rosenbauer

ANNUAL REPORT 2014

GROUP KEY FIGURES

Group revenues (in € million)

EBIT (in € million)

Order backlog as of Dec 31 (in € million)

Rosenbauer Group		2014	2013	2012
Revenues	€ million	**784.9**	737.9	645.1
EBITDA	€ million	**61.0**	52.6	48.0
EBIT	€ million	**48.4**	42.3	38.6
EBIT margin		**6.2%**	5.7%	6.0%
EBT	€ million	**47.3**	41.7	38.8
Net profit for the period	€ million	**36.7**	30.8	32.0
Cash flow from operating activities	€ million	**(37.1)**	82.2	(3.7)
Investments	€ million	**51.2**	25.4	14.7
Order backlog as of Dec 31	€ million	**670.2**	590.1	580.5
Order intake	€ million	**820.4**	760.6	533.2
Employees (average)		**2,800**	2,551	2,328
Employees as of Dec 31		**2,941**	2,651	2,432

Key statement of financial position		2014	2013	2012
Total assets	€ million	**579.9**	415.6	432.9
Equity in % of total assets		**34.2%**	45.2%	38.8%
Capital employed (average)	€ million	**341.2**	285.7	267.2
Return on capital employed		**14.2%**	14.8%	14.5%
Return on equity		**24.5%**	23.4%	24.9%
Net debt	€ million	**154.2**	48.8	93.6
Working capital	€ million	**137.7**	119.4	123.3
Gearing ratio		**77.7%**	25.9%	55.7%

Key stock exchange figures		2014	2013	2012
Closing share price	€	**71.5**	59.3	46.1
Number of shares	million units	**6.8**	6.8	6.8
Market capitalization	€ million	**485.9**	403.2	313.1
Dividend	€ million	**8.2**[1]	8.2	8.2
Dividend per share	€	**1.2**[1]	1.2	1.2
Dividend yield		**1.7%**	2.0%	2.6%
Earnings per share	€	**4.0**	3.9	4.5
Price/earnings ratio		**17.9**	15.2	10.2

[1] Proposal to Annual General Meeting

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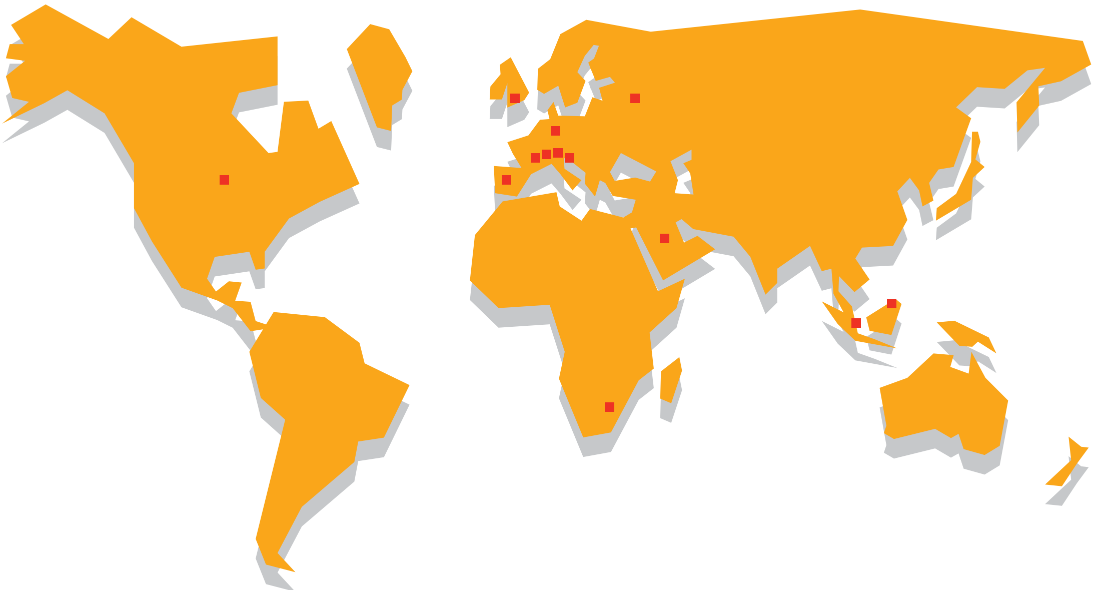
rosenbauer

GROUP PROFILE

REPRESENTED BY SALES, PRODUCTION AND SERVICE COMPANIES ON FOUR CONTINENTS



Rosenbauer is the world's leading manufacturer of systems for firefighting and disaster protection. The company develops and produces vehicles, fire extinguishing systems, equipment and telematics solutions for professional, industrial, plant and volunteer fire services, and systems for industrial firefighting. All of the main sets of standards are covered by products manufactured in Europe, the US and Asia. The Group has an active service and sales network in over 100 countries.

The listed family company is in its sixth generation and has served fire departments for more than 145 years. A strong customer focus, innovative strength and reliability are Rosenbauer's key strengths.

€ 784.9 mill.
Revenues up 6%

2,941
Employees worldwide

€ 820.4 mill.
New record level of incoming orders

HIGHLIGHTS 2014

STOCK MARKETS AND ECONOMY

May 21, 2014

Vienna Stock Exchange's 2014 Awards – Second place for Rosenbauer in the Small & Mid Caps category for 2014

June 23, 2014
Factory of the future – Opening of Plant II in Leonding following investment of around € 12 million

June 23, 2014
High-level rescue – Rosenbauer presents aerial ladder with height of 62 m

September 26, 2014
20 years on the stock market – Rosenbauer share price up 400% since IPO

October 1, 2014
AT premiere in France – Presentation of first French standard vehicle on Renault chassis

October 20, 2014
PANTHER next generation – Rosenbauer announces further development of 4x4 and 6x6 models

INTERNATIONAL

April 16, 2014
Rosenbauer Saudi Arabia – Major order for 800 emergency vehicles and equipment with a value of € 150 million

April 25, 2014

Expansion into the UK – Local presence strengthened with majority interest in sales and service partner North Fire

June 24, 2014
A giant-class milestone – Turkish refinery operator receives 2,500th CBS-design vehicle

June 26, 2014
Export Prize 2014 – Recognition for above-average success in foreign markets

RESPONSIBILITY

January 30, 2014
Training for people with special needs – Rosenbauer supports Caritas training project

October 27, 2014

Childcare at Rosenbauer – Groundbreaking for Rosenbauer, Silhouette & PEZ/Haas joint nursery with up to 20 childcare places

October 30, 2014
Rosenbauer converts to district heating – KELAG Wärme GmbH to supply Plant II with industrial waste heat from voestalpine

FOREWORD FROM THE CEO

Dear Shareholders,
It is with great joy and pride that I can report to you on the past financial year. It was a good year: for you, the shareholders, for our employees, and – not least of all – for me as the Chairman of the Executive Board.

In 2014, we set a new personal best for revenues at € 784.9 million, in addition to generating respectable earnings for the year of € 48.4 million in a difficult market setting. And we are moving ahead into 2015 with our order books full. Borne up by our solid and stable ownership structure, we have been passed over by the turbulence within the firefighting industry and have focused our attention on markets and products.

It was an eventful year with many changes within the company that served the implementation of our growth strategy. The most visible of these was the opening of Plant II in Leonding. Three kilometers away from our main plant, the new production lines for the PANTHER aircraft rescue and firefighting vehicle and the AT municipal vehicle went live in June 2014. Around 260 people are already working at the new location, which will safeguard our long-term capacity requirements.

Enhancing the fascination of our products and their constant evolution are at the heart of the Rosenbauer brand. € 15.9 million was invested in research and development in the past year. The majority of these innovations is related to the preparations for Interschutz 2015, the world's leading trade fair for firefighting systems, where we will again be presenting ourselves at the industry's undisputed technology leader.

Customer proximity has always been one of Rosenbauer's great strengths. We have further expanded our international presence again in 2014. Thanks to the acquisition of our British sales partner North Fire, we are now operating – very successfully – on the UK municipal market as Rosenbauer UK. The service network has been extended in Saudi Arabia and, in November 2014, ground was broken on local production facilities to the north of Jeddah. This means that we are now closer to our customers on our most important export market of recent years and can better serve their needs.

The performance of our subsidiaries was especially gratifying in the past year. In particular, there was clear growth in earnings at our companies in the United States and Spain, and at the sales company Rosenbauer Österreich. This development confirms our strategy of working with strong local companies as a single international entity.

No year ends without new challenges. As the CEO, I must also focus on the things that still need improvement. Thus, in 2015 we will above all be working on the efficiency of our new pair of plants in Leonding. And we will dedicate ourselves tremendously to reducing our working capital so that we can once again invest more in tapping new markets than in inventories.

At the very least, the conditions for Rosenbauer are excellent in 2015. With our new organizational structure that adheres even more closely to the markets and the needs of our customers, and with the support of a pro-exports exchange rate development, we will further expand our position on the international markets. The orders on hand of € 670.2 million at the start of the year will allow full capacity utilization at all our plants. In 2015, we will be presenting a variety of new products, first and foremost the new fourth-generation PANTHER. This will let us compensate for the effects of the currently difficult markets, such as Russia, and continue our growth trajectory.

Outside our operating activities, 2014 was the year that we at Rosenbauer said goodbye to my predecessor and the long-serving CEO, Julian Wagner. Julian Wagner died on March 20, 2014 after a serious illness. The company owes him its deepest thanks and will remember him always.

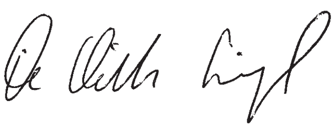
In October, Rosenbauer took an important step for our littlest ones together with the companies Silhouette and PEZ/Haas. Working with the State of Upper Austria, ground was broken on the state's first multi-company nursery – a project that will help people to find their work/life balance.

In the Philippines, we provided aid to build an Austria village of about 255 residential units together with the "Nachbar in Not" organization, the city of Vienna and "Hilfswerk Austria International". The project will give victims of the recent tsunami an economic new start.

A key part in the Group's CSR activities is played by our employees, who invest a great deal of energy in the success of these projects and who, despite all the cost-cutting necessities, appreciate and share in their employer's humanitarian efforts. I would therefore like to take this opportunity to express my most sincere gratitude.

Last but not least, looking back at 2014 gives me the chance to thank you, our esteemed shareholders, for your loyalty. In September, we celebrated our 20th anniversary on the Vienna Stock Exchange. Over these 20 years, we have increased the value of our shares more than five times over, but have also always considered ourselves to be a stock that pays dividends. So we will continue our tradition of a steady and appropriate distribution policy for 2014 as well. I would hereby like to especially thank all those shareholders who have been with us since day one. I will do everything in my power to ensure that your investment pays off in the future as well.

Sincerely,



Dieter Siegel

EXECUTIVE BOARD

Dieter Siegel, CEO
Born 1964
Joined Rosenbauer: 2009
Date of first appointment: 2011
End of current term of office: 2016

GLOBAL PRODUCT DIVISION
Customer Service

GROUP FUNCTIONS
Corporate Development, Human Resources, Global Product Management, Sales Administration, Corporate Communication, Marketing/Advertising

Gottfried Brunbauer, CTO
Born 1960
Joined Rosenbauer: 1995
Date of first appointment: 2000
End of current term of office: 2019

GLOBAL PRODUCT DIVISION
Firefighting & Body Components

GROUP FUNCTIONS
Purchase & Logistics, QA & Management Systems, Infrastructure Development, Innovation-/Technology- & Knowledge Management, Group Technology Transfer, Industrial Engineering, Technical Information Systems

Günter Kitzmüller, CFO
Born 1961
Joined Rosenbauer: 2013
First appointment: 2013
End of current term of office: 2018

GLOBAL PRODUCT DIVISIONS
Fire & Safety Equipment, Stationary Fire Protection

GROUP FUNCTIONS
Finance & Accounting, Controlling, Compliance, Risk Management, Internal Control System, Group Audit, Treasury, Business Information Systems, Investor Relations, Export Finance

From left: Gottfried Brunbauer, Dieter Siegel, Günter Kitzmüller

The right strategy turns markets into growth markets.


We are going one better.
RWEHR

REPORT OF THE SUPERVISORY BOARD

2014 was a challenging and exciting year for the Rosenbauer Group, in which it laid the foundations for its continuing growth.

The 22nd Annual General Meeting of Rosenbauer International AG was held at Palais Kaufmännischer Verein, Linz, on May 23, 2014. In addition to a detailed presentation by the Executive Board, new elections for the Supervisory Board were also on the agenda. The Supervisory Board previously consisted of four members elected by the Annual General Meeting. As the term in office of Rainer Siegel was due to end after the Annual General Meeting on May 23, 2014, one member had to be elected again. By way of resolution of this Annual General Meeting, Rainer Siegel was re-elected to the Supervisory Board until the end of the Annual General Meeting to resolve official approval of his actions for the 2018 financial year.

At its meetings held during the 2014 financial year, the Executive Board regularly informed the Supervisory Board of the development of business and the company's situation. The report of the Executive Board on this and its reports on important items of business were acknowledged by the Supervisory Board.

The Supervisory Board held four ordinary meetings in the year under review. In addition, there were regular meetings of the shareholder representatives on the Supervisory Board that discussed matters of operational and strategic corporate governance with the Executive Board. The members of the Supervisory Board attended a total of ten meetings of the Supervisory Board, its committees, and other meetings in 2014.

The Audit Committee met in April 2015 to review and prepare for the adoption of the 2014 annual financial statements, to devise a proposal for the appointment of the auditor and to confer on matters relating to the Group's financial reporting. A further meeting was held to appraise the Group's risk management system, internal control system, and compliance. The members of the Audit Committee were Alfred Hutterer (Chairman), Rainer Siegel and Rudolf Aichinger.

The annual financial statements and the management report were audited by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. in accordance with the statutory provisions.

The findings of the audit did not give rise to any objections. The annual financial statements and the management report were therefore issued with an unqualified audit opinion. The auditor's report has been submitted to the members of the Supervisory Board in accordance with section 273(3) of the Unternehmensgesetzbuch (UGB – Austrian Commercial Code).

The Supervisory Board approves the annual financial statements as of December 31, 2014, which are thereby adopted in accordance with section 96(4) of the Aktiengesetz (AktG – Austrian Stock Corporation Act), and acknowledges the consolidated financial statements. The Supervisory Board concurs with the Executive Board's proposal for the appropriation of profits and proposes that this be put to the Annual General Meeting.

On behalf of the entire Supervisory Board, I would like to thank the members of the Executive Board and all the employees of the Rosenbauer Group for their outstanding commitment. My thanks also go to the shareholders of Rosenbauer International AG for their trust and, at the same time, I invite them to remain with Rosenbauer as it moves forward.

Leonding, April 2015

Alfred Hutterer
Chairman of the Supervisory Board

CORPORATE GOVERNANCE REPORT

To ensure sustainable, value-adding corporate development, Rosenbauer applies the standards and principles of an open and transparent communications policy.

Commitment to the Code of Corporate Governance

Rosenbauer is committed to comply with the Austrian Code of Corporate Governance[1]. The Group satisfies its requirements and therefore meets investors' expectations in terms of responsible, transparent, and long-term corporate governance.

The basis of the Code is formed by the provisions of Austrian stock corporation, stock market and capital market law, EU recommendations on remuneration supervisory board members and directors, and the principles of the OECD corporate governance guidelines.

This corporate governance report is based on the Code as amended July 2012, and also takes into account the main content of the 2015 revision: the recommendation of the EU Commission of April 2014 on the quality of corporate governance reporting and the new AFRAC Opinion on the preparation and audit of a corporate governance report in accordance with section 243b of the Unternehmensgesetzbuch (UGB – Austrian Commercial Code).

The explanations required by the Austrian Code of Corporate Governance have also been published on www.rosenbauer.com/en/rosenbauer-group/investor-relations/corporate-governance.html.

[1] The Austrian Code of Corporate Governance breaks down into three categories: "L" Rules (legal requirements), based on mandatory statutory provisions; "C" Rules (comply or explain), i. e. rules which must be kept, with an explanation having to be given for any deviations from the rule; and "R" Rules (recommendations), non-compliance with which requires neither disclosure nor explanation.

Rosenbauer complies with all C rules of the Code with the following explanations:

- Rule 62: Disclosures on external review
  Compliance with the provisions of the Austrian Code of Corporate Governance was, to date, reviewed by Internal Audit. External review is planned for future years.

- Rule 27a: Agreements on severance payment on early withdrawal of board members
  The economic situation of the company is not taken into account in determining the amount of severance payment as members of the Executive Board are selected in line with the principle of sustainability.

Composition of executive bodies and their remuneration

Composition of the Executive Board

Dieter Siegel	CEO
Born	1964
Global product division	Customer Service
Group functions	Corporate Development, Human Resources, Global Product Management, Sales Administration, Corporate Communication, Marketing/Advertising
Date of first appointment	2011
End of current term of office	2016
Supervisory Board mandates	–

Gottfried Brunbauer	CTO
Born	1960
Global product division	Firefighting & Body Components
Group functions	Purchase & Logistics, QA & Management Systems, Infrastructure Development, Innovation-/Technology- & Knowledge Management, Group Technology Transfer, Industrial Engineering, Technical Information Systems
Date of first appointment	2000
End of current term of office	2019
Supervisory Board mandates	–

Günter Kitzmüller	CFO
Born	1961
Global product divisions	Fire & Safety Equipment, Stationary Fire Protection
Group functions	Finance & Accounting, Controlling, Compliance, Risk Management, Internal Control System, Group Audit, Treasury, Business Information Systems, Investor Relations, Export Finance
Date of first appointment	2013
End of current term of office	2018
Supervisory Board mandates	–

Remuneration of Executive Board members (in € thousand)

2014	**Fixed**	**Variable**	**Total**
Dieter Siegel	389.3	519.4	908.7
Gottfried Brunbauer	345.2	432.9	778.1
Günter Kitzmüller	316.5	259.7	576.2
	1,051.0	**1,212.0**	**2,263.0**
2013			
Dieter Siegel	371.8	483.9	855.7
Gottfried Brunbauer	343.7	403.3	747.0
Günter Kitzmüller	288.9	221.8	510.7
Robert Kastil	257.4	1,342.7[1]	1,600.1
	1,261.8	**2,451.7**	**3,713.5**

[1] This includes the one-time severance payment of € 949.5 thousand.

Composition of the Supervisory Board

Alfred Hutterer	Chairman of the Supervisory Board since 2007
Born	1947
Date of first appointment	2003
End of current term of office	2018
Functions	Former Managing Director of TRUMPF Maschinen Austria GmbH & Co. KG

Christian Reisinger	Deputy Chairman of the Supervisory Board since 2007
Born	1960
Date of first appointment	2006
End of current term of office	2016
Functions	Managing Director of CR Management und Investment GmbH; CEO of Shandong Yamei Sci-tech Co., Ltd.

Karl Ozlsberger	Member of the Supervisory Board
Born	1948
Date of first appointment	2007
End of current term of office	2017
Functions	Management consultant

Rainer Siegel	Member of the Supervisory Board
Born	1963
Date of first appointment	2009
End of current term of office	2019
Functions	Freelance management consultant and management trainer; Partner in Institut für Wirtschaftspädagogik GmbH & Co. KG

None of the members of the Supervisory Board held a supervisory board mandate or similar function in any other Austrian or foreign listed company in the 2014 financial year.

Appointed by the Works Council:

Rudolf Aichinger	Member of Supervisory Board
Born	1963
Date of first appointment	2003
End of current term of office	2016

Alfred Greslehner	Member of Supervisory Board
Born	1960
Date of first appointment	2004
End of current term of office	2016

Remuneration of Supervisory Board members (in € thousand)

2014	**Fixed**	**Variable**	**Total**
Alfred Hutterer	24.0	38.0	62.0
Christian Reisinger	24.0	38.0	62.0
Karl Ozlsberger	18.0	28.5	46.5
Rainer Siegel	18.0	28.5	46.5
	84.0	**133.0**	**217.0**
2013			
Alfred Hutterer	24.0	37.0	61.0
Christian Reisinger	24.0	37.0	61.0
Karl Ozlsberger	18.0	27.8	45.8
Rainer Siegel	18.0	27.8	45.8
	84.0	**129.6**	**213.6**

Agreements subject to approval

No agreements subject to approval in accordance with L Rule 48 were concluded with a member of the Supervisory Board in 2014.

Independence of the Supervisory Board

C Rule 53: The Supervisory Board bases the criteria for the independence of its members on the guidelines of Annex 1 to the Code of Corporate Governance. In line with these guidelines, the Supervisory Board members Alfred Hutterer (Chairman), Christian Reisinger (Deputy Chairman), and Karl Ozlsberger are deemed independent.

Supervisory Board members with a shareholding of more than 10%

C Rule 54: The Supervisory Board members Alfred Hutterer (Chairman), Christian Reisinger (Deputy Chairman), and Karl Ozlsberger do not have shareholdings of more than 10% in Rosenbauer International AG. They also do not represent the interests of a shareholder with an investment of more than 10%.

Remuneration report of the Executive Board

A key element in the remuneration system is the variable component that is closely linked to the company's performance. The ratio of the fixed to the performance-based components of the Executive Board's total remuneration was 46% to 54% in the reporting period.

In line with C Rule 27, the agreements for the Executive Board are tied to sustainable and long-term performance criteria. The bonus is calculated from the degree of target attainment of consolidated earnings on the basis of the income statement before taxes and earnings attributable to non-controlling interests in the respective financial year. The target is set by the Supervisory Board for two financial years at a time. Only financially quantifiable criteria are referenced. Non-financial criteria have not been referenced as they cannot be measured objectively. Variable remuneration has been capped at double the fixed annual remuneration.

The severance regulations are based on the statutory specifications. After leaving the company, the company will not incur any future expenses from title to the occupational pension scheme or other benefits for Executive Board members.

The agreements include a regulation for the subsequent repayment of variable remuneration if this is found to have been paid on the basis of incorrect data. The circumstances of a member of the Executive Board leaving the company are taken into account in that, in the event of early dissolution of the Executive Board agreement without gross breach of duty, the member in question has a maximum entitlement to the remuneration owed under the agreement for 18 months. In the event of a gross breach of duty, pro rata variable remuneration, severance entitlements and all other termination benefits owed by the company will be forfeit. In the event of premature termination without cause, the severance payment will not exceed two years' total remuneration. The economic situation of the company is not taken into account in determining the amount of severance payment as members of the Executive Board are selected in line with the principle of sustainability.

There are no stock option programs for either members of the Executive Board or senior managers. There is a D&O (directors' & officers') insurance policy for the Group, the costs of which are paid by Rosenbauer International AG.

Disclosures on working methods of the Executive Board and Supervisory Board

Working methods of the Executive Board

In accordance with the law, the Articles of Association and the Rules of Procedure approved by the Supervisory Board, the Executive Board of Rosenbauer International AG manages the company on its own responsibility. It performs its management duties as demanded by the good of the company, taking into account the interests of the shareholders, the employees and the general public. At regular meetings it discusses current business performance and makes the necessary decisions and resolutions.

A constant and open exchange of information between the members of the Executive Board and the top management level is one of the utmost principles of management at Rosenbauer. The Executive Board reports to the Supervisory Board regularly and comprehensively on all relevant issues of business development, including the risk situation and risk management in the Group. Furthermore, the Chairman of the Supervisory Board maintains regular contact with the CEO, with whom he discusses strategy and ongoing business development.

Working methods of the Supervisory Board

In addition to monitoring the Executive Board, the Supervisory Board also sees it as its duty to support the Executive Board in its management of the company, particularly in decisions of fundamental significance. All members of the Supervisory Board attended more than half of the meetings of the Supervisory Board in the reporting period.

Committees of the Supervisory Board

The Audit Committee met in April 2015 to review and prepare for the adoption of the 2014 annual financial statements, to devise a proposal for the appointment of the auditor and to confer on all matters relating to the Group's financial reporting. A further meeting was held to appraise the Group's risk management, internal control system and compliance.
The members of the Audit Committee were Alfred Hutterer (Chairman), Rainer Siegel, and Rudolf Aichinger.

The duties of the Strategy Committee, which prepared fundamental decisions in collaboration with the Executive Board, calling upon expert assistance where appropriate, are performed by the Supervisory Board as a whole, provided that this does not comprise more than five elected members.

The remuneration of the Executive Board is regulated by the Executive Committee. All other duties of the Human Resources Committee, in particular Executive Board succession planning, are performed by the Supervisory Board as a whole. The Executive Committee consists of the Chairman of the Supervisory Board and his Deputy and met once in the period under review. Once a year the Executive Committee conducts an appraisal interview with each member of the Executive Board to discuss his performance in the past year and goals for the coming year.

The committees' members are appointed for the same length of time as their term in office on the Supervisory Board.
Each committee then elects a chairman and deputy chairman from among its members.

Meetings of the Supervisory Board

The Supervisory Board met four times in 2014. In addition, there were regular meetings of the shareholder representatives that discussed matters of operational and strategic corporate governance with the Executive Board.

In one meeting the Supervisory Board also performed the self-evaluation described in Rule 36 of the Code of Corporate Governance. Based on a list of questions, this covered the general cooperation between the Executive Board and the Supervisory Board, the quality and scope of the documents provided to the Supervisory Board and organizational issues.

Affirmative action for women

The share of female executives (not including Executive Board and Supervisory Board members) was 9% in the 2014 financial year and was therefore up slightly as against the previous year. For the first time in this financial year, a woman was appointed to the second management level, the Strategic Committee. In the context of internal management development, a great deal of importance is attached to further increasing the share of female executives.

In total, the share of women in the Rosenbauer Group was 12% in 2014 (2013: 12%). The fact that this is still a low figure compared to other areas of industry is due to historical and cultural reasons in addition to reasons specific to this sector. In a sector that is traditionally preferred more by men, Rosenbauer is striving to further increase the female share of its workforce. Non-discrimination and equal opportunities in the workplace, without gender preference, are taken for granted at Rosenbauer.

There are general efforts to sustainably increase the share of women in the Group at all levels through suitable measures. These include a series of activities, some of them specific to different countries, to promote women in technical trades or to hire more women graduates from technical colleges and universities. Moreover, work is being expedited to establish and expand work childcare facilities.

Leonding, March 26, 2015

Dieter Siegel
Chairman of the Executive Board, CEO

Gottfried Brunbauer
Member of the Executive Board, CTO

Günter Kitzmüller
Member of the Executive Board, CFO

We have been writing
a success story
for our shareholders
for the past 20 years.


We are going one better.

INVESTOR RELATIONS

On September 27, 1994, Rosenbauer International AG went public at an issuing price of € 13.898[1] (converted). Twenty years later, almost to the day and in time for its anniversary, the shares reached a temporary high of € 72.6, an increase of more than 400%.

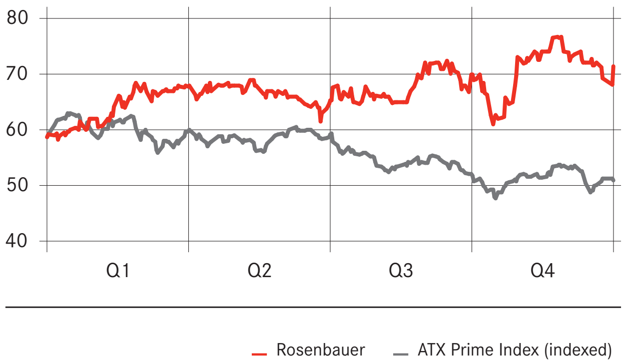
The share price is consistent with the company's performance over the same period: while Rosenbauer International AG has increased its revenues six-fold since going public, from around € 123 million to € 785 million last year, the company's value on the stock market has risen more than five times over.

The solid business performance is also reflected by the dividend, which has been distributed continuously and has been continually higher in recent years.

When Rosenbauer first issued shares 20 years ago, they were oversubscribed seven times over and were bought by more than 70% of employees, both clear records for Austria at the time. The aim of the IPO was to generate fresh cash for the planned growth projects, above all the first investments in US, the acquisition of the German aerial rescue manufacturer Metz and the expansion of international sales. Today the Group produces its goods on three continents and is the leading fire equipment supplier thanks to its distribution and service network.

Exchange increasingly came under pressure, in particular on account of the Russia/Ukraine crisis in the second half of the year. The ATX began the year at 2,548.74 points and closed on December 30, 2014 at 2,160.08 points (year-to-date: –15.2%).

Performance of Rosenbauer share 2014 (in €)



2014 – A good year on the stock market

Looking back, 2014 was a busy year on the Vienna Stock Exchange. Capital-raising activities reached new heights: At around € 4 billion, more capital was raised in 2014 alone than in the last four years combined. Corporate bonds set a historic record with an issuing volume of € 7.2 billion. The consistently criticized liquidity also experienced a considerable upswing. At the same time, the benchmark index for the Vienna Stock

In 2015 the capital market is set to be positively influenced by the consistently low price of oil, the unchanged low interest level, a performance by the euro that will promote exports, higher growth in Eastern markets and the economic improvement thus anticipated. There will hardly be any investment alternative to shares as the forecast dividend yield on Austrian equities far surpasses interest rates for savings (Source: Vienna Stock Exchange).

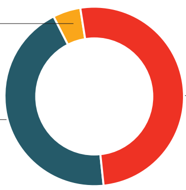
[1] Adjusted for 2007 stock split

Rosenbauer was recognized for its investor relations activity and share price performance with second place in the Vienna Stock Exchange's 2014 Awards in the Small & Mid Caps category.

Share hits new high

The shares of Rosenbauer International AG are listed on the Vienna Stock Exchange's Prime Market. After steadily rising in the first half of the year, the shares at first did not match the downward trend on the ATX Prime. It was not until the third quarter that Rosenbauer also submitted to the general pressure and posted price losses of more than 10% in just a few days. The share price recovered again in October and climbed to a high for the year of € 77. The share closed the year at a price of € 71.5, having risen by 18% over the course of the year. Parallel to this, market capitalization rose to € 485.9 million (2013: € 403.2 million). Thus, Rosenbauer's shares were again one of the top performers on the Vienna Stock Exchange in 2014 and confirmed their reputation as a sustainable investment.

Shareholder structure



[1] Holding company of Rosenbauer family shareholders

Rosenbauer has no-par-value shares listed on the stock exchange. 51% of Rosenbauer's shares are held by Rosenbauer Beteiligungsverwaltung GmbH, a company founded by the family shareholders. Around 5% of the share capital is held by an institutional investor in France. The remaining shareholdings in the free float are held by investors in Europe (Belgium, Denmark, Germany, France, the UK, Austria, Sweden, Switzerland) and the United States. Despite the turbulent market environment, Rosenbauer has been able to further develop its shareholder structure. This has confirmed the wisdom of the decision to deepen the dialog with investors, and with institutional investors in particular, and to intensify the roadshow work.

Award-winning investor relations

The Rosenbauer Group, as well as its corporate strategy, investor relations and the performance of Rosenbauer shares, have received multiple accolades in recent years: In the Vienna Stock Exchange's 2014 Awards, the most important Austrian award for listed companies, Rosenbauer took second place in the category Small & Mid Caps. The appraisal focuses primarily on the quality of investor relations and communications in the form of investor services. It also takes into account factors such as price performance and liquidity.

Open dialog

The open exchange of information with all players on the capital market continued again in the past year. Rosenbauer used the opportunities presented by roadshows and capital market conferences at a number of European financial centers to tell institutional investors about the strategy and development of the Rosenbauer Group. There were also regular press conferences and meetings with analysts. Financial community members such as analysts and investors were invited to question-and-answer sessions with senior management at the Group's head office, and took the opportunity to see production and the products themselves. There was a shareholder day in the reporting period as well. More than 80 private investors learned about the current performance of the Group and had the opportunity to tour the new production facilities in Leonding.

Analysts from renowned financial institutions and banks are a key source of information for institutional investors, providing a basis on which to make decisions. The banks Baader Bank, Kepler Cheuvreux and Raiffeisen Centrobank recently analyzed the shares of Rosenbauer International AG. Price targets and recommendations are updated daily on the website rosenbauer.com.

Stable dividend distribution

Rosenbauer follows a growth-oriented and sustainable dividend policy that is consistent with the company's performance. Moving ahead as well, Rosenbauer wants its shareholders to share in its positive development. Its goal is to distribute a secure and attractive dividend based on a performance component dependent on revenues, earnings, and free cash flow.

The Executive Board and Supervisory Board will propose to the Annual General Meeting that the dividend for 2014 should be left unchanged at € 1.2 (2013: € 1.2) per share. Accordingly, the distribution volume for 6.8 million no-par-value shares will be € 8.2 million (2013: € 8.2 million). Based on the closing price of € 71.5, this corresponds to a dividend yield of 1.7% (2013: 2.0%).

Key stock exchange figures

		2014	2013
Highest share price	in €	**77.0**	60.0
Lowest share price	in €	**57.9**	45.0
Closing share price	in €	**71.5**	59.3
Market capitalization	in € mill.	**485.9**	403.2
Earnings per share	€	**4.0**	3.9
Price/earnings ratio		**17.9**	15.2
No. of shares sold		**1,037,808**	1,749,680
Trading turnover	in € mill.	**68.7**	93.6

Issuer Compliance Directive

The principles on the forwarding of insider information and the measures for avoiding the misuse of information are set out in the Issuer Compliance Directive, which is consistent with the latest Austrian capital market provisions. Compliance with this Directive, and any necessary adjustments, are monitored and implemented on an ongoing basis by the Issuer Compliance Officer. This directive applies to the members of the Executive Board and the Supervisory Board, the top management levels of the Group and all persons who are privy to insider information on a routine or project-related basis.

Share details

ISIN: AT0000922554

Vienna Stock Exchange listing: Prime Market

OTC listings: Berlin, Düsseldorf, Hamburg, Hanover, Munich, Stuttgart

Stock exchanges: Regulated market in Munich; OTC market in Berlin, Düsseldorf, Hamburg, Hanover, Stuttgart; open market in Frankfurt

Ticker symbols: Reuters: RBAV.VI; Bloomberg: ROS AV; Vienna Stock Exchange: ROS

Number of shares: 6,800,000

Share class: No-par-value shares, bearer or registered

Share capital: € 13,600,000

ATX prime weighting: 0.65% (2013: 0.45%)

Capital market calendar

Apr 15, 2015	Publication of results for 2014
May 13, 2015	Publication of Quarterly Report 1/2015
May 21, 2015	Annual General Meeting, begins 10:00 a.m. Börsensäle Wien Wipplingerstrasse 34, 1010 Vienna, Austria
May 29, 2015	Dividend payment date
Aug 25, 2015	Publication of Half-year Financial Report 2015
Nov 19, 2015	2015 Publication of Quarterly Report 3/2015

Investor Relations

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SUSTAINABILITY REPORT

"As a family enterprise, we actively practice sustainability to ensure a successful and long-term future. This is reflected by our basic social attitudes."
(Excerpt from mission statement)

Rosenbauer takes responsibility

The Rosenbauer mission statement sets out the company's self-image and the basic principles of its business conduct. It also contains a clear commitment to sustainability and corporate social responsibility. We take it for granted that natural resources must be treated considerately and that all laws must be complied with. Our Code of Conduct establishes basic principles that must be observed by all members and partners of the Rosenbauer Group. The stated aim of our corporate governance is to maintain a policy balanced between the interests of our owners, our employees and our social environment.

By pooling resources we focus on the areas of education and young people, the firefighting community and regional development. Sustainability criteria are fixed components of our Group strategy and in all areas of the company. They play a vital role in the training and development of our employees with the aim of ensuring their performance and thus the company's success in the long-term. They are the foundation of our innovation work, which seeks to create products that can be produced with low impact on resources, are of the utmost quality and that will function dependably for years to come. These sustainability criteria are practiced and constantly evolved by the management, focusing not on short-term thinking in the sense of quarterly results, but on long-term – and therefore sustainable – corporate success.

Responsibility for employees

Rosenbauer employed an average of 2,800 employees in the 2014 financial year. In the last ten years headcount has therefore more than doubled, with Group revenues rising from € 321.3 million (2005) to € 784.9 million over the same period. The growth is mainly due to the Group's internationalization, which has also resulted in great cultural diversity within the company.

The foundation of Rosenbauer's success is self-reliant employees who are capable of working unaided, and who are given the opportunity to realize their talents in day-to-day work. The company supports them not just in terms of their professional qualifications, but also their personal development. It does this with a comprehensive program of in-house training and a healthy, safe and motivational working environment that individual employees can actively help to shape. Detailed information on training programs can be found in the Employees section of the management report.

The goal of HR development is to give every individual the chance of an optimal work/life balance, and to ensure that every employee enjoys equal opportunities – regardless of age, sex, culture, or origin.

Employees who work with a volunteer fire service are held in especially high regard at Rosenbauer. Volunteer firefighters make an important contribution to society by placing themselves at the service of the wider community. In so doing, they also uphold the values for which Rosenbauer stands.

Targeting young staff

A key area of focus is the training of young employees so as to assure a steady supply of skilled staff. Rosenbauer offers around 130 apprenticeships in its European locations, giving it an exceptionally high ratio of apprentices by industry standards. Most of those who graduate from a technical or industrial

Rosenbauer is creating 20 nursery places for children aged between one and three years together with the companies Silhouette and PEZ/Haas.

apprenticeship can be offered a permanent job. A large share of the office trainees are also be kept on.

Rosenbauer also trains young people with special needs. This is carried out in close cooperation with Caritas Oberösterreich and benefits people with reduced learning capacity. The aim of this is to give them opportunities in the world of work, to integrate them into normal working life, and to increase their independence. There are currently four young people in this training program. At the same time, all other employees benefit from increased awareness of this issue, which promotes social skills within the company.

The Rosenbauer training program offers individual options for each and every employee. This extends from personality and team development courses to foreign language and management training, and courses with specialist technical and commercial curricula. Rosenbauer does this by working closely with local educational facilities. Furthermore, the company regularly provides internships for students and projects for diploma dissertations.

Workplace health

Rosenbauer uses a wide variety of measures to promote the health and fitness of its employees, both with its works health scheme and by encouraging sports activities. For example, the "Rosenbauer Health Day" project was expanded to include the Neidling location in the reporting period. The first event that the Neidling staff took part in, as in Leonding, was dedicated to the locomotor system. The program to evaluate workplaces in terms of physical and mental stress was continued as well. Moreover, most of the European locations are now no-smoking and alcohol-free zones.

Employees who like to do sports in their free time have a lot of options at Rosenbauer. They can do different sports with the Rosenbauer Sports Association and the company gets them discounts on tennis club memberships and skiing day passes, or pays their entry fees for running, cycling, and triathlon events. Rosenbauer's own line of sports clothing helps to boost employees' motivation to get involved in sports together.

Joint nursery

In the reporting period, Rosenbauer launched its "Childcare" project and began construction of its own nursery. Alongside Rosenbauer, two other companies from the greater Linz area are involved in the project, Silhouette International Schmied AG and the PEZ/Haas Group. The first step is to create 20 nursery places for children aged between one and three years, divided into two groups. There are then plans for a company childcare center where ten further children aged between one and 16 can be looked after.

The nursery is located not far from Plant I in Leonding on a plot of land of around 1,200 m² provided by Rosenbauer. Construction on a two-story building with usable space of 445 m² is largely complete and the opening ceremony is scheduled for fall 2015. Rosenbauer has invested more than a million euro in this building.

Safety at work

Rosenbauer is constantly investing in the modernization of workspaces and work procedures. In addition to efficiency, attention is also always paid to ergonomics and safety. The new Plant II in Leonding is a good example of this: All production areas and workplaces have been designed and set up in close cooperation with safety experts, occupational physicians and works and official representatives. The new production line in Plant II is partially equipped with hydraulic lifting platforms to allow fatigue-proof, upright assembly everywhere. The assembly materials are delivered just-in-sequence to their intended places, so that assembly work is not disrupted at all. Tools, equipment, and devices are arranged around the individual work places to facilitate work without unnecessary hindrances.

Clearly structured assembly operations, sufficient place to work, ergonomic workstations, plenty of light, and a high degree of cleanliness characterize what is currently the world's most state-of-the-art firefighting factory.

SOS (from the German for safety, orderliness and cleanliness) at work are regularly reviewed and improved in terms of established ergonomic and work safety considerations as a part of internal SOS audits and special safety inspections. Short pathways, optimal device support, ergonomic access to materials, mobile tool trays and energy sources, minimization of noise generation, fall protection systems for work vehicle roofs, etc. ensure a high level of work safety.

The stresses entailed by work processes are assessed by the Rosenbauer work safety organization. This consists of a safety service at the locations, the Work Safety Committee, the safety engineer, the safety representative, first-aiders, fire prevention officers, and the occupational health service. The latter of these is currently also conducting an evaluation of the physical and mental stresses at Rosenbauer workplaces.

There is a reporting system in place that uses standardized procedures to report accidents. In addition to reportable workplace accidents, "near-miss" accidents are also registered, documented and analyzed to derive improvements. The lost time rate was developed as an internal performance indicator to measure this.

The analysis of the workplace accidents that have occurred in recent years shows that most of these were caused by the employees concerned doing something unsafe, respectively they were their own fault. The optimization of workplace design in the context of SAFE and the easing of the shortage of space by expanding production has helped to reduce the number of accidents.

Responsibility for products

The safety of firefighters in the field is a central concern in product development at Rosenbauer. The constantly changing requirements of fire departments demand a high level of innovation. Rosenbauer actively involves its customers in the development process for new products and regularly discusses future needs with users. The company therefore always has its finger on the pulse of how its products are utilized and creates the framework for gearing product development to fire departments' specific requirements.

Constant innovation

Rosenbauer is considered an innovation and technology leader in the fire equipment sector. Constant innovation is one of the things that sets the company apart from the competition as well. Rosenbauer products are characterized by functional design and the perfect interplay of the systems involved. Rosenbauer will again present new developments from every department at the Interschutz fire equipment trade fair in Hanover in June 2015.

Quality management

Firefighting equipment must remain operational and ready for use for long periods of time, and the quality has to be one-hundred-percent right. The legendary Rosenbauer quality is assured in part by way an integrated management system (IMS) that maps all the relevant business processes. The company today has:

- a quality management system certified according to ISO 9001:2008,
- an environmental management system certified according to ISO 14001:2004,
- a health and safety management system certified according to OHSAS 18001:2007 and
- an energy management system certified according to ISO 50001:2011.

The internal management system serves primarily as a tool for process optimization and the ongoing further development of the company. Regular internal and external audits by an independent certification company (Quality Austria) and by certain customers ensure sustainable improvement at all business levels and of the system itself. The management system is also used as an information and controlling instrument. This goes well beyond compliant quality assurance and certification of international standards in environmental protection, energy, and work safety. From the outset, Rosenbauer has utilized a lean, integrated management system and made this accessible to employees via the company's portal. All the regulations and documents needed for operational processes are available online. Continuous improvement – which is a fundamental concept in the ISO system – is treated as an independent process at Rosenbauer.

Not least of all, the systematic implementation of the processes, instructions, and stipulations set out in the IMS is reflected in the development of quality costs. Despite the increase in production output and the relocation of two full vehicle assembly areas to Plant II, the quality indicator for 2014 remained at the same level as in the previous years. Based on production costs including chassis, this was 1.33%.

Global customer support

High quality products are generally less likely to need repair and easier to service, which makes an important contribution to sustainability. Furthermore, customer service runs a spare parts program that guarantees the availability of equipment and vehicles over the entire product lifecycle.

Spare parts and services are available worldwide, and customer support can be reached around the clock. Another contribution to sustainability that has been encouraged in recent years is refurbishment: older vehicles are completely overhauled and refitted with state-of-the-art engineering and safety.

Eco-friendly production

Safety, cost-effectiveness, and resource efficiency play a central role in Rosenbauer's production operations. Environmental criteria are taken into account in all key decisions and the company regularly invests in environmental protection measures. These endeavors to combine environmental and economic efficiency are not just an end in themselves, but also help the Group to stay sustainable.

Employees are actively involved in environmental management at many levels, and are constantly made aware of environmental concerns in their work areas. All production employees who perform safety or environmental functions receive environmental, quality, and work safety training once a year.

Successes were achieved in the year under review mainly in the avoidance of waste, the reduction of heating and fuel consumption, and the substitution of energy-intensive appliances with energy-saving ones (e.g. electric tools in place of compressed air equipment). Generally, however, the environmental impact of production tends to be low as it involves mainly assembly work. The processes in operation are classic mechanical engineering and custom vehicle manufacturing, metalworking, and plastics processing.

Suppliers are expected to comply with environmental protection as well. In addition to ongoing supplier evaluation, attention is paid to reducing packing materials and waste. One example of this is the use of reusable transport racks instead of disposable cartons. A large number of suppliers, particularly in the area of equipment, already have ISO 14001 environmental management. Further ecological awareness among suppliers is encouraged on an ongoing basis.

Efficient energy use

As one of the first companies to have a certified energy management system, Rosenbauer is committed to constantly optimizing its energy footprint. In this context, all relevant workflows and processes are assessed and weighted according to their energy efficiency, and measures are derived from this to improve efficiency. In addition to the locations in Austria, the locations in Karlsruhe and Luckenwalde were also ISO 50001:2011 certified in the reporting period.

To boost ecological awareness among staff, various training programs on subjects such as saving gas were offered again in 2014. Furthermore, specially produced brochures advised employees on how to save energy at home and how to make their lives more environmentally conscious. Assistance in buying e-bikes and participation in “Car Free Day” were well received by the staff.

To reduce its overall energy consumption, Rosenbauer uses waste heat from production (test rigs) to heat the paint shop; new offices are equipped with cutting-edge daylight and heating control systems and extra thermal insulation is being added to buildings whenever they are converted or extended.

District heating saves CO_2

In the reporting period, the heating system at Plant II in Leonding was converted to district heating. Rosenbauer now uses waste heat from voestalpine in Linz and thereby saves around 1,000 metric tons of CO_2 per year. This further improves the energy footprint and environmental impact of the Leonding location. Efforts to unite ecology and economic efficiency help the Group to be sustainably economical.

Responsibility in the region

The motto “Think globally – act locally” sums it up neatly: the prerequisite for global business, and a factor in its success, is the social responsibility that Rosenbauer practices at each

Rosenbauer is taking responsibility and building around 255 homes for tsunami victims together with "Nachbar in Not", the City of Vienna, and "Hilfswerk Austria International".

of its locations. The locations establish business relationships, tap into the expertise in the region, and maintain an intensive neighborly dialog with partners. The aim is always to join with them to create value added for the company and its stakeholders.

Each Rosenbauer location works closely with local suppliers and service providers. A significant share of its procurement volume is sourced in the immediate vicinity of the plants. By doing this, and by creating jobs, Rosenbauer contributes to value added at a local level, promoting the economic development in the respective region with wages, investment, procurement, and taxes.

Responsibility to society

Business responsibility is not limited to the company's own business processes and their direct impact. The Rosenbauer Group is itself an active player in society, which is why it also takes on social issues directly.

In keeping with this self-image, the corporate social responsibility policy sets out the general standards and objectives of the company's social commitment. Rosenbauer deliberately focuses on its own business activities here: It supports primarily those projects, initiatives and organizations that operate close to a Rosenbauer location or with direct ties to the locations. Care is taken to ensure that these organizations' guiding principles are in keeping with those of the Group. Naturally, a key focus of Rosenbauer's social commitment is the firefighting community. However, Rosenbauer also promotes initiatives that educate young people.

Homes for tsunami victims

In November 2013, a devastating typhoon on the Philippines robbed many people of their existence in just a few minutes. With the support of Rosenbauer, the city of Vienna and "Nachbar in Not", "Hilfswerk Austria International" is assisting in the sustainable redevelopment of this area. In Sam Remigio on the island of Cebu, an Austria village is being built with around 255 houses for large families from the now uninhabitable coastal regions.

SOS Children's Village

Rosenbauer is aware of its special position in society and industry. The company also seeks to be a role model in its social commitments; an example of this is the cooperation with the SOS Children's Village. Rosenbauer sponsors two programs at the Altmünster Children's Village in Upper Austria. This helps 24 young people to live a socially and professionally successful life.

Another social project is the involvement in the START program in Upper Austria, which is helping a scholarship student from a migration background to earn her school-leaving examination.

Rosenbauer employees are personally involved in both of these projects because social responsibility means more to the company than just financial support.

COMPLIANCE

Compliance is a key component of integrity, and therefore a key component of Rosenbauer's business.

Group-wide regulations

Compliance with international rules and treating business partners fairly are among the most important of the company's principles. Rosenbauer feels committed to more than just statutory and internal provisions. Voluntary obligations and ethical principles are also integral components of Rosenbauer's corporate culture.

Rosenbauer firmly believes that business success can endure only where it is established in a legally impeccable manner. Not least of all for this reason, the company has created its own Code of Conduct for business dealings to be complied with by all employees and partners worldwide.

Compliance Organization

Throughout the company, the Compliance Organization monitors the issues of corruption prevention, competition law and third-party due diligence together with the areas and subsidiaries directly affected. The Group Compliance Officer reports directly to the Executive Board and gives annual reports to the Supervisory Board's Audit Committee on the activities that have been undertaken and on any relevant events.

Local compliance officers are nominated at the Group's various locations to handle general compliance inquiries and tips on possible misconduct. A law firm acts as an external ombudsman.

Training

All employees and all relevant business associates are issued with a copy of the Group's Code of Conduct. Staff for whom compliance is especially relevant must undergo training courses on pertinent topics according to a detailed training schedule.

Furthermore, managers and other employees to whom compliance applies regularly receive training at the Group's locations. Training is also provided in the context of international dealer meetings. Information and training literature are available to all employees on the Group-wide company portal.

Certified system

In the year under review, the compliance management system that was successfully certified by the Austrian Standards Institute in accordance with ON 192050:2013 in 2013 successfully passed its routine audit.

Vetted partners

Rosenbauer demands full and absolute compliance from its business associates and sales partners. Anyone who works with Rosenbauer must meet Rosenbauer's compliance standards. Rosenbauer's expectations regarding the conduct of its partners are explicitly set out in its sales agreements.

Sales partners are subjected to a risk-based integrity review in order to identify potential corruption risks. The ongoing analysis of new and existing business partners is conducted using a web-based tool that supports the risk analysis and due diligence process in connection with business and sales partners. In addition, new business partners are also vetted directly at the local level in individual instances.

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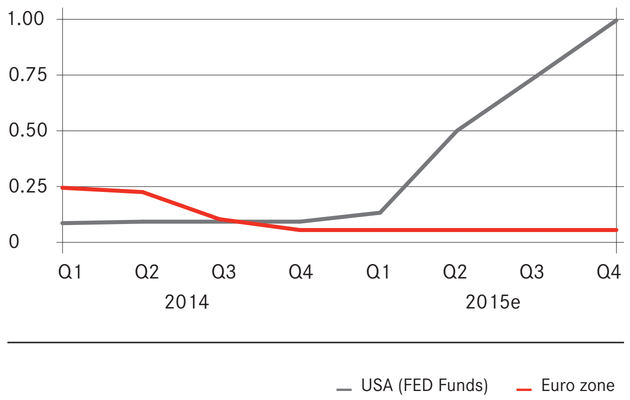
GROUP MANAGEMENT REPORT
ECONOMIC ENVIRONMENT[1]

Global economy
In the first half of 2014, global gross domestic product (GDP) increased only very modestly, though the second half of the year then showed an improvement. Overall, at 3.3%, growth in 2014 was below the level originally forecast at the beginning of the year of 3.7%. Global growth was driven by the Asian and North American markets. In turn, the increases in GDP were the highest in China (7.4%) and India (5.8%).

It is assumed that the momentum of the global economy will improve only slightly over the next two years. Rises in global GDP of 3.5% and 3.7% are expected for 2015 and 2016 respectively. The world economy should be positively influenced by expansive monetary policy and the low price of oil, which will make the slowing effects of financial policy in some countries less effective.

The low interest policy in the euro zone will continue in 2015 as well. In the United States and the United Kingdom, however, there are indications of a reversal of this policy, which was already evident in exchange rate changes at the end of 2014. Overall, the world economy will remain prone to disruption, whether from turbulence on the financial markets, such as the unpegging of the Swiss franc from the euro, or geopolitical developments.

Interest rates 2014–2015 (in %)[2]



The situation on the labor markets of the developed nations varied considerably in some cases. While the unemployment rate fell to significantly less than 7% in the US in 2014, in the EU is remained relatively high at more than 10%, though there were substantial regional differences.

North America
The gross domestic product of the US in 2014 grew by 2.4% as against 2013. It therefore fell slightly short of the originally projected 2.8%, though the economy was observed to be gathering pace in the fourth quarter. Positive signals came from the US labor market in particular in the second half of the year.

[1] Source: International Monetary Fund, January 2015

[2] Source: Deutsche Bank, December 2014

For 2015, economists are predicting strong GDP growth of 3.6% and a further decline in the unemployment rate to 5.6%. The US budget situation has improved again year-on-year, with the trend pointing to a continuing deficit reduction.

Europe

The economy in the euro area will only gradually find its feet. Its GDP increased by 0.8% in 2014 with growth of 1.2% expected for 2015. The persistent structural problems in one part of the euro currency zone are being countered by stronger momentum. The low rate of inflation is not expected to impede the economy as it is not coupled with lower income. On the contrary, it could even have a stimulative effect.

The German budget developed positively in 2014, though this was in strong contrast to the situation in France. The rate of budget consolidation has slowed overall in Europe. Thus, one of the factors inhibiting the growth of the economy as a whole was also diminished.

The downward economic trend in Russia was exacerbated in 2014 by political crises and the sharp drop in the price of oil. Its GDP growth amounted to just 0.6% after 1.3% in the previous year. Given the country's high dependence on commodity exports and the persistently low prices for commodities, a further significant decline to –3.0% is anticipated for 2015. A forecast of the further development of the Russian economy is hardly possible at this time.

Asia

The economy in the Asian nations grew slightly more quickly again, though the basic trend is more muted. Following a weak phase in the major emerging nations in the first half of the year, the recovery did not develop any particular momentum in the second half of the year either. Chinese GDP grew by 7.4% in 2014, and is set to slow slightly to 6.8% in 2015. This development is first and foremost due to the restructuring of the economy; there are no indications of a slump. In India, however, there are prospects of a surge in growth from 5.8% in 2014 to 6.3% in 2015.

INDUSTRY DEVELOPMENT

International

The firefighting industry was confronted with a wide range of challenges in 2014. This is not expected to change in 2015. On individual markets there were indications of an upswing, demand in the countries of Southern and Eastern Europe remained weak, the Asian markets maintained their long-term trend.

The industry continued to perform well in countries with a greater need for safety products in the wake of natural or terrorist disasters, and in up-and-coming markets that enjoy high resource revenues. The global increase in air traffic and the use of larger aircraft are ensuring continuing strong demand for specialty vehicles.

The critical factor determining the procurement potential of individual markets or regions is the way in which its fire services are financed: In most industrialized countries, this factor is the financial strength of local authorities. In emerging market countries, it is financed out of centrally managed state budgets, resulting in irregular large-scale procurements which are often influenced by one-time events.

Worldwide, firefighting vehicles with a total value of around € 3,4 billion were sourced.[1] The global sales volume was therefore around 10% higher than before. The strongest sales regions were Europe, NAFTA, and Asia. This figure does not include compact vehicles (up to a gross vehicle weight of 7.5 t) or fire and safety equipment.

North America

The positive development forecasted at the start of 2014 for the United States, the largest single market in the world, did not materialize in the months that followed. Even in the fourth quarter, sliding demand failed to recover, with the result that the volume for the year fell short on the previous year. In addition, as in previous years, North American manufacturers had struggled with capacity utilization difficulties and lowered their prices. The US firefighting industry should recover somewhat in 2015, especially as this usually follows an improved economy after a slight delay.

Europe

Procurement in Europe is primarily financed by tax revenue. This trickles down to the firefighting industry after a delay of one to two years. Despite austerity measures, demand recovered slightly in some countries in 2014, most of all in Austria and Switzerland, though also – starting from a lower level – in Spain.

In the countries of Central and Eastern Europe (CEE), pending vehicle procurement programs have been postponed for years. 2014 was no different, and this situation is not expected to change in the foreseeable future given the poor economic outlook.

The market downturn in recent years has been most severe in the countries hit hardest by the financial and economic crisis, in Southern and Southeastern Europe. The procurement market in Greece has almost completely collapsed, while countries such as Spain, Italy, and Portugal have seen massive contractions in demand in some cases. There was also no significant change

[1] Based on 2013 UN statistics

in the reporting period, only Spain saw a minor market recovery again for the first time after years of dwindling demand.

The market in Austria developed positively, with sales of firefighting vehicles up on the previous year's level. The market is expected to stabilize in 2015 with demand at an average level for recent years.

Despite the good economic climate in Germany, volumes on Europe's largest single market were slightly below the level of recent years. The average age of German firefighting vehicles is relatively high at 19 years. The market is still hard fought, and the pressure of intensive price competition on fire equipment suppliers is high.

Russia is an important fire equipment market. After major fire events, the country has begun modernizing its municipal firefighting services in recent years. Russia's need for advanced firefighting systems is still considerable, but demand fluctuates heavily according to the availability of funding. In addition, procurement from euro countries is expensive owing to the sharp depreciation of the Russian ruble, and therefore significantly harder to finance.

Asia

The highest growth firefighting markets in Asia are China and India. For years, both countries have enjoyed a robust economic performance that has positively influenced the firefighting industry. However, they procure mainly locally produced, budget segment vehicles. For vehicle manufacturers from Europe or the US, only the specialty vehicle segment is of interest in these countries as they demand a level of technology and quality not possible for local providers.

The new government elected in India in 2014 intends to invest heavily in the country's infrastructure, which can also benefit the firefighting industry.

In China, there is a clear range of stimuli to boost the domestic market, which could lead to a compartmentalization of the market due to more stringent approval requirements.

Middle East

Owing to its growing urbanization and industrialization, the Middle East has established itself as a key growth region for the international fire equipment sector in recent years. Natural resources are allowing increased investment activity in modern firefighting equipment. Procurement is focused on high-end vehicles of all categories and the entire fire and safety equipment range.

Other markets

The markets in Latin America and Africa are spotty in that there is no regular replacement procurement, as is the case in Europe or the US. Some procurement markets have lead times lasting several years and are hard to forecast. Technically sophisticated European or US-produced firefighting vehicles are increasingly in demand in oil producing countries.

A new plant to get efficiency moving.

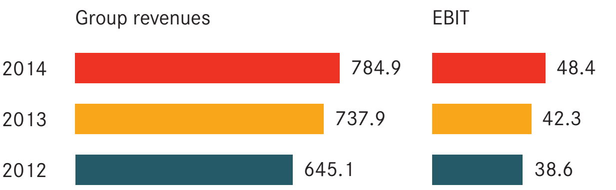

We are going one better.

REVENUES, INCOME AND ORDER SITUATION

The Rosenbauer Group continued its growth in 2014 and again posted record revenues. Its long-term growth strategy allowed it to further expand its business and grow its revenues in the regions of North America, Asia and Oceania. The key pillars of this success are its strong and systematic international orientation and the Group's technology leadership. Rosenbauer boasts highly positive business development compared to other market participants, and is therefore able to consolidate its leading position in the global fire equipment sector.

The revenues of the Rosenbauer Group reached a record level of € 784.9 million in the 2014 financial year (2013: € 737.9 million). This corresponds to an increase of 6% as against the previous year. The main contributors to the rise in revenues were S.K. Rosenbauer, which increased deliveries in the Asian region, and the Spanish and US companies. The revenues of the recently acquired Rosenbauer UK of € 3.7 million were also included in the consolidated financial statements for the first time.

Group revenues/EBIT (in € million)



Majority investment in North Fire

In April 2014, Rosenbauer International AG acquired 75% in the UK's North Fire plc, Holmfirth. The company, which has around ten employees, was until recently the exclusive sales and service partner for personal protective equipment, firefighting components, aerials, and municipal vehicles in the UK. Its incorporation into Rosenbauer's sales and service network will allow the Group to serve UK fire services directly in the future. Rosenbauer intends to better leverage the potential of the UK market through its closer involvement.

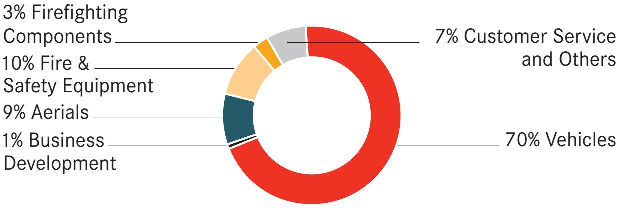
The founder of North Fire holds 25% in Rosenbauer UK and is its managing director. The new UK subsidiary was included in consolidation effective April 1, 2014.

Like every year, the largest share of revenues in 2014 was contributed by Rosenbauer International AG at € 490.2 million (2013: € 483.7 million). Its revenues were therefore on par with the previous year. With an export ratio of 92% (2013: 93%) and deliveries to more than 100 countries, Rosenbauer has the largest international presence in the firefighting industry.

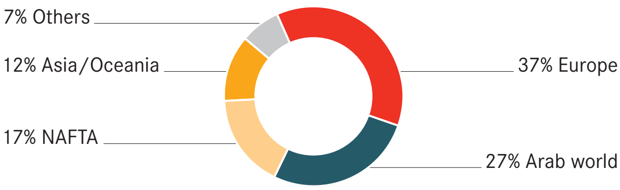
Breakdown of revenues

At 70% (2013: 70%), the strongest revenue segment in the Group was the Vehicles product segment. The Fire & Safety Equipment segment posted revenue of € 77.9 million (2013: € 81.5 million), accounting for 10% (2013: 11%) of total revenues. The Aerials and Firefighting Components segments matched the previous year's levels at 9% and 3% respectively (2013: 10% and 3%). The Business Development segment reported revenue of € 6.4 million (2013: € 3.8 million). Revenues from Customer Service and Others amounted to 7% (2013: 5%).

Revenues by product segments 2014



Revenues by region 2014



High ratio of production costs

Costs of materials rose by 5% to € 522.4 million (2013: € 496.2 million). These amounted to 67% of revenues in total in 2014 (2013: 67%), most of which relating to chassis for fire-fighting vehicles that, except for in the US, have to be purchased.

Staff costs rose by 12% year-on-year in 2014. They increased from € 142.2 million to € 159.5 million, amounting to 20% (2013: 19%) of revenues. The higher expense is due to the strong increase in head count and the annual wage and salary increase. Above all, the relocation of AT and PANTHER production to the new Plant II in Leonding entailed a temporary but significant rise in the number of employees to 2,941 (end of 2013: 2,651).

Amortization on intangible assets and depreciation of property, plant and equipment climbed by 24% from € 10.2 million last year to € 12.6 million. The rise was as a result in particular of increased investment for the expansion of production space. Other operating expenses decreased by 5% to € 58.1 million (2013: € 61.2 million).

Result of operations

At € 48.4 million, EBIT in the 2014 financial year was up 14% on the previous year (2013: € 42.3 million), while the EBIT margin climbed from 5.7% to 6.2%. A significant share of this improvement was accounted for by the German and American segments, the latter of which on account of the further optimization of chassis production at Rosenbauer Motors. The capitalization of development costs of € 3.4 million (2013: € 2.3 million) also had a positive effect on earnings.

While consolidated earnings developed positively in 2014, the Austrian segment posted a decline in earnings due to start-up costs in the new plant in Leonding and higher location costs. To counter these effects, measures have already been initiated to compensate for the steady rise in location costs in Austria relative to international standards.

Until the fourth quarter, working capital was predominantly funded on a short-term basis. Given the high capital expenditure for adapting and acquiring Plant II, the maturity structure of financing was reorganized. Loan agreements for around

€ 50 million with terms of up to seven years were concluded with several banks with which business relationships had already been established.

The non-current liabilities are subject to interest adjustment agreements based on three- and six-month interest rates. The interest incurred on total interest-bearing financial liabilities amounted to € 2.4 million in the reporting period (2013: € 2.7 million). The average interest rate was 1.3% (2013: 2.1%).

The earnings contribution of the associate PA "Fire-fighting special technics" LLC. in Moscow was reduced to € 1.5 million (2013: € 1.8 million). The joint venture Rosenbauer Ciansa S.L. in Spain is also accounted for using the equity method and increased its earnings to € 0.3 million (2013: € 0.1 million) as a result of exports. The two companies accounted for using the equity method together contributed € 1.8 million to earnings in the past year (2013: € 1.9 million). Earnings before taxes (EBT) amounted to € 47.3 million in the reporting period (2013: € 41.7 million).

The reported tax expense was € 10.7 million (2013: € 10.9 million). The tax rate was therefore below the average level for previous years at 22.5% (2013: 26.2%), while the company's partners in the US pay local taxes themselves. After deducting income taxes the profit for the period amounted to € 36.7 million (2013: € 30.8 million).

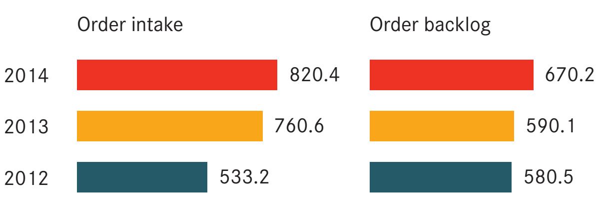
The non-controlling interests held by the partners in Rosenbauer America, Rosenbauer Española, Rosenbauer d.o.o. in Slovenia, Metz-Service18 in Chambéry, Rosenbauer UK, Rosenbauer South Africa, Eskay Rosenbauer Brunei and Rosenbauer Saudi Arabia amounted to € 9.4 million in the reporting year (2013: € 4.4 million). The increase resulted essentially from the considerably higher earnings at Rosenbauer America.

Orders

The development in incoming orders on international markets was highly satisfactory for the Rosenbauer Group in 2014. Incoming orders again set a new record of € 820.4 million (2013: € 760.6 million) and were therefore higher than in the previous year once again. This is due in part to a follow-up order from Saudi Arabia for € 150 million.

At € 670.2 million (December 31, 2013: € 590.1 million), the order level remained at a high level as of the end of the year despite increased deliveries towards the end of the year as a result of industry factors. This gives the Rosenbauer Group assured capacity utilization at its production facilities in 2015 and good visibility for revenue development in the months ahead.

Order intake/Order backlog as of December 31 (in € million)



PROCUREMENT, LOGISTICS AND PRODUCTION

It is of essential importance to the business success of the Rosenbauer Group to only work with the best and most innovative suppliers. Fire departments' demands are constantly changing, and Rosenbauer and its suppliers must be just as flexible in how they react. This requires a constant drive for innovation on both sides in addition to reliable and effective systems.

Audited suppliers

Rosenbauer therefore deliberately sets great store by close cooperation with its suppliers based on a spirit of partnership. They are carefully evaluated and selected, and the foundations for shared success are laid by utilizing new technologies, innovative ideas, and a culture of pronounced cost consciousness. One of the goals of the intensive cooperation with suppliers is to leverage not just Rosenbauer's own knowledge, but also the expertise, creativity and experience of its suppliers and partners. Together, strategies are developed to optimize cooperation, improve the logistics chain, satisfy environmental aspects, and even to develop innovative product solutions.

High purchasing volume

The Group-wide purchasing volume of production materials and merchandise was € 595.7 million in the reporting period (2013: € 468.3 million). This corresponds to a 76% share of the Group's revenues. Given the sharp increase in procurement volumes, keeping the production operations supplied on-time is a considerable challenge.

84% of Rosenbauer International AG's procurement volume is sourced in Europe, and the rest mostly comes from the US. The principal suppliers are from Austria, Germany, and the US.

Global purchasing

As an international enterprise, Rosenbauer utilizes the global procurement markets while maintaining its corporate social responsibility. This includes complying with the applicable laws and respecting fundamental ethical values everywhere and at all times in addition to acting sustainably. In line with this strategy, Rosenbauer also expects responsible conduct from its suppliers, partners, and their employees.

Focus on chassis

At 27%, chassis for firefighting vehicles account for the largest share of the Group's procurement volumes. While they account for 35% of vehicle manufacturing costs, for Rosenbauer they are generally a transitory accounting item. The main suppliers in Europe are Daimler and MAN. In the US, firefighting vehicles are built largely on custom chassis that were specifically developed for firefighting vehicles. Rosenbauer America also has its own custom chassis, the Commander, with which it has significantly increased its own value added. The chassis for the PANTHER 4x4 and 6x6 models are also produced in-house. While it used to be made exclusively in the US at the Wyoming location and at a partner in Germany, since the middle of 2014 it has also been manufactured at Plant II in Leonding on a standardized line.

Stable prices

For years, the systematic procurement policy has allowed Rosenbauer to smooth out price fluctuations in purchasing. Rosenbauer is constantly monitoring developments in commodities prices and responds to price fluctuations with a procurement policy adapted to the situation.

FINANCIAL POSITION, NET ASSETS AND CAPITAL STRUCTURE

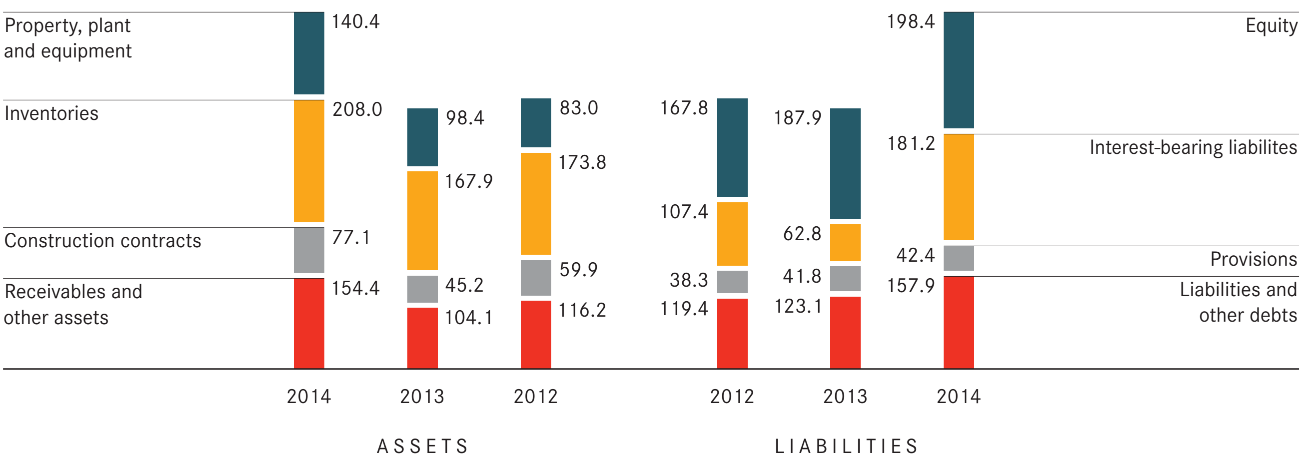
Despite the enormous growth of recent years, the financial situation of the Rosenbauer Group is still solid. For reasons specific to the industry, the structure of the statement of financial position as of the end of the year is characterized by high working capital. This results from the comparatively long turnaround times for firefighting vehicles, which are always custom-built to order. Total assets rose by 40% as against the previous year and amounted to € 579.9 million as of December 31, 2014 (2013: € 415.6 million).

The increase in business volume and, in particular, the acquisition of the Plant II property led to clear growth in property, plant and equipment. This item rose from € 86.4 million in 2013 to € 125.1 million. In addition to shares in Rosenbauer Ciansa S.L., the "companies accounted for using the equity method" item also includes the equity investment in PA "Fire-fighting special technics" LLC. in Moscow. Furthermore, this item also includes the current results of the Russian and Spanish companies accounted for using the equity method of € 1.8 million (2013: € 1.9 million).

Working capital at high level

Working capital amounted to € 137.7 million as of the end of the year (2013: € 119.4 million). The rise as against the previous year was 15%, due in particular to higher inventories and trade receivables. Inventories increased to € 208.0 million as of the end of the year (2013: € 167.9 million). In addition, construction contracts climbed to € 77.1 million in the fourth quarter (2013: € 45.2 million) and were therefore up 71% on the previous year's figure. This development was offset in part by current liabilities, which increased from € 62.1 million to € 129.5 million.

Structure of the statement of financial position (in € million)



Sustainable financing

For years the Group's financing has followed the principles of maintaining assured liquidity combined with the highest possible equity capitalization. In the past financial year equity was increased again by 6% to € 198.3 million (2013: € 187.9 million). Owing to the immense growth and the resulting increase in total assets, the equity ratio fell slightly short of the long-term target of over 35% at 34.2% (2013: 45.2%).

The Rosenbauer Group's financial management system provides financial resources within the Group, ensures financial independence and that the company is liquid at all times, and monitors all interest and currency risks. In order to safeguard liquidity, suitable financing instruments are used that guarantee the necessary financial freedom to finance operations, investments and targeted growth.

The financing structure of the Group was reorganized on account of the high capital expenditure for Plant II. Loan agreements for about € 50 million with terms of up to seven years were concluded with several banks. Non-current interest-bearing liabilities climbed to € 51.7 million as a result (2013: € 0.7 million). Benefitting from the current low interest rates, Rosenbauer leveraged the Group's good credit rating to optimize its financing costs. Given the high business volume, current interest-bearing liabilities increased to € 129.5 million (2013: € 62.1 million).

The accounting ratios of the Rosenbauer Group reflect its current growth. Accordingly, the Group's net debt (the net amount of interest-bearing liabilities less cash and cash equivalents and securities) rose to € 154.2 million in the past year (2013: € 48.8 million). The gearing ratio climbed to 77.7% (2013: 25.9%).

Inventories to debit net cash flow

The net cash flow from operating activities declined to € –37.1 million in the past year (2013: € 82.2 million). This development is mainly due to the strong rise in inventories and trade receivables. However, this failed to offset the higher earnings before taxes and the increase in trade payables.

Key profitability figures (in € million)

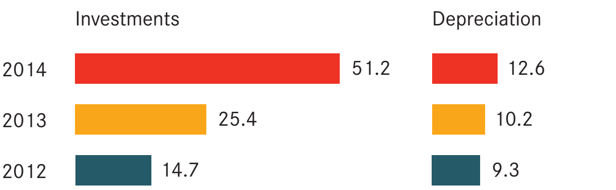
	2014	2013	2012
Capital employed[1]	**341.2**	285.7	267.2
ROCE	**14.2%**	14.8%	14.5%
ROE	**24.5%**	23.4%	24.9%

[1] Average

INVESTMENTS

Investments increased to € 51.2 million in the reporting year (2013: € 25.4 million) and focused on expanding and modernizing infrastructure in Austria. The rise in capital expenditure mainly related to the acquisition of the property for Plant II in Leonding. The largest share of investment in property, plant and equipment (61%) related to the expansion of production areas and the productivity improvements this entailed. Replacement investments and official requirements accounted for 27% while 12% was spent on streamlining measures.

Investments/Depreciation (in € million)



Since 2005 investment has clearly outstripped depreciation, in line with the goal of sustainable growth. Thanks to this increased investment activity, depreciation in the Rosenbauer Group increased to € 12.6 million in the reporting year (2013: € 10.2 million).

Plant II Leonding

The most important measure in 2014 was the conversion and expansion of the former Wacker Neuson plant and the relocation of the production lines for the PANTHER and AT series to the new Plant II in Leonding.

After a one-year adaption phase, the most state-of-the-art vehicle plant in the firefighting industry opened in the middle of the year. Assembly work is performed in line with the industrial standards of the automotive and mechanical engineering sectors; all processes are synchronized from prefabrication to the provision of materials to actual line assembly.

The new plant is set up to produce around 150 PANTHER ARFF vehicles and 250 AT municipal vehicles per year in single-shift running. More than € 12 million was invested in the expansion and conversion of the plant in 2013 and 2014, where 260 people are currently employed. The plant is located only 3 km from the Group’s headquarters and comprises grounds of around 52,000 m^2, around 15,000 m^2 of factory space, and around 7,000 m^2 of office space.

The assembly operations on the two vehicle lines are carried out at defined stations and according to a set rhythm. The vehicles and bodies are automatically moved on rails from one station to the next, with signals indicating the next move. Assembly work is performed according to the flow principle while materials are provided in line with the Kanban or pull principle.

Rosenbauer opened the most state-of-the-art vehicle plant in the firefighting industry midway through the year. The plant will manufacture the PANTHER aircraft rescue and AT municipal firefighting vehicles.

The procedures were systematically geared to the value stream, all work processes and interfaces were overhauled, and the employees were equipped with the necessary technical, process, and method skills.

The Plant II premises, which were previously merely leased, were acquired from the previous owner at the end of 2014. The total investment for the purchase of the property including the adjacent reserve plot (around 2.7 ha) amounted to € 24 million.

US expansion

All three locations in the United States launched investment programs in 2014 intended to redesign processes and expand capacity. In order to handle larger orders more efficiently, the full order process was revised in line with the latest automotive/mechanical engineering industry standards. Production areas and manufacturing processes will be redesigned.

At the plant in Lyons, South Dakota, a new production hall was built for prefabrication work including welding and deburring, etc. The investment volume was € 2.0 million. At the same time, more room was made in the existing halls for vehicle assembly. The expansion also included the systematic alignment of all processes in line with value streams, the revision of all methods, and interfaces and the streamlining of all procedures.

Procedures were also redesigned at the Wyoming plant in Minnesota. As part of the "Lean 101" lean management program, chassis assembly for the PANTHER ARFF vehicle and the construction of the Commander chassis will be combined on one line. Here, too, the goal is to enhance efficiency in production, make more room for assembly, optimize upstream processes and improve the location's infrastructure. The PANTHER, specialty vehicle and municipal vehicle production areas will be optimized subsequently.

A new hall was also built in Fremont, Nebraska, in the year under review to separate the prefabrication and assembly stages and to restructure them as in Lyons.

High-precision parts processing

Rosenbauer is constantly investing in its production technologies and machinery fleet. In the year under review, a new CNC processing center with pallet storage was acquired for the processing of cast parts in components manufacturing at Plant I, Leonding. The cost of the investment was around € 1.0 million. The new processing center will work on cast parts for pumps, water turrets, transmissions, priming pumps, and similar.

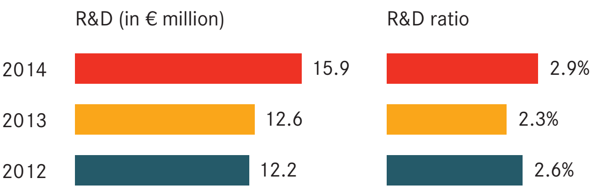

The new PANTHER
is coming more quickly
than our competitors
would like.


We are going one better.

RESEARCH AND DEVELOPMENT

In 2014, the Rosenbauer Group invested € 15.9 million (2013: € 12.6 million) in research and development. This represents 2.9% (2013: 2.3%) of the relevant net proceeds of in-house production. The capitalization rate was 21.1% (2013: 18.3%) and affected developments in Austria and Germany. Approximately 77% (2013: 72%) of development costs (€ 12.2 million; 2013: € 9.0 million) was incurred by Rosenbauer International AG, the Group-wide center of expertise for municipal and specialty vehicles, firefighting components and equipment.

Research and development/R&D ratio



The strategic objective of R&D activities at Rosenbauer is further expansion and lasting maintenance of its technological leadership. Innovation activities have a long-term focus and are concentrated on the core operations of the company according to its strategy. Systematic innovation management forms the basis for this. R&D activities are consistently aligned to the needs of customers, which are incorporated in major innovations in development projects. Ongoing and thorough market observation also helps to enable development of market-ready products with recognizable added value for customers.

Rosenbauer also addresses social megatrends in order that it can identify their effects on the fire equipment sector at an early stage. Megatrends generally have far-reaching influence on large parts of a society; they are never linear and one-dimensional, but are diverse, complex, and interlinked. Analyzing them can in turn be a means of identifying trends for the fire equipment industry, which Rosenbauer can then incorporate into its systematic development work.

In the reporting period, research and development activities focused on preparations for Europe's largest firefighting equipment exhibition. "Interschutz" takes place every five years in Germany and is attended by representatives from all major manufacturers. Rosenbauer uses the international firefighting industry event to present new developments from all product areas.

The next generation PANTHER

One of these innovations is the next generation of the PANTHER aircraft rescue firefighting vehicle. The PANTHER 4x4 and 6x6 models will be on show at Interschutz 2015. These vehicles will offer crews improved all-round visibility and night vision and will enable them to steer and operate the vehicle and extinguishing systems with greater precision, as well as making their operations even safer overall. The extinguishing systems on the vehicles – the two built-in N65 and N80 pumps, the accompanying FIXMIX 2.0 around-the-pump foam proportioning system and the two new RM35 and RM80 turrets – have been completely overhauled.

The new E5000 rescue staircase was delivered to Geneva Airport in late 2014. The E5000 completes Rosenbauer's fleet of rescue staircase vehicles. It covers heights of between 2.50 m and 5.50 m.

High-tech simulator

The accident risk during the drive to an operational scene is up to 17 times greater than that during a journey in a passenger car. Consequently, Rosenbauer has significantly expanded its range of driver training courses. In addition to the established PANTHER tactical simulator for airport fire services, a simulator for municipal firefighters entered service in the reporting year: the Emergency Response Driving Simulator (ERDS).

Both simulators enable training in particularly difficult or rare hazard and stress situations during driving or at the operation site. Thanks to the latest technology, both simulators offer highly authentic handling in a realistic and accurately detailed environment. Training on the simulator provides crew members and drivers of firefighting vehicles with routine behavior and safety even in situations that cannot normally be practiced on the road.

E5000 rescue staircase

The E5000 completes Rosenbauer's fleet of rescue staircase vehicles for airport fire services. It can reach heights of between 2.5 and 5.5 m, a range that means that it can access the doors of 90% of all commercial aircraft on intercontinental routes. The E5000 enables fast and safe rescue operations, meaning the evacuation of passengers from commercial vehicles. Its primary use is to deal with medical emergencies, which occur four to five times per week at all major airports. The E5000 also offers safe access to the aircraft for requirements such as emergency unloading of air freighters. The vehicle is fully equipped for any extinguishing that may be required, with integrated water lines and a rapid intervention unit.

Rosenbauer is expanding its range of driver training. In addition to the PANTHER tactical simulator for airport fire services, it now offers the Emergency Response Driving Simulator (ERDS) for municipal operations.

Rosenbauer presented a tank firefighting vehicle on a Renault chassis for the first time at the Fire Brigade Conference in Avignon.

Vehicles for France

In the reporting year, Rosenbauer has developed a vehicle for the French market that satisfies not only EN 1846 but also French firefighting standard NFS 61-515. This vehicle is an AT, mounted on a Renault chassis with the original crew cabin and Rosenbauer extinguishing systems. The vehicle was presented for the first time in October at the French firefighting exhibition in Avignon.

World's tallest aerial ladder

In the L62, Metz Aerials produces the tallest fully automatic hydraulic aerial ladder in the world. It is used to rescue people from great heights, but also for fighting fires. In addition to the rescue cage at the top of the ladder, it features a basket lift that runs up the ladder. The elevator moves at a speed of 1.4 m/sec, has room for three people, and can carry 12 people safely to the ground within 12 minutes. One of the first customer vehicles was presented in summer 2014 and later delivered.

The first B55 was also presented to representatives of the industry. This is part of a new series of hydraulic platforms for fire services with working heights of 50 m and above, which will later be expanded by the addition of the B51 and B62. The B55 can reach a working height of 55 m and can access even operation sites at the rear of buildings thanks to its articulated arm.

Innovative lighting system

The new RLS1000 portable lighting system was introduced at the beginning of 2014. It combines a searchlight, battery, charger, and supports in one compact device and can provide eight hours of light without an external power source. Thirty high-performance LEDs, fitted with a special lens system and controlled by dedicated software, generate a light beam of 4,500 lumen and a light color temperature of 6,500 K. The searchlight can also be used as a flashing red, yellow, green, and blue signal light.

EMPLOYEES

Strategy and management

Over the past year, the change processes in place throughout the company and their representation in the personnel and management structures were the key focal points of HR work. The increased internationalization of the Group and the path to growth that it has forged are spurring changes to the organization and processes, right down to the level of individual jobs. As a result, the requirements for employee qualifications are becoming stricter, with support from intensive training measures.

Core tasks

The core tasks of Human Resource Management include strategic personnel and management development, supervisor training, more extensive sharing of employees between global locations, management of the ever-increasing number of expatriates at the company, and implementation of the personnel-related standards derived from the strategy in coordination with the respective company units.

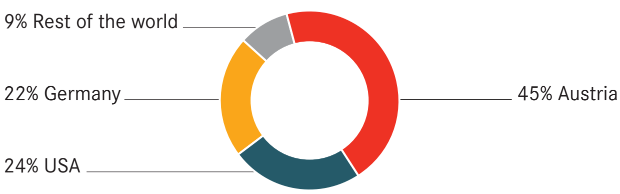
Attractive working environment

The fact that Rosenbauer is considered an attractive employer is due not only to its exciting products but also to its corporate culture. Direct contact ensured between the management and employees, a transparent information policy, and a genuine social partnership are key elements in maintaining an employee-friendly working environment. Meanwhile, a structured remuneration system as part of the payroll policy ensures that employees are paid in a manner that is fair and easy to understand.

Burgeoning workforce

With a staff of 2,941, the Rosenbauer Group employed a total of 11% more people at the end of 2014 than on the previous year's reporting date.

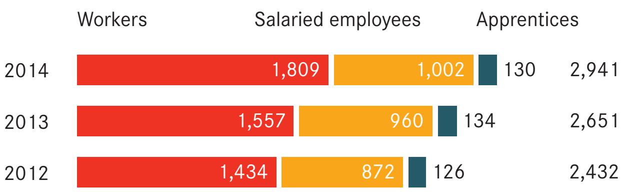
Employees by countries 2014



In Austria, the workforce grew by 9% to 1,312, while the figure abroad increased by 13% to 1,629. The increase in headcount is due mainly to the hiring of additional staff in production and production-related areas at the Austria, US and Germany locations in particular. In addition, there are the employees of the company in the UK, who have been included in reporting for the first time in this period.

The total headcount is broken down into 1,809 workers (2013: 1,557), 1,002 salaried employees (2013: 960) and 130 apprentices (2013: 134), 101 of which are in Austria. The company created additional employment through the use of 274 temporary employees (2013: 254).

Number of employees as of December 31



The average age of Rosenbauer employees in 2014 was 38 years. The average length of service with the company was 8,5 years. The low fluctuation rate of 6,2% in spite of a growing workforce is a measure of the stability of the company as an employer.

Anticipatory training

Rosenbauer offers its employees a wide range of internal and external opportunities to gain qualifications. The training program incorporates sessions on technical and business topics as well as seminars on improving project management, negotiation and social skills, and on more in depth study of various languages, including Arabic.

Anticipatory employee development is one of the most important tasks of personnel management. In 2014, training costs amounted to € 1,113.9 thousand (2013: € 901.0 thousand).

Program for technicians

The company's special in-house development program for technicians prepares employees for promotion to key internal positions. Over the 18 months of the training program, the trainees get to know all the production and production-related areas in two-month modules and are prepared for future requirements by means of a placement abroad.

Program for managers

Together with the managing directors of the operating units, the members of the top level of management took part in a one-year Management Development Program in the reporting year. This included several three-day modules as well as team and group training sessions and was aimed at forming a clear identity for the Rosenbauer management team in light of the internationalization of the Group. All management levels of Rosenbauer will gradually undergo this program in order to reinforce strategic management skills at the company and to safeguard the growth of the organization.

Train the Trainer

An additional key training element in the reporting period took place in Customer Service under the heading of "Train the Trainer." Employees from the Leonding, Karlsruhe, and Luckenwalde locations completed multi-day workshops to increase the quality and quantity of their customer training programs. At these events, light was shed on all processes involved in customer training and training manuals were created for use in defining the course of future training programs. The Train the Trainer program ensures continuous improvement in training quality and creates a pool of documents and training tools for the employees in the service who conduct customer training.

Employee development

As part of the internationalization and growth strategy, added momentum was placed behind international personnel development in the reporting year. The skills model also underwent further development. The Executive Board and the first management level defined the management tasks of the future, which were then used to determine the necessary management skills. As a result, the skills model is now broken down into further levels and areas of the Group.

Employer branding

Rosenbauer regularly participates in the major university recruitment events, and the situation was no different in the reporting year. The company's presence at various schools and universities that deal with technical topics enables it to make contact with young academic talent at an early stage. Such events also provide good opportunities to present and offer internships and degree theses as potential means of joining Rosenbauer.

Schoolchildren and students

Thanks to a range of projects targeted specifically at schoolchildren and students, Rosenbauer endeavors to pique interest in the company among young potential talent at an early stage. In summer 2014 alone, approximately 80 schoolchildren had the chance to gain their first experience of the world of work by means of a vacation placement. Furthermore, over 30 students completed an internship as part of their training at educational institutions or composed an academic paper in cooperation with Rosenbauer.

High apprentice count

Apprentice training is traditionally very important at Rosenbauer. This practice takes into account not only our own needs, but also our social responsibility to open up professional prospects to young people. Numerous trainers dedicate their time to ensuring that roughly 130 apprentices, selected from up to ten applicants per open apprenticeship, receive high-quality and practical training.

Targeted support for women

In an industry traditionally preferred more by men, particular support is given to women at Rosenbauer. Targeted measures are implemented to increase the proportion of female apprentices and employees, especially in management positions. The proportion of the overall workforce represented by women is currently approximately 12%. At present, 9% of management positions in Austria are occupied by women.

In the reporting year, Rosenbauer once again took part in Girls' Day. This event enables schoolgirls with an interest in technical professions to gain some insight into such areas. They are given the chance to look behind the scenes of a production facility and to get to know exactly what a firefighting vehicle manufacturer does.

Flexible working hours
Rosenbauer supports flexible working hours, the use of parental part-time work and individual solutions aimed at achieving a better balance between professional and family life. With flexible models for working hours, the needs of employees are given the best possible consideration, especially in commercial areas. In justified cases, it is also possible to work from home.

Occupational health and safety
Rosenbauer practices an ongoing process of modernizing workplaces at the company and places particular value on the health and safety of its employees. In 2014, the focus was on Plant II in Leonding, where no fewer than 260 new workspaces have been set up. The latest findings in occupational medicine, technology, and safety have been taken into account in their design, both in offices and in the production facility.

The state of occupational health and safety is checked regularly in SOS audits (from the German for safety, orderliness, and cleanliness) and safety inspections. Workplace accidents and near-accidents are documented and analyzed in accordance with a defined reporting system. Since 2009, occupational health and safety has also been part of the integrated management system and certified in line with OHSAS 18001 (Occupational Health and Safety Management System), which was prolonged in 2013.

Fitness at work
As part of company healthcare provisions, around 110 employees in Leonding participated in free health examinations in 2014. These take place at the company doctor’s office, but certain special examinations can be added if necessary. Moreover, a lot of employees took part in the second Rosenbauer Health Day at the Neidling location. As in Leonding the previous year, the topic for this event was the musculoskeletal system.

SVP on Fire
Further development of the CIP in the new SAFE improvement process (SVP) continued apace in 2014. More and more teams are now working with the new system. At the same time, the “SVP on Fire” project was started to help teams with this transformation with a view to their needs as well. Topics such as SVP team organization, the SVP system and the self-image of employees are addressed in this process.

The one- and two-day events involved work on discarding existing processes and ways of thinking and engaging with new methods and approaches. The goals of the workshops are to gain a better understanding of one’s own role and that of the team, to work together and to implement improvements as a team.

Integrated temporary employees
At the end of 2014, a total of 274 temporary employees worked for the Rosenbauer Group (253 of which were in Austria). In many respects, these are on an equal footing with the permanent workforce and, in addition to a range of employee benefits, are entitled to use the internal health and sports provisions. The pool of temporary workers has been used to cover a significant proportion of staffing requirements in recent years. Between 2012 and 2014 alone, roughly 140 temporary employment contracts were converted to indefinite employment relationships.

RISK AND OPPORTUNITY MANAGEMENT

Rosenbauer is confronted with various opportunities and risks in the course of its global business activities. The ongoing identification, appraisal, and controlling of these risks are an integral part of the management, planning, and controlling process. The risk management system builds on the organizational, reporting, and leadership structures in place within the Group and supplements these with specific elements needed for proper risk assessment. The five core elements are as follows:

- The risk strategy presented in writing and the supplementary risk policy
- A defined organizational structure with risk managers in the individual divisions and operating units, as well as a central risk officer
- Risk identification and assessment in the individual areas
- The reporting structure of the Group
- The risk report at divisional and individual company level.

Systematic monitoring

Group-wide risk management defines a structured process that provides for systematic monitoring of business risks. Both opportunities and risks can thereby be identified and evaluated in good time.

As part of this process, the risks are identified and then analyzed and assessed in terms of their probability of occurrences and the anticipated extent of any damage. Measures for risk control/prevention are derived from this and, if applicable, the instruments for protection against risk are defined. The functionality and effectiveness of risk identification and monitoring are discussed with the Supervisory Board at a session of the Audit Committee.

The management of the operating unit in question bears direct responsibility for risk management. Regular addressing of risk topics and the annual risk inventory also take place at this level. The results of the risk inventory are summarized and discussed with the Supervisory Board annually at a session of the Audit Committee.

Sector-specific risks

Rosenbauer regularly analyzes the major sector risks and makes use of opportunities by means of permanent product innovations, greater efficiency in processes, and increased activity on new markets. There is potential for future sales particularly in countries and regions that need to invest more heavily in firefighting equipment owing to natural disasters, terrorist threats, or inadequate infrastructure.

The budget restrictions resulting from the financial and economic crisis are still being felt in numerous fire equipment markets. As a result, some manufacturers that operate primarily at a local level have had to bear considerable declines in sales. This has affected their earnings and reduced the financial leeway for further developments. By contrast, for the Rosenbauer Group – the most innovative company with the best sales performance in the sector – these developments have opened up opportunities to gain additional market shares with its state-of-the-art, high-performance products.

To ensure long-term growth, Rosenbauer pursues a consistent strategy of internationalization. With production sites on three continents and a global sales and service network, the company has now reached a market position that enables it to offset sales fluctuations in individual markets.

Risks to the fire safety business arising from changes in overall political or legal conditions are very difficult to protect against. However, given that most customers operate in the public sector, it is rare that they cancel orders. Political crises and embargoes can temporarily limit access to certain markets.

Annual business planning is based on the multi-year Group strategy and encompasses a list of objectives broken down by geographic and product-group-related aspects that serves as a means of control. This system enables opportunities and any strategic risks to be identified at an early stage.

Operational risks

Manufacturing activities necessitate a thorough examination of risks along the entire value chain. In view of today's ever shorter innovation cycles, research and development work is becoming increasingly significant. The production risks that occur are monitored on an ongoing basis using a series of key performance indicators (productivity, assembly and throughput times, production numbers, etc.).

The central controlling element in the vehicle manufacturing operations is "concurrent costing", whereby variance analysis is used to monitor the production costs of every single order.

To even out changes in capacity utilization at individual locations, Rosenbauer's manufacturing processes operate on a Group-wide basis and the company also outsources construction contracts to external partners. In the event of a severe downtrend on the market, this keeps the risk of insufficient capacity utilization within manageable bounds. The production facilities will be working at full capacity for the rest of 2015 thanks to the buoyant order situation.

Procurement risks

Procurement risks are present especially in the event of possible supplier defaults, quality problems and price increases. These risks are countered by the standardization of components and diversification of the supplier structure. In order to ensure that production supplies are delivered on schedule and in the required quality, the most important supply partners are subject to ongoing monitoring, while planning and management of the supply chain undergo constant further development in cooperation with the supplier. The risk of loss of production can thereby be significantly reduced.

The international network of the Group's own production sites also helps to minimize operational risks. However, supplier risks due to potential insolvency or for compliance reasons cannot be ruled out.

Additional procurement risks can arise in relation to raw material and energy prices. Rosenbauer requires aluminum in particular and secures a stable purchase price by means of a long-term procurement policy. Energy costs, however, play merely a subordinate role, as only a limited amount of process energy is needed for most assembly operations in production.

Income risks

Income risks that can occur on account of external disruptions to production are covered by suitable insurance against loss of production. Appropriate insurance coverage is also in place for risks associated with fire, explosions, and similar elemental risks.

IT risks

IT risks include the possibility of networks failing and data being falsified, destroyed, or stolen due to operator or programming errors or to external influences. These risks are countered by means of regular investment in hardware and software and the use of virus scanners, firewall systems, up-to-date data protection methods, and structured access controls.

Legal risks

Rosenbauer International AG and its subsidiaries face legal proceedings in the course of their business operations. An antitrust lawsuit has been filed against a company of the Rosenbauer Group and may result in damages and fines. As a realistic assessment of the matter is not possible at the present time, the Group has not recognized any provisions. However, Rosenbauer does not currently expect this litigation to have any significant negative impact on the net assets, financial position, or result of operations.

In connection with the firefighting vehicle cartel and the turntable ladder cartel, the regulatory proceedings have now been settled out of court. The € 3.4 million paid by Metz Aerials in the second quarter of 2014 made a significant contribution towards settling the compensation for damage between the municipal fire departments and the manufacturers. This concluded the settlement of damages as part of the antitrust proceedings, with the exception of a few individual proceedings that had been initiated by municipalities on the basis of relevant provisions in purchase agreements. No further substantial claims for damages for deliveries covered by the cartel are expected to be submitted at a later date. In order to avert future negative developments, the compliance organization has been further expanded, rules have been tightened, and sanctions imposed for anti-competitive behavior.

Environmental risks

Environmental risks and risks associated with the supply of raw materials and energy are considered less important due to the type of production and the multitude of providers. Furthermore, clear environmental standards and instructions apply to the in-house processes. These are documented in an environmental management system and are regularly reviewed and amended by means of internal and external audits in accordance with ISO 14001.

Energy management at the Austrian and German locations is also certified as per ISO 50001. This serves primarily as an instrument by which energy costs and consumption are reviewed on an ongoing basis and which can be used to determine long-term measures to reduce the consumption of resources.

Product opportunities and risks

For more than 20 years, Rosenbauer has practiced consistent quality management in accordance with ISO 9001. This is regularly reviewed in audits and makes a significant contribution to ensuring the same Rosenbauer quality worldwide and to minimizing liability risks such as product liability cases.

The latest development methods, permanent control and improvement of product quality, as well as ongoing process optimization, help to reduce risks further. Nonetheless, the possibility of product defects cannot be completely ruled out. To reduce potential financial risks – especially in the English-speaking regions – the instrument of product liability insurance is employed throughout the entire Group alongside a risk management system.

In order to offer products with the best possible benefit to customers, Rosenbauer operates a systematic innovation management process and works closely with fire services on product development. A team of experts from Technology, Production, Sales, and Controlling determines the direction of the development process. Market analyses and cost-effectiveness considerations are incorporated in a technology roadmap.

Personnel opportunities and risks

Risks can generally arise as a result of the fluctuation of employees in key positions and the recruitment and development of personnel. Consistent personnel development with institutionalized employee appraisals and a performance-based remuneration system with participation in the company's success are two central instruments for retaining qualified and motivated employees at Rosenbauer. Rosenbauer views its employees as a key factor in successfully achieving the company's objectives.

Financial risks

Given the lasting effects of the financial and economic crises, the solid financial basis of the Group is extremely important. Thanks to the excellent equity capital resources and the resultant good credit rating, the necessary funding for operating equipment and investment has been secured without restrictions and under persistently good conditions. This took place via multiple banks so as to ensure the greatest possible independence in corporate finance. Moreover, Financial Management conducts annual rating discussions with the relevant banks, which are used to determine the position of the Group on the financial market.

Interest rate and currency risks

The international nature of the Group's activities gives rise to interest and currency-related risks that are hedged by the use of suitable instruments. A financing policy that applies throughout the Group stipulates which instruments are permitted.

Operating risks are hedged with derivative financial instruments such as interest rate swaps, FX forwards, and FX options. These transactions are conducted solely to hedge risks and not for the purposes of trading or speculation. Please refer to the details in the notes in this context.

Credit risks

Credit risks, which can arise from payment defaults, are considered unlikely as most customers operate in the public sector. In the case of deliveries to countries with increased political or economic risk, public and private export insurance is generally taken out for the purpose of protection.

Assessment of overall risk

Rosenbauer considers that it is still well positioned to meet the demands made of it by the market, the economic environment, and the international competition. Based on the analysis of currently discernible risks, there are no indications of any risks that – either singly or in conjunction with other risks – might jeopardize the Rosenbauer Group's continued existence as a going concern. This applies both to the results of past business activity and to activities that are planned or have already been initiated.

INTERNAL CONTROL SYSTEM (ICS)

Group-wide documentation

The internal control system (ICS) comprises systematically designed organizational measures and controls for adhering to policies and preventing damages that may, for instance, be incurred as a result of unregulated or unlawful actions. The controls can be both process-dependent and process-independent and performed by Internal Audit, for example.

Annual evaluation

The Group policies, which are regularly updated, constitute an important basis for the ICS. There are also process illustrations integrated in the management system, which are complemented by numerous regulations and instructions. The results of the evaluation of the ICS are presented to the Supervisory Board for evaluation and discussed in detail at the annual meeting of the Audit Committee. Evaluation takes place as part of ongoing auditing, during which the processes are documented and adherence to them is checked.

Standard financial reporting

The control environment for the financial reporting process is characterized by clear structural and process organization. All functions are clearly assigned to particular persons (such as in Accounting or Controlling). The employees involved in the financial reporting process fulfill all professional requirements.

Insofar as the size of the respective company and the available capacity permit it, the principle of dual control is observed during the relevant financial reporting processes. The accounting systems used are largely standard software protected against unauthorized access. Material accounting principles relating to the financial reporting process are defined in a Group manual, which is also regularly updated, and must be implemented by the local units.

Detailed financial reports

In addition, the completeness and accuracy of accounting data are checked regularly by means of both manual and IT-assisted random inspections and plausibility checks. Meanwhile, regular analyses are performed as part of the Group-wide controlling and financial management. Deviations from the forecast and previous year's figures in the income and asset situations are identified and analyzed on the basis of detailed weekly, monthly, and quarterly financial reports.

Mandatory regulations

In addition to the process-focused conditions, this distinctive regulatory and reporting system provides primarily for procedural measures that must be implemented and/or adhered to by all units affected. Operational responsibility is borne by the respective process managers, while compliance with the Rosenbauer regulatory system is monitored by Internal Audit as part of the periodic review of the relevant areas.


Providing the tech-
nology for unlimited
opportunities is the key
to success in the US.


We are going one better.

INFORMATION IN ACCORDANCE WITH SECTION 243A(1) UGB (AUSTRIAN COMMERCIAL CODE)

- The share capital of Rosenbauer International AG amounts to € 13.6 million and is divided into 6,800,000 no-par-value shares, each embodying a pro rata amount of the share capital of € 2.00. The shares of the company are either bearer shares or registered shares. Each Rosenbauer share confers one vote.
- Rosenbauer Beteiligungsverwaltung GmbH (BVG) holds 51% of shares in Rosenbauer International AG. BVG requires a majority of 75% of votes for a transfer of its shares to third parties. In line with the principle of equal treatment, there are no restrictions on voting rights or transfers of shares if the share of bearer shares in the share capital of the company is not less than 40% at any time.
- One shareholder of Rosenbauer Beteiligungsverwaltung GmbH indirectly holds an interest equivalent to 11.85% in Rosenbauer International AG.
- To the best of the company's knowledge, there are no shareholders with special rights of control.
- Employees who own shares exercise their voting rights directly.
- The Articles of Association of Rosenbauer International AG set out the provisions for the appointment and dismissal of members of the Executive Board and the Supervisory Board. Only persons aged less than 65 at the time of their appointment can be appointed as members of the Executive Board. However, a person over the age of 65 at the time of such appointment can be appointed if there is a resolution to this effect by the Annual General Meeting with a simple majority of the votes cast.
- Only persons aged less than 70 at the time of their appointment can be appointed as members of the Supervisory Board. However, a person over the age of 70 at the time of such election can be appointed if there is a resolution to this effect by the Annual General Meeting with a simple majority of the votes cast.
- The 22nd Annual General Meeting authorized the Executive Board to acquire bearer shares in the company up to 10% of the share capital for a period of 30 months from May 23, 2014. These shares can be bought either on or off the stock exchange, though the lowest consideration paid cannot be more than 20% less and the highest consideration paid cannot be more than 10% more than the average closing market price on the last three exchange days before the acquisition of the shares. Trading in treasury shares is precluded. A detailed description of the authorization has been published on www.rosenbauer.com/group.
- The Executive Board is also authorized, with the approval of the Supervisory Board, to reduce the share capital by withdrawing these treasury shares without a further resolution of the Annual General Meeting. The Supervisory Board is authorized to resolve amendments to the Articles of Association arising from the withdrawal of shares.
- There are no significant agreements that would come into effect, significantly change or end if the event of a change in control of the company as a result of a takeover bid. No compensation agreements have been concluded between the company and its Executive Board and Supervisory Board members or its employees providing for the event of a public takeover bid.
- The corporate governance report of the Rosenbauer Group has been published on the website **www.rosenbauer.com/en/rosenbauer-group/investor-relations/corporate-governance.html**.

SUPPLEMENTARY REPORT AND FORECAST

Supplementary report

There have been no other events of particular significance to the company that would have altered its net assets, financial position, or result of operations since the end of the reporting period.

Overall economic development[1]

In addition to the United States, it will again be the countries of Asia and the Middle East that drive global economic growth in the current year. The international growth rate is expected to rise from 3.3% in 2014 to 3.5% in 2015.

The growth prospects in the euro area remain more muted, with the IMF forecasting GDP growth of 1.2% for 2015. Above all, export-oriented companies are expected to benefit from the weaker euro, the low price of oil, persistently low interest rates, and the expansive monetary policy of central banks.

Prospects on sales markets

The firefighting industry will face a range of different challenges in 2015 as well. Growth will come predominantly from Asia and the Middle East. A positive trend in demand should get underway on the North American market in 2015, while the industry will recover only slightly – if at all – in Europe.

How fire equipment markets will specifically develop often depends on the availability of public-sector funding, making precise forecasts difficult. On several, mainly developed, markets, continuing budget consolidation efforts mean that demand for fire service equipment will continue to be restrained. As a result, the average age of equipment will increase. In turn, the situation on the emerging markets is varied as usual: while there are indications of market saturation in some regions, in others there is still a strong need for modernization. This is also reflected in an extensive project landscape.

Generally, the regions investing in firefighting components and equipment still tend to be those in which there is a heightened awareness of security needs following natural or terrorist disasters, or that generate high revenues from selling natural resources. Furthermore, the global increase in air traffic and the use of larger aircraft are ensuring strong demand for specialty vehicles.

North America

In light of the positive economic forecasts, the US firefighting industry should continue to recover in 2015 as well. Thanks mainly to international orders and the launch of its own Commander chassis, Rosenbauer America has bucked the market trend by continuing to grow. The incoming orders of recent months also ensure high capacity utilization at US production facilities for the coming financial year.

Europe

The European fire equipment market is not as homogeneous as the US market by far, and each country must be taken individually. The highly industrialized countries appear to have put the downturn behind them with recovery now in sight. Public sector procurement behavior is expected to stabilize again and investments that were postponed due to austerity measures will be implemented soon. The markets in Central and Northern Europe in particular are set to experience growth, especially as the average age of the firefighting vehicles in use is already well above the average of the last years. By contrast, demand for fire safety equipment is expected to remain muted in the countries of Southern and Eastern Europe.

[1] Source: International Monetary Fund, January 2015

The German fire equipment market should also stabilize further in 2015, albeit with lingering, highly intensive price competition. Sales volumes in Austria are expected to be at a normal level in 2015.

For some years, Russian procurement volumes have been less than actual requirements. Demand in 2015 will be tied to the availability of funding, which is currently difficult to estimate. Procurement from euro countries is very expensive owing to the sharp depreciation of the Russian ruble, and therefore significantly harder to finance.

International export business

The fire equipment sector is mainly growing in countries with a heightened awareness of security needs, and in emerging markets that are stepping up their infrastructure investments. Geographically, 2015 is expected to see the strongest growth in Asia, led by China and India. Here, the fire equipment sector is continuing to benefit from the good overall economic environment. The ongoing urbanization will require massive investment in the safety infrastructure and fire protection in the years ahead as well.

Thanks to a high safety awareness and the targeted modernization of its firefighting and civil defense capabilities, the Middle East has developed into a major sales region in recent years. As the process of transformation is not yet complete, the high level of demand for fire and safety equipment is expected to continue.

Africa, Central, and South America are spot markets with irregular central procurement. They are difficult to forecast as they often have lead times of several years. Brazil, Argentina, and Venezuela are viewed as promising markets for the future on account of their natural resources. Political risks cannot be entirely ruled out in these countries, however, and hence they require careful monitoring.

Rosenbauer closely monitors developments on the individual fire equipment markets in order to exploit sales opportunities early on. Sales activities are then stepped up in the countries or regions where greater procurement volumes have been identified. This further expands the Group's global presence and strengthens its international competitive capabilities.

At the end of 2014 Rosenbauer has an excellent order backlog of € 670.2 million (2013: € 590.1 million). This figure is almost equal to a year's revenues, though equipment products and service revenues have only partly been taken into account. Basic capacity utilization at production facilities is therefore ensured for 2015. Moreover, a number of international projects are currently being worked on.

Innovations and new products

The world's biggest fire equipment trade fair will be held in Hanover in June 2015. The industry's top manufacturers meet at Interschutz every five years. Rosenbauer will again be presenting a number of innovative products, among them the new generation of the PANTHER ARFF, which will set new benchmarks for safety, ergonomics, ease of use, and design.

The latest developments in the field of personal protective equipment, firefighting components, and a number of aerials and vehicle variants for municipal, professional, and industrial fire services will also be presented at the firefighting industry trade fair. Those attending will be able to see more than 30 vehicles from the Rosenbauer Group at Interschutz 2015.

Investments and production capacity

The strong corporate growth has necessitated a comprehensive expansion of locations in recent years. Production space and capacity have been increased at almost all plants. In Leonding this expansion was largely completed when Plant II went live. Over the next two years Plant I will be revamped in line with efficiency enhancement and profitability considerations. Here, too, more space will be made for the production of components and specialty vehicles, infrastructure will be optimized, and the upstream administration processes will be simplified.

In the US, all three locations have been expanded and new halls have been built. Furthermore, an investment program was launched in Lyons, SD, and Wyoming, MN, in 2014 to redesign processes and increase capacity. This will be completed in 2015. Processes at these plants will be reorganized as part of a lean management program.

Saudi Arabia is a key market for Rosenbauer. Since 2013 the Group has been represented by its own subsidiary in Riyadh. It is responsible primarily for after-sales support for customers. At the end of 2014, ground was broken on a building in King Abdullah Economic City (KAEC), approximately 125 km north of Jeddah. In the future, this plant will be used for both the assembly of vehicles for the local market and maintenance work. The KAEC region is ideally suited as a production location thanks to its existing infrastructure, featuring a newly built port, the train station, and connections to the highway. A total of around € 5 million is being invested in the construction of the production location.

The Group's investing activities and volumes will be lower in 2015 than in the year under review. However, they will still far outstrip depreciation on account of the investments in Saudi Arabia and the US, and the adaption of Plant I in Austria.

Financial and liquidity situation

The high order volume and the increased production levels demanded additional financing facilities in 2014, which were ensured by various banks with different maturities.

The Group's financing strategy is based on conservative principles and prioritizes secure liquidity and the highest possible equity capitalization.

Given the long turnaround times from an order being received to delivery, and the transition in production processes at both plants in Leonding, working capital rose significantly in 2014. This development will be countered with special programs to reduce financing requirements.

Overall assessment of future development

Rosenbauer is today the leading manufacturer for the international firefighting industry with revenues of € 784.9 million. In order to consolidate and expand this market position, Rosenbauer is aligning its organization even more closely to its customers and markets. Codenamed "GO2020", the previous product-based organizational structure for divisions was replaced by the new area system in the year under review. The areas are now responsible for all business in their regions: they analyze market requirements, initiate product development, and are in charge of sales and their production plants.

This creates the organizational framework for even better leveraging the growth potential in core business and on new markets.

Rosenbauer will meet the competition with new, attractive products in all business areas. With the help of new turntable ladder and platform models and the AT series, the company will attract new customers and expand its market positions. Additional sales stimulus will be generated in 2015 by the two simulators, the PANTHER tactics simulator for airport fire services and the simulator for municipal fieldings. Rosenbauer is excellently positioned with its existing product portfolio of personal protective equipment and the US Commander chassis, and is even the world leader for ARFF vehicles with the PANTHER.

Furthermore, Rosenbauer is investing in its sales organization and product development to selectively exploit growth opportunities on specific municipal markets. One example of this is the firefighting market in the UK, where the country's second-largest fire brigade is now a Rosenbauer customer.

With its high capital commitment to research and development, Rosenbauer is ensuring that fire services will have the latest technologies and customized products at their disposal for the years to come as well.

Revenues and result of operations

Even though the situation on the fire equipment markets is not the same all over the world, a slight recovery in overall demand is nonetheless anticipated. Given the solid development in incoming orders in recent months and the expanded production capacity, management is assuming that consolidated revenues will rise in 2015.

The following factors in particular are significant to the income situation in 2015:

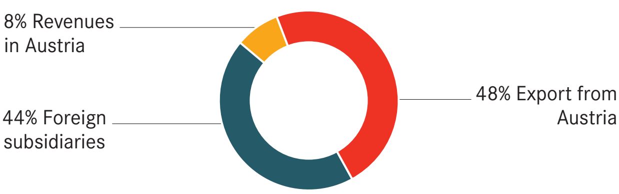
- The currently very high expenses for the launch of new products, appearing at the world's largest trade fair and tapping new markets such as France and the UK will not positively affect earnings until after a delay.
- In order for the intended growth to be implemented on a solid financial basis, the processes and workflows in all areas of production have to be optimized further. The investment in the new Plant II is already bearing first fruit. However, the optimized processes relating to the two most important vehicle series, the PANTHER and the AT, will not have a positive effect on earnings until later years.
- The "SAFE" program at the Austrian locations and "Lean 101" at the US companies are expected to raise the overall efficacy of the Group and to bring the EBIT margin back into the target range of 7% to 8%. The companies are making good progress in their implementation, though the full effect of these programs on earnings will not be seen until 2016 and later.

Based on the forecast market development and the above factors, the management is assuming that consolidated EBIT from ordinary activities will grow in 2015.

SEGMENT REPORTING
BUSINESS SEGMENTS (BY REGION)

The presentation of the regional segments is broken down according to the locations of the Group companies rather than by sales markets. This means that the segment reporting refers to the revenues and results earned by the individual companies both on their respective local market and from exports.

Breakdown of Group revenues 2014



Austria

The Austrian segment consists of Rosenbauer International AG, which generates most of its revenues from exports, and the sales company Rosenbauer Österreich GmbH. Both these companies are based in Leonding.

Revenues of the Austrian segment climbed to € 512.5 million in 2014 (2013: € 503.8 million). The reporting period was defined mainly by the commissioning of Plant II, which led to the postponement of deliveries until the first quarter of 2015. As a result of increases in fixed costs, which drove up overheads in production areas, EBIT was down at € 22.3 million in the reporting period (2013: € 32.0 million). The EBIT margin was 4.4% (2013: 6.4%).

Rosenbauer International

Rosenbauer International is the Group's parent company. With manufacturing facilities in Leonding, Traun and Neidling, it is also its largest production company.

The most important measure in 2014 was the conversion and expansion of Plant II in Leonding. Rosenbauer bought an area of industrial land measuring 5.2 ha from Wacker Neuson and on it built the most state-of-the-art vehicle plant the firefighting industry has ever known. The PANTHER ARFF, the PANTHER chassis, and the municipal AT are built at Plant II. Assembly work is fully synchronized with all upstream and downstream areas; production began in April.

Plant II in Leonding is set up to produce around 150 PANTHERs and 250 ATs per year in single-shift running. Both vehicle lines can be switched to greater output if necessary. A total of around € 12 million was invested in the new plant in 2013 and 2014.

Plant I in Leonding continues to produce specialty and industrial firefighting vehicles in addition to firefighting components for the Group and selected fire and safety equipment products. Plant I will also be renovated in the coming years to increase the efficiency and profitability of production. Series vehicles for export markets, and pump and superstructure modules are manufactured at the nearby Traun plant.

The plant at Neidling/St. Pölten is responsible for the production of compact vehicles with a gross weight of up to around 13 t, interior fitting components and storage systems, which are supplied mainly to the European Group companies.

Rosenbauer International's revenues rose to € 490.2 million in 2014 (2013: € 483.7 million), 92% of which was generated with exports (2013: 93%).

Rosenbauer Österreich

Rosenbauer Österreich is the sales and service company for the Austrian market. It operates branches in Leonding, Neidling, Telfs, and Graz. With the exception of aerials, vehicles for the Austrian market are manufactured in Leonding and Neidling. Revenues at Rosenbauer Österreich increased from € 53.7 million in 2013 to € 59.2 million in the year under review. The 10% improvement is due in part to strong demand for the AT municipal vehicle.

Segment key figures Austria (in € million)

	2014	2013	2012
Revenues	**512.5**	503.8	446.9
EBIT	**22.3**	32.0	30.0
Employees	**1,253**	1,154	1,066

United States

The US segment consists of the holding company Rosenbauer America, LLC., which incorporates the companies Rosenbauer South Dakota LLC., Rosenbauer Minnesota LLC., Rosenbauer Aerials LLC., and Rosenbauer Motors LLC.

The US segment increased its revenues by 14% in the period under review to € 196.5 million (2013: € 172.4 million). This is mainly due to higher exports of vehicles built on the in-house chassis and also increased deliveries to the domestic market. While the previous year's earnings had been adversely affected by the start-up of the Commander series, EBIT for 2014 was on the rise again at € 14.6 million (2013: € 9.8 million).

In light of the positive economic forecasts, the US firefighting industry should be set for recovery in 2015. However, competition will become more intensive, especially as some manufacturers are reducing their prices after difficulties in recent years. The incoming orders of recent months also ensure high capacity utilization at US production facilities for the financial year ahead.

In 1995, Rosenbauer took its first steps in America as part of its internationalization strategy, and 20 years later Rosenbauer is the second-biggest manufacturer of firefighting vehicles in the United States. The US commitment has been a success story in every respect, and one that is not over yet.

Rosenbauer Minnesota

Based in Wyoming, MN, Rosenbauer Minnesota produces industrial and aircraft rescue firefighting vehicles and customized municipal vehicles for professional and volunteer fire departments. Above all, the company has considerable expertise in the field of specialty vehicles, and it supplies these vehicles both on its domestic market and on US-oriented international markets. Its revenues rose by 22% to € 71.6 million in the reporting year (2013: € 58.6 million).

Rosenbauer South Dakota

Rosenbauer South Dakota is based in Lyons, SD, and produces firefighting vehicles for all areas of use. The great strength of this company lies in industrial, cost-effective manufacturing. Its main clients are volunteer fire departments in the US. In recent years the company has also pushed into exports and now ships to countries that order vehicles to US standards.

Its revenues climbed to € 98.2 million in the past financial year (2013: € 85.0 million). This growth was mainly contributed to by exports to the Arabic region.

Rosenbauer Aerials

Rosenbauer Aerials, based in Fremont, Nebraska, produces hydraulic turntable ladders and ladder trucks to US standards. These are supplied both to the Group's US companies and to other superstructure manufacturers in the US. It also manufactures elevated waterways with piercing tools which are installed on aircraft rescue and industrial firefighting vehicles in Leonding and Minnesota. Rosenbauer Aerials generated revenues of € 10.8 million in the reporting year (2013: € 9.4 million).

Rosenbauer Motors

Rosenbauer Motors produces chassis for the PANTHER vehicle and the new Commander chassis at the Rosenbauer Minnesota plant in Wyoming, MN. Series production of Rosenbauer's own chassis began in 2012, and the 1,000th Commander vehicle was already sold in 2014. The in-house chassis is exclusively used for in-house superstructure production. The company's revenues increased to € 64.2 million (2013: € 52.7 million) thanks to the expansion in business activities on both the domestic market and in exports.

Segment key figures United States (in € million)

	2014	2013	2012
Revenues	**196.5**	172.4	144.8
EBIT	**14.6**	9.8	3.2
Employees	**689**	644	574

Germany

The German segment consists of the companies Rosenbauer Deutschland GmbH, Luckenwalde, and Metz Aerials GmbH & Co. KG, Karlsruhe, together with the latter's subsidiary Metz-Service18 S.A.R.L. in Chambéry, France.

The German segment reported revenues of € 181.2 million in the reporting period (2013: € 178.1 million). In particular, Metz Aerials and Rosenbauer Deutschland countered the tough market environment with the new L32A-XS turntable ladder and various models of the AT model series to attract new customers.

Despite the good economic climate, the sales volume on Europe's largest single market was slightly below the level of recent years in 2014. At an average of 19 years, the age of German firefighting vehicles is higher than the target for replacement procurement. The market is still hard fought, and the pressure of intensive price competition on fire equipment suppliers is high.

Metz Aerials

Metz Aerials is the European center of competence for aerials. The company produces fully automated, hydraulic turntable ladders and high-rise aerial rescue platforms for heights of between 20 and 62 m at its plant in Karlsruhe. With these, it supplies all markets that procure aerial appliances to EN standards, especially Germany. Metz Aerials generated revenues of € 76.3 million in the reporting year (2013: € 72.4 million).

Metz-Service18 in Chambéry provides maintenance services for French firefighting vehicles and aerials from Metz Aerials. With this location in France, the Group is further widening its service network in Europe. Metz-Service18's contribution to revenues was € 1.6 million (2013: € 1.0 million).

Rosenbauer Deutschland

At its Luckenwalde plant, Rosenbauer Deutschland manufactures AT and ES series firefighting vehicles, superstructure modules and PANTHER cabs. The vehicles are predominantly intended for the German market, while the modules and cabs go to other Rosenbauer plants for further installation.

In addition to the municipal vehicles it produces itself, Rosenbauer Deutschland supplies its domestic market with industrial and aircraft rescue firefighting vehicles from Leonding and fire and safety equipment, firefighting components, and stationary firefighting systems. The company's revenues amounted to € 103.6 million in 2014 (2013: € 105.2 million).

Segment key figures Germany (in € million)

	2014	2013	2012
Revenues	**181.2**	178.1	157.9
EBIT	**4.6**	(1.4)	3.6
Employees	**623**	564	538

Rest of Europe

The "Rest of Europe" segment consists of the companies Rosenbauer Española S.A., Rosenbauer Schweiz AG, Rosenbauer d.o.o. in Slovenia, and Rosenbauer UK plc.

The revenues of the Rest of Europe segment amounted to € 58.5 million in the year under review (2013: € 46.4 million). The revenues of the recently acquired Rosenbauer UK of € 3.7 million were included in the consolidated financial statements for the first time. EBIT for the Rest of Europe segment amounted to € 4.3 million (2013: € 2.2 million).

Rosenbauer UK

In April 2014, Rosenbauer International AG acquired 75% in the UK's North Fire plc, Holmfirth. The company, which has around 10 employees, was until recently the exclusive sales and service partner for personal protective equipment, firefighting components, aerials, and municipal vehicles in the UK. Its incorporation into Rosenbauer's sales and service network will allow the Group to serve UK fire services directly in the future. Rosenbauer intends to better leverage the potential of the UK market through its closer involvement.

The founder of North Fire holds 25% in Rosenbauer UK and is its managing director. The new UK subsidiary was included in consolidation effective April 1, 2014, and since then has contributed revenues of € 3.7 million to the segment.

Rosenbauer Española

Rosenbauer Española operates from Madrid, serving its domestic market of Spain and markets in Northwest Africa and parts of Latin America. It sells the entire Rosenbauer product range and produces its own municipal, forest firefighting, industrial, and aircraft rescue fire fighting vehicles.

Even though Spain recovered somewhat from the budget crisis in 2014, the market volume for firefighting vehicles is still well below the normal level. However, Rosenbauer Española more than compensated for the losses on its local market with increased exports, improving its revenues to € 32.3 million (2013: € 25.2 million).

The vehicles are manufactured at the Linares plant, a production joint venture in which the Managing Director of Rosenbauer Española and Rosenbauer International each hold an interest of 50%. The joint venture Rosenbauer Ciansa is accounted for using the equity method and is therefore not covered in segment reporting.

Rosenbauer Schweiz

Rosenbauer Schweiz AG is the sales and service company for the Swiss market, and is based in Oberglatt near Zurich. It offers the full line of Rosenbauer products, plus platforms for aerial work, and rescue vehicles. Revenues at the Swiss company were down slightly year-on-year at € 14.6 million in the year under review (2013: € 16.7 million).

Rosenbauer Slovenia

Rosenbauer Slovenia in Radgona produces firefighting vehicles for the local market plus superstructures, crew cabs, and tanks for affiliates. Thanks to increased deliveries both on its domestic market and to the Group, the company raised its revenues to € 7.9 million in 2014 (2013: € 4.5 million).

Segment key figures Rest of Europe (in € million)

	2014	2013	2012
Revenues	**58.5**	46.4	26.6
EBIT	**4.3**	2.2	0.8
Employees	**131**	108	103

Asia

The Asia segment consists of the companies S.K. Rosenbauer Pte. Ltd., Singapore, Eskay Rosenbauer Sdn Bhd, Brunei, and Rosenbauer Saudi Arabia Ltd. The segment's revenues increased to € 28.0 million in 2014 thanks to increased deliveries by S.K. Rosenbauer and the expansion of service business in Saudi Arabia (2013: € 15.9 million). EBIT improved to € 2.5 million (2013: € –0.3 million).

The necessary foresight brings success into view – all the way to Saudi Arabia.


We are
going one
better.

In late 2014, ground was broken on a production facility in King Abdullah Economic City in Saudi Arabia that will be completed in 2015.

S.K. Rosenbauer

In Singapore, S.K. Rosenbauer builds and sells firefighting and specialty vehicles that are delivered to Hong Kong, Singapore, and neighboring countries. Revenues virtually doubled to € 20.7 million in the year under review as a result of increased deliveries (2013: € 11.4 million).

Eskay Rosenbauer sells firefighting vehicles on its local market and generated revenues of € 1.6 million in the past year (2013: € 0.3 million).

Rosenbauer Saudi Arabia

Rosenbauer significantly expanded its presence in the Middle East in 2013 by establishing Rosenbauer Saudi Arabia in Riyadh. The company is responsible for the maintenance of vehicles in Saudi Arabia and provides fire services with training for their new equipment.

At the end of 2014, ground was broken on a building in King Abdullah Economic City (KAEC), approximately 125 km north of Jeddah. In the future, this plant will be used for both the assembly of vehicles for the local market and maintenance work. The KAEC region is ideally suited as a production location thanks to its existing infrastructure, featuring a newly built port, the freight yard, and connections to the highway. A total of about € 5 million is being invested in the construction of the production location.

The company's revenues amounted to € 7.7 million in the reporting period (2013: € 4.2 million).

Segment key figures Asia (in € million)

	2014	2013	2012
Revenues	**28.0**	15.9	13.4
EBIT	**2.5**	(0.3)	1.0
Employees	**104**	81	47

BUSINESS UNIT DISCLOSURES (BY PRODUCT)

Vehicles

Rosenbauer produces all types of firefighting vehicle, to both European and US standards. These two sets of standards differ greatly. The most visible expression of this is the different way the vehicles are built. While European firefighting vehicles are built very compactly, US vehicles tend to be much larger and heavier.

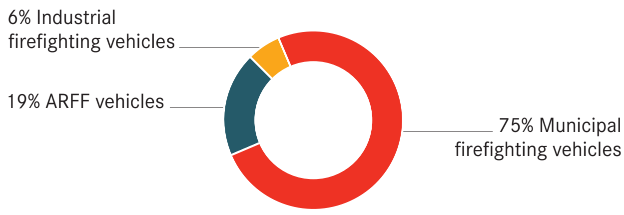
In much of Europe, the firefighting systems used are also very different to those in the US. Many European fire services use combined normal and high-pressure firefighting systems (from 10 to 40 bar), while in the US the use of high-pressure systems is not common in firefighting. Owing to the different tactics and building structures, US firefighters tend to use normal-pressure pumps with high delivery rates.

Vehicles delivered

Firefighting vehicles can be broken down into the groups of municipal, ARFF, and industrial vehicles. The market for municipal vehicles is generally characterized by replacement procurement, especially in developed countries. Depending on the level of deployment, equipment is used for an average of between 15 and 25 years operation.

While volunteer fire departments usually keep their vehicles for 20 to 25 years, the vehicles used by professional, industrial, and airport fire departments are replaced much sooner. Service lives of up to 15 years are normal here owing to the more intensive use of the vehicles.

Vehicle revenues by category 2014



Rosenbauer manufactures firefighting vehicles in Austria, the US, Germany, Russia, Spain, Slovenia, and Singapore; final assembly is carried out in Saudi Arabia. Its largest manufacturing facilities are in Leonding, Austria, and Lyons, South Dakota, in the US. The biggest vehicle markets in terms of volume in 2014 were Saudi Arabia, the US, and Germany.

With revenues of € 549.5 million (2013: € 517.4 million), the Vehicles product segment accounted for the highest share of the Group's revenues in the reporting year at 70% (2013: 70%). Rosenbauer shipped a total of 2,388 vehicles in the period under review (2013: 2,697 vehicles).

Segment key figures Vehicles (in € million)

	2014	2013	2012
Order intake	**536.3**	543.5	347.8
Revenues	**549.5**	517.4	443.0

Aerials

Aerial appliances are primarily used by fire departments for rescuing people, but also for firefighting and technical work. Turntable ladders are usually fire departments' preferred high-rise rescue equipment, while aerial rescue platforms are particularly well suited for industrial use. Both types of vehicle can have firefighting equipment added on to create full combination equipment.

The center of competence for firefighting turntable ladders and aerial rescue platforms built to European standards is Metz Aerials in Karlsruhe. US standard equipment is manufactured by Rosenbauer Aerials in Fremont, Nebraska. In addition, other manufacturers' platforms were supplied by the parent company in Leonding and by the subsidiaries in Singapore and Switzerland.

The Aerials segment includes turntable ladders and aerial rescue platforms. It generated revenues of € 73.6 million from these in 2014 (2013: € 71.5 million), accounting for 9% (2013: 10%) of consolidated revenues.

Segment key figures Aerials (in € million)

	2014	2013	2012
Order intake	**138.1**	84.2	68.7
Revenues	**73.6**	71.5	71.5

Firefighting Components

Developing and manufacturing firefighting systems and components is one of Rosenbauer's core competences. This is a field in which the company has more than 100 years of experience. Many other vehicle manufacturers have to buy in these "centerpieces" of their vehicles, and only very few produce their own firefighting components. The full integration of firefighting technology into a vehicle's structure is a crucial advantage for Rosenbauer as a provider of integrated solutions or a single-source provider for a complete fire apparatus.

The Firefighting Components product segment includes pumps and pump units, portable fire pumps, proportioning systems, water turrets, and their electronic control systems. This segment also includes mobile compressed-air foam extinguishing systems (POLY and CAF systems), from portable fire extinguishers to compressed-air foaming installations, of every class, that are fitted in vehicles, motorcycles, and quads. Rosenbauer develops and produces the entire line of firefighting components at its Leonding location. These are supplied to the Group's companies, selected superstructure manufacturers and customers. There are long-term partnership agreements with independent superstructure manufacturers. They allow Rosenbauer to reach markets that would otherwise be wholly or largely inaccessible for international vehicle business.

Rosenbauer is increasingly operating as a system supplier to third-party superstructure partners. They are supplied with complete, ready-to-install systems or pump modules that, in addition to the pump, are also equipped with an electronic control system, foam proportioning system and the full pipework complete with all connectors.

A total of 2,053 truck-mounted fire pumps (2013: 2,112), 1,291 pump units (2013: 1,330), 1,629 turrets (2013: 1,667) and 1,098 portable fire pumps (2013: 898) were produced in 2014.

With revenues of € 24.1 million (2013: € 22.7 million), Firefighting Components accounted for 3% (2013: 3 %) of the Group's revenues. The pump units, firefighting systems and components installed on Rosenbauer's own vehicles are included in Vehicles segment revenues.

Segment key figures Fire Fighting Components (in € million)

	2014	2013	2012
Order intake	**22.9**	22.3	23.8
Revenues	**24.1**	22.7	22.6

Fire & Safety Equipment

Rosenbauer offers fire departments a full range of fire and safety equipment for every type of operation. Its range extends from personal protective equipment, to technical emergency equipment, to special equipment for hazmat accidents and environmental disasters.

In addition to this standard range, over the last few years Rosenbauer has also launched an innovative line of its own products. These are all positioned in the very top quality segment and are distinguished by their outstanding reliability, functional design and value for money. Rosenbauer's global sales organization makes it possible to sell high unit numbers, which allows economically viable industrial-scale production. The main revenue drivers among Rosenbauer's own products are personal protective equipment (helmets, protective clothing, boots, etc.), submersible pumps, generators, nozzles and high-performance ventilators. Rosenbauer-brand items already generate more than 35% of all Fire & Safety Equipment revenues, most of which with proprietary developments less than five years old.

The Fire & Safety Equipment product segment generated revenues of € 77.9 million in 2014 (2013: € 81.5 million), accounting for 10% of consolidated revenues (2013: 11%)

Segment key figures Fire & Safety Equipment (in € million)

	2014	2013	2012
Order intake	**69.8**	67.7	54.6
Revenues	**77.9**	81.5	66.7

Business Development

This segment bundles all the new business areas that will open up growth opportunities for the Group outside its core business. Its main pillar is industrial fire protection. Here, Rosenbauer utilizes in-house expertise and synergies to create bespoke firefighting installations. These firstly protect expensive industrial plants and machinery in high-fire-risk environments, such as paint shops, recycling plants, biomass power stations, etc., and secondly they are used to protect highway tunnels, aircraft hangars, or offshore and onshore helidecks.

The second pillar of the Business Development segment is telematics. Rosenbauer supplies fire departments with solutions for professional operations and information management: EMEREC supports them directly in the field; service4fire with vehicle management and maintenance.

The Business Development segment generated revenues of € 6.4 million in the reporting period (2013: € 3.8 million).

Segment key figures Business Development (in € million)

	2014	2013	2012
Order intake	**4.8**	5.5	4.1
Revenues	**6.4**	3.8	3.2

Customer Service

At € 50.8 million (2013: € 38.1 million), the Customer Service segment accounted for 6% of revenues in 2014 (2013: 5%). It should be noted that most of the service and repair work is carried out by Rosenbauer service partners, who are to be found in more than 100 different countries.

Customer Service runs service competence centers that handle materials and spare parts management and the full Rosenbauer service range in the regions. In addition to defined service packages, Customer Service mainly offers training programs. Since 2014 this has also included training on simulators created specifically for this purpose. The technical modernization work of firefighting vehicles as part of their refurbishment or general overhaul is being pushed further.

Furthermore, global presence is being expanded in view of the strategic significance of service business to the Group. Rosenbauer currently operates 20 service facilities of its own and employs around 200 service technicians worldwide. In addition to this there are around 150 service partners, mostly with their own workshop infrastructure. Rosenbauer therefore has by far the biggest service organization for the firefighting industry in the world.

Others

Other revenues have no causal link with the ordinary activities of the Group and thus cannot be directly assigned to any one product segment. They do not generally have any significant impact on the company's results and amounted to € 2.6 million in the past financial year (2013: € 2.9 million).

Segment key figures Customer Service and Others (in € million)

	2014	2013	2012
Order intake	**48.5**	37.4	34.2
Revenues	**53.4**	41.0	38.1

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in € thousand	Note	Dec 31, 2014	Dec 31, 2013
ASSETS			
A. Non-current assets			
I. Property, plant and equipment	(D1)	125,139.4	86,435.7
II. Intangible assets	(D1)	9,059.1	3,999.4
III. Securities	(D2)	215.5	235.1
IV. Investments in companies accounted for using the equity method	(D3, D4)	6,003.6	7,786.7
V. Receivables and other assets	(D5)	115.5	60.5
VI. Deferred tax assets	(D6)	6,114.7	2,806.2
		146,647.8	**101,323.6**
B. Current assets			
I. Inventories	(D7)	208,043.5	167,883.3
II. Construction contracts	(D8)	77,066.5	45,198.1
III. Receivables and other assets	(D9)	118,867.3	86,799.1
IV. Income-tax receivables	(D9)	2,451.4	636.8
V. Cash and cash equivalents	(D10)	26,780.0	13,805.8
		433,208.7	**314,323.1**
Total assets		**579,856.5**	**415,646.7**

in € thousand	Note	Dec 31, 2014	Dec 31, 2013
EQUITY AND LIABILITIES			
A. Equity			
I. Share capital	(D11)	13,600.0	13,600.0
II. Capital reserves	(D11)	23,703.4	23,703.4
III. Other reserves	(D11)	(13,679.3)	431.1
IV. Accumulated results	(D11)	150,843.4	131,720.2
Equity attributable to shareholders of the parent company		**174,467.5**	**169,454.7**
V. Non-controlling interests	(D12)	23,881.9	18,455.0
		198,349.4	**187,909.7**
B. Non-current liabilities			
I. Non-current interest-bearing liabilities	(D13)	51,724.3	674.8
II. Other non-current liabilities	(D14)	1,611.9	3,414.0
III. Non-current provisions	(D15)	29,995.2	25,934.1
IV. Deferred tax liabilities	(D6)	2,640.3	2,829.1
		85,971.7	**32,852.0**
C. Current liabilities			
I. Current interest-bearing liabilities	(D16)	129,483.5	62,127.5
II. Advance payments received		34,834.6	30,937.3
III. Trade payables	(D17)	48,132.0	39,885.8
IV. Other current liabilities	(D18)	70,666.6	46,031.1
V. Provisions for taxes	(D19)	319.2	1,967.4
VI. Other provisions	(D19)	12,099.5	13,935.9
		295,535.4	**194,885.0**
Total equity and liabilities		**579,856.5**	**415,646.7**

CONSOLIDATED INCOME STATEMENT

in € thousand		Note	2014	2013
1.	Revenues	(D20)	784,852.3	737,894.1
2.	Other income	(D21)	9,776.6	8,477.7
3.	Change in inventory of finished goods and work in progress		3,052.4	3,439.8
4.	Capitalized development costs	(D1)	3,364.9	2,293.5
5.	Costs of goods sold		(522,415.3)	(496,150.7)
6.	Staff costs	(D22)	(159,466.7)	(142,222.4)
7.	Depreciation and amortization expense on property, plant and equipment and intangible assets		(12,664.4)	(10,208.8)
8.	Other expenses	(D23)	(58,142.4)	(61,176.5)
9.	**Operating result (EBIT) before share in results of companies accounted for using the equity method**		**48,357.4**	**42,346.7**
10.	Financing expenses	(D24)	(5,024.6)	(3,909.3)
11.	Financing income	(D25)	2,166.6	1,345.5
12.	Share in results of companies accounted for using the equity method		1,814.9	1,905.7
13.	**Profit before income tax (EBT)**		**47,314.3**	**41,688.6**
14.	Income tax	(D26)	(10,655.2)	(10,935.8)
15.	**Net profit for the period**		**36,659.1**	**30,752.8**
	thereof:			
	– Non-controlling interests		*9,375.9*	*4,426.2*
	– Shareholders of parent company		*27,283.2*	*26,326.6*
	Average number of shares outstanding	(E6)	6,800,000	6,800,000
	Basic earnings per share	(E6)	€ 4.01	€ 3.87
	Diluted earnings per share	(E6)	€ 4.01	€ 3.87

PRESENTATION OF THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in € thousand	Note	2014	2013
Net profit for the period		**36,659.1**	**30,752.8**
Restatements as required by IAS 19	(D15)	(2,542.8)	(359.7)
– *thereof deferred taxes*		*656.8*	*96.3*
Total of changes in value recognized in equity that cannot be subsequently reclassified into profit or loss		**(1,886.0)**	**(263.4)**
Gains/losses from foreign currency translation		5,875.6	(2,067.7)
Gains/losses from foreign currency translation of companies accounted for using the equity method	(D3)	(2,660.9)	(992.5)
Gains/losses from available-for-sale-securities			
Change in unrealized gains/losses		5.3	(0.3)
– *thereof deferred tax*		*(1.3)*	*0.1*
Gains/losses from cash flow hedge	(D30b)		
Change in unrealized gains/losses		(13,775.5)	4,120.3
– *thereof deferred tax*		*3,443.8*	*(1,030.1)*
Realized gains/losses		(4,097.0)	(249.9)
– *thereof deferred tax*		*1,024.3*	*62.5*
Total changes in value recognized in equity subsequently reclassified into profit or loss when certain conditions are met		**(10,185.7)**	**(157.6)**
Other comprehensive income		**(12,071.7)**	**(421.0)**
Total comprehensive income after income taxes		**24,587.4**	**30,331.8**
thereof:			
– *Non-controlling interests*		*11,414.6*	*3,099.1*
– *Shareholders of parent company*		*13,172.8*	*27,232.7*

CHANGES IN CONSOLIDATED EQUITY

		Attributable to shareholders			
				Other reserves	
in € thousand	Note	Share capital	Capital reserve	Currency translation	Restatement as required by IAS 19
2014					
As of Jan 1, 2014		**13,600.0**	**23,703.4**	**1,179.7**	**(4,482.6)**
Other comprehensive income		0.0	0.0	1,176.0	(1,886.0)
Net profit for the period		0.0	0.0	0.0	0.0
Total comprehensive income		**0.0**	**0.0**	**1,176.0**	**(1,886.0)**
Acquisition of subsidiary	(B1)	0.0	0.0	0.0	0.0
Dividend	(D12)	0.0	0.0	0.0	0.0
As of Dec 31, 2014		**13,600.0**	**23,703.4**	**2,355.7**	**(6,368.6)**
2013					
As of Jan 1, 2013		**13,600.0**	**23,703.4**	**2,912.8**	**(4,219.2)**
Other comprehensive income		0.0	0.0	(1,733.1)	(263.4)
Net profit for the period		0.0	0.0	0.0	0.0
Total comprehensive income		**0.0**	**0.0**	**(1,733.1)**	**(263.4)**
Acquisition of subsidiary	(B1)	0.0	0.0	0.0	0.0
Partial disposal of an investment in a subsidiary while control is retained	(D12)	0.0	0.0	0.0	0.0
Dividend	(D12)	0.0	0.0	0.0	0.0
As of Dec 31, 2013		**13,600.0**	**23,703.4**	**1,179.7**	**(4,482.6)**

in the parent company

Revaluation reserve	Hedging reserve	Accumulated results	Subtotal	Non-controlling interests	Group equity
5.7	**3,728.3**	**131,720.2**	**169,454.7**	**18,455.0**	**187,909.7**
4.0	(13,404.4)	0.0	(14,110.4)	2,038.7	(12,071.7)
0.0	0.0	27,283.2	27,283.2	9,375.9	36,659.1
4.0	**(13,404.4)**	**27,283.2**	**13,172.8**	**11,414.6**	**24,587.4**
0.0	0.0	0.0	0.0	248.6	248.6
0.0	0.0	(8,160.0)	(8,160.0)	(6,236.3)	(14,396.3)
9.7	**(9,676.1)**	**150,843.4**	**174,467.5**	**23,881.9**	**198,349.4**
5.9	**825.5**	**113,553.6**	**150,382.0**	**17,438.6**	**167,820.6**
(0.2)	2,902.8	0.0	906.1	(1,327.1)	(421.0)
0.0	0.0	26,326.6	26,326.6	4,426.2	30,752.8
(0.2)	**2,902.8**	**26,326.6**	**27,232.7**	**3,099.1**	**30,331.8**
0.0	0.0	0.0	0.0	328.8	328.8
0.0	0.0	0.0	0.0	59.5	59.5
0.0	0.0	(8,160.0)	(8,160.0)	(2,471.0)	(10,631.0)
5.7	**3,728.3**	**131,720.2**	**169,454.7**	**18,455.0**	**187,909.7**

CONSOLIDATED STATEMENT OF CASH FLOWS

	in € thousand	Note	2014	2013
	Profit before income tax		47,314.3	41,688.6
+	Depreciation		12,664.4	10,208.8
±	Gains/losses of companies accounted for using the equity method	(D3)	(1,814.9)	(1,905.7)
–	Gains from the retirement of property, plant and equipment, intangible assets and securities	(D21)	(149.2)	(75.9)
+	Interest expenses	(D24)	4,284.9	3,117.3
–	Interest and securities income	(D25)	(2,166.6)	(1,345.5)
±	Unrealized gains/losses from currency translation		4,043.0	(1,383.7)
±	Change in inventories		(39,799.1)	5,924.4
±	Change in receivables and other assets and construction contracts	(D7, D8)	(65,577.7)	28,262.6
±	Change in other receivables		(1,575.2)	1,068.0
±	Change in trade payables and advance payments received		11,270.6	(1,384.4)
±	Change in other liabilities		7,662.8	4,108.9
±	Change in provisions (excluding income tax deferrals)		(318.1)	2,132.3
	Cash earnings		**(24,160.8)**	**90,415.7**
–	Interest paid	(D24)	(2,471.5)	(2,986.7)
+	Interest received and income of securities	(D25)	916.3	675.6
+	Dividends received from companies accounted for using the equity method	(D3)	937.1	2,178.5
–	Income tax paid		(12,313.3)	(8,099.0)
	Net cash flow from operating activities		**(37,092.2)**	**82,184.1**

	in € thousand	Note	2014	2013
	Net cash flow from operating activities		**(37,092.2)**	**82,184.1**
±	Payments made in connection with acquisition of subsidiary less acquired liquid funds	(B1)	(857.3)	2.0
–	Payments from the purchase of property, plant and equipment, intangile assets and securities	(D27)	(51,122.6)	(25,137.1)
+	Proceeds from the sale of property, plant and equipment, intangible assets and securities		524.4	629.0
–	Income from capitalized development costs		(3,364.9)	(2,293.5)
+	Capital contribution non-controlling interests in connection with the formation of group entities		0.0	254.2
	Net cash flow from investing activities		**(54,820.4)**	**(26,545.4)**
+	Partial disposal of an investment in a subsidiary while control is retained	(D12)	0.0	59.5
–	Dividends paid	(D27)	(8,160.0)	(8,160.0)
–	Dividends paid to non-controlling interests	(D12)	(6,236.3)	(2,471.0)
+	Proceeds from interest-bearing liabilities		180,533.0	51,958.5
–	Repayment of interest-bearing liabilities		(62,127.5)	(96,515.9)
	Net cash flow from financing liabilities		**104,009.2**	**(55,128.9)**
	Net change in cash and cash equivalents		**12,096.6**	**509.8**
+	Cash and cash equivalents at the beginning of the period	(D10)	13,805.8	13,608.7
±	Adjustment from currency translation		877.6	(312.7)
	Cash and cash equivalents at the end of the period	(D10)	**26,780.0**	**13,805.8**

MOVEMENT IN THE CONSOLIDATED ASSETS

in € thousand	As of Jan 1, 2014	Currency differences	Acquisition of subsidiary	Additions	Disposals	Adjustments	As of Dec 31, 2014
	Cost of acquisition or production						
2014							
I. Property, plant and equipment							
1. Land and buildings							
a) Land value	6,522.1	85.0	0.0	9,447.4	0.0	0.0	16,054.5
b) Office and plant buildings	63,400.6	1,181.6	0.0	17,032.5	0.0	2,814.8	84,429.5
c) Outside facilities	5,615.8	0.0	0.0	1,755.3	91.8	0.0	7,279.3
d) Investments in non-owned buildings	3,611.7	88.7	45.7	796.7	273.0	0.0	4,269.8
2. Undeveloped land	3,567.2	0.0	0.0	3,751.4	0.0	0.0	7,318.6
3. Technical equipment and machinery	29,694.5	788.9	75.9	4,616.3	985.9	1,522.5	35,712.2
4. Other equipment, furniture and fixtures	46,981.9	347.8	16.8	10,554.3	2,452.7	(19.0)	55,429.1
5. Advance payments received and construction in progress	4,355.3	0.4	0.0	2,086.1	6.1	(4,318.3)	2,117.4
	163,749.1	**2,492.4**	**138.4**	**50,040.0**	**3,809.5**	**0.0**	**212,610.4**
II. Intangible assets							
1. Rights	4,411.3	8.7	0.0	1,137.2	318.3	0.0	5,238.9
2. Goodwill	813.6	0.0	349.9	0.0	0.0	0.0	1,163.5
3. Other intangible assets	2,368.1	0.0	864.8	3,364.9	0.0	0.0	6,597.8
	7,593.0	**8.7**	**1,214.7**	**4,502.1**	**318.3**	**0.0**	**13,000.2**
	171,342.1	**2,501.1**	**1,353.1**	**54,542.1**	**4,127.8**	**0.0**	**225,610.6**

Accumulated depreciation						Net book value	
As of Jan 1, 2014	Currency differences	Changes in con-solidation basis	Additions	Disposals	As of Dec 31, 2014	As of Dec 31, 2014	As of Dec 31, 2013
26.0	0.0	0.0	1.7	0.0	27.7	16,026.8	6,496.1
23,446.0	666.4	0.0	2,833.5	10.5	26,935.4	57,494.1	39,954.6
2,768.5	0.0	0.0	425.0	61.7	3,131.8	4,147.5	2,847.3
2,409.3	37.2	29.2	249.2	268.4	2,456.5	1,813.3	1,202.4
0.0	0.0	0.0	0.0	0.0	0.0	7,318.6	3,567.2
16,946.2	569.1	35.8	2,739.3	834.3	19,456.1	16,256.1	12,748.3
31,717.4	264.8	9.3	5,753.0	2,281.0	35,463.5	19,965.6	15,264.5
0.0	0.0	0.0	0.0	0.0	0.0	2,117.4	4,355.3
77,313.4	**1,537.5**	**74.3**	**12,001.7**	**3,455.9**	**87,471.0**	**125,139.4**	**86,435.7**
3,593.6	8.5	0.0	573.5	316.3	3,859.3	1,379.6	817.7
0.0	0.0	0.0	0.0	0.0	0.0	1,163.5	813.6
0.0	0.0	0.0	89.2	0.0	89.2	6,508.6	2,368.1
3,593.6	**8.5**	**0.0**	**662.7**	**316.3**	**3,948.5**	**9,051.7**	**3,999.4**
80,907.0	**1,546.0**	**74.3**	**12,664.4**	**3,772.2**	**91,419.5**	**134,191.1**	**90,435.1**

in € thousand	Cost of acquisition or production: As of Jan 1, 2013	Currency differences	Acquisition of sub-sidiary	Additions	Disposals	Adjust-ments	As of Dec 31, 2013
2013							
I. Property, plant and equipment							
1. Land and buildings							
a) Land value	5,468.7	(25.6)	0.0	1,079.0	0.0	0.0	6,522.1
b) Office and plant buildings	55,129.7	(530.2)	0.0	8,577.1	0.0	224.0	63,400.6
c) Outside facilities	4,383.7	0.0	0.0	1,201.8	3.2	33.5	5,615.8
d) Investments in non-owned buildings	3,626.4	(27.1)	0.0	162.7	150.3	0.0	3,611.7
2. Undeveloped land	3,430.1	0.0	0.0	137.1	0.0	0.0	3,567.2
3. Technical equipment and machinery	26,794.4	(285.8)	4.2	3,554.1	863.0	490.6	29,694.5
4. Other equipment, furniture and fixtures	42,585.9	(147.6)	17.8	6,085.0	1,688.8	129.6	46,981.9
5. Advance payments received and construction in progress	1,123.1	0.0	0.0	4,291.3	181.4	(877.7)	4,355.3
	142,542.0	**(1,016.3)**	**22.0**	**25,088.1**	**2,886.7**	**0.0**	**163,749.1**
II. Intangible assets							
1. Rights	4,521.7	(3.6)	0.0	306.5	413.3	0.0	4,411.3
2. Goodwill	813.6	0.0	0.0	0.0	0.0	0.0	813.6
3. Other intangible assets	0.0	0.0	74.6	2,293.5	0.0	0.0	2,368.1
	5,335.3	**(3.6)**	**74.6**	**2,600.0**	**413.3**	**0.0**	**7,593.0**
	147,877.3	**(1,019.9)**	**96.6**	**27,688.1**	**3,300.0**	**0.0**	**171,342.1**

Accumulated depreciation						Net book value	
As of Jan 1, 2013	Currency differences	Changes in con-solidation basis	Additions	Disposals	As of Dec 31, 2013	As of Dec 31, 2013	As of Dec 31, 2012
24.3	0.0	0.0	1.7	0.0	26.0	6,496.1	5,444.4
21,596.7	(313.7)	0.0	2,163.0	0.0	23,446.0	39,954.6	33,533.0
2,442.5	0.0	0.0	326.0	0.0	2,768.5	2,847.3	1,941.2
2,286.0	(8.7)	0.0	214.5	82.5	2,409.3	1,202.4	1,340.4
0.0	0.0	0.0	0.0	0.0	0.0	3,567.2	3,430.1
15,720.7	(199.4)	0.0	2,288.6	863.7	16,946.2	12,748.3	11,073.7
28,497.0	(123.3)	0.0	4,733.4	1,389.7	31,717.4	15,264.5	14,088.9
0.0	0.0	0.0	0.0	0.0	0.0	4,355.3	1,123.1
70,567.2	**(645.1)**	**0.0**	**9,727.2**	**2,335.9**	**77,313.4**	**86,435.7**	**71,974.8**
3,526.4	(3.4)	0.0	481.6	411.0	3,593.6	817.7	995.3
0.0	0.0	0.0	0.0	0.0	0.0	813.6	813.6
0.0	0.0	0.0	0.0	0.0	0.0	2,368.1	0.0
3,526.4	**(3.4)**	**0.0**	**481.6**	**411.0**	**3,593.6**	**3,999.4**	**1,808.9**
74,093.6	**(648.5)**	**0.0**	**10,208.8**	**2,746.9**	**80,907.0**	**90,435.1**	**73,783.7**

SCHEDULE OF PROVISIONS

in € thousand	As of Jan 1, 2014	Currency differences	Allocation	Con-sumption	Reversal	Com-pounding	As of Dec 31, 2014
2014							
Current							
Personnel provisions	106.9	0.1	250.7	(95.0)	(12.0)	0.0	250.7
Provisions for warranties	10,699.2	311.8	9,111.4	(10,914.7)	(96.3)	0.0	9,111.4
Contract loss provisions	209.0	1.9	471.6	(210.9)	0.0	0.0	471.6
Provisions for income tax	1,967.4	12.6	584.0	(2,208.3)	(36.5)	0.0	319.2
Other provisions	2,920.8	46.0	1,774.0	(1,048.8)	(1,426.2)	0.0	2,265.8
	15,903.3	**372.4**	**12,191.7**	**(14,477.7)**	**(1,571.0)**	**0.0**	**12,418.7**
Non-current							
Provisions for long-service bonuses	2,704.0	0.0	705.3	(160.7)	0.0	87.0	3,335.6
Other non-current provisions	57.0	0.0	0.0	0.0	(34.0)	0.0	23.0
	2,761.0	**0.0**	**705.3**	**(160.7)**	**(34.0)**	**87.0**	**3,358.6**
	18,664.3	**372.4**	**12,897.0**	**(14,638.4)**	**(1,605.0)**	**87.0**	**15,777.3**

The schedule of provisions for severance payments and pensions is contained under the item D15. “Non-current provisions” in the Notes.

in € thousand	As of Jan 1, 2013	Currency differences	Allocation	Con-sumption	Reversal	Com-pounding	As of Dec 31, 2013
2013							
Current							
Personnel provisions	245.0	0.0	95.0	(233.1)	0.0	0.0	106.9
Provisions for warranties	7,330.9	(116.9)	10,699.2	(7,089.4)	(124.6)	0.0	10,699.2
Contract loss provisions	252.2	(1.8)	209.0	(46.1)	(204.3)	0.0	209.0
Provisions for income tax	925.7	(9.0)	2,038.9	(988.2)	0.0	0.0	1,967.4
Other provisions	2,896.3	(8.4)	2,427.2	(2,277.5)	(116.8)	0.0	2,920.8
	11,650.1	**(136.1)**	**15,469.3**	**(10,634.3)**	**(445.7)**	**0.0**	**15,903.3**
Non-current							
Provisions for long-service bonuses	2,413.0	0.0	369.0	(160.7)	0.0	82.7	2,704.0
Other non-current provisions	62.5	0.0	0.0	0.0	(5.5)	0.0	57.0
	2,475.5	**0.0**	**369.0**	**(160.7)**	**(5.5)**	**82.7**	**2,761.0**
	14,125.6	**(136.1)**	**15,838.3**	**(10,795.0)**	**(451.2)**	**82.7**	**18,664.3**

The schedule of provisions for severance payments and pensions is contained under the item D15. “Non-current provisions” in the Notes.

SEGMENT REPORTING
OPERATING SEGMENTS

in € thousand	Austria	USA	Germany	Rest of Europe	Asia	Con-solidation	Group
2014[1]							
External revenues	443,775.9	146,317.1	143,484.3	30,882.3	20,392.7	0.0	**784,852.3**
Internal revenues	68,740.9	50,188.7	37,703.3	27,583.2	7,610.8	(191,826.9)	**0.0**
Total revenues	**512,516.8**	**196,505.8**	**181,187.6**	**58,465.5**	**28,003.5**	**(191,826.9)**	**784,852.3**
EBIT before share of results of companies accounted for using the equity method	22,259.7	14,622.3	4,642.2	4,282.7	2,507.6	42.9	**48,357.4**
Segment assets	356,216.2	76,955.1	86,068.2	40,644.4	24,910.5	(45,215.2)	**539,579.2**
Segment liabilities	137,525.5	29,322.8	41,674.2	28,340.0	7,657.6	(47,180.3)	**197,339.8**
Investments	45,072.6	2,965.4	4,287.9	629.8	1,586.4	0.0	**54,542.1**
Depreciation	8,692.2	1,134.8	1,794.7	664.3	378.4	0.0	**12,664.4**
Share in results of companies accounted for using the equity method	1,814.9	0.0	0.0	0.0	0.0	0.0	**1,814.9**
Employees (average)	1,253	689	623	131	104	0	**2,800**

[1] The segment report refers to the revenues and results earned by the individual segments both on their respective local market and from export sales.

INFORMATION ON BUSINESS UNITS

	Revenues		Segment assets		Investments	
in € million	2014	2013	2014	2013	2014	2013
Vehicles	549.5	517.4	404.5	317.1	33.7	23.0
Aerials	73.6	71.5	56.2	45.1	2.6	1.9
Firefighting Components	24.1	22.7	12.5	11.0	1.6	1.3
Fire & Safety Equipment	77.9	81.5	18.1	13.2	0.1	0.0
Business Development	6.4	3.8	4.8	2.1	0.1	0.1
Customer Service	50.8	38.1	0.7	3.1	0.6	0.1
Others	2.6	2.9	54.4	8.1	15.8	1.3
Consolidation	0.0	0.0	(11.6)	(9.5)	0.0	0.0
Group	**784.9**	**737.9**	**539.6**	**390.2**	**54.5**	**27.7**

in € thousand	Austria	USA	Germany	Rest of Europe	Asia	Con-solidation	Group
2013[1]							
External revenues	437,448.9	119,603.8	143,691.4	25,960.2	11,189.8	0.0	**737,894.1**
Internal revenues	66,360.0	52,841.9	34,453.5	20,443.6	4,662.3	(178,761.3)	**0.0**
Total revenues	**503,808.9**	**172,445.7**	**178,144.9**	**46,403.8**	**15,852.1**	**(178,761.3)**	**737,894.1**
EBIT before share of results of companies accounted for using the equity method	31,960.3	9,833.4	(1,383.4)	2,183.4	(256.0)	9.0	**42,346.7**
Segment assets	252,100.2	65,940.7	73,879.5	28,998.3	14,313.7	(45,033.1)	**390,199.3**
Segment liabilities	114,255.0	25,513.7	38,810.3	20,771.2	5,889.3	(45,101.3)	**160,138.2**
Investments	21,161.4	643.3	3,957.5	1,372.1	553.8	0.0	**27,688.1**
Depreciation	6,868.5	1,134.0	1,526.5	408.2	271.6	0.0	**10,208.8**
Share in results of companies accounted for using the equity method	1,905.7	0.0	0.0	0.0	0.0	0.0	**1,905.7**
Employees (average)	1,154	644	564	108	81	0	**2,551**

[1] The segment report refers to the revenues and results earned by the individual segments both on their respective local market and from export sales.

EXPLANATORY NOTES

A. GENERAL INFORMATION

A1. Information on the company and the basis of preparation of the financial statements

The Rosenbauer Group is an international group of companies whose parent company is Rosenbauer International AG, based in Austria. Its main focus is on the production of firefighting vehicles, the development and manufacture of firefighting systems and equipping vehicles and their crews. The Group's head office is located at Paschinger Strasse 90, 4060 Leonding, Austria. The company is registered with the Linz Regional Court under commercial register number FN 78543 f.

These consolidated financial statements of Rosenbauer International AG and its subsidiaries as of December 31, 2014 were prepared in accordance with the principles of the International Financial Reporting Standards (IFRS), as endorsed by the EU, and are expected to be presented by the Executive Board to the Supervisory Board for approval for publication in April 2015. The additional requirements of section 245a(1) of the Unternehmensgesetzbuch (UGB – Austrian Commercial Code) have been complied with.

The consolidated financial statements have been prepared in thousands of euro (€). Unless stated otherwise, the figures in the explanatory notes are presented in thousands of euro. The commercial rounding of individual items and percentages may result in minor arithmetic differences.

The consolidated financial statements have been prepared applying the historical cost system. This does not apply to derivative financial instruments or financial investments available for sale, which were measured at fair value.

A2. Effects of new accounting standards

The accounting policies applied in 2014 are basically the same as those used in the previous year.

The following new, revised or supplemented standards are not relevant to the consolidated financial statements of Rosenbauer International AG:

Standards/interpretations	Effective date
IAS 27 "Separate Financial Statements" (published May 2011)	January 1, 2014
IAS 28 "Investments in Associates and Joint Ventures" (published May 2011)	January 1, 2014
IAS 32 "Offsetting Financial Assets and Financial Liabilities" (published December 2011)	January 1, 2014
Investment Entities (amendments to IFRS 10, IFRS 12, and IAS 27)	January 1, 2014
Transition Guidance (amendments to IFRS 10, IFRS 11, and IFRS 12)	January 1, 2014

A3. Changes in accounting policies

The following new, revised or supplemented IASB standards were applied for the first time in the 2014 financial year and affected Rosenbauer's consolidated financial statements:

In May 2011, the IASB published three new standards that concern the treatment of subsidiaries, joint arrangements and disclosure of interests in other entities:

- IFRS 10 "Consolidated Financial Statements"
- IFRS 11 "Joint Arrangements"
- IFRS 12 "Disclosure of Interests in Other Entities"

IFRS, as endorsed in the European Union, require the adoption of these standards for reporting periods beginning on or after January 1, 2014.

IFRS 10 replaces the previous regulations on consolidated financial statements in IAS 27 ("Consolidated and Separate Financial Statements") and SIC-12 ("Consolidation – Special Purpose Entities"). In the future, IAS 27 merely regulates accounting for interests in subsidiaries in separate financial statements. In particular, IFRS 10 redefines the concept of control more comprehensively. This is intended to create a uniform basis for defining the consolidated group. Under IFRS 10, control exists, when all of the following three conditions are met:

a) An entity has control over the material activities of the investee.
b) The entity is exposed to variable returns from its exposure in the investee or has a right to such returns.
c) The entity can utilize its control so as to influence the amount of returns from the investee.

Control was previously defined as the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. In adopting IFRS 10 for the first time, it was assessed whether – in accordance with the new definition of control and the associated application guidance of IFRS 10 – subsidiaries are still controlled. The new regulations did not result in any change in the basis of consolidation of the Rosenbauer Group.

IFRS 11 ("Joint Arrangements") replaces IAS 31 ("Interests in Joint Ventures") and SIC-13 ("Jointly Controlled Entities – Non-Monetary Contributions by Venturers"). IFRS 11 regulates accounting for joint operations and joint ventures. In accordance with IFRS 11, joint ventures as defined by IFRS 11 are included in the consolidated financial statements using the equity method. The classification of the Group's interests in joint arrangements was examined and reassessed in line with the principles of IFRS 11. Given that joint ventures were already accounted for using the equity method, there was no change in accounting for joint ventures in the consolidated financial statements of Rosenbauer International AG.

IFRS 12 ("Disclosure of Interests in Other Entities") compiles the disclosures required on subsidiaries, joint arrangements, associates and non-consolidated structured entities into a single standard. The scope of the disclosure requirements in the consolidated financial statements of Rosenbauer International AG has not changed significantly as a result of the provisions of IFRS 12.

As a result of the amendments in IAS 39 ("Novation of Derivatives and Continuation of Hedge Accounting") under certain circumstances derivatives remain hedging instruments in continuing hedge accounting despite novation. Novation refers to instances in which the original counterparties to a derivative agree that a central counterparty will replace one of the original counterparties. A basic requirement for this is that the central counterparty is engaged as a result of legal or regulatory requirements. The amendments do not affect the consolidated financial statements as the derivatives that exist within the Group do not have to switch to a central counterparty as a result of legal or regulatory requirements.

A4. Future changes in accounting policies due to new accounting standards

As of the time of these financial statements being approved for publication, in addition to the standards and interpretations already applied by the Group, the following standards and interpretations had already been published but were not yet effective or had not yet been endorsed by the European Commission. The Group intends to adopt these new or amended standards from their effective date.

In June 2014 the IASB published IFRS 9 ("Financial Instrument"), which is effective for the first time for reporting periods beginning on or after January 1, 2018. IFRS 9 contains amendments to the categorization and measurement of financial instruments, impairment of financial assets and regulations on hedge accounting. An initial analysis found that this had no effect for the Rosenbauer Group.

In May 2014 the IASB issued IFRS 15 ("Revenue from Contracts with Customers"). This standard sets out a comprehensive framework for whether, how much and when revenue should be recognized. IFRS 15 replaces the existing guidance on the recognition of revenues, including IAS 18 ("Revenue"), IAS 11 ("Construction Contracts"), and IFRIC 13 ("Customer Loyalty Programs").

IFRS 15 is effective for the first time for reporting periods beginning on or after January 1, 2017; earlier adoption is permitted. Significant changes may arise with regard to the applicability of the percentage-of-completion (PoC) method to revenue recognition. The further applicability of the percentage-of-completion method under IFRS 15 cannot yet be conclusively assessed.

No significant effect on the consolidated financial statements of Rosenbauer International AG is expected from the following standards/interpretations.

Standards/interpretations	Effective date
IFRIC 21 "Levies"	June 17, 2014
IAS 19 "Defined Benefit Plans: Employee Contributions" (published November 2013)	July 1, 2014
Improvements to IFRS (2010–2012) (published December 2013)	July 1, 2014
Improvements to IFRS (2011–2013) (published December 2013)	July 1, 2014
IFRS 14 "Regulatory Deferral Accounts" (published January 2014)	January 1, 2016
IAS 16 and IAS 41 "Agriculture: Bearer Plants" (published June 2014)	January 1, 2016
Amendments to IAS 16 and 38: Depreciation and Amortization (published May 2014)	January 1, 2016
Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations (published May 2014)	January 1, 2016
Amendments to IAS 27: Equity Method (published August 2014)	January 1, 2016
Improvements to IFRS (2012–2014) (published September 2014)	January 1, 2016
Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate (published September 2014)	January 1, 2016
Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities – Applying the Consolidation Exception (published December 2014)	January 1, 2016
Amendments to IAS 1: Disclosure Initiative (published December 2014)	January 1, 2016

B. CONSOLIDATION PRINCIPLES

B1. Basis of consolidation

The companies included in the consolidated financial statements are shown in the list of investees (see E3. "Related party disclosures").

Subsidiaries

Subsidiaries are investees controlled by the parent company. The parent company controls an investee when it has exposure or rights to variable returns from its involvement with the investee and the ability to utilize its control over the material activities of the investee so as to influence the amount of returns from the investee.

The parent company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the above criteria for control.

If the parent company does not have a majority of voting rights, the investee is still controlled if it has the practical ability to direct the relevant activities unilaterally. At the subsidiaries where Rosenbauer International AG does not directly or indirectly hold more than half of the voting rights, control is contractually assured.

Thus, in accordance with IFRS 10, in addition to the parent company there are two Austrian and 19 foreign subsidiaries legally or constructively controlled by Rosenbauer International AG.

Consolidation of a subsidiary begins from the date the parent company obtains control of the subsidiary and ceases when the parent company loses control of the subsidiary. All the subsidiaries included are included in consolidation.

Associates and joint ventures

An associate is an investee over which the parent company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an investee, though it is not controlled and its decision-making processes are not jointly controlled.

A joint venture is a subcategory of joint arrangement as defined by IFRS 11, which is jointly controlled by the parties involved and in which the parties involved have a right to the net assets. Joint control requires the contractually agreed sharing of control of an arrangement and exists only when decisions about the relevant activities require the unanimous consent of the parties involved.

Shares in associates and joint ventures are accounted for using the equity method and recognized at cost on addition. The carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the associate after the date of acquisition. The Group's share of the associate's profit or loss is recognized in profit or loss from the acquisition date.

The shares in the associate in Russia (PA "Fire-fighting special technics" LLC.; Rosenbauer's share: 49%), which was founded with Russian partners, and the shares in the joint venture in Spain founded with the joint owner and manager of Rosenbauer Española (Rosenbauer Ciansa S.L.; Rosenbauer's share: 50%) are accounted for using the equity method.

	Company consolidated		**Consolidated company at equity**	
	2014	**2013**	**2014**	**2013**
As of Jan 1	21	19	2	2
Acquisitions	1	1	0	0
Companies formed	0	1	0	0
As of Dec 31	**22**	**21**	**2**	**2**

Acquisitions in 2014

Rosenbauer UK plc

One new company was included in the group of consolidated companies in the second quarter of 2014.

On April 24, 2014 Rosenbauer International AG signed an agreement to acquire a 75% interest in its UK partner North Fire plc, Holmfirth. In the past the company was the exclusive sales and service partner for personal protective equipment, components, aerial appliances and municipal vehicles. The company was included in consolidation for the first time as of April 1, 2014 and operates under the name Rosenbauer UK plc.

Purchase price allocation on the basis of the calculated fair values was as follows as of the acquisition date:

in € thousand	**2014**
Purchase price paid in cash	1,095.9
Total purchase price	**1,095.9**
Acquired net assets	994.6
Pro rata net assets (75%)	746.0
Non-controlling interests measured at amount of pro rata net assets (25%)	248.6
Goodwill	**349.9**

The goodwill arising from the acquisition essentially reflects the anticipated benefits from expanding the market and synergies.

The measurement of the purchase price allocation is final, the goodwill arising is non-deductible in tax terms. The goodwill has been assigned to this individual company for the purposes of the impairment test on the basis of internal management.

The acquired net assets of € 994.6 thousand break down as follows:

in € thousand	**2014**
Non-current assets	
Property, plant and equipment	60.2
Intangible assets	864.8
	925.0
Current assets	
Inventories	361.1
Receivables	465.8
Cash and cash equivalents	238.6
	1,065.5

in € thousand	2014
Non-current liabilities	
Deferred tax liabilities	173.0
	173.0
Current liabilities	
Trade payables	818.3
Other current liabilities	4.6
	822.9
Acquired net assets	**994.6**

The fair value of the receivables is € 465.8 thousand. The gross amount of the receivables is also € 465.8 thousand. No trade receivables were impaired, and all contractually defined receivables are expected to be collectible.

The net cash flow from the acquisition is as follows:

Net cash flow from investing activities in € thousand	2014
Purchase price paid in cash	1,095.9
less cash and cash equivalents	(238.6)
Net cash flow from acquisition	**857.3**

Consolidated earnings would have been as follows if the transaction had been performed as of January 1, 2014:

in € thousand	2014
Revenues	785,356.5
Earnings after taxes	36,673.9
Earnings per share	€ 4.01

In the months April to December 2014, the newly acquired company Rosenbauer UK generated revenues of € 3,658.1 thousand and earnings after taxes of € –1.8 thousand.

Acquisitions and companies founded in 2013

Metz-Service18 S.A.R.L.

The purchase agreement for the acquisition of 84% of shares in a French service company for aerial appliances was signed on February 1, 2013. The company was included in consolidation for the first time as of February 1, 2003 and operates as Metz-Service18 S.A.R.L.

Purchase price allocation on the basis of the calculated fair values was as follows as of the acquisition date:

in € thousand	**2013**
Unilateral capital increase	420.0
Total purchase price	**420.0**

Total acquired net assets	500.0
Pro rata net assets (84%)	420.0
Non-controlling interests measured at amount of pro rata net assets (16%)	80.0
Goodwill	**0.0**

The acquired net assets not including the capital contribution of € 80.0 thousand break down as follows:

in € thousand	**2013**
Non-current assets	
Property, plant and equipment	22.0
Intangible assets	74.6
	96.6
Current assets	
Inventories	8.7
Receivables	97.1
Cash and cash equivalents	2.0
	107.8
Non-current liabilities	**0.0**
Current liabilities	
Current interest-bearing liabilities	35.9
Trade payables	51.4
Other current liabilities	37.1
	124.4
Acquired net assets not including capital contribution	**80.0**

The fair value of the receivables is € 97.1 thousand. The gross amount of the receivables is also € 97.1 thousand. No trade receivables were impaired, and all contractually defined receivables are expected to be collectible.

The net cash flow from the acquisition is as follows:

Net cash flow from investing activities in € thousand	**2013**
Purchase price paid in cash	0.0
less cash and cash equivalents	2.0
Net cash flow from acquisition	**(2.0)**

Consolidated earnings would have been as follows if the transaction had been performed as of January 1, 2013:

in € thousand	**2013**
Revenues	737,894.1
Earnings after taxes	30,752.8
Earnings per share	€ 3.87

In the months February to December 2013, the newly acquired company Metz-Service18 generated revenues of € 955.4 thousand and earnings after taxes of € –384.1 thousand.

The carrying amounts of the acquired net assets from the acquisition in 2013 were unchanged; no adjustment was made.

Saudi Arabia subsidiary

With the founding of a new subsidiary – together with a local partner (Rosenbauer's share: 75%) – the commitment in Saudi Arabia was intensified significantly at the start of 2013.

B2. Methods of consolidation

Business combinations are accounted for using the acquisition method. The cost of a business acquisition is calculated as the total of the consideration transferred, measured at fair value as of the acquisition date, and the non-controlling interests in the company acquired. For each business combination, the acquirer measures any non-controlling interests in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Costs incurred in the business combination are recognized under other expenses.

The goodwill from purchase price allocation is not amortized annually, rather it is tested for impairment annually. The annual financial statements of the companies included in the consolidated financial statements are based on uniform accounting policies. The separate financial statements of the companies included were prepared as of the same date as the consolidated financial statements. All receivables and liabilities, expenses and income between companies included in the consolidated financial statements are eliminated, as are intercompany profits and losses.

Non-controlling interests represent the share of earnings and net assets not attributable to the Group as all non-controlling interests in the Group are measured at the value of the pro rata, remeasured net assets (partial goodwill method). Non-controlling interests are reported separately in the consolidated income statement and the consolidated statement of financial position. They are reported in the consolidated statement of financial position under equity but separately from the equity attributable to the shareholders of the parent company. Acquisitions of non-controlling interests are accounted for as equity transactions. The difference between the purchase price and the carrying amount of the pro rata acquired net assets is offset against accumulated net profits.

B3. Currency translation

The annual financial statements of the entities included in the consolidated financial statements that prepare their accounts in foreign currency are translated into euro in line with the functional currency concept in accordance with IAS 21. As the companies conduct their business as financially, economically, and organizationally independent entities, this is the respective national currency for all companies. All assets and liabilities are therefore translated at the respective mean rate of exchange at the end of the reporting period while expenses and income are translated at average rates for the year.

Differences from foreign currency translation in asset and liability items as against the previous year's translation and translation differences between the consolidated statement of financial position and the consolidated income statement are recognized in other comprehensive income.

The translation difference arising from remeasurement of equity as against first-time consolidation is offset against consolidated reserves in other comprehensive income. Translation differences as of the end of the reporting period of € 3,214.7 thousand (2013: € –3,060.2 thousand) were transferred to other comprehensive income in the year under review.

The exchange rates on which currency translation is based developed as follows:

	Closing rate		**Annual average rate**	
in €	**Dec 31, 2014**	**Dec 31, 2013**	**Dec 31, 2014**	**Dec 31, 2013**
100 US dollars	82.3384	72.7114	75.3140	75.3475
100 Swiss francs	83.1739	81.5461	82.3752	81.4376
100 Singapore dollars	62.2859	57.5209	59.4177	60.1778
100 Brunei dollars	62.2859	57.5209	59.4177	60.1778
100 South African rands	7.1250	6.8989	6.9592	7.7806
100 Saudi riyals	21.9250	19.3667	20.0769	20.0848
100 Russian rubles	1.3874	2.2093	1.9695	2.3589
100 British pounds	128.5678	119.9760	124.1754	117.6885

B4. Fair value measurement

Financial instruments, such as derivatives are measured at fair value on a recurring basis. Fair value is defined as the price that would have to be received from the sale of an asset or that would have to be paid for the transfer of a liability between market participants as part of an orderly transaction on the measurement date. In measuring fair value it is assumed that the transaction in which the asset is sold or the liability is transferred takes place on the principal market for the asset or liability, of the most advantageous market if there is no principal market. Rosenbauer measures fair value using assumptions that market participants would use in pricing. It is assumed that the market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

In calculating fair value Rosenbauer uses measurement methods that are appropriate under the respective circumstances and for which there is sufficient data available to measure fair value, using observable inputs where possible.

The following hierarchy is used in the consolidated financial statements to determine and report the fair values of financial instruments by measurement method:

- Level 1: Quoted (non-adjusted) prices on active markets for similar assets or liabilities
- Level 2: Methods in which all the input parameters that significantly affect the calculation of fair value are either directly or indirectly observable
- Level 3: Method in which the input parameters that significantly affect the calculation of fair value are not based on observable market data

For all classes of financial instruments other than non-current interest-bearing loan liabilities, the carrying amount is equal to the fair value.

C. ACCOUNTING POLICIES

The principle of uniform accounting is implemented by applying the same policies throughout the Group.

C1. Property, plant and equipment

Property, plant and equipment are measured at the lower of cost less depreciation and cumulative impairment or recoverable amount. Depreciation is calculated using the straight-line method from the time it is in the condition necessary for it to be capable of operating. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction.

The following depreciation rates are used:

Factory buildings and other constructions	3.00% – 10.00%
Business premises	2.00% – 4.00%
Technical equipment and machinery	10.00% – 25.00%
Other equipment, operating and office equipment	10.00% – 33.33%

The residual carrying amounts, depreciation method and useful lives are reviewed at the end of each reporting period and adjusted as necessary.

As of December 31, 2014, and in the previous year, there was no investment property held to earn rentals or for capital appreciation. The borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset in question. All other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs for all qualifying assets on which work commenced on or after January 1, 2009 are capitalized in the consolidated financial statements. No significant construction projects have been begun since January 1, 2009.

If there is evidence of impairment for financial assets and the recoverable amount – the higher of the value in use or fair value less costs of disposal – is less than the respective carrying amount, the assets are written down to recoverable amount in accordance with IAS 36 ("Impairment of Assets"). If the reasons for an impairment loss recognized in the previous year no longer apply, the impairment loss is reversed. Property, plant and equipment and intangible assets are derecognized either on disposal or when no future economic benefits are expected from its use.

If the recoverable amount of an asset cannot be calculated, the asset is included in a cash-generating unit (CGU) and tested for impairment, generally using the value in use as the recoverable amount. In the Rosenbauer Group the legally separate business units each form a CGU.

An impairment loss recognized previously is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset is increased to its recoverable amount. However, this amount must not increase the carrying amount of an asset above the carrying amount that would have been determined for the asset had no impairment loss been recognized in prior years. Such a reversal of an impairment loss is recognized immediately in profit or loss.

A government grant is recognized if there is reasonable assurance that the grant will be received and that the entity will comply with the conditions attached to it. Grants relating to expenses are recognized as income on a systematic basis over the period necessary to match them with the costs they are intended to compensate. Grants for assets are shown in the consolidated statement of financial position as deferred income. The deferred income included in other liabilities is reversed to profit or loss over the expected useful life of the asset in question in equal annual installments.

For non-current amounts provided by research promotion funds with a subsidized interest rate, the interest benefit is quantified by comparing the amounts received and discounted.

Determining whether an arrangement is a lease is based on the substance of the arrangement at the time it is concluded and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and whether the arrangement conveys a right to use the asset.

C2. Intangible assets

Intangible assets are amortized using the straight-line method. The amortization rates are between 25.0% and 33.3%. The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at least at the end of each financial year. Amortization of intangible assets is reported in "Amortization and impairment of intangible assets and depreciation of property, plant and equipment and impairment".

Goodwill

Goodwill in accordance with IFRS 3 is not amortized but rather tested for impairment annually and whenever there are indications it has become impaired. Goodwill is assigned to cash-generating units in order to perform impairment testing. A key criterion for qualifying as a cash-generating unit is its technical and economic independence for generating income. Impairment on a cash-generating unit is calculated by comparing its current amortized carrying amount (including the goodwill assigned) with the higher of its net selling price and value in use. The value in use is calculated as the present value of the associated future receipts and payments based on data from medium-term corporate planning. The discount rate before taxes used for planning for Rosenbauer d.o.o. is 14.6% (2013: 10.4%) and for Rosenbauer UK 11.8%. The discount rate is calculated based on current market data for similar enterprises in the same branch of industry. Cash flows incurred after a period of four years are extrapolated using the forecast average industry growth of 1% (2013: 1%). A sensitivity analysis in which discount rates were raised by 50 basis points did not identify any impairment. In the assumptions used there is estimation uncertainty regarding earnings, the change in working capital, investment and the discount rate. If the amount calculated is less than the carrying amount, an impairment loss in this amount is first recognized on goodwill. Any further impairment is distributed among the other assets of the cash-generating units in proportion to their carrying amount.

For the purposes of the goodwill impairment test, the two subsidiaries Rosenbauer d.o.o. and Rosenbauer UK were identified as cash-generating units with goodwill on the basis of internal goodwill monitoring, to which the following carrying amounts are assigned: Rosenbauer d.o.o. (carrying amount as of December 31, 2014: € 813.6 thousand; carrying amount as of December 31, 2013: € 813.6 thousand); Rosenbauer UK (carrying amount as of December 31, 2014: € 349.9 thousand).

All capitalized goodwill is tested for impairment. If non-controlling interests are carried at fair value in a business combination, impairment is divided between the individual shareholder groups. It is divided according to the same ratio as the earnings of the subsidiary in question are distributed between the shareholders, if the subsidiary itself is a cash-generating unit to which goodwill is assigned.

Impairment losses on goodwill cannot be reversed in accordance with IFRS 3.

Research and development

Research costs are not capitalized under IAS 38 (“Intangible Assets”) and are therefore shown directly and in full in the income statement.

Development costs intended to significantly advance a product or process are only capitalized in accordance with IAS 38 if the product or process is technically and economically feasible, it can be marketed and will generate future economic benefit, the expenses can be reliably measured and Rosenbauer has sufficient resources to complete the development project. All other development expenses are recognized immediately in profit or loss. Capitalized development expenses for completed projects are reported at cost less cumulative write-downs. As long as a development project has not been completed, the cumulative amounts recognized are tested for impairment annually or whenever there are indications that they may have become impaired.

Development costs of € 3,364.9 thousand were capitalized in the 2014 financial year (2013: € 2,293.5 thousand).

C3. Securities

Securities are assigned to the available for sale category. Financial assets held for sale are measured at fair value after first-time recognition. Unrealized gains or losses are recognized in other comprehensive income, in the reserve for unrealized gains. On disposal of financial investments the cumulative gain or loss previously recognized in other comprehensive income in the revaluation surplus is reclassified to the income statement. If a financial asset held for sale is impaired, the cumulative loss previously recognized in other comprehensive income in the revaluation surplus is recognized in the income statement. Interest received or paid for financial investments are reported as interest income or interest expenses.

C4. Deferred taxes

Deferred taxes are recognized on all taxable temporary differences between the value in the IFRS consolidated statement of financial position and the tax accounts. They are calculated in accordance with IAS 12 using the balance sheet liability method. Deferred tax liabilities are recognized for all taxable temporary differences, except for the deferred tax liabilities arising from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither accounting profit nor taxable profit.

Furthermore, deferred tax liabilities are not recognized for taxable temporary differences in connection with investments in subsidiaries, associates or interests in joint ventures if the timing of the reversal of the temporary difference can be controlled and it is likely that the temporary differences will not reverse in the foreseeable future.

Current tax assets and tax liabilities for the current and earlier period are measured at the amount expected to be refunded by the tax authority/paid to the tax authority. Current taxes on items recognized in other comprehensive income are not recognized in the income statement but rather in other comprehensive income.

Deferred tax assets on loss carryforwards are recognized if their utilization is expected in the foreseeable future.

The carrying amount of deferred tax assets is assessed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which the deferred tax asset can be at least partially utilized. Unrecognized deferred tax assets are assessed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled.

Current taxes are calculated using the tax rates and laws that apply as of the end of the reporting period.

C5. Inventories

Inventories are carried at the lower of cost and net realizable value (market price) at the end of the reporting period. The cost is calculated for assets of the same type using moving average prices or a similar method. The cost includes only the directly attributable costs and pro rata overheads assuming the normal utilization rate of the production facilities. Interest is not recognized for borrowed capital.

C6. Construction contracts

Construction contracts that satisfy the requirement of a reliable earnings estimate are measured using the percentage of completion method. The percentage of completion is estimated by the ratio of costs incurred to the estimated total costs (cost to cost). Only vehicle bodies are included in the estimate to calculate the percentage of completion. If the result of a construction contract cannot be estimated reliably, contract income is recognized only to the extent of contract costs incurred that it is probable will be recoverable. If it is likely that the total cost of the production will exceed its total proceeds the expected loss is expensed immediately.

C7. Receivables

Trade receivables are measured at amortized cost. Impairment losses are recognized if there are objective indications of impairment in accordance with IAS 39. Impairment losses are derecognized when the underlying receivables are classified as uncollectible. Other receivables and assets are measured at amortized cost. However, in addition to other receivables these include derivative financial instruments in hedges and derivative financial instruments to which hedge accounting does not apply.

The fair value of financial assets which are traded on organized markets is determined on the basis of the quoted market price (bid price) at the end of the reporting period.

At the end of each reporting period the Group determines if a financial asset or a group of assets has become impaired.

If there is objective evidence that an impairment loss on loans and receivables measured at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i. e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The impairment loss is recognized in profit or loss.

It is first assessed whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is recognized are not included in an assessment of impairment on a portfolio basis.

A financial asset (or part of a financial asset or part of a group of financial assets) is derecognized when it meets one of the following three conditions:

a) The contractual rights to receive the cash flows of that financial asset have expired.

b) The Group retains the contractual rights to receive the cash flows of a financial asset, but assumes a contractual obligation to pay those cash flows immediately to a third party in an arrangement that meets the conditions of IAS 39.19 ("Pass-through Arrangement").

c) The Group has transferred the contractual rights to receive the cash flows of the financial asset and either transferred substantially all the risks and rewards of ownership of the financial asset or neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset, but has transferred control of the asset.

Financial assets are measured at fair value on first-time recognition.

Regular way purchases and sales of financial assets are recognized as of the settlement date, i. e. the date on which the company commits to purchasing the asset. Regular way purchases and sales are purchases and sales of financial assets with delivery within the time frame established by market regulation or convention.

Loans and receivables are measured at amortized costs using the effective interest method less any impairment losses. Gains and losses are recognized in profit or loss when the receivable is derecognized or becomes impaired. Receivables in foreign currency are measured at the mean rate of exchange as of the end of the reporting period.

C8. Cash in hand

The cash and cash equivalents reported under "Cash and cash equivalents" such as cash in hand and bank balances are measured at current cost at the end of the reporting period.

C9. Derivative financial instruments

Derivative financial instruments are usually recognized at fair value in other comprehensive income in line with the hedge accounting regulations of IAS 39 ("Financial Instruments") if the financial instruments are for hedge accounting. Gains and losses from changes in the fair value of derivative financial instruments during the financial year that do not meet the criteria for hedge accounting, and the ineffective portion of an effective hedging instrument is recognized in profit or loss. They are derecognized on loss of control. Derivatives that are assets at the end of the reporting period are reported under current receivables; those that are liabilities are reported under other current liabilities. The hedging policy and the financial instruments in place as of the end of the reporting period are described in more detail under D30. "Risk management".

C10. Non-current staff obligations

Defined benefit plans

On the basis of statutory obligations, employees of Austrian Group companies who joined before December 31, 2002 receive a one-time settlement in the event of termination or as of the retirement date. This is dependent on the number of years of service and the relevant remuneration at the time of settlement. The benefit obligations are offset by provisions calculated in line with actuarial principles. The provision for defined benefit plans recognized in the statement of financial position is equal to the present value of the defined benefit obligation (DBO) at the end of the reporting period. Provisions for settlement are calculated uniformly as of the end of the reporting period in line with the projected unit credit method using an interest rate of 2.2% p. a. (2013: 3.3% p. a.) and including a growth rate for future pay increases of 4.0% p. a. (2013: 4.0% p. a.). Interest expenses on staff provisions are recognized as finance cost. The discount rate is determined on the basis of yields on prime, fixed rate corporate bonds with a rating of AA or better. The term of the bonds matches the expected maturities of the defined benefit obligations.

In addition to disability and mortality rates (basis: Pagler & Pagler data) and retirement on reaching pension age, the turnover rate was set at 1.5 % (2013: 1.5%). The calculation is based on individual retirement age in accordance with the Austrian Pension Reform, taking into account the gradual achievement of retirement age.

The provision amounts are calculated by an actuary as of the end of the respective reporting period in the form of an actuarial report.

In accordance with IAS 19, the remeasurement of provisions for pensions and similar obligations, and of settlement obligations, is recognized in other comprehensive income.

For the pension commitments in place that were determined under works agreements, the scope of benefits is based on eligible years of service in the form of a fixed amount per year. This fixed amount is based on the eligible individual income on retirement. Current pensions are regularly reviewed to ensure that they maintain their value. Current pensions are paid out 14 times per year.

The calculation of pension obligations is based on the following parameters:

	Interest rate		Salary increase		Pension increase	
	2014	2013	2014	2013	2014	2013
Austria	2.2%	3.3%	4.0%	4.0%	3.5%	3.5%
Germany	2.2%	3.3%	1.0%	1.5%	1.0%	1.5%

Defined contribution plans

In addition to the defined benefit system, there is a defined contribution plan for employees in Austria who joined after January 1, 2003. An amount prescribed by law of 1.53% of gross total salary must be paid into an employee pension fund (2014: € 614.1 thousand; 2013: € 509.6 thousand), which is recognized in staff costs. Furthermore, amounts of € 401.6 thousand (2013: € 309.6 thousand) in Austria and € 696.4 thousand (2013: € 584.2 thousand) in the United States were paid into a pension system that constitutes a defined contribution plan. In Germany contributions of € 2,284.8 thousand (2013: € 2,106.6 thousand) were paid into the German pension plan that also constitutes a defined contribution plan. As there are no further commitments other than these contributions, as in Austria, no provisions were required.

Other non-current staff obligations

Provisions for anniversary bonuses are calculated uniformly as of the end of the reporting period in line with the projected unit credit method using an interest rate of 2.2% p. a. (2013: 3.3% p. a.) and including a growth rate for future pay increases of 4.0% p. a. (2013: 4.0% p. a.). Furthermore, as in the previous year, employee turnover discounts dependent on the years of service were taken into account, in the amount of 5% in the first year, 2% in the second and 0.25% in the third to fifth years. In addition to disability and mortality rates (basis: Pagler & Pagler data) and retirement on reaching pension age, the turnover rate was set at 1.5% (2013: 1.5%).

C11. Other provisions

Other current and non-current provisions include all risks from uncertain obligations from past events by the time of the preparation of the statement of financial position. If such obligations will probably lead to an outflow of resources embodying economic benefits, they are carried at the amount considered the most likely given a careful review of the matter.

If the Group expects at least a partial reimbursement for a recognized provision, (for example, from an insurance policy), the reimbursement is recognized as a separate asset if it is as good as certain. The expense relating to the provision is reported in the income statement net of the amount recognized for reimbursement. Where the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects the risks specific to the liability, if necessary in the individual case. The increase in provisions over time in the event of discounting is recognized in net finance costs.

C12. Liabilities

Liabilities are measured at cost (equal to fair value) on first-time recognition. They are subsequently measured at amortized cost using the effective interest method. Liabilities in foreign currency are measured at the mean rate of exchange as of the end of the reporting period.

A financial liability is derecognized when the obligation specified in the contract is discharged, canceled or expires. If a financial liability is exchanged for a different financial liability to the same lender with substantially different terms or if the terms of an existing financial liability are substantially changed, such an exchange or change of terms is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the respective carrying amounts is recognized in profit or loss.

C13. Revenue recognition

Proceeds from the sale of goods are recognized when the risks and rewards have been transferred to the buyer. Interest income is recognized pro rata temporis taking into account the effective yield on the asset. Dividend income is reported when the legal right to payment arises (for details see C6.). Rental income is recognized on a straight-line basis over the term of the leases. For long-term contracts extending beyond the end of the reporting period, revenue is recognized in line with the percentage of completion method.

C14. Currency translation

Monetary items in a foreign currency are translated into the functional currency at the end of each reporting period using the exchange rate at the end of the reporting period. Non-monetary items recognized in line with the historical cost principle are still reported using the exchange rate at the time of first-time recognition. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Foreign exchange differences from the translation of monetary items are recognized in profit or loss. This does not include foreign exchange differences from foreign currency borrowings to the extent that they are used to hedge a net investment in a foreign operation.

C15. Estimates and judgments

In the consolidated financial statements, to a certain degree, estimates and assumptions must be made that affect the recognized assets and liabilities, the disclosure of other obligations at the end of the reporting period and the reporting of income and expenses during the reporting period. The actual amounts that arise in the future can differ from estimates.

The most important assumptions about the future that entail a significant risk in the form of a material adjustment of the carrying amounts of assets and liabilities within the next financial year are explained below:

Purchase price allocation

In purchase price allocation in the context of business acquisitions, assumptions are made regarding the existence and measures of the assets acquired (especially intangible assets), liabilities and contingent liabilities. Assumptions are made in calculating fair values for purchase price allocation, in particular concerning forecast cash flows and the discount rate (details of business acquisitions can be found in B1.).

Impairment of non-financial assets

Impairment testing at the Rosenbauer Group is based on calculations of value in use using a discounted cash flow method. The recoverable amount is highly dependent on the discount rate used in the discounted cash flow method and on forecast future cash flows (details of the impairment of non-financial assets can be found in C2.).

Measurement of receivables

Receivables require assumptions regarding the probability of default (details on receivables can be found in D5. “Non-current receivables” and D9. “Current receivables”).

Inventory measurement

A standardized marketability and visibility write-down was implemented to take into account the risk of obsoleteness. Finished goods are also systematically reviewed in terms of measurement at the lower of cost or market value, which is essentially defined by sales price expectations, currency developments, the time of sale and the costs still anticipated (for details see D7.).

Deferred tax assets

Tax planning is used as the basis for the capitalization of deferred tax assets, taking into account the business planning by subsidiaries. If, on the basis of these future forecasts, a loss carryforward is not expected to be used within an appropriate period of three to five years, the loss carryforward is not recognized.
In 2014 deferred taxes were recognized on loss carryforwards in the amount of € 1,222.0 thousand (2013: € 3,185.0 thousand). There were loss carryforwards of € 0.0 thousand in 2014 (2013: € 1,038.9 thousand) for which deferred tax assets were not recognized as their effectiveness as ultimate tax relief was not sufficiently assured.

Staff provisions

The Rosenbauer Group uses actuarial calculations from actuaries for staff provisions. The calculations are based on assumptions regarding the discount rate and increases in remuneration and pensions (details of the assumptions and the amounts recognized for staff provisions can be found in C10. and D15.).

Other provisions

The amount recognized as a provision for warranties is the present value of the best estimate of these costs based on past experience (2014: € 9,111.4 thousand; 2013: € 10.699,2 thousand).

In connection with the firefighting vehicle cartel and the turntable ladder cartel, the regulatory proceedings have now been settled out of court. The € 3.4 million paid by Metz Aerials made a significant contribution towards settling the compensation between the municipal fire departments and the manufacturers. Thus, the payment of compensation in relation to the antitrust proceedings has been concluded, barring a few individual proceedings being pursued by the municipal fire departments on the basis of corresponding clauses in the purchase agreements. Significant subsequent claims for damages yet to be filed for deliveries covered by the cartel are no longer expected.

To avoid undesirable developments in the future, the compliance organization was expanded further in the year under review, regulations were heightened and sanctions for anticompetitive conduct were resolved.

Development costs

Development costs were capitalized in line with the accounting policies presented. First-time recognition of costs is based on the management assessment that technical feasibility and commercial viability have been demonstrated. For the purposes of calculating the amounts to be capitalized, the management makes assumptions regarding the forecast future cash flows from the project, the applicable discount rates and the period when the forecast future benefit will be received. The carrying amount of capitalized development costs was € 5,576.6 thousand (2013: € 2,293.5 thousand) as of December 31, 2014 and essentially relates to development services for vehicles, high-rise aerial appliances and firefighting systems. Impairment testing is based on the benefit of the individual assets, regardless of the income forecasts of the areas as a whole.

Cash flow hedges

In accounting for cash flow hedges for future cash flows it is assumed that these cash flows are highly likely.

Changes in estimates

There were no significant changes in estimates in the 2014 financial year.

D. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND THE CONSOLIDATED INCOME STATEMENT

D1. Property, plant and equipment and intangible assets

The breakdown of the items compiled in the consolidated statement of financial position and their development can be found in the consolidated statement of changes in non-current assets. As in the previous year, property, plant and equipment do not include any investment property.

The future expenses from operating leases that relate solely to property, plant and equipment are as follows:

in € thousand	Dec 31, 2014	Dec 31, 2013
Up to one year	2,649.3	3,280.2
Between 1 and 5 years	7,569.7	12,530.3
More than 5 years	4,750.0	8,219.5

Payments from operating leases included in profit or loss for the period amounted to € 3,903.1 thousand (2013: € 2,976.8 thousand). The operating leases are essentially rental agreements for properties and machinery.

The property, plant and equipment held under finance leases are as follows:

in € thousand	Dec 31, 2014	Dec 31, 2013
Base value of land	1,233.7	1,420.2
Commercial and factory buildings	920.5	958.0
Technical equipment and machinery	172.4	230.1
	2,326.6	**2,608.3**

The associated lease liabilities are reported under interest-bearing liabilities in line with the maturities. Future minimum lease payments from non-cancellable finance leases amount to:

in € thousand	2014	2013
Up to one year	313.2	313.2
Between 1 and 5 years	992.2	1,325.1
More than 5 years	0.0	0.0
Minimum lease payments	**1,305.4**	**1,638.3**
less interest portion	(63.5)	(90.5)
Present value of lease payments	**1,241.9**	**1,547.8**

The Group had contractual obligations to buy property, plant and equipment of € 2,286.6 thousand as of December 31, 2014 (2013: € 2,351.9 thousand). No impairment losses were recognized on property, plant and equipment or intangible assets in the 2014 financial year (2013: € 0.0 thousand). No impairment losses were reversed in 2014 (2013: € 0.0 thousand).

No property, plant and equipment was pledged as collateral for liabilities in 2014 (2013: € 0.0 thousand). There are no restrictions on title.

Development costs of € 3,364.9 thousand (2013: € 2,293.5 thousand) were capitalized as internally developed intangible assets in the 2014 financial year.

A customer base of € 864.8 thousand was capitalized in the purchase price allocation for the acquisition of Rosenbauer UK. A customer base of € 74.6 thousand was capitalized in the purchase price allocation for the acquisition of Metz-Service18 in 2013.

D2. Securities

The securities reported in the consolidated financial statements in the amount of € 215.5 thousand (2013: € 235.1 thousand) are assigned to the available for sale category. The securities are fixed rate bank and corporate bonds.

D3. Investments in associates

The Group holds a 49% equity investment in a Russian company (PA "Fire-fighting special technics" LLC., Russia, Moscow). It was founded with Russian partners. The goal of the associate is to equip the Russian market with high-quality firefighting vehicles. This interest is accounted for in the consolidated financial statements using the equity method.

The summarized financial information for the associate is shown in the table below.

in € thousand	**2014**	**2013**
Non-current assets	197.6	243.7
Current assets	17,975.3	32,604.7
Current liabilities	8,884.3	19,248.2
Net assets (100%)	**9,288.6**	**13,600.2**
– *thereof Group's share in net assets*	*4,551.4*	*6,664.1*
Revenues	50,106.9	43,316.7
Total comprehensive income (100%)	**3,031.4**	**3,663.3**
– *thereof Group's share in total comprehensive income*	*1,485.4*	*1,795.0*

The total comprehensive income of the associate does not include any items in other comprehensive income.

The reconciliation of the summarized financial information shown to the carrying amount is as follows:

in € thousand	**2014**	**2013**
As of Jan 1	6,664.1	8,040.1
Share of profit/loss	1,485.4	1,795.0
Distribution	(937.2)	(2,178.5)
Foreign exchange differences	(2,660.9)	(992.5)
As of Dec 31	**4,551.4**	**6,664.1**

D4. Interests in joint ventures

The Group has a 50% interest in a Spanish company (Rosenbauer Ciansa S.L.). This was founded with the joint owner and manager of Rosenbauer Española. This interest is accounted for in the consolidated financial statements using the equity method. The joint venture is not material to the Group.

Development of the carrying amount of the equity investment in the joint venture in Spain:

in € thousand	2014	2013
As of Jan 1	1,122.6	1,011.9
Share in total comprehensive income	329.5	110.7
As of Dec 31	**1,452.1**	**1,122.6**

The total comprehensive income of the joint venture does not include any items in other comprehensive income.

Group's shares in the assets and liabilities, income and expenses of the joint venture in Spain:

in € thousand	2014	2013
Non-current assets	3,003.9	3,233.4
Current assets	864.9	575.8
Non-current liabilities	1,205.1	1,759.8
Current liabilities	1,211.6	926.8
Income	2,063.6	1,441.7
Expenses	1,734.1	1,331.0

D5. Non-current receivables

in € thousand	Dec 31, 2014	Dec 31, 2013
Other receivables and assets	115.5	60.5

The other receivables and assets with a term of between one and five years were € 115.5 thousand in 2014 (2013: € 60.5 thousand). There were no non-current receivables with a remaining term of more than five years in 2014 (2013: € 0.0 thousand).

D6. Deferred taxes

The differences between the carrying amounts in the tax accounts and the IFRS consolidated statement of financial position result from the following differences and give rise to the following deferred taxes:

in € thousand	Deferred tax 2014 Assets	Deferred tax 2014 Liabilities	Deferred tax 2013 Assets	Deferred tax 2013 Liabilities
Outstanding 1/7th write-downs as per section 12(3) KStG (Corporation Tax Law)	282.0	0.0	461.2	0.0
Currency forwards, securities (outside profit or loss)	3,273.9	48.5	25.1	1,269.8
Currency forwards, securities (in profit or loss)	444.0	371.2	29.9	258.7
IAS 19 measurement in other comprehensive income	2,230.8	0.0	1,573.6	0.0
Capitalized development costs	0.0	1,456.0	0.0	599.7
Measurement differences on receivables	0.0	61.1	0.0	68.0
Profit from construction contracts	0.0	2,768.4	0.0	2,200.6
Extraordinary tax write-down	210.3	573.4	180.3	590.4
Measurement differences on provisions and liabilities	2,191.5	141.5	1,738.5	216.4
Capitalized loss carryforwards	294.5	0.0	898.6	0.0
Other	230.8	263.3	296.8	23.3
Deferred tax asset/liability	**9,157.8**	**5,683.4**	**5,204.0**	**5,226.9**
Netting of deferred tax assets and liabilities	(3,043.1)	(3,043.1)	(2,397.8)	(2,397.8)
	6,114.7	**2,640.3**	**2,806.2**	**2,829.1**

Deferred taxes on loss carryforwards of € 1,222.0 thousand were capitalized as of December 31, 2014 (2013: € 3,185.0 thousand). There were loss carryforwards of € 0.0 thousand in 2014 (2013: € 1,038.9 thousand) for which deferred tax assets were not recognized as their effectiveness as ultimate tax relief was not sufficiently assured. There were deferred tax liabilities of € 8,978.5 thousand (2013: € 7,273.6 thousand) from the difference between the tax carrying amounts and the net assets in the IFRS financial statements as the parent company can control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

D7. Inventories

in € thousand	Dec 31, 2014	Dec 31, 2013
Raw materials and supplies	60,559.9	50,293.8
Chassis	48,296.8	41,492.5
Work in progress	59,205.8	41,949.0
Finished goods and goods for resale	26,791.7	25,889.0
Goods in transit	4,983.4	5,064.0
Advance payments	8,205.9	3,195.0
	208,043.5	**167,883.3**

Inventories include cumulative write-downs of € 9,472.5 thousand (2013: € 8,649.0 thousand). The write-downs for the current year are reported in the income statement in the amount of € 2,965.5 thousand (2013: € 2,310.9 thousand) under cost of materials. No impairment losses were reversed in the current financial year (2013: € 0.0 thousand). Also, no inventories were pledged as collateral for liabilities.

D8. Construction contracts

in € thousand	Dec 31, 2014	Dec 31, 2013
Costs incurred to date	74,178.1	42,986.3
Profits incurred to date	12,595.8	9,961.5
Partial billing on the above	(9,707.4)	(7,749.7)

Most construction contracts have a remaining term of less than one year. Construction contract assets amounted to € 86,773.9 thousand as of the end of the reporting period (previous year: € 52,947.8 thousand). There were no construction contract liabilities as of the end of the 2014 and 2013 reporting periods. Construction contracts include vehicle bodies in line with their percentage of completion. Revenues include revenues from construction contracts of € 86,773.9 thousand (2013: € 52,947.8 thousand).

D9. Current receivables

in € thousand	Dec 31, 2014	Dec 31, 2013
Trade receivables	101,379.8	67,950.2
Receivables from derivatives	1,481.7	6,034.1
Income tax receivables	2,451.4	636.8
Receivables from other taxes	8,233.4	4,819.4
Other receivables and assets	7,772.4	7,995.4
	121,318.7	**87,435.9**

Write-downs on receivables relate exclusively to trade receivables recognized under current receivables. The write-downs for the current year of € 672.5 thousand (2013: € 357.6 thousand) are recognized in other expenses. These are exclusively specific valuation allowances. The carrying amount of current impaired trade receivables before impairment was € 17,532.9 thousand (2013: € 17,230.4 thousand). There were no impairment losses on other financial instruments.

Valuation allowances in € thousand	**2014**	**2013**
As of Jan 1	868.0	532.2
Additions	672.5	357.6
Utilization	(21.9)	(4.0)
Reversals	(43.6)	(17.8)
As of Dec 31	**1,475.0**	**868.0**

The table below shows the costs for the full derecognition of receivables:

in € thousand	**Dec 31, 2014**	**Dec 31, 2013**
Costs for the derecognition of receivables	92.3	3.1

D10. Cash and cash equivalents

in € thousand	**Dec 31, 2014**	**Dec 31, 2013**
Bank balances	26,657.0	13,680.0
Cash and cash equivalents	123.0	125.8
	26,780.0	**13,805.8**

There were no restrictions on disposal on the amounts included in this item in 2014 or 2013.

D11. Equity

The 22nd Annual General Meeting of Rosenbauer International AG approved the proposed dividend of € 1.2 per share on May 23, 2014.

The capital reserves originate from the new shares issued on the Vienna Stock Exchange in 1994 and constitute restricted capital reserves that cannot be distributed. The proposal for the appropriation of profits is based on the separate financial statements of the company prepared in accordance with the provisions of the Unternehmensgesetzbuch (UGB – Austrian Commercial Code).

The item "Other reserves" contains the foreign currency translation adjustment, the revaluation reserve, remeasurements in accordance with IAS 19 and the hedge reserve. The foreign currency translation adjustment contains the translation difference arising from remeasurement of equity as against first-time consolidation. This item also includes differences from foreign currency translation in asset and liability items as against the previous year's translation and translation differences between the consolidated statement of financial position and the consolidated income statement.

The change in the hedge reserve results from the remeasurement of currency forwards under IAS 39.

Details of reserves can be found in the "Statement of changes in consolidated equity".

D12. Non-controlling interests

The following table shows the summarized financial information for each subsidiary of the Group with significant non-controlling interests before inter-company eliminations.

in € thousand	Rosenbauer Española S.A. Spain, Madrid	Rosenbauer Saudi Arabia Ltd. Saudi Arabia, Riyadh	Rosenbauer America, LCC. (US subgroup)[1] USA, South Dakota
Shareholding (= share of voting rights) of non-controlling interests	37.89%	25.00%	50.00%
Dec 31, 2014			
Current assets	16,164.1	3,039.8	90,451.8
Non-current assets	953.1	1,604.0	9,420.6
Current liabilities	13,281.6	3,423.1	59,718.5
Non-current liabilities	0.0	60.6	0.0
Net assets (100%)	**3,835.6**	**1,160.1**	**40,153.9**
– *thereof non-controlling interests*	*1,453.3*	*290.0*	*20,937.3*
Revenues	32,322.7	7,732.0	236,690.2
Total comprehensive income (100%)	**2,271.2**	**1,160.0**	**15,642.5**
– *thereof non-controlling interests*	*860.6*	*290.0*	*8,514.6*
Dividends paid to non-controlling interests	(265.2)	0.0	(5,971.1)
Net cash flow from operating activities	872.7	199.5	13,269.0
Net cash flow from investing activities	(53.1)	(871.8)	(2,259.8)
Net cash flow from financing activities	(700.0)	0.0	(6,116.2)
Total net cash flows (100%)	**119.6**	**(672.3)**	**4,893.0**
Dec 31, 2013			
Current assets	13,395.1	3,121.6	80,618.6
Non-current assets	936.5	258.1	6,900.7
Current liabilities	12,067.1	3,364.7	54,894.9
Non-current liabilities	0.0	0.0	75.2
Net assets (100%)	**2,264.5**	**15.0**	**32,549.2**
– *thereof non-controlling interests*	*858.0*	*3.8*	*16,794.2*
Revenues	25,196.0	7,735.1	205,523.7
Total comprehensive income (100%)	**(248.0)**	**(1,001.7)**	**10,367.1**
– *thereof non-controlling interests*	*(94.0)*	*(250.4)*	*5,349.8*
Dividends paid to non-controlling interests	0.0	0.0	(2,471.0)
Net cash flow from operating activities	740.4	9.1	8,041.1
Net cash flow from investing activities	(81.7)	0.0	(125.3)
Net cash flow from financing activities	0.0	0.0	(6,119.0)
Total net cash flows (100%)	**658.7**	**9.1**	**1,796.8**

[1] Summary of US companies

Rosenbauer Minnesota, LCC. USA, Minnesota	Rosenbauer South Dakota, LCC. USA, South Dakota	Rosenbauer Aerials, LCC. USA, Nebraska	Rosenbauer Motors, LCC. USA, Minnesota
50.00%	50.00%	75.00%	57.50%
27,557.5	36,414.2	5,682.3	20,797.8
2,136.8	5,668.2	423.8	1,191.8
19,339.1	12,055.0	1,092.0	27,232.4
0.0	0.0	0.0	5.0
10,355.2	**30,027.4**	**5,014.1**	**(5,242.8)**
5,177.6	*15,013.7*	*3,760.6*	*(3,014.6)*
68,670.3	94,502.6	10,828.9	62,688.4
3,523.4	**8,285.2**	**2,318.6**	**1,515.3**
1,761.7	*4,142.6*	*1,739.0*	*871.3*
0.0	0.0	0.0	0.0
5,041.6	6,214.1	2,024.9	(11.6)
(128.7)	(2,278.5)	(149.5)	296.9
(3,898.1)	(4,081.7)	(1,183.4)	3,047.0
1,014.8	**(146.1)**	**692.0**	**3,332.3**
27,358.7	30,778.1	4,511.1	17,970.7
2,057.6	3,286.1	313.6	1,243.4
20,591.6	8,152.9	843.6	25,306.8
0.0	0.0	75.2	0.0
8,824.7	**25,911.3**	**3,905.9**	**(6,092.7)**
4,412.4	*12,955.7*	*2,929.4*	*(3,503.3)*
60,821.3	84,456.4	9,356.7	50,889.2
3,026.5	**8,484.0**	**1,439.7**	**(2,583.1)**
1,513.3	*4,242.0*	*1,079.8*	*(1,485.3)*
0.0	0.0	0.0	0.0
4,552.4	6,443.2	1,148.1	(4,102.6)
(114.9)	(235.4)	(72.5)	297.5
(3,899.9)	(4,083.6)	(1,183.9)	3,048.3
537.6	**2,124.2**	**(108.3)**	**(756.8)**

Although the Group holds less than half the voting rights in Rosenbauer Motors and Rosenbauer Aerials, it controls both these companies on account of Rosenbauer International AG's right to cast the deciding vote. In accordance with the company agreements of these companies, Rosenbauer International AG is authorized to elect half of their Board members. The Board makes all relevant decisions and determines operational management. A simple majority is sufficient for this. In the event of a tied vote in the Board, the Chairman of the Supervisory Board of Rosenbauer International AG, or the Deputy Chairman, has a contractual right to cast the deciding vote.

In the 2013 financial year, 25% of the shares in Rosenbauer South Africa (€ 91.3 thousand) were given to the employees of this company. This transaction gave rise to non-controlling interests of € 59.5 thousand. The difference of € 31.8 thousand was offset against accumulated net profits.

€ 6,236.3 thousand was distributed to non-controlling interests in subsidiaries in 2014 (2013: € 2,471.0 thousand).

D13. Non-current interest-bearing liabilities

This item includes all interest-bearing liabilities to banks, liabilities to research promotion funds and finance lease liabilities with a remaining term of more than one year. Details can be found in the list of financial liabilities under D30. "Risk management".

D14. Other non-current liabilities

The non-current liabilities for 2013 and 2014 are export financing liabilities (2014: € 1,611.9 thousand; 2013: € 3,414.0 thousand).

D15. Non-current provisions

a) Settlement provisions

Settlement refers to one-time severance payments that, owing to the provisions of labor law, must be paid on termination of employees and usually when employees retire. The amount is based on the number of years in service and the amount of remuneration. Provisions for settlement are recognized in the amount determined in line with actuarial principles (for details of the assumptions used in calculation please see C10.).

Net present value of obligation in € thousand	**2014**	**2013**
As of Jan 1	17,679.6	18,715.4
Current service cost	778.9	795.6
Interest cost	563.3	608.8
Remeasurement	2,108.7	157.5
Current payments	(328.3)	(2,597.7)
As of Dec 31	**20,802.2**	**17,679.6**

Remeasurement includes € –189.4 thousand (2013: € –214.7 thousand) due to experience adjustments and € 2,298.1 thousand (2013: € 372.2 thousand) due to changes in financial assumptions.

The present value of the defined benefit obligation for the current financial year is € 20,802.1 thousand (2013: € 17,679.6 thousand). Experience adjustments of –0.9% (2013: –1.2%) were taken into account in the calculation.

The net expenses for settlement payments arising from commitments broke down as follows:

Net settlement expenses in € thousand	**2014**	**2013**
Staff costs		
Current service cost	778.9	795.6
Interest expenses		
Interest cost	563.3	608.8
	1,342.2	**1,404.4**

The change in the interest rate is due to a reassessment on account of the changing economic situation.

The average term of the defined benefit obligation for settlement as of December 31, 2014 was 10.9 years (2013: 10.7 years).

The sensitivity analysis for settlement obligations below shows the effects on obligations resulting from changes in key actuarial assumptions. In each case one key factor has been changed while the others were kept constant. However, in reality it is somewhat unlikely that there would be no correlation between these factors.

Change in net present value of obligation in € thousand	+1%/1 year	–1%/1 year
Dec 31, 2014		
Interest rate	(2,106.4)	2,507.8
Pay increase	2,429.3	(2,086.7)
Turnover	(1,093.2)	(27.6)
Longevity	79.0	(93.9)
Dec 31, 2013		
Interest rate	(1,843.4)	2,184.8
Pay increase	2,141.4	(1,844.2)
Turnover	(873.6)	(124.6)
Longevity	67.7	(80.4)

b) Provisions for pensions

Within the Rosenbauer Group there are pension schemes for Austria and Germany that arose on the basis of national legislation or voluntary agreements. These include both defined benefit and defined contribution plans (for details of the assumptions used in calculation please see C10.).

Net present value of obligation in € thousand	**2014**	**2013**
As of Jan 1	5,493.5	5,462.7
Current service cost	31.8	32.3
Interest cost	176.4	183.2
Remeasurement	434.1	202.2
Current payments	(301.4)	(386.9)
As of Dec 31	**5,834.4**	**5,493.5**

Remeasurement includes € –28.7 thousand (2013: € 74.7 thousand) due to experience adjustments and € 462.8 thousand (2013: € 127.5 thousand) due to changes in financial assumptions.

The present value of the defined benefit obligation for the current financial year is € 5,834.4 thousand (2013: € 5,493.5 thousand). Experience adjustments of –0.5% (2013: 1.4%) were taken into account in the calculation.

The net expenses for pensions arising from commitments broke down as follows:

Net pension expenses in € thousand	**2014**	**2013**
Staff costs		
Current service cost	31.8	32.3
Interest expenses		
Interest cost	176.4	183.2
	208.2	**215.5**

The change in the interest rate is due to a reassessment on account of the changing economic situation.

The average term of the defined benefit obligation for settlement as of December 31, 2014 was 11.4 years (2013: 5.9 years).

The sensitivity analysis for pension obligations below shows the effects on obligations resulting from changes in key actuarial assumptions. In each case one key factor has been changed while the others were kept constant. However, in reality it is somewhat unlikely that there would be no correlation between these factors.

Change in net present value of obligation in € thousand	+1%/1 year	–1%/1 year
Dec 31, 2014		
Interest rate	(644.7)	792.3
Pay increase	661.1	(561.1)
Turnover	0.0	0.0
Longevity	290.6	(296.8)
Dec 31, 2013		
Interest rate	(584.8)	714.3
Pay increase	596.0	(508.7)
Turnover	(0.2)	0.3
Longevity	258.7	(266.2)

Further information on staff provisions can be found in the description of accounting policies.

c) Miscellaneous non-current provisions

in € thousand	**Dec 31, 2014**	**Dec 31, 2013**
Provisions for anniversary benefits	3,335.6	2,704.0
Miscellaneous non-current provisions	23.0	57.0
	3,358.6	**2,761.0**

Details of the changes in the non-current provisions listed under c) for 2014 and 2013 can be found in the "Statement of changes in provisions".

D16. Current interest-bearing liabilities

In addition to production and investment loans, these also include overdrafts as of December 31 of the respective year. Details can be found in the list of financial liabilities under D30. "Risk management".

D17. Trade payables

The trade payables of € 48,132.0 thousand (2013: € 39,885.8 thousand) are due within one year.

D18. Other current liabilities

in € thousand	Dec 31, 2014	Dec 31, 2013
Liabilities from taxes	5,703.3	3,624.5
Social security liabilities	1,945.0	1,895.4
Liabilities from derivatives	14,880.8	215.6
Liabilities from staff obligations	16,826.0	15,868.4
Liabilities from commission obligations	8,735.9	6,385.7
Other liabilities	22,575.6	18,041.5
	70,666.6	**46,031.1**

The other liabilities essentially include credit notes and liabilities from outstanding invoices.

D19. Other provisions

The other provisions include provisions for warranties and ales risks in addition to staff provisions. Miscellaneous current provisions for 2014 are shown in the “Statement of changes in provisions”. Details of the assumptions used in calculation can be found under C11. and C15.

D20. Revenues

Revenues essentially relate to income from construction contracts. Please see the disclosures on the product segments and the segment reporting under D28. “Segment reporting” for information on the composition of revenues.

D21. Other income

in € thousand	2014	2013
Income from the disposal of property, plant and equipment and intangible assets	149.2	75.9
Work performed by the enterprise and capitalized	412.4	292.3
Recharging of costs to third parties	1,125.7	1,192.4
Government grants	604.3	463.6
Income from rent and insurance	349.4	309.1
Reversal of write-downs	43.7	17.8
Exchange rate gains	3,417.4	4,188.2
Sundry	3,674.5	1,938.4
	9,776.6	**8,477.7**

In particular, other income includes license proceeds, income from the reversal of provisions and compensation.

D22. Staff costs and employee disclosures

in € thousand	2014	2013
Wages	65,089.0	59,987.9
Salaries	62,997.2	54,828.4
Pension costs	810.7	845.9
Expenses for defined contribution plans employee pension fund	3,996.9	3,510.0
Expenses for statutory social security contributions and levies and mandatory contributions dependent on pay	23,680.6	20,692.4
Other social security expenses	2,892.3	2,357.8
	159,466.7	**142,222.4**

Average number of employees	2014	2013
Workers	1,721	1,513
Salaried employees	960	920
Apprentices	119	118
	2,800	**2,551**

D23. Other expenses

in € thousand	2014	2013
Taxes not included in income taxes	454.2	635.5
Administration costs	41,130.0	39,280.0
Distribution expenses	16,558.2	21,261.0
	58,142.4	**61,176.5**

This item includes maintenance costs, legal, auditing and consulting costs, costs of third-party services, event costs, rent and leases and the costs of the marketing and sales department.

Foreign exchange differences recognized in profit or loss in 2014 amounted to € 223.9 thousand (2013: € 79.9 thousand).

D24. Finance costs

in € thousand	2014	2013
Interest and similar expenses	4,284.9	3,117.3
Interest on non-current staff provisions	739.7	792.0
	5,024.6	**3,909.3**

The item "Interest and similar expenses" includes the change in the fair value of derivative financial instruments recognized in profit or loss of € 1,813.3 thousand (2013: € 130.6 thousand).

D25. Financial income

in € thousand	2014	2013
Income from securities	11.1	11.3
Other interest and similar income	2,155.5	1,334.2
	2,166.6	**1,345.5**

The item “Other interest and similar income” includes the change in the fair value of derivative financial instruments recognized in profit or loss of € 1,250.2 thousand (2013: € 669.9 thousand).

D26. Income taxes

in € thousand	2014	2013
Cost of current income taxes	9,279.7	10,148.8
Change in deferred income taxes	1,375.5	787.0
	10,655.2	**10,935.8**

The table below shows the causes of the difference between the national income tax expense and the effective tax expense in the Group.

in € thousand	2014	2013
Profit before income taxes	47,314.3	41,688.6
– *thereof 25% (2013: 25%) notional income tax expense*	*11,828.6*	*10,422.2*
Tax relief from partnerships[1]	(2,811.1)	(1,482.2)
Write-down on investment at company level	0.0	(372.5)
Effect of different tax rates	1,805.3	968.1
Permanent differences[2]	(715.8)	(580.3)
Utilization of loss carryforwards not taken into account	(272.0)	0.0
Loss carryforwards not capitalized	0.0	305.8
Taxes from previous years	260.2	1,944.5
Withholding taxes, minimum taxes	560.0	(269.8)
Effective tax income (–)/expense (+)	**10,655.2**	**10,935.8**

[1] Taxes relating to non-controlling interests

[2] Tax relief from Russia associate

Shareholders’ claims to dividends did not give rise to any tax consequences for the Group in 2014 or 2013.

D27. Consolidated statement of cash flows

The consolidated statement of cash flows is presented using the indirect method. Cash and cash equivalents consist exclusively of cash in hand and bank balances. Interest received and paid are assigned to operating activities. Dividend payments are reported under financing activities. Additions to intangible assets and property, plant and equipment include a non-cash amount of € 1,240.3 thousand (2013: € 1,045.3 thousand) that was included in the consolidated statement of cash flows.

D28. Segment reporting

In accordance with IFRS 8 (“Operating Segments”), segments must be defined and segment information disclosed on the basis of internal controlling and reporting. This results in segment reporting presented in line with the management approach of internal reporting.

The development of Group companies is particularly significant in internal reporting. For this reason, the reportable business segments are reported according to the location of the assets of Rosenbauer Group companies. The following areas have been defined in line with the internal management reporting system: Austria, the US, Germany, Slovenia, Spain, the UK, Switzerland, Singapore, Brunei, Saudi Arabia, and South Africa. In presenting the above reportable operating segments, the operating segments Slovenia, Spain, UK, and Switzerland have been combined as the “Rest of Europe” segment, and Singapore, Brunei, and Saudi Arabia have been combined as the new “Asia” segment. The company in South Africa has been assigned to the “Austria” segment on account of its immateriality. The management monitors the EBIT of the business units separately in order to make decisions on the allocation of resources and to determine the units’ earnings power. Segment performance is assessed on the basis of EBIT using the same definition as in the consolidated financial statements. However, Group financing (including financing expenses and financial income) and income taxes are managed on a uniform Group basis and are not allocated to the individual segments. Transfer prices between the segments are at arm’s length.

Segment reporting refers to the revenues and earnings generated by the individual companies both on their respective local markets and from export sales. Proceeds from transactions with other segments are eliminated for consolidation purposes. Segment assets and segment liabilities are exclusively the operating assets or segment liabilities used by a segment for its operating activities. Goodwill, deferred taxes, securities, bank balances, current cash and cash equivalents and the assets of investments accounted for using the equity method € 40,277.3 thousand (2013: € 25,447.4 thousand) have not been included in segment assets as these assets are managed at Group level. Interest-bearing liabilities, deferred taxes and tax provisions of € 184,167.3 thousand (2013: € 67,598.8 thousand) have not been included in segment liabilities as these liabilities are managed at Group level.

Consolidated revenues for 2014 of € 784.9 million (2013: € 737.9 million) are distributed according to customers’ domiciles as follows: Western and Eastern Europe € 293.7 million (2013: € 290.5 million), the Arabic region € 208.0 million (2013: € 221.8 million), NAFTA € 130.9 million (2013: € 104.6 million), Asia and Oceania € 97.6 million (2013: € 72.7 million) and other countries € 54.7 million (2013: € 48.3 million).

Segment figures have been presented in the tables “Business segments” and “Disclosures on business units” for 2013 and 2014.

D29. Capital management

The capital provided by equity and borrowed capital is taken as the basis for capital management in the Rosenbauer Group.

The primary goal of the Group's capital management is to ensure that a high credit rating and a good equity ratio are maintained to support business activities. The aim is to guarantee a minimum equity ratio of 35% using rolling, long-term capital planning. This planning is coordinated with distribution and investment policy and is a key instrument for the annual rating talks conducted with the financing banks.

Furthermore, the equity ratio is optimized with total assets management, which ensures the optimization of restricted current assets with the continuous monitoring of production levels and trade receivables. The equity ratio is calculated as the percentage of equity to total assets and was 34.2% in 2014 (2013: 45.2%).

In addition, capital is monitored with the help of the gearing ratio, which describes net debt to equity. A range of between 20% and 40% has been set as the long-term gearing ratio target. The gearing ratio rose to 77.7% in 2014 as a result of the increase in interest-bearing liabilities (2013: 25.9%).

D30. Risk management

The Rosenbauer Group operates globally and is therefore necessarily exposed to changes and fluctuations in inflation, interest rates and exchange rates. It is company policy, by closely observing the risk positions that exist and market developments, to balance risks internally as far as possible, to manage net positions with a view to optimizing earnings and, where reasonable, to hedge such positions. The goal of currency risk hedging is to create a secure basis of calculation for construction contracts.

Overall assessment

The annual evaluation of the Group companies did not reveal significant new or previously unrecognized risks. Furthermore, on the basis of the information currently known, there are no specific risks to the future of the company as a going concern that could crucially impair the net assets, financial position or results of operations.

A key area in hedging risks is financial instruments. Financial instruments are contracts that give rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. In accordance with IFRS 7, they include on the one hand primary financial instruments such as trade receivables and payables and financial receivables and liabilities. On the other, they also included derivative financial instruments used to hedge the risks of changes in exchange and interest rates. Both primary and derivative financial instruments are reported on below.

Regular way purchases and sales of financial assets are recognized as of the settlement date, i. e. the date on which the company commits to purchasing the asset. Regular way purchases and sales are purchases and sales of financial assets with delivery within the time frame established by market regulation or convention.

Given the daily or short-term maturities, the fair value of cash and cash equivalents and short-term investments, current receivables and liabilities is essentially the carrying amount. At the end of the reporting period securities were measured with a fair value of € 215.5 thousand (2013: € 235.1 thousand). The fair value is calculated from the market price at the end of the reporting period.

a) Credit risk

The risk on receivables can be rated as consistently low on account of the customer structure and the hedging policy for credit risks. In addition, all customers that wish to do business with the Group on a credit basis are subject to a credit check. Receivables are also monitored on an ongoing basis with the result that the Group is not exposed to a significant risk of default. The maximum credit risk and therefore risk of default is equal to the carrying amounts or the deductibles on insured receivables. The maximum risk of default on trade receivables is € 91,639.6 thousand (2013: € 56,039.8 thousand). The reported carrying amounts are essentially the fair values.

Within the EU receivables are mostly from municipal legal entities. If receivables relate to private customers of low or unknown credit standing, these receivables – as in Austria – are insured through Prisma Kreditversicherungs AG.

Receivables from customers outside the EU of low credit standing – including government customers – are secured with documentary credits or bank guarantees. Alternatively, but also cumulatively, insurance policies can be concluded with one of the government insurance companies. In Austria this is done with Österreichische Kontrollbank AG (for risks outside the OECD) and the Austrian Prisma Kreditversicherungs AG (for risks within the OECD).

The analysis of trade receivables, other receivables and other assets overdue but not impaired as of December 31 is as follows:

in € thousand	Total	Neither past due nor impaired	Past due but not impaired: Up to 90 days	91 to 180 days	181 to 360 days	More than 360 days
Receivables 2014						
Trade receivables	101,379.8	66,308.8	22,385.0	3,893.9	6,379.8	2,412.3
Other receivables (current and non-current)	7,887.9	7,887.9	0.0	0.0	0.0	0.0
	109,267.7	**74,196.7**	**22,385.0**	**3,893.9**	**6,379.8**	**2,412.3**

in € thousand	Total	Neither past due nor impaired	Past due but not impaired: Up to 90 days	91 to 180 days	181 to 360 days	More than 360 days
Receivables 2013						
Trade receivables	67,950.2	50,070.0	13,505.4	2,329.1	1,889.3	156.4
Other receivables (current and non-current)	8,055.9	8,055.9	0.0	0.0	0.0	0.0
	76,006.1	**58,125.9**	**13,505.4**	**2,329.1**	**1,889.3**	**156.4**

With regard to trade receivables, other receivables and assets that are neither impaired nor past due, there were no indications as of the end of the reporting period that debtors will fail to make payment.

b) Market risk

Interest rate risk

Interest rate risks mainly apply to liabilities with terms of more than one year.

For assets, interest rate risks apply only to investment securities. Securities were measured at market value at the end of the reporting period. It is possible to reduce interest rate risks and optimize income with the regular monitoring of interest rate developments and the reorganization of securities holdings derived from this.

There are non-current liabilities to banks from loans for various investments in operating activities. Interest rates have been hedged in the medium term with interest rate caps. However, more prolonged negative changes in market values can cause the result of operations to deteriorate. A change in interest rates of ±1% on the credit portfolio as of the end of the reporting period would have respectively reduced/increased earnings and equity by € 1,128.1 thousand (2013: € 489.2 thousand).

Currency risk

Group companies invest in non-current securities almost exclusively in their own currency area, hence there is no currency risk here.

In assets, currency risks relate mainly to the US dollar and UAE dirham, resulting from trade receivables from international customers. Most other markets invoice in euro. In liabilities, with the exception of trade payables, there are no significant currency risks as current financing of operating activities is implemented by the Group companies in their own local currency. Any currency risks from short-term peaks are borne by the company themselves. In addition to hedging with derivative financial instruments, there is also natural hedging by the positions closed, for example US dollar trade payables are offset by US dollar receivables.

The table below shows the sensitivity of consolidated earnings before taxes (due to changes in the fair values of monetary assets and liabilities) and the Group's equity (due to changes in the fair values of currency forwards) to a change in exchange rates, considered possible in line with prudent business judgment, affecting the main currencies relevant to the Group. All other variables remain constant.

in € thousand	Exchange rate development	Effect on earnings before taxes		Effect on equity	
		2014	2013	2014	2013
US dollar	+10%	955.9	743.7	(34,006.7)	(4,074.3)
	–10%	(955.9)	(743.7)	6,756.6	11,420.3
Singapore dollar	+10%	(17.3)	(154.6)	(956.2)	(367.3)
	–10%	17.3	154.6	956.2	367.3
Swiss franc	+10%	(253.1)	(240.8)	(321.0)	(176.4)
	–10%	253.1	240.8	199.6	176.4
Saudi riyal	+10%	867.1	92.8	27.7	(247.3)
	–10%	(867.1)	(92.8)	(27.7)	1,332.3
VAE dirham	+10%	1,696.2	45.3	(1,624.8)	45.3
	–10%	(1,696.2)	(45.3)	(1,357.9)	(45.3)

Derivative financial instruments

Interest rate and FX risks are hedged using derivative financial instruments such as FX forwards and interest rate caps. These are initially recognized at fair value when the agreement is concluded and subsequently remeasured at fair value.

Derivative financial instruments in profit or loss

While some of these transactions are hedges from a business perspective, they do not meet the hedge accounting requirements of IAS 39. The changes in the fair value of these financial instruments are recognized immediately in profit or loss.

in € thousand	Nominal value		Fair value	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Currency forwards	44,990.8	40,453.9	(507.1)	847.3
Interest rate hedges	15,000.0	13,000.0	9.4	0.1

The fair value of the currency forwards of € –507.1 thousand (2013: € 847.3 thousand) as of the end of the reporting period consists of derivatives that are assets of € 1,278.2 thousand (2013: € 962.5 thousand) and derivatives that are liabilities of € 1,785.3 thousand (2013: € 115.2 thousand). The fair value of the interest rate hedges of € 9.4 thousand (2013: € 0.1 thousand) as of the end of the reporting period consists of derivatives that are assets of € 9.3 thousand (2013: € 0.1 thousand) and derivatives that are liabilities of € 0.0 thousand (2013: € 0.0 thousand).

Hedging instruments

Derivatives that meet the hedge accounting requirements of IAS 39 are used solely to hedge future cash flows (i. e. cash flow hedges) and are shown separately in other comprehensive income in the consolidated statement of comprehensive income. The contribution to profit or loss of the hedge is recognized in profit or loss when the hedged item is realized.

	Nominal value		Fair value	
in € thousand	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Currency forwards	227,051.4	97,938.6	(12,901.4)	4,971.1

The fair value of the currency forwards of € –12,901.4 thousand (2013: € 4,971.1 thousand) as of the end of the reporting period consists of derivatives that are assets of € 194.1 thousand (2013: € 5,071.5 thousand) and derivatives that are liabilities of € 13,095.5 thousand (2013: € 100.4 thousand).

	Level 1		Level 2	
in € thousand	2014	2013	2014	2013
Derivative financial instruments without hedge				
Positive fair value	0.0	0.0	1,278.2	962.5
Negative fair value	0.0	0.0	1,785.3	115.2
Derivative financial instruments with hedge				
Positive fair value	0.0	0.0	194.1	5,071.5
Negative fair value	0.0	0.0	13,095.5	100.4
Interest rate hedges without hedge				
Positive fair value	0.0	0.0	9.4	0.1
Negative fair value	0.0	0.0	0.0	0.0
Available-for-sale investments				
Positive fair value	215.5	235.1	0.0	0.0
Negative fair value	0.0	0.0	0.0	0.0

The financial investments available for sale shown as level 1 include – as in the previous year – listed equities and units in funds. The fair value of currency forwards and interest rate swaps shown as level 2 is determined – as in the previous year – by reference to bank valuations based on recognized mathematical measurement models (discounted cash flow method on the basis of current interest and currency future yields based on interbank mid-rates as of the end of the reporting period).

In 2014 – as in the previous year – there were no reclassifications between level 1 and level 2 or vice versa. There was no change in the measurement method.

c) Liquidity risk

Liquidity risk is the risk of not being able to settle the liabilities due on time. Liquidity in the Group is assured at the start of the year with corresponding liquidity planning, sufficient intra-year funds and short-term credit facilities. The tables below show the structure of interest-bearing financial liabilities as of December 31, 2014 and the structure of trade payables.

Total interest-bearing financial liabilities amount to € 181,207.8 thousand (2013: € 62,802.3 thousand). The interest incurred for the interest-bearing financial liabilities is € 2,350.5 thousand (2013: € 2,701.3 thousand), corresponding on average to 1.3% (2013: 2.1%). The reported carrying amounts are essentially the fair values. As the incidental costs of the financial liabilities shown in the table below with the nominal interest rates are low, the nominal interest rate is the effective interest rate, hence there is no impact on the net assets, financial position or results of operations.

Non-current, floating rate liabilities are based on interest adjustment agreements, themselves based on 3-month and 6-month Euribor/US Libor.

Interest-bearing financial liabilities

in 1,000s	Currency	Liability Dec 31, 2014	Maturing	Interest in %	Interest fixed/ floating	Dec 31, 2014 in € tsd.	Dec 31, 2013 in € tsd.
Production finance	SGD	15,411	2015	Sibor+1.5	Floating	9,599.1	3,221.3
Production finance	USD	4,369	2015	3.000	Floating	3,597.5	6,240.6
Production finance	USD	162	2015	2.500	Floating	133.1	0.0
Production finance	USD	6,000	2015	1.487	Floating	4,940.3	4,362.7
Production finance	€	20,000	2015	0.960	Floating	20,000.0	2,500.0
Investment credit	€	0	2014	1.220	Floating	0.0	10,000.0
Production finance	€	16,490	2015	1.359	Fixed	16,490.0	13,017.6
Investment credit	€	188	2015	5.250	Fixed	187.5	187.5
Bank overdrafts	€					74,536.0	22,597.8
Total current						**129,483.5**	**62,127.5**
Investment credit	€	482	2018	5.215	Fixed	482.4	674.8
Investment credit	€	1,242	2019	1.860	Fixed	1,241.9	0.0
Investment credit	€	10,000	2020	1.100	Fixed	10,000.0	0.0
Investment credit	€	40,000	2022	1.263	Fixed	40,000.0	0.0
Total non-current						**51,724.3**	**674.8**
Total						**181,207.8**	**62,802.3**

Maturity structure

The figures shown in the table below reflect the undiscounted cash flows, hence they may differ from the carrying amounts.

in € thousand	Total	Up to one year	Between 1 to 2 years	Between 2 to 3 years	Between 3 to 4 years	Between 4 to 5 years	More than 5 years
Interest-bearing liabilities (current and non-current)							
2014	184,549.6	130,674.7	2,543.3	2,488.2	5,615.2	12,778.5	30,449.7
2013	63,397.3	62,691.5	214.9	194.9	194.9	101.1	0.0
Trade payables							
2014	48,132.0	48,132.0	0.0	0.0	0.0	0.0	0.0
2013	39,885.8	39,885.8	0.0	0.0	0.0	0.0	0.0
Other liabilities (current and non-current)							
2014	63,018.3	62,039.7	978.6	0.0	0.0	0.0	0.0
2013	40,511.2	40,406.2	105.0	0.0	0.0	0.0	0.0

The fair value of non-current loan liabilities bearing interest at fixed rates is € 51,286.9 thousand (2013: € 674.8 thousand). The inputs for calculating the fair value of non-current loan liabilities bearing interest at fixed rates are assigned to level 2 of the IFRS 3 fair value hierarchy. The fair value of non-current loan liabilities bearing interest at fixed rates was calculated using a DCF method, using a discount rate that reflects the Group's interest rate on borrowed capital as of the end of the reporting period. The Group's own credit risk was classified as immaterial as of December 31, 2014 and December 31, 2013.

Other liabilities include liabilities from derivatives of € 14,880.8 thousand (2013: € 215.6 thousand). € 13,902.2 thousand of this amount is due within one year (2013: € 110.6 thousand) and € 978.6 thousand (2013: € 105.0 thousand) is due between one and two years.

d) Reconciliation of carrying amounts under IAS 39

The reconciliation of carrying amounts per IAS 39 class is as follows:

in € thousand	Carrying amount	At amortized cost	At fair value: Other comprehensive income	At fair value: Through profit and loss	Not a financial instrument
Dec 31, 2014					
Securities	215.5	0.0	215.5	0.0	0.0
Receivables	121,434.2	109,267.7	194.1	1,287.6	10,684.8
Cash and cash equivalents	26,780.0	26,780.0	0.0	0.0	0.0
Interest-bearing liabilities	181,207.8	181,207.8	0.0	0.0	0.0
Trade payables	48,132.0	48,132.0	0.0	0.0	0.0
Other liabilities	72,278.5	31,311.5	13,095.5	1,785.3	26,086.2

in € thousand	Carrying amount	At amortized cost	At fair value Other com-prehensive income	Through profit and loss	Not a financial instrument
Dec 31, 2013					
Securities	235.1	0.0	235.1	0.0	0.0
Receivables	87,496.4	76,006.1	5,071.5	962.6	5,456.2
Cash and cash equivalents	13,805.8	13,805.8	0.0	0.0	0.0
Interest-bearing liabilities	62,802.3	62,802.3	0.0	0.0	0.0
Trade payables	39,885.8	39,885.8	0.0	0.0	0.0
Other liabilities	49,445.1	24,427.2	100.4	115.2	24,802.3

The reconciliation of carrying amounts per IAS 39 category is as follows:

in € thousand	Carrying amount	Loans and receivables	At amortized cost	Available-for-sale financial invest-ments	Derivatives in hedge accounting	At fair value through profit and loss	Not a financial instru-ment
Dec 31, 2014							
Securities	215.5	0.0	0.0	215.5	0.0	0.0	0.0
Receivables	121,434.2	109,267.7	0.0	0.0	194.1	1,287.6	10,684.8
Cash and cash equivalents	26,780.0	26,780.0	0.0	0.0	0.0	0.0	0.0
Interest-bearing liabilities	181,207.8	0.0	181,207.8	0.0	0.0	0.0	0.0
Trade payables	48,132.0	0.0	48,132.0	0.0	0.0	0.0	0.0
Other liabilities	72,278.5	0.0	48,137.5	0.0	13,095.5	1,785.3	9,260.2
Dec 31, 2013							
Securities	235.1	0.0	0.0	235.1	0.0	0.0	0.0
Receivables	87,496.4	76,006.1	0.0	0.0	5,071.5	962.6	5,456.2
Cash and cash equivalents	13,805.8	13,805.8	0.0	0.0	0.0	0.0	0.0
Interest-bearing liabilities	62,802.3	0.0	62,802.3	0.0	0.0	0.0	0.0
Trade payablesn	39,885.8	0.0	39,885.8	0.0	0.0	0.0	0.0
Other liabilities	49,445.1	0.0	40,295.6	0.0	100.4	115.2	8,933.9

e) Net results by measurement category

in € thousand	Interest	Change in fair value	Impairment	Currency translation	Derecog-nition of receivables	Net result
Dec 31, 2014						
Loans and receivables	905.3	0.0	(628.9)	3,417.4	92.3	3,786.1
Derivatives at fair value through profit or loss	0.0	(563.1)	0.0	0.0	0.0	(563.1)
Liabilities at amortized cost	(2,471.5)	0.0	0.0	0.0	0.0	(2,471.5)
Financial investments available for sale	11.1	5.3	0.0	0.0	0.0	16.4
	(1,555.1)	**(557.8)**	**(628.9)**	**3,417.4**	**92.3**	**767.9**
Dec 31, 2013						
Loans and receivables	664.6	0.0	(339.8)	4,170.4	3.1	4,498.3
Derivatives at fair value through profit or loss	0.0	539.0	0.0	0.0	0.0	539.0
Liabilities at amortized cost	(2,986.7)	0.0	0.0	0.0	0.0	(2,986.7)
Financial investments available for sale	11.3	(0.3)	0.0	0.0	0.0	11.0
	(2,310.8)	**538.7**	**(339.8)**	**4,170.4**	**3.1**	**2,061.6**

The item "Loans and receivables" shows the net results of receivables and current cash and cash equivalents, while "Liabilities at amortized cost" shows interest-bearing liabilities, trade payables and other liabilities.

E. OTHER DISCLOSURES

E1. Events after the end of the reporting period

Between the end of the reporting period on December 31, 2014 and the time of this report being prepared, there have been no other events of particular significance to the company that would have altered its net assets, financial position or result of operations.

E2. Contingent liabilities

Rosenbauer International AG has not issued any declarations of liability statements for the benefit of non-Group companies. There are also no further contingent liabilities that will give rise to significant liabilities.

E3. Related party disclosures

Subsidiaries

in € thousand	2014 Investment share[1]	2014 Equity	2014 Net income[2]	2014 Type of consolidation	2013 Investment share[1]	2013 Equity	2013 Net income[2]	2013 Type of consolidation
Rosenbauer Österreich GmbH, Austria, Leonding	100%	2,951	0[3]	CC	100%	2,951	0[3]	CC
Rosenbauer Management Services GmbH, Austria, Leonding	100%	82	(1)	CC	100%	83	0	CC
Rosenbauer Deutschland GmbH, Germany, Luckenwalde	100%	11,066	1,610	CC	100%	9,453	(512)	CC
Metz Aerials Management GmbH, Germany, Karlsruhe	100%	34	1	CC	100%	33	1	CC
Metz Aerials GmbH & Co. KG, Germany, Karlsruhe	100%	10,881	1,055	CC	100%	9,825	(2,030)	CC
Metz-Service18 S.A.R.L., France, Chambéry	84%	(374)	(410)	CC	84%	36	(384)	CC
Rosenbauer Finanzierung GmbH, Germany, Passau	100%	33	(3)	CC	100%	36	(2)	CC
Rosenbauer d.o.o., Slovenia, Radgona	90%	1,996	446	CC	90%	1,550	(336)	CC
Rosenbauer Schweiz AG, Switzerland, Oberglatt	100%	5,986	429	CC	100%	5,933	875	CC
Rosenbauer Española S.A., Spain, Madrid	62.11%	3,836	2,271	CC	62.11%	2,264	(248)	CC
Rosenbauer Ciansa S.L., Spain, Linares	50%	2,904	659	EM	50%	2,245	221	EM
Rosenbauer Minnesota, LLC.[4], USA, Minnesota	50%	10,355	3.523	CC	50%	8,825	3,027	CC
Rosenbauer South Dakota, LLC.[4], USA, South Dakota	50%	30,027	8.285	CC	50%	25,911	8,484	CC
Rosenbauer Holdings Inc., USA, South Dakota	100%	23,375	4.024	CC	100%	19,302	2,661	CC
Rosenbauer America, LLC.[4], USA, South Dakota	50%	47,787	12.824	CC	50%	39,631	8,633	CC
Rosenbauer Aerials, LLC.[4], USA, Nebraska	25%	5,014	2.319	CC	25%	3,906	1,440	CC
Rosenbauer Motors, LLC.[4], USA, Minnesota	42.5%	(5,243)	1.515	CC	42.5%	(6,093)	(2,583)	CC

[1] Indirect shareholding
[2] Net profit for year after changes in reserves
[3] Profit transfer agreement with Rosenbauer International AG
[4] Rosenbauer International AG has the right to cast the deciding vote in the event of a tie

CC = Consolidated company
EM = Companies accounted for using the equity method

in € thousand	2014 Invest-ment share[1]	2014 Equity	2014 Net income[2]	2014 Type of conso-lidation	2013 Invest-ment share[1]	2013 Equity	2013 Net income[2]	2013 Type of conso-lidation
S.K. Rosenbauer Pte. Ltd., Singapore	100%	7,479	832	CC	100%	6,676	788	CC
Eskay Rosenbauer Sdn Bhd, Brunei	80%	(91)	(27)	CC	80%	(58)	(114)	CC
Rosenbauer South Africa (Pty.) Ltd., South Africa, Halfway House	75%	229	97	CC	75%	216	(25)	CC
Rosenbauer Saudi Arabia Ltd., Saudi Arabia, Riyadh	75%	1,160	1,062	CC	75%	15	(1,039)	CC
Rosenbauer UK plc, United Kingdom, Holmfirth	75%	1,055	(114)	CC	–	–	–	–
PA “Fire-fighting special technics” LLC., Russia, Moscow	49%	9,289	3,031	EM	49%	13,600	3,663	EM

[1] Indirect shareholding
[2] Net profit for year after changes in reserves

CC = Consolidated company
EM = Companies accounted for using the equity method

The figures shown in the above table were calculated in accordance with national GAAP.

The following transactions were performed with related parties. In particular, purchases of goods listed relate to vehicles supplied by the Spanish joint venture Rosenbauer Ciansa to the Spanish subsidiary. The managing director of the Spanish subsidiary is also the 50% owner of the Spanish joint venture.

The receivables are loans provided to US non-controlling interests. The rent agreement shown below for the use of land exists between an US company and its manager.

in € thousand	Joint ventures 2014	Joint ventures 2013	Management 2014	Management 2013
Sale of goods	1.4	3.5	0.0	0.0
Purchase of goods	4,111.6	2,863.1	0.0	0.0
Liabilities	873.2	1,071.0	0.0	0.0
Receivables	0.0	0.0	343.8	654.7
Land rent	0.0	0.0	174.6	146.8

E4. Remuneration of persons in key functions

The remuneration of the members of the Executive Board of Rosenbauer International AG amounted to € 2,263.0 thousand (2013: € 3,713.5 thousand) in total in 2014 and breaks down as basic salary (2014: € 899.8 thousand; 2013: € 1,076.6 thousand), bonus (2014: € 1,212.0 thousand; 2013: € 1,502.2 thousand), remuneration components for independent retirement and surviving dependents pensions (2014: € 151.2 thousand; 2013: € 185.2 thousand) and severance payments of € 0.0 thousand (2013: € 949.5 thousand). The severance provision for members of the Executive Board amounted to € 686.0 thousand as of December 31, 2014 (2013: € 719.2 thousand). Total payments to members of the Executive Board, consisting of remuneration, severance payments and the change in the severance provision amounted to € 2,229.7 thousand in 2014 (2013: € 2,847.7 thousand). After leaving the company, the company will not incur any future expenses from title to the occupational pension scheme for Executive Board members.

The bonus is calculated from the degree of target attainment of consolidated earnings in the income statement before taxes and earnings attributable to non-controlling interests in the respective financial year. The target is set by the Supervisory Board for two financial years in each case. For the member of the Executive Board who left in 2013, the bonus is calculated as the percentage of consolidated earnings in the income statement before taxes and earnings attributable to non-controlling interests, through the percentage is gradually reduced as consolidated earnings increase.

The Supervisory Board was granted remuneration of € 217.0 thousand (2013: € 213.6 thousand) in the 2014 financial year.

The 21st Annual General Meeting resolved the following remuneration system for the Supervisory Board in 2013. The remuneration for members of the Supervisory Board consists of a fixed and a variable component. Each elected member of the Supervisory Board receives annual fixed remuneration of € 18 thousand. For the Chairman and the Deputy Chairman this amount is € 24 thousand. Variable remuneration is calculated as a percentage of consolidated EBT, whereby variable remuneration for the year of € 40,000 each for the Chairman and the Deputy Chairman and € 30,000 each for all other elected members was resolved for full attainment of the target set for the year. The following calculation is applied in the event of the actual EBT for the financial year deviating from the target set for the year:

- in the event of a negative deviation, a discount on variable remuneration of 2.5% per € 1 million deviation in EBT.
- in the event of a positive deviation up to € 5 million, a premium on variable remuneration of 2.5% per € 1 million deviation in EBT. If the target is exceeded by more than € 5 million, there is a premium on variable remuneration of 1% per € 1 million deviation in EBT.

The remuneration of the Supervisory Board is index-linked on the basis of the Austrian 2010 consumer price index.

E5. Auditor's fees

An amount of € 317.0 thousand was paid for services by the auditor of the consolidated financial statements Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. in the 2014 financial year (2013: € 568.3 thousand). € 120.8 thousand (2013: € 121.5 thousand) of this related to audits of financial statements and € 196.2 thousand (2013: € 446.8 thousand) to other services. There were no tax advisory services or other assurance services.

E6. Earnings per share

Earnings per share are calculated in accordance with IAS 33 ("Earnings Per Share") by dividing the profit or loss for the period after deducting non-controlling interests by the number of shares outstanding. As there were no "dilutive potential ordinary shares" outstanding, the "diluted earnings per share" are equal to "basic earnings per share".

The calculation is as follows:

		2014	2013
Profit or loss for the period after deducting non-controlling interests	in € thousand	27,283.2	26,326.6
Average number of shares outstanding	No.	6,800,000	6,800,000
Basic earnings per share	in €/share	4.01	3.87
Diluted earnings per share	in €/share	4.01	3.87

There were no transactions with potential ordinary shares in the period between the end of the reporting period and the preparation of the consolidated financial statements.

E7. Proposal for the appropriation of profits

The proposal for the appropriation of profits is based on the separate financial statements of the company prepared in accordance with the provisions of the Unternehmensgesetzbuch (UGB – Austrian Commercial Code).

Net retained profits of € 8,315,864.79 were reported in the separate financial statements of Rosenbauer International AG for the 2014 financial year. The Executive Board proposes the following appropriation of these net retained profits: distribution of a dividend of € 1.2 (2013: € 1.2) per share (i. e. € 8,160,000 for 6,800,000 shares).

Carryforward to new account: € 155,864.79

E8. Executive bodies of the company

Supervisory Board

- Alfred Hutterer (Chairman)
  Date of first appointment: May 24, 2003; End of current term of office: 2018 Annual General Meeting

- Christian Reisinger (Deputy Chairman)
  Date of first appointment: May 25, 2006; End of current term of office: 2016 Annual General Meeting

- Karl Ozlsberger
  Date of first appointment: May 26, 2007; End of current term of office: 2017 Annual General Meeting

- Rainer Siegel
  Date of first appointment: May 29, 2009; End of current term of office: 2018 Annual General Meeting

Works Council Delegates to the Supervisory Board:

- Rudolf Aichinger
- Alfred Greslehner

Executive Board

- Dieter Siegel
  Chairman of the Executive Board, CEO

- Gottfried Brunbauer
  Member of the Executive Board, CTO

- Günter Kitzmüller
  Member of the Executive Board, CFO

Leonding, March 26, 2015

Dieter Siegel
Chairman of the Executive Board, CEO

Gottfried Brunbauer
Member of the Executive Board, CTO

Günter Kitzmüller
Member of the Executive Board, CFO

AUDITOR'S REPORT

Report on the financial statements

We have audited the accompanying consolidated financial statements of Rosenbauer International AG, Leonding, for the fiscal year from January 1, 2014 to December 31, 2014. These consolidated financial statements comprise the consolidated balance sheet as of December 31, 2014, 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, 2014, and the notes.

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 the 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 Accounting 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 reasonable 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 comply with legal requirements and give a true and fair view of the financial position of the Group as of December 31, 2014 and of its financial performance and its cash flows for the fiscal year from January 1, 2014 to December 31, 2014 in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the EU.

Comments on the consolidated management report

Pursuant to statutory provisions, the consolidated management report 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 consolidated management report 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 consolidated management report is consistent with the consolidated financial statements. The disclosures pursuant to section 243a UGB (Austrian Commercial Code) are appropriate.

Linz, March 26, 2015

EY
Building a better working world

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Gerhard Schwartz mp
Certified Auditor

Mag. Johanna Hobelsberger-Gruber mp
Certified Auditor

In the event that these financial statements are published or distributed in any form other than that audited (the unabridged German version), such as abridged versions or translations into other languages, our audit opinion may not be cited or reference made to our audit without our prior approval.

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for financial reporting, the consolidated financial statements give a true and fair view of the net assets, financial position and result of operations of the Group, and the management report of the Group includes a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties to which the Group is exposed.

To the best of our knowledge, and in accordance with the applicable reporting principles for financial reporting, the annual financial statements of the parent company give a true and fair view of the net assets, financial position and result of operations of the company, and the management report includes a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties to which the company is exposed.

Leonding, March 26, 2015

Dieter Siegel
Chairman of the Executive Board, CEO
Global Product Division:
Customer Service

Gottfried Brunbauer
Member of the Executive Board, CTO
Global Product Division:
Firefighting & Body Components

Günter Kitzmüller
Member of the Executive Board, CFO
Global Product Divisions:
Fire & Safety Equipment,
Stationary Fire Protection

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GLOSSARY

A

Associate: Significantly influenced entity that is neither a subsidiary nor a joint venture.

AT (Advanced Technology): Municipal firefighting vehicle, weighing from 10 to 20 tons, for Central European countries and selected advanced export markets

ATX: Austrian Traded Index, price index of the Vienna Stock Exchange

C

Capital employed: Equity plus interest-bearing borrowed capital minus interest-bearing assets

Capital expenditure: Additions to property, plant and equipment and intangible assets in a year

Cash flow: The terms "cash flow" and "net cash flow" are used synonymously

CIP: Continuous improvement process

Combined normal/high-pressure extinguishing system: Pump that simultaneously releases extinguishing agents at normal pressure (10 bar) and high pressure (40 bar)

Commander: US custom chassis for municipal firefighting vehicles

Compliance: Observance of applicable laws, provisions and regulations

Corporate governance: Rules of conduct for the responsible management and control of companies, as set out in the Austrian Corporate Governance Code

Credit rating: Creditworthiness of a borrower

CSR: Corporate social responsibility is a voluntary contribution to sustainable development going beyond statutory requirements (compliance)

D

Derivatives: Financial instruments whose price is derived from an underlying market instrument

E

Earnings per share: Consolidated earnings after deduction of non-controlling interests divided by the number of shares outstanding

EBT: Earnings before taxes

EBIT: Earnings before interest and taxes

EBIT margin: EBIT divided by revenues

Equity: Share capital plus capital reserves, other reserves, cumulative earnings and non-controlling interests

Equity ratio: Equity divided by total assets

EMEREC: Mobile information management system for emergency services; information and communication support directly at the operation site

F

Fair value: The actual fair value of an asset or liability at a reference date

Foam proportioning system: Foam compounds are added to the water to enhance the extinguishing effect

G

GDP: Gross domestic product, total value of all goods that an economy produces in one year for final consumption

Gearing ratio (%): Net debt divided by equity

H

Hedging: Risk management measures to limit or avoid negative changes in the market value of interest rates, exchange rates, quoted prices or commodities

High performance ventilator: Firefighting equipment for smoke extraction in burning buildings or tunnels

I

Interest-bearing borrowed capital: Non-current and current interest-bearing liabilities

Interest-bearing capital: Equity plus interest-bearing liabilities less cash and cash equivalents less securities

ISO certification: ISO certification provides evidence that an enterprise has implemented the different management standards (ISO 9001, ISO 14001, ISO 50001 or OHSAS 18001) and met its requirements; certification is issued for limited periods only

J

Joint venture: An enterprise jointly managed by at least two partners

M

Market capitalization: Closing share price as of the end of a period multiplied by the number of shares issued

N

Net debt: Interest-bearing liabilities less cash and cash equivalents less securities

P

PANTHER: Aircraft rescue firefighting vehicle that meets the various international requirements

Piercing tool: Firefighting lance for piercing, e.g. the outer skin of an aircraft and then extinguishing a fire inside the cabin

POLY-CAF system: Mobile self-contained extinguishing unit for producing compressed air foam

Portable pump: Portable pump with its own drive motor for water delivery

Present value: Value of a monetary amount expected in the future at the start of its term (as of time 0)

Price/earnings ratio: Closing share price as of the end of a period divided by earnings per share

R

Rating: Standardized assessment of creditworthiness, i.e. the probability of default or delay in payment

Refurbishment: Renovation of older vehicles

ROCE (%): Return on capital employed; EBIT divided by the average capital employed

ROE (%): Return on equity, EBT as per the income statement divided by average equity

S

Service4fire: Operational vehicle data transmitted by mobile communications and subsequently analyzed; for fleet management and service support

SVP: SAFE (German abbreviation standing for “synchronized work processes and fabrication”) improvement process; The aim of SIP is improve processes in terms of the very highest product quality and maximum customer orientation, continually enhancing efficiency and workplace safety while having regard to energy-consumption and environmental aspects

T

Telematics: Interaction of communications networks, as the basis for transmitting information, and IT, for processing this information

Total assets: Total of all assets

W

Working capital: Current assets minus current liabilities

TEN-YEAR COMPARISON

Rosenbauer Group		2014	2013	2012
Revenues	€ million	**784.9**	737.9	645.1
EBITDA	€ million	**61.0**	52.6	48.0
EBIT	€ million	**48.4**	42.3	38.6
EBIT margin		**6.2%**	5.7%	6.0%
EBT	€ million	**47.3**	41.7	38.8
Net profit for the period	€ million	**36.7**	30.8	32.0
Cash flow from operating activities	€ million	**(37.1)**	82.2	(3.7)
Investments	€ million	**51.2**	25.4	14.7
Order backlog as of December 31	€ million	**670.2**	590.1	580.5
Order intake	€ million	**820.4**	760.6	533.2
Employees (average)		**2,800**	2,551	2,328
– *thereof Austria*		***1,253***	*1,154*	*1,066*
– *thereof international*		***1,547***	*1,397*	*1,262*

Key statement of financial position		2014	2013	2012
Total assets	€ million	**579.9**	415.6	432.9
Equity in % of total assets		**34.2%**	45.2%	38.8%
Capital employed (average)	€ million	**341.2**	285.7	267.2
Return on capital employed		**14.2%**	14.8%	14.5%
Return on equity		**24.5%**	23.4%	24.9%
Net debt	€ million	**154.2**	48.8	93.6
Working capital	€ million	**137.7**	119.4	123.3
Gearing ratio		**77.7%**	25.9%	55.7%

Key stock exchange figures[1]		2014	2013	2012
Closing price	€	**71.5**	59.3	46.1
Market capitalization	€ million	**485.9**	403.2	313.1
Dividend	€ million	**8.2**[2]	8.2	8.2
Dividend per share	€ million	**1.2**[2]	1.2	1.2
Dividend yield		**1.7%**	2.0%	2.6%
Earnings per share	€ million	**4.0**	3.9	4.5
Price/earnings ratio		**17.9**	15.2	10.2

[1] Due to better comparability, 2005–2006 figures were converted persuant to the share split (4-for-1) of the year 2007
[2] Proposal to Annual General Meeting

2011	2010	2009	2008	2007	2006	2005
541.6	595.7	541.8	500.3	426.1	372.0	321.3
49.7	57.0	35.9	45.3	36.0	30.4	24.5
41.6	49.7	29.4	39.9	30.8	25.1	19.6
7.7%	8.3%	5.4%	8.0%	7.2%	6.8%	6.1%
40.3	49.1	26.4	32.3	25.4	22.0	15.9
32.1	40.0	17.6	25.1	19.9	18.4	12.0
(12.8)	34.8	17.5	20.4	24.1	(1.4)	21.9
11.5	8.9	15.8	12.2	7.1	11.2	7.9
682.3	394.5	487.2	459.2	375.4	354.1	243.1
826.8	496.9	575.9	556.7	458.7	485.9	377.0
2,092	2,014	1,895	1,722	1,593	1,452	1,407
994	*920*	*883*	*811*	*753*	*710*	*722*
1,098	*1,094*	*1,012*	*911*	*840*	*742*	*685*

2011	2010	2009	2008	2007	2006	2005
357.7	301.6	306.8	251.0	228.8	206.2	168.8
40.1%	42.9%	32.5%	36.7%	31.8%	30.7%	36.9%
213.0	179.7	159.8	139.0	127.7	111.2	97.9
19.5%	27.6%	18.4%	28.7%	24.1%	22.6%	20.1%
29.6%	42.8%	27.6%	39.2%	37.4%	35.1%	27.0%
60.8	26.1	41.8	31.3	30.6	38.7	9.0
108.8	100.2	75.0	77.3	60.7	49.1	40.0
42.4%	20.2%	41.9%	25.4%	29.6%	37.9%	12.6%

2011	2010	2009	2008	2007	2006	2005
36.3	37.5	29.0	22.0	32.8	25.0	15.8
246.8	255.0	197.2	149.6	223.0	170.0	107.1
8.2	8.2	5.4	5.4	4.8	4.8	3.4
1.2	1.2	0.8	0.8	0.7	0.7	0.5
3.3%	3.2%	2.8%	3.6%	2.1%	2.8%	3.2%
4.1	4.7	1.5	2.9	2.2	2.0	1.0
8.9	8.0	19.3	7.6	14.9	12.5	15.4

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www.rosenbauer.com