Q1 2010 Report on the Period from January 1 to March 31, 2010

Unaudited translation for convenience purposes only

Significantly improved operating result (EBIT) in the first quarter of 2010:

- 2.4% revenue growth to € 55.9m (prior year: € 54.6m) due to increase in equipment sales
- Significant improvement in operating result (EBIT) to € –0.3m (prior year: € –2.5m)
- Formation of subsidiary in Australia

		Jan 1 to Mar 31, 2010	Jan 1 to Mar 31, 2009	Change
Revenues	€m	55.9	54.6	1.3
EBITDA	€m	2.0	–0.4	2.4
EBIT	€m	–0.3	–2.5	2.2
EBIT adjusted for non-recurring effects	€m	0.2	–1.7	1.9
EBT	€m	–0.8	–3.1	2.3
Employees as of March 31		1,525	1,542	–17
Earnings per share*	€	–0.10	–0.20	0.10
Net cash flow	€m	3.4	–1.3	4.7
Capital expenditures in non-current assets	€m	0.9	1.1	–0,2

* diluted = undiluted, average number of shares: Q1 2010: 13,976,970; Q1 2009: 13,976,970

Interim management report (unaudited)

1. Results of operation, financial position and net assets

In the first quarter of 2010, the WashTec Group generated revenues of € 55.9m (€ 1.3m or 2.4% higher than in Q1 2009), as a result of a 5.9% increase in equipment sales. Revenues in the service and operations business remained stable, while wash-chemicals revenues declined by 12.5% due to the severe winter in the heart of Europe. This forced many car wash operators to close their doors temporarily in January and February due to snow and very low temperatures.

- *Significantly improved operating result (EBIT)*
- *Results of the first quarter confirm expectations for 2010*

Operating result (EBIT) rose by € 2.2m to € –0.3m (prior year: € –2.5m) as a result of the continuous cost and efficiency measures. After adjusting for non-recurring effects of € –0.5m for start-up costs in Australia (Q1 2009: € –0.8m for trade receivable write-off in Southern Europe), the operating result equals € 0.2m (prior year: € –1.7m).

Significant improvements were also made in the net cash flow with € 3.4m compared to € –1.3m last year.

The results of the first quarter of 2010 confirm the Company's expectations for the full year 2010: Investments into new equipment by customers will not substantially increase this year. On the other hand, cost reduction and efficiency measures will result in an improvement of the profitability.

On March 19, 2010, »WashTec Australia Pty Ltd« was formed as the Australian subsidiary of WashTec Cleaning Technology GmbH in order to commence direct sales and service activities in Australia. More details on this event can be found under »Events after the end of the reporting period«.

In addition to the standard agenda items, management's proposals for the Annual General Meeting of WashTec AG on May 5, 2010 also include to continue the share buy-back program, to replace the expiring authorized capital with a new authorized capital and to authorize the issuance of convertible bonds. Due to the resignation of Mr. Roland Lacher for personal reasons, a new Supervisory Board member will be elected.

1.1 Economy and market

All markets throughout the world continue to be affected by the financial and economic downturn. However, the business climate index published by the Institute for Economic Research (IFO) improved again in the first quarter of 2010, and a continued recovery for the world economy is expected in the coming months (source: IFO press release of February 17, 2010).

The car wash business remains profitable at most locations, despite the extreme weather conditions in the heart of Europe with temporarily car wash closures in January and February of this year.

Investment restraints persist despite slight economic recovery in many regions

The slight growth in revenues, particularly in the equipment business, confirms that an economic recovery is beginning in a number of regions. However, a substantial pick-up in investment activity is still not expected this year. This restrained investment environment continues especially in the North American and Southern and Eastern European markets. Smaller operator chains and single operators as well as customer groups such as car dealerships and transport companies continue to have only limited financing possibilities, and some multinational oil companies are continuing their cost-cutting programs.

The development in the US dollar-euro exchange rate had only a minor impact on the operating business and earnings of the WashTec Group. A depreciation of the Euro vs. other currencies, however, reduced investment costs for the operators in some countries.

The competition has not significantly changed compared to the situation described in the 2009 Annual Management Report. The European market, as a stable replacement market, is dominated by four major competitors. The American market remains much more fragmented, and the equipment revenues have declined for all suppliers due to the economic environment in this market. The expectation is that the market will undergo some consolidation in the short to the mid-term.

There have been no significant changes in technology.

1.2 Business and earnings situation

Revenues

Revenues in the first quarter increased by € 1.3m or 2.4%

Revenues in the first quarter reached € 55.9m, and were therefore € 1.3m or 2.4% higher than revenues at this time last year (prior year: € 54.6m).

Revenues by region in €m, IFRS	Jan 1 to Mar 31, 2010	Jan 1 to Mar 31, 2009
Germany	21.1	20.8
Rest of Europe	29.2	27.4
North America	4.6	5.3
Rest of World*	1.0	1.1
Total	**55.9**	**54.6**

* primarily Asia and Australia

Revenues by segment in €m, IFRS	Jan 1 to Mar 31, 2010	Jan 1 to Mar 31, 2009
Area »DACH«	21.7	21.1
Area »CEE«	1.6	2.5
Area »RoW«	30.5	29.2
Area »Others«	3.1	2.7
Consolidation	–1.0	–0.9
Total	**55.9**	**54.6**

Revenues in Germany increased by € 0.3m to € 21.1m. This increase was attributable to higher equipment sales, while revenues in the wash-chemicals segment were lower due to the severe winter.

Revenues in the »DACH« area [Germany (D), Austria (A), Switzerland (CH)] equaled € 21.7m and were therefore € 0.6m above last year's level.

In connection with the segment reporting, the revenues and results of AUWA-Chemie GmbH, WashTec Financial Services GmbH and Wesurent carwash marketing GmbH are all reported within the »Others« area. Revenues in this area increased by € 0.4m to € 3.1m.

Revenues in Central and Eastern Europe (»CEE« area) decreased by € 0.9m to € 1.6m (prior year: € 2.5m). It should be noted, that the »CEE« area was only impacted by the financial and economic downturn from the second quarter of 2009 onwards.

Revenues in the rest of the world (»RoW« area) increased from € 29.2m to € 30.5m.

US-market for car wash equipment continues to be impacted by the financial and economic downturn

The US-market for car wash equipment continues to be impacted by the financial and economic downturn. Investments in new equipment are still delayed driven by the inability for smaller operators to obtain financing and the general market uncertainty. Accordingly, revenues in North America, which are also included in the »RoW« area, decreased by € 0.7m to € 4.6m (prior year: € 5.3m). In US dollar terms, revenues were USD 6.3m (prior year: USD 7.6m).

Revenues by products in €m, IFRS	Jan 1 to Mar 31, 2010	Jan 1 to Mar 31, 2009
New equipment	27.7	26.7
Spare parts, service	20.6	20.4
Used equipment	1.2	0.6
Chemicals	4.2	4.8
Rent, accessories and miscellaneous	2.2	2.1
Total	**55.9**	**54.6**

Due to the severe winter, wash-chemicals revenues of the WashTec Group declined by € 0.6m to € 4.2m. Service revenues increased slightly by € 0.2m to € 20.6m.

As of the end of the first quarter, the order backlog remained below the level of the prior year.

Earnings

in €m, IFRS	Jan 1 to Mar 31, 2010	Jan 1 to Mar 31, 2009
EBITDA	2.0	–0.4
EBIT	–0.3	–2.5
EBIT adjusted for non-recurring effects	0.2	–1.7
EBT	–0.8	–3.1

EBITDA rose to € 2.0m and was therefore € 2.4m higher than in the same period of the prior year (€ –0.4m). This figure includes non-recurring effects of € 0.5m for the start-up of operations in Australia (non-recurring effects prior year: € 0.8m for write-downs on receivables in Southern Europe).

Gross profit (incl. changes in inventories) increased from € 30.8m to € 32.5m as a result of the international sourcing initiatives. As a consequence thereof, the **gross profit margin** rose by 1.7 percentage points to 58.2% (prior year: 56.5%).

Despite wage increases, personnel expenses decreased from € 22.5m to € 22.0m

Despite wage increases and an expansion of supply chain activities in China and the Czech Republic, **personnel expenses** decreased by € 0.5m to € 22.0m (prior year: € 22.5m).

Other operating expenses (including other taxes) increased by € 0.2m to € 9.7m, due to the activities in the Czech Republic and China.

Depreciation and amortization increased by € 0.3m to € 2.4m (prior year: € 2.1m) driven by the capital expenditures of 2009.

The **operating result (EBIT)** increased to € –0.3m (prior year: € –2.5m). After adjusting for non-recurring effects due to expenses incurred in connection with the start-up of operations in Australia (€ 0.5m), the operating result equaled € 0.2m and was therefore positive again after € –1.7m last year.

Net finance costs were further reduced from € 0.6m to € 0.5m as a result of lower bank liabilities.

EBT improves by € 2.3m in the first quarter of 2010

Earnings before taxes (EBT) increased in the first quarter to € –0.8m (prior year: € –3.1m). The **consolidated net income** after taxes was € –1.4m (prior year: € –2.7m). It should be noted here that due to the current market situation, no deferred taxes are being recognized on loss carry-forwards in some countries.

Earnings per share (diluted = undiluted) increased to € –0.10 (prior year: € –0.20).

Balance sheet

Assets in €m, IFRS	Mar 31, 2010	Dec 31, 2009
Non-current assets	115.7	116.2
thereof intangible assets	67.7	66.9
thereof deferred tax assets	7.2	7.6
Current assets	75.4	83.7
thereof inventories	33.6	32.5
thereof trade receivables	31.5	35.1
thereof other assets	5.1	2.2
thereof cash and cash equivalents	5.1	13.8
thereof tax receivables	0.1	0.1
Total assets	**191.1**	**199.9**

Deferred tax assets totaled € 7.2m as of March 31, 2010, € 0.4m lower than at the end of 2009.

Due to the development of the US dollar exchange rate, **intangible assets** increased from € 66.9m as of December 31, 2009 to € 67.7m as of March 31, 2010.

Inventories rose from € 32.5m to € 33.6m due to seasonality.

Receivables and other assets fell in the first quarter by € 0.7m from € 37.3m to € 36.6m.

Cash and cash equivalents decreased to € 5.1m (December 31, 2009: € 13.8m) because of unscheduled repayments of liabilities owed to banks.

The **balance sheet total** declined from € 199.9m as of the end of 2009 to € 191.1m as of March 31, 2010.

Equity and liabilities in €m, IFRS	Mar 31, 2010	Dec 31, 2009
Equity	84.3	85.6
Liabilities to banks	31.9	40.7
Other liabilities + provisions	74.2	83.7
thereof trade payables	5.5	3.4
thereof provisions	19.5	21.0
Deferred income	9.2	9.6
Total equity and liabilities	**191.1**	**199.9**

Equity ratio as of March 31, 2010: 44.1%

Equity equals € 84.3m (December 31, 2009: € 85.6m). The negative income for the period was partially offset by foreign currency adjustments that were recognized on the balance sheet. **Equity ratio** increased to 44.1% as a result of the lower balance sheet total.

Liabilities to banks fell by € 8.8m to € 31.9m compared to December 31, 2009. **Net finance debt** (net liabilities to bank plus long-term and short-term finance leasing) decreased from € 37.0m to € 36.4m.

Provisions declined from € 21.0m as of December 31, 2009 to € 19.5m due to pay-outs.

Cash flow statement

Cash flows from operating activities (net cash flow) were € 3.4m (prior year: € –1.3m) in the first quarter of 2010.

Cash flows from investment activities – for new product developments and maintenance capital expenditures – equaled € 0.8m (prior year: € 1.1m).

As of March 31, 2010, **cash and cash equivalents** had in total declined by € 8.7m.

Employees

Number of employees in the WashTec Group at 1,525

Compared to March 31, 2009, the number of employees declined by 17 persons to 1,525 persons despite the increased supply chain activities in China and the Czech Republic. Compared to December 31, 2009, the Group had 28 fewer employees.

WashTec's share

The WashTec share price rose from € 7.61 as the closing price for 2009 to € 8.80 at March 31, 2010 (+15.6%). Therefore, the share's performance exceeded the development of the SDAX (+9.8%).

Shareholder structure

As required under the German Securities Trading Act (»WpHG«), Sterling Strategic Value Ltd. notified us that its voting share in WashTec AG had exceeded the 15% threshold as of March 30, 2010.

During the first quarter, the Company's management stayed in contact with journalists and the financial community. In connection with the publication of its financial reports, the Company held conference calls for analysts and investors as well as a financial press conference.

WashTec is currently covered by HVB Unicredit, HSBC Trinkaus & Burkhardt and MM Warburg.

Shareholding in %	Mar 31, 2010
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: Notices made pursuant to the German Securities Trading Act (WpHG)

Events after the end of the reporting period

Start-up of own activities in Australia and Canada

On April 1, 2010, »WashTec Australia Pty Ltd«, the newly-formed Australian subsidiary of WashTec Cleaning Technology GmbH, concluded an agreement to purchase substantially all assets of the former Australian dealer of WashTec. WashTec has thereby started-up direct sales and service activities in Australia. The investment in the Australian market is intended to secure WashTec's equipment sales and guarantee high equipment availability for customers there. In the mid-term, this move will strengthen WashTec's worldwide presence and market leadership as well as the relations with its major customers.

On April 20, 2010, a Canadian entity was established by the US subsidiary of WashTec, Mark VII Equipment Inc. A key trigger for this step is a cooperation agreement with Shell Canada for the provision of car wash equipment and services.

2. Forecast

The investment climate in many markets remains restrained, even though the car wash business continues to be profitable at most locations.

The results of the first quarter of 2010 confirm the Company's expectations for the full year 2010 as communicated in the 2009 Annual Report:

- *Earnings growth through cost and efficiency measures*
- *Further strengthening of market position*

WashTec does not expect the markets to substantially recover this year. Despite little top-line growth, due to cost and efficiency measures, profitability will increase.

The current difficult market environment for equipment sales offers WashTec opportunities to strengthen its position in the market through acquisitions or investments on favourable terms and conditions. WashTec will actively exploit such opportunities, as done by starting-up its own operations in Australia in early April 2010. It is expected that additional opportunities for acquisitions will emerge. This will extend WashTec's position as market leader and lay the foundation for future growth. For 2010, WashTec will also continue to invest in product innovations in Europe and the United States, as well as in efficiency measures in connection with its international production sites and in the service business.

In the mid-term, WashTec expects a recovery of the markets and therefore plans to return to its targeted growth rates of 4–7% per annum combined with a disproportionate increase in earnings.

The mid- and long-term outlook remains favorable. The further expansion of offerings along the carwash value chain, the increase in market share above all in North America and growth in countries with a growing car population will lead to an increase in revenues. Together with the general economic recovery, WashTec aims to reach an EBIT margin of over 12% in the long-term.

3. Opportunities and risks related to future development

There were no major changes in the opportunities and risks as presented in the risk report in the 2009 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, 2010	Jan 1 to Mar 31, 2009
	€	€
Revenues	55,939,801	54,561,472
Other operating income	1,036,527	727,119
Other capitalized development costs	285,123	207,356
Change in inventories	–764,482	–2,061,499
Total	**56,496,969**	**53,434,448**
Cost of materials		
Cost of raw materials, consumables and supplies and of purchased material	18,500,767	17,982,266
Cost of purchased services	4,132,450	3,677,830
	22,633,217	**21,660,096**
Personnel expenses	**21,965,288**	**22,512,576**
Amortization, deprecation and impairment of intangible assets and property, plant and equipment	2,362,979	2,106,378
Other operating expenses	9,680,723	9,494,873
Other taxes	174,546	158,212
Total operating expenses	**56,816,753**	**55,932,135**
EBIT	**–319,784**	**–2,497,687**
Other interest and similar income	12,675	12,376
Interest and similar expenses	497,072	574,358
Financial result	**–484,397**	**–561,982**
Result from ordinary activities/EBT	**–804,181**	**–3,059,669**
Income taxes	–609,920	324,955
Consolidated profit for the period	**–1,414,101**	**–2,734,714**
Average number of shares	**13,976,970**	**13,976,970**
Earnings per share (basic = diluted)	**–0.10**	**–0.20**

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, 2010	Dec 31, 2009
	€	€
Non-current assets		
Property, plant and equipment	40,426,991	41,400,152
Goodwill	58,059,865	57,151,866
Intangible assets	9,633,957	9,739,410
Tax receivables	288,222	288,222
Other assets	24,784	24,784
Deferred tax assets	7,227,105	7,564,371
Total non-current assets	**115,660,924**	**116,168,805**
Current assets		
Inventories	33,592,007	32,536,505
Trade receivables	31,522,099	35,126,716
Tax receivables	56,732	70,283
Other assets	5,180,557	2,206,379
Cash and bank balances	5,090,138	13,802,341
Total current assets	**75,441,533**	**83,742,224**
Total assets	**191,102,457**	**199,911,029**

Equity and liabilities	Mar 31, 2010	Dec 31, 2009
	€	€
Equity		
Subscribed Capital	40,000,000	40,000,000
thereof contingent capital	2,105,264	2,105,264
Capital reserves	36,463,441	36,463,441
Other reserves	–1,653,704	–1,818,274
Profit carried forward	10,912,570	5,156,548
Consolidated profit for the period	–1,414,101	5,756,022
	84,308,206	**85,557,737**
Non-current liabilities		
Interest-bearing loans	31,840,554	33,804,469
Finance leasing	7,239,877	7,704,417
Provisions for pensions	6,664,254	6,649,022
Other non-current provisions	3,302,780	3,004,227
Other nun-current liabilities	1,617,757	1,597,198
Deferred Income	682,479	824,640
Total non-current liabilities	**51,347,701**	**53,583,973**
Current liabilities		
Interest-bearing loans	79,426	6,855,698
Finance leasing	2,409,368	2,423,541
Prepayments on orders	8,298,388	8,219,316
Trade payables	5,469,914	3,357,764
Other liabilities for taxes and levies	2,546,429	3,333,019
Other liabilities for social security	800,887	982,751
Tax liabilities	92,081	358,672
Other current liabilities	17,799,867	15,495,908
Other current provisions	9,441,815	10,933,157
Deferred Income	8,508,375	8,809,493
Total current liabilities	**55,446,550**	**60,769,319**
Total equity and liabilities	**191,102,457**	**199,911,029**

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, 2010	Jan 1 to Mar 31, 2009
	€k	€k
EBT	**–804**	**–3,060**
Adjustments to reconcile profit before tax to net cash flows		
not affecting cash:		
Amortization, depreciation and impairment of non-current assets	2,363	2,106
Gain/loss from disposals of non-current assets	–10	5
Share-based payments expense	0	216
Other gains/losses	–1,777	–1,340
Interest income	–13	–12
Interest expense	497	574
Movements in provisions	–1,003	–1,139
Changes in net working capital:		
Increase/decrease in trade receivables	4,307	7,727
Increase/decrease in inventories	–596	–490
Increase/decrease in trade payables	1,055	–1,742
Changes in other net working capital	–246	–3,576
Income tax paid	–332	–581
Net cash flows from operating activities	**3,441**	**–1,312**
Purchase of property, plant and equipment (without finance leasing)	–909	–1,110
Proceeds from sale of property, plant and equipment	70	6
Net cash flows from operating activities	**–839**	**–1,104**
Repayment of non-current liabilities to banks	–10,012	0
Interest received	13	12
Interest paid	–428	–488
Repayment of non-current liabilities from finance leases	–597	–476
Net cash flows used in financing activities	**–11,024**	**–952**
Net increase/decrease in cash and cash equivalents	**–8,422**	**–3,368**
Net foreign exchange difference in cash and cash equivalents	**–299**	**132**
Cash and cash equivalents at 1 January	**13,732**	**6,246**
Cash and cash equivalents at 31 March	**5,011**	**2,878**
Bank balances	**5,090**	**3,030**
Current bank liabilities	**–79**	**–152**

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 Mar 31, 2010	Jan 1 to Mar 31, 2009
Earnings after taxes	**–1,414**	**–2,735**
Changes in the fair value of financial instruments used for hedging purposes recognized under equity	–579	–398
Adjustment item for the currency translation of foreign subsidiaris and currency changes	235	249
Exchange differences on net investments in subsidiaries	477	329
Actuarial gains/losses from defined benefit obligations and similar obligations	0	0
Deferred taxes on changes in value taken directly to equity	31	11
Valuation gains/losses recognized directly in equity	**164**	**191**
Total income and expense and valuation in gains/losses recognized directly in equity	**–1,250**	**–2,544**

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	Treasury shares	Other reserves	Exchange effects	Loss carried	Total
As of January 1, 2009	**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
Consolidated earnings for the period						–2,735	–2,735
As of March 31, 2009	**40,000**	**45,713**	**–9,464**	**–1,323**	**–564**	**2,421**	**76,783**
As of January 1, 2010	**40,000**	**36,464**	**0**	**–1,365**	**–453**	**10,912**	**85,558**
Income and expenses recognized directly in equity				–102	235		133
Taxes on transactions recognized directly in equity				31			31
Share-based payment		0					0
Consolidated earnings for the period						–1,414	–1,414
As of March 31, 2010	**40,000**	**36,464**	**0**	**–1,436**	**–218**	**9,498**	**84,308**

Segment reporting from 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 RoW 2010	Area DACH 2010	Area CEE 2010	Area Others 2010	Consoli-dation 2010	Group 2010
Revenues	30,492	21,717	1,603	3,067	–939	55,940
with third parties	30,482	21,421	1,603	2,536	–102	55,940
with other segments	10	296	0	531	–837	0
EBIT	**–1,407**	**432**	**143**	**519**	**–7**	**–320**
Income from interest and financial assets						13
Interest and similar expense						–497
Result from ordinary activities						–804
Income taxes						–610
Consolidated net income						**–1,414**

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

Notes to the Interim Consolidated Financial Statements of Washtec AG (IFRS) for the period of January 1 to March 31, 2010

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 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).

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, 2010 was prepared in accordance with IAS 34 »Interim Financial Reporting«.

The interim consolidated financial statement does not include all explanations and information required for the financial statements for the fiscal year and should be read in conjunction with the consolidated financial statements for the period ending December 31, 2009

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, 2009, except for the tax calculation.

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

For fiscal years that begin on or after January 1, 2010, the following new and revised interpretations must be applied. As explained in the consolidated financial statements as of December 31, 2009, these new standards and interpretations are currently either irrelevant with respect to the consolidated financial statements or have no material effect on the WashTec Group's net assets, financial position and results of operation.

- IFRS 1 Amendments to IFRS 1 – Additional Exceptions for First-Time Adoption
- IFRS 2 Amendments to IFRS 2 – Share-based Payments with Cash-Settled Transactions in the Group
- IFRS 3 IFRS 3 – Business Combinations and IAS 27 – Consolidated and Separate Financial Statements under IFRS
- IAS 39 Amendments to IAS 39 – Financial Instruments: Recognition and Measurement – Eligible and Hedged Items

- IFRIC 12 Service Concession Arrangements
- IFRIC 15 Agreements for the Construction of Real Estate
- IFRIC 16 Hedge of Net Investments in Foreign Operations
- IFRIC 17 Distributions of Non-Cash Assets to Owners
- IFRIC 18 Transfer of Assets from Customers

Consolidated group

The newly formed subsidiary, WashTec Australia Pty Ltd., Australia, has been included in the consolidated financial statements of the WashTec Group beginning in March 2010.

Balance sheet/Equity

The registered share capital of WashTec AG was € 40m on March 31, 2010 and is divided into 13,976,970 shares.

Earnings per share

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

	Mar 31, 2010	Mar 31, 2009
Net result	€ –1.4m	€ –2.7m
Number of shares	13,976,970	13,976,970
Earnings per share	€ –0.10	€ –0.20

Events after the balance sheet date

On March 19, 2010, WashTec Australia Pty Ltd. was formed as an Australian subsidiary of WashTec Cleaning Technology GmbH in order to commence direct sales and service activities in Australia.

On April 1, 2010, »WashTec Australia Pty Ltd«, the newly-formed Australian subsidiary of WashTec Cleaning Technology GmbH, concluded an agreement to purchase substantially all assets of the former Australian dealer of WashTec. WashTec has thereby started-up direct sales and service activities in Australia. The investment in the Australian market is intended to secure WashTec's equipment sales and guarantee high equipment availability for customers there. In the mid-term, this move will strengthen WashTec's worldwide presence and market leadership as well as the relations with its major customers. A purchase price of € 1.0m was agreed. The purchase agreement includes a hold-back provision enforceable against the seller. In connection with the acquisition, the costs so far incurred included, among other items, € 300k for due diligence and transaction costs, which were booked in the income statement under »other operating expenses«.

The following table shows the book values and preliminary fair market values of the assets and liabilities as of the acquisition date:

in €m	fair value	Book value
Trade receivables	1.4	1.7
Inventories	0.7	1.8
Non-current assets	0.4	0.3
Trade payables	0.2	0.2
Current liabilities and provisions	1.3	1.7

On April 20, 2010, a Canadian entity was established by the US subsidiary of WashTec, Mark VII Equipment Inc. A key trigger for this step is a cooperation agreement with Shell Canada for the provision of car wash equipment and services.

Contact

WashTec AG
Argonstrasse 7
86153 Augsburg

Telephone number +49 821 5584-0
Telefax number +49 821 5584-1135
www.washtec.de
washtec@washtec.de

Financial calendar

Annual General Meeting 2010	May 5, 2010
6-month report	August 9, 2010
9-month report	November 4, 2010
Analysts' Conference/ Equity Capital Forum	November 22–24, 2010