16.2)%**	**43.2**	**(2.3)**	**39.8**
Operating EBIT[1)]	27.8	39.9	(30.3)%	30.3	32.7	22.8
EBIT	32.5	41.5	(21.7)%	27.1	(53.9)	22.8
Net finance costs	(5.4)	(5.1)	(5.9)%	(6.0)	(3.3)	(5.8)
Share of profit of joint ventures	2.0	2.7	(25.9)%	2.7	2.5	2.1
Profit before income tax	29.1	39.1	(25.6)%	23.8	(54.7)	19.1
Income tax	(4.0)	(15.0)	73.3%	(9.0)	16.3	(7.7)
Profit from continuing operations	25.1	24.1	4.1%	14.8	(38.4)	11.4
EBITDA %	12.1%	13.0%	(0.9)pp	11.1%	(0.5)%	9.7%
Operating EBIT %	7.0%	9.1%	(2.1)pp	7.8%	7.4%	5.6%
Profit from continuing operations %	6.3%	5.5%	0.8pp	3.8%	(8.7)%	2.8%

Cash flow indicators (in € million)	Q3/2016	Q2/2016	Delta	Q1/2016	Q4/2015	Q3/2015
Cash flow from operating activities	**27.8**	**46.2**	**(39.8)%**	**30.5**	**83.6**	**26.9**
Cash flow from investing activities	(11.9)	(8.7)	(36.8)%	(8.4)	(30.2)	(14.9)
Cash flow from financing activities	(10.9)	(50.5)	78.4%	(3.9)	(56.8)	17.2
Free cash flow	15.9	37.5	(57.6)%	22.1	53.4	12.0

Balance sheet indicators (in € million)	Q3/2016	Q2/2016	Delta	Q1/2016	Q4/2015	Q3/2015
Balance sheet total	1,758.0	1,757.2	0.0%	1,801.3	1,804.5	1,840.1
Equity	483.9	469.8	3.0%	486.8	491.4	539.3
Equity ratio (in %)	27.5%	26.7%	0.8pp	27.0%	27.2%	29.3%
Net debt	364.0	373.9	(2.6)%	378.9	397.9	445.6
Gearing ratio (in %)[2)]	75.2%	79.6%	(4.4)pp	77.8%	81.0%	82.6%
Net debt / EBITDA[3)]	**2.5**	**2.7**	**(7.4)%**	**2.9**	**2.8**	**2.3**
Working capital[4)]	497.9	495.1	0.6%	516.4	532.6	591.6
Working capital %[5)]	31.3%	28.1%	3.2pp	33.1%	30.3%	36.0%
Capital employed[6)]	1,111.9	1,113.7	(0.2)%	1,142.3	1,176.5	1,239.4
Return on capital employed (in %)[7)]	**10.2%**	**9.4%**	**0.8pp**	**6.2%**	**(12.5)%**	**4.8%**

Stock exchange indicators (Vienna)	Q3/2016	Q2/2016	Delta	Q1/2016	Q4/2015	Q3/2015
Number of shares (million units)	39.819	39.819	0.0%	39.819	39.819	39.819
Closing price (in €)	23.66	17.25	37.2%	17.17	18.01	18.09
Market capitalization (in € million)	**942**	**687**	**37.2%**	**684**	**717**	**720**
Earnings per share (in €)	0.62	0.59	5.1%	0.36	(0.98)	0.28
Price-earnings ratio	**9.5**	**7.3**	**30.1%**	**11.9**	**(4.6)**	**16.2**

1) EBIT before expenses from derivatives from supply contracts, impairment and restructuring effects
2) Gearing ratio: net debt / equity
3) EBITDA trailing twelve months
4) Working Capital: inventories + trade receivables + receivables from long-term construction contracts – trade payables – prepayments received
5) Working Capital / (Revenue x 4)
6) Capital employed: property, plant and equipment + goodwill + other intangible assets + working capital
7) Return on average capital employed: (EBIT - taxes) x 4 / average capital employed

Economic Environment

The IMF expects economic growth of 3.1% for the current year and 3.4% for the year 2017.

In its update of the "World Economic Outlook" published in October, the International Monetary Fund forecasts global economic growth of 3.1% for the current year and 3.4% for the year 2017. The reasons for the cautious economic forecast include weaker-than-expected growth in the US and the subdued outlook for the developed economies, which is among other things due to the planned withdrawal of the United Kingdom from the European Union and the related economic and political uncertainties. Despite strong consumer confidence supported by a solid employment market, the US economy has significantly lost momentum in the course of the year. Weak investments especially in the energy sector, the impact of the strong dollar on investments of export-oriented industries, volatilities in the financial markets and fears of falling back into a recession are considered the main obstacles to growth by the experts of the International Monetary Fund. As a result, the growth forecast for the world's largest economy for the year 2016 was reduced from 2.2% in July of the current year to 1.6% at present, and from 2.5% to 2.2% for the year 2017. In contrast to the subdued growth rates of the developed economies, the outlook for the emerging markets is positive. After five consecutive years of declining growth, these countries should grow faster than in the previous year. The International Monetary Fund expects growth rates of 4.2% in the current year and 4.6% in the following year. While the Asian economies, above all China and India, are still recording robust growth rates, the raw material dependent African countries are increasingly coming under pressure due to low raw material prices and difficult political framework conditions. With respect to the recession-shaken economies of Russia and Brazil, the experts of the International Monetary Fund see a beginning recovery based on the macroeconomic data published in the past months and expect these countries to return to growth in the year 2017.

In Europe the European Central Bank plans to maintain its monetary easing policy for a longer period of time.

In the US, the Federal Reserve maintained the interest rate unchanged at 0.5%, after the base rate had been raised in December of last year for the first time since 2006. Thus, the turnaround in the interest rate policy with further increases in the year 2016, which many experts expected, has failed to occur so far. However, at its meeting in September, the Federal Open Market Committee strongly indicated an increase in interest rates in December 2016. In Europe, the European Central Bank (ECB) plans to maintain its monetary easing policy for a longer period of time. In October of this year the ECB announced that the base rate would remain at the current level or below far beyond the period of its securities purchases. In addition, the Governing Council of the European Central Bank stated that the monthly securities purchases of roughly € 80 billion would be continued beyond the scheduled end in March 2017, if necessary.

The German lead index DAX recovered in the past quarter and on September 30, 2016 only fell roughly 2% short of the level at the end of the year 2015.

After the German lead index DAX had dropped significantly in June 2016 following uncertainties after United Kingdom's vote in favor of leaving the European Union, it recovered in the past quarter. The index subsequently rose by more than 800 points compared to June 30, 2016 to roughly 10,500 points at September 30, 2016, thus only falling short roughly 2% of the level at the end of the year 2015. In late September 2016, the Organization of Petroleum Exporting Countries surprisingly agreed to limit oil production to 32.5 billion barrels per day at an informal meeting in the Algerian capital Algiers. This subsequently led to an increase in oil prices.

Asset, Financial and Earnings Position

Despite the decline in revenue, the operating EBIT rose by 7.2% to € 98.0 million.

In the first nine months of 2016, the RHI Group's revenue dropped by 6.5% compared with the same period of 2015 and amounted to € 1,227.3 million. In the Steel Division revenue declined by 4.6% due to a weaker business development in South America, Europe and China and the opening of the product portfolio to lower-performance products. In the Industrial Division the decrease in revenue of 11.3% compared with the same period of 2015 is among other things due to lower deliveries in the cement/lime and environment, energy, chemicals business units. Despite the decline in revenue, the operating EBIT rose by 7.2% from € 91.4 million in the first nine months of 2015 to € 98.0 million in the current financial year. This development is primarily attributable to a positive earnings situation in the Steel Division due to favorable product mix effects and better utilization of the production capacities resulting from the increase in sales volume. In addition, the operating EBIT of the Raw Materials Division improved due to good capacity utilization at the Austrian raw material plants, which predominantly produce basic mixes for the steel industry, especially for the use in electric arc furnaces. Overhead cost savings also supported the earnings development. In contrast, the Industrial Division's operating EBIT was lower than in the previous year due to a decline in revenue. The RHI Group's operating EBIT margin increased from 7.0% in the first nine months of 2015 to 8.0% in the current financial year. EBIT amounted to € 101.1 million in the first nine months of 2016 and includes negative effects on earnings of € 4.6 million from the deconsolidation of the US subsidiary RHI Monofrax, LLC following the sale to the German private equity fund Callista, and € 3.6 million related to the social plan for staff layoffs and changes in the production portfolio at the site in Porsgrunn, Norway. In contrast, a positive effect of € 11.3 million resulted from the measurement of the power supply contract in Norway. Free cash flow amounted to € 75.5 million in the first nine months of 2016, after € 74.8 million in the comparative period of 2015. Net debt declined from € 397.9 million at the end of the financial year 2015 to € 364.0 million at September 30, 2016. The number of employees decreased from 7,898 at the end of the year 2015 to 7,568.

In the third quarter of 2016 external expenses of € 3.7 million related to the planned combination of RHI and Magnesita burdened the earnings development.

Compared with the strong second quarter of 2016, revenue dropped by 9.9% to € 397.1 million in the past quarter. This is attributable to seasonally weaker business in Europe during the summer months and a weaker business development in the Middle East in the Steel Division as well as a decrease in project deliveries in the environment, energy, chemicals, and nonferrous metals business units. As a result of declining revenue, the operating EBIT dropped from € 39.9 million in the second quarter of 2016 to € 27.8 million in the past quarter. In addition, external expenses of € 3.7 million related to the planned combination of RHI and Magnesita incurred in the third quarter of 2016 had a negative impact on the earnings development. These expenses totaled € 3.9 million in the first nine months of 2016. EBIT amounted to € 32.5 million in the third quarter of 2016 and includes costs of € 3.6 million for the social plan and the changes in the production portfolio as well as positive net effects from the power supply contract in Norway. Based on own use, the sale at market prices and an increase in electricity future prices, financial liabilities of € 8.3 million were reversed. Income tax expenses in the past quarter were positively influenced by the reversal of a provision of € 6.3 million related to a tax audit in Turkey.

Segment Reporting

Sales volume (thousand tons)	9M/2016	9M/2015	Q3/2016	Q2/2016	Q1/2016	Q4/2015	Q3/2015
Sales volume (thousand tons)	1,468	1,404	476	531	461	488	441
Steel Division	909	883	292	333	284	269	277
Industrial Division	297	307	102	99	96	136	93
Raw Materials Division	262	214	82	99	81	83	71
in € million							
Revenue	**1,227.3**	**1,312.5**	**397.1**	**440.5**	**389.7**	**440.0**	**410.5**
Steel Division	803.2	842.1	260.9	286.4	255.9	257.8	267.7
Industrial Division	393.5	443.4	128.1	141.8	123.6	171.2	133.5
Raw Materials Division							
external revenue	30.6	27.0	8.1	12.3	10.2	11.0	9.3
internal revenue	173.1	184.7	51.8	61.6	59.7	49.9	55.5
EBITDA	**148.7**	**142.3**	**48.1**	**57.4**	**43.2**	**(2.3)**	**39.8**
EBITDA margin	12.1%	10.8%	12.1%	13.0%	11.1%	(0.5)%	9.7%
Operating EBIT[1]	**98.0**	**91.4**	**27.8**	**39.9**	**30.3**	**32.7**	**22.8**
Steel Division	63.1	50.7	15.7	27.5	19.9	13.6	10.7
Industrial Division	30.6	40.7	10.3	11.5	8.8	24.3	9.1
Raw Materials Division	4.3	0.0	1.8	0.9	1.6	(5.2)	3.0
Operating EBIT margin	**8.0%**	**7.0%**	**7.0%**	**9.1%**	**7.8%**	**7.4%**	**5.6%**
Steel Division	7.9%	6.0%	6.0%	9.6%	7.8%	5.3%	4.0%
Industrial Division	7.8%	9.2%	8.0%	8.1%	7.1%	14.2%	6.8%
Raw Materials Division[2]	2.1%	0.0%	3.0%	1.2%	2.3%	(8.5)%	4.6%
EBIT	**101.1**	**91.4**	**32.5**	**41.5**	**27.1**	**(53.9)**	**22.8**
Steel Division	63.1	50.7	15.7	27.5	19.9	12.7	10.7
Industrial Division	26.0	40.7	10.3	6.9	8.8	18.2	9.1
Raw Materials Division	12.0	0.0	6.5	7.1	(1.6)	(84.8)	3.0
EBIT margin	**8.2%**	**7.0%**	**8.2%**	**9.4%**	**7.0%**	**(12.3)%**	**5.6%**
Steel Division	7.9%	6.0%	6.0%	9.6%	7.8%	4.9%	4.0%
Industrial Division	6.6%	9.2%	8.0%	4.9%	7.1%	10.6%	6.8%
Raw Materials Division[2]	5.9%	0.0%	10.9%	9.6%	(2.3)%	(139.2)%	4.6%
Net finance costs	**(16.5)**	**(16.0)**	**(5.4)**	**(5.1)**	**(6.0)**	**(3.3)**	**(5.8)**
Share of profit of joint ventures	7.4	6.7	2.0	2.7	2.7	2.5	2.1
Profit before income tax	**92.0**	**82.1**	**29.1**	**39.1**	**23.8**	**(54.7)**	**19.1**
Income tax	(28.0)	(26.1)	(4.0)	(15.0)	(9.0)	16.3	(7.7)
Income tax in %	30.4%	31.8%	13.7%	38.4%	37.8%	29.8%	40.3%
Profit after income tax	**64.0**	**56.0**	**25.1**	**24.1**	**14.8**	**(38.4)**	**11.4**
Earnings per share in €[3]	1.57	1.38	0.62	0.59	0.36	(0.98)	0.28

1) EBIT before expenses from derivatives from supply contracts, impairment and restructuring effects

2) based on external and internal revenue

3) basic and diluted

Steel Division

The World Steel Association considers the globally weak investment activities one of the main reasons of the slow growth of steel demand.

The World Steel Association expects global steel demand to grow by 0.2% in the current year and by 0.5% in the coming year after a decline by 3.0% in 2015, as published in its outlook of October 2016. Especially the globally weak investment activities hold up stronger steel demand, according to the experts. While a decline in raw material prices, geopolitical tensions and high corporate debt hamper investment activities in many emerging markets, private investments have stayed at a low level in the developed economies due to a pessimistic outlook for future demand developments despite continued low interest rates. In China, especially the decline in the construction sector, a significant decrease in investments of the basic industries and slower growth in the automotive industry have a negative effect on local steel demand. Therefore, the World Steel Association does not expect a rapid recovery of the steel sector in China and forecasts a decline in demand of 1.0% in the year 2016 and 2.0% in the year 2017. In contrast, projections for the development in the emerging markets excluding China are significantly more positive with growth rates of 2.0% and 4.0%, respectively. Especially steel demand in India, with annual growth rates of more than 5%, should support this upswing. The forecast for the developed economies amounts to 0.2% in the current year and to 1.1% for the following year. Steel demand within the European Union should continue to recover despite growing uncertainties resulting from the United Kingdom's planned withdrawal from the European Union as consumption continues to be robust and the construction industry has recovered slightly. In the US, in contrast, local steel demand is suffering from the strong US dollar, which has a negative effect especially on the business environment in the manufacturing industry, and from the collapse of investments in the shale oil industry as a result of lower oil prices.

Global crude steel production declined in nearly all important regions except India in the first nine months of the year 2016 compared with the same period of 2015. Despite a gradual economic recovery in Europe, steel output decreased by 4.8% in the European Union, among other things due to the closure of a steel plant in the United Kingdom. After the slump in the first quarter of 2016, global steel production saw a significant recovery in the second quarter of 2016 as prices picked up considerably after having fallen dramatically in the year 2015, for example by roughly 40% for hot-rolled products. Especially in China it turned out that capacities which had allegedly been shut down are quickly restarted as soon as a certain price level has been reached. This was additionally supported by numerous stimulus measures taken by the Chinese government as well as another increase in steel exports after a new record volume of roughly 112 million tons of steel had been reached in the year 2015. The development in the US does not reflect the progressing economic recovery.

in million tons	9M/2016	9M/2015	Delta	Q3/2016	Q2/2016	Delta
China	603.7	601.4	0.4%	203.6	209.4	(2.8)%
World ex China	593.5	602.2	(1.4)%	197.3	201.2	(1.9)%
thereof EU28	121.3	127.4	(4.8)%	38.4	41.8	(8.1)%
thereof US	59.7	60.5	(1.3)%	19.7	20.4	(3.4)%
thereof India	71.1	67.1	6.0%	24.1	23.7	1.7%
World	**1,197.2**	**1,203.6**	**(0.5)%**	**400.9**	**410.6**	**(2.4)%**

Source: World Steel Association (October 2016)

The Steel Division's sales volume increased by 2.9% to roughly 909.000 tons compared with the first nine months of 2015. This is primarily attributable to a significant expansion of the basic mixes business, the most important segment in terms of volume. Compared with the strong second quarter of 2016, sales volume was down 12.3% to roughly 292,000 tons in the past quarter, which was among other things due to seasonally weaker business in Europe.

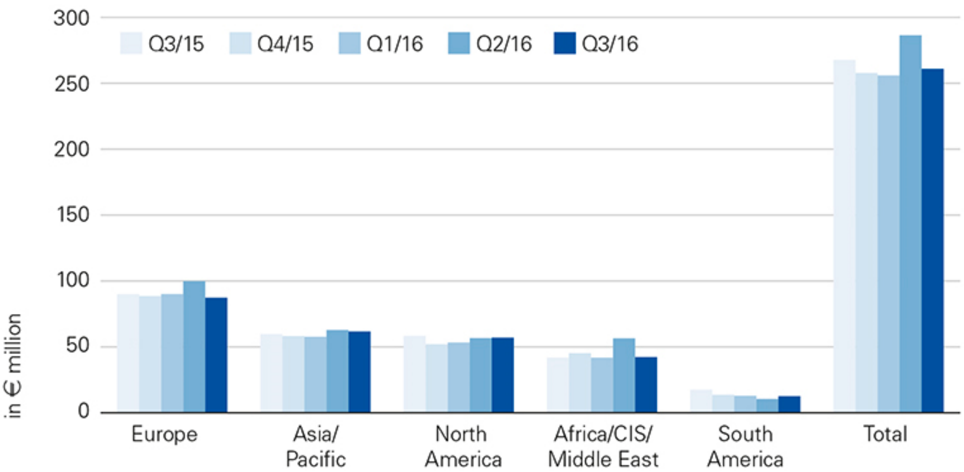
Sales volume in the Steel Division amounted to € 803.2 million in the first nine months of 2016, down 4.6% on the revenue of the comparative period of 2015, at € 842.1 million. This is attributable to a weaker business development in South America, Europe and China, and the opening of the product portfolio to lower-performing products. These products support the sales volume and margin development, but lead to lower revenue due to the lower price level. The operating EBIT improved from € 50.7 million in the first nine months of 2015 to € 63.1 million in the current financial year due to positive product mix effects and a positive margin development in nearly all regions. The operating EBIT margin, at 7.9%, clearly exceeded that of the comparative period of 2015, at 6.0%.

The operating EBIT of the Steel Division improved significantly in nearly all regions due to positive product mix effects and a good margin development.

In the third quarter of 2016, the Steel Division's revenue amounted to € 260.9 million and was thus lower than in the preceding quarter, at € 286.4 million, and lower than in the third quarter of 2015, at € 267.7 million. The decline compared with the second quarter of 2016 is attributable to seasonally weaker business due to scheduled plant downtimes during the summer months in Southern Europe and a weaker business development in the Middle East. The operating EBIT dropped from € 27.5 million in the strong second quarter of 2016 to € 15.7 million in the past quarter, but exceeded that of the third quarter of 2015, at € 10.7 million.

Revenue developed as follows in the past five quarters:

Development of revenue



Europe

In the first nine months of 2016, steel production within the European Union was down 4.8% on the comparative period of 2015 and totaled roughly 121 million tons. The decline in output volume took place on a broad scale. Especially the United Kingdom saw a massive decrease of roughly 34% or roughly 3 million tons following the closure of the steel plant in Redcar. In France, Poland and Spain output also dropped significantly. The automotive industry continues to drive demand. The number of new registrations of passenger vehicles in the European Union rose by 8.0% to more than 11.2 million in the first nine months of the year 2016. Likewise, the number of new

The decrease in revenue in Europe is primarily attributable to a decline in steel production.

registrations of commercial vehicles also recorded a significant increase of 13.1% compared with the same period of 2015. In response to the substantial increase in steel imports from China in the past years due to massive local excess capacities, the European Commission adopted duties ranging from 13.8% to 26.2% on cold-rolled flat steel products of Chinese and Russian producers in August 2016. Likewise, the European Commission adopted temporary anti-dumping duties ranging from 65.1% to 73.7% on imports of heavy plates and duties ranging from 13.2% to 22.6% on imports of hot-rolled flat steel from China in early October 2016. As a result, more trade defense measures against steel products imported under unfair conditions than ever before are in place in the European Union. In total, they comprise 37 anti-dumping and anti-subsidy measures, of which 15 affect goods originating in China.

The region's contribution to revenue dropped by roughly 3% in the first nine months of 2016 compared with the same period of 2015.This is primarily attributable to the decline in steel production. In the third quarter of 2016 revenue decreased by roughly 13% compared with the preceding quarter due to seasonal factors. Compared with the third quarter of 2015, which is more easily comparable, revenue decreased 3%, which is attributable to a weaker linings business in the converter and vacuum degasser segments.

Asia/Pacific

In late September the Chinese authorities approved the merger of two state-controlled companies, Baosteel Group and Wuhan Iron and Steel Group.

Steel production in the Asia/Pacific region rose by 0.6% in the first nine months of 2016 compared with the same period of 2015. India in particular recorded a significant increase by 6.0%. In China, steel production stabilized following economic measures taken by the government. However, high excess capacity in the basic industries and the resulting marked decline in investment activities continued to burden the market environment. The restructuring initiated by the Chinese government provides for a reduction of steel production capacities by 100 to 150 million tons. At the G-20 summit, which was held in Hangzhou, China, in early September, the establishment of a world forum on steel capacity was therefore adopted with the aim to intensify the exchange of information and cooperation on a global level and to create a mechanism to monitor excess capacities. In late September, the Chinese authorities approved the merger of the two state-controlled companies Baosteel Group and Wuhan Iron and Steel Group. The group to be called Baowu Steel Group will be the world's second largest steel producer after ArcelorMittal in the future. The Chinese government plans to further consolidate the steel sector by the year 2025 so that the ten largest producers will account for roughly 60% of the local steel production – up from currently roughly 34%.

The region's contribution to revenue in the first nine months of 2016 declined by 1% compared with the same period of 2015. This is primarily due to a weaker business development in China. In contrast, the region's contribution to earnings was further expanded as a result of positive regional mix effects and adjusted lining concepts. Compared with the second quarter of 2016, revenue decreased by roughly 2% in the past quarter.

North America

Steel demand by the oil and gas industry continued its weak development in the US.

In the first nine months of 2016, steel production in North America declined by 1.4% compared with the same period of 2015. Especially steel demand by the oil and gas industry continued to be weak. After plummeting by roughly 64% in the previous year, the number of active oil drilling rigs fell again from roughly 550 at the end of the year

2015 to roughly 330 at the end of the first half of this year. However, as the oil price increased, the number of active oil drilling rigs rose to roughly 430 in the course of the past quarter. This should entail a gradual recovery of the oil and gas industry's demand for steel.

The region's contribution to revenue decreased by roughly 4% in the first nine months of 2016 compared with the same period of 2015, primarily due to a weaker business development in the ladle segment in the US. However, compared with the preceding quarter, revenue increased by roughly 1% in the third quarter of 2016.

Africa/CIS/Middle East

Steel production in Africa fell by 11.6% in the first nine months of 2016 compared with the same period of 2015 and reflects the development in the two important countries Egypt and South Africa. In contrast, production in the CIS region and in the Middle East remained stable in comparison with the first nine months of the previous year. Declines especially in Russia and Saudi Arabia were compensated by an increase in output volume in Ukraine and Iran.

Revenue in the region Africa/CIS/Middle East rose due to a major contract in Ukraine and higher deliveries in North Africa.

The contribution to revenue of the regions Africa, CIS and Middle East rose by roughly 2% in the first nine months of 2016 compared with the same period of the year 2015. This is primarily attributable to a positive business development in Libya and Egypt as well as to a major contract won in Ukraine, where roughly 22,500 tons of basic mixes were delivered, which were used in open-hearth furnaces. In contrast, business in the Middle East, especially in Saudi Arabia and the United Arab Emirates, recorded a weak development. Compared with the strong second quarter of 2016, which was characterized by a high level of deliveries, revenue dropped by roughly 25% in the past quarter.

South America

Steel production in South America decreased by 11.4% in the first nine months of 2016 compared with the same period of 2015. This is among other things due to the decline in raw material prices. However, there were first signs of an economic recovery in the past quarter. The business climate in Brazil, for example, rose from 36.8 points in April to 53.7 points in September of the current year. Likewise, the region's steel production in the third quarter of 2016 was up 6.4% on the second quarter of 2016.

As steel production increased in South America in the past quarter, revenue also rose accordingly.

The region's contribution to revenue dropped by roughly 37% in the first nine months of the year 2016 compared with the same period of 2015. This is primarily attributable to a weaker business development in Brazil and the loss of business in Venezuela as a result of the crisis-related decline of the local steel production by 78% in a year-on-year comparison. Compared with the preceding quarter, revenue increased by 20% in the third quarter of 2016 due to a positive business development in Brazil.

Industrial Division

The Industrial Division's sales volume decreased by 3.3% to roughly 297,000 tons in the first nine months of 2016. This is primarily attributable to lower deliveries in the cement/lime and environment, energy, chemicals business units. Compared with the second quarter of 2016, an increase of 3.0% to roughly 102,000 tons was recorded in the past quarter, which was among other things due to project deliveries in the flat glass segment in China.

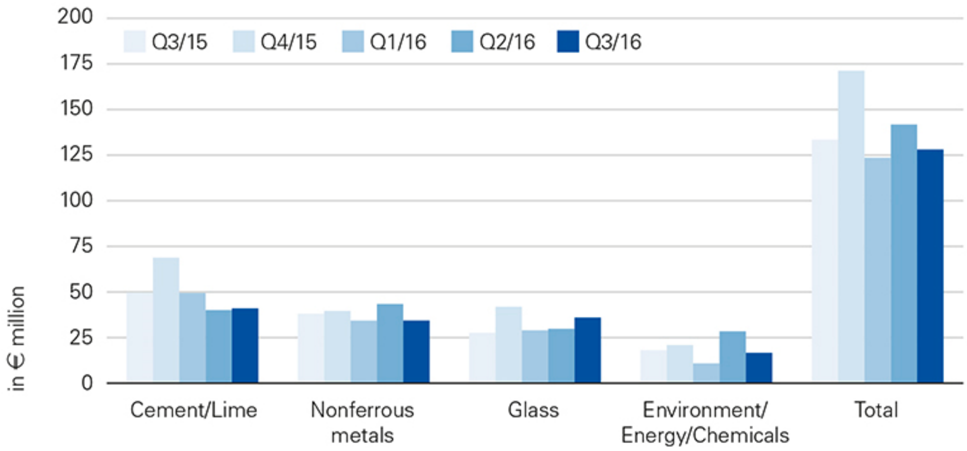
The decline in operating EBIT is attributable to lower deliveries and the resulting weaker utilization of the production capacities.

The Industrial Division's revenue amounted to € 393.5 million in the first nine months of 2016, down 11.3% on the revenue of the comparative period of 2015, at € 443.4 million. Weaker demand in the cement/lime business results primarily from the regions Asia/Pacific and North America, while in the glass segment the US subsidiary RHI Monofrax was sold in June of the current year. In the environment, energy, chemicals business unit, the project delivered in the coal and petroleum gasifier segment in India last year was not fully compensated by several smaller contracts. Due to the decline in deliveries and the resulting weaker utilization of the production capacities, the operating EBIT decreased from € 40.7 million in the first nine months of 2015 to € 30.6 million in the current financial year. The operating EBIT margin, at 7.8%, was lower than in the comparative period of 2015, at 9.2%.

In the third quarter of 2016, the Industrial Division's revenue amounted to € 128.1 million and was thus below the revenue of the preceding quarter, at € 141.8 million, and also below the revenue of the third quarter of 2015, at € 133.5 million. The decline compared with the second quarter of 2016 is attributable to lower contributions to revenue by the environment, energy, chemicals segment and the nonferrous metals segment. The operating EBIT decreased from € 11.5 million in the second quarter of 2016 to € 10.3 million in the past quarter, but exceeded that of the third quarter of 2015, at € 9.1 million.

Revenue developed as follows in the past five quarters:

Development of revenue



Cement/Lime

Business declined especially in China as a result of the downturn in the construction industry.

In the first nine months of 2016, the contribution to revenue of the cement/lime business unit fell by roughly 15% compared with the same period of 2015. With the exception of Africa and Eastern Europe, all regions recorded a decline in business. While the decrease in revenue by more than 50% in Canada is attributable to deliveries for a new construction project in the past year, business in China – with annual production of roughly 2.5 billion tons the world's largest cement market – contracted significantly due to the downturn in the construction industry and lower investment activities. Low utilization of the cement production capacities of many customers causes partial shut-downs of plants and consequently leads to a lower level of repair work for refractory producers. RHI responded to the tense environment with a cost-optimized product line and continues to focus on the service packages appreciated by customers. In general, a globally weak economic situation and regional excess capacities are causing a lower level of repair work. In addition, political uncertainties in several regions have a negative impact on the development of the cement industry. In the CIS region, the strong devaluation of the Russian ruble burdens the RHI Group's competitiveness compared with local suppliers. Business for the construction of new plants, which is important for the utilization of production capacities, continues to develop at a low level. However, two major contracts were won for the installation of the refractory lining of new plants in Germany and Algeria in the past quarter; they will be delivered next year. Likewise, further new construction projects should be commissioned in Saudi Arabia and Bolivia this year, for which RHI will also submit a bid. Despite the difficult political situation in some North African countries, the African continent has turned into an important customer market in the past years. In the third quarter of 2016, some larger projects were delivered in Algeria and South Africa, for example, and the region's contribution to revenue was expanded further.

Compared with the preceding quarter, the contribution to revenue of the cement/lime business unit increased by roughly 2% in the third quarter of 2016 despite being the weakest quarter of the year for seasonal reasons, but was significantly lower than in the third quarter of 2015. While the increase compared with the second quarter of 2016 is primarily attributable to the expansion of business in South America, especially in Peru and Bolivia, the decline in revenue compared with the third quarter of 2015 is primarily due to the deliveries for a new construction project in Canada last year. For the fourth quarter of 2016 RHI expects a significant recovery of business following scheduled furnace repairs.

Nonferrous metals

The prices of the relevant nonferrous metals marked new multi-year lows at the beginning of the year as a result of the market turbulence caused by the concerns regarding economic growth of China. However, they recovered as the year progressed. At the end of the third quarter of 2016, zinc recorded the biggest increase compared with the end of the year 2015, at roughly 48%, followed by tin at roughly 38%, nickel at roughly 20%, lead at roughly 18% and aluminum at roughly 11%, while the copper price was nearly unchanged on the London Metal Exchange.

The prices of the relevant nonferrous metals recovered significantly compared with the lows marked at the beginning of the year.

In the first nine months of 2016, the contribution to revenue of the nonferrous metals business unit decreased by roughly 6% compared with the same period of 2015. This is primarily attributable to a major delivery carried out in the ferrochrome segment in Kazakhstan in the previous year. However, business developed positively in South America, where two major repairs in Bolivia and Peru were performed and straight-line business with long-standing customers in Chile was expanded further. Compared with the preceding quarter, revenue declined by roughly 21% in the third quarter of 2016. This was among other things due to unplanned deliveries in the ferrochrome and titanium oxide segment in Kazakhstan and Saudi Arabia in the preceding quarter. In the past quarter, business was therefore limited to several straight-line deliveries to core customers who performed scheduled repairs. For example, customers in the copper segment in Zambia, Germany and China were supplied with large parts of their annual requirements of repair materials for different aggregates. In Kazakhstan special materials for tapholes and ceiling repairs in ferrochrome direct current electric arc furnaces were used. In the aluminum segment, the delivery of a large project in China, which had been started in the previous quarter, was completed successfully. A total of seven kilns, in which three purging systems are integrated, were lined with refractory materials and an important part of the metallurgical process technology was also provided by RHI. In South Korea, all materials were delivered to two customers in the copper and zinc sectors for major repairs of the respective key aggregates.

Glass

In early June, RHI sold the US subsidiary Monofrax, which was confronted with difficulties in capacity utilization.

The contribution to revenue of the glass business segment decreased by roughly 6% in the first nine months of 2016 compared with the same period of 2015. This is primarily attributable to a lower project level in the Middle East and in Africa. The global market environment is still characterized by little willingness to invest, high excess capacities, especially in the flat glass segment, and progressing market consolidation in the US and Europe. Compared with the preceding quarter, revenue rose by 21% in the third quarter of 2016. This is primarily attributable to project deliveries in the container glass segment. While business in the area of fired products recorded a favorable development, demand for fused cast products is still subdued.

In early June, RHI sold the US subsidiary RHI Monofrax, which was confronted with difficulties in capacity utilization. The company specializes in the production of fused cast refractory products for the glass industry and generated revenue of roughly USD 30 million in the financial year 2015. The buyer is the German private equity fund Callista. The deconsolidation resulted in a negative effect on earnings of roughly € 4.6 million for RHI. The company expects the transaction to lead to improved earnings for the glass business unit.

Environment, energy, chemicals

Business in the Middle East developed positively, especially in the area of pelletizing plants.

The contribution to earnings of the environment, energy, chemicals business unit in the first nine months of 2016 dropped by roughly 20% compared with the same period of 2015. This is primarily attributable to a major order in the coal and petroleum coke gasifier segment delivered in India in the previous year. In addition, the consistently low oil price is causing a challenging market environment for the oil and gas extraction industry. In contrast, business in the Middle East developed positively, especially in the area of pelletizing plants.

Compared with the second quarter of 2016, revenue dropped by roughly 41% in the past quarter, among other things due to a decline in service business in North America. In this segment, customers from the oil and gas industry postponed or canceled installation work and services due to the high cost pressure. In the area of material deliveries in the straight-line and project business, the focus was on the regions Middle East and Europe in the third quarter of 2016.

Raw Materials Division

The Raw Materials Division's external sales volume totaled roughly 262,000 tons in the first nine months of the year 2016. The increase of 22.4% is primarily related to higher sales of raw dolomite in Italy, which makes a significant contribution in terms of volume. However, the effect in terms of value is little because of the low price per ton. Compared with the second quarter of 2016 sales volume dropped by 17.2% to roughly 82,000 tons, among other things as a result of lower sinter magnesia sales.

In the first nine months of 2016, the Raw Material Division's revenue amounted to € 203.7 million, down 3.8% on the revenue of the comparative period of 2015, at € 211.7 million. The decline in internal demand, especially by the Industrial Division, was partially offset by an increase in external sales. The operating EBIT rose from € 0.0 million in the first nine months of 2015 to € 4.3 million in the current financial year primarily due to good utilization at the two Austrian raw material plants, Breitenau and Hochfilzen, which predominantly produce basic mixes for the steel industry, especially for the use in electric arc furnaces.

The positive development of the operating EBIT is among other things due to better utilization of the raw material plants in the basic mixes segment.

In the third quarter of 2016, the Raw Materials Division's revenue amounted to € 59.9 million. It was thus lower than in the preceding quarter, at € 73.9 million, and also lower than revenue of the third quarter of 2015, at € 64.8 million. The decline in the past quarter reflects the reduced demand of the Steel and Industrial divisions resulting from the decrease in sales volume. The operating EBIT amounted to € 1.8 million in the third quarter of 2016 after € 0.9 million in the preceding quarter and was thus lower than in the third quarter of 2015, at € 3.0 million. The increase compared with the second quarter of 2016 is among other things due to cost savings.

At the site in Porsgrunn, Norway, costs of € 3.6 million related to a social plan for staff layoffs and changes in the product portfolio incurred in the past quarter. In contrast, a positive effect of € 8.3 million from the measurement of the power supply contract in Norway was realized. Based on own consumption, the sale at market prices and increased electricity future prices, financial liabilities of roughly € 11.3 million were reversed and recognized through profit or loss in the first nine month of the year 2016.

At the site in Porsgrunn, Norway, a social plan for staff layoffs has been established.

Slower economic growth in the emerging markets, combined with weaker industrial production, led to a decline in the price level of important refractory raw materials such as sintered and fused magnesia, bauxite, andalusite and fused corundum in the year 2015 and as well as in the current financial year.

Outlook

For the full year 2016, the Management Board of the RHI Group expects revenue below the level of the past financial year if the macroeconomic environment and exchange rates remain stable. The operating EBIT margin is expected to reach roughly 8%, adjusted for external expenses related to the planned combination of RHI and Magnesita, which corresponds to an increase by roughly one percentage point compared with the previous year.

Should the current evaluation regarding the optimization of the plant structure provide first decision-relevant results in the fourth quarter of 2016, this may lead to non-cash impairment losses of a maximum of €10 million. The planned continuation of the reduction of working capital and different cost measures in the sales and general administrative departments should support the generation of free cash flow and lead to a further reduction of net debt.

Risk Report

In the first nine months of the year, the risk management processes and key risks remained essentially unchanged. No risks that are considered to be a threat to the existence of the RHI Group were identified. The main risks for the business development are related to the growing exports of Chinese steel producers resulting from a weak domestic market and high excess capacities, and to the low price level of important nonferrous metals such as copper, aluminum, nickel and tin because of slower economic growth in China, low oil prices and geopolitical uncertainties. While the steel exports from China lead to high pressure on steel prices and thus on the profitability of manufacturers and subsequently on the suppliers, lower metal and energy prices could cause producers to postpone projects, major repairs and maintenance work. Opportunities lie above all in an increase in steel production volume in electric arc furnaces due to an increase in iron ore prices, which lead to higher production costs at integrated steel plants, thus reducing their competitiveness. In the context of the planned combination of RHI and Magnesita, project risks and opportunities have arisen, which are included in the group-wide risk management process and assessed and managed accordingly.

Events after the Reporting Date September 30, 2016

RHI AG ("RHI") and the controlling shareholders of Magnesita Refratários S.A. ("Magnesita"), investment vehicles affiliated with GP Investments ("GP") and Rhône Capital ("Rhône", and together with GP, "Magnesita's Controlling Shareholders") reached an agreement on October 5, 2016 to combine the operations of RHI and Magnesita to create a leading refractory company to be named RHI Magnesita.

Accordingly, RHI's Management Board agreed on October 5, 2016 to sign a share purchase agreement ("SPA") with Magnesita's Controlling Shareholders regarding the acquisition of a controlling stake of at least 46%, but no more than 50% plus one share of the total share capital in Magnesita (the "Transaction") pending RHI's Supervisory Board approval. At its meeting on October 13, 2016, the Supervisory Board of RHI AG gave its approval to the resolutions proposed by the Management Board regarding this Transaction. The purchase price for the 46% stake will be paid in cash amounting to € 118 million and 4.6 million new shares to be issued by RHI Magnesita, a new RHI entity to be established in the Netherlands and listed in London. The exchange ratio applied in the Transaction is 0.19 newly issued RHI Magnesita shares for 1 Magnesita share. Based on RHI's six-month volume weighted average price of € 19.52 as of October 4, 2016, the implied value of the 46% stake amounts to € 208 million, implying a value for Magnesita's entire share capital of € 451 million. The calculation is based on 10 million newly issued RHI Magnesita shares and 52,631,881 Magnesita shares.

As a result of the Transaction, GP will become a relevant shareholder of RHI Magnesita. The combined company's corporate governance will be constituted on a one-tier board structure while GP will be represented on the board of directors. All RHI Magnesita shares issued as a result of the Transaction and subsequent mandatory tender offer will be subject to a minimum 12-month lock-up period.

The completion of the Transaction is amongst others subject to (i) approvals by the relevant competition authorities, (ii) the migration of RHI to the Netherlands, (iii) the listing of RHI Magnesita's shares in the premium segment of the Official List on the Main Market of the London Stock Exchange and (iv) RHI's shareholders not having exceeded statutory withdrawal rights in an amount of more than € 70 million in connection with organizational changes preceding RHI's migration from Austria. The migration and the preceding organizational changes in Austria require qualified approval by RHI's shareholders' meeting. As a consequence of the Transaction, RHI Magnesita will become the ultimate holding company of RHI Group while the shareholders of RHI will cease to hold shares in RHI and instead hold RHI Magnesita shares. Following registration of the corporate restructurings, RHI's shares cease to be listed on the Vienna Stock Exchange. The place of effective management of RHI Magnesita will be Austria.

If the Transaction is terminated for reasons not under the control of Magnesita's Controlling Shareholders, an aggregate break fee of up to € 20 million is payable by RHI to Magnesita's Controlling Shareholders.

Following completion of the Transaction, which is expected for 2017, a mandatory tender offer will be launched by RHI Magnesita or one of its affiliates for the remaining shares in Magnesita ("Offer"). As part of the Offer, a maximum number of 5.0 to 5.4 million RHI Magnesita shares will be issued, depending on the stake acquired within the Transaction, thereby resulting in an aggregate number of no more than 10.0 million newly issued shares to finance the acquisition. The Offer will include the option to sell shares on the same payment terms as the Transaction as well as a cash-only alternative amounting to € 8.19 per Magnesita share (subject to certain adjustments according to the SPA). If some or all of Magnesita's other shareholders elect not to receive RHI Magnesita shares in the Offer, Magnesita's Controlling Shareholders have committed to purchase at least 1.5 to 1.9 million and at most 3.4 million additional new RHI Magnesita shares, thereby increasing their total number of RHI Magnesita shares to a maximum of 8.0 million. RHI Magnesita may decide to combine the Offer with a delisting offer and/or a voluntary offer to exit Magnesita from the "Novo Mercado" listing segment. The Offer will follow applicable Brazilian laws and regulations. Any RHI Magnesita shares that are not taken up in the Offer by Magnesita's shareholders may be either placed into the market or with institutional investors.

The Transaction will be financed by additional debt and the issuance of 4.6 to 5.0 million RHI Magnesita shares to Magnesita's Controlling Shareholders. At the same time, Magnesita will continue to finance itself on a standalone basis without credit support from RHI Group. Before or at completion of the Transaction, Magnesita is expected to adopt RHI's accounting practices, which, according to RHI, could lead to significant, however substantially non-cash adjustments in Magnesita's book equity value.

As result of the Transaction, RHI's mid-term financial targets will surpass RHI's current targets as communicated in RHI's Strategy 2020. RHI expects the combined company to generate fully consolidated revenues of € 2.6 billion to € 2.8 billion (previously € 2.0 billion to € 2.2 billion) with an operating EBIT margin of more than 12% (previously more than 10%) by 2020, primarily as a result of planned synergies.

No further events of material importance became known after the reporting date September 30, 2016.

Condensed, unaudited interim consolidated financial statements

as of 09/30/2016

Consolidated statement of financial position

as of 09/30/2016

in € million	09/30/2016	12/31/2015
ASSETS		
Non-current assets		
Property, plant and equipment	508.6	532.2
Goodwill	36.7	37.5
Other intangible assets	68.7	74.2
Investments in joint ventures	18.0	19.3
Other non-current financial assets	24.7	23.7
Other non-current assets	18.0	18.0
Deferred tax assets	147.4	146.1
	822.1	**851.0**
Current assets		
Inventories	384.8	403.9
Trade and other current receivables	377.6	390.0
Income tax receivables	7.6	5.9
Other current financial assets	5.5	4.0
Cash and cash equivalents	160.4	149.7
	935.9	**953.5**
	1,758.0	**1,804.5**
EQUITY AND LIABILITIES		
Equity		
Share capital	289.4	289.4
Group reserves	180.3	188.2
Equity attributable to shareholders of RHI AG	469.7	477.6
Non-controlling interests	14.2	13.8
	483.9	**491.4**
Non-current liabilities		
Non-current financial liabilities	366.2	438.0
Other non-current financial liabilities	43.5	51.3
Deferred tax liabilities	14.0	15.3
Personnel provisions	344.0	326.3
Other non-current provisions	6.2	4.3
Other non-current liabilities	6.2	7.9
	780.1	**843.1**
Current liabilities		
Current financial liabilities	158.2	109.6
Other current financial liabilities	6.2	8.5
Trade payables and other current liabilities	277.0	293.6
Income tax liabilities	20.9	25.3
Current provisions	31.7	33.0
	494.0	**470.0**
	1,758.0	**1,804.5**

Consolidated statement of profit or loss

from 01/01/2016 to 09/30/2016

in € million	7-9/2016	7-9/2015	1-9/2016	1-9/2015
Revenue	397.1	410.5	1,227.3	1,312.5
Cost of sales	(311.3)	(322.2)	(960.9)	(1,030.7)
Gross profit	**85.8**	**88.3**	**266.4**	**281.8**
Selling and marketing expenses	(25.1)	(25.8)	(77.2)	(83.8)
General and administrative expenses	(32.1)	(29.8)	(94.5)	(95.7)
Other income	10.7	9.7	67.5	55.2
Other expenses	(11.5)	(19.6)	(64.2)	(66.1)
Operating EBIT	**27.8**	**22.8**	**98.0**	**91.4**
Gains from derivatives from supply contracts	8.3	0.0	11.3	0.0
Restructuring costs	(3.6)	0.0	(8.2)	0.0
EBIT	**32.5**	**22.8**	**101.1**	**91.4**
Interest income	1.4	0.3	2.8	1.3
Interest expenses	(4.1)	(4.9)	(13.1)	(15.1)
Other net financial expenses	(2.7)	(1.2)	(6.2)	(2.2)
Net finance costs	**(5.4)**	**(5.8)**	**(16.5)**	**(16.0)**
Share of profit of joint ventures	2.0	2.1	7.4	6.7
Profit before income tax	**29.1**	**19.1**	**92.0**	**82.1**
Income tax	(4.0)	(7.7)	(28.0)	(26.1)
Profit after income tax	**25.1**	**11.4**	**64.0**	**56.0**
attributable to shareholders of RHI AG	24.6	11.1	62.4	55.0
attributable to non-controlling interests	0.5	0.3	1.6	1.0

in €				
Earnings per share (basic and diluted)	0.62	0.28	1.57	1.38

Consolidated statement of comprehensive income

from 01/01/2016 to 09/30/2016

in € million	7-9/2016	7-9/2015	1-9/2016	1-9/2015
Profit after income tax	**25.1**	**11.4**	**64.0**	**56.0**
Currency translation differences				
Unrealized results from currency translation	(6.5)	(25.9)	(15.2)	4.6
Deferred taxes thereon	(0.3)	1.7	(0.6)	0.1
Current taxes thereon	0.4	0.6	0.9	1.0
Reclassification reserves to profit or loss	0.8	0.0	(2.9)	0.0
Current taxes thereon	(0.2)	0.0	(0.2)	0.0
Market valuation of cash flow hedges				
Unrealized results from fair value change	0.3	0.0	0.3	0.1
Deferred taxes thereon	(0.1)	0.0	(0.1)	0.0
Market valuation of available-for-sale financial instruments				
Unrealized results from fair value change	0.1	(0.1)	0.2	1.9
Deferred taxes thereon	0.0	0.0	0.0	(0.3)
Reclassification reserves to profit or loss	0.0	0.0	0.0	(4.2)
Deferred taxes thereon	0.0	0.0	0.0	0.3
Items that will be reclassified subsequently to profit or loss, if necessary	**(5.5)**	**(23.7)**	**(17.6)**	**3.5**
Remeasurement of defined benefit plans				
Remeasurement of defined benefit plans	(6.7)	3.8	(33.5)	22.7
Deferred taxes thereon	1.9	(1.0)	10.2	(6.2)
Items that will not be reclassified to profit or loss	**(4.8)**	**2.8**	**(23.3)**	**16.5**
Other comprehensive income after income tax	**(10.3)**	**(20.9)**	**(40.9)**	**20.0**
Total comprehensive income	**14.8**	**(9.5)**	**23.1**	**76.0**
attributable to shareholders of RHI AG	14.3	(9.3)	22.0	74.5
attributable to non-controlling interests	0.5	(0.2)	1.1	1.5

Consolidated statement of cash flows

from 01/01/2016 to 09/30/2016

in € million	1-9/2016	1-9/2015
Profit after income tax	64.0	56.0
Adjustments for		
income tax	28.0	26.1
depreciation and amortization charges	48.4	51.6
income from the reversal of investment subsidies	(0.8)	(0.7)
reversal of impairment losses on securities	(0.7)	0.0
gains from the disposal of property, plant and equipment	0.0	(1.1)
gains from the disposal of securities and other financial assets	0.0	(4.6)
losses from the disposal of subsidiaries	4.1	0.0
interest result	10.3	13.8
share of profit of joint ventures	(7.4)	(6.7)
other non-cash changes	(4.7)	24.3
Changes in		
inventories	2.6	(32.6)
trade receivables	13.0	25.4
other receivables and assets	(7.2)	(0.1)
provisions	(16.1)	(15.5)
trade payables	0.7	(11.2)
other liabilities	(4.5)	(7.1)
Cash flow from operating activities	**129.7**	**117.6**
Income tax paid less refunds	(25.2)	(25.8)
Net cash flow from operating activities	**104.5**	**91.8**
Cash inflows from the sale of subsidiaries net of cash	(4.6)	0.0
Investments in property, plant and equipment and intangible assets	(37.8)	(42.4)
Cash inflows from the sale of property, plant and equipment	3.0	2.6
Investments in / cash inflows from non-current receivables	0.0	(0.1)
Cash inflows from the sale of securities and other financial assets	0.0	13.9
Dividend payments from joint ventures	8.7	7.0
Investment subsidies received	0.0	0.7
Interest received	1.7	1.3
Net cash flow from investing activities	**(29.0)**	**(17.0)**
Dividend payments to shareholders of RHI AG	(29.9)	(29.9)
Dividend payments to non-controlling interests	(0.6)	(0.5)
Proceeds from non-current borrowings and loans	1.1	48.2
Repayments of non-current borrowings and loans	(13.4)	(91.0)
Changes in current borrowings	(11.9)	18.9
Interest payments	(10.6)	(13.3)
Net cash flow from financing activities	**(65.3)**	**(67.6)**
Total cash flow	**10.2**	**7.2**
Change in cash and cash equivalents	**10.2**	**7.2**
Cash and cash equivalents at beginning of period	149.7	151.1
Changes due to currency translation	0.5	(4.8)
Cash and cash equivalents at end of period	160.4	153.5
Total interest paid	(10.9)	(13.6)
Total interest received	1.9	1.3

Consolidated statement of changes in equity

from 01/01/2016 to 09/30/2016

in € million	Share capital	Additional paid-in capital	Retained earnings
12/31/2015	**289.4**	**38.3**	**284.5**
Profit after income tax	**-**	**-**	**62.4**
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	**-**	**-**	**62.4**
Dividends	-	-	(29.9)
Transactions with shareholders	**-**	**-**	**(29.9)**
Reclassification due to disposal of defined benefit plans	-	-	1.9
09/30/2016	**289.4**	**38.3**	**318.9**

in € million	Share capital	Additional paid-in capital	Retained earnings
12/31/2014	**289.4**	**38.3**	**307.9**
Profit after income tax	**-**	**-**	**55.0**
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	**-**	**-**	**55.0**
Dividends	-	-	(29.9)
Transactions with shareholders	**-**	**-**	**(29.9)**
09/30/2015	**289.4**	**38.3**	**333.0**

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
Group reserves						
Accumulated other comprehensive income						
(0.9)	**0.0**	**(91.9)**	**(41.8)**	**477.6**	**13.8**	**491.4**
-	**-**	**-**	**-**	**62.4**	**1.6**	**64.0**
-	-	-	(17.5)	**(17.5)**	**(0.5)**	**(18.0)**
0.2	-	-	-	**0.2**	**-**	**0.2**
-	0.2	-	-	**0.2**	**-**	**0.2**
-	-	(23.3)	-	**(23.3)**	**-**	**(23.3)**
0.2	**0.2**	**(23.3)**	**(17.5)**	**(40.4)**	**(0.5)**	**(40.9)**
0.2	**0.2**	**(23.3)**	**(17.5)**	**22.0**	**1.1**	**23.1**
-	**-**	**-**	**-**	**(29.9)**	**(0.7)**	**(30.6)**
-	**-**	**-**	**-**	**(29.9)**	**(0.7)**	**(30.6)**
-	-	(1.9)	-	**0.0**	**-**	**0.0**
(0.7)	**0.2**	**(117.1)**	**(59.3)**	**469.7**	**14.2**	**483.9**

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
Group reserves						
Accumulated other comprehensive income						
(1.0)	**4.5**	**(106.1)**	**(51.3)**	**481.7**	**12.2**	**493.9**
-	**-**	**-**	**-**	**55.0**	**1.0**	**56.0**
-	-	-	5.2	**5.2**	**0.5**	**5.7**
0.1	-	-	-	**0.1**	**-**	**0.1**
-	(2.3)	-	-	**(2.3)**	**-**	**(2.3)**
-	-	16.5	-	**16.5**	**-**	**16.5**
0.1	**(2.3)**	**16.5**	**5.2**	**19.5**	**0.5**	**20.0**
0.1	**(2.3)**	**16.5**	**5.2**	**74.5**	**1.5**	**76.0**
-	**-**	**-**	**-**	**(29.9)**	**(0.7)**	**(30.6)**
-	**-**	**-**	**-**	**(29.9)**	**(0.7)**	**(30.6)**
(0.9)	**2.2**	**(89.6)**	**(46.1)**	**526.3**	**13.0**	**539.3**

Selected explanatory notes

(1) Principles and methods

The interim consolidated financial statements as of 09/30/2016 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 12/31/2015.

All amounts in the explanatory notes and tables are shown in € million, unless indicated otherwise. For computational reasons, rounding differences may occur.

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
Amendments of standards			
IAS 1	Disclosure Initiative	12/18/2014 (12/18/2015)	No effect
IAS 16, IAS 38	Clarification of Acceptable Methods of Depreciation and Amortization	05/12/2014 (12/02/2015)	No effect
IAS 16, IAS 41	Bearer Plants	06/30/2014 (11/23/2015)	Not relevant
IAS 27	Equity Method in Separate Financial Statements	08/12/2014 (12/18/2015)	Not relevant
IFRS 10, IFRS 12, IAS 28	Investment Entities: Applying the Consolidation Exception	12/18/2014 (09/22/2016)	Not relevant
IFRS 11	Accounting for Acquisitions of Interests in Joint Operations	05/06/2014 (11/24/2015)	No effect
Various	Annual Improvements to IFRSs 2010-2012 Cycle	12/12/2013 (12/17/2014)	No effect
Various	Annual Improvements to IFRSs 2012-2014 Cycle	09/25/2014 (12/15/2015)	No effect

Audit and review by an auditor

The consolidated interim financial statements as of 09/30/2016 were neither fully audited nor reviewed by an auditor.

(2) Group of consolidated companies

Compared with the reporting date 12/31/2015, the number of companies included in group of consolidated companies changed as follows:

Number of consolidated companies	Full consolidation	Equity method
12/31/2015	**78**	**1**
Additions	2	0
Retirements and disposals	(2)	0
09/30/2016	**78**	**1**

On 03/04/2016, the subsidiary RHI United Offices Europe, S.L. (100%), based in Lugones, Spain, was established and included in the consolidated financial statements as of this date. On 09/01/2016, the subsidiary RHI United Offices America, S.A. de C.V. (100%), based in Monterrey, Mexico, was established. The purpose of these companies is the provision of internal administrative services.

With effect from 05/12/2016 the subsidiary RHI Rückversicherungs AG (100%) based in Vaduz, Liechtenstein, was liquidated.

As of 06/06/2016, all shares (100%) in RHI Monofrax, LLC, Wilmington, USA, were sold. The net assets disposed at the date of deconsolidation consist of the following items:

in € million	06/06/2016
Inventories	11.9
Trade and other current receivables	0.3
Cash and cash equivalents	4.6
Personnel provisions	(5.6)
Other non-current provisions	(0.7)
Trade payables and other current liabilities	(2.7)
Net assets disposed	**7.8**

The result from deconsolidation is determined as follows:

in € million	06/06/2016
Net assets disposed	(7.8)
Reclassification currency translation differences	3.7
Result from deconsolidation	**(4.1)**

The loss, taking into account the transaction-related costs of € 0.5 million incurred in the USA, was recognized under the item restructuring costs in the statement of profit or loss.

The selling price of USD 1 was paid in cash.

(3) 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 obligations is recognized.

As of 09/30/2016, the reduction in the actuarial interest rate by roughly 110 basis points in the euro area compared with 12/31/2015 led to an increase in pension and termination benefit obligations of € 33.5 million and to a reduction of equity of € 23.3 million (after income tax).

Compared with 09/30 of the previous year, pension and termination benefit obligations decreased by € 22.7 million due to an increase in the actuarial interest rate by roughly 50 basis points. Taking into account income taxes, the Group's equity rose by € 16.5 million.

(4) Other income and expenses

Foreign exchange differences and derivative financial instruments (forward exchange contracts) had the following effects on the operating EBIT of the RHI Group:

in € million	1-9/2016	1-9/2015
Foreign exchange gains	62.6	52.4
Foreign exchange losses	(62.2)	(54.3)
Gains from derivative financial instruments	2.4	0.0
Losses from derivative financial instruments	(0.9)	(10.7)
Net effect	**1.9**	**(12.6)**

(5) Restructuring costs

Restructuring costs comprise costs of € (4.6) million related to the loss realized in the second quarter of 2016 from the sale of all shares in the US company RHI Monofrax, LLC, and costs of € (3.6) million related to a social plan for the staff reduction and changes in the production portfolio at the site in Porsgrunn, Norway.

(6) Income tax

The tax rate of the first three quarters of 2016 amounts to 30.4% (1-9/2015: 31.8%).

Income tax expenses of the third quarter of 2016, at € 6.3 million, were positively influenced by the reversal of a provision in conjunction with the tax audit in Turkey. On the one hand, this was possible due to the completion of the audit; on the other hand, a change in legislation was used for the subsequent years.

(7) Segment reporting

The key figures of the operating segments for the first nine months of 2016 and the comparative period of 2015 are shown in the table below:

in € million	Steel	Industrial	Raw Materials	Reconcil-iation	Group 1-9/2016
External revenue	803.2	393.5	30.6	0.0	1,227.3
Internal revenue	0.0	0.0	173.1	(173.1)	0.0
Segment revenue	**803.2**	**393.5**	**203.7**	**(173.1)**	**1,227.3**
Operating EBIT	**63.1**	**30.6**	**4.3**	**0.0**	**98.0**
Gains from derivatives from supply contracts	0.0	0.0	11.3	0.0	11.3
Restructuring costs	0.0	(4.6)	(3.6)	0.0	(8.2)
EBIT	**63.1**	**26.0**	**12.0**	**0.0**	**101.1**
Net finance costs	0.0	0.0	0.0	(16.5)	(16.5)
Share of profit of joint ventures	0.0	0.0	7.4	0.0	7.4
Profit before income tax					**92.0**
Segment assets 09/30/2016	638.2	270.2	392.0	439.6	1,740.0
Investments in joint ventures 09/30/2016	0.0	0.0	18.0	0.0	18.0
					1,758.0

in € million	Steel	Industrial	Raw Materials	Reconcil-iation	Group 1-9/2015
External revenue	842.1	443.4	27.0	0.0	1,312.5
Internal revenue	0.0	0.0	184.7	(184.7)	0.0
Segment revenue	**842.1**	**443.4**	**211.7**	**(184.7)**	**1,312.5**
Operating EBIT/EBIT	**50.7**	**40.7**	**0.0**	**0.0**	**91.4**
Net finance costs	0.0	0.0	0.0	(16.0)	(16.0)
Share of profit of joint ventures	0.0	0.0	6.7	0.0	6.7
Profit before income tax					**82.1**
Segment assets 12/31/2015	647.0	291.3	429.6	417.3	1,785.2
Investments in joint ventures 12/31/2015	0.0	0.0	19.3	0.0	19.3
					1,804.5

(8) 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 or loss	Fair value recognized in equity	09/30/2016 Carrying amount	09/30/2016 Fair value
Assets							
Available-for-sale investments	FAAC	-	0.4	-	-	0.4	-
Available-for-sale securities	AfS	1	-	-	21.3	21.3	21.3
Available-for-sale shares	FAAC	-	0.5	-	-	0.5	-
Other non-current financial receivables	LaR	-	2.5	-	-	2.5	-
Trade and other current receivables[2)]	LaR	-	291.6	-	-	291.6	-
Other current financial receivables	LaR	-	1.4	-	-	1.4	-
Financial assets held for trading	FAHfT	2	-	4.1	-	4.1	4.1
Cash and cash equivalents	LaR	-	160.4	-	-	160.4	-
Liabilities							
Non-current financial liabilities	FLAAC	2	366.2	-	-	366.2	393.8
Interest derivatives designated as cash flow hedges	-	2	-	-	1.0	1.0	1.0
Current financial liabilities	FLAAC	2	158.2	-	-	158.2	158.9
Financial liabilities held for trading	FLHfT	2	-	48.7	-	48.7	48.7
Trade payables and other current liabilities[3)]	FLAAC	-	181.7	-	-	181.7	-
Aggregated according to measurement category							
Loans and receivables	LaR		455.9	-	-	455.9	
Available for sale financial instruments	AfS		-	-	21.3	21.3	
Financial assets at cost	FAAC		0.9	-	-	0.9	
Financial assets held for trading	FAHfT		-	4.1	-	4.1	
Financial liabilities measured at amortized cost	FLAAC		706.1	-	-	706.1	
Financial liabilities held for trading	FLHfT		-	48.7	-	48.7	

in € million	IAS 39 Measurement category[1]	Level	(Amortized) cost	Fair value recognized in profit or loss	recognized in equity	12/31/2015 Carrying amount	Fair value
Assets							
Available-for-sale investments	FAAC	-	0.5	-	-	0.5	-
Available-for-sale securities	AfS	1	-	-	20.4	20.4	20.4
Available-for-sale shares	FAAC	-	0.5	-	-	0.5	-
Other non-current financial receivables	LaR	-	2.3	-	-	2.3	-
Trade and other current receivables[2]	LaR	-	308.4	-	-	308.4	-
Other current financial receivables	LaR	-	1.7	-	-	1.7	-
Financial assets held for trading	FAHfT	2	-	2.3	-	2.3	2.3
Cash and cash equivalents	LaR	-	149.7	-	-	149.7	-
Liabilities							
Non-current financial liabilities	FLAAC	2	438.0	-	-	438.0	461.3
Interest derivatives designated as cash flow hedges	-	2	-	-	1.3	1.3	1.3
Current financial liabilities	FLAAC	2	109.6	-	-	109.6	110.1
Financial liabilities held for trading	FLHfT	2	-	58.5	-	58.5	58.5
Trade payables and other current liabilities[3]	FLAAC	-	196.9	-	-	196.9	-
Aggregated according to measurement category							
Loans and receivables	LaR		462.1	-	-	462.1	
Available for sale financial instruments	AfS		-	-	20.4	20.4	
Financial assets at cost	FAAC		1.0	-	-	1.0	
Financial assets held for trading	FAHfT		-	2.3	-	2.3	
Financial liabilities measured at amortized cost	FLAAC		744.5	-	-	744.5	
Financial liabilities held for trading	FLHfT		-	58.5	-	58.5	

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 € 377.6 million (12/31/2015: € 390.0 million) as shown in the statement of financial position also include non-financial assets of € 86.0 million (12/31/2015: € 81.6 million).

3) Trade payables and other current liabilities of € 277.0 million (12/31/2015: € 293.6 million) as shown in the statement of financial position also include non-financial liabilities of € 95.3 million (12/31/2015: € 96.7 million).

In the RHI Group especially securities and derivative financial instruments 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 open orders denominated in a currency other than the functional currency and the market value of a long-term power supply contract. These financial assets and liabilities held for trading are measured based on quoted forward rates (Level 2).

The available-for-sale unlisted shares in a residential property company (Level 3) were sold in their entirety in the second quarter of 2015. The measurement performed was already based on the selling price. The development of the shares measured according to level 3 in the financial year 2015 is presented in the table below:

in € million	01/01 – 12/31/2015
Fair values at beginning of period	**2.2**
Unrealized results from fair value change recognized in other comprehensive income	0.7
Reclassification to statement of profit or loss due to disposal	(2.9)
Fair values at end of period	**0.0**

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 € 0.4 million (12/31/2015: € 0.5 million) and available-for-sale shares of € 0.5 million (12/31/2015: € 0.5 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 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 fair value approximates the carrying amounts at the reporting date.

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

(9) Contingent liabilities

As of 09/30/2016 contingent liabilities amount to € 32.1 million (12/31/2015: € 35.2 million). Of this total, warranties, performance guarantees and other guarantees account for € 31.3 million (12/31/2015: € 34.3 million) and sureties for € 0.8 million (12/31/2015: € 0.9 million).

(10) Disclosures on related companies and persons

With the exception of the dividend paid to MSP Foundation, Liechtenstein, and the dividend payment received from MAGNIFIN Magnesiaprodukte GmbH & Co KG, St. Jakob, Austria, which amounted to € 8.7 million (1-9/2015: € 7.0 million), no material transactions took place between the RHI Group and related companies and persons in the first three quarters of 2016.

(11) Seasonal and cyclical influence

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

(12) Employees

In the first three quarters of 2016 the average number of employees of the RHI Group weighted by level of employment amounted to 7,716 (1-9/2015: 7,995).

(13) Changes in the RHI Management Board

At its meeting on 09/26/ 2016, the Supervisory Board of RHI AG appointed Mr. Stefan Borgas, Lic. Oec. (HSG) new CEO with effect from 12/01/2016. In order to enable an orderly handover of tasks, Dr. Wolfgang Ruttenstorfer will continue to be available as interim Chairman of the Management Board until 11/30/2016.

Mr. Franz Struzl will resign as member of the Management Board with the expiry of 11/30/2016 and act as a consultant to the company once he has fully recovered.

(14) Events after the reporting date 09/30/2016

RHI and Magnesita to combine to create a leading refractory company

RHI AG ("RHI") and the controlling shareholders of Magnesita Refratários S.A. ("Magnesita"), investment vehicles affiliated with GP Investments ("GP") and Rhône Capital ("Rhône", and together with GP, "Magnesita's Controlling Shareholders") reached an agreement on 10/05/2016 to combine the operations of RHI and Magnesita to create a leading refractory company to be named RHI Magnesita.

Accordingly, RHI's Management Board agreed on 10/05/2016 to sign a share purchase agreement ("SPA") with Magnesita's Controlling Shareholders regarding the acquisition of a controlling stake of at least 46%, but no more than 50% plus one share of the total share capital in Magnesita (the "Transaction") pending RHI's Supervisory Board approval. At its meeting on 10/13/2016, the Supervisory Board of RHI AG gave its approval to the resolutions proposed by the Management Board regarding this Transaction. The purchase price for the 46% stake will be paid in cash amounting to € 118 million and 4.6 million new shares to be issued by RHI Magnesita, a new RHI entity to be established in the Netherlands and listed in London. The exchange ratio applied in the Transaction is 0.19 newly issued RHI Magnesita shares for 1 Magnesita share. Based on RHI's six-month volume weighted average price of € 19.52 as of 10/04/2016, the implied value of the 46% stake amounts to € 208 million, implying a value for Magnesita's entire share capital of € 451 million.

As a result of the Transaction, GP will become a relevant shareholder of RHI Magnesita. The combined company's corporate governance will be constituted on a one-tier board structure while GP will be represented on the board of directors. All RHI Magnesita shares issued as a result of the Transaction and subsequent mandatory tender offer will be subject to a minimum 12-month lock-up period.

The completion of the Transaction is amongst others subject to (i) approvals by the relevant competition authorities, (ii) the migration of RHI to the Netherlands, (iii) the listing of RHI Magnesita's shares in the premium segment of the Official List on the Main Market of the London Stock Exchange and (iv) RHI's shareholders not having exceeded statutory withdrawal rights in an amount of more than € 70 million in connection with organizational changes preceding RHI's migration from Austria. The migration and the preceding organizational changes in Austria require qualified approval by RHI's shareholders' meeting. As a consequence of the Transaction, RHI Magnesita will become the ultimate holding company of RHI Group while the shareholders of RHI will cease to hold shares in RHI and instead hold RHI Magnesita shares. Following registration of the corporate restructurings, RHI's shares cease to be listed on the Vienna Stock Exchange. The place of effective management of RHI Magnesita will be Austria.

If the Transaction is terminated for reasons not under the control of Magnesita's Controlling Shareholders, an aggregate break fee of up to € 20 million is payable by RHI to Magnesita's Controlling Shareholders.

Following completion of the Transaction, which is expected for 2017, a mandatory tender offer will be launched by RHI Magnesita or one of its affiliates for the remaining shares in Magnesita ("Offer"). As part of the Offer, a maximum number of 5.0 to 5.4 million RHI Magnesita shares will be issued, depending on the stake acquired within the Transaction, thereby resulting in an aggregate number of no more than 10.0 million newly issued shares to finance the acquisition. The Offer will include the option to sell shares on the same payment terms as the Transaction as well as a cash-only alternative amounting to € 8.19 per Magnesita share (subject to certain adjustments according to the SPA). If some or all of Magnesita's other shareholders elect not to receive RHI Magnesita shares in the Offer, Magnesita's Controlling Shareholders have committed to purchase at least 1.5 to 1.9 million and at most 3.4 million additional new RHI Magnesita shares, thereby increasing their total number of RHI Magnesita shares to a maximum of 8.0 million. RHI Magnesita may decide to combine the Offer with a delisting offer and/or a voluntary offer to exit Magnesita from the "Novo Mercado" listing segment. The Offer will follow applicable Brazilian laws and regulations. Any RHI Magnesita shares that are not taken up in the Offer by Magnesita's shareholders may be either placed into the market or with institutional investors.

The Transaction will be financed by additional debt and the issuance of 4.6 to 5.0 million RHI Magnesita shares to Magnesita's Controlling Shareholders. At the same time, Magnesita will continue to finance itself on a standalone basis without credit support from RHI Group. Before or at completion of the Transaction, Magnesita is expected to adopt RHI's accounting practices, which, according to RHI, could lead to significant, however substantially non-cash adjustments in Magnesita's book equity value.

As result of the Transaction, RHI's mid-term financial targets will surpass RHI's current targets as communicated in RHI's Strategy 2020. RHI expects the combined company to generate fully consolidated revenues of € 2.6 billion to € 2.8 billion (previously € 2.0 billion to € 2.2 billion) with an operating EBIT margin of more than 12% (previously more than 10%) by 2020, primarily as a result of planned synergies.

No further events of material importance became known after the reporting date on 09/30/2016.

Vienna, 11/08/2016

Management Board

Wolfgang Ruttenstorfer
CEO (interim)

Barbara Potisk-Eibensteiner
CFO

Franz Buxbaum
COO
CTO R&D

Thomas Jakowiak
CSO Industrial Division

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 September 30, 2016, 39,819,039 no-par common shares of RHI AG with voting rights were admitted to trading in Vienna.

Shareholder structure

- MSP Foundation, LIE >25%
- Chestnut Beteiligungsgesellschaft mbH, GER* >5%
- Silver Beteiligungsgesellschaft mbH, GER* >5%
- Free Float <65%

* Voting rights are exercised jointly.

Capital market calendar 2017

Unaudited preliminary revenue and operating EBIT 2016	February 17, 2017
Preliminary group results 2016	March 14, 2017
Final group results 2016	April 3, 2017
Record date "Annual General Meeting"	April 25, 2017
Annual General Meeting	May 5, 2017
Ex-dividend date	May 10, 2017
Record date "dividends"	May 11, 2017
Report on the first quarter of 2017	May 11, 2017
Dividend payment date	May 12, 2017
Half-year financial report 2017	August 9, 2017
Report on the third quarter of 2017	November 9, 2017

Stock exchange indicators

Share price on the Vienna Stock Exchange (in €)	9M/2016	9M/2015
Highest closing price	24.10	29.87
Lowest closing price	14.69	16.59
Closing price at end of period	23.66	18.09
Market capitalization (in € million)	942	720

Share performance 01/2015 - 10/2016

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

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The English translation of this RHI quarterly 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 earnings position, profitability, performance or results of RHI to differ materially from the earnings position, profitability, performance or results expressed 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.

These materials may use terms which are non-IFRS financial measures. These supplemental financial measures should not be viewed in isolation as alternatives to measures of RHI's financial condition, results of operations or cash flows as presented in accordance with IFRS in its Consolidated Financial Statements. For definition of these supplemental financial measures, a reconciliation to the most directly comparable IFRS financial measures and information regarding the usefulness and limitations of these supplemental financial measures please contact the RHI Investor Relations team (investor.relations@rhi-ag.com). In addition, the general disclaimer of the websites of the RHI Group applies to this quarterly report.

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