# Q1 2009 Report on the Period from January 1 to March 31, 2009

Unaudited translation for convenience purposes only

WashTec

**First quarter of 2009 affected by economic crisis:**

- Revenues decline by 15.6% to €54.6m (prior year €64.7m) due to lower machine sales
- Operating result (EBIT) reported at €–2.5m (prior year €3.1m)
- New generation of roll-over washing systems launched in the United States

| | | Jan 1 to Mar 31, 2009 | Jan 1 to Mar 31, 2008 | Change |
|---|---|---|---|---|
| Revenues | €m | 54.6 | 64.7 | –10.1 |
| EBITDA | €m | –0.4 | 4.9 | –5.3 |
| EBIT | €m | –2.5 | 3.1 | –5.6 |
| EBIT adjusted | €m | –1.7 | 3.1 | –4.8 |
| EBT | €m | –3.1 | 2.2 | –5.3 |
| Employees as of 31 March | | 1,542 | 1,551 | –9 |
| Earnings per share* | € | –0.20 | 0.10 | –0.30 |
| Net cash flow | €m | –1.3 | 1.3 | –2.6 |
| Purchase of PP+E | €m | 1.1 | 0.9 | 0.2 |

* diluted = basic, average number of shares: Q1 2009: 13,976,970; Q1 2008: 15,025,386

**Interim Management Report (unaudited)**

## 1. Results of operation, financial position and net assets

In the first quarter, the financial and economic crisis adversely impacted WashTec's business, particularly in equipment sales. Investment restraints among individual customer groups and declining equipment revenues in individual markets such as Spain, where the market for car wash systems has nearly collapsed, resulted in a 29% decline in revenues from equipment sales. Revenues of the services and chemicals divisions were at previous year's level, after making adjustments for special service projects in the previous year and the acquisition of AUWA-Chemie in May of 2008. Due to stable wash counts, revenues of the operating company WesuRent, remained stable as well. Revenues in the first quarter fell by a total of €10.1m to €54.6m (prior year €64.7m).

- *Financial and economic crisis leads to investment delays among individual customer groups*
- *Equipment sales significantly lower than last year's sales figures*

Based on the decline in revenues, the operating result fell by €5.6m to €–2.5m (prior year €3.1m). This figure includes special write-downs for allowances on questionable receivables of €0.8m in Southern Europe. Because of the anticipated decline in revenues, WashTec has already initiated some initial measures to adjust its cost structures in the 4th quarter of 2008. At the same time, investments continue to be made in mid-term strategic projects designed to reduce costs, such as expanding the group's international sourcing organization. Despite the financial and economic crisis, the investment into these projects is continued for future cost structure improvements.

As a result of lower revenues, the net operating cash flow totaled €–1.3m, which was €2.6m below last year's figure (prior year €1.3m).

- *USA: New generation of roll-over washing systems successfully exhibited*
- *Europe: Roll-out of SoftCare²*

During the largest American car wash trade fair – the ICA in Las Vegas held in early April – Mark VII (USA) exhibited a new generation of roll-over washing systems, which includes »touch-free« and »friction« systems. The new equipment, which was developed in the United States, offers significantly improved washing results with lower energy and water consumption. Being the only competitor exhibiting substantial new product developments at the trade fair, WashTec emphasized its position as innovation leader. Having the most modern product portfolio will be a key factor to gain the market leadership position in the future.

The roll-out in Europe of the products presented at the automechanika 2008, like the SoftCare², advances according to plan.

The subsidiary WesuRent, which operates locations on behalf and for the account of its customers, was able to acquire additional locations that will be launched into operation during the course of the year. More and more customers are interested in the WesuRent operating model.

*Efficiency projects: New subsidiaries in China and the Czech Republic*

In connection with the projects to reduce costs, the international sourcing efforts were pushed ahead. After the subsidiary WashTec Car Cleaning Equipment (Shanghai) Co. Ltd., was registered at the end of 2008, a new subsidiary was formed in the Czech Republic during the first quarter of 2009. It will commence its business activities in the second quarter, delivering components for final assembly in Augsburg.

The resolutions proposed by the management to the Annual General Meeting of WashTec AG on May 7, 2009, not only cover the customary agenda items but also include a resolution for possibly continuing the share buy-back program. Depending on the continued business development during the course of the current year, additional shares could be repurchased. It is planned that the shares which the Company bought back to date (treasury shares) will be cancelled following the Annual General Meeting.

As a result of the negative business development in the first quarter, a proposal is being put forth at the Annual General Meeting to carry forward the retained earnings to new account.

## 1.1 Economy and market

- *Financing possibilities in many cases strongly restricted*
- *Smaller chains and individual operators have been mostly impacted, above all in the American and Spanish market*

All markets were affected in the first quarter by the financial and economic crisis. The business climate index of the German ifo Institute for Economic Research (IFO) fell once again in March. For 2009, experts expect a recession in the European zone, the bottom »has not yet been reached and the downturn could continue worldwide in the upcoming year« (Source: ifo press release dated March 25, 2009).

In the past, economic trends have had little impact on sales of car wash systems since the business of operating car wash systems is profitable and relatively non-cyclical. Given the current deep financial and economic crisis, options for financing new equipment have, however, became limited in many cases. This situation combined with a negative outlook has caused delays in investments in new carwash equipment. Such delays are particularly prevalent among smaller chains and individual operators but also among other customer groups such as car dealerships and transportation companies.

*Due to the customer structure – smaller or mid-size operators – the crisis has first and foremost affected the American market*

The crisis has first and foremost affected the American market for car wash systems where, contrary to Europe, most customers are independent, smaller or mid-size operators and not large-scale customers. Since the end of 2008, the crisis has also impacted Europe, however. Spain and Great Britain have been particularly affected. Among large customers such as multinational oil companies, which operate the majority of the installed bases in Europe, the decisions to make investments for replacing machines has not been substantially affected yet. Their decisions depend mostly on the age of the machines and their investment budgets. It has been the Company's experience that the car wash business itself is affected more by weather conditions and a sudden change in gasoline prices than by economic cycles. The carwash operating business has remained stable in the first quarter of the current fiscal year.

The developments in the US dollar-Euro exchange rate have had only a minor influence on the WashTec Group's operating business and earnings. Strong foreign exchange losses suffered by Eastern European currencies in relation to the euro as well as higher financing costs in these markets have, however, significantly increased the local operators' costs in purchasing equipment.

The competition has not significantly changed compared to the situation described in the full-year management report for 2008. The European market, as a stable replacement market, is dominated by four major competitors. The American market continues to be highly fragmented, and machine revenues have declined for all suppliers due to the current economic environment. The market is expected to consolidate in the short or mid term.

There have been no significant changes in technology.

## 1.2 Business and earnings situation

### Revenues

*Segment reporting adapted due to changes in IFRS 8*

As a result of a change in IFRS 8, since January 1, 2009 the segment reporting was adapted. The segment reporting going forward will track the operational management reporting, as explained in more detail below (see also Notes).

*Revenue in 1st quarter €10.1m or 15.6% below first quarter of last year*

Revenues in the first quarter totaled €54.6m and were thereby €10.1m or 15.6% below last year's level (prior year €64.7m).

| **Revenues by region** in €m, IFRS | Jan 1 to Mar 31, 2009 | Jan 1 to Mar 31, 2008 |
|---|---|---|
| Germany | 20.8 | 22.7 |
| Rest of Europe | 27.4 | 34.4 |
| North America | 5.3 | 5.6 |
| Rest of World* | 1.1 | 2.0 |
| **Total** | **54.6** | **64.7** |

**primarily Asia and Australia*

| **Revenues by segment** in €m, IFRS | Jan 1 to Mar 31, 2009 | Jan 1 to Mar 31, 2008 |
|---|---|---|
| Germany, Austria, Switzerland (»DACH«) | 21.1 | 24.0 |
| Eastern Europe (»CEE«) | 2.5 | 2.2 |
| Rest of World (»RoW«) | 29.2 | 37.4 |
| Others | 2.7 | 1.4 |
| Consolidation | –0.9 | –0.3 |
| **Total** | **54.6** | **64.7** |

Revenues in Germany fell by €1.9m to €20.8m due to lower equipment sales. Revenues generated by AUWA-Chemie could only partially offset the equipment sales decline.

In the future, revenues generated in Germany will be reported as a component of the »**DACH**« area (Germany (»**D**«), Austria (»**A**«), Switzerland (»**CH**«). Revenues in the DACH area were €21.1m and therefore €2.9m lower than last year. Revenues by segment include all sales in the respective segment except direct billing of AUWA-Chemie, WashTec Financial Services and WesuRent.

In connection with the segment reporting, revenues and results of AUWA-Chemie GmbH, WashTec Financial Services GmbH and WesuRent Carwash Marketing GmbH will be reported within the »Others« area. Due to AUWA-Chemie, revenues in this area increased by €1.3m to €2.7m.

Revenues in the segment of Eastern Europe (»CEE« area) grew from €2.2m to €2.5m. The Company does however expect investment delays in the remainder of the year.

Revenues in the Rest of World (»RoW« area) decreased from €37.4m to €29.2m. The delay of investments in equipment impacted the sub-markets of Spain and Great Britain most significantly in Europe.

Revenues in North America which are also included in the area »RoW«, were €0.3m below last year's figures (prior year €5.6m). Revenues in US dollars were USD7.6m (prior year USD9.2m).

| **Revenues by product** in €m, IFRS | Jan 1 to Mar 31, 2009 | Jan 1 to Mar 31, 2008 |
|---|---|---|
| New equipment | 26.7 | 37.5 |
| Spare parts, service | 20.4 | 21.3 |
| Used equipment | 0.6 | 0.7 |
| Chemicals | 4.8 | 3.4 |
| Financial services, operations and others | 2.1 | 1.8 |
| **Total** | **54.6** | **64.7** |

Last year, service revenues included a special gas station renovation project. Excluding these revenues, service revenues were on prior year level.

*Increase in chemical revenues by €1.4m to €4.8m due to the acquisition of AUWA-Chemie*

Chemical revenues of the WashTec Group rose from €3.4m to €4.8m due to the acquisition of AUWA-Chemie in May 2008.

Revenues by product underline that the entire decline in revenues was caused by lower equipment sales. At the end of the first quarter, the order backlog was still below prior year level.

## Earnings

| in € m, IFRS | Jan 1 to Mar 31, 2009 | Jan 1 to Mar 31, 2008 |
|---|---|---|
| EBITDA | –0.4 | 4.9 |
| EBIT | –2.5 | 3.1 |
| EBIT adjusted for non-recurring effects | –1.7 | 3.1 |
| EBT | –3.1 | 2.2 |

**EBITDA** decreased to €–0.4m and was therefore €5.3m below the prior year (2008: €4.9m). This figure includes €0.8m special write-downs for allowances on questionable receivables.

Gross profit fell from €29.0m to €23.7m because of the lower equipment revenues. The **gross profit margin** in the first quarter rose by 1.3 percentage points to 56.5%, driven mainly by product mix.

*The increase in personnel expenses from €22.1m to €22.5m resulted primarily from wage increases and the acquisition of AUWA-Chemie*

**Personnel expenses** increased by €0.4m to €22.5m. The increase resulted from wage increases and personnel expenses due to the acquisition of AUWA-Chemie. In other areas personnel expenses decreased due to headcount reductions.

**Other operating expenses** (including other taxes) totaled €9.7m and were €0.9m below last year driven by reduced costs (prior year €10.6m).

Based on the investments made in the previous year, **depreciation and amortization** rose by €0.3m to €2.1m (prior year €1.8m).

The **operating result (EBIT)** declined to €–2.5m (prior year €3.1m). Adjusted for receivable write-downs in Southern Europe of €0.8m, EBIT was €–1.7m.

**Net finance costs** were further reduced from €0.8m to €0.6m due to lower bank liabilities.

*EBT fell in the first quarter of 2009 to €–3.1m*

**Earnings before taxes (EBT)** fell in the first quarter to €–3.1m (prior year €2.2m).

**Earnings per share** (diluted = undiluted) dropped to €–0.20 (prior year €0.10). When calculating these results, the number of treasury shares bought back as of March 31, 2009 (1,223,030 shares) has to be taken into account.

## Balance sheet

| **Assets** in €m, IFRS | Mar 31, 2009 | Dec 31, 2008 |
|---|---|---|
| **Non-current assets** | **119.8** | **118.9** |
| thereof intangible assets | 69.3 | 68.7 |
| thereof deferred tax assets | 10.9 | 10.0 |
| **Current assets** | **74.7** | **83.9** |
| thereof inventories | 35.1 | 34.6 |
| thereof trade receivables | 32.8 | 39.7 |
| thereof other assets | 3.6 | 3.0 |
| thereof cash and cash equivalents | 3.0 | 6.4 |
| thereof tax receivables | 0.2 | 0.2 |
| **Total assets** | **194.5** | **202.8** |

Given the losses, **deferred tax assets** rose from €10.0m at the end of 2008 to €10.9m as of March 31, 2009.

**Intangible assets** climbed from €68.7m as of December 31, 2008 to €69.3m as of March 31, 2009 mainly due to US dollar exchange rate changes and IT investments.

**Inventories** increased from €34.6m to €35.1m due to seasonal trends.

As a result of lower revenues in the first quarter, **trade receivables** declined by €6.9m, from €39.7m as of December 31, 2008 to €32.8m.

**Other assets** rose due to an increase in prepaid expenses from €3.0m to €3.6m.

**Balance sheet total** declined from €202.8m as of the end of 2008 to €194.5m as of March 31, 2009.

| **Equity and liabilities** in €m, IFRS | Mar 31, 2009 | Dec 31, 2008 |
|---|---|---|
| Equity | 76.8 | 79.1 |
| Liabilities to banks | 46.2 | 45.4 |
| **Other liabilities and provisions** | **65.2** | **71.8** |
| thereof trade payables | 7.0 | 8.8 |
| thereof provisions | 18.8 | 19.9 |
| Deferred income | 6.3 | 6.5 |
| **Total equity and liabilities** | **194.5** | **202.8** |

*Equity ratio as of Mar 31, 2009: 39.5%*

**Equity** declined from €79.1m as of Dec 31, 2008 to €76.8m. The negative results for the period were partially offset by foreign exchange changes on the balance sheet. Despite the negative results, the equity ratio remained stable at 39.5% because of a lower balance sheet total.

**Liabilities to banks** increased from Dec 31, 2008 by €0.8m to €46.2m. Net bank liabilities, including financial lease liabilities, climbed from €46.9m to €50.8m.

**Trade payables** fell from €8.8m as of Dec 31, 2008 to €7.0m due to lower production volumes.

**Provisions** decreased from €19.9m as of Dec 31, 2008 to €18.8m due to pay-outs.

## Cash flow statement

**Cash flows from operating activities (net cash flow)** totaled €–1.3m in the first quarter of 2009 as a result of lower revenues (prior year €1.3m).

**Cash flows used in investing activities** totaled €1.1m and related primarily to IT, new products and replacement investments (prior year €0.0m; including €1.0m proceeds from sale of property).

Overall, **cash and cash equivalents** had decreased as of March 31, 2009 by €3.4m.

## Employees

*Number of employees at WashTec Group now at 1,542*

Given the capacity adjustments, the number of employees compared to March 31, 2008 declined by 9 to 1,542 employees, despite the acquisition of AUWA-Chemie in May 2008. As compared to December 31, 2008, the number of employees fell by 7.

## WashTec share

The WashTec share price has fallen from €5.89 as of December 31, 2008, to €5.00 as of March 31, 2009 (–15.1%). Thus, the share's performance has tracked the price developments of the SDAX (–15.2%).

### Shareholder structure

In the first quarter, »*Investmentaktiengesellschaft für langfristige Investoren TGV*« and »*Paradigm Capital Value Fund*« gave notice that they had exceeded the reporting threshold of 3%. »*Julius Bär*« reported falling below the threshold of 3%.

The Company's management frequently stayed in contact with with journalists and the financial community. In connection with the publication of its financial reports, the Company held several conference calls for analysts and investors as well as an annual press conference.

*All analysts continue to issue »buy« recommendations*

WashTec is currently covered by *HVB Unicredit, HSBC Trinkaus & Burkhardt* and *MM Warburg*. All analysts have issued »buy« or »outperform« recommendations for the Company's shares.

| **Shareholding in %** | Mar 31, 2009 |
|---|---|
| Kempen Capital Management NV | 11.1 |
| EQMC Europe Development Capital Fund plc | 10.2 |
| Sterling Strategic Value Ltd. (incl. IED) | 10.0 |
| Lazard Frères Gestion S.A.S. | 5.0 |
| Cycladic Capital Management LLP. | 4.7 |
| Paradigm Capital Value Fund | 3.8 |
| InvestmentAG für langfristige Investoren TGV | 3.5 |
| Impax Group plc | 3.2 |
| Treasury shares | 8.1 |
| Free float | 40.4 |

*Source: Notices pursuant to the German Securities Trading Act (»WpHG«).

### Events after the end of the reporting period

No significant events occurred after the end of the reporting period.

## 2. Forecast

- *For the entire 2009 year, unit sales of equipment are expected to decline*
- *A more specific outlook for 2009 is currently not possible*

The current car wash figures show that the economic environment so far had no major impact on car washing behavior, and the car wash operations business continues to be stable and profitable.

The financial and economic crisis, however, continues to cause a delay in investments in equipment among certain customer groups such as individual operators as well as in individual markets. Initially, the United States, Spain and Great Britain were particularly affected. During 2009 it is expected that investments will be delayed in other regions, such as Eastern Europe, as well.

Given the decline in equipment sales and the continued lower order backlog compared to the prior year, WashTec anticipates that revenues for the entire first half of 2009 will be significantly lower than the same period in 2008. All other business fields are expected to remain relatively stable. Given the continuing uncertainties with respect to the business climate and the short order to delivery cycle, a more detailed outlook for 2009 is still not possible.

Because of the anticipated decline in revenue, the Company has already initiated cost-cutting measures. This includes not only short-term measures such as strict cost management, but also mid-term and long-term action such as sourcing activities in Asia and the commencement of component manufacturing in the Czech Republic.

## 3. Opportunities and risks related to future development

There are no major changes in the opportunities and risks presented in the 2008 Annual Report.

## Consolidated Income Statement

The notes to the consolidated statements form an integral part of the consolidated financial statements. Rounding differences are possible.

| | Jan 1 to Mar 31, 2009 | Jan 1 to Mar 31, 2008 |
|---|---|---|
| | € | € |
| | | |
| Revenue | 54,561,472 | 64,699,224 |
| Other operating income | 727,119 | 774,124 |
| Other capitalized development costs | 207,356 | 228,484 |
| Change in inventories of work in process | –2,061,499 | 827,762 |
| **Total** | **53,434,448** | **66,529,594** |
| | | |
| **Cost of materials** | | |
| Cost of raw materials, consumables and supplies and of purchased merchandise | 17,982,266 | 24,523,588 |
| Cost of purchased services | 3,677,830 | 4,443,823 |
| | **21,660,096** | **28,967,411** |
| | | |
| **Personnel expenses** | **22,512,576** | **22,112,881** |
| | | |
| Amortization, depreciation and impairment of tangible assets and property, plant and equipment | 2,106,378 | 1,813,596 |
| Other operation expenses | 9,494,873 | 10,427,507 |
| Other taxes | 158,212 | 135,456 |
| **Total operating expenses** | **55,932,135** | **63,456,851** |
| | | |
| **EBIT** | **–2,497,687** | **3,072,743** |
| | | |
| Other interest and similar income | 12,376 | 282,116 |
| Interest and similar expenses | 574,358 | 1,130,465 |
| **Financial result** | **–561,982** | **–848,349** |
| | | |
| **Result from ordinary activities/EBT** | **–3,059,669** | **2,224,394** |
| | | |
| Income taxes | 324,955 | –687,337 |
| **Consolidated profit for the period** | **–2,734,714** | **1,537,057** |
| | | |
| **Loss carried forward** | **5,156,548** | **–10,158,374** |
| | | |
| **Consolidated accumulated profit/loss** | **2,421,834** | **–8,621,317** |
| | | |
| **Average number of shares** | **13,976,970** | **15,143,400** |
| | | |
| **Earnings per share (basic = diluted)** | **–0.20** | **0.10** |

## Consolidated Balance Sheet

The notes to the consolidated statements form an integral part of the consolidated financial statements. Rounding differences are possible.

| Assets | Mar 31, 2009 | Dec 31, 2008 |
|---|---|---|
| | € | € |
| **Non-current assets** | | |
| Property, plant and equipment | 39,164,076 | 39,802,680 |
| Goodwill | 58,239,513 | 57,613,241 |
| Intangible assets | 11,085,901 | 11,094,942 |
| Financial assets | 18,731 | 18,731 |
| Tax receivables | 321,930 | 321,930 |
| Other assets | 24,784 | 29,284 |
| Deferred tax assets | 10,942,932 | 10,016,192 |
| **Total non-current assets** | **119,797,867** | **118,897,000** |
| **Current assets** | | |
| Inventories | 35,070,811 | 34,565,503 |
| Current receivables | 32,803,281 | 39,740,656 |
| Tax receivables | 189,626 | 225,247 |
| Other assets | 3,568,465 | 2,972,558 |
| Cash and bank balances | 3,029,942 | 6,406,677 |
| **Total current assets** | **74,662,125** | **83,910,641** |
| **Total assets** | **194,459,992** | **202,807,641** |

| Equity and liabilities | Mar 31, 2009 | Dec 31, 2008 |
|---|---|---|
| | € | € |
| **Equity** | | |
| Subscribed capital | 40,000,000 | 40,000,000 |
| whereof contingent capital | 2,105,264 | 2,105,264 |
| Capital reserves | 45,712,473 | 45,496,959 |
| Treasury shares | –9,464,546 | –9,464,546 |
| Other reserves | –1,886,695 | –2,077,716 |
| Profit/loss carryforward | 5,156,548 | –10,158,374 |
| Consolidated profit for the period | –2,734,714 | 15,314,922 |
| | **76,783,066** | **79,111,245** |
| **Non-current liabilities** | | |
| Interest-bearing loans | 38,072,628 | 36,992,916 |
| Finance leasing | 5,707,274 | 5,998,279 |
| Provisions for pensions | 6,212,938 | 6,199,503 |
| Other non-current provisions | 4,472,414 | 4,799,115 |
| Other non-current liabilities | 1,730,936 | 1,532,799 |
| **Total non-current liabilities** | **56,196,190** | **55,522,612** |
| **Current liabilities** | | |
| Interest-bearing loans | 8,108,480 | 8,374,847 |
| Finance leasing | 1,892,206 | 1,930,451 |
| Prepayments on orders | 6,442,779 | 7,305,178 |
| Trade payables | 6,998,242 | 8,779,005 |
| Other liabilities for taxes and levies | 3,165,977 | 4,876,780 |
| Other liabilities for social security | 805,306 | 726,730 |
| Tax provisions | 4,404,802 | 4,458,745 |
| Other liabilities | 15,221,536 | 16,256,240 |
| Other current provisions | 8,104,445 | 8,929,937 |
| Deferred income | 6,336,963 | 6,535,871 |
| **Total current liabilities** | **61,480,736** | **68,173,784** |
| **Total equity and liabilities** | **194,459,992** | **202,807,641** |

## Consolidated Cash Flow Statement

The notes to the consolidated statements form an integral part of the consolidated financial statements. Rounding differences are possible.

| | Jan. 1 to Mar 31, 2009 | Jan. 1 to Mar 31, 2008 |
|---|---|---|
| | €k | €k |
| | | |
| **EBT** | **–3,060** | **2,224** |
| Adjustments to reconcile profit before tax to net cash flows | | |
| *not affecting cash* | | |
| Amortisation, depreciation and impairment of non-current assets | 2,106 | 1,814 |
| Gain/loss from disposals of non-current assets | 5 | –598 |
| Share-based payments expense | 216 | 221 |
| Other gains/losses | –1,340 | 879 |
| Interest income | –12 | –282 |
| Interest expense | 574 | 1,130 |
| Movements in provisions | –1,139 | –1,194 |
| *Changes in net working capital* | | |
| Decrease/increase in trade receivables | 7,727 | 4,732 |
| Increase in inventories | –490 | –212 |
| Decrease/increase in trade payables | –1,742 | –3,461 |
| Changes in other net working capital | –3,576 | –3,495 |
| Income tax paid | –581 | –488 |
| **Net cash flows from operating activities** | **–1,312** | **1,270** |
| | | |
| Purchase of property, plant and equipment (without finance leasing) | –1,110 | –927 |
| Proceeds from sale of property, plant and equipment | 6 | 958 |
| Acquisition of a subsidiary, net of cash acquired | 0 | 0 |
| **Net cash flows used in investing activities** | **–1,104** | **31** |
| | | |
| Raising of long-term loans | 0 | –1,209 |
| Repayment of non-current liabilities to banks | 12 | 282 |
| Interest paid | –488 | –1,030 |
| Repayment of non-current liabilities from finance leases | –476 | –544 |
| **Net cash flows used in financing activities** | **–952** | **–2,501** |
| | | |
| **Net increase/decrease in cash and cash equivalents** | **–3,368** | **–1,200** |
| **Net foreign exchange difference** | **132** | **–81** |
| **Cash and cash equivalents at 1 January** | **6,246** | **5,927** |
| **Cash and cash equivalents at 31 March** | **2,878** | **4,646** |
| | | |
| **Bank balances** | **3,030** | **4,988** |
| | | |
| **Current bank liabilities** | **–152** | **–342** |

## Statement of Changes in Consolidated Equity

The notes to the consolidated statements form an integral part of the consolidated financial statements. Rounding differences are possible.

| €k | Number of shares in thousands | Subscribed capital | Capital reserve | Treasury shares | Other reserves | Exchange effects | Loss carried forward | Total |
|---|---|---|---|---|---|---|---|---|
| **As of January 31, 2008** | **15,200** | **40,000** | **44,618** | **–604** | **–797** | **–374** | **–10,159** | **72,684** |
| | | | | | | | | |
| Income and expenses recognized directly in equity | | | | | –742 | –669 | | –1,411 |
| Taxes on transactions recognized directly in equity | | | | | 84 | | | 84 |
| Share-based payment | | | 221 | | | | | 221 |
| Purchase of own shares | | | | –1,209 | | | | –1,209 |
| Consolidated profit for the period | | | | | | | 1,537 | 1,537 |
| | | | | | | | | |
| **As of March 31, 2008** | **15,200** | **40,000** | **44,839** | **–1,813** | **–1,455** | **–1,043** | **–8,622** | **71,906** |
| | | | | | | | | |
| **As of January 1, 2009** | **15,200** | **40,000** | **45,497** | **–9,464** | **–1,265** | **–813** | **5,156** | **79,111** |
| | | | | | | | | |
| Income and expenses recognized directly in equity | | | | | –69 | 249 | | 180 |
| Taxes on transactions recognized directly in equity | | | | | 11 | | | 11 |
| Share-based payment | | | 216 | | | | | 216 |
| Purchase of own shares | | | | 0 | | | | 0 |
| Consolidated profit for the period | | | | | | | –2,735 | –2,735 |
| | | | | | | | | |
| **As of March 31, 2009** | **15,200** | **40,000** | **45,713** | **–9,464** | **–1,323** | **–564** | **2,421** | **76,783** |

## Statement of Recognized Income and Expense

The notes to the consolidated statements form an integral part of the consolidated financial statements. Rounding differences are possible.

| | Jan 1 to Mar 31, 2009 | Jan 1 to Mar 31, 2008 |
|---|---|---|
| | €k | €k |
| Changes in the fair value of financial instruments used for hedging purposes recognized under equity | –398 | –272 |
| Adjustment item for the currency translation of foreign subsidiaries and currency changes | 249 | –669 |
| Exchange differences on net investments in subsidiaries | 329 | –470 |
| Actuarial gains/losses from defined benefit obligations and similar obligations | 0 | 0 |
| **Deferred taxes on changes in value taken directly to equity** | **11** | 84 |
| | | |
| **Valuation gains/losses recognized directly in equity** | **191** | –1,327 |
| | | |
| **Result after taxes** | **–2,735** | 1,537 |
| | | |
| **Total income and expense and valuation gains/losses recognized directly in equity** | **–2,544** | 210 |

## Report from the Segments
## Jan 1 to March 31

The notes to the consolidated statements form an integral part of the consolidated financial statements. Rounding differences are possible.

| in €k | Area CEE 2009 | Area RoW 2009 | Area DACH 2009 | Area Others 2009 | Consolidation 2009 | Group 2009 |
|---|---|---|---|---|---|---|
| Revenues | 2,510 | 29,224 | 21,094 | 2,713 | –979 | **54,562** |
| with third parties | 2,510 | 29,224 | 20,810 | 2,416 | –398 | **54,562** |
| with other divisions | 0 | 0 | 284 | 297 | –581 | **0** |
| **EBIT** | 139 | –1,498 | –1,453 | 514 | –199 | **–2,498** |
| Income from interest and financial assets | | | | | | **12** |
| Interest and similar expenses | | | | | | **–574** |
| **Result from ordinary activities** | | | | | | **–3,060** |
| Income taxes | | | | | | **325** |
| **Consolidated net profit** | | | | | | **–2,735** |

| in €k | Area CEE 2008 | Area RoW 2008 | Area DACH 2008 | Area Others 2008 | Consolidation 2008 | Group 2008 |
|---|---|---|---|---|---|---|
| Revenues | 2,186 | 37,479 | 23,958 | 1,355 | –279 | **64,699** |
| with third parties | 2,186 | 37,479 | 23,679 | 1,355 | 0 | **64,699** |
| with other divisions | 0 | 0 | 279 | 0 | –279 | **0** |
| **EBIT** | 17 | 2,023 | 707 | 327 | 1 | **3,073** |
| Income from interest and financial assets | | | | | | **282** |
| Interest and similar expenses | | | | | | **–1,131** |
| **Result from ordinary activities** | | | | | | **2,224** |
| Income taxes | | | | | | **–687** |
| **Consolidated net profit** | | | | | | **1,537** |

# Notes to the interim consolidated financial statements of WashTec AG (IFRS) for the period of January 1 through March 31, 2009

## General disclosures

**1. Information on the Company**

The ultimate parent company of the WashTec Group is WashTec AG and is recorded in the Commercial Register for the City of Augsburg under registration number HRB 81.

The Company's registered offices are located at Argonstrasse 7 in 86153 Augsburg, Germany.

The Company's shares are publicly traded.

Unless otherwise indicated, the consolidated financial statements are reported in Euro. Amounts are rounded to the nearest Euro and shown either in millions of Euro (€m) or in thousands of Euro (€k).

As the ultimate parent company, the purpose of WashTec AG is to acquire, hold and sell equity investments in other entities and to assume the function of a holding company for the WashTec Group.

The purpose of the WashTec Group also comprises the development, manufacture, sale and servicing of car wash products as well as leasing and services related thereto and financial solutions required in order to operate car wash systems.

**2. Accounting and valuation policies**

**Principles in preparing financial statements**
The consolidated quarterly financial report for the period January 1 through March 31, 2009 was prepared in accordance with IAS 34 »Interim Financial Reporting«.

The consolidated quarterly report does not include all explanations and information required for the financial statements for the fiscal year and should be read in connection with the consolidated financial statements for the period ending December 31, 2008.

**Significant accounting and valuation methods**
The accounting and valuation methods applied when preparing the consolidated quarterly report comply with the methods used when preparing the consolidated financial statements for the fiscal year ending December 31, 2008, except for the tax calculation and the segment reporting under IFRS 8.

The tax calculation for quarterly reports is done by multiplying the result with the anticipated applicable annual tax rate.

IFRS 8 – Operating Segments replaces IAS 14 and must be applied for in reporting periods which begin on or after January 1, 2009. Under IFRS 8, the identification of reportable operating segments is based on the »management approach«. According to this approach, the external segment reporting is done on the basis of an intra-group organization and management structure as well as internal financial reports filed with the »chief operating decision maker« (Management Board). IFRS 8 requires that entities report their financial and descriptive information about their reportable segments. Reportable segments are operating segments or aggregations of operating segments, for which separate financial information is available, which is routinely reviewed by the highest decision-making bodies of the entity in order to assess business performance and decide which resources to use.

At the WashTec Group, the segmentation under the management approach is done according to sales regions. In this respect, sales are distinguished between the »DACH« area (Germany, Austria, Switzerland), the »CEE« and the »RoW« area (Rest of World), and the supporting units are aggregated under the segment known as »Other Operating Entities« (»Others«). This segment includes the legally independent entities of WesuRent Carwash Marketing GmbH, WashTec Financial Services GmbH and AUWA-Chemie GmbH, which support the other areas in preparing the markets with respect to WashTec products and services.

The individual segments are governed on the basis of the operating result achieved. The segment results are based on the directly attributable income and expenses and on cost-sharing from inter-segment functions. The totals from the reportable segments are equal to the Group result following consolidation.

Moreover, the following standards and interpretations must be applied with respect to fiscal years, which begin on or after January 1, 2009. The amendments to these standards have no effect on the net assets, financial position and earnings of the WashTec Group:

- IAS 1 – Amendments to IAS 1 – Presentation of Financial Statements (revised September, 2007)
- IAS 23 – Amendments to IAS 23 – Borrowing Costs (revised September, 2008)
- IFRS 2 – Amendments to IFRS 2 – Share-based Payments: Vesting Conditions and Cancellations (revised January, 2008)
- IFRIC 16 – Hedges of Net Investment in Foreign Operations
- IFRS – Improvements to IFRS

## Consolidated group

The newly formed subsidiaries, WashTec Car Cleaning Equipment (Shanghai) Co. Ltd., China, and WashTec Cleaning Technology s.r.o., Czech Republic, have been included in the WashTec consolidated group as of the beginning of the current fiscal year.

## Balance sheet/Equity

The registered share capital of WashTec AG was €40m on March 31, 2009 and is divided into 15,200,000 shares.

## Earnings per share

The earnings per share is calculated by dividing the net consolidated result by the number of shares:

| | Mar 31, 2009 | Mar 31, 2008 |
|---|---|---|
| Net result | €–2.7m | €1.5m |
| Number of shares | 13,976,970 | 15,025,386 |
| Earnings per share* | €–0.20 | €0.10 |

*diluted = undiluted

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**Financial Calendar**

| | |
|---|---|
| Annual General Meeting 2009 | May 7, 2009 |
| 6-month report | August 11, 2009 |
| 9-month report | November 4, 2009 |
| Analysts' Conference/ Equity Capital forum | November 9–11, 2009 |