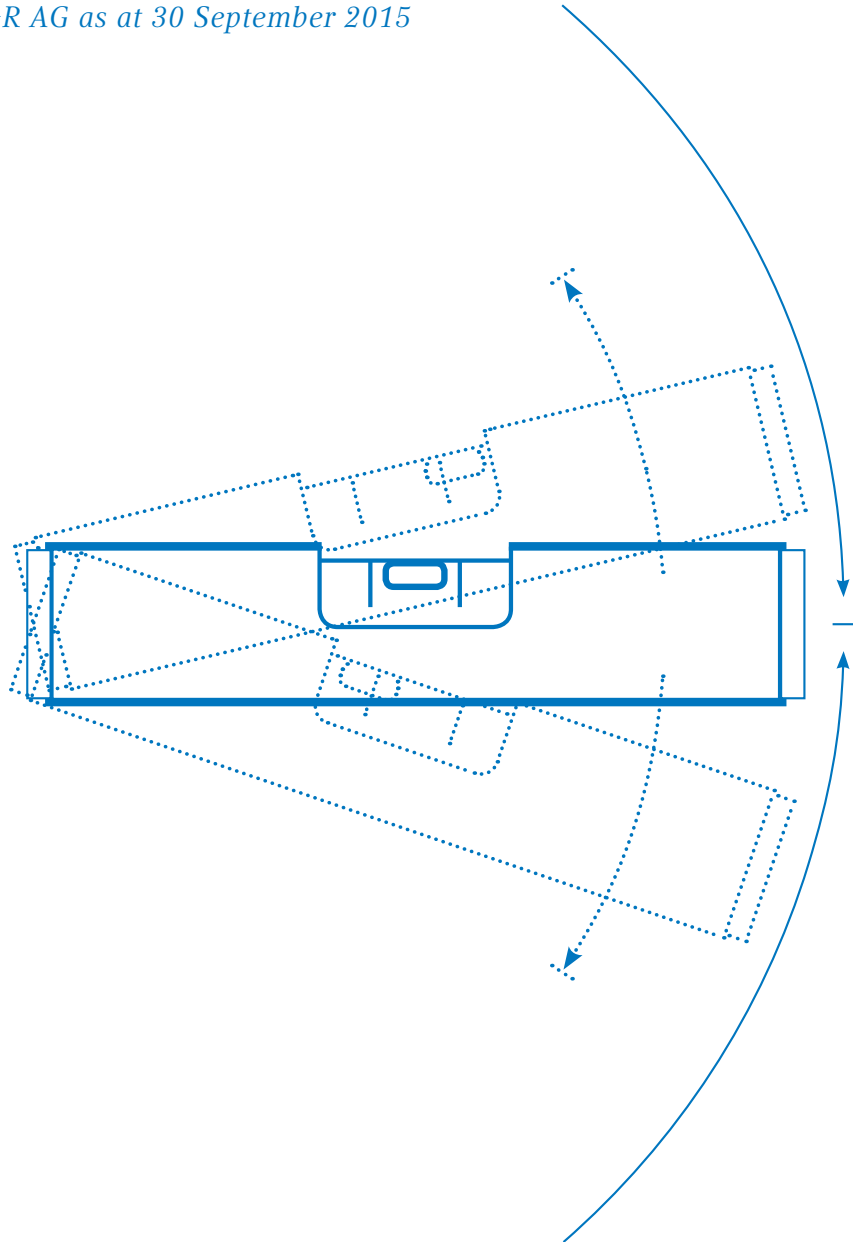


Third Interim Report

of the H&R AG as at 30 September 2015



Our first nine months 2015

THE H&R GROUP IN FIGURES

| € MILLION | 1/1 to 30/9/2015 | 1/1 to 30/9/2014 | Change in absolute terms |
|---|------------------|------------------|-----------------------------|
| Sales | 765.6 | 806.3 | -40.7 |
| Operating income (EBITDA) | 65.3 | 25.2 | 40.1 |
| EBIT | 42.7 | 8.1 | 34.6 |
| Pre-tax earnings | 34.2 | -2.4 | 36.6 |
| Net income before minority interests | 29.2 | -1.9 | 31.1 |
| Net income after minority interests | 29.1 | -1.9 | 31.0 |
| Consolidated earnings per share (undiluted, in €) | 0.81 | -0.06 | 0.87 |
| Operating cash flow | 33.7 | -18.3 | 52.0 |
| Free cash flow | 20.2 | -30.5 | 50.7 |

| € MILLION | 30/9/2015 | 31/12/2014 | Change in absolute terms |
|----------------------|-----------|------------|-----------------------------|
| Balance sheet total | 675.0 | 706.6 | -31.6 |
| Shareholders' equity | 284.1 | 248.9 | 35.2 |
| Equity ratio (in %) | 42.1 | 35.2 | 6.9 |
| Employees (absolute) | 1,577 | 1,553 | 24 |

THE SEGMENTS IN FIGURES

| € MILLION | Sales 1/1 to 30/9/2015 | Sales 1/1 to 30/9/2014 | EBITDA 1/1 to 30/9/2015 | EBITDA 1/1 to 30/9/2014 |
|--|---------------------------|---------------------------|----------------------------|----------------------------|
| Chemical-Pharmaceutical Raw Materials Refining | 482.6 | 605.3 | 41.3 | 18.9 |
| The Chemical-Pharmaceutical Raw Materials Refining segment has two refineries in Hamburg and Salzbergen (Germany), which produce speciality products from crude oil. | | | | |
| Chemical-Pharmaceutical Raw Materials Sales | 247.4 | 169.3 | 25.0 | 10.4 |
| The Chemical-Pharmaceutical Raw Materials Sales segment comprises the mixing and conversion plants abroad and our international sales activities. | | | | |
| Plastics | 45.8 | 41.2 | -0.2 | -0.9 |
| The Plastics segment manufactures high-precision plastic parts along with the associated tools and moulds. | | | | |
| Reconciliation | -10.1 | -9.5 | -0.7 | -3.2 |

Letter from the Executive Board

Dear Shareholders,
Ladies and Gentlemen,
Dear Staff Members,

Following a solid first half of 2015, your H&R Aktiengesellschaft's positive business performance continued into the fall.

The recovery that began during the first six months persisted throughout the third quarter of 2015, enabling H&R AG to post nine-month results on 30 September that already fully met our expectations for the entire year. Although sales revenues followed the familiar downward trend of previous quarters and were at €765.6 million lower than in the fall of 2014 because of raw materials prices, earnings were extremely positive.

The third quarter again turned out to be strong, contributing more than €24 million to nine-month earnings. Results were also buoyed by extraordinary earnings: the sale of a piece of land on the former explosives production plant and insurance compensation payments received totaled around €4.9 million. All in all, total EBITDA amounted to more than €65 million during the reporting period, i.e., more than double the prior-year figure. This meant a contribution of more than €29 million to consolidated earnings. In 2014, the company ended the first nine months with a net loss of €-1.9 million.

The improved earnings performance was driven mainly by the Chemical-Pharmaceutical business. For example, the Refining segment alone contributed EBITDA of more than €41 million. Aside from favorable commodity prices, this was primarily attributable to good prices for our primary products and by-products. Our international business, which is reported in the Sales segment, accounted for around €25 million.

Overall, the past three months were both exciting and successful, allowing the company to revise full-year expectations upward for the first time in years. Despite a less dynamic business performance usually seen at the end of the year, H&R AG expects the final quarter of 2015 to bring a solid contribution to earnings at least. On the whole, from a purely operational perspective and even in the event of adjustments for the extraordinary earnings from the third quarter, the company is currently aiming for €65 million of EBITDA – i.e., for earnings to come in at the upper end of the most recently announced range of between €45 million and €65 million. If the positive performance so far this year continues during the final quarter of 2015, the company could even exceed previously announced earnings expectations.

We are particularly grateful to you, our shareholders, investors, business partners and employees, who have continued to support us throughout the long “dry spell” we have experienced in recent years. We are particularly pleased that we have been able to justify your trust this year with an improved share price and consistently positive analyst ratings of our share.

Best regards,

Salzbergen, November 2015

The Executive Board



Niels H. Hansen
Chairman
of the Executive Board



Detlev Wösten
Member
of the Executive Board

Interim Management Report

- Sales revenues dropped in first nine months due to lower raw-material costs*
- Strong nine-month results*
- Operating income (EBITDA) of €65.3 million, an increase over the prior-year period*
- Quarterly results improved by €4.9 million of non-recurring items*
- Full-year forecast raised*

INTERIM MANAGEMENT REPORT

- 4 Group structure
- 5 Subscribed capital and shareholder structure
- 6 Economic environment
- 8 The share and share price trends
- 10 Results of operations, net assets and financial position
- 15 Report on opportunities and risks
- 16 Research and development
- 16 Key events following the balance sheet date
- 17 Outlook

Group structure

Sectors and organizational structure | Group's legal structure | Employees

Group structure

Sectors and organizational structure

The H&R Group organizes its operating activities into two business divisions: the large Chemical-Pharmaceutical Division and the smaller Plastics Division.

At the same time, we have three operating segments: the ChemPharm Refining segment, the ChemPharm Sales segment and the Plastics segment.

Our biggest segment, Refining, includes the refineries in Hamburg-Neuhof and Salzbergen. These two production sites differ from conventional lubricant refineries in that they have a higher output of crude-oil-based specialty chemicals such as plasticizers, paraffins and white oils, while devoting a lower percentage of production to base oils. During the course of our production processes, we create over 800 different products that are used in more than 100 client industries.

Our Sales segment combines numerous blending facilities, further-processing facilities and distribution sites worldwide. This segment's main products include label-free plasticizers for the tire industry and wax emulsions for the building-materials industry.

The Plastics segment produces high-precision plastic parts and the molds needed to manufacture them. In addition to the headquarters in Coburg, we also operate production sites in Eastern Europe and Asia. While the automotive industry continues to be the Plastics segment's main customer, the medical technology industry and other industries are increasingly important customers as well.

For a detailed description of our company's position and organizational structure, please refer to the section of our 2014 Annual Report entitled "Group fundamentals", which begins on page 46.

Group's legal structure

As the Group's parent company, H&R AG is in charge of the strategic management of our business operations. It is responsible for communicating with the public and the capital markets, and for the Group's financing. In addition, various services are provided centrally for our subsidiaries. As well as generating synergistic effects for the Group, this enables the subsidiaries to concentrate fully on their business operations.

There have been no fundamental structural or organizational changes within the Group since the 2014 Annual Report was prepared. As of 30 September 2015, there were 34 consolidated subsidiaries (31 December 2014: 34). A new addition to the consolidated group is Dunrose Investment (Pty) Ltd., headquartered in Durban, South Africa, to whose premises the production of H&R South Africa (Pty) Ltd., Durban, South Africa, will be relocated in the future. At the same time there had been a disposal of consolidated companies: The H&R Czechia s.r.o., Prague, was liquidated in the first nine months of 2015.

Employees

As of 30 September 2015, the number of people employed by the H&R Group had increased by 24 to 1,577 (31 December 2014: 1,553).

In the ChemPharm Division, the headcount increased by 37, from 938 at year-end 2014 to 975 at the end of the first nine months of 2015.

While the number of employees in Germany rose by 17 to 633, our Sales segment had 342 employees at the end of the third quarter.

In the Plastics segment, headcount decreased by 20, reducing the number of employees from 590 at 31 December 2014 to 570.

As of 30 September 2015, our Other Activities employed 31 people (31 December 2014: 26 employees).

Subscribed capital and shareholder structure

Due to the September 2014 increase in capital through a contribution-in-kind, H&R AG's subscribed capital (share capital) sums up to €91,572,769.63. It is divided into 35,820,154 non-par bearer shares. This corresponds to a notional value of €2.56 per share. There are no distinct classes of shares – only ordinary shares. Each of these shares entitles the holder to one vote.

According to the notification from Mr Nils Hansen dated 26 September 2014, his share of voting rights, held by H&R Beteiligung GmbH and attributable to Mr Nils Hansen via H&R Holding GmbH, was 41.89% on 25 September 2014 and therefore was below the 50% threshold on that date. According to an informal notification on 11 December 2014, H&R Beteiligung GmbH's stake increased 1.11%. According to another notification from Mr Nils Hansen dated 26 September 2014, his share of voting rights, held by H&R Internationale Beteiligung GmbH and likewise attributable to Mr Nils Hansen, exceeded the 15% threshold on 25 September 2014 and amounted to 16.32% on that date.

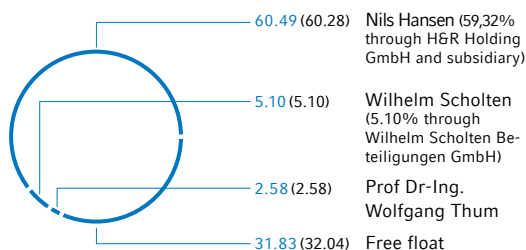
According to the last informal notification received from Mr Nils Hansen, he personally held an additional 1.17 % of the outstanding H&R shares as of the end of the first nine months of 2015.

According to a notification on 2 April 2003 pursuant to the German Securities Trading Act (WpHG), on 28 March 2003, Mr Wilhelm Scholten held 6.65% of the voting rights via the company Wilhelm Scholten Beteiligungen GmbH, which is attributable to him. Following the dilution of voting rights caused by the conversion of preferred shares into ordinary shares in 2008, this corresponded to a notional stake of 6.08%. The increase in capital resulting from the use of approved capital diluted Mr Wilhelm Scholten's share of voting rights on 25 September 2014 to 5.10%. According to an informal notification, this share was unchanged on 31 December 2014, and is valid still.

According to a voting-rights notification dated 26 September 2014, Prof Dr Ing. Wolfgang Thum held more than 2.58% of the voting rights in H&R AG on 25 September 2014. According to an informal notification, this also was equal to his share of voting rights at year-end 2014. The remaining 31.83% of H&R shares were in free float as of 30 September 2015.

SHAREHOLDER STRUCTURE AS OF 30/9/2015

IN % (VALUES AT THE END OF THE PREVIOUS YEAR)



Economic environment

Macroeconomic conditions

According to the Kiel Institute for the World Economy (IfW), the short-term outlook for the global economy deteriorated in the fall of 2015. Driven by increasing uncertainty about economic developments in China, volatility in the financial markets increased significantly worldwide. As a result, the increase in expected worldwide production in 2015 has been adjusted downward slightly, to 3.3%. There are signs that, during the forecast period, the growth rate will be higher than that seen over the past two years, at least for the advanced economies.

The situation has mainly deteriorated in emerging economies. On the one hand, because of their trade ties, these countries have been affected by the economic downturn in China; on the other hand, the sharp decline in commodity prices is the reason for the deterioration. Moreover, the pace of expansion in the emerging markets of southeast Asia has slowed markedly; Brazil and Russia are in recession.

In Germany, by contrast, the economic trend continues to be positive. According to the Kiel Institute's researchers, there are early indications that the GDP growth rate will reach 1.8% this year. Next year, the growth rate may increase further, to 2.1%. The expansion is being driven primarily by domestic economic factors. Households' higher disposable income, combined with very low consumer price inflation, is translating into big increases in consumer purchasing power.

At the same time, though, both the economic environment and economy policy entail downside

risks. Around the world, Western central banks continue to pursue an ultra-expansive policy that makes the global economy vulnerable to crises. In addition, current trends in China harbor risks. Admittedly, German exporters have recently managed to offset the recent downturn in business with China by turning their attention to other trading partners; however, an economic crisis in China would have very noticeable effects, including in Germany.

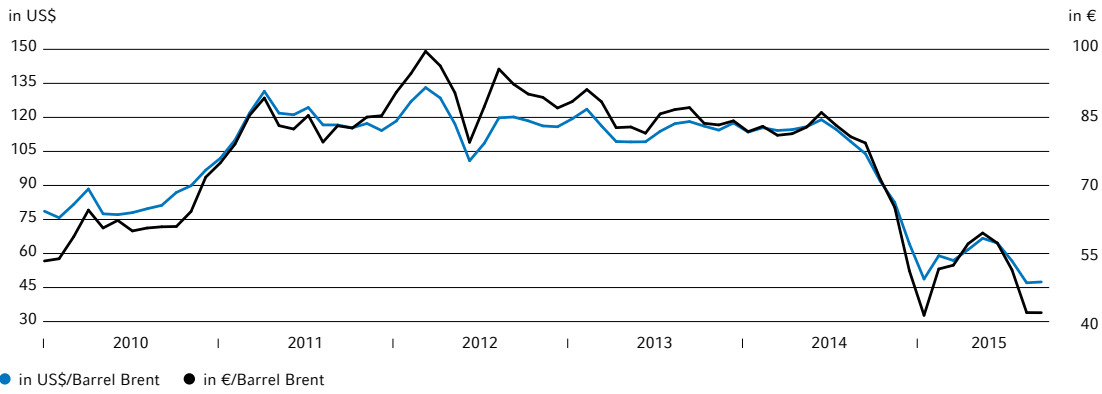
At the beginning of the year, crude-oil prices (all data refer to the average price for a barrel of North Sea Brent) initially fell below US\$ 50.00, but recovered to almost US\$ 64.00 by the end of the first six months of 2015. However, the increase was short-lived: after a consistent downward trend, Brent reached its 52-week low of US\$ 42.52 at the end of August 2015 before climbing back to just under US\$ 50.00 per barrel of crude oil at the end of September.

Industry-specific conditions

During the first nine months of 2015, the chemical and pharmaceutical industries returned to moderate growth. Chemicals benefited from the stable global economic situation and the economic recovery in Europe. Following a decrease in industry sales at the beginning of the year, chemical companies' revenues rose as the year progressed. The VCI expects chemical-sector production to rise by 1.5% in 2015. Even though prices for chemical products are expected to drop by 2.5%, industry sales revenues should increase by 1.0% to roundabout €191.0 billion.

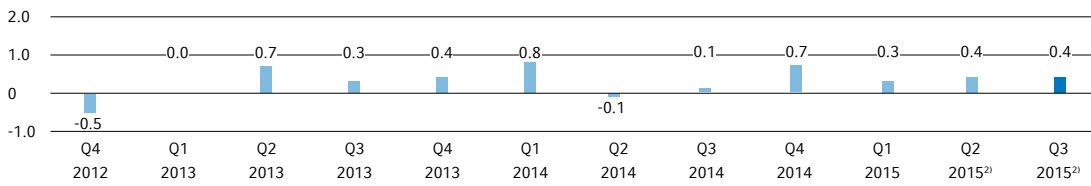
OIL PRICES 2010 TO 2015

(AVERAGE MONTHLY PRICES)



ECONOMIC GROWTH IN GERMANY¹⁾

IN %, SOURCE: DETSATIS, GERMAN FEDERAL BUREAU OF STATISTICS



¹⁾ Gross domestic product (price-, season- and calendar adjusted).

²⁾ Estimate.

The share and share-price trend

At the start of the year, the mood among investors was initially reserved before share prices – and, along with them, the DAX – increased considerably during the first quarter. Around mid-year, in particular, pressure on German stocks grew as the index declined, first due to the tense situation in Greece and then due to fallout from the Chinese stock market crisis.

H&R's share price had a modest start to trading in 2015. The share price was unable to withstand the strong pressure following publication of the profit warning in December 2014, starting a downward trend from the level of €7.50 that only bottomed out at €5.85 in mid-March. The shares started the second quarter significantly stronger, climbing above the €8.00 mark and holding their own above the €7.00 mark. Publication of the preliminary results for the first half of 2015 further stimulated trading and the shares performed well. Following the bad financial news from China, H&R's share also experienced a brief downward trend that pushed it below €7.00. Attracted by such buying opportunities, investors took the plunge and helped the share price to recover to

more than €8.50 by mid-September. At the end of the month, H&R's shares closed at €7.96.

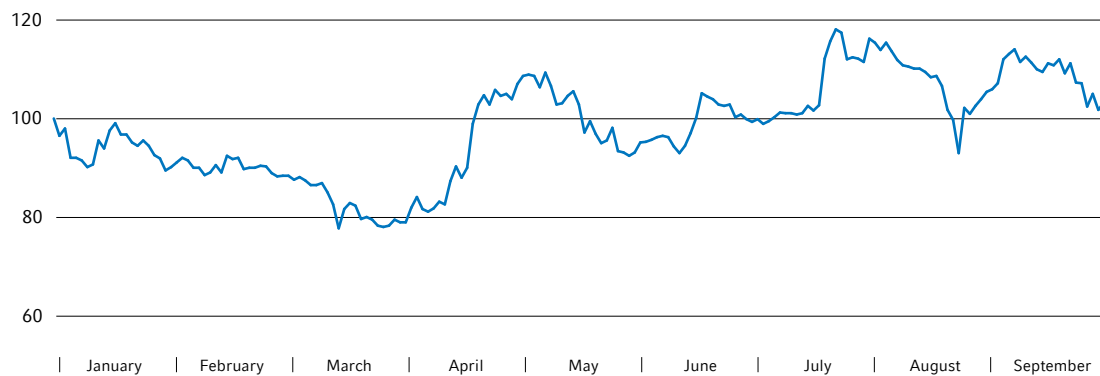
As a result of the good preliminary figures for the first nine months of 2015, analysts' overall assessments of H&R's share were also positive. On the one hand, analysts maintained their "Hold" recommendation for H&R shares, but set higher target prices. At the same time, three analysts issued clear "Buy" recommendations for H&R shares, with double-digit target prices of between €10.00 and €13.00.

The company's very informative presentations at capital-market conferences held by Commerzbank AG (Sector Day on Chemicals & Life Sciences) and Baader Bank AG (Baader Investment Conference) were also well attended.

Investors, analysts and private investors increasingly took advantage of the opportunity to learn more about H&R AG from Investor Relations by telephone and email. In addition, analysts and investors visited us at our refinery in Hamburg in order to get a first-hand impression of our biggest production facility.

PERFORMANCE OF THE H&R SHARE

(INDEX 1/1/2015=100)



KEY SHARE DATA OF H&R SHARE

| | 1/7 to 30/9/2015 | 1/7 to 30/9/2014 | Change in absolute terms | 1/1 to 30/9/2015 | 1/1 to 30/9/2014 | Change in absolute terms |
|--|---------------------|---------------------|--------------------------------|---------------------|---------------------|--------------------------------|
| Number of shares as at the reporting date | 35,820,154 | 35,820,154 | – | 35,820,154 | 35,820,154 | – |
| Earnings per share, in € | 0.30 | 0.03 | 0.27 | 0.81 | -0.06 | -0.87 |
| Maximum price during the period under review, in € ¹⁾ | 8.85 | 9.37 | -0.52 | 8.85 | 9.37 | -0.52 |
| Lowest price during the period under review, in € ¹⁾ | 7.43 | 6.45 | 0.98 | 5.86 | 6.40 | -0.54 |
| Price as at the reporting date, in € ¹⁾ | 7.96 | 6.86 | 1.10 | 7.96 | 6.86 | 1.10 |
| Market capitalisation as at the reporting date, in € million¹⁾ | 285.1 | 245.7 | 39.4 | 285.1 | 245.7 | 39.4 |

¹⁾ Corresponding XETRA closing price.

Results of operations, net assets and financial position

Results of operations

As of 30 September 2015, for the first time since the initial consolidation of the Chinese companies at the end of the third quarter of 2014, the Group posted quarterly results with comparable sales revenues and earnings figures.

During the first nine months of financial year 2015, we generated Group sales of €765.6 million, 5% below the prior-year figures (first nine months of 2014: €806.3 million). For the third quarter of 2015, sales decreased by an even more pronounced 9.3% to €240.9 million (third quarter of 2014: €265.6 million). This trend was mainly attributable to lower raw-material costs. Persistently low crude-oil prices had an impact on the cost of materials, which affects H&R AG's sales revenues for reasons related to the business model.

By far the biggest contribution to sales revenues (94%) again came from our Chemical-Pharmaceutical Division, which is composed of the ChemPharm Refining and ChemPharm Sales segments. Our Plastics Division's businesses accounted for around 6% of sales revenues.

The regional focus of our business activities continues to be Germany, where 57% of sales revenues were generated. This percentage includes transactions with our sales partner – the Hansen &

Rosenthal Group – which in turn generates a large proportion of its sales abroad. The actual percentage of products purchased by foreign end customers is therefore higher than our statistics suggest.

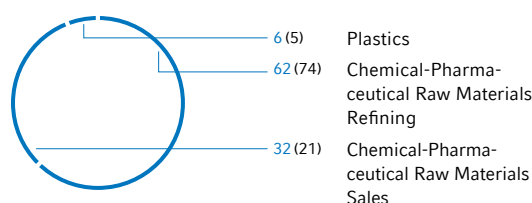
Of the remaining 43% of sales revenues, other European countries account for 12 percentage points, while the rest of the world accounts for 31%.

During the first nine months of financial year 2015, the H&R Group posted a significantly higher operating income (EBITDA) of €65.3 million (first nine months of 2014: €25.2 million) despite the decrease in sales revenues. This was more than two-and-a-half times the operating income during the prior-year period. Third-quarter operating income measured by EBITDA of €24.2 million was considerably higher than for the same period in 2014 (€10.6 million). This improvement was primarily due to favorable prices for our primary products and by-products. At the same time, extraordinary gains from the disposal of a property at the former explosives production site and compensation received from insurance companies added €4.9 million to EBITDA.

Consolidated earnings before interest and taxes and after depreciation and amortization (EBIT) improved to €42.7 million (first nine months of 2014: €8.1 million). Earnings before taxes (EBT)

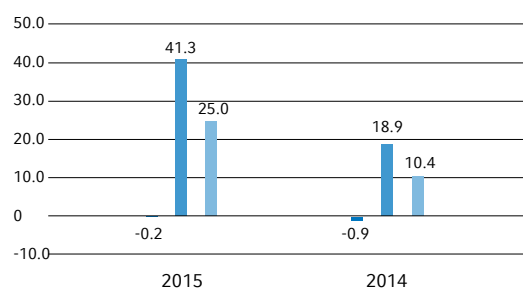
SALES BY SEGMENT 9M 2015

IN % (9M 2014)



OPERATING RESULT BY SEGMENT 9M 2015

€ MILLION



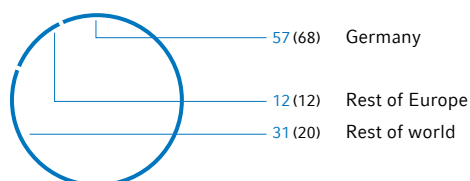
- Plastics
- Chemical-Pharmaceutical Raw Materials Refining
- Chemical-Pharmaceutical Raw Materials Sales

SALES AND EARNINGS DEVELOPMENT

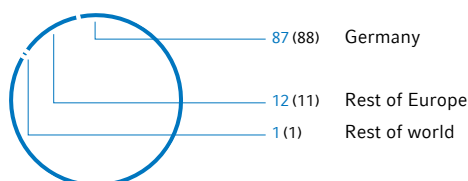
| € MILLION | 1/7 to 30/9/2015 | 1/7 to 30/9/2014 | Change in absolute terms | 1/1 to 30/9/2015 | 1/1 to 30/9/2014 | Change in absolute terms |
|--|---------------------|---------------------|--------------------------------|---------------------|---------------------|--------------------------------|
| Sales | 240.9 | 265.6 | -24.7 | 765.6 | 806.3 | -40.7 |
| Operating result (EBITDA) | 24.2 | 10.6 | 13.6 | 65.3 | 25.2 | 40.1 |
| EBIT | 16.7 | 4.8 | 11.9 | 42.7 | 8.1 | 34.6 |
| Earnings before taxes | 13.6 | 1.2 | 12.4 | 34.2 | -2.4 | 36.6 |
| Net income after minority interests | 10.9 | 0.8 | 10.1 | 29.1 | -1.9 | 31.0 |
| Consolidated earnings per share (undiluted, in €) | 0.30 | 0.03 | 0.27 | 0.81 | -0.06 | 0.87 |

SALES BY REGION
9M 2015

IN % (9M 2014)

SALES BY REGION IN CHEMPHARM REFINING
9M 2015

IN % (9M 2014)



also improved significantly, jumping an impressive €36.6 million from a net loss of €-2.4 million in the first nine months of 2014 to €34.2 million in the first nine months of 2015.

The Group posted a gratifyingly strong improvement of around €31.0 million in net income, going from a consolidated net loss after minority interests of €-1.9 million in the prior-year period to consolidated net income of €29.1 million. Earnings per share recovered from €-0.06 in the first nine months of 2014 to €0.81 in the first nine months of 2015.

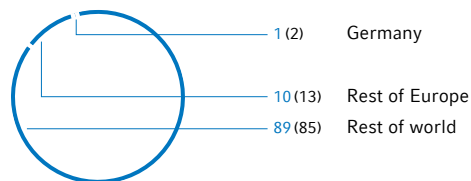
For the third quarter, all levels reported positive earnings and substantially outperformed the prior-year period.

CHEMPHARM REFINING. Sales by the Group's biggest segment dropped 20.3% to €482.6 million in the first nine months of 2015 (first nine months of 2014: €605.3 million). This decline was mainly attributable to lower prices for the raw materials we use. During the first nine months of 2015, the price of Brent crude oil per barrel fluctuated between US\$43.00 and US\$64.00. At the Hamburg refinery, this resulted in the "windfall losses" already described in detail in the 2014 annual report; overall, though, this had little impact on earnings. Thanks to decent margins and noticeably better product prices, the segment's operating income (EBITDA) improved to €41.3 million (first nine months of 2014: €18.9 million).

Results of operations, net assets and financial position
Results of operations

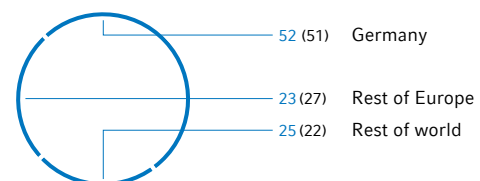
**SALES BY REGION IN THE CHEMPHARM
RAW MATERIALS SALES SEGMENT
9M 2015**

IN % (9M 2014)



**SALES BY REGION IN THE
PLASTICS SEGMENT
9M 2015**

IN % (9M 2014)



CHEMPHARM SALES. Sales in the international segment jumped 46.1% to €247.4 million (first nine months of 2014: €169.3 million), mainly because of the takeover of the Chinese businesses in September 2014. The Chinese businesses, which for the most part were not included in the first nine months of 2014, have been contributing to sales and earnings since the first day of 2015. The operating income (EBITDA) figure of €25.0 million was significantly higher than the prior-year figure of €10.4 million.

Although the trend in earnings contributions from our international subsidiaries continued to be uneven, overall the segment remained fully within our expected range for the entire period.

PLASTICS. The Plastics segment's €45.8 million contribution to sales was higher than in the previous year (first nine months of 2014: €41.2 million). The 11.2% increase was driven primarily by Germany. The net operating loss (EBITDA) of €-0.2 million in the first nine months of financial year 2015 remained higher than in the prior-year period (first nine months of 2014: €-0.9 million). However, it worsened to €-0.5 million in the third quarter of 2015, thereby preventing a satisfactory first half from yielding a positive earnings contribution for the nine-month period as a whole.

Orders trend

The Chemical-Pharmaceutical Raw Materials Division reported a robust level of incoming orders in the first nine months of 2015.

In the Plastics Division, we posted fewer orders for the Plastic Parts segment and existing business. At the end of the reporting period, the order book stood at €31.3 million, 11.3% lower than the comparable prior-year figure (30 September 2014: €35.3 million), but the trend in the third quarter was positive.

Trends in the main items on the income statement

As a result of overall lower raw material prices and the concomitant decrease in sales revenues, our cost of materials dropped 18.1% to €558.3 million in the first nine months of financial year 2015 (first nine months of 2014: €681.5 million). Year-on-year, the material expense ratio decreased significantly, from 84.0% in the prior-year period to 75.4%. Due to the larger number of consolidated subsidiaries, personnel expenses increased 13.7% from €53.2 million in the prior-year period to €60.4 million in the first nine months of 2015.

Depreciation and amortization increased from €17.0 million in the first nine months of 2014 to €22.6 million during the period under review – also primarily because of the Chinese businesses.

The Group reported €42.5 million of operating income, significantly more than in the previous year (first nine months of 2014: €8.0 million). With interest expense on previous year's level and slightly higher interest income, net interest result improved minimally and was quoted at €-10.0 million (first nine months of 2014: €-10.2 million).

As a result, pre-tax profits and consolidated net income increased substantially. Overall, H&R AG posted consolidated net income after minority interests of €29.1 million, an impressive €31.0 million improvement over earnings in the prior-year period (first nine months of 2014: €-1.9 million).

Net assets and financial position

Analysis of the cash flow statement

In general, our cash flow, which is a consequence of the business model, shows a high level of volatility due to changes in net working capital, in particular when deliveries of raw materials for our refineries occur around the same time as the balance-sheet reporting dates.

During the first nine months of financial year 2015, we generated €33.7 million of positive cash flow from operating activities (first nine months of 2014: €-18.3 million).

As a result of the Chinese businesses, depreciation and amortization increased from €17.0 million in the first nine months of 2014 to €22.6 million in the first nine months of 2015. By contrast, changes in net working capital dropped considerably, from €-21.6 million at 30 September 2014 to €-15.9 million at the end of the first nine months of 2015. The changes resulted from active management of raw-materials financing.

As during the first nine months of 2014, during the period under review, we mainly invested in modernization efforts, where we spent €16.7 million (first nine months of 2014: €11.9 million). An

amount of €2.5 million was spent to acquire a company in South Africa. At the same time, we posted €6.4 million of proceeds from the disposal of property, plant and equipment in connection with a sale of land. Overall, cash flow from investment activities totaled €13.5 million (first nine months of 2014: €12.2 million).

Reflecting the improvement in business, free cash flow (the sum of cash flow from investment activities and operating activities) recovered to €20.2 million, compared to €-30.5 million in the first nine months of 2014. Net cash used in financing activities was significantly higher, at €-17.5 million (first nine months of 2014: €-12.9 million). Higher repayments of financial liabilities were offset by incoming payments from newly contracted financial liabilities.

Thanks to the mentioned cash flow development and currency-translation effects, cash and cash equivalents increased from €101.6 million at the beginning of the period (2014: €109.6 million) to €104.9 million at the end of September 2015 (30 September 2014: €78.1 million). The H&R Group's long-term liquidity is assured by the available cash and cash equivalents and the credit lines and guarantees granted to us.

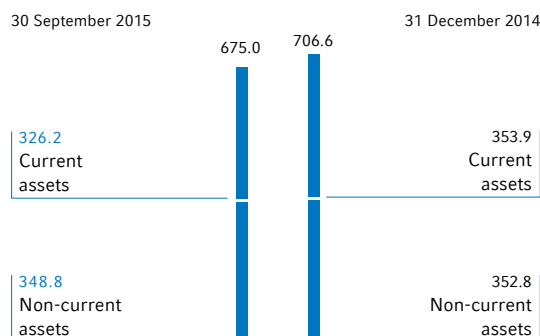
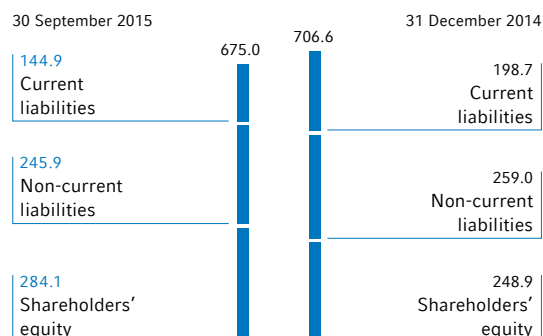
BALANCE-SHEET ANALYSIS. The H&R Group's total assets decreased by 4.5% to €675.0 million at the end of the first nine months of 2015 (31 December 2014: €706.6 million).

On the assets side, cash and cash equivalents increased 3.2% to €104.9 million, compared to €101.6 million at the end of 2014.

FINANCIAL POSITION

| IN € MILLION | 1/7 to 30/9/2015 | 1/7 to 30/9/2014 | Change in absolute terms | 1/1 to 30/9/2015 | 1/1 to 30/9/2014 | Change in absolute terms |
|-------------------------------------|---------------------|---------------------|--------------------------------|---------------------|---------------------|--------------------------------|
| Cash flow from operating activities | 13.8 | 14.0 | -0.2 | 33.7 | -18.3 | 52.0 |
| Cash flow from investing activities | -3.7 | -4.5 | 0.8 | -13.5 | -12.2 | -1.3 |
| Free cash flow | 10.1 | 9.5 | 0.6 | 20.2 | -30.5 | 50.7 |
| Cash flow from financing activities | -1.1 | -2.3 | 1.2 | -17.5 | -12.9 | -4.6 |
| Financial resources as of 30/9 | 104.9 | 78.1 | 26.8 | 104.9 | 78.1 | 26.8 |

Results of operations, net assets and financial position
Net assets and financial position

ASSETS IN € MILLION**SHAREHOLDERS' EQUITY AND LIABILITIES** IN € MILLION

Trade receivables increased 8.4% to €114.5 million at the end of the reporting period; the figure at the end of the year primarily reflected the lower level of business during the “short” December (31 December 2014: €105.6 million). By contrast, inventories dropped 27.1% to €97.8 million (31 December 2014: €134.2 million).

Overall, current assets declined 7.8% to €326.2 million (31 December 2014: €353.9 million); as a proportion of total assets, they decreased from 50.1% to 48.3%.

Non-current assets of €348.8 million had changed only slightly from the year-end 2014 figure of €352.8 million. As a percentage of total assets, they increased from 49.9% at 31 December 2014 to 51.7% at the end of the reporting period.

On the liabilities side of the balance sheet, current liabilities fell 27.1% to €144.9 million (31 December 2014: €198.7 million) due to active management of raw-materials financing. In addition to a €46.7 million drop in trade payables from €112.4 million at 31 December 2014 to €65.7 million at 30 September 2015, liabilities to banks (€44.5 million) and other financial liabilities (€10.7 million) were also lower (compared to €52.0 million and €12.8 million, respectively, at the end of 2014). As a percentage of total shareholders' equity and liabilities, current liabilities decreased from 28.1% at the end of 2014 to 21.5% at the end of the first nine months of 2015.

Thanks to lower liabilities to banks and lower pension provisions, non-current liabilities stood at €245.9 million, below the figure at the end of 2014 (31 December 2014: €259.0 million). This represented a slight decrease from 36.7% of total shareholders' equity and liabilities on 31 December 2014 to 36.4% on 30 September 2015. Thanks to improved business performance, retained earnings, including consolidated net income, increased 45.9% to €107.7 million (31 December 2014: €73.8 million). Because of the depreciation of the Euro, positive currency-translation effects of €2.2 million caused shareholders' equity to increase 14.1% (or €35.2 million) over the year-end 2014 level to €284.1 million at 30 September 2015. Despite the lower total shareholders' equity and liabilities figure, this represents an improved equity ratio of 42.1% (31 December 2014: 35.2%).

There have been no material changes in off-balance-sheet assets since year-end 2014, nor have any new off-balance-sheet financing instruments been used.

We have discussed the acquisition of a company in South Africa elsewhere in this report. There were no further acquisitions or disposals of companies during the reporting period.

Report on opportunities and risks

Please refer to page 92 of our 2014 Annual Report for a discussion of the potential opportunities of the H&R Group. A description of the opportunity-management system can be found on page 85 of the Annual Report. For a description of existing risks and the risk-management system, please consult pages 83 to 92 of the 2014 Annual Report.

In the Executive Board's view, there continue to be no risks of a magnitude that could jeopardize the existence of the company as a going concern.

Research and development

Our research and development (R&D) expenditures amounted to €1.5 million during the reporting period (first nine months of 2014: €1.4 million). Due to lower sales revenues, the R&D ratio (the ratio of R&D expenditures to sales revenues) stood at 0.20%, slightly above the prior-year figure (first nine months of 2014: 0.17%).

Employees in our R&D department focused their work in the Chemical-Pharmaceutical Division on

further developments of paraffin, plasticizer and white-oil products and other crude-oil-based specialty products. In addition, we continued our intensive research into processes that can increase added value in our production processes.

In the Plastics Division, we concentrated primarily on the development of innovative plastic parts for the automotive, medical-technology and other industries.

Key events following the balance sheet date

Between 30 September 2015 and the close of publication for this report there were no events having a material impact on H&R's results of operations, net assets and financial position.

Outlook

The current pace of the German economy should continue through the end of the year. At least, that’s the word from experts at the German Institute for Economic Research (DIW Berlin), who following growth of just under 0.4% in the third quarter are forecasting another 0.4% quarter-on-quarter increase in the fourth quarter.

The situation in the German labor market also remains favorable: continuing increases in employment have been accompanied by noticeable wage increases. Overall, the German economy will continue to be driven to a considerable extent by consumer-oriented service providers.

Nevertheless, concerns remain. Recently, production fell slightly below the level at the beginning of the year, no doubt influenced by the economic slowdown in China. There has also been a noticeable decline in exports of late, albeit from a high level. The persistently weak trend in the order books and the somewhat subdued mood in industry also point to a cautious outlook. Therefore,

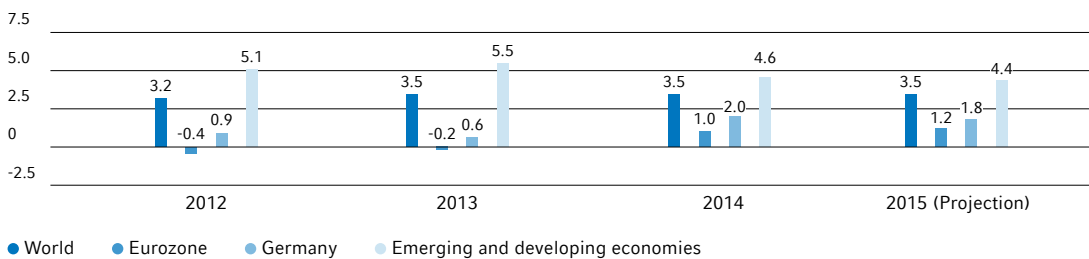
according to the economic researchers in Berlin, it is uncertain how sharp the slowdown in emerging market economies will be, to what extent the Eurozone recovery will continue and whether the economic policies of individual countries in the currency union will change.

At the beginning of the year, the price of North Sea Brent crude oil initially dropped below US\$50.00 per barrel but recovered to almost US\$64.00 by the end of the first half of 2015. At the end of August 2015, crude-oil prices reached their 52-week low of US\$42.52 per barrel before again recovering to just under US\$50.00 per barrel at the end of September. The average price of US\$51.17 per barrel is also in line with our expectations for the rest of the year.

VCI still expects production in the German chemical and pharmaceutical industries to increase by 1.5% in 2015. Chemical prices will probably decrease 2.5%, causing industry sales revenues to stagnate at around €191 billion.

GLOBAL ECONOMIC GROWTH FORECAST

IN %, SOURCE: IMF, IFW



Outlook

In spite of a less dynamic business performance usually seen at the end of the year, H&R AG expects the final quarter of 2015 to bring a solid contribution to earnings at the very least.

From a purely operational perspective – even when adjusting for the extraordinary gains in the third quarter – the company is aiming for EBITDA to come in at the upper end of the most recently

announced range of between €45 million and €65 million. Based on currently available information, negative effects such as those reported in the final quarter of 2014 are not expected. If the current year's positive performance continues during the fourth quarter of 2015, and including the one-time extraordinary gains in the third quarter, the company could exceed previously announced earnings expectations by approximately 15%.

Interim consolidated financial statements

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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Consolidated balance sheet

Consolidated balance sheet of H&R AG

*as of 30 September 2015***ASSETS**

€ THOUSAND

| | 30/9/2015 | 31/12/2014 |
|-------------------------------------|----------------|----------------|
| Current assets | | |
| Cash and cash equivalents | 104,903 | 101,558 |
| Trade accounts receivables | 114,480 | 105,598 |
| Income tax claims | 168 | 1,701 |
| Inventories | 97,752 | 134,202 |
| Other financial assets | 1,254 | 2,176 |
| Other assets | 7,653 | 8,630 |
| Current assets | 326,210 | 353,865 |
| Non-current assets | | |
| Property, plant and equipment | 251,634 | 255,280 |
| Goodwill | 40,246 | 39,908 |
| Other intangible assets | 32,529 | 32,885 |
| Shares in at-equity valued holdings | 895 | 763 |
| Other financial assets | 5,396 | 5,382 |
| Other assets | 1,479 | 1,465 |
| Deferred taxes | 16,576 | 17,069 |
| Non-current assets | 348,755 | 352,752 |
| Total assets | 674,965 | 706,617 |

EQUITY AND LIABILITIES

| € THOUSAND | 30/9/2015 | 31/12/2014 |
|--|----------------|----------------|
| Current liabilities | | |
| Liabilities to banks | 44,482 | 52,018 |
| Trade accounts payables | 65,654 | 112,415 |
| Income tax liabilities | 3,335 | 2,230 |
| Other provisions | 12,293 | 9,298 |
| Other financial liabilities | 10,703 | 12,813 |
| Other liabilities | 8,476 | 9,948 |
| Current liabilities | 144,943 | 198,722 |
| Non-current liabilities | | |
| Liabilities to banks | 148,858 | 156,051 |
| Pension provisions | 77,290 | 82,566 |
| Other provisions | 4,772 | 4,270 |
| Other financial liabilities | 2,795 | 4,712 |
| Other liabilities | 1,013 | 79 |
| Deferred taxes | 11,207 | 11,314 |
| Non-current liabilities | 245,935 | 258,992 |
| Equity | | |
| Subscribed capital | 91,573 | 91,573 |
| Capital reserve | 42,345 | 43,329 |
| Revaluation surplus | -1,824 | -2,532 |
| Retained earnings | 107,670 | 73,773 |
| Foreign currency translation adjustments | 2,178 | 2,958 |
| Equity of H&R AG shareholders | 241,942 | 209,101 |
| Non-controlling interests | 42,145 | 39,802 |
| Total equity | 284,087 | 248,903 |
| Total equity and liabilities | 674,965 | 706,617 |

Consolidated income statement of H&R AG

Consolidated income statement of H&R AG

1 January 2015 to 30 September 2015

| € THOUSAND | 1/1 to 30/9/2015 | 1/1 to 30/9/2014 | 1/7 to 30/9/2015 | 1/7 to 30/9/2014 |
|---|------------------|------------------|------------------|------------------|
| Sales | 765,631 | 806,281 | 240,891 | 265,574 |
| Changes in inventories of finished goods and work in progress | -25,679 | 4,885 | 1,262 | 6,654 |
| Other operating income | 24,567 | 13,117 | 11,905 | 4,712 |
| Cost of material | -558,270 | -681,522 | -180,807 | -226,220 |
| a) Expenditure on raw materials, supplies and merchandise | -528,749 | -652,908 | -170,910 | -216,771 |
| b) Purchased services | -29,521 | -28,614 | -9,897 | -9,449 |
| Personnel expenses | -60,430 | -53,151 | -20,163 | -18,005 |
| a) Wages and salaries | -51,250 | -45,111 | -17,067 | -15,295 |
| b) Social security payments and expenses for pensions and for support | -9,180 | -8,040 | -3,096 | -2,710 |
| Depreciation, impairments and amortisation | -22,608 | -17,046 | -7,423 | -5,818 |
| Other operating expenses | -80,748 | -64,523 | -29,020 | -22,140 |
| Income from operations | 42,463 | 8,041 | 16,645 | 4,757 |
| Net interest result | -10,001 | -10,242 | -3,532 | -3,739 |
| a) Interest income | 583 | 209 | 87 | 63 |
| b) Interest expenses | -10,584 | -10,451 | -3,619 | -3,802 |
| Result of at-equity reported shareholdings | 256 | 76 | 96 | 67 |
| Other financial result | 1,499 | -310 | 348 | 137 |
| Earnings before taxes (EBT) | 34,217 | -2,435 | 13,557 | 1,222 |
| Income taxes | -4,988 | 512 | -2,341 | -450 |
| Income after taxes | 29,229 | -1,923 | 11,216 | 772 |
| of which attributable to non-controlling interests | 122 | 0 | 284 | -4 |
| of which attributable to H&R AG shareholders | 29,107 | -1,923 | 10,932 | 776 |
| Earnings per share (undiluted), € | 0.81 | -0.06 | 0.30 | 0.03 |
| Earnings per share (diluted), € | 0.81 | -0.06 | 0.30 | 0.03 |

Consolidated statement of comprehensive income of H&R AG

1 January 2015 to 30 September 2015

| € THOUSAND | 1/1 to 30/9/2015 | 1/1 to 30/9/2014 | 1/7 to 30/9/2015 | 1/7 to 30/9/2014 |
|---|------------------|------------------|------------------|------------------|
| Income after taxes | 29,229 | -1,923 | 11,216 | 772 |
| Positions that will not be reclassified into profit or loss | | | | |
| Remeasurement of defined benefit pension plans | 4,790 | -6,478 | 1,169 | -2,960 |
| Income taxes | - | 1,850 | - | 845 |
| Change in the amount included in equity (remeasurement of defined benefit pension plans) | 4,790 | -4,628 | 1,169 | -2,115 |
| Positions that will subsequently possibly be reclassified into profit or loss | | | | |
| Changes in the fair value of derivatives held for hedging purposes | - | - | - | - |
| Amount reclassified into profit and loss | 712 | 712 | 237 | 237 |
| Income taxes | - | - | - | - |
| Changes recognized outside profit and loss (cash flow hedges) | 712 | 712 | 237 | 237 |
| Changes in the fair value of financial assets available for sale | -4 | 59 | 15 | 4 |
| Income taxes | - | -17 | - | -1 |
| Changes recognized outside profit and loss (financial assets available for sale) | -4 | 42 | 15 | 3 |
| Changes of the balancing item due to currency translation | 1,457 | 6,286 | -10,315 | 4,336 |
| Total other comprehensive income | 6,955 | 2,412 | -8,894 | 2,461 |
| Total comprehensive income | 36,184 | 489 | 2,322 | 3,233 |
| of which attributable to non-controlling interests | 2,359 | 0 | -876 | -3 |
| of which attributable to H&R AG shareholders | 33,825 | 489 | 3,198 | 3,236 |

Consolidated statement of changes in shareholders' equity

H&R AG Consolidated statement of changes in shareholders' equity

as of 30 September 2015

2015

| € THOUSAND | Comprehensive income | | | | | | | | Total |
|-----------------------------------|----------------------|------------------|-------------------|--------------------------------------|------------------|--|--|------------------------|----------------|
| | Subscribed capital | Capital reserves | Retained earnings | Revaluation surplus | | Foreign currency translation adjustments | Equity share attributable to H&R AG shareholders | Non-controlling shares | |
| | | | | Market valuation of financial assets | Cash flow hedges | | | | |
| | | | | | | | | | |
| 1/1/2015 | 91,573 | 43,329 | 73,773 | 265 | -2,797 | 2,958 | 209,101 | 39,802 | 248,903 |
| Capital increase | - | -984 | - | - | - | - | -984 | - | -984 |
| Disposal non-controlling interest | - | - | - | - | - | - | - | -16 | -16 |
| Dividends | - | - | - | - | - | - | - | - | - |
| Income after tax | - | - | 29,107 | - | - | - | 29,107 | 122 | 29,229 |
| Other comprehensive income | - | - | 4,790 | -4 | 712 | -780 | 4,718 | 2,237 | 6,955 |
| Comprehensive income | - | - | 33,897 | -4 | 712 | -780 | 33,825 | 2,359 | 36,184 |
| 30/9/2015 | 91,573 | 42,345 | 107,670 | 261 | -2,085 | 2,178 | 241,942 | 42,145 | 284,087 |

2014

| € THOUSAND | Comprehensive income | | | | | | | | Total |
|-----------------------------|----------------------|------------------|-------------------|--------------------------------------|------------------|--|--|------------------------|----------------|
| | Subscribed capital | Capital reserves | Retained earnings | Revaluation surplus | | Foreign currency translation adjustments | Equity share attributable to H&R AG shareholders | Non-controlling shares | |
| | | | | Market valuation of financial assets | Cash flow hedges | | | | |
| | | | | | | | | | |
| 1/1/2014 | 76,625 | 18,599 | 102,833 | 131 | -3,747 | -5,200 | 189,241 | -79 | 189,162 |
| Capital increase | 14,948 | 25,163 | - | - | - | - | 40,111 | 32,626 | 72,737 |
| Dividends | - | - | - | - | - | - | - | - | - |
| Income after tax | - | - | -1,923 | - | - | - | -1,923 | 0 | -1,923 |
| Other comprehensive income | - | - | -4,628 | 42 | 712 | 6,286 | 2,412 | 0 | 2,412 |
| Comprehensive income | - | - | -6,551 | 42 | 712 | 6,286 | 489 | 0 | 489 |
| 30/9/2014 | 91,573 | 43,762 | 96,282 | 173 | -3,035 | 1,086 | 229,81 | 32,547 | 262,388 |

Consolidated cash flow statement of H&R AG

1 January 2015 to 30 September 2015

| € THOUSAND | | 1/1 to 30/09/2015 | 1/1 to 30/09/2014 | 1/7 to 30/09/2015 | 1/7 to 30/09/2014 |
|------------|---|-------------------|-------------------|-------------------|-------------------|
| 1. | Income after taxes | 29,229 | -1,923 | 11,216 | 772 |
| 2. | Income taxes | 4,988 | -512 | 2,341 | 450 |
| 3. | Net interest result | 10,001 | 10,242 | 3,532 | 3,739 |
| 4. | +/- Depreciation, impairment and amortisation | 22,608 | 17,046 | 7,423 | 5,818 |
| 5. | +/- Changes in non-current provisions | -1,351 | 297 | -119 | 234 |
| 6. | + Interests received | 583 | 209 | 87 | 63 |
| 7. | - Interests paid | -10,210 | -6,620 | -5,594 | -2,231 |
| 8. | +/- Income taxes paid/received | -1,964 | -5,789 | -1,563 | -4,535 |
| 9. | +/- Other non-cash expenses and income | -1,593 | -207 | -517 | -134 |
| 10. | +/- Increase/decrease in current provisions | 2,995 | -165 | 1,682 | 738 |
| 11. | -/+ Result from the disposal of fixed assets | -3,642 | 2 | -3,230 | 5 |
| 12. | -/+ Changes in net working capital | -15,941 | -21,563 | 3,406 | 9,175 |
| 13. | +/- Changes in remaining net assets / other non-cash items | -2,007 | -9,361 | -4,863 | -85 |
| 14. | = Cash flow from operating activities (sum of 1 to 13) | 33,696 | -18,344 | 13,801 | 14,009 |
| 15. | Payments for acquisitions | -2,531 | - | -2,531 | - |
| 16. | + Proceeds from disposal of tangible fixed assets | 6,418 | 16 | 5,411 | - |
| 17. | - Payments for investments in tangible fixed assets | -16,730 | -11,910 | -6,226 | -4,408 |
| 18. | - Payments for investments in intangible assets | -648 | -266 | -390 | -120 |
| 19. | = Cash flow from investing activities (sum of 15 to 18) | -13,491 | -12,160 | -3,736 | -4,528 |
| 20. | Free cash flow (sum of lines 14 and 19) | 20,205 | -30,504 | 10,065 | 9,481 |
| 21. | + Dividend received from joint ventures | 123 | - | - | - |
| 22. | - Payments resulting from the settlement of financial debt | -43,794 | -17,945 | -17,104 | -2,331 |
| 23. | + Receipts from the taking up of financial debt | 26,209 | 5,066 | 16,010 | 8 |
| 24. | = Cash flow from financing activities (Sum of 21 to 23) | -17,462 | -12,879 | -1,094 | -2,323 |
| 25. | +/- Cash and cash equivalent changes in the financial resources fund (sum of lines 14, 19, 24) | 2,743 | -43,383 | 8,971 | 7,158 |
| 26. | + Cash and cash equivalents at the start of the period | 101,558 | 109,624 | 99,560 | 59,827 |
| 27. | +/- Change in cash and cash equivalents due to changes of exchange rates | 602 | 2,648 | -3,628 | 1,904 |
| 28. | +/- Changes in scope of consolidation | - | 9,223 | - | 9,223 |
| 29. | = Cash and cash equivalents at the end of the period | 104,903 | 78,122 | 104,903 | 78,122 |

Selected explanatory notes

as of 30 September 2015

Principles and methods

The interim consolidated financial statements of H&R Aktiengesellschaft as of 30 September 2015 have been published in accordance with the International Financial Reporting Standards (IFRS) applicable and mandatory on the reporting date, as were the annual consolidated financial statements for 31 December 2014; in particular the regulations of IAS 34 on interim reporting were applied. The quarterly report submitted here and the associated interim consolidated management report have not been reviewed or checked in accordance with Article 317 of the German Commercial Code (Handelsgesetzbuch).

All interim financial statements of the companies included in the interim consolidated financial statements were drawn up on the basis of uniform balancing and valuation principles, which were also used as the basis for the annual consolidated financial statements of 31 December 2014.

Taking into consideration the meaning and purpose of the interim reporting as an informative instrument based on the consolidated financial statements, we refer to the appendix to the annual consolidated financial statements. The balanc-

ing, valuation and consolidation methods used, and the exercise of the voting rights contained in the IFRS, are comprehensively explained.

Standards and interpretations to be applied in the current financial year

The accounting and consolidations methods described in the 2014 Annual Report were extended to include the accounting standards endorsed by the EU and required to be applied for reporting periods beginning on or after 1 January 2015. None of these changes had a material impact on the results of operations, financial position and net assets of H&R AG as described in this report.

Changes in core parameters

Changes in the underlying core parameters primarily involve exchange rates and the interest rate used to calculate pension commitments.

The table below shows the exchange rates used for translating selected foreign currencies into euros:

EXCHANGE RATES FOR THE MAIN CURRENCIES

| 1€ / | Exchange rate on the balance sheet date 30/9/2015 | Exchange rate on the balance sheet date 30/9/2014 | Exchange rate on the balance sheet date 31/12/2014 | Average rate 1/1 to 30/9/2015 | Average rate 1/1 to 30/9/2015 |
|--------------------|---|---|--|-------------------------------|-------------------------------|
| U. S. dollar | 1.1203 | 1.2583 | 1.2141 | 1.1145 | 1.3554 |
| British pound | 0.73850 | 0.77730 | 0.77890 | 0.72738 | 0.81219 |
| Australian dollar | 1.5939 | 1.4442 | 1.4829 | 1.4619 | 1.4766 |
| South African rand | 15.4984 | 14.2606 | 14.0353 | 13.6867 | 14.5397 |
| Thai baht | 40.710 | 40.800 | 39.910 | 37.591 | 43.927 |
| Chinese yuan | 7.1206 | 7.7262 | 7.5358 | 6.9647 | 8.3579 |

The discount rate for determining the present value of pension commitments changed from 2.0% on 31 December 2014 to 2.4% on 30 September 2015.

Seasonal and business cycle influences

Seasonal and business cycle influences are described in detail in the sections of the interim management report entitled “Economic environment” and “Results of operations, net assets and financial position”.

Consolidated group

The table below shows the changes to H&R AG's consolidated group during the financial year:

CHANGE IN NUMBER OF CONSOLIDATED COMPANIES

| | Domestic | Other countries | Total |
|------------------|-----------|-----------------|-----------|
| 31/12/2014 | 17 | 17 | 34 |
| Additions | – | 1 | 1 |
| Disposals | – | -1 | -1 |
| 30/9/2015 | 17 | 17 | 34 |

The reduction was due to liquidation of H&R Czechia s.r.o. Prague, in August 2015. The addition in the scope of consolidation is due to the acquisition of Dunrose Investment 148 Proprietary Limited, South Africa, by H&R AG, effective July 1, 2015. The acquisition costs was € 2.5 million. The preliminary fair value of purchased assets at acquisition date amounted to € 2.5 million, too, and was totally related to fixed assets. Therefore, first time consolidation led to no differences.

Earnings per share

Pursuant to IAS 33, the earnings per share figure is determined by dividing net income by the weighted-average number of shares outstanding during the reporting period. H&R Aktiengesellschaft's share capital is divided into 35,820,154 no-par-value shares, all of which are ordinary shares. The average number of shares totaled 29,973,112 during the previous period. The difference reflects the September 2014 contribution of the Chinese businesses by the Hansen & Rosenthal Group as part of an increase in capital through a contribution-in-kind. For further details, please consult the Annual Report dated 31 December 2014. The earnings per share figures are shown at the bottom of the income statement. The diluted earnings per share ratio is equal to the basic earnings per share ratio, because H&R Aktiengesellschaft has not issued any potentially dilutive ordinary shares.

Income statement, balance sheet and statement of cash flows

Detailed explanatory notes on the income statement, balance sheet and statement of cash flows can be found in the sections of the interim management report entitled "Earnings position" and "Results of operations, net assets and financial position".

Events after the reporting date

Between 30 September 2015 and the close of publication for this report there were no events having a material impact on H&R's results of operations, net assets and financial position.

Employees

As of September 30 2015, the group's total workforce consisted of 1,577 (30 September 2014: 1,558) employees, of whom 559 (30 September 2014: 567) work for Group companies outside Germany.

Details on H&R Aktiengesellschaft

H&R Aktiengesellschaft has no operating business of its own. As a holding company, it is responsible for strategic management of the Group companies that are organized into the various business segments and it decides how to efficiently allocate funds within the Group. The holding company also provides centralized administrative services and makes management resources available to the Group companies. As of 30 September 2015, H&R Aktiengesellschaft had nine employees (30 September 2014: nine employees).

Selected explanatory notes

Segment reporting

(for the period 1 January 2015 to 30 September 2015)

| € THOUSAND | Chemical and Pharmaceutical Raw Materials | | | |
|---|--|---------|---|---------|
| | Chemical and Pharmaceutical Raw Materials Refining | | Chemical and Pharmaceutical Raw Materials Sales | |
| | 2015 | 2014 | 2015 | 2014 |
| External sales | 472,459 | 595,848 | 247,370 | 169,263 |
| Intersegment sales | 10,095 | 9,476 | 1 | – |
| Sales by segment | 482,554 | 605,324 | 247,371 | 169,263 |
| EBIT | 26,546 | 4,853 | 18,707 | 9,346 |
| EBITDA | 41,272 | 18,873 | 24,958 | 10,415 |
| Investments in property, plants and equipment | 10,346 | 9,721 | 2,760 | 2,685 |

RECONCILIATION OF THE OPERATING RESULT TO THE CONSOLIDATED INCOME AFTER TAXES

| € THOUSAND | 2015 | 2014 |
|--|---------------|---------------|
| Operating result of segments (EBITDA) | 66,004 | 28,403 |
| Reconciliation/Consolidation | -677 | -3,240 |
| Operating result of H&R AG (EBITDA) | 65,327 | 25,163 |
| Depreciation | -22,608 | -17,046 |
| Financial result | -8,502 | -10,552 |
| Income taxes | -4,988 | 512 |
| Income after taxes | 29,229 | -1,923 |

Disclosures of relationships with related parties

Transactions with related parties were carried out on arm's-length terms.

The following goods and services have been rendered for related companies and persons who might exercise a significant degree of influence, or utilised by them:

TRANSACTIONS WITH HANSEN & ROSENTHAL

| € THOUSAND | Provided to Hansen & Rosenthal | | Received from Hansen & Rosenthal | |
|---|--------------------------------|------------------|----------------------------------|------------------|
| | 1/1 to 30/9/2015 | 1/1 to 30/9/2014 | 1/1 to 30/9/2015 | 1/1 to 30/9/2014 |
| Supplies of chemical-pharmaceutical products | 226,791 | 314,518 | 71,546 | 73,692 |
| Incidental expenses from the supply relationship (freight costs, toll charges etc.) | – | – | 3,509 | 3,056 |
| Commission fees | 118 | 217 | 1,011 | 1,238 |
| Other services and third party costs (IT services, personnel costs etc.) | 55,423 | 53,810 | 1,681 | 966 |

| Plastics | | Reconciliation | | | | | |
|----------|--------|------------------|--------|------------------------------|--------|---------|---------|
| Plastics | | Other activities | | Consolidation/Reconciliation | | Total | |
| 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| 45,802 | 41,170 | – | – | – | – | 765,631 | 806,281 |
| – | – | – | – | -10,096 | -9,476 | – | – |
| 45,802 | 41,170 | – | – | -10,096 | -9,476 | 765,631 | 806,281 |
| -1,592 | -2,472 | -1,019 | -3,506 | 77 | -104 | 42,719 | 8,117 |
| -226 | -885 | -754 | -3,136 | 77 | -104 | 65,327 | 25,163 |
| 686 | 498 | 13 | 14 | – | – | 13,805 | 12,918 |

All companies of the majority shareholder Nils Hansen, including H&R Beteiligung GmbH as the controlling company, are pooled under Hansen & Rosenthal (H&R).

The supply relationships and commission business are based on contractual agreements that define delivery terms as well as settlement procedures.

On 30 September 2015, the following receivables and liabilities were outstanding:

RECEIVABLES AND LIABILITIES DUE TO HANSEN & ROSENTHAL

| € THOUSAND | Receivables from Hansen & Rosenthal | | Liabilities to Hansen & Rosenthal | |
|--------------------|--|---------------|--------------------------------------|---------------|
| | 30/9/2015 | 31/12/2014 | 30/9/2015 | 31/12/2014 |
| Goods and services | 21,959 | 16,004 | 9,284 | 14,831 |
| Other services | 27,538 | 28,574 | 6,648 | 6,033 |
| Total | 49,497 | 44,578 | 15,932 | 20,864 |

Other services concern receivables from the commission business, where Hansen & Rosenthal, as commission agent, receives payments from customers and forwards them to H&R AG.

Selected explanatory notes

The following goods and services were provided for and/or received from joint ventures:

TRANSACTIONS WITH JOINT VENTURES

| € THOUSAND | Provided to joint ventures | | Received from joint ventures | |
|--------------------------------|----------------------------|------------------|------------------------------|------------------|
| | 1/1 to 30/9/2015 | 1/1 to 30/9/2014 | 1/1 to 30/9/2015 | 1/1 to 30/9/2014 |
| Purchase of hydrogen and steam | – | – | 1,498 | 1,340 |
| Interest income | 13 | 4 | – | – |
| Rental income | 31 | 31 | – | – |
| Services | 692 | 900 | 3,388 | 3,355 |
| Total | 736 | 935 | 4,886 | 4,695 |

On 30 September 2015, the following receivables and liabilities were outstanding:

RECEIVABLES AND LIABILITIES DUE TO JOINT VENTURES

| € THOUSAND | Receivables from joint ventures | | Liabilities to joint ventures | |
|--------------------|---------------------------------|------------|-------------------------------|------------|
| | 30/9/2015 | 31/12/2014 | 30/9/2015 | 31/12/2014 |
| Goods and services | 29 | 488 | 172 | 205 |
| Other services | 501 | 375 | – | – |
| Total | 530 | 863 | 172 | 205 |

Within the framework of consultancy contracts an amount of €166 thousand (previous year: €168 thousand) was paid to members of organs of H&R AG. Liabilities to members of organs of

H&R AG amounting to €240 thousand (31 December 2014: €321 thousand) at reporting date and are mainly due to the action of the supervisory board.

Contingent liabilities

On 30 September 2015, the following contingent liabilities were outstanding:

| € THOUSAND | 30/9/2015 | 31/12/2014 |
|------------------------------|-----------|--------------|
| Deposits for guarantees | – | 1,187 |
| Joint liability for pensions | 61 | 61 |
| Total | 61 | 1,248 |

Deposits for guarantees are associated with Westfalen Chemie GmbH & Co. KG.

Other financial obligations

Financial obligations resulting from non-current rental and lease contracts, and other obligations over multiple years are presented in the following table:

| € THOUSAND | 30/9/2015 | 31/12/2014 |
|----------------------------|---------------|---------------|
| Due within one year | 8,068 | 8,363 |
| Due > 1 year and < 5 years | 10,934 | 10,939 |
| Due > 5 years | 20,152 | 22,456 |
| Total | 39,154 | 41,758 |

Order commitments

Investment expenses for which contractual obligations exist on the reporting date but which have not yet been incurred amount to:

| € THOUSAND | 30/9/2015 | 31/12/2014 |
|----------------------------------|--------------|--------------|
| Investments in tangible assets | 9,424 | 1,712 |
| Investments in intangible assets | – | – |
| Total | 9,424 | 1,712 |

Attestation by the legal representatives

We affirm that, based on the applicable accounting principles for interim financial statements and to the best of our knowledge, these consolidated financial statements convey a fair and accurate view of the Group's assets, financial position and earnings; that the business performance data, including the company's earnings and the financial position of the Group, are presented in the Group interim management report in a manner that presents a fair and accurate picture of the factual situation; and that the significant opportunities and risks pertaining to the prospective development of the Group in the remainder of the financial year have been set forth.

Salzbergen, November 2015

The Executive Board

Financial calendar

Our Financial calendar is updated continuously.
Please visit our website www.hur.com in the
Investor Relations section for the latest events.

| | |
|-------------------------|--|
| March 2016 | Publication of Final Figures 2015 |
| 13 May 2016 | Publication of Q1 Report 2016 |
| 15 August 2016 | Publication of Q2 Report 2016 |
| 13 November 2016 | Publication of Q3 Report 2016 |

Contact

In the case of further questions concerning our
company or if you would like to sign up for the
company mailing list, please contact our Investor
Relations Team:

[H&R AG](#)

Investor Relations
Am Sandtorkai 50
20457 Hamburg
Germany
www.hur.com

[Ties Kaiser](#)

Phone: +49 (0) 40-43218-321
Fax: +49 (0) 40-43218-390
Email: ties.kaiser@hur.com

[Tanja Passlack](#)

Phone: +49 (0) 40-43218-301
Fax: +49 (0) 40-43218-390
Email: tanja.passlack@hur.com

Forward-looking statements

This report contains forward-looking statements. These statements are based on current estimates and currently available information. They are not guarantees of future performance, involve certain risks and uncertainties that are difficult to predict and are based upon assumptions as to future events that may not prove to be accurate. Many factors could cause the actual results, performance or achievements of H&R AG to be materially different from those that may be expressed or implied by such statements. We do not assume any obligation to update the forward-looking statements contained in this report.

Imprint

Published by:

H&R AG

Neuenkirchener Straße 8
48499 Salzbergen
Germany

Concept/Design:

Berichtsmanufaktur GmbH, Hamburg, Germany

This interim report was published on
13 November 2015.

H&R AG

Neuenkirchener Straße 8
48499 Salzbergen
Germany

Phone: +49 (0)59 76-9 45-0
Fax: +49 (0)59 76-9 45-308

Email: info@hur.com
Internet: www.hur.com