c.a.t.oil
energy in motion

Q1/2009

First Quarter Report
January 1 – March 31, 2009

Key Group Figures

Selected Group Figures in accordance with IFRS	Q1 2009 TEUR	Q1 2008 TEUR	Change in %
Revenues	53,775	65,935	–18.4
Gross profit	6,145	8,617	–28.7
EBITDA	8,090	7.331	10.3
EBITDA margin	15.0%	11.1%	
EBIT	1,254	2,178	–42.4
EBIT margin	2.3%	3.3%	
Net profit for period	–912	440	> –100
Earnings per share (in EUR)	–0.019	0.009	
Balance sheet total[1)]	265,173	284,103	–6.7
Equity[1)]	192,859	208,605	–7.5
Equity ratio[1)]	72.7%	73.4%	
Capital expenditure	3,250	8,779	–63.0
Cash flow from operating activities	13,877	7,680	80.7
Cash flow from financing activities	–9,145	733	
Cash and cash equivalents[1)]	14,074	14,367	–2.0
Employees (average)	3,228	3,449	–6.4

1) Each at March 31, 2009, respectively December 31, 2008.

Editorial

"Patience and perseverance have a magical effect before which difficulties disappear and obstacles vanish."
John Quincy Adams

Ladies and Gentlemen,
Dear Shareholders,

during the first quarter 2009 the impacts of the financial crisis have continued to be seen across most industries worldwide. The oil price remained below USD 54 and global demand for oil stayed on a low level. As a consequence, oil producers have focused even more on efficient deployment and selected their service providers even more carefully. No doubt, for C.A.T. oil these developments mean a challenge. However, we also see this as an opportunity to increase our market share and to demonstrate our operative strength as a reliable and financially strong business partner which stands for integrated services and excellent quality.

In Q1 2009 it has yet again been the combination of our well balanced service portfolio, our dedicated work approach, our strong customer relationships and strict cost management which supported us to deal with these difficult market conditions. Our revenues declined in Euro terms by 18.4% YoY to EUR 53.8 million - while on a rouble basis they have been stable in this challenging environment. Three factors have to be allowed for in this context: a 7.2% YoY decrease in the number of jobs, harsh winter conditions and the Rouble/Euro exchange rate which had been against our favour. However, in our core businesses, hydraulic fracturing and sidetrack drilling, we have even been able to slightly increase revenues per job in Rouble terms by about 4% YoY each. This fact is particularly remarkable in light of the lower services demand and ongoing pressure on pricing.

How has C.A.T. oil then kept Rouble revenues stable? By walking the talk and by constantly enhancing our efficiency. We have continued to work on making more intelligent and intensified use of our equipment and were thus able to accomplish more complex jobs in a timely manner. Streamlining our operations also had a positive effect on our cost base, as had our cost cutting programs which we implemented in Q4 2008. In the reporting period, cost of sales went down by 16.9% YoY and general and administrative costs were reduced by more than one third. As we have also initiated a personnel program which foresees to adjust the number of employees to an average number of 3,000 in 2009, we were also able to reduce personnel expenses already in the first quarter by more than 20% YoY.

Despite lower Euro revenues but thanks to our cost cutting programs we were thus able to increase EBITDA by 10.3% YoY to EUR 8.1 million (Q1 2008: EUR 7.3 million). Positive effects of the Company's cost cutting measures during the reporting period were partly offset by provisions of EUR 1.5 million owing to higher subcontractor costs for seismic operations in Nigeria. Our financial result was, influenced by currency translation losses and amounted to EUR -3.5 million, causing a pre-tax loss of EUR -2.2 million (Q1 2008: EUR 1.7 million). An incurred net income tax gain of EUR 1.3 million could not offset the pre-tax loss. Our net result amounted to EUR -0.9 million (Q1 2008: net profit of EUR 0.4 million)

Despite the economic slowdown and lower earnings, C.A.T. oil continued to operate from a solid financial position and an extremely healthy equity ratio of above 70%. Cash flow from operating activities went up to 13.9 million in the reporting period. Cash flow from financing activities amounted to EUR -9.1 million (Q1 2008: EUR 0.7 million) which is mainly due to an early payback of long-term liabilities. At the end of Q1 2009 cash and cash equivalents amounted to EUR 14.1 million (Q4 2008: EUR 14.4 million).

C.A.T. oil's first quarter results clearly demonstrate that we successfully dealt with this challenging environment. After our massive investments between 2006 and 2008 we will keep our capex program in 2009 on a low basis. We will further streamline our operations to increase efficiency and profitability while at the same time remaining dedicated to our customers' needs. Our order book for 2009 confirms that we are perceived as a reliable efficient business partner: By the end of March it amounted to EUR 188 million and we are especially pleased to report an additional order in sidetrack drilling by LUKOIL which we received in May 2009, bringing our order book volume to EUR 198 million.

C.A.T. oil has coped with several difficult market situations in Russia since 1991 and, as every storm has a silver lining, we will again prepare ourselves for the times when oil and gas markets fundamentally recover. In the meantime we will focus on gaining further market share by convincing our customers of our high quality services and our dedicated work approach.

Yours sincerely,

Manfred Kastner
CEO C.A.T. oil AG

Group Balance Sheet

	31.03.2009 TEUR	31.12.2008 TEUR
Current assets		
Cash and cash equivalents	14,074	14,367
Trade accounts receivable	47,903	50,804
Inventories	37,218	37,045
Prepaid other current assets	12,167	13,764
Tax assets	2,027	2,353
Non-current assets		
Property, plant and equipment	140,499	157,560
Intangible assets	5	0
Goodwill	4,046	3,849
Investments	299	324
Deferred taxes	6,873	3,958
Other assets	62	79
Total assets	**265,173**	**284,103**
Current liabilities		
Short-term debt	6,505	5,657
Trade accounts payable	23,165	14,937
Income tax payable	800	1,919
Advance payments received	5	218
Other current liabilities	11,933	13,897
Non-current liabilities		
Long-term debt	20,007	30,000
Deferred tax liabilities	9,899	8,870
Shareholders‘ equity		
Share Capital	48,850	48,850
Capital reserves	111,987	111,987
Retained earnings	83,875	84,787
Foreign currency exchange reserve	–51,853	–37,019
Total liabilities and shareholders‘ equity	**265,173**	**284,103**

Group Income Statement

	Q1 2009 TEUR	Q1 2008 TEUR
Revenues	53,775	65,935
Cost of revenues	–47,630	–57,318
Gross profit	**6,145**	**8,617**
Other operating income	57	135
General and administrative expense	–4,442	–6,546
Other operating expense	–506	–28
Operating result	**1,254**	**2,178**
Interest income	47	95
Interest expense	–701	–307
Foreign currency exchange loss	–2,839	–297
Other financial expense	–1	0
Result before income tax	**–2,240**	**1,669**
Income tax	1,328	–1,229
Net income	**–912**	**440**
Earnings per share	–0.019	0.009

Consolidated Statements of Comprehensive Income

	Q1 2009 TEUR	Q1 2008 TEUR
Net Income	**–912**	**440**
Differences currency translation	–5,963	–2,692
Differences net investment	–8,871	–3,515
Other comprehensive income	**–14,834**	**–6,207**
Total comprehensive income	**–15,746**	**–5,767**

Group Cash Flow Statement

	Q1 2009 TEUR	Q1 2008 TEUR
Profit before income tax	–2,241	1,670
Depreciation and amortization	6,836	5,153
Loss on disposal of fixed assets	239	16
Change in inventories	-172	–1,412
Change in trade and other receivables	1,925	–10,944
Change in trade and other payables	5,961	14,427
Income tax paid	–1,032	–1,543
Other non cash income and expenses	2,361	313
Net cash provided by (used in) operating activities	**13,877**	**7,680**
Purchase of property, plant and equipment	–3,250	–8,779
Proceeds from sale of equipment	76	50
Net cash used in (provided by) investing activities	**– 3,174**	**–8,729**
Change in short- and long-term debt	–9,145	733
Net cash used in (provided by) financing activities	**–9,145**	**733**
Net effect of currency translations in cash and cash equivalents	–1,851	-2,595
Net change in cash and cash equivalents	**–293**	**– 2,911**
Cash and cash equivalents at beginning of period	14,367	15,010
Cash and cash equivalents at end of period	**14,074**	**12,099**

Statement of Changes in Group Equity

	Share capital	Capital reserve	Retained earnings	Translation reserve	Net investment in a foreign country	Total equity
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
At January 1, 2008	48,850	111,987	82,219	-8,176		234,880
Net profit / loss for the period			440			440
Differences currency translation				-2,692		-2,692
Differences net investment					-3,516	-3,516
At March 31, 2008	**48,850**	**111,987**	**82,659**	**-10,868**	**-3,516**	**229,112**
At January 1, 2009	48,850	111,987	84,787	-20,024	-16,995	208,605
Net profit / loss for the period			-912			-912
Differences currency translation				-5,963		-5,963
Differences net investment					-8,871	-8,871
At March 31, 2009	**48,850**	**111,987**	**83,875**	**-25,987**	**-25,866**	**192,859**

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which difficulties disappear

have a magical effect before
and obstacles vanish."

John Quincy Adams

Notes to the consolidated interim report as of 31 March, 2009

Basis of preparation of the consolidated interim report

The consolidated financial statements of C.A.T.oil AG for the 2008 business year were prepared in accordance with the International Financial Reporting Standards (IFRS) including the International Accounting Standards (IAS) and the Interpretations issued by the International Accounting Standard Board (IASB) and the interpretations issued by the International Financial Reporting Standard Interpretations Committee (IFRIC). Accordingly, this interim report as of 31 March 2009 has been prepared in compliance with IAS 34.

BDO Auxilia Treuhand GmbH, Vienna, performed an ISRE 2410 review of the interim report.

The interim reports of the companies included in the consolidated interim report have been prepared applying the same uniform accounting policies as those used as of 31 December 2008. The separate interim reports of the consolidated companies have been drawn up as of the balance sheet date of the consolidated interim report.

The consolidated interim financial statements are prepared on the historical cost basis.

The income statement has been drawn up in accordance with the cost of sales method.

The consolidated interim report has been prepared in euros. All figures including previous year's figures are indicated in TEUR. Rounding differences may result because of this kind of notation.

With the amendment of IAS 1 "Presentation of Financial Statements" the consolidated financial statements contain in addition to the consolidated statement of income (loss) a consolidated statement of comprehensive income (loss). The latter comprises the profit or loss of the reporting period as well as equity changes other than those changes resulting from transactions with owners in their capacity as owners that are not recognized in profit or loss (other comprehensive income or loss).

Consolidation methods

All significant intra-group receivables and liabilities are eliminated in the course of the consolidation.

Scope of consolidation

There are no changes in the scope of consolidation versus to 31 December 2008.

Segment information

Through the first consolidation of OOO Catoil Geodata in 2007 we now have apart, from our previous single segment "Well-Service" a new segment "Seismic". We do not report segment information because threshold values of the newly-applicable IFRS 8.13 are not exceeded.

Notes to the income statement

Earnings situation

C.A.T. oil's operating and financial results are characterized by distinct seasonality whereby the first quarter performance is exposed to a slowdown in operations due to harsh weather conditions in West Siberia during winter months and, therefore, profit contributions predominately arise in the second and third quarters of any one year. In Q1 2009, C.A.T. oil's results were also greatly impacted by the Russian rouble devaluation against the euro as a majority of the Company service contracts are rouble-denominated. The average exchange rate of the Russian rouble against the euro weakened 22.5% YoY to 44.4 roubles/euro in Q1 2009 from 36.3 roubles/euro in Q1 2008.

The Russian rouble devaluation negatively impacted the Q1 2009 results

Revenue down 18.4% YoY

During the reporting period, the Company revenues were down 18.4% YoY to EUR 53.8 million (Q1 2008: EUR 65.9 million) primarily due to a 7.2% YoY decline in C.A.T. oil's total job count to 667 jobs (Q1 2008: 719 jobs) and a 12.2% YoY fall in an average per job revenue to TEUR 81 (Q1 2008: TEUR 92). In rouble terms, though, the Company Q1 2009 revenues stayed effectively flat YoY. C.A.T. oil's fracturing job count diminished 10.2% YoY and side-track drilling job count stayed flat YoY. A total job count for auxiliary services, such as well workover, cementing and coiled tubing, also stayed flat YoY. Seismic revenues rose 800.1% YoY, albeit from a very low base in Q1 2008.

Average per job revenues were down in euro terms across the board in Q1 2009 – 15.1% YoY for fracturing, 14.7% YoY for sidetracking and 33.1% YoY for auxiliary services. In rouble terms, though, fracturing and sidetrack drilling per job revenues increased 3.9% YoY and 4.3% YoY, respectively. The increase was mainly due to greater job complexity. Average per job revenue in rouble terms for auxiliary services was down 18.2% YoY, primarily reflecting change in an auxiliary service mix in favor of cementing services, which involve lower per job revenue compared to well workover or coiled tubing services.

Cost of goods sold reduced 16.9% YoY

Cost of goods sold, which primarily consists of materials and supply, direct costs, depreciation, wages and salaries, reduced 16.9% YoY to EUR 47.6 million (Q1 2008: EUR 57.3 million). The decrease primarily reflected success in the Company's cost cutting measures and lower prices for fuel and transportation services. Cost of materials and supply diminished 23.8% YoY to EUR 17.2 million (Q1 2008: EUR 22.6 million) due to lower number of jobs performed, coupled with lower prices for fuel and other consumables. Cost of materials and supply as a percentage of revenues fell to 32.1% in Q1 2009 from 34.3% in Q1 2008.

Direct costs, which primarily include transportation, mobilization, adaptation, subcontractor, repair and maintenance costs, were down 21.6% YoY to EUR 11.9 million (Q1 2008: EUR 15.2 million) as the Company managed to reduce prices for transportation and other subcontractor services. A lack of new operating capacity additions during the reporting period also contributed to a contraction in direct costs. Positive effects of the Company's cost cutting measures during the reporting period we however partly offset by provisions of EUR 1.5 million owing to higher subcontractor costs for seismic operations in Nigeria. Nonetheless, direct costs represented only 22.1% of revenues in Q1 2009 compared to 23.0% in Q1 2008.

Wages and salaries declined 23.8% YoY to EUR 8.2 million (Q1 2008: EUR 10.8 million) due to the combined effect of lower headcount and wages. Social security and welfare expenses dropped 26.1% YoY to EUR 2.0 million (Q1 2008: EUR 2.7 million), effectively trailing the decrease in wages and salaries. Depreciation was up 33.4% YoY to EUR 6.7 million (Q1 2008: EUR 5.1 million), primarily reflecting a 40% YoY increase in sidetrack drilling capacity in 2008. Other costs of sales were up 50.1% YoY to EUR 1.6 million (Q1 2008: EUR 1.1 million). The increase in other costs of sales was partly driven by additional expenses arising from significant operating capacity additions to sidetrack drilling in 2008 and relating to higher costs of licensing, oversight, and regulatory services by Russian technical authorities and the authorized bodies in Q1 2009 compared to Q1 2008.

The increase in other costs of revenues was also due to higher aviation expenses arising from the increased proportion of personnel employed for field operations on a rotation basis from regions other than West Siberia.

Cost of sales

	Q1 2009 TEUR	Q1 2008 TEUR
Costs of goods and material employed	17,246	22,623
Wages and Salaries	8,191	10,753
Direct costs	11,896	15,173
Depreciation	6,734	5,046
Financial security-, health- and pension fund expenses	1,963	2,657
Other cost of sales	1,600	1,066
Total	**47,630**	**57,318**

Personnel Expenses

	Q1 2009 TEUR	Q1 2008 TEUR
Wages and Salaries	9,409	12,832
Financial security-, health- and pension fund expenses	2,226	3,154
Total	**11,635**	**15,986**

The average number of employees of the consolidated companies amounted in the first three month of 2009 to 3,228, thereof 87 part-time-employees (first quarter in 2008: 3,449, thereof 90 part-time-employees).

Gross profit declined 28.7% YoY

Gross profit declined 28.7% YoY to EUR 6.1 million (Q1 2008: EUR 8.6 million), primarily reflecting lower revenues and higher depreciation in Q1 2009 compared to Q1 2008. Gross profit margin diminished to 11.4% in Q1 2009 from 13.1% in Q1 2008.

General and administrative expenses cut 32.1% YoY

Consequent to the Company’s cost cutting program launched in Q4 2008, general and administrative expenses declined 32.1% YoY to EUR 4.4 million (Q1 2008: EUR 6.5 million) mainly due to lower wages and salaries, traveling and rental expenses, license and consulting fees. General and administrative expenses also included bad debt provisions of TEUR 412 in Q1 2009 compared to TEUR 41 in Q1 2008. The increase in these provisions was due to the increased probability of non-payments in the wake of the developing economic crisis and the potential negative impact of lower oil prices on customers' cash flows. Nonetheless, general and administrative expenses amounted to only 8.3% of the Company revenues in Q1 2009 compared to 9.9% in Q1 2008.

Other net operating loss was TEUR 449 in Q1 2009 compared to other net operating income of TEUR 107 in Q1 2008, reflecting the net result of profits and losses on disposals of fixed assets and sales of materials.

Weighted average headcount down 6.4% YoY

The Company reduced its total weighted-average headcount to 3,228 employees in Q1 2009, down 6.4% YoY from 3,449 employees in Q1 2008 and 4.4% from 3,377 employees at 31 December 2008. The decline reflected the Company's right sizing program aiming to optimize its subsidiaries' headcount in response to challenging market environment. For comparison, C.A.T. oil's 2008 total weighted-average headcount was 3,621 employees.

EBITDA rose 10.3% YoY

The Company's earnings before interest, corporate tax, depreciation and amortization (EBITDA) gained 10.3% YoY to EUR 8.1 million (Q1 2008: EUR 7.3 million), resulting in expansion of the EBITDA margin to 15.0% (Q1 2008: 11.1%). C.A.T. oil's earnings before interest and corporate tax (EBIT) staged an downturn of 42.4% YoY to EUR 1.3 million (Q1 2008: EUR 2.2 million). The 2008 EBIT margin shrank to 2.3% in Q1 2009 from the Q1 2008 level of 3.3%.

Net profit impacted by the increased financial expenses

The Company's net financial result was EUR -3.5 million (Q1 2008: EUR -0.5 million) primarily owing to a combination of unrealized foreign currency translation losses of EUR 2.1 million and realized foreign currency translation losses of EUR 0.7 million on the euro-denominated inter-company loans. A majority of the inter-company loans extended by C.A.T oil AG to its subsidiaries for investment purposes remain within the Group on a long-term basis. Thus any realization of foreign exchange losses in connection to these loans is not expected in the near future. Separately, net financial result included a net interest expense of EUR 0.7 million (Q1 2008: EUR 0.3 million), primarily reflecting the Company's interest-bearing liabilities of EUR 26.5 million at 31 March 2009 compared to EUR 8.8 million at 31 March 2008.

Consequent to the increased financial expenses, the Company recorded a pre-tax loss of EUR 2.2 million in Q1 2009 compared to a pre-tax profit of EUR 1.7 million in Q1 2008. In Q1 2009, the Company incurred net income tax gain of EUR 1.3 million as opposed to net income tax expense of EUR 1.2 million in Q1 2008, arising from the increase in deferred tax assets during the reporting period. The increase in deferred tax assets was mainly attributable to gross losses for tax purposes caused by foreign currency translation losses on the euro-denominated inter-company loans. Due to a provision of EUR 1.5 million for a seismic project in Nigeria, the Group's net loss was TEUR 912 (Q1 2008: net profit of TEUR 440), translating into the Q1 2009 losses per share – according to IAS 33 – of EUR 0.019, compared the Q1 2008 earnings per share of EUR 0.009. There had been no change in the weighted average number of shares outstanding in Q1 2009 (Q1 2008: 48,850,000).

Financial situation

Cash flow from operating activities up 80.7% YoY

During the reporting period, C.A.T. oil increased cash earnings before changes in working capital 9.9% YoY to EUR 6.2 million (Q1 2008: 5.6 million). Coupled with lower requirements for working capital, the development led to an 80.7% YoY increase in cash flow from operating activities to EUR 13.9 million (Q1 2008: EUR 7.7 million).

Positive free cash flow generation on significant capital expenditure flexibility

C.A.T. oil reduced capital expenditures 63.0% YoY to a maintenance level of EUR 3.3 million (Q1 2008: 8.8 million) as the Company has planned no significant operating capacity additions for 2009. As a result, C.A.T. oil generated positive free cash flow of EUR 10.7 million in Q1 2009 as opposed to negative free cash flow of EUR 1.1 million in Q1 2008. With proceeds from sale of equipment of TEUR 76 (Q1 2008: TEUR 50), C.A.T. oil's cash flow from investing activities was a net outflow of EUR -3.2 million (Q1 2008: net outflow of EUR 8.7 million).

Cash flow from financing activities underpins financial flexibility

Cash flow from financing activities was a net outflow of EUR 9.1 million in Q1 2009 compared to a net inflow of EUR 0.7 million in Q1 2008, primarily reflecting a deliberate early repayment of EUR 10.0 million out of EUR 30 million long term debt outstanding at 31 December 2008 which the Company raised under a three-year EUR 50 million committed credit line in Q4 2008. Cash flow from financing activities was also impacted by a TEUR 848 increase in short-term interest-bearing liabilities to EUR 6.5 million at 31 March 2009 from EUR 5.7 million at 31 December 2008, primarily representing rouble-denominated short term loans and overdraft facilities at the subsidiary level.

Cash and cash equivalents were EUR 14.1 million at 31 March 2009, effectively flat compared to EUR 14.4 million at 31 December 2008.

Notes to the balance sheet

Asset situation

Strong balance sheet

C.A.T. oil maintained conservative financial policy, which enabled the Company to sustain a strong balance sheet with the equity ratio of 72.7% at 31 March 2009 (31 December 2008: 73.4%).

Fixed assets

Property, plant and equipment diminished 10.8% to EUR 140.5 million at 31 March 2009 from EUR 157.6 million at 31 December 2008, primarily reflecting a net result of foreign exchange differences of EUR 10.8 million as well as depreciation, disposals and additions. Goodwill, resulting from consolidation of CATOBNEFT in 2004, increased 5.1% to EUR 4.0 million at 31 March 2009 from EUR 3.8 million at 31 December 2008 primarily due to currency movements. Long-term financial investments, which primarily represent historical equity investments at a subsidiary level, stayed effectively flat at EUR 0.3 million at 31 March 2009 compared to 31 December 2008 due to little change in fair value of the investments over the reporting period. Deferred tax assets rose 73.6% to EUR 6.9 million at 31 March 2009 from EUR 4.0 million at 31 December 2008, primarily owing to gross losses for tax purposes arising from foreign currency translation losses on the euro-denominated inter-company loans.

Property, plant and equipment

	Land and buildings	Plant and machinery	Operational and office equipment	IT	Prepaid expenses	Total
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
CARRYING AMOUNTS						
As of 31.03.2009	9,431	6,724	110,133	674	13,711	140,673
As of 31.12.2008	10,453	7,421	122,690	1,006	15,990	157,560

Changes of the tangible fixed assets in comparison to the year-ago quarter amount to:

	Q1 2009	Q1 2008
	TEUR	TEUR
Investments	3,250	8,779
Depreciation	6,696	5,153
Disposals at net book value	2,594	66
Exchange rate differences	10,847	–3,943

Current assets

Inventories	31.03.2009	31.12.2008
	TEUR	TEUR
Raw materials	6,813	7,181
Supplies	826	952
Spare parts and other materials	20,811	23,029
Work in progress	8,768	5,883
Total	**37,218**	**37,045**

Inventories are recognized at the lower value of historical costs and net realizable value. Provisions of impairment of inventories amounted on 31 March 2009 TEUR 1,503 (31.12.2008: TEUR 1,512).

Total current assets declined 4.2% to EUR 113.4 million at 31 March 2009 from EUR 118.3 million at 31 December 2008. Trade receivables fell 5.7% to EUR 47.9 million at 31 March 2009 from EUR 50.8 million at 31 December 2008, primarily reflecting a contraction in the Company revenues during the reporting period. Inventories were EUR 37.2 million at 31 March 2009, effectively unchanged since 31 December 2008, as an 8.7% reduction in inventories of spare parts, materials and supplies to EUR 28.5 million at 31 March 2009 from EUR 31.2 million at 31 December 2008 was largely offset by a 49.0% increase in work in progress to EUR 8.8 million at 31 March 2009 from EUR 5.9 million at 31 December 2008. The increase in work in progress was largely attributable to expansion of the Company's seismic operations in Q1 2009 compared to Q1 2008.

Prepaid expenses and other current assets fell 11.6% to EUR 12.2 million at 31 March 2009 from EUR 13.8 million at 31 December 2008 primarily due to lower advance payments for subcontractor services the Company employed during the reporting period. Tax assets declined 13.8% to EUR 2.0 million at 31 March 2009 from EUR 2.4 million at 31 December 2008, owing to the reduced advance payments of corporate income tax. Cash and cash equivalents contracted 2.0% to EUR 14.1 million at 31 March 2009 from EUR 14.4 million at 31 December 2008.

The Company's total assets were down 6.7% to EUR 265.2 million at 31 March 2009 compared to EUR 284.1 million at 31 December 2008.

Current liabilities

Trade payables increased 55.1% to EUR 23.2 million at 31 March 2009 compared to EUR 14.9 million at 31 December 2008 primarily reflecting the extension in settlement terms the Company obtained from its supplies and contractors for the reporting period. Advance payments received from the Company customers declined 97.7% to TEUR 5 at 31 March 2009 from TEUR 218 at 31 December 2008, primarily owing to customers' tighter working capital management amid financial and economic slump. Income tax payable declined 58.3% to EUR 0.8 million at 31 March 2009 from EUR 1.9 million at 31 December 2008 primarily due to lower taxable gross profits generated during the reporting period. Other current liabilities diminished 14.1% to EUR 11.9 million at 31 March 2009 compared to EUR 13.9 million at 31 December 2008, reflecting primarily lower VAT and vacation payables during the reporting period.

Working capital

Working capital of EUR 63.4 million at 31 March 2009, down 13.1% compared to EUR 73.0 million at 31 December 2008, provided sufficient liquidity for the Company operations.

Interest-bearing liabilities

The Company reduced its interest-bearing liabilities 25.6% to EUR 26.5 million at 31 March 2009 from EUR 35.7 million at 31 December 2008. The decrease was primarily attributable to a deliberate repayment ahead of maturity of EUR 10.0 million of EUR 30.0 million long term debt outstanding at 31 December 2008 which the Company used from a three-year EUR 50.0 million committed credit line in the fourth quarter 2008. Concurrently, short term interest-bearing liabilities increased to EUR 6.5 million at 31 March 2009 from EUR 5.7 million at 31 December 2008, primarily representing rouble-denominated short term loans and overdraft facilities at the subsidiary level. As a result, C.A.T. oil's net indebtedness (interest-bearing liabilities less cash and cash equivalent) was down 41.6% to EUR 12.4 million at 31 March 2009 compared to EUR 21.3 million at 31 December 2008.

C.A.T. oil's deferred tax liabilities increased 11.6% to EUR 9.9 million at 31 March 2009 from EUR 8.9 million at 31 December 2008. The increase was mainly due to temporary differences in depreciation for tax and financial reporting purposes.

Shareholder equity

As of 31 March 2009 the Company had subscribed capital of EUR 48.9 million and capital reserves of EUR 112.0 million. There had been no change to the Company's subscribed capital and capital reserves since 31 December 2008. Foreign currency exchange reserves decreased to a deficit of EUR 51.9 million at 31 March 2009 from a deficit of EUR 37.0 million at 31 December 2008, reflecting the cumulative net effect of a foreign exchange loss on the euro-denominated loans C.A.T. oil AG granted to its foreign subsidiaries for investment purposes on a long term basis. Currency translations also arose in reconciling the Company's balance sheet and income statement, which are prepared on the basis of different exchange rates between the Russian rouble and the euro: a quarter-end exchange rate for the balance sheet and an average exchange rate for income statement. Retained earnings decreased 1.1% to EUR 83.9 million at 31 March 2009 compared to EUR 84.8 million at 31 December 2008. As a result, total shareholders' equity diminished to EUR 192.9 million at 31 March 2009 from EUR 208.6 million at 31 December 2008.

C.A.T.oil AG's share capital amounted as of 31 March 2009 to TEUR 48,850 (31.12.2008: TEUR 48,850).

The share capital is divided into 48,850,000 non-par-value shares. The interest of a single share is determined on the basis of the number of shares and the share capital. The proportionate value of the share capital attributable to a share must amount to at least one euro.

The capital reserve comprises the amounts realized in the issuance of non-par-value shares in excess of the nominal amounts. Transaction costs incurred in connection with the IPO on May 4, 2006 were deducted from the capital reserve.

The reported reserves represent the adjusting item resulting from the translation of foreign currencies. These are translation differences resulting from translating the financial statements from the functional currency of the companies in the Russian Federation (roubles) to the reporting currency (euros).

No distributions were declared by the parent company after 31 March 2009.

Outlook

Demand for C.A.T. oil's services is heavily dependent upon Russian and Kazakh oil and gas producers operating activities and upstream budgets, driven by global economic growth and energy consumption. With oil prices remaining well below its 2008 peak levels, the Company estimates the downside risks to its 2009 job count, capacity utilization, prices and margins across all of its core and auxiliary businesses as material. Further, the Russian rouble and the Kazakh tenge devaluation against the euro in the fourth quarter of 2008 – first quarter of 2009 adds to a contraction of C.A.T. oil's 2009 top line compared to 2008 since a bulk of the Company revenues are either rouble- or tenge-pegged.

Nonetheless, C.A.T.oil's 2009 order book of around EUR 198 million (conservatively assuming an average rouble-to-euro exchange rate of 48) as of 29 May 2009 fuels the Company confidence in good prospects for attainability of healthy operating and financial performance in 2009. Consequent to the ongoing cost cutting measures, C.A.T. oil improved its EBITDA and the EBITDA margin in Q1 2009, seasonally weakest quarter in the year, compared to Q1 2008 and Q4 2008 and is well positioned to replicate its success during summer months as customers' demand for the Company core brownfield-related services, hydraulic fracturing and sidetrack drilling, remains robust.

With modest near-term prospects for an upturn in customers' demand for greenfield-related services, such as seismic, exploration and development drilling, amid current oil price environment, the Company feels prudent to abstain from further aggressive diversification into these services at least until the end of 2009. Therefore, the Company is likely to keep low profile of its seismic operations in 2009. For the same reason the Company has put on hold its plans for significant investments in conventional drilling. With high capital expenditure flexibility, the Company remains committed to its 2009 capital expenditure program aiming primarily to maintain the existing operating capacity in good working order. Since a bulk of the Company's repair and maintenance costs is expensed, the Company's 2009 capital expenditures are likely to stay way below historical levels and pave the way for a positive free cash flow generation in 2009.

Events after the balance sheet date

The global financial and economic crisis lasted unchanged from the balance sheet date to the publishing date of the first quarter 2009 results. This negative macroeconomic setting could have a significant adverse effect on the future development of the Group's operating and financial results.

Vienna, 29 Mai 2009

Board of Management

Manfred Kastner	Ronald Harder	Anna Brinkmann	Leonid Mirzoyan

Disclaimer

This document contains certain statements that constitute neither reported results nor other historical information. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond C.A.T. oil AG's ability to control or precisely estimate factors such as future market and economic conditions, the behaviour of other market participants, the ability to successfully integrate acquired businesses and achieve anticipated synergies, and the actions of government authorities. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this document. C.A.T. oil AG does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document.

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Report of the Supervisory Board's Audit Committee

The interim report January to March 2009 and the statutory auditor's review report, which was compiled as the basis for assessing and appraising the condensed interim financial statement, were submitted to the Supervisory Board's Audit Committee. The documents were explained by the Board of Management and discussed with the statutory auditor. The Audit Committee accepted the condensed interim financial statement.

Vienna, May 29, 2009

Dr. Gerhard Strate
Chairman of the Supervisory Board

Financial Calendar

July 3, 2009	Annual shareholders' meeting
August 31, 2009	Half year 2009 interim report
November 30, 2009	Third quarter 2009 interim report

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