THIRD QUARTER REPORT 2014

JULY–SEPTEMBER

THIRD QUARTER – 2014

QUARTERLY REPORT

c.a.t.oil

energy in motion

KEY GROUP FIGURES

SELECTED GROUP FIGURES IN ACCORDANCE WITH IFRS TEUR	Q1-3 2014	Q1-3 2013	Change
Sales revenues	323,853	322,948	0.3%
Gross profit	73,099	64,128	14.0%
EBIT	58,416	48,414	20.7%
EBIT margin	18.0%	15.0%	
EBITDA	93,753	85,967	9.1%
EBITDA margin	28.9%	26.6%	
Group result	49,228	38,221	28.8%
Earnings per share (EUR)	1.01	0.78	
Balance sheet total [1)]	422,001	352,525	19.7%
Equity [1)]	254,296	251,745	1.0%
Equity ratio [1)]	60.3%	71.4%	
Cash flow from operating activities	50,721	76,768	-33.9%
Capital expenditure	81,680	40,390	102.2%
Cashflow from financing activities	23,117	-41,410	-155.8%
Cash and cash equivalents [1)]	31,657	42,640	-25.8%
Employees (average)	2,920	2,673	9.2%

[1)] As on 30 September 2014 and 31 December 2013 respectively

CONTENT

INTRO

MANFRED KASTNER
CHIEF EXECUTIVE OFFICER

Dear Ladies and Gentlemen,
Dear Shareholders,

Following a steep earnings ramp-up in the first half of 2014 we further accelerated bottom line growth in Q3. In fact, we achieved record levels in terms of job counts, profitability and earnings. Ongoing strong demand by our customers, further efficiency gains and continued cost control contributed to our stellar performance. In spite of the major Rouble decline we boosted our EBITDA in EUR terms by 16.6% YoY to EUR 38.8 million in the third quarter. On a nine month basis we report an increase in EBITDA by 9.1% YoY to EUR 93.8 million. Furthermore, we achieved an EBITDA margin of 32.2% for Q3 and 28.9% for the nine month period; these are best in class levels in the Russian OFS market. Profit after tax surged 40.9% YoY to EUR 24.0 million in Q3 2014 (Q3 2013: EUR 17.0 million), and expanded 28.8% YoY to EUR 49.2 million on a nine month basis (Q1-Q3 2013: EUR 38.2 million).

Despite the political tensions which led to a more challenging market environment during the summer we saw a very good demand amongst our customers and achieved new all-time highs in operating activity levels. Our total service jobs rose by 17.3 % YoY to 1,258 in Q3 (Q1-Q3 2013: 1,072) and by around 13% YoY to 3,315 in the nine month period (Q1-Q3 2013: 2,938). Due to the Rouble devaluation our revenues unfortunately do not fully reflect our strong operating performance. In EUR terms revenues remained effectively stable YoY at EUR 323.9 million (Q1-Q3 2013: EUR 322.9 million). Between July and September, however, we achieved an increase in revenues by 7% YoY to EUR 120.7 million which is a great success given the fact that the Rouble lost around 15% against the Euro in that time period.

Based on our strong nine month results and the good start into Q4 we are confident in the Full Year 2014 performance. Although we adjusted the 2014 forecast average exchange rate to 50 Roubles-to-Euro from 48 (as of 28 August 2014), we confirm our guidance. We aim at revenues between EUR 420 and 450 million which we expect to come out at the lower end due to the currency headwind. Furthermore we confirm our EBITDA target of EUR 113–121 million. Based on the topline growth, efficiency gains and a favorable revenue mix we see a good chance of hitting the upper part of the forecasted EBITDA range.

Our customers acknowledge our reliability, state of the art equipment and our highly qualified employees. The tender campaign for the next year and beyond has just begun and based on our already strong backlog we are highly motivated to win additional assignments. Following the first talks with customers we see a demand for our services in the coming year staying at a healthy level.

At the same time geopolitics, soft oil price and the weak Rouble are major challenges for the sector. We have therefore decided to carefully watch the market and hold up the decision on our 2015 capital expenditures until the end of Q1 2015. This will allow us to get more visibility on our customers' future plans and ensures that our capacities attain best possible utilization in the new operating realities.

The EU and US sanctions do not impede our business as we have never been engaged in the restricted activity areas such as Arctic offshore, deep water or shale oil projects and do not plan to change the course of our business going forward. Thus, the deliveries to Russia of the additional capacities which we ordered for manufacturing in 2014 are not hampered by the sanctions. During the nine months period our cash payments for the new operating capacities amounted to EUR 81.7 million (Q1-Q3 2013: EUR 40.4 million). Thus far, we have added 2 drilling and 2 sidetracking rigs as well as 1 fracking fleet to our operations and plan to put one more drilling rig into operations before the yearend. The remaining 3 drilling rigs and 2 sidetracking rigs will be mobilized to customers' sites in Q1 2015. We therefore see ourselves very well prepared to further strengthen our role as a preferred service partner to oil and gas producers in Russia and Kazakhstan and to pursue our profitable growth going forward.

In addition, we want to inform you on the announced, but not yet launched mandatory takeover offer of Joma Industrial Source Corp. We, therefore, would like to refer you to updates on our website, www.catoilag.com, where you can find news, press releases and other publications in this context.

We thank you, our shareholders, for your continued trust and loyalty to C.A.T. oil and are looking forward to continuing our successful development.

Yours sincerely,
Manfred Kastner

GROUP INTERIM REPORT

GROUP INTERIM REPORT

GROUP BALANCE SHEET

INCOME STATEMENT

STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF CHANGES IN EQUITY

CASH FLOW STATEMENT

1

BALANCE SHEET AS OF 30.09.2014

TEUR	30.09.2014	31.12.2013
Assets		
Noncurrent assets	**240,866**	**211,653**
Intangible Assets	401	621
Property, plant and equipment	221,911	196,051
Goodwill	3,163	3,473
Other financial assets and other assets	633	639
Deferred tax assets	14,758	10,869
Current assets	**181,135**	**140,872**
Inventories	17,785	19,631
Trade receivables	121,565	73,483
Other receivables	10,128	5,118
Cash and cash equivalents	31,657	42,640
Balance sheet total	**422,001**	**352,525**
Equity and Liabilities		
Equity	**254,296**	**251,745**
Share capital	48,850	48,850
Capital reserve	111,987	111,987
Retained earnings	185,585	153,454
Currency translation reserve	-92,126	-62,546
Noncurrent liabilities	**76,784**	**36,401**
Financial liabilities against related parties	57,100	17,900
Deferred tax liabilities	19,684	18,501
Current liabilities	**90,921**	**64,379**
Financial liabilities against related parties	691	147
Trade payables	67,776	45,514
Other liabilities	22,454	18,718
Balance sheet total	**422,001**	**352,525**

INCOME STATEMENT FOR 01.01.2014 TO 30.09.2014

TEUR	Q3 2014	Q3 2013	Q1-3 2014	Q1-3 2013
Sales revenues	120,741	112,821	323,853	322,948
Cost of sales	-89,854	-88,168	-250,754	-258,820
Gross profit	**30,887**	**24,653**	**73,099**	**64,128**
Administrative expenses	-4,728	-5,206	-15,155	-16,224
Other operating income and expenses	-38	1,740	472	510
Operating result	**26,121**	**21,187**	**58,416**	**48,414**
Interest income and expenses	34	-194	-220	-1,169
Other financial result	205	-221	227	-531
Financial result	**239**	**-415**	**7**	**-1,700**
Profit before tax	**26,360**	**20,772**	**58,423**	**46,714**
Income tax	-2,388	-3,753	-9,195	-8,493
Profit after tax	**23,972**	**17,019**	**49,228**	**38,221**
Of which: result from discontinued operation	**185**	**-130**	**164**	**-83**
Basic earnings per share in EUR	0.49	0.35	1.01	0.78
Diluted earnings per share in EUR	0.49	0.35	1.01	0.78

STATEMENT OF COMPREHENSIVE INCOME FOR 01.01.2014 TO 30.09.2014

TEUR	Q3 2014	Q3 2013	Q1-3 2014	Q1-3 2013
Profit after tax	**23,972**	**17,019**	**49,228**	**38,221**
Items that may be reclassified to profit or loss				
Change in currency translation				
Functional currency	-13,720	-3,027	-14,975	-10,581
Net investments	-12,516	-3,830	-14,605	-13,608
Other comprehensive income	**-26,236**	**-6,857**	**-29,580**	**-24,189**
Comprehensive income	**-2,264**	**10,162**	**19,648**	**14,032**

STATEMENT OF CHANGES IN EQUITY

TEUR	Share capital	Capital reserve	Retained earnings	Currency translation reserve		Total equity
				Functional currency	Net investments	
Balance at 01.01.2013	48,850	111,987	114,827	-21,935	-8,757	244,972
Profit after tax			38,221			38,221
Change in currency translation						
Functional currency				-10,581		-10,581
Net investments					-13,608	-13,608
Comprehensive income			**38,221**	**-10,581**	**-13,608**	**14,032**
Dividend payment			-12,213			-12,213
Balance at 30.09.2013	**48,850**	**111,987**	**140,835**	**-32,516**	**-22,365**	**246,791**
Balance at 01.01.2014	48,850	111,987	153,454	-36,096	-26,450	251,745
Profit after tax			49,228			49,228
Change in currency translation						
Functional currency				-14,975		-14,975
Net investments					-14,605	-14,605
Comprehensive income			**49,228**	**-14,975**	**-14,605**	**19,648**
Dividend payment			-17,097			-17,097
Balance at 30.09.2014	**48,850**	**111,987**	**185,585**	**-51,071**	**-41,055**	**254,296**

CASH FLOW STATEMENT FOR 01.01.2014 TO 30.09.2014

TEUR	Q1-3 2014	Q1-3 2013
Profit before tax	**58,423**	**46,714**
Income tax paid	-9,789	-7,228
Depreciation and amortization expenses	35,337	37,553
Profit/loss on disposal of fixed assets	-271	-150
Other noncash income/expneses	-3,036	-4,057
Gross Cash flow	**80,664**	**72,832**
Change in Working Capital	**-29,943**	**3,936**
Change in inventories	-116	3,764
Change in receivables	-63,487	-28,164
Cange in liabilities	33,660	28,336
Cash flows from operating activities	**50,721**	**76,768**
Purchase of property, plant and equipment	-81,680	-40,390
Proceeds from sale of equipment	494	2,334
Cash flows from investing activities	**-81,186**	**-38,056**
Cash proceeds/cash payments from issuing/repayments loans	39,743	-28,343
Finance income/expenses received and paid	471	-854
Didivends paid	-17,097	-12,213
Cash flows from financing activities	**23,117**	**-41,410**
Effect of exchange rate changes on cash and cash equivalents	-3,635	3,002
Net change in cash and cash equivalents	-10,983	304
cash and cash equivalents at 01.01.	42,640	38,816
Cash and cash equivalents at 30.09.	**31,657**	**39,120**
Of which: cash flows from discontinued operation		
Cash flows from operating activities	153	-84

MANAGEMENT REPORT

MANAGEMENT REPORT

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EARNINGS SITUATION

FINANCIAL SITUATION

ASSET SITUATION

RISKS

OUTLOOK

EVENTS AFTER THE BALANCE SHEET DATE

EARNINGS SITUATION

RECORD OPERATING AND FINANCIAL PERFORMANCE

The Company's primary operations are in Russia and, to a much smaller extent, in Kazakhstan. Russian macroeconomic environment – measly growth, weakening currency and accelerating inflation observed in H1 – continued to deteriorate amid falling energy prices and expanding EU and US economic sanctions in Q3 2014. Despite these negative developments, Russian customers' demand for oilfield services stayed at the elevated levels and so did the Company's operating activities during the reporting period. A steep depreciation of the Russian rouble against the Euro – the average exchange rate was 48.0 roubles-to-euro in Q3 2014 compared to 41.7 roubles-to-euro in Q3 2013 – however obscured the Company's strong top-line growth as the Company's service orders are primarily rouble-denominated.

Nonetheless, the Company demonstrated stellar operating and financial performance and attained the new quarterly highs on the service job count, profitability and earnings measures in Q3 2014. The total number of service jobs surged 17.3% YoY to 1,258 jobs (Q3 2013: 1,072 jobs) and the total drilling and sidetracking footage advanced 47.7% YoY to 113.2 thousand meters (Q3 2013: 76.6 thousand meters). The share of multi-stage frac jobs peaked at 27.6% of the total frac jobs (Q3 2013: 6.7%). Although the revenues increased only 7.0% YoY to EUR 120.7 million because of the rouble devaluation, EBITDA staged a 16.6% YoY increase to EUR 38.8 million (Q3 2013: EUR 33.3 million) and the EBITDA margin widened to 32.2% (Q3 2013: 29.5%). Operating profit accelerated 23.3% YoY to EUR 26.1 million in Q3 2014 (Q3 2013: EUR 21.2 million), whereas profit after tax swelled 40.9% YoY to EUR 24.0 million (Q3 2013: EUR 17.0 million). Gross cash flow improved 10.0% YoY to EUR 31.9 million (Q3 2013: EUR 29.0 million), though cash flow from operating activities contracted 16.8% YoY to EUR 24.3 million (Q3 2013: EUR 29.2 million) due to the higher working capital requirements. The company remained committed to its conservative financial policy and maintained solid balance sheet with an equity ratio of 60.3% as of 30 September 2014 (31 December 2013: 71.4%). Net debt stayed at a modest level of EUR 26.1 million as of 30 September 2014 (31 December 2013: net cash of EUR 24.6 million).

Q3 2014 REVENUES UP 7.0% YOY

The Company's consolidated revenues improved 7.0% YoY to EUR 120.7 million in Q3 2014 (Q3 2013: EUR 112.8 million), reflecting primarily counter effects of the higher operating activity levels and the rouble devaluation. The total service job count elevated 17.3% YoY to 1,258 jobs (Q3 2013: 1,072 jobs), whereas the average per job revenues contracted 8.8% YoY to TEUR 96 (Q3 2013: TEUR 105).

The contribution of the Company's operating and reporting segments, Well Services and Drilling, Sidetracking and IPM, to the consolidated revenues was as follows:

WELL SERVICES: REVENUES UP 9.5% YOY IN Q3 2014

Well Services' revenues (from third parties) represented 54.3% of the Company's total revenues in Q3 2014 (Q3 2013: 53.1%). The reportable segment revenues staged a 9.5% YoY increase to EUR 65.6 million (Q3 2013: EUR 59.9 million) due to the counter effects of a 17.7% YoY gain in the service job count to 1,186 jobs (Q3 2013: 1,008 jobs) and a 7.0% YoY decline in the average per job revenues to TEUR 55 (Q3 2013: TEUR 59). The segment's job count dynamics primarily reflected a strong expansion of the Company's fracturing operations during the reporting period, whereas the lower per job revenues stemmed from the rouble devaluation. As an upward trend in Russia's horizontal drilling footage extended into the reporting period, the share of multi-stage fracturing jobs rose to 27.6% of the total fracturing job count during the reporting period from 6.7% a year ago.

DRILLING, SIDETRACKING AND IPM: REVENUES INCREASED 3.8% YOY IN Q3 2013

Drilling, Sidetracking and IPM segment revenues (from third parties) represented 46.1% of the Company's total revenues in Q3 2014 (Q3 2013: 47.5%). The reportable segment revenues increased 3.8% YoY to EUR 55.7 million (Q3 2013: EUR 53.6 million) reflecting the counter effects of the higher operating activity levels and the weaker rouble relative to the euro. The segment's service job count staged a 12.5% YoY increase to 72 wells and sidetracks (Q3 2013: 64 jobs), while the combined drilling and sidetracking output rose 47.7% YoY to 113.2 thousand meters (Q3 2013: 76.6 thousand meters). The share of horizontal wells and sidetracks contracted modestly to 39.2% of the Company's total in Q3 2014 (Q3 2013: 40.8%).

Q1-Q3 2014 REVENUES STAYED EFFECTIVELY FLAT YOY

In Q1-Q3 2014, the Company's consolidated revenues edged up only 0.3% YoY to EUR 323.9 million (Q1-Q3 2013: EUR 322.9 million) as a strong business expansion was largely offset by the rouble devaluation. The total service job count improved 12.8% YoY to 3,315 jobs (Q1-Q3 2013: 2,938 jobs), whereas the average per job revenues depreciated 11.1% YoY to TEUR 98 (Q1-Q3 2013: TEUR 110).

The contribution of the Company's operating and reporting segments, Well Services and Drilling, Sidetracking and IPM, to the consolidated revenues was as follows:

WELL SERVICES: REVENUES DOWN 1.3% YOY IN Q1-Q3 2014

Well Services' revenues (from third parties) represented 52.8% of the Company's total revenues in Q1-Q3 2014 (Q1-Q3 2013: 53.6%). The reportable segment revenues staged a 1.3% YoY decrease to EUR 170.9 million (Q1-Q3 2013: EUR 173.1 million) due to the counter effects of a 12.9% YoY rise in the service job count to 3,119 jobs (Q1-Q3 2013: 2,762 jobs) and a 12.6% YoY decline in the average per job revenues to TEUR 55 (Q1-Q3 2013: TEUR 63). The upward trend in the segment's job count primarily reflected a strong expansion of the Company's fracturing operations during the reporting period, whereas the lower per job revenues largely owed to the rouble devaluation relative to the euro. The share of multi-stage fracturing jobs rose to 23.4% of the total fracturing job count during the reporting period from 12.8% a year ago.

DRILLING, SIDETRACKING AND IPM: REVENUES UP 1.7% YOY IN Q1-Q3 2014

Drilling, Sidetracking and IPM segment revenues (from third parties) represented 47.0% of the Company's total revenues in Q1-Q3 2014 (Q1-Q3 2013: 46.3%). The reportable segment revenues were up 1.7% YoY to EUR 152.1 million (Q1-Q3 2013: EUR 149.6 million). The segment's service job count improved 11.4% YoY to 196 wells and sidetracks (Q1-Q3 2013: 176 wells and sidetracks), whereas the combined drilling and sidetracking output rose 34.3% YoY to 292.1 thousand meters (Q1-Q3 2013: 217 thousand meters). The share of horizontal wells and sidetracks reached 39.1% of the Company's total compared to 35.1% a year ago.

Q3 2014 COST OF SALES UP 1.9% YOY

The Company's cost of sales, which primarily consists of materials and supply, direct costs, depreciation, wages and salaries, were up 1.9% YoY to EUR 89.9 million in Q3 2014 (Q3 2013: EUR 88.2 million) primarily due to the increased operating activity levels. Cost of materials and supply went down 3.6% YoY to EUR 32.8 million (Q3 2013: EUR 34.0 million), whereas direct costs, which primarily include transportation, mobilization, adaptation, subcontractor, repair and maintenance expenses, increased 4.2% YoY to EUR 26.9 million (Q3 2013: EUR 25.9 million). Wages and salaries rose 6.5% YoY to EUR 12.0 million (Q3 2013: EUR 11.3 million) primarily due to the addition of new employees to the Company's drilling and sidetracking operations. Social security and welfare expenses increased 10.8% YoY to EUR 3.3 million (Q3 2013: EUR 3.0 million) effectively trailing the increase in wages and salaries. Depreciation was up 4.8% YoY to EUR 12.5 million (Q3 2013: EUR 12.0 million) reflecting net effects of disposals and additions of fixed assets as well as foreign currency translations. Other costs of sales inflated 9.8% YoY to EUR 2.2 million (Q3 2013: EUR 2.0 million).

Q1-Q3 2014 COST OF SALES DOWN 3.1% YOY

Despite the accelerated operating activity levels, cost of sales contracted 3.1% YoY to EUR 250.8 million in Q1-Q3 2014 (Q1-Q3 2013: EUR 258.8 million) due to the combined effect of tight cost controls and the rouble devaluation during the reported period. Cost of materials and supply decreased 7.8% YoY to EUR 90.2 million (Q1-Q3 2013: EUR 97.9 million), direct costs rose 2.2% YoY to EUR 74.4 million (Q1-Q3 2013: EUR 72.8 million) and wages and salaries edged up 0.4% YoY to EUR 34.2 million (Q1-Q3 2013: EUR 34.1 million). A 4.6% YoY rise in social security and welfare expenses to EUR 10.3 million (Q1-Q3 2013: EUR 9.8 million) effectively trailed the increase in wages and salaries. Depreciation expense diminished 6.5% YoY to EUR 34.8 million (Q1-Q3 2013: EUR 37.2 million) primarily due to the combined effect of exchange differences and disposals and additions of property, plant and equipment. Other cost of sales lowered 2.6% YoY to EUR 6.8 million (Q1-Q3 2013: 7.0 million).

GROSS PROFIT SURGED 25.3% YOY IN Q3 2014 AND 14.0% YOY IN Q1-Q3 2014

Gross profit improved 25.3% YoY to EUR 30.9 million in Q3 2014 (Q3 2013: EUR 24.7 million) and 14.0% YoY to EUR 73.1 million in Q1-Q3 2014 (Q1-Q3 2013: EUR 64.1 million). As a result, the gross margin expanded to 25.6% in Q3 2014 (Q3 2013: 21.9%) and 22.6% in Q1-Q3 2014 (Q1-Q3 2013: 19.9%).

ADMINISTRATIVE EXPENSES DOWN 9.2% YOY IN Q3 2014 AND 6.6% YOY IN Q1-Q3 2014

Administrative expenses were down 9.2% YoY to EUR 4.7 million in Q3 2014 (Q3 2013: EUR 5.2 million) and 6.6% YoY to EUR 15.2 million in Q1-Q3 2014 (Q1-Q3 2013: EUR 16.2 million). The decline in general and administrative expenses primarily owed to the lower wages and salaries, professional and insurance fees, rent and license expenses.

OTHER OPERATING INCOME AND LOSS

The Company incurred other net operating loss of TEUR 38 in Q3 2014 (Q3 2013: income of EUR 1.7 million) and other net operating income of EUR 0.5 million in Q1-Q3 2014 (Q1-Q3 2013: EUR 0.5 million).

WEIGHTED AVERAGE HEADCOUNT UP 9.2% YOY IN Q1-Q3 2014

In Q1-Q3 2014, the Company expanded its total weighted-average headcount to 2,920 employees, up 9.2% YoY from 2,673 employees in Q1-Q3 2013. The increase primarily owed to additions of managerial, engineering and crew personnel to the Company's Drilling, Sidetracking and IPM operating and reporting segment.

EBITDA ADVANCED 16.6% YOY IN Q3 2014 AND 9.1% YOY IN Q1-Q3 2014

The Company's earnings before interest, corporate tax, depreciation and amortization (EBITDA) increased 16.6% YoY to EUR 38.8 million in Q3 2014 (Q3 2013: EUR 33.3 million) and the EBITDA margin expanded to 32.2% (Q3 2013: 29.5%). The Company's earnings before interest and corporate tax (EBIT) advanced 23.3% YoY to EUR 26.1 million (Q3 2013: EUR 21.2 million) with the EBIT margin expanding to 21.6% in Q3 2014 from the Q3 2013 level of 18.8%.

In Q1-Q3 2014, EBITDA increased 9.1% YoY to EUR 93.8 million (Q1-Q3 2013: EUR 86.0 million) and the EBITDA margin widened to 28.9% (Q1-Q3 2013: 26.6%). The Company's EBIT staged a 20.7% YoY increase to EUR 58.4 million (Q1-Q3 2013: EUR 48.4 million), bringing the EBIT margin to 18.0% (Q1-Q3 2013: 15.0%).

NET FINANCIAL RESULT

The Company's net financial result was EUR 0.2 million in Q3 2014 (Q3 2013: EUR -0.4 million) and TEUR 7 in Q1-Q3 2014 (Q1-Q3 2013: EUR -1.7 million).

PROFIT AFTER TAX UP 40.9% YOY IN Q3 2014 AND 28.8% YOY IN Q1-Q3 2014

The Company's profit before tax was up 26.9% YoY to EUR 26.4 million in Q3 2014 (Q3 2013: EUR 20.8 million) primarily reflecting the improved operating profit and financial result during the reporting period. Income tax expense diminished 36.4% YoY to EUR 2.4 million in Q3 2014 (Q3 2013: EUR 3.8 million) primarily due deferred tax income of EUR 3.2 million (Q3 2013: deferred tax expense of EUR 0.4 million). As a result, the Group's profit after tax staged a 40.9% YoY upturn to EUR 24.0 million in Q3 2014 (Q3 2013: EUR 17.0 million), translating into earnings per share of EUR 0.49, up from EUR 0.35 in Q3 2013.

In Q1-Q3 2014, the Company's profit before tax improved 25.1% YoY to EUR 58.4 million (Q1-Q3 2013: EUR 46.7 million), whereas income tax expense rose 8.3% YoY to EUR 9.2 million (Q1-Q3 2013: EUR 8.5 million). The increase in income tax expense was primarily due to the higher gross taxable profit. The Group's profit after tax surged 28.8% YoY to EUR 49.2 million in Q1-Q3 2014 (Q1-Q3 2013: EUR 38.2 million) and earnings per share amounted to EUR 1.01 in Q1-Q3 2014, up from EUR 0.78 in Q1-Q3 2013.

FINANCIAL SITUATION

GROSS CASH FLOW IMPROVED 10.0% YOY IN Q3 2014 AND 10.8% YOY IN Q1-Q3 2014

The Company's gross cash flow was up 10.0% YoY to EUR 31.9 million in Q3 2014 (Q3 2013: EUR 29.0 million) and 10.8% YoY to EUR 80.7 million in Q1-Q3 2014 (Q1-Q3 2013: EUR 72.8 million). The increase reflected counter effects of the higher profit before tax and the reduced negative effects of other non-cash positions compared to the respective reporting periods in 2013.

CASH FLOW FROM OPERATING ACTIVITIES DECLINED 16.8% YOY IN Q3 2014 AND 33.9% YOY IN Q1-Q3 2014

Despite the higher gross cash flow, cash flow from operating activities contracted 16.8% YoY to EUR 24.3 million in Q3 2014 (Q3 2013: EUR 29.2 million) and 33.9% YoY to EUR 50.7 million in Q1-Q3 2014 (Q1-Q3 2013: EUR 76.8 million) due to the increase in net working capital during the reporting period. The changes in net working capital were EUR -7.6 million in Q3 2014 (Q3 2013: EUR 0.2 million) and EUR -29.9 million in Q1-Q3 2014 (Q1-Q3 2013: EUR 3.9 million), primarily as a result of a slower accounts receivable turnover.

SUCCESSFUL EXECUTION OF THE 2014 CAPITAL EXPENDITURE PROGRAM

The Company's capital expenditures program for 2014 stands at around EUR 135 million, aiming at expansion of the Company's operating capacities by 67% for drilling, 18% for sidetracking and 7% for fracturing by the end of 2014 compared to the end of 2013. Cash payments to acquire property, plant and equipment increased more than four-fold YoY to EUR 39.6 million in Q3 2014 (Q3 2013: EUR 9.3 million) and more than two-fold YoY to EUR 81.7 million in Q1-Q3 2014 (Q1-Q3 2013: EUR 40.4 million). The increase primarily reflected the scheduled payments for the ordered operating capacities. With proceeds from sale of fixed assets of EUR 0.1 million in Q3 2014 (Q3 2014: EUR 0.3 million) and EUR 0.5 million in Q1-Q3 2014 (Q1-Q3 2013: EUR 2.3 million), the Company's cash flow from investing activities was a net outflow of EUR 39.5 million in Q3 2014 (Q3 2013: EUR 8.9 million) and EUR 81.2 million in Q1-Q3 2014 (Q1-Q3 2013: EUR 38.1 million).

CASH FLOW FROM FINANCING ACTIVITIES

The Company's cash flow from financing activities was a net inflow of EUR 8.8 million in Q3 2014 (Q3 2013: net outflow of EUR 34.6 million) and a net inflow EUR 23.1 million in Q1-Q3 2014 (Q1-Q3 2013: net outflow of EUR 41.4 million). Cash flow from financing activities primarily reflected net proceeds from long-term borrowings of EUR 8.7 million in Q3 2014 (Q3 2013: net repayment of long-term borrowings of EUR 34.5 million) and EUR 39.2 million in Q1-Q3 2014 (Q1-Q3 2013: net repayment of long-term borrowings of EUR 28.1 million). In Q1-Q3 2014, the Company's cash flow from financing activities was also impacted by a 40.0% YoY increase in dividend payments to EUR 17.1 million (Q1-Q3 2013: EUR 12.2 million) and net interest income of EUR 0.5 million (Q1-3 2013: net interest expense of EUR 0.9 million).

Cash and cash equivalents were EUR 31.7 million as of 30 September 2014, down 25.8% from EUR 42.6 million as of 31 December 2013.

ASSET SITUATION

SOLID BALANCE SHEET

In Q1-3 2014, the Company remained adhered to its conservative financial policy as witnessed by its robust balance sheet with an equity ratio of 60.3% as of 30 September 2014 (31 December 2013: 71.4%).

NONCURRENT ASSETS

Property, plant and equipment increased 13.2% to EUR 221.9 million as of 30 September 2014 from EUR 196.1 million as of 31 December 2013, primarily reflecting a net result of depreciation, disposals and additions of fixed assets as well as foreign exchange differences during the reporting period. Deferred tax assets increased 35.8% to EUR 14.8 million as of 30 September 2014 from EUR 10.9 million as of 31 December 2013 primarily owing to losses carried forward.

CURRENT ASSETS

Total current assets rose 28.6% to EUR 181.1 million as of 30 September 2014 from EUR 140.9 million as of 31 December 2013. Trade receivables inflated 65.4% to EUR 121.6 million as of 30 September 2014 from EUR 73.5 million as of 31 December 2013 primarily due to the effects of the increased average settlement period with customers. Inventories were down 9.4% to EUR 17.8 million at 30 September 2014 from EUR 19.6 million as of 31 December 2013 largely reflecting the improved turnover of raw materials and fuel inventories. Pre-paid expenses and other current assets increased 177.5% to EUR 9.7 million as of 30 September 2014 from EUR 3.5 million as of 31 December 2013 primarily due to the higher VAT receivable.

The Company's total assets expanded 19.7% to EUR 422.0 million as of 30 September 2014 (31 December 2013: EUR 352.5 million).

CURRENT LIABILITIES

Total current liabilities inflated 41.2% to EUR 90.9 million as of 30 September 2014 from EUR 64.4 million as of 31 December 2013. Trade payables increased 48.9% to EUR 67.8 million as of 30 September 2014 compared to EUR 45.5 million as of 31 December 2013 primarily due to extension of an average settlement period with suppliers and contractors during the reporting period. Other current liabilities increased 19.6% to EUR 21.2 million as of 30 September 2014 compared to EUR 17.7 million as of 31 December 2013, primarily reflecting the higher VAT and vacation payable during the reporting period. Current financial liabilities increased to EUR 0.7 million as of 30 September 2014 (31 December 2013: EUR 0.1 million).

NET WORKING CAPITAL

As of 30 September 2014, net working capital of EUR 59.2 million, up 74.3% from EUR 34.0 million as of 31 December 2013, provided sufficient liquidity for the Company's operations.

NONCURRENT LIABILITIES

The noncurrent financial liabilities were up 219.0% to EUR 57.1 million as of 30 September 2014 from EUR 17.9 million as of 31 December 2013. The Company had net debt of EUR 26.1 million as of 30 September 2014 compared to net cash of EUR 24.6 million as of 31 December 2013. The Company's deferred tax liabilities increased 6.4% to EUR 19.7 million as of 30 September 2014 from EUR 18.5 million as of 31 December 2013. The increase primarily reflected differences in depreciation for tax and financial reporting purposes.

SHAREHOLDER EQUITY

As of 30 September 2014 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 2013. Retained earnings improved 20.9% to EUR 185.6 million as of 30 September 2014 compared to EUR 153.5 million as of 31 December 2013. Currency translation reserve decreased to a deficit of EUR 92.1 million as of 30 September 2014 from a deficit of EUR 62.5 million as of 31 December 2013.

RISKS

CHANGES IN CURRENT ECONOMIC ENVIRONMENT IN RUSSIA

From March 2014 onwards, the EU and US imposed a set of sanctions against some Russian officials, businessmen and legal entities, among which are the largest oil companies Rosneft, Lukoil and Gazprom Neft. The EU and US sanctions against Russian oil sector aim at certain types of projects such as Arctic offshore, deep water and shale oil. The Company has never been engaged in any of the restricted activity areas and has always rendered its services at conventional onshore oil and gas reservoirs. The Company has no plans to change its business focus or the nature of its operations going forward. Although the Company's business has not been directly impacted by these developments, the sanctions can lead to restricted access of its Russian customers to the international capital markets, technologies and services, and cause other potentially negative consequences.

The Russian currency market has exposed the increased volatility, and the Russian rouble has depreciated significantly against the Euro and other major currencies since the end of Q3 2014. The official Euro exchange rate of the Central Bank of the Russian Federation increased 18.1% to 58.98 roubles-to-euro as of 15 November 2014 from 49.95 roubles-to-euro as of 30 September 2014. Management is unable to reliably determine the effects of any further deterioration in Russia's operating environment on the Company's future financial position as a result of this situation. Management believes it is taking all the necessary measures to support the sustainability and growth of the Company's business in the current circumstances.

OUTLOOK

The Company maintains its positive view of the Q4 2014 business prospects amid the softening energy prices and the challenging geopolitical environment. The Company's Q4 operating activity and capacity utilization levels stay high despite seasonal effects of cold weather in Western Siberia. A steep depreciation of the Russian rouble against the Euro since the end of Q3 2014 however prompt the Company to revise its 2014 forecast average exchange rate to 50 roubles-to-euro from 48 roublles-to-euro as of 28 August 2014. Nonetheless, the Company reiterates its guidance for 2014 and continues projecting revenues of EUR 420 to 450 million and EBITDA of EUR 113 to 121 million. Furthermore, the Company sees a good chance of hitting the upper part of the forecast EBITDA range.

The Company has recently entered the 2015 tendering campaign. The majority of the tender awards for the coming year are expected by the end of December – January. Based upon the initial assessment of customers' plans, the Company sees a demand for its services at a healthy level and anticipates a modest improvement in the rouble-denominated service prices for 2015. Unless the oil price succumbs to new lows and therefore jeopardizes Russian customers' working programs and budgets for the coming year, the Company's existing rigs and fleets as well as new operating capacities should continue benefitting from reasonably high utilization rates going forward. The Company's positive view of the 2015 capacity utilization levels resides upon customers' hard and soft commitments to a major part of the Company's operating capacities, which have been ordered for manufacturing in 2014. In October - November, the Company successfully added to its operations two drilling and two sidetracking rigs and one fracking fleet. The Company plans to add one more drilling rig to operations before the yearend and get mobilized two new sidetracking and three new drilling rigs to customers' sites in January – February. The Company remains adhered to its 2014-16 transformative investment program of EUR 390 million intended to scale up the Company's business and operations. The Company however feels prudent to postpone the final decision on the 2015 capital expenditures until Russian customers' future plans have been adjusted to new macroeconomic and operating realities. In any event, the decision should be taken before the end of Q1 2015.

POST BALANCE SHEET DATE EVENTS

On 29 October 2014 the Company has been informed by Joma Industrial Source Corp. (Joma) that Joma has exercised a call option over the shares in Skible Holdings, a holding company with its corporate seat in Cyprus, and has therefore indirectly acquired 50,25 % of the shares in CAT. GmbH Consulting Agency Trade & Company (Cyprus), a partnership under the laws of Cyprus (the Partnership), which in turn indirectly holds a 47.7% stake in C.A.T. oil AG.

Walter Höft as selling shareholder of the stake in Skible Holdings has requested and finally received documentary evidence about the call option and the share transfer. Meanwhile, Mr Höft has informed the management board of C.A.T. oil AG that he would not dispute the share transfer.

At the end of November 2014, C.A.T. oil AG received information that AB PCO Investment Ltd., the second limited partner in CAT. GmbH Consulting Agency Trade & Company (Cyprus), has also filed for dissolution of the Partnership after the process of dissolution has already been initiated by a court action filed before the district court of Nicosia by Joma on 27 October 2014. Against this background, AB PCO Investment has obtained a Cyprus legal expert opinion confirming that, during the dissolution of the Partnership, the general partner is not able to exert any rights attributable to the shares in C.A.T. oil AG unless all limited partners have given their prior consent.

Vienna, 27 November 2014
The Management Board

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ACCOUNTING IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The Group interim financial report of C.A.T. oil AG for the quarter ended 30 September 2014 was prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the International Accounting Standard Board (IASB) including the International Accounting Standards (IAS) and the Interpretations issued by the International Financial Reporting Standard Interpretations Committee (IFRIC).

The Group interim financial report for the period ended 30 September 2014 were prepared in accordance with IAS 34 and are condensed in scope compared with the consolidated financial statements as at 31 December 2013. Therefore, this interim financial report should be read in connection with the consolidated financial statements. A detailed description of the accounting policies is published in the notes as at 31 December 2013.

The Group interim financial report was subjected to an audit review by BDO Austria GmbH, Vienna, according to ISRE 2410.

ACCOUNTING POLICIES

The accounting pronouncements required to be applied for the first time in financial year 2014 have no impact on the presentation of the C.A.T. oil´s assets, financial and earnings situation. A breakdown of these accounting pronouncements is provided in the notes to the consolidated financial statements in the 2013 Annual Report.

The accounting principles and practices as applied in the Group interim financial report correspond to those pertaining of the last annual consolidated financial statement as of 31 December 2013. The separate interim reports of the consolidated companies have been drawn up at the same balance sheet date as the Group interim financial report.

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

The Group interim financial report has been prepared in euros. All figures including previous year's figures are indicated in TEUR. By specifying in TEUR may arise rounding differences.

The Group interim financial report is published in German and English. The German version of the consolidated interim report is authoritative.

BASIS OF CONSOLIDATION

The basis of consolidation is unchanged in comparison to the balance sheet date 31 December 2013.

DISCLOSURES ON THE CONSOLIDATED FINANCIAL STATEMENTS

CURRENCY TRANSLATION

In the financial statements of the consolidated companies, prepared in local currency, transactions in foreign currency are valued at the respective rates valid during the performance months on the basis of the official exchange rates of the Russian and European Central banks. The financial statements of the Russian companies, prepared in the currency of the Russian Federation are translated in euros using the principle of the functional currency and the official exchange rates of the Russian Federation. The relevant exchange rates of the Russian Central Bank used for foreign currency translation in relation to the euro are as follows:

Currency (1 EUR=)	Closing rate 30.09.2014	Closing rate 31.12.2013	Average rate 2014	Average rate 2013
Russian Ruble (RUB)	49.9540	44.9699	47.9889	41.6507
US-Dollar (USD)	1.2683	1.3740	1.3561	1.3174

NONCURRENT ASSETS

Changes in selected noncurrent assets between 1 January and 30 September 2014:

TEUR	Carrying amount 01.01.2014	Additions	Disposals	Currency translation	Depreciation and amorization	Carrying amount 30.09.2014
Intangible assets	621	0	0	-52	168	401
Property, plant and equipment	196,051	79,414	223	-18,162	35,169	221,911
Goodwill	3,473	0	0	-310	0	3,163

Goodwill was tested for impairment as scheduled on 1 July. A requirement of an impairment did not result. In the opinion of the management there was no indication of impairment in noncurrent assets during the reporting period

INVENTORIES

TEUR	30.09.2014	31.12.2013
Spare parts and other materials	14,718	13,719
Main raw material	1,617	3,537
Fuel and lubricants	1,450	2,375
	17,785	**19,631**

In the period 1 January to 30 September 2014, write-down of inventory reduced operating profit by TEUR 258 (previous year: TEUR 511).

CURRENT RECEIVABLES

TEUR	30.09.2014	31.12.2013
Trade receivables	121,565	73,483
Other receivables	10,128	5,118
	131,693	**78,601**

In the period 1 January to 30 September 2014, write-down of trade receivables reduced operating profit by TEUR 501 (previous year: TEUR 2,782). The other receivables include receivables from income taxes in the amount of TEUR 339 (31.12.2013: TEUR 1,483).

EQUITY

Share capital amounted unchanged as of 30 September 2014 to TEUR 48,850 (31 December 2013: TEUR 48,850).

C.A.T. oil paid a dividend of TEUR 17,097 in the reporting period (previous year: TEUR 12,213).

NONCURRENT LIABILITIES

The noncurrent liabilities include financial liabilities against CAT. Holding (Cyprus) amounting to TEUR 57,100 (31 December 2013: TEUR 17,900).

CURRENT LIABILITIES

TEUR	30.09.2014	31.12.2013
Financial liabilities against related parties	691	147
Trade payables	67,776	45,514
Other liabilities	22,454	18,718
	90,921	**64,379**

The financial liabilities against related parties comprise interest expenses accrued up to 30 September 2014. Other liabilities include liabilities from income taxes in the amount of TEUR 1,272 (31 December 2013: TEUR 1,007).

COST OF SALES

TEUR	Q3 2014	Q3 2013	Q1-3 2014	Q1-3 2013
Raw materials	32,809	34,037	90,206	97,868
Direct costs	26,939	25,860	74,365	72,768
Depreciation	12,545	11,970	34,826	37,238
Wages and salaries	12,005	11,269	34,240	34,098
Provident and welfare expenses	3,319	2,995	10,293	9,837
Other sales costs	2,237	2,037	6,824	7,011
	89,854	**88,168**	**250,754**	**258,820**

Administrative expenses also include depreciation and amortization from 1 January to 30 September 2014 in the amount of EUR 511 (previous year: TEUR 315).

EARNINGS PER SHARE

Earnings per share is calculated in accordance with IAS 33 by dividing the net profit for the Group by the average number of shares. There is no dilutive effect.

TEUR		Q3 2014	Q3 2013	Q1-3 2014	Q1-3 2013
Common stock	thousand	48,850	48,850	48,850	48,850
Profit after tax	TEUR	23,972	17,019	49,228	38,221
Earnings per share	EUR	0.49	0.35	1.01	0.78

The financial performance of the discontinued operation affects the earnings per share insignificantly.

SEGMENT REPORTING

Segments are identified on the basis of the C.A.T. oil internal management and reporting. Segment reporting comprises two reportable segments: Well Services and Drilling, Sidetacking and IPM (Integrated Project Management).

The segment result is measured on the basis of operating income before other operating income as well as using measures such as EBIT and EBITDA. The reconciliation contains activities and other operations that do not represent segments. It also includes the consolidation adjustments between the segments.

Q1-3 2014 TEUR	Well Services	Drilling Sidetracking IPM	Total segments	Reconciliation	Group
External sales	170,905	152,102	323,007	846	323,853
Group sales	2,267	416	2,683	-2,683	0
Total sales	**173,172**	**152,518**	**325,690**	**-1,837**	**323,853**
Segment results	**28,035**	**27,687**	**55,722**	**2,222**	**57,944**
EBIT	28,321	27,725	56,046	2,370	58,416
EBITDA	49,236	49,921	99,157	-5,404	93,753

Q1-3 2013 TEUR	Well Services	Drilling Sidetracking IPM	Total segments	Reconciliation	Group
External sales	173,126	149,611	322,737	211	322,948
Group sales	2,750	538	3,288	-3,288	0
Total sales	**175,876**	**150,149**	**326,025**	**-3,077**	**322,948**
Segment results	**30,797**	**22,485**	**53,282**	**-5,378**	**47,904**
EBIT	31,179	22,357	53,536	-5,122	48,414
EBITDA	41,838	47,921	89,759	-3,792	85,967

RECONCILIATION

TEUR	Q1-3 2014	Q1-3 2013
Segment result	**55,722**	**53,282**
Unallocated activities	-4,726	-4,563
Discontinued operation	-151	-3,159
Consolidation	7,099	2,344
Segment result after reconciliation	**57,944**	**47,904**
Other operating income and expenses	472	510
Operating result	**58,416**	**48,414**
Financial result	7	-1,700
Consolidated profit before tax	**58,423**	**46,714**

RELATED PARTIES

As at 30 September 2014 the financial liabilities against CAT. Holding (Cyprus) were TEUR 57,100 (31 December 2013: TEUR 17,900). In the period 1 January to 30 September 2014, the interest expenses resulting from these financial liabilities amounted to TEUR 1.115 (previous year: TEUR 1,600). This corresponds to an average interest rate of 4.4 % - unchanged compared to the same period last financial year.

POST BALANCE SHEET DATE EVENTS

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Vienna, 27 November 2014
The Management Board

Manfred Kastner	**Ronald Harder**	**Anna Brinkmann**	**Leonid Mirzoyan**
Chief Executive Officer	Chief Financial Officer	Chief Operating Officer	Chief Corporate Finance Officer

REPORT OF THE SUPERVISORY BOARD'S AUDIT COMMITTEE

The interim report January to September 2014 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, 27 November 2014

Dr. Gerhard Strate
Chairman of the Supervisory Board

FINANZKALENDER

27 April 2015	Annual Report 2014
28 May 2015	First Quarter Interim Report 2015
19 June 2015	General Meeting
27 August 2015	Second Quarter Interim Report 2015
26 November 2015	Third Quarter Interim Report 2015

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