

# **RHI**

## **QUARTERLY**

### **FINANCIAL REPORT**

#### **III/2009**



# Key Figures RHI Group

## Earnings indicators

in € million	Q1 – Q3		
	2009	2008	Change
Revenues	900.2	1,220.9	-26.3%
EBITDA	73.5	184.9	-60.2%
EBITDA margin	8.2%	15.1%	-46.1%
EBIT	32.8	148.0	-77.8%
EBIT margin	3.6%	12.1%	-70.2%
Profit before income taxes	6.7	123.5	-94.6%
Profit from continuing operations	4.4	108.3	-95.9%
Loss from discontinued operations	0.0	-1.1	n.a.
Profit	4.4	107.2	-95.9%
Number of employees at 30 September	7,078	7,845	-9.8%
Average number of employees Q1 – Q3	7,317	7,726	-5.3%

## Balance sheet indicators

in € million	30.09.2009	30.09.2008	Change
Balance sheet total	1,264.1	1,382.7	-8.6%
Equity	189.9	203.4	-6.6%
Net debt	268.5	383.9	-30.1%
Gearing	141.4%	188.7%	-25.1%

## Stock exchange indicators

in €	Q1 – Q3		
	2009	2008	Change
Basic earnings per share	0.11	2.84	-96.1%
Diluted earnings per share	0.11	2.69	-95.9%
Share price: high	19.60	33.95	-42.3%
Share price: low	8.70	23.35	-62.7%
Share price: average	13.22	27.95	-52.7%
Share price at 30 September	19.54	25.56	-23.6%
Market capitalisation (in € million)	741.09	958.59	-22.7%
Number of shares (million units)	37.93	37.50	1.1%
Dividend per share	0.00	0.00	

# Management Report RHI Group

Following the worldwide recession, which had characterised the business development in the first half of 2009, the economy started to bottom out in most of RHI's customer markets at mid-year. The revised forecasts for the global economy underscore this visible trend. The International Monetary Fund (IMF) now expects an end of the global recession in 2010, which will be carried above all by the strong performance of the Asian economies and a stabilisation and slight recovery in the rest of the world. While the IMF<sup>1</sup> still expects declining gross domestic products in the USA (-2.7%), the euro area (-4.2%) and in Asia (-2.4%), growth rates are forecast for 2010: 1.5% in the USA, 0.3% in the euro area and 3.6% in Asia.

Capacity utilisation in the steel industry rose to approx 70% to 75% in the third quarter of 2009. In the nonferrous metals, cement and glass industries, however, the order situation continued sluggish and fell clearly short of the previous year. Nevertheless, the downward trend of the first half of 2009 appears to have stopped in these segments as well.

Starting from a low initial level, RHI recorded an improvement in incoming orders, especially in the Steel Division, from the beginning of the third quarter, which corresponded with the economic development. No significant recovery was tangible in the Industrial Division by the end of September. Capacity utilisation in the Raw Materials Division corresponded with the demand for basic materials in the RHI Group.

The restructuring measures introduced in the first half of the year were consistently implemented and have now taken full effect. The resulting cost improvements had an effect on the result for the first time in the third quarter. Therefore, the RHI Group was able to generate a clearly positive operating result (EBIT) of € 32.8 million in the first three quarters despite the ongoing difficult market climate. In addition, the liquidity situation improved further and net debt was reduced significantly by 30.1% from € 383.9 million at 30 September 2008 to € 268.5 million at 30 September 2009. Moreover, the new profit centre organisation and reporting based on the current market prices will enable significantly enhanced transparency and faster response to changes in the market. This quarterly report is based on the new reporting structure; the comparative figures for 2008 were adjusted to reflect the new structure.

## Revenues and earnings

In the first nine months of 2009, revenues of the RHI Group fell 26.3% compared to the same period of 2008 and amounted to € 900.2 million (previous year: € 1.220,9 million). This was caused by the dramatic slump in the Steel Division in the first months of 2009 and the unsatisfactory order situation in the Industrial Division in the second and third quarters of 2009. Sales volume amounted to 1.0 million tonnes (previous year: 1.6 million tonnes). Due the strong positioning in the market, stable prices for RHI products were maintained. Energy prices, which were lower relative to the previous year, had a positive effect, but in no way compensated the decline in revenues resulting from the market situation.

In the first nine months, the Group's EBITDA amounted to € 73.5 million (previous year: € 184.9 million); EBIT equalled € 32.8 million (previous year: € 148.0 million). This corresponds to an EBIT margin of 3.6% (previous year: 12.1%), a satisfactory figure in the light of the market condition and the earnings situation in RHI's customer industries.

<sup>1</sup> Source IMF, World Economic Outlook, October 2009

Profit before income taxes amounted to € 6.7 million (previous year: € 123.5 million), and profit to € 4.4 million (previous year: € 107.2 million).

The performance in the third quarter of 2009 was better than in the second quarter; this was due especially to the positive effects of the programme designed to cut costs and enhance efficiency and the fact that the economy has bottomed out. Revenues in the third quarter of 2009 equalled € 295.7 million (Q2/2009: € 288.7 million). EBIT amounted to € 11.4 million in the third quarter (Q2/2009: € 7.3 million) and is still negatively affected by restructuring costs of € 3.1 million.

At 30 September 2009, cash and cash equivalents amounted to € 156.3 million (30 September 2008: € 64.4 million); net debt declined to € 268.5 million (30 September 2008: € 383.9 million). The covenants agreed with the lending banks were clearly complied with. Cash flow from operating activities rose to € 145.3 million in the first nine months of the year (previous year: € 93.3 million), cash flow from investing activities amounted to € -19.3 million (previous year: € -57.5 million) and reflects the Group's highly restrictive investment programme for 2009.

No new developments took place in the US Chapter 11 proceedings in the period under review.

The number of employees at 30 September 2009 was 7,078 (30.09.2008: 7,845). The staff cuts by roughly 1,000 jobs in the Group, which had become indispensable due to necessary capacity reductions and efficiency increases, have thus now been largely completed.

## Development of the individual divisions

### Segment Reporting

	3 <sup>rd</sup> Quarter		Q1 – Q3	
	2009	2008*)	2009*)	2008*)
Sales (thousand tonnes)	346.3	484.8	1,010.1	1,562.6
in € million				
<b>Revenues</b>	<b>295.7</b>	<b>414.1</b>	<b>900.2</b>	<b>1,220.9</b>
Steel Division	179.0	262.5	497.4	749.1
Industrial Division	112.3	146.9	387.7	446.8
Raw Materials Division	111.5	152.8	325.7	470.8
Elimination	-107.1	-148.1	-310.6	-445.8
<b>EBIT</b>	<b>11.4</b>	<b>49.9</b>	<b>32.8</b>	<b>148.0</b>
Steel Division	1.9	31.0	1.9	75.3
Industrial Division	7.9	19.0	47.8	57.2
Raw Materials Division	2.1	1.4	3.1	31.1
Holding and other	-0.5	-1.5	-20.0	-15.6
<b>EBIT margin</b>	<b>3.9%</b>	<b>12.1%</b>	<b>3.6%</b>	<b>12.1%</b>
Steel Division	1.1%	11.8%	0.4%	10.1%
Industrial Division	7.0%	12.9%	12.3%	12.8%
Raw Materials Division	1.9%	0.9%	1.0%	6.6%

\*) adjusted

## Steel Division

In the first nine months of 2009, world steel output was down 16.4% on the comparative period previous year due to the international recession and amounted to roughly 866 million tonnes. Following a large-scale reduction of inventories, production in the third quarter nearly reached the level of the year 2008 again in large parts of the world.

European Union	-39.3%
Other Europe, incl. Eastern Europe	-16.8%
C.I.S.	-27.7%
North America/NAFTA	-45.1%
South America	-35.9%
Africa/Near and Middle East	-21.5% / 2.2%
Asia	-2.2%

RHI's Steel Division benefited from this worldwide recovery and recorded revenues of € 179.0 million and EBIT of € 1.9 million in the third quarter of 2009 (previous year: € 262.5 million and € 31.0 million respectively). Due to the significant decline in the first half of 2009, however, revenues fell 33.6% to € 497.4 million in the first nine months of 2009 (previous year: € 749.1 million). EBIT amounted to € 1.9 million (previous year: € 75.3 million), which corresponds to an EBIT margin of 0.4% (previous year: 10.1%).

## Development in the most important regions

**Europe** Western Europe saw a recovery of the steel market and consequently also the refractories market. RHI managed to strengthen its position as a full-range supplier with top expertise in problem solving again. In Eastern Europe, steel production remained at a rather low level, with the exception of Turkey. Despite this difficult climate RHI was successful in the full-line-service segment, enabling the company to gain market share in Eastern Europe and Russia.

**North America/NAFTA** In the NAFTA region, steel output picked up significantly in the third quarter of 2009. RHI consistently expanded its market presence, thus maintaining its market share in the NAFTA region and even extending it in the USA despite over-capacities in the market. Recently, three new full-line-service contracts were concluded there, increasing the market share in special products such as ISO.

**South America** While steel output declined overall, RHI recorded similar revenues as in 2008 due to gains in market share. The core markets Brazil and Argentina developed particularly positively.

**Asia** The Asian countries and Australia were the main drivers of the recovery in the world steel markets. RHI again recorded an increase in orders and revenues in the third quarter.

**Africa/  
Near and Middle East** Carried by the Gulf states, the market also recovered in Africa and especially in the Middle East. RHI won several important contracts in the core business, converters and slide gate plates, and in special products such as ISO.

## Industrial Division

The ongoing stagnation in the global construction cycle and unchanged difficulties regarding the financing of investment programmes in customer industries led to an overall subdued development in RHI's Industrial Division in the third quarter of 2009. Incoming orders showed different developments depending on region and segment and were highly volatile.

As a result of this unsatisfactory market development, revenues of the Industrial Division, at € 387.7 million in the first nine months of 2009, fell short of the prior-year figure of € 446.8 million. EBIT amounted to € 47.8 million (previous year: € 57.2 million), and the EBIT margin to 12.3% (previous year: 12.8%).

## Development by customer segment

- Glass** In the third quarter the order situation improved in comparison to the previous months. However, it remains unclear whether the recovery will be sustainable. Flat glass manufacturers in particular are experiencing a crisis due to the weak performance of the construction industry. Substantially more positive signals come from China, where demand for higher-grade refractory materials has reached a good level again. In the container and special glass segments, many new and repair projects are still being postponed.
- Cement/Lime** The cement business experienced highly varied regional developments in the reporting period. While cement manufacturers were hit hard by the contracting construction industry in the developed markets of Europe and North America, China appeared unimpressed by the economic crisis. RHI gained market share and maintained or increased production volume in China and the entire Asian region. In the lime segment, projects involving new plants were conducted primarily in regions with strong economic growth.
- Nonferrous metals** The significant upward trend of most metal prices, in particular nickel and copper prices, at the beginning of the third quarter of 2009 caused a tangible pick-up in project business, which was previously hardly existent. Many companies resumed projects they had previously stopped or cancelled. At this stage it is difficult to determine the sustainability of this trend, which will depend on the further development of metal prices.
- Environment, Energy, Chemicals** Revenues in the Business Unit Environment, Energy, Chemicals showed a satisfactory development in the third quarter of 2009. A good business development of the chemical sector in North America contributed substantially to this development. Especially in Canada, new major contracts were won and carried out. Western Europe and the region Near/Middle East also performed well so that the order situation was satisfactory overall.

## Raw Materials Division

In the first three quarters of 2009, revenues of RHI's Raw Materials Division dropped 30.8% compared to the same period of 2008. This is attributable to the lower volume and the substantially lower price level of external raw materials which were sold to the Steel and Industrial Divisions.

Despite the significant decline in revenues, EBIT, at € 2.1 million in the third quarter of 2009, exceeded the comparable prior-year figure by some € 0.7 million. Changes in raw material prices were passed on promptly through quarterly adjustments of the internal prices charged to the Steel and Industrial Divisions. In the year 2008, the prices the Raw Materials Division passed on to the Steel and Industrial Divisions for raw materials were determined at the beginning of the year.

While the set raw material prices exceeded actual costs in the first half of 2008, the increasingly acute shortage in the raw material markets in the third quarter of 2008 had a significantly negative influence on the result of the third quarter of 2008. In addition, specific energy costs, which were reduced significantly in the second quarter of 2009 compared to the same period in 2008, mitigated the negative effect of under-utilisation on the EBIT of the Raw Materials Division.

The raw material production of the division's plants in the third quarter was up 4% on the second quarter of 2009. The production of raw materials fell by approx. 28% in the first three quarters of 2009 compared with the first three quarters of 2008.

Production of finished products at the plants of the Raw Materials Division rose by some 33% on the second quarter of 2009, with the highest production of the year 2009 recorded in the month of September. Compared to the first nine months of 2008, production of finished products dropped by roughly 39% in the period from January to September 2009.

Following a moderate reduction in the past months, prices of magnesitic raw materials from China and western suppliers maintained a stable level in the third quarter. The demand for sintered and fused magnesia was significantly lower in the first three quarters of 2009 than in the previous year. Demand is expected to increase in the fourth quarter, which should lead to higher raw material prices towards the end of the year 2009.

The availability of magnesitic raw materials continued to be uncritical in the third quarter. Raw material prices of bauxite and chrome ore remained at a stable level in the third quarter. Towards the end of the year an increase in demand, and consequently in prices, is to be expected here as well.

## Long-term plant concept defined

Following the relevant preparation work, a new plant concept adapted to the changing market requirements was developed.

It essentially provides for greater flexibility and optimisation of production capacity in accordance with future market and demand developments. This involves a transfer of production capacities from the stagnating customer markets Europe and North America to the emerging markets of Asia. The staff cuts necessary in Europe and North America will be offset by increased employment in Asia.

Based on a consistent reduction of fixed costs, all existing locations in the western industrialised countries are to be maintained. However, some plants or parts of plants will be shut down until the necessary economic recovery. RHI is thus securing maximum flexibility in the utilisation of capacities for the coming years.

The new concept will require investments of roughly € 15 million in the coming year; in addition, one-off expenses to the amount of € 5 million will be incurred for the related staff cuts with a focus on Europe and North America.

## Outlook

Depending on the further development of the world economy, demand in the Steel Division is expected to stabilise further and the order level in the Industrial Division is expected to improve in the coming months until the end of the year 2009. As there will be no more non-recurring restructuring costs and the cost effects resulting from capacity adjustments are now taking full effect, the RHI Group's results in the fourth quarter of 2009 should improve compared to the third quarter of 2009.

Therefore, in the light of the deep crisis, an adequate annual result is to be expected for the whole year 2009. The current business development and the reduction of working capital will enable a further reduction of net debt.

Following the crisis-related measures including capacity adjustments and securing liquidity, reorganisation and the adoption of the plant concept, RHI has now launched another organisational optimisation programme. The objective is to simplify internal processes dramatically in order to provide better service quality and, in the long term, achieve the corresponding cost savings. Every single process in the company will be analysed and reviewed for simplification by year-end 2009. This programme will entail positive effects for the entire company in the medium term. Decisions will be made faster, with more transparency and in better quality than before.

# Interim Consolidated Financial Statements

## Selected explanatory notes

### Principles and methods

The condensed interim financial statements at 30 September 2009 were drawn up in accordance with the provisions of IAS 34 and, applying § 245a UGB (Austrian Commercial Code), in accordance with the provisions of the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as amended and recognised by the European Union (EU).

In the interim financial statements at 30 September 2009, the same accounting and valuation principles as in the preparation of the consolidated financial statements at 31 December 2008 were applied, taking into account the following changes:

As IAS 23 "Borrowing Costs" (revised in 2007) entered into force, financing costs attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the acquisition or production costs starting in the financial year 2009. This had no impact on the assets and earnings position of the RHI Group in the first nine months of 2009.

Through the initial application of IAS 1 (extended in 2007) "Presentation of Financial Statements", income and expenses recognised in equity are shown in addition to profit and loss for the period and reconciled to comprehensive income in a separate statement of comprehensive income. The statement of changes in equity shows only transactions with owners. Comprehensive income is only shown as a balance.

As of 1 January 2009, the provisions of IFRS 8 "Operating Segments" apply to segment reporting. IFRS 8 requires operating segments to be identified on the basis of internal reports and prescribes defining the segments and reporting the earnings and net assets on the basis of internal reporting. Internal reporting in the RHI Group was based on the segments Steel, Industrial and Raw Materials/Production in the first six months of the financial year 2009 and in the previous year. The initial application of IFRS 8 had no effect on the segment reporting structure of the RHI Group.

As a result of the reorganisation of the RHI Group structure, production plants and research activities have been allocated to the three operating segments Steel, Industrial and Raw Materials since 1 July 2009, which are thus operated as autonomous profit centres with profit and loss accountability. In the segment Holding and other, holding costs are reported. This segment structure corresponds to the internal reporting structure to the Management Board as the chief operating decision-maker. Segment reporting has been adapted to this new internal organisation. Half-year and prior-year figures were adjusted accordingly. .

These interim consolidated financial statements at 30 September 2009 were neither audited nor reviewed by auditors.

<b>Consolidated companies</b>	<p>With effect from 1 May 2009, the newly established subsidiaries LLC "RHI WOSTOK SERVICE", Moscow, Russia (100%), and RHI Refratários Brasil Ltda., Sao Paulo, Brazil (100%), were added to the group of consolidated companies.</p> <p>Based on the purchase contract of 30 April 2009, RHI acquired the remaining 33.33% of RHI Refractories Spaeter GmbH, Urmitz, Germany, and now holds 100% of the shares. The increase in the majority stake was treated as a transaction between owners. The difference between acquisition costs and the additional shares amounting to € 2.1 million and the pro-rata book value of minority interest of € 0.3 million amounted to € 1.8 million and was recognised directly in equity.</p> <p>With effect from 1 July 2009, RHI Monofrax PPE LLC, Wilmington, USA, was merged with RHI Monofrax, Ltd., Wilmington, USA, and is thus no longer a fully consolidated subsidiary.</p>
<b>Revenues</b>	<p>Revenues include proceeds on the sale of emission certificates in the amount of € 3.1 million in the second quarter.</p>
<b>Other income and expenses</b>	<p>The positive effect of € 1.2 million shown under other expenses in the third quarter of 2009 is attributable to positive valuation effects from forward foreign exchange contracts and foreign currency gains.</p> <p>In the first half of the previous year, foreign currency losses were shown under other expenses. In the third quarter of 2008, they turned into foreign currency gains, thus leading to a positive effect amounting to € 1.1 million from a quarterly perspective.</p>
<b>Convertible Bond</b>	<p>In the statement of financial position at 30 September 2009 equity improved by € 1.0 million due to the conversion of 26 RHI convertible bonds of Tranche B.</p>
<b>Related companies</b>	<p>The volume of transactions of RHI Group companies with affiliated, non-consolidated companies or associates is immaterial. The same also applies to accounts receivable from and accounts payable to related companies.</p>
<b>Changes in the Management Board</b>	<p>Stefano Colombo, Chief Financial Officer and Deputy Chairman of the Management Board of RHI AG since 6 June 2007, terminated his Management Board mandate by mutual consent with effect from 28 May 2009. Chairman of the Management Board Thomas Fahnemann has taken over the function of the CFO.</p>
<b>Statement by the Management Board</b>	<p>We confirm to the best of our knowledge that the condensed interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by IFRS and that the group management report</p>

gives a true and fair view of important events that have occurred during the first nine months of the financial year and their impact on the condensed interim financial statements, of the principal risks and uncertainties for the remaining three months of the financial year and of the major related party transactions to be disclosed.

The results of the first nine months of 2009 do not necessarily allow conclusions regarding the development of future results.

Vienna, 3 November 2009

Management Board

A large, stylized blue ink signature of Thomas Fahnemann, written in a cursive script.

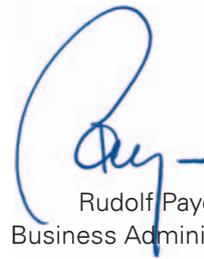
Thomas Fahnemann  
CEO & CFO

A blue ink signature of Giorgio Cappelli, written in a cursive script.

Giorgio Cappelli  
COO Steel

A blue ink signature of Manfred Hödl, written in a cursive script.

Manfred Hödl  
COO Industrial

A blue ink signature of Rudolf Payer, written in a cursive script.

Rudolf Payer  
Business Administration

# Consolidated Financial Statements

## Statement of Financial Position

in € million	30.09.2009	31.12.2008
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	407.8	426.1
Goodwill	14.7	14.7
Other intangible assets	38.8	43.7
Shares in associates	12.3	14.1
Other financial assets	36.3	37.7
Non-current receivables	0.6	0.7
Deferred tax assets	71.7	69.4
	<b>582.2</b>	<b>606.4</b>
<b>Current assets</b>		
Inventories	303.3	380.9
Trade and other current receivables	207.7	272.7
Current portion of non-current receivables	2.8	1.0
Income tax receivables	3.0	8.2
Other financial assets	8.8	7.8
Cash and cash equivalents	156.3	46.3
	<b>681.9</b>	<b>716.9</b>
	<b>1,264.1</b>	<b>1,323.3</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	276.7	275.6
Group reserves	-104.8	-113.0
Equity attributable to equity holders of RHI AG	171.9	162.6
Minority interest	18.0	19.2
	<b>189.9</b>	<b>181.8</b>
<b>Non-current liabilities</b>		
Non-current financial liabilities	308.9	302.4
Deferred tax liabilities	9.9	11.1
Personnel provisions	292.5	297.7
Other non-current provisions	3.2	3.2
Other non-current liabilities	5.5	5.4
	<b>620.0</b>	<b>619.8</b>
<b>Current liabilities</b>		
Subordinated convertible bond	12.8	13.9
Current financial liabilities	115.9	118.9
Trade and other current payables	227.4	282.1
Income tax payables	28.7	35.8
Current provisions	69.4	71.0
	<b>454.2</b>	<b>521.7</b>
	<b>1,264.1</b>	<b>1,323.3</b>

## Income Statement

in € million	3 <sup>rd</sup> Quarter		Q1 – Q3	
	2009	2008	2009	2008
<b>Continuing operations</b>				
Revenues	295.7	414.1	900.2	1,220.9
Special direct distribution costs	-25.1	-38.0	-72.8	-107.6
Cost of sales	-214.0	-280.9	-638.5	-820.9
<b>Gross profit</b>	<b>56.6</b>	<b>95.2</b>	<b>188.9</b>	<b>292.4</b>
Distribution costs	-19.3	-20.8	-62.9	-61.6
Administrative expenses	-26.0	-30.2	-81.4	-89.3
Impairment losses	0.0	0.0	-2.8	0.0
Restructuring costs	-3.1	0.0	-9.9	0.0
Other income	2.0	4.6	6.8	10.1
Other expenses	1.2	1.1	-5.9	-3.6
<b>Operating results</b>	<b>11.4</b>	<b>49.9</b>	<b>32.8</b>	<b>148.0</b>
Interest income	0.3	0.6	1.0	2.2
Interest expenses	-4.9	-5.6	-15.7	-17.7
Other financial result	-4.0	-3.5	-12.5	-11.3
Financial result	-8.6	-8.5	-27.2	-26.8
Results from associates	0.8	0.5	1.1	2.3
<b>Profit before income taxes</b>	<b>3.6</b>	<b>41.9</b>	<b>6.7</b>	<b>123.5</b>
Income taxes	-1.5	-5.2	-2.3	-15.2
<b>Profit from continuing operations</b>	<b>2.1</b>	<b>36.7</b>	<b>4.4</b>	<b>108.3</b>
Profit/loss from discontinued operations	0.0	0.1	0.0	-1.1
<b>Profit</b>	<b>2.1</b>	<b>36.8</b>	<b>4.4</b>	<b>107.2</b>
Profit/loss attributable to equity holders of RHI AG	2.2	36.4	4.0	106.5
minority interest	-0.1	0.4	0.4	0.7
	2.1	36.8	4.4	107.2
in €				
Basic earnings per share	0.06	0.97	0.11	2.84
Diluted earnings per share	0.06	0.92	0.11	2.69

## Statement of Comprehensive Income

in € million	3 <sup>rd</sup> Quarter		Q1 – Q3	
	2009	2008	2009	2008
Profit	2.1	36.8	4.4	107.2
Change in currency translation reserves recognised directly in equity	-9.7	17.6	5.7	-1.1
<b>Total comprehensive income</b>	<b>-7.6</b>	<b>54.4</b>	<b>10.1</b>	<b>106.1</b>
Total comprehensive income attributable to equity holders of RHI AG	-6.9	52.8	10.1	104.6
minority interest	-0.7	1.6	0.0	1.5
	-7.6	54.4	10.1	106.1

## Statement of Changes in Equity

in € million	Equity attributable to equity holders of RHI AG	Minority interest	Total equity
<b>Equity at 1 January 2009</b>	<b>162.6</b>	<b>19.2</b>	<b>181.8</b>
Total comprehensive income	10.1	0.0	10.1
Dividend payments	0.0	-0.9	-0.9
Capital increase	1.0	0.0	1.0
Change in minority interest	-1.8	-0.3	-2.1
<b>Equity at 30 September 2009</b>	<b>171.9</b>	<b>18.0</b>	<b>189.9</b>

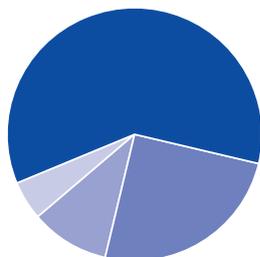
in € million	Equity attributable to equity holders of RHI AG	Minority interest	Total equity
<b>Equity at 1 January 2008</b>	<b>79.2</b>	<b>16.4</b>	<b>95.6</b>
Total comprehensive income	104.6	1.5	106.1
Dividend payments	0.0	-0.8	-0.8
Capital increase	2.5	0.0	2.5
<b>Equity at 30 September 2008</b>	<b>186.3</b>	<b>17.1</b>	<b>203.4</b>

## Statement of Cash Flows

in € million	2009	2008
<b>Cash and cash equivalents at 1 January</b>	<b>46.3</b>	<b>35.0</b>
thereof cash and cash equivalents from continuing operations	46.3	34.6
Cash flow from operating activities	145.3	93.3
Cash flow from investing activities	-19.3	-57.5
Cash flow from financing activities	-15.6	-4.0
Cash flow from discontinued operations	0.0	-2.1
Change in cash and cash equivalents due to currency translation	-0.4	-0.3
<b>Cash and cash equivalents at 30 September</b>	<b>156.3</b>	<b>64.4</b>

# RHI Share

## RHI Shareholder structure



- < 60% Free float
- > 25% MS Private Foundation, Austria
- > 10% Wilhelm Winterstein, Germany
- > 5% Raiffeisen Group, Austria

The shares of RHI AG are admitted to trading on the Vienna Stock Exchange. RHI is represented in the ATX, the lead index and the most important trading segment of the Austrian capital market, and is a member of the Prime Market at the Vienna Stock Exchange. To date, a total of 3,300 of the 3.618 convertible bonds have been converted to 18,150,000 new RHI shares. On 1 October 2009, 38,070,039 no-par common shares with voting rights of RHI AG were admitted to trading in Vienna.

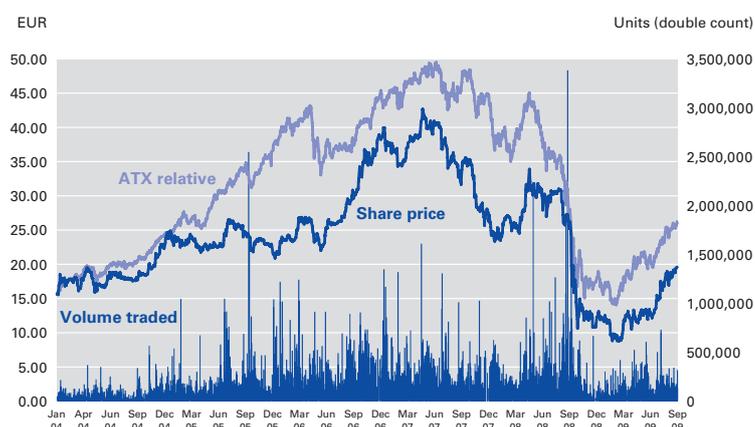
## Financial Calendar

Preliminary result 2009	11 March 2010
Final result 2009	23 April 2010
Result for the 1 <sup>st</sup> Quarter 2010	11 May 2010
Annual General Meeting 2010	27 May 2010
Half-year result 2010	3 August 2010
Result for the 3 <sup>rd</sup> Quarter 2010	4 November 2010

## Stock market figures

in €	Q1 – Q3	
	2009	2008
Lowest share price	8.70	23.35
Highest share price	19.60	33.95
Share price at 30 September	19.54	25.56
Market capitalisation (in € million)	741.09	958.59

## Performance of the RHI share 01/2004 - 09/2009



## ISIN

RHI share:  
AT0000676903  
Convertible bond tranche A:  
AT0000443049  
Convertible bond tranche B:  
AT0000443056

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

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