2016

SHAREHOLDER INFORMATIONFOR THE 1ST HALF-YEAR 2016

HALF-YEAR FINANCIAL REPORT

For You and Planet Blue.

BWT BEST WATER TECHNOLOGY

MANAGEMENT REPORT FOR THE FIRST HALF-YEAR OF 2016

In the first half of 2016, the consolidated revenues of the BWT – Best Water Technology – Group climbed by 16.2% year on year from €265.7 million to €308.7 million. Adjusted for changes in Group structure, consolidated revenues increased by 9.4% on the previous year's level. After the first six months of the year, EBIT amounted to €18.1 million, up €2.9 million on the previous year's figure of €15.2 million. Consolidated earnings after non-controlling interests amounted to €12.7 million as at the end of June 2016 (previous year: €9.5 million). The BWT Group invested €6.5 million in intangible assets and property, plant and equipment in the first six months of 2016 (previous year: €5.7 million). The net debt ratio was 0.2% (previous year: 9.9%), while the equity ratio declined from 42.4% in June of the previous year to 39.3%.

As the current interim reporting period (1 January 2016 to 30 June 2016) corresponds to the entire period from the start of the current financial year to the end of the interim reporting period, only the financial position and performance for the first half of 2016 (including comparative figures) are described below.

Business performance in the first half of the year

Consolidated revenues HY1: €308.7 million, up 16.2% on the previous year, up 9.4% adjusted for changes in Group structure

After the first two quarters of 2016, the BWT Group's consolidated revenues rose by 16.2% from €265.7 million to €308.7 million. The changes in the Group's structure (in particular as a result of the addition of the BWT BARRIER Group in November 2015) contributed 6.8% to growth.

The individual segments developed as follows:

Segment revenues (in million €)	1st half year 2016	1st half year 2015	+ / - %
Austria / Germany	121,5	107,7	12,8%
France / Benelux / UK	69,2	66,2	4,6%
Scandinavia	33,0	27,8	18,7%
Italy / Spain	19,1	16,3	16,9%
Switzerland / Others	65,9	47,7	38,3%
BWT Group	**308,7**	**265,7**	**16,2%**

Revenues in the Austria/Germany segment amounted to €121.5 million in the first six months of 2016, an increase of 12.8%. This is mainly due to the positive development in AQA perla water softening systems in Germany and Austria and to higher revenues in pharma business.

The rise in revenues of 4.6% to €69.2 million (previous year: €66.2 million) in the France/Benelux/UK segment is primarily as a result of increased revenues in plant engineering. EUR/GBP exchange rate changes had a negative impact.

The Scandinavia segment made a strong contribution to the Group's growth, with its revenues for the first two quarters of 2016 climbing by 18.7% from €27.8 million in the previous year to €33.0 million. Revenues in this segment developed well at the Danish subsidiary and a Swedish subsidiary in pharmaceutical plant engineering and service business.

The Italy/Spain segment reported growth in revenues of 16.9% to a total of €19.1 million (previous year: €16.3 million).

Revenues in the Switzerland/Others segment benefited above all from the acquisition in Russia and amounted to €65.9 million in the first half of 2016 (previous year: €47.7 million), an increase of 38.3%. The companies of the newly acquired BWT BARRIER Group are boosting revenue growth in point-of-use consumer business. Unlike in the previous year, the EUR/CHF exchange rate had a negative effect on consolidated revenues in the first half of 2016.

Revenues from point-of-entry products rose by €22.0 million in the first half of 2016 to €193.5 million. This product segment thus accounted for 62.7% (previous year: 64.5%) of consolidated revenues. Point-of-use business is continuing to gain in significance within the BWT Group: At €53.7 million, the previous year's revenues (including the acquisition) were outperformed by 57.2%; its share of total revenues is already 17.4% (previous year: 12.9%). Service and spare parts business accounted for 19.9% of consolidated revenues as at the end of June 2016 (previous year: 22.6%); it generated total revenues of €61.5 million in the first six months (previous year: €60.0 million).

The BWT Group had an order backlog of €104.2 million as at the end of June 2016 as against €89.3 million in the previous year. This represents an increase of 16.7% compared to the end of June 2015.

Earnings

EBITDA in HY1: €26.2 million, up 11.9% on the previous year
EBIT in HY1: €18.1 million, up 19.3% on the previous year
Consolidated earnings after non-controlling interests in HY1: €12.7 million, up 34.7% on the previous year

EBITDA improved by 11.9% from €23.4 million to €26.2 million in the first six months of 2016. The earnings improvements are essentially due to increased revenues.

The cost of materials, including changes in inventories, accounted for 38.2% of revenues in the first half of 2016. The cost of materials ratio had been 37.1% in the first six months of 2015. This increase is as a result of changes in the product mix, caused in part by the newly acquired BWT BARRIER Group and the growth in pharmaceutical plant engineering.

Personnel expenses climbed by 9.9% in the first half of the year from €88.5 million to €97.2 million. The number of employees rose by 631 year on year from 2,641 to 3,272 (full-time equivalents as at 30 June). The increase is mainly attributable to company additions in Russia and the higher headcount in service business.

Net other operating expenses and income climbed from € -55.1 million to € -67.4 million in the first half of 2016, an increase of 22.3%. Compared to the first half of the previous year, advertising expenses were up by €6.0 million, while miscellaneous operating expenses increased by €6.7 million. This rise is essentially due to company additions, higher legal and consulting costs and expenses for market/product developments. Other operating income increased by €0.4 million.

The BWT Group generated EBITDA of €26.2 million in the first six months of the 2016 financial year, 11.9% higher than in the previous year (€23.4 million). The EBITDA margin declined from 8.8% to 8.5%.

Expenses for depreciation, amortisation and impairment losses amounted to €8.1 million after the first six months of 2016, almost on par with the previous year's level of €8.2 million.

EBIT climbed by 19.3% from €15.2 million to €18.1 million in the first half of 2016, allowing the EBIT margin to rise from 5.7% to 5.9%.

EBIT in the individual segments developed as follows in the first half of 2016:

Segment EBIT (in million €)	1st half year 2016	1st half year 2015	+ / - %
Austria / Germany	0,4	0,8	-52,7%
France / Benelux / UK	5,9	3,7	60,4%
Scandinavia	5,7	4,5	26,8%
Italy / Spain	1,0	0,4	166,6%
Switzerland / Others	5,1	5,8	-12,5%
BWT Group	**18,1**	**15,2**	**19,3%**

Earnings in the Austria/Germany segment amounted to €0.4 million in the first half of the year (previous year: €0.8 million). Despite higher revenues, the rise in operating expenses for advertising, in addition to market and product development, drove down the segment's results.

EBIT in the France/Benelux/UK segment climbed from €3.7 million in the first half of the previous year to €5.9 million. This increase is due to higher revenues and savings in other operating expenses.

EBIT continued to improve in the Scandinavia segment, where an increase in revenues, coupled with other operating expenses remaining virtually the same, allowed EBIT to grow by 26.8% to €5.7 million.

Earnings in the Italy/Spain segment amounted to €1.0 million in the first six months of 2016. The significant increase as against the previous year is due to higher revenues.

EBIT in the Switzerland/Others segment declined from €5.8 million in the first six months of the previous year to €5.1 million in 2016. Among other things, this was due to exchange rate effects and the weak results of operations in the BWT BARRIER Group.

After net finance costs of € -1.8 million in the first half of 2015, the Group reported net financial income of €0.8 million after the first two quarters. Financial income was increased in part by exchange rate effects (RUB loans and hedges in particular). Finance costs in the previous year also included significant liability provisions.

Earnings before taxes amounted to €18.9 million after the first half of 2016 (previous year: €13.4 million). The Group's tax rate rose from 28.3% for the same period of the previous year to 34.3%.

The BWT Group generated cumulative consolidated earnings after non-controlling interests of €12.7 million after the first six months (previous year: €9.5 million), an increase of 34.7%. Earnings per share amounted to €0.76 in the first half of 2016 after earnings per share of €0.56 in the first six months of the previous year.

Net assets and financial position

Cash flow from operating activities in HY1: €12.2 million (previous year: €15.1 million)
Investment in intangible assets and property, plant and equipment in HY1: €6.5 million (previous year: €5.7 million)
Gearing on 30 June: 0.2% (previous year: 9.9%)
Equity ratio on 30 June: 39.3% (previous year: 42.4%)

The higher cash flow from result failed to offset the rise in working capital in the first six months of 2016. As a result, operating cash flow declined from €15.1 million in the previous year to €12.2 million.

Cash flow used in investing activities amounted to € -4.9 million in the first half of 2016 (previous year: €-18.1 million). The BWT Group invested €6.5 million in intangible assets and property, plant and equipment in the first six months of 2016 (previous year: €5.7 million). Expenses for this amounted to €7.1 million after €6.0 million in the previous year. In the previous year, the cash flow used in investing activities was also influenced by partial payments for the BWT Group's investment in the Mettem Technologies Group, Russia (BWT BARRIER Group) in the amount of € -10.9 million.

The cash flow used in financing activities is due to repayments of financial liabilities and amounted to € -1.2 million as at the end of June 2016 as against € -3.6 million in the previous year.

The BWT Group's net debt decreased from €18.2 million in the previous year to €0.4 million; its gearing (ratio of net financial liabilities to equity) is 0.2% as at the end of the interim reporting period (previous year: 9.9%).

Equity increased from €183.3 million as at 31 December 2015 to €192.5 million as at 30 June 2016; it had been €184.0 million as at 30 June 2015. The equity ratio as reported in BWT's consolidated statement of financial position was 39.3% as at the end of the reporting period after 40.4% as at the end of 2015 and 42.4% as at 30 June 2015. The decline in the equity ratio as at 30 June 2015 is mainly due to the higher total assets. Other comprehensive income reduced equity by €3.0 million, whereby the positive currency translation effects failed to offset the negative impact of the necessary adjustment of discount rates used in the calculation of provisions for social capital in accordance with IAS 19.

Employees on 30 June 2016 (FTE): 3,272 (previous year: 2,641)

The BWT Group employed 3,272 people in total (full-time equivalents) as at the end of June 2016. The headcount has increased by 631 people as against the previous year. The rise in the number of employees is mainly attributable to company additions in Russia and recruitment in the pharma area. The headcount was virtually the same compared to 31 December 2015 (3,276).

Outlook

Integrating the BWT BARRIER Group, which operates in point-of-use consumer business, is a key task facing BWT's management this year. This business area is mainly driving BWT's internationalisation on the promising Asian markets. The measures to develop the "BWT" brand into the leading "water brand" with the brand message "BWT – For You and Planet Blue" will be stepped up again in the second half of the year, which will lead to higher advertising expenses as against the previous year and the first half of the year.

Investment in property, plant and equipment will be defined by the construction of a new plant for the production of point-of-use consumer products, the acquisition of the previously leased property in Denmark and other construction activities to expand capacity, and will therefore be above the level of the first half of 2016 in the second half of 2016.

The dividend of €0.20 per share resolved at the Annual General Meeting on 1 July 2016 was paid to shareholders on 7 July 2016.

In August 2016, the Linz Higher Regional Court ruled that the resolution adopted by the 25th Annual General Meeting of the company on 25 August 2015 on the merger of BWT Aktiengesellschaft and its wholly owned subsidiary BWT Holding AG, and the associated delisting of the company that was contested by shareholders in court, is legal. The decision by the Linz Higher Regional Court is not final; shareholders have appealed for review by the Supreme Court, though its decision is still pending.

The BWT Group is forecasting consolidated revenues of around €600 million for the current 2016 financial year. However, anticipated high advertising expenses in the second half of 2016 and earnings risks, including on the Russian market, will presumably not allow significant increases in consolidated earnings.

There were no other significant reportable events after the end of the reporting period on 30 June 2016.

Mondsee, 10 September 2016
The Management Board

Andreas Weissenbacher
Chief Executive Officer

Gerhard Speigner
Chief Financial Officer

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BWT Aktiengesellschaft

Walter-Simmer-Straße 4
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Unaudited Consolidated Financial Statements

as at 30th June 2016

I. Consolidated income statement for financial first half-year 2016

	1st half-year 2016 unaudited T€	1st half-year 2015 unaudited T€
Revenues	**308.683,8**	**265.650,5**
Other operating income	3.841,3	3.474,5
Changes in inventories of finished goods and work in progress	242,0	-821,1
Other own work capitalised	155,0	119,0
Cost of materials and cost of purchased services	-118.090,3	-97.808,1
Personnel expenses	-97.194,7	-88.460,4
Other operating expenses	-71.418,6	-58.729,3
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**26.218,6**	**23.425,1**
Depreciation and amortisation	-8.083,7	-8.226,9
Earnings before interest and taxes (EBIT)	**18.134,8**	**15.198,2**
Income/expense from associates	112,1	96,2
Financial income	1.737,7	508,5
Financial expenses	-1.056,6	-2.423,8
Earnings before taxes	**18.928,0**	**13.379,0**
Taxes on income	-6.486,9	-3.786,0
Earnings for the period	**12.441,1**	**9.593,0**
Thereof:		
Shareholders of the parent company	12.747,1	9.460,2
Non-controlling interests	-306,0	132,8

	1st half-year 2016 unaudited	1st half-year 2015 unaudited
Earnings per share (in €): undiluted = diluted	0,76	0,56
Average number of shares outstanding	16.760.082	16.760.082

II. Consolidated statement of comprehensive income for the first half-year 2016

	1st half-year 2016 unaudited T€	1st half-year 2015 unaudited T€
Profit/loss for the period	**12.441,1**	**9.593,0**
Other comprehensive interest		
Items of other comprehensive income that are not subsequently reclassified to profit or loss for the period:		
Remeasurement of the net defined benefit liability in accordance with IAS 19	-7.046,0	0,0
Associated taxes	1.668,6	0,0
	-5.377,4	0,0
Items of other comprehensive income that are subsequently reclassified to profit or loss for the period as long as certain conditions are met:		
Measurement of "available-for-sale" financial assets, pursuant to IAS 39	-87,0	148,2
Associated taxes	21,7	-37,1
Foreign currency translation	2.409,3	3.588,1
	2.344,1	3.699,3
Total of other comprehensive income	**-3.033,3**	**3.699,3**
Total comprehensive income	**9.407,8**	**13.292,3**
Thereof:		
Shareholders of the parent company	9.698,2	13.166,7
Non-controlling interests	-290,4	125,6

III. Consolidated balance sheet as at June 30, 2016

ASSETS		As at 30/06/2016 unaudited T€	As at 31/12/2015 audited T€
Goodwill		18.676,7	18.676,7
Other intangible assets	(6)	8.441,8	9.076,2
Property, plant and equipment	(6)	135.532,9	136.418,3
Investment property		626,0	787,8
Financial investments		3.555,5	3.626,9
Investments in associates		380,4	268,3
Other receivables from third parties		1.621,5	1.665,6
Deferred tax assets		14.287,5	11.652,7
Non-current assets		**183.122,3**	**182.172,5**
Inventories		88.711,7	78.773,9
Trade receivables		95.798,7	78.453,4
Receivables from construction contracts		11.788,1	10.470,4
Income tax assets		1.136,3	967,8
Other receivables from third parties		10.564,9	9.102,9
Cash and cash equivalents		99.354,3	91.531,0
Assets held for sale	(6)	0,0	1.939,0
Current assets		**307.354,0**	**271.238,3**
TOTAL ASSETS		**490.476,4**	**453.410,8**

Consolidated balance sheet as at June 30, 2016

EQUITY and LIABILITIES		**As at 30/06/2016 unaudited T€**	**As at 31/12/2015 audited T€**
Share capital		17.833,5	17.833,5
Capital reserves		17.095,8	17.095,8
Retained earnings			
Accumulated earnings		164.469,9	157.100,2
Foreign currency translation		3.068,1	674,4
Available-for-sale financial assets		93,6	158,8
Treasury shares		-19.399,3	-19.399,3
Total equity of shareholders of the parent company		183.161,5	173.463,3
Non-controlling interests		9.343,4	9.801,8
Equity		**192.504,9**	**183.265,1**
Provisions for social capital	(10)	52.504,1	45.042,8
Deferred tax liabilities		867,6	331,7
Other provisions		1.576,4	1.524,3
Interest-bearing financial liabilities	(7)	83.260,9	83.903,9
Other liabilities		497,9	499,7
Non-current liabilities		**138.706,9**	**131.302,4**
Current income tax liabilities		4.771,4	3.081,9
Other provisions		24.991,2	22.356,2
Interest-bearing financial liabilities	(7)	16.486,0	16.941,3
Trade liabilities		49.386,1	38.439,3
Liabilities for construction contracts		11.310,4	6.071,8
Other liabilities		52.319,6	51.952,9
Current liabilites		**159.264,7**	**138.843,4**
TOTAL EQUITY and LIABILITIES		**490.476,4**	**453.410,8**

IV. Condensed consolidated cash flow statement for the first half-year 2016

		1st half-year 2016 unaudited T€	1st half-year 2015 unaudited T€
	Earnings before tax	18.928,0	13.379,0
+	Depreciation and amortisation of property, plant and equipment and intangible assets	8.083,7	8.226,9
-/+	Income/expense of financial result	89,8	721,9
+	Interest received/paid	-343,4	-593,1
+	Dividends received	310,5	102,5
+/-	Others	470,5	1.560,2
+/-	Changes in working capital	-9.963,2	-6.647,3
-	Income tax paid	-5.374,5	-1.619,8
	CASH FLOW from operating activities	**12.201,5**	**15.130,3**
-	Payments for property, plant and equipment, intangible assets and financial investments	-7.115,6	-12.492,9
+	Proceeds from disposal of property, plant and equipment and intangible assets	2.240,3	102,5
+/-	Other payments attributable to cash flow from investing activities	-60,5	-5.712,3
	CASH FLOW from investing activities	**-4.935,8**	**-18.102,8**
-	Distributions to non-controlling interests	-168,0	-173,6
+/-	Increase/redemption in/of financial liabilities	-1.057,5	-3.418,7
+/-	Changes from other financing activities	7,1	-55,6
	CASH FLOW from financing activities	**-1.218,3**	**-3.647,8**
	Change in cash and cash equivalents	**6.047,3**	**-6.620,3**
+	Opening balance of cash and cash equivalents 1.1.	91.531,0	70.090,8
+/-	Effects of change in foreign exchange rates	1.776,0	-66,8
	Closing balance of cash and cash equivalents 30.6.	**99.354,3**	**63.403,7**

V. Consolidated changes in equity for the first half-year 2016

	Share capital	Capital reserves	Retained earnings: Accumulated earnings	Retained earnings: Foreign currency translation	Retained earnings: Assets available for sale	Treasury shares	**Total**	Non-controlling interests	**Total**
	T€	T€	T€	T€	T€	T€	**T€**	T€	**T€**
As at 01/01/2016	**17.833,5**	**17.095,8**	**157.100,2**	**674,4**	**158,8**	**-19.399,3**	**173.463,3**	**9.801,8**	**183.265,1**
Profit/loss for the period	*0,0*	*0,0*	*12.747,1*	*0,0*	*0,0*	*0,0*	***12.747,1***	*-306,0*	***12.441,1***
Other comprehensive income	*0,0*	*0,0*	*-5.377,4*	*2.393,7*	*-65,2*	*0,0*	***-3.048,9***	*15,6*	***-3.033,3***
Total comprehensive income	**0,0**	**0,0**	**7.369,7**	**2.393,7**	**-65,2**	**0,0**	**9.698,2**	**-290,4**	**9.407,8**
Distributions	0,0	0,0	0,0	0,0	0,0	0,0	**0,0**	-168,0	**-168,0**
As at 30/06/2016 (unaudited)	**17.833,5**	**17.095,8**	**164.469,9**	**3.068,1**	**93,6**	**-19.399,3**	**183.161,5**	**9.343,4**	**192.504,9**

	Share capital	Capital reserves	Retained earnings: Accumulated earnings	Retained earnings: Foreign currency translation	Retained earnings: Assets available for sale	Treasury shares	**Total**	Non-controlling interests	**Total**
	T€	T€	T€	T€	T€	T€	**T€**	T€	**T€**
As at 01/01/2015	**17.833,5**	**17.095,8**	**153.095,3**	**1.679,4**	**0,0**	**-19.399,3**	**170.304,6**	**566,0**	**170.870,6**
Profit/loss for the period	*0,0*	*0,0*	*9.460,2*	*0,0*	*0,0*	*0,0*	***9.460,2***	132,8	***9.593,0***
Other comprehensive income	*0,0*	*0,0*	*0,0*	*3.595,4*	*111,2*	*0,0*	***3.706,5***	*-7,2*	***3.699,3***
Total comprehensive income	**0,0**	**0,0**	**9.460,2**	**3.595,4**	**111,2**	**0,0**	**13.166,7**	**125,6**	**13.292,3**
Distributions	0,0	0,0	0,0	0,0	0,0	0,0	**0,0**	-173,6	**-173,6**
As at 30/06/2015 (unaudited)	**17.833,5**	**17.095,8**	**162.555,5**	**5.274,8**	**111,2**	**-19.399,3**	**183.471,4**	**518,0**	**183.989,3**

VI. Notes to the interim consolidated financial statements as at June 30, 2016

1. General information and principles

These interim consolidated financial statements of BWT Aktiengesellschaft, with its registered office at Walter-Simmer-Strasse 4, 5310 Mondsee, Austria, were prepared in accordance with the principles of the International Financial Reporting Standards, the provisions on interim reporting (IAS 34) and the additional requirements of section 245a(1) of the *Unternehmensgesetzbuch* (UGB – Austrian Commercial Code), under the responsibility of the Management Board, and were approved for publication by way of Management Board resolution on 10 September 2016.

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 also be read in conjunction with the most recent annual consolidated financial statements as at 31 December 2015, particularly with reference to the accounting policies applied unchanged. An exception to this principle are the standards and interpretations effective for the first time as at 1 January 2016 (see also the annual consolidated financial statements as at 31 December 2015), though these have no effect on the BWT Group's financial position and performance or its consolidated group.

The current interim reporting period (1 January 2016 to 30 June 2016) corresponds to the entire period from the start of the current financial year to the end of the interim reporting period. These interim financial statements therefore include only the information for the first half of the year and no data for the second quarter.

The number of companies in the consolidated group is unchanged since 31 December 2015 at 53. In addition to BWT AG itself, the separate financial statements of 50 companies are consolidated in the interim consolidated financial statements as at 30 June 2016 (31 December 2015: 50 companies). Two companies (31 December 2015: two companies) were included using the equity method as at the end of the interim reporting period.

2. Seasonal nature of business

Shifts in the product mix, new product launches, advertising campaigns, the measurement of assets and liabilities and first-time consolidation and deconsolidation can lead to fluctuation in the breakdown of revenues and earnings by periods.

3. Dividend payments

No dividend was paid to the shareholders of BWT Aktiengesellschaft in the first half of 2016. The Annual General Meeting on 1 July 2016 resolved a dividend of €0.20 per share, T€3,353.2 in total, which was paid to shareholders on 7 July 2016.

4. Financial result

The change in financial result is essentially due to lower interest rates and gains on the remeasurement of financing positions in foreign currency (RUB in particular). Finance costs in the previous year included the costs of provisions for liability obligations assumed.

5. Segment reporting

1/1/ - 30/06/2016 (unaudited)	Austria / Germany T€	France / Benelux / UK T€	Scandinavia T€	Italy / Spain T€	Switzer-land / Others T€	Elimination T€	Total T€
Revenue from sales	121.489,7	69.180,5	32.997,7	19.088,4	65.927,6		308.683,8
Internal revenues	14.210,0	4.018,4	565,8	77,0	6.755,1	-25.626,3	0,0
Total	**135.699,7**	**73.199,0**	**33.563,5**	**19.165,4**	**72.682,7**	**-25.626,3**	**308.683,8**
Segment result (EBIT)	**368,6**	**5.905,1**	**5.724,5**	**1.032,8**	**5.103,8**		**18.134,8**

1/1/ - 30/06/2015 (unaudited)	Austria / Germany T€	France / Benelux / UK T€	Scandinavia T€	Italy / Spain T€	Switzer-land / Others T€	Elimination T€	Total T€
Revenue from sales	107.706,5	66.166,5	27.792,5	16.322,5	47.662,5		265.650,5
Internal revenues	11.338,6	3.301,2	329,3	55,8	4.045,4	-19.070,3	0,0
Total	**119.045,1**	**69.467,7**	**28.121,8**	**16.378,3**	**51.707,9**	**-19.070,3**	**265.650,5**
Segment result (EBIT)	**778,8**	**3.682,3**	**4.514,2**	**387,5**	**5.835,4**		**15.198,2**

The table below shows the assets and liabilities of the Group's segments as at 30 June 2016 and 31 December 2015:

	Austria / Germany T€	France / Benelux / UK T€	Scandinavia T€	Italy / Spain T€	Switzer-land / Others T€	Elimination T€	Total T€
Segment assets							
As at 30/06/2016 (unaudited)	271.754,7	62.638,8	28.165,6	23.941,7	132.062,3	-28.086,7	490.476,4
As at 31/12/2015 (audited)	252.679,6	58.926,2	27.288,6	21.454,3	125.308,2	-32.246,0	453.410,8
Segment liabilities							
As at 30/06/2016 (unaudited)	178.210,5	40.335,6	16.629,5	16.089,3	74.793,3	-28.086,7	297.971,5
As at 31/12/2015 (audited)	170.605,7	37.854,7	12.667,8	14.293,1	66.970,5	-32.246,0	270.145,8

6. Fixed assets

In the first six months of the 2016 financial year, the BWT Group invested T€6,458.3 (previous year: T€5,707.3) in total in property, plant and equipment and intangible assets.

Assets disposals with a residual carrying amount of T€617.3 (previous year: T€66.2) resulted in total gains of T€37.7. Gains of T€36.3 were generated in the previous year. Furthermore, a property no longer used that was reported under "Assets held for sale" as at 31 December 2015 was sold in the first half of the year. This did not affect profit or loss.

7. Financing activities

Interest-bearing financial liabilities declined by T€1,098.2 as against 31 December 2015 in the first six months of the year.

8. Other liabilities and contingent liabilities

Most of the provisions for extended liabilities from company disposals recognised in previous years are still outstanding. Some provisions were reversed on the basis of individual agreements in the first six months of 2016. Provisions for obligations for a warranty issued were recognised in full as at 31 December 2015. This provision was used in the first half of 2016; a partial amount was reversed to profit or loss.

The utilisation of all other customary warranties and guarantees is considered remote as at the end of the interim reporting period.

9. Fair value

Disclosures on the fair value of financial instruments

The fair value of financial instruments essentially reflects their carrying amounts as at 30 June 2016. As in the previous year, interest-bearing financial liabilities are an exception to this. Their fair value is T€100,707.7 (carrying amount: T€99,746.9). The fair value of interest-bearing financial liabilities was T€81,619.3 in the previous year, while their carrying amount was T€81,601.9. A further exception – also as in the previous year – are investments in equity instruments, which are measured at amortised cost in accordance with IAS 39. The fair value of these financial instruments cannot be calculated reliably, partly on account of the lack of market prices.

Fair value hierarchy

The following table shows the fair values of financial instruments measured at fair value:

30/06/2016 (unaudited)	Level 1 T€	Level 2 T€	Level 3 T€	**Total T€**
Non-current assets				
Financial investments	1.487,6	0,0	0,0	**1.487,6**
Current assets				
Other receivables from third parties	0,0	61,3	0,0	**61,3**

30/06/2015 (unaudited)	Level 1 T€	Level 2 T€	Level 3 T€	**Total T€**
Non-current assets				
Financial investments	1.541,2	0,0	0,0	**1.541,2**

Financial investments reported as level 1 include listed equities and funds units. The financial instruments reported under other receivables, which are shown as level 2, result from the measurement of outstanding derivative foreign exchange transactions (see note 11). Their fair value was calculated using bank valuations based on the forward rates as at the end of the reporting period (interbank middle rates).

There were no reclassifications between level 1 and level 2 in the first half of 2016. There was no change in the measurement method.

10. Provisions for social capital

Social capital provisions are calculated using the projected unit credit method. Provisions are calculated on the basis of an actuarial opinion as at the date of the annual financial statements, 31 December. As a result of the market situation, the discount rate used in calculation declined significantly in the first half of 2016. BWT took this change into account in the interim financial statements as at 30 June 2016 and applied a discount rate 0.5% lower than that used as at 31 December 2015. The remeasurement of the obligation was recognised in other comprehensive income as an actuarial loss, reducing equity by T€5,377.4.

11. Derivative financial instruments

The BWT Group uses currency futures in its normal business operations to hedge its exchange rate risk. The outstanding derivative financial instruments had no significant market value as at 30 June 2016 (see note 9). There were no outstanding derivative financial instruments as at the same date of the previous year.

12. Related party disclosures

In the first six months of 2016, the BWT Group received total materials and services from associates of T€2,313.0 (previous year: T€1,752.1) and provided associates with total materials and services of T€70.8 (previous year: T€67.4). As at the end of the interim reporting period, the BWT Group reported receivables from associates of T€24.2 (previous year: T€134.3) and liabilities of €T384.9 (previous year: T€259.2).

In the first six months of 2016, the BWT Group received total materials and services from other related parties of T€2,498.1 (previous year: T€755.8) and provided other related parties with total materials and services of T€3,830.1 (previous year: T€3,465.0). As at the end of the interim reporting period, 30 June 2016, the BWT Group reported receivables from related parties of T€842.0 (previous year: T€452.8), liabilities of T€384.1 (previous year: T€270.3) and provisions of T€91.3 (previous year: T€0.0).

Transactions with associates and other related parties were performed at arm’s-length conditions.

As at the date of the interim financial statements, there are no contingent liabilities to associates or related parties for which the Management Board deems the likelihood of utilisation to be more than remote.

13. Other information

Material events after the end of the interim reporting period

In August 2016, the Linz Higher Regional Court ruled that the resolution adopted by the 25th Annual General Meeting of the company on 25 August 2015 on the merger of BWT Aktiengesellschaft and its wholly owned subsidiary BWT Holding AG, and the associated delisting of the company that was contested by shareholders in court, is legal. The decision by the Linz Higher Regional Court is not final; shareholders have appealed for review by the Supreme Court, though its decision is still pending.

There were no other significant events occurred after the end of the interim reporting period.

Mandatory information on waiver of audit review

These interim consolidated financial statements were neither audited nor reviewed by an auditor.

Statement of all Members of the Management Board pursuant to para. 87 Börsegesetz

We confirm to the best of our knowledge that the interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the interim financial statements, of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions disclosed.

Mondsee, 10 September 2016
The Management Board

Andreas Weissenbacher
Chief Executive Officer

Gerhard Speigner
Chief Financial Officer

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