



Financial Statement Q1 2019 **All around clean cars**

Moderate start – positive outlook for fiscal year

- Revenue, at €92.3m (prior year: €91.5m), at prior-year level due to delayed start of key account business
- EBIT, at €2.6m (prior year: €5.4m), due to base effect of structural costs in combination with revenue at prior-year level
- Order backlog above prior-year
- Guidance for 2019 confirmed: Significant revenue and earnings growth in full year

1 st quarter (rounding differences may occur)		Q1 2019	Q1 2018	Change	
				absolute	in %
Revenue	€m	92.3	91.5	0.8	0.9
EBIT	€m	2.6	5.4	-2.8	-51.9
EBIT margin	in %	2.8	5.9	-3.1	-
EBT	€m	2.5	5.3	-2.8	-52.8
Consolidated net income	€m	0.5	2.7	-2.2	-81.5
Employees at reporting date	persons	1,885	1,830	55	3.0
Average number of shares	units	13,382,324	13,382,324	0	0
Earnings per share ¹	€	0.04	0.20	-0.16	-80.0
Free cash flow ²	€m	-9.4	-3.0	-6.4	-213.3
Capital expenditure	€m	2.7	2.1	0.6	28.6
Capital ratio at reporting date ³	in %	36.9 ⁴	40.2	-3.3	-
ROCE	in %	26.4	25.6	0.8	-

¹ Basic = diluted

² Net cash flow – net cash flow from investing activities

³ Equity capital/balance sheet total

⁴ In 2019 effect of transition to IFRS 16 of -2.7% points

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Highlights and
Key Figures

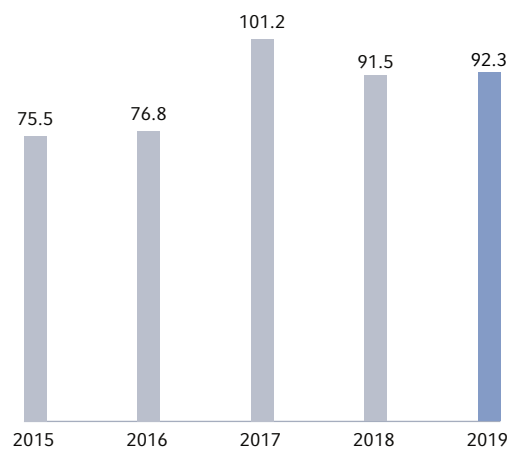
Quarterly Statement

1. Overall revenue and earnings development in the quarter

First quarter revenue at prior year's level

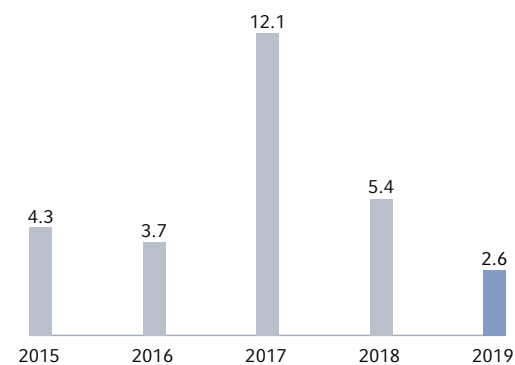
Revenue in the first quarter 2019, at €92.3m (prior year: €91.5m) was slightly higher than a year earlier with an increase of 0.9% or €0.8m. Adjusted for exchange rate effects, revenue was up 0.1% on the prior year. Direct sales revenue grew significantly more strongly than the key account business. The Company expects growth in the key account business over the year as a whole. Revenue performance was positive in Equipment and Service and in Chemicals.

Revenue Q1 (with share of annual turnover) in €m, IFRS



EBIT was down in the first three months of 2019 by €2.8m to 2.6m (prior year: €5.4m), primarily due to base effect of structural costs in combination with revenue at prior-year level.

EBIT Q1 (with share of annual earnings) in €m, IFRS



The **order backlog** at the end of the first quarter showed an increase on the prior year.

Revenue growth is expected to come both from key accounts and from direct sales across all regions in the remainder of the year.

2. Report on economic position

2.1 Earnings

2.1.1 Earnings and expense items

Earnings, Q1

in €m, IFRS (rounding differences may occur)	Q1 2019	Q1 2018	Change absolute	Change in %
Gross profit*	53.7	53.5	0.2	0.4
EBIT	2.6	5.4	-2.8	-51.9
EBIT margin in %	2.8	5.9	-3.1	-
EBT	2.5	5.3	-2.8	-52.8

* Revenue plus change in inventory minus cost of materials

At 58.2%, the **gross profit margin** remained stable relative to its prior-year level (58.4%) due to an almost identical revenue mix compared to last year.

Personnel expenses rose due to the larger number of employees and to collectively agreed pay increases by €2.4m to €35.7m (prior year: €33.3m). The Group had 55 more employees at the end of March than at the end of the first quarter of 2018, an increase of 3.0%.

Other operating expenses* fell by €0.4m to €13.3m (prior year: €13.7m). It should be noted that in comparison with the prior year, this figure additionally includes an effect from the change in accounting policy due to the introduction of IFRS 16 (a reclassification of expense items from other operating expenses to depreciation and amortization). Adjusted for this effect, other operating expenses went up by approximately €1.3m, mainly due to higher trade fair and advertising costs, consulting fees and costs in connection with employee development and recruitment.

*Including impairment loss of trade receivables and other taxes

Transition to IFRS 16 only had a minor effect on the EBIT of the WashTec Group of €k 57.

2.1.2 Revenue by regions and products

Revenue by region, Q1

in €m, IFRS (rounding differences may occur)	Q1 2019	Q1 2018	Change absolute	Change in %
Europe	79.0	77.2	1.8	2.3
North America	11.9	12.9	-1.0	-7.8
Asia/Pacific	4.0	3.7	0.3	8.1
Consolidation	-2,5	-2.3	-0.2	-
Total Group	92.3	91.5	0.8	0.9

Revenue at €92.3m

Revenue in largest region, Europe, increased by 2.3% or €1.8m relative to the prior-year period.

In local currency, revenue in the North America region was USD 13.6m (prior year: USD 15.8m). The exceptionally hard winter meant that no installations were able to be carried out there for a period of several weeks.

Revenue in the Asia/Pacific region went up by 8.1% compared with the prior-year quarter. China continues to deliver positive performance and is driving revenue growth for the entire region.

Revenue by product, Q1

in €m, IFRS (rounding differences may occur)	Q1 2019	Q1 2018	Change absolute	Change in %
Equipment and Service	78.7	77.4	1.3	1.7
Chemicals	11.6	11.1	0.5	4.5
Operations business and others	2.0	3.0	-1.0	-33.3
Total Group	92.3	91.5	0.8	0.9

Revenue increased both in Equipment and Service and in Chemicals. The positive performance in direct sales continues. The decrease in the operations business and others category is due to the sale of a number of company-operated systems to customers in the past year.

2.1.3 Earnings by regions

EBIT by regions, Q1

in €m, IFRS (rounding differences may occur)	Q1 2019	Q1 2018	Change absolute	Change in %
Europe	5.8	7.8	-2.0	-25.6
North America	-2.9	-2.2	-0.7	-31.8
Asia/Pacific	-0.4	-0.1	-0.3	-300.0
Consolidation	0.1	-0.1	0.2	-
Total Group	2.6	5.4	-2.8	-51.9

The Europe region drives the WashTec Group's earnings. Capacity expansion in sales and service resulted there in a decrease in earnings. Lower revenue in the key account business led to lower earnings in the North America region.

2.2 Net assets and financial position

The first-time adoption of IFRS 16 Leases resulted in an increase in total assets as of March 31, 2019 due to the recognition of right-of-use assets in the amount of €19.7m. There is a negative effect on the equity ratio of 2.7% points resulting from the accounting according to IFRS 16.

Net operating working capital (trade receivables + inventories – trade payables – prepayments on orders) increased by €5.1m as a timing effect of business ramping up at the start of the year, rising from €82.6m as of December 31, 2018 to 87.7m at the end of the first quarter of 2019.

The **cash inflow from operating activities** (net cash flow) decreased to €-6.7m (prior year: €-0.8m). The main factor here aside from the lower quarterly earnings was an increase in net operating working capital (NOWC).

The **cash outflow from investing activities** went up by €0.6m to €2.7m (prior year: €2.1m). For the year as a whole, the Company expects that capital expenditure will be slightly higher than in the prior year.

Free cash flow (net cash flow – cash outflow from investing activities) decreased to €-9.4m (prior year: €-3.0m).

Overall, **cash and cash equivalents** went down relative to December 31, 2018 by €12.1m to €-19.2m.

New modular gantry carwash at EFT and autopromotec trade fairs in May

3. Outlook, opportunities and risk report

3.1 Outlook

The Company confirms that it continues to target significant revenue growth with a significant increase in EBIT for the full year 2019. Growth will increase over the quarters of the 2019 fiscal year and is expected in the second half year.

The outlook for the segments given in the Annual Report 2018 continues to apply unaltered.

This outlook is subject to uncertainties.

At the sectoral trade fairs in Münster and Bologna in May 2019, WashTec will for the first time present a new gantry carwash based on a modular system. The highly innovative "SmartCare" series offers major benefits for operators and provides a modular platform for a globally uniform product design. The first systems will be delivered in the premium segment in Europe during the fall of 2019.

3.2 Opportunities and risks for group development

The WashTec Group's opportunity and risk management system is described in the Annual Report 2018. There have been no material changes in the risks described therein.

4. WashTec shares and investor relations

The Management Board communicated with shareholders, journalists and the financial community on an ongoing basis through the first quarter. As part of the Company's investor relations activities, Management took part in investor conferences and held road shows in Frankfurt, Sydney, London, Lyon and Baden-Baden.

4.1 Share price performance

The WashTec share price was €69.00 on March 31, 2019. This marks a substantial 14.2% gain on the prior year-end closing price of €60.40 on December 28, 2018. The SDAX also showed a significant 14.96% improvement.

WashTec AG is currently covered by Hauck & Aufhäuser, HSBC Trinkaus & Burkhardt, MM Warburg and Bankhaus Lampe. The price target given by all analysts is at least €72.00 and ranges up to €85.00 (as of March 2019).

4.2 Shareholder structure

The following changes in shareholder structure during the first quarter of 2019 were reported to the Company in voting rights notifications under the Securities Trading Act (Wertpapierhandelsgesetz):

Bank of America Corporation, Wilmington, Delaware, USA, notified WashTec AG that its share of voting rights now amounts to 6.27% as of March 28, 2019. The Bank of America Corporation was attributed the 6.22% share of voting rights held by BofA Securities Europe SA.

Stable shareholder structure

Shareholding in %	31 Mar 2019
Axxion S.A.	9.99
Kempen Oranje Participaties N.V.	9.60
EQMC Europe Development Capital Fund plc. ¹	7.43
Dr. Kurt Schwarz ²	6.82
Bank of America Corporation ³	6.27
Investment AG für langfristige Investoren, TGV	5.43
Paradigm Capital Value Fund ⁴	4.58
Treasury shares	4.25
Diversity Industrie Holding AG	4.00
FMR LLC ⁵	3.35
Fidelity Investment Trust	3.01
Free float	35.27

¹ Alantra EQMC Asset Management, SGIC, S.A. (as investment management function)

² Leifina GmbH & Co. KG et al.

³ BofA Securities Europe SA (6.22% voting rights)

⁴ Carne Global Fund Managers (Luxembourg) S.A.

⁵ Fidelity Management & Research Company

Based on notifications made pursuant to the WpHG

Manager Transactions

On February 28, 2019, Dr. Selent, Member of the Supervisory Board, acquired 500 shares.

4.3 Annual General Meeting on April 29, 2019

The Annual General Meeting of WashTec AG takes place in Augsburg on April 29, 2019. The venue this year is once again the Chamber of Industry and Commerce (IHK) for Augsburg and Swabia. At the Annual General Meeting, the Management Board and Supervisory Board will be proposing a dividend of €2.45 per eligible share. Resolutions are also to be adopted establishing a new authorized capital and granting authorization for the purchase and use of treasury shares.



Selected
Financial Information
Q1 2019

Consolidated Income Statement

Rounding differences may occur.
First time adoption of IFRS 16 Leases by using the modified retrospective approach.

in €k	Q1 2019	Q1 2018
Revenue	92,340	91,524
Other operating income	1,406	843
Capitalized development costs	629	583
Change in inventory	4,718	1,664
Total	99,094	94,614
Cost of raw materials, consumables and supplies and of purchased material	35,628	31,817
Cost of purchased services	7,734	7,918
Cost of materials	43,362	39,735
Personnel expenses	35,732	33,306
Amortization, depreciation and impairment	4,081	2,472
Other operating expenses	12,965	13,409
Impairment loss of trade receivables	40	57
Other taxes	283	212
Total operating expenses	96,462	89,192
EBIT	2,631	5,423
Financial income	40	36
Financial expenses	171	132
Financial result	-130	-96
EBT	2,501	5,327
Income taxes	1,955	2,619
Consolidated net income	546	2,708
Average number of shares in units	13,382,324	13,382,324
Earnings per share (basic = diluted) in €	0.04	0.20

Consolidated Balance Sheet

Rounding differences may occur.
First time adoption of IFRS 16 Leases by using the modified retrospective approach.
* prior year Finance lease liabilities

Assets in €k	Mar31,2019	Dec31,2018
Non-current assets		
Property, plant and equipment	35,017	37,347
Goodwill	42,312	42,312
Intangible assets	12,409	11,754
Right-of-use assets	19,746	n/a
Trade receivables	7,331	7,729
Other non-current financial assets	207	176
Other non-current non-financial assets	470	470
Deferred tax assets	4,350	4,131
Total non-current assets	121,842	103,919
Current assets		
Inventories	45,671	37,272
Trade receivables	61,210	68,631
Tax receivables	15,680	12,230
Other current financial assets	691	842
Other current non-financial assets	3,697	2,713
Cash and cash equivalents	11,744	11,630
Total current assets	138,694	133,319
Total assets	260,536	237,238

Equity and Liabilities in €k	Mar 31,2019	Dec 31,2018
Equity		
Subscribed capital	40,000	40,000
<i>Contingent capital</i>	8,000	8,000
Capital reserves	36,463	36,463
Treasury shares	-13,177	-13,177
Other reserves and currency translation effects	-4,762	-5,057
Profit carried forward	37,171	3,137
Consolidated net income	546	34,035
	96,242	95,401
Non-current liabilities		
Lease liabilities*	12,490	2,068
Provisions for pensions	10,102	10,065
Other non-current provisions	3,956	4,009
Other non-current financial liabilities	47	53
Other non-current non-financial liabilities	1,043	1,001
Non-current contract liabilities	1,628	1,887
Deferred tax liabilities	4,198	4,247
Total non-current liabilities	33,464	23,329
Current liabilities		
Interest-bearing loans	30,971	18,741
Lease liabilities*	7,450	897
Trade payables	15,260	18,463
Income tax liabilities	4,354	5,867
Other current financial liabilities	18,269	18,116
Other current non-financial liabilities	26,788	27,784
Other current provisions	9,623	9,028
Current contract liabilities	18,113	19,612
Total current liabilities	130,830	118,508
Total equity and liabilities	260,536	237,238

Consolidated Statement of Changes in Equity

Rounding differences may occur.

in €k	Number of shares (in units)	Subscribed capital	Capital reserves	Treasury shares	Other reserves and currency translation effects	Profit carried forward	Total
As of January 1, 2019	13,382,324	40,000	36,463	-13,177	-5,057	37,171	95,401
Income and expenses recognized directly in equity					316		316
Taxes on transactions recognized directly in equity					-21		-21
Consolidated net income						546	546
As of March 31, 2019	13,382,324	40,000	36,463	-13,177	-4,762	37,717	96,242

Rounding differences may occur.

*Adjustment as of Jan 1, 2018 due to the first-time adoption of IFRS 9 Financial Instruments.

in €k	Number of shares (in units)	Subscribed capital	Capital reserves	Treasury shares	Other reserves and currency translation effects	Profit carried forward	Total
As of December 31, 2017	13,382,324	40,000	36,463	-13,177	-5,586	36,490	94,191
Restatement as of January 1, 2018*						-566	-566
As of January 1, 2018	13,382,324	40,000	36,463	-13,177	-5,586	35,924	93,625
Income and expenses recognized directly in equity					-538		-538
Taxes on transactions recognized directly in equity					28		28
Consolidated net income						2,708	2,708
As of March 31, 2018	13,382,324	40,000	36,463	-13,177	-6,095	38,632	95,823

Consolidated Cash Flow Statement

Rounding differences may occur.
First time adoption of IFRS 16 Leases by using the modified retrospective approach.

in €k	Q1 2019	Q1 2018
EBT	2,501	5,327
Amortization, depreciation and impairment	4,081	2,472
Gain/loss from disposals of non-current assets	-41	-10
Other gains/losses	-1,351	-1,306
Financial income	-40	-36
Financial expenses	171	132
Movements in provisions	547	-296
Income tax paid	-7,191	-10,315
Gross cash flow	-1,323	-4,033
Increase/decrease in trade receivables	8,453	6,500
Increase/decrease in inventories	-8,023	-4,419
Increase/decrease in trade payables	-3,272	-485
Increase/decrease in prepayments on orders	-1,444	723
Increase/decrease in net operating working capital	-4,286	2,319
Changes in other net working capital	-1,066	873
Net cash flow from operating activities	-6,675	-841
Purchase of property, plant and equipment (without leasing)	-3,196	-2,165
Proceeds from sale of property, plant and equipment	455	38
Net cash flow from investing activities	-2,742	-2,127
Free cash flow	-9,416	-2,968
Interest received	40	36
Interest paid	-171	-125
Raising/repayment of lease liabilities	-2,340	-272
Net cash flow from financing activities	-2,470	-361
Net increase/decrease in cash and cash equivalents	-11,887	-3,329
Net foreign exchange difference	-229	70
Cash and cash equivalents at January 1	-7,111	-3,941
Cash and cash equivalents at March 31	-19,227	-7,200
Composition of cash and cash equivalents for cash flow purposes:		
Cash and cash equivalents	11,744	7,121
Overdrafts/current interest-bearing loans	-30,971	-14,320
Cash and cash equivalents at March 31	-19,227	-7,200

Consolidated Segment Reporting

Rounding differences
may occur.

Q1 2019 in €k	Europe	North America	Asia/ Pacific	Conso- lidation	Group
Revenue	78,996	11,913	3,954	-2,523	92,340
with third parties	76,491	11,895	3,954	0	92,340
with other divisions	2,505	18	0	-2,523	0
EBIT	5,839	-2,898	-396	87	2,631
EBIT margin in %	7.4	-24.3	-10.0	-	2.8
Financial income					40
Financial expenses					171
EBT					2,501
Income taxes					1,955
Consolidated net income					546

Q1 2018 in €k	Europe	North America	Asia/ Pacific	Conso- lidation	Group
Revenue	77,209	12,891	3,729	-2,305	91,524
with third parties	74,965	12,830	3,729	0	91,524
with other divisions	2,244	61	0	-2,305	0
EBIT	7,848	-2,234	-126	-66	5,423
EBIT margin in %	10.2	-17.3	-3.4	-	5.9
Financial income					36
Financial expenses					132
EBT					5,327
Income taxes					2,619
Consolidated net income					2,708



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Financial Calendar

Apr 29, 2019	Annual General Meeting Augsburg
Jul 26, 2019	Financial Statement H1 2019
Sep 23–26, 2019	Baader Bank Investment Conference, Munich
Oct 25, 2019	Financial Statement Q3 2019
Nov 25–27, 2019	Equity Forum, Frankfurt