SHAREHOLDER INFORMATION
for the 1st quarter 2011

BEST WATER TECHNOLOGY

For You and Planet Blue.

Dear Shareholders and Business Partners,

the BWT – Best Water Technology – Group, Europe's market leader for water treatment, achieved a 3.2% increase in revenues in the first quarter of 2011. Non-recurring costs in connection with the disposal of the zeta Group towards the end of the first quarter, together with higher marketing and R&D expenses and the weak economic situation in Southern Europe, led to a 20.2% decrease in EBIT. Consolidated net earnings after minority interests declined by 33.8% against the previous year.

BUSINESS PERFORMANCE in Q1

Group consolidated revenues: €115.6 million, +3.2% against 2010

The BWT Group's consolidated revenues went up by 3.2% in Q1 from €112.0 million to €115.6 million. The recent consolidation of the zeta Group in particular, whose revenues were driven down by half against the previous year to around €3 million, had a dampening effect on growth. Adjusting for the zeta Group, revenues growth for the BWT Group was 6.1% in Q1.

Segment – revenues in € thousand	Q 1 / 2011	Q 1 / 2010	+/– %
Austria / Germany	45,807	52,633	–13.0%
France / Benelux / UK	31,751	25,009	+27.0%
Scandinavia	12,110	10,820	+11.9%
Italy / Spain	8,012	8,786	–8.8%
Switzerland / Others	17,959	14,788	+21.4%
BWT Group	115,639	112,036	+3.2%

The 13.0% decline in the Austria / Germany segment is primarily attributable to the results of the zeta Group. Other contributory factors included lower revenues in the Service segment and the discontinuation of a sales campaign for table water filters, which had led to a jump in sales in this product segment last year. Increases in the sale of technical appliances for the domestic and industrial sectors did not offset these losses.

The France / Benelux / UK segment posted increased revenues in all product segments, with around half of the growth deriving from the acquisition of BWT UK in July of last year.

The Scandinavia segment saw its revenues increase by 11.9%. Denmark, Sweden and Norway saw increased revenues for all significant product groups, but only the Finnish subsidiary and the Swedish pharmaceutical water business recorded a decline in revenues.

The BWT companies in Italy and Spain did not recover from the persistent adverse market conditions in Southern Europe in Q1 and the Italy / Spain segment reported an 8.8% drop in revenues. On a positive note, projected double-digit growth rates were achieved with the "BWT water + more" coffee machine filters.

Revenues in the Switzerland / Others segment moved up by 21.4% in the first three months of the year. All subsidiaries located in Switzerland, Eastern Europe (with the exception of the Ukraine), Ireland and China achieved significant increases in revenues. This means that the recent downward trend in Eastern Europe has been reversed and that Switzerland has again achieved above-average growth in revenues, despite the already considerable market share.

Revenues in the Point of Entry business went up by 6.2% in Q1 to €83.0 million. The Point of Use business achieved growth of 7.0% to achieve revenues of €8.2 million. Revenues in the Service and Spare Parts business decreased by 6.8% to €24.4 million.

At the end of March, the BWT Group's order book amounted to €77.9 million. The comparable figure for the previous year (excluding zeta) was €77.1 million.

EARNINGS

The earnings performance of the Group in the first quarter of 2011 was characterised by a weak operating result for the zeta Group due to a low operating performance in Q1, which deteriorated further as a result of additional costs derived from its disposal at the end of March, greater marketing expenditure and R&D expenditure in the Point of Entry business and declining revenues in the Italy / Spain segment.

EBITDA €10.1 million, –10.9% year-on-year
EBIT €6.2 million, –20.2% year-on-year
Consolidated net earnings after minority interests €3.6 million, –33.8% year-on-year

The cost of materials, including changes in inventories, slipped from 38.6% of revenues in 2010 to 37.7%, with the lower share in plant construction having a positive effect.

Personnel expenses increased in Q1 by 6.0% to €40.2 million, half of which derived from BWT UK, which was included in consolidation from July of last year.

Other operating expenses increased by around €2 million to €23.2 million, with more than 50% of the rise also attributable to BWT UK. The remaining cost increases predominantly relate to increased marketing and R&D expenditure.

In the first three months of the year, the BWT Group achieved operating earnings before interest, taxes, depreciation and amortisation (EBITDA) of €10.1 million, representing a €1.2 million (10.9%) decline against the previous year.

Depreciation and amortisation of fixed assets, primarily as a result of asset investments in the Point of Use business, went up by €0.4 million to €3.9 million.

In the first three months of the year, EBIT in the individual business segments developed as follows:

Segment – EBIT in € thousand	Q 1 / 2011	Q 1 / 2010	+/– %
Austria / Germany	–924	728	–
France / Benelux / UK	2,659	2,473	+7.5%
Scandinavia	1,910	1,344	+42.1%
Italy / Spain	584	1,284	–54.5%
Switzerland / Others	1,985	1,961	+1.2%
BWT Group	6,214	7,790	–20.2%

The fact that the zeta Group results and additional marketing and R&D expenditure principally affect the Austria / Germany segment has transformed the positive €0.7 million segment result in 2010 into a loss of €0.9 million in Q1 2011.

Revenue growth in the France / Benelux / UK segment has resulted in improved EBIT, which is up 7.5% at €2.7 million.

Improved revenues and good cost control contributed to a significantly improved earnings result in the Scandinavia segment, earnings soaring by 42.1%.

EBIT for the Italy / Spain segment plummeted by more than half due to declining revenues, lack of margins and additional expenditure for a redundancy scheme in Spain.

Due to pricing pressure on the market, growth in revenues in Eastern Europe, Ireland and China did not translate into an improvement in EBIT and the Switzerland / Others segment only generated a 1.2% EBIT increase.

All in all, the financial result deteriorated by almost €1.0 million in the first quarter of 2011, half of this amount stemming from the disposal of the zeta Group. The remaining amount is primarily attributable to lower profits from financial investments, net interest having changed by an inconsequential amount.

Earnings before taxes slid year-on-year from €7.6 million to €5.1 million, the Group's tax rate having increased from 28.1% to 29.4%.

The Group's consolidated net earnings after minority interests amounted to €3.6 million, down -33.8% on the previous year's

NET ASSETS AND FINANCIAL POSITION

Cash flow from operating activities €–8.7 million (previous year: €–1.1 million)
Investment in property, plant and equipment and intangible fixed assets €3.9 million (previous year: €2.2 million)
Gearing 18.4% (previous year: 16.5%)
Equity ratio 46.8% (previous year: 46.0%)

Reduced cash flow from earnings, together with seasonal increases in working capital (inventories and receivables from customers) led to negative cash flow from operating activities of €-8.7 million in Q1, against the previous year's figure of €-1.1 million.

Investments in fixed assets rose from €2.2 million to €3.9 million in Q1. The most significant capital expenditure project is currently the expansion of the production and logistics capacity for the Point of Use business in Mondsee. Cash flow from investing activities dropped to €-4.4 million as a result (previous year: €-2.6 million).

Cash flow from financing activities rose from €8.8 million in 2010 to €16.3 million and includes increased financial liabilities of €22.8 million and further repurchasing of own shares in the amount of €7.2 million.

The net debt of the BWT Group (the net total of bank balances and interest-bearing financial liabilities) was €29.4 million, up by €3.8 million as at 31 March 2011 compared with the same period for the previous year, and surged from its lowest point of €9.8 million at the end of 2010 by €19.6 million. Gearing was 18.4% as at 31 March 2011, compared with 16.5% for the same period of the previous year.

The BWT Group's equity ratio was 46.8% as at 31 March 2011, against 46.0% one year before. The decrease in the equity ratio compared with 51.0% as at 31 December 2010 is due to a higher level of total assets and reduced equity net of repurchased shares.

Following the disposal of the zeta Group, as at 31 March 2011, the number of employees at the BWT Group fell to 2,692. At the end of March 2010, the Group employed 2,736 people. This number was 2,820 as at 31 December 2010.

Number of employees on 31 March: 2,692 (previous year: 2,736)

OUTLOOK

In the near future, we are planning to launch an advertising campaign to increase awareness of the BWT brand among end consumers and bolster the sale of Point of Use appliances such as coffee machine and table water filters. We are simultaneously pushing ahead with the capital expenditure programme for the expansion of the production, logistics and development capacity of the Mondsee site.

The previous revenues target of €500 million for 2011 is to be revised in light of the disposal of the zeta Group to around €470 million, the earnings target remains at €1 per share.

Mondsee, 29. April 2011

The Management Board

Andreas Weissenbacher
CEO

Gerhard Speigner
CFO

I. BWT Group: Consolidated income statement for the first quarter

T€ (unaudited)	1st quarter 2011 Amount	1st quarter 2010 Amount
REVENUE	115,639.0	112,036.2
Other operating income	1,172.7	1,383.9
Changes in inventories of finished goods and work in progress	436.2	157.5
Work performed by the enterprise and capitalized	235.4	76.4
Cost of materials and cost of purchased services	–44,067.5	–43,415.3
Staff costs	–40,156.1	–37,889.0
Other operating expenses	–23,184.4	–21,044.4
EBITDA	10,075.3	11,305.2
Depreciation and impairments	–3,861.6	–3,515.1
PROFIT FROM OPERATING ACTIVITIES	6,213.7	7,790.1
Financial income	0.0	–7.0
Share in earnings of associated companies	33.1	384.7
Financial expenses	–1,135.7	–550.6
Profit before taxes	5,111.2	7,617.2
Taxes on income	–1,504.4	–2,141.1
Net profit for the period before minority interest	3,606.7	5,476.2
Of which attributable to:		
Minority shares	–22.0	–1.6
Shareholders of the parent company	3,628.7	5,477.8
Earnings per share (€):		
Basic = diluted	0.21	0.31
Average number of shares outstanding	17,153,982	17,398,588

II. Group statement of comprehensive income for the first quarter

T€ (unaudited)	1st quarter 2011	1st quarter 2010
Net profit for the period	3,606.7	5,476.2
Other income		
Valuation of securities ("available-for-sale", pursuant to IAS 39)	172.9	1,311.1
Associated taxes	–43.2	–327.8
Foreign exchange effects	–558.4	1,100.4
Total other income	–428.7	2,083.7
Comprehensive income for the period	3,178.0	7,559.8
Thereof:		
Shareholders of the parent company	3,200.0	7,561.5
Minority interests	–22.0	–1.6

III. Consolidated balance sheet as at March 31, 2011

in T€	As at 31.3.2011 (unaudited)	As at 31.12.2010 (audited)
ASSETS		
Goodwill	31,915.9	32,144.4
Other intangible assets	22,112.3	22,939.7
Property, plant and equipment	79,287.8	81,088.4
Financial investments	4,952.9	4,821.7
Other receivables from third parties	697.7	779.7
Deferred tax assets	4,951.8	4,626.3
Non-current assets	143,918.4	146,400.2
Inventories	71,853.8	67,537.1
Trade receivables	74,551.2	68,116.0
Receivables from construction contracts	12,017.0	11,851.3
Profits tax assets	3,337.4	2,700.7
Other receivables from third parties	15,109.0	6,671.4
Cash and cash equivalents	20,747.5	17,583.0
Assets held for sale	127.5	197.5
Current assets	197,743.4	174,657.0
BALANCE SHEET TOTAL	341,661.8	321,057.2

in T€	As at 31.3.2011 (unaudited)	As at 31.12.2010 (audited)
EQUITY and LIABILITIES		
Subscribed capital	17,833.5	17,833.5
Capital reserves	17,095.8	17,095.8
Revenue reserves		
Accumulated profit/loss	144,837.0	141,208.3
Accumulated other earnings	–5,144.2	–5,144.2
Foreign currency translation	1,928.0	2,486.4
Available-for-sale	1,132.1	1,002.4
Own shares	–18,481.7	–11,245.4
	159,200.5	163,236.8
Minority interests	555.9	634.7
Equity	159,756.5	163,871.5
Provisions for social capital	29,338.7	29,503.0
Deferred tax liabilities	1,181.4	1,546.2
Other provisions	1,922.2	2,145.6
Interest-bearing financial liabilities	6,532.2	6,334.8
Other liabilities	1,252.2	1,251.8
Non-current liabilities	40,226.7	40,781.3
Current income tax liabilities	3,792.5	4,186.7
Other provisions	9,440.7	8,908.5
Interest-bearing financial liabilities	43,641.0	21,055.9
Trade and other liabilities	35,470.3	34,813.2
Liabilities from construction orders	3,968.1	5,357.5
Other liabilities	45,366.2	42,082.6
Current liabilities	141,678.7	116,404.4
BALANCE SHEET TOTAL	341,661.8	321,057.2

IV. Cash flow statement for the first quarter

T€ (unaudited)	Q1 2011	Q1 2010
Cash and cash equivalents as at 1 January	17,583.0	16,164.1
Cash flow from earnings	9,248.9	11,324.0
+/– Changes in working capital	–17,932.8	–12,458.1
Cash flow from operating activities	–8,683.8	–1,134.0
Cash flow from investment activities	–4,355.9	–2,608.8
Cash flow from financing activities	16,262.3	8,801.8
Other (changes in exchange rates etc.)	–58.1	6.2
Cash and cash equivalents as at 31 March	20,747.5	21,229.3

V. Change in shareholders' equity for the first quarter

T€	Share capital	Capital reserves	Retained profit: accumulated profit/loss	Retained profit: accumulated other income	Retained profit: currency translation	Retained profit: available for sale	Treasury shares	Total	Minority shares	Total
As at 31.12.2010	17,833.5	17,095.8	141,208.3	–5,144.2	2,486.4	1,002.4	–11,245.4	163,236.8	634.7	163,871.5
Net profit for the period	0.0	0.0	3,628.7	0.0	0.0	0.0	0.0	3,628.7	–22.0	3,606.7
Other income	0.0	0.0	0.0	0.0	–558.4	129.7	0.0	–428.7	0.0	–428.7
Comprehensive income	0.0	0.0	3,628.7	0.0	–558.4	129.7	0.0	3,200.0	–22.0	3,178.0
Share buyback 2011	0.0	0.0	0.0	0.0	0.0	0.0	–7,236.3	–7,236.3	0.0	–7,236.3
Other changes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	–56.8	–56.8
As at 31.3.2011	17,833.5	17,095.8	144,837.0	–5,144.2	1,928.0	1,132.1	–18,481.7	159,200.6	555.9	159,756.5

T€	Share capital	Capital reserves	Retained profit: accumulated profit/loss	Retained profit: accumulated other income	Retained profit: currency translation	Retained profit: available for sale	Treasury shares	Total	Minority shares	Total
As at 31.12.2009	17,833.5	17,095.8	125,359.4	–1,393.2	–1,017.0	444.0	–6,421.6	151,901.0	927.9	152,828.9
Net profit for the period	0.0	0.0	5,477.8	0.0	0.0	0.0	0.0	5,477.8	–1.6	5,476.2
Other income	0.0	0.0	0.0	0.0	1,100.4	983.3	0.0	2,083.7	0.0	2,083.7
Comprehensive income	0.0	0.0	5,477.8	0.0	1,100.4	983.3	0.0	7,561.5	–1.6	7,559.8
Acquisition of minority shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	–40.2	–40.2
Share buyback 2010	0.0	0.0	0.0	0.0	0.0	0.0	–4,823.8	–4,823.8	0.0	–4,823.8
Other changes	0.0	0.0	0.0	–28.1	0.0	0.0	0.0	–28.1	0.0	–28.1
As at 31.03.2010	17,833.5	17,095.8	130,837.2	–1,421.2	83.4	1,427.3	–11,245.4	154,610.6	886.1	155,496.6

VI. Notes to the interim consolidated financial statements 31 March 2011

1. General information and principles

The present interim consolidated financial statements of BWT Aktiengesellschaft, with its registered office in Walter-Simmer-Strasse 4, 5310 Mondsee, Austria, were drawn up in accordance with the principles of the International Financial Reporting Standards (IFRS) and the provisions on Interim Financial Reporting (IAS 34) with the Management Board being responsible for their preparation and released for publication by resolution of the Management Board on 29 April 2011.

The interim consolidated financial statements do not include all the information and data required for the annual consolidated financial statements. Accordingly, the interim financial statements should be read in conjunction with the last annual consolidated financial statements as at 31 December 2010, particularly with reference to the unchanged accounting policies described therein.

The number of entities included in consolidation is 46, five fewer than at 31 December 2010.

2. Seasonality of operations

Shifts in the product mix, newly launched products, first-time consolidations and deconsolidations may lead to variations in the period breakdown of revenues and earnings.

3. Dividend payments

The coming Annual General Meeting on 25 May 2011 will be presented a resolution to distribute a dividend of €0.40 per share. In the previous year, dividends paid out totalled €6,876.2 thousand (€0.40 per share).

4. Financial result

The decline in the financial result compared with the previous year can predominantly be explained by lower profits from financial investments and the loss resulting from the disposal of the zeta Group as at 31 March 2011.

5. Segment reporting

1.1. – 31.3.2011 in T€	Austria/ Germany	France/ Benelux / UK	Scandinavia	Italy/Spain	Switzerland/ Others	Elimination	Total
Revenue from sale	45,807.0	31,751.0	12,109.6	8,012.2	17,959.3	–	115,639.0
Internal revenue	6,825.8	846.7	167.0	138.4	6,507.5	–14,485.5	0.0
Total	52,632.8	32,597.7	12,276.7	8,150.6	24,466.8	–14,485.5	115,639.0
Segment profit (EBIT)	–924.0	2,659.4	1,910.0	583.8	1,984.5	–	6,213.7

1.1. – 31.3.2010 in T€	Austria/ Germany	France/ Benelux / UK	Scandinavia	Italy/Spain	Switzerland/ Others	Elimination	Total
Revenue from sale	52,633.6	25,008.8	10,819.7	8,786.2	14,787.9	–	112,036.2
Internal revenue	5,457.0	788.5	68.3	101.9	6,646.9	–13,062.5	0.0
Total	58,090.6	25,797.3	10,888.0	8,888.0	21,434.8	–13,062.5	112,036.2
Segment profit (EBIT)	728.4	2,473.0	1,344.0	1,283.8	1,960.9	–	7,790.1

The table below presents the assets of the Group broken down into segments as at 31 March 2011 and 31 December 2010:

Segment assets in T€	Austria/ Germany	France/ Benelux / UK	Scandinavia	Italy/Spain	Switzerland/ Others	Elimination	Total
As at 31.03.2011	176,840.6	69,068.4	30,537.8	25,219.5	80,842.3	–40,846.7	341,661.8
As at 31.12.2010	161,076.3	64,362.0	30,219.1	23,931.7	82,517.3	–41,049.1	321,057.2

6. Fixed assets

In the first three months of the 2011 financial year, the BWT Group invested a total of €3,905.5 thousand (previous year: €2,239.0 thousand) in property, plant and equipment and intangible assets.

Asset disposals, including the disposal of the zeta Group with a residual carrying amount of €1,855.8 thousand (previous year: €11.7 thousand) resulted in a total loss of €423.7 thousand. In 2010, the Group achieved a gain of €12.5 thousand.

7. Financing activities

Interest-bearing financial liabilities increased by €22,782.5 thousand in the first three months of the year. This is mainly due to higher working capital requirements and the share buyback. This was primarily financed through the utilisation of short-term credit facilities with banks. At the same time, liquid assets increased by €3,164.5 thousand.

8. Other liabilities and contingent liabilities

The Company has taken out customary warranties and guarantees in the course of its normal business operations.

Furthermore, an undertaking to purchase a piece of land with a preliminary purchase price of approximately €770.0 thousand was signed, which is expected to be fulfilled in the 2011 financial year.

Contingent liabilities include a purchase agreement with suspensive conditions for the acquisition of land concluded in financial year 2010, amounting to around €2,000 thousand, which is highly likely to have an impact in 2011.

As at the balance sheet date, it is unlikely that claims will be made under all of the other warranties and guarantees.

9. Derivative financial instruments

In order to secure exchange rate risk, the Company concluded currency futures contracts as part of its normal business operations, which at the interim balance sheet date of 31 March had no significant market value.

10. Related party disclosures

In the first three months of 2011, the BWT Group did not receive any materials or services from affiliated companies and persons (previous year: €0.0 thousand), but did provide affiliated companies and persons with materials and services amounting to €815.8 thousand (previous year: €776.5 thousand). As at the interim balance sheet date of 31 March 2011, the BWT Group's receivables from affiliated companies and persons amounted to €265.6 thousand (previous year: €278.8 thousand) and its liabilities amounted to €1.6 thousand (previous year: €0.0 thousand). Transactions with affiliated companies and persons were carried out on normal market terms.

11. Other information

Material events after the balance sheet date
No material events occurred after the balance sheet date.

Mandatory information on the waiver of an audit review
The present interim consolidated financial statements were neither audited nor reviewed by a certified auditor.

Management Board declaration
We confirm to the best of our knowledge that the interim consolidated financial statements provide a true and fair view of the net assets, financial position and results of operations of the Group as required by the applicable accounting standards and that the management report portrays the Group's business performance, operating results and overall situation in a best possible way as to create a true and fair view of the net assets, financial position and results of operations of the Group.

Mondsee, 29 April 2011

The Management Board

Andreas Weissenbacher
CEO

Gerhard Speigner
CFO

Financial Calendar 2011:

Annual General Meeting (Vienna)	25.05.2011
Ex-dividend date	27.05.2011
Dividend payment date	03.06.2011
Quarterly Report II/2011	05.08.2011
Quarterly Report III/2011	11.11.2011

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