

A dynamic splash of water in shades of blue is set against a background of a globe. The water is captured in mid-air, with various droplets and streams creating a sense of movement. The globe shows continents and latitude/longitude lines. The overall color palette is light blue and white.

INTERIM REPORT
for the 1st quarter 2015

2015

For You and Planet Blue.



Interim Report of BWT Aktiengesellschaft, Mondsee, for the first quarter of 2015

This interim report provides information on the business performance in the first quarter of 2015 of the BWT Group, whose controlling company is BWT Aktiengesellschaft with its registered office in Austria at 5310 Mondsee, Walter-Simmer-Straße 4. Given that the BWT share is listed in the Standard Market Auction segment of the Vienna Stock Exchange, reporting for the first and third quarters of each financial year is in the form of an interim report. The company prepares a half-year financial report for the second quarter.

In the first quarter of 2015, consolidated revenues of the BWT – Best Water Technology – Group increased by 6.4% year on year to €126.9 million. Adjusted for changes to the Group structure, consolidated revenues were up 8.0% on the previous year's level. This also includes a positive effect from foreign exchange rate changes (particularly EUR/CHF) of 2.1 percentage points. In the first three months of 2015, EBIT increased by 14.8% from €4.7 million to €5.4 million. The Group's consolidated net earnings after minority interests rose by €1.0 million to €3.5 million.

BUSINESS PERFORMANCE IN THE FIRST QUARTER

In the first quarter of 2015, the BWT Group posted an increase in consolidated revenues of €7.6 million to €126.9 million. All product segments contributed to this growth of 6.4% compared with the first three months of the previous year.

Revenues in the Austria / Germany segment increased from €46.8 million in the previous year to €48.0 million (+2.7%) in the first quarter of 2015. Adjusted for the disposal of a company in March of last year, revenues growth in this segment amounted to 7.2%. The increase was driven primarily by positive developments in the Service business as well as in the Point of Use business.

The revenues upturn of 4.0% in the France / Benelux / UK segment, which saw revenues move from €32.7 million to €34.0 million, is likewise attributable mainly to the Service business and the Point of Use business. Declining revenues were reported in the Plant Engineering business.

The Scandinavia segment achieved strong growth in revenues. Thanks to consistent gains in the Point of Entry business in Denmark and Norway, segment revenues went up by 15.7% compared with the first quarter of the previous year, from €11.8 million to €13.7 million.

Despite the ongoing difficult market conditions in Southern Europe, the Italy / Spain segment posted moderate revenues growth of 2.9% in the first three months of 2015, with revenues moving upwards from €7.3 million to €7.5 million.

Revenues in the Switzerland / Others segment came to €23.6 million in the first quarter of 2015 (previous year: €20.7 million). This equated to revenues growth of 14.3%, of which 10.7% resulted from exchange rate development. The Pharma business in China and the Service business in Switzerland developed encouragingly.

The Point of Entry business continued to account for the largest share of consolidated revenues at 63.3% (previous year: 66.2%). The Point of Use business posted cumulative revenues growth of 19.6%, thus increasing its share of the Group's consolidated revenues to 12.8% (previous year: 11.4%). The Service and Spare Parts business also reported strong growth (+13.6%), accounting for 23.9% of the Group's consolidated revenues (previous year: 22.4%).

Consolidated revenues €126.9 million, up 6.4% on the previous year, figure adjusted for changes to the Group structure up 8.0% on the previous year, figure adjusted for currency effects up 5.9%

EARNINGS

The positive development of the BWT Group's revenues and the Swiss franc exchange rate drove EBITDA up by 10.3% to €9.4 million (previous year: €8.5 million). EBIT increased by €0.7 million (+14.8%) to €5.4 million.

Cost of materials including changes in inventories rose from €41.8 million to €44.7 million in the first three months of the year. At 35.2%, the material ratio (including changes in inventories) was similar to the previous year's figure of 35.1%.

Personnel expenses increased by 6.4% year on year from €41.7 million to €44.3 million. This was due to a higher employee headcount, in addition to higher wages and salaries on the basis of higher collective wage agreements and the impact of exchange rates. The BWT Group employed a total of 2,618 people as at 31 March 2015 (previous year: 2,575). As in the previous year, the personnel ratio amounted to 34.9% of revenues.

In the first three months of 2015, other operating expenses totalled €29.9 million (previous year: €28.6 million), equating to a rise of 4.6%. Of these expenses, advertising expenditure remained at a consistently high level. Other operating income came to €1.4 million (previous year: €1.2 million).

Depreciation and amortisation increased marginally to €4.0 million (previous year: €3.8 million).

The financial result improved from €-1.0 million to €-0.1 million. The key positive factor here was currency hedging for a planned acquisition project.

Earnings before taxes were consequently up €1.6 million on the previous year, amounting to €5.3 million for the first quarter of 2015. The Group tax rate increased slightly from 31.9% to 33.0%. The Group's consolidated net earnings after minority interests came to €3.5 million, which represented an improvement of €1.0 million on the previous year's figure of €2.5 million.

NET ASSETS AND FINANCIAL POSITION

Higher cash flow from earnings and a slight rise in working capital year on year saw operating cash flow improve from €-9.5 million in the previous year to €-3.4 million.

The expansion of production and logistics facilities at the Mondsee site and the construction of the new plant for membrane production and pharmaceutical water activities in Germany were completed in 2014. In the first quarter, this resulted in investments in fixed assets decreasing from €8.3 million to €3.2 million and meant that payments for investments that influenced the company's cash position fell from €11.2 million to €3.2 million. Outgoing payments relating to the disposal of subsidiaries in previous years as well as initial incoming payments in connection with the acquisition of the Mettem Technologies Group resulted in cash flow from investing activities of €-5.3 million (previous year: €-7.2 million). In the previous year, proceeds from the disposal of subsidiaries had a positive effect on cash flow from investing activities.

EBITDA €9.4 million, up 10.3% on the previous year
 EBIT €5.4 million, up 14.8% on the previous year
 Consolidated earnings after minority interests €3.5 million, up 38.8% on the previous year

Cash flow from operating activities €-3.4 million (previous year: €-9.5 million)
 Investments in property, plant and equipment and intangible fixed assets €3.2 million (previous year: €8.3 million)
 Gearing 13.4% (previous year: 25.8%)
 Equity ratio 41.6% (previous year: 46.6%)

Improved cash flow from operating activities and lower expenditure for investing activities meant that at €1.8 million cash flow from financing activities remained substantially below the previous year's level of €14.7 million.

The BWT Group's net debt (defined as the net total of bank balances and interest-bearing financial liabilities) declined year on year from €45.2 million to €23.8 million. This represented an increase of €8.9 million compared with 31 December 2014 (previous year: €17.3 million). The reduction is due, on the one hand, to lower capital expenditure and, on the other hand, to improved operating cash flow. As at 31 March 2015, gearing stood at 13.4% compared with 8.7% as at 31 December 2014 and 25.8% on 31 March of last year.

As at 31 March 2015, the BWT Group's consolidated balance sheet showed an equity ratio of 41.6% compared with 46.6% in March of last year and 41.9% as at the end of 2014. Equity increased against 31 December 2014 in absolute figures from €170.9 million to €177.9 million. The BWT Group's consolidated balance sheet total increased against the 2014 balance sheet date from €408.0 million to €427.3 million (previous year: €375.4 million) on account of the non-current financial liabilities assumed in October of the previous year.

EMPLOYEES

As at the end of March 2015, the BWT Group's employee headcount was 2,618 full-time equivalents. Against the 2014 balance sheet date, the employee headcount increased by 31 employees from 2,587 to 2,618. This represents an increase of 43 employees against March of last year (2,575 employees). The year-on-year rise is due mainly to sales and service activities in the Austria / Germany and Switzerland / Others segments.

Employee headcount (employees expressed in full-time equivalents) as at 31 March 2015: 2,618 (previous year: 2,575)

ORDER SITUATION

As at the end of March 2015, the BWT Group's order backlog amounted to €72.7 million compared with €80.8 million for the same period of the previous year. This development is attributable to a decline in the France / Benelux / UK and Switzerland / Others segments.

OUTLOOK 2015

The implementation of the framework agreement signed in January 2015, which forms the basis for the acquisition by the BWT Group of a majority interest in the Mettem Technologies Group, Russia, with operations in the Point of Use consumer business, represents a major undertaking for the BWT Group in the months ahead.

The measures in connection with the development of the "BWT" brand with the brand message "BWT – For You and Planet Blue" as the leading water brand will also be stepped up in 2015 with extensive marketing activities. We are convinced that the increased advertising expenditure associated with this aim will not only boost growth in the Point of Use business but will also bolster the BWT Group's core business – water treatment products, facilities and services at the 'point of entry' – in the long term.

As was already evident in the first quarter, investments in property, plant and equipment will return to a normal level in 2015 with the major investments in the Mondsee (Austria) and Bietigheim-Bissingen (Germany) sites having been completed last year.

As early as in the last quarter of 2014, the BWT Group's cash on hand was increased due to the uptake of a promissory note loan. Another already fixed tranche will be paid in the third quarter of 2015. This coupled with what is still a healthy balance sheet structure with low leverage and high levels of equity forms the basis for the continued positive development of the BWT Group.

In the current 2015 financial year, although the BWT Group anticipates increased consolidated revenues, the additional margins generated as a result will be reinvested largely in the expanded advertising activities. For this reason, only moderate increases in earnings are expected Group-wide in 2015.

The upcoming Annual General Meeting on 25 August 2015 will be presented a resolution on the payment of a dividend in the amount of €0.10 per share.

No significant reportable events occurred after the balance sheet date of 31 March 2015.

SELECTED KEY FIGURES FOR THE BWT GROUP

		1 st quarter 2015	1 st quarter 2014
Revenues	€ million	126.9	119.3
Operating earnings before amortisation/depreciation (EBITDA)	€ million	9.4	8.5
Operating earnings (EBIT)	€ million	5.4	4.7
Earnings before taxes	€ million	5.3	3.7
Earnings for the period	€ million	3.5	2.5
Cash flow from operating activities	€ million	-3.4	-9.5
Cash flow from investing activities	€ million	-5.3	-7.2
Cash flow from financing activities	€ million	1.8	14.7
Investments in property, plant and equipment and intangible fixed assets	€ million	3.2	8.3
Equity ratio	%	41.6	46.6
Gearing	%	13.4	25.8
Order backlog	€ million as at the balance sheet date	72.7	80.8
Employees	Number as at the balance sheet date in full-time equivalents	2,618	2,575

Mondsee, 1st May 2015
The Management Board



Andreas Weissenbacher
Chief Executive Officer



Gerhard Speigner
Chief Financial Officer

This report contains forward-looking statements, which are made based on the current assumptions, plans and forecasts of BWT Aktiengesellschaft. Forward-looking statements contain words such as "plans", "expects", "forecasts" and similar, and represent estimates that are made based on information that is available at the time they are published. Actual developments may differ from the forecasts made here.

This Group Interim Report was prepared with the utmost diligence. Nevertheless, rounding, typesetting and transmission errors cannot be excluded.

Financial Calendar 2015

20.08.2015.....First Half-Year results 2015
25.08.2015.....Annual General Meeting
28.08.2015.....Share trades ex dividend
31.08.2015.....Dividend payment
10.11.2015.....Third Quarter results 2015

Information and inquiries:

BWT Aktiengesellschaft

A-5310 Mondsee

Walter-Simmer-Strasse 4

Phone: +43/6232/5011-1113

Fax: +43/6232/5011-1109

E-mail: investor.relations@bwt-group.com

www.bwt-group.com