Q3 2011 Report on the Period from January 1 to September 30, 2011

Unaudited translation for convenience purposes only

WashTec earnings performance below prior year due to unanticipated losses in North America

- After three quarters, revenue increase by 11.8% to € 212.7m revenues in third quarter below expectations and order intake below prior year
- EBIT per end of September at € 11.7m, € 0.2m below prior year
- Outlook: Order intake significantly below prior year reflects poor market environment – no revenue growth expected in fourth quarter – full year earnings below prior year
- Group-wide program enacted for improving earnings; expenses will reduce earnings in 2011

		Jan 1 to Sep 30, 2011	Jan 1 to 30.09.2010	Change %	Jul 1 to Sep 30, 2011	Jul 1 to 30.09.2010	Change %
Revenue	€m	212.7	190.3	11.8	72.3	66.6	8.6
EBITDA	€m	19.4	19.0	2.1	7.0	7.6	–7.9
EBIT	€m	11.7	11.9	–1.7	4.3	5.2	–17.3
EBIT margin	in %	5.5	6.3	–	5.9	7.8	–
Adjusted EBIT*	€m	12.5	11.7	6.8	4.6	5.3	–13.2
EBT	€m	10.5	10.4	1.0	3.9	4.8	–18.8
Earnings per share **	€	0.41	0.37	10.8	0.11	0.18	–38.9
Employees as of Sep 30		1,668	1,642	1.6			
Net cash flow	€m	13.5	18.6	–27.4			
Investments in fixed assets	€m	–6.4	–5.5	16.4			
ROCE***	in %	9.0	8.9	–			

* adjusted for non-recurring effects including foreign exchange effects
** diluted = undiluted, average number of shares: 13,976,970 (unchanged)
*** »Return On Capital Employed« = adjusted EBIT/ (total assets – current liabilities – cash and cash equivalents); based on equal divdend payments

1. Results of operation, net assets and financial position

Expansion-based revenue growth, unanticipated losses in North America reduce earnings, Group-wide program enacted for improving efficiency

The macroeconomic uncertainty in the international markets continued to intensify in the third quarter of 2011, and a sustained recovery in the market for car wash equipment is still not in sight. Certain regions such as Spain, Greece and Great Britain remain hampered by significant structural problems which adversely affect investing. The market in the United States is reporting stability at last year's low level.

In the first three quarters of 2011, WashTec revenues climbed by 11.8%, from € 190.3m to € 212.7m. The growth is based to a large extent on recent expansionary steps and can be attributed primarily to the high order backlog as of the end of the second quarter. As expected, however, revenue growth in the third quarter turned out to be less than it had been in the previous quarters. For the first time this fiscal year, order intake in the third quarter 2011 was considerably less than it was last year. This development may be traced back to the generally uncertain business climate, which has led to greater investment restraint and installation delays among customers.

WashTec has launched and to a large extent already implemented measures to optimize the structures in the regions that have been particularly impacted, inter alia, Spain, Great Britain and Scandinavia. These measures serve to adjust capacity and cost structures in order to match changed conditions. Thus, the number of employees in the WashTec Group, after adjusting to account for the effects of acquisitions and outsourcing, fell by 36 employees compared to the prior year.

The gross profit margin declined by 0.8 percentage points compared to the second quarter of the current year and thereby also remained below last year's figure. This development is mostly attributable to higher commodity prices and to considerably lower margins in North America.

Personnel costs increased by € 7.1m from last year as a result of acquisitions, collective wage increases and the expansion of the in-sourcing activities. Due to the efficiency measures launched, the personnel expense ratio has been improved, however, by 0.4 percentage points over the prior year. This is attributable, above all, to the optimization measures taken in other European countries.

The other operating expenses and income for the first three quarters of 2011 include a foreign exchange loss of approximately € 0.2m, whereas during the same period of the prior year, the Company had accrued an extraordinary foreign exchange gain of approximately € 0.9m, which was reported as a non-recurring effect as of the end of 2010.

- *Adjusted EBIT increased from € 11.7m to € 12.5m; adjusted EBIT margin at 5.9%*
- *Order intake in Q3 lower than prior year for the first time*
- *Earnings trend in Q3 lags behind Company's expectations*

Comparable adjusted EBIT rises by approximately 7% after three quarters

The EBIT, after adjusting for non-recurring effects (especially foreign exchange effects), rose by € 0.8 to €12.5m (prior year: € 11.7m). The comparable adjusted EBIT at the end of the third quarter had therefore increased by 6.8 %. However, the adjusted EBIT margin remained almost constant at 5.9% (prior year: 6.1%). Overall, the EBIT after the first three quarters was €11.7m and therefore close to the prior year level (prior year: €11.9m). This corresponds to an EBIT margin of 5.5%.

The EBIT, after adjusting for non-recurring effects, totaled € 4.6m in the third quarter and was € 0.7m below the prior year figure (€ 5.3m) and therefore considerably below the Company's expectations. The EBIT according to IFRS equaled € 4.3m and was € 0.9m below the prior year figure (€ 5.2m). The reasons for this development can be traced to the unanticipated losses in North America. Furthermore, revenue growth in Australia developed slower than expected due to investment delays.

As of the end of the third quarter 2011, the Company is reporting an order backlog which is lower than the prior year. The main cause for this development is an entrenched investment restraint exhibited by the customers, above all in Europe and in individual export regions.

Overall conditions continue to darken

The economic mood in the industrialized countries continues to darken and a weakening economy is looking more and more likely. Credit remains very tight due to the high sovereign debt and the uncertainty in the financial sector. The resulting lack of financing limits, above all, smaller operator chains and individual operators in their reinvestment in car wash equipment. Nevertheless, the car wash business remains profitable at most locations.

The competition has intensified somewhat compared to the situation described in the 2010 Group management report. In general, it may be currently observed that in many regions, individual competitors have encountered financial difficulties and are either retreating from those markets or competing more fiercely for market share. Based on the general economic situation, it is therefore possible that the market will continue to consolidate in the near and mid-term. WashTec does not, however, see any strategic advantage in an active consolidation of the manufacturers.

There have been no significant changes in technology.

1.1 Business and earnings situation

Since 2011, the segment reporting has been changed to include the regions »Core Europe«, »Emerging Europe«, »North America« and »Asia/Pacific«. The WashTec Group's activities within Northern and Western Europe are combined in the region of »Core Europe«. The region »Emerging Europe« includes Eastern European countries, whereas the region »North America« includes the activities in the United States and Canada. The »Asia/Pacific« region reflects primarily the business development in the Australian subsidiary and developments in China.

Revenues by region Q1–Q3

in €m, IFRS	Jan 1– Sep 30, 2011	Jan 1– Sep 30, 2010	Change in %
Core Europe	178.5	170.1	4.9
Emerging Europe	6.8	5.9	15.3
North America	27.5	18.3	50.3
Asia/Pacific	7.9	4.2	88.1
Consolidation	–8.0	–8.2	2.4
Total	**212.7**	190.3	11.8

Revenues by region Q3

in €m, IFRS	Jul 1– Sep 30, 2011	Jul 1– Sep 30, 2010	Change in %
Core Europe	60.0	58.1	3.3
Emerging Europe	1.5	2.2	–31.8
North America	9.8	6.8	44.1
Asia/Pacific	3.1	2.4	29.2
Consolidation	–2.1	–2.9	27.6
Total	**72.3**	66.6	8.6

Revenues and market development

Revenues in the first three quarters increase by € 22.4m or 11.8%

Revenues in the first three quarters of the year totaled € 212.7m and were therefore € 22.4m or 11.8% higher than the prior year level of € 190.3m. In the third quarter of 2011, revenues increased over the same period of the prior year by 8.6% (Q3 2011: € 72.3m; Q3 2010: € 66.6m). After adjusting for the acquisition effects, revenues after the first nine months totaled € 192.1m (prior year: € 184.9m).

Core regions with stable development, growth through expansion

Modest market development in most regions

The markets in **Core Europe** have, as expected, generally developed rather modestly over the first nine months of 2011. In this respect, individual regions such as Spain, Scandinavia and Great Britain continue to be impacted considerably more, whereas large markets such as Germany and France are developing in a stable manner. In the regions that have been particularly affected, we are witnessing more and more aggressive price competition. The continued uncertainty among customers is also manifested in investment behavior: for example, some investments and installations are being postponed. For this reason, the Company has continued its structural programs in this region to improve efficiency and implemented further measures. Such measures included, for example, adjustments in the service capacity to match the lower demand and the consolidation of administrative functions in connection with the management restructuring of a cluster in Northern Europe. WashTec is thereby establishing the bases to emerge strongly from this current weak period of the markets. Overall, equipment revenues in Core Europe rose due to expenditure shifting compared to the previous year. The chemicals business was likewise expanded significantly as a result of the Ade-Kema acquisition and due to good weather in the second quarter. In the operations business, new locations and good weather in the second quarter led to positive growth in the number of washes. Thus, overall revenues in Core Europe increased by € 8.4m to € 178.5m (prior year: € 170.1m).

In the **»Emerging Europe«** region, the market has stabilized since 2010 and has grown again slightly. Starting at a low level, the revenues in this region have improved significantly mostly due to excellent equipment sales and totaled €6.8m as of September 30, 2011 (prior year: €5.9m). In terms of the third quarter by itself, revenues in this region declined (as expected) from last year's third quarter due primarily to fluctuating investment cycles. WashTec intends to further strengthen its dealer network in this region and to expand its own presence in various focus regions by building up sales offices or by making selective acquisitions.

Strong revenue increase in North America

In **North America,** the market climate remains difficult. There is still no evidence of a general market recovery, which means that the market will remain initially at the low level reported last year. Due to the continuing limits on financing opportunities and the uncertainty about the economic outlook, investments in new equipment are still being postponed. Moreover, prices have come under pressure following the intensified competition. WashTec was able to expand its market position during the course of the year by acquiring three new major national customers and by expanding its direct sales and service activities into Florida and California. In Canada, the implementation of the major tender contract has led to favorable revenue development. Since the tender implementation in Canada had already started in the third quarter of 2010, the growth rate is likely to weaken by the end of 2011. Overall revenues in North America totaled €27.5m and were well above the revenues for the same period of the prior year (prior year: €18.3m). Although equipment revenues in this region met expectations, the service and chemicals revenues did not primarily because of weather-related, weak wash figures. In US dollar terms, the regional revenues at the end of the third quarter equaled USD 39.0m (prior year: USD 24.0m).

The market in Australia, where until now most of the activities in the **»Asia/Pacific«** region are carried out, is still at a low level but is developing stably. Above all, individual operators are still holding back on making investments and/or are delaying new installations. The revenues increased in the first three quarters from €4.2m to €7.9m mostly as a result of the acquisition completed last year. In China at the end of 2010, the first locations of a local oil company were equipped with WashTec equipment as part of a pilot program. Even though this pilot program has yielded good results, the Company does not expect any significant implementation of the project until the mid to long-term. Furthermore, the development of the direct sales structures has begun and the local organization has been strengthened in order to actively help organize the important Chinese focus market. Even though there is evidence that all aspects of car wash activities have already increased specifically in China, the activities in that market and in the other high-growth regions of Asia are all generally still in the development phase and will not deliver any noteworthy revenue or earnings figures until the mid-term.

Revenues by product Q1–Q3

in €m, IFRS	Jan 1 – Sep 30, 2011	Jan 1– Sep 30, 2010	Change in %
New and used equipment	119.8	106.2	12.8
Spare parts, service	65.8	63.9	3.0
Chemicals	18.4	13.2	39.4
Operations business and others	8.7	7.0	24.3
Total	**212.7**	**190.3**	**11.8**

Revenues by product Q3

in €m, IFRS	Jul 1– Sep 30, 2011	Jul 1– Sep 30, 2010	Change in %
New and used equipment	42.6	38.6	10.4
Spare parts, service	21.6	21.4	0.9
Chemicals	5.3	4.3	23.3
Operations business and others	2.8	2.3	21.7
Total	**72.3**	**66.6**	**8.6**

Increased revenues in all product groups

In all product groups, WashTec was able to achieve revenues above the prior year levels both in the third quarter as well as in the first three quarters of 2011. Since the major acquisitions had already occurred in the third quarter of 2010, the positive effects from these transactions have started to ebb.

Equipment revenues at € 119.8m

Equipment revenues at the end of the third quarter totaled € 119.8m and were € 13.6m higher than the prior year (prior year: € 106.2m). Revenues in **spare parts and service** rose slightly by € 1.9m to € 65.8m. Due primarily to good weather conditions in the second quarter in individual regions of Core Europe as well as the acquisition of AdeKema, revenues from **chemicals** improved significantly (by 39.4%) to € 18.4m (prior year: € 13.2m). Revenues from the **operations business and others** climbed to € 8.7m (prior year: € 7.0m) due to the new locations and good weather conditions in the second quarter in Core Europe.

Expenses and earnings

Earnings Q1–Q3

in €m, IFRS	Jan 1– Sep 30, 2011	Jan 1– Sep 30, 2010	Change in %
EBITDA	19.4	19.0	2.1
EBIT	11.7	11.9	–1.7
Adjusted EBIT	12.5	11.7	6.8
EBT	10.5	10.4	1.0

Earnings Q3

in €m, IFRS	Jul 1– Sep 30, 2011	Jul 1– Sep 30, 2010	Change in %
EBITDA	7.0	7.6	–7.9
EBIT	4.3	5.2	–17.3
Adjusted EBIT	4.6	5.3	–13.2
EBT	3.9	4.8	–18.8

Increase in the costs of raw materials

Gross profit margin at 58.5%

Gross profit (including changes in inventory) climbed from € 113.1m to € 124.5m because of higher revenues. Due above all to the rising costs in raw materials (particularly in steel), the changed product and distribution mix and the increased use of sub-contractors, the **gross profit margin** dropped slightly in the third quarter to 58.5% (prior year: 59.4%).

Personnel expenses rose by €7.1m to €74.7m (prior year: €67.6m). The principal reasons for this increase were not only the expansion-based increased headcount, but also greater costs brought on by the loss of two hours in the working week after the supplemental collective bargaining agreement expired, by the implementation of the wage framework (ERA) and by increases in collective wages. Despite the cost increases, personnel expense ratio (personnel expenses as a percentage of revenues) declined slightly from 35.5% to 35.1% because of the significant revenue growth.

Due primarily to acquisitions and sourcing activities, **other operating expenses** (including other taxes) equaled € 34.7m and were therefore € 3.5m higher than the prior year figure of € 31.2m. As per the third quarter, this item includes a foreign exchange expense of approximately € 1.1m, which is offset against other operating income generated from a hedging instrument in the amount of € 0.9m. As of the end of 2010, a net foreign exchange gain of approx. € 1.0m was booked as a non-recurring expense.

Comparable operating result exceeds prior year

EBITDA rose from € 19.0m to € 19.4m and was therefore € 0.4m higher than the prior year.

Depreciation and amortization climbed only slightly by € 0.6m to € 7.7m (prior year: € 7.1m).

EBIT declines slightly by € 0.2m; adjusted EBIT climbs by € 0.8m

The **operating result (EBIT)** equaled € 11.7m and was therefore nearly unchanged from the prior year's level (prior year: € 11.9m), while the EBIT margin reached 5.5% (prior year 6.3%). Despite increased revenues compared to the same quarter of the previous year, the operating result for the third quarter of 2011 remained at € 4.3m and was below the results of the third quarter 2010 (Q3 2010: € 5.2m). The reasons for this development are described in detail below as part of the segment reporting.

In calculating the EBIT (adjusted for non-recurring effects), this year the foreign exchange effects will also be apportioned to the relevant quarter, instead of being reported as of year's end, as was done last year. After adjusting for the non-recurring effects based on acquisitions, the expansion of the direct sales network, efficiency measures and foreign exchange effects, the EBIT climbed from €11.7m to €12.5m (non-recurring effects prior year: €+0.2m; of which €+0.4m were attributed to the »Core Europe« region and €-0.2m to the »Asia/Pacific« region). Of the €–0.8m reported as non-recurring effects in the first three quarters of 2011, €–0.9m are attributable to the »Core Europe« region and €+0.1m are attributable to the »North America« region. The adjusted EBIT margin was at 5.9% (prior year: 6.1%).

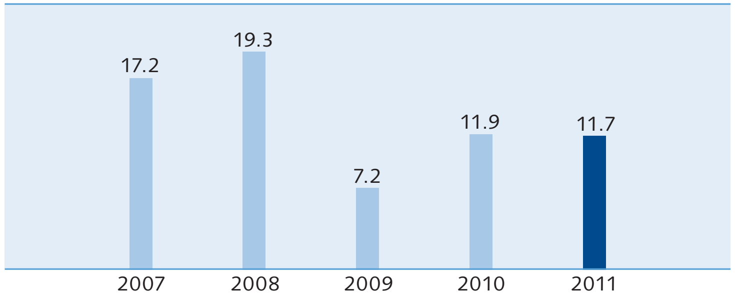
EBIT by region Q1–Q3

in €m, IFRS	Jan 1– Sep 30, 2011	Jan 1– Sep 30, 2010	Change in %
Core Europe	14.5	16.2	–10.5
Emerging Europe	0.7	0.4	75.0
North America	–3.1	–3.3	6.1
Asia/Pacific	–0.5	–0.8	37.5
Consolidation	0.1	–0.6	116.7
Group	**11.7**	**11.9**	**–1.7**

EBIT by region Q3

iin €m, IFRS	Jul 1– Sep 30, 2011	Jul 1– Sep 30, 2010	Change in %
Core Europe	5.7	6.6	–13.6
Emerging Europe	0.2	0.2	0.0
North America	–1.5	–1.3	–15.4
Asia/Pacific	–0.2	–0.3	33.3
Consolidation	0.1	0.0	
Group	**4.3**	**5.2**	**–17.3**

EBIT Jan 1 – Sep 30 in €m, IFRS



The exchange rate development between the US dollar and the euro has generally had little impact on the operating business. The balance sheet date valuation of the recognized assets and liabilities held in foreign currencies negatively influenced earnings by only approximately €–0.2 (prior year: €+0.9).

Earnings development significantly below expectations

The results in **Core Europe** were influenced, above all, by rising personnel costs and by the one-time income generated from the aforementioned foreign exchange gains in 2010. The introduction of the wage framework agreement (ERA), the routine collective wage increase and the loss of two hours in the working week after the supplemental collective bargaining agreement expired at the end of 2010 have so far burdened earnings, specifically in production and service. To counter the increase in costs and to improve the earnings situation in this region, the company continued the efficiency measures previously commenced or launched additional measures. These measures include, for example, adjusting service capacities to match reduced demand, in-sourcing work in equipment servicing from service providers, and consolidating administrative functions as part of management restructuring of a cluster in Northern Europe. Moreover, in the first three quarters of 2011, raw material prices showed a significant increase. The additional expansion of international sourcing activities should also help offset the higher material costs. The EBIT (adjusted for non-recurring effects, especially foreign exchange effects) was at € 15.4m and thus only slightly below the prior year figure (prior year: € 15.8m) thanks to the efficiency measures launched and despite the negative overall conditions. The reported EBIT equaled € 14.5m (prior year: € 16.2m).

In the »**Emerging Europe**« region, the earnings rose from €0.3m to €0.7m on a year-to-year comparison as a result of positive market development and higher revenues (prior year: €0.4m).

North America: earnings development below expectations

Unanticipated losses in **North America** reduced results in this region in the third quarter. As of the end of September, the earnings equaled € –3.1m (prior year: € –3.3m), despite the revenue growth. Also in the fourth quarter, no improvement in earnings is expected. Therefore the earnings will be clearly negative as of the end of the year. The findings, which were newly made after a management change and in connection with the preparation of the quarterly financial statements, are currently being analyzed and verified. In the meantime, the person formerly responsible for the »DACH« region, the largest entity of the WashTec Group, has been appointed as COO in the USA. Furthermore the local finance department has been strengthened by an employee from the German headquarters. The Management Board will take appropriate action and evaluate the strategic options and will be actively monitoring the next course of action to take in North America. In this respect, impairment testing of goodwill will also be performed.

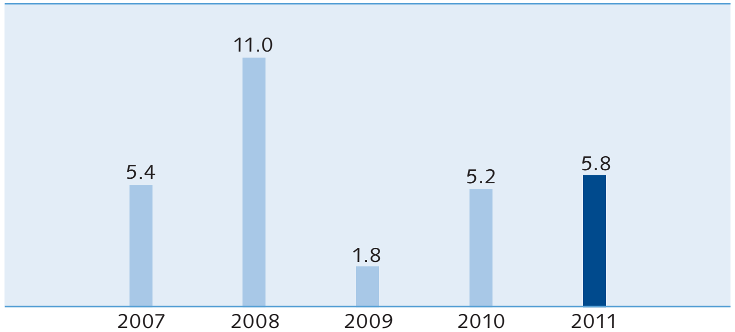
The Australian subsidiary, whose results are included in the **Asia/Pacific** region, improved its third quarter earnings over the prior year from € –0.3m to € –0.2m. Overall, the earnings for this region as of September 30, 2011 equaled € –0.5m (prior year: € –0.8m). This situation was caused, above all, by the continued and persistent investment restraint exhibited by the customers. The adjusted EBIT improved from the prior year only slightly from € –0.6m to € –0.5m. WashTec is assuming that the accrued losses can be offset by the end of 2011.

The **net finance costs** were reduced from €1.4m to €1.2m due to lower bank liabilities.

Consolidated net income improved by € 0.6m to € 5.8m

As of the end of the third quarter, **earnings before taxes (EBT)** had risen somewhat to €10.5m (prior year: €10.4m). The tax expense declined from € 5.2m to €4.7m. The **consolidated net income** after taxes rose from €5.2m to €5.8m. **Earnings per share** (diluted = undiluted) therefore increased to €0.41 (prior year: €0.37) based on an unchanged number of shares totaling approximately 14 million.

Consolidated net income Jan 1–Sep 30 in €m, IFRS



1.2. Net assets

Assets in €m, IFRS	Sep 30, 2011	Dec 31, 2010
Non-current assets	**120.5**	**117.7**
thereof intangible assets	11.8	9.9
thereof deferred tax assets	7.9	7.0
Current assets	**90.0**	**99.4**
thereof inventories	40.6	37.4
thereof trade receivables and other assets	45.2	45.5
thereof cash and cash equivalents	4.1	15.3
Total assets	**210.5**	**217.1**

Balance sheet structure remains very solid

Despite strong growth, the **balance sheet total** decreased from €217.1m as of the end of 2010 to €210.5m as of September 30, 2011. The necessary funds for financing the Company's growth were thereby generated from its own cash flow.

Intangible assets rose from €9.9m as of December 31, 2010 to €11.8m as of September 30, 2011, mainly as a result of acquisitions.

Deferred tax assets increased from €7.0m as of the end of 2010 to €7.9m as of September 30, 2011.

Due to expansion or more aggressive in-sourcing, **inventories** climbed from € 37.4m as of December 31, 2010 to € 40.6m.

The item **trade receivables and other assets** declined slightly in the third quarter from € 45.5m as of December 31, 2010 to € 45.2m as of September 30, 2011.

As of September 30, 2011, **cash and cash equivalents** had declined substantially – dropping to € 4.1m – a development attributable to the dividend payment and the change in the financing structure (December 31, 2010: € 15.3m).

Equity and liabilities in €m, IFRS	Sep 30, 2011	Dec 31, 2010
Equity	95.3	94.4
Liabilities to banks	26.2	32.7
Other liabilities and provisions	73.1	75.2
of which trade payables	5.9	9.5
of which provisions	19.4	20.6
Deferred income	9.5	10.2
Deferred tax liabilities	6.4	4.6
Total equity and liabilities	**210.5**	**217.1**

Equity ratio as of September 30, 2011: 45.3%

As of September 30, 2011, **equity** equaled € 95.3m (December 31, 2010: € 94.4m). Due to income and expenses recognized directly in equity pursuant to IFRS (see Statement of Changes in Consolidated Equity), the changes in equity do not match the results for the period. The **equity ratio** rose from 43.5% to 45.3%.

Compared to December 31, 2010, the **liabilities to banks** declined by € 6.5m to € 26.2m due primarily to loan repayments.

Net bank debt (long-term and short-term liabilities to banks less bank credit balances) equaled €22.1m and was therefore higher than the value reported as of December 31, 2010 (€17.4m) due to substantially reduced cash and cash equivalents resulting from the dividend payment in the second quarter. The **net finance debt** (net bank debt plus long-term and short-term finance leasing liabilities) climbed from €26.6m to €29.6m.

Trade payables declined by € 9.5m as of December 31, 2010 to € 5.9m.

Deferred tax liabilities were € 1.8m lower than the level at the end of 2010 and equaled € 6.4m as of September 30, 2011.

The **gearing** – defined as the quotient of the net finance debt to equity – rose only slightly from 0.28 as of December 31, 2010 to 0.31, which is a relatively low figure for companies that produce.

Provisions fell only slightly from € 20.6m as of December 31, 2010 to € 19.4m.

1.3 Financial position

Cash flow statement affected by the growth-related rise in net current assets

Cash inflow from operating activities (net cash flow) declined in the third quarter of 2011 to €13.5m (prior year: €18.6m). This development was caused, amongst others, by changes in net current assets resulting from the strong growth. It should be noted here that at the end of 2009, the Company discharged many of its trade payables before they were due (including payments to take advantage of early payment discounts). This had produced exceptionally high cash flow in the first half of 2010.

Net current assets (trade receivables + inventories – trade payables) rose from €63.3m to €75.5m mainly because of the significant growth.

Cash outflow from investment activities, which related to, above all, acquisitions, product development and investments in the Czech Republic manufacturing site and in information technology, totaled €7.1m and was thus slightly higher than the prior year (€7.0m). Projected over the course of the entire year, the investment volume is likely to be slightly higher than last year's level.

Free cash flow (net cash flow less cash outflow from investment activities) equaled €6.4m (prior year: €11.6m).

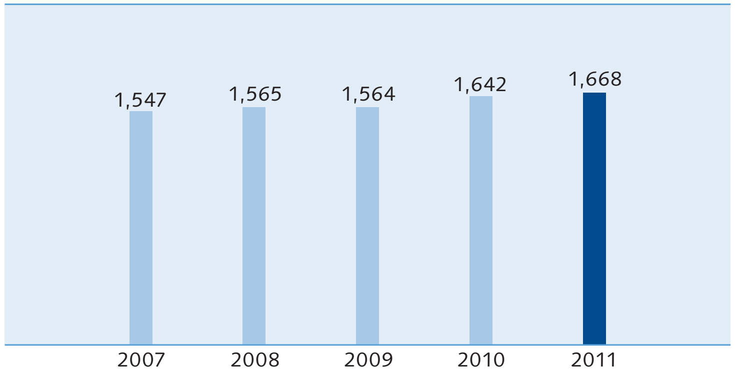
Overall, **cash and cash equivalents** decreased by €4.7m as of September 30, 2011.

1.4 Miscellaneous

Since December 31, 2010, the number of employees rose by 29 to 1,668. Compared to September 30, 2010, 26 employees were added, primarily due to acquisitions and the expansion of sourcing activities in the Czech Republic and China. After adjusting for acquisitions and sourcing activities, the number of employees declined by 36 compared to the same period of last year.

Number of employees in the WashTec Group is 1,668

Employees as of Sep 30



Shares defies crisis on the global stock markets

In the third quarter, the management once again stayed in constant contact with shareholders and journalists as well as with the financial community. In connection with its publications, the Company held conference calls for analysts and investors. A number of one-on-one meetings were held with various institutional investors during roadshows. In September, the management board also presented WashTec at Unicredit's German Investment Conference.

WashTec is currently covered by Berenberg, Equinet, Hauck & Aufhäuser, HSBC Trinkaus & Burkhardt, MM Warburg, and Unicredit, most of whom have issued buy recommendations for the share.

Through its extensive investor relations work, WashTec has succeeded in greatly increasing the trading volume of its shares compared to the first three quarters of last year. The volume is nevertheless still too low to qualify for inclusion in the SDAX. WashTec was able to improve, however, to 118th place in this category of the Deutsche Börse ranking of MDAX and SDAX shares (prior year: 123th place). Based on market capitalization, WashTec is currently ranked 90th and therefore meets the SDAX criterion. For these reasons, WashTec will continue its extensive investor relations work.

After closing 2010 at a share price of €9.14, the WashTec shares posted a price that had climbed to €9.60 as of September 30, 2011 (+5.0%). Thus, over that same period of time, WashTec shares substantially outperformed the SDAX (–16.7%). For most of the first nine months of 2011, the share price was above the 10 euro threshold. Toward the end of June, the share price came under pressure while the stock was trading at lower volumes; a negative development that could not be explained by the situation in the Company or in the industry. Instead, the overall low trading volumes mean that merely trading in a smaller number of shares can cause greater price volatility. After the share price recovered again significantly in July, it began tracking the general upward trend of the markets in August, but during this period – again – it performed significantly better than the SDAX benchmark.

Shareholder structure remains unchanged

Based on the filings made pursuant to the German Securities Trading Act (WpHG), the shareholder structure in the first three quarters of 2011 has not changed.

Shareholding in %	Sep 30, 2011
EQMC Europe Development Capital Fund plc	16.2
Sterling Strategic Value Ltd. (incl. IED)	15.3
Kempen Capital Management NV	11.1
InvestmentAG für langfristige Investoren TGV	5.4
Lazard Frères Gestion S.A.S.	5.0
Paradigm Capital Value Fund	3.8
Free float	43.2

Source: Notifications under the WpHG

Related party transactions

No significant related party transactions transpired during the reporting period.

Events after the end of the reporting period

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

2. Forecast

■ Because of the current market developments, no forecast can currently be made for 2012
■ Due to the general economic development, the consolidation will be a focus in the coming year

Despite revenue growth, operating result in 2011 presumably below last year's level

The uncertainty in the markets, particularly in the saturated regions, continues to build. On the other hand, in the still-developing regions, above all in »Emerging Europe« and Asia, additional growth is expected; only the timing remains uncertain. WashTec believes that the importance of these regions for its corporate development will increase in the mid and long term. For 2011, the Company is generally expecting the following regional development:

- Core Europe: slight revenue growth and stable earnings performance;
- North America: significant revenue increase but with clearly negative earnings; next course of action and potential goodwill impairment depending on analysis and annual planning;
- Emerging Europe: revenue growth in the low double digits with positive earnings;
- Asia/Pacific: significant revenue growth due to the effects of the acquisition in Australia and balanced earnings.

The poorer overall conditions and the concomitant lower order intake in the third quarter have already had an impact. In addition, unanticipated losses occurred in North America during the third quarter. The findings, which were made after a management change in connection with the preparation of the quarterly financial statements, are currently being analyzed and verified. In the meantime, the person formerly responsible for the »DACH« region, the largest entity of the WashTec Group, has been appointed as COO in the USA. Furthermore the local finance department has been strengthened by an employee from the German headquarters. The Management Board will take appropriate action and evaluate the strategic options and will be actively monitoring the next course of action to take in North America. Based on the findings at this time, the Company is expecting a decline in earnings of 10–15% compared to the prior year. In order to adjust the cost structures of the WashTec Group to account for the difficult market environment, a Group-wide program was enacted to improve earnings. One-time restructuring expenditures and write-downs made in connection with such measures will further reduce earnings significantly in the current fiscal year.

2012 marked by sustained corporate consolidation

Due to the currently unclear overall situation in the markets, the 2012 forecast is subject to considerable uncertainties. Thus, a forecast for 2012 cannot be provided. WashTec will review the work and activities of the Group with an eye towards earnings contribution and optimization potential. Further expansion through acquisitions is not planned. WashTec will pursue conservative expense and investment policies and draw its focus on projects, areas and regions which promise the best mid-term growth prospects. Despite a consolidation, the Company will not abstain from future projects. By virtue of the long-term financing of the Company and its solid balance sheet, WashTec believes that it is well prepared for future challenges and will emerge even stronger from a difficult market situation.

3. Opportunities and risks related to Group development

A description of the WashTec Group's risk management is available in the 2010 annual report. Except for the risks described above, there have been no significant changes in the opportunities and risks as presented in the risk report of the 2010 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 Sep 30, 2011	Jan 1 to Sep 30, 2010	Jul 1 to Sep 30, 2011	Jul 1 to Sep 30, 2010
	€	€	€	€
Revenues	212,747,754	190,347,365	72,303,859	66,605,322
Other operating income	3,238,002	3,572,147	824,387	584,118
Other capitalized development costs	934,775	1,097,765	280,242	467,133
Change in inventories	–21,435	1,007,355	–523,017	1,593,169
Total	**216,889,096**	**196,024,632**	**72,875,471**	**69,249,742**
Cost of materials				
Cost of raw materials, consumables and supplies and of purchased material	72,821,839	64,333,405	24,876,037	23,361,398
Cost of purchased services	15,408,791	13,893,561	5,157,721	4,864,567
	88,230,630	**78,226,966**	**30,033,758**	**28,225,965**
Personnel expenses	**74,657,121**	**67,599,548**	**24,273,942**	**22,454,584**
Amortization, deprecation and impairment of intangible assets and property, plant and equipment	7,667,317	7,134,665	2,692,924	2,363,806
Other operating expenses	34,111,990	30,631,793	11,410,802	10,815,221
Other taxes	541,536	561,866	188,061	184,848
Total operating expenses	**205,208,594**	**184,154,838**	**68,599,487**	**64,044,424**
EBIT	**11,690,502**	**11,869,794**	**4,285,984**	**5,205,318**
Other interest and similar income	90,654	42,548	18,119	16,778
Interest and similar expenses	1,279,663	1,470,722	436,669	404,481
Financial result	**–1,189,009**	**–1,428,174**	**–418,550**	**–387,703**
Result from ordinary activities/EBT	**10,501,493**	**10,441,620**	**3,867,434**	**4,817,615**
Income taxes	–4,738,808	–5,227,285	–2,304,840	–2,232,328
Consolidated profit for the period	**5,762,685**	**5,214,335**	**1,562,594**	**2,585,287**
Average number of shares	**13,976,970**	**13,976,970**	**13,976,970**	**13,976,970**
Earnings per share (basic = diluted)	**0,41**	**0,37**	**0,11**	**0,18**

Consolidated Statement of Comprehensive Income

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

€k	Jan 1 to Sep 30, 2011	Jan 1 to Sep 30, 2010
Earnings after taxes	**5,763**	**5,214**
Changes in the fair value of financial instruments used for hedging purposes recognized under equity	–317	557
Adjustment item for the currency translation of foreign subsidiaris and currency changes	–35	440
Exchange differences on net investments in subsidiaries	–209	–1,354
Actuarial gains/losses from defined benefit obligations and similar obligations	0	–506
Deferred taxes on changes in value taken directly to equity	62	434
Valuation gains/losses recognized directly in equity	**–498**	**–429**
Total income and expense and valuation in gains/losses recognized directly in equity	**5,265**	**4,785**

Consolidated Balance Sheet

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

Assets	Sep 30, 2011	Dec 31, 2010
	€	€
Non-current assets		
Property, plant and equipment	41,803,234	41,920,722
Goodwill	58,062,041	58,192,039
Intangible assets	11,843,415	9,862,248
Trade receivables	635,712	387,967
Tax receivables	200,501	252,817
Other assets	74,497	39,793
Deferred tax assets	7,855,923	7,015,377
Total non-current assets	**120,475,323**	**117,670,963**
Current assets		
Inventories	40,630,478	37,378,273
Trade receivables	40,120,402	39,934,929
Tax receivables	132,028	1,210,691
Other assets	5,052,884	5,584,162
Cash and bank balances	4,105,879	15,304,363
Total current assets	**90,041,671**	**99,412,418**
Total assets	**210,516,994**	**217,083,381**

Equity and liabilities	Sep 30, 2011	Dec 31, 2010
	€	€
Equity		
Subscribed capital	40,000,000	40,000,000
thereof contingent capital	*12,000,000*	*12,000,000*
Capital reserves	36,463,441	36,463,441
Other reserves	–2,614,476	–2,116,221
Profit carried forward	15,678,970	9,235,334
Consolidated profit for the period	5,762,685	10,776,497
	95,290,620	**94,359,051**
Non-current liabilities		
Interest-bearing loans	25,450,482	276,582
Finance leasing	5,091,437	6,617,302
Provisions for pensions	7,067,406	7,013,238
Trade payables	0	47,000
Other non-current provisions	3,083,663	3,693,291
Other nun-current liabilities	2,150,074	1,540,501
Deferred revenue	865,847	698,988
Deferred Income	6,423,287	4,551,105
Total non-current liabilities	**50,132,196**	**24,438,007**
Current liabilities		
Interest-bearing loans	752,995	32,427,648
Finance leasing	2,453,404	2,560,143
Prepayments on orders	4,538,020	7,968,064
Trade payables	5,900,382	9,478,523
Other liabilities for taxes and levies	3,597,667	3,321,152
Other liabilities for social security	716,857	815,887
Tax liabilities	3,814,662	1,711,785
Other current liabilities	25,504,597	20,631,733
Other current provisions	9,200,955	9,884,854
Deferred Income	8,614,639	9,486,534
Total current liabilities	**65,094,178**	**98,286,323**
Total equity and liabilities	**210,516,994**	**217,083,381**

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 Sep 30, 2011	Jan 1 to Sep 30, 2010
	€k	€k
EBT	**10,501**	**10,442**
Adjustments to reconcile profit before tax to net cash flows not affecting cash:		
Amortization, depreciation and impairment of non-current assets	7,667	7,135
Gain/loss from disposals of non-current assets	–96	–146
Other gains/losses	–2,780	548
Interest income	–91	–43
Interest expense	1,281	1,471
Movements in provisions	–1,212	–2,134
Changes in net working capital:		
Increase/decrease in trade receivables	-820	–82
Increase/decrease in inventories	–3,347	–4,217
Increase/decrease in trade payables	–3,590	7,688
Changes in other net working capita	7,582	–575
Income tax paid	–1,566	–1,522
Cash inflow from operating activities (net cash flow)	**13,529**	**18,565**
Purchase of property, plant and equipment (without finance leasing)	–6,432	–5,469
Proceeds from sale of property, plant and equipment	232	445
Acquisition of a subsidiary, net of cash acquired	–938	–1,974
Cash outflow from investment activities	**–7,138**	**–6,998**
Raising of long-term loans	23,786	54
Repayment of non-current liabilities to banks	–33,246	–10,017
Dividend paid	–4,333	–1,677
Interest received	74	43
Interest paid	–989	–1,224
Repayment of non-current liabilities from finance leases	–1,969	–2,112
Net cash flows used in financing activities	**–16,677**	**–14,933**
Net increase/decrease in cash and cash equivalents	**–10,286**	**–3,366**
Net foreign exchange difference in cash and cash equivalents	**–959**	**–1,730**
Cash and cash equivalents at 1 January	**15,155**	**13,732**
Cash and cash equivalents at 30 September	**3,910**	**8,636**
Bank balances	**4,106**	**8,659**
Current bank liabilities	**–196**	**–23**

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	Subscribed capital	Capital reserve	Other reserves	Exchange effects	Profit carried forward	Total
As of January 1, 2010	**40,000**	**36,464**	**–1,365**	**–453**	**10,912**	**85,558**
Income and expenses recognized directly in equity			–1,303	440		–863
Taxes on transactions recognized directly in equity			434			434
Dividends					–1,677	–1,677
Consolidated earnings for the period					5,214	5,214
As of September 30, 2010	**40,000**	**36,464**	**–2,234**	**–13**	**14,449**	**88,666**
As of January 1, 2011	**40,000**	**36,464**	**–1,986**	**–130**	**20,011**	**94,359**
Income and expenses recognized directly in equity			–525	–35		–560
Taxes on transactions recognized directly in equity			62			62
Dividends					–4,333	–4,333
Consolidated earnings for the period					5,763	5,763
As of September 30, 2011	**40,000**	**36,464**	**–2,450**	**–165**	**21,441**	**95,291**

Notes to the Interim Condensed Consolidated Financial Statements of WashTec AG (IFRS) for the period from January 1 to September 30, 2011

General Disclosures

1. Information on the Company

The ultimate parent company of the WashTec Group is WashTec AG, which 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.

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

The consolidated financial statements are reported in Euro. Amounts are rounded to the nearest Euro or are shown in millions of Euro (€m) or thousands of Euro (€k).

2. Accounting and valuation policies

Principles in preparing financial statements

The interim condensed consolidated financial statements for the period January 1 to September 30, 2011 were prepared in accordance with IAS 34 »Interim Financial Reporting«.

The interim condensed consolidated financial statements do not include all explanations and information required for the financial statements for the entire fiscal year and should be read in conjunction with the consolidated financial statements for the period ending December 31, 2010.

Significant accounting and valuation methods

The accounting and valuation methods applied when preparing the interim condensed consolidated financial statements comply with the methods used when preparing the consolidated financial statements for the fiscal year ending December 31, 2010.

WashTec Cleaning Technology holds long-term USD-denominated loan receivables against the US subsidiary. Net investments in the foreign operations were increased by USD 4 million to USD 34 million as of September 23, 2011. The American subsidiary has long-term CAD-denominated loan receivables against the Canadian subsidiary. Net investments in the foreign operations were set at CAD 6.1 million as of July 1, 2011. Accordingly, the conversion effects of this loan are recognized in equity capital.

For fiscal years that begin on or after January 1, 2011, the following new and revised Standards and Interpretations must be applied. As explained in the consolidated financial statements as of December 31, 2010, these new Standards and Interpretations currently have either no relevance with respect to the consolidated financial statements or no material effect on the WashTec Group's net assets, financial position and results of operation.

- IAS 24 Amendments to IAS 24 – Related Party Disclosures
- IAS 32 Amendments to IAS 32 – Classifications of Rights Issues
- IFRS 1 Amendments to IFRS 1 – Limited Exemption from Comparative IFRS 7 for First-time Adopters
- IFRIC 14 Amendments to IFRIC 14 – Prepayments of a Minimum Funding Requirement
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments
- IFRS Improvements to IFRS 2010

Moreover, the IASB and the IFRIC enacted the following additional Standards, Interpretations and Amendments, which by law do not yet need to be applied in fiscal year 2011 or which have not yet been recognized by the EU. The WashTec Group did not opt for an early adoption. The first-time adoption of the Standards is planned for the day on which these standards are recognized and adopted by the EU.

- IAS 1 Amendment to IAS 1 – Presentation of Items of Other Comprehensive Income
- IAS 12 Amendment to IAS 12 – Deferred Tax: Recovery of Underlying Assets
- IAS 19 Amendment to IAS 19 – Employee Benefits
- IAS 27 Revision of IAS 27 – Separate Financial Statements
- IAS 28 Revision of IAS 28 – Investments in Associates
- IFRS 1 Amendments to IFRS 1 – Severe Hyperinflation and Relief for First-time Adopters on Fixed Transition Dates
- IFRS 7 Amendments to IFRS 7 – Financial Instruments: Disclosures
- IFRS 9 Financial instruments: Classification and Measurement
- IFRS 10 Consolidated Financial Statements
- IFRS 11 Joint Arrangements
- IFRS 12 Disclosure of Interests in Other Entities
- IFRS 13 Fair Value Measurement

The factual situations, which are addressed by the Standards IAS 1, IAS 12, IAS 19, IAS 27, IAS 28, IFRS 1, IFRS 7, IFRS 10, IFRS 11, IFRS 12 and IFRS 13, are currently not relevant to the WashTec Group, have no material effects on the net assets, financial condition and results of operation of the WashTec Group and/or could lead to additional disclosures in the notes. At present, the WashTec Group cannot yet conclusively determine which effects the first-time adoption of IFRS 9 will have.

3. Business combinations

In the Wash Chemicals business segment, WashTec Benelux B.V., Zoetermeer, the Netherlands, entered into an agreement to acquire selected assets (including customer lists and a sales employee) of the former wash chemicals dealer as of April 1, 2011. WashTec is thereby securing the future supply and support of all local customers for Auwa wash chemicals through its subsidiary in the Netherlands.

The purchase price for the corporate acquisition is less than € 0.5m. The due diligence examination focused primarily on business risks.

On April 7, 2011, WashTec also signed an agreement to acquire the substantial assets of the »car wash« division of the former Ceccato dealer and the second largest market player in Spain, Barin S.A. By virtue of this step, WashTec will become the second largest supplier on the Spanish market. Due to the difficult market situation in Spain, Barin had suffered financial difficulties and had to file for bankruptcy at the end of 2010. WashTec had therefore decided to use that opportunity to expand its market position in Spain despite facing a continuing difficult economic environment there. WashTec expects that the merger of both organizations will generate positive synergies.

The parties agreed to a purchase price of approximately € 0.6m, which covers the customer lists as well as some inventory. Key employees were also transferred to WashTec. The agreement contained a hold-back clause enforceable against the seller. The approval from the competent bankruptcy court in Madrid, which is required to validate the contract, has also since been issued.

To date, the incidental costs associated with the acquisitions have totaled € 52k and were recognized in the income statement.

The following table shows the book values and preliminary fair values of the acquired assets and liabilities of the aforementioned companies as of the record date of the acquisition:

in €m	Fair value	Book value
Inventories	0.2	0.2
Intangible assets	0.8	0.8

The consolidated result as of September 30, 2011 includes an estimated profit of € 0.1m as well as sales revenues of € 0.5m. Because of the bankruptcy filing by Barin S. A. at the end of 2010, no revenues are expected to be generated in the »car wash« division in 2011. Had the business combinations occurred at the beginning of the year, the consolidated revenues would have been € 212.8m and the consolidated after-tax result would have been approximately € 5.8m.

4. Segment reporting

In connection with reorganizing the internal management of the Group, the segment reporting was modified as of the first quarter of 2011 to include the regions »Core Europe«, »Emerging Europe«, »North America« and »Asia/Pacific«.

In the »Core Europe« region, the activities of the WashTec Group within Northern and Western Europe are combined. This region therefore includes the previous area known as »DACH« (Germany, Austria, Switzerland) as well as the European portion of the »RoW« (Rest of Word) area and of the Chemicals and Operator business (»Others« area). The »Emerging Europe« region corresponds to the previous area known as »CEE« (Central and Eastern Europe), and the »North America« region includes the activities in the United States and Canada, which had been previously reported in the »RoW« area. The »Asia/Pacific« region reflects primarily the business developments of the Australian subsidiary and the development of China.

Jan–Sep 2011 in €k	Core Europe	Emerging Europe	North America	Asia & Pacific	Consoli-dation	Group
Revenues	178,463	6,828	27,480	7,889	–7,912	212,748
thereof with third parties	171,538	6,812	26,800	7,889	–290	212,748
thereof with other segments	6,925	17	680	0	–7,622	0
Operating result	**14,473**	**652**	**–3,074**	**–451**	**91**	**11,691**
Financial result						91
Financial expenses						–1,280
Results from ordinary business activities						**10,502**
Income tax expense						–4,739
Consolidated result						**5,763**

Jan–Sep 2010 in €k	Core Europe	Emerging Europe	North America	Asia & Pacific	Consoli-dation	Group
Revenues	170,143	5,902	18,315	4,208	–8,221	190,347
thereof with third parties	163,567	5,900	17,237	4,208	–564	190,347
thereof with other segments	6,576	2	1,079	0	–7,657	0
Operating result	**16,187**	**409**	**–3,283**	**–750**	**–693**	**11,870**
Financial result						43
Financial expenses						–1,471
Results from ordinary business activities						10,442
Income tax expense						–5,227
Consolidated result						**5,215**

5. Equity capital

On September 30, 2011, the subscribed capital of WashTec AG was € 40,000k and divided into 13,976,790 shares. As it was at year's end, these sums represent the average weighted number of issued and outstanding shares.

At the annual general meeting of the shareholders held on May 5, 2011, WashTec AG shareholders resolved that from the Company's non-appropriated retained earnings of € 4,759,216 for fiscal year 2010, € 4,332,860.70 would be paid as a dividend and € 426,355.30 would be carried forward to a new account. The payment corresponds to a dividend of € 0.31 per no-par value share with dividend rights. The profit carried forward has been thereby reduced by € 4,332,860.70.

6. Significant business transactions

As of January 1, 2011, the substantial assets of the product development and sales departments of Adekema were transferred, as reported in the 2010 annual financial statements. This resulted mostly in an increase in the intangible assets in the first half of 2011.

Since the end of April 2011, the US subsidiary of WashTec, Mark VII Inc., has expanded its direct sales and servicing network in the United States and has opened its own branch in Florida. These steps were taken in order to guarantee the supply and support of newly acquired major national customers with Mark VII products.

7. Related party transactions

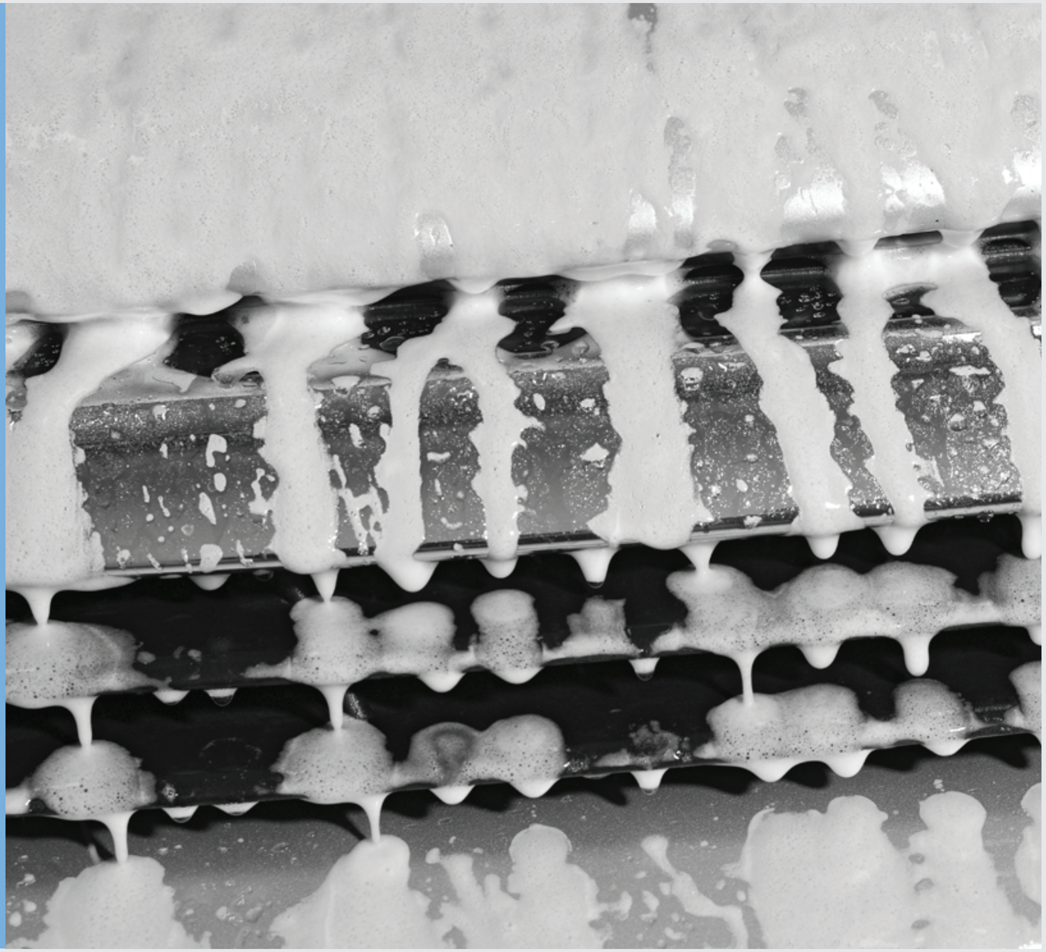
No related party transactions transpired during the reporting period.

8. Events after the balance sheet date

No significant events occurred after the reporting period ended.

Finance calendar

Analysts' Conference/ Equity Forum	Nov 21–23, 2011, Frankfurt/Main (WashTec presentation: Nov 22, 2011, 5.15 pm, »Paris Room«)
Annual Report 2011	March 2012
Annual General Meeting 2012	May 2012
3-month-Report	May 2012
6-month Report	August 2012
9-month Report	November 2012



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