Business Report

2012

RATH

Annual report 2012

of the Rath Group

Key figures

	2010 EUR'000	2011 EUR'000	2012 EUR'000
Sales	74,867	81,678	86,671
Change in %	-3.6	9.1	6.1
EBIT	2,722	4,026	2,233
EBIT margin in %	3.6	4.9	2.6
EBT	1,464	2,987	860
Operative Cash flow	6,669	5,798	-916
Capital ratio in %	43.7	42.7	43.0
Return on equity in %	0.6	6.6	1.7
Working Capital in %	97.3	89.0	89.2
ROCE in %	7.4	8.4	4.1
WACC in %	7.9	8.0	6.5
Investments in property	2,218	5,783	2,971
Depreciations	3,661	3,642	3,862
Number of employees in annual average	549	575	614
Number of consolidated corporations	8	8	11

Dear Ladies and Gentlemen,

Dear Shareholders,

Having achieved an increase in sales but no increase in the result last year, changes were needed in the company. The year 2012 was therefore characterized by organizational changes to the company group:

The process deficiencies in production mentioned in the last annual report could not be rectified quickly enough at the sites affected. As a result, the Executive Board implemented changes to the organizational structure. These involved changes to the management at the Milledgeville site in the USA and the Krummnußbaum site in Austria. In May 2012, Jörg Sitzenfrey was appointed as Head of Operations. In the Supervisory Board's meeting in December 2012, he then became COO and the third member of the Executive Board.

Organizational changes require open communication, which is achieved through regular meetings.

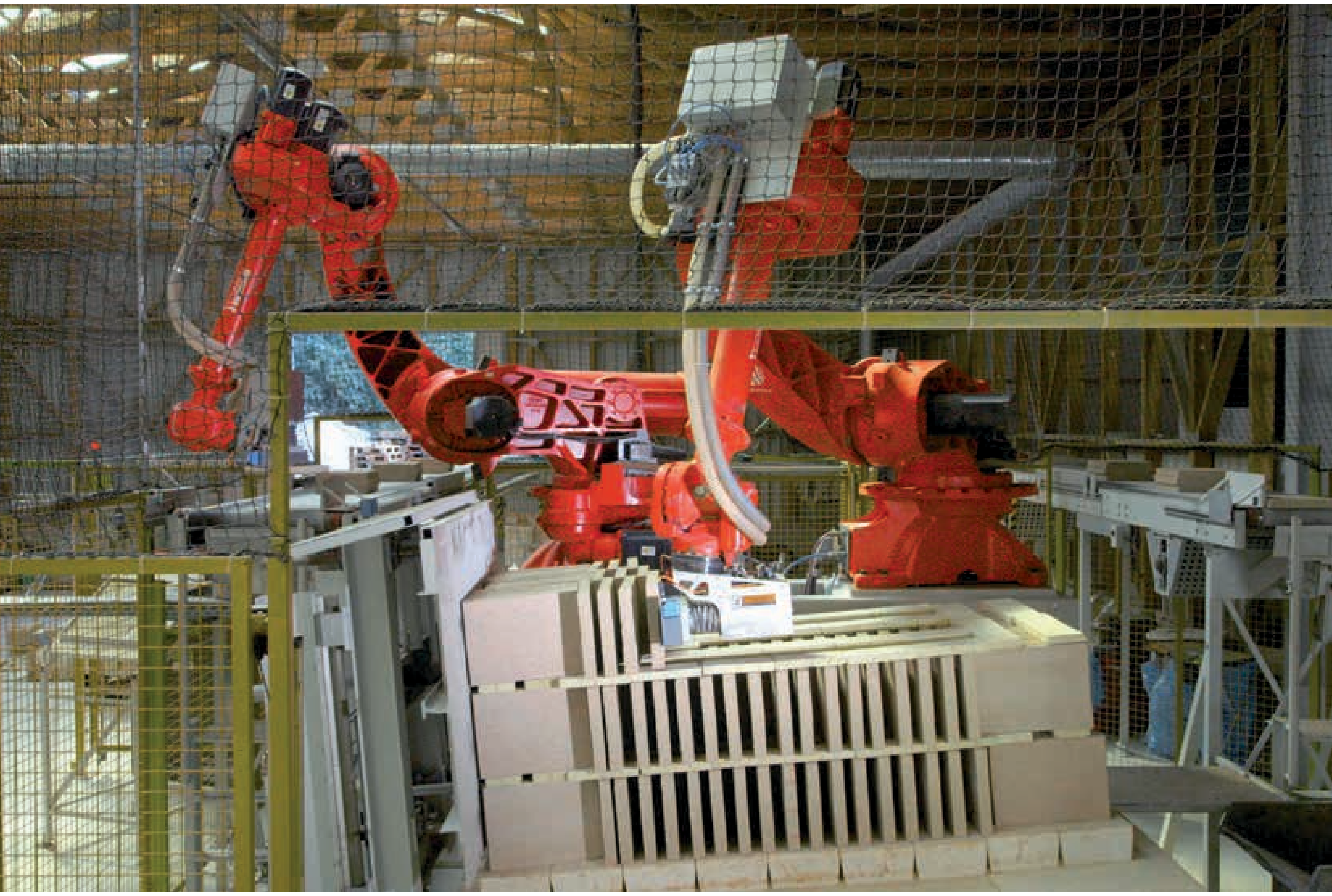
We have also paved the way for further growth in the sales department by modifying the structure: Over the next five years, regional sales will completely give way to industry sales. This ensures that successes in relation to an application are quickly implemented on a global level.

The economic climate still remains volatile and difficult to plan. The challenges posed by extreme fluctuations in the capacity utilization are set to further intensify. A rapid response is required with more flexible employment models, reductions in vacation leave and overtime and a reduction in temporary employees. The quieter periods are used for maintenance work to ensure that work can be carried out efficiently and without any enforced interruptions when full capacity is utilized.

The Supervisory Board and Executive Board thank all employees for their work over the last year.

Only customers who firmly believe that our knowledge and skills can resolve their refractory issues secure our future.

The Executive Board

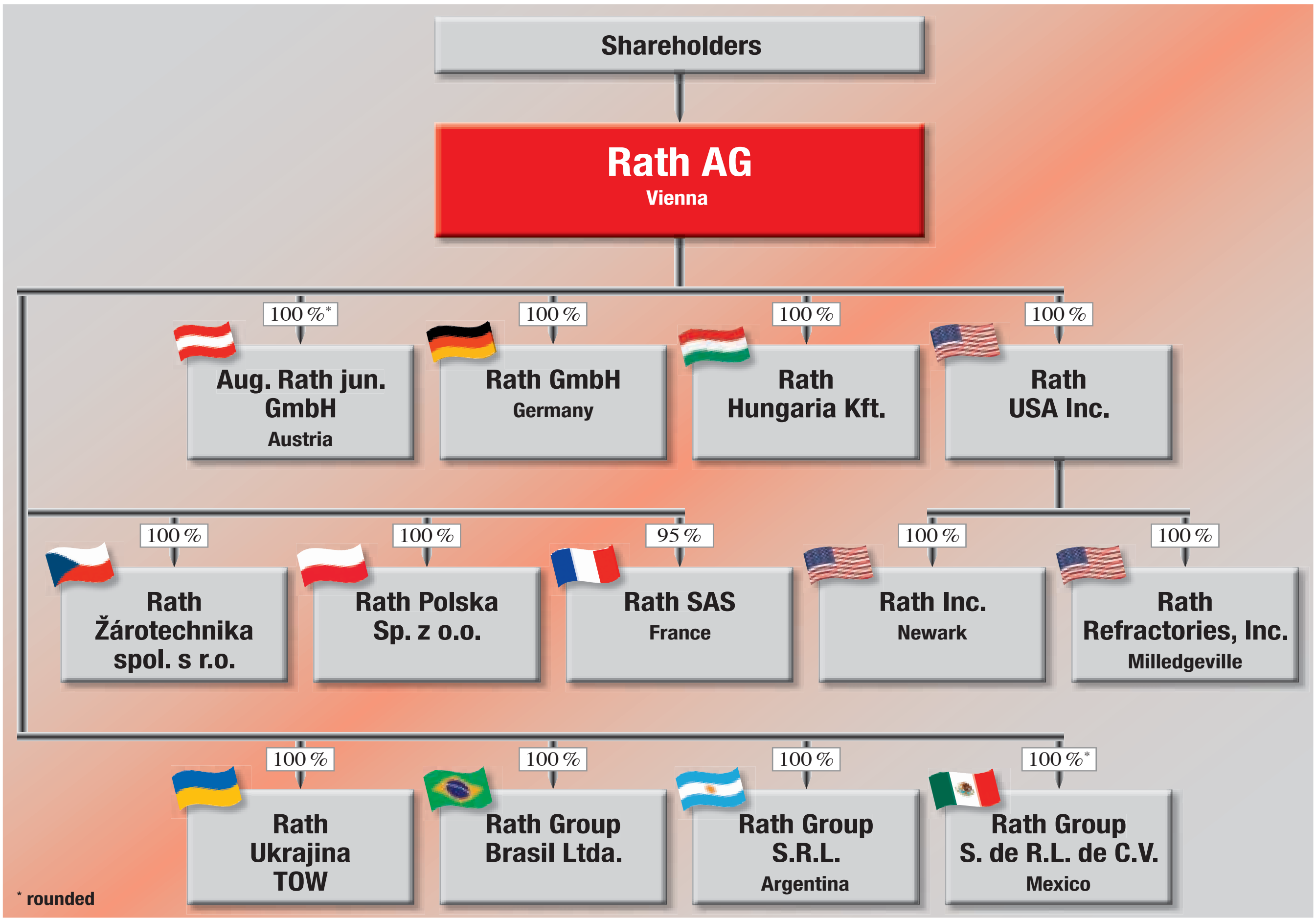


Our entrepreneurial action is based on responsibility, reliability, flexibility and openness. These values are recognized and realized throughout the entire company.

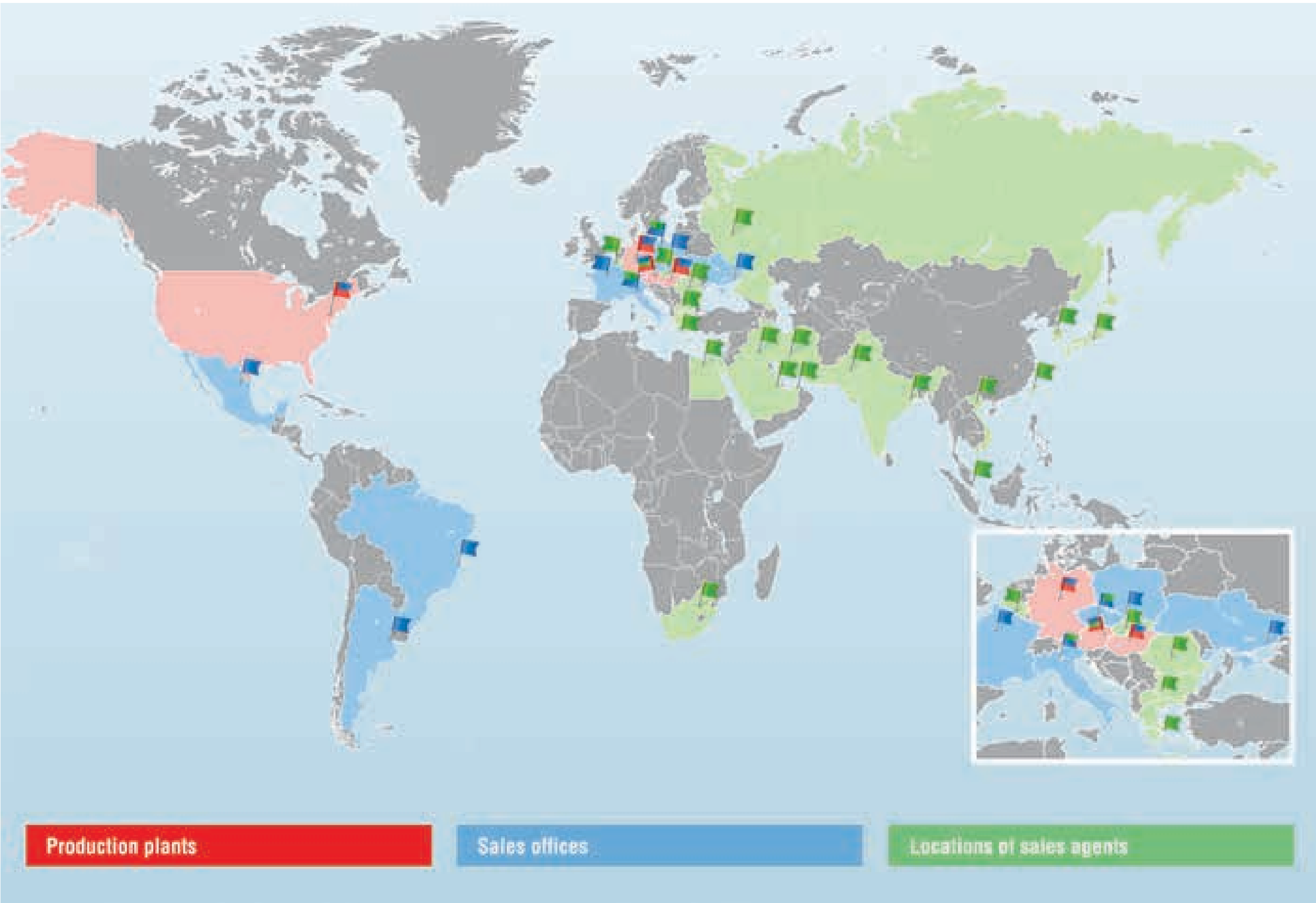
Top technology creates confidence.

We define ourselves as a provider of refractory solutions; as a company that understands its customers' processes and offers the optimal solution thanks to a diverse product portfolio. We provide both refractory products and tailor-made solutions, and our products are characterized by high-quality product features and accurate processing techniques. Our services are distinguished by versatility and flexibility.

We are the experts for your requirements.



Shareholders
Rath AG
Vienna
100 %*
Aug. Rath jun. GmbH
Austria
100 %
Rath GmbH
Germany
100 %
Rath Hungaria Kft.
100 %
Rath USA Inc.
100 %
Rath Žárotechnika spol. s r.o.
100 %
Rath Polska Sp. z o.o.
95 %
Rath SAS
France
100 %
Rath Inc.
Newark
100 %
Rath Refractories, Inc.
Milledgeville
100 %
Rath Ukrajina TOW
100 %
Rath Group Brasil Ltda.
100 %
Rath Group S.R.L.
Argentina
100 %*
Rath Group S. de R.L. de C.V.
Mexico
* rounded



Production plants
Sales offices
Locations of sales agents

Dear Shareholders,

Last financial year, we once again continually focused on the development of the Rath Group. This involved holding intensive discussions with the Executive Board regarding the current situation and regularly outlining the opportunities and risks.
The Executive Board immediately informed the Chairman of the Supervisory Board of notable incidents and outlined the options for action. We have thereby fulfilled our legal obligations and those laid out in our Articles of Association. We have advised the Executive Board regarding the management of the company and supervised the activities of its Directors. In 2013, we carried out an evaluation of the Supervisory Board's activities during the previous year, revealing no anomalies.

Supervisory Board Meetings

During the year under review, the Supervisory Board and Executive Board extensively discussed all relevant issues affecting the development of the business, including risk and risk management within both the company itself and its subsidiaries. The Executive Board has kept the Supervisory Board informed in the course of reports generated on an ongoing basis by the reporting system, and on the basis of a detailed report on the business and financial position of the group, the personnel situation and the investment and acquisition projects. Special events were reported separately. Supervisory Board committees reported on their activities at the Board's meetings.
Six Supervisory Board meetings were held during the financial year 2012. The 100% attendance rate documents the strong interest in the company.
The multi-year plan was presented in the meeting on March 15, 2012 and further investment projects were voted upon. The activity report regarding the Issuer Compliance Directive was taken note of and the Supervisory Board's activity during the previous year was discussed. At the meeting on April 16, 2012, the 2011 financial statements and management report as well as the 2011 consolidated financial statements and management report were reviewed, the 2011 financial statements were assessed as recommended by the Audit Committee and the proposal for the distribution of profits from the financial year 2011 was approved. Moreover, the proposal for the election of the financial auditor was also adopted and preparations made for the Annual General Meeting. The meeting on June 26, 2012 was mainly used for the preliminary discussion regarding the Annual General Meeting. In the meeting held on August 29, 2012, the half-yearly financial report was discussed and deliberations were also held on the current business situation. On November 12, 2012 discussions were held about the budget and the planned investment measures. In the final meeting of the year on December 14, 2012, the 2013 budget was approved. The decision was also taken to expand the Executive Board and the allocation of responsibilities was appropriately adapted.

Committees

The Supervisory Board has set up two committees. The members actively attended the meetings held by the committees.

The Audit Committee met twice in 2012. On March 11, 2012, the Audit Committee held its concluding meeting. The annual financial statements and management report as well as the consolidated financial statements and management report were reviewed and the Supervisory Board was recommended to approve the financial statements and the selection of the financial auditor. In the meeting on December 04, 2012, the auditors reported on the status of the preliminary audit of the financial statements and consolidated financial statements.
The Strategy Committee met three times in 2012. The first meeting on February 29, 2012 was dedicated to the reports from external and internal speakers on technical topics regarding several refractory products. The meeting on May 09, 2012 focused on the strategy of the R&D projects. The meeting on August 29, 2012 dealt with the plans for optimizing the plant and production structures within the group of companies.

Financial statements

The financial statements of Rath Aktiengesellschaft as of December 31, 2012 and the management report of the Executive Board as well as the consolidated financial reports as of December 31, 2012 and the consolidated management report of the Executive Board were audited with the help of the books of accounts, and certified by the financial auditors elected at the Shareholders' Meeting held on June 26, 2012, PwC Wirtschaftsprüfung GmbH, 1030 Vienna, Erdbergstrasse 200. The Audit Committee of the Supervisory Board analyzed the findings of the audit of the annual accounts on April 25, 2013, together with the auditors, and recommended the approval of the financial statements and consolidated financial statements to the Supervisory Board. The Supervisory Board reviewed and approved the financial statements of Rath Aktiengesellschaft as of December 31, 2012 and the management report of the Executive Board as well as the consolidated financial reports as of December 31, 2012, the consolidated management report of the Executive Board and the Corporate Governance report. The Executive Board's proposal for the distribution of profits was approved.

The financial statements have therefore been approved in accordance with Section 96 (4) AktG (Stock Corporation Act).

Vienna, April 25, 2013

Heinz Kessler
Chairman of the Supervisory Board

Corporate Governance Report

Principles

The Supervisory and Executive Board of Rath AG, along with the General Managers of each Rath Group company, are aware of their special responsibility as representatives of a publicly listed, family-owned company. They have a rich tradition and a full commitment to the principles of ethical behavior with respect to shareholders, employees, customers and suppliers, as well as society as a whole.

This not only includes strict adherence to all laws and regulations but also the commitment to corporate governance and similar principles of future-oriented, sustainable and environmentally-conscious business practices.

In so far as the rules are reasonable for a company of our size, these are observed by all the corporate bodies. Exceptions are outlined below.

Basis

As a company listed in the Vienna Stock Exchange, Rath refers to the July 2012 version of the Code of the Austrian Working Group on Corporate Governance. The full wording of this code and further information relating to this can be found at www.corporate-governance.at.

Report on the Corporate Governance Code

IV. Executive Board

16. As a company in the standard market auction of the Vienna Stock Market, the Executive Board may also consist of just one member. An Executive Board with multiple members does not require a chairman.
18. Due to its size, the Company does not have its own internal audit department. Internal audit tasks are conducted by corporate control and quality management staff.
29. In 2012, the following total salaries were paid out:
    Georg Rath EUR 205,200
    Matthias Rath EUR 207,400
30. The variable part of the salaries is linked to the EBT. Up to 50 % of the basic salary may be variable. There are no commitments in relation to a corporate pension scheme. A D&O insurance policy has been concluded for the Executive Board.

V. Supervisory Board

51. The remuneration shall be decided by the Annual Shareholders' Meeting. Its distribution is entrusted to the Supervisory Board.
53. As a small family enterprise listed on the stock exchange, Rath AG perceives the family ties as the central pillar of the company. The guidelines for the Supervisory Board therefore form an important set of specifications but which are only implemented in a reasonable manner.

VI. Transparency and Auditing

66. The company establishes its interim reports for the first and third quarters in accordance with § 87 (6) BörseG (Stock Exchange Act).
68. Publications shall be issued in German.
73. Reports on the Director's dealings shall be published via the FMA.
83. An adequate risk-management policy is in place. This enables ongoing improvements to be incorporated into all processes. No evaluation will be conducted by the final auditors.

Organs of the Corporation

Members of the Supervisory Board

Heinz Kessler (Chairman)	Independent; born: 1938; first elected on July 28,1999; appointed until the Shareholders' Meeting of 2013; Deputy Chairman of the Supervisory Board of Erste Bank AG
Ernst Rath (Deputy Chairman)	Born: 1938; elected since June 27, 2008; appointed until the Shareholders' Meeting of 2013; Managing Director of Rath Holding GmbH
Paul Rath	Born: 1934; elected on September 14, 1989; appointed until the Shareholders' Meeting of 2013; Managing Director of Rath Holding GmbH
Philipp Rath	Born: 1966; elected on July 17, 2003; appointed until the Shareholders' Meeting of 2013; auditor and tax consultant as well as partner at Grant Thornton Unitreu GmbH
Gerd Unterburg	Independent; born: 1940; elected on July 12, 2005; appointed until the Shareholders' Meeting of 2013, Deputy-Chairman of the Board of Hoerbiger Holding AG
Christian B. Maier	Independent; born: 1966; elected on June 27, 2008; appointed until the Shareholders' Meeting of 2013, Chief Financial Officer of Allgemeine Baugesellschaft – A. Porr Aktiengesellschaft

Committees of the Supervisory Board

Audit Committee	Heinz Kessler (Chairman) Christian B. Maier (Financial Expert) Philipp Rath
Strategy Committee	Gerd Unterburg (Chairman) Ernst Rath Philipp Rath

Executive Board

Georg Rath	Marketing and Sales, Finance and Accounting, Investor Relations and Quality Management Born: 1970; first elected: July 1, 2006
Matthias Rath	Research & Development, Human Resources, Purchasing Born: 1968; first elected: July 1, 2006
Jörg Sitzenfrey	Production Born: 1976; first elected: January 1, 2013

Up-to-date information on the implementation of the Code and amendments as a result of statutory changes can be found on the Rath Group website (www.rath-group.com).

Corresponding inquiries will be answered by the Executive Board member responsible for Investor Relations during the year or the Chairman of the Supervisory Board at the Shareholders' Meeting.

Vienna, April 25, 2013

Georg Rath
Member of the Executive Board

Matthias Rath
Member of the Executive Board

Jörg Sitzenfrey
Member of the Executive Board

Declaration by all legal representatives in accordance with Section 82 (4) Z 3 BörseG (Stock Exchange Act)

We confirm to the best of our knowledge that the consolidated financial statements established according to the authoritative IFRS accounting standards give as accurate a representation as possible of the Group's assets, finances and income, and that the consolidated management report presents the activities, results and position of the Group so as to give as accurate a representation as possible of the Group's assets, finances and income, and that the consolidated management report describes the main risks and uncertainties faced by the Group.

We confirm to the best of our knowledge that the parent company's financial statements, established according to the appropriate accounting standards, give as accurate a representation as possible of the company's assets, finances and income, and that the management report presents the activities, results and position of the Group so as to give as accurate a representation as possible of the Group's assets, finances and income, and that the management report describes the main risks and uncertainties faced by the company.

The results of the financial year ending on December 31, 2012 are not necessarily indicative of future results.

Vienna, April 25, 2013

Georg Rath
Member of the Executive Board

Matthias Rath
Member of the Executive Board

Jörg Sitzenfrey
Member of the Executive Board

Girls' Day

April 24, 2012
Aug. Rath jun. GmbH,
Krummnußbaum


Family and Children's Festival

August 31, 2012
Aug. Rath jun. GmbH,
Krummnußbaum


Doors Open Day

September 22, 2012
Aug. Rath jun. GmbH,
Krummnußbaum


Rep. of Lower Austrian State Parliament Karl Moser, National Council Günter Kößl

'Alle Achtung' Award from AUVA

October 11, 2012
Award presentation in Vienna

Association of möwe child protection centers

Rath supports the association
with a monetary donation

Economic Report

Business and General Conditions

Business environment

The Rath Group has production facilities in Austria, Germany, Hungary and the USA. We refer to these countries as the Group's home market (domestic); all other countries are referred to as foreign. 'Domestic' growth is therefore of great importance to Rath's development.

In 2011, experts were discordant about the economy in European countries. Some spoke of an expected slump in 2012, which could be softened by the ECB's monetary policy measures. In Austria and Germany, slight GDP growth was even achieved but in the EU27, the turbulence in the South European countries led to the economy contracting. According to forecasts by the EU Commission, the political problems in Hungary will have caused the GDP to fall by approx. -1.7 % in 2012. The USA, in contrast, appears to remain solid and increased economic growth by +2.2 % (previous year: +1.6 %). The euphoria regarding the energy resources and the re-industrialization of the country has positively affected the general mood.

When looking at industrial production however, a broadly differentiated picture appears:

Values for 2012 [%]	GDP	Industrial production
Austria	+ 0.7	+ 3.7
Germany	+ 0.7	- 1.1
Hungary	- 1.7	- 1.6
EU27	- 0.6	- 2.1
USA	+ 2.2	+ 2.8

The differences between the individual countries are far greater in relation to goods manufacturing than when comparing the GDP. The reduction in industrial production in Germany also explains the basic weaknesses in the sales of capital goods despite the positive GDP. This also explains the -10 % decline in sales in the German refractory industry in 2012.

This negative trend in 2012 is also clear in key customer sectors such as steel, glass and aluminum. Crude steel production has fallen by -4.5 % in Europe but at a rate of just +1.4 % the global tonnages are also increasing slower than in the previous year (+5.4 %). The three largest publicly listed glass manufacturers have had to cope with a 3.9 % fall in sales. The production quantities for crude aluminum have also sunk by -0.3 % on a global level (excluding China).

Business performance

Organization

The companies included in the consolidated financial statements are listed in the Notes. We do not have any branches.

Sales development

In view of this difficult economic climate, the Rath Group's sales development is to be regarded as positive.

Sales Team in KNB

In the year elapsed, sales could be enhanced from EUR 81.7 million to EUR 86.7 million (+ 6.1 %). The greatest increases were of +26.2 % in the export countries segment (EUR 6.9 million compared to EUR 5.5 million in the previous year and +9.3 % in the USA segment (EUR 13.1 million compared to EUR 12.0 million in the previous year). The Czech and Ukrainian companies as well as the highly successful new Mexican company must be highlighted in this regard.

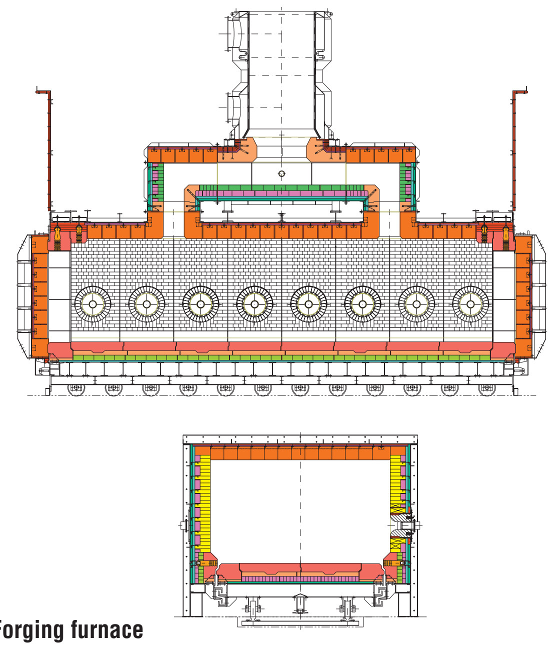
Consolidated share of sales [%] by segment	2012	2011
Austria	32.7	32.7
Germany	35.9	36.9
Hungary	8.4	9.0
USA	15.2	14.7
Rest of world (export countries)	7.9	6.7
	100.0	**100.0**

With respect to the individual customer groups, we have principally benefited from new projects in the field of energy and environmental engineering in the CEE countries. We have also recorded good success in the glass industry: with system lives of up to 18 years, the sector is generally cautious with regard to changing supplier. Six years ago, we identified the glass industry as a new target market. Since then, we have developed in this sector from a newcomer to a respected supplier. As a result, our customers have also increasingly invested in systems for the heat treatment of steel. Despite this, we have not yet been able to reach the pre-crisis level in this industry.

In addition to simple material deliveries, we also engineer the refractory lining within the scope of projects. This involves selecting materials, determining parts lists and creating delivery schedules for on-site installation, all in line with customer specifications. In many cases, we also provide a construction site supervisor and an assembly team. Sales in this project business have now risen further from EUR 24.5 million to EUR 28.1 million (+14.9 %). This enabled us to once again increase the share to over 30 % of the total sales. Our engineering expertise enables us to be competitive on the global market.

Profitability

In 2010, we were able to reduce our stock levels. With sales having taken off in 2011, we increased our stock of finished goods to a value of EUR 6.1 million to improve our ability to deliver. In the year elapsed, we no longer followed this policy (EUR 0.0 million). The project materials in the warehouse at the turn of the year 2011/2012 have now been used and billed.



Forging furnace

Under consideration of the change in inventory, factory output was similar to in 2011. Material consumption could be reduced by -10.9 % from EUR 29.7 million to EUR 26.5 million, principally due to products requiring less raw materials. The purchased services and in particular the energy costs also benefited from the falling gas and electricity costs.

This made it possible to increase the raw yield by EUR 2.5 million from EUR 44.5 million to EUR 47.0 million. This positive effect has been more than offset by the increased personnel and other operating expenses. Technical difficulties in production led to personnel expenses disproportionately increasing from EUR 23.4 million to EUR 25.7 million. As a result, managerial changes were made to local management teams. The expansion of sales in Latin America and the restructuring of the sales organization also initially resulted in cost increases alone. Some of these are also included in the other operating expenses (EUR 15.2 million compared to EUR 13.4 in the previous year). The costs here rose steeply due to increased marketing activities (including trade fairs and brochures) and more consultancy services (including increasing efficiency and headhunting).

The unfavorable development of the currencies HUF and USD led to additional burden on the financial result, which at EUR -1.4 million closed below the previous year's result of EUR -1.0 million.

All in all, the Rath Group was therefore only able to record a result from ordinary business (EBT) of EUR 0.9 million (previous year: EUR 3.0 million).

Assets and financial position

In 2011, we vastly expanded the plant at the Milledgeville site. Commissioning occurred in the first quarter of 2012. At other sites, on the other hand, we were more restrained with regard to the procurement of new systems. After investing EUR 5.8 million in the previous year, we therefore only invested EUR 3.0 million. The investments therefore fell below the value of the depreciations (EUR 3.9 million), reducing the non-current assets by -1.6 % to EUR 43.3 million.

The raw material and merchandise stocks increased while the enhanced sales also led to an increase in our receivables from customers. These changes were financed by the cash and cash equivalents.

On the liability side, the higher currency differences had a slightly negative impact on the stockholders' equity despite the positive previous year. With regard to liabilities, maturities were mainly moved due to the expiry of leasing agreements.

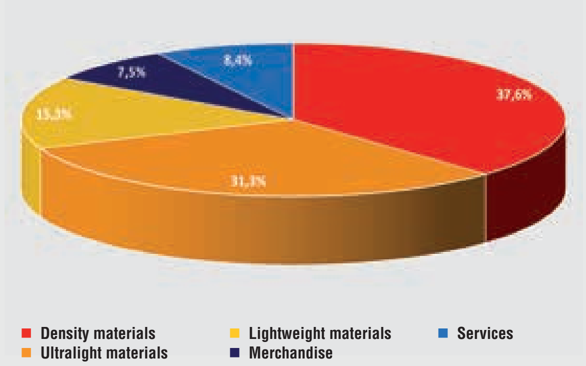
Despite this, the stockholders' equity ratio recorded a slight increase from 42.8 % to 43.0 %.

The operating cash flow declined drastically from EUR +5.8 million to EUR -0.9 million. This was principally caused by increased receivables and reduced trade payables as well as a higher income tax burden.

The business environment in the first quarter has weakened. The Executive Board therefore proposes to the Shareholders' Meeting that the balance sheet profit be carried forward to the new period.

The stock market price in the year elapsed rose from EUR 6.80 (December 29, 2011) to EUR 8.50 (December 28, 2012). The year-end market capitalization is therefore EUR 12.8 million.

Distribution of revenue in 2012 according to sales groups



Events after the reporting date

Since January 1, 2013, there have been no reportable events affecting the company's assets, financial position or profitability.

Outlook report

Corporate development

The non-uniform development of the individual countries will continue in 2013. The gap between the GDP change and the increase/reduction in industrial production will clearly widen. In this regard, the political and financial environments in the individual countries are of major importance.

While we started the new year in January with a great deal of confidence, our hopes became heavily clouded in February and March. Sales have declined and all decisions regarding investments have been postponed.

We expect the individual industries to develop differently and believe that the Rath Group sales in 2013 should develop similarly to in 2012. However, this will strongly depend on when customers return to being in a suitably secure business environment to make firm investment decisions.

Measures are being taken to increase production efficiency and improve product quality. These should help to improve the result compared to 2012. The under-utilization of the plants due to customers' delayed investment decisions can however quickly diminish the success of this work.


Energy and environmental engineering

Risk report

Risk management system

The Rath Group's internal control system is generally based on process-related test stages. These include not only technical facilities such as access controls, passwords and network protection but also organizational inspections such as the dual control principle, functional separation and approval criteria in the individual process steps. These processes are continually evaluated by the process management team.

Process management is often regarded as a means of improving product quality whereby effective quality management (QM) can but does not necessarily have to result in an improved product. In reality, it is about the documentation of all processes in a company and the documented behavior in the event of deviations. This is the only way to learn from errors and continually improve. This way of thinking about processes is anchored in ISO 9001:2008.

The risk management system ensures that risks are regularly analyzed and assessed. This is the only way to be sure that they can be detected at an early stage and countermeasures can be implemented quickly should a risk arise.

The management team conducts Group-wide risk analysis at least once a year and the necessary adjustments are continually evaluated in the Executive Board. Compliance with measures is monitored by the process managers at the individual sites working through 'to-do lists'.


Iron and steel industry

Opportunities and risks

The greatest risks usually arise from erroneous processes or the non-monitoring of corrective or preventative measures. This is also an opportunity to improve on a daily basis. This process thinking must be more strongly internalized in future.

Risks from individual transactions are generally acceptable due to their size. Due to their nature, risks relating to project business are more important and are minimized by the aforementioned processes. Great focus is also placed on systematic planning errors. These could include potentially disadvantageous contractual provisions from the customer or a lack of control in relation to purchased goods and services.

Further information pursuant to Section 243 (3) line 5 UGB (Austrian Commercial Code) is explained in the Notes.

Research report

We regard leading-edge technology to mean outstanding products that can hold their own against international competition. Such innovations can only be developed in cooperation with the best research institutes.

In 2012, a university project focusing on the glass industry was successfully completed with a first large-scale technical production run.

A project sponsored by the Austrian government's climate and energy fond aimed to optimize the burning process of high-temperature bricks: Temporally and spatially-resolved simulation data was used to make statements about the temperature distribution in the molded parts and the necessary improvements to the hot gas flow in the furnace in order to increase the quality of the refractory bricks while also reducing the energy input in the furnace. The specific energy consumption was reduced by approximately 10 % while the productivity was increased by approximately 15 %.

Research projects for new materials are being conducted in all product groups with work being carried out in parallel on technological improvements to the production processes and existing products.

R&D expenses rose from EUR 0.7 million to EUR 0.9 million resulting in the R&D share increasing to almost 1.1 % (previous year: 0.9 %).

Football Tournament in Meißen

Corporate Responsibility

Employees

At the start of January 2012, the company already had 593 employees due to the improved order situation. In the final third of the year, the number of white and blue collar workers rose steeply again so that 625 people were employed as of the end of the financial year. Most new employees joined in the USA, Germany and the Group parent company.

Average number of employees during the year	2012	2011
Austria	170	161
Germany	244	228
Hungary	118	115
USA	59	52
Rest of the World	23	18
	614	**575**

Creating more flexible working hours in Europe is becoming a key issue from a global competition perspective: In the USA, the special positioning of working hours (night shifts, weekends) does not give rise to extra payment, which makes it possible to efficiently process large orders within short turnaround periods without additional cost.

Employees with physical or mental disabilities made up an average of 2.5 % of the workforce and were principally based in Austria and Germany.

Advancement of women

Women make up 38 % of the white collar and 6 % of the blue collar workers. The share of women in managerial roles in Rath Aktiengesellschaft and its productive subsidiaries remains at 12.5 %. In total, women make up 17 % of the workforce. So far, there have been no women on the Supervisory Board. The next regular elections to the Supervisory Board are due in the Annual General Meeting of 2013.

The management's positive attitude to headhunting women for technical professions is highlighted by the active participation in Girls' Day. To date, it has mainly been possible to increase the share of females in research & development and the laboratories. Efforts are however still ongoing to achieve a balanced gender distribution in all of the company's functional areas.

Business Run 2012, Wiener Prater

Environment

Active environmental protection is practiced at all Rath Group sites. This not only means complying with legal and regulatory requirements, but also setting and achieving more far-reaching targets.

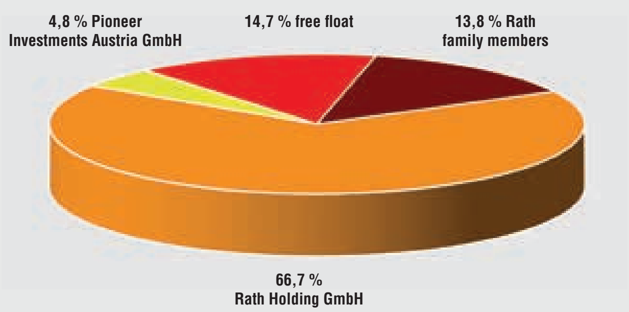
In the year elapsed, we had a review conducted of the energy management system used in our four German sites. As a result, we are now entitled to display the ISO 50001 certificate in the German company. A rollout to further sites is currently being prepared.

As already described in the R&D report, we are working to improve our systems' energy efficiency. Despite lower US requirements, we have still used state-of-the-art technology for our furnace in Milledgeville. We are using heat exchangers and high-insulation lining to try and reduce the energy requirement without impairing the product sintering process.

Information in accordance with Section 243a UGB (Austrian Commercial Code)

Capital composition is explained in greater detail in the Notes. The Articles of Association do not include any restrictions regarding the exercise of the voting rights by Rath Aktiengesellschaft. The Company is unaware of any restrictions on the transfer of voting rights.

Shareholder structure as of Dec. 31, 2012



Due to the reduction of the reporting threshold from 5 % to 4 %, one shareholder has reported his share for the first time:

Rath Aktiengesellschaft does not operate an employee stock options scheme. Regarding the Supervisory Board, Executive Board and the company's Articles of Association there are no regulations that deviate from the law.

In the Annual General Meeting held on June 21, 2011, in accordance with Section 65, paragraph 1, line 8 AktG (Stock Corporation Act), the Executive Board was empowered to buy back shares up to 10 % of the authorized share capital and to sell them thereafter. There were no transactions that took place on the basis of this resolution in the financial year. The company does not own any of its shares as on the reporting date.

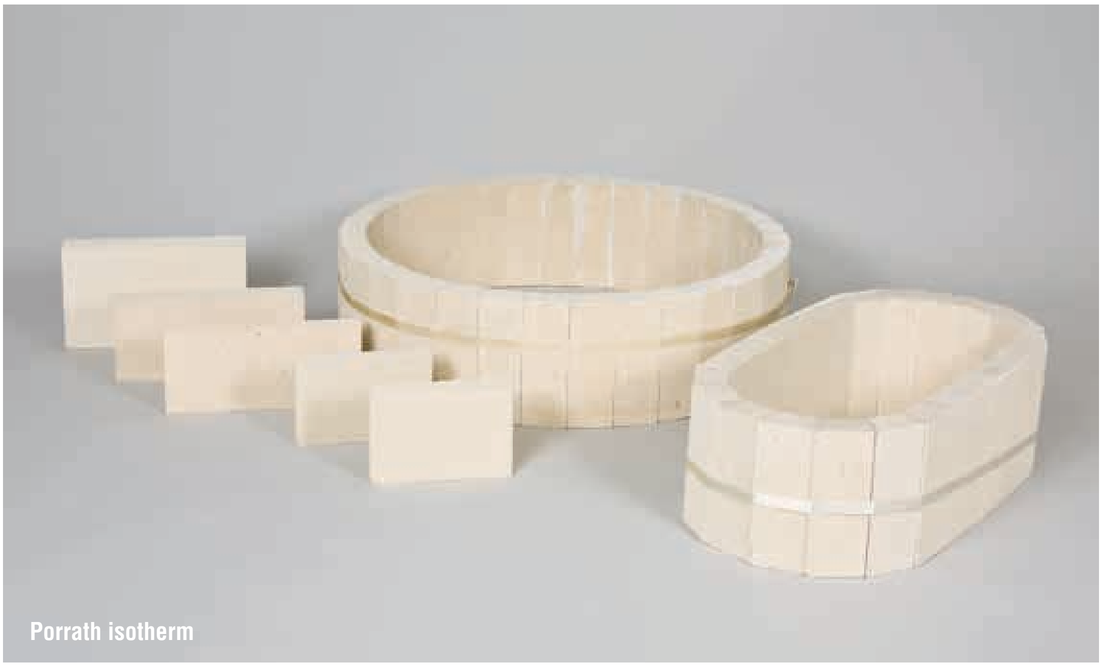
There are no existing agreements that become effective in the event of control changing hands. In the event of a public take over bid there are no provisions for compensation.

Vienna, April 25, 2013

Georg Rath
Member of the Executive Board

Matthias Rath
Member of the Executive Board

Jörg Sitzenfrey
Member of the Executive Board



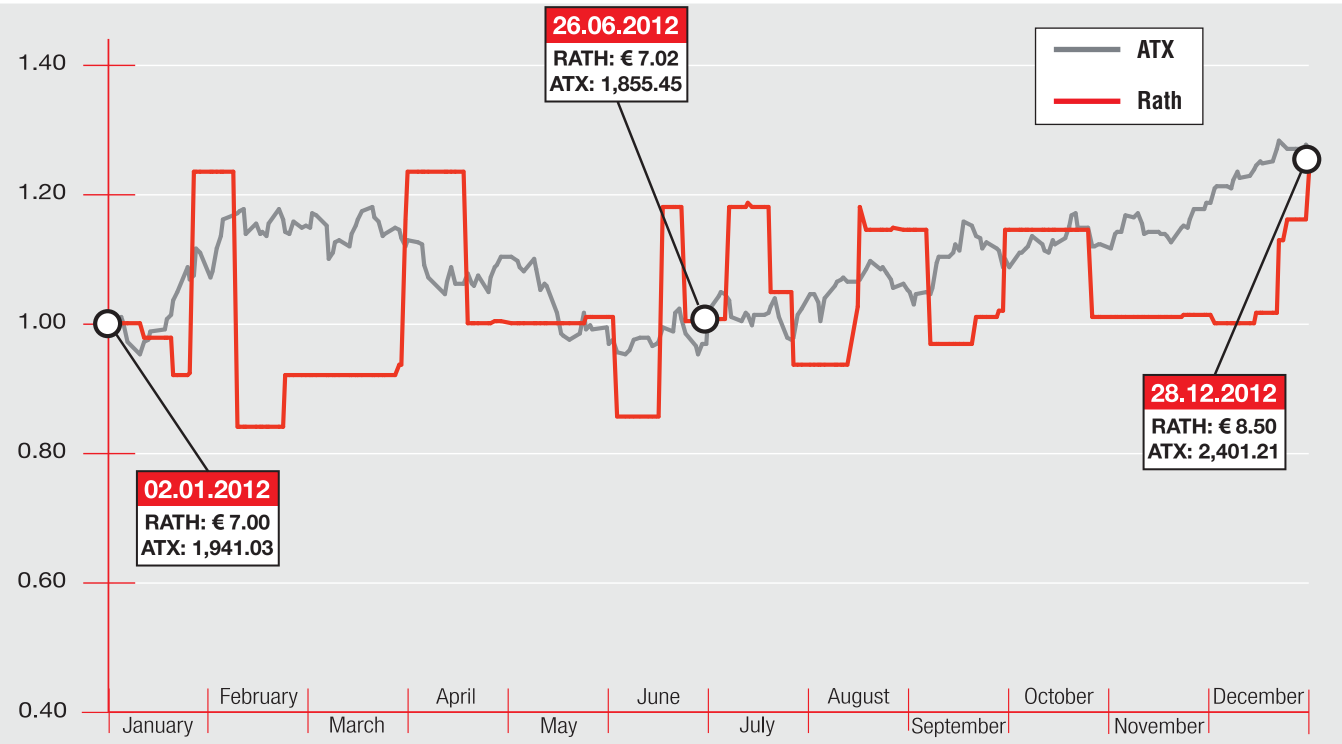
Porrath isotherm

Stock market key figures pursuant to Section 93 (1) BörseG (Stock Exchange Act)

ISIN:	AT0000767306
Stock symbol:	RAT
Market segment:	Standard Market Auction
Segment:	Official Market
Share class:	Non-par value shares with voting rights

Number of shares:	1,500,000
Total number of shares:	1,500,000
Share price on Dec. 28, 2012:	EUR 8.50
Market capitalization:	EUR 12,750,000.00
Earnings/share:	EUR 0.39

Comparison of the market trend of the Rath share and the ATX in 2012



	Notes no.	Dec 31, 2012 [EUR'000]	Dec 31, 2011 [EUR'000]
ASSETS			
Non-current assets			
Property, plant and equipment	(1)	37,394	38,104
Intangible assets	(2)	261	391
Financial assets	(3)	666	624
Deferred tax assets	(12)	4,281	4,155
		42,603	**43,274**
Current assets			
Inventory	(4)	20,139	19,132
Trade receivables	(5)	13,508	11,910
Other assets	(6)	20	317
Cash and cash equivalents	(7)	3,810	6,649
		37,477	**38,008**
Total assets		**80,079**	**81,282**
LIABILITIES AND EQUITY			
Stockholders' equity	(8)		
Authorized capital		10,905	10,905
Capital reserves		1,118	1,118
Currency differences		-1,597	-1,138
Cumulated results		24,004	23,862
		34,430	**34,747**
Non-controlling interests		3	2
		34,433	**34,749**
Non-current liabilities			
Employee benefits	(9)	2,420	2,675
Financial liabilities	(10)	4,768	7,310
Trade payables and other liabilities	(13)	71	113
Derivative financial instruments		120	120
Accruals and provisions	(11)	235	229
Deferred tax liabilities	(12)	297	1,217
		7,911	**11,664**
Current liabilities			
Financial liabilities	(10)	25,178	20,911
Trade payables and other liabilities	(13)	9,910	10,621
Accruals from current income tax	(12)	391	1,279
Accruals and provisions	(11)	1,501	1,467
Derivative financial instruments		756	594
		37,736	**34,871**
Total liabilities and equity		**80,079**	**81,282**

Consolidated income statement, statement of comprehensive income

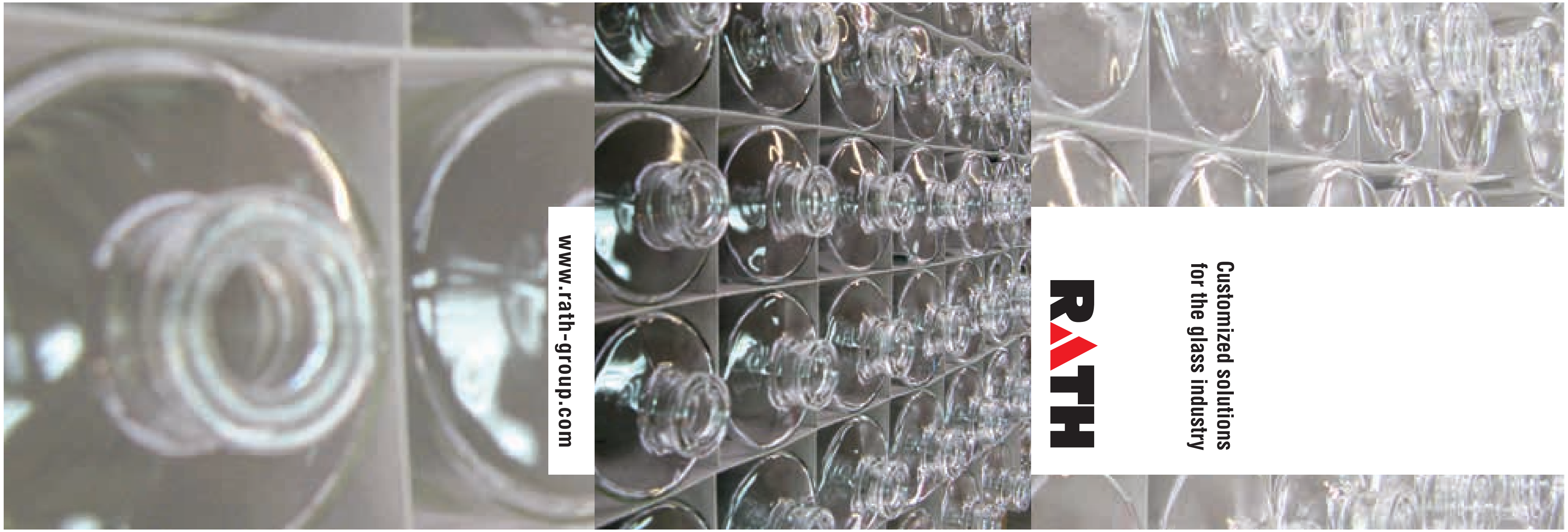
	Notes no.	2012 [EUR'000]	2011 [EUR'000]
Sales revenue	(14)	86,671	81,678
Change in inventory		32	6,117
Capitalized services		0	86
Other operating income	(17)	412	907
Cost of materials and purchased services	(15)	-40,084	-44,320
Personnel expenses	(16)	-25,724	-23,426
Depreciation and amortization	(1) (2)	-3,862	-3,642
Other operating expenses	(18)	-15,213	-13,375
Ordinary operating result (EBIT)		**2,233**	**4,026**
Financial income	(19)	395	1,188
Financial expenses	(20)	-1,768	-2,227
Financial result		**-1,373**	**-1,039**
Earnings before tax (EBT)		**860**	**2,987**
Taxes on income	(12)	-268	-693
Consolidated result		**593**	**2,294**
Attributable to the			
stockholders of the parent company		591	2,293
Non-controlling interests		2	1
Consolidated result		**593**	**2,294**
Basic (undiluted) result per share (in EUR)	4.5	0.39	1.53
Diluted result per share (in EUR)	4.5	0.39	1.53

	2012 [EUR'000]	2011 [EUR'000]
Consolidated result after income tax	593	2,294
Currency conversion	-459	-225
Other consolidated result after tax	**134**	**2,069**
Total comprehensive income after tax	**134**	**2,069**
Total result attributable to the stockholders of the parent company	131	2,068
Non-controlling interests	2	1
Total comprehensive income	**134**	**2,069**
Earnings per share	**0.39**	**1.53**

	Notes no.	2012 [EUR'000]	2011 [EUR'000]
Earnings before tax		860	2,987
Depreciation and amortization	(1) (2)	3,862	3,642
Derivative financial instruments		162	175
Change in accruals and non-current provisions		-249	-46
Interest income	(19)	-68	-50
Interest expenses	(20)	1,192	1,316
		5,760	**8,024**
Changes in net working capital			
Inventory		-1,006	-3,324
Trade and other receivables		-1,598	597
Other assets		297	-156
Trade payables		-752	2,446
Accruals and provisions		34	72
Change depending on currency conversion		-459	-225
Cash flows from operating activities		**2,275**	**7,434**
Interest received		68	50
Interest paid		-1,192	-1,315
Income tax paid		-2,066	-371
Net cash inflows from operating activities		**-916**	**5,798**
Purchase of property, plant and equipment	(1)	-2,928	-5,783
Purchase of intangible assets	(2)	-43	-43
Net cash used in investing activities		**-2,971**	**-5,826**
Repayment of financial debts		-5,075	-3,812
Proceeds from financial debts		6,800	5,433
Dividend payout		-450	0
Net cash generated from financing activities		**1,275**	**1,621**
Non-cash currency differences			
from the conversion of cash and cash equivalents in other currencies		-389	-73
Net increase in cash and cash equivalents		**-2,839**	**1,694**
Cash and cash equivalents at the beginning of the year	(7)	**6,649**	**4,955**
Cash and cash equivalents at the end of the year	(7)	**3,810**	**6,649**

Changes in consolidated stockholders’equity

	Authorized capital [EUR'000]	Capital reserves [EUR'000]	Currency conversion differences [EUR'000]	Cumulated results [EUR'000]	Total [EUR'000]	Non-controlling interests [EUR'000]	Total Stockholders’ equity [EUR'000]
As of December 31, 2010	**10,905**	**1,118**	**-913**	**21,569**	**32,679**	**1**	**32,680**
Profits for 2011	0	0	0	2,293	2,293	1	2,294
Currency conversion	0	0	-225	0	-225	0	-225
Total comprehensive income	0	0	-225	2,293	2,068	1	2,069
As of December 31, 2011	**10,905**	**1,118**	**-1,138**	**23,862**	**34,747**	**2**	**34,749**
Profits for 2012	0	0	0	591	591	2	593
Currency conversion	0	0	-459	0	-459	0	-459
Total comprehensive income	0	0	-459	591	131	2	134
Dividend payout	0	0	0	-450	-450	0	-450
As of December 31, 2012	**10,905**	**1,118**	**-1,597**	**24,004**	**34,430**	**3**	**34,433**



1. The Company

Rath Aktiengesellschaft, Walfischgasse 14, 1010 Vienna, and its subsidiaries (hereafter referred to as the 'Rath Group') manufacture refractory materials for industrial consumers and other business enterprises. The main markets are located within the European Union, Eastern Europe and the USA. The registered office of the parent company is situated in Vienna. Production sites are located in Austria, Germany, Hungary and the USA. There are also sales companies in France, Czech Republic, Poland, Ukraine, Mexico, Argentina and Brazil.

Rath Aktiengesellschaft 'parent company' shares are listed on the Vienna stock exchange in the 'Standard Market Auction' segment.

2. Accounting principles and valuation methods

2.1. Accounting standards

The consolidated financial statements of the Rath Group as of December 31, 2012, have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), including applicable interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the European Union and the supplementary provisions of Section 245a (1) UGB (Austrian Commercial Code).

The consolidated financial statements have been prepared under the historical cost convention, as modified by the fair value evaluation of available for sale financial assets, and financial assets and liabilities (including derivative instruments) at fair value through profit and loss.

Accounting practices for the companies included in the consolidated financial statements are based on accounting methods which apply uniformly across the Rath Group.

The consolidated financial statements are compiled in units of 1,000 EUR (EUR'000), rounded up or off by the commercial rounding method. The summation of rounded figures and percentages may give rise to calculation differences due to the use of automatic calculation systems.

These consolidated financial statements were approved for publication by the Executive Board on April 25, 2013. The parent company financial statements, which shall also be incorporated into the consolidated financial statements after the adoption of the applicable accounting standards, shall be presented to the Supervisory Board for review on April 25, 2013.

2.2. Changes and amendments of IFRS

New and amended standards adopted by the company

There are no IFRS or IFRIC interpretations that were mandatory for application for the first time in the financial year 2012, and in relation to which any significant impact is expected for the company.

New standards, amendments and interpretations not yet adopted by the European Union and not applied in advance of their adoption date

The following amendments or revisions of standards and interpretations have not yet been fully adopted by the EU as of the reporting date and are not yet obligatory for the financial year and have not been applied early.

Standard/Interpretation/Amendment		Date of entry into force	Expected impacts
IFRS 9	Financial instruments: classification and valuation	Jan 1, 2015	Change in the balance sheet treatment of changes in the fair value of financial instruments previously classified as 'available for sale'.
IFRS 10	Consolidated financial statements	Jan 1, 2014	None
IFRS 12	Information on shares held in other companies	Jan 1, 2014	The full impact is being assessed at present
IFRS 13	Assessment of the fair value	Jan 1, 2013	The full impact is being assessed at present
IAS 1	Presentation of the financial statement: Changes in the presentation of the other result	July 1, 2012	The full impact is being assessed at present
IAS 19	Payments to employees	Jan 1, 2013	The full impact is being assessed at present
IFRS 11	Joint agreements	Jan 1, 2014	None

Apart from this, there are no IFRS or IFRIC interpretations that have not yet come into effect and for which any significant impact is expected for the company.

2.3. Consolidation scope and methods

The parent company is Rath Aktiengesellschaft, Vienna. All the companies that are controlled by the parent company (subsidiaries) are fully consolidated within the consolidated financial statements. Control is deemed to exist if the parent company is directly or indirectly able to determine the financial and business policies of the company. This is regularly accompanied by voting rights of more than 50 %. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The first-time inclusion of a subsidiary takes place using the purchase method by allocating acquisition costs to the identifiable assets and liabilities of the purchased company. The amount of acquisition costs over and above the fair value of net assets is recorded as goodwill. Should the fair value of the net assets be higher than the acquisition costs, Rath Aktiengesellschaft, after a further critical assessment of the applicability and evaluation of the assets and liabilities taken over, will record the excess amount in the income statement. Acquisition-related costs are expressed as incurred. The company recognizes any non-controlling interests in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the acquiree’s identifiable net assets.

Group-internal transactions, receivables, liabilities and significant unrealized profits and/or losses (interim results) are not included.

Transactions with non-controlling interests are treated as transactions with the owners of authorized capital of the Group. The difference between fair value of any consideration paid and the corresponding share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

In addition to the parent company, the scope of consolidation includes the following companies:

Name	Group interest [%]	Consolidation method
Chamottewaren- und Thonöfenfabrik Aug. Rath jun. GmbH, Austria	100*)	Full consolidation
Rath GmbH, Germany	100	Full consolidation
Rath Hungaria Kft., Hungary	100	Full consolidation
Rath USA Inc. Newark, USA	100	Full consolidation
Rath zarotechnika spol. s r.o., Czech Republic	100	Full consolidation
Rath Polska Sp. z o.o., Poland	100	Full consolidation
Rath SAS, France	95	Full consolidation
Rath Ukrajina TOW, Ukraine	100	Full consolidation
Rath Group S. de R.L. de C.V., Mexico	100	Full consolidation
Rath Group S.R.L., Argentina	100	Full consolidation
Rath Group Brasil Ltda., Brazil	100	Full consolidation

*) rounded up from 99.98 %, the companies in Mexico, Argentina and Brazil were founded in 2012.

2.4. Currency conversion

Transactions in foreign currency

The items included in the financial statements of any Group company are valued on the basis of the currency of the primary economic environment in which the company operates. The consolidated financial statements are compiled in Euros, the reporting currency of Rath Aktiengesellschaft.

Individual Group companies record business transactions in a foreign currency using the average exchange rate on the relevant transaction date. The conversion of existing monetary assets and liabilities denominated in a foreign currency on the reporting date takes place using the valid average exchange rate as of this date. The resultant foreign currency profits and losses are recorded within the income statement of the financial year in question.

Conversion of financial statements in foreign currency

The functional currency of Rath Aktiengesellschaft is the Euro.

The functional currency of subsidiaries outside the Euro Zone is the respective local currency. The conversion into Euros of all assets and liabilities in these companies’ financial statements, including goodwill and value adjustments resulting from the initial consolidation, takes place using the average exchange rate on the reporting date. Profit and loss items are converted and posted at the monthly average exchange rate over the financial year in question. All differences in conversion rates are recognized as separate entries in other comprehensive income.

Unrealized currency differences from long-term Group loans which are regarded as part of the net investment in a subsidiary are also recognized in other comprehensive income under the line item ‘Currency translation differences’.

The following exchange rates are particularly significant for the consolidated financial reports:

	Rate on reporting date Dec. 31, 2012	Rate on reporting date Dec 31, 2011	Average rate 1-12 2012	Average rate 1-12 2011
USD	1.319	1.294	1.289	1.392
HUF	292.300	314.580	294.474	279.373
CZK	25.151	25.787	25.217	24.590
PLN	4.074	4.458	4.245	4.121

equals 1 Euro.

Source: Austrian National bank (www.oenb.at)

2.5. Accounting and valuation principles

a) Intangible assets

Individually acquired intangible assets are initially valued under acquisition or production costs. Acquisition or production costs include all costs incurred to bring the asset up to its current condition. Acquisition costs of an intangible asset acquired under a business combination reflect its fair value at the time of acquisition. Following initial valuation, intangible assets are stated at acquisition or production cost less planned and unplanned cumulated amortization. Amortization occurs using a straight-line method over an estimated utilization period of 3 to 15 years. There are no intangible assets with an indefinite useful life. Costs of borrowing are not recognized due to non-existent qualifying assets.

Profits and losses from the disposal of intangible assets are determined by comparing the proceeds with the carrying amount and are recognized in the item ‘Other operating income’ or ‘Other operating expenses’ in the income statement.

b) Property, Plant & Equipment

Items of property, plant and equipment are valued at acquisition or production cost less accumulated depreciation and impairment losses. Acquisition and production costs include all costs incurred to bring the asset up to its current condition and location. Due to contractual obligations for rented property, estimated expenditure for renovation or demolition is capitalized. The production costs of self-constructed plants contain the expenses attributable directly to the production. Costs of borrowing are not recognized due to non-existent qualifying assets.

Costs incurred in subsequent periods for an asset are considered only when it is probable that future economic benefits will flow to the group and the costs can be measured reliably.

Amortization of intangible assets and depreciable assets occurs using a straight-line method over the expected useful life of such assets. The residual book values and useful lives are reviewed on every reporting date and adjusted if required. The following values for useful life were used to determine the depreciation rates and are unchanged from the previous year:

	Utilization period in years	
	from	to
Buildings	10	35
Machinery	10	20
Business equipment	5	15

Profits and losses from the disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognized in the item ‘Other operating income’ or ‘Other operating expenses’ in the income statement.

c) Leases

Assuming that all significant risks and opportunities under this item are transferred to the Rath Group (finance lease), such items are recorded as assets. Valuation on conclusion of the contract agreement is made at the lower value of the fair value of the object at the time of contract conclusion and the present value of minimum lease payments to be made in future. At the same time, the amount considered is taken to be a financial liability.

In the case of finance leases, from the lessee’s perspective, the fair value or lower cash value of the minimum lease payments for the leased item is capitalized at the time of purchase and amortized over the useful life. Capitalized asset values are set against the respective present value of the liability from outstanding lease payments as of the reporting date.

d) Government grants

Government grants for reimbursement of expenses are recognized as other operating income in the period the payments accrue, except when the grant is dependent on conditions that are unlikely to occur.

Investment grants are recognized on the liability side at the time binding approval is given and recorded as income in accordance with the amortization of the systems in question.

e) Financial assets

Financial assets are divided in the following categories: Loans and receivables and financial assets available for sale. The classification depends on the purpose for which the financial assets have been acquired. The management determines the classification of the financial asset upon initial recognition.

All securities are classified as 'available for sale'. They are valued at the fair value on the acquisition date under consideration of the transaction costs and in later periods at the current fair value. Changes in value are recorded in other comprehensive income and only shown in the income statement on sale of the security or if there is objective evidence of impairment. Any recoveries in the value are recorded in the income statement up to the cost of acquisition. As soon as the fair value exceeds the acquisition cost, these changes are recorded in the stockholders' equity.

The fair value of securities is established using the stock market value as of the reporting date. Securities are recognized on the day of completion.

Loans and receivables are recorded at the amortized costs using the effective interest method.

f) Inventories

Inventories are stated at the lower value of the acquisition and production cost and the net realizable value as of the reporting date.

Acquisition and production costs include all costs of manufacturing, working and processing as well as other costs that have been incurred to keep the stocks in their current location and condition. Production costs include all direct costs and variable costs and overheads that are systematically incurred during production on the basis of the average utilization of production facilities. Unit costs are calculated using the moving average price method.

Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Where the provisions of IAS 11 apply, production orders are recognized using the percentage of completion method. According to this method, costs incurred plus a profit margin based on the degree of completion will be recognized as receivables under manufacturing orders as well as turnover. The degree of completion will generally be calculated according to the ratio of incurred costs to anticipated total costs. Anticipated contract losses are to be covered by provisions, calculated in light of the recognized risk. Payments received are deducted from production order receivables. Any resulting negative balance for a production order is capitalized as a liability from production orders.

g) Trade receivables and other receivables and assets

Receivables from deliveries and services and other receivables are recorded at acquisition cost less impairment costs for any anticipated irrecoverable elements. The valuation of other assets is made at acquisition cost less provision for impairment.

Since January 1, 2005, the Rath Group has been part of the European Emissions Trading Scheme. Under this scheme, the companies involved receive emissions certificates that must be returned to the relevant authority within four months of the end of the calendar year in respect of that year's actual emissions. If actual yearly emissions exceed those allocated on the certificates, the required number of additional certificates must be purchased.

The Rath Group has a sufficient number of free certificates.

h) Cash and cash equivalents

Cash and cash equivalents include cash and available bank credits.

i) Impairment of non-financial assets

With the exception of inventories, deferred tax assets and financial assets, assets are individually reviewed as of the reporting date to establish if any impairment has occurred.

If action is required, the Rath Group calculates the recoverable amount for the asset. This is the higher of the asset's value in use and its fair value less costs to sell. Should the recoverable amount be less than the asset's carrying amount, an impairment loss for this difference shall be recorded in income statement.

The value in use of the asset is the present value of anticipated future cash flows from its continued use and end-of-life disposal, using a pre-tax, standard market interest rate that is appropriate for the specific risks of the asset. If no separate cash flow can be determined for an individual asset, the value in use is calculated using the next largest unit to which the asset belongs and for which it is possible to establish a separate cash flow (cash generating unit). The Rath Group defines the individual companies as 'cash generating units'.

The fair value less costs to sell corresponds to the proceeds achievable in the market from independent third parties, less any costs of sale incurred.

Any subsequent non-impairment is recorded in the income statement at the lower of the amortized original acquisition or production costs and the recoverable amount.

As of the reporting date, no action was required regarding impairment.

j) Employee benefits

Pension obligations

Due to individual agreements, the Rath Group is obliged to make payments to a total of two recipients after their retirement.

This obligation is reported in accordance with IAS 19 by determining the value of the defined benefit obligation (DBO). The DBO is calculated using the projected unit credit (PUC) method. According to this method, future payments are calculated using realistic assumptions over the period of benefit entitlement. The calculation of the required obligation is made in accordance with actuarial reports.

Any difference between the present value determined in advance and the actual value (actuarial profit/loss) will not be recognized within the reserve if it lies within 10 % of the actual value. If the 10 % threshold is exceeded, the excess amount is distributed to the average life expectancy of those in question ('corridor method').

Calculations as of December 31, 2012, and December 31, 2011, are based on the following assumptions:

	2012	2011
Interest rate	3.50 %	4.50 %
Pension increase	2.25 %	2.25 %
Pension age	65 years	65 years
Life expectancy	AVÖ 2008-P	AVÖ 2008-P

Severance payment obligations

Pursuant to statutory regulations, the Rath Group is obliged to make a severance payment to all employees in Austria whose employment commenced before January 1, 2003 if they are dismissed by the employer or when they retire. The amount depends on the number of years of service and the salary at the time of termination, and amounts to between two and 12 months' salary. With effect from December 31, 2002, the option to freeze all existing severance-pension entitlements was approved and all employees transferred to the new Employee Pension Fund system. A provision was established for these frozen obligations.

The provision is calculated using the projected unit credit method. According to this method, the present value of future payments is calculated to the moment in time when entitlements are at their highest level (25 years). The calculation is made as of the reporting date using actuarial reports.

Any difference between the present value determined in advance and the actual value (actuarial profit/loss) will not be recognized within the reserve if it lies within 10 % of the actual value. If the 10 % threshold is exceeded, the excess amount is distributed to the average remaining period of service of all employees ('corridor method').

Calculations as of December 31, 2012, and December 31, 2011, are based on the following assumptions:

	2012	2011
Interest rate	3.50 %	4.50 %
Salary increase	2.75 %	2.75 %
Pension age	56.5 to 65 years	56.5 to 65 years
Life expectancy	AVÖ 2008-P	AVÖ 2008-P

For all valid Austrian employment contracts after December 31, 2002, from the second month of employment, the Rath Group pays 1.53 % of the salary into the Employee Pension Fund each month, where the contributions are invested in an employee account and are either paid or transferred as entitlement to the employee on the termination of the employment contract. The only commitment on the part of the Rath Group is to pay the contributions. For this contribution-based pension model, therefore, no provision needs to be established.

k) Provisions

Provisions are established if the Rath Group has a legal or factual obligation to a third party as a result of a past event whereby it is likely that this obligation will lead to a reduction of resources and a reliable estimate of the amount of the obligation can be made. If work needs to be carried out on a tangible asset at the end of its useful life, the associated costs will be classified in the form of a provision for costs of disposal and capitalized as part of acquisition or production costs.

Provisions are set at the value corresponding to the best possible estimate of the expenditure required to fulfill the obligation. If the present value of the provisions established using a standard market interest rate is significantly different from the nominal value, the present value of the obligation shall be used.

l) Taxes

Income tax expense includes current and deferred taxes. For transactions recorded directly in the stockholders' equity, the associated income tax is also recorded in the stockholders' equity.

Actual taxes for individual companies within the Rath Group are calculated from the income tax liability of the company and the applicable tax rate in the country.

Deferred taxes are established according to the liability method for all temporary differences between value of the assets and liabilities in the consolidated financial statements and the tax amounts of the individual companies. Furthermore, any tax advantage likely to accrue from any losses carried forward is included in the calculation. Exceptions to this comprehensive deferred tax establish temporary differences associated with participation with non tax-deductible company values. Deferred tax assets are not established if it is unlikely that the inherent tax advantage can be realized. The determination of the deferred tax was based on a tax rate of 25 % in Austria, 31 % in Germany, 10 % in Hungary and 41.5 % in the USA.

m) Financial liabilities

Financial liabilities are recorded at the amounts actually received minus transaction costs. Premiums, discounts and other differences between the amount received and the amount of repayment are realized over the term of the finance arrangement according to the effective interest method and recorded in the financial result (continued acquisition costs).

n) Trade and other payables

Liabilities from deliveries and services are valued when the liabilities are incurred at the amount of the fair value of the services received. They are subsequently valued as amortized costs. Other liabilities not resulting from service relationships are recorded at cost.

o) Derivative financial instruments

The Rath Group currently only uses interest rate swaps to reduce existing risks of interest rate fluctuations.

The fair value of interest rate swaps corresponds to the value that the Rath Group would receive or would have to pay on the reporting date if the company were wound up. To this end, actual market conditions, especially current interest rates, are taken into consideration. Fluctuations in the value are recorded in the income statement.

p) Revenue realization

Proceeds from deliveries (goods) are recognized if all the main risks and opportunities from the delivered item have been transferred to the buyer. Proceeds from services not associated with a production order are recorded to the extent that they have been performed as of the reporting date.

If the result of a production order (project business) can be reliably estimated, the proceeds and order costs are recorded in line with the stage of advancement of the service as of the reporting date as proceeds and corresponding expense items. Any anticipated loss from the production order is immediately recorded as an expense item.

q) Financing expenses and financial income

Financing expenses include interest and other similar costs and charges incurred as a result of debt financing and finance lease agreements, exchange rate gains/losses associated with the financing and results of hedging and permanent impairments of ‘available for sale’ securities.

Financial income includes the interest, dividends and other similar proceeds realized from the investment of financial assets.

The interest is categorized on the basis of time elapsed according to the effective interest method. Dividends are recognized at the time of the resolution to make a dividend payout.

r) Uncertainties with judgments and assumptions

The preparation of the consolidated financial statements in accordance with IFRS requires judgments and assumptions to be made by the company management regarding future developments which may have a decisive influence on the approach to and value of assets and liabilities, on the recording of other liabilities as of the reporting date and on the disclosure of proceeds and expenditure during the financial year. With respect to liabilities and impairments not recorded in the balance sheet and arising from sureties, guarantees and other contingent liabilities, regular estimates are made as to whether recognition is required in the consolidated financial statements.The estimates and assumptions on which these are based are continually reviewed. The actual values may differ from the assumptions and estimates made if the specified framework conditions develop contrary to expectations on the reporting date. Amendments are made in the income statement when dictated by the facts, and premises are adapted accordingly.

For the following assumptions, there is a not inconsiderable risk that asset and liability values will need to be amended in the following financial year:

- For the valuation of existing pension and severance payment liabilities, assumptions are used regarding interest rates, retirement age, life expectancy, fluctuation and future salary increases. The group determines the reasonable discount rate at the end of each year. When determining the discount rate, the group uses the interest rate for industrial borrowings with maximum solvency in the currencies in which the payments are made and with terms that match those specified in the retirement and severance publications.
- The calculation of deferred taxes is based on the assumption that sufficient taxable income will be generated in the future to utilize loss carry forwards.
- Value corrections for inventories are conducted after a storage period. Inventories that have not been sold within a year are subjected to a value correction (up to 100 %).

3. Explanatory notes to balance sheet and income statement

(1) Property, plant and equipment

	Land and buildings [EUR'000]	Machinery [EUR'000]	Business equipment [EUR'000]	Payments made and construction in progress [EUR'000]	Total [EUR'000]
Acquisition costs					
As of Jan 1, 2011	22,876	72,829	10,981	2,662	109,346
Additions	296	1,564	178	3,745	5,783
Disposals	0	-257	-33	0	-290
Transfers	23	2,208	124	-2,360	-5
Exchange rate changes	-339	-418	-112	65	-804
As of Dec 31, 2011	**22,856**	**75,926**	**11,138**	**4,112**	**114,032**
Additions	1,157	953	264	553	2,928
Disposals	-107	-141	-64	0	-312
Transfers	394	2,831	332	-3,556	0
Exchange rate changes	185	311	52	-125	423
As of Dec 31, 2012	**24,485**	**79,880**	**11,721**	**984**	**117,070**
Cumulative depreciation					
As of Jan 1, 2011	11,324	55,715	6,421	0	73,461
Depreciation	532	2,545	270	0	3,347
Disposals	0	-242	-30	0	-272
Transfers	0	-2	2	0	0
Exchange rate changes	-72	-419	-115	0	-606
As of Dec 31, 2011	**11,784**	**57,597**	**6,548**	**0**	**75,929**
Depreciation	647	2,754	279	0	3,686
Disposals	0	-141	-68	0	-209
Transfers	0	0	0	0	0
Exchange rate changes	44	176	57	0	270
As of Dec 31, 2012	**12,476**	**60,387**	**6,816**	**0**	**79,676**
Book value on Jan 1, 2011	**11,552**	**17,114**	**4,560**	**2,662**	**35,885**
Book value on Dec 31, 2011	**11,072**	**18,329**	**4,590**	**4,112**	**38,104**
Book value on Dec 31, 2012	**12,009**	**19,493**	**4,906**	**984**	**37,394**

Included under the items buildings, machinery and business equipment are leased assembly units and production systems with a book value of EUR 2,349,000 (Dec. 31, 2011: EUR 3,610,000). The leasing liabilities under these contracts are recorded under financial liabilities. Actual leasing payments accounted for will be allocated to a clearance and interest element. These contracts still have between one and five years to run.

Depreciation does not contain any impairments.

The book value as security for long-term land and buildings mortgaged using outside capital amounts to:

As of Dec 31, 2012		
Bank	**[EUR'000]**	**Type of security**
Postbank Cologne	384.3	Security assignment of EUR 4 million
	384.3	
As of Dec 31, 2011		
Bank	**[EUR'000]**	**Type of security**
Postbank Cologne	1,001.1	Security assignment of EUR 4 million
	1,001.1	

The securities granted in respect of open credits of Postbank Cologne in the amount of EUR 384,000 (Dec. 31, 2011: EUR 1.001 million). The credit in favor of Postbank Cologne expires in 2013.

Subsidies received for investments (investment grants) are recorded in the balance sheet on the liability side.

Design Andrea epiššaková

KOK trade fair, Wels

(2) Intangible assets

	Computer software and licenses [EUR'000]	Customer stock [EUR'000]	Total [EUR'000]
Acquisition costs			
As of Jan 1, 2011	2,612	500	3,112
Additions	43	0	43
Transfers	4	0	4
Exchange rate changes	-136	0	-136
As of Dec 31, 2011	**2,523**	**500**	**3,023**
Additions	43	0	43
Exchange rate changes	10	0	10
As of Dec 31, 2012	**2,577**	**500**	**3,077**
Cumulative depreciation			
As of Jan 1, 2011	2,089	400	2,489
Depreciation	179	100	279
Exchange rate changes	-136	0	-136
As of Dec 31, 2011	**2,132**	**500**	**2,632**
Depreciation	176	0	176
Exchange rate changes	9	0	9
As of Dec 31, 2012	**2,316**	**500**	**2,817**
Book value on Jan 1, 2011	**523**	**100**	**623**
Book value on Dec 31, 2011	**391**	**0**	**391**
Book value on Dec 31, 2012	**261**	**0**	**261**

(3) Other financial assets

	Acquisition costs Dec 31, 2011 [EUR'000]	(+) Additions (-) Disposals Dec 31, 2012 [EUR'000]	Acquisition costs Dec 31, 2012 [EUR'000]	Book value Dec 31, 2012 [EUR'000]	Book value Dec 31, 2011 [EUR'000]
Investments	5	0	5	5	5
Financial assets available for sale	753	0	753	661	619
	758	0	758	666	624

The investment refers to FEAL GmbH, head office in Hamm, Germany, in which the parent company holds 16.67 %. The securities were classified as 'available for sale' in accordance with IAS 39. They include shares in three investment funds and are used to cover pension obligations in accordance with Sections 14 and 116 öEStG (Austrian Income Tax Act).

(4) Inventories

	Dec 31, 2012 [EUR'000]	Dec 31, 2011 [EUR'000]
Raw materials, consumables and fuel	**6,896**	**6,997**
Unfinished/finished products and trading goods, gross	14,317	13,231
Value adjustment on products and trading goods	-1,074	-1,096
Unfinished/finished products and trading goods, net	**13,241**	**12,135**
	20,139	**19,132**

Changes to the value correction are recorded in the income statement under cost of materials.

[5] Trade and other receivables

	Dec 31, 2012 [EUR'000]	Dec 31, 2011 [EUR'000]
Receivables from third parties	12,294	11,094
Receivables from tax authorities	950	515
Other	263	301
	13,508	**11,910**

A deduction of EUR 209,000 (Dec 31, 2011: EUR 268,000) was made from receivables from third parties.

(6) Other assets

	Dec 31, 2012 [EUR'000]	Dec 31, 2011 [EUR'000]
Deferred charges	**20**	**317**

(7) Cash and cash equivalents

	Dec 31, 2012 [EUR'000]	Dec 31, 2011 [EUR'000]
Bank balances	3,790	6,627
Cash in hand	20	22
	3,810	6,649

Bank balances are freely available.

(8) Equity

Unchanged to the previous year, share capital includes Rath Aktiengesellschaft nominal capital of EUR 10,905,000. It consists of 1,500,000 non-par value shares. The shares are fully paid up.

The appropriated capital reserves recorded in the parent company's financial statements (Dec. 31, 2012: EUR 1,118,000; Dec. 31, 2011: EUR 1,118,000) can only be released to balance out a loss that would otherwise be reported in the parent company's financial statements.

The cumulated results are the result of carried forward profits and losses generated within the Group.

Dividends are determined according to the balance sheet profit reported in the financial statements of the parent company in accordance with company law. As of December 31, 2012, the parent company reports a balance sheet profit of EUR 1,197,000. Accordingly, the Executive Board shall not propose any dividends at the Annual General Meeting.

As in the previous year, as of December 31, 2012, Rath Aktiengesellschaft does not hold any of its own shares. No shares (Dec 31, 2011: none) are being held back for issue in connection with options or sale contracts.

Other shareholders' shares in equity (non-controlling interests) involve Charmottewaren- und Thonöfenfabrik Aug. Rath jun. GmbH, Austria and Rath SAS, France.

(9) Employee benefits

	Dec 31, 2012 [EUR'000]	Dec 31, 2011 [EUR'000]
Provisions for pensions	1,879	1,965
Provisions for severance payments	541	710
	2,420	2,675

	Pensions		Severance payments	
	2012 [EUR'000]	2011 [EUR'000]	2012 [EUR'000]	2011 [EUR'000]
Defined benefit obligation (DBO)				
As of Jan 1	2,165	2,122	661	605
Service costs	0	0	17	17
Interest costs	93	90	29	27
Payments (benefits) during the financial year	-179	-178	-215	-8
Actuarial profit (+) or loss (-) during financial year	174	131	124	20
As of Dec 31	**2,253**	**2,165**	**616**	**661**
Reconciliation of employee benefits				
Defined benefit obligation (DBO)	2,253	2,165	616	661
Cumulative actuarial profit (+) or loss (-)	-374	-200	-75	49
Provision as of Dec 31	**1,879**	**1,965**	**541**	**710**
Expenses recorded in income statement				
Service costs	0	0	17	17
Interest costs	93	90	29	27
Actuarial profit (+) or loss (-) realized	0	0	0	-2
Expenses recorded in income statement	93	90	46	42
Reconciliation of employee benefits				
Provision as of Jan 1	1,965	2,053	710	676
Expenses recorded in income statement	93	90	46	42
Payments (benefits) during the financial year	-179	-178	-215	-8
Provision as of Dec 31	**1,879**	**1,965**	**541**	**710**
Reconciliation of cumulative actuarial profits or losses				
Cumulative actuarial profit (+) or loss (-) as of Jan 1	-200	-69	49	71
Amortization of actuarial profit or loss during the financial year	0	0	0	-2
Actuarial profit (+) or loss (-) during financial year	-174	-131	-124	-20
Cumulative actuarial profit (+) or loss (-) as of Dec 31	**-374**	**-200**	**-75**	**49**

	2012 [EUR'000]	2011 [EUR'000]	2010 [EUR'000]	2009 [EUR'000]	2008 [EUR'000]
Historical information - pensions					
Expected DBO at the end of the period	2,078	2,042	1,867	1,928	1,988
Adjustments based on experience	0	-148	-80	15	5
Historical information - severance payments					
Expected DBO at the end of the period	689	634	602	669	616
Adjustments based on experience	-66	-20	-32	49	-97

Pension payments to beneficiaries amounted to EUR 179,000 during the financial year (Dec. 31, 2011: EUR 178,000).

(10) Financial liabilities

	Dec 31, 2012			Dec 31, 2011		
	Non-current [EUR'000]	Current [EUR'000]	Total [EUR'000]	Non-current [EUR'000]	Current [EUR'000]	Total [EUR'000]
Bank borrowings						
Short-term loans	0	15,047	15,047	0	10,780	10,780
Export loans	0	2,963	2,963	0	2,963	2,963
Investment loans	2,843	6,744	9,587	5,047	5,821	10,868
Liabilities to other creditors						
Finance lease	1,925	424	2,349	2,263	1,347	3,610
	4,768	**25,178**	**29,946**	**7,310**	**20,911**	**28,221**

As of December 31, financial liabilities maturities are as follows:

2012	[EUR'000]	Due < 1 year [EUR'000]	Due in 2 to 5 years [EUR'000]	Due > 5 years [EUR'000]
Bank borrowings				
Short-term loans	15,047	15,047	0	0
Export loans	2,963	2,963	0	0
Investment loans	9,587	6,744	2,843	0
Liabilities to other creditors				
Finance lease	2,349	424	1,925	0
	29,946	**25,178**	**4,768**	**0**

2011	[EUR'000]	Due < 1 year [EUR'000]	Due in 2 to 5 years [EUR'000]	Due > 5 years [EUR'000]
Bank borrowings				
Short-term loans	10,780	10,780	0	0
Export loans	2,963	2,963	0	0
Investment loans	10,868	5,821	5,047	0
Liabilities to other creditors				
Finance lease	3,610	1,347	2,263	0
	28,221	**20,911**	**7,310**	**0**

The main conditions of financial liabilities are as follows:

Type of financing	Currency	Book value as of Dec 31, 2012 [EUR'000]	Effective interest 2012 %	Book value as of Dec 31, 2011 [EUR'000]	Effective interest 2011 %	Interest fixed/variable	Due
Short-term loans	EUR	13,926	1.5 to 2.89	9,713	2.2 to 3.59	variable	< 1 year
Short-term loans	USD	1,121	1.95	1,067	2.5	variable	< 1 year
Export loans	EUR	2,963	2.6	2,963	3.0	variable	< 1 year
Investment loans	EUR	7,240	2.5 to 4.85	7,935	3.0 to 5.85	variable	> 1 year
Investment loans	USD	2,347	1.83	2,933	1.83	variable	> 1 year
Finance lease	EUR	1,249	2.9	1,249	2.9	variable	> 1 year
Finance lease	USD	1,100	6.4 to 8.0	2,361	6.4 to 8.0	fixed	> 1 year
		29,946		28,221			

Details regarding securities granted are provided in section 3.1. Beyond these securities the Rath Group has no further obligations to fulfill.

For part of the variable loans there is an interest rate swap, details of which are provided in section 4.1.

The market values of the variable-rate financial liabilities do not vary significantly from the book values. The fixed-rate financial liabilities have a market value of EUR 1,100,000 (Dec. 31, 2011: EUR 2,361,000).

(11) Accruals and provisions

	Warranty [EUR'000]	Personnel [EUR'000]	Other [EUR'000]	Total [EUR'000]
As of January 1, 2011	**90**	**172**	**1,354**	**1,616**
Used	0	-170	-128	-298
Created	32	335	11	378
As of December 31, 2011	**122**	**337**	**1,237**	**1,696**
Used	0	-337	-700	-700
Created	14	747	316	740
As of December 31, 2012	**136**	**747**	**853**	**1,736**
Non-current	0	0	235	235
Current	136	747	618	1,501
	136	747	853	1,736

Provisions for warranties relate to the costs of anticipated claims over the next 12 months.

The non-current provision relates to contractually agreed removal costs at a location. Other current provisions include consultancy costs. Most current provisions will be used for payments next year.

(12) Income taxes

Income taxes break down as follows:

	2012 [EUR'000]	2011 [EUR'000]
Corporation tax for the financial year	1,178	1,086
Corporation tax arrears for previous years	0	19
Deferred taxes	-911	-411
	268	694

Temporary differences from the amount stated in the IFRS consolidated financial statement and the respective tax amount have the following impact on deferred taxes reported on the balance sheet:

	Dec 31, 2012 [EUR'000]	Dec 31, 2011 [EUR'000]
Deferred tax assets		
Liabilities from leasing transactions	297	312
Employee benefits	-193	-115
Other	-161	-167
Loss carry forwards	4,338	4,125
	4,281	4,155
Deferred tax liabilities		
Property, plant and equipment	297	1,203
Other	0	14
	297	1,217
Deferred taxes (net)	3,984	2,938

Due to currently valid tax regulations it can be assumed that differences from retained profits between the fiscal participation amount and the pro rata equity of subsidiaries included in the consolidated financial statements shall mainly be exempt from taxation. No deferred tax has therefore been established in this regard.

Deferred taxes on the loss carried forward of EUR 12,710,000 (Dec. 31, 2011: EUR 10,919,000) have been capitalized, as on the basis of existing plans it is probable they will be offset with future fiscal profits. Regarding the loss carried forward of EUR 12,774,000 (Dec. 31, 2011: EUR 10,689,000) no deferred taxes have been capitalized, as it is unlikely as of the reporting date that they will be offset against future fiscal profits from individual companies from the current perspective. Losses carried forward can be carried forward without restriction.

A tax allocation contract in accordance with Section 9 paragraph 8 KStG (Corporation Tax Law) 1988 (Group provider Rath Aktiengesellschaft – Group member Chamottewaren- und Thonöfenfabrik Aug. Rath jun. GmbH) exists for Group taxation purposes.

The causes of the difference between the expected tax burden in accordance with the Austrian corporation tax rate of 25 % and the income tax expense breaks down as follows:

	2012 [EUR'000]	2011 [EUR'000]
Earnings before tax	860	2,987
Expected tax burden	25 %	25 %
	215	**747**
Tax burden reduction by:		
Research and investment sponsorships	0	-8
Lower tax rates on profits at foreign subsidiaries	0	-11
Higher tax rates on losses at foreign subsidiaries	-152	-14
Losses carried forward not considered in previous years	0	-375

	2012 [EUR'000]	2011 [EUR'000]
Tax burden increase by:		
Non-deductible expenditures	148	89
Lower tax rates on losses at foreign subsidiaries	0	79
Higher tax rates on profits at foreign subsidiaries	0	69
Arrears payments for previous years	0	19
Other	57	99
Tax charge	**268**	**694**

(13) Trade payables and other liabilities

	Dec 31, 2012 [EUR'000]	Dec 31, 2011 [EUR'000]
Liabilities to third parties	7,977	8,553
Liabilities to participating companies	0	59
Other liabilities	2,004	2,122
	9,981	**10,734**
Of which non-current	71	113

Other liabilities break down as follows:

	Dec 31, 2012 [EUR'000]	Dec 31, 2011 [EUR'000]
Tax authorities	473	495
Health insurance	100	113
Unused leave	509	533
Other	922	981
	2,004	**2,122**

(14) Sales revenue and segment reporting

Business segments are shown by region. Segmentation by region corresponds with the Group's own internal reporting method. Assets and liabilities as well as revenues and costs are allocated to the individual business segments only if they are attributable to the respective business segments directly or on the basis of a reasonable methodology. They include assets and expenditure for Group administration and long-term financing.

Allocations between individual segments are performed using the arm's length principle.

Business segment information is subject to the same accounting and valuation methods as the consolidated financial statements.

Segmentation includes the following regions:

Austria:	Rath Aktiengesellschaft, Chamottewaren und Thonöfenfabrik Aug. Rath jun. GmbH
Germany:	Rath GmbH
Hungary:	Rath Hungaria Kft.
USA:	Rath USA Inc. (subgroup) - Rath Inc., Rath Refractories Inc.
Rest of world:	Rath žárotechnika spol. s r.o, Rath Polska Sp. z o.o., Rath SAS, Rath Ukrajina TOW, Rath Group S. de R.L. de C.V., Rath Group S.R.L., Rath Group Brasil Ltda.

Segmentation by region is performed by customer location for revenue and by the location in which the items are situated for the assets.

Segmentation by region

2012	Austria [EUR'000]	Germany [EUR'000]	Hungary [EUR'000]	USA [EUR'000]	Rest of world [EUR'000]	Consolidated [EUR'000]	Total [EUR'000]
Product sales	19,750	19,421	5,772	10,643	2,936	0	58,522
Projects	8,563	11,670	1,469	2,498	3,949	0	28,149
Inter-segment sales	9,755	9,428	5,236	59	0	-24,479	0
Total	**38,069**	**40,519**	**12,477**	**13,200**	**6,885**	**-24,479**	**86,671**
Segment result (EBIT)	**-1,355**	**3,370**	**523**	**-1,013**	**210**	**499**	**2,333**
Financial income	464	0	1	1	2	-73	395
Financial expenses	-951	-176	-161	-343	0	-138	-1,769
Financial result	**-487**	**-176**	**-160**	**-342**	**2**	**-210**	**-1,373**
Result before taxes	**-1,842**	**3,194**	**363**	**-1,355**	**212**	**289**	**860**
Income taxes	441	-1,092	-68	562	-38	-72	-268
Result of the year	**-1,401**	**2,102**	**295**	**-793**	**173**	**217**	**593**
Segment assets	48,728	32,380	12,544	19,272	3,247	-36,089	80,079
Segment liabilities	43,990	8,582	9,124	17,604	1,767	-35,420	45,647
Investments	704	974	236	1,057	0	0	2,971
Depreciation	1,156	1,383	317	951	55	0	3,862

2011	Austria [EUR'000]	Germany [EUR'000]	Hungary [EUR'000]	USA [EUR'000]	Rest of world [EUR'000]	Consolidated [EUR'000]	Total [EUR'000]
Product sales	19,411	19,517	6,349	10,174	1,722	0	57,174
Projects	7,289	10,632	1,005	1,845	3,734	0	24,501
Inter-segment sales	9,304	8,956	4,329	167	15	-22,771	0
Total	**36,005**	**39,106**	**11,682**	**12,186**	**5,470**	**-22,771**	**81,678**
Segment result (EBIT)	**142**	**3,237**	**218**	**-76**	**271**	**234**	**4,026**
Financial income	191	122	2	257	147	469	1,188
Financial expenses	-1,110	-216	-748	-264	-13	124	-2,227
Financial result	**-919**	**-94**	**-746**	**-7**	**134**	**592**	**-1,039**
Result before taxes	**-777**	**3,143**	**-528**	**-83**	**405**	**827**	**2,987**
Income taxes	567	-994	11	35	-106	-206	-693
Result of the year	**-210**	**2,149**	**-517**	**-48**	**300**	**620**	**2,294**
Segment assets	41,600	35,069	12,176	20,461	2,927	-30,951	81,282
Segment liabilities	36,928	11,373	9,276	17,971	1,737	-30,749	46,533
Investments	1,321	1,444	218	2,812	32	0	5,826
Depreciation	1,272	1,230	336	761	43	0	3,642

(15) Cost of materials and purchased services

	2012 [EUR'000]	2011 [EUR'000]
Cost of materials	26,488	29,728
Cost of purchased services	13,595	14,592
	40,084	**44,320**

(16) Personnel expenses

	2012 [EUR'000]	2011 [EUR'000]
Wages and salaries	20,231	19,114
Expenses for statutory taxes and contributions	4,426	3,930
Contribution to staff provision funds	109	98
Expenses for severance payments	265	44
Other personnel expenses	692	240
	25,724	**23,427**
Average workforce:		
White collar	211	198
Blue collar	403	377
	614	**575**
Number of employees as of Dec 31, 2012:		
White collar	217	199
Blue collar	408	394
	625	**593**

Part-time workers are included in this breakdown pro rata temporis.

(17) Other operating income

	2012 [EUR'000]	2011 [EUR'000]
Income from previous periods	26	118
Release of provisions and value correction of receivables	18	347
Rental income	52	82
Funding/subsidies	58	174
Damage, insurance payments	4	7
Other	254	179
	412	**907**

(18) Other operating expenses

	2012 [EUR'000]	2011 [EUR'000]
Maintenance	3,117	3,012
Freight and own vehicle expenses	3,447	3,391
Rental and leasing expenses	1,039	1,033
Travel expenses	562	573
Legal, auditing and consultancy expenses	853	698
IT and communications expenses	796	827
Insurance	439	416
Commissions to third parties	268	396
Advertising and representation	562	406
R&D consultancy, technical audit costs	222	167
Other expenses	3,908	2,457
	15,213	**13,375**

As in the previous year, other expenses mainly include bad debts, operational costs, office equipment, disposal costs, etc.

(19) Financial income

	2012 [EUR'000]	2011 [EUR'000]
Interest and similar income	68	50
Exchange rate differences	327	1,138
	395	**1,188**

(20) Financial expenses

	2012 [EUR'000]	2011 [EUR'000]
Interest and similar expenses	1,192	1,315
Interest rate swap valuation	162	176
Exchange rate differences	415	736
	1,768	**2,227**

(21) Research and development expenses

Expenses include research and development expenses that do not fulfill the capitalization criteria established in IAS 38:

	2012 [EUR'000]	2011 [EUR'000]
Personnel costs	706	549
Technical audit costs	222	167
	928	**716**

4. Other information

4.1. Financial instruments

Financial instruments include non-derivative and derivative financial instruments.

Non-derivative financial instruments available within the Group mainly include financial investments, trade receivables and services, bank credits, financial liabilities and trade payables.

Derivative financial instruments break down as follows:

	Dec 31, 2012			Dec 31, 2011		
	Loan amount [EUR'000]	Reference value %	Fair value [EUR'000]	Loan amount [EUR'000]	Reference value %	Fair value [EUR'000]
Interest rate swap	4,500	4.35	-876	4,500	4.35	-714

Derivative financial instruments are used exclusively to secure inherent interest risk for loans. The reference amount is made up of the reference basis of derivative instruments open as of the reporting date. The actual amounts accruing represent only a fraction of these amounts. The fair value has been established on the basis of market prices and is included in a separate item.

Market risk

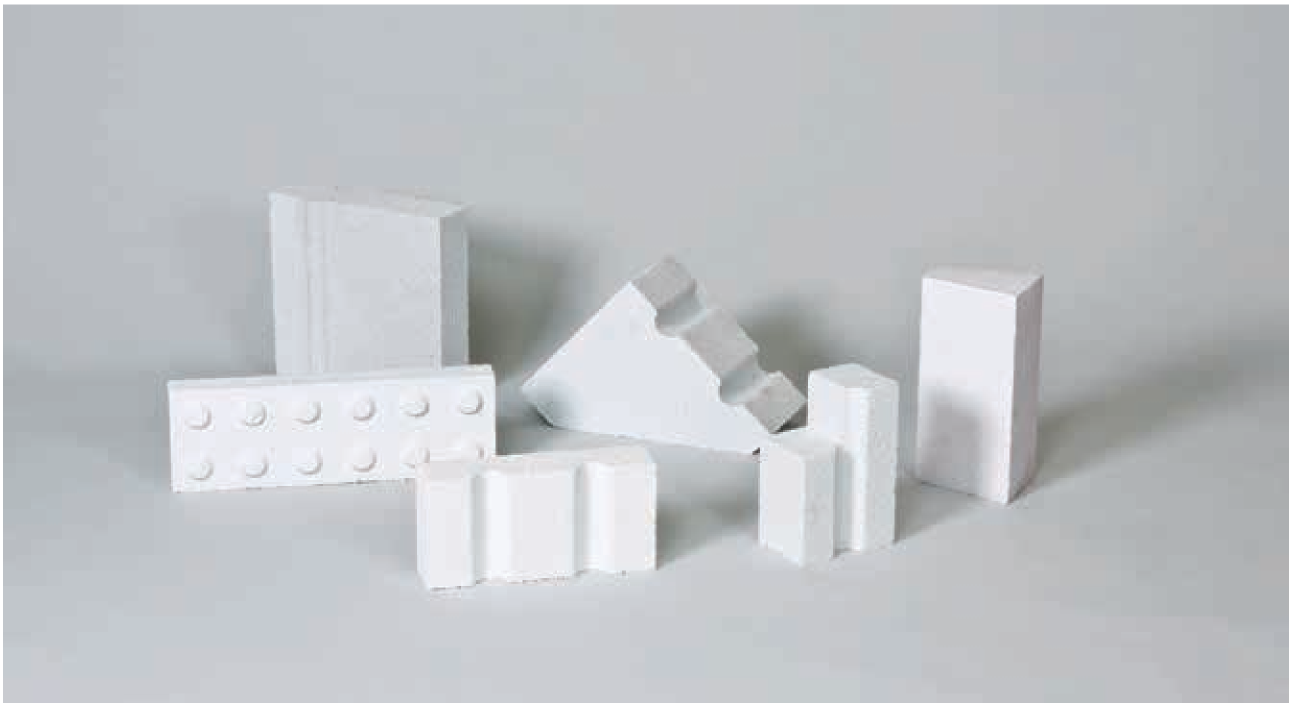
The main market risks for the Rath Group are the foreign currency risk, interest rate fluctuation and price variations of raw materials and energy. In this respect, the objective of risk management is to minimize potential losses by monitoring and controlling these risks.

Interest rate fluctuation risk

Risks inherent to interest rate fluctuations mainly occur only in the context of long-term debt financing. A breakdown of all significant interest-bearing liabilities is given in the table that follows.

Foreign exchange risk

The Rath Group operates internationally and is therefore exposed to foreign exchange risks, especially for the USD and HUF. These risks are currently not secured by financial derivatives, which may lead to gains or losses from transactions in foreign currency.



insulating fire bricks

Credit risk

Given the absence of offset agreements, reported amounts on the asset side represent both the maximum solvency risk and the maximum loss risk. The risk in relation to receivables from customers can be considered as low, as the solvency of new and existing customers is constantly reviewed. The risk of loss for other non-derivative and derivative financial instruments reported on the asset side is also considered as low given that contract partners are all banks with high solvency ratings.

The book value of financial assets also represents the maximum credit risk. Financial assets include the following as of the reporting date:

	Dec 31, 2012 [EUR'000]	Dec 31, 2011 [EUR'000]
Trade and other receivables	13,508	11,910
Cash and cash equivalents	3,810	6,649
Available for sale securities	666	624
	17,984	**19,183**

The maximum credit risk of trade receivables relating to customer groups breaks down as follows as of the reporting date:

	Dec 31, 2012 [EUR'000]	Dec 31, 2011 [EUR'000]
Receivables with large customers, gross	3,377	2,858
Receivables with others, gross	10,340	9,321
Total of trade and other receivables, gross	**13,717**	**12,179**
Adjustments	-209	-270
Total of trade and other receivables, net	**13,508**	**11,910**

Approximately 25 % of trade receivables over the past financial year result from business relationships with 10 large customers.

The age structure of the receivables and the corresponding bad-debt write off provision break down as follows:

	Dec 31, 2012 Gross [EUR'000]	Dec 31, 2012 Provision [EUR'000]	Dec 31, 2011 Gross [EUR'000]	Dec 31, 2011 Provision [EUR'000]
Not yet due	5,075	0	4,498	0
Overdue 0 - 90 days	6,447	0	5,713	0
Overdue 91 - 180 days	1,646	-188	1,459	-221
Overdue 181 - 360 days	549	-21	486	-25
Overdue > 1 year	0	0	0	0
	13,717	-209	12,156	-246

The nominal value of financial assets less any estimated deductions corresponds to the fair value.

Liquidity risk

Liquidity risk is the risk of not being able to raise the required financial resources for the timely balancing of liabilities entered into. Careful liquidity management ensures the availability of cash and cash equivalents and the ability to finance through adequate lines of credit. Owing to the dynamic nature of the transactions in question, an effort is made to facilitate flexible raising of capital through the lines of credit provided.

The following breakdown shows contractual maturity dates and expected interest payments for financial liabilities.

Dec 31, 2012	Total		Contractual cash flows				
	Book value [EUR'000]	Contractual cash flows [EUR'000]	< 6 months [EUR'000]	6-12 months [EUR'000]	1-2 years [EUR'000]	2-5 years [EUR'000]	> 5 years [EUR'000]
Non-derivative financial liabilities							
Bank borrowings	27,597	28,046	15,107	3,044	6,267	3,627	0
Finance lease liabilities	2,349	2,554	270	270	514	1,500	0
Trade and other payables	9,981	9,981	9,910	0	71	0	0
Derivative financial liabilities							
Liabilities from interest rate swaps	876	593	49	49	99	296	99
	40,803	**41,174**	**25,337**	**3,364**	**6,951**	**5,424**	**99**

Dec 31, 2011	Total		Contractual cash flows				
	Book value [EUR'000]	Contractual cash flows [EUR'000]	< 6 months [EUR'000]	6-12 months [EUR'000]	1-2 years [EUR'000]	2-5 years [EUR'000]	> 5 years [EUR'000]
Non-derivative financial liabilities							
Bank borrowings	24,611	25,074	10,855	3,044	5,344	5,830	0
Finance lease liabilities	3,610	3,930	777	777	1,461	916	0
Trade and other payables	10,734	10,734	10,622	0	113	0	0
Derivative financial liabilities							
Liabilities from interest rate swaps	714	770	64	64	128	385	128
	39,669	**40,508**	**22,318**	**3,885**	**7,046**	**7,131**	**128**

Currency risk

	Dec 31, 2012				Dec 31, 2011			
	EUR	USD	HUF	Other	EUR	USD	HUF	Other
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
Financial assets								
Trade and other receivables	7,077	3,115	981	2,334	7,047	2,636	857	1,370
Financial liabilities								
Bank borrowings	-23,479	-1,121	-2,997	0	-17,373	-4,000	-3,238	0
Finance lease liabilities	-1,249	-1,100	0	0	-1,249	-2,361	0	0
Trade and other payables	-7,058	-784	-1,215	-924	-7,507	-1,900	-859	-715
Net exposure	**-24,709**	**110**	**-3,231**	**1,410**	**-19,082**	**-5,625**	**-3,240**	**655**

Conversion rates are given in section 2.4.

The following sensitivity analysis shows the effects of exchange fluctuations on the Rath Group results for the period. The analysis assumes that all other variables, especially interest rates, remain constant. The analysis was prepared on the same basis for the financial year 2011, although the actual trend deviates from the assumptions made at the time.

Dec 31, 2012	USD [EUR'000]	HUF [EUR'000]	Other [EUR'000]	Total [EUR'000]
10 % strengthening of the EUR				
Effect on result for the period	79	-30	14	64
Effect on equity	-167	-342	-142	-650
10 % weakening of the EUR				
Effect on result for the period	-79	30	-14	-64
Effect on equity	167	342	142	650

Dec 31, 2011	USD [EUR'000]	HUF [EUR'000]	Other [EUR'000]	Total [EUR'000]
10 % strengthening of the EUR				
Effect on result for the period	5	52	29	86
Effect on equity	-249	-290	-116	-655
10 % weakening of the EUR				
Effect on result for the period	-5	-52	-29	-86
Effect on equity	249	290	116	655

Interest rate fluctuation risk

	Book value	
	2012 [EUR'000]	2011 [EUR'000]
Fixed rate instruments		
Financial liabilities	1,100	2,361
	1,100	2,361
Variable rate instruments		
Financial liabilities	28,847	25,860
	28,847	25,860

The Rath Group does not report any fixed rate financial assets or liabilities in the financial statements at fair value and as of the reporting date has no derivatives as hedge instruments for fair value hedges. A change to the interest rate regarding fixed rate instruments would have no effect on the consolidated income statement.

The following sensitivity analysis shows the impact of interest rate changes regarding variable rate instruments on the Rath Group equity. The analysis assumes that all other variables, especially exchange rates, remain constant. The analysis was performed on the same basis as for the financial year 2011.

	Profit/loss		Equity	
Dec 31, 2012	Increase by 1 % [EUR'000]	Decrease by 1 % [EUR'000]	Increase by 1 % [EUR'000]	Decrease by 1 % [EUR'000]
Variable rate instruments	-288	288	-288	288
Interest rate swaps	45	-45	45	-45
Net sensitivity	-243	243	-243	243

	Profit/loss		Equity	
Dec 31, 2011	Increase by 1 % [EUR'000]	Decrease by 1 % [EUR'000]	Increase by 1 % [EUR'000]	Decrease by 1 % [EUR'000]
Variable rate instruments	-259	259	-259	259
Interest rate swaps	45	-45	45	-45
Net sensitivity	-214	214	-214	214

Fair values

The following table shows the fair values of financial assets and liabilities in relation to their book values:

	Dec 31, 2012		Dec 31, 2011	
	Book value [EUR'000]	Fair value [EUR'000]	Book value [EUR'000]	Fair value [EUR'000]
Assets measured at fair value				
Financial assets available for sale	666	666	624	624
	666	**666**	**624**	**624**
Assets valued at amortized cost				
Receivables	13,528	13,528	12,227	12,227
Liquid assets	3,810	3,810	6,649	6,649
	17,338	**17,338**	**18,876**	**18,876**
Liabilities measured at fair value				
Interest rate swaps	-876	-876	-714	-714
	-876	**-876**	**-714**	**-714**
Liabilities measured at amortized cost				
Bank borrowings	-27,597	-27,597	-24,611	-24,611
Finance lease liabilities	-2,349	-3,126	-3,610	-5,859
Trade and other payables	-9,981	-9,981	-10,981	-10,981
	-39,927	**-40,704**	**-39,202**	**-41,451**

The fair values of the financial assets and liabilities do not deviate significantly from their respective book values. The fair values of derivative financial instruments are shown in the table in section 4.1. The fair value of other non-derivative financial instruments largely corresponds to the book value due to short-term maturity.

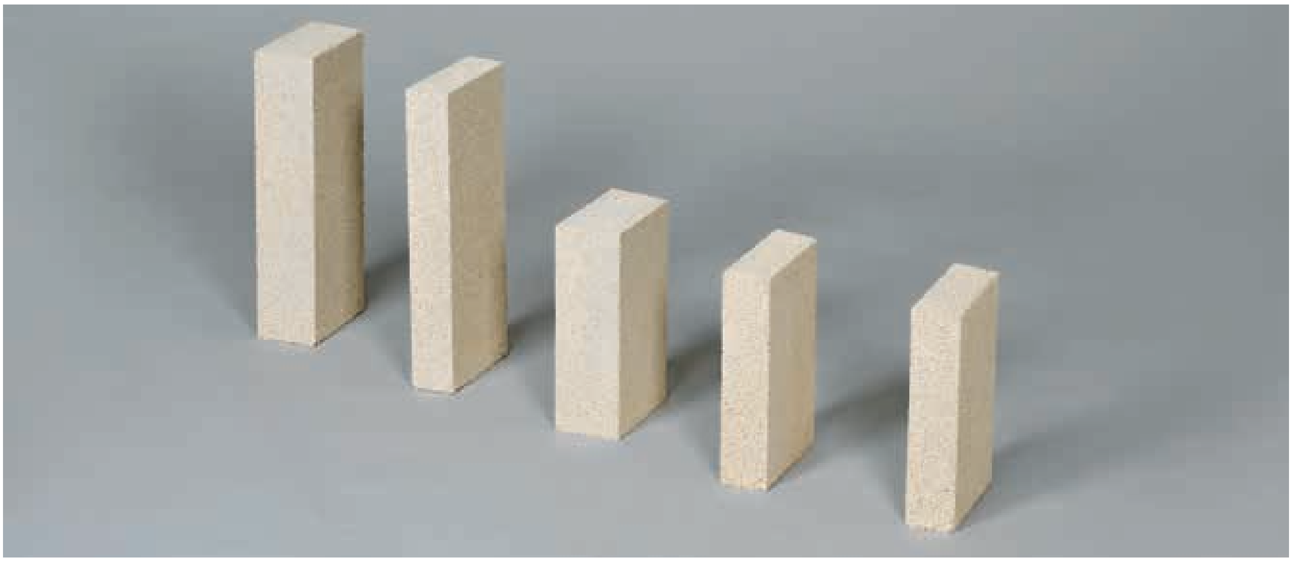
Hierarchy for fair value determination

The following table analyzes the financial instruments carried at fair value, by valuation method. Three valuation levels have been defined:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for assets or liabilities that are not based on observable market data.



Dec 31, 2012	Level 1 [EUR'000]	Level 2 [EUR'000]	Level 3 [EUR'000]	Total [EUR'000]
Financial assets				
Financial assets available for sale	661	0	5	666
	661	**0**	**5**	**666**
Financial liabilities				
Derivative financial liabilities	0	-876	0	-876
	0	**-876**	**0**	**-876**
Total	**661**	**-876**	**5**	**-210**

Dec 31, 2011	Level 1 [EUR'000]	Level 2 [EUR'000]	Level 3 [EUR'000]	Total [EUR'000]
Financial assets				
Financial assets available for sale	619	0	5	624
	619	**0**	**5**	**624**
Financial liabilities				
Derivative financial liabilities	0	-714	0	-714
	0	**-714**	**0**	**-714**
Total	**619**	**-714**	**5**	**-90**

Capital management

The goal of management is to structure capital in accordance with the requirements of shareholders, banks and creditors so as to ensure the optimal development of the Group. The management makes every effort to achieve a balance between a potentially better result and equity at a lower debt level and operational flexibility provided in part by debt capital. Neither the parent company nor subsidiaries are subject to minimum capital requirements by articles of association or any external influence. The goal of capital management is, on the one hand, to ensure group companies remain going concerns and, on the other hand, to maximize shareholder return through the optimization of equity and debt capital. Capital structure comprises financial debt, cash and equity that is attributable to the parent company's stockholders and nominal capital, capital reserves and retained income. The capital structure is monitored continuously. To this end, capital costs and risks, which are an integral part of all types of capital, are taken into consideration. The global strategy of the Group has not changed from that of 2011. The central factor of the monitoring process is return on equity; this is reviewed continuously by the management and is defined as annual profit or loss to equity.

4.2. Contingent liabilities and other commitments

Contingent liabilities

The Rath Group has taken on the following contingent liabilities:

	Dec 31, 2012 [EUR'000]	Dec 31, 2011 [EUR'000]
Retentions for business partners	1,824	1,961

Retentions for business partners mainly involve project business. There are no return obligations under standard industrial guarantees. The management is currently not aware of any other off-balance sheet opportunities and risks.

Legal disputes

As in the previous year, there are no major unsettled legal disputes pending as of the reporting date.

4.3. Business relations with related parties

All transactions with related parties are conducted under standard market conditions. Related parties conducting transactions with the Rath Group include:

- **Hausinhabung Walfischgasse, Dr. Ernst Rath and co-owner**
  Rental expenses including service charges: 2012 - EUR 146,000; 2011 - EUR 143,000
- **Dkfm. Paul Rath Gesellschaft mbH**
  Interest expenses: 2012 - EUR 0; 2011 - EUR 3,000
  Liabilities: 2012 - EUR 0; 2011 - EUR 59,000
- **Rath Holding GmbH**
  No transactions in the years 2012 and 2011
  Receivables: 2012 - EUR 1,000; 2011 - EUR 1,000

Executive Board of Rath Aktiengesellschaft, Vienna

Georg Rath
Matthias Rath
Jörg Sitzenfrey (since January 1, 2013)

Supervisory Board of Rath Aktiengesellschaft, Vienna

Heinz Kessler (Chairman)
Ernst Rath (Deputy Chairman)
Christian B. Maier
Paul Rath
Philipp Rath
Gerd Unterburg

In 2012, members of the Executive Board received gross salaries totaling EUR 413,000 (previous year: EUR 316,000), thereof EUR 95,000 (previous year: EUR 0) profit-related. Neither credits nor advances were made to corporate management bodies. Salaries for members of the Supervisory Board during the financial year amounted to EUR 44,000 (previous year: EUR 44,000) and EUR 179,000 for pension payments (previous year: EUR 178,000).

4.4. Auditing fees

Fees incurred for the financial year in favor of the auditor PwC Wirtschaftsprüfung GmbH amounted to EUR 50,000 (previous year: EUR 50,000), of which EUR 22,000 (previous year: EUR 22,000) were for the audit of the consolidated financial statements (including financial statements of individual associated companies).

4.5. Earnings per share

The basic earnings per share are calculated by dividing the proportion of corporate earnings attributable to parent company shareholders by the weighted number of ordinary shares in circulation during the year.

	2012	2011
Proportion of consolidated result attributable to parent company shareholders in thousand EUR	591	2,293
Weighted number of shares in circulation	1,500,000	1,500,000
Result per share in EUR	0.39	1.53
Dividend payout per share for the financial year in EUR	0.00	0.30

The diluted earnings per share correspond to the basic earnings per share, as no financial instruments with a diluting effect are in use.

5. Events after the balance sheet date

No significant event of particular relevance for the Rath Group occurred after the balance sheet date.

These financial statements were prepared on April 19, 2013 by the company's Executive Board and were submitted to the Supervisory Board on April 25, 2013 for review and approval.

Vienna, April 25, 2013

The Executive Board

Georg Rath | Matthias Rath | Jörg Sitzenfrey

In 2012, instead of Christmas presents, a donation was once again made to **möwe** child protection centers.

möwe was founded nearly 24 years ago to help abused children and young people. **möwe** was the first organization in Austria to take up the cause of this taboo area by providing free therapeutic assistance to affected children and young people and working permanently with the public to raise social awareness about the problem.

For further information, visit: www.die-moewe.at

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Rath Aktiengesellschaft, Vienna, for the fiscal year from January 1 to December 31, 2012. These consolidated financial statements comprise the consolidated balance sheet as of December 31, 2012, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the fiscal year ended December 31, 2012, and the notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements and for the Accounting System

The Company's management is responsible for the group accounting system and for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility and Description of Type and Scope of the Statutory Audit

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing as well as in accordance with International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements are in accordance with legal requirements and give a true and fair view of the financial position of the Group as of December 31, 2012 and of its financial performance and cash flows for the fiscal year from January 1 to December 31, 2012 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and the additional requirements of § 245a, Section 1 of the Austrian Commercial Code.

Comments on the Management Report for the Group

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report for the Group is consistent with the consolidated financial statements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, April 13, 2013

PwC INTER-TREUHAND GmbH
Wirtschaftsprüfungs- und
Steuerberatungsgesellschaft

signed:

Gerhard Prachner
Austrian Certified Public Accountant

Disclosure, publication and duplication of the financial statements together with the auditor's report according to Section 281 (2) UGB in a form not in accordance with statutory requirements and differing from the version audited by us is not permitted. Reference to our audit may not be made without prior written permission from us.

Terminology

Aluminum silicate wool	Aluminum silicate wool: This wool is a subgroup of the high-temperature insulation wools. Through the fusion of aluminum oxide (alumina) and silica (quartz sand), man-made mineral fibers are produced and later spun into wool. This is classified for the temperature range of 1250 - 1400°C.
Pre cas blocks	Concretes casted in moulds
Refractory	Designation for ceramic products with an application temperature between 600 - 2000°C
Insulating fire bricks	Stones with a raw density of 0.5 -1.5 kg/m3; for comparison, a pre-wall brick controls a raw density of 2,04 kg/m^3
High-temperature insulation wool (HTIW)	Ceramic fibers for any application in the range of 900 -1600°C
ISO 9001	This is an international standard and is one of the basic requirements for operating a quality-management system. This goes beyond the pure quality of the product and requires significant action, covering the entire process as clearly established within the company.
Monolithics	Unshaped products in the form of concrete, mortars and adhesives
Projects	Orders for the supply of materials, including the engineering and installation.
Bricks	Dense products with a bulk density of >1,5 kg/m^3
Vacuum-formed shapes	Formed shapes manufactured out of high-temperature insulation wool

Business Management Terms and Key Figures

Agio	Premium
Actuarial profit/loss	Current profit/loss
Available for sale	Available for disposal
AVÖ - Actual Association of Austria;	A lobby of Austrian actuaries and actuarial experts. The AVO publishes the annuity valuations tables according to which the pension and severance-pay liabilities are calculated.
Cash value	The cash value corresponds to the value that a future series of payments has at the present time. In other words, it is the value of all payments at the beginning of the term (at point zero in time).
Cash generating unit	Cash-generating unit
Corporate Governance	The code of conduct for the responsible management and control of companies, recorded in the Austrian Corporate Governance Code. The content represents a voluntary body of rules and regulations.
DBO (Defined benefit obligation)	Cash value of all forfeitable and non-forfeitable obtained entitlements
DISAGIO	The difference between issue and repayment amount of a liability.
EBIT (Earnings Before Interest and Tax)	Earnings before interest and tax; operating result
EBIT margin	Percentage share of the EBIT in turnover
EBT (Earnings Before Tax)	Pre-tax earnings
Equity ratio	Equity divided by total capital
Return on equity	Profit divided by equity

Fair value	Valuation of financial instruments including derivative financial instruments with the current value to be attributed
Finance leasing	In finance leasing, the asset is surrendered against a fixed leasing rate for a certain basic lease period. During the basic lease period the agreement cannot be terminated. The lessee must bear the object-related risks, including the risk of destruction or theft. For finance leasing, a down payment or an increased first leasing rate is usually agreed. According to the contract design, full amortization agreements and partial amortization agreements are distinguished.
IAASB	International auditing and assurance standards board
IAS	International accounting standards (see IFRS)
IASB (International Accounting Standards Board)	International board for the definition of accounting standards
IFAC	International Federation of Accountants
IFRIC (International Financial Reporting Interpretations Committees)	International committee for interpretation of the accounting standards
IFRS (International Financial Reporting Standards)	International accounting standards (formerly IAS)
Interest swap	Agreement on the exchange of differently designed cash flows for a defined period; the cash flows are based on fixed and variable interest rates; for hedging purposes against interest-rate changes.
ISA	International Standards on Auditing
Percentage of completion	The degree of completion with respect to a project
PUC (Projected Unit Credit method)	Actuarial valuation method
ROCE (Return On Capital Employed)	Interest on the capital employed. Quotient from EBIT and capital employed
Sensitivity analysis	The sensitivity analysis is designed to identify correlations between input data for model calculations and target values of alternatives.
WACC (Weighted Average Cost of Capital)	Weighted average cost of capital; refers to an approach associated with the discounted cash-flow approach of company evaluation. The weighted average cost of capital is used to determine the minimum return for investment projects.
Working capital	Absolute surplus of current assets over the short-term borrowed capital; stocks plus short-term receivables and other assets minus short-term tax reserves minus other short-term reserves minus accounts payable minus other short-term liabilities.

The term “employee” is used in gender-neutral form for the purpose of readability.

Rath Aktiengesellschaft
Walfischgasse 14
A-1015 Vienna
Tel.: +43 (1) 513 44 27-0
Fax: +43 (1) 513 44 27-87

Aug. Rath jun. GmbH
Hafnerstraße 3
A-3375 Krummnußbaum
Tel.: +43 (2757) 24 01-0
Fax: +43 (2757) 24 01-86

Rath GmbH
Ossietzkystraße 37/38
D-01662 Meißen
Tel.: +49 (3521) 46 45-0
Fax: +49 (3521) 46 45-86

Rath Hungaria Kft.
Porcelán utca 1
H-1106 Budapest
Tel.: +36 (1) 43 300 43
Fax: +36 (1) 26 190 52

Rath žárotechnika spol. s r.o.
Vorlešska 290
CZ-544 01 Dvůr Králové nad Labem
Tel.: +420 (499) 321 577
Fax: +420 (499) 321 003

Rath Polska Sp. z o.o.
ul. Budowlanych 11
PL-41 303 Dąbrowa Górnicza
Tel.: +48 (32) 268 47 01
Fax: +48 (32) 268 47 02

Rath SAS
3, rue du Colonel Moll
F-75017 Paris
Tel.: +43 (1) 513 44 26-0
Fax: +43 (1) 513 44 26-86

Rath Ukrajina TOW
Prospekt Osvoboshdenije Donbassa 8b
Office 206
UA-83048 Donezk
Tel: +380 (62) 345 33 06
Fax: +380 (62) 345 63 26

Rath USA Inc. / Rath Inc.
300 Ruthar Drive, Suite 1
Newark, DE 19711
Tel.: +1 (302) 294 4446
Fax: +1 (302) 294 4451

Rath Refractories Inc.
290 Industrial Park Drive
Milledgeville, GA 31061
Tel.: +1 (478) 452 0015
Fax: +1 (478) 452 0070

Rath Group S.R.L.
Alte Brown Nº 1065
1704 Ramos Mejia
Provincia de Buenos Aires
Argentina
Tel.: +54 (11) 4656 0143 / 4654 8869

Rath Group Brasil Ltda.
Rua Francisco Souza dos Santos
456, Jardim Limoeiro
29164-053, Serra/ES
BRAZIL
Tel. und Fax: +55 (27) 3328 8250

Rath Group S. de R.L. de C.V.
Carretera a Agua Fría # 499 AF2
AMB Agua Fría Industrial Park
Apodaca, Nuevo León
México, CP 66600
Tel.: +52 (81) 8215 3500
Fax: +52 (81) 8215 3508

Remark: Typesetting and printing errors excepted
This report is a translation of the original report in German, which is solely valid.

Impressum:
Owner, editor and publisher:
Rath Aktiengesellschaft, Walfischgasse 14, A-1015 Vienna
Person responsible for IR and compliance: Georg Rath

Internet: www.rath-group.com
E-mail: info@rath-group.com