Q2 2012 Group Management Report on the period from January 1 to June 30, 2012

Unaudited translation for convenience purposes only

WashTec

Slight revenue growth despite still difficult environment

- Revenue growth weakens in the second quarter: slight foreign exchange-based growth in revenue to € 142.6m (prior year € 140.5m); EBIT falls accordingly from € 6.1m to € 5.2m
- Strong market-related decline in individual regions of Core Europe leads to lower result; revenues and result in North America significantly improved
- Forecast for the full year 2012 generally verified; market-related risks in Core Europe
- Free cash flow climbs very significantly to € 8.9m (prior year: € 0.7m)

Rounding differences are possible		Jan 1 to Jun 30 2012	Jan 1 to Jun 30 2011*	Change in %	Apr 1 to Jun 30 2012	Apr 1 to Jun 30 2011*	Change in %
Revenues	€m	142.6	140.5	1.5	75.9	77.1	–1.6
EBITDA	€m	10.1	11.0	–8.2	7.6	8.3	–8.4
EBIT	€m	5.2	6.1	–14.8	5.1	5.9	–13.6
EBIT margin	%	3.6	4.3	–	6.7	7.7	–
Adjusted EBIT	€m	5.2	6.6	–21.2	4.8	6.2	–22.6
Adjusted EBIT margin	%	3.6	4.7	–	6.3	8.0	–
EBT	€m	4.3	5.2	–17.3	4.6	5.4	–14.8
Consolidated net income	€m	2.5	2.7	–7.4	3.1	3.2	–3.1
Earnings per share**	€	0.18	0.20	–10.0	0.22	0.23	–4.3
Employees as of June 30		1,644	1,664	–1.2			
Net cash flow	€m	11.1	5.4	105.6			
Investments	€m	–2.3	–4.5	–48.9			
ROCE***	%	13.5	15.6	–			

* Comparative figures adjusted per IAS 8, see item 3 in the notes to the consolidated financial statements
** Diluted = undiluted, average number of shares: 13,976,970 (unchanged)
*** »Return On Capital Employed« = adjusted EBIT/(total assets – current liabilities – cash and cash equivalents)

Interim Group Management Report

1. Results of operation, net assets and financial position

General economic environment remains difficult, North American repositioning proceeding on schedule, operating business further stabilized, strategic projects in Europe already launched

Despite the ongoing uncertainties due to the effects of the Euro and financial crisis on the real economy, economists have indicated that the global economic recovery has also been continuing in fiscal year 2012. This growth is especially fuelled by the emerging markets. Nevertheless, as a result of the high sovereign debt and the uncertainties in the financial sector which are once again rising, credit remains very tight. The resulting lack of financing greatly constrains – above all – smaller operating chains and individual operators in purchasing car wash equipment.

- *Still no market recovery*
- *Strong market decline in southern Europe, France and the Netherlands*

The market for carwash equipment has, as a whole, grown only modestly in the second quarter of 2012 as well and has generally not recovered. Thus, all told, it has remained at a low level compared to prior years. The regions have developed differently, however. For example, in the »Core Europe« segment, there has been a substantial downward trend in Southern Europe, France and the Netherlands, whereas the trend in the Eastern European markets has been positive. The general uncertainty caused by the Euro debt crisis has produced restraint among customers, who in some cases have declined or delayed investments or have felt compelled to postpone investments. Some regions in Southern Europe (for example, Spain and Italy) also have very significant structural problems. This is also generally reflected by the modest growth in consolidated revenues during the second quarter of 2012. Due to the economic situation, credit risks – above all, in Southern Europe – have risen. Appropriate action has already been taken in response to these developments. In North America, the first signs of a slight market recovery appeared in the first half of 2012; a fact reflected by the favorable revenue performance in that segment. In Eastern Europe, additional market growth has been reported and has led to high existing orders (order backlog) for the company there.

The competition has not changed significantly from the situation described in the 2011 Group management report. The trend toward increasing competitive intensity, which had already been observed back in 2011, has continued. In regions and markets that were impacted particularly hard by the crisis (for example, in Southern Europe), certain competitors have encountered financial difficulties and are in some cases retreating from those markets due to the situation there. Because of the general economic situation, it is therefore possible that the market will continue to consolidate in the near to mid-term. WashTec does not at this time, however, see any strategic advantage in an active consolidation of the manufacturers.

The carwash business continues to be profitable at a very large number of locations, even though weather conditions have resulted in lower wash numbers than in the prior year. No significant changes in technology have taken place.

Despite these generally unfavorable economic conditions, WashTec has succeeded during the first half of 2012 in keeping revenues (adjusted for foreign exchange effects) at the prior year level. Upon factoring in smaller positive foreign exchange effects, revenues even increased slightly by 1.5% from € 140.5m to € 142.6m. After the significant revenue growth of over 5% in the first quarter 2012, the growth in revenue during the second quarter lost much of its intensity (Q2 2012: € 75.9m, which reflects a 1.6% decrease compared

to the € 77.1m generated in the second quarter of 2011). Compared to the prior year, the gross profit margin decreased slightly by only 0.1 percentage points, despite the difficult environment.

The operating costs (other operating expenses, other operating income and other capitalized development costs) rose by approximately € 1.9m compared to the prior year. However, this item contains numerous non-recurring effects from, among other things, the write-back and creation of provisions and changes in currency exchange rates. After adjusting for these non-recurring effects, operating costs rose by € 1.1m. This had been caused by, among other things, costs incurred from strengthening the research and development departments, consulting and personnel recruitment costs in connection with the implementation of the strategy, the expansion of the sales and distribution structures in the Emerging Markets, and rising vehicle costs.

Strategic projects launched

Strategic projects in Europe launched

In Europe, the projects which were defined as part of the strategic repositioning announced in early 2012 have been rolled out in all areas.

In **innovation** and **iSales**, numerous projects have already commenced. These projects are also based on the comprehensive, already completed external customer analyses and end customer surveys, the results of which generally validate the selected approach and reveal additional potential along the supply chain. At the same time, the organizational structures were further adjusted and the staffing for these areas strengthened.

As part of the »2012 Innovation Campaign«, WashTec will present each month – until the leading industry trade fair automechanika begins in September 2012 – a new development that will provide even more thorough and profitable results in the professional carwash business. One of its newest innovations is the new XL-320 version of the rollover system, SoftCare Pro Classic, which can handle vehicles up to a height of 3.2 meters and a width of 2.6 meters. WashTec is thereby filling a void between the previous rollover systems and the utility vehicle rollover system, thereby allowing operators an opportunity to seize greater revenue potential through specific vehicle sizes. All visitors to the automechanika trade fair can also experience all innovations first-hand.

In sales, the degree of standardization is expected to be increased even further through the launch of a uniform, group-wide CRM system. The process for selecting a CRM provider has already begun. Moreover, the market intelligence in this area shall be elevated through the more proactive inclusion of outside third parties in the processes.

In the **iService** area, as part of the »breakdown-free equipment« project, inspections were made to further reduce non-scheduled equipment breakdowns. As expected, the comprehensive analysis will be completed by the end of 2012. The analysis of the results and the implementation of the information learned are expected to be carried out during the course of 2013.

iProd: The negotiations on relocating some of the production to the Czech Republic were successfully completed in the second quarter. An agreement was reached to move 49 jobs to the Czech Republic and should be finalized during the second half of 2012. The agreement provides for one additional work hour per week without additional wage remuneration and for greater working time flexibility in production. In exchange for this concession, the Company issued a three-year employment commitment for the remaining production in

Augsburg, which will thereafter be automatically extended by an additional year. Thus, in the future, the final assembly of complex products will occur in Augsburg.

internationality: WashTec is endeavoring in the coming years to gradually increase the share of its revenues from regions outside of the European core markets. In Central and Eastern Europe (»Emerging Europe«), the market continues to grow. The strengthening of the organizational structure which began back in 2011 has improved WashTec's market position even more. The Company continues to assume that its revenues in this segment will develop favorably.

WashTec's activities in Asia – and in this case, specifically in China – are still in the development phase. By expanding the local organization, however, a number of successes have already been achieved in the various customer segments. After the successful pilot study for large local oil companies in this region, the Company has made further progress among car dealers and several oil companies doing business there. This development puts WashTec in the long-term position to participate, as one of the market leaders, in the anticipated significant market growth.

North American business further stabilized

- *Stabilization of North American business due to quick implementation of the restructuring measures*
- *IAS 8 error correction in North America*

In North America, the actions, which were taken to remedy the operating weaknesses discovered at the local company and which took the form of comprehensive cost reductions and a restructuring of activities, have to a large extent been implemented on schedule. The set goals have therefore been achieved both in terms of their content and scheduling and have already led to a significant improvement in the USD results in this segment as of the end of the first half of 2012. The very extensive structural changes in North America were able to be successfully implemented despite all the challenges typically associated with such change. Even the operating business was able to be largely stabilized and the internal processes further improved. The local company continues to receive regular support from employees of the Company's headquarters in Augsburg. Despite the extensive restructuring program, the company has been able to fully meet its obligations to customers.

Efforts are still under way to narrow and focus the activities. Strategic alliances that are commensurate with the business value also remain an option. The market in North America has shown the first signs of a mild recovery in the first half of 2012. This favorable development and its meaning for the strategic re-orientation of the activities in this region, will necessarily require a new assessment of the strategic alternatives.

The accounting errors discovered in the first half of 2011 have reached an overall scale which materially influences the transparency of the reports for the comparative period of the prior year. For this reason, the Company applied IAS 8 and corrected a number of impacted items on the report of the prior year period. These corrections are described in detail in the notes to this half-year report.

Also in the first half of 2012, numerous internal audits and a special procedural examination by the auditor were carried out in the North American organization.

EBIT falls from € 6.1m to € 5.2m; The EBIT margin declines from 4.3% to 3.6%

Adjusted EBIT declining at the half-year mark

At the half-year mark, the EBIT (adjusted for non-recurring effects and foreign exchange effects) totaled € 5.2m and was therefore € 1.4m below the prior year (€ 6.6m). The adjusted EBIT margin dropped accordingly from 4.7% in the prior year to 3.6% presently. The EBIT decreased compared to the prior year by € 0.9m to € 5.2m (prior year: € 6.1m). This corresponds to an EBIT margin of 3.6% (prior year: 4.3%).

The weak incoming orders in the first quarter have continued in part in the second quarter, which meant that the order backlog at the end of the first half of the year remains slightly below the prior year level. In this respect, a market-related decrease in the incoming orders was reported, above all, in southern Europe, France and the Netherlands. The strong fluctuations reflect the current very volatile market environment.

Given this development, the Company plans to further intensify its marketing efforts, above all, in Core Europe. By implementing the strategic projects such as iProd and by reinforcing cost sensibility, the Company hopes to reduce expenditures even more.

The forecast for 2012 will remain generally unchanged

Forecast for 2012 will remain unchanged

Despite the difficult market environment in Europe, the Company is holding to its Group forecast for the entire year of 2012: WashTec is expecting slight revenue growth of 1–2% compared to the prior year, together with a significant increase in the adjusted result. The market-related risks and uncertainties remain, however.

Annual General Meeting of the Shareholders

- *Expansion of the supervisory board from three to six members*
- *Majority of shareholders approve management's recommendation on the use of profits*

On May 10th, this year's Annual General Meeting of WashTec AG was held at the Chamber of Industry and Commerce in the City of Augsburg (IHK Augsburg). As provided for in the agenda, the assembled shareholders and shareholder proxies adopted a resolution to increase the size of the Company's supervisory board from three to six members. As before, Mr. Michael Busch will remain Chairman. Mr. Massimo Pedrazzini will also continue to serve as a supervisory board member and was elected to serve as Deputy Chairman. Newly elected members were Messrs Jens Große-Allermann, Dr. Sören Hein, Roland Lacher and Dr. Hans Liebler. During the course of the meeting, Mr. Jürgen Lauer, who had previously served as the Deputy Supervisory Board Chairman, stated that he would not be a candidate for that position for personal reasons. The supervisory board commenced its work and formed a number of committees.

The management board also presented the new WashTec Group strategy and shared its detailed opinion about the current market, the situation in North America and the financing status. These items were also discussed during a general debate with the shareholders and shareholder representatives. The other proposed management resolutions, including the recommendation on the use of profits and the related waiver of a dividend payment for fiscal year 2011, were accepted by the vast majority of the shareholders. The management board emphasized in this connection that it would generally adhere to the previously approved dividend policy.

1.1 Business and earnings situation

Key figures

The key financial figures used by the Company for planning and management are the EBIT-margin, operating result per segment, current assets as well as equity ratio, gearing ratio and cash flow. Other non-financial performance indicators are also used such as employee turnover and the average years of service as well as regular customer satisfaction surveys. The performance indicators of employee turnover and the average years of service are described below under the item »Employees« and are described in detail in the 2011 Group Management Report of the WashTec Group.

Revenue and market development

Revenues by segment, H1 — Rounding differences are possible

in €m, IFRS	Jan 1 to Jun 30, 2012	Jan 1 to Jun 30, 2011*	Change in %
Core Europe	116.2	118.5	–1.9
Emerging Europe	5.4	5.2	3.9
North America	22.2	17.7	25.4
Asia/Pacific	4.9	4.9	0.0
Consolidation	–6.1	–5.9	–3.4
Group	**142.6**	**140.5**	**1.5**

* Comparative figures adjusted per IAS 8, see text item 3 in the notes to the consolidated financial statements

Revenues by segment, Q2 — Rounding differences are possible

in €m, IFRS	Apr 1 to Jun 30, 2012	Apr 1 to Jun 30, 2011*	Change in %
Core Europe	61.8	65.5	–5.6
Emerging Europe	3.4	2.0	70.0
North America	12.1	9.4	28.7
Asia/Pacific	1.9	2.5	–24.0
Consolidation	–3.3	–2.4	–37.5
Group	**75.9**	**77.1**	**–1.6**

* Comparative figures adjusted per IAS 8, see text item 3 in the notes to the consolidated financial statements

Revenues rose in the first half year by € 2.1m or 1.5% due to exchange rate effects

The **revenues** in the first half of the year equaled € 142.6m and were therefore € 2.1m or 1.5% higher than the prior year (prior year: € 140.5m). This figure includes foreign currency effects in the amount of € 2.6m. In the second quarter of 2012, however, revenues compared to the same period of the prior year declined by 1.6% (Q2 2012: € 75.9m; Q2 2011: € 77.1m). This was caused, above all, by weak incoming orders as of the end of the first quarter and the lower order backlog. In this respect, declining incoming orders were reported above all in the southern regions of Core Europe as well as in France and the Netherlands.

Greater market-related revenue decline in Southern Europe, France and the Netherlands

In the first six months of 2012, the markets in **Core Europe** developed generally worse than expected. Whereas the Company's forecasts were exceeded in the first quarter, the second quarter developed significantly worse than had been hoped. The financing opportunities for customers continued to be limited and actually worsened in individual regions such as Italy, Spain, France and the Netherlands. In many cases, this led to order postponements or to increasing competition and price pressures. In a number of regions of Core Europe, above all in Great Britain, customers were won back, however. Above all, due to the strongly declining revenues in South-

ern Europe and the Netherlands triggered by conditions on the market, the overall revenues in Core Europe declined in total by € 2.3m to € 116.2m (prior year: € 118.5m).

Continued positive market development in Emerging Europe

The favorable market development and growth continue in the »**Emerging Europe**« segment. Furthermore, the resolute expansion of the direct sales platform – for example in Poland during the first quarter of 2012 – yielded its first successes. Hence, revenues in this segment were once again slightly better than the prior year and totaled € 5.4m (prior year: € 5.2m) after the first half year of 2012. The higher order backlog in this segment points to growth in the second half of the year.

In **North America**, there are still no signs of a general market recovery, and the market seems to be settling at a lower level, even though the first signs of a slight market recovery did seem to emerge towards the end of the first half of 2012. The competition in this region continues to be very high, and pricing remains under pressure. Through the expansion and the growth of the direct sales activities, revenues in North America generally did develop better than expected and – at € 22.2m – were clearly higher than the prior year (prior year: € 17.7m). In US dollar terms, regional revenues after the first half of the year totaled USD 28.8m (prior year: USD 24.5m).

The market in Australia – which in the past made up most of the business in the »**Asia/Pacific**« segment – is developing on a stable basis at a low level. More specifically, individual operators are still reluctant to make investments. The activities in the high growth regions of Asia, specifically in China, are currently still in the development stage and will not contribute much in terms of revenue and earnings until the mid-term or long-term after they have established suitable sales and distributions structures. As in the prior year, revenues in this segment totaled € 4.9m.

Revenues by product, H1 — Rounding differences are possible

in €m, IFRS	Jan 1 to Jun 30, 2012	Jan 1 to Jun 30, 2011*	Change in %
New and used equipment	76.7	77.2	–0.1
Spare Parts, Service	44.5	44.2	0.1
Chemicals	15.5	13.1	18.3
Operator business and others	5.9	5.9	0.0
Total	**142.6**	**140.5**	**1.5**

* Comparative figures adjusted per IAS 8, see text item 3 in the notes to the consolidated financial statements

Revenues by product, Q2 — Rounding differences are possible

in €m, IFRS	Apr 1 to Jun 30, 2012	Apr 1 to Jun 30, 2011*	Change in %
New and used equipment	42.4	45.1	–6.0
Spare Parts, Service	23.1	22.4	3.1
Chemicals	7.5	6.4	17.2
Operator business and others	2.9	3.1	–6.5
Total	**75.9**	**77.1**	**–1.6**

* Comparative figures adjusted per IAS 8, see text item 3 in the notes to the consolidated financial statements

As of the end of the first half of the year, equipment revenues totaled € 76.7m and were therefore € 0.5m below the prior year (€ 77.2m). Revenues in spare parts and service rose slightly by € 0.3m to € 44.5m. The wash chemicals revenues once again developed very satisfactorily and rose by 18.3% to € 15.5m (prior year: € 13.1m). This development is attributable primarily to the direct sales areas in Florida and California as well as to organic growth because of the new customers solicited above all in Northern Europe. In the »Operator Business and Others« area, revenues equaled € 5.9m and were at last year's level.

Expenses and earnings

Earnings, H1 — Rounding differences are possible

in €m, IFRS	Jan 1 to Jun 30, 2012	Jan 1 to Jun 30, 2011*	Change in %
Gross profit**	82.8	81.8	1.2
EBITDA	10.1	11.0	–8.2
EBIT	5.2	6.1	–14.8
Adjusted EBIT	5.2	6.6	–21.2
EBT	4.3	5.2	–17.3

* Comparative figures adjusted per IAS 8, see text item 3 in the notes to the consolidated financial statements
** Sales + change in inventory – cost of materials

Earnings, Q2 — Rounding differences are possible

in €m, IFRS	Apr 1 to Jun 30, 2012	Apr 1 to Jun 30, 2011*	Change in %
Gross profit**	44.0	45.1	–2.4
EBITDA	7.6	8.3	–8.4
EBIT	5.1	5.9	–13.6
Adjusted EBIT	4.8	6.2	–22.6
EBT	4.6	5.4	–14.8

* Comparative figures adjusted per IAS 8, see text item 3 in the notes to the consolidated financial statements
** Sales + change in inventory – cost of materials

Gross profit margin virtually unchanged at 58.1%

The **gross profit** (including changes in inventory) rose from € 81.8m to € 82.8m. Despite increasing prices for raw materials and rising competitive pressures, **gross profit margin** remained almost unchanged at 58.1% (prior year: 58.2) as a result of sourcing measures and changes in the product mix that were made during the first half of the year.

Personnel expenses at € 50.6m

Personnel expenses were kept at the prior year level at € 50.6m despite the increase in collective wages in 2011. In connection with the implementation of the Compensation Master Agreement (ERA), additional provisions had to be set aside as a result of a court decision about cost neutrality that could indirectly impact the Company based on its signaling effect as a new precedent. The consequences of the court decision will likely produce additional costs for the Company. The **personnel expense ratio** (personnel expenses as a percentage of revenues) improved from 36.0% to 35.5%.

Changes in the USD:EUR exchange rate had a negative impact both on the development of personnel expenses (impact: € –0.4m) and on the cost of materials (impact: € –1.0m).

Other operating expenses (including other taxes) rose by € 1.8m to € 25.0m (prior year: € 23.2m) primarily because of costs incurred in connection with strengthening the research and development departments, consulting and personnel recruitment costs as part of the strategy implementation, the expansion of the sales structures in the Emerging Markets, and the higher vehicle costs. After adjusting for the foreign currency effects and non-recurring effects, the increase was only € 1.1m.

Other operating income (including other capitalized development costs) fell from € 3.1m in the prior year to € 2.9m now.

EBITDA declined from € 11.0m to € 10.1m and is therefore € 0.9m below the prior year.

Depreciation and amortization declined slightly by € 0.1m to € 4.9m (prior year: € 5.0m).

EBIT declined by € 0.9m to € 5.2m

EBIT declined to € 5.2m (prior year: € 6.1m), and the EBIT margin equaled 3.6% (prior year: 4.3%). The adjusted EBIT was likewise at € 5.2m (prior year: € 6.6m).

In the first half of 2012, non-recurring effects and foreign currency effects were attributable to the segments »Core Europe« (€ –0.1m) and »North America« (€ +0.1m). In the first half of 2011, non-recurring effects and currency effects impacted the »Core Europe« segment in the amount of € –0.6m and impacted the »North America« segment in the amount of € +0.1m.

EBIT by segment, H1 Rounding differences are possible

in €m, IFRS	Jan 1 to Jun 30, 2012	Jan 1 to Jun 30, 2011*	Change in %
Core Europe	6.6	8.8	–25.0
Emerging Europe	0.3	0.5	–40.0
North America	–1.2	–3.0	60.0
Asia/Pacific	–0.7	–0.3	–133.3
Consolidation	0.2	0.0	–
Group	**5.2**	**6.1**	**–14.8**

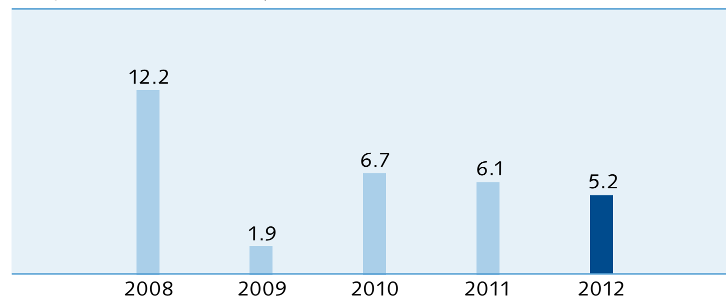
* Comparative figures adjusted per IAS 8, see text item 3 in the notes to the consolidated financial statements

EBIT by segment, Q2 Rounding differences are possible

in €m, IFRS	Apr 1 to Jun 30, 2012	Apr 1 to Jun 30, 2011*	Change in %
Core Europe	5.5	7.6	–27.6
Emerging Europe	0.2	0.1	100.0
North America	–0.4	–2.3	82.6
Asia/Pacific	–0.6	0.1	–
Consolidation	0.4	0.3	33.3
Group	**5.1**	**5.9**	**–13.6**

* Comparative figures adjusted per IAS 8, see text item 3 in the notes to the consolidated financial statements

EBIT, Jan 1 to Jun 30 in €m, IFRS



In general, the exchange rate development between the US dollar and the euro did not have any significant impact on the operating business. The balance sheet date valuation used for the assets and liabilities, which were reported in a foreign currency on the balance sheet as of June 30, 2012, had no effect on earnings (prior year: € –0.3m) because most of these items had been hedged using derivatives.

The result in **Core Europe** was lowered above all by the declining revenues, costs resulting from the collective wage effects in Germany, expenses in connection with the strategy implementation, and the write-down of receivables in Southern Europe. The increasing intensity of competition also had adverse effects. The EBIT therefore decreased to € 6.6m (prior year: € 8.8m). The EBIT (adjusted for non-recurring effects and currency effects) declined from € 9.4m to € 6.7m.

In the »**Emerging Europe**« segment, EBIT slipped from the prior year by € 0.2m to € 0.3m (prior year: € 0.5m) due primarily to the costs for expanding the sales structures; non-recurring effects or currency effects did not apply in this case. The reason for the fluctuating earnings development can be traced, above all, to the different capital expenditure timetables used by major customers. The development of the order backlog in this segment remains very positive.

North America: Significant improvement of the USD result, US dollar appreciation diminishes the effect at the Group level

In this segment, the expansion of the direct business in **North America** and the implemented restructuring measures led to a considerable improvement in the US dollar result. This effect was weakened, however, due to the strong appreciation of the US dollar vis-à-vis the euro at the Group level. The EBIT equaled € –1.2m and was € 1.8m higher than the EBIT of the prior year (€ –3.0m). The EBIT (adjusted for non-recurring effects and currency effects) equaled € –1.3m (prior year: € –3.1m).

Consolidated net result in the first half of 2012 declined by € 0.2m to € 2.5m

In the »**Asia/Pacific**« segment, earnings declined to € –0.7m (prior year: € –0.3m) because of the investments made in developing the Asian market; non-recurring effects or currency effects did not apply in this case. The expansion of local structures in China has already yielded the first results: The first equipment has been sold to car dealers and dealerships. Even though one has already seen an increase in business activity involving all aspects of car washing – above all in China - such business activities both here and in other high growth regions of Asia are generally still in the development phase and will not make any significant contributions to revenues and earnings until the mid-term. WashTec will also continue to invest in expanding the structures in order to participate in the future development of the market.

Net finance costs remained almost unchanged at € 0.9m (prior year: € 0.8m) due to the Company's low level of indebtedness.

Earnings before taxes (EBT) declined in the first half of the year to € 4.3m (prior year: € 5.2m). The tax expense fell from € 2.5m to € 1.8m. Thus, the **consolidated net result** after taxes slipped only from € 2.7m to € 2.5m. **Earnings per share** (diluted = undiluted) declined – on the basis of the unchanged number of shares equaling approximately 14 million – accordingly to € 0.18m (prior year: € 0.20).

1.2 Net assets

Balance sheet, assets in €m, IFRS		Rounding differences are possible
	Jun 30, 2012	Dec 31, 2011
Non-current assets	**97.7**	**101.5**
thereof intangible assets	9.4	9.3
thereof deferred tax assets	6.6	7.1
thereof trade receivables and other assets	0.5	1.1
Current assets	**92.7**	93.5
thereof inventories	38.9	39.3
thereof trade receivables and other assets	50.3	49.5
thereof cash and cash equivalents	3.2	4.6
Total assets	**190.4**	**195.0**

The **balance sheet total** decreased again, from € 195.0m at the end of 2011 to € 190.4m as of June 30, 2012.

Intangible assets rose insignificantly, from € 9.3m as of the balance sheet date of December 31, 2011 to € 9.4m as of June 30, 2012.

The non-current assets declined after a contract to sell an unused land parcel was concluded. A short-term receivable was entered to reflect the amount of the still outstanding purchase price.

Deferred tax assets fell from € 7.1m as of the end of 2011 to € 6.6m as of June 30, 2012.

Inventories decreased slightly from € 39.3m as of December 31, 2011 to € 38.9m.

Trade receivables and other assets increased in the first half of the year from € 49.5m as of December 31, 2011 to € 50.4m. While the trade receivables fell by € 3.3m – due mainly to more aggressive collection management – the other assets item rose by € 4.2m. This increase was attributable, above all, to the sale of an unused land parcel and to the increase in prepaid expenses.

Cash and cash equivalents declined to € 3.2m as of June 30, 2012 (December 31, 2011: € 4.6m) primarily because of the changed financing and the related debt repayment.

Balance sheet, equity and liabilities in €m, IFRS — Rounding differences are possible

	Jun 30, 2012	Dec 31, 2011
Equity	77.0	75.2
Liabilities to banks	13.4	21.2
Other liabilities and provisions	88.0	85.2
of which trade payables	9.0	9.9
of which provisions	27.0	28.2
Deferred income	9.4	10.4
Deferred tax liabilities	2.6	3.0
Total equity and liabilities	**190.4**	**195.0**

Balance sheet figures improved

Equity ratio as of June 30, 2012: 40.4%

As of June 30, 2012, the **equity capital** equaled € 77.0m (December 31, 2011: € 75.2m). As a result of the income and expenses recognized directly in equity capital according to IFRS (see Statement of Changes in Equity), the changes in equity capital do not match up with the results for the period. The equity ratio increased from 38.6% to 40.4% compared to the end of the year 2011.

Since December 31, 2011 (€ 21.2m), **liabilities to banks** declined by € 7.8m to € 13.4.

Net bank debt (long-term and short-term bank debt less bank credit balances) was € 10.2m and therefore considerably less than the figure reported as of December 31, 2011 (€ 16.6m) due to the significant reduction in liabilities owed to banks. The **net finance debt** (net bank debt plus long-term and short-term finance leasing) sank from € 24.4m as of December 31, 2011 to € 17.5m.

The item »**Other liabilities and provisions**« rose from € 85.2m to € 88.0m. This was caused above all by an increase of the prepayments received as well as other long-term liabilities.

As of the balance sheet date, **trade payables** had declined from € 9.9m on December 31, 2011 to € 9.0m.

Deferred tax liabilities were € 0.4m lower than at the end of 2011, totaling € 2.6m as of June 30, 2012.

Since the record date of December 31, 2011, **provisions** have declined from € 28.2m to € 27.0m. Since the restructuring measures will be continued in the second half of the year, the Company expects a further decline in provisions in the upcoming quarters.

Gearing ratio decreases to 0.22

Compared to December 31, 2011, the **gearing** ratio – defined as the quotient of the net finance debt to equity capital – declined significantly, from 0.32 to 0.22, a figure which is considered low for producing companies.

1.3 Financial position

Cash flow statement

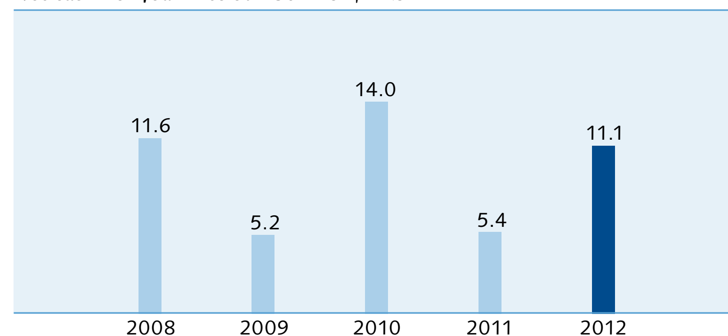
Cash inflow from operating activities (net cash flow) rose in the first half of 2012 significantly to € 11.1m (prior year: € 5.4m). This increase was caused above all by the change in the net current assets.

The Company continuously executes measures to optimize working capital. Thus, the Company was able to lower **net current assets** (trade receivables + inventories – trade payables) from € 76.3m to € 73.1m.

Cash outflow from investing activities equaled € 2.2m, as was expected, and was significantly lower than the prior year (€ 4.7m). Projected for the entire year, this would presumably yield an investment volume below the level of the prior year.

Free cash flow (net cash flow less cash outflow from investing activities) was improved very substantially to € 8.9m (prior year: € 0.7m) thanks to efficient working capital management.

Net cash flow, Jan 1 to Jun 30 in €m, IFRS



Overall, **cash and cash equivalents**, which were held mostly in foreign currencies, decreased by € 1.6m as of June 30, 2012.

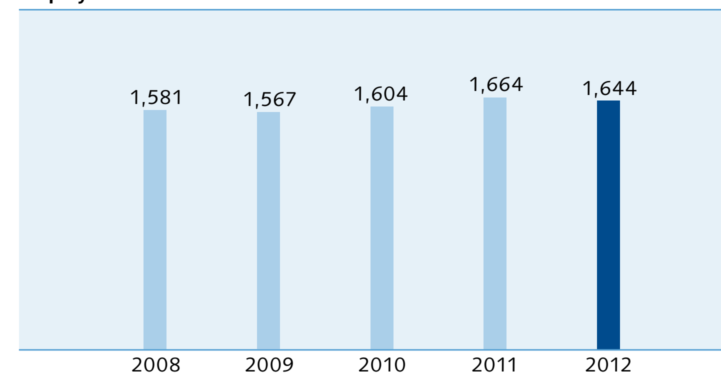
1.4 Miscellaneous

Employees

Compared to December 31, 2011, the number of employees has declined by 7 to 1,644. Since June 30, 2011, the number of staff sank by 20. After adjusting for acquisitions and sourcing measures, the number of staff employees fell by 61 compared to the same period of the previous year.

Number of employees in WashTec Group at 1,644

Employees as of Jun 30



The employees of WashTec represent an important foundation for the economic success of the Company. Employee satisfaction in Germany is reflected, for example, by the low employee turnover (2011: 1.6%) as well as the long years of service average (2011: 16.5 years).

The Share

On June 29, 2012, the WashTec share price equaled € 9.00. Compared to the 2011 year-end closing price, this recent share price represents a 22% increase. This WashTec share price increase reflects a much better performance than the SDAX, which grew by just 9% during the same period. The climate on the international trading floors – particularly during the period from April through June 2012 – was marked by growing uncertainty due to the ongoing sovereign debt crisis in the Euro zone and the increasing skepticism about the further macroeconomic development. Despite this difficult market environment, the WashTec share price moved in a stable range between € 8.90 and € 9.45 during the entire second quarter.

Shareholder structure

Numerous shareholders report exceeding the 3% voting rights threshold

In the second quarter, WashTec received numerous voting right reports: Setanta Asset Management Limited reported in the second quarter of 2012 that its voting rights share in WashTec AG had exceeded the 3% threshold on May 24, 2012 and equaled 3.5% on that day. Diversity Industrie Holding AG likewise reported exceeding the 3% threshold as of June 19, 2012 and that it held 3.0% of the voting rights on that day. In addition, Dr. Kurt Schwarz reported that his voting rights share in WashTec AG exceeded the 3% threshold on June 27, 2012 and totaled 3.2% on that day.

Shareholding in %	Jun 30, 2012
EQMC Europe Development Capital Fund plc	16.2
Sterling Strategic Value Ltd.	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
Setanta Asset Management	3.5
Dr. Kurt Schwarz	3.2
Bank of New York Mellon Corporation	3.1
Diversity Industrie Holding AG	3.0
Free Float	30.4

Source: Notices made pursuant to the German Securities Trading Act (WpHG)

In the second quarter as well, management remained in constant contact with shareholders and journalists as well as with the financial community. In connection with the publications of the Company, conference calls for analysts and investors were held.

WashTec is currently covered by the financial institutions of Berenberg, BHF, Equinet, Hauck & Aufhäuser, HSBC Trinkaus & Burkhardt and MM Warburg.

WashTec has further intensified its investor relations work and, with respect to trading volumes, was able to improve to 111th place (prior year: 120th) on Deutsche Börse's ranking for MDAX and SDAX stocks as of June 30. In terms of market capitalization, WashTec already ranks 89th and is therefore within the SDAX criterion. WashTec is therefore continuing its intensive investor relations campaign in order to achieve its goal of being included in the German small-cap index, the SDAX.

Information about relationships with related companies and persons

There were no significant transactions concluded with related companies and persons during the reporting period.

Events after the end of the reporting period

The management board members, Thorsten Krüger and Houman Khorram, have voluntarily tendered their resignation from the Company effective midnight, July 31, 2012. The long-standing chairman of the WashTec AG supervisory board, Michael Busch, is joining the management board effective July 28, 2012 on a provisional basis pursuant to section 105 para. 2 of the German Stock Corporation Act (*Aktiengesetz*) and will also serve as the board's spokesman. Massimo Pedrazzini was elected to serve as supervisory board chairman for the duration of the deployment, and Jens Grosse-Allermann will serve as his deputy during this time. The supervisory board made this decision at its meeting on July 27, 2012.

2. Opportunities and risks for Group development

The 2011 annual report contains a description of the WashTec Group's risk management. Relative to the opportunities and risks described in the risk report section of the 2011 annual report, there have been no material changes to the situation.

3. Forecast

Overall validation of the annual guidance; uncertainties have increased

- *Despite a volatile market environment, WashTec is generally adhering to its 2012 forecast*
- *Uncertainties have increased*

Despite the overall volatile market environment and the disappointing business development in Core Europe that has been experienced to date, the Company is generally adhering to its forecast for all of 2012. Based on the current weak market development (above all in France, the Netherlands and the southern regions of Core Europe), on the German collective bargaining arrangements which was higher than expected and on the special situation in North America, the forecast for 2012 has now been exposed to increasingly greater uncertainties. Accordingly, the business development in the third quarter of 2012 will have a significant impact on the adherence to the overall annual forecast.

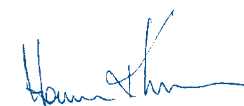
It is currently assumed that the North American business will be continued and that the restructuring program will be fully implemented. Under these circumstances, WashTec is aiming for slight revenue growth of between 1–2% together with a significant increase in the adjusted earnings for the entire Group in 2012. There is still a possibility that other special costs will be incurred if strategic alliances in North America come to fruition.

The Company is also forecasting the following developments for the individual segments:

- Core Europe: In the event of a market recovery in the second half of the year, the Company expects stable to slightly growing revenue. Because of, among other things, the costs resulting from the significant increase in collective wages – which can be offset only in part by additional efficiency measures – the Company expects, however, only stable earnings development. Should the market perform in line with how it performed in the first half of the year, then earnings may decline in this segment;
- North America: The favorable revenue growth in the first half of 2012 as well as the improved market prospects have created an expectation of stable to slightly growing revenues development and a significant reduction in operating losses of between 50% and 70%; the Company will continue to scout for strategic alliance opportunities;
- Emerging Europe: Two-digit revenue growth with commensurate earnings performance;
- Asia/Pacific: slight improvement in revenues and earnings.

Augsburg, July 27, 2012

Thorsten Krüger
Spokesman of the
Management Board



Houman Khorram
Member of the
Management Board

Consolidated Income Statement

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

* Comparative figures adjusted per IAS 8, see item 3 in the notes to the consolidated financial statements

	Jan 1 to June 30, 2012	Jan 1 to June 30, 2011*	April 1 to June 30, 2012	April 1 to June 30, 2011*
	€	€	€	€
Revenues	142,577,998	140,471,784	75,910,486	77,121,562
Other operating income	1,987,593	2,413,615	1,107,784	936,259
Other capitalized development costs	883,805	654,533	466,334	265,768
Change in inventories	787,156	501,582	–1,646,665	816,266
Total	**146,236,552**	**144,041,514**	**75,837,939**	**79,139,855**
Cost of materials				
Cost of raw materials, consumables and supplies and of purchased material	50,965,839	48,906,549	25,352,116	27,059,625
Cost of purchased services	9,617,631	10,251,070	4,962,672	5,805,134
	60,583,470	**59,157,619**	**30,314,788**	**32,864,759**
Personnel expenses	**50,587,927**	**50,640,001**	**25,065,152**	**25,830,180**
Amortization, deprecation and impairment of intangible assets and property, plant and equipment	4,919,702	4,974,393	2,465,394	2,527,215
Other operating expenses	24,494,365	22,849,542	12,629,340	11,920,902
Other taxes	490,022	353,475	295,788	169,325
Total operating expenses	**141,075,486**	**137,975,030**	**70,770,462**	**73,312,381**
EBIT	**5,161,066**	**6,066,484**	**5,067,477**	**5,827,474**
Other interest and similar income	115,367	72,535	78,789	34,301
Interest and similar expenses	1,025,218	899,187	567,656	464,093
Financial result	**–909,851**	**–826,652**	**–488,867**	**–429,792**
Result from ordinary activities/EBT	**4,251,215**	**5,239,832**	**4,578,610**	**5,397,682**
Income taxes	–1,787,826	–2,493,376	–1,499,666	–2,200,203
Consolidated net income	**2,463,389**	**2,746,456**	**3,078,944**	**3,197,479**
Average number of shares	**13,976,970**	**13,976,970**	**13,976,970**	**13,976,970**
Earnings per share (basic = diluted)	**0.18**	**0.20**	**0.22**	**0.23**

Consolidated Statement of Comprehensive Income

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

* Comparative figures adjusted per IAS 8, see item 3 in the notes to the consolidated financial statements

€k	Jan 1 to June 30, 2012	Jan 1 to June 30, 2011*
Earnings after taxes	**2,463**	**2,746**
Changes in the fair value of financial instruments used for hedging purposes recognized under equity	–250	430
Adjustment item for the currency translation of foreign subsidiaris and currency changes	249	48
Exchange differences on net investments in subsidiaries	–126	–1,344
Actuarial gains/losses from defined benefit obligations and similar obligations	–650	0
Deferred taxes on changes in value taken directly to equity	181	283
Valuation gains/losses recognized directly in equity	**–596**	**–583**
Total income and expense and valuation in gains/losses recognized directly in equity	**1,867**	**2,163**

Consolidated Balance Sheet

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

* Comparative figures adjusted per IAS 8, see item 3 in the notes to the consolidated financial statements

Assets	June 30, 2012	Dec 31, 2011
	€	€
Non-current assets		
Property, plant and equipment	38,660,681	41,459,574
Goodwill	42,313,794	42,313,523
Intangible assets	9,377,519	9,319,436
Trade receivables	309,334	823,860
Tax receivables	213,142	200,501
Other assets	205,427	277,271
Deferred tax assets	6,646,951	7,140,268
Total non-current assets	**97,726,848**	**101,534,433**
Current assets		
Inventories	38,942,977	39,273,936
Trade receivables	42,891,674	46,158,532
Tax receivables	76,325	69,887
Other assets	7,552,616	3,365,306
Cash and bank balances	3,189,026	4,602,593
Total current assets	**92,652,618**	**93,470,254**
Total assets	**190,379,466**	**195,004,687**

Equity and liabilities	June 30, 2012	Dec 31, 2011
	€	€
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	–3,068,154	–2,471,897
Profit carried forward	1,162,699	15,678,970
Consolidated profit for the period	2,463,389	–14,516,260
	77,021,375	**75,154,254**
Non-current liabilities		
Interest-bearing loans	11,014,436	18,953,013
Finance leasing	4,841,118	5,251,755
Provisions for pensions	7,962,525	7,307,188
Trade payables	5,228,964	5,003,177
Other nun-current liabilities	3,098,558	1,808,373
Deferred revenue	643,570	860,671
Deferred tax liabilities	2,574,843	2,998,024
Total non-current liabilities	**35,364,014**	**42,182,201**
Current liabilities		
Interest-bearing loans	2,344,909	2,294,388
Finance leasing	2,497,155	2,499,054
Prepayments on orders	7,298,676	4,175,186
Trade payables	9,046,030	9,940,581
Other liabilities for taxes and levies	4,656,577	4,207,868
Other liabilities for social security	999,917	901,168
Tax liabilities	4,866,874	4,264,330
Other current liabilities	23,801,635	23,935,498
Other current provisions	13,771,906	15,920,176
Deferred Income	8,710,398	9,529,983
Total current liabilities	**77,994,077**	**77,668,232**
Total equity and liabilities	**190,379,466**	**195,004,687**

Consolidated Cash Flow Statement

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

* Comparative figures adjusted per IAS 8, see item 3 in the notes to the consolidated financial statements

	Jan 1 to Jun 30, 2012	Jan 1 to Jun 30, 2011*
	€k	€k
EBT	4,251	5,240
Adjustments to reconcile profit before tax to net cash flows not affecting cash:		
Amortization, depreciation and impairment of non-current assets	4,920	4,974
Gain/loss from disposals of non-current assets	–190	–51
Other gains/losses	–2,324	–3,075
Interest income	–115	–73
Interest expense	1,025	899
Movements in provisions	–2,155	–733
Changes in net working capital:		
Increase/decrease in trade receivables	2,680	–2,045
Increase/decrease in inventories	738	–2,422
Increase/decrease in trade payables	–828	–2,226
Changes in other net working capita	3,983	5,057
Income tax paid	–903	–177
Cash inflow from operating activities (net cash flow)	**11,080**	**5,368**
Purchase of property, plant and equipment (without finance leasing)	–2,314	–4,521
Proceeds from sale of property, plant and equipment	131	142
Acquisition of a subsidiary, net of cash acquired	–13	–353
Cash outflow from investment activities	**–2,196**	**–4,732**
Raising of long-term loans	0	23,354
Repayment of non-current liabilities to banks	–8,293	–31,221
Dividend paid	0	–4,333
Interest received	87	73
Interest paid	–825	–678
Repayment and raising of liabilities from finance leases	–1,328	–1,330
Net cash flows used in financing activities	**–10,359**	**–14,135**
Net increase/decrease in cash and cash equivalents	**–1,475**	**–13,499**
Net foreign exchange difference in cash and cash equivalents	**–291**	**732**
Cash and cash equivalents at January 1	**2,610**	**15,155**
Cash and cash equivalents at June 30	**844**	**2,388**
Composition of cash and cash equivalents for cash flow purposes:		
Cash and cash equivalents	3,189	3,560
Current bank liabilities	–2,345	–1,172
Cash and cash equivalents at June 30	**844**	**2,388**

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.

* Comparative figures adjusted per IAS 8, see item 3 in the notes to the consolidated financial statements

€k	Subscribed capital	Capital reserve	Other reserves	Exchange effects	Profit carried forward	Total
As of January 1, 2011	**40,000**	**36,464**	**–1,986**	**–130**	**20,011**	**94,359**
Income and expenses recognized directly in equity			–914	48		–866
Taxes on transactions recognized directly in equity			283			283
Dividends					–4,332	–4,332
Consolidated earnings for the period					2,746	2,746
As of June 30, 2011*	**40,000**	**36,464**	**–2,617**	**–82**	**18,425**	**92,190**
As of January 1, 2012	**40,000**	**36,464**	**–2,267**	**–205**	**1,162**	**75,154**
Income and expenses recognized directly in equity			–1,026	249		–778
Taxes on transactions recognized directly in equity			181			181
Consolidated earnings for the period					2,463	2,463
As of June 30, 2012	**40,000**	**36,464**	**–3,112**	**44**	**3,625**	**77,021**

Notes to the Interim Condensed Consolidated Financial Statements of WashTec AG (IFRS) for the period from January 1 to June 30, 2012

General Disclosures

1. Information on the Company

The ultimate parent company of the WashTec Group is WashTec AG, which is entered in the commercial register for the City of Augsburg under registration number HRB 81.

The Company's registered office is 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 carwash products, as well as leasing, and all services and financing solutions, which are related thereto and are required in order to operate carwash equipment.

The consolidated financial statements are prepared 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 through June 30, 2012 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 fiscal year and should be read in conjunction with the consolidated financial statements for the period ending December 31, 2011.

Significant accounting and valuation methods

The accounting and valuation methods applied when preparing the interim condensed consolidated financial statements comply with the methods that were used when preparing the consolidated financial statements for the fiscal year ending December 31, 2011, except for the tax calculation. The tax calculation for condensed interim financial statements is done by multiplying the result with the anticipated applicable annual tax rate.

3. Corrections in accordance with IAS 8

With respect to the first half year of 2011, the accounting mistakes discovered at the WashTec subsidiaries in North America have reached an overall scale, which materially impacts the transparency of the financial statements of both subsidiaries as of 30 June 2011. These accounting mistakes have resulted in material errors in the IFRS half-year report for WashTec AG as of June 30, 2011. The Company has therefore corrected a number of reported items of the prior period pursuant to IAS 8.41 et seq. According to IAS 8.42, the corrections will be carried out in the half-year report as of June 30, 2012 by restating the comparative figures given for the second quarter of 2011.

The book entries can be classified according to the following items:

a) Inventories
Due to the missing write-downs that had been required and the incorrect inventory records, the entered value of the inventory assets for North America (€ 483k) was too high. The inventories were corrected in the restatement.

b) Other current liabilities
Insufficient provisions were made for personnel costs and for accruals for invoices not yet received. The € 277k obligation, which had not been set aside, was corrected in the restatement.

c) Liabilities for taxes and levies
With regard to the carrying value of a tax receivable, it was determined that the tax receivable was not recoverable in an amount of € 91k. The receivable was shown after it had been netted against tax liabilities. Yet it should not have been entered on the balance sheet and was therefore corrected in the restatement.

d) Additional line items
In addition, there were other unjustified book entries totaling € 603k which were corrected.

The following tables 1 through 3 provide an overview of the effects of the corrections.

Table 1
Correction of the Consolidated Income Statement per June 30, 2011

Rounding differences are possible

	Ref	Jan 1 to Jun 30, 2011 previously reported	Correction IAS 8	Jan 1 to Jun 30, 2011 adjusted
		€	€	€
Revenues	d)	140,443,895	27,889	140,471,784
Other operating income		2,413,615		2,413,615
Other capitalized development costs		654,533		654,533
Change in inventories		501,582		501,582
Total		**144,013,625**	**27,889**	**144,041,514**
Cost of materials				
Cost of raw materials, consumables and supplies and of purchased material	a), d)	47,945,802	960,747	48,906,549
Cost of purchased services		10,251,070		10,251,070
		58,196,872	**960,747**	**59,157,619**
Personnel expenses	d)	**50,383,179**	**256,822**	**50,640,001**
Amortization, deprecation and impairment of intangible assets and property, plant and equipment		4,974,393		4,974,393
Other operating expenses	b), c), d)	22,701,188	148,354	22,849,542
Other taxes		353,475		353,475
Total operating expenses		**136,609,107**	**1,365,923**	**137,975,031**
EBIT		**7,404,518**	**–1,338,034**	**6,066,484**
Other interest and similar income		72,535		72,535
Interest and similar expenses	d)	842,994	56,193	899,187
Financial result		**–770,459**	**–56,193**	**–826,652**
Result from ordinary activities/EBT		**6,634,059**	**–1,394,227**	**5,239,832**
Income taxes	d)	–2,433,968	–59,408	–2,493,376
Consolidated profit for the period		**4,200,091**	**–1,453,635**	**2,746,456**
Average number of shares		**13,976,970**		**13,976,970**
Earnings per share (basic = diluted)		**0.30**		**0.20**

Table 2
Correction of the Consolidated Balance Sheet per June 30, 2011

Rounding differences are possible

Assets	Ref	Jan 1 to Jun 30, 2011 previously reported	Correction IAS 8	Jan 1 to Jun 30, 2011 adjusted
		€	€	€
Non-current assets				
Property, plant and equipment	d)	42,154,048	–8,960	42,145,088
Goodwill		57,135,307		57,135,307
Intangible assets	d)	12,032,059	17,562	12,049,621
Trade receivables		747,312		747,312
Tax receivables		252,817		252,817
Other assets		74,497		74,497
Deferred tax assets	d)	7,824,811	–59,408	7,765,403
Total non-current assets		**120,220,851**	**–50,807**	**120,170,044**
Current assets				
Inventories	a)	39,573,416	–483,468	39,089,948
Trade receivables		41,070,696		41,070,696
Tax receivables		532,018		532,018
Other assets	d)	5,784,912	–158,843	5,626,069
Cash and bank balances	d)	3,663,313	–103,823	3,559,490
Total current assets		**90,624,355**	**–746,134**	**89,878,221**
Total assets		**210,845,206**	**–796,941**	**210,048,265**

Table 2
Correction of the Consolidated Balance Sheet per June 30, 2011

Rounding differences are possible

Equity and liabilities	Ref	Jan 1 to Jun 30, 2011 previously reported	Correction IAS 8	Jan 1 to Jun 30, 2011 adjusted
		€	€	€
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		–2,698,851		–2,698,851
Profit carried forward		15,678,970		15,678,970
Consolidated profit for the period		4,200,091	–1,453,635	2,746,456
		93,643,651	**–1,453,635**	**92,190,016**
Non-current liabilities				
Interest-bearing loans		23,424,748		23,424,748
Finance leasing		5,660,174		5,660,174
Provisions for pensions		7,045,469		7,045,469
Other non-current provisions		3,264,497		3,264,497
Other nun-current liabilities		2,308,823		2,308,823
Deferred revenue		774,052		774,052
Deferred Income		5,628,675		5,628,675
Total non-current liabilities		**48,106,438**	**0**	**48,106,438**
Current liabilities				
Interest-bearing loans		1,686,019		1,686,019
Finance leasing		2,474,345		2,474,345
Prepayments on orders		6,603,803		6,603,803
Trade payables	d)	6,992,398	178,123	7,170,521
Other liabilities for taxes and levies	c)	4,190,056	91,010	4,281,066
Other liabilities for social security		791,189		791,189
Tax liabilities		2,638,427		2,638,427
Other current liabilities	b), d)	25,137,472	387,562	25,525,034
Other current provisions		9,517,860		9,517,860
Deferred Income		9,063,548		9,063,548
Total current liabilities		**69,095,117**	**656,694**	**69,751,811**
Total equity and liabilities		**210,845,206**	**–796,941**	**210,048,265**

Table 3
Correction of the Consolidated Cash Flow Statement per June 30, 2011

Rounding differences are possible

	Ref	Jan 1 to Jun 30, 2011 previously reported	Correction IAS 8	Jan 1 to Jun 30, 2011 adjusted
		€k	€k	€k
EBT		**6,634**	**–1,394**	**5,240**
Adjustments to reconcile profit before tax to net cash flows not affecting cash:				
Amortization, depreciation and impairment of non-current assets		4,974		4,974
Gain/loss from disposals of non-current assets		–51		–51
Other gains/losses	d)	–3,083	8	–3,075
Interest income		–73		–73
Interest expense	d)	843	56	899
Movements in provisions		–733		–733
Changes in net working capital:				
Increase/decrease in trade receivables		–2,045		–2,045
Increase/decrease in inventories	a)	–2,906	484	–2,422
Increase/decrease in trade payables	d)	–2,404	178	–2,226
Changes in other net working capita	b), c), d)	4,436	621	5,057
Income tax paid		–177		–177
Cash inflow from operating activities (net cash flow)		**5,415**	**–47**	**5,368**
Purchase of property, plant and equipment (without finance leasing)		–4,521		–4,521
Proceeds from sale of property, plant and equipment		142		142
Acquisition of a subsidiary, net of cash acquired		–353		–353
Cash outflow from investment activities		**–4,732**	**0**	**–4,732**
Raising of long-term loans		23,354		23,354
Repayment of non-current liabilities to banks		–31,221		–31,221
Dividend paid		–4,333		–4,333
Interest received		73		73
Interest paid	d)	–622	–56	–678
Repayment of non-current liabilities from finance leases		–1,330		–1,330
Net cash flows used in financing activities		**–14,079**	**–56**	**–14,135**
Net increase/decrease in cash and cash equivalents	**d)**	**–13,396**	**–103**	**–13,499**
Net foreign exchange difference in cash and cash equivalents		**732**		**732**
Cash and cash equivalents at January 1		**15,155**		**15,155**
Cash and cash equivalents at June 30	**d)**	**2,491**	**–103**	**2,388**
Composition of cash and cash equivalents for cash flow purposes:				
Cash and cash equivalents		3,663	–103	3,560
Current bank liabilities		–1,172		–1,172
Cash and cash equivalents at June 30		**2,491**	**–103**	**2,388**

4. Segment reporting

Jan–Jun 2012 in €k	Core Europe	Emerging Europe	North America	Asia/ Pacific	Consoli- dation	Group
Revenues	116,236	5,382	22,192	4,890	–6,122	142,578
thereof with third parties	110,343	5,372	22,045	4,890	–72	142,578
thereof with other segments	5,893	10	147	0	–6,050	–0
Operating result	**6,572**	**348**	**–1,232**	**–694**	**167**	**5,161**
Financial result						115
Financial expenses						–1,025
Results from ordinary business activities						**4,251**
Income tax expense						–1,788
Consolidated result						**2,463**

Jan–Jun 2011* in €k	Core Europe	Emerging Europe	North America	Asia/ Pacific	Consoli- dation	Group
Revenues	118,518	5,249	17,744	4,811	–5,850	140,472
thereof with third parties	113,437	5,237	17,277	4,811	–290	140,472
thereof with other segments	5,081	12	467	0	–5,560	0
Operating result	**8,828**	**525**	**–2,980**	**–263**	**–44**	**6,066**
Financial result						72
Financial expenses						–898
Results from ordinary business activities						**5,240**
Income tax expense						–2,494
Consolidated result						**2,746**

* Comparative figures adjusted per IAS 8, see item 3 in the notes to the consolidated financial statements

5. Property, plant and equipment

In the first half year of 2012, non-current assets (excluding financial leasing) totaling € 2,314k (prior year: € 4,521) were purchased.

6. Equity capital

The subscribed capital of WashTec AG on June 30, 2012 equaled € 40,000k and is divided into 13,976,790 shares. As it was at the end of the year, this amount reflects the weighted average number of shares that are issued and outstanding.

7. Significant events

In May 2012, the purchase agreement relating to a land parcel (including a building) located on the street, Argonstrasse, in Augsburg, Germany, entered into effect. A purchased price totaling € 1.3m was achieved with the sale. The short-term receivable resulting from the sale (€ 1.3m) is shown under the item »Other assets«. The land parcel was reported under the Core Europe Segment.

In the second quarter, certain distribution rights (Truck and Bus sector) relating to the wash chemicals business of WashTec Nordics AB and totaling € 162k plus VAT were definitively transferred to an independent dealer. The receivables resulting from the transfer totaled € 162k plus VAT and were shown under the item »Other assets«. WashTec Nordics AB is part of the Core Europe Segment.

The Group holds long-term loan receivables against its subsidiary, Mark VII. Based on a capital increase at Mark VII, which was carried by contributing a portion of the loan receivable, net investments in foreign operations were reduced in April 2012 to USD 4m.

8. Contingent liabilities and other financial obligations

Contingent liabilities and other financial obligations remained mostly unchanged compared to December 31, 2012.

9. Information about related party transactions

No significant transactions with related parties occurred during the reporting period.

10. Notes after the balance sheet date

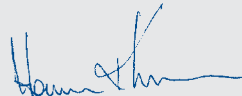
The management board members, Thorsten Krüger and Houman Khorram, have voluntarily tendered their resignation from the Company effective midnight, July 31, 2012. The long-standing chairman of the WashTec AG supervisory board, Michael Busch, is joining the management board effective July 28, 2012 on a provisional basis pursuant to section 105 para. 2 of the German Stock Corporation Act (*Aktiengesetz*) and will also serve as the board's spokesman. Massimo Pedrazzini was elected to serve as supervisory board chairman for the duration of the deployment, and Jens Grosse-Allermann will serve as his deputy during this time. The supervisory board made this decision at its meeting on July 27, 2012.

Responsibility Statement

»To the best of our knowledge and in accordance with the applicable reporting principles, the interim condensed consolidated financial statements give a true and fair view of the assets and liabilities, financial position and profits and loss of the Group, and the Group Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remainder of the fiscal year.«

Augsburg, July 27, 2012

Thorsten Krüger
Spokesman of the
Management Board



Houman Khorram
Member of the
Management Board

Review report

To WashTec AG

We have reviewed the condensed consolidated interim financial statements - comprising the income statement and statement of comprehensive income, balance sheet, cash flow statement, statement of changes in equity and selected explanatory notes – and the interim group management report of WashTec AG for the period from January 1 to June 30, 2012 which are part of the half-year financial report pursuant to § (Article) 37w WpHG (»Wertpapierhandelsgesetz«: German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company›s Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Munich, July 30, 2012

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Petra Justenhoven	Holger Graßnick
Wirtschaftsprüferin	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Financial Calendar

automechanika Trade Fair	September 11–16, 2012, Frankfurt/Main
Analysts' Conference/ German Investment Conference	September 25–September 27, 2012, Munich (WashTec presentation: September 25, 2012, 3:20 pm, the »Münchner Zimmer« Room)
9-month report	November 5, 2012
Analysts' Conference/ Equity Capital Forum	November 12–November 14, 2012, Frankfurt/Main (WashTec presentation: November 13, 2012, 12:00 pm, the »Milan« Room)

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