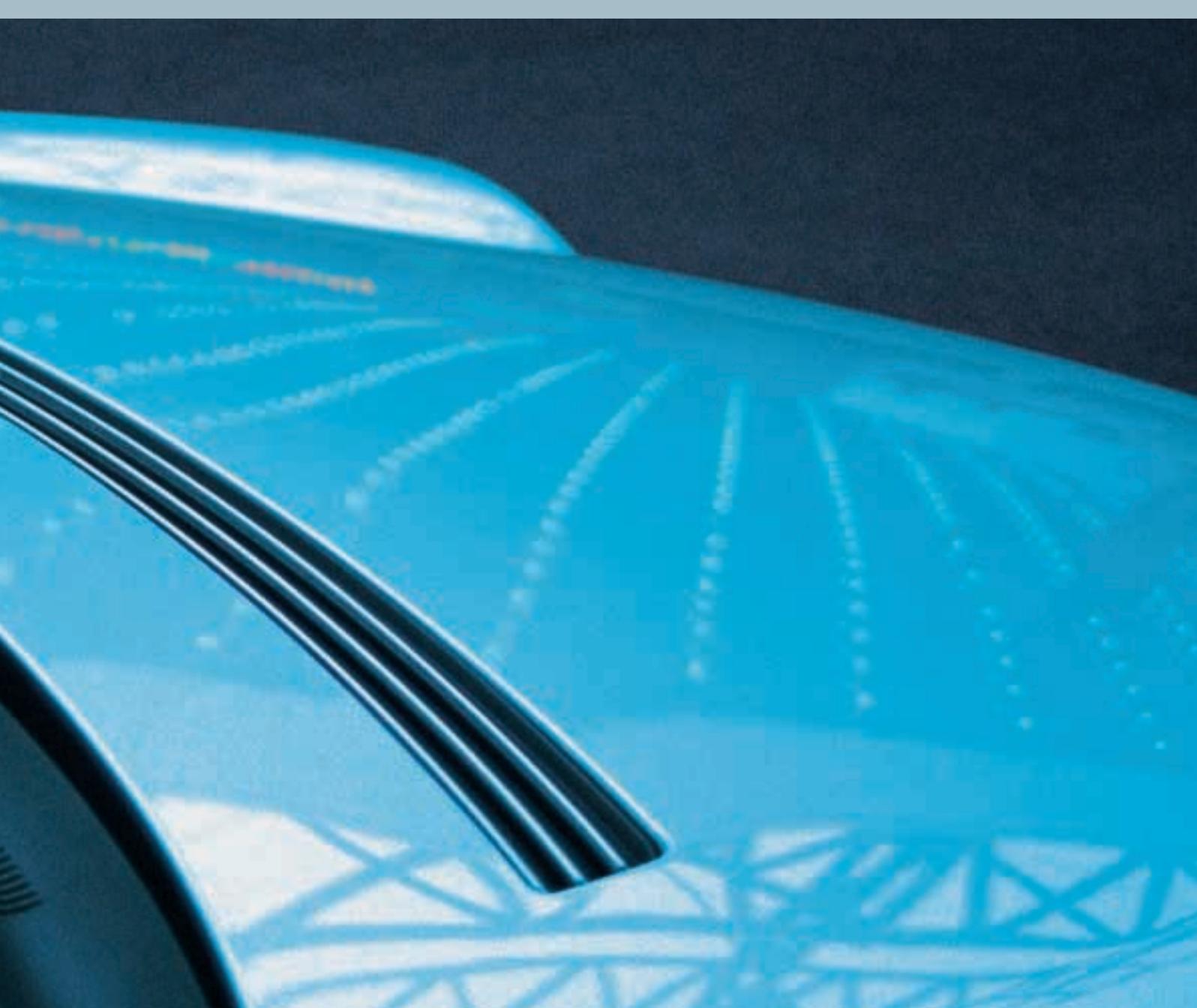


INTERIM REPORT ON
THE PERIOD FROM
JANUARY 1 TO JUNE 30, 2001



INCOME STATEMENT

	I.I. – 30.6. 2001		I.I. – 30.6. 2001		I.I. – 30.6. 2000	
	EUR	%	EUR	%	EUR	%
Accounting standard	IAS		HGB		HGB	
Gross performance	121,386,664	100.00	119,835,252	100.00	130,265,406	100.00
Raw materials and supplies	50,931,618	41.96	49,890,609	41.63	57,034,373	43.78
Gross yield	70,455,046	58.04	69,944,643	58.37	73,231,033	56.22
Personnel expenses	42,747,328	35.22	42,593,941	35.54	45,656,266	35.05
Other operating expenses	18,559,578	15.29	20,379,569	17.01	22,152,570	17.01
EBITDA	9,148,140	7.53	6,971,133	5.82	5,422,197	4.16
Depreciation of fixed tangible assets	3,801,141	3.13	2,284,173	1.91	2,636,356	2.02
Goodwill amortization	1,631,268	1.34	1,891,762	1.58	1,636,134	1.26
EBIT	3,715,731	3.06	2,795,198	2.33	1,149,707	0.88
Net financial expenditure	3,715,092	3.06	3,393,100	2.83	2,739,036	2.10
Result on ordinary activities	639	0.00	-597,902	-0.50	-1,589,329	-1.22
Extraordinary result	0	0.00	-293,874	-0.24	-595,103	-0.46
Taxes on income and on yield	698,693	0.58	8,919	0.01	652,347	0.50
Other taxes	158,774	0.13	158,774	0.13	16,796	0.01
Net result for the period	-856,828	-0.71	-1,059,469	-0.88	-2,853,575	-2.19

CASH FLOW STATEMENT

	I.I. – 30.6. 2001		I.I. – 30.6. 2001		I.I. – 30.6. 2000	
	EUR		EUR		EUR	
	IAS		HGB		HGB	
Net result for the period	-856,828		-1,059,469		-2,853,575	
Non-cash expenses and income:						
– Amortization of fixed intangible assets and depreciation of fixed tangible assets	3,801,141		2,284,173		2,636,356	
– Goodwill amortization	1,631,268		1,891,762		1,636,134	
– Other expenditure and income	622,425		0		0	
Cashflow from current operations	5,198,006		3,116,466		1,418,915	
Outflow (previous year: inflow) of funds from increase (previous year: decrease) in net working capital	-9,022,928		-6,865,525		7,862,440	
Outflow (previous year: inflow) of funds from current operations	-3,824,922		-3,749,059		9,281,355	
Outflow of funds from investment activities	-1,674,151		-1,520,763		-2,064,376	
Outflow of funds from dividend payments	-2,370,349		-2,370,349		-2,351,943	
Outflow (previous year: inflow) of funds from long-term loans	-957,509		-957,509		96,342	
Outflow of funds from financing activities	-3,327,858		-3,327,858		-2,255,601	
Exchange rate-related changes in value	-9,660		-238,911		-273,005	
Net cashflow in the fiscal year	-8,836,591		-8,836,591		4,688,373	

- **EBITDA (IAS) up to EUR 9.15 million**
- **Orders backlog increased 11% to EUR 48.2 million in second quarter**
- **International contracts for train wash technology**
- **Successful launch of short conveyor line system**

BUSINESS DEVELOPMENT

First half of the current fiscal year was characterized by moderate investment activity throughout the industry, especially on the part of the petrol companies. The market recovery that indicated in March failed to materialize as expected in the months that followed. The tight market situation, dominated by major mergers in the petrol industry, is easing only gradually. Investment programs planned by several petrol companies will only be launched in the second half of the year with considerable delay. The management team held numerous talks with decision-makers from the petrol industry. WashTec AG has launched proactive sales and service initiatives to counteract the current market development.

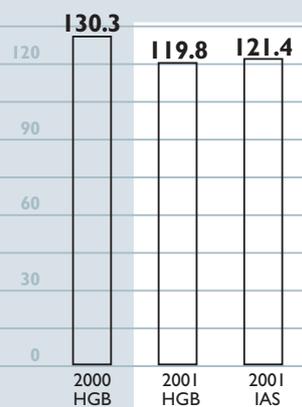
In May, WashTec exhibited successfully at international motor shows in Italy and Spain. In view of the large number of inquiries received and the successful talks held at these shows, the company expects business in these countries to develop favourably. This is particularly gratifying with a view to the newly developed Italian market, where WashTec products have met with excellent response. In June, the company started to market the new WS 30 short conveyor line system specifically designed for the Southern European market, adding a promising new product segment to the Group's business.

In recent months, WashTec has also been successful in tapping new customer groups besides the large petrol companies. Both franchised and independent car dealers have increasingly come to acknowledge the importance of car wash services as an instrument of customer retention. The reduction in operating costs as compared to the hand washing of cars is a highly effective argument in this context. Last six months, WashTec installed numerous machines in this market segment, covered by service agreements.

Wesurent Car Wash Marketing GmbH, a WashTec subsidiary, has set another important milestone in its long-standing cooperation with Conoco Mineralöl GmbH. Since July 1, 2001, Wesurent is operating another 24 conveyor line systems for the petrol company, which has relied on Wesurent's service concept since 1995. The 24 conveyor line systems, which cover the whole of Germany and have been taken over from Car Royal GmbH, Berlin, will first undergo a complete overhaul by WashTec before being operated by Wesurent in the name and on the account of Conoco.

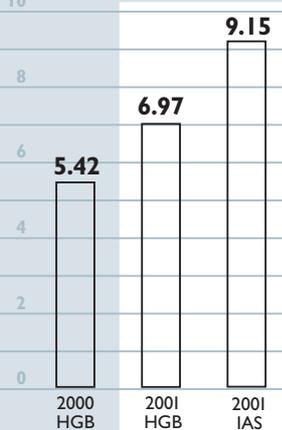
Large-scale projects in India and Israel reflect WashTec's successful train wash operations. The company's UK subsidiary, Wesurail Ltd. won the two contracts against strong international competition. India's Delhi Metro Rail Corporation Ltd. has ordered train wash equipment for two service and maintenance depots. Completion of the EUR 0.6 million projects is scheduled for 2002 and 2003, respectively. The contract awarded by Israely Railways, Tel Aviv, also testifies

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SALES DEVELOPMENT (IN EUR MILL.)

10



EBITDA (IN EUR MILL.)

to Wesurail's train cleaning expertise. The company will deliver its Controlled Emission Toilet System (CET), a computer-controlled system for automatic cleaning of train toilet tanks, to Israel by December 2001. The contract has a volume of approx. EUR 0.3 million.

SALES REVENUES

Due to the difficult market environment characterized by restrained investment activity, sales revenues declined from the previous year's level, especially in Germany. First-half sales amounted to EUR 121.4 million under IAS (HGB: EUR 119.8 million; previous year EUR 130.3 million (HGB)). The fact that WashTec has been able to retain its market share shows that the decline is due to a cyclically induced weakness of the market and not to company-specific factors. Specializing in train wash technology, Wesurail was not affected by this trend and doubled its sales revenues over the same period of the previous year.

The Group's orders backlog increased by 11% to EUR 48.2 million in the second quarter.

EARNINGS

The measures initiated and implemented in the previous year led to a strong increase in the operating result.

Stringent cost management, in particular, resulted in a further decline in other operating expenses. The reduction in the material cost ratio also had a positive effect on earnings. This reduction to 41.63% (HGB) (previous year: 43.78% (HGB)) was achieved by the company's improved negotiating position and better access to the procurement markets. It also helped the company compensate for the upward trend in purchasing prices. Moreover, the consistent restructuring efforts on the personnel side made a major contribution to the decline in personnel expenses.

The 29% increase in EBITDA (HGB) shows that WashTec's transformation into a lean, cost-efficient company is on its way to success. Earnings before interest, taxes, depreciation and amortization (EBITDA) to IAS amounted to EUR 9.15 million. In HGB terms, this is equivalent to EBITDA of EUR 6.97, compared to EUR 5.42 million in the previous year. Earnings before interest and taxes (EBIT) to IAS increased to EUR 3.72 million (HGB: EUR 2.80 million; previous year: EUR 1.15 million. Earnings after taxes (HGB) improved by an impressive 63% or EUR 1.79 million to EUR -1.06 million. In IAS terms, earnings after taxes amounted to EUR -0.86 million as per June 30, 2001.

Earnings per share (IAS) stood at EUR -0.11 (HGB: EUR -0.14, up from EUR -0.38 as per June 30, 2000).

EMPLOYEES

As per June 30, 2001, the company employed a total of 1,742 people (1,809 as per June 30, 2000). Two new subsidiaries in the USA and Italy have been included in the consolidated entity, whereas the optimization of processes and central functions led to staff reductions at the company's German locations. Management expects personnel expenses to be reduced by approx. EUR 4.5 million in the current fiscal year.

CAPITAL SPENDING

Totalling EUR 1.7 million, capital spending in the reporting period referred exclusively to reinvestments.

OUTLOOK

In view of the numerous talks held with representatives of the petrol industry, the Managing Board expects the implementation of the planned investment programs to start in the second half of the year. It remains to be seen, however, whether the slow activity of the first six months will be fully compensated. The petrol companies have shown great interest in the newly developed SMS information system, which has been implemented successfully to date in Germany, the UK and Scandinavia.

The reorganization of the company, especially with a view to process optimization, will continue to determine the course in the coming months. Particular attention will be paid to the finalization of integration and homogenization of the Dutch, French and Spanish organizations. In the context of a Europe-wide project covering high-pressure washes and utility vehicle washes, the product range is reviewed according to the best-practice principle.

In view of the swift progress made in the company-wide reorganization, the Managing Board is confident that the longterm profitability of the WashTec Group will be increased significantly in the current fiscal year.

INVESTOR RELATIONS

At the Shareholders' Meeting held in Augsburg on June 28, 2001 a large majority of the shareholders agreed with WashTec's corporate policy and approved payment of a dividend of DM 0.61 per share. The dividend carries a full tax credit of DM 0.26 for shareholders entitled to it. All other items on the agenda were also approved by a vast majority of the shareholders.

In the period under review, WashTec AG had close contacts with investors, analysts and the financial press. The Managing Board provided regular reports on the company's business performance.

FINANCIAL CALENDAR

August 29, 2001	Analyst presentation, Financial Forum, Frankfurt
End of November 2001	Report on the first nine months
April 2002	Annual Report

All reports of WashTec AG are available in German and English at www.washtec.de

KEY DATA FOR THE PERIOD
1.1.2001 TO 30.6.2001

	I.1. – 30.6. 2001	I.1. – 30.6. 2001	I.1. – 30.6. 2000
	EUR mill.	EUR mill.	EUR mill.
	IAS	HGB	HGB
Sales revenues	121.39	119.84	130.27
EBITDA	9.15	6.97	5.42
EBIT	3.72	2.80	1.15
Earnings after taxes	-0.86	-1.06	-2.85
Cashflow from current operations	5.20	3.12	1.42
Employees	1,742	1,742	1,809
Earnings per share in EUR	-0.11	-0.14	-0.38



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