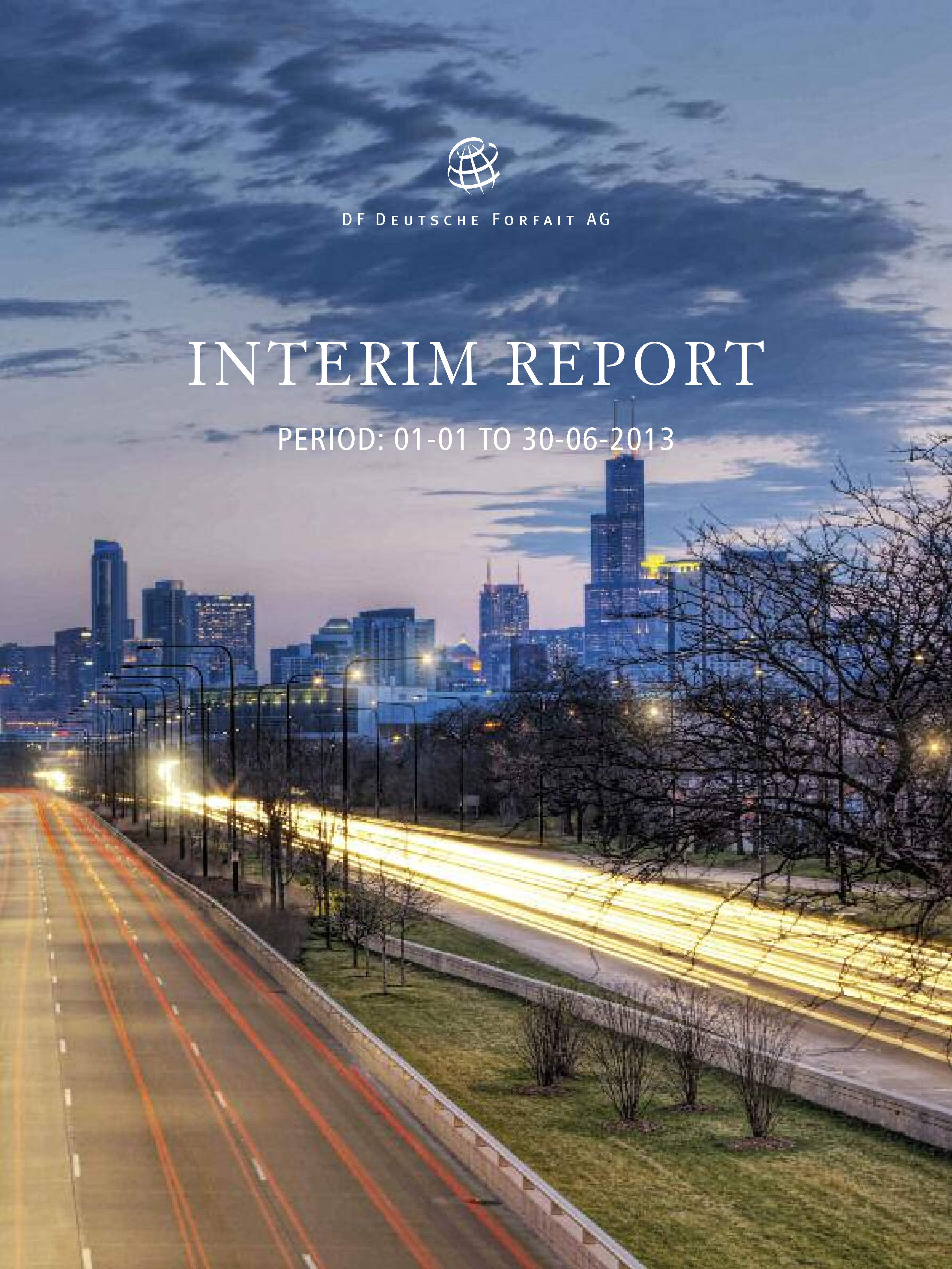
DF Deutsche Forfait AG

INTERIM REPORT

PERIOD: 01-01 TO 30-06-2013



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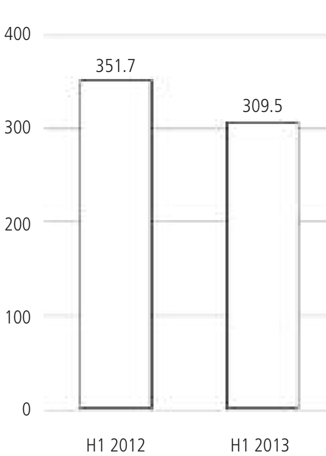
CONSOLIDATED KEY FIGURES

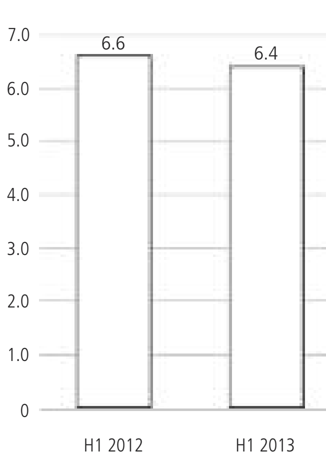
in EUR million (unless otherwise noted)	2013 Q1	2013 Q2	2013 Mid-Year	2012 Mid-Year	Change Mid-Year
Forfaiting volume	152.4	157.1	309.5	351.7	-12%
Gross result including financial results	2.9	3.5	6.4	6.6	-2%
Forfaiting margin including financial results	1.9%	2.3%	2.1%	1.9%	11%
Administrative costs	2.2	2.7	4.9	4.5	10%
Earnings before income taxes	0.7	0.8	1.5	2.1	-28%
Consolidated profit	0.5	0.5	1	1.5	-35%
Earnings per share in EUR	0.07	0.07	0.14	0.22	-36%

Variations in the sums or percentage figures result from rounding

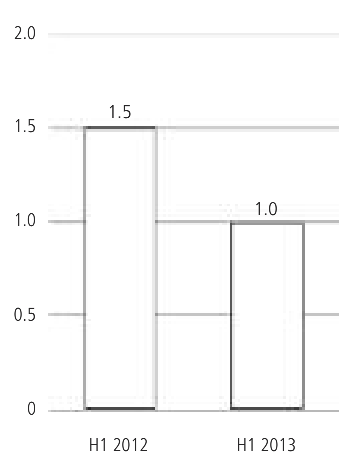
Forfaiting volume
(in EUR Mio.)



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



Consolidated profit
(in EUR Mio.)



MANAGEMENT BOARD LETTER

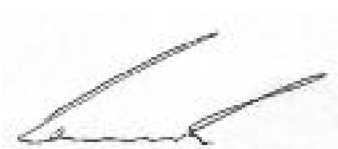
Dear Shareholders and Business Partners,

The first six months of 2013 saw DF Group successfully lay the basis for the company's further strategic development in the coming years. By adding a corporate bond to its financing structure and increasing the credit lines with existing banks, the company considerably strengthened its refinancing basis in the second quarter. This has greatly reduced its exposure to short-term market fluctuations and changes in the lending policies and/or investment guidelines of individual providers of debt capital. Moreover, several strategic projects were implemented successfully. The aim is to establish DF Group as a market leading financing specialist and asset manager of export receivables. In the medium term, the company wants to cover the full value chain for this important asset class, from origination and structuring to management, placement and collection. This will provide the basis for continued growth going forward.

The additional financial resources will be used to increase the forfaiting volume to over EUR 1 billion p.a. in the medium term. In addition, DF Group has laid the basis for a second source of income by establishing a subsidiary, Deutsche Kapital Limited (DKL), in Dubai. Income from managing the assets of trade finance funds will strengthen the company's profitability in the future. We expect the talks with interested investors to lead to the first results before the end of the third quarter.

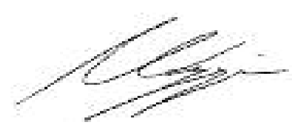
Against the background of these strategic measures, the figures for the first six months do not say much about the actual performance. At approximately EUR 310 million, the forfaiting volume was below the prior year level of EUR 352 million. At the same time, the relatively high forfaiting margin of 2.1% generated in the first six months underlines the positive market environment for export financing solutions. In the second half of the year, DF Group will have to exploit the additional financial scope to significantly expand its business volume and to establish the trade finance fund concept as a second source of income.

We are pleased that our shareholders – who saw the share underperform for most of the past years – are now benefiting from the strategic decisions taken also with regard to the price of the DF share. Gaining 29% in the first half of the year, the DF share was clearly among the winners in Deutsche Börse's Prime Standard. Last but not least, we welcome a new investor among our shareholders. Dr. Shahab Manzouri, a British private investor with long-standing experience in the trade finance sector, has taken over the shares held by M.M. Warburg Group through his investment company, Primrose S.A.



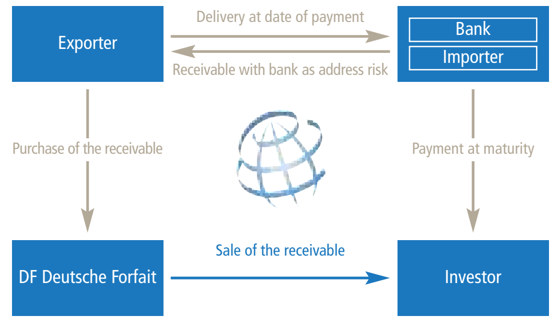
Frank Hock

Marina Attawar



Ulrich Wippermann

Classical Forfaiting



The first half of 2013 saw DF Deutsche Forfait Group ("DF Group") set the strategic course for the future. The entry into the trade finance funds business and the issue of a EUR 30 million bond will open up new growth opportunities for DF Group in the coming years. In spite of the resources tied up in these projects and the related one-time expenses as well as the uncertainty about the future economic outlook, the company closed the first six months with a positive Group result of EUR 1.0 million (previous year: EUR 1.5 million). This is equivalent to earnings per share of EUR 0.14 (previous year: EUR 0.22).

At EUR 309.5 million, the forfaiting volume was below the previous year's EUR 351.7 million, as had been expected. The business volume is expected to increase significantly in the second half of the year. The reasons for this anticipated increase include the improved economic environment as well as the proceeds from the corporate bond, which will give DF Group greater scope for action. At EUR 6.4 million, the first-half gross result including financial results (the key performance indicator for success in the forfaiting business) was more or less on a par with the previous year (EUR 6.6 million). The forfaiting margin of 2.1% (previous year: 1.9%) underlines what continues to be attractive conditions in the forfaiting market from DF Group's point of view. Administrative expenses exceeded the prior year level by EUR 0.4 million due to the start-up of the asset management business for the planned trade finance funds and the pro-rated expenses of the bond issue.

On balance, DF Group continues to see a positive business outlook in the forfaiting market. Although the growth forecasts for world trade have generally been downgraded, exporters' demand for financing solutions for deliveries of goods to emerging and developing countries remains intact. Moreover, investors are showing growing interest in the asset class of export receivables in view of historically low interest rates. The foundation of a subsidiary, Deutsche Kapital Limited, Dubai ("DKL"), which was completed in the second quarter, and the approval granted by the Dubai Financial Services Authority for the distribution of trade finance funds have laid the foundation for DF Group's new Asset Management segment. In view of the advanced talks with interested institutional investors and intermediaries, primarily from the Gulf region, management expects to see the first placement results before the end of the third quarter. The company confirms its intention to generate a clearly positive consolidated result for the full year 2013.

Business and general conditions

Forfaiting is a standard foreign trade financing instrument. Exporters regularly stipulate payment terms for the goods they sell to importers. The resulting export receivable initially remains on the exporter's balance sheet. The receivable is often secured by a local bank in the importer's country or by credit insurance, particularly when delivering to developing countries and emerging markets. DF Group purchases such receivables from the exporters (primary market) or banks (secondary market) and, as a rule, sells them to investors – mostly banks with their own expertise in foreign trade financing. DF Group therefore has two distinct customer groups. The company purchases export receivables from the first customer group, exporting companies and banks, and then sells them to the second customer group, primarily banks relying on their own trade financing expertise.

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.

Purchase commitments granted by DF Group are secured by bank guarantees, third-party counter-guarantees or credit insurance for the benefit of DF Group, which means the risks are outplaced. Lease and loan receivables are also purchased and are usually sold or hedged by purchase commitments, for instance. Transactions that are not sold as soon as the purchase is agreed are added to DF Group's portfolio with the aim of outplacing them. In exceptional cases, these transactions remain in DF Group's portfolio until maturity.

In times of restrictive lending policies, the ability to add export receivables to the company's own portfolio until they are placed with an investor is an important competitive advantage. This is where the company's long-standing expertise in managing the specific risks of export receivables from debtors in developing and emerging countries is paying off. DF Group provides exporters looking for financing solutions with quick inflow of liquidity and risk transfer. Due to its capitalization, the company gives exporters great security regarding its capacity to provide bridge financing already at the very early stage of a transaction. The temporary adoption of trade receivables onto the company's own book also improves its negotiating position towards potential investors; on the one hand, investors benefit from higher security regarding DF Group's ability to deliver, i.e. their cost and realization risk is lower; on the other hand, DF Group, as the holder of the receivable, can optimize the price between the individual interested investors. This distinguishes DF Group's business model from that of a broker, who has far less room for manoeuvre.

In the forfaiting business, receivables are acquired at a discount from the nominal value. This discount from the market value 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. The company also generates income from commitment fees and other commissions.

High market potential in the purchasing market despite economic slowdown

Forfaiting is mainly used in transactions with emerging markets and developing countries where exporters frequently have to extend payment terms to their customers. Offering such payment terms is important for exporters to secure orders in the competitive international market. Where the receivables remain on the exporter's balance sheet, they reduce the latter's liquidity and entail financial risks – in addition to the operational risks arising from the exporter's exposure to emerging and developing countries. Exporters usually lack the special know-how that is required to manage these risks. In a forfaiting deal, the exporter sells these receivables to the forfaiting company on a non-recourse basis. In this case, "non-recourse" means that the forfaiting company takes over the risk of non-payment by the debtor and the country risks (currency transfer risks), which are typically associated with the trade receivable sold by the exporter. The exporter additionally increases its liquidity and transfers the above risks to the buyer of the receivable. As a result, the exporter's working capital is reduced and its balance sheet structure improved, which gives it greater scope for investments and improves its negotiating position towards the refinancing banks and suppliers.

World trade totalled EUR 12.5 trillion in 2012, of which EUR 5.0 trillion related to trade with emerging and developing countries, i.e. the target markets of DF Group. Although the economic environment in the industrialized countries and the developing and emerging markets deteriorated in the second quarter of 2013, world trade remains on the increase. The emerging and developing countries continue to play a dominant role, although their growth expectations have been reduced in view of the possible reduction in the US central bank's bond purchases. Asian and African countries remain the most important growth drivers, as their economic performance will increase at a disproportionate rate in the next decade. Even if the general economic outlook deteriorates, growth rates in excess of 4% remain realistic for many countries in these regions in the medium term.

As a result of ongoing globalization and the emerging markets' growing share in world trade, forfaiting is becoming an increasingly important trade finance instrument. In view of the first signs of market saturation in the developed countries – most importantly the industrialized countries – making inroads into new markets in the growth regions is of great strategic relevance for companies. Given the high operational risks associated with an entry into new markets, they are looking for ways to minimize the financial risks. DF Group responds exactly to these risk transfers and financing needs of exporting companies. In a market environment characterized by growing demand for working capital finance on the one hand and by an increasing shortage of foreign trade finance from banks – especially with regard to emerging markets – the imbalance between credit supply and credit demand is likely to increase in this segment. The result is lively demand for forfaiting services.

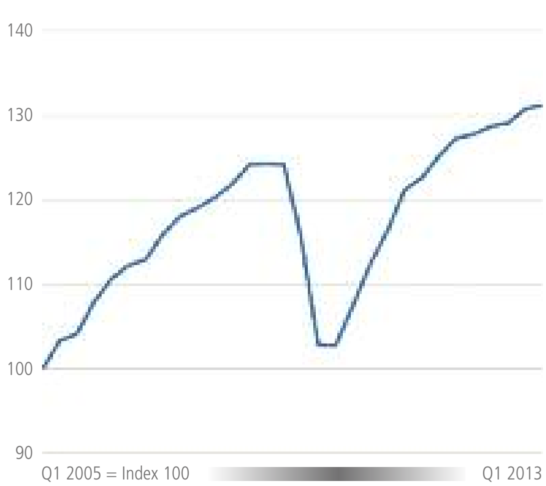
World economy and world trade grow by 3.1% each

After an extended phase of stability, the volatility in the global financial markets increased again in the second quarter of 2013. In the industrialized countries, long-term yields and premiums on corporate and government bonds with low ratings picked up. The increased nervousness in the markets was caused by weaker economic data from both industrialized and emerging countries, which led to a downgrading of the growth forecasts for 2013. The International Monetary Fund (IMF) adjusted its forecast for global economic output from 3.3% to 3.1%, which is equivalent to the prior year level. In the first quarter of 2013, it reached 2.75%. The eurozone economy remains in a recession and is projected to contract by 0.6% in 2013. Germany will be able to isolate itself from the general eurozone trend and will grow by 0.3% this year, although the experts still projected 0.6% growth in April. The 2013 forecast for the emerging and developing countries, which are the main targets of DF Group, has been reduced from 5.3% to 5.0%.

The IMF's forecast for world trade was lowered from 3.6% to 3.1% in April. The downgrading is due to the bleaker economic outlook in the emerging markets and lower exports from industrialized countries. Imports to emerging and developing countries are now expected to grow by 6.0%, whereas exports from industrialized countries are projected to increase by a moderate 1.4%. The current world trade volume in excess of EUR 12.5 trillion means that world trade continues to offer huge market potential for the business of DF Group.

World merchandise trade volume

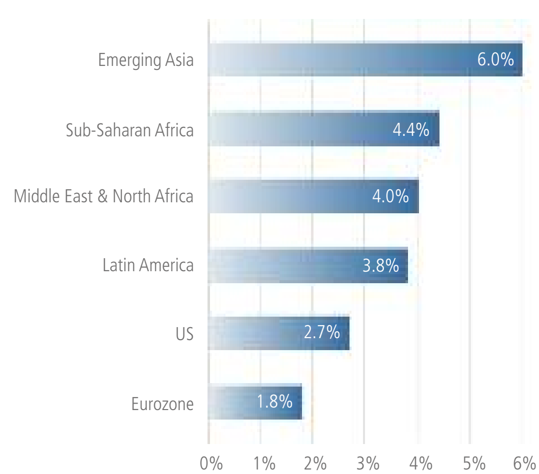
Average seasonally adjusted volume of imports and exports



Source: WTO

Gross domestic products

Average growth in selected regions in the period 2011 to 2020



Investor demand in the placement market remains stable

As a reseller of export receivables, it is essential for DF Group to sell and outplace the risks it assumes when purchasing receivables. Today, export receivables are almost exclusively sold individually to investors who have the necessary foreign trade finance expertise (individual placements). This is due to the fact that the buyer of export receivables – in contrast to trade receivables from debtors from industrialized countries – requires very specific expert knowledge to properly collect these receivables at maturity. After the financial crisis, typical buyers therefore include primarily small regional banks, large banks headquartered in industrialized countries and banks owned by foreign majority shareholders ("foreign banks"). The owners of the foreign banks mostly come from emerging markets and developing countries. Forfaiting companies acting as investors are also found among the buyers.

As is the case on the purchasing side, DF Group also has a global network of investors for the sale of receivables, which has been developed over many years and reinforced by numerous business deals. Investors have demand for export receivables because they are backed by real goods transactions, offer a higher return than fixed-income corporate or government securities and have an attractive risk-return profile, because the importer's payment risk is secured by a bank in the latter's country or (government) credit insurance. In the first half of the year, investor demand focused primarily on traditional trade receivables such as letters of credit. Where credit-insured receivables are concerned, buyers are mainly interested in transactions secured by government credit insurers (e.g. Hermes-Bund). There is also demand for receivables with multi-year terms and good corporate risk. These primarily include export receivables from medium-term sales financings (e.g. financing of deliveries of long-lived capital goods), which are repaid over their term. Demand from traditional investors was again satisfactory in Q2 2013 but remains as volatile as the overall market environment.

Low interest rates fuel demand for export receivables

Declining returns on bonds issued by countries and corporations with top credit ratings are putting investors in (fixed-) interest-bearing investments under enormous pressure. Against this background, institutional investors are increasingly focusing on export receivables as an investment class in its own right, because they offer a more attractive risk-return profile than government and corporate bonds. The limited risk of this type of investment is attributable, among other things, to the fact that it is based on a real transaction involving tangible goods. Moreover, with export receivables from debtors in developing and emerging countries, the credit risk of the importer (forfaiting debtor) is usually covered by a guarantee from a bank in the country of the importer or by (government) credit insurance.

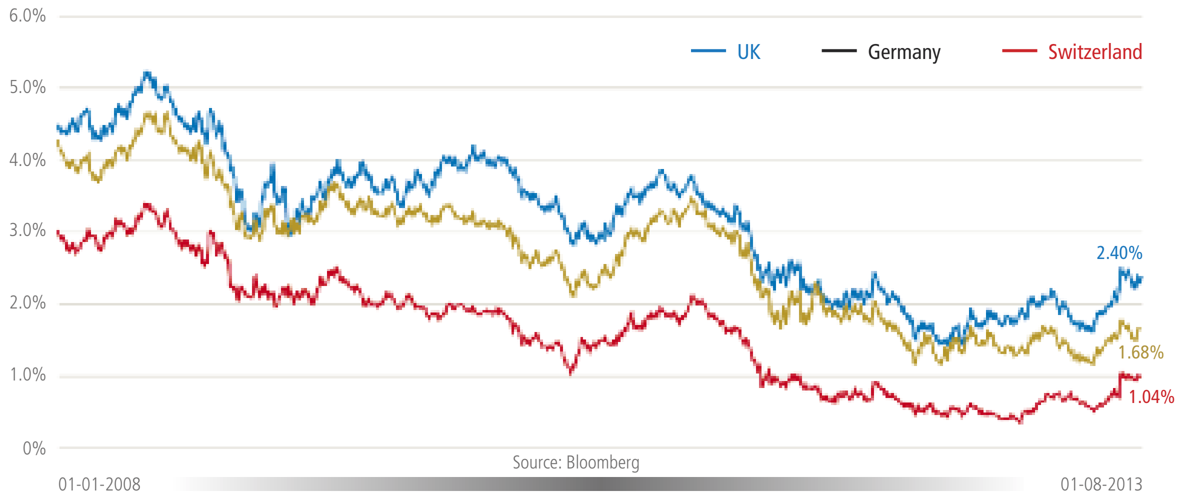
In contrast to the common practice of placing individual receivables with one investor experienced in foreign trade financing (individual placement), investment products which allow these new investor groups to invest in export receivables have to be tailored to their specific requirements. These new investor groups do not have the expert knowledge that is required to go through the legalities of a single foreign trade receivable purchase, which is why an investment product in the form of a trade finance fund better meets the investment criteria.

DF Group starts to implement innovative trade finance fund concept

The second quarter saw DF Group complete the preparations for its trade finance fund concept and start marketing the first fund. In mid-May, Deutsche Kapital Limited (DKL), Dubai, which is in charge of asset management and marketing of the funds, obtained the last pending licence from the competent supervisory authorities, after which the Cayman Islands-based funds vehicles were approved and registered.

In its talks with selected banks and institutional investors from the Gulf region about investments in the first trade fund, DKL focused on those investors who qualify as potential partners for a first closing of a trade finance fund managed and administered by DKL in its capacity as asset manager. The first placement results are expected towards the end of the third quarter.

Development of yields for selected European government bonds with a ten year term



The trade finance fund concept is targeted at professional investors (institutions such as insurance companies and pension funds) as well as banks which have so far been unable to make direct investments in export receivables as they lacked the necessary special knowledge. While professional investors can invest directly in a trade finance fund, banks can offer their private and institutional customers own-branded trade finance funds managed by Deutsche Kapital Limited.

The trade finance funds managed by DKL are characterized by attractive investment criteria:

- Global investment focus allows different investment opportunities and market changes to be exploited.
- Active management of the fund assets to increase the return; stabilization or adjustment of the risk profile to changing market conditions; adjustment of the average maturity of the receivables held to investors' investment horizon.
- Experienced management team who has worked together for over 12 years.
- High-quality and exclusive deal flow of DKL and access to special knowledge regarding the processing of trade receivables thanks to membership of the DF Group.

The first trade finance fund is planned to initially have a volume of around EUR 50 million and will reflect a diversified trade financing mix weighted by regions. Depending on demand, the framework that has been created will allow the assets under management ("AUM") to be increased by up to EUR 40 million per quarter. The structures that have been established provide for a total capacity of around EUR 400 million AUM.

DKL, the independent subsidiary, is headquartered at the Dubai International Financial Center (DIFC). Dubai and the DIFC, in particular, offer the following advantages as a location for the asset management of trade finance funds:

1. The DIFC has become an internationally accepted financial centre over the past years. Al companies based at the DIFC are supervised by the Dubai Financial Services Authority (DFSA). The fact that the asset manager is controlled by a supervisory authority is an important argument when selling and marketing the funds.
2. Export receivables are a better established asset class in the Gulf region and the Middle East than in other financial centres.
3. The team hired by DF Group has good access to investors from the Gulf region and the Near and Middle East and can serve these investors better from Dubai.

4. The team has operated from Dubai in the recent past and therefore has good market access there.

There are four important operational objectives behind DF Group's trade finance fund concept:

1. Broaden the existing investor base (international or regional banks and forfaiting companies with their own foreign trade expertise) by tapping new investor groups (institutional investors, high net worth private investors) which have huge potential demand. For these investor groups appropriately designed trade finance funds are an alternative to money market funds and short-term/medium-term pension funds. These forms of investments comprised about EUR 9 trillion on average in 2012. This means that there are excellent market conditions for DF Group, both on the purchasing side and on the placement side, to generate higher forfaiting volumes and, hence, much higher profits on a permanent basis.

2. As asset manager of the trade finance funds, DF Group will also have access to new sources of income. On the one hand, DKL will generate income in the form of an asset management fee. On the other hand, DKL will provide specific services in the context of the management of the export receivables acquired by the trade finance funds and receive service fees in return for these services. In those cases where the trade finance funds purchase the export receivables in which they invest from DF Group, the latter will earn the usual forfaiting margin as a reseller.

3. As the sale of export receivables to the trade finance funds is more standardized than the individual placements so far handled by DF Group, processing will become more efficient and, hence, tie up less of DF Group's liquidity. As the term "individual placement" says, DF Group used to negotiate individual documentations with the respective investors in the past. The trade finance funds mean that there will always be the same counterparty on the buyer side, which will allow for standardized documentation. Moreover, DF Group knows the investment criteria of the trade finance funds and can adjust its purchasing policy accordingly.

4. Besides its activity as asset manager, DKL will also identify export receivables which can be purchased and resold by DF Group – also to third-party investors. Due to the team's special market knowledge, cross-selling potential is expected to arise primarily in the Middle East and in Africa. Apart from expanding the placement possibilities, the foundation of DKL and the recruitment of an experienced team mean that DF Group has also strengthened the purchasing side, thus laying the basis for the planned increase in the forfaiting volume.

Structure of DF Group

DF Deutsche Forfait AG, the parent company of DF Group, is headquartered in Cologne. This is where its forfaiting expertise in terms of trading, contract management, documentation and risk management is concentrated and where transactions are structured. Sales are handled by own offices or intermediaries with direct access to various local markets. Distribution comprises both the purchase and the preparation of the sale and/or outplacement of export receivables. On the purchasing side, the sales team identifies potential buyers (exporters, banks), contacts them and prenegotiates the respective transaction. This is complemented by additional marketing activities to further establish the "DF Deutsche Forfait" brand. On the sales side, by contrast, the task is to identify and contact potential investors and to explore and match their investment requirements. The parent company coordinates the offices and intermediaries around the world and is in charge of risk management and contract management as well as the final outplacement of transactions.

Besides Cologne-based DF Deutsche Forfait AG, DF Group comprises five wholly-owned subsidiaries. These are headquartered in Brazil (São Paulo), the Czech Republic (Prague), the USA (Miami), Pakistan (Lahore) and Dubai. The international network is complemented by branches in France (Paris) and the UK (London) as well as by a partner in Italy. In the context of regular efficiency enhancing measures, DF Group constantly reviews its international network for the contributions made by its members. In this context, the structure and composition of the offices is constantly checked with regard to DF Group's access to the relevant niche markets. The company does not strive to have an office or branch in all relevant countries. Individual countries are covered by the network of a sales unit. Depending on the above parameters, DF Group adapts its international network as required. The recent closure of the Helsinki office, which was due to the low business volume in the Scandinavian markets, is a good example to illustrate this approach. As far as coverage of the African market is concerned, the company realized that financial transactions with countries from this region are primarily handled from the Gulf countries. This is why the African business is not handled by an office in Africa but out of Dubai. This will also enable DF Group to use synergies resulting from the presence of the asset management arm, DKL, in Dubai.

With the exception of the subsidiary in Prague, which is involved in back office tasks for individual transactions as and when required, 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, new markets can be developed comparatively quickly and without major financial expense. Overall, DF Group has an efficient and cost effective organizational structure.

Net assets, financial position and result of operations

The first six months of 2013 saw DF Group lay the basis for future growth. The company focused on broadening its financial basis through the issue of a EUR 30 million corporate bond, which met with high demand from both institutional and private investors. The bond, which carries a coupon of 7.875% and has a term of 7 years, is an attractive addition – especially with regard to the maturity structure of its refinancing resources – to the company's financing mix, which otherwise comprises bank loans and equity capital. As had been announced, one-time expenses totalling EUR 0.4 million weighed on DF Group's profitability in the first half of the year. These expenses related to projects for the strategic development of DF Group. Management resources were tied up not only by the issue of the corporate bond but also by the start-up of the trade finance fund business. As had been expected, the forfaiting volume declined from EUR 351.7 million in the first half of 2012 to EUR 309.5 million in the first six months of 2013. Consolidated income in the reporting period amounted to EUR 1.0 million, compared to EUR 1.5 million in the prior year period. This is equivalent to earnings per share of EUR 0.14 (previous year: EUR 0.22).

The gross result including financial results is the key performance indicator for success in the forfaiting business. It is the product of the forfaiting volume and the average 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 acquired for the purpose of reselling are refinanced for the period between the payout of the purchase price and the collection of the selling price or payment of the receivable. During this refinancing period, interest expenses are incurred for the receivables. The corresponding income figure is the forfaiting income included in the gross result.

At EUR 6.4 million, the gross result including financial results was only slightly lower than in the previous year (EUR 6.6 million), which is attributable to the reduced forfaiting volume. The forfaiting margin rosed by 0.2% to 2.1%, which is clearly above the average of the past years. This positive trend shows that the general conditions for forfaiting transactions remain attractive.

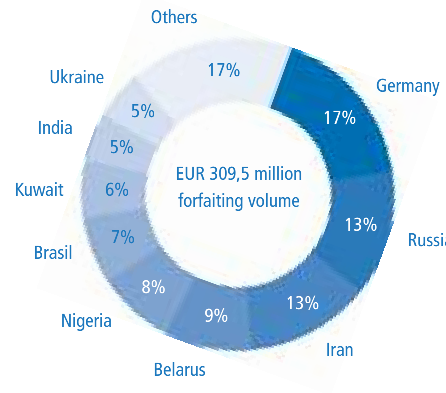
As in the previous years, the forfaiting volume was distributed between many countries, whose respective shares change continuously. The most important debtor countries in the first half of the year were Germany (17%) as well as Iran and Russia, which accounted for 13% each. In Germany, the company primarily benefited from the fact that it was able to win new medium-sized customers for forfaiting transactions. As had been expected, the relative share of the Iran business was lower than in the first quarter and now stands at the same level as in the full year 2012. Due to the structure and the collateral obtained, Iran receivables are usually no-risk transactions. The chart above shows that the business of DF Group remains broadly based. The fluctuations in the respective shares of the individual countries reflect DF Group's flexibility with regard to the regional focus of its business activity.

At EUR 4.9 million, administrative expenses were up by only 10% on the previous year in spite of the build-up of the new Asset Management segment and the bond issue. Due to the initial consolidation of DKL, personnel expenses were up by EUR 0.3 million on the prior year period to EUR 2.2 million. Other operating expenses increased only by a moderate 3% to EUR 2.7 million. Operating expenses are quite high in relation to personnel expenses as they include the costs of the staff at the London office and the non-consolidated subsidiaries because of the respective contractual arrangements.

As receivables increased in the course of the year, total assets rose from EUR 96.9 million at year-end 2012 to EUR 119.8 million. Trade receivables amounted to EUR 92.1 million on the reporting date, compared to EUR 76.1 million at the end of 2012. These are export receivables held for resale, which had either not been resold or not been invoiced as of 30 June 2013. In terms of nominal value, 74% of the receivables from forfaiting transactions were secured as at 30 June 2013. This includes irrevocable commitments to purchase export receivables, cash collateral in individual cases as well as collateral in the form of bank guarantees and credit insurance. Liquid funds increased from EUR 17.4 million at the end of 2012 to EUR 25.5 million due, among other things, to the bond issue.

Non-current liabilities increased in line with assets, namely by around EUR 29 million to EUR 38.2 million, which was primarily due to the May 2013 bond issue. At EUR 48.9 million, short-term liabilities to banks were down by EUR 5.4 million whereas trade accounts payable were on a par with the previous year

Breakdown of the forfaiting volume by region in the period January to June 2013



(EUR 5.4 million). Equity was only slightly lower than in the previous year at EUR 26.1 million. This decline reflects the half-year result (EUR 1.0 million) less the dividend paid in May 2013 (EUR 1.2 million), less the change of adjustment from currency conversion (EUR 0.2 million). As a result of the increase in total assets and the decline in equity capital, the equity ratio fell from 27.5% to just under 22%, which still represents a very solid equity base. Due to the increase in trade receivables, operating cash flow was negative at EUR 13.2 million. Cash flow from financing activities amounted to EUR 22.1 million, which is the result of the proceeds from the corporate bond in a net amount of EUR 28.7 million less dividend payment (EUR 1.2 million) and the repayment of liabilities to banks (EUR 5.4 million). Cash and cash equivalents increased by a total of approximately EUR 8.1 million to EUR 25.5 million as at 30 June 2013.

Performance of the DF share

The DF share clearly outperformed the market in the first six months of the year. Between the beginning of January and the end of June, the share gained 29% and closed at EUR 4.90 on 30 June. The SDAX small-caps index gained only 7% during the same period, while the DAXsector Financial Services index gained 3%. Starting at EUR 3.80 at the beginning of January,

DF share compared to relevant indices

Index figures
Source: Deutsche Börse (Xetra rates)

the price of the DF share picked up sharply, especially in May, and reached a high of EUR 5.88 at the end of that month. May saw the company issue its first corporate bond in an amount of EUR 30 million, whose successful placement had a positive impact on the share price. In the context of the bond issue, the company announced the details of its growth plans and intensified the dialogue with investors in both the share and the bond. The market also rewarded the strategic decision to build up the trade finance funds business as an additional source of income for DF Group.

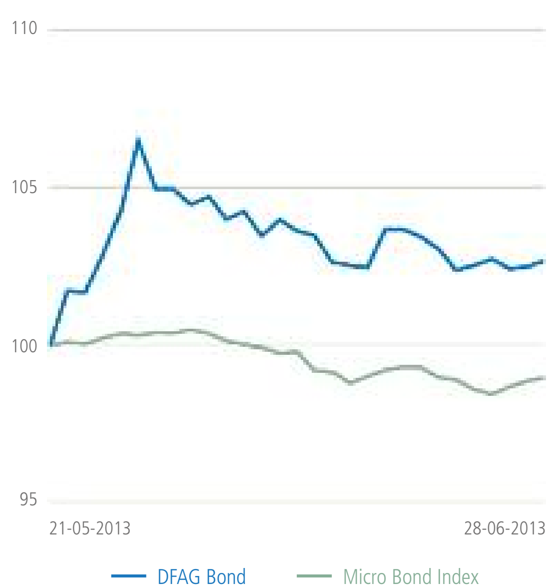
A total of 753,160 DF shares were traded in the first six months of the year. This represents a daily order volume of 6,074 shares. While the daily turnover was below the prior year's 8,247 shares, it clearly exceeded the 3,721 shares traded per day in the first three months of the year.

Successful issue of the DF bond

At the end of May, DF Group successfully issued a EUR 30 million corporate bond to finance its future growth. The 7-year bearer bond carries a coupon of 7.875%. Due to high demand from both institutional and private investors, the issue was closed early only a few hours after the start of subscription. At the same time, DF Group was able to increase its existing credit lines with their refinancing banks. The combination of medium to long-term debt capital raised by issuing a bond, which was subscribed by institutional and private investors, and short-term credit lines means that DF Group has been able to diversify its refinancing base in several respects, thereby reducing its exposure to short-term market fluctuations. The company intends to use the proceeds from the bond issue and the additional credit lines to expand its business volume to over EUR 1 billion p.a. in the medium term. The export receivables placed with the trade finance funds are expected to make an important contribution. These receivables need to be bridge financed until they are acquired by the funds, involving much shorter holding periods than it is the case when placing individual receivables.

DF bond in comparison to Micro Bond Index

Index figures
Source: Deutsche Börse



The DF bond has been traded in the Frankfurt Stock Exchange's Entry Standard for corporate bonds since 22 May 2013. Following a high of 106.5%, which was due to the strong demand for the bond, the price has continuously been above par since that date and closed with a gain of 2.7% at the end of June. This means that the DF bond clearly outperformed the overall market for mid-cap bonds. The Micro Bond Index (Mibox) declined by 1% during the same period. The average DF bond turnover during this period amounted to just under EUR 1.08 million per trading day, with the median reaching approximately EUR 0.38 million per day.

Keydata of the DF Corporate Bond

Start of trading	22-05-2013
ISIN WKN	DE000A1R1CC4 A1R1CC
Term	7 years, 05/2013 bis 05/2020
Volume of issue	EUR 30,000,000
Coupon	7.875% p.a.
Value date of the issue	27-05-2013
Interest payments	annually
Denomination	EUR 1,000.00
Redemption	100%
Rating	BB+; positive outlook
Stock exchange	Deutsche Börse, Entry Standard

Risks to future development

A detailed risk report can be found in the Group Management Report for the 2012 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. On the one hand, DF Group purchases uninsured export receivables and takes out credit insurance to improve the risk profile of the initially uninsured receivable. On the other hand, the company purchases credit-insured export receivables. In both cases, 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. For other securities, especially those to secure receivables, there may be no right to the security or this right may not be enforceable due to contractual or transfer errors. 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 risks) 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 (third-party) 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 fewer financing options which results in higher country and counterparty risk.

The current sovereign debt crisis could trigger another severe financial crisis, which would have a negative impact on these risks. Delinquencies 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 risk provisions which DF Group considers to be adequate. The taking of country and counterparty risks is regulated by a detailed competence arrangement and a limit system. These two components of DF Group's risk management system are complemented by a systematic separation between front-office (trading activities in the primary and secondary market) and back-office (credit assessment of primary and secondary debtors, assessment of counterparty risks). DF Group's business model is based on minimizing these risks through swift outplacement of the respective export receivable. When an export receivable is sold, the related country and counterparty risks are transferred to the buyer.

Refinancing risk: DF Group requires refinancing capacities for the period between the payment of the purchase price from the purchase of an export receivable and the collection of the sales price from the resale or outplacement or the repayment of the respective export receivable (holding period). Sufficient refinancing capacities are therefore urgently required to process the desired forfaiting volume. This is not least due to the fact that DF Group has only limited influence on the holding period, which is primarily dependent on the buyer's (credit and document) reviews and the presentation of the full documentation. DF Group's refinancing capacity is composed of (a) equity, (b) refinancing/credit lines from banks, (c) the bond. DF Group significantly increased its equity as a result of the 2007 IPO and therefore considerably improved the risk of DF Group for the refinancing banks and other debt capital providers. The equity capitalization proved to be a strength of DF Group also in the bond issue. By successfully placing its bond at the end of May 2013, DF Group has added another medium to long-term component to its debt capital base. This has reduced the Group's dependence on individual debt capital provider groups or individual debt capital providers. Even after the bond issue, there is still a risk, however, that individual lines of credit could be reduced or be cancelled completely by the respective bank. This risk has increased due to the turmoil in the financial markets and the resulting stricter regulatory requirements. In an extreme scenario, all credit lines could be cancelled. To mitigate the risks arising from its banking relationships, DF Group has raised credit lines with several banks. Among other things, DF Group has a medium-term loan of EUR 10.0 million that may be cancelled only under certain conditions, which primarily relate to DF Group's creditworthiness. Moreover, DF Group has established a long-term trusting relationship with banks through regular, open communication and informative reporting.

Earnings risk: The greatest earnings risk is that no receivables can be sold to investors. For example, this was extremely challenging at the height of the financial market crisis in the fourth quarter of 2008. Since that time, the market has returned to normal. Substantial market changes resulting from the financial crisis have significantly changed DF Group's customer base. Numerous participants have left the market. As a result, the percentage of recurring transactions has decreased significantly and the customer base had to be expanded significantly to offset this effect. However, another major financial crisis could result in massive customer base changes. The business model of DF Group has proven itself even in the crisis. The risk management system has withstood the distortions in the market. As a result of the crisis, there has been an increase in cases where business partners either fail to meet their contractual obligations or deliberately engage in legal disputes, forcing DF Group to take legal action to push through its claims. Current developments, especially in regards to sovereign debt, could cause another major financial crisis, which could significantly worsen the risk situation.

Post balance sheet events

On 19 July 2013, M.M. Warburg, a long-term major shareholder, reported the over-the-counter sale of shares in DF Deutsche Forfait AG representing approx. 20.5% of the share capital to Dr. Shahab Manzouri. A British businessman with long-standing experience in exporting financing, Mr Manzouri acquired the shares through Primrose Energy S.A., an investment company controlled by him. Mr Manzouri has previously worked with DF Deutsche Forfait AG in export financing transactions and sees the acquisition as a long-term strategic investment.

Outlook

In spite of the recent deterioration in the economic environment in the industrialized nations and the emerging and developing countries, both the world economy and world trade remain on the increase. The IMF projects a growth rate of 3.1% for the world economy in 2013, followed by 3.8% in 2014. The experts expect the eurozone economy to contract by 0.6% in 2013 and to recover significantly in 2014 to a projected growth rate of 0.9%. As in 2013, the German economy is expected to grow by an above-average 1.3%. As in the previous years, the economic recovery will primarily be driven by the emerging and developing countries, whose economies are projected to grow by 5.0% in 2013 and by 5.4% in 2014. According to the IMF forecast, world trade will grow by 3.1% in 2013 and by 5.4% in 2014. On balance, world trade continues to offer significant potential for DF Group: there will be growing demand for the financing of export transactions from companies that want to benefit from this growth, especially in the emerging and developing countries. Thanks to its business model and its specific expertise, DF Group has a unique sales proposition for these companies. Thanks to the successful placement of a EUR 30 million 7-year corporate bond in May 2013 and the increase in credit lines granted by existing banks, the company considerably strengthened its refinancing basis in the second quarter. The further diversification of maturities and lenders on the debt capital side has reduced DF Group's exposure to short-term market fluctuations and changes in banks' lending policies or in the investment guidelines of individual providers of debt capital. The company will continue its talks with existing and new debt capital providers in the coming quarters and aim to expand and further diversify its refinancing resources.

On the placement side, the strategic focus is on the expansion of the placement possibilities. Besides the placement of individual funds, which will remain the company's core activity, DF Group plans to devise, structure and place further investment instruments and/or placement vehicles to complement the trade finance funds. These "special solutions" will be targeted at specific investor groups and take account of their respective investment requirements, investment strategies and regulatory environments. The aim is to establish DF Group as a market leading financing specialist and asset manager of export receivables. In the medium term, the company wants to cover the full value chain for this important asset class, from origination and structuring to management, placement and collection.

The bond and the increased credit lines will allow the company to realize the planned strong increase in the forfaiting volume. DF Group aims to handle a forfaiting volume of over EUR 1.0 billion in the medium term. To achieve this target, DF Group will not only intensify its activities in existing markets but will also place a focus on developing and expanding its market position in selected Asian countries (e.g. China, India, Indonesia, Pakistan) and African markets (Ghana, Nigeria). DF Group will focus on improving its access to corporate clients especially in the Chinese market, where DF Group already has good access to banks.

Now that the preparations for establishing the new Asset Management segment have been completed, DF Group's primary objective for the second half of 2013 is the first closing of the first trade finance fund managed by Deutsche Kapital Limited. This will form the basis for establishing DF Group as an asset manager of trade finance funds. DKL aims to raise roughly EUR 50 million in assets under management by the end of the year.

DF Group's performance in the first six months was in line with expectations with regard to both the forfaiting volume and the consolidated result. The implementation of the strategically and operationally relevant projects is also proceeding according to plan. The equity base, which was reduced by the payment of the dividend in May, was strengthened by the half-year profit. The existing equity capital, which has been increased successfully through the retention of 50% of the consolidated net income, provides a solid and sufficiently strong basis for the planned expansion of the forfaiting business. In view of the attractive conditions in the financing and credit markets, exporters' demand for individual financing solutions for deliveries of goods to emerging and developing countries remains high. Management expects it to continue to increase in the coming years due to stricter regulations. DF Group believes that the potential negative effects of a change in the US central bank's policy on economic growth in the developing and emerging markets will have only little impact on the company's performance in the second half of the year. Potential political or economic crises will have a much greater impact on the business volume and the earnings position.

This positive assessment applies not only to the primary market (exporters who sell receivables) but also to the secondary market. At the same time, investors are increasingly interested in export receivables as an asset class in its own right due to the current capital market environment. This interest is also attributable to the fact that investors are under strong investment pressure. In the current environment, money market investments as well as short and medium-term bond investments generate negative real interest rates. Not even long-term corporate and government bonds offer sufficient yields to generate the kind of minimum returns guaranteed in life insurers' existing policies. This increases the pressure to tap alternative, innovative asset classes.

Thanks to the successful implementation of the measures aimed at expanding the business volume and building up the trade finance fund business in the current year, growing forfaiting volumes and Group results are projected for the coming years. As announced before, the first positive effects on the figures will only gradually become visible in the second half of the year. A clearly positive consolidated result is nevertheless projected for the full year.

Cologne, August 2013
Board of Management

	Assets		30-06-2013 in EUR	31-12-2012 in EUR
A.	**Long-term assets**			
I.	Intangible assets		10,018.56	10,018.56
II.	Tangible assets		328,350.02	348,781.00
III.	Financial assets			
	Investments in affiliated companies		174,980.65	194,441.70
IV.	Other long-term assets		26,727.60	13,666.73
V.	Deferred taxes		775,904.69	1,320,118.78
			1,315,981.52	1,887,026.77
B.	**Short-term assets**			
I.	Trade accounts and other receivables	(9)	92,114,137.99	76,099,029.17
II.	Tax receivables		404,911.92	1,251,713.61
III.	Other short-term assets		465,923.37	228,662.89
IV.	Liquid funds	(10)	25,501,338.23	17,434,971.21
			118,486,311.51	95,014,376.88
	Total assets		**119,802,293.03**	**96,901,403.65**

(#) Reference to corporate notes

		Equity and Liabilities		30-06-2013 in EUR	31-12-2012 in EUR
A.		**Equity**	**(11)**		
	I.	Subscribed capital		6,800,000.00	6,800,000.00
	II.	Capital reserve		7,359,044.50	7,359,044.50
	III.	Revenue reserves			
	1.	Statutory reserve		500,000.00	500,000.00
	2.	Other reserves		10,563,062.42	9,298,740.25
	IV.	Adjustment item from the currency conversion		-33,907.39	163,240.35
	V.	Consolidated balance sheet profit		961,447.80	2,488,322.17
				26,149,647.33	**26,609,347.27**
B.		**Long-term liabilities**			
	1.	Bond	(12)	28,652,351.59	0.00
	2.	Liabilities to banks		9,537,461.77	9,455,055.33
				38,189,813.36	**9,455,055.33**
C.		**Short-term liabilities**			
	1.	Liabilities to banks	(13)	48,936,243.53	54,378,820.58
	2.	Short-term provisions		417,000.00	392,000.00
	3.	Tax liabilities		103,105.00	263,798.92
	4.	Trade accounts and other payables		5,388,468.23	5,400,658.80
	5.	Other short-term liabilities		618,015.58	401,722.75
				55,462,832.34	**60,837,001.05**
		Total equity and liabilities		**119,802,293.03**	**96,901,403.65**

(#) Reference to corporate notes

		01-01 to 30-06-2013 in EUR	01-01 to 30-06-2012 in EUR
1. Typical forfaiting income	(4)		
a) Forfaiting income		6,674,930.07	4,376,770.78
b) Commission income		1,258,679.81	6,231,458.39
c) Income from additional interest charged		196,333.14	334,244.72
d) Exchange profits		2,456,976.66	3,411,108.75
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
		10,586,919.68	14,353,582.64
2. Typical forfaiting expenditure	(5)		
a) Expenditure from forfaiting		6,548.96	66,279.97
b) Commissions paid		705,815.57	3,179,967.94
c) Exchange losses		2,481,601.28	3,441,430.35
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	150,000.00
		3,343,965.81	6,837,678.26
3. Gross result	**(6)**	**7,242,953.87**	**7,515,904.38**
4. Other operating income		35,941.08	76,154.04
5. Personnel expenses			
a) Wages and salaries		1,913,694.98	1,585,195.71
b) Social security contributions and expenditure for pensions and social welfare		244,760.11	229,215.78
6. Depreciation on tangible and intangible assets		62,512.38	60,000.00
7. Other operating expenditure	(7)	2,725,291.34	2,633,846.03
8. Interest income	(8)	39,542.30	41,171.08
9. Interest paid	(8)	848,331.46	1,002,819.52
10. Profit before income tax		**1,523,846.98**	**2,122,152.46**
11. Income tax			
a) Income and earnings tax		18,128.18	171,762.74
b) Deferred taxes		544,271.00	475,838.95
12. Consolidated profit		**961,447.80**	**1,474,550.77**
Average number of shares		6,800,000	6,800,000
Earnings per share		0.14	0.22

	01-04 to 30-06-2013 in EUR	01-04 to 30-06-2012 in EUR
1. Typical forfaiting income		
a) Forfaiting income	3,594,872.85	2,629,254.00
b) Commission income	752,953.82	3,168,344.50
c) Income from additional interest charged	194,322.09	262,509.55
d) Exchange profits	686,176.77	893,026.28
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
	5,228,325.53	6,953,134.33
2. Typical forfaiting expenditure		
a) Expenditure from forfaiting	6,548.96	0.00
b) Commissions paid	284,392.40	2,192,772.11
c) Exchange losses	765,430.28	923,713.80
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	75,000.00	75,000.00
	1,131,371.64	3,191,485.91
3. Gross result	**4,096,953.89**	**3,761,648.42**
4. Other operating income	22,942.91	64,439.07
5. Personnel expenses		
a) Wages and salaries	1,042,409.53	783,096.69
b) Social security contributions and expenditure for pensions and social welfare	118,481.01	113,584.52
6. Depreciation on tangible and intangible assets	32,512.38	25,033.11
7. Other operating expenditure	1,558,052.52	1,307,271.51
8. Interest income	465.50	33,664.20
9. Interest paid	557,085.84	573,828.90
10. Profit before income tax	**811,821.02**	**1,056,936.96**
11. Income tax		
a) Income and earnings tax	4,534.97	77,778.97
b) Deferred taxes	318,125.00	245,836.55
12. Consolidated profit	**489,161.05**	**733,321.44**
Average number of shares	6,800,000	6,800,000
Earnings per share	0.07	0.11

	01-01 to 30-06-2013 in EUR	01-01 to 30-06-2012 in EUR
I. Consolidated loss / income	**961,447.80**	**1,474,550.77**
II. Other income		
Currency translation differences from the inclusion of foreign subsidiaries	-197,147.74	24,818.13
III. Recognized result	**764,300.06**	**1,499,368.90**

		01-01 to 30-06-2013 in kEUR	01-01 to 30-06-2012 in kEUR
	Cash flow		
	Consolidated profit	961	1,475
+	Depreciation on tangible and intangible assets	63	60
+	Expenses for income tax	562	648
+	Interest paid	848	1,003
-	Interest income	-40	-41
+/-	Result from disposal of long-term assets	0	-43
+/-	Other transactions not affecting payments	-468	308
+/-	Change to trade accounts receivable	-16,015	-35,407
+/-	Change to other assets (working capital)	1,141	610
+/-	Change to provisions	25	75
+/-	Change to trade accounts payable	-12	-7,523
+/-	Change to other liabilities (working capital)	56	-89
-	Paid taxes on profits	-321	-433
=	**Operative Cash flow**	**-13,200**	**-39,357**
-	Paid interest	-621	-1,050
+	Retained interest	39	41
=	**Outflow from current business (Total 1)**	**-13,782**	**-40,366**
-	Payments for investments in long-term assets	-23	-9
+	Incoming payments from disposals of long-term assets	0	63
=	**Outflow/Inflow from investment activity (Total 2)**	**-23**	**54**
+/-	Change to financial liabilities	-5,360	24,228
-	Payment of dividends	-1,224	0
+	Incoming payments from capital market transactions	28,652	0
=	**Inflow from finance activity (Total 3)**	**22,068**	**24,228**
	Change in financial resources affecting payments	8,263	-16,084
+	Liquid funds at the start of the period	17,435	31,619
+/-	Effects from the currency conversion	-197	1
=	**Liquid funds at the end of the period**	**25,501**	**15,536**

Consolidated Statement of Equity Changes in the period 01-01-2013 to 30-06-2013

in EUR	Subscribed capital	Capital reserves	Statutory reserves	Revenue reserves	Difference from currency conversion	Total
Balance 01-01-2013	**6,800,000.00**	**7,359,044.50**	**500,000.00**	**11,787,062.42**	**163,240.35**	**26,609,347.27**
Profit appropriation	–	–	–	–	–	–
Consolidated profit	–	–	–	961,447.80	(197,147.74)	764,300.06
Dividend payment	–	–	–	(1,224,000.00)	–	(1,224,000.00)
Capital increase	–	–	–	–	–	–
Allocation to the reserves	–	–	–	–	–	–
Balance 30-06-2013	**6,800,000.00**	**7,359,044.50**	**500,000.00**	**11,524,510.22**	**(33,907.39)**	**26,149,647.33**

Consolidated Statement of Equity Changes in the period 01-01-2012 to 30-06-2012

in EUR	Subscribed capital	Capital reserves	Statutory reserves	Revenue reserves	Difference from currency conversion	Total
Balance 01-01-2012	**6,800,000.00**	**7,359,044.50**	**500,000.00**	**9,318,562.83**	**30,693.88**	**24,008,301.21**
Profit appropriation	–	–	–	–	–	–
Changes in consolidated companies	–	–	–	-19,822.58	-25,526.11	-45,348.69
Consolidated profit	–	–	–	1,474,550.77	24,818.13	1,499,368.90
Dividend payment	–	–	–	–	–	–
Capital increase	–	–	–	–	–	–
Allocation to the reserves	–	–	–	–	–	–
Balance 30-06-2012	**6,800,000.00**	**7,359,044.50**	**500,000.00**	**10,773,391.02**	**29,985.90**	**25,462,321.42**

(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 2012. The consolidated interim financial statements dated 30 June 2013 follow the same accounting and valuation methods as the consolidated financial statements for the financial year 2012. They are consistent with the International Financial Reporting Standards (“IFRS”) as endorsed by the European Union. 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 that of an “Aktiengesellschaft” and it is registered at Cologne Local Court (Amtsgericht) under HRB 32949. The registered office of the company is Cologne, Germany. The company’s address is Kattenbug 18 - 24, 50667 Köln. 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 reflect the particular characteristics of a forfaiting company. 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 Deutsche Kapital Ltd., Dubai/United Arab Emirates. Deutsche Kapital Ltd. was founded by the company in April 2013 and is initially consolidated with effect from 30 June 2013. 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. These non-consolidated subsidiaries are of minor importance for the interim consolidated financial statements dated 30 June 2013, which give a true and fair view of the asset, financial and income situation of the Group.

(3) Currency translation

The interim financial statements of the 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 the 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	
	30-06-2013	31-12-2012	01-01 to 30-06 2013	01-01 to 30-06 2012
Czech Koruna	25.9490	25.1510	25.7000	25.1680
US-Dollar	1.3080		1.3135	

(4) Typical forfaiting income

Portfolio income earned in each period and trading income generated at the time of sale (the difference between the carrying amount and the market value of a receivable) are recorded as forfaiting income. Forfaiting expenses are only incurred if the market value calculated at the time of sale falls below the carrying amount.

Typical forfaiting income is as follows:

Typical forfaiting income in kEUR	01-01 to 30-06-2013	01-01 to 30-06-2012
Forfaiting income	6,675	4,377
Commission income	1,259	6,232
Income from additional interest charged	196	334
Exchange profits	2,457	3,411
Total	**10,587**	**14,354**

Due to the terms and conditions of the transactions handled by the company, forfaiting income has increased, with commission income declining at the same time. Exchange gains – and correspondingly losses – fell due to low exchange rate volatility and the reduced number of foreign currency transactions in the reporting period. Total exchange rate income and expense had little impact on the gross result.

(5) Typical forfaiting expenditure

Typical forfaiting expenses break down as follows:

Typical forfaiting expenses in kEUR	01-01 to 30-06-2013	01-01 to 30-06-2012
Forfaiting expenses	7	66
Commission expenses	706	3,180
Exchange losses	2,481	3,442
Credit insurance premiums	–	–
Depreciation and value adjustments on receivables as well as additions to provisions for forfaiting and purchase commitments	150	150
Total	**3,344**	**6,838**

Commission expenses also dropped sharply in line with commission income in the reporting period. Exchange losses declined due to low exchange rate volatility and the reduced number of foreign currency transactions; exchange gains decreased substantially at the same time.

(6) Gross result

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

Gross result in kEUR	01-01 to 30-06-2013	01-01 to 30-06-2012
Net forfaiting income	6,668	4,311
Net commission income	553	3,051
Income from additional interest charged	196	334
Profit (loss) on exchange rate gains and losses	(24)	(30)
Net valuation in forfaiting business	(150)	(150)
	7,243	7,516
less credit insurance premiums	–	–
Total	**7,243**	**7,516**

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 30-06-2013	01-01 to 30-06-2012
Administrative costs of cooperative partners	914	811
Legal and consultation fees, costs of preparing statements	807	800
Cost of premises (rental and cleaning costs)	204	142
Travel expenses	189	192
Telephone, postage and internet connection charges	63	68
Payment transactions fees	55	92
Insurances, contributions	42	39
Vehicle costs	41	40
Miscellaneous other expenses	410	450
Total	**2,725**	**2,634**

The increase in administrative expenses is mainly attributable to the foundation and start-up of the new sales unit in the Dubai International Financial Center (Deutsche Kapital Ltd.). Administrative expenses for cooperation partners also include expenses for the offices in London, Paris and Helsinki and for the subsidiaries in São Paulo and Lahore.

(8) Financial results

The financial results break down as follows:

Financial results in kEUR	01-01 to 30-06-2013	01-01 to 30-06-2012
Interest income from banks	1	41
Other interest income	39	–
Total interest income	**40**	**41**
Interest expense payable to banks	604	1,000
Other interest expenses	244	3
Total interest expense	**848**	**1,003**
Net interest = financial results	**(808)**	**(962)**

Other interest expenses include interest in the amount of kEUR 234 accrued until June 30 2013 for the bond issued in May 2013.

(9) Trade receivables

Trade receivables comprise the receivables purchased in the context of the forfaiting business as well as other receivables. They also include excesses of receivables covered by credit insurance which cannot be sold under the terms of insurance. Receivables increased from kEUR 76,099 on 31 December 2012 to kEUR 92,114 on 30 June 2013. This trend reflects the usual expansion of the Group's business activities in the course of the year. The maximum default risk on the purchased trade receivables at the respective reporting dates was as follows:

in kEUR	30-06-2013	31-12-2012
Nominal value of trade receivables	86,967	75,369
– Discount deduction	(1,126)	(2,390)
+ Other receivables	9,877	6,599
= Gross book value before adjustments	**95,718**	**79,578**
– Value adjustments	(3,604)	(3,479)
= Book Value = maximum default risk	**92,114**	**76,099**
– Sold receivables	(24,533)	(13,763)
– Underlying receivables were paid or their purchase settled	(1,320)	(3,293)
– Bank and company securities (e.g. guarantees)	(14,304)	(9,168)
– Cash securities	(115)	(5,144)
– Credit insurances	(31,082)	(31,055)
+ Twin securities	2,517	2,026
= Securities	(68,837)	(60,397)
= Unsecured maximum default risk	**23,277**	**15,702**

Default risk is actively controlled as part of the risk management activities. DF Group limits this risk by means of a limit system that includes country and counterparty limits. Financial instruments in the "loans and receivables" category are non-derivative financial assets with fixed or determinable payments which are not listed in an active market. The carrying amounts of trade receivables (loans and receivables ("LaR"), measured at amortized cost using the effective interest rate method less potential impairments) have short remaining maturities and approximate the fair value. Financial assets recognized at fair value through profit/loss comprise financial assets held for trading ("HfT"). Gains and losses are recognized in the result for the period at the time of derecognition or impairment of loans and receivables. The carrying amounts break down as follows:

in kEUR	Measurement category under IAS 39	Book value 30-06-2013	Fair value 30-06-2013	Book value 31-12-2012	Fair value 31-12-2012
Trade receivables	LaR	70,750	70,750	65,668	65,668
Trade receivables	HfT	21,364	21,364	10,431	10,431

(10) Cash and cash equivalents

The item exclusively concerns bank deposits with a maturity of up to three months. DF Group's cash and cash equivalents increased from kEUR 17,435 on 31 December 2012 by kEUR 8,066 to kEUR 25,501 on 30 June 2013. This increase is mainly attributable to the proceeds from the issue of a EUR 30 million bond earned by the Group in late May 2013. Moreover, some cash and cash equivalents are denominated in euros and cannot be used to pay off short-term liabilities to banks in foreign currencies, as these liabilities are mainly used to refinance USD receivables in the same currency.

(11) Equity

Changes in equity are reported in the consolidated statement of changes in equity. Due to the dividend of kEUR 1,224 paid out in May 2013, equity declined by kEUR 460 to kEUR 26,150 on 30 June 2013. The equity ratio decreased from 27.5% on 31 December 2012 to 21.8% on 30 June 2013 because of the sharp rise in total assets.

(12) Bond

The bond issued by DF Deutsche Forfait AG is shown as "other liability" under non-current liabilities (IAS 32.11). The 7-year bond has a nominal amount of EUR 30 million, which is equivalent to the repayment amount, and carries a nominal coupon of 7.875%. The bond was initially recognised at the time of addition and net of transaction expenses (IAS 39.9, 39.A13) at a fair value (IAS 39.43) of kEUR 28,639. As of 30 June 2013, the financial liability was measured at amortized cost using the effective interest rate method (IAS 39.47). Total interest expenses in the reporting period amounted to kEUR 234 and are recognized in the income statement under interest expenses.

(13) Liabilities to banks

Liabilities to banks declined significantly from kEUR 63,834 as of 31 December 2012 to kEUR 58,474 as of 30 June 2013. Liabilities to banks shown under non-current liabilities are also included in this amount.

(14) 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 assigned to 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 in EUR million	01-01 to 30-06-2013	01-01 to 30-06-2012
Risk group I	78.3	97.2
Risk group II	13.0	14.1
Risk group III	63.8	74.0
Risk group IV	34.9	62.8
Risk group V	119.5	103.5
Total	**309.5**	**351.6**

In addition, the forfaiting volume is divided by region:

Forfaiting volume in EUR million	01-01 to 30-06-2013	01-01 to 30-06-2012
Africa	26.2	13.7
Asia	110.2	176.7
Australia	–	–
Europe	149.7	136.5
North America	–	–
South and Central Americas	23.4	24.7
Total	**309.5**	**351.6**

(15) 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	30-06-2013	31-12-2012
from forfaiting commitments	62,297	19,690
from purchase commitments	8,780	12,165
Total	**71,077**	**31,855**

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	30-06-2013	31-12-2012
Other financial obligations at nominal value	**71,077**	**31,855**
– Receivables sold: the receivables are resold after being purchased by the DF Group. The purchaser is already legally obliged vis-à-vis the DF Group to purchase the receivable.	55,816	15,798
– Underlying receivables paid/sales invoiced	–	10,282
– Bank securities (e.g. guarantees)	686	1,144
– Cash securities	323	268
– Credit securities	–	2,893
– Guarantor is a company (e.g. forfaiting company)	–	–
– Other securities	–	–
= Securities	**56,825**	**30,385**
Other financial obligations after deduction of securities calculated at nominal value	**14,252**	**1,470**

(16) Relationships with related parties

M.M.Warburg & CO KGaA, Hamburg, is considered a company with significant influence on DF Group for the reporting period as defined in IAS 24. The transactions carried out in the reporting period and the balances that existed as of 30 June 2013 are the result of ordinary business activities carried out on an arm's length basis.

(17) Significant events after the end of the reporting period

M.M.Warburg & CO KGaA, Hamburg, and M.M.Warburg Gruppe (GmbH & Co.) KGaA, Hamburg, notified us pursuant to Section 21 (1) of the German Securities Trading Act (WpHG) that their respective shares in the voting rights in DF Deutsche Forfait AG dropped below the thresholds specified in this provision on 18 July 2013 and amounted to 0% on that day. Primrose Energy S.A., Panama City/Republic of Panama, informed us pursuant to Section 21 (1) WpHG that its share in the voting rights exceeded the 3%, 5%, 10%, 15% and 20% thresholds on 18 July and amounted to 20.51% on that day.

Cologne, 26 August 2013
Board of Management

We have reviewed the condensed interim consolidated financial statements of the DF Deutsche Forfait Aktiengesellschaft, Köln, comprising balance sheet, income statement, cash flow statement, statement of changes in equity and selected explanatory notes, together with the interim group management report of the DF Deutsche Forfait Aktiengesellschaft, Köln, for the period from January 1, 2013 until June 30, 2013, that are part of the semi annual financial report pursuant to § 37w WpHG (Wertpapierhandelsgesetz: German Securities Trading Act). The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and of the interim group management reports, is the responsibility of the company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

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, August 27, 2013
BDO AG Wirtschaftsprüfungsgesellschaft

(von Thermann)	(ppa. Grewer)
Auditor	Auditor

To the best of our knowledge and in accordance with the applicable accounting principles, the consolidated interim financial statements present a true and fair view of the assets, financial and earnings situation of the Group. The interim Group management report includes a fair review of business developments and the position of the Group along with the principal opportunities and risks associated with the expected development of the Group in the remaining months of the financial year.

Cologne, August 2013
Board of Management

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