Report on the period from January 1 to September 30, 2016

Q3 2016

WashTec

First nine month revenues 5.7% up on prior year

- Revenues at €259.8m after nine months (prior year: €245.8m); EBIT at €25.2m (prior year: €23.3m)
- Year-end estimation of at least 7.5% growth
- Customer Center opened in Augsburg
- Order backlog above prior year – high revenue growth expected in the coming months

Jan 1 to Sep 30, 2016		Jan 1 to Sep 30, 2016	Jan 1 to Sep 30, 2015	Change absolute	Change in %
Revenues	€ m	259.8	245.8	14.0	5.7
EBITDA	€ m	32.0	30.5	1.5	4.9
EBIT	€ m	25.2	23.3	1.9	8.2
EBIT margin	in %	9.7	9.5	0.2	
EBT	€ m	25.0	22.9	2.1	9.2
Employees at reporting date	persons	1,769	1,681	88	5.2
Average number of shares	units	13,382,324	13,904,813	−522,489	−3.8
Earnings per share[1]	€	1.30	1.11	0.19	17.1
Free cash flow[2]	€ m	14.8	14.0	0.8	5.7
Capital expenditure	€ m	14.2	4.0	10.2	255.0
Capital ratio at reporting date[3]	in %	36.3	37.0	0.7	1.9

3rd Quarter 2016		Jul 1 to Sep 30, 2016	Jul 1 to Sep 30, 2016	Change absolute	Change in %
Revenues	€ m	90.6	85.2	5.4	6.3
EBITDA	€ m	12.1	11.9	0.2	1.7
EBIT	€ m	9.7	9.5	0.2	2.1
EBIT margin	in %	10.7	11.2	0.5	
EBT	€ m	9.6	9.4	0.2	2.1
Average number of shares	units	13,382,324	13,847,698	−465,374	−3.4
Earnings per share[1]	€	0.50	0.48	0.02	4.2

[1] Basic = diluted
[2] Net cash flow – net cash flows from investing activities
[3] Equity capital/balance sheet total

Contents

Interim Group Management Report

Interim Group Management Report

1. Overall revenues and earnings development

Revenue growth at 5.7% as of September

Revenues per September 2016, at €259.8m, were €14.0m (5.7%) higher than in the prior-year period (€245.8m). Revenue growth in the third quarter was €5.4m or 6.3%.

Equipment and Service but also Chemicals showed an increase on the prior-year period. Investments into global sales and marketing activities as well as a higher sales efficiency contributed to the growth. Adjusted for currency effects, revenues in the first nine months increased by 6.5%. Mainly due to the positive revenues performance, EBIT improved to €25.2m (prior year: €23.3m) while at the same time investment was made in further growth. The Company has thus generated an EBIT margin of 9.7% after nine months of the year (prior year: 9.5%).

September was the opening of the new Customer Center at the Augsburg headquarters. This enables customers to experience the latest products and innovations in a highly attractive, modern setting. The opening ceremony was held as part of a 'Family & Friends Day` attended by some 1,900 members of the WashTec workforce together with family members and friends from Germany and abroad.

At the Automechanika trade fair in Frankfurt, the Company successfully exhibited to trade visitors with a special focus on the individual customer benefit.

The order backlog at the end of the third quarter was significantly up on the prior year.

Therefore the company expects that the revenue growth will be at least 7.5% for the full year. On current estimates, the EBIT margin will be above the prior year.

2. Report on economic position

2.1 Economic and competitive environment

The economic and competitive environment largely corresponded to the situation described in the Group Management Report 2015. There were no significant changes in technology and none are foreseeable.

2.2 Earnings

2.2.1 Revenues by segments and products

Revenues by segment, Jan 1 to Sep 30

in € m. IFRS (rounding differences possible)	Jan 1 to Sep 30, 2016	Jan 1 to Sep 30, 2015	Change absolute	Change in %
Core Europe	213.7	200.7	13.0	6.5
North America	38.5	40.0	−1.5	−3.8
Asia/Pacific	13.1	10.9	2.2	20.2
Consolidation	−5.5	−5.8	0.3	
Total Group	**259.8**	**245.8**	**14.0**	**5.7**

Revenues increase in Asia-Pacific of 11.1% in the third quarter

Revenues by segment, Q3

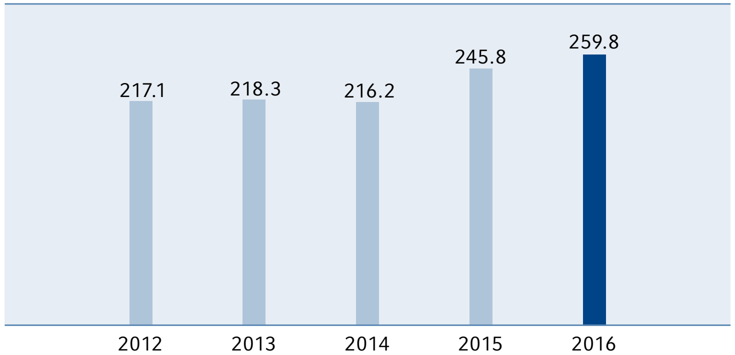
in € m, IFRS (rounding differences possible)	Jul 1 to Sep 30, 2016	Jul 1 to Sep 30, 2015	Change absolute	Change in %
Core Europe	75.2	70.7	4.5	6.4
North America	13.6	12.8	0.8	6.2
Asia/Pacific	4.0	3.6	0.4	11.1
Consolidation	−2.3	−1.9	−0.4	
Total Group	**90.6**	**85.2**	**5.4**	**6.3**

All segments contributed to the revenue growth in the third quarter. The largest absolute increase was in the Core Europe segment. Almost all markets in Europe developed positively. Following on from the strong growth in the last few quarters, business in the Asia/ Pacific region once again developed well in the third quarter.

After an 8.8% decrease relative to the prior year in the first half due to the loss of a major customer in 2015, revenues in North America went up by 6.2% in the third quarter compared with the prior year. Further revenue growth is expected in the last quarter. Therefore the company expects a revenue growth for the full year as well.

In local currency, January to September revenue was USD 42.8m (prior year: USD 44.5m) and thus 3.8% below prior year.

Revenues Jan 1 to Sep 30 in € m, IFRS



Group revenues increased in the third quarter by 6.3% (Q3 2016: €90.6m; Q3 2015: €85.2m).

Revenues by product, Jan 1 to Sep 30

in € m, IFRS (rounding differences possible)	Jan 1 to Sep 30, 2016	Jan 1 to Sep 30, 2015	Change absolute	Change in %
Equipment and Service	220.2	207.2	13.0	6.3
Chemicals	29.8	28.5	1.3	4.6
Operations business and others	9.8	10.1	−0.3	−3.0
Total	**259.8**	**245.8**	**14.0**	**5.7**

Revenues by product, Q3

in € m, IFRS (rounding differences possible)	Jul 1 to Sep 30, 2016	Jul 1 to Sep 30, 2015	Change absolute	Change in %
Equipment and Service	77.6	74.3	3.3	4.4
Chemicals	9.4	7.8	1.6	20.5
Operations business and others	3.6	3.1	0.5	16.1
Total	**90.6**	**85.2**	**5.4**	**6.3**

Equipment and Service revenues went up by 6.3% from €207.2m to €220.2m. Chemicals revenues, after falling short of the prior year in the first six months due to the loss of a major customer, increased due to the strong third quarter by 4.6% to €29.8m. Chemicals growth in Europe was above expectations at over 17% compared with the prior year. The capital expenditure at the Grebenau chemicals production location also paves the way for future growth in chemicals.

2.2.2 Expense items and earnings

9.7% EBIT margin as of third quarter

Earnings, Jan 1 to Sep 30

in € m, IFRS (rounding differences possible)	Jan 1 to Sep 30, 2016	Jan 1 to Sep 30, 2015	Change absolute	in %
Gross profit*	156.0	148.2	7.8	5.3
EBITDA	32.0	30.5	1.5	4.9
EBIT	25.2	23.3	1.9	8.2
EBT	25.0	22.9	2.1	9.2

* Revenues plus change in inventory minus cost of materials

Earnings, Q3

in € m, IFRS (rounding differences possible)	Jul 1 to Sep 30, 2016	Jul 1 to Sep 30, 2015	Change absolute	in %
Gross profit*	54.2	51.5	2.7	5.2
EBITDA	12.1	11.9	0.2	1.7
EBIT	9.7	9.5	0.2	2.1
EBT	9.6	9.4	0.2	2.1

* Revenues plus change in inventory minus cost of materials

The **gross profit margin** remained broadly constant, at 60.0% compared with 60.3% in the prior year.

Personnel expenses increased by €6.5m to €90.1m (prior year: €83.6). The Group reported 88 FTE more as of the end of September than in the same period of the prior year. As already communicated, the increase in headcount took place mainly in the Sales and Supply Chain functions due to the positive development of the business and by way of investment in further organic growth. This substantial growth in the workforce will slow down in the quarters ahead. Alongside recruitment, the increase in personal expenses was also driven by collectively agreed wage increases and pay adjustments.

Other operating expenses (including other taxes) increased by €1.0m to €38.7m (prior year: €37.7m). The increase was driven by further workplace improvements, investments in the Augsburg location – among other things for the new Customer Center and the amalgamation of functions at the headquarters – and higher expenditure on contract workers. Exhibiting at Uniti expo in Stuttgart and Automechanika in Frankfurt incurred additional costs.

Expenses were also up over the year so far due to currency losses accounted for in other operating expenses. Currency gains and losses did not have a material net impact on Group earnings or the prior-year comparative figures, however.

The positive effect of the reduction in vehicle costs continued through the third quarter and offset some of the cost increases.

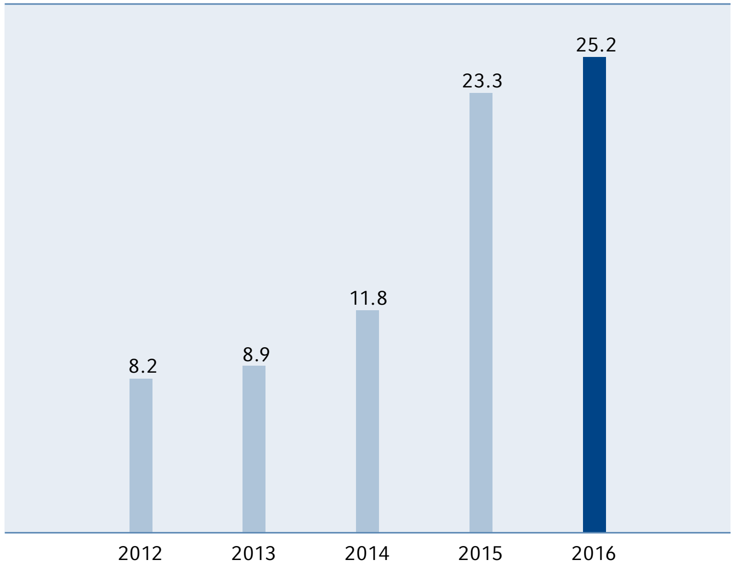
EBIT by segments, Jan 1 to Sep 30

in € m, IFRS (rounding differences possible)	Jan 1 to Sep 30, 2016	Jan 1 to Sep 30, 2015	Change absolute	in %
Core Europe	23.8	21.8	2.0	9.2
North America	0.1	1.2	−1.1	−92
Asia/Pacific	1.1	0.3	0.8	267
Consolidation	0.2	0.0	0.2	
Group	**25.2**	**23.3**	**1.9**	**8.2**

EBIT nach Segmenten, Q3

in € m, IFRS (rounding differences possible)	Jul 1 to Sep 30, 2016	Jul 1 to Sep 30, 2015	Change absolute	in %
Core Europe	9.6	9.9	−0.3	−3.0
North America	0.1	−0.2	0.3	300
Asia/Pacific	0.0	0.1	−0.1	−100
Consolidation	0.0	−0.3	0.3	
Group	**9.7**	**9.5**	**0.2**	**2.1**

EBIT Jan 1 through Sep 30 in € m, IFRS



EBITDA increased by €1.5m to €32.0m (prior year: €30.5m).

EBIT increased by €1.9m to €25.2m (prior year: €23.3m).

The EBIT increase in the **Core Europe** and **Asia/Pacific** segments is mainly a result of the revenue growth. In the **North America** segment, the shortfall in earnings compared with the prior year was slightly narrowed in the third quarter.

Movements in the US dollar-euro exchange rate had no material impact on the operating business. Measurement of foreign currency-denominated assets and liabilities as of the reporting date had a €–0.4m impact on earnings (prior year: €–0.5m).

Consolidated net income increased to €17.4m (prior year: €15.5m). As was the case for the first half year, a tax refund, including a corresponding refund of interest, from a mutual agreement procedure in prior years resulted in a lower tax rate and the improved financial result.

Earnings per share (basic = diluted) increased to €1.30 (prior year: €1.11) due to the higher consolidated net income and smaller average number of shares.

EPS 17.1% up on prior year

2.3 Net assets

Balance Sheet Assets in € m, IFRS (rounding differences possible)	Sep 30, 2016	Dec 31, 2015
Non-current assets	**93.7**	**85.8**
thereof intangible assets	5.9	5.3
thereof taxes	3.7	4.2
Current assets	**109.9**	**104.3**
thereof inventories	44.1	39.9
thereof trade receivables, other assets	52.9	49.2
thereof cash and cash equivalents	7.2	7.8
Total assets	**203.6**	**190.0**

Balance Sheet Liabilities in € m, IFRS (rounding differences possible)	Sep 30, 2016	Dec 31, 2015
Equity capital	**73.8**	**80.3**
Liabilities to banks	14.3	5.3
Other liabilities and provisions	103.4	91.7
thereof trade payables	12.7	7.5
thereof provisions (including income tax debt)	37.3	34.6
Deferred income	8.8	9.0
Deferred tax liabilities	3.3	3.8
Total equity and liabilities	**203.6**	**190.0**

Despite the seasonal increase in trade receivables and higher stocks of finished goods for customer orders, **net working capital** (current trade receivables + inventories – current trade payables) increased only slightly by 2.6% from €78.1m as of December 31, 2015 to €80.1m.

The **equity ratio** fell slightly in the third quarter to 36.3% and as a result of the dividend payment is still slightly below the 37.0% prior-year figure. Compared with the 2015 year-end, the equity ratio decreased from 42.2% to 36.3%.

Net debt (long-term and short-term bank debt – bank deposits) stood at €7.0m as of the end of September (December 31, 2015: net cash position of €2.5m).

Net financial debt (short-term and long-term finance leasing + net debt) increased to €10.3m (December 31, 2015: €1.9m).

Other liabilities and provisions increased to €103.4m, mainly because of higher trade payables and higher tax liabilities (December 31, 2015: €91.7m).

2.4 Financial position

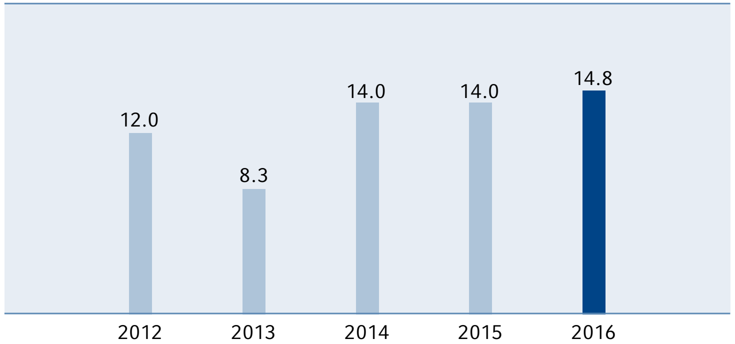
Marked increase in net cash flow

The **cash inflow from operating activities** (net cash flow) increased in the first nine months to €28.5m (prior year: €17.6m). Besides the higher earnings, this was mainly driven by a smaller increase in working capital relative to the prior-year period and the previously communicated refund of withholding tax on investment income in the first quarter.

The **cash outflow from investing activities** increased substantially as planned to €13.6m (prior year: €3.7m). The customer center in Augsburg was completed in September. The expanded production facility in Grebenau is expected to go into operation at the end of the year and in full during the first quarter of 2017. After the high level of investment this year, capital expenditure will be below €10.0m per year in the years ahead.

Free cash flow (net cash flow – net cash flows from investing activities) rose by €0.8m from €14.0m to €14.8m.

Free cash flow Jan 1 to Sep 30 in € m, IFRS



Overall, as a result of the dividend payment, **cash and cash equivalents** declined relative to December 31, 2015 by €9.5m to €–7.0m.

2.5 Employees

Number of employees at WashTec Group reaches 1,769

The number of employees as of September 30, 2016 was 1,769, marking an increase of 80 on the 2015 year-end. Compared with September 30, 2015, the number of employees increased by 88, with most of the increase in the Sales and Supply Chain functions.

3. Outlook, opportunities and risk report

3.1 Outlook

Initiatives to boost global sales and marketing activities and for organizational development and operational improvement continue.

On account of the large order backlog and the sustained positive trend both in business with major customers and with other customer groups, a high level of capacity utilization is expected in production and installation in the last quarter in both Europe and North America.

The company expects that the revenue growth of 5.7% will be clearly exceeded for the full year. On current estimates, the EBIT margin will be above the prior year. The company likewise expects substantial growth compared with the prior year for Q1 2017.

The outlook given for the individual segments in the 2015 Annual Report is thus generally confirmed for 2016.

3.2 Opportunities and risks for group development

The WashTec Group's risk management system is described in the Annual Report 2015. There have been no material changes in the risks described therein. The Brexit Referendum is not expected to have any material impact in 2016. The half-year appraisal that the medium-term impacts will be relatively small continues to apply unchanged.

The fact that the order backlog is above expectations is partly due to the pick-up in business with major customers in the third quarter. The opportunities identified with some customers in this segment for the last two quarters will begin to be realized in the quarters ahead.

4. Miscellaneous information

4.1 Related party disclosures

There were no material related party transactions during the reporting period.

4.2 Events after the reporting period

There were no material events after the reporting period.

5. WashTec shares and investor relations

The Management Board communicated with shareholders, journalists and the financial community on an ongoing basis through the year. In the course of its investor relations activities, the Management Board held several roadshows in Düsseldorf and London and took part during the third quarter in the Baader Bank Investment Conference in Munich.

5.1 Share price development

Share price €42.20 as of September 30,2016

The WashTec share price stood at €42.20 on September 30, 2016. That marks a 38.4% increase on the prior year-end closing price of €30.50 on December 30, 2015. The share price reached an all-time high of €45.00 on October 20, 2016. The performance of the SDAX over the same period was at 3.87%.

WashTec AG is currently covered by Hauck & Aufhäuser, HSBC Trinkaus & Burkhardt, MM Warburg and Bankhaus Lampe. The price target given by all analysts, latest Bankhaus Lampe on October 26, 2016 is at least €34.00 and ranges up to €51.00 (as of October 2016).

5.2 Shareholder structure

WashTec AG received the following voting rights notifications under the Securities Trading Act (Wertpapierhandelsgesetz) in the third quarter of 2016:

On July 21, 2016, WashTec AG received notification that the percentage of voting rights held by Diversity Industrie Holding AG as of July 19, 2016 was 4.0% (previously 6.19%).

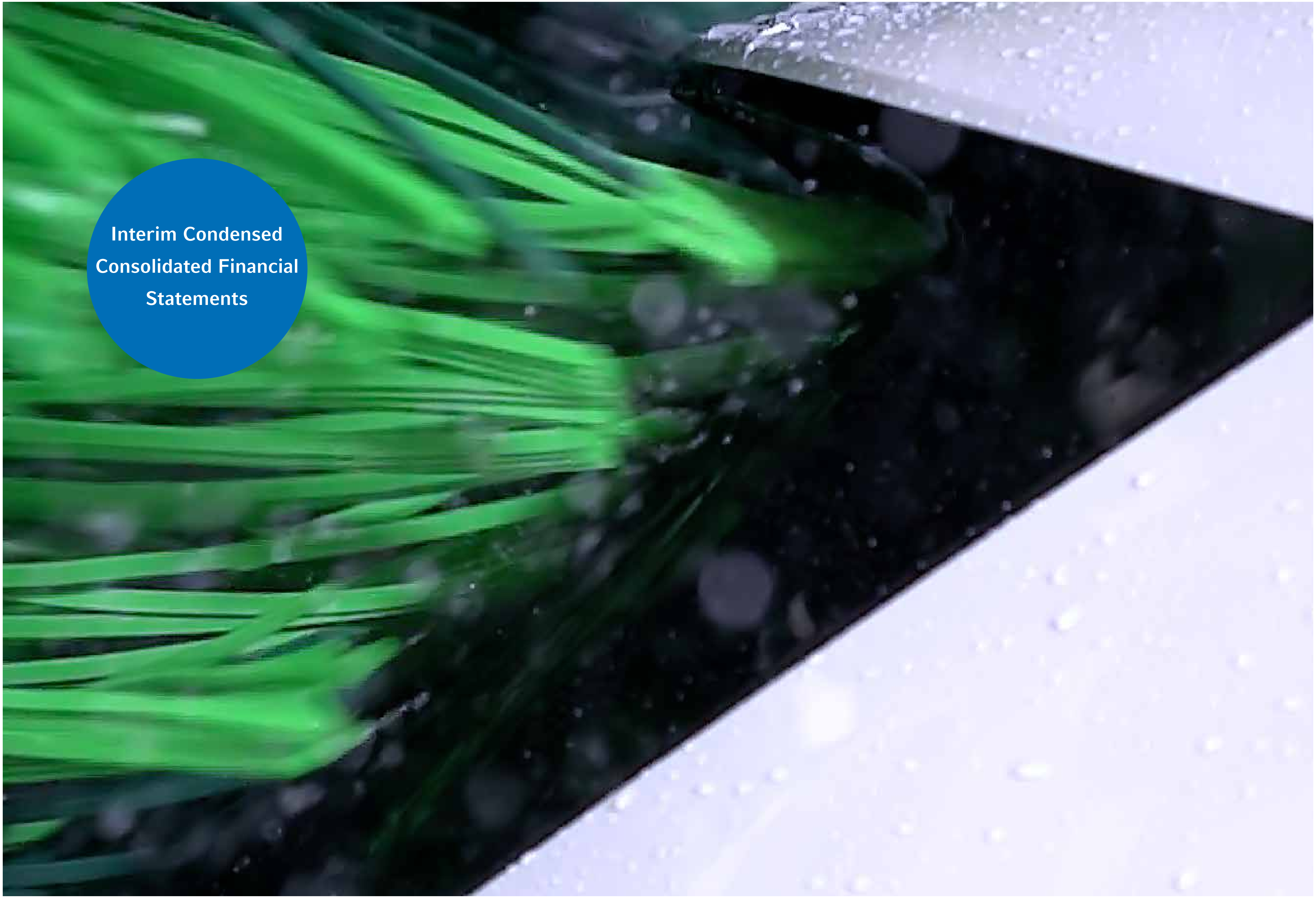
On August 11, 2016, the Company was notified that the percentage of voting rights held by Desmarais Family Residuary Trust passed below the threshold of 3.0% on August 10, 2016 and was now 2.99%.

Shareholding in %	Sep 30, 2016
Kempen Oranje Participaties N.V.	10.73
EQMC Europe Development Capital Fund plc[1]	9.78
Dr. Kurt Schwarz[2]	8.38
Paradigm Capital Value Fund	6.01
BNY Mellon Service Kapitalanlage-Gesellschaft mbH	5.61
Investment AG für langfristige Investoren TGV	5.43
Lazard Frères Gestion S.A.S.	4.94
WashTec AG – own shares	4.25
Diversity Industrie Holding AG	4.00
Desmarais Family Residuary Trust[3]	2.99
Free float	37.88

[1] Nmás1 Dinamia, S.A.
[2] Leifina GmbH & Co. KG et al
[3] Setanta Asset Management
Based on notifications made pursuant to the WpHG

Manager Transactions

No manager transactions were reported in the third quarter.



Interim Condensed Consolidated Financial Statements

Consolidated Income Statement

The consolidated notes are an integral component of the consolidated financial statements. Rounding differences may occur.

in €	Jan 1 to Sep 30, 2016	Jan 1 to Sep 30, 2015	Jul 1 to Sep 30, 2016	Jul 1 to Sep 30, 2015
Revenues	259,798,573	245,808,116	90,554,790	85,225,877
Other operating income	3,734,281	3,133,720	1,047,844	811,940
Capitalized development costs	1,155,798	425,303	673,282	21,949
Change in inventory	4,368,939	4,788,419	2,352,781	1,859,580
Total	**269,057,591**	**254,155,558**	**94,628,697**	**87,919,346**
Cost of materials				
Cost of raw materials, consumables and supplies and of purchased material	87,216,578	83,112,982	31,364,171	28,595,215
Cost of purchased services	20,985,340	19,327,979	7,283,272	7,028,576
	108,201,918	**102,440,961**	**38,647,443**	**35,623,791**
Personnel expenses	**90,082,591**	**83,574,006**	**30,570,088**	**27,994,972**
Amortization, depreciation and impairment of tangible and intangible assets«	6,806,236	7,155,016	2,348,181	2,378,734
Other operating expenses	38,074,893	37,007,782	13,145,177	12,154,893
Other taxes	654,102	649,801	212,143	233,166
Total operating expenses	**243,819,740**	**230,827,566**	**84,923,032**	**78,385,556**
EBIT	**25,237,851**	**23,327,992**	**9,705,665**	**9,533,790**
Financial income	284,383	392,038	10,592	136,674
Financial expenses	509,703	775,057	162,109	259,716
Financial result	**−225,320**	**−383,019**	**−151,517**	**−123,042**
EBT	**25,012,531**	**22,944,973**	**9,554,148**	**9,410,748**
Income taxes	−7,638,614	−7,469,879	−2,880,186	−2,698,813
Consolidated net income	**17,373,917**	**15,475,094**	**6,673,962**	**6,711,935**
Weighted average number of outstanding shares	**13,382,324**	**13,904,813**	**13,382,324**	**13,932,312**
Earnings per share (basic=diluted)	**1.30**	**1.11**	**0.50**	**0.48**

Consolidated Statement of Comprehensive Income

The consolidated notes are an integral component of the consolidated financial statements. Rounding differences may occur.

in €k	Jan 1 to Sep 30, 2016	Jan 1 to Sep 30, 2015	Jul 1 to Sep 30, 2016	Jul 1 to Sep 30, 2015
Consolidated net income	**17,374**	15,475	**6,674**	6,721
Actuarial gains/losses from defined benefit obligations and similar obligations	−677	0	0	0
Deferred taxes	316	0	0	0
Items that will not be reclassified to profit or loss	**−361**	0	**0**	0
Adjustment item for exchange differences on translating foreign operations	−789	933	33	143
Exchange differences on net investments in subsidiaries	181	−559	−103	−452
Deferred taxes	−80	−85	6	1
Items that may be subsequently reclassified to profit or loss	**−688**	289	**−64**	−308
Other comprehensive income	**−1,049**	289	**−64**	−308
Total comprehensive income	**16,325**	15,764	**6,610**	6,404

Consolidated Balance Sheet

The consolidated notes are an integral component of the consolidated financial statements. Rounding differences may occur.

Non-current assets in €	Sep 30, 2016	Dec 31, 2015
Non-current assets		
Property, plant and equipment	38,391,737	31,686,043
Goodwill	42,312,373	42,312,251
Intangible assets	5,942,322	5,315,400
Trade receivables	2,706,435	2,000,980
Tax receivables	0	49,939
Other assets	570,024	138,573
Deferred tax assets	3,734,563	4,247,587
Total non-current assets	**93,657,454**	**85,750,773**
Current assets		
Inventories	44,059,520	39,882,471
Trade receivables	48,759,620	45,770,028
Tax receivables	5,697,618	7,464,788
Other assets	4,160,175	3,380,592
Cash and cash equivalents	7,245,670	7,781,106
Total current assets	**109,922,603**	**104,278,985**
Total assets	**203,580,057**	**190,029,758**

Liabilities in €	Sep 30, 2016	Dec 31, 2015
Equity		
Subscribed capital	40,000,000	40,000,000
Contingent capital	*8,000,000*	*8,000,000*
Capital reserves	36,463,441	36,463,441
Treasury shares	−13,176,788	−13,176,788
Other reserves and exchange rate effects	−3,911,583	−2,862,447
Profit carried forward	−2,906,057	−4,711,829
Consolidated net income (for the period)	17,373,917	24,555,723
	73,842,930	**80,268,100**
Non-current liabilities		
Finance lease liabilities	2,011,722	2,827,417
Provisions for pensions	10,384,676	9,739,511
Other non-current provisions	3,261,541	3,524,250
Other non-current liabilities	2,192,488	1,346,065
Deferred income	1,085,689	1,175,038
Deferred tax liabilities	3,299,229	3,751,367
Total non-current liabilities	**22,235,345**	**22,363,648**
Current liabilities		
Interest-bearing loans	14,255,170	5,269,040
Finance lease liabilities	1,234,927	1,553,671
Prepayments on orders	8,008,098	6,797,767
Trade payables	12,674,827	7,542,187
Taxes and levies	4,421,049	4,744,575
Liabilities for social security	1,050,429	1,177,977
Tax provisions	11,072,736	8,337,697
Other current liabilities	34,531,095	31,199,342
Other current provisions	12,589,489	12,953,850
Deferred income	7,663,962	7,821,904
Total current liabilities	**107,501,782**	**87,398,010**
Total equity and liabilities	**203,580,057**	**190,029,758**

The consolidated notes are an integral component of the consolidated financial statements. Rounding differences may occur.

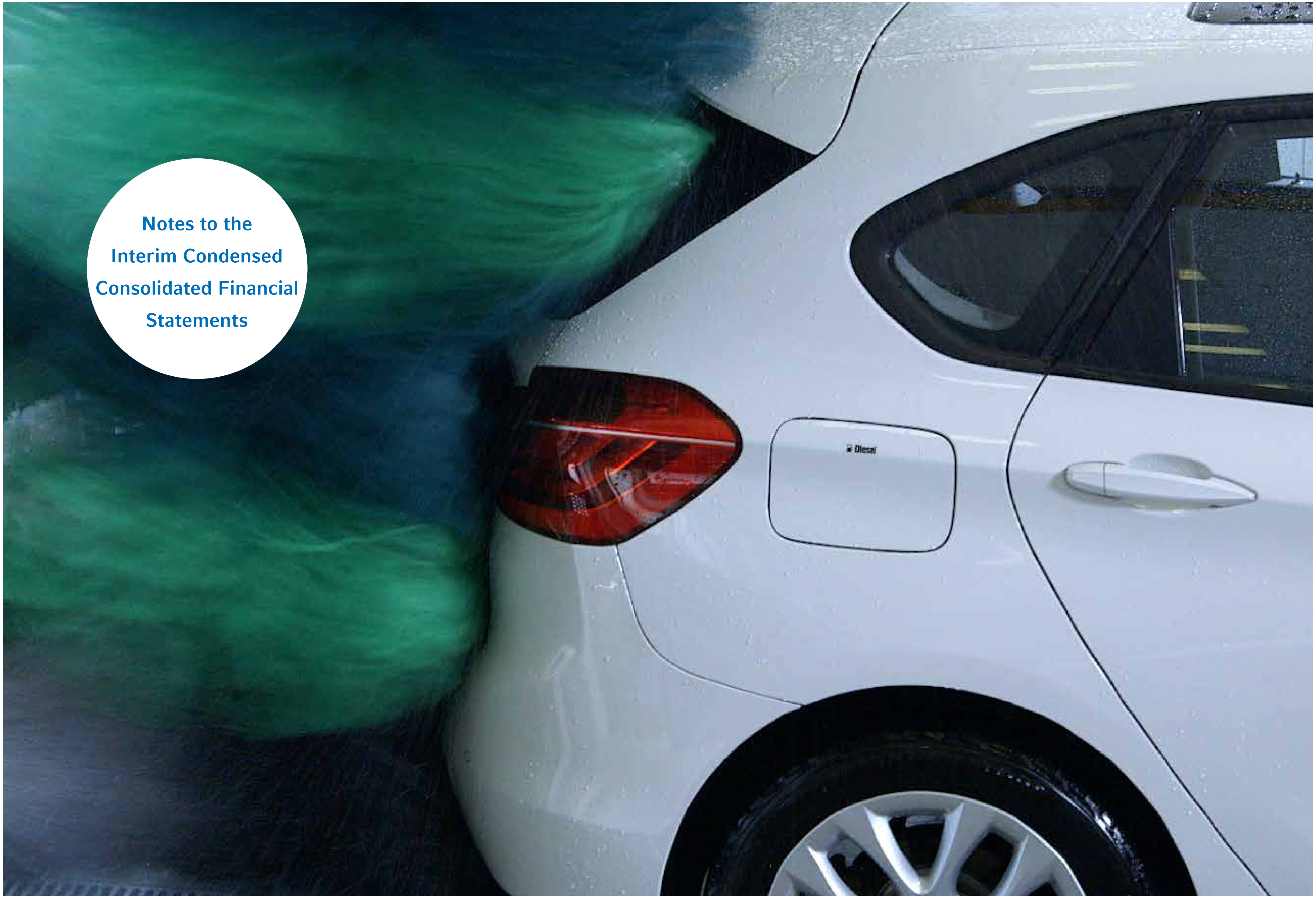
Consolidated Cash Flow Statement

in €k	Jan 1 to Sep 30, 2016	Jan 1 to Sep 30, 2015
EBT	**25,013**	22,945
Adjustments to reconcile EBT to net cash flows from operating activities:		
Amortization, depreciation and impairment of tangible and intangible assets	6,806	7,155
Gain/loss from disposals of non-current assets	−391	−130
Other gains/losses	−1,230	−1,058
Financial income	−284	−392
Financial expenses	510	775
Movements in provisions	−653	−362
Changes in net working capital:		
Increase/decrease in trade receivables	−4,179	−5,603
Increase/decrease in inventories	−4,524	−5,301
Increase/decrease in trade payables	5,217	3,418
Changes in other net working capital	4,977	4,797
Income tax paid	−2,793	−8,611
Net cash flows from operating activities	**28,469**	17,633
Purchase of property, plant and equipment (without finance leasing)	−14,221	−3,971
Proceeds from sale of property, plant and equipment	572	318
Net cash flows from investing activities	**−13,649**	−3,653
Dividend payout	−22,750	−22,988
Share buyback	0	−12,760
Interest received	284	36
Interest paid	−458	−718
Repayment of finance lease liabilities	−1,244	−1,449
Net cash flows from financing activities	**−24,168**	−37,879
Net increase/decrease in cash and cash equivalents	**−9,348**	−23,899
Net foreign exchange difference	**−173**	−375
Cash and cash equivalents at January 1	**2,512**	15,422
Cash and cash equivalents at September 30	**−7,009**	−8,852
Composition of cash and cash equivalents for cash flow purposes:		
Cash and cash equivalents	**7,246**	6,415
Interest-bearing loans	**−14,255**	−15,267
Cash and cash equivalents at September 30	**−7,009**	−8,852

Statement of Changes in Consolidated Equity

The consolidated notes are an integral component of the consolidated financial statements. Rounding differences may occur.

in €k	Number of shares (in units)	Subscribed capital	Capital reserves	Treasury shares	Other reserves	Currency translation effects	Profit carried forward	Total
As of January 1, 2015	**13,932,312**	**40,000**	**36,464**	**−417**	**−4,217**	**812**	**18,277**	**90,917**
Income and expenses recognized directly in equity					−559	933		374
Taxes on transactions recognized directly in equity					−85			−85
Share buyback	−549,988			−12,760				−12,760
Dividend							−22,988	−22,988
Consolidated net income for the period							15,745	15,475
As of September 30, 2015	**13,382,324**	**40,000**	**36,464**	**−13,177**	**−4,861**	**1,745**	**10,764**	**70,933**
As of January 1, 2016	**13,382,324**	**40,000**	**36,464**	**−13,177**	**−5,004**	**2,142**	**19,845**	**80,268**
Income and expenses recognized directly in equity					−496	−789		−1,285
Taxes on transactions recognized directly in equity					236			236
Dividend							−22,750	−22,750
Consolidated net income for the period							17,374	17,374
As of September 30, 2016	**13,382,324**	**40,000**	**36,464**	**−13,177**	**−5,264**	**1,353**	**14,469**	**73,843**



Notes to the Interim Condensed Consolidated Financial Statements

Notes to the Interim Condensed Consolidated Financial Statements of WashTec AG (IFRS) for the period January 1 to September 30, 2016

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 in free float and are publicly traded.

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

The consolidated financial statements are presented in euro and, unless otherwise indicated, all figures are rounded to the nearest thousand (€k); this may result in rounding differences.

2. Accounting policies

Basis of preparation of the consolidated financial statements

The same accounting policies have been followed in these interim condensed consolidated financial statements as were applied in preparation of the consolidated financial statements for the fiscal year ended December 31, 2015, with the exception of the computation of taxes. Tax is computed for interim financial statements by multiplying net income with the expected applicable annual tax rate.

The interim condensed consolidated financial statements for the period January 1 to September 30, 2016 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed consolidated financial statements do not contain all explanations and disclosures required for annual financial statements and should be read in conjunction with the consolidated financial statements for the fiscal year ended December 31, 2015.

Effects of new financial reporting standards

The Group adopted the following new and revised IFRS Standards and Interpretations in the reporting period:

Standard/ Interpretation	Title	Mandatory application	Endorsement by the EU	Material effects on WashTec
IAS 1	Amendments to IAS 1 Presentation of Financial Statements – Disclosure Initiative	Jan 1, 2016	Dec 18, 2015	none
IAS 16 and IAS 38	Amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortization	Jan 1, 2016	Dec 2, 2015	none
IAS 16 and IAS 41	Amendments to IAS 16 Property, Plant and Equipment and IAS 41 Agriculture – Bearer Plants	Jan 1, 2016	Nov 23, 2015	none
IAS 19	Amendments to IAS 19 Employee Benefits – Employee Contributions	Feb 1, 2015	Dec 17, 2014	none
IAS 27	Amendments to IAS 27 Separate Financial Statements – Equity Method in Separate Financial Statements	Jan 1, 2016	Dec 18, 2015	none
IFRS 11	Amendments to IFRS 11 Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations	Jan 1, 2016	Nov 24, 2015	none
IFRS	Annual Improvements to IFRSs (2012–2014 cycle)	Jan 1, 2016	Dec 15, 2015	none
IFRS 10, IFRS 12 and IAS 28	Amendments to IFRS 10 Consolidated Financial Statements , IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investments in Associates and Joint Ventures – Applying the Consolidation Exception	Jan 1, 2016	Sep 22, 2016	none

The IASB and the IFRS Interpretations Committee have also issued additional standards, interpretations and amendments as listed below, but these did not yet have to be adopted in fiscal year 2016 or have not yet been endorsed by the European Union.

As of September 30, 2016, the WashTec Group had not sdopted these standards earlier than required. First-time adoption of the standards is planned when they are endorsed by the EU.

Standard/ Interpretation	Title	Mandatory application	Endorsement by the EU	Material effects on WashTec
IAS 7	Amendments to IAS 7 Statement of Cash Flows – Disclosure Initiative	Jan 01, 2017	expected in Q4 2016	none
IAS 12	Amendments to IAS 12 Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses	Jan 01, 2017	expected in Q4 2016	none
IFRS 2	Amendments to IFRS 2 Share-based payments – Classification and Measurement of Share-based Payment Transactions	Jan 01, 2018	expected in H2 2017	none
IFRS 9	Financial Instruments	Jan 01, 2018	expected in Q4 2016	currently reviewed
IFRS 10 und IAS 28	Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	deferred indefinitely		none
IFRS 14	Regulatory Deferral Accounts	Jan 01, 2016	Postponement of the endorsement process until the publication of the final standard	none
IFRS 15	Revenues from Contracts with Customers	Jan 01, 2018	expected in Q4 2016	currently reviewed
IFRS 16	Leases	Jan 01, 2019	expected in 2017	currently reviewed
IFRS 4	Amendments to IFRS 4: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts	Jan 01, 2018	expected in 2017	none

3. Segment reporting

Due to organizational changes by which the Eastern Europe segment and the previous export activities have been brought together under WashTec Cleaning Technology, WashTec no longer reports separately on the Eastern Europe segment. From fiscal year 2016, Eastern European is part of the Core Europe segment. The structure of the North America and Asia/Pacific segments remains unchanged.

Jan to Sep 2016 €k, Rounding differences may occur	**Core Europe**	**North America**	**Asia/Pacific**	**Consolida-tion**	**Group**
Revenues	**213,702**	**38,481**	**13,132**	**–5,517**	**259,799**
with third parties	208,273	38,393	13,133	0	259,799
with other divisions	5,429	89	0	–5,517	0
EBIT	**23,829**	**69**	**1,118**	**222**	**25,237**
Financial income					284
Financial expenses					–510
EBT					**25,012**
Income taxes					–7,639
Consolidated net income					**17,374**

Jan to Sep 2015 €k, Rounding differences may occur	**Core Europe**	**North America**	**Asia/Pacific**	**Consolida-tion**	**Group**
Revenues	**200,748**	**39,975**	**10,859**	**–5,774**	**245,808**
with third parties	195,199	39,753	10,856	0	245,808
with other divisions	5,550	222	3	–5,774	0
EBIT	**21,836**	**1,213**	**323**	**–43**	**23,329**
Financial income					392
Financial expenses					–775
EBT					**22,946**
Income taxes					–7,470
Consolidated net income					**15,475**

4. Equity

The subscribed capital of WashTec AG as of September 30, 2016 is €40,000k. It is divided into 13,976,970 no-par-value bearer shares and is fully paid in.

The average number of issued and outstanding shares as of September 30, 2016 is 13,382,324.

The Annual General Meeting of WashTec AG on May 11, 2016 resolved to appropriate the distributable profit of €22,983,636.87 shown in the Company's annual financial statements for fiscal year 2015 as follows: Payment of a dividend of €1.70 per eligible share, totaling €22,749,950.80 and the remaining distributable profit of €233,686.07 to be carried forward to a new account.

As the authorization to acquire treasury shares granted by resolution of the Annual General Meeting of May 15, 2013 expired on May 14, 2016, a resolution was passed at this year's Annual General Meeting to revoke the previous authorization and to grant the Company renewed authorization to acquire and use treasury shares. The Management Board is thus authorized, acting with the consent of the Supervisory Board, to increase the registered share capital on one or more occasions by up to a total of €8,000k (Authorized Capital) by issuing new no-par bearer shares in exchange for cash and/or non-cash contributions.

The Management Board is further authorized, acting with the consent of the Supervisory Board, on one or more occasions on or before May 10, 2019, to issue bearer or registered warrant-linked bonds and/or convertible bonds, participation rights or participating bonds or a combination of such instruments with a total face value of up to €50,000k with or without term limitations. Holders or creditors of warrant-linked bonds, option participation rights or option participating bonds can thus, subject to the bond terms and conditions, be granted or assigned option rights or obligations for no-par-value bearer shares in the Company accounting for a pro rata amount of the registered share capital totaling up to €8,000k. The same applies for holders or creditors of convertible bonds, convertible participation rights or convertible participating bonds and the corresponding conversion rights or duties.

The Annual General Meeting also authorized the Management Board, on or before May 10, 2019 and for purposes other than to trade in the Company's own shares, to acquire the Company's own shares in the amount of up to 10% of the registered share capital of €40,000k at the time of the resolution.

5. Financial instruments: additional disclosures

The following table, which is derived from the relevant balance sheet items, shows the relationships between the classification and measurement of financial instruments.

Carrying amounts, measurement and fair value by category:

€k	Measurement category according to IAS 39	Carrying amount Sep 30, 2016	Measurement under IAS 39			Measurement under IAS 17	Fair Value Sep 30, 2016	IFRS 13 Level
			Amortized cost	Fair Value in equity	Fair Value through profit or loss			
Assets								
Cash and cash equivalents	LaR	7,246	7,246	–	–	–	7,246	
Trade receivables	LaR	51,466	51,466	–	–	–	51,466	
Other financial assets	LaR	930	930	–	–	–	930	
Liabilities								
Trade payables	FLAC	12,675	12,675	–	–	–	12,675	
Interest-bearing loans	FLAC	14,255	14,255	–	–	–	14,255	
Other financial liabilities	FLAC	19,542	19,542	–	–	–	19,542	
Finance lease liabilities	n.a.	3,247	–	–	–	3,247	3,247	
Derivative financial liabilities	FVthP/L	4	–	–	4	–	4	2
Aggregated presentaion per IAS 39 measurement categories								
Loans and Receivables (LaR)		59,642	59,642	–	–			
Financial Liabilities Measured at Amortised Cost (FLAC)		46,472	46,472	–	–			
Fair Value Through Profit/Loss (FVthP/L)		4	–	–	4			

€k	Measurement category according to IAS 39	Carrying value Dec 31, 2015	Measurement under IAS 39			Measurement under IAS 1	Fair Value Dec 31, 2015	IFRS 13 Level
			Amortized cost	Fair Value in equity	Fair Value through profit or loss			
Assets								
Cash and cash equivalents	LaR	7,781	7,781	–	–	–	7,781	
Trade receivables	LaR	47,771	47,771	–	–	–	47,771	
Other financial assets	LaR	809	809	–	–	–	809	
Liabilities								
Trade payables	FLAC	7,542	7,542	–	–	–	7,542	
Interest-bearing loans	FLAC	5,269	5,269	–	–	–	5,269	
Other financial liabilities	FLAC	17,031	17,031	–	–	–	17,031	
Finance lease liabilities	n.a.	4,381	–	–	–	4,381	4,381	
Derivative financial liabilities	FVthP/L	312	–	–	312	–	312	2
Aggregated presentaion per IAS 39 measurement categories								
Loans and Receivables (LaR)		56,361	56,361	–	–			
Financial Liabilities Measured at Amortised Cost (FLAC)		29,842	29,842	–	–			
Fair Value Through Profit/Loss (FVthP/L)		312	–	–	312			

Due to their short terms, the fair values of trade receivables, trade payables and cash and cash equivalents as well as other financial assets and other financial liabilities generally match their carrying amounts. The fair value of finance lease and loan liabilities is determined by discounting the expected future cash flows at current market interest rates.

Foreign exchange forwards are measured at fair value using expected exchange rates quoted on a regulated market. Interest rate swaps were measured in the prior year at fair value using expected interest rates under recognizable yield curves. The interest rate swaps expired as of December 31, 2015.

The fair value of the derivative financial instruments is classified by maturity as follows:

€k	Sep 30, 2016	Dec 31, 2015
Non-current	0	0
Current	4	312
Total	**4**	**312**

6. Contingent liabilities and other financial obligations

There was no material change in contingent liabilities and other financial obligations relative to December 31, 2015.

7. Related party disclosures

There were no material related party transactions within the meaning of IAS 24 during the reporting period.

8. Notes after the balance sheet date

There were no significant events after the balance sheet date.

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Financial Calendar

Annual report 2016	March 22, 2017
Q1 Report 2017	May 3, 2017
Annual general meeting	May 3, 2017

Q3 2016

WashTec