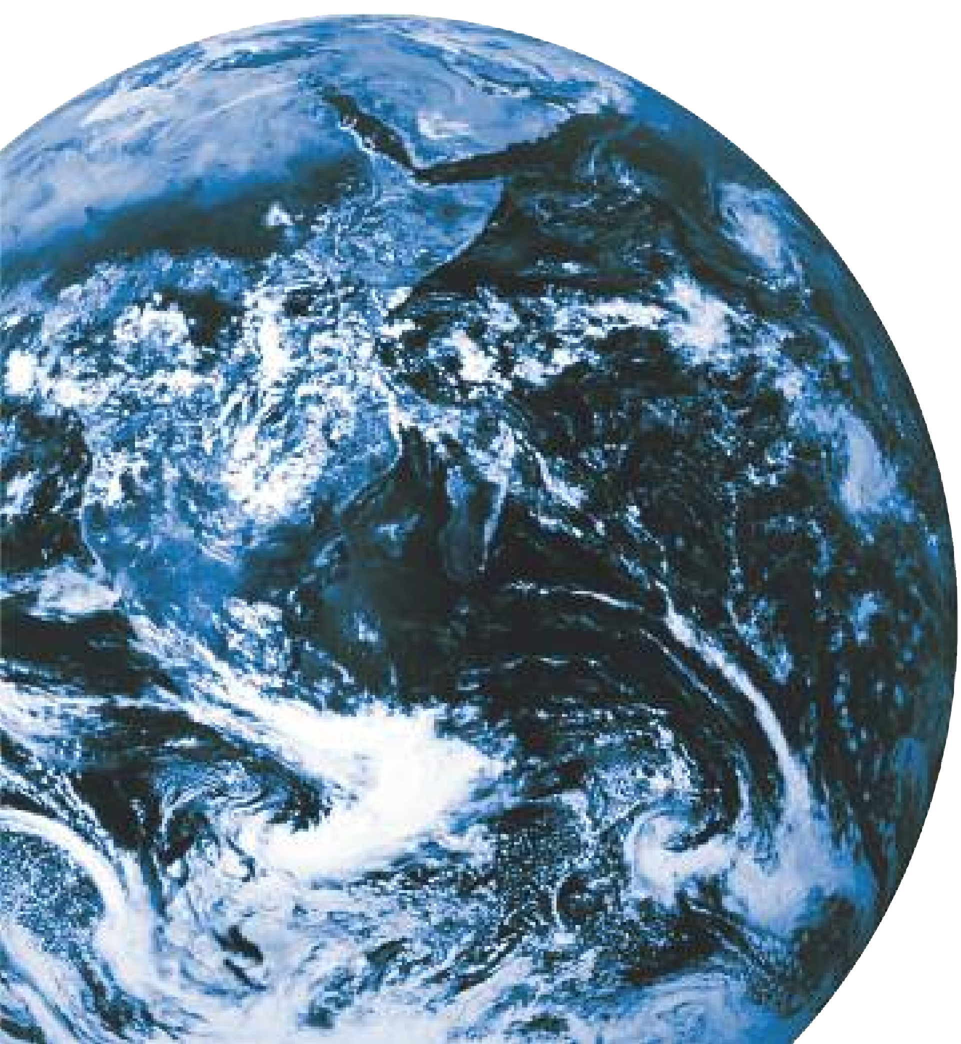
# INTERIM REPORT

DF Deutsche Forfait AG

PERIOD: 01-01 TO 31-03-2011



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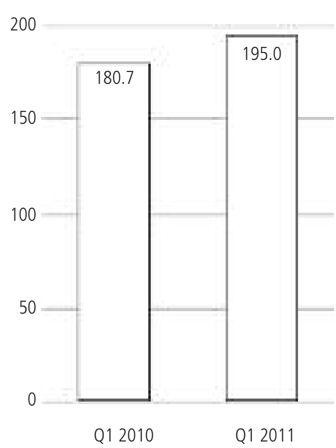
# CONSOLIDATED KEY FIGURES

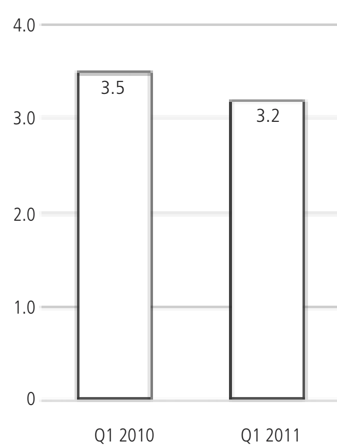
| in EUR million (unless otherwise noted) | Q1 2011 | Q1 2010 | Change |
|---|---|---|---|
| Forfaiting volume | 195.0 | 180.7 | 8.0% |
| Gross result including financial results | 3.2 | 3.5 | -7.0% |
| Forfaiting margin including financial results | 1.7% | 1.9% | -10.5% |
| Administrative costs | 2.3 | 2.1 | 11.0% |
| Earnings before income taxes | 0.9 | 1.4 | -34.0% |
| Consolidated profit | 0.6 | 1.1 | -40.0% |
| Earnings per share in EUR | 0.09 | 0.16 | -40.0% |

Variations in the sums or percentage figures result from rounding

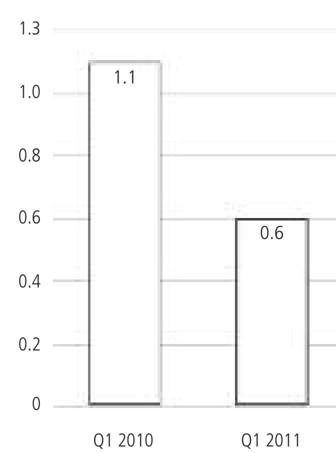
Forfaiting volume
(in EUR Mio.)




Gross result incl. financial results
(in EUR Mio.)




Consolidated profit
(in EUR Mio.)



# LETTER BY THE MANAGEMENT BOARD

## Dear Shareholders and Business Partners.

2011 started positively for DF Deutsche Forfait AG. We began last year's report at the same point in much the same way. However, we had to dampen our optimism during the course of last year because of fundamental changes in the markets. We adapted to these changes by implementing adjustments, particularly in our sales function. The actions taken in the second half of 2010 already began to bear fruit in the quarter just completed.

Forfaiting volume in the first three months was EUR 195 million, reaching the highest level since the outbreak of the financial crisis in the third quarter of 2008. Although the gross result including financial results was lower than in the previous year, it was nevertheless significantly above the level of the fourth quarter of 2010. The same applies to consolidated net profit, which at EUR 0.6 million signals a clear change in trend and represents the best quarterly result of the last twelve months.

Following the recovery in recent months, the forfaiting market continues to offer good conditions for attractive transactions. The actions we have taken to improve the business have proven to be effective. Now it is time to rigorously exploit the opportunities available to us.

Jochen Franke　　　　Marina Attawar　　　　Ulrich Wippermann

DF Deutsche Forfait AG — hereafter "DF Group" — performed well in the first quarter of 2011 and achieved a consolidated profit of EUR 0.6 million. This surplus exceeds the results of the last three quarters but is below the previous year's figure of EUR 1.1 million. The comparison to the fourth quarter of 2010 highlights, in particular, the changing trend in the company's performance. Compared to the final quarter of the previous year, consolidated profit rose by EUR 0.5 million, the gross result including financial results climbed EUR 0.7 million (+27%) and forfaiting volume grew by EUR 30.2 million (+18%). During this period, the forfaiting margin also improved from 1.5% to 1.7%.

The market environment changed dramatically in the previous year. DF Group reacted accordingly and took various measures to improve its sales function. These included the creation of a sales unit dedicated to the secondary market, which covers the placement of foreign trade receivables with institutional investors. In addition, marketing activities in individual markets and information processing were improved and personnel adjustments were made. These measures, which were initiated last year, created the basis for positive business performance in 2011.

## Business and general conditions

Forfaiting is a standard trade financing instrument. It is mainly used in transactions with emerging markets and developing countries where exporters frequently have to extend payment terms to their customers. Extended payment terms are important to exporters for securing orders in the competitive international market. With such transactions, the receivables and associated risks always remain on the exporters' balance sheet and reduce their liquidity. Forfaiting means that the exporter sells these receivables without recourse to the forfaiting company. The sale of receivables allows the exporter to transfer country and counterparty risks to the buyer while increasing liquidity. In addition, the exporter improves its balance sheet structure which represents an advantage when dealing with refinancing banks. In addition to forfaiting, DF Group offers its customers the assumption of risks via purchase commitments. Unlike forfaiting, purchase commitments only involve the assumption of country and counterparty risks without providing liquidity. Lease and loan receivables are also purchased and are usually sold or hedged by purchase commitments, for instance.

In these times of rapid globalization and the increasing share of the emerging markets in world trade, forfaiting is becoming a more and more significant trade financing instrument. In addition, banks are issuing less loans to medium-sized enterprises than prior to the crisis, which drives up demand for forfaiting.

The outplacement of risks and reselling of receivables are key success factors for DF Group. Purchase commitments are secured by bank guarantees, third-party counter-guarantees or credit insurance for the benefit of DF Group, which means the risks are outplaced. Receivables that are not sold are added to the DF Group's portfolio. Just as it does on the acquisition side, DF Group also has a global network of investors for the sale of receivables which was developed gradually over the last few years and reinforced by numerous business deals. The far-reaching changes in the market over the past two years also fundamentally changed the customer structure on the purchasing and placement sides. Business partners left, had to considerably reduce their business volumes or stopped buying receivables.

Typical buyers of receivables include forfaiting companies that – unlike DF Group – also act as investors, smaller regional banks, large banks headquartered in industrial countries, and banks with shareholders from the emerging markets (so-called foreign banks). Since the beginning of 2009, demand has been steadily increasing and has now reached an acceptable level again. Many market participants have returned. Investors are looking for transactions again that have an attractive return/risk profile on account of low interest rates. In principle, receivables are acquired for the following reasons:

- Foreign trade receivables have an attractive margin compared to their risks. The yield is usually higher compared to an equivalent fixed-interest security and the risk is lower as they are purchased abroad.
- Numerous investors have very limited sales capacities and therefore restricted market access. These investors use the services of DF Group to expand their sales capacities.
- Investors purchase DF Group receivables to diversify their portfolios while benefiting from the company's international network and access to various local markets.

In the forfaiting business, receivables are acquired at a discount from the nominal value. This market value reduction is calculated on the basis of the money and capital market interest rate for the equivalent term (e.g. 1-year LIBOR) plus risk margin. The margin takes the individual risk of each transaction into account; this mainly depends on country and counterparty risks. In addition, the margin is affected by the complexity of the transaction including the documentation. For DF Group, forfaiting income represents the most important income component. The company also generates income from commitment fees and other commissions.

### Stable environment in the forfaiting market

Following the dramatic changes in the financial markets as a result of the severe crisis, the situation has stabilized considerably since last year. This also applies to the forfaiting market together with export financing. More funding partners are now available to exporters again. Market participants have returned; new ones have appeared and several participants are pursuing a growth strategy once again. Investor demand for forfaiting transactions and the supply of credit to companies have improved significantly. In addition, business risks and transactions with terms over several years can be placed again. This development started primarily in the second half of 2010.

Growing competition in the forfaiting market had an impact, as expected, on the level of margins. Because of the unusual market environment in the crisis year 2009, extremely high margins could be generated at that time. The decisive factor for concluding a business was the ability to complete the transaction, not the price for the business. In the wake of more intense competition during the course of 2010, the price, in other words the margins, have become the primary deciding factor once again. Nevertheless, the margins remain at a high level in a long-term comparison. In addition, declining margins are partially offset by the ability to place longer maturities. Based upon these market changes, DF Group adjusted its sales structure and initiated important actions to improve efficiency in the sales function.

### Positive development of the global economy continues

The positive development of the global economy continued in the first quarter of 2011. According to an assessment of the Organization for Economic Co-operation and Development (OECD), the recovery of the global economy is more sustained than originally expected in the fall of 2010. The earthquake and nuclear reactor disaster in Japan in March 2011 could put a damper on the economy. These events increase the uncertainty in the short term. According to information from the OECD, it is still not clear how high the economic costs from these events will finally be.

In the first quarter, growth in Germany was stronger than in most other leading industrialized countries. OECD data states that the German gross domestic product grew by 3.7%. The largest risk factor for the global economic recovery, which is driven primarily by fast growing emerging markets and developing countries, is the high oil price, which has risen significantly in recent months due to the unrest in North Africa and the Middle East.

According to International Monetary Fund (IMF) data from April 2011, world trade grew 12.4% in the past year compared to the previous year. In 2009 the global exchange of goods had slumped by more than 10.9%. The strong recovery in 2010 was driven by industrial nations and increasingly by emerging markets and developing countries. Experts believe that this trend will continue in 2011, albeit to a lesser extent. According to IMF data, the forecast for world trade in 2011 is 7.4%.

## World trade – annual change in percent


Source: International Monetary Fund (IMF)

The leaders among the growth markets are the so-called BRIC countries; from these countries, China is once again expected to have the highest growth at 9.6%. The IMF expects that exports from industrialized countries will grow 6.8% in the current year; imports of emerging markets and developing countries should increase by 10.2%.

### DF Group structure

DF Deutsche Forfait Group is based in Cologne, where its forfaiting know-how is concentrated and transactions are structured. Sales are handled by own offices or intermediaries with direct access to various local markets. Headquarters coordinates the offices around the world and is furthermore in charge of risk management, contract management and the outplacement of transactions. In addition to the parent company in Cologne, four fully owned subsidiaries belong to DF Group. They are located in Brazil (São Paulo), Switzerland (Zürich), the Czech Republic (Prague) and the USA (Miami). In addition, DF Group has a 60% stake in both DF Deutsche Forfait AG Pakistan Ltd. located in Lahore, Pakistan and DF Deutsche Forfait AG West Africa Limited based in Accra, Ghana. The international network is supplemented by representative offices in Finland (Helsinki), France (Paris) and Great Britain (London) as well as cooperation partners in Egypt (Cairo) and Dubai.

With the exception of the subsidiaries in Prague and Zurich, which are occasionally involved in back office tasks for individual transactions, the foreign offices focus exclusively on marketing and sales activities. Due to its regional presence, DF Group has direct access to clients in the respective local markets. Since the offices concentrate on sales activities, markets can be developed comparatively quickly and in a cost effective manner. Overall, DF Group has an efficient and cost effective organizational structure.

### Improved sales structure

DF Group reacted to the current developments in the market by improving its sales structure. Pricing has become more important again because of growing competition on the purchasing side. In addition, the placement of transactions is more complicated than before the outbreak of the crisis, even though investor demand grew significantly last year. Traditional investors, so-called secondary market customers, must be supported more intensively; for that reason, DF Group established a sales unit dedicated to this target group. Detailed knowledge of the needs of receivables buyers has a positive effect on the purchasing side, because prices for the purchase of receivables can be determined faster based upon this understanding.

A second management level in the sales function was established to address the growth in recent years. In that way, the management of the sales function have been strengthened. Marketing in the regional sales units was improved and the target agreement system was refined. In addition, a trading information system was developed which records current business transactions and requests on a permanent basis. These implemented measures should help the company achieve the strong growth in volume and profit it is aiming for in the next years.

### Conditions remain good for growth

The measures taken in the sales units have placed DF Group in a good position for successfully using the anticipated positive market environment and implementing its growth strategy.

DF Group's business model is clearly defined and has proven itself during the crisis. The sophisticated risk management system is a fundamental part of the business model. It is based on the outsourcing of risks and reselling of receivables. Thanks to the efficient organizational and cost structure with large headquarters in Cologne and streamlined local sales offices, DF Group is able to react quickly to changes in the market. New markets can be tapped quickly and at low cost.

The company has sufficient resources with a comfortable capacity for growth. Equity – excluding profit – has more than tripled as a result of the company's IPO in May 2007 and profit retention. Management calculates that the equity base is sufficient for a considerably higher forfaiting volume, way above the previous maximum of EUR 937.4 million.

DF Group has a highly qualified and versatile team whose core employees have been working together successfully since the 1990s. The company's current personnel structure leaves considerable scope for further growth and together with the other success factors provides the basis for long-term, positive business development.

## Net assets, financial position and result of operations

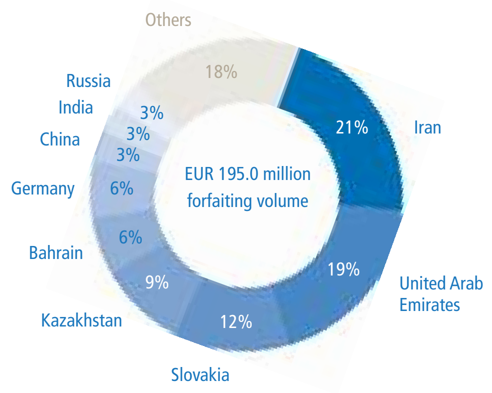
DF Group performed well in the first quarter of 2011 and stopped the downward business trend. Both earnings and volume increased substantially compared to the fourth quarter of 2010. Although the net profit for the period of EUR 0.6 million was below the EUR 1.1 million result from the previous year, it was above the results of the last three quarters. In addition, the gross result including financial results, the key performance indicator for success in the forfaiting business, improved by 28% thanks to an increase in forfaiting volume of 18% compared to the final quarter of 2010 and an improvement in the margin.

The gross result including financial results is the key performance figure for success in the forfaiting business. It is derived from the forfaiting volume and hence the resulting forfaiting margin. This figure also includes the financial result from interest paid and interest income since this is directly related to the forfaiting business. Receivables are refinanced for the period between the payout of the purchase price and the collection of the selling price or payment of the receivable. Interest is paid to refinance the receivables during this period. The corresponding income figure is the forfaiting income included in the gross result.

The gross result including financial results improved significantly compared to the previous quarter. It increased from EUR 2.5 million to EUR 3.2 million, getting closer to the EUR 3.5 million of the first quarter of 2010. The result from the first three months of 2010 was generated, however, under fundamentally different circumstances. The forfaiting market at that time was still influenced by the unusual market conditions associated with the financial crisis. That also applies to the margin, which at 1.7% was below the previous year's result (1.9%) but above the 1.5% margin of the fourth quarter of 2010. Forfaiting volume in the first quarter of 2011 was EUR 195 million. This value represents an increase of 8% compared to the first three months of 2010 (EUR 180.7 million) and an 18% increase in comparison to the fourth quarter of the previous year (EUR 164.8 million).

Forfaiting volume during the reporting period was distributed evenly over a wide range of countries. At 21%, the largest percentage was with Iran, which was in line with the previous year (22%). DF group primarily processes transactions regarding business with Iran. That means that at the time the purchase has been agreed, a buyer has already made a purchase committment to DF Group. The United Arab Emirates were the next highest country at 19%, compared to 10% in the previous year. The percentage from Slovakia increased significantly from 5% in the previous year to 12%. Kazakhstan comes after that at 9%, followed by Bahrain and Germany, each with 6% of the forfaiting volume.

### Breakdown of the forfaiting volume by region in the period January to March 2011




Administrative costs rose slightly from EUR 2.1 million to EUR 2.3 million but were below the previous quarter's value of EUR 2.5 million. Other operating expenses are relatively high compared to staff costs, because the costs of staff in London and the unconsolidated subsidiaries are fully recognized under this position for contractual reasons.

The balance sheet total on 31 March 2011 was EUR 114.7 million and was substantially below the EUR 129.5 million at the end of 2010. The main reason for this drop was the reduction of cash and cash equivalents by EUR 21.3 million to EUR 6.6 million. The balance of cash and cash equivalents at the end of the year included a cash receipt totalling EUR 8.8 million that was to be transferred but was only paid in 2011. In addition, the balance of this position at the end of the year was influenced because refinancing activities are carried out in matching currencies. Cash and cash equivalents were mostly denominated in Euros and could not be used to pay off short-term liabilities to banks in US dollars, which are mainly used to refinance transactions in the same currency. This effect is declining in the current year. The balance of trade accounts receivables, by far the largest asset position on the balance sheet, increased compared to the end of the year by EUR 6.6 million to EUR 105.8 million. This increase is the typical growth in the balance that occurs during the course of the year, which will then decline again by the end of the year. Based upon their nominal value, receivables from forfaiting transactions on 31 March 2011 are secured at 86,0%. This includes irrevocable commitments to purchase receivables, in certain cases cash securities, as well as collateral from bank guarantees and credit insurance.

Current liabilities went down by EUR 15.6 million to EUR 74.8 million, primarily as a result of changes in asset balances and, in particular, due to lower cash and cash equivalents. This reduction consists of EUR 8.3 million related to trade accounts payable and EUR 7.3 million related to liabilities to banks. Equity increased by EUR 0.7 million to EUR 29.9 million since the end of the year. As a result of the decrease in the balance sheet total and the increase in equity, the equity ratio improved from 23% at the end of the year to 26%.

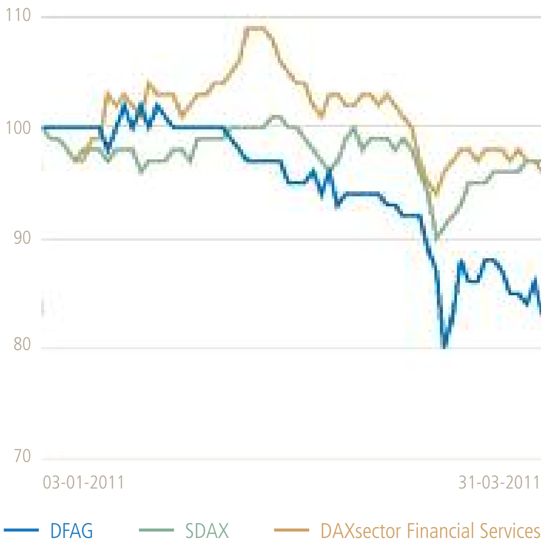
Like last year, cash flow totalling EUR 13.6 million was negative because of the rise in receivables and the drop in trade accounts payables. The increase in trade accounts receivable is the typical increase that occurs during the course of the year. Trade accounts payable went down because of the forwarding of a cash receipt totalling EUR 8.8 million. This receipt arrived at DF Group just prior to the end of the year and was only forwarded in the new year; therefore, a corresponding liability was recorded. These changes resulted primarily in reductions in the cash and cash equivalent balances.

## Performance of the DF share

The performance of DF Deutsche Forfait AG's share was weaker than the overall market and the industry in the first quarter of 2011. Starting from a share price of EUR 5.95 on 3 January 2011, the security closed at EUR 4.95 on 31 March 2011. This represents a decline of 17%. Management believes that the reason for the significant price decline of the DF share is the weaker 2010 annual results. However, the DF share has shown clear signs of a recovery since the middle of April and has remained consistently above the EUR 5.40 threshold since the start of May. This represents a rise of more than 13% compared

### DF share compared to relevant indices

Index figures




Source: Deutsche Börse (Xetra rates)

to the previous low of EUR 4.80 during the year. The stock index for small caps, SDAX, also fell in the first three months and closed the quarter at 5,144 points (-2%). The industry index for financial stocks, the DAXsector Financial Services, showed a similar trend and decreased by 3% since the start of the year. A total of 402,000 DF shares were traded during the first three months of the year. This corresponds to an average daily trading volume of 6,274 shares. The trading volume was therefore below the previous year's level (9,505 shares on average).

## Risks to future development

A detailed risk report can be found in the Group Management Report for the 2010 financial year. No acute risks beyond those specified in said report have currently been identified. Generally, the most significant risks for the forfaiting business are as follows:

Legal risk • DF Group buys receivables which are normally resold. In such transactions, DF Group usually guarantees to the buyer that the receivable exists (liability for legal validity), that it is the owner of the receivable (ownership), and that the receivable can be collected from the debtor, e.g. that there are no exceptions or objections. In principle, there is a risk that the receivable does not exist or is not enforceable, especially since the seller is normally liable in case of resale. This situation could result from the improper verification of documents or deficiencies in the contract.

DF Group concludes credit insurance to improve the risk from a receivable; furthermore, it acquires receivables that have already been insured. Such credit insurance agreements must be precisely tailored to the transaction being covered. Otherwise, there is a risk that credit insurance terms and conditions may be violated and that no credit insurance can be drawn on in the case of a loss. This also applies to counter-guarantees, which DF Group enters into in order to secure purchase commitments and receivables. This risk remains after sale in certain constellations, as the receivables are resold with credit insurance coverage or counter-guarantees. For example, when DF Group sells a receivable with credit insurance, it is usually liable to ensure that such credit insurance actually exists at the time of sale.

This risk is countered by having a well-trained and generously staffed contract management department. Workflows are regulated by detailed work instructions and checked by applying the principle of dual control. If necessary, the legal office or external legal firms are consulted.

Country and counterparty risk • During a national crisis, debtors may be prevented from paying receivables as they come due. Payments cannot be transferred due to government restrictions (transfer risk) or converted into different currencies (conversion risk).

Counterparty risk refers to the risk that a debtor could default on account of insolvency or for another reason; the provider of a guarantee (e.g. a bank or credit insurance company) may also default.

As a result of the global financial crisis, countries and companies have less financing options, resulting in higher country and counterparty risk. Furthermore, current developments in the Arab world, particularly in North Africa, could have a negative influence on this risk. Liquidity shortages at countries, banks and companies could increase as a result, leading to generally higher default rates. This development is evident in comparison to prior years. These have impacted DF Group, as they have the entire financial industry. The majority of these delinquencies are covered with securities. Unsecured items are covered by a commensurate risk provision.

The taking of country and counterparty risks is regulated accurately by a competence arrangement and a limit system. DF Group normally reduces these risks by placing receivables quickly. Sales transactions transfer country and counterparty risks to the buyer.

Refinancing risk • In order to process the desired forfaiting volume, DF Group requires refinancing capacities for the period between the purchase and resale or repayment of receivables to fund its trade in receivables. Equity and especially refinancing lines of credit from banks are used for this purpose. DF Group significantly increased its equity as a result of the IPO and profit retention and therefore considerably improved the risk of DF Group for refinancing banks. There is a risk that these lines of credit could be reduced due to cancellation by the banks or that all lines of credit could be terminated. This risk has increased as a result of the financial crisis. DF Group has lines of credit with numerous banks. DF Group has established a long-term trusting relationship with banks through regular, open communication and informative reporting. In addition, DF Group has a long-term loan of more than EUR 10.0 million available.

Earnings risk • In an extreme scenario, this could mean that receivables can no longer be sold to investors. Selling receivables proved to be extremely difficult at the height of the financial crisis in the fourth quarter of 2008. Since that time, the market has returned to normal. As a result of the financial market crisis, the percentage of recurring transactions has decreased significantly. Exporters bought receivables from recurring deliveries and resold them to a certain investor group.

The business model of DF Group has proven itself even in the crisis. DF Group achieved profit in every quarter of 2009, despite the difficult conditions. The risk management system has withstood the serious crisis. Overall, risks have increased, even though they have declined compared to crisis levels. In particular, default risk has risen because of decreasing liquidity. The risk of business partners not complying with their contracts, mainly due to experiencing economic difficulties, has also risen. Legal action must be taken in these cases. In addition, the financial crisis may worsen yet again if countries such as Greece or Ireland are no longer able to repay their financial obligations. This would create more serious problems.

## Outlook

The economic recovery continues, but the earthquake and nuclear reactor disaster in Japan this year could slow it down. The economic development is also at risk – especially from the debt crisis of some European countries as well as the risk of inflation – and the economy of the fast-growing emerging markets could overheat. For 2011 and 2012 the IMF expects growth of 6.5% each for the emerging countries and developing markets, and 2.5% each for the industrialized countries.

The financial markets and therefore the forfaiting market as well as export financing respectively stabilized considerably during the course of last year. Exporters once again have a much greater choice of financing partners. And investors' demand for forfaiting business has also risen steeply. Even transactions with terms of several years can now be placed again. This trend is likely to continue growing, at least until 2012. Although the margin dropped in the past year, it remained at an above-average level when looking at it in the long term. Margins are expected to be positive at least in the next two years on account of the adjustments in the market after the crisis.

But a new financial and economic crisis would endanger this positive economic development. Such a crisis could be created by a debt crisis in South European countries in the Eurozone, for instance. DF Group believes that this risk will remain with the financial markets for years to come, even if governments are attempting to prevent it from happening by implementing stabilization measures. Such negative developments could probably increase the need for impairments, reduce income and even generate losses.

DF Group reacted to the changes in the forfaiting market in the previous year by adjusting its sales function. The establishment of a secondary market unit that provides customer care for investors was an important measure. This considerably improves the maintenance of the investor network and enables DF Group to respond better to individual requests. This also has a positive effect on the purchasing side. When DF Group receives a request from exporters, it is better able to assess which transaction can be placed with investors at which price. This improves pricing considerably.

Growth conditions are good for DF Group. In a positive market environment, the measures taken by DF Group will allow continuous growth of the forfaiting volume across all segments. This goes hand in hand with a continuously rising gross result including financial results, which will also push up consolidated profit while keeping costs disproportionately low.

Cologne, May 2011
Board of Management

| | Assets | | 31-03-2011 in EUR | 31-12-2010 in EUR |
|---|---|---|---|---|
| **A.** | **Long-term assets** | | | |
| I. | Intangible assets | | 16,866.93 | 16,866.93 |
| II. | Tangible assets | | 448,836.67 | 472,522.43 |
| III. | Financial assets | | | |
| | Investments in affiliated companies | | 51,667.70 | 51,672.90 |
| IV. | Other long-term assets | | 32,454.37 | 33,101.36 |
| V. | Deferred taxes | | 43,576.03 | 42,637.47 |
| | | | **593,401.70** | **616,801.09** |
| **B.** | **Short-term assets** | | | |
| I. | Trade accounts and other receivables | (9) | 105,844,429.92 | 99,227,741.61 |
| II. | Tax receivables | | 1,338,767.53 | 1,480,049.81 |
| III. | Other short-term assets | | 273,171.95 | 275,907.88 |
| IV. | Liquid funds | (10) | 6,614,348.44 | 27,864,419.89 |
| | | | **114,070,717.84** | **128,848,119.19** |
| | **Total assets** | | **114,664,119.54** | **129,464,920.2** |

(#) reference to corporate notes

| | | Equity and liabilities | | 31-03-2011 in EUR | 31-12-2010 in EUR |
|---|---|---|---|---|---|
| **A.** | | **Equity** | **(11)** | | |
| | I. | Subscribed capital | | 6,800,000.00 | 6,800,000.00 |
| | II. | Capital reserve | | 11,286,060.38 | 11,286,060.38 |
| | III. | Revenue reserves | | | |
| | 1. | Statutory reserves | | 500,000.00 | 500,000.00 |
| | 2. | Other reserves | | 10,336,391.86 | 8,262,346.51 |
| | IV. | Adjustment item from the currency conversion | | 334,307.32 | 227,099.98 |
| | V. | Consolidated profit | | 642,318.12 | 2,074,045.35 |
| | | | | **29,899,077.68** | **29,149,552.22** |
| **B.** | | **Long-term liabilities** | | | |
| | 1. | Liabilities to banks | | 9,935,243.19 | 9,875,018.71 |
| | 2. | Other long-term liabilities | | 4,543.25 | 4,637.20 |
| | | | | **9,939,786.44** | **9,879,655.91** |
| **C.** | | **Short-term liabilities** | | | |
| | 1. | Liabilities to banks | (12) | 57,226,525.18 | 64,572,448.28 |
| | 2. | Short-term provisions | | 128,119.08 | 128,119.08 |
| | 3. | Tax liabilities | | 4,146.86 | 5,019.99 |
| | 4. | Trade accounts and other payables | | 16,249,120.45 | 24,545,401.60 |
| | 5. | Other short-term liabilities | | 1,217,343.85 | 1,184,723.20 |
| | | | | **74,825,255.42** | **90,435,712.15** |
| | | **Total equity and liabilities** | | **114,664,119.54** | **129,464,920.28** |

(#) reference to corporate notes

| | | 01-01 to 31-03-2011 in EUR | 01-01 to 31-03-2010 in EUR |
|---|---|---|---|
| 1. Typical forfaiting income | (4) | | |
| a) Forfaiting income | | 2,390,871.26 | 1,398,939.66 |
| b) Commission income | | 2,571,157.00 | 3,576,231.11 |
| c) Income from additional interest charged | | 436,893.81 | 245,613.57 |
| d) Exchange profits | | 5,019,537.69 | 4,594,926.69 |
| e) Income from the reduction of value adjustments on receivables and from the writing back of provisions for forfaiting and purchase commitments | | 0.00 | 0.00 |
| | | 10,418,459.76 | 9,815,711.03 |
| 2. Typical forfaiting expenditure | (5) | | |
| a) Expenditure from forfaiting | | 795.03 | 84,321.30 |
| b) Commissions paid | | 1,454,199.38 | 1,251,284.28 |
| c) Exchange losses | | 5,033,438.82 | 4,576,135.21 |
| d) Credit insurance premiums | | 0.00 | 0.00 |
| e) Depreciation and value adjustments on receivables as well as additions to provisions for forfaiting and purchase commitments | | 150,000.00 | 100,000.00 |
| | | 6,638,433.23 | 6,011,740.79 |
| **3. Gross result** | **(6)** | **3,780,026.53** | **3,803,970.24** |
| 4. Other operating income | | 12,528.14 | 12,449.44 |
| 5. Personnel expenses | | | |
| a) Wages and salaries | | 747,993.56 | 684,324.57 |
| b) Social security contributions and expenditure for pensions and social welfare | | 111,681.69 | 115,135.17 |
| 6. Depreciation on tangible and intangible assets | | 34,660.92 | 34,098.64 |
| 7. Other operating expenditure | (7) | 1,443,894.17 | 1,265,189.61 |
| 8. Interest income | | 30,370.80 | 4,534.99 |
| 9. Interest paid | | 590,601.05 | 363,948.55 |
| **10. Profit before income tax** | | **894,094.08** | **1,358,258.13** |
| 11. Income tax | | | |
| a) Income and earnings tax | | 252,714.52 | 310,926.50 |
| b) Deferred taxes | | -938.56 | -18,044.27 |
| **12. Consolidated profit** | | **642,318.12** | **1,065,375.90** |
| Average number of shares | | 6,800,000 | 6,800,000 |
| Earnings per share | | 0.09 | 0.16 |

(#) reference to corporate notes

| in EUR | 01-01 to 31-03 2011 | 01-01 to 31-03 2010 |
|---|---|---|
| **I. Consolidated income** | **642,318.12** | **1,065,375.90** |
| **II. Other income** | | |
| Currency translation differences from the inclusion of foreign subsidiaries | 107,207.34 | 182,411.60 |
| **III. Recognized income** | **749,525.46** | **1,247,787.50** |

| | | 01-01 to 31-03-2011 in kEUR | 01-01 to 31-03-2010 in kEUR |
|---|---|---|---|
| | **Cash flow** | | |
| | Consolidated profit | 642 | 1,065 |
| + | Depreciation on tangible and intangible assets | 35 | 34 |
| + | Expenses for income tax | 252 | 293 |
| + | Interest paid | 591 | 364 |
| - | Interest income | -30 | -5 |
| +/- | Result from disposal of long-term assets | 0 | 0 |
| +/- | Other transactions not affecting payments | 59 | 255 |
| +/- | Change to trade accounts receivable | -6,617 | -14,977 |
| +/- | Change to other assets (working capital) | 144 | -444 |
| +/- | Change to provisions | 0 | 0 |
| +/- | Change to trade accounts payable | -8,296 | -232 |
| +/- | Change to other liabilities (working capital) | 32 | -78 |
| - | Paid taxes on profits | -376 | -548 |
| **=** | **Operative Cash flow** | **-13,564** | **-14,273** |
| - | Paid interest | -527 | -364 |
| + | Retained interest | 31 | 5 |
| **=** | **Outflow from current business (Total 1)** | **-14,060** | **-14,632** |
| - | Payments for investments in long-term assets | -13 | -1 |
| + | Incoming payments from disposals of long-term assets | 0 | 0 |
| **=** | **Outflow from investment activity (Total 2)** | **-13** | **-1** |
| +/- | Change to short-term financial liabilities | -7,286 | 15,535 |
| - | Payment of dividends | 0 | 0 |
| - | Incoming payments from capital market transactions | 0 | 0 |
| **=** | **Inflow / Outflow from finance activity (Total 3)** | **-7,286** | **15,535** |
| | Change in financial resources affecting payments | -21,359 | 902 |
| + | Liquid funds at the start of the period | 27,864 | 12,360 |
| +/- | Effects from the currency conversion | 109 | 181 |
| **=** | **Liquid funds at the end of the period** | **6,614** | **13,443** |

## Consolidated Statement of Equity Changes in the period 01-01-2011 to 31-03-2011

| in EUR | Subscribed capital | Capital reserves | Statutory reserves | Revenue reserves | Difference from currency conversion | Total |
|---|---|---|---|---|---|---|
| **Balance 01-01-2011** | **6,800,000.00** | **11,286,060.38** | **500,000.00** | **10,336,391.86** | **227,099.98** | **29,149,552.22** |
| Profit appropriation | – | – | – | – | – | – |
| Consolidated profit | – | – | – | 642,318.12 | – | 642,318.12 |
| Currency conversion | – | – | – | – | 107,207.34 | 107,207.34 |
| Dividend payment | – | – | – | – | – | – |
| Capital increase | – | – | – | – | – | – |
| Allocation to the reserves | – | – | – | – | – | – |
| **Balance 31-03-2011** | **6,800,000.00** | **11,286,060.38** | **500,000.00** | **10,978,709.98** | **334,307.32** | **29,899,077.68** |

## Consolidated Statement of Equity Changes in the period 01-01-2010 to 31-03-2010

| in EUR | Subscribed capital | Capital reserves | Statutory reserves | Revenue reserves | Difference from currency conversion | Total |
|---|---|---|---|---|---|---|
| **Balance 01-01-2010** | **6,800,000.00** | **11,286,060.38** | **500,000.00** | **10,030,346.51** | **(25,516.00)** | **28,590,890.89** |
| Profit appropriation | – | – | – | – | – | – |
| Consolidated profit | – | – | – | 1,065,375.90 | – | 1,065,375.90 |
| Currency conversion | – | – | – | – | 182,411.60 | 182,411.60 |
| Dividend payment | – | – | – | – | – | – |
| Capital increase | – | – | – | – | – | – |
| Allocation to the reserves | – | – | – | – | – | – |
| **Balance 31-03-2010** | **6,800,000.00** | **11,286,060.38** | **500,000.00** | **11,095,722.41** | **156,895.60** | **29,838,678.39** |

### (1) General information

The condensed interim consolidated financial statements were prepared in accordance with the regulations of IAS 34 ("Interim Financial Reporting"); they are not as detailed as the consolidated financial statements published on 31 December 2010. The consolidated interim financial statements dated 31 March 2011 follow the same accounting and valuation methods as the consolidated financial statements for the financial year 2010. They are consistent with the International Financial Reporting standards ("IFRS"), as applicable in the European Union within the framework of European law. They have been audited and, in the opinion of the Board of Management, fairly represent the company's assets, financial and income situation. The functional currency of the Group is the Euro. All figures are presented in thousands of Euros (kEUR) unless otherwise stated.

The legal form of DF Deutsche Forfait AG is an "Aktiengesellschaft". The registered office of the company, as stated in the Memorandum of Association, is Cologne, Germany. The company's address is Kattenbug 18 – 24, 50667 Cologne. It is registered at Cologne Local Court (Amtsgericht) under HRB 32949. DF Deutsche Forfait AG is a forfaiting company and, as such, is a financial enterprise within the definition of Section 1 (3) No. 2 KWG (German Banking Act).

In principle, the consolidated income statement is prepared according to the total expenditure method. Income and expenses are grouped by category and income and expense totals are presented to take the particular characteristics of a forfaiting company into consideration. The consolidated financial statements follow the structure guidelines set out in IAS 1.

### (2) Basis of consolidation

The interim consolidated financial statements include the subsidiaries DF Deutsche Forfait s.r.o., Prague/Czech Republic, and DF Deutsche Forfait Swiss AG, Zurich/Switzerland. As subsidiaries used exclusively for business development, DF Deutsche Forfait Americas, Inc., Miami/USA, DF Deutsche Forfait do Brasil Ltda, São Paulo/Brazil, DF Deutsche Forfait Pakistan (Private) Limited, Lahore/Pakistan and Deutsche Forfait West Africa Limited, Accra/Ghana are not included in the interim consolidated financial statements. For the interim consolidated financial statements dated 31 March 2011, which communicate a true and fair view of the asset, financial and income situation of the Group, the non-consolidated subsidiaries are of minor importance.

### (3) Currency translation

The interim financial statements of consolidated companies presented in a foreign currency are translated on the basis of functional currency (IAS 21, "The Effects of Changes in Foreign Exchange Rates") using the modified closing rate procedure. The functional currency of the subsidiaries is essentially identical to the company's local currency. Therefore, in the interim consolidated financial statements, the income and expenses from the financial statements of subsidiaries, which are prepared in a foreign currency, are translated at the annual average rate; assets and liabilities are translated at the closing rate.

The exchange rates on which translation into Euros is based correspond to the Euro reference rates published by the European Central Bank and are as follows:

| | Closing rate | | Average rate | |
|---|---|---|---|---|
| | 31-03-2011 | 31-12-2010 | 01-01 to 31-03 2011 | 01-01 to 31-03 2010 |
| Swiss Franc | 1.3005 | 1.2504 | 1.2873 | 1.4639 |
| Czech Koruna | 24.5430 | 25.0610 | 24.3730 | 25.8840 |

### (4) Typical forfaiting income

The portfolio income earned in each period and trading income generated at the time of sale (the difference between the book and market values of a receivable) are recorded as forfaiting income. A forfaiting expense is only incurred if the market value calculated at the time of sale falls below the book value.

Typical forfaiting income is as follows:

| Typical forfaiting income in kEUR | 01-01 to 31-03-2011 | 01-01 to 31-03-2010 |
|---|---|---|
| Forfaiting income | 2,391 | 1,399 |
| Commission income | 2,571 | 3,576 |
| Income from additional interest charged | 437 | 246 |
| Exchange profits | 5,020 | 4,595 |
| **Total** | **10,418** | **9,816** |

### (5) Typical forfaiting expenses

Typical forfaiting expenses break down as follows:

| Typical forfaiting expenses in kEUR | 01-01 to 31-03-2011 | 01-01 to 31-03-2010 |
|---|---|---|
| Forfaiting expenses | 1 | 84 |
| Commission expenses | 1,454 | 1,251 |
| Exchange losses | 5,033 | 4,576 |
| Credit insurance premiums | – | – |
| Depreciation and value adjustments on receivables as well as additions to provisions for forfaiting and purchase commitments | 150 | 100 |
| **Total** | **6,638** | **6,012** |

### (6) Gross result

Gross result is the difference between typical forfaiting income and expenses.

| Gross result in kEUR | 01-01 to 31-03-2011 | 01-01 to 31-03-2010 |
|---|---|---|
| Net forfaiting income | 2,390 | 1,315 |
| Net commission income | 1,117 | 2,325 |
| Net income from additional interest charged (loan agreement) | 437 | 246 |
| Net income from exchange profits and losses | (14) | 18 |
| Net valuation income from forfaiting business | (150) | (100) |
| | **3,780** | **3,804** |
| minus credit insurance premiums | – | – |
| **Total** | **3,780** | **3,804** |

Since they are almost exclusively based on refinancing for forfaiting transactions, the financial results have to be considered in order to evaluate the success of a forfaiting company (see note 8).

### (7) Other operating expenses

Other operating expenses break down as follows:

| Other operating expenses in kEUR | 01-01 to 31-03-2011 | 01-01 to 31-03-2010 |
|---|---|---|
| Legal, consultancy and acquisition fees | 533 | 464 |
| Administrative expenses/cooperation partners | 441 | 390 |
| Cost of premises | 99 | 90 |
| Travel expenses | 68 | 62 |
| Fees for payment transactions | 40 | 31 |
| Insurances, fees, contributions | 48 | 50 |
| Vehicle costs | 25 | 22 |
| Costs for telephone, postage and internet connections | 24 | 20 |
| Remaining other expenses | 166 | 136 |
| **Total** | **1.444** | **1.265** |

Other operating expenses increased compared to the same period last year as contrary to the first quarter of 2010, the administrative costs of the newly established subsidiary in Ghana are included in this figure. The expenses for cooperation partners include expenses for the offices in London, Paris and Helsinki and the subsidiaries in Miami and São Paulo.

### (8) Financial results

The financial results break down as follows:

| Financial results in kEUR | 01-01 to 31-03-2011 | 01-01 to 31-03-2010 |
|---|---|---|
| Interest income from credit institutions | 4 | 5 |
| Interest income from receivables | 26 | – |
| **Total interest income** | **30** | **5** |
| Interest payments to credit institutions | 589 | 364 |
| Other interest expenses | 1 | – |
| **Total interest expenses** | **590** | **364** |
| **Interest total = Financial result** | **(560)** | **(359)** |

### (9) Trade receivables

Trade receivables include forfaiting transactions that are primarily intended for resale. They also include excesses of receivables covered by credit insurance, which cannot be sold under the terms of insurance. The increase in receivables from kEUR 99,228 as of 31 December 2010 to kEUR 105,844 as of 31 March 2011 was mainly caused by an increase in business typical for DF Group during the course of the financial year.

The maximum default risk on the purchased trade receivables at the respective reporting dates was as follows:

| in kEUR | 31-03-2011 | 31-12-2010 |
|---|---|---|
| Nominal values of accounts receivable | 105,479 | 97,099 |
| – Discount deduction | 2,401 | (1,482) |
| + Other receivables | 6,990 | 7,685 |
| **= Gross book values prior to value adjustments** | 110,068 | 103,302 |
| – Value adjustments | (4,224) | (4,074) |
| **= Book values = maximum credit risk** | **105,844** | **99,228** |
| – Sold receivables | (34,442) | (9,761) |
| – Underlying receivables were payed or their purchase settled | – | (4,754) |
| – Bank securities (e.g. guarantees) | (7,869) | (4,546) |
| – Guarantor is the government or a government agency | (3,205) | (9,632) |
| – Cash securities | (17,306) | (16,357) |
| – Credit insurances | (31,635) | (43,814) |
| + Twin securities | – | 1,203 |
| = Securities | (94,457) | (87,661) |
| **= Unsecured maximum default risk** | **11,387** | **11,567** |

Default risk is actively controlled as part of risk management activities. DF Group limits this risk with a limit system that includes country and counterparty limits.

### (10) Cash and cash equivalents

The item almost exclusively concerns bank deposits with a maturity of up to three months. DF Group reduced cash and cash equivalents amounting to kEUR 27,864 as of 31 December 2010 by kEUR 21,250 to kEUR 6,614 as of 31 March 2011. They were mainly used for reducing liabilities to credit institutions and trade payables. In addition, the large amount of cash and cash equivalents received prior to the reporting date on 31 December 2010 that was earmarked for transferal, was paid out in the first quarter of 2011.

### (11) Equity

Developments in the equity of DF Group are reported in the consolidated statement of equity changes. Total equity of DF Group slightly increased by kEUR 750 to kEUR 29,899 as of 31 March 2011; the equity ratio therefore came to 26.1% on the same date.

### (12) Liabilities to banks

Liabilities to banks dropped from kEUR 74,447 as of 31 December 2010 to kEUR 67,162 as of 31 March 2011 due to the backflow of cash and cash equivalents. Liabilities to banks under non-current liabilities are also included in this amount.

### (13) Segment reporting

DF Group controls its business by using risk groups based on forfaiting volume. They are assigned according to the original debtor of each receivable. Countries are allocated a risk group according to their external ratings. Risk group I is for countries with the highest credit rating and risk group V for countries with the lowest credit rating.

| Forfaiting volume by risk groups in EUR million | 01-01 to 31-03-2011 | 01-01 to 31-03-2010 |
|---|---|---|
| Risk group I | 49.7 | 94.0 |
| Risk group II | 34.9 | 8.2 |
| Risk group III | 26.1 | 2.9 |
| Risk group IV | 29.9 | 29.9 |
| Risk group V | 54.4 | 45.7 |
| **Total** | **195.0** | **180.7** |

In addition, the forfaiting volume is divided by region:

| Forfaiting volume by regions in EUR million | 01-01 to 31-03-2011 | 01-01 to 31-03-2010 |
|---|---|---|
| Africa | 5.1 | 22.9 |
| Asia | 132.9 | 80.1 |
| Europe | 53.8 | 65.4 |
| North America | 0.0 | 0.0 |
| South and Central Americas | 3.2 | 12.3 |
| **Total** | **195.0** | **180.7** |

### (14) Other financial obligations

In addition to liabilities, provisions and contingent liabilities, there are other financial obligations, particularly from forfaiting and purchase commitments. Other financial obligations are as follows:

| Other financial obligations in kEUR | 31-03-2011 | 31-12-2010 |
|---|---|---|
| from forfaiting commitments | 34,859 | 36,137 |
| from purchase commitments | 30,655 | 19,230 |
| **Total** | **65,514** | **55,367** |

Other financial obligations arising from forfaiting and purchase commitments are adequately secured. The following is a comparison of securities, at nominal value, with other financial obligations, also at nominal value:

| Securities in kEUR | 31-03-2011 | 31-12-2010 |
|---|---|---|
| **Other financial obligations at nominal value** | **65,514** | **55,367** |
| – Receivables sold: receivables are sold after being purchased by DF Group. The respective buyer already has a legal obligation to DF Group to purchase the receivable. | 31,581 | 35,840 |
| – The underlying receivable was paid or the sale was invoiced | – | 199 |
| – Credit insurance | 326 | – |
| – Securities provided by banks (e.g. guarantees) | 7,736 | 14,511 |
| – Cash securitization | 3,601 | 521 |
| – Provider of securities is a company (e.g. reversed liability of forfaiting companies) | 3,800 | 1,585 |
| – Other securities | – | – |
| **= Securities** | **47,044** | **52,656** |
| **Other financial obligations after deducting securities calculated at nominal value** | **18,470** | **2,711** |

### (15) Relationships with related parties

M.M.Warburg & CO KGaA, Hamburg, is considered a company with significant influence on DF Group for the reporting period in terms of IAS 24.

All transactions and reported balances are the result of ordinary business activities at regular market terms and conditions. The following tables give an overview of the expenses and income items from transactions with the company with significant influence and the outstanding balances:

| Income and expenses from transactions with related parties | 01-01 to 31-03-2011 | 01-01 to 31-03-2010 |
|---|---|---|
| *M.M.Warburg & CO KGaA* | | |
| Typical forfaiting expenditure | (3) | (3) |
| Interest and similar income | 1 | 1 |
| Interest and similar expenses | (23) | (15) |
| Other expenses | (24) | (28) |
| **Total** | **(49)** | **(45)** |

| Outstanding net amounts towards related parties | 31-03-2011 | 31-12-2010 |
|---|---|---|
| *M.M.Warburg & CO KGaA* | | |
| Cash in banks | 1,062 | 1,024 |
| Liabilities to banks | 12 | 1 |

**(16) Significant events after the end of the reporting period**

There were no significant events after the end of the first quarter of 2011.

Cologne, 25 May 2011
Board of Management

We have completed a review of the condensed interim consolidated financial statements – consisting of the condensed balance sheet, condensed profit and loss statement, condensed statement of changes in financial position, and condensed statement of changes in shareholders' equity as well as selected notes to the financial statements – and the interim group management report of DF Deutsche Forfait Aktiengesellschaft, Cologne, for the period from 1 January 2011 to 31 March 2011. Preparing the condensed interim consolidated financial statements according to IFRS principles for interim reporting as they apply to the EU, and the interim group management report according to the WpHG (Securities Trade Act) regulations as they apply to group interim management reports is the responsibility of the company's legal representatives. Our responsibility is to issue an opinion on the condensed interim consolidated financial statements and the group interim management report based on the review engagement completed by us.

We completed our review of the condensed interim consolidated financial statements and the group interim management report based on German principles for financial reporting review engagements established by the IDW ("Institut der Wirtschaftsprüfer", German institute of auditors). According to these principles, a review engagement must be planned and carried out so that, based on a critical appraisal, we can be reasonably certain that the condensed interim consolidated financial statements comply with the IFRS principles for interim reporting as they apply to the EU in all material respects and that the interim group management report complies with the WpHG (Securities Trade Act) regulations as they apply to group interim management reports in all material respects. A review engagement is mainly limited to interviews with company employees and an analytical evaluation, which means it does not result in the same level of certainty attained by an audit. Since we were not engaged to complete an audit, we are not issuing an audit opinion.

During our review engagement, we did not become aware of any information that would indicate that the condensed interim consolidated financial statements do not comply with the IFRS principles for interim reporting as they apply to the EU in all material respects or that the interim group management report does not comply with the WpHG (Securities Trade Act) regulations as they apply to group interim management reports in all material respects.

Hamburg, May 25, 2011
BDO AG Wirtschaftsprüfungsgesellschaft

| | |
|---|---|
| (von Thermann) | (ppa. Grewer) |
| Auditor | Auditor |

DF Deutsche Forfait AG
www.dfag.de