Q1 2011 Report on the Period from January 1 to March 31, 2011

Unaudited translation for convenience purposes only

WashTec stands its ground in continued difficult environment

- 13.4% revenue growth to € 63.4m (prior year: € 55.9m) due primarily to expansion of market position; market environment remains difficult
- EBIT climbs to € 0.2m (prior year: € –0.3m); EBIT (after adjusting for non-recurring effects) remains stable despite higher costs
- Change made in segment reporting
- Validation of Guidance for 2011: Revenue increase as compared to 2010 and improvement of EBIT margin to 8–9%

		Jan 1 to Mar 31, 2011	Jan 1 to Mar 31, 2010	Change in %
Revenues	€m	63.4	55.9	13.4
EBITDA	€m	2.7	2.0	35.0
EBIT	€m	0.2	–0.3	166.7
EBIT margin	%	0.3	–0.5	–
Adjusted EBIT	€m	0.2	0.2	0.0
EBT	€m	–0.2	–0.8	75.0
Employees as of Mar 31		1,651	1,525	8.3
Earnings per share*	€	–0.03	–0.10	70.0
Net cash flow	€m	0.8	3.4	–76.5
Capital expenditures in non-current assets	€m	2.6	0.9	188.9

* diluted = undiluted, average number of shares: 13,976,970

Interim management report (unaudited)

1. Results of operation, net assets and financial position

Overview

Despite continued difficult market environment, revenues increase by 13%, EBIT improves due to disappearance of non-recurring effects from 2010

The business environment in the first three months of fiscal year 2011 was generally restrained. As a rule, the first quarter is the weakest quarter of the year because there are fewer installations carried out in the winter months. This year, there was also a relatively severe winter and cyclical investments by the large customers. The market for car wash equipment has not recovered as a whole and therefore remains, as expected, at a lower level, which in turn leads to the similarly anticipated increase in the intensity of competition. In the first quarter of 2011, WashTec Group revenues equaled € 63.4m and were therefore € 7.5m or 13.4% higher than they were in the first quarter of 2010. This increase is attributable mostly to the expansion of the market position in the regions North America (above all, Canada) and Asia/Pacific (above all, Australia). In the Core Europe region, revenue growth has not met expectations, with individual regions such as Spain and Great Britain continuing to be more strongly impacted. In these regions, WashTec has launched some structural reforms, which will lead to an improvement in the local earnings situations.

Despite a decline of the personnel expense ratio, the Company is reporting increasing personnel costs as well as a rise in the cost of materials caused in part by the higher prices for raw material. Each of these higher expense items could be offset only in part through additional efficiency measures. EBIT nevertheless improved by € 0.5m to € 0.2m compared to the prior year (prior year: € –0.3m). After adjusting for non-recurring effects in the amount of €0.5m, which were charged in the prior year, the operating result held steady. Further structural measures are planned in order to face the increasing personnel and raw-material costs.

Despite a weak start, forecast for full year 2011 remains unchanged

The Company is holding to its forecast for the entire 2011 year even after the traditionally weak first quarter: WashTec is seeking revenue growth compared to the prior year. Accordingly and thanks to the widely implemented measures for improving efficiency and cost structures, the Company expects improved earnings compared to 2010 and a higher EBIT margin (8–9%).

The Company is currently reporting higher order backlog than in the prior year. The increase can be attributed in part to acquisitions and the penetration into new markets. The development of incoming orders in the second quarter will play a significant role for the continued business development of 2011.

Expansion of the market position

As of January 1, 2011, the canvassing of the Scandinavian market for wash chemicals intensified as a result of the Adekema acquisition. The business is handled by the Adekema wash chemicals segment, which had been taken over from the Flügger Group during the preceding year, and has developed in line with expectations.

In the wash chemicals business segment, WashTec also acquired selected assets (including customer lists and one sales employee) from Shop Service Center BV, the former wash chemicals dealer for Auwa in the Netherlands, effective April 1, 2011. The purchase price includes a variable component and is less than € 0.5m. The acquisition is already included in the investment budget for 2011. Following a refocus, Shop Service Center decided to retreat from the wash chemicals business and sell this business division to the Dutch subsidiary of WashTec. WashTec has thereby secured the future supply and support of all local customers with car wash chemicals through its own subsidiary in the Netherlands.

General conditions

Even though, according to economists, the recovery of the global economy has continued in fiscal year 2011, credit remains very restricted due to the high sovereign debt and the uncertainties in the financial sector. The lack of financing limits above all smaller operating chains and individual operators in their purchase of car wash equipment. The car wash business remains profitable at most locations, however.

The competition has not changed significantly from the situation described in the 2010 Group Annual Report. In general, it may be currently observed that in regions and markets that were impacted especially hard by the financial and economic crisis, individual competitors have encountered financial difficulties and are in some cases retreating from those markets due to the situation there. Based on the general economic situation, it is therefore possible that the market will continue to consolidate in the near and mid-term. WashTec does not, however, see any strategic advantage in an active consolidation of the manufacturers.

There have been no significant changes in technology.

1.1 Business and earnings situation

Revenues and market development

Revenues have risen € 7.5m or 13.4% in the first quarter

Revenues in the first quarter totaled € 63.4m and were therefore € 7.5m or 13.4% higher than the same period last year (prior year: € 55.9m). The revenue growth came largely from the expansion of the Company's market position, specifically in North America, and from the acquisitions consummated during the course of 2010. After adjusting for the effects of the acquisitions, revenues equaled € 56.8m.

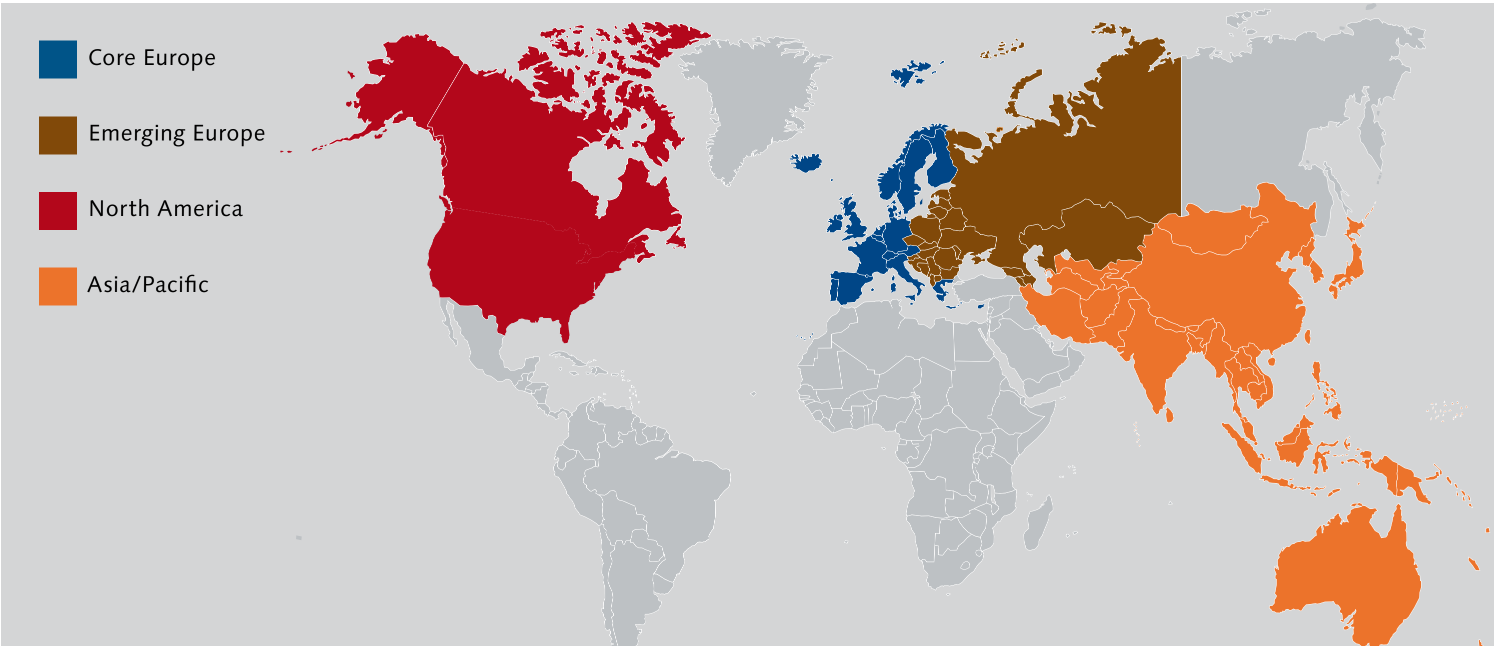
Change in segment reporting

In the course of transforming the Group's internal management systems, the segment reporting was changed as of the first quarter of 2011 to encompass the regions of "Core Europe", "Emerging Europe", "North America" and "Asia/Pacific". The activities of the WashTec Group within Northern Europe and Western Europe have been combined under the region "Core Europe". This region therefore includes the former area known as "DACH" (Germany, Austria and Switzerland), as well as the European share of the "RoW" (Rest of World) area and the chemicals and operations business ("Other" area) in that region. The region "Emerging Europe" corresponds to the former area known as "CEE", while the region "North America" encompasses the activities in the United States and Canada that had been previously reported under the "RoW" area. The "Asia/Pacific" region reflects primarily the business development of the Australian subsidiary and the development of China.

Subdued market development in Core Europe

As a whole, the markets in **Core Europe** developed with restraint in the first three months of 2011. Above all, investments made by large customers are generally below the level they were the previous year, whereas the individual customers are investing on a regular basis. Consequently, the revenues in Core Europe rose only slightly by € 1.2m to € 53.0m (prior year: € 51.8m).

The market in the "**Emerging Europe**" region had stabilized beginning in 2010 and has started to grow again slightly. Revenues in this region have improved considerably from a low level, coming in at € 3.2m after the end of the first quarter of 2011 (prior year: € 1.6m). This development is attributable in part to capital expenditures that were made ahead of schedule by several large customers. Seen over the course of the entire year, the positive revenue effects will materialize to a lesser extent. In the big picture, the development matches the expectations of the Company in this region. WashTec intends to further strengthen the dealer network in this region and to build out its own presence in various countries by establishing sales offices or by making selective acquisitions.



The regions of the new segment reporting

Revenues by region in €m, IFRS	Jan 1 to Mar 31, 2011	Jan 1 to Mar 31, 2010	Change in %
Core Europe	53.0	51.8	2.3
Emerging Europe	3.2	1.6	100.0
North America	8.3	4.6	80.4
Asia/Pacific	2.4	0.4	500.0
Consolidation	–3.5	–2.5	40.0
Total	**63.4**	**55.9**	**13.4**

Strong revenue growth in North America by expanding market position in Canada

A general market recovery is still not discernable in **North America**. Due to the limited available financing and the uncertainties with respect to the economic outlook, investments in new equipment, above all in the United States, are still being postponed. In Canada, on the other hand, the successful market penetration and the implementation of the major contract award have translated into greater revenues. Thus, revenues in North America are € 8.3m, and are clearly higher than the same period last year (prior year: € 4.6m). In US Dollar terms, the regional revenues after the first quarter totaled USD 11.3m (prior year: USD 6.3m). Since the implementation of the tender had already begun in the fourth quarter of 2010, the second and third quarters of 2011 are still expected to produce significant positive revenue effects, whereas the revenue growth for the fourth quarter is expected to be somewhat less. The market position in the United States is also expected to expand in 2011, above all by winning over larger, national customers. In this respect, the commencement of direct activities in Florida (see "Events after the End of the Reporting Period") was a step in this direction.

A weaker start in 2011 has been reported in Australia, which is now part of the newly created "**Asia/Pacific**" region. The significant increase in revenues in this region (from € 0.4m in the prior year to € 2.4m) can be attributed primarily to the acquisition which had not been made until the second quarter of 2010. The activities in the high-growth regions of Asia, specifically China, are still just starting out and will not deliver any notable revenues and earnings until the mid to long-term.

Revenues by products in €m, IFRS	Jan 1 to Mar 31, 2011	Jan 1 to Mar 31, 2010	Change in %
New and used equipment	32.1	28.9	11.1
Spare parts, service	21.8	20.6	5.8
Chemicals	6.7	4.2	59.5
Operations business and others	2.8	2.2	27.3
Total	**63.4**	**55.9**	**13.4**

In all product groups, WashTec was able to generate more revenue in the first quarter of 2011 than in the first quarter of 2010.

As of the end of the first quarter, equipment revenues equaled € 32.1m, and were therefore € 3.2m higher than the previous year (prior year: € 28.9m). Service revenues rose by € 1.2m to € 21.8m (prior year: € 20.6m). Due to the effects from commencing activities in Scandinavia as well as other causes, the wash chemicals revenues equaled € 6.7m and were therefore € 2.5m higher than the previous year (prior year: € 4.2m). Revenues in the segment "Operations business and others" rose by € 2.8m (prior year: € 2.2m), due primarily to new locations and better weather conditions.

Earnings in €m, IFRS	Jan 1 to Mar 31, 2011	Jan 1 to Mar 31, 2010	Change in %
EBITDA	2.7	2.0	35.0
EBIT	0.2	–0.3	166.7
Adjusted EBIT	0.2	0.2	0.0
EBT	–0.2	–0.8	75.0

Expense items

Due to changes in the distribution methods and product mix as well as the increase in the prices for raw materials, **gross profit** rose from € 32.5m to € 36.7m. The **gross profit margin** decreased by 0.2 percentage points to 58.0% (prior year: 58.2%).

Personnel expenses increased by 12% to € 24.8m

Personnel expenses rose by € 2.8m to € 24.8m (prior year: € 22.0m). The main reasons for this development were not just the expansion-based increase in the number of employees, but also the additional costs arising from the expiry of the supplemental collective bargaining as of the end of 2010, the implementation of the Compensation Master Agreement (Entgeltrahmenabkommen or ERA) effective January 1, 2011, and the wage-scale increase. Still, the **personnel expense ratio** (personnel expenses as a percentage of revenues) declined slightly from 39.4% to 39.1% due to the revenue growth.

Other operating expenses (including other taxes) climbed by € 1.2m to € 11.1m (prior year: € 9.9m).

EBITDA rose to € 2.7m and is thereby € 0.7m higher than it was last year (prior year: € 2.0m).

Depreciation and amortization rose only slightly by € 0.1m to € 2.5m (prior year: € 2.4m).

Operating result (EBIT) climbed to € 0.2m

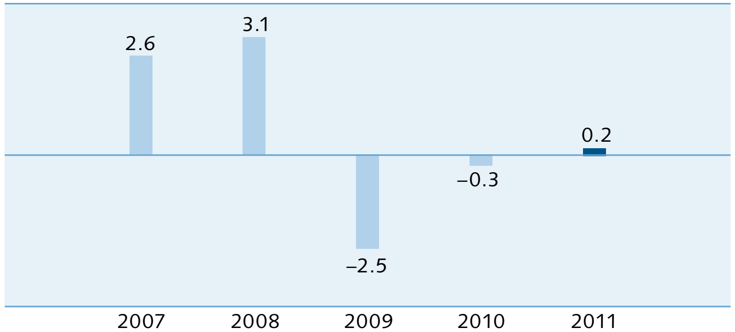
The **operating result (EBIT)** climbed to € 0.2m (prior year: € –0.3m) and the EBIT-margin is +0.3% (prior year: –0.5%). Since no non-recurring effects occurred in the first quarter of 2011, the adjusted EBIT equals the EBIT (adjusted EBIT prior year: € 0.2m; non-recurring effects in prior year: € 0.5m, of which € 0.3m is attributable to the "Core Europe" region and € 0.2m is attributable to the "North America" region). In order to counteract the deteriorating cost situation, WashTec will review and implement selected suitable measures in the impacted regions in order to improve cost efficiencies.

The exchange rate development between the US dollar and the euro did not have any significant impact on the operating business. Accordingly, the balance sheet date valuation used for the exchange rates had a negative effect on earnings of approx. € –0.2m (prior year: € 0.2m).

EBIT by regions in €m, IFRS	Jan 1 to Mar 31, 2011	Jan 1 to Mar 31, 2010	Change in %
Core Europe	1.2	1.2	0.0
Emerging Europe	0.4	0.0	–
North America	–0.7	–1.4	50.0
Asia/Pacific	–0.4	0.0	–
Consolidation	–0.3	–0.1	–
Group	**0.2**	**–0.3**	**166.7**

Due to the only slightly increased revenues, the earnings in **Core Europe** were hampered, above all, by the increased personnel costs, which were able to be offset only in part by the additional efficiency measures. These measures included, for example, optimizing the sales and distribution structures in Germany and relocating the production of a product series and individual components to the Czech Republic. After adjusting for non-recurring effects, EBIT declined from € 1.5m to € 1.2m. Despite the higher revenues, the operating result (EBIT) remained steady at € 1.2m (prior year: € 1.2m).

EBIT Jan 1 to Mar 31 in €m, IFRS



In the "**Emerging Europe**" region, the earnings rose by € 0.4m to € 0.4m (prior year: € 0.0m) as a result of the favorable market development and increased revenues.

The improved market position and the successful market penetration in Canada are also reflected in the earnings situation in **North America**. In that market, the EBIT improved from € –1.4m to € –0.7m. After adjusting for non-recurring effects, EBIT rose from € –1.2m to € –0.7m.

In the Australian subsidiary, whose earnings are included in the "**Asia/Pacific**" region, the weak start in the first quarter of 2011 led to an overall loss. WashTec is assuming, however, that the accrued losses can be offset during the course of the remaining 2011 year. Overall, the results in this region totaled € –0.4m (prior year: € 0.0m).

Net finance costs were further reduced from € 0.5m to € 0.4m as a result of lower liabilities owed to banks.

Earnings before taxes (EBT) in the first quarter were € –0.2m (prior year: € –0.8m). The tax expense decreased from € 0.6m to € 0.3m. For the whole year, a one-time improvement in the tax rate is expected based on the first-time recognition of the previously non-capitalized loss carry forwards, which were generated above all in the USA. The **consolidated net income** after taxes was € –0.5m (prior year: € –1.4m). **Earnings per share** (diluted = undiluted) therefore climbed to € –0.03 (prior year: € –0.10).

Consolidated net income in the first quarter 2011 climbs to € –0.5m

1.2 Net assets

Quality of balance sheet improved again

Assets in €m, IFRS	Mar 31, 2011	Dec 31, 2010
Non-current assets	120.0	117.7
thereof intangible assets	11.7	9.9
thereof tax assets	7.6	7.0
Current assets	88.9	99.4
thereof inventories	36.8	37.4
thereof trade receivables, other assets	41.6	45.5
thereof cash and cash equivalents	8.3	15.3
Total assets	**208.9**	**217.1**

Balance sheet total fell from € 217.1m as of the end of 2010 to € 208.9m as of March 31, 2011.

Deferred tax assets were € 0.6m above the level they were at the end of 2010 and totalled € 7.6m as of March 31, 2011.

As of March 31, 2011, **intangible assets** had risen from € 9.9m to € 11.7m compared to December 31, 2010, due primarily to the Adekema asset transfer.

Inventories declined from € 37.4m to € 36.8m.

Trade receivables and other assets decreased in the first quarter from € 45.5m to € 41.6m.

Cash and cash equivalents dropped to € 8.3m (December 31, 2010: € 15.3m).

Equity and Liabilities in €m, IFRS	Mar 31, 2011	Dec 31, 2010
Equity	93.7	94.4
Liabilities to banks	26.8	32.7
Other liabilities und provisions	73.6	75.2
thereof trade payables	7.6	9.5
thereof provisions	19.8	20.6
Deferred income	9.8	10.2
Deferred tax liabilities	5.0	4.6
Total equity and liabilities	**208.9**	**217.1**

Equity ratio as of March 31, 2011: 44.9%

As of March 31, 2011, **equity** equaled € 93.7m (December 31, 2010: € 94.4m). Due to the income and expenses recognized directly in equity capital under IFRS (see Statement of Change of Equity Capital), the changes in equity capital do not match-up with the results for the period. The **equity ratio** climbed from 43.5% at the end of 2010 to 44.9%.

Liabilities to banks have declined by € 5.9m to € 26.8m since December 31, 2010. This item contains a voluntary special repayment of principal under a bank loan in the amount of € 5.0m. The negotiations, which were commenced in 2010 regarding follow-up financing, are proceeding as scheduled and have been completed to a large extent. The Company assumes that the refinancing will be completed in the second quarter of 2011.

Net bank debt (long-term and short-term bank debt less bank credit balances) was € 18.5m and therefore higher than it was on December 31, 2010 (€ 17.4m) due to the significant reduction in cash and cash equivalents. **Net finance debt** (net bank debt plus long-term and short-term finance leasing debt) climbed slightly from € 26.6m to € 27.2m.

As of the balance sheet date, **trade payables** fell from € 9.5m to € 7.6m.

Deferred tax liabilities were € 0.4m higher than they were at the end of 2010 and equaled € 5.0m as of March 31, 2011.

The **gearing** – defined as the quotient of the net finance debt to equity – rose only slightly since December 31, 2010, from 0.28 to 0.29; a figure that is considered relatively low for producing companies.

Compared to December 31, 2010, **Provisions** fell from € 20.6m to € 19.8m based on claims made.

1.3 Financial position

Cash flow statement

Cash inflow from operating activities (net cash flow) decreased in the first quarter of 2011 to € 0.8m (prior year: € 3.4m). This trend was caused primarily by the reduction in trade payables from the effort to make better use of cash discounts and by the expansion of the North American business.

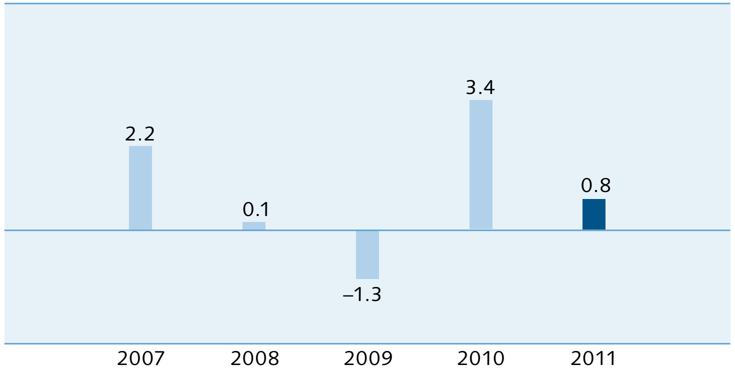
Net current assets (trade receivables plus inventories less trade payables) fell from € 68.2m to € 66.6m.

Cash outflow from investment activities totaled € 2.7m (prior year: € 0.8m), and related above all to the acquisition in the Netherlands, product development and capital expenditures in the manufacturing sites in the Czech Republic and in IT. Projected over the course of the entire year, the investment volume is likely to be slightly higher than last year's level.

Free cash flow (net cash flow less cash outflow from investment activities) totaled € -1.9m (prior year: € 2.6m).

Overall, **cash and cash equivalents** increased by € 3.2m as of the March 31, 2011 balance sheet date.

Net cash flow Jan 1 to Mar 31 in €m, IFRS



1.4 Miscellaneous

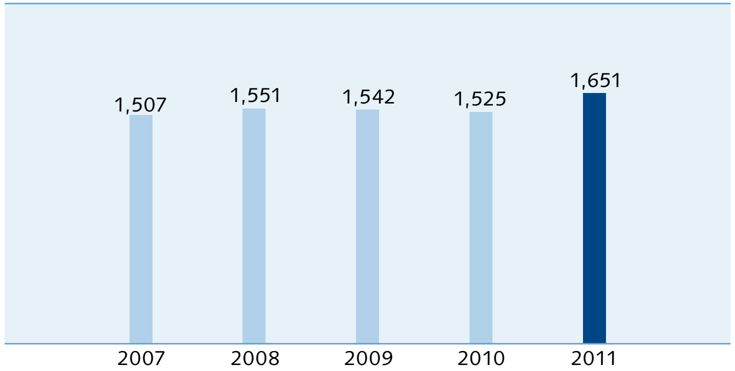
Employees

Number of employees in WashTec Group at 1,651

Compared to December 31, 2010, the number of employees rose by 12 to 1,651. Compared to March 31, 2010, 126 employees had been added to staff, primarily due to acquisitions in Canada and Australia and due to the expansion of the Company's sourcing activities in the Czech Republic and China. After adjusting for acquisitions and sourcing measures, the number of employees declined slightly.

The supplemental collective bargaining agreement concluded with IG Metall in 2007 expired as of the end of 2010. Despite extensive negotiations between the Company and representatives of the Works Council and IG Metall, no agreement could be reached regarding a continuation of the existing, or execution of a new, supplemental collective bargaining agreement and regarding job security.

Employees as of Mar 31



WashTec share

The WashTec share price increased from the 2010 year-end closing price of € 9.14 to the closing price as of March 31, 2011, which was € 10.78 (+18%). Thus, WashTec share significantly outperformed the SDAX index (–1%) during the reporting period.

Shareholder structure

In the first quarter of 2011, there have been no changes in the shareholder structure as reported under the German Securities Trading Act (WpHG).

Shareholding in %	Mar 31, 2011
EQMC Europe Development Capital Fund plc	16.2
Sterling Strategic Value Ltd. (incl. IED)	15.3
Kempen Capital Management NV	11.1
InvestmentAG für langfristige Investoren TGV	5.4
Lazard Frères Gestion S.A.S.	5.0
Paradigm Capital Value Fund	3.8
Free float	**43.2**

Source: Notices made pursuant to the WpHG

During the first quarter as well, the Company's management stayed in constant contact with shareholders, journalists and the financial community and made a number of roadshows. In connection with the publications surrounding its annual financial statements, the Company held conference calls for analysts and investors as well as the annual press and analysts' conference on March 24, 2011.

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

WashTec will continue its extensive investor relation work in 2011 and is seeking to be included in the SDAX index.

Annual general meeting of shareholders

Management's proposed resolutions for WashTec AG's annual general meeting of shareholders, which is scheduled for May 5, 2011, not only include the typical agenda items but also provide for a dividend totalling € 0.31 per share, which is considerably higher than the prior year, and for a resolution concerning Supervisory Board remuneration.

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

Since the end of April 2011, the US subsidiary of WashTec, Mark VII Inc., has expanded its direct sales and service network in the United States and has opened its own branch operation in Florida. This step is intended to guarantee the supply and support of larger, newly-acquired national customers with Mark VII products.

In April, WashTec signed an agreement to acquire the substantial assets of the "Carwash" division of Barin S.A., the former Ceccato dealer and the second largest market player in Spain. The parties agreed on a purchase price of approximately € 0.6m, which coveres the customer base, some inventory and important employees. The contract still requires the approval of the competent bankruptcy court in Madrid for it to become binding.

Due to the difficult market situation in Spain, Barin suffered financial difficulties and had to file for bankruptcy at the end of 2010. WashTec had therefore decided to use that opportunity to expand its market position in Spain despite facing a continuing difficult economic environment there.

2. Forecast

Validation of the annual Guidance

The first quarter of the fiscal year is traditionally the weakest quarter for the WashTec Group. Due to the relatively high order backlog, WashTec is expecting an improvement in the course of business during the second quarter and the second half of the year. For this reason, the Company is holding to its goals for all of 2011: In "Core Europe", the Company is anticipating a slight increase in revenues and stable earnings growth. In North America, due to its improved market position (specifically in Canada), WashTec is aiming for a significant jump in revenues and earnings in 2011, despite the still difficult market environment for car wash equipment. In the »Emerging Europe« region, WashTec is assuming that the stronger revenue growth in the first quarter compared to last year will even-out over of the year and that earnings will develop accordingly. In the "Asia/Pacific" region, the Company is projecting a considerable growth in revenues due to the acquisition effects in Australia.

Overall, WashTec is seeking significant single-digit revenue growth over the prior year, although the pace of that growth will be slower than the pace in the first quarter. Together with the measures implemented for improving the efficiency and cost structures, this should lead to an earnings increase over 2010, with the Group aiming for an EBIT margin of 8–9%.

As it has done in the past under its expansion policy, WashTec will selectively search for external growth opportunities. These opportunities are intended to improve the regional presence of the Group, expand the value chain into high margin activities and enhance the Group's total return on capital. From today's perspective, the financial resources required for this activity can be financed from the Company's own cash flow.

3. Opportunities and risks related to Group development

The 2010 annual report contains a description of the WashTec Group's risk management system. Since that time, the situation has not changed materially in terms of the opportunities and risks described the risk report of the 2010 annual report.

WashTec AG 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 2011	Jan 1 to Mar 31 2010
	€	€
Revenues	63,350,222	55,939,801
Other operating income	1,477,356	1,036,527
Other capitalized development costs	388,765	285,123
Change in inventories	–314,684	–764,482
Total	**64,901,659**	**56,496,969**
Cost of materials		
Cost of raw materials, consumables and supplies and of purchased material	21,846,924	18,500,767
Cost of purchased services	4,445,936	4,132,450
	26,292,860	**22,633,217**
Personnel expenses	**24,809,821**	**21,965,288**
Amortization, deprecation and impairment		
of intangible assets and property, plant and equipment	2,447,178	2,362,979
Other operating expenses	10,928,640	9,680,723
Other taxes	184,150	174,546
Total operating expenses	**64,662,649**	**56,816,753**
EBIT	**239,010**	**–319,784**
Other interest and similar income	38,234	12,675
Interest and similar expenses	435,094	497,072
Financial result	**–396,860**	**–484,397**
Result from ordinary activities/EBT	**–157,850**	**–804,181**
Income taxes	–293,173	–609,920
Consolidated earnings for the period	**–451,023**	**–1,414,101**
Average number of shares	**13,976,970**	**13,976,970**
Earnings per share (basic = diluted)	**–0.03**	**–0.10**

Statement of Comprehensive Income

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

	Jan 1 to Mar 31 2011	Jan 1 to Mar 31 2010
	€k	€k
Earnings after taxes	**–451**	**–1,414**
Changes in the fair value of financial instruments used for hedging purposes recognized under equity	566	–579
Adjustment item for the currency translation of foreign subsidiaris and currency changes	60	235
Exchange differences on net investments in subsidiaries	–890	477
Actuarial gains/losses from defined benefit obligations and similar obligations	0	0
Deferred taxes on changes in value taken directly to equity	99	31
Valuation gains/losses recognized directly in equity	**–165**	**164**
Total income and expense and valuation in gains/losses recognized directly in equity	**–616**	**–1,250**

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, 2011	Dec 31, 2010
	€	€
Non-current assets		
Property, plant and equipment	42,296,859	41,920,722
Goodwill	57,363,532	58,192,039
Intangible assets	11,665,698	9,862,248
Trade receivables	690,420	387,967
Tax receivables	252,817	252,817
Other assets	40,189	39,793
Deferred tax assets	7,633,598	7,015,377
Total non-current assets	**119,943,113**	**117,670,963**
Current assets		
Inventories	36,791,922	37,378,273
Trade receivables	36,746,984	39,934,929
Tax receivables	2,239,936	1,210,691
Other assets	4,811,448	5,584,162
Cash and bank balances	8,334,328	15,304,363
Total current assets	**88,924,618**	**99,412,418**
Total assets	**208,867,731**	**217,083,381**

Equity and liabilities	Mar 31, 2011	Dec 31, 2010
	€	€
Equity		
Subscribed Capital	40,000,000	40,000,000
contingent capital	*12,000,000*	*12,000,000*
Capital reserves	36,463,441	36,463,441
Other reserves	–2,281,260	–2,116,221
Profit carried forward	20,011,831	9,235,334
Consolidated earnings for the period	–451,023	10,776,497
	93,742,989	**94,359,051**
Non-current liabilities		
Interest-bearing loans	276,376	276,582
Finance leasing	6,232,311	6,617,302
Provisions for pensions	7,031,913	7,013,238
Trade payables	0	47,000
Other non-current provisions	3,064,159	3,693,291
Other nun-current liabilities	2,348,747	1,540,501
Deferred revenue	562,799	698,988
Deferred Income	4,968,759	4,551,105
Total non-current liabilities	**24,485,064**	**24,438,007**
Current liabilities		
Interest-bearing loans	26,525,303	32,427,648
Finance leasing	2,533,119	2,560,143
Prepayments on orders	8,337,526	7,968,064
Trade payables	7,591,002	9,478,523
Other liabilities for taxes and levies	3,282,363	3,321,152
Other liabilities for social security	828,945	815,887
Tax liabilities	1,918,584	1,711,785
Other current liabilities	20,706,770	20,631,733
Other current provisions	9,666,752	9,884,854
Deferred Income	9,249,314	9,486,534
Total current liabilities	**90,639,678**	**98,286,323**
Total equity and liabilities	**208,867,731**	**217,083,381**

Consolidated Cash Flow Statement

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

	Jan 1 to Mar 31 2011	Jan 1 to Mar 31 2010
	€k	€k
EBT	**–158**	**–804**
Adjustments to reconcile profit before tax to net cash flows not affecting cash:		
Amortization, depreciation and impairment of non-current assets	2,447	2,363
Gain/loss from disposals of non-current assets	–51	–10
Other gains/losses	–2,099	–1,777
Interest income	–38	–13
Interest expense	435	497
Movements in provisions	–796	–1,003
Changes in net working capital:		
Increase/decrease in trade receivables	2,452	4,307
Increase/decrease in inventories	–37	–596
Increase/decrease in trade payables	–1,810	1,055
Changes in other net working capital	579	–246
Income tax paid	–114	–332
Net cash flows from operating activities	**810**	**3,441**
Purchase of property, plant and equipment (without finance leasing)	–2,559	–909
Proceeds from sale of property, plant and equipment	190	70
Acquisition of a subsidiary, net of cash acquired	–300	0
Cash outflow from investment activities	**–2,669**	**–839**
Repayment of non-current liabilities to banks	–5,000	–10,012
Interest received	27	13
Interest paid	–352	–428
Repayment of non-current liabilities from finance leases	–648	–597
Net cash flows used in financing activities	**–5,973**	**–11,024**
Net increase/decrease in cash and cash equivalents	**–7,832**	**–8,422**
Net foreign exchange difference in cash and cash equivalents	**735**	**–299**
Cash and cash equivalents at 1 January	**14,837**	**13,732**
Cash and cash equivalents at 31 March	**7,740**	**5,011**
Bank balances	**8,334**	**5,090**
Current bank liabilities	**–594**	**–79**

Statement of Changes in Consolidated Equity

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

€k	Subscribed capital	Capital reserve	Other reserves	Exchange effects	Profit carried forward	Total
As of January 1, 2010	**40,000**	**36,464**	**–1,365**	**–453**	**10,912**	**85,558**
Income and expenses recognized directly in equity			–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**	**–1,436**	**–218**	**9,498**	**84,308**
As of January 1, 2011	**40,000**	**36,464**	**–1,986**	**–130**	**20,011**	**94,359**
Income and expenses recognized directly in equity			–324	60		–264
Taxes on transactions recognized directly in equity			99			99
Consolidated earnings for the period					–451	–451
As of March 31, 2011	**40,000**	**36,464**	**–2,211**	**–70**	**19,560**	**93,743**

Notes to the Interim Consolidated Financial Statements of WashTec AG (IFRS) for the period of January 1 to March 31, 2011

General Disclosures

1. Information on the Company

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

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

The Company's shares are publicly traded.

The object of the WashTec Group's enterprise includes developing, manufacturing, selling and servicing products for washing vehicles as well as the leasing and all services and financial solutions related thereto for operating carwash facilities.

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

2. Accounting and valuation policies, principles in preparing financial statements

The consolidated quarterly financial report for the period January 1 through March 31, 2011 was prepared in accordance with IAS 34 »Interim Financial Reporting«.

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

Significant accounting and valuation methods

The accounting and valuation methods applied when preparing the consolidated quarterly report comply with the methods used when preparing the consolidated financial statements for the fiscal year ending December 31, 2010, except for the tax calculation.

The tax calculation for quarterly reports is done by multiplying the result with the anticipated applicable annual tax rate while factoring in non-recurring effects.

For fiscal years that begin on or after January 1, 2011, the following new and revised standards and interpretations must be applied. As explained in the consolidated financial statements as of December 31, 2010, these new standards and interpretations 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.

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

Moreover, the IASB and the IFRIC enacted additional Standards, Interpretations and Amendments listed below, but these did not yet have to be applied in fiscal year 2011 or they have not yet been recognized by the European Union. The WashTec Group did not apply these Standards earlier than required. The first-time adoption of the Standards is planned for the date on which they are recognized and enacted by the EU.

- IAS 12 Amendments to IAS 12 – Deferred Tax: Recovery of Underlying Assets
- IFRS 1 Amendments to IFRS 1 – Severe Hyperinflation and Elimination of Fixed Transition Dates for First-time Adopters
- IFRS 7 Amendments to IFRS 7 – Financial Instruments: Disclosures
- IFRS 9 Financial Instruments: Classification and Measurement

The facts addressed by IFRS 1 are not relevant to the WashTec Group. The WashTec Group cannot at present definitively determine what effects the first-time application of IFRS 9 and the amendments to IAS 12 and IFRS 7 will have.

3. Business combinations

In the wash chemicals segment, WashTec Benelux B.V., Zoetermeer, The Netherlands, concluded a agreement to purchase selected assets (including the customer base and a sales employee) of its former dealer in wash chemicals. The agreement entered into effect as of April 1, 2011. WashTec has thereby secured the future supply and support of all local customers with Auwa car wash chemicals through its own subsidiary in the Netherlands.

The purchase price for the acquisition of the business is less than € 0.5m and includes a variable component. Due diligence was conducted and focused primarily on the business risks. In connection with the acquisition, the purchaser has so far incurred € 9k in incidental acquisition costs which were recognized in the income statement.

€m	fair value	book value
Intangible assets	0.3	0.3
Current assets	0.2	0.2

4. Segment reporting

In the course of transforming the Group's internal management systems, the segment reporting was changed as of the first quarter of 2011 to encompass the regions of "Core Europe", "Emerging Europe", "North America" and "Asia/Pacific".

The activities of the WashTec Group within Northern Europe and Western Europe have been combined under the region, "Core Europe". This region therefore includes the former area known as "DACH" (Germany, Austria and Switzerland), as well as the European share of the "RoW" (Rest of World) area and the chemicals and operations business ("Other" area) in that region. The region "Emerging Europe" corresponds to the former area known as "CEE", while the region "North America" encompasses the activities in the United States and Canada that had been previously reported under the "RoW" area. The "Asia/Pacific" region reflects primarily the business development of the Australian subsidiary and the future development of China.

5. Significant business events and transactions

As described in the 2010 annual financial statements, the substantial assets of the product development and sales departments of Adekema were transferred effective January 1, 2011.

Segment reporting from Jan 1 to March 31

in €k	Core Europe 2011	Emerging Europe 2011	North America 2011	Asia/Pacific 2011	Consoli-dation 2011	Group 2011
Revenues	52,998	3,228	8,276	2,412	–3,564	63,350
thereof with third parties	49,939	3,221	8,017	2,412	–239	63,350
thereof with other segments	3,059	7	259	0	–3,325	0
Operating results	**1,216**	**363**	**–697**	**–437**	**–206**	**239**
Financial result						38
Financial expenses						–435
Results from ordinary business activities						**–158**
Income tax expense						–293
Consolidated results						**–451**

in €k	Core Europe 2010	Emerging Europe 2010	North America 2010	Asia/Pacific 2010	Consoli-dation 2010	Group 2010
Revenues	51,830	1,603	4,579	422	–2,494	55,940
thereof with third parties	49,441	1,603	4,579	422	–105	55,940
thereof with other segments	2,389	0	0	0	–2,389	0
Operating results	**1,169**	**–46**	**–1,447**	**27**	**–23**	**–320**
Financial result						13
Financial expenses						–497
Results from ordinary business activities						**–804**
Income tax expense						–610
Consolidated results						**–1,414**

6. Equity

The subscribed capital of WashTec AG equaled €40,000k on March 31, 2011 and is divided into 13,976,970 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. Events after the balance sheet date

In April, WashTec signed an agreement to acquire the substantial assets of the “carwash” division of Barin S.A., the former Ceccato dealer and the second largest market player in Spain. The parties agreed on a purchase price of approximately € 0.6m, which covered the customer base, some inventory and important employees. The contract still requires the approval of the competent bankruptcy court in Madrid in order for it to become binding.

Due to the difficult market situation in Spain, Barin suffered financial difficulties and had to file for bankruptcy at the end of 2010. WashTec had therefore decided to use that opportunity to expand its market position in Spain, despite facing a continuing difficult economic environment there.

Since the acquisition was completed only very recently, it is not yet possible – as of today’s date – to provide reliable information relating to, above all, the fair market or book values of the assets and liabilities acquired.

Since the end of April 2011, the US subsidiary of WashTec, Mark VII Inc., has expanded its direct sales and service network in the United States and has opened its own branch operation in Florida. This step is intended to guarantee the supply and support of larger, newly-acquired national customers of Mark VII products.

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Financial calendar

Annual General Meeting 2011	May 5, 2011
6-month report	August 5, 2011
9-month report	November 4, 2011
Analysts' Conference/ Equity Capital Forum	November 21 – 23, 2011