

OPPORTUNITY AFRICA

ANNUAL REPORT 2013



DF Deutsche Forfait AG

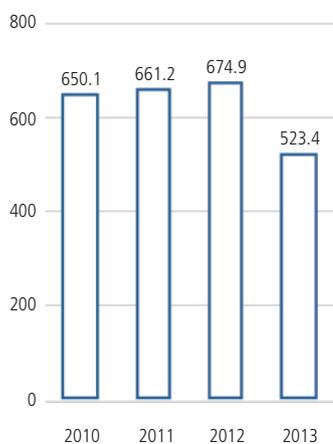


CONSOLIDATED KEY FIGURES

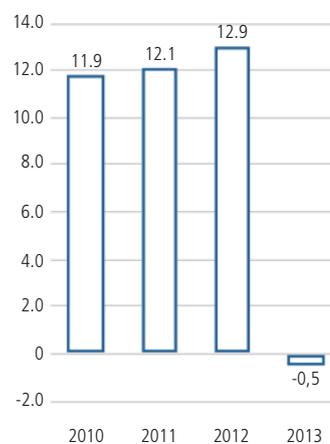
in EUR million (unless otherwise noted)	2010	2011	2012*	2013
Business volume	650.1	661.2	674.9	523.4
Gross result including financial results	11.9	12.1	12.9	-0.5
Forfaiting margin including financial results	1.8%	1.8%	1.9%	0.0%
Administrative costs	9.0	10.7	9.3	10.7**
Earnings before income taxes	2.9	1.4	3.8	-11.1
Consolidated result	2.1	-3.9	2.1	-12.6
Average earnings per share in EUR	0.31	-0.58	0.32	-1.85

* The prior year figures were adjusted retrospectively to reflect the application of the IAS 8.
 ** Including expenses for supplementary value added tax amounting to EUR 0.2 Mio.

Forfaiting volume
(in EUR million)



Gross result incl. financial results
(in EUR million)



Consolidated result
(in EUR million)

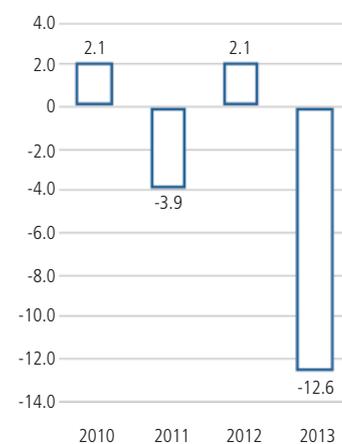


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Dear Shareholders and Business Partners,

The February 2014 placement of DF Deutsche Forfait AG on the sanctions list of the U.S. Office of Foreign Assets Control (OFAC) because of alleged breaches of Iran sanctions ushered in the most challenging phase in the history of our company. While placed on the list, our company was forced to largely suspend its business operations, given that it was unable to conduct business in U.S. dollars and transactions in other currencies were hardly possible as well. We believe that the October 2014 delisting without any fine being imposed clearly vindicates our position that we never breached any U.S. sanction laws. But now let us cast a look back over the financial year 2013 presented in this report.

For DF Deutsche Forfait AG, this was a year with two different faces. The first half of the year saw us set the course towards a successful future, as we focused on building our asset management business and diversified our funding structure by issuing our first ever corporate bond with a volume of EUR 30 million. During this period business operations developed in line with our expectations. In contrast, business remained below expectations during the second half of the year. In the case of some new customers, particularly in Africa, processing their transactions and placing their receivables with investors took longer than planned. In addition, building up the new business took clearly longer than originally forecasted, preventing us from placing foreign trade receivables with our Trade Finance Funds as we had planned. Both factors had a negative impact on our business volume and on our earnings. We were also forced to substantially increase our valuation allowances and write-downs of overdue receivables, which was partly a consequence of the developments in the financial year 2014 to be taken into account because of the belated preparation of the separate and consolidated financial statements. At the bottom line, we finished the financial year 2013 with a high loss.

Speaking of Africa, this promising continent is featured in the title story of this annual report. Africa's potential is borne out by some highly impressive figures. The continent's GDP has tripled since 2000 and there is no end to the trend in sight. This holds great opportunities, as well as risks, for importers and exporters and, by extension, for us as foreign trade financiers with a long-standing track record in Africa. In the past financial year alone, we have more than doubled our Africa business from EUR 33 million to EUR 71 million. Africa is ready to take a major leap forward and we want to capitalize on this development.



A handwritten signature in blue ink that reads "Attawar".

Marina Attawar

A handwritten signature in blue ink that reads "Hock".

Frank Hock

All told, the market for forfaiting business remains attractive. World trade continues to grow unabated and a disproportionate contribution to this trend comes from the emerging markets on which our business activity is centered. More and more medium-sized companies are viewing the emerging markets as an alternative to the mature and saturated markets. We are fully committed to our business and are making all efforts to steer the company back onto an economically stable track.

We would like to thank you for your continued confidence in us which has provided us with great encouragement to work through the challenging year 2014 and which will also give us welcome support in rebuilding our business activity!

With best regards

Your Members of the Management Board of DF Deutsche Forfait AG

Africa is on the move into a new dimension

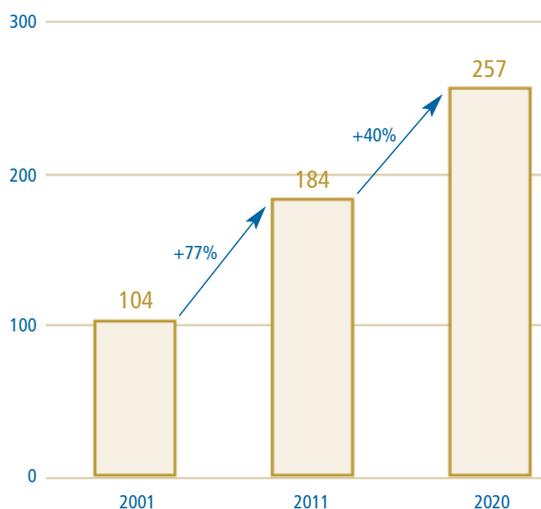
According to the World Bank’s recent statement, the African continent could be at the beginning of a long-lasting economic upswing. While such an economic boom has repeatedly been projected for Africa in the past, the developments since the year 2000 have, in fact, been very promising. High – in some cases double-digit – growth rates, natural resources in abundance and increasing political stability have changed the way the continent is viewed by the industrialized nations. The challenges remain huge, however, as high transport and energy costs, inadequate infrastructure, low educational and health standards and an underdeveloped services sector still represent major obstacles. In the Sub-Saharan region, which comprises 49 of the 54 African nations, some 90% of the population have no access to a power grid.

But the continent’s economy is growing continuously and has tripled since 2000. A real GDP growth rate of 5% in 2013 and a projected 6% in 2014 means that the Sub-Saharan region ranks second behind Asia. Africa is the last still-to-be-developed major economic area that offers good possibilities for imports and exports and attracts a growing number of foreign investors. This is not least reflected in the strong increase in foreign direct investment (FDI), which climbed from roughly EUR 10 billion p.a. in the 1990s to as much as EUR 43 billion in 2013. Since 2007, Africa’s share in global FDI has increased from 3.2% to 5.6% (2012).

As investments by foreign enterprises pick up, populations benefit from growing prosperity. Per-capita income has grown steadily over the past years and is expected to grow by 50% in the next eleven years, albeit from a low starting base. In the Sub-Saharan region as many as two thirds of the population still live on less than 2 US

Africa: Continuously growing domestic demand

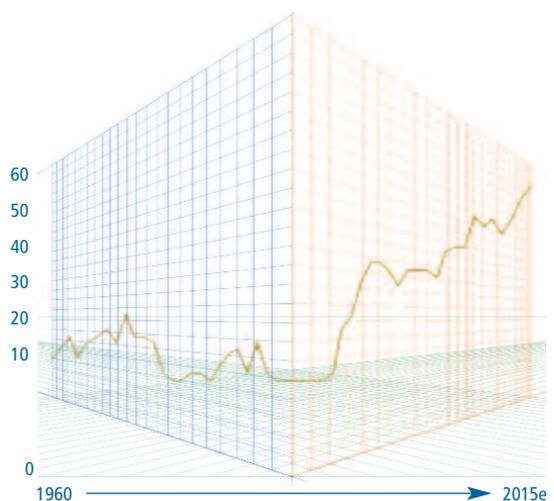
Millions of people with annual incomes of more than USD 2.700



Source: The Boston Consulting Group

Governance and stability in Africa

Established democracies on the African continent in %



Source: The Boston Consulting Group



A vital artery under construction: The Autoroute de l'Avenir was completed as a public-private partnership project in August 2013. It connects the Senegalese capital and port of Dakar with the country's hinterland is hailed as one of the sub-Saharan region's showcase infrastructure projects.

dollars per day. But the African middle class is growing, and so is the number of potential consumers. While only 104 million Africans had an annual income of more than USD 2,700 in 2001, this number is expected to rise to as much as 257 million by the year 2020, which would be equivalent to almost one quarter of the total population.

Africa is up and coming – and this is primarily attributable to the stabilization of the political situation in many countries. 2011 was the first year to see most of the African nations being governed by democratically elected representatives. Between 1991 and 1995 there were 35 coup d'états in Africa - compared to 14 between 2006 and 2010. While these figures reflect the degree to which the region has stabilized, they also show that the risks for foreign investors remain high. Africa's rise seems to be inevitable. Exporters on the one hand and investors on the other are shifting their focus to up-and-coming countries like Nigeria, Kenya and Ethiopia. This entails huge opportunities for foreign trade specialists such as DF Deutsche Forfait AG, which has been active in the region for many years and whose market knowledge and network represent major success factors for expanding the business volume on the African continent.

A trading post turned economic area

In the late 1990s, post-colonial Africa’s hopes for a sustainable economic upswing had vanished. Many countries were controlled by political elites, most of whom were neither willing nor able to improve health and educational standards and, hence, the economic situation. The few foreign raw materials and consumer goods corporations that were active in the region were reluctant to make investments. While production capacities were built up in booming Asia, Africa remained a trading outpost for natural resources and commodities with low added value.

In the past years, there have not only been growing hopes but the economy has, in fact, substantially been growing too. Greater political stability, better educational opportunities and the new phenomenon of middle class consumers are attracting large foreign corporations such as Hyundai, General Electric, Nokia, Samsung or Google. They are establishing their own production facilities and branches in Africa because they see new sales opportunities and want to organize production and distribution on the continent themselves. Samsung, for instance, plans to generate sales revenues of roughly USD 10 billion in Africa in 2015. A major contribution to Africa’s development was the modernization of the IT- and telecommunications sector by companies like ZTE and Huawei. At the same time, African enterprises are becoming more professional. But there are still huge challenges. First, there is the diversity of the continent, which is home to 54 nations and hundreds of ethnic groups. Second, distribution of goods is difficult because of the geographic conditions and the lack of infrastructure.

All told, doing business in Africa still entails huge risks. Exporters who have no local presence need partners who have special market knowledge and detailed information about financing possibilities, maturities and the required

Forfeiting volume of DF Group in Africa

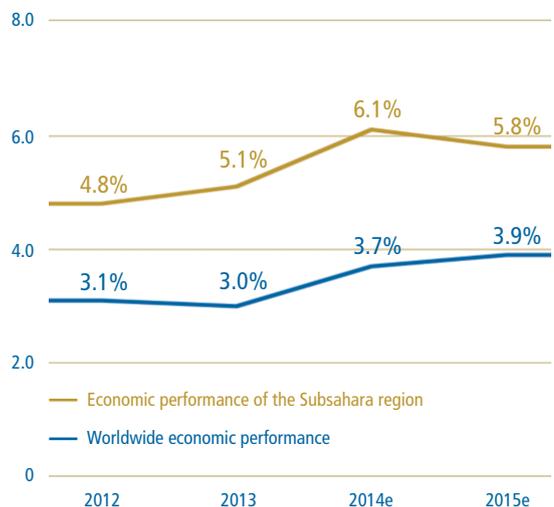
EUR million – in parenthesis share in overall DF business volume



Source: DF Deutsche Forfait AG, Annual Report 2013

Development of economic performance

Total world compared with the performance of the Subsahara region in %



Source: World Economic Outlook of the International Monetary Fund (as of: 01/2014)



A natural blend of order and chaos on market day: Monrovia, the Liberian capital, is home to a population of some 1.1 million people. Located on West Africa's Atlantic coast, the city is a hub of trade and industry primarily on account of the Freeport of Monrovia.

documentation. DF Group has been active on the African continent for many years and has managed transactions worth over EUR 130 million during this time, thereof EUR 71 million in 2013 alone. Local relationship banks in Sub-Saharan Africa have only limited financing possibilities, which means that export transactions often become possible only with the help of DF experts. DF Group manages its African business out of its offices in Cologne and Dubai and regularly visits the key markets. Besides the key financial data, the most important factors for realising transactions include political stability, a decent infrastructure and the development potential of the country.

In 2013, the company supported exporters by arranging financing and risk hedging in Ethiopia, Nigeria, Kenya, Tanzania and Togo. This way, DF Group enabled the delivery of telecommunication systems to Nigeria and import of software licenses for a major corporation in Togo, West Africa. Due to their long maturities and/or the lack of guarantees from importers' banks, these transactions were not feasible for banks. This is where DF Group's good local knowledge paid off. Investors also have growing demand for short or medium-term export receivables originated in African risk, which means that the importance of the continent for DF Group's business activity will continue to grow.

GROUP MANAGEMENT REPORT

Fundamentals of the DF Group

Economic report

Supplementary report

Opportunities- and risk management report

Matters relevant to acquisitions

Corporate governance statement

Outlook



FUNDAMENTALS OF THE DF GROUP



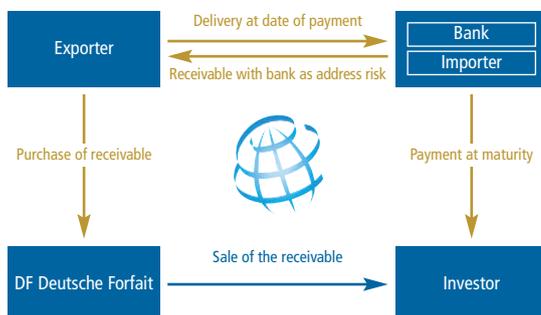
BUSINESS MODEL

DF Group, which comprises the Cologne-based parent company, DF Deutsche Forfait AG, as well as five wholly-owned subsidiaries in Brazil (São Paulo), the Czech Republic (Prague), the USA (Miami), Pakistan (Lahore) and Dubai, specializes in foreign trade financing with a focus on the emerging markets. The company acts as an intermediary between exporters/importers, forfaiting companies or banks on the one hand and investors on the other. On the purchasing side, DF Group acquires foreign trade receivables (hereinafter briefly also referred to as "receivables") either directly from the exporter or importer (primary market) or from banks or other forfaiting companies (secondary market) which have previously acquired the receivables from an exporter or importer. On the placement side, specific receivables are resold to investors, usually banks. In its trading activities, DF Group takes advantage of the lack of transparency of the market and relies on its long-standing global network. This way, the company generates attractive margins. These are based on the different risk assessments of individual receivables by the market participants in the various geographic regions as well as on the fact that DF Group structures the receivables before reselling them. In addition, DF Group benefits from its long-standing market knowledge, its ability to bridge finance the trade receivables (i.e. the short-term provision of liquidity for the seller of the receivable without having placed the respective receivable) as well as from efficient examination and settlement of the documentation.

DF's business model is based on forfaiting, which is a classic export financing instrument. In the forfaiting business, receivables are acquired at a discount from the nominal value. This discount on the market value is calculated on the basis of the money and capital market interest rate for the equivalent term and at matching exchange rates (e.g. 6-month or 1-year LIBOR or 2-year swap rate) plus risk margin. The margin takes the individual risk of each transaction into account, which mainly depends on country and counterparty risks of the primary debtor (importer) and the secondary debtor (e.g. credit insurance, guaranteeing bank). The margin is additionally influenced by the complexity of the transaction including the documentation.

What makes forfaiting interesting to export-oriented companies? In view of the market saturation tendencies in the developed countries – especially the industrialized countries – the development of new markets in the world's growth regions is of high strategic relevance for enterprises. When delivering products to developing and emerging countries, exporters must usually grant extended payment terms to importers. This is primarily due to the fact that developing and emerging countries have underdeveloped financial systems in which financing instruments such as equipment leasing are available only to a limited extent or not at all. This leads to (trade) receivables being retained on the exporter's balance sheet. Even though receivables arising from exports to developing and emerging countries are typically secured by a local bank in the

Classic Forfaiting



importing country, they tie up exporters' liquidity and force them to take and manage specific risks outside of their core business, which requires specific expertise. DF Group assumes these specific risks and tasks through the non-recourse purchase of the receivable. The exporter receives liquidity quickly and removes the risks from the balance sheet.

Apart from forfaiting, DF Group takes over risks from its customers under purchase commitments. Unlike forfaiting, purchase commitments only involve the assumption of country and counterparty risks without providing liquidity. Purchase commitments are secured by bank guarantees, third-party counter-guarantees or credit insurance in favor of DF Group, which means that the risks are mitigated. DF Group also purchases lease and loan receivables, which are usually sold or hedged by purchase commitments.

Investors buy foreign trade receivables because they unlike synthetic financial instruments, are based on the physical shipment of goods. The (primary) debtors are usually companies whose risk has been rated attractive since the financial crisis. Moreover, in the case of export receivables from (primary) 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 private or government credit insurance (secondary debtor). Also, the L/C and note receivables often used in foreign trade represent abstract payment promises and are thus unrelated to the underlying transaction and potential claims resulting from

them. This makes foreign trade receivables attractive to investors under risk/return aspects.

New business segment Asset Management

With its trade finance funds concept, DF Group not only expands its placement base and establishes a new asset class but also extends its business model. In the past, the company used to place its export receivables only with specialized investors and banks with trade finance expertise. These individual placements will now be complemented by trade finance funds placements, which will allow new investor groups such as insurers, pension funds and family offices that lack the specific expertise required for the processing of foreign trade receivables in order to invest in (foreign) trade receivables. This processing function – especially the management and collection of the foreign trade receivables – is performed by the trade finance fund. To exercise this function, the latter sources services from Deutsche Kapital Ltd. ("DKL"), a wholly owned subsidiary of DF Deutsche Forfait AG ("DF AG").

As asset manager of the trade finance funds, DF Group will also have access to new sources of income: 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 receivables acquired by the trade finance funds and receive service fees in return. In those cases where the trade finance funds purchase the receivables in which they invest from DF Group, the latter will earn the usual forfaiting margin as a reseller.

Structure of DF Group

Besides Cologne-based DF Deutsche Forfait AG as the ultimate parent company, 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 a partner in Italy. In the second quarter of 2013, the Helsinki office was closed due to lower business volume handled with the Scandinavian markets. In addition to this broad international network of subsidiaries and branches, DF Group cooperates with external intermediaries (collectively referred to



as the "sales organization"). This sales organization ensures that DF Group has direct access to the various regional markets and allows it to perform its function as a global intermediary between the purchasing side and the placement side. It is not important for DF Group to have a presence in each individual country but to have the local markets covered by a sales organization with a regional presence. This gives DF Group the flexibility to respond to changing conditions in the individual local markets and to (temporarily) exit markets or develop or enter attractive markets quickly. The employees at the company's branches and the intermediaries have their own networks in the individual regional markets.

With the exception of the subsidiary in Prague, which is involved in back office tasks for individual transactions as and when required, the foreign subsidiaries and offices as well as the intermediaries focus exclusively on marketing and sales activities. They are responsible for preparing the purchase as well as the placement of the foreign trade receivables. However, the decentralized sales organization is not authorized to close transactions autonomously. Thanks to this clear focus and the allocation of tasks between the sales organization and the parent company, new markets can be developed relatively quickly and without major financial expense.

The parent company, DF AG, coordinates the sales organization and is in charge of DF Group's refinancing activities, risk management, contract management and documentation as well as the final placement of transactions.

Employees: Diversity is key

The core business of DF Group takes place on a global level, which means that a high degree of linguistic and cultural diversification is key to success. A team of international employees represents DF Group in five subsidiaries worldwide as well as two branches. This diversity benefits the company and its customers in their day-to-day business as local language skills and an understanding of the local culture help to gain optimum access to the respective markets and the parties involved in the transactions. To maintain this high standard, the company actively promotes diversity among its workforce.

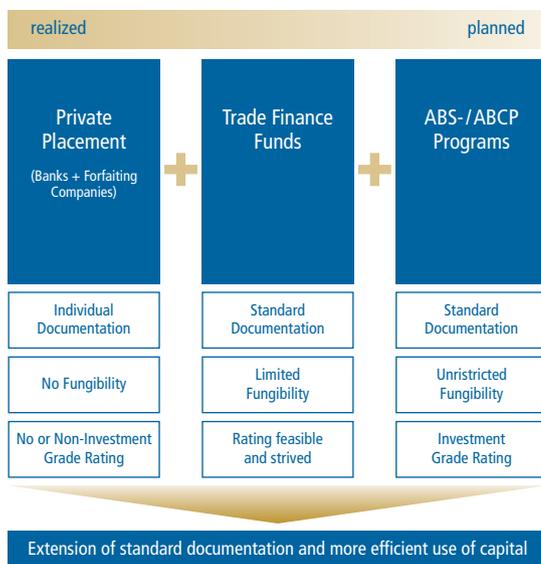
DF Group offers its employees personalized vocational and further trainings, which are geared to employees' unique requirements and preferences as well as to the company's requirements. The high degree of specialization of the employees and the concentration of the contract management functions in Cologne allow DF Group to expedite even highly individualized and complex export finance transactions. Especially because of the customised nature of each case and the complexity of the transactions, the range of services provided by DF Group go far beyond conventional financing advice and thus forms the very basis of the company's market position. The cooperation of international staff teams at the Cologne branch supports fast and flexible solutions for our customers on the purchasing and placement sides. This gives DF Group an important competitive advantage over other international providers of forfaiting solutions (banks, forfaiting companies), which usually have a decentralized organization and must bring together employees from different countries/locations to form (project) teams.

At the end of 2013, DF Group employed 61 people, which was equivalent to the previous year. 47 people work at the Cologne headquarters, while 12 work at the global branches and in Sales and Marketing at the company's subsidiaries. DKL, DF Group's asset management arm, has employed a team of two people since April 2013.

OBJECTIVES AND STRATEGIES

After DF AG's successful removal from the Specially Designated Nationals list ("SDN list") of the US Office of Foreign Assets Control ("OFAC") in October 2014, DF Group now aims to achieve a business volume of EUR 0.9 billion in the medium term and to return to positive results. To lay the key foundations for reaching this objective, DF Group launched a number of important strategic measures in the past financial year 2013. Besides the bond issue, these measures included building up the trade finance fund business as well as the asset backed securities (ABS) / asset backed commercial paper (ABCP) programs. In addition to these strategic measures, DF Group

Broader investor base



plans a comprehensive restructuring concept, which is described in detail under "Post-balance sheet events". The purpose of the restructuring concept is to offset the losses incurred, partly because of the OFAC listing, and to strengthen the equity position in the long term.

In May 2013, DF AG successfully issued a 7-year corporate bond in a nominal amount of EUR 30 million. This bond greatly helps to stabilize the financing structure and allows DF Group to purchase attractive export receivables and keep them in the portfolio until it can be resold at the best possible price in accordance with its business model.

In view of the size of the market for foreign trade receivables, our corporate activity continues to focus on allocating the available refinancing capacities in the best possible manner from a risk/return point of view. Based on the business volume realized by DF Group in the past years, profitable growth is possible only if optimum use is made of the available limited resources. For a trading company, the turnover of the goods purchased and sold – i.e. of DF Group's export receivables – is a major criterion for the efficient utilization of its refinancing

resources. The turnover depends not only on the complexity of the export receivables but also on the breadth of the placement base.

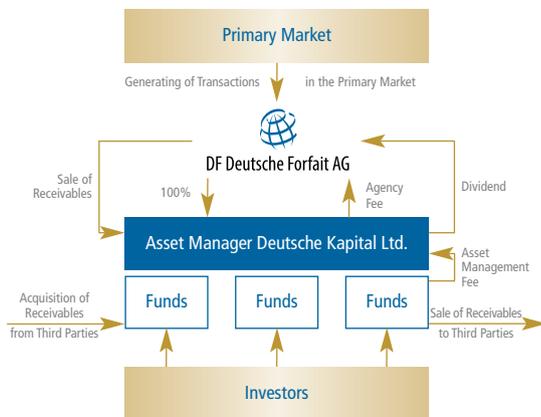
Both variables are addressed by DF Group's strategic projects. The company plans to group receivables based on special predefined properties and selection criteria and to sell them to investors in the capital market via ABS and ABCP structures. The securities issued in the context of ABS/ABCP structures are usually investment grade rated securities. ABS/ABCP structures thus allow DF Group to group receivables which are typically not rated or have a non-investment grade rating into investment grade portfolios which can be traded in the capital market.

The two projects (trade finance funds and ABS/ABCP structures) extend DF Group's placement radius and lay the basis for a strong increase in the business volume, not least because business with these investor groups is much more standardized and characterized by much shorter processing time. Due to their investment grade ratings, ABS/ABCP make it possible to address investors and/or funds that require their investment vehicles and/or the securities issued by the latter to have at least an investment grade rating. These include, in particular, the regulated assets of insurance companies.

In addition, the trade finance funds concept will expand DF Group's income base. As the company's wholly-owned subsidiary, DKL, is responsible for the asset management of the trade finance funds, it generates not only a margin from the sale of the receivables to the trade finance funds but additionally also an asset management fee for the management of the funds. The trade finance funds and the ABS/ABCP programs will initially make only a low contribution to the total business volume. We project a placement volume of EUR 50 million for the ABS/ABCP programs in the first year following their implementation and project the assets managed by the trade finance funds to total EUR 20 million.

Besides increasing the business volume and expanding and diversifying the income base, DF Group aims to reduce its administrative expenses in order to increase both the return on assets and the return on equity.

Trade Finance Funds



CONTROLLING SYSTEM

The gross result including financial results is the key performance indicator for success in the forfaiting business. It is derived from the forfaiting volume and the margin. The latter comprises the current interest income received while a receivable is held as well as the difference between the purchase and the sales price of a receivable.



This figure also includes the financial result 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. During this period, interest expenses are incurred for the receivables held in the trading portfolio. The corresponding income figure is the forfaiting income included in the gross result. Another important performance indicator for the business of DF Group is the business volume, which is defined as the nominal value of all forfaiting transactions closed in a reporting period. The business volume also comprises debt collections, agent transactions and loans. Other performance indicators used in DF Group's controlling and reporting systems are consolidated net income as well as Group return on equity and return on assets.

Besides the externally communicated performance indicators, DF Group implemented an additional new internal controlling system in 2013 to achieve its strategic objectives. It comprises a scoring model and a risk-adjusted pricing model. The two components of the new controlling system are designed to ensure a more efficient allocation of all resources (primarily human resources, equity and debt capital) to transactions with an attractive risk-return mix and the shortest possible refinancing and holding period. This way, the business policy of DF Group is focused even more strongly on buying and selling foreign trade receivables. From DF Group's point of view, transactions with shorter holding periods are especially attractive as they enable faster turnover of the resources available for refinancing. As a result, a higher business volume and growing income can be generated on the same refinancing basis.

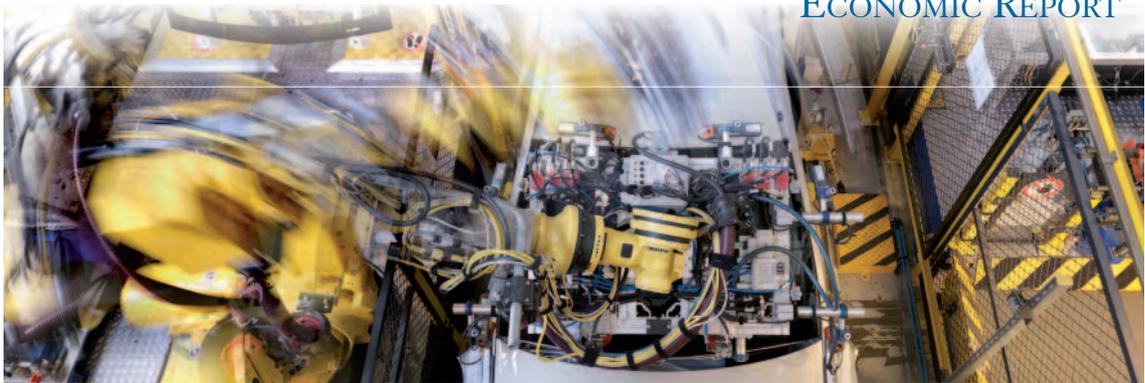
The scoring model serves to assess the sales performance of the individual units of the sales organization. The risk-adjusted pricing model provides a benchmark for the respective transaction closed based on a minimum interest rate for each transaction and taking the respective risk of default into account.

The scoring model consists of a quantitative and a qualitative part which are weighted 2:1. The quantitative part is divided into eight sub-categories with different weighting factors. One focus of the assessment is on the degree to which a sales unit reaches the annual targets set with regard to business volume, profit contributions and cost coverage. Another central component of the scoring model is the assessment of the return, the holding period and the (default) risk of the export receivable acquired or placed. The scoring model rewards those transactions which are characterized by a high return and a short holding period and are thus in line with DF Group's trading-oriented business model. The qualitative part assesses aspects such as the development of the customer base (new customers, existing customers), the number of customer inquiries, marketing activities as well as other factors (e.g. acquisition of credit lines).

The risk-adjusted pricing model is based on the principle that the interest earned on a transaction – defined as internal rate

of return (IRR) – must cover at least DF Group’s (total) cost of capital. The (total) cost of capital is equivalent to weighted average costs of capital (WACC) and is determined by the amount of debt capital and the interest paid on it as well as by DF Group’s targeted return on equity (ROE). This reflects the idea that transactions with a longer holding period tie up refinancing resources for an extended period of time and thus have an adverse impact on DF Group’s volume and earnings

growth. A specific return on assets is therefore determined for each transaction, which depends on the expected holding period, the probability of default of the parties involved in a transaction, the (total) cost of capital and the probability of the receivable being sold. The expected IRR is calculated before a transaction is closed; an additional post-calculation of each transaction ensures that conclusions for the pricing of future transactions can be drawn from potential deviations.



ECONOMIC REPORT

Besides the information on the 2013 financial year provided below, we explicitly mention the disclosures under “Post-balance sheet events” and the consequences of the OFAC listing in 2014. During the 249-day OFAC listing, the company’s scope for action was restricted significantly and its operations came to a virtual standstill.

DF Group is not at all satisfied with the fiscal year 2013 as a whole. This is particularly true of the operating performance. While the business volume of approx. EUR 310 million and the consolidated net income of EUR 1.0 million posted at the six-month stage were still in line with DF Group’s expectations, the performance in the second half of the year fell clearly short of the company’s targets. This is attributable to the moderate import demand from emerging markets in the third quarter,

which was due to general uncertainty about the future trend in the world economy and the resulting restraint among investors as well as to the strong depreciation of the currencies of many emerging and developing countries. Market participants expected the US central bank to end its quantitative easing policy in the foreseeable future or at least to reduce the volume of its bond purchases considerably, which would lead to rising interest rates and thus make US investments more attractive compared to investments in emerging and developing countries.

Demand from developing countries picked up again in the fourth quarter as these market expectations failed to materialize. But DF Group was unable to benefit from this turnaround in the remaining course of the past financial year.

The reasons for this included:

- the longer processing times of transactions with new customers in the strategically important but still undeveloped African market, which met our expectations and in which DF Group signed contracts worth EUR 27 million in the fourth quarter of 2013;
- delays in the placement of some larger transactions, including those closed in Africa, which took place only at the beginning of 2014.

Due to these market developments, funds were tied up (longer) and could not be used for new business. At the same time, no sales proceeds were generated.

In spite of the disappointing operating performance, DF Group initiated a number of important strategic measures in 2013. The successful issue of a 7-year EUR 30 million bond allowed the company to expand its refinancing capacity and its creditor structure and to diversify the maturity structure of its debt capital. Moreover, the introduction of new controlling systems such as the scoring model and the risk adjusted pricing model helped improve and refine the internal sales management processes. The launch of the first trade finance fund and of ABS/ABCP programs means that important projects aimed at future growth were pushed ahead with a view to broadening the investor base. These projects expand the investor base, speed up the turnover of the receivables purchased and, hence, increase the business volume. Sales financing is of special importance for exporters, especially with a view to the emerging and developing countries: in these markets, the ability to offer importers sales financing solutions is a strategic success factor, all the more so as these markets often lack a functioning banking and financing system which investors could access.

MACROECONOMIC AND INDUSTRY-RELATED ENVIRONMENT

The world economy grew more slowly in 2013 than originally expected. According to the International Monetary Fund (IMF),

the global growth rate of 3.0% was down by 0.5 percentage points on the original projections of January 2013. Among the main reasons for this weaker growth were the ongoing sovereign debt crisis in many industrialized countries, the budget dispute in the USA and the uncertainty about the future monetary policy of the US central bank as well as increased risks to growth in the emerging and developing countries. The latter posted a growth rate of 4.7% in 2013, which was clearly below the long-term average of 6.2%.

In spite of the temporarily more subdued outlook for the key emerging countries, the overall market conditions for DF Group are positive. In many regions, companies are highly confident that trade volumes will increase over the medium to long term. All the more so as the emerging and developing countries are attractive to many companies from the consumer and capital goods industries. These markets are not saturated yet; on the one hand, these countries have a growing middle class, which is beginning to have demand for consumer goods now that their basic needs are met. On the other hand, there is huge demand for infrastructure investments, as the development and expansion of the infrastructure is a precondition for the further development of these countries.

At 112, HSBC's semi-annual Trade Confidence Index stood clearly above the neutral level of 100 in autumn 2013. The six-month outlook for India, the United Arab Emirates and Indonesia is excellent. Companies' confidence is being driven by strongly growing demand for better infrastructure in emerging countries. As transport routes and supply networks in Asia are already testing their limits, global exports of infrastructure goods are expected to grow by almost 10% p.a. Transport routes and an energy infrastructure are virtually non-existent in Africa, which means that there is huge potential for the export sector. Focusing on trade with the emerging markets, DF Group will benefit from this trend and plans to expand its leading position in this niche segment.

Large market for purchases, changed placement conditions

On the purchasing side, demand for foreign trade finance remains sufficient overall due to the size of the market. Temporary uncertainty about the global economic trend in the

second half of 2013 has not reduced the general attractiveness of the market. The saturated established markets force exporters to tap new customers and growth markets whose risks – especially those which have nothing to do with their own product or service – are difficult to assess. Importers are therefore looking for a partner who advises them on the financial settlement of the transactions with foreign suppliers and who takes care of the financing. While the operational risk rests with the exporter, DF Group supports exporters and importers by purchasing foreign trade receivables, thus providing liquidity and assuming financial (non-operational) risks.

On the placement side, investor demand in 2013 focused primarily on traditional trade receivables such as letters of credit. Most of the transactions had short maturities, but investors also absorbed multi-year maturities and good corporate risks. DF Group's placement activities have increasingly shifted to the respective regions of the importers (forfeiting debtors) and third-party debtors (banks, credit insurers). This is yet another proof of the importance of DF Group's international sales organization. Compared to the previous years, large European banks and German landesbanks are showing only little purchasing activity in the market. In the past – especially prior to the financial crisis – these market participants regarded the purchase of export receivables as a kind of "surrogate loan business", but due to the increased equity requirements under Basle III and to stricter compliance requirements, they have scaled down their activities in this area significantly. Against this background, it is even more important for DF Group to use its trade finance funds concept and the ABS/ABCP programs to tap new investor groups for whom investments in foreign trade receivables were no option in the past given that such investments require specific expertise in managing and collecting foreign trade receivables. Only banks have traditionally had such expertise. As investment vehicles are used in both cases and investors do not purchase the receivable directly, the investment vehicle or a third party (e.g. DF AG) may take care of the management and the collection of the foreign trade receivables.

While our subsidiary, DKL, obtained all necessary permits and approvals for the asset management of trade finance funds

from the competent authorities in Dubai in the first half of 2013, the first closing with a strategic investor failed to materialize in 2013 contrary to what DF Group had expected. The first closing originally expected for the first quarter of 2014 was delayed further because of DF Group's listing on the SDN list. This was due to the fact that, under US sanction laws, the investors with whom DF was conducting negotiations were barred from investing in fund vehicles managed by a company that is a member of a group whose parent company appears on the SDN list. This is why no foreign trade receivables have been sold to the trade finance funds so far, which means that the planned reduction in the holding period of individual transactions in DF Group's trading portfolio was not achieved. The second half of 2013 saw good progress in implementing an ABS/ABCP program, which is the second component in the company's strategy to broaden its investor base.

BUSINESS PERFORMANCE

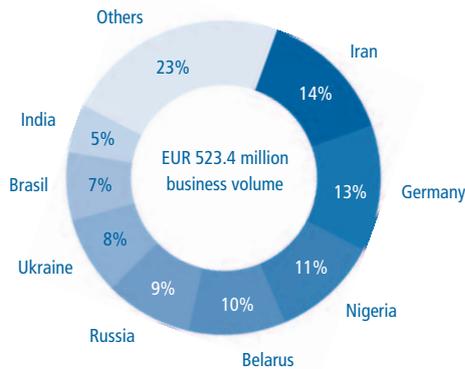
Result of operations

Besides the following information on the business performance and the result of operations in the 2013 financial year, we explicitly mention the disclosures under "Post-balance sheet events" and the consequences of the OFAC listing in 2014, due to which the financial situation of the company deteriorated materially.

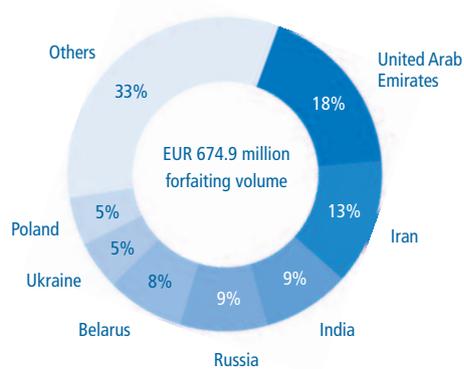
DF Group closed the 2013 financial year with a consolidated net loss of EUR 12.6 million (previous year: consolidated net income of EUR +2.1 million).

Besides the weak operating performance, which led to a 22% decline in the business volume, this was due to delays in building up the trade finance fund business and the high allocations to valuation allowances and write-downs in the amount of EUR 9.8 million. The result was also adversely affected by the changed valuation of deferred taxes, which led to a deterioration in the result because of deferred taxes in the amount of EUR 1.3 million (please refer to the information provided in the revised notes to the consolidated financial statements).

Breakdown of the business volume by region in the year 2013



Breakdown of the business volume by region in the year 2012



The forecast for the 2013 financial year was missed by a wide margin. DF Group had expected the result for the first half of 2013 to be adversely affected by the build-up of the trade finance fund. Growing results were projected for the second half of 2013 and for 2014, with contributions also expected from the funds business. The build-up of the trade finance fund business has been delayed significantly and was not completed by the end of 2013. The costs generated in conjunction with the build-up of the trade finance fund totaled kEUR 628. Besides the losses incurred by the consolidated DKL in the amount of kEUR 434, these costs also include legal and consulting expenses of kEUR 187.

DF Group's operating performance also remained clearly below the targets set by the company. The business volume in 2013 totaled EUR 523 million, which represents a decline by 22% on the previous year. At EUR 213.9 million (previous year: EUR 323.2 million (34%)), the business volume, particularly in the second half of the year, clearly fell short of the company's expectations publicized at mid-year. The summer months and the third quarter of 2013 were characterized by a generally weak market. The reasons for this are explained in detail in the economic report. The performance in the fourth quarter of 2013, at EUR 85 million, was much lower than expected due to delays in the placement of receivables. One of the reasons for

this was the longer processing times required for transactions with new customers in the strategically important African market.

The business volume with Africa nevertheless more than doubled in 2013, climbing from EUR 33 million to over EUR 70 million (+ 112%). Nigeria made the third biggest contribution to the company's business volume in the past financial year 2013. Iran accounted for 14%, which was virtually on a par with the previous year's 13%. Accounting for 13%, Germany made the second biggest contribution to the business volume. As in the previous years, the business volume was characterized by broad geographic diversification in 2013.

Ignoring net valuation, which is explained separately below, the gross result before financial results declined from EUR 15.0 million in 2012 to EUR 2.4 million in 2013. This represents a decline by EUR 12.6 million (-84%). While forfeiting income changed only moderately from EUR 10.1 million in 2012 to EUR 9.3 million in 2013, commission income dropped sharply due, among other things, to lower income from business with Iran and from business with a key account. The factors described below also had an important impact on the bottom line. Allocations to write-downs and valuation allowances for the receivables portfolio totaling EUR 9.8 million.

a) Due to the company's SDN listing, several legal disputes relating to overdue receivables could not be pushed ahead within the originally expected time-frame. To reflect the fact that the incoming payments will now be received in the future, the company has valued the expected future payments at the fair value, which has resulted in valuation allowances totaling EUR 1.7 million. Regardless of the actual time at which the receivables are received, book profits in the same amount would be realized if the receivables are received in full. These time delay effects have already been taken into account for receivables for which valuation allowances were established in the past.

b) Due to developments since April 2014 and the resulting additional insights gained, additional valuation allowances and write-downs totaling EUR 6.2 million have become necessary besides the amounts stated under a) above; these break down as follows:

- (i) EUR 2.1 million for receivables due from a Mexico-based service company in the offshore oil exploration sector, which filed for insolvency in May 2014. DF Group has various overdue receivables from this company in its books, most of which are credit-insured. Besides the credit-insured receivables, there is an unsecured portion with a carrying amount before valuation allowances of EUR 3.8 million.
- (ii) EUR 1.6 million relating to overdue receivables from a trading firm in Dubai, UAE.
- (iii) EUR 2.5 million for receivables from a steel trading firm in the UK and its holding company as well as its company in Dubai, UAE.

c) The difference of EUR 1.9 million between the write-downs and valuation allowances established in the total amount of EUR 9.8 million and the write-downs and valuation allowances stated under a) and b) above (EUR 7.9 million) primarily relates to the allocation to country valuation allowances.

The Group's gross result including financial results dropped from EUR 12.9 million in the previous year to EUR -0.5 million.

Accordingly, the margin declined from 1.9 percentage points to 0.0 percentage points.

Expenses of EUR 0.2 million resulted from the retroactive payment of value-added tax in the total amount of EUR 2.2 million due to the retrospective declaration of unpaid VAT for the years from 2007 to 2013. The forfailing transactions of DF AG are normally exempt from VAT. An analysis of the company's VAT obligation conducted in conjunction with a debt collection first carried out for a domestic enterprise in 2013 showed, however, that DF AG failed to declare the value-added tax for certain services sourced abroad in accordance with the reverse charge procedure.

As the retroactive payment of value-added tax covers the period from 2007 to 2013, the error must be corrected retrospectively pursuant to IAS 8, regardless of the fact that DF Group did not become aware of the facts before the end of 2013. The first adjustment is made in the opening balance sheet for the comparative period (1 January 2012) for the 2013 reporting year. The pro-rated amount of the retroactive VAT payment up to that date totaling EUR 1.7 million is offset against the revenue reserves in the opening balance sheet as at 1 January 2012. The pro-rated amounts of the retroactive VAT payments for the years 2012 and 2013 are shown in the income statements for the respective financial years. The resulting adverse effect on the result for the 2013 reporting amounts to kEUR 332 (2012: kEUR 344). As a consequence of the retrospective treatment of the retroactive VAT payment and the first-time adjustment in the opening balance sheet for the 2012 reporting year pursuant to IAS 8, the figures in the presentation of the net assets, financial position and results of operation of DF Group for the period ended 31 December 2012 also had to be adjusted retrospectively.

Administrative expenses amounted to EUR 10.7 million in the 2013 financial year. The pro-rated expenses for the retroactive VAT payment for the 2013 reporting year is included in administrative expenses as operating tax in the amount of EUR 0.2 million. Adjusted for these extraordinary expenses, administrative expenses amounted to EUR 10.5 million, up 17% on the previous year (EUR 9.0 million excluding the pro-rated



expenses for the retroactive VAT payment). Personnel expenses climbed from EUR 3.6 million to EUR 4.5 million. The increase is primarily attributable to the initial consolidation of DKL as well as to a change on the Board of Management, which temporarily led to two salaries being paid for the same position. Other operating expenses rose by EUR 0.6 million. These primarily include higher costs for cooperation partners and additional costs incurred for the development of the new asset management segment, in which no income was generated in 2013 contrary to what had been expected.

Financial position

DF Group generated negative operating cash flow of EUR 9.6 million (previous year: EUR -24.9 million) in the 2013 financial year. The negative operating cash flow in the reporting year is primarily attributable to the consolidated net loss. In the previous year, the negative cash flow resulted from changes in trade receivables and trade accounts payable.

Due to the consolidated net loss of EUR 12.6 million and the profit distribution of EUR 1.2 million, DF Group's equity declined from EUR 24.5 million to EUR 10.2 million (-58.4%). Based on total assets of EUR 107.9 million, this is equivalent to an equity ratio of 9.4% (previous year: EUR 96.9 million, +11%). Liabilities to banks decreased by EUR 12.6 million from EUR 63.8 million to EUR 51.3 million. Thanks to the successful placement of the EUR 30 million bond in May 2013, DF Group's funding base has been diversified significantly in terms of maturities and creditors. Trade accounts payable totalled EUR 12.8 million (previous year: EUR 5.4 million (+ 136%)) and mainly relate to payments received for passing on. The increase in other current liabilities to EUR 4.5 million (previous year: EUR 2.5 million (+ 83%)) is essentially attributable to the deferred interest liability for the bond. With regard to the changes which occurred after the balance sheet date, please refer to "Post-balance sheet events".

Net assets position

Trade receivables increased by EUR 9.7 million (+13%) to EUR 85.8 million as of the balance sheet date. Cash and cash equivalents amounted to EUR 20.6 million, up EUR 3.2 million (+18%) on the previous year. The increase in trade receivables

was attributable to the above-described delays in the resale of receivables. Receivables in the amount of EUR 16 million, whose sale had been firmly planned for the fourth quarter of 2013, were sold in January 2014.

In terms of their nominal value, 77% (previous year: 78% of the forfaiting transactions), which represent most of the trade receivables, are secured. Security normally takes the form of irrevocable obligations by a buyer to acquire the respective receivable, credit insurance or a bank guarantee. Cash security is also provided in certain cases.

FINANCIAL AND NON-FINANCIAL PERFORMANCE INDICATORS

One of the financial performance indicators of DF Group is the business volume (formerly forfaiting volume), which reflects the nominal value of the foreign trade transactions underwritten during a period. In the years from 2010 to 2012, the business volume averaged about EUR 660 million per financial year. Due to the bond issue and the launch of the strategic projects (trade finance funds and ABS/ABCP programs), the business volume was expected to stagnate in 2013, a year of transition, and to increase successively thereafter. This has not been achieved for the reasons described above.

Another financial performance indicator is the gross result including financial results described above as well as the resulting margin. In the years from 2010 to 2012, the gross result including financial results averaged about EUR 12 million and was expected to stay at the level of the 2012 financial year (excluding the trade finance business). This was not achieved, primarily because of the allocations to valuation allowances and write-downs.

Finally, consolidated net income is an important financial performance indicator. Due to a number of extraordinary factors, consolidated net income was subject to strong fluctuations during the past years. The aim of reporting positive consolidated net income was missed by a wide margin in 2013

A non-financial performance indicator was introduced by DF Group in 2013 in the form of a scoring model. As described in chapter 1 c), the scoring model serves to assess the sales performance of the individual units of the sales organization.

COMPENSATION REPORT

Compensation for the Board of Management

In the 2013 financial year, total compensation for members of the company's Board of Management was EUR 1,220,102.09. Mr Jochen Franke resigned from the Board of Management with effect from 26 March 2013 but was employed by the company until 30 September 2013. Total compensation for the entire 2013 financial year was divided among the members of the Board of Management as in the table on page 23.

The calculation formula for the variable compensation based on the company's earnings per share resulted in no performance-related compensation for the fiscal year 2013. The members of the Board of Management are entitled to a performance bonus only if earnings per share in the bonus year exceed EUR 0.35.

The company also provides members of the Board of Management with a company vehicle and pays accident insurance premiums.

In addition, the company has committed to pay – for a period of six months from the start of an illness – the difference between the net fixed salary and health insurance and/or sickness benefits that are received by a member of the Board of Management or would be received in case of insurance coverage.

The Board of Management consists of Ms Attawar, Mr Franke (Board member until 26 March 2013) and Mr Wippermann (Board member until 24 February 2014) additionally include immediate pension benefit plans. Benefits are payable when a member of the Board of Management passes away or retires due to age. Mr Franke will receive a capital payment in this case. In contrast, Ms Attawar and Mr Wippermann have the

right to choose an annuity or a capital payment. No more premiums have been paid since November 2012 due to the contractually agreed expiry of the contribution periods.

According to these pension benefit plans, the members of the Board of Management receive a guaranteed old age pension from DF Deutsche Forfait AG. The amounts are as follows:

- Marina Attawar: Annuity of EUR 11,022.60 or a one-time capital payment of EUR 202,518.00
- Jochen Franke: One-time capital payment of EUR 147,244.00
- Ulrich Wippermann: Annuity of EUR 20,964.48 or a one-time capital payment of EUR 338,278.00.

The amount due to Mr Wippermann is increased by monthly personal contributions; the effects of these personal contributions are already reflected in the above amounts.

In addition, members of the Board of Management receive the following payments from a reinsured benevolent fund starting at age 65. All members of the Board of Management have the right to choose between annuity payments or a capital payment:

- Marina Attawar: Insured annuity in the amount of EUR 15,247.40 or a capital payment of EUR 273,572.00
- Jochen Franke: Insured annuity in the amount of EUR 27,888.90 or a capital payment of EUR 451,874.00
- Ulrich Wippermann: Insured annuity in the amount of EUR 31,367.70 or a capital payment of EUR 483,730.00

Once again, Mr Wippermann is making personal contributions to the fund; the effects of these personal contributions are already reflected in the above amounts.

Since Mr Franke resigned, the company has paid no more contributions to the fund in his favor. The same has applied to Mr Wippermann since his resignation in February 2014.

Based on a deferred compensation agreement with the members of the Board of Management, contributions from DF Deutsche Forfait AG are submitted to the insurance providers mentioned above. Until September 2013, they amounted to



Board of Management compensation for the financial years 2012 and 2013

Granted donations (in EUR)	Marina Attawar			Ulrich Wippermann			Jochen Franke			Frank Hock		
	Board Member			Board Member			Board Member (until 30-09-2013)			Board Member (since 01-03-2013)		
	FY 2012	FY 2013	FY 2013 (Max)	FY 2012	FY 2013	FY 2013 (Max)	FY 2012	FY 2013	FY 2013 (Max)	FY 2012	FY 2013	FY 2013 (Max)
Fixed salary	252,999.96	305,000.04		252,999.96	305,000.04		252,999.96	228,750.03		0.00	254,166.70	
Other compensation ¹	14,992.82	14,874.77		21,898.10	21,405.86		16,976.54	7,352.25		0.00	10,821.92	
Total	267,992.78	319,874.81		274,898.06	326,405.90		269,976.50	236,102.28		0.00	264,988.62	
Annual variable compensation	0.00	0.00	298,900.00	0.00	0.00	298,900.00	0.00	0.00	224,175.00	0.00	0.00	249,083.00
Multi-year variable compensation	0.00	0.00	311,100.00	0.00	0.00	311,100.00	0.00	0.00	233,325.00	0.00	0.00	259,250.00
Total	267,992.78	319,874.81	610,000.00	274,898.06	326,405.90	610,000.00	269,976.50	236,102.28	457,500.00	0.00	264,988.62	508,333.00
Benefit obligation ²	20,494.92	20,494.92		20,494.92	20,494.92		20,046.72	15,035.04		0.00	16,705.60	
Total compensation	288,487.70	340,369.73		295,392.98	346,900.82		290,023.22	251,137.32		0.00	281,694.22	

¹ In 2013: company vehicle, accident insurance, partial payment of health insurance/long-term care insurance, "job ticket"

² In 2013: pension contribution, BVV basic pension

EUR 3,067.76 per month. Since October 2012 the monthly contributions have amounted to EUR 2,300.82.

Besides the basic salary, the current contracts of the members of the Board of Management provide for a taxable monthly additional benefit in the amount of EUR 1,500, which may be used for company pension purposes. The company has not granted loans to members of the Board of Management nor provided guarantees on their behalf. During the current and preceding financial years, the members of the Board of Management were not involved in transactions outside the normal course of business of the company or other transactions of unusual form or content. They were also not involved in any such unusual transactions in earlier preceding financial years that have not yet been finalized.

Members of the Board of Management do not receive compensation based on shares.

Compensation for the Supervisory Board

Compensation for the Supervisory Board is governed by Section 12 of the DF Deutsche Forfait AG Articles of Association. Members of the Supervisory Board receive a fixed annual

compensation of EUR 13,000 in addition to the reimbursement of expenses incurred while meeting their responsibilities. The chairperson and deputy chairperson receive twice this amount. In addition, members of the Supervisory Board receive an attendance fee of EUR 500.00 for every Supervisory Board meeting they attend. In view of the company's results, the incumbent members of the Supervisory Board decided at the end of 2013 to waive their attendance fees for the year 2013.

In the 2013 financial year, compensation for all activities of all members of the Supervisory Board of DF Deutsche Forfait AG was EUR 108,921.14. Individual compensation for members of the Supervisory Board for 2013 is listed in the table on page 24.

There are no service agreements between the members of the Supervisory Board and the company that provide for perks at the end of the term of service.

The members of the Supervisory Board were not provided with compensation or other benefits in exchange for personal service in addition to the responsibilities of the Supervisory Board described above, such as consulting or deal acquisition. There are no additional contracts between the members of the

Supervisory Board compensation for the 2013 financial year

(Compensation in EUR)	Fixed salary	Attendance remuneration	VAT 19%	Total
Hans-Detlef Bösel	26,000.00	0.00	4,940.00	30,940.00
Christoph Freiherr von Hammerstein-Loxten	26,000.00	0.00	4,940.00	30,940.00
Florian Becker	13,000.00	0.00	0.00	13,000.00
Dr. Ludolf-Georg von Wartenberg	13,000.00	0.00	2,470.00	15,470.00
Clemens von Weichs	13,000.00	0.00	2,470.00	15,470.00
Frank Hock (until 28-02-2013)	2,106.00	0.00	400.14	2,506.14
Total	93,106.00	0.00	15,220.14	108,326.14

Supervisory Board and the company. DF Deutsche Forfait AG has not granted loans to members of the Supervisory Board nor provided guarantees or warranties on their behalf.

THE DF SHARE AND BOND

DF share gains slightly in 2013

2013 was a record year for German shares. Having shown great strength already in 2012, Germany's DAX again delivered a positive performance and closed 2013 25% higher than the previous year. Driven by the better-than-expected economic trend and a growing number of people in employment, the DAX passed the 9,000 points mark in the second half of 2013 and ended the year at 9,552 points, i.e. close to its all-time high. Germany's small and mid-caps also showed an above-average performance in 2013. The MDAX gained 29%, while the SDAX small-caps index and the Tec-DAX technology index each gained about 40%. German finance shares, which are represented by the DAX Sector Financial Services, benefited less strongly and closed the year 2013 only 15% higher than the previous year.

The global equity markets benefited from the loose monetary policy of the US and European central banks. The Dow Jones gained 26% in 2013, while S&P Index closed almost 30% higher than a year before. Asia's Nikkei and Hang Seng also picked up sharply in the course of the year.

The DF share gained moderately in the course of the year but clearly underperformed the stock market as a whole. The share price stood at EUR 3.80 at the beginning of the year and climbed to a 2013 high of EUR 5.88 in May, driven by the successful issue of the DF bond. As the year progressed, the share price dropped again, not least due to the ex-dividend markdown. Until early December, however, the share price remained above the EUR 4.00 mark and closed at EUR 3.93

DF share compared to relevant indices





Keydata of the DF share

Issue price (24 May 2007)	EUR 7.50
High XETRA (27 May 2013)	EUR 5.88
Low XETRA (4 April 2013)	EUR 3.62
Year-end closing price XETRA (30 December 2013)	EUR 3.93
Performance 2013	+3.42 %
Ø price 2013	EUR 4.39
Ø daily trading volume in shares 2013 (all exchanges)	14,015
Ø daily trading volume in EUR 2013 (all exchanges)	EUR 64,629
Market capitalization as of 30 December 2013 (XETRA)	EUR 26,724,000

on 30 December 2013, which represented a total gain of 3%. DF AG's market capitalization amounted to EUR 26.7 million at the end of 2013 (end of previous year: EUR 23.8 million).

The free float is worth about EUR 16 million (free float: 59.6% of the shares). The number of shares traded picked up in the reporting period, when a total of 3.5 million were traded, compared to only 1.8 million in the previous year.

DF bond compared to Micro Bond Index

Index figures

Source: Deutsche Börse



Keydata of the DF Corporate Bond

Start of trading	22-05-2013
ISIN	DE000A1R1CC4
WKN	A1R1CC
Term	7 years, 05/2013 to 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 (as of 31-12-2013)	BB+; under review
Stock exchange	Deutsche Börse, Entry Standard

The shareholder structure of DF AG changed in 2013, as M.M. Warburg & CO KGaA sold its shareholding to Primrose Energy S.A., Panama, in July, which has since held just under 20.5% of the share capital. On 31 December 2013, the Board of Management held approx. 13% of the shares, while Bayern Invest held 6.9% of the 6.8 million DF shares. For the current shareholder structure and the share price, please refer to "Post-balance sheet events".

Research coverage of DF Deutsche Forfait AG is provided by Equinet and Edison.

Successful issue of the DF bond

In May 2013, DF AG successfully placed its first corporate bond. The EUR 30 million bearer bond has a term of seven years and carries a coupon of 7.875% p.a. (the "bond"). Due to strong demand from private and institutional investors, the subscription was closed early only a few hours after it had started. The successful bond issue has greatly enhanced DF Group's financial flexibility and laid the basis for increasing the business volume.

The price of the DF bond showed a positive performance in the reporting period and stayed above par until the fourth quarter, fluctuating only moderately. From November 2013 the bond

slightly lost value and closed at 98.11%, down 1.89%. The Mibox mid-caps index delivered a negative performance and had lost 7% by the end of the year. Since the start of trading on 22 May 2013, the DF bond turnover in the Frankfurt Stock

Exchange's Entry Standard for corporate bond totaled approx. EUR 31.9 million, which is equivalent to an average turnover of EUR 207,734 per day. For the performance since the balance sheet date, please refer to "Post-balance sheet events".

POST-BALANCE SHEET EVENTS



On 6 February 2014, the US Office of Foreign Assets Control ("OFAC") placed the company on the Specially Designated Nationals and Blocked Persons List ("SDN list") due to alleged violations of Iran sanctions. The company was removed from the SDN list by the OFAC on 16 October 2014. The removal from the SDN list without being fined confirms the company's opinion that it did not violate US sanctions law. After the removal from the sanctions list, the company is allowed to resume writing USD-denominated business. It may also fully resume its suspended business subject to compliance with US sanctions law.

Due to the considerable constraints on the operational capabilities resulting from the 249-day SDN listing, the company incurred high operational losses. In addition, there were extraordinary expenses related to consulting services sourced by the company in order to be removed from the SDN list. As a result of these burdens, the

company is in financial trouble at the time of the preparation of the balance sheet.

Due to the SDN listing, the company was not allowed and unable to write USD-denominated business anywhere in the world between 6 February 2014 and 16 October 2014. In the 2013 financial year, such transactions accounted for about 70% of the company's business. The company's possibilities to make payments in other currencies than the USD (including the EUR) were restricted considerably, as many banks refused to make payments to or on behalf of an SDN-listed company. Between 6 February 2014 and 16 October 2014, the company

- was virtually unable to sign up or execute new business. Moreover, in view of the uncertainty regarding the duration of the SDN listing, it did not seem advisable to engage in new transactions, which

would tie up the company's liquidity. There was additional uncertainty as to whether the sanctions would make it technically possible for the company to make and/or receive the payments associated with new transactions. There was a risk, among others, that the banks involved in these payments would freeze or reject them;

- was unable to, or restricted in its ability to, resell the receivables held in its books at the time of the SDN listing — in particular to the extent that they were denominated in USD.

The collection of the receivables held by the company at the time of their contractual maturity was possible only with a considerable extra time input. The company was able, however, to collect the receivables due without any additional discount.

Due to the company's listing on the SDN list in February 2014 and the resulting uncertainty, 16 employees terminated their employment relationships. Three employees were made redundant as part of cost-cutting measures – 2 of them back in November 2013 and 1 in August 2014. Some of the departed employees will be replaced. Changes to the work processes and efficiency increases, e.g. resulting from the introduction of a database-protected IT and workflow management system, are designed to help the company achieve its strategic and operational targets in terms of volume and profitability with a reduced headcount. It is positive to see that even after the terminations, DF Group continues to have a presence in all of the markets it considers to be of strategic importance.

The considerable constraints on the operational capabilities resulting from the 249-day OFAC listing led to losses of approx. EUR 9.0 million at Group level during the first nine months of 2014 (according to preliminary computations as of October 2014). Of this total amount, EUR 1.5 million relate to legal and consultation costs

incurred as one-time expenses in conjunction with the SDN listing. According to preliminary figures, the equity capital of the parent company, DF Deutsche Forfait AG, declined to approx. EUR 2.2 million as at the end of September 2014.

In view of the removal from the SDN list, the company has started talks with its lending banks about the continuation and/or re-opening of the credit lines in the amount granted prior to the SDN listing. Due to the company's SDN listing, the credit lines granted to DF Deutsche Forfait s.r.o., Prague, were terminated or not renewed by the lending banks. These credit lines have been taken over by an investor. The lending banks of DF AG have limited the utilization of the credit lines to the utilization at the time of the SDN listing. Some credit agreements have expired but are currently being continued. Due to the characteristics of the business model, it will be impossible for the company, its subsidiaries as well as its offices and representations (collectively referred to as "DF Group") to resume their business operations and to return to operational profitability unless the credit lines are continued and/or re-opened.

On 19 August 2014, the company asked an auditing firm to prepare an "IDW S6" expert opinion. According to this expert opinion, the following measures will be required to restructure the company:

- a) Cash inflow (from debt and equity measures) totaling approx. EUR 25.0 million – consisting of EUR 10.0 million from a cash capital increase planned for Q1/Q2 2015 and EUR 15.0 million from the raising of new/additional debt capital in H2 2015.
- b) Increase in equity capital by at least EUR 11.25 million, based on preliminary talks held with the bondholders and potential (equity) investors, this capital increase will be composed as follows: (aa) at least EUR 5.0 million from a cash capital increase; (bb) EUR 5.0 million from a

non-cash capital increase (exchange of part of the bond against shares); (cc) EUR 1.25 million from extraordinary income from the above non-cash capital increase; the extraordinary income from the non-cash capital increase may be higher if the bond is included in the capital increase at less than 80% of its nominal value. Moreover, the capital increase may be higher if the bondholders are granted other benefits, e.g. shares in DF AG, in return for their interest waiver.

c) Reduction in the company's liabilities by approx. EUR 6.25 million through the exchange of part of the bond against shares. In case the bond is included in the non-cash capital increase at less (more) than 80% of its nominal value, the company's bond liabilities will be reduced by a higher (lower) amount.

d) Reduction in interest expenses through (a) a reduction in the nominal coupon of the bond from 7.875% p.a. to 2.000% p.a. from May 2014 until its maturity on 27 May 2020; (b) reduction in the interest rates of debt capital (to be) made available by the lending banks to approx. 1% p.a. until 31 December 2016.

In a final expert opinion issued on 26 November 2014, the auditors confirmed that DF Group is objectively capable of capital reorganization and that the measures launched are objectively suitable to thoroughly reorganize and restructure DF Group within a manageable timeframe.

The Board of Management must therefore take various measures relating to the company's equity and debt capital for the financial restructuring and capital reorganization of the company.

Accordingly, the Board of Management is in negotiations with potential equity investors and debt capital providers (currently the lending banks and bondholders as well as potential new debt capital investors) about the financial and operational restructuring and capital reorganization of the company.

All lending banks of DF AG have signed a letter of intent, which is subject to the approval of their competent bodies, in which they declare their general readiness to make available the credit lines in the same amount as prior to the SDN listing until 31 December 2016 subject to the following conditions, among others:

a) the company's equity capital is increased by at least EUR 10 million by way of capital increases;

b) preparation of a capital reorganization concept to IDW Standard S6, which arrives at the conclusion that it is safe to assume that the company is a going concern within the meaning of Sec. 252 (1) No. 2 of the Germany Commercial Code (HGB) and IAS 1.25 - 26.

The letters of intent also include a reduction in the interest rates of the debt capital (to be) made available to the company.

The purpose of this reduction is to ensure equal treatment of banks and bondholders. Also, the granting of credit lines in the same amount as prior to the SDN listing until 31 December 2016 is a precondition for the potential equity investors to participate in the cash capital increase and to exchange their bonds against shares in the context of the non-cash capital increase.

The reduction in the nominal coupon of the bond proposed in the "IDW S6" expert opinion is to be proposed to the bondholders at a meeting of bondholders and to be approved by them. The (first) meeting of bondholders is to be held in December 2014 and January 2015, respectively. If less than 50% of the bond value is represented at the first meeting of bondholders, a second meeting with the same agenda items is to be held in January 2015. In this case, the implementation of the restructuring concept will be delayed accordingly. It is planned to make the bondholders' approval of the reduction in the nominal coupon conditional on the following:



a) An offer to all bondholders to exchange their EUR 1,000 bond units against shares in the company as part of a non-cash capital increase from authorized capital in an ex-rights issue by up to EUR 3,400,000 through the issue of up to 3,400,000 new shares representing EUR 1.00 of the share capital each ("capital increase I"). The ratio at which the EUR 1,000 bond units will be exchanged against shares will be determined by a valuation report to be prepared by an auditing firm.

b) Exchange of the conditional interest waiver for a return service yet to be specified. Bondholders holding a large number of bonds are demanding shares in return. The details of this exchange offer are still being devised.

The Board of Management is in negotiations with equity investors about the subscription of shares in the context of a mixed cash/non-cash capital increase with pre-emption rights for shareholders, in the context of which up to 6,800,000 new shares representing EUR 1.00 of the share capital each are to be issued ("capital increase II"). The Board of Management intends to offer the remaining subscription rights to the investors after the expiry of the subscription period for existing shareholders pursuant to Sec. 186 (1) sentence 2 of the German Stock Corporation Act (AktG).

Delays in the implementation of strategic projects

The implementation of the trade finance fund and the ABCP programs has been delayed significantly by the company's SDN listing. The original plan was to implement these projects in the first half of 2014. DF Group and a renowned bank had agreed the terms and conditions for the implementation of the ABCP program as well as the criteria of the export receivables to be sold to the ABCP program. The respective term sheet had been signed, and the first utilization under the ABCP program would normally have taken place in the first quarter of 2014 if DF Group had not been put on the OFAC's SDN list on 6 February 2014. We now expect the ABCP program to be implemented in the first half of 2015.

Changes to the shareholder structure

Primrose Energy S.A., Panama City/Republic of Panama, informed us, pursuant to Sec. 21 (1) of the German Securities Trading Act (WpHG) on 13 October that its voting interest in DF Deutsche Forfait AG, Cologne, fell below the thresholds of 3%, 5%, 10%, 15% and 20% on 8 October 2014 and amounted to 0% (0 voting rights) on that date.

Mr Mark West, Great Britain, informed us, pursuant to Sec. 21 (1) of the German Securities Trading Act (WpHG) on 13 October 2014 that his voting interest in DF Deutsche Forfait AG, Cologne, Germany, exceeded the thresholds of 3%, 5%, 10%, 15% and 20% of the voting rights on 8 October 2014 and amounted to 23.62% (which corresponds to 1,581,705 voting rights) on that date.

Compliance and money laundering

As a consequence of its SDN listing, the company has revised its compliance system; these measures include, in particular, (i) the appointment of a Compliance Officer, who reports directly to the Board of Management; (ii) adjustment of the IT system, which now automatically checks whether a client – both new and existing client – features on the EU and US sanctions lists. Regular updates of our database ensure that the (new) listing of a party involved in the underlying transaction on a sanctions list will be detected also during the holding period of a receivable. This will enable DF Group to take the necessary steps. For those service providers with whom companies of the DF Group work regularly, the Compliance Officer keeps a "White List", which is updated regularly. Signing contracts and working with parties on the White List is possible without individual checks being required.

Share and bond

As a result of the OFAC listing, the price of the share and the bond declined sharply in the course of 2014. On 28 November 2014, the DF AG share traded at EUR 1.28 and the bond at EUR 54.50.

In conjunction with the OFAC listing and the resulting financial developments, the company's rating was downgraded to CCC.

Reduced risk-bearing capacity

Due to the losses incurred in 2014 as a result of the OFAC listing and the resulting reduction in equity,

DF Group's risk-bearing capacity has been reduced significantly. This should be taken into account with regard to the classification of the risks in the following opportunity and risk report.

OPPORTUNITIES- AND RISK MANAGEMENT REPORT



INTERNAL ACCOUNTING-RELATED CONTROL AND RISK MANAGEMENT SYSTEM

DF AG is the parent company of DF Group. The accounting department, headed by an accounting manager, is situated at its premises. This department is responsible for the accounts structure, accounts allocation policies as well as all accounting policies and processes at DF Group, taking into account country-specific requirements and laws. The subsidiary in Prague (DF Deutsche Forfait s.r.o. ("DF Prague") and DKL are included in the basis of consolidation. The accounts of the subsidiary in Prague are prepared by an external service provider. The accounting department in Cologne closely supervises the preparation of accounts in Prague and particularly the preparation of financial statements.

Accounting for DKL is performed by the accounting department in Cologne and agreed with DKL's management on a monthly basis

The company uses a standard software for the financial accounting process that is certified by an auditing firm. The software is installed on a central server at the parent company's premises and DF Prague is granted online access. The central accounting department in Cologne has full and continuous access to the accounts of DF Prague. Software authorizations ensure, however, that DF Prague can access only its own accounts. DKL has no access to the accounting software; information is exchanged and adjustments agreed by e-mail. The accounting software is stored in compliance with the data security policies of DF AG. Backup systems and



contingency plans are in place to counter the IT continuity risk.

Individual business transactions are reported in accordance with the Group-wide accounts allocation policies. Transactions are only recorded if they are accompanied by corresponding documentations, which are usually provided by the contract management department (back office). More complex transactions and their accounts entries are discussed with the responsible employees in the contract management department. The accounting department analyzes all transactions before they are entered in the accounts. Automated transactions are a rare exception, e.g. when reporting exchange rate gains and losses. The contract management department checks all reported forfaiting transactions one more time after the close of the transaction or, where transactions have not been closed yet, at the end of the year. For this purpose, the contract management department is provided with cost centre evaluations relating to individual transactions as well as with entries and balances in income statement and balance sheet accounts, which are then checked against the underlying contracts. This four-eye principle helps to address potential differences and ensures full documentation in the business files. Moreover, these checks ensure that no transactions are booked which are illegal (e.g. sanctions law) or not authorized. Moreover, all receivables as reported by the accounting department are matched against the information provided by the forfaiting system, which is updated by the contract management department, monthly. Any differences are clarified between the accounting and contract management departments. The above procedure is also observed in the context of the accounting process of DF Prague.

Tasks relating to the preparation of the separate and the consolidated financial statements are allocated with the help of a detailed time plan, which also includes an allocation of tasks for the employees of the accounting and controlling departments as well as corresponding instructions for the consolidated subsidiaries.

The separate financial statements included in the consolidated financial statements are prepared by an external service provider for DF Prague and by the parent company for DKL in accordance with local laws and audited by a local auditing firm. All necessary documents and inter-company relations are finally endorsed and agreed in Cologne.

The preparation of the consolidated financial statements including the consolidation measures are performed by the parent company's accounting department in Cologne based on audited IFRS packages of the consolidated entities. The consolidated financial statements are checked for plausibility by employees of the controlling department. A checklist is used to check the financial statements for completeness.

The existing internal accounting-related control system is of high standard and the company currently has no plans for its further development. The internal control system accounts for the special characteristics of DF Group's business and especially the high degree of individuality of transactions.

INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT SYSTEM WITH REGARD TO COMPLIANCE AND MONEY LAUNDERING

Due to its project-related business model, DF AG engages in business with a large number of counterparties (sellers and buyers of export receivables) in different countries; DF Group's clients on the purchase side and the placement side are domiciled worldwide, mostly in emerging and developing countries. DF Group has only a small fixed customer base with which transactions are executed regularly and/or at recurrent intervals. Instead, it is characteristic of the company's business that a project is implemented with a certain counterparty but that this is usually not repeated. Where

repeat business is done with the same customer, this usually happens after a certain time. Exceptions to the above are service providers to the companies of DF Group such as banks, public/investor relations agencies, law firms, tax consultants and auditing firms. Against this background, DF AG is obliged, under applicable statutory regulations, to perform transaction-related money-laundering, Know Your Customer and compliance checks on its counterparties.

Violations of the statutory money-laundering regulations, Know Your Customer provisions and EU/US sanctions laws may have an extremely adverse impact on the operations as well as the net assets, financial position and results of operation of individual companies of DF Group and/or DF Group as a whole. In particular, there is a risk that fines are imposed and that the company's boards are held liable for violations of applicable regulations. In addition, the disclosure of culpable violations or breaches of these regulations may have an adverse impact on the company's reputation.

LEGAL RISK

DF Group buys receivables (non-recourse) which are normally resold. Individual receivables remain in DF Group's books until their contractually agreed maturity only in exceptional cases. In the context of its trading business, DF Group usually guarantees to the buyer that the receivable exists (liability for legal validity), that the receivable has the warranted properties, that DF Group 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. The above liability cases may arise primarily because of improper verification of documents or deficiencies in the contract and result in considerable damage.

The company also obtains credit insurance to reduce the risk of receivables on an occasionally basis. Receivables

already covered by credit insurance are also acquired. If the receivable covered by credit insurance has to be written off, credit insurance benefits in the agreed amount (nominal amount of the receivable less a potential deductible) can be collected. 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. If the policy-holder violates the terms and conditions, no credit insurance benefits may be payable in case of a loss. Depending on the amount of the credit-insured receivable, a risk which may jeopardize the company's future as a going concern may arise; the probability of such a risk arising is considered low, however. DF Group also enters into counter-guarantees with banks or other forfeiting companies in order to secure receivables. Once again, contract terms and conditions must be precisely tailored to the transaction being covered. Given that receivables with credit insurance coverage or counter-guarantees are resold and that, under certain contractual circumstances, DF Group is liable for the counter-guarantee or credit insurance, the above risks partly remain with DF Group even after the sale.

While the probability of such claims being raised is considered to be low, their adverse impact on the bottom line may, in individual cases, be considerable.

The above risks are countered by having a well-trained contract management department. The workflows are regulated by detailed work instructions, which are constantly checked for up-to-dateness. The individual steps of the workflows and the tests are documented on a special form, which must be signed by the departments responsible for the individual subjects. Only once this has been done may a transaction be submitted for approval. In addition, work results are checked by applying the principle of dual control. If and when required, external legal firms are consulted for complex contracts and document reviews. Where a transaction is executed in a country for the first time or where no transactions were



executed in a country for a long time, a legal and/or tax opinion from a local law firm is obtained and/or updated on the basis of each individual case.

COUNTRY AND COUNTERPARTY RISK

In accordance with its business model and strategy, DF Group primarily purchases receivables where the debtors are located in emerging or developing countries. Political, financial, economic, and social conditions in these regions are less stable compared to industrialized nations. In the event of an economic crisis or due to decisions taken by the respective rulers/governments, this may substantially affect the ability or willingness of the respective country to transfer payments – especially in foreign currencies; in extreme cases, foreign currency payments may no longer be possible at all or only with prior state approval (e.g. by the national central bank) due to the introduction of corresponding legal provisions (foreign exchange control). As a result, a debtor who is otherwise willing and able to pay may be unable to pay on time or at all (country risk). The country risk comprises the two individual risks outlined below:

- funds cannot be transferred freely due to government restrictions (transfer risk);
- local currencies may be exchanged for the foreign currency in which the receivable is denominated and, hence, payable, only after prior approval or not at all (convertibility risk).

As a result of the recurring problems in the financial markets, the financing possibilities for debtors (export/import companies) and, above all, for countries have deteriorated, which has increased the risk of national crises, including non-payment of sovereign debt and/or government-guaranteed loans (this also includes the government credit insurance which is relevant for the business of DF Group). The credit rating of individual

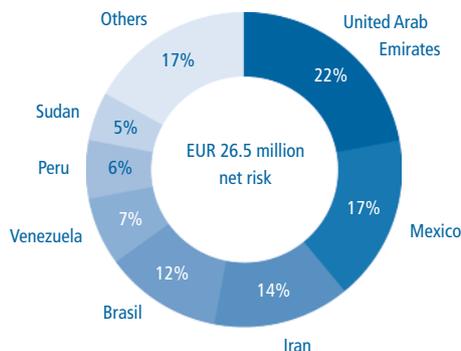
countries has also deteriorated significantly, further increasing this risk.

When purchasing receivables, DF Group also assumes the debtor's credit risk for the acquired receivable (counterparty risk) in addition to the country risk. The debtor may become insolvent or unable to pay for other company-specific reasons. However, counterparty risk is not limited to the (primary) debtor for a receivable; it also applies to the providers of security (e.g. banks or credit insurance companies (secondary debtors)) that supply counter-guarantees or credit insurance to DF Group in order to secure individual transactions. The possibility that providers of security may become unable to pay or insolvent cannot be excluded. In this case, a loss is only incurred if both the debtor and the security provider are unable to pay. While the probability of two parties involved in a transaction becoming insolvent is considered to be low, their adverse impact on the bottom line may, in individual cases, be considerable.

As a result of the recurring problems and crises in the financial markets, banks and credit insurers as well as manufacturing and services companies are increasingly facing liquidity problems including payment bottlenecks, which raises both the risk of payments not being received punctually (i.e. becoming overdue) and the risk of default of the debtors. DF Group, just like the financial industry as a whole, is facing overdue receivables. Restructuring solutions aimed at ensuring that DF Group's receivables are settled in spite of debtors' liquidity problems require extensive, time-consuming negotiations, which are also quite costly as law firms need to be consulted. Even if the restructuring negotiations are successful, i.e. a payment plan has been agreed, it often takes several years to put the agreed solution into practice. Most of DF Group's current overdue receivables are backed by securities. Adequate risk provisions have been established.

(Primary) debtors as well as providers of security are attempting to shirk their obligations under false

Allocation of net risk as of 31 December 2013



pretenses. These cases must be enforced by taking legal measures. The court proceedings which become necessary in this context often take place outside Germany. On one hand, this requires the consultation of local law firms, which entails costs. On the other hand, court proceedings may be very time-consuming, especially when conducted outside Germany and through several stages of appeal. DF Group has a detailed risk management system, which is defined in writing and ensures that the company's receivables portfolio is diversified. The risk management system includes a limit system comprising counterparty, country and risk group limits. Each of the five risk groups consists of countries with a similar risk profile. The limits are defined by the Supervisory Board of DF AG and their utilization is at the discretion of the Board of Management. The chart on this page shows a breakdown of the unsecured risk (net risk) of EUR 26.5 million as of 31 December 2013. The net risk is defined as the nominal values of the forfeiting transactions (gross risk) less accepted securities. These include:

- assumption of liability by a credit insurer;
- (counter) guarantees from banks headquartered in risk category 1 countries or, if they are headquartered in another country, whose rating is equivalent at least to a Moody's long-term rating of A3;

- (counter) guarantees from enterprises headquartered in risk category 1 countries or, if they are headquartered in another country, whose rating is equivalent at least to a Moody's long-term rating of A1.

REFINANCING RISK

DF Group requires considerable refinancing possibilities for its trading activity and the related short-term refinancing periods in order to achieve the planned business volume. The refinancing period corresponds to the period between the payment of the purchase price of a receivable and the receipt of the sales price when the receivable is sold or the nominal value at maturity. As at 31 December 2013, the refinancing sources available to DF Group included its equity capital, the bond as well as refinancing lines from domestic and foreign banks. Due to

- negative developments regarding DF Group's net assets, financial position and results of operation;
- a changed risk assessment regarding the non-financial institutions sector and/or the regions/countries in which DF Group operates or
- business policy decisions,

banks could cancel their credit lines or renew them on a much smaller scale upon maturity. In this context, please refer to "Post-balance sheet events". Lower credit lines and, hence, a reduced refinancing capacity could reduce DF Group's business volume and profits if and to the extent that DF Group is unable to offset the reduced refinancing capacities with other factors; in extreme cases, DF Group could face insolvency in the short term. DF Group has credit lines with a large number of domestic and foreign banks and seeks to establish long-lasting and trusting relationships with its banks through open and regular contacts and meaningful reporting. In the context of the 2007 IPO, the company's equity capital was increased significantly, which has improved



its creditworthiness and its own financial resources. In addition, the company issued its first 7-year EUR 30 million bond in May 2013, which diversifies the refinancing structure of DF Group in terms of both maturities and credit structure.

EARNINGS RISK

DF Group performs trading activities, i.e. the company has no investment portfolio which generates recurring income from year to year. A trading company needs to generate the bulk of its business volume anew every year. Merely some transactions closed or initiated in the previous years are carried over to the new year. If important customers and/or markets on the supply or demand side disappear entirely or temporarily, this leads to a sharp drop in business and profits. DF Group has many counterparties both for purchasing and selling receivables, which means that the disappearance of individual business partners could be offset by others. As a transaction-driven company, DF Group has no customer base with which business is done on an ongoing/continuous basis. DF Group's broad regional diversification reduces its dependence on individual business partners and its exposure to the risks in individual countries and regions.

When buying and selling receivables with certain country risks, margins may decline due to strong competition, which would make these receivables (country risks) unsuitable for DF Group's business activities under risk/return aspects. Also, it is possible that the risks associated with certain countries deteriorate to such an extent that it is no longer possible for DF Group to resell these receivables to investors under risk aspects. As the salability is an important criterion for the purchase of a receivable, DF Group could – at least temporarily – no longer do business in these countries. If these circumstances occur, part of the gross profit generated

from sales with these countries would be lost. Moratoriums imposed on a country or the listing of a country on the EU sanctions list or the sanctions list of the United States of America may also result in the loss of the forfaiting volume with this country.

As outlined under "Country and counterparty risk", DF Group has overdue receivables on its books. These are receivables towards various debtors who failed to meet their payment obligations fully or partially upon contractual maturity of the respective receivables due to negative developments regarding their net assets, financial position and results of operation. Restructuring arrangements have been agreed with some of these debtors with the aim of ensuring the orderly repayment of the outstanding liabilities over a defined period. In these cases, DF Group collects the liquidity over a longer period than would be the case if the transactions were settled properly and/or as contractually agreed. In addition, there are overdue receivables for which legal proceedings are pending until the conclusion of which DF Group receives no interest and principal payments. These delayed payment receipts may have a substantial adverse impact on DF Group's earnings if the company fails to agree an interest rate which is at least equivalent to DF Group's refinancing costs in the restructuring negotiations. The same applies to pending legal proceedings. If the restructuring arrangements are not met and/or if legal proceedings are lost contrary to DF Group's expectations, (additional) valuation allowances may be necessary in future.

FINANCIAL RISKS

In the 2013 financial year, 67% of DF Group business volume was denominated in USD. To avoid exchange rate risks, DF Group usually funds itself at matching currencies, i.e. purchases of USD receivables are matched by bank loans in USD. This means that only the income

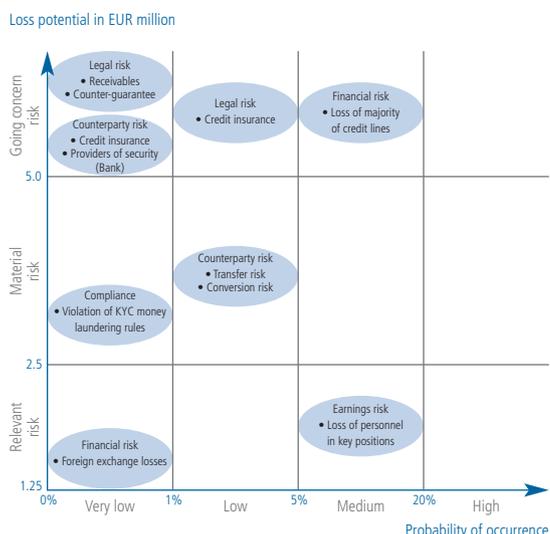
from the transactions is subject to an exchange rate risk. This risk is regularly monitored with the help of currency accounts. Open currency items are closed by means of spot transactions.

Since the May 2013 bond issue, a considerable portion of DF Group's refinancing capacity has been available in EUR. To eliminate the exchange rate risk when writing USD-denominated business, DF Group signed currency forward transactions in 2013, in the context of which US dollars are purchased for a limited period of usually one month and subsequently sold at a fixed price. In the 2013 financial year, DF Group signed currency transactions totaling EUR 81 million on the purchasing side and EUR 77 million on the sales side. 8 of these transactions were forward transactions and 4 were spot transactions. The balance of price gains and losses amounted to EUR -69,844.89 in the 2013 financial year. Above and beyond the exchange rate risks described above, individual items of the income statement are exposed to other potential exchange rate influences. For instance, DF Group sources certain services abroad. These services, e.g. provided by lawyers, are usually invoiced in local currency. An unfavorable exchange rate trend could make these services more expensive. The same applies to the running cost of the London office, which is paid in GBP. Material items of the income statement may be exposed to inflationary influences if inflation-related increases in personnel expenses or services occurring in Germany cannot be passed on in the context of international trade transactions. At present, such an inflation risk cannot be identified.

CLASSIFICATION OF RISK AND SUMMARY RISK ASSESSMENT

Risks are classified depending on DF Group's risk-bearing capacity, which is determined by the amount of the Group's equity capital. To classify the risks, they are

Risk map of the DF Group



allocated to one of the following three categories: (i) going concern (ii) material risk (iii) relevant risk. A going concern risk is assumed to exist if a loss/damage amounting to 50% of the Group's equity capital arises. A material risk is assumed to exist if a loss/damage amounting to 50% of the going concern risk arises. A relevant risk is assumed to exist if a loss/damage amounting to 50% of the material risk arises. The matrix on this page shows DF Group's risk assessment.

Due to the events after the balance sheet date described under "Post-balance sheet events", DF Group's risk-bearing capacity has been reduced substantially after 31 December 2013. Contrary to the table shown, the number of going concern risks has increased. In particular, DF Group's future as a going concern is jeopardized if the risks showed in the table on the next page materialize.

In addition, DF Group has claims against various credit insurance firms, which also represent a going concern risk in case of failure of the insurance cover. Without pre-empting the outcome of the pending proceedings, DF Group is convinced that the risk has been mitigated



Going concern risks for the DF Group

(Primary) debtor	Carrying amount of the receivable after valuation allowance	DF Group risk assessment
Trading firm in Dubai, United Arab Emirates	EUR 5.7 million	The nominal value of DF Group's receivable (EUR 11 million) exceeds the carrying amount by far. The legal proceedings launched against the debtor and guarantor have so far been decided in favor of DF Group by the competent courts. The debtor is a diversified trading firm which holds a leading position in the region.
Asian central bank	EUR 4.2 million	The legal proceedings have turned out to be lengthy; the legal validity of the claim as such is guaranteed by a renowned European bank of excellent standing.
Automotive supplier, Germany	EUR 2.8 million	The nominal value of the receivables (EUR 4.5 million) exceeds the carrying amount by far. DF Group's claims for recovery of the receivables are substantiated by various covenants, e.g. assignment of receivables.
Service provider oil exploration, Mexico	EUR 1.7 million	The nominal value of the receivables (EUR 17 million) exceeds the carrying amount by far. The debtor filed for insolvency in May 2014. An assumed insolvency ratio of 10% would cover the carrying amount in full.

sufficiently even if no individual valuation allowances have been established.

- DF Group has put forward claims for credit-insured receivables against credit insurers in London in the amount of EUR 8 million. In several cases, these claims have to be enforced in arbitration proceedings.
- In 2013 DF Group has made claims worth EUR 5 million against credit insurers in respect of credit-insured receivables and has filed a number of legal proceedings to establish the legal validity of the claims against the debtors or to establish the legal validity of the insurance guarantee against the insurer.

The company is currently overindebted. According to the restructuring concept described in the management report, there is no risk of imminent insolvency. The company has received letters of intent from shareholders, bondholders and its lending banks, which are conditional on the implementation of the restructuring concept. The company's Board of Management is of the opinion that the going concern assumption within the meaning of Sec. 252 (1) No. 2 of the German Commercial Code (HGB) is sufficiently substantiated. Should the capital measures described under "Post-balance sheet events" not be implemented, the company would no longer be able to continue as a going concern.

If the restructuring concept is implemented successfully, DF Group's risk-bearing capacity will increase again.

MATTERS RELEVANT TO ACQUISITIONS

DISCLOSURES ACCORDING TO SECTION 315 (4) OF THE GERMAN COMMERCIAL CODE (HGB)
IN CONJUNCTION WITH SECTION 2 (7) OF THE TAKEOVER ACT (WpÜG)



1. The company's share capital totals EUR 6,800,000. It is divided into 6,800,000 no-par bearer shares. There are no other share classes. Each share has one vote.

2. The Board of Management is not aware of any restrictions related to exercising voting rights or the transfer of shares, including restrictions as a result of agreements between shareholders.

3. According to the Securities Trading Act (WpHG), every shareholder who reaches, exceeds or falls short of certain amounts of voting rights of the company, by way of acquisition, sale or any other action, must inform the company and the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin) of the fact. In 2013, we received the following notifications regarding direct or indirect investments in the company's capital which represent 10% or more of the voting rights:

~ Primrose Energy S.A., Panama City, Republic of Panama, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 22 July 2013 that its voting interest in DF Deutsche Forfait AG, Cologne, Germany, exceeded the thresholds of 3%, 5%, 10%, 15% and 20% of the voting rights on 18 July 2013 and amounted to 20.51% (which corresponds to 1,394,805 voting rights) on that date.

Dr. Shahab Manzouri, United Kingdom, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 22 July 2013 that his voting interest in DF Deutsche Forfait AG (ISIN DE0005488795) exceeded the thresholds of 3%, 5%, 10%, 15% and 20% of the voting rights on 18 July 2013 and he held 20.51% of all voting rights in DF Deutsche Forfait Aktiengesellschaft (which corresponds to 1,394,805 voting rights) on that date.

Pursuant to Sec. 22 (1) sentence 1 no. 1 of the Securities Trading Act (WpHG), 20.51% of the voting rights were attributable to Dr. Shahab Manzouri through Primrose Energy S.A., Panama City, Republic of Panama, an enterprise which is controlled by Dr. Shahab Manzouri and holds 3% or more of the voting rights DF Deutsche Forfait Aktiengesellschaft.

4. M.M. Warburg Gruppe (GmbH & Co.) KGaA, Hamburg, Germany, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 22 July 2013 that its voting interest in DF Deutsche Forfait AG, Cologne, fell below the thresholds of 3%, 5%, 10%, 15% and 20% defined in Sec. 21 (1) of the Securities Trading Act (WpHG) on 18 July 2013 and amounted to 0% (which corresponds to 0 voting rights) on that date.

5. There are no shares with special rights that confer control.



6. There is no verification of the voting rights of employees that hold company shares and do not exercise their right of verification directly.

7. According to Section 84 (2) of the Stock Corporation Act (AktG) and according to Section 6 (2) of the Memorandum of Association, the Supervisory Board can appoint a member of the Board of Management as chairperson or speaker of the Board of Management and another member as deputy chairperson or speaker. According to Section 84 of the Stock Corporation Act (AktG), members of the Board of Management are appointed and retired by the Supervisory Board. According to Section 11 (4) the Supervisory Board passes resolutions with a simple majority of votes. In case of a tie, the chairperson casts the deciding vote.

According to Section 179 (1) of the Stock Corporation Act (AktG), changes to the Memorandum of Association can be made via a resolution passed by the Annual General Meeting which, unless the Memorandum of Association specifies otherwise, requires a majority of at least three-quarters of the share capital represented during the vote in accordance with Section 179 (2) of the Stock Corporation Act (AktG). If changes to the purpose of the company are involved, the Memorandum of Association may only specify a larger majority. In Section 18 (1), the Memorandum of Association takes advantage of the option specified by Section 179 (2) of the Stock Corporation Act (AktG) and states that resolutions can be passed with a simple majority of votes and, in cases where a capital majority is required, with a simple capital majority.

8. Based on a resolution passed by the Annual General Meeting on 24 May 2012, the Board of Management was authorized, subject to approval by the Supervisory Board, to increase the company's share capital by 24 May 2017 once or several times by a total of up to EUR 3,400,00.00 against cash and/or non-cash contributions (including mixed non-cash contributions)

by issuing up to 3,400,000 new bearer shares (authorized capital 2013); in this context, the Board of Management was also authorized to schedule the commencement of the profit participation at a date other than the date provided for by law. As a general rule, the shareholders must be granted a subscription right. However, the Board of Management was authorized, subject to approval by the Supervisory Board, to exclude shareholders' subscription rights (1) to avoid fractional amounts, (2) in a capital increase against cash contributions if the issue price of the new shares issued in an ex-rights issue pursuant to Section 186 (3) sentence 4 of the Stock Corporation Act (AktG) is not materially lower than the stock market price and the new shares issued in an ex-rights issue pursuant to Section 186 (3) sentence 4 of the Stock Corporation Act (AktG) do not exceed 10% of the share capital neither at the time the authorization becomes effective nor at the time it is exercised, (3) in a capital increase against non-cash contributions, especially for the purpose of the acquisition of a company, parts of a company, an equity investment in a company or other material assets, (4) to grant the holders of warrants and/or convertible bonds or bonds with option rights a subscription right to the extent that they would be entitled to such right after exercising a conversion or option right or meeting a conversion obligation as a shareholder and (5) to issue employee shares to employees of the company and of affiliated companies.

By resolution of the Annual General Meeting on 20 May 2010, the Board of Management was also authorized, subject to approval of the Supervisory Board, to issue bearer warrant and/or convertible bonds with a total nominal value of up to EUR 20,000,000.00 in one or several tranches until 19 May 2015 and to grant holders or creditors of warrant bonds option rights and holders or creditors of convertible bonds conversion rights on new bearer shares of the company up to a pro-rata share in share capital totaling up to EUR 3,400,000.00 according to the terms and conditions for warrant and convertible bonds.

The warrant and convertible (partial) bonds may be issued in euros as well as in the legal currency of an OECD country, limited to the corresponding value in euros. They may also be issued by direct or indirect majority shareholdings of the Group; in this case, the Board of Management is authorized, subject to approval by the Supervisory Board, to issue a guarantee on behalf of the company for the warrant / convertible bonds and to issue the holders of such warrant / convertible bonds with option / conversion rights on new shares of the Group.

Shareholders are fundamentally entitled to receive subscription rights on the bonds. The legal subscription right on warrant or convertible bonds may also be issued to shareholders in such a way as for a bank or member of a consortium of banks or any company equal to a bank or member of a consortium of banks in accordance with Section 186 (5) sentence 1 of the German Stock Corporation Act (AktG) to assume these bonds with the obligation to offer these to the shareholders for subscription. The Board of Management is authorized, subject to approval by the Supervisory Board, to exclude fractional amounts resulting from the subscription ratio from the shareholders' subscription rights and to also exclude the subscription right insofar as is required to grant holders of previously issued bonds with option and/or conversion rights a subscription right to the extent that they would be entitled to as a shareholder if these option and/or conversion rights were exercised or if the obligations arising from the option and conversion rights were met.

The Board of Management was also authorized, subject to approval by the Supervisory Board, to fully exclude shareholders' subscription rights on bonds with option or conversion rights or obligations issued in return for cash if the Board of Management decides, after dutifully assessing the matter, that the issue price of the bonds does not fall significantly short of the hypothetical market value as calculated in accordance with recognized

mathematical methods. This authorization to exclude the subscription right applies to bonds with option or conversion rights or obligations on shares with a pro-rata share in share capital not exceeding a total of 10% of share capital, neither at the time of the resolution nor – if the lower – at the time of the authorization being exercised. The 10% limit mentioned above pertains to new shares issued on or after 20 May 2010, excluding shareholders' subscription rights in accordance with Section 203 (1) and (2) in conjunction with Section 186 (3) sentence 4 of the Stock Corporation Act (AktG) as well as treasury shares that are sold on or after 20 May 2010, excluding shareholders' subscription rights in accordance with Section 71 (1) No. 8 sentence 5 in conjunction with Section 186 (3) sentence 4 AktG.

If warrant bonds are being issued, the pro-rata share in share capital of the shares to be subscribed per partial bond must not exceed the nominal value of the warrant bonds. If convertible bonds are being issued, the pro-rata share in share capital of the shares to be issued upon conversion must not exceed the nominal value of the convertible bonds.

The conversion/option price must not fall below 80% of the share price in XETRA trading (or a similar successor system). The benchmark value is the average closing price on the 10 stock exchange trading days prior to the final decision by the Board of Management to submit an offer for the subscription of bonds or the declaration of acceptance by the company after a public invitation to submit subscription offers. In the case of a trade in subscription rights, the days of the trade, excluding the last two stock exchange trading days are used as the benchmark value. Section 9 (1) AktG remains unaffected.

Due to a dilution protection clause, the option or conversion price is reduced – regardless of Section 9 (1) AktG – after a detailed determination of the terms and conditions for option or conversion bonds by paying a corresponding amount in cash upon use of the conversion



right or the reduction of the additional payment if the company increases its share capital during the option or conversion period while granting a subscription right to its shareholders or if the company issues further warrant or convertible bonds or grants other option rights and does not grant the holders of option and/or conversion rights any subscription right to the extent they would be entitled to after exercising the option and/or conversion right. Instead of a payment in cash or a reduction of the additional payment, the conversion ratio may also be adjusted by dividing it by the reduced conversion price. The terms and conditions may also provide for an adjustment of the option/conversion rights in the case of a capital reduction.

The Board of Management was authorized to determine further details of the issuance and form of the warrant and/or convertible bonds, particularly interest rate, issue price, term and division, option and/or conversion price and option and/or conversion period or to determine these details in agreement with the managing bodies of the subsidiaries that are issuing warrant and/or convertible bonds.

In order to grant rights to the holders of warrant and convertible bonds, which are being issued by the company or one of its direct or indirect majority shareholdings until 19 May 2015, as a result of the authorization of the Board of Management issued by the Annual General Meeting on 20 May 2010, the share capital was conditionally increased (conditional capital) by up to EUR 3,400,000.00 by issuing up to 3,400,000 new no-par bearer shares.

On 20 May 2010, the Annual General Meeting authorized the acquisition of up to 680,000 treasury shares until 19 May 2015, i.e. a total of 10% of the existing share capital. The shares must be purchased on the stock market. The purchase price (excluding incidental purchase costs) paid by the company must not exceed or fall short of the price of the company share in

XETRA trading (or a similar successor system) determined at the first auction of the trading day at Frankfurt Stock Exchange by more than 10%. The shares can be acquired directly by the company or by third parties authorized by the company in one or several stages within the limits of the above-mentioned restrictions. The shares can be acquired for any legally permissible reason as well as for the following purposes.

The Board of Management, on condition of approval by the Supervisory Board, has been authorized to sell the treasury shares acquired as a result of the above-mentioned authorization outside the stock exchange or by offering them to all shareholders on the condition that they are sold in exchange for cash and at a price which does not fall significantly below the company share price at the time of sale. The shareholders' purchase rights are excluded in this case. This authorization is not restricted to shares with a notional interest in share capital, which must not exceed a total of 10% of share capital, on the effective date of this authorization nor, if lower, on the date this authorization is executed. The maximum threshold of 10% of share capital is reduced by the amount of share capital which applies to shares that are issued as part of a capital increase during the term of this authorization, under exclusion of the purchase right pursuant to Section 186 (3) sentence 4 of the Stock Corporation Act (AktG). The maximum threshold of 10% of share capital is also reduced by the amount of share capital relating to shares that have been issued for serving warrant bonds and/or convertible bonds, if these bonds are issued during the term of this authorization under exclusion of the purchase right and in accordance with Section 186 (3) sentence 4 of the Stock Corporation Act (AktG).

The Board of Management has also been authorized, on condition of approval by the Supervisory Board, to transfer the treasury shares acquired as a result of the above-mentioned authorization to third parties if this serves the purpose of acquiring companies, parts of

companies, investments in companies or other assets, or carrying out company mergers. The shareholders' purchase rights are excluded in this case as well.

The Board of Management has been authorized, on condition of approval by the Supervisory Board, to recall the treasury shares acquired as a result of the above-mentioned authorization without requiring any further resolution by the Annual General Meeting. The shares can be recalled without reducing capital by adjusting the notional interest of the remaining no-par value shares in the company's share capital. In this case, the Supervisory Board is authorized to amend the number of no-par value shares in the Memorandum of Association.

The Supervisory Board is also authorized to stipulate that the Board of Management is only authorized to act with the Supervisory Board's approval in line with the resolution of the Annual General Meeting.

9. The Group has lines of credit for refinancing the purchases of receivables in the mid two-digit million

range with the following banks. The existing company structure is stated as one of the main conditions for the granting of credit in the loan agreements with Commerzbank AG and UniCredit Bank C.Z. The above banks have reserved the right to alter the terms and conditions of the loan agreements should the shareholder structure change. In addition, bond creditors may call the 30,000 bearer bonds with a total nominal value of EUR 30.000.000 issued by the company in May 2013 in the event of a change of control. The terms and conditions of the bond define a change of control (a) the acquisition of 30% of the voting rights in the company, (b) a merger involving the company (and leading to a change in the majority of the voting rights) or the sale of essentially all of the company's assets.

10. The company has not entered into any compensation agreements with members of the Board of Management or employees in the case of a takeover offer.

For more takeover-related information, please refer to "Post-balance sheet events".



CORPORATE GOVERNANCE STATEMENT (SECTION 289A OF THE GERMAN COMMERCIAL CODE (HGB))

The Board of Management and the Supervisory Board of DF Group issued a declaration according to Section 161 of the Stock Corporation Act (AktG) regarding the

recommendations of the Government Commission on the Corporate Governance Code. This declaration was published on the company website on 20 February 2014.



OUTLOOK

In the second half of 2013, the world economy recovered more quickly than projected in the forecasts issued last autumn. Various factors which had an adverse impact on global economic activity last years have lost importance over the past months. Accordingly, the latest forecast by the International Monetary Fund (IMF) projects global economic growth rates of 3.7% for 2014 and of 3.9% for 2015. In the USA, the consolidation process has advanced to such a state that its dampening effect on the world economy has subsided notably. The IMF expects the US economy to grow at an accelerated rate of 2.8% in 2014.

In the eurozone, confidence in the survival of the common currency area has stabilized and the European Central Bank's expansionary monetary policy has led to the planned turnaround, resulting in projected growth rates of 1.0% in 2014 and 1.4% in 2015. In the coming years, fiscal policy is likely to be less restrictive than in the past months, especially because of the positive development in the capital markets. According to the IMF forecast, growth in the emerging and developing countries will accelerate to 5.1% in 2014 and to a projected 5.4% in 2015.

Similar to the IMF forecast, the Institute for the World Economy (IfW) believes that the large economies will continue their expansionary fiscal policy in the coming years, which will have a positive effect on the world economy. The IMF experts also expect world trade to grow by 4.5% in 2014 and by 5.2% in 2015 as trade barriers continue to be removed and globa-

lization continues. Imports to emerging and developing countries, which are at the heart of DF Group's business model, will play an important role in this context.

These high growth rates show that DF Group operates in a very attractive market environment. Even though the company was unable to translate the growth potential into a higher business volume in 2013, important strategic measures for the future of DF Group were initiated in the past fiscal year. The trade finance fund and the ABS/ABCP program will give DF Group additional options for placing foreign trade receivables. Compared to individual placements, a placement with the trade finance fund and the ABS/ABCP program is characterized by a higher degree of standardization, which enables a higher turnover and, hence, more effective use of the refinancing resources and a higher business volume. In addition, the successful bond issue has given DFAG sufficient financial resources to acquire the export receivables required for these placement options. Besides diversifying the placement side, the company has clearly expanded its purchasing activities in Africa, an important strategic market. The business volume in Africa more than doubled in 2013 and DF Group projects a strong increase for the coming years.

The restoration of the company's operational profitability hinges on the restructuring measures outlined in the "Sanierungsgutachten" report and described in detail under "Post-balance sheet events". The successful implementation of these measures forms the basis for the restoration of the business

volume. After the removal from the sanctions list, this restoration will take several months. Even though the company has taken various cost-cutting measures, the typical forfeiting income is unlikely to be sufficient to cover DF Group's expenses during this time. The company's Board of Management assumes that it will take at least until the third quarter of 2015 before the company realizes a business volume that leads to a profit or at least to a balanced result. Until the restructuring concept is fully implemented in the second quarter of 2015, the operational possibilities of the company will primarily be restricted by the limited financial resources. The low equity capital will limit DF Group's risk-bearing capacity during this phase. As a result, the company will execute less complex and lower-risk transactions, which are easier to place. This will have a corresponding negative effect on the margin. The Board of Management assumes that the company will generate margins

similar to those generated prior to the SDN listing once the (debt and equity) capitalization reaches a sufficient level. Based on our estimates and the market feedback received so far, the company does not foresee any negative consequences of the SDN listing.

DF Group projects a business volume of about EUR 600 million and EUR 900 million for 2015 and 2016, respectively. A low business volume of less than EUR 50 million is expected for 2014 due to the company's listing on the OFAC sanctions list. With a high loss of approx. EUR 12 million projected for 2014, the company expects to return to profitability in the second half of 2015. This will not be sufficient, however, to generate positive consolidated net income in 2015, which will be a year of transition. Once the restructuring measures are completed, the company projects positive consolidated net income for 2016.

RESPONSIBILITY STATEMENT BY THE BOARD OF MANAGEMENT

To the best of our knowledge and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and the profit or loss of the Group. The Group management report includes a fair review of the business development and the position of the Group together with the principal

opportunities and risks associated with the expected development of the Group in the remaining months of the fiscal year.

Cologne, December 2014
The Board of Management

FINANCIAL FIGURES

Consolidated Balance Sheet – Assets

Consolidated Balance Sheet – Equity and Liabilities

Consolidated Income Statement

Consolidated Statement of Recognized Result

Consolidated Cash Flow Statement

Consolidated Statement of Equity Changes

Assets (in EUR)		31-12-2013	31-12-2012* 01-01-2012*	31-12-2011 (as reported before)
A. Long-term assets				
I. Intangible assets	(17)	32,082.45	10,018.56 13,091.93	13,091.93
II. Tangible assets	(18)	516,818.97	348,781.00 481,095.80	481,095.80
III. Financial assets	(19)			
Investments in affiliated companies		174,972.34	194,441.70 51,676.77	51,676.77
IV. Other long-term assets	(20)	33,555.20	13,666.73 30,942.15	30,942.15
V. Deferred taxes		0.00	1,316,973.78 2,185,777.00	2,185,777.00
		757,428.96	1,883,881.77 2,762,583.65	2,762,583.65
B. Short-term assets				
I. Trade accounts and other receivables	(21)	85,759,087.63	76,099,029.17 61,040,220.23	61,040,220.23
II. Tax receivables	(22)	455,557.44	1,251,713.61 2,124,220.44	2,124,220.44
III. Other short-term assets	(22)	295,919.62	238,339.89 303,661.13	303,661.13
IV. Liquid funds	(23)	20,603,046.98	17,434,971.21 31,618,571.47	31,618,571.47
		107,113,611.67	95,024,053.88 95,086,673.27	95,086,673.27
Total assets		107,871,040.63	96,907,935.65 97,849,256.92	97,849,256.92

* The prior year figures were adjusted retrospectively to reflect the application of the IAS 8 with effect from 1 January 2013. Sections (2) and (3) of the corporate notes provide further details.
 (#) Reference to corporate notes.



Equity and Liabilities (in EUR)		31-12-2013	31-12-2012* 01-01-2012*	31-12-2011 (as reported before)
A. Equity	(24)			
I. Subscribed capital		6,800,000.00	6,800,000.00 6,800,000.00	6,800,000.00
II. Capital reserve		7,359,044.50	7,359,044.50 7,359,044.50	7,359,044.50
III. Revenue reserves				
1. Statutory reserve		500,000.00	500,000.00 500,000.00	500,000.00
2. Other reserves		8,500,710.36	7,580,798.26 7,591,917.,88	9,316,391.87
IV. Reserves from currency conversion		-432,335.63	163,240.35 30,693.88	30,693.88
V. Consolidated balance sheet loss/income		-12,557,503.04	2,143,912.10 2,170.96	2,170.96
		10,169,916.19	24,546,995.21 22,283,827.22	24,008,301.21
B. Long-term liabilities				
1. Bond	(26)	28,727,537.85	0.00 0.00	0.00
2. Liabilities to banks		9,045,754.48	9,455,055.33 10,100,471.44	10,100,471.44
3. Other long-term liabilities		0.00	0.00 3,091.47	3,091.47
		37,773,292.33	9,455,055.33 10,103,562.91	10,103,562.91
C. Short-term liabilities				
1. Liabilities to banks		42,213,277.53	54,378,820.58 40,877,516.55	40,877,516.55
2. Short-term provisions	(27)	299,030.00	392,000.00 1,479,608.00	1,479,608.00
3. Tax liabilities	(28)	103,105.00	263,798.92 367.72	367.72
4. Trade accounts and other payables		12,754,812.83	5,400,658.80 20,826,864.03	20,826,864.03
5. Other short-term liabilities	(29)	4,557,606.75	2,470,606.81 2,277,510.49	553,036.50
		59,927,832.11	62,905,885.11 65,461,866.79	63,737,392.80
Total equity and liabilities		107,871,040.63	96,907,935.65 97,849,256.92	97,849,256.92

* The prior year figures were adjusted retrospectively to reflect the application of the IAS 8 with effect from 1 January 2013. Sections (2) and (3) of the corporate notes provide further details.
(#) Reference to corporate notes.

Consolidated Income Statement (in EUR)		01-01 - 31-12-2013	01-01 - 31-12-2012*	01-01 - 31-12-2012 (as reported before)
1. Typical forfeiting income	(8)			
a) Forfeiting income		9,306,002.44	10,106,053.11	10,106,053.11
b) Commission income		3,366,042.17	10,371,459.38	10,371,459.38
c) Income from additional interest charged		240,730.25	699,702.31	699,702.31
d) Exchange profits		5,450,287.08	5,422,449.30	5,422,449.30
e) Income from the reduction of value adjustments on receivables and from the writing back of provisions for forfeiting and purchase commitments		1,010,395.29	3,907,140.04	3,907,140.04
		19,373,457.23	30,506,804.14	30,506,804.14
2. Typical forfeiting expenditure	(9)			
a) Expenditure from forfeiting		6,700.53	67,220.18	67,220.18
b) Commissions paid		1,677,079.89	5,363,924.88	5,363,924.88
c) Exchange losses		5,520,131.97	5,505,525.12	5,505,525.12
d) Credit insurance premiums		0.00	72,662.69	72,662.69
e) Depreciation and value adjustments on receivables as well as additions to provisions for forfeiting and purchase commitments		9,796,332.21	4,532,092.28	4,532,092.28
		17,000,244.60	15,541,425.15	15,541,425.15
3. Gross result	(10)	2,373,212.63	14,965,378.99	14,965,378.99
4. Other operating income	(11)	127,806.08	133,469.56	133,469.56
5. Personnel expenses	(12)			
a) Wages and salaries		4,000,473.06	3,166,173.03	3,166,173.03
b) Social security contributions and expenditure for pensions and social welfare		508,915.29	481,151.27	481,151.27
6. Depreciation on tangible and intangible assets	(13)	124,464.26	111,771.09	111,771.09
7. Other operating expenditure	(14)	6,104,152.77	5,521,884.61	5,237,389.79
8. Interest income	(15)	54,716.46	53,169.97	53,169.97
9. Interest paid	(15)	2,950,352.09	2,110,879.15	2,050,963.90
10. Result before income taxes		-11,132,622.30	3,760,159.37	4,104,569.44
11. Income taxes	(16)			
a) Income and earnings tax		107,850.05	750,589.05	750,589.05
b) Deferred taxes		1,317,030.69	865,658.22	865,658.22
12. Consolidated loss/income		-12,557,503.04	2,143,912.10	2,488,322.17
Average number of shares		6,800,000	6,800,000	6,800,000
Earnings per share (not diluted, diluted)		-1.85	0.32	0.37

* The prior year figures were adjusted retrospectively to reflect the application of the IAS 8. Sections (2) and (3), (14) and (15) of the corporate notes provide further details.
 (#) Reference to corporate notes.



Consolidated Statement of Recognized Result (in EUR)	01-01 - 31-12-2013	01-01 - 31-12-2012*	01-01 - 31-12-2012 (as reported before)
I. Consolidated loss/income	-12,557,503.04	2,143,912.10	2,488,322.17
II. Other income			
a) Components, which will be not reclassified to the income statement for the future			
<i>Revaluation in accordance with IAS 19</i>	<i>0.00</i>	<i>9,677.00</i>	<i>0.00</i>
<i>Taxes on value changes directly recognized in equity</i>	<i>0.00</i>	<i>-3,145.00</i>	<i>0.00</i>
b) Components, which will be reclassified to the income statement for the future			
<i>Currency translation differences from the inclusion of foreign subsidiaries</i>	<i>-595,575.98</i>	<i>158,072.58</i>	<i>158,072.58</i>
	-595,575.98	164,604.58	158,072.58
III. Recognized result	-13,153,079.02	2,308,516.68	2,646,394.75

* The prior year figures were adjusted retrospectively to reflect the IAS 8 and the application of the amended IAS 19 with effect from 1 January 2013.

Consolidated Cash Flow Statement (in kEUR)	01-01 - 31-12-2013	01-01 - 31-12-2012*	01-01 - 31-12-2012 (as reported before)
Cash flow			
Consolidated result	-12,558	2,144	2,488
+ Depreciation on tangible and intangible assets	124	112	112
+ Income tax	1,425	1,616	1,616
+ Interest paid	2,950	2,111	2,051
- Interest paid	-55	-53	-53
+/- Result from disposal of long-term assets	0	74	74
+/- Other transactions not affecting payments	-2,436	-1,031	-978
+/- Changes to trade accounts receivable	-9,660	-15,059	-15,059
+/- Changes to other assets (working capital)	2,036	1,824	1,831
+/- Change to provisions	-93	-1,088	-1,088
+/- Changes to trade accounts payable	7,354	-15,426	-15,461
+/- Change to other liabilities (working capital)	1,927	453	144
- Paid taxes on profits	-575	-596	-596
= Operative Cash flow	-9,561	-24,919	-24,919
- Paid interest	-1,364	-2,185	-2,185
+ Retained interest	55	53	53
= Outflow from current business (Total 1)	-10,870	-27,051	-27,051
Payments for investments in long-term assets	-360	-193	-193
- <i>Intangible assets</i>	-29	0	0
- <i>Tangible assets</i>	-330	-19	-19
- <i>Financial assets</i>	-1	-174	-174
+/- Change in consolidated companies	63	104	104
Outflow from investment activity (Total 2)	-297	-89	-89
+/- Change to financial liabilities	-12,575	12,856	12,856
- Payment of dividends	-1,224	0	0
+ Incoming payments from capital market transactions	28,728	0	0
= Inflow from finance activity (Total 3)	14,929	12,856	12,856
Changes in financial resources affecting payments	3,762	-14,284	-14,284
+ Liquid funds at the start of the period	17,435	31,619	31,619
+/- Effects from the currency conversion	-594	100	100
= Liquid funds at the end of the period	20,603	17,435	17,435
- Balances pledged	-1,158	-1,158	-1,158
= Free liquid funds at the end of the period	18,851	16,277	16,277

* The prior year figures were adjusted retrospectively to reflect the application of the IAS 8 with effect from 1 January 2013. Section (38) of the corporate notes provide further details.



Consolidated State- ment of Equity Changes 01-01-2013 to 31-12-2013 (in EUR)	Subscribed capital	Capital reserves	Statutory reserves	Revenue reserves	Reserves from currency conversion	Total
Balance 01-01-2013	6,800,000.00	7,359,044.50	500,000.00	9,724,710.36	163,240.35	24,546,995.21
Consolidated result				(12,557,503.04)		(12,557,503.04)
Other result					(595,575.98)	(595,575.98)
Consolidated total result						(13,153,079.02)
Dividend payment				(1,224,000.00)		(1,224,000.00)
Balance 31-12-2013	6,800,000.00	7,359,044.50	500,000.00	(4,056,792.68)	(432,335.63)	10,169,916.19

Consolidated State- ment of Equity Changes 01-01-2012 to 31-12-2012 (in EUR)	Subscribed capital	Capital reserves	Statutory reserves	Revenue reserves	Reserves from currency conversion	Total
Balance 01-01-2012 (as reported before)	6,800,000.00	7,359,044.50	500,000.00	9,318,562.83	30,693.88	24,008,301.21
IAS 8.42 adjustments				(1,724,473.99)		(1,724,473.99)
Balance 01-01-2012 (after adjustments)	6,800,000.00	7,359,044.50	500,000.00	7,594,088.84	30,693.88	22,283,827.22
Consolidated total result				2,488,322.17	158,072.58	2,646,394.75
Change in consolidated companies				(19,822.58)	(25,526.11)	(45,348.69)
Balance 31-12-2012 (as reported before)	6,800,000.00	7,359,044.50	500,000.00	10,062,588.43	163,240.35	24,884,873.28
Consolidated result, IAS 8.42 adjustments				(344,410.07)		(344,410.07)
Revenue reserves, IAS 8.22 amendment				6,532.00		6,532.00
Balance 31-12-2012 (after adjustments)	6,800,000.00	7,359,044.50	500,000.00	9,724,710.36	163,240.35	24,546,995.21

CORPORATE NOTES

Notes to the 2013 Consolidated Financial Statements

Auditors' Report

Responsibility Statement by the Management Board

Supervisory Board Report

Corporate Governance Report

I. Policies

(1) General information

The legal form of DF Deutsche Forfait AG is that of 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 forfeiting company and, as such, is a financial enterprise within the definition of Section 1 (3) No. 2 KWG (German Banking Act). Forfeiting involves both the non-recourse purchase and sale of trade receivables and the assumption of risks through purchase commitments. The receivables are round-tripped or held internally in the portfolio and then sold. Unmarketable receivables, insurance deductibles and, in exceptional cases, lucrative transactions are retained in the Group's portfolio.

The revised consolidated financial statements of DF Deutsche Forfait AG (also "DF Group" or "Group") as of 31 December 2013 comply with the International Financial Reporting Standards (IFRS) at the accounting date as endorsed by the EU and with applicable supplementary regulations according to Section 315a of the German Commercial Code (HGB). Due to the situation described in note 39 (OFAC sanctions list), these consolidated financial statements as of 31 December 2013 were prepared only in December 2014 and subjected to a supplementary audit as the auditors had issued an adverse opinion for the consolidated financial statements originally prepared in April 2014.

IFRS also include the prevailing International Accounting Standards (IAS). All the binding interpretations of the International Financial Reporting Interpretations Committee (IFRIC) for the 2013 financial year have also been applied. The figures for the previous year conform with the regulations applicable to the 2013 financial year.

The functional currency of the Group is the euro. All figures are presented in thousands of euros (KEUR) unless otherwise stated.

To give a clearer account, various items in the balance sheet and income statement have been aggregated. These items are described separately in the revised consolidated Notes. In principle, the income statement is prepared according to the total expenditure method. In the revised consolidated income statement, income and expenses are grouped by category and income and expense totals are presented to reflect the particular characteristics of a forfeiting company. The revised consolidated financial statements follow the structure guidelines set out in IAS 1.

The Board of Management and the Supervisory Board of DF Deutsche Forfait AG issued a declaration according to Section 161 of the Stock Corporation Act (AktG) regarding the recommendations of the Government Commission on the Corporate Governance Code. This declaration was issued and published on the company's website on 20 February 2014.

(2) Error correction pursuant to IAS 8

On 12 February 2014, DF AG filed tax returns for value-added tax for the period from 2007 to 2013 with the Cologne tax office. The insight about the company's VAT obligation with regard to individual services/goods sourced from foreign companies was gained in conjunction with the examination of the value-added tax treatment of a debt collection

performed for the first time in 2013 for a domestic customer. On the occasion of this transaction, DF AG decided to review all transactions which do not form part of the VAT-exempt forgoing business for their VAT obligation. The result of the analyses, which were initially carried out internally and which have since November 2013 been conducted with external assistance, is that DF AG failed to declare and pay value-added tax for certain services sourced abroad in accordance with applicable VAT regulations (reverse charge procedure). In this context, the company had to make a retroactive payment of value-added tax in the amount of EUR 2.2 million plus interest on the value-added tax of EUR 0.2 million.

This accounting error was corrected retrospectively in accordance with IAS 8.41 f. The first adjustment was made in the opening balance sheet as at 1 January 2012 in the form of offsetting the VAT liability for the period from 2007 to 2011 with the revenue reserves in the amount of kEUR 1,724. The pro-rated tax liability for 2012 (kEUR 284) and 2013 (kEUR 239) as well as the related interest for 2012 (kEUR 60) and 2013 (kEUR 93) were recognized through profit/loss in other current liabilities for these financial years. For more information on this aspect, see the paragraphs on other operating expenses and financial results.

(3) Amendments to the standards made by the IASB

Amendments to be applied in the reporting period

The following amendments had an impact on the Group's accounting:

Amendments to IAS 1 – Presentation of Items of Other Comprehensive Income

This amendment changes the presentation of other comprehensive income in the statement of comprehensive income. The items of other comprehensive income which are later recycled in the income statement must be presented separately from those items of other comprehensive income which are never recycled. Where these items are shown without being netted with effects from deferred taxes, deferred taxes must no longer be shown as a sum total but separately for the two groups of items.

IAS 19 "Employee Benefits" (revised 2011)

The amendments to IAS 19 "Employee Benefits" were adopted by the IASB in June 2011. They are mandatory for annual periods commencing on or after 1 January 2013. Besides more extensive disclosure obligations relating to employee benefits, the revised standard primarily results in the following changes:

In the past there was an option as to how to present unexpected fluctuations in pension obligations, generally referred to as actuarial gains and losses, in the financial statements. They could either (a) be recognized through profit or loss or (b) in other comprehensive income (OCI) or (c) with a time delay according to the corridor method. The revised IAS 19 no longer provides this option, which means that actuarial gains and losses must now be recognized immediately and fully in other comprehensive income. In addition, past service cost must be directly recognized in profit or loss in the year in which it is incurred. Under the old IAS 19, the return from plan assets anticipated at the beginning of the accounting period was determined on the basis of management's expectations regarding the changes in the value of the investment portfolio. The revised standard only allows a typifying return on plan assets equivalent to the discount rate applied to the pension obligations at the beginning of the period. The amendments to the revised IAS 19 have no material impact on the revised consolidated financial statements.

The amendments to IAS 19 apply retrospectively pursuant to IAS 8.22. Accordingly, the prior year figures as at 31 December 2012 and the amounts carried forward to 1 January 2013 were adjusted.

Net pension expenses recognized in profit/loss of the year 2013 and the corresponding remeasurement gains relating to other comprehensive income as at 31 December 2013 amount to EUR 0.

The table below shows the effects of the revised accounting method on the statement of comprehensive income.

Impact of the amended accounting method in TSD EUR	01-01 - 31-12-2013	01-01 - 31-12-2012
Decrease of the revaluation loss	0	10
Deferred tax expenses	0	3

The revised accounting method had no material effect on net assets as at 31 December 2013 and 31 December 2012. The effects on income tax and earnings per share were negligible in both the 2013 financial year and the prior year period. The following new aspects and amendments to the standards are mandatory for the 2013 reporting year and had no impact on DF Group's accounting:

IFRS 13 "Fair Value Measurement"

This standard ensures consistent fair value measurement in all financial statements prepared to IFRS. All fair value measurements required under other standards must now meet the requirements of IFRS 13; separate regulations will apply only under IAS 17 and IFRS 2. IFRS 13 defines the fair value as the exit price, i.e. the price that would be received to sell an asset or paid to transfer a liability. Similar to the fair value measurement of financial assets, IFRS 13 establishes a hierarchy which consists of three levels relating to observable market prices.

IAS 12 "Income Taxes"

The measurement of deferred taxes depends on whether the carrying amount of an asset is recovered through use or sale. The amendment introduces the refutable assumption that real estate held as financial investments measured at fair value is recovered through sale.

IFRS 1 "First-time Adoption of IFRS"

The amendments relate to the removal of fixed dates for the adoption of IFRS, regulations regarding hyperinflation of the functional currency and government loans with a below-market rate of interest.

IFRS 7 "Financial Instruments: Disclosures"

The amendments relate to disclosure duties regarding the offsetting of financial assets and financial liabilities in the notes.

Annual improvements to IFRS 2009-2011

The improvements primarily relate to the presentation of the financial statements (IAS 1), the classification of fixed assets (IAS 16), disclosures on financial instruments (IAS 32) and the presentation of interim reports (IAS 34).

IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine"

The interpretation relates to stripping costs and their capitalization requirements.

Financial reporting regulations that have been approved but not yet applied

The following standards and interpretations, which are applicable after 31 December 2013, were not applied prematurely:

- Amendments to IFRS 9 ("Financial Instruments"); the project has not been completed yet and no date for first-time application has been set yet.
- IFRS 10 ("Consolidated Financial Statements"), applicable for financial years beginning on or after 1 January 2014.
- IFRS 11 ("Joint Arrangements"), applicable for financial years beginning on or after 1 January 2014.
- IFRS 12 ("Disclosure of Interests in Other Entities"), applicable for financial years beginning on or after 1 January 2014.
- Amendments to IAS 27 ("Separate Financial Statements"), applicable for financial years beginning on or after 1 January 2014.
- Amendments to IAS 28 ("Investments in Associates and Joint Ventures"), applicable for financial years beginning on or after 1 January 2014.
- Amendments to IAS 32 ("Financial Instruments: Presentation"), applicable for financial years beginning on or after 1 January 2014.
- Amendments to IAS 39 ("Financial Instruments: Recognition and Measurement"), applicable for financial years beginning on or after 1 January 2014.
- IFRIC Interpretation 21 ("Levies"), applicable for financial years beginning on or after 1 January 2014.

These new or revised standards were not prematurely applied or are not relevant to the consolidated financial statements as at 31 December 2013. Premature application of the standards and interpretations is not planned. The effects on the Group's accounts are currently being reviewed. No material or qualitative implications are expected on reporting.

(4) Basis of consolidation, reporting date

The consolidated financial statements cover DF Deutsche Forfait AG (also referred to as "DF AG") as the parent company as well as two subsidiaries, namely DF Deutsche Forfait s.r.o., Prague/Czech Republic and Deutsche Kapital Ltd., Dubai/United Arab Emirates ("DKL"). DKL was established by DF Deutsche Forfait AG in April 2013 and was initially included in the interim consolidated financial statements for the period ended 30 June 2013. The parent held 100% of the voting rights for the entire period from the foundation of the company to 31 December 2013. Given that DKL acts as asset manager for the planned trade finance funds and thus makes an important strategic contribution to the future development of the Group, the company has been included in the consolidated financial statements in spite of its minor importance. The reporting date of DF Group and the consolidated subsidiaries is 31 December. The subsidiaries DF Deutsche Forfait Americas, Inc., Miami/USA, DF Deutsche Forfait do Brasil Ltda., São Paulo/Brazil, and DF Holding Ltd.,

Dubai, in which DF AG holds 100% of the voting rights, as well as the investment in DF Deutsche Forfait West Africa Ltd., Accra/Ghana, in which DF AG holds 60% of the voting rights, and in DF Deutsche Forfait Pakistan (Private) Limited, Lahore/Pakistan, in which DF AG indirectly holds 100% of the voting rights, are not included in the basis of consolidation. The non-consolidated subsidiaries are of secondary importance for the consolidated financial statements as of 31 December 2013, both individually and collectively, and do not influence the true and fair view of the assets, liabilities, financial position and the profit or loss presented in the consolidated financial statements.

(5) Consolidation procedures

The basis for the consolidated financial statements are the financial statements of the consolidated companies prepared at 31 December 2013 under uniform accounting and valuation policies according to IAS 27 "Consolidated Financial Statements and Accounting for Investments in Subsidiaries". The consolidated subsidiaries being start-ups, no differences arise from consolidation. Intragroup receivables, liabilities, provisions, income and expenses, and profits are eliminated on consolidation.

(6) Currency translation

The consolidated financial statements are prepared in euros, the functional currency of the company, pursuant to IAS 21 "The Effects of Changes in Foreign Exchange Rates". Since the subsidiaries carry out their business autonomously in financial, economic and organizational terms, the functional currency is essentially identical to the company's local currency. Therefore, in the 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. Exchange differences resulting from the translation of equity are reported under equity as a currency translation reserve. The translation differences resulting from differing translation rates between the balance sheet and the statement of comprehensive income are recognized in other comprehensive income.

In the separate financial statements of DF Deutsche Forfait AG and its subsidiaries, foreign currency receivables and liabilities are valued at the cost of acquisition on accrual. Exchange gains and losses on the balance sheet date are shown in the income statement. 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	
	31-12-2013	31-12-2012	2013	2012
US Dollar	1.3791	–	1.3281	–
Czech Koruna	27.4270	25.1510	25.9800	25.1490

(7) Accounting and valuation policies

The financial statements of the companies included in the consolidated financial statements have been prepared according to uniform accounting and valuation policies in accordance with IAS 27.

Revenue, hereafter typical forfeiting income, comprises forfeiting and commission income, income from additional interest charges, exchange rate gains, and income from the writing back of value adjustments on receivables and of provisions for forfeiting and purchase commitments.

Forfeiting and commission income is realized at the time the legally binding purchase or the commitment to purchase receivables is made. If this income is periodic, it is taken in on an accrual basis. Income from additional interest charges is taken in on an accrual basis over the duration of the retained amounts. Typical forfeiting risks, recognized in previous periods as a value adjustment on receivables or as a provision, are treated as income in the financial year in which the risks no longer exist. Typical forfeiting expenses include expenses which are a direct result of typical forfeiting income and can be individually attributed to transactions. Expenses are attributed to the periods in which they are incurred.

Operating expenses are recognized as expenses upon effective payment or as incurred. All interest on borrowing in the income statement is reported under interest expense.

Intangible assets include software, licenses and the right to Internet domain names. Software, as an intangible asset acquired for consideration, is recognized at cost and regularly amortized using the straight-line method over its estimated useful life of three years. Depreciations are included under the position "depreciation on tangible and intangible assets" of the income statement. The acquired domain names have been recorded as assets that are not subject to amortization. No impairment test was carried out for these assets as they are of minor importance for the consolidated financial statements.

All items of property, plant and equipment are used for business purposes and are recognized at cost, less regular depreciation. Depreciation on property, plant and equipment is calculated using the straight-line method according to the expected average useful life. Low-value assets are fully written off in the year of acquisition. Regular depreciation is based on the following Group standard useful lives.

Useful life in years	2013	2012
Other installations, fittings and office equipment		
IT-Hardware	3-6	3-6
Cars	4-6	4-6
Fixtures	3-8	3-8
Tenants' installations	5-7	5-7
Office equipment	10-23	10-23

There were no adjusting events or market developments to indicate an adjustment in the estimated useful lives or a decrease in value of the intangible assets and property, plant and equipment. The adjusting events which occurred after the end of the financial year and are described in note 39 have no impact on the valuation of these assets. The consolidated fixed assets schedule for the 2013 financial year and the previous year, which shows the changes in acquisition costs, depreciation and amortization and net carrying amounts, forms part of these revised notes to the consolidated financial statements.

Financial instruments are recognized in accordance with the respective categories defined under IAS 39. The Group classifies financial assets in the following categories: financial assets recognized at fair value through profit/loss, loans and receivables, and available-for-sale financial assets.

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. They are initially recognized at their fair value plus directly attributable transaction costs (IAS 39.43). They are measured at amortized cost less potential impairments using the effective interest method. Gains and losses are recognized in the income statement for the period at the time of derecognition or impairment of “loans and receivables”. Trade receivables include financial assets measured at fair value upon initial recognition (trading day) (IAS 39.43).

Financial assets recognized at fair value through profit/loss comprise financial assets held for trading. This category comprises those trade receivables that were acquired for trading and will be sold in the short term. Changes in the fair value of financial assets in this category are recognized in profit/loss at the time of the value increase or impairment. Receivables held for trading are assigned to the respective category and recognized at fair value through profit/loss. Attributable transaction costs are recognized in profit or loss.

Available-for-sale financial assets are non-derivative financial assets that were assigned either to this category or to none of the other categories. Available-for-sale financial assets are measured at fair value plus directly attributable transaction costs upon initial recognition. In the context of subsequent measurement, available-for-sale financial assets are measured at fair value, with changes in the value, except for impairments, recognized in other comprehensive income and in equity as reserve. When an asset is derecognized, other comprehensive income is reclassified to the income statement. Available-for-sale financial assets comprise non-consolidated investments in affiliated companies. As their fair value cannot be reliably determined, they are measured at cost.

Under non-current assets, rent deposits and deferred taxes as well as investments in subsidiaries not included in the consolidated financial statements are reported as investments at cost.

The Group derecognizes a financial asset when the contractual rights relating to the cash flows expire or when the rights to receive the cash flows from a transaction are transferred in the context of a transaction in which all material benefits and risks associated with this financial asset are transferred as well (IAS 39.17).

Unless they fall in the “held for trading” category, trade receivables and other current assets are loans and receivables recognized at amortized cost using the effective interest method. The country-specific credit risk is covered by country value adjustments, which are calculated on the basis of the country ratings published in the financial magazine “Institutional Investor” and adapted if necessary. The publication of the “Country Credit Ratings” in the “Institutional Investor” draws on a survey of numerous banks and analysts, and ensures impartial valuation in the consolidated balance sheet of DF Group. Itemized value adjustments are established where required.

Regular assessments are carried out according to IAS 39 “Financial Instruments: Recognition and Measurement” to determine whether there is objective evidence of a financial asset or a portfolio of financial assets being impaired. After testing for impairment, any impairment loss is recognized.

A financial asset not recognized at fair value through profit/loss, including an interest in an enterprise, is tested for impairment at every balance sheet date (IAS 39.58). A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset. Objective evidence that a financial asset is impaired includes:

- default or delinquency of a debtor;
- indications that the debtor will enter bankruptcy or other financial reorganization;
- adverse changes in the payment status of borrowers or issuers;
- decrease in the estimated future cash flows due to adverse economic conditions that correlate with defaults.

In addition, a significant or prolonged decline in the fair value below the cost of acquisition constitutes objective evidence of impairment. The Group considers a decline by 20% to be significant and a period of six months to be prolonged.

The Group assesses indications of the impairment of a financial asset measured at amortized cost both individually for each financial asset and collectively. All assets that are individually significant are tested for individual impairment. Those assets that are not individually impaired are collectively tested for impairment which has already occurred but still needs to be identified. Assets that are not individually significant are collectively tested for impairment. When assessing collective impairment, the Group considers historical trends in the probabilities of default, the timing of payments and the amount of the losses incurred.

The amount of the impairment of a financial asset, which is subsequently recognized using the effective interest method, is measured as the difference between its carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (IAS 39.63). If the amount of the impairment loss decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit/loss (IAS 39.65).

Cash and cash equivalents are reported in the balance sheet at face value. The item includes cash on hand and bank deposits with a maturity of up to three months.

Deferred tax assets and liabilities are determined according to IAS 12 "Income Taxes" using the liability method based on the balance sheet date for all temporary differences between the tax basis and IFRS measurements. Deferred taxes are calculated on the basis of tax rates which apply or are expected to apply under prevailing law in the particular countries when the asset is realized or the liability is settled.

As of 31 December 2013, deferred tax assets for the carryforward of unused tax losses were recognized in the revised consolidated financial statements only to the extent that sufficient taxable temporary differences existed against which the deductible temporary differences and tax losses could be utilized. Above and beyond this, no deferred tax assets were recognized as it is currently unlikely that sufficient taxable results will be generated in the coming financial years (IAS 12.24 et seq., IAS 12.34). The deferred tax assets carried forward from the previous year in the amount of KEUR 1,317 were released in the financial year and recognized in the consolidated income statement (IAS 12.56).

With regard to changes in equity, please refer to the separate consolidated statement of changes in equity.



Pension obligations include defined contribution and defined benefit plans. The obligations for defined benefit plans are measured using the projected unit credit method in accordance with IAS 19 "Employee Benefits". The calculation is based on an actuarial valuation that takes biometric assumptions into consideration. Pension obligations are counterbalanced by the asset value of reinsurance on the opposite side. Reinsurance claims are pledged to the plan beneficiaries. The insurance is recognized at plan assets, as it is irrevocably available for benefit purposes only, even in the event of company insolvency (qualified insurance policy). The present value of the covered obligation is limited by the value of the plan assets. The value of the pension obligation and the fair value of reinsurance are offset. Under the revised IAS 19, actuarial gains and losses must be immediately and fully recognized in other comprehensive income. Past service cost must be directly recognized in profit or loss in the year in which it is incurred. In the past, the return from plan assets anticipated at the beginning of the accounting period was determined on the basis of management's expectations regarding the changes in the value of the investment portfolio. IAS 19 (revised 2011) only allows a typifying return on plan assets equivalent to the discount rate applied to the pension obligations at the beginning of the period. Expenditures for pension provisions including the interest component are classified as personnel expenses. Expenses for contribution-based pension plans are recorded as expenditures in the year of payment.

Provisions are recognized as a present obligation (legal or constructive) to a third party as a result of a past event when it is probable that an outflow of resources will be required and a reliable estimate can be made of the requisite amount of the provision. These are measured at full cost.

Financial liabilities are initially recognized at the fair value, which is usually equivalent to the cost of acquisition. Transaction costs are also considered. Subsequently, all liabilities are measured at amortized cost. At DF Group, these are usually short-term liabilities, which are therefore carried at the repayment amount. DF Group has no liabilities held for trading. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

The preparation of the consolidated financial statements to IFRS requires assumptions to be made and estimates to be used which have an effect on the assets and liabilities, income and expenses, and contingent liabilities shown in the balance sheet both in terms of amount and reporting. The assumptions and estimates essentially relate to the unified group stipulation of useful lives, the stipulation of country and counterparty risks on trade receivables, the valuation of pension obligations, and the accounting for and measurement of provisions. In isolated cases, the actual values may deviate from the assumptions and estimates made. Changes are included in income at the point in time when more accurate information becomes available.

II. Notes to the Income Statement

(8) Typical forfeiting income

Portfolio income earned in the period and trading income (the difference between amortized cost and the sales price of a receivable) are recorded as forfeiting income. A forfeiting expense is only incurred if the market value calculated at the time of sale falls below the carrying amount. At the same time, only DF Group income from loan agreements is recorded in typical forfeiting income.

Typical forfeiting income in kEUR	2013	2012
Forfeiting income	9,306	10,106
Commission income	3,366	10,371
Income from additional interest charged	241	700
Exchange rate gains	5,450	5,423
Income from the writing back of value adjustments on receivables and of provisions for forfeiting and purchase commitments	1,010	3,907
Total	19,373	30,507

Forfeiting income was down by kEUR 800 or 8% on the previous year. Commission income dropped by almost 68%. This decline corresponds with the much lower commission expenses. Due to the listing on the OFAC sanctions list (see note (39)), an amount of EUR 1.6 million recognized as commission income in the financial year was derecognized. Exchange gains were more or less offset by exchange losses; as a consequence, the result from exchange rate effects was of minor importance for the consolidated financial statements of DF AG, which was also the case in the previous years. Income from the reversal of value adjustments was more than offset by expenses, resulting in a negative balance of kEUR 8,786. For further details, please refer to the "Result of operations" paragraph in the revised Group Management Report.

(9) Typical forfeiting expenses

Typical forfeiting expenses break down as follows.

Typical forfeiting expenses in kEUR	2013	2012
Forfeiting expenses	7	67
Commission expenses	1,677	5,364
Exchange losses	5,520	5,505
Credit insurance premiums	–	73
Depreciation and value adjustments on receivables as well as additions to provisions for forfeiting and purchase commitments	9,796	4,532
Total	17,000	15,541



Forfeiting expenses and credit insurance premiums are of negligible importance for the consolidated financial statements of DF AG because of their low amounts. Commission expenses declined sharply by kEUR 3,687 compared to the previous year. Allocations to risk provisions including valuation allowances and write-downs exclusively related to loans and receivables.

(10) Gross result

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

Gross result in kEUR	2013	2012
Net forfeiting	9,299	10,039
Net commission	1,689	5,007
Result from additional interest charges	241	700
Profit (loss) on exchange rate gains and losses	(70)	(83)
Net valuation in forfeiting business	(8,786)	(625)
	2,373	15,038
less credit insurance premiums	–	(73)
Total	2,373	14,965

The sharp decline in the gross result against the previous year is attributable to the lower net commission income and the clearly negative net valuation in the forfeiting business.

(11) Other operating income

Other operating income breaks down as follows

Other operating income in kEUR	2013	2012
Income from offsetting non-cash benefits under the provision of motor vehicles	39	41
Income from writing back other liabilities	65	11
Income from the disposal of already fixed asset items	20	38
Miscellaneous other operating income	4	43
Total	128	133

(12) Personnel expenses

Staff costs break down as follows.

Staff costs in kEUR	2013	2012
Salaries	4,000	3,166
Total salaries	4,000	3,166
<i>Social security contributions</i>	423	399
<i>Pensions</i>	72	69
<i>Other social security expenses</i>	14	13
Total social security expenses	509	481
Total	4,509	3,647

Social security contributions include employer's contributions to state pension providers in the amount of kEUR 209 (previous year: kEUR 204). Pensions include expenses for defined contribution benefit plans in the amount of kEUR 70 (previous year: kEUR 65). The increase in personnel expenses is primarily attributable to changes on the Board of Management and the initial consolidation of Deutsche Kapital Limited, Dubai.

(13) Depreciation/amortization on tangible and intangible assets

Depreciation and amortization break down as follows.

Depreciation and amortization in kEUR	2013	2012
Amortization on intangible assets	6	3
Depreciation on tangible assets	118	109
Total	124	112

(14) Other operating expenses

Other operating expenses break down as follows:

Other operating expenses in kEUR	2013	2012
Legal and consultation fees, costs of preparing statements	1,862	1,726
Administrative expenses/cooperation partners	1,712	1,440
Travel expenses	432	476
Cost of premises (rental and cleaning costs)	429	328
Other taxes	241	286
Telephone, postage and Internet connection charges	153	143
Payment transaction fees	142	184
Insurance, fees, contributions	104	61
Vehicle costs	88	80
Miscellaneous other expenses	941	798
Total	6,104	5,522

Other operating expenses increased due to higher costs for cooperation partners, which include the expenses for the office in London, the cooperation partner in Italy as well as the subsidiaries in Pakistan, Miami and São Paulo. The increase in the cost of premises and in miscellaneous other expenses is essentially attributable to the initial consolidation of DKL, Dubai.

Legal and consultation expenses primarily result from legal proceedings relating to overdue receivables.

Miscellaneous other expenses primarily include expenses relating to the public listing and the Annual General Meeting (kEUR 329), expenses for rights of use and IT equipment (kEUR 119) and the compensation of the members of the Supervisory Board (kEUR 109).

Due to the retrospective error correction pursuant to IAS 8 (see note 2), the previous year's other operating expenses increased by kEUR 284 (other taxes); in the 2013 financial year, the respective increase amounted to kEUR 239.

(15) Financial results

The financial results break down as follows.

Financial results in kEUR	2013	2012
Interest income from banks	7	31
Interest income from loans and receivables	48	22
Total interest income	55	53
Interest expense payable to banks	1,307	2,017
<i>thereof from refinancing the forfaiting business</i>	<i>1,219</i>	<i>1,938</i>
<i>thereof from interest on overdraft</i>	<i>88</i>	<i>78</i>
Miscellaneous interest expenses	1,634	94
<i>thereof interest on bond</i>	<i>1,500</i>	–
<i>thereof other interest</i>	<i>143</i>	<i>94</i>
Total interest expense	2,950	2,111
Net interest = financial results	(2,895)	(2,058)

Interest expenses incurred for the refinancing of bank loans declined sharply in the financial year, whereas other interest expenses increased primarily because of the May 2013 issue of a EUR 30 million bond with a term of seven years and a coupon of 7.875% p.a. Miscellaneous interest expenses of the 2012 period increased by kEUR 60 due to the retrospective error correction pursuant to IAS 8.

(16) Income tax

The prior year figures shown in the tables below for deferred tax expense, other tax effects and pension obligations were adjusted retroactively by kEUR 3 each to reflect the application of the revised IAS 19 (type of temporary differences). The retroactive declaration of value-added tax for the years from 2007 to 2013 did not lead to an adjustment of the prior year figures as deferred tax assets from temporary differences may not be recognized if it is not sufficiently probable that taxable results will be available against which the deductible temporary differences can be utilized (IAS 12.27). For the same reason, no deferred tax assets are recognized for the loss incurred in the 2013 financial year (IAS 12.34 et seq.). In addition, the deferred tax assets recognized for the previous years were released and recognized in the income statement (IAS 12.56) as no sufficient taxable temporary differences are available against which the unused tax losses can be utilized. Group income tax breaks down as follows.

Income taxes in kEUR	2013	2012
Income tax expense from the current year	107	529
Allowances for previous years	1	221
Current tax expense	108	750
Deferred taxes from temporary differences	495	15
Deferred taxes from tax losses carried forward	822	851
Deferred tax expense	1,317	866
Total	(1,425)	1,616

Tax expense includes corporation and trade income tax payable by domestic companies and comparable income tax payable by the foreign companies. Other taxes are included in other operating expenses.

Deferred taxes are calculated on the basis of tax rates which apply or are expected to apply under prevailing law in the particular countries when the asset is realized or the liability is settled. In Germany, the standard rate of corporation tax is 15.0%. Taking into consideration a solidarity surcharge of 5.5% on top of corporation tax and an average effective trade income tax rate of approximately 16.5%, this results in a tax rate of approximately 32.5% for domestic companies. This tax rate was uniformly applied across the reporting period to calculate domestic deferred tax effects. The tax effects of foreign companies were of secondary importance in the reporting period and were disregarded on account of their immateriality.

The status of deferred tax assets and liabilities as at 31 December 2013 is detailed in the table below.

Deferred tax assets and liabilities by type of temporary differences in kEUR	Assets		Liabilities	
	2013	2012	2013	2012
Trade receivables	–	–	9	14
Period accruals	–	–	7	11
Pension obligations	–	91	–	–
Tax loss carry-forward	429	1,251	–	–
Consolidated result	–	–	–	–
Bond	–	–	413	–
<i>Total</i>	<i>429</i>	<i>1,342</i>	<i>429</i>	<i>25</i>
Offsetting	(429)	(25)	(429)	(25)
Balance sheet value	–	1,317	–	–

*The prior year figures were adjusted retrospectively to reflect the application of the amended IAS 19 with effect from 1 January 2013.

With respect to the value of deferred tax assets, care was taken only to recognize amounts which are at least highly likely to be realized. This estimate takes into account all positive and negative factors affecting a sufficiently high income in the future. The estimate may change depending on future developments.

As of 31 December 2013, DF AG had tax loss carryforwards of kEUR 16,263 relating to trade tax and of kEUR 17,175 relating to corporate income tax as well as temporary differences relating to trade tax and corporate income tax of kEUR 258 each (previous year: kEUR 344 relating to corporate income tax and kEUR 329 relating to trade tax), for which no deferred tax assets were recognized. The difference between expected and reported income tax revenue (previous year tax expense) can be accounted for as follows:

in kEUR	2013	2012
Earnings before tax	(11,133)	3,760
Nominal tax rate	32.5%	32.5%
<i>Expected income tax</i>	<i>(3,618)</i>	<i>1,222</i>
Non-deductible expense	101	186
Tax-free/taxable income	–	(13)
Tax effects from previous years	22	241
Effects from deviant local tax rates	65	(136)
Effects from the change in the adjustment of the value of deferred taxes	4,845	109
Other tax effects	(10)	7
Income taxes	1,425	1,616



III. Notes to the Balance Sheet

(17) Intangible assets

The movement of intangible assets is shown in the consolidated fixed assets schedule attached to the consolidated financial statements.

(18) Tangible assets

The breakdown of the combined tangible fixed asset items in the balance sheet and their movement in the reporting year are shown in the consolidated fixed assets schedule attached to the consolidated financial statements.

(19) Financial assets

Financial assets include the non-consolidated affiliated companies.

(20) Other non-current assets

Other non-current assets solely comprise rent deposits for the offices used by DF Group.

(21) Trade receivables

Trade receivables in the amount of kEUR 85,759 (previous year: kEUR 76,099) include receivables purchased as part of the forfaiting business of kEUR 80,268 (previous year: kEUR 69,500) and other receivables amounting to kEUR 5,491 (previous year: kEUR 6,599).

(22) Tax receivables and other current assets

Current assets break down as follows.

Other current assets in kEUR	31-12-2013	31-12-2012
Prepaid expense	147	83
Miscellaneous other assets	149	155
Tax receivables	455	1,252
Total	751	1,490

Tax receivables include prepaid income tax for the year 2013, which are shown as repayment claims.

(23) Cash and cash equivalents

Cash and cash equivalents amounted to kEUR 20,603 (previous year: kEUR 17,435) and related to bank deposits with a maturity of up to three months. An amount of kEUR 1,158 (previous year: kEUR 1,158) of these deposits is pledged as collateral. Cash and cash equivalents were mostly denominated in euros and could not be used to pay off current liabilities to banks, which are mainly used to refinance transactions in US dollars.

(24) Equity

Changes in the equity of DF Group are reported in the statement of changes in equity.

Subscribed capital: The share capital of the Group amounts to kEUR 6,800 and is divided into 6,800,000 no-par bearer shares, which are fully paid

Capital reserve: The capital reserve consists of the difference between the proceeds from the share issue and the nominal increase in capital. Taking into account financing costs offset against the capital reserve and adjusted for tax effects and the withdrawal of kEUR 3,927 in 2011, the Group has an unchanged capital reserve in the amount of kEUR 7,359.

Revenue reserves: Revenue reserves consist of profits generated in the past by the companies included in the consolidated financial statements, unless distributed or increased by withdrawals from the capital reserve. Pursuant to IAS 8, the receivables recognized must be reduced by kEUR 1,724 with retroactive effect from 1 January 2012 and by kEUR 1,718 with retroactive effect from 31 December 2012.

Currency translation reserve: This reserve shows the differences in other comprehensive income arising from foreign currency translation of the financial statements of foreign subsidiaries through equity in the form of an adjustment item from currency translation. The reserve is negative and reduced the reported equity in the reporting year by kEUR 432. As at 31 December 2012, the currency translation reserved increased equity by kEUR 163. The change in the reserve amounted to kEUR -596 in the financial year, primarily resulting from the consolidation of the Czech subsidiary.

Earnings per share: Earnings per share are based on the average number of common shares issued and outstanding in the reporting period (6,800,000) and amounted to EUR -1.85 in the reporting year (both basic and undiluted), compared to EUR 0,32 in the previous year. The previous year's earnings per share were reduced by EUR 0.05 due to the retrospective error correction pursuant to IAS 8.42 (IAS 8.49).

Statement of income and expenses: The composition of comprehensive income is shown under the financial data in the consolidated statement of comprehensive income. Income taxes of kEUR 140 (previous year: kEUR 53) were due on the currency translation adjustments of economically autonomous foreign units once these were realized.

Authorized capital: According to the Memorandum of Association of 24 May 2012, the Board of Management is authorized, subject to approval by the Supervisory Board, to increase the company's share capital by 24 May 2017 once or several times by a total of up to EUR 3,400,000.00 against cash and/or non-cash contributions (including mixed non-cash contributions) by issuing up to 3,400,000 new bearer shares (authorized capital 2012); in this context, the Board



of Management is also authorized to schedule the commencement of the profit participation at a date other than the date provided for by law.

Issuance of warrant and/or convertible bonds: By resolution of the Annual General Meeting on 20 May 2010, the Board of Management was authorized, subject to approval by the Supervisory Board, to issue bearer warrant and/or convertible bonds with a total nominal value of up to EUR 20,000,000.00 in one or several tranches until 19 May 2015 and to grant bond holders or creditors option rights and/or conversion rights on new bearer shares of the company up to a pro-rata share in share capital totaling up to EUR 3,400,000.00 according to the terms and conditions for warrant and convertible bonds.

Right to purchase own shares: The Annual General Meeting on 20 May 2010 authorized the company to purchase its own shares up to a total of 10% (680,000 shares) of the share capital on the stock exchange until 19 May 2015. The Board of Management was authorized to sell the purchased shares on the stock exchange or via an offer to all shareholders in exchange for cash.

(25) Pension obligations

Pension obligations comprise obligations from expectancies in accordance with IAS 19 "Employee Benefits". The prior year figures were adjusted with retroactive effect from 1 January 2012 to reflect the revised IAS 19 (see point 2 above) (IAS 19.173).

As far as the two active members and one former member of the Board of Management are concerned, there are pension commitments in the form of defined benefit plans. According to the benefit plans, benefits are payable if a member of the Board of Management passes away or retires due to age. In this case, Mr. Franke will receive a capital payment. In contrast, Ms. Attawar and Mr. Wippermann have the right to choose an annuity or a capital payment. The company's obligation consists of providing the active employees with their committed benefits. The benefit plan is externally financed by means of reinsurance. The amount of the pension obligation (present value of the earned benefit claims) was calculated by actuarial methods, for which estimates are absolutely necessary. In addition to assumptions as to life expectancy, the following factors play a role in the calculation.

Actuarial assumptions in %	31-12-2013	31-12-2012
Discounting factor	3.60%	3.50%
Inflation rate	1.00%	1.00%
Imputed pension adjustment interval	annual	annual
Pension growth rate	1.00%	1.00%

The diagrams below illustrate the changes in the present value of entitlements for pension obligations and plan assets.

Development of the accumulated benefit obligation in kEUR	2013	2012
Accumulated benefit obligation of the pension promises (Defined Benefit Obligation) as of 1 January	446	274
Service cost	–	23
Interest cost	16	15
Expected Defined Benefit Obligation 31 December	462	312
Actuarial losses from Defined Benefit Obligation	15	134
– thereof accounted for by changes in financial assumptions	(8)	136
– thereof accounted for by experience-based assumptions	23	(2)
Defined Benefit Obligation as of 31 December	477	446

Development of the plan assets in kEUR	2013	2012
Value of plan assets as of 1 January	499	455
Typifying investment income	18	26
Employee contributions	–	30
Difference between typifying and actual income	(3)	(12)
Value of plan assets as of 31 December	514	499

The typifying capital income of the previous year in the amount of kEUR 26 also includes the effect of the retroactive amendments pursuant to IAS 19 in the amount of kEUR 10. The tables below show the deviations between actuarial assumptions and actual developments in the reconciliation and over a 5-year period.

Development/reconciliation in the asset ceiling effect in kEUR	2013	2012
Defined Benefit Obligation as of 1 January	(446)	(274)
Value of plan assets as of 1 January	499	455
Defined benefit liability	–	(1)
Asset ceiling effect as of 1 January	53	180
Interest cost of asset ceiling effect	2	9
Actuarial losses from Defined Benefit Obligation	(15)	(134)
Loss from assets	(3)	(12)
Other comprehensive income	–	10
Asset ceiling effect as of 31 December	37	53

in kEUR	2013	2012	2011	2010	2009
Accumulated benefit obligation	477	446	274	250	206
Included impacts of deviations in reporting year	15	134	(13)	(11)	(20)
Plan assets	514	499	455	461	360
Included impacts of deviations in reporting year	(3)	(12)	(64)	(53)	(1)
Funded status	37	53	181	211	154

In the 2013 financial year, Dr. Klaus Heubeck's "2005 G tables" were used to calculate the defined benefit plans.

Due to the over-calculation of the reinsurance policy, the value of plan assets is limited to the amount of the present value of the pension obligation. The balance of the asset value of plan assets totaling kEUR 514 (previous year: kEUR 499) and the liability value of the obligation of kEUR 477 (previous year: kEUR 446) is shown. At the reporting date, plan assets exceeded the liability value of the obligation by kEUR 37 (previous year: kEUR 53). The figure shown in the balance sheet was calculated as follows.

Derivation of the net figure carried in the balance sheet	31-12-2013	31-12-2012
Defined Benefit Obligation	(477)	(446)
Fair value of the pension plan assets	514	499
Asset ceiling effect	(37)	(53)
Balance	0	0

Actuarial gains or losses may result from increases or reductions in either the present value of the defined benefit obligation or the fair value of plan assets; possible reasons for these differences include changes in the calculation parameters and estimate revisions concerning the risk trend of pension obligations and deviations between the actual and expected return on the qualified insurance policies. Actuarial gains and losses are recognized in other comprehensive income. For reasons of immateriality, no sensitivity analysis was performed. The defined benefit plans incurred the following expenditure, which breaks down into the following components.

Expenditure on defined benefit pension plans in kEUR	2013	2012
Current services cost	–	23
Interest expense	16	(11)
Interest income from plan assets	(18)	(12)
Interest on asset ceiling effect	2	10
Other comprehensive income	0	10

During each reporting period, the net value was equivalent to the amount of the reinsurance premiums paid, since the increase in pension obligations was matched by an increase in plan assets. Based on a duration of the obligations of 19 years, pension payments in the amount of EUR 1,648 are expected for the following period under the pension benefit plans that existed as at 31 December 2013.

(26) 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 recognized at the time of addition and net of transaction expenses (IAS 39.9, 39.A13) at a fair value (IAS 39.43) of kEUR 28,728. As of 31 December 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 1,500 and are recognized in the income statement under interest expenses.

(27) Short-term provisions

Current provisions include obligations arising from forfeiting and purchase commitments. They are measured in the same way as trade receivables. The value adjustment rates for country risks are determined on the basis of Institutional Investor’s “Country Credit Ratings”. Due to the changed composition of the country risks, the risks inherent in the obligations have declined, which has reduced the allocations to provisions.

Short-term provisions in kEUR	
1 January 2012	1,480
Addition	375
Use	–
Release/Reclassification	1,463
31 December 2012	392
Addition	299
Use	–
Release/Reclassification	392
31 December 2013	299

(28) Tax liabilities

Tax liabilities in the amount of kEUR 103 (previous year: kEUR 264) relate to corporate income tax, solidarity surcharge and trade tax of the parent company for the year 2012.

(29) Other long-term and short-term liabilities

Non-current liabilities include a liability to banks in the amount of kEUR 9,046 (previous year: EUR 9,455) resulting from a loan agreement with repayment commencing at the beginning of the year 2015. The loan is used to refinance forfaiting transactions and will be utilized up to a maximum of kEUR 10,000 before exchange differences. Interest at the rate of the respective 3-month EURIBOR plus a margin is payable quarterly. The item “Other current liabilities” includes the following individual items.

Other long-term and short-term liabilities in kEUR	31-12-2013	31-12-2012
Other long-term liabilities	–	–
Other tax liabilities	2,313	2,135
Liabilities to employees	1	1
Liabilities from duties and premiums	8	8
Bonuses	–	65
Holiday pay	73	58
Accounting and audit expenses	84	85
Deferred income	214	7
Miscellaneous other liabilities	1,865	112
Other short-term liabilities	4,558	2,471

Other tax liabilities mainly relate to value-added tax reported retrospectively for the years from 2007 to 2013. The previous year's amount increased by kEUR 2,069 due to the retrospective error correction described in note (2). In the reporting year, miscellaneous other liabilities also include the interest liability from the bond issue which accrued up to the balance sheet date.

IV. Other information

(30) Notes on segment reporting

DF Group has a detailed risk management system which is laid down in writing and contains a limit system consisting of counterparty, country and risk group limits. DF Group controls its business by using risk groups based on the forfaiting volume, which forms part of the regular internal reports to the Board of Management. Each of the five risk groups comprises countries with a similar risk profile. The limits are defined by the Supervisory Board of DF AG and may be used by the Board of Management at its own discretion. They are assigned according to the country of domicile of 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 is for countries with the lowest credit rating.

Forfaiting volume in EUR million	2013	2012
Risk group I	101.1	187.9
Risk group II	18.3	19.5
Risk group III	88.0	140.0
Risk group IV	61.6	121.9
Risk group V	254.4	205.6
Total	523.4	674.9

Gross result proportion	2013	2012
Risk group I	9%	39%
Risk group II	6%	2%
Risk group III	49%	12%
Risk group IV	11%	15%
Risk group V	25%	32%
Total	100%	100%



In addition, the forfeiting volume is divided by regions.

Forfeiting volume in EUR million	2013	2012
Africa	70.7	33.0
Asia	167.9	311.9
Australia	–	–
Europe	232.3	278.0
North America	–	–
South and Central America	52.5	52.1
Total	523.4	674.9

Gross result proportion	2013	2012
Africa	13%	5%
Asia	33%	71%
Australia	–	-1%
Europe	6%	17%
North America	–	–
South and Central America	48%	8%
Total	100%	100%

(31) Tenancies and leases

Lease payments of kEUR 8 (previous year: kEUR 26) were made in the reporting year. This exclusively concerned minimum lease payments. At the respective reporting date, the following minimum future lease payments exist based on contracts that cannot be cancelled.

Operating-leases in kEUR	Maturity			Total
	<1 year	1-5 years	>5 years	
<i>31 December 2013</i>				
For office space	285	389	–	674
For vehicle leasing	0	0	–	0
For office equipment	2	7	–	9
Total	287	396	–	683
<i>31 December 2012</i>				
For office space	261	597	–	858
For vehicle leasing	9	0	–	9
For office equipment	2	9	–	11
Total	272	606	–	878

(32) Employees

The number of staff employed as of the reporting date, including the Board of Management, is shown in the following table. The figures include two trade/sales directors and one controlling/accounting director. The "other" and "controlling/accounting" items also include student workers.

Number of employees	2013	2012
Salaried employees	61	61
of which in trade/sale	25	22
of which in contract management	13	16
of which in controlling/accounting	11	9
of which other/internal administration	12	14

The paragraph "Adjusting events after the end of the reporting period" contains information on changes in the headcount after 31 December 2013.

(33) Other financial obligations

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

Other financial obligations in kEUR	<1 year	Maturity 1-5 years	>5 years	Total
<i>31 December 2013</i>				
From forfeiting commitments	21,918	8,121	–	30,039
From purchase commitments	2,246	–	–	2,246
Total	24,164	8,121	–	32,285
<i>31 December 2012</i>				
From forfeiting commitments	19,690	–	–	19,690
From purchase commitments	12,165	–	–	12,165
Total	31,855	–	–	31,855

Other financial obligations arising from forfeiting 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	31-12-2013	31-12-2012
<i>Other financial obligations</i>	32,285	31,855
– Receivable sold: the receivable is resold after it is purchased by the DF Group. The purchaser is already legally obliged vis-à-vis the DF Group to purchase the receivable.	15,556	15,798
– Underlying receivable paid or the sale invoiced	1,912	10,282
– Credit securities	11,410	2,893
– Bank securities (e.g. guarantees)	–	1,144
– Cash collateralisation	–	268
= Securities	28,878	30,385
Other financial obligations after deduction of securities	3,407	1,470

(34) Total fee of the auditors

The fees for services provided by the auditors of the separate financial statements and the consolidated financial statements, reported under expenditures, are as follows.

Auditing fees in kEUR	2013	2012
Audits	96	85
Tax consulting services	11	10
Other audit services	64	67
Other services	–	10
Total	171	172

Other audit services include the review of the interim reports; tax consultancy services pertain only to advisory services.

(35) Relationships with related parties

According to IAS 24 “Related Party Disclosures”, persons or companies controlling DF Group or controlled by it must be disclosed unless they are already included in the consolidated financial statements of the DF Group as consolidated companies. Control is deemed to exist if one shareholder holds more than half of the voting rights of DF Deutsche Forfait AG or is empowered by the Memorandum of Association or a contractual agreement to steer the financial and company policies of the management of DF Group.

In addition, under IAS 24, the disclosure requirement extends to business with entities which exercise significant influence over the financial and company policies of DF Group, including close family members and intermediaries. Significant

influence on the financial and company policies of DF Group can be based on a shareholding in DF Group of 20% or more or a seat on the Board of Management or the Supervisory Board of DF Deutsche Forfait AG.

DF Group is affected by the disclosure requirements of IAS 24 for the 2013 financial year solely in terms of business with entities with a significant influence and members of the Board of Management and the Supervisory Board of DF Deutsche Forfait AG.

A company which has significant influence on DF Group is M.M.Warburg & CO Gruppe KGaA, Hamburg, with direct and indirect control of voting rights of 21% – at least for some time. The transactions with M.M.Warburg & CO KGaA are part of the ordinary business activities of DF Group and were concluded on an arm's length basis.

The following tables give an overview of the primary expenses and income items from transactions with the companies with significant influence as well as the outstanding balances.

Income and expense from transactions with related parties in kEUR	2013	2012
<i>M.M.Warburg & CO KGaA</i>		
Typical forfaiting expenses	–	–
Other operating expenses	(199)	(64)
Interest and similar income	–	–
Interest and similar expenses	–	–
Total	(199)	(64)

Outstanding amounts vis-à-vis related parties in kEUR	31-12-2013	31-12-2012
<i>M.M.Warburg & CO KGaA</i>		
Deposits with banks	184	36
Bank loans and overdraft	6	4

M.M.Warburg & CO KGaA Hamburg, and M.M.Warburg Gruppe (GmbH & Co.) KGaA, Hamburg, informed us, pursuant to Sec. 21 (1) of the German Securities Trading Act (WpHG), that their voting interests in DF Deutsche Forfait AG dropped below the thresholds stipulated in this Act on 18 July 2013 and amounted to 0% on that date.

Primrose Energy S.A., Panama City/Republic of Panama, informed us, pursuant to Sec. 21 (1) of the German Securities Trading Act (WpHG), that its voting interest exceeded the thresholds of 3%, 5%, 10%, 15% and 20% on 18 July 2013 and amounted to 20.51% on that date. 20.51% of these voting rights (equivalent to 1,394,805 voting rights) were imputable to Dr. Shahab Manzouri pursuant to Sec. 22 (1) sentence 1 No. 1 WpHG. No transactions between DF Group and Primrose Energy S.A. as well as Dr. Shahab Manzouri occurred during the reporting period.



The Board of Management was composed as follows in the 2013 financial year.

Board of Management	Function
Marina Attawar	Director Trade
Jochen Franke	Director Finance (until 25 March 2013)
Frank Hock	Director Finance (from 1 March 2013)
Ulrich Wippermann	Director Trade

Compensation for members of the Board of Management breaks down as follows.

Board of Management compensation in KEUR	Marina Attawar	Jochen Franke	Frank Hock	Ulrich Wippermann
2013				
Fixed salary	305	229	254	305
Other compensation	35	22	28	42
Variable compensation	–	–	–	–
Total	340	251	282	347
2012				
Fixed salary	253	253	–	253
Other compensation	35	37	–	42
Variable compensation	–	–	–	–
Total	288	290	–	295

Compensation for members of the Supervisory Board breaks down as follows.

Supervisory Board compensation in KEUR	2013	2012
Fixed compensation	94	99
Attendance fee	–	20
VAT	15	20
Total	109	139

DFAG has received the following notifications pursuant to the Securities Trading Act (WpHG):

Marina Attawar, Cologne, notified us in accordance with Sec. 21 (1a) of the Securities Trading Act (WpHG) on 29 May 2007 that her voting rights share in DF Deutsche Forfait AG, Kattenbug 18–24, 50667 Cologne, amounted to 5.51% (which corresponds to 375,000 voting rights) on 22 May 2007, the date of first admission of DF Deutsche Forfait AG shares for trading in the regulated market on the Frankfurt stock exchange. All of these voting rights were allocated to her through Xylia 2000 Vermögensverwaltungs GmbH in accordance with Sec. 22 (1) sentence 1 no. 1 of the Securities Trading Act (WpHG). Furthermore, she notified us in accordance with Sec. 21 (1a) of the Securities Trading Act (WpHG) that the voting rights share of Xylia 2000 Vermögensverwaltungs GmbH, Nussbaumerstrasse 17 b, 50823 Cologne, in DF Deutsche Forfait AG, Kattenbug 18–24, 50667 Cologne, amounted to 5.51% (which corresponds to 375,000 voting rights) on 22 May 2007, the date of first admission of DF Deutsche Forfait AG shares for trading in the regulated market on the Frankfurt stock exchange.

Ulrich Wippermann, Bonn, notified us in accordance with Sec. 21 (1a) of the Securities Trading Act (WpHG) on 29 May 2007 that his voting rights share in DF Deutsche Forfait AG, Kattenbug 18–24, 50667 Cologne, amounted to 5.51% (which corresponds to 375,000 voting rights) on 22 May 2007, the date of first admission of DF Deutsche Forfait AG shares for trading in the regulated market on the Frankfurt Stock Exchange. All of these voting rights were allocated to him through Xylia 2001 Vermögensverwaltungs GmbH in accordance with Sec. 22 (1) sentence 1 no. 1 of the Securities Trading Act (WpHG). Furthermore, he notified us in accordance with Sec. 21 (1a) of the Securities Trading Act (WpHG) that the voting rights share of Xylia 2001 Vermögensverwaltungs GmbH, Bismarckallee 15, 53173 Bonn, in DF Deutsche Forfait AG, Kattenbug 18–24, 50667 Cologne, amounted to 5.51% (which corresponds to 375,000 voting rights) on 22 May 2007, the date of first admission of DF Deutsche Forfait AG shares for trading in the regulated market on the Frankfurt Stock Exchange. Xylia 2001 Vermögensverwaltungs GmbH notified us on 27 July 2013 that its voting rights fell below the threshold of 5% of the voting rights and now amount to 4.40% (which corresponds to 299,000 voting rights).

Ulrich Wippermann, Bonn, notified us in accordance with Sec. 21 (1a) of the Securities Trading Act (WpHG) on 1 August 2012 that his voting interest in DF Deutsche Forfait AG, Cologne, Germany fell below the threshold of 5% of the voting rights on 27 July 2012 and amounted to 4.40% (which corresponds to 299,000 voting rights) on that date. In accordance with Sec. 22 (1), sentence 1, no. 1 of the Securities Trading Act (WpHG) 4.40% of the voting rights (which corresponds to 299,000 voting rights) are attributable to Ulrich Wippermann through Xylia 2001 Vermögensverwaltungs GmbH.

M.M. Warburg Gruppe (GmbH & Co.) KGaA, Hamburg, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 22 July 2013 that its voting interest in DF Deutsche Forfait AG, Cologne, Germany, fell below the thresholds of 3%, 5%, 10%, 15% and 20% defined in Sec. 21 (1) of the Securities Trading Act (WpHG) on 18 July 2013 and amounted to 0% (which corresponds to 0 voting rights) on that date.

Capiton Value Beteiligungs-GmbH, Berlin, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 15 July 2013 that its voting interest in DF Deutsche Forfait AG, Cologne, Germany, ISIN: DE0005488795, WKN: 548879, fell below the thresholds of 5% and 3% of the voting rights on 10 July 2013 and amounted to 1.42% (which corresponds to 96,742 voting rights) on that day.

Capiton Value Management AG, Berlin, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 15 July 2013 that its voting interest in DF Deutsche Forfait AG, Cologne, Germany, ISIN: DE0005488795, WKN: 548879, fell below the thresholds of 5% and 3% of the voting rights on 10 July 2013 and amounted to 1.42% (which corresponds to 96,742 voting rights) on that date. Pursuant to Sec. 22 (1) sentence 1 no. 1 of the Securities Trading Act (WpHG), these voting rights are attributable to Capiton Value Management AG.

Capiton Holding GmbH, Berlin, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 15 July 2013 that its voting interest in DF Deutsche Forfait AG, Cologne, Germany, ISIN: DE0005488795, WKN: 548879, fell below the thresholds of 5% and 3% of the voting rights on 10 July 2013 and amounted to 1.42% (which corresponds to 96,742 voting rights) on that date. Pursuant to Sec. 22 (1) sentence 1 no. 1 of the Securities Trading Act (WpHG), these voting rights are attributable to Capiton Holding GmbH.

BNP Paribas Investment Partners Belgium N.V./S.A., Belgium, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 2 September 2011 that its voting rights exceeded the threshold of 3% of the voting rights on 31 August 2011 and amounted to 2.80% (which corresponds to 190,222 voting rights) on that date.

Jochen Franke, Cologne, notified us in accordance with Sec. 21 (1a) of the Securities Trading Act (WpHG) on 6 June 2013 that his voting interest in DF Deutsche Forfait AG, Cologne, Germany, fell below the threshold of 3% of the voting rights on 3 June 2013 and amounted to 2.9% (which corresponds to 197,095 voting rights) on that date. Pursuant to Sec. 22 (1), sentence 1, no. 1 of the Securities Trading Act (WpHG), 2.9% of the voting rights (which corresponds to 197,095 voting rights) are attributable to Jochen Franke through Franke Vermögensverwaltung GmbH.

Franke Vermögensverwaltung GmbH, Cologne, notified us in accordance with Sec. 21 (1a) of the Securities Trading Act (WpHG) on 6 June 2013 that its voting interest in DF Deutsche Forfait AG, Cologne, Germany fell below the threshold of 3% of the voting rights on 3 June 2013 and amounted to 2.90% (which corresponds to 197,095 voting rights) on that date.

BayernInvest Kapitalanlagegesellschaft mbH, Munich, notified us in accordance with Sec. 21 (1a) of the Securities Trading Act (WpHG) on 15 July 2013 that its voting interest in DF Deutsche Forfait AG, Cologne, Germany, exceeded the thresholds of 3% and 5% of the voting rights on 10 July 2013 and amounted to 5.46% (which corresponds to 371,521 voting rights) on that date.

Dr. Shahab Manzouri, United Kingdom, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 22 July 2013 that his voting interest in DF Deutsche Forfait AG (ISIN DE0005488795) exceeded the thresholds of 3%, 5%, 10%, 15% and 20% of the voting rights on 18 July 2013 and he held 20.51% of all voting rights in DF Deutsche Forfait Aktiengesellschaft (which corresponds to 1,394,805 voting rights) on that date. Pursuant to Sec. 22 (1) sentence 1 no. 1 of the Securities Trading Act (WpHG), 20.51% of the voting rights were attributable to Dr. Shahab Manzouri through Primrose Energy S.A., Panama City, Republic of Panama, an enterprise which is controlled by Dr. Shahab Manzouri and holds 3% or more of the voting rights of DF Deutsche Forfait Aktiengesellschaft.

Primrose Energy S.A., Republic of Panama, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 22 July 2013 that its voting interest in DF Deutsche Forfait AG, Cologne, Germany, exceeded the thresholds of 3%, 5%, 10%, 15% and 20% of the voting rights on 18 July 2013 and amounted to 20.51% (which corresponds to 1,394,805 voting rights) on that date.

(36) Financial instruments*Use and management of financial instruments*

The starting point for the risk management of financial instruments involves capturing all risks systematically and regularly and assessing them for loss potential and the probability of occurrence. Market risk, currency risk and most of all default risk have been identified as significant risks for financial instruments. The risks are summarized in a risk map for DF Deutsche Forfait AG, which provides a comprehensive overview of the risks and the individual risk management systems. DF Deutsche Forfait AG pursues active risk management.

Legal risk

Legal risk is the business risk with the highest loss potential for DF Group. It describes the risk in the forfaiting business which can arise due to the incorrect review of documents or deficiencies in drawing up contracts, particularly since the seller is generally liable for the legal existence of the receivable when selling it (liability for legal validity). This risk is countered by having a well-trained and generously staffed contract management department. The workflows are regulated by detailed work instructions. In addition, work results are checked by applying the principle of dual control. The legal office and/or external legal firms are consulted for complex contracts and document reviews.

Default risk

Default risk is subdivided into country risk and counterparty risk. Countries undergo an up-to-date assessment on the basis of analyses by credit assessment agencies. Credit assessments are carried out for individual receivables (credit reports/references, evaluation of historical data, etc.). The taking of country and counterparty risks is managed by a competence arrangement with a limit system. The competence arrangement as well as country and counterparty limits are approved by the Supervisory Board, and the degree to which the limits are used is reported to it regularly. DF Group reduces this risk even further by selling the receivables rapidly. Moreover, country and counterparty risks are secured (e.g. by bank guarantees).

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

in kEUR	31-12-2013	31-12-2012
Nominal value of trade receivables	92,134	75,369
– Discount deduction	(1,367)	(2,390)
+ Other receivables	5,491	6,599
= Gross book value before adjustments	96,258	79,578
– Value adjustments	(10,499)	(3,479)
= Book Value = maximum default risk	85,759	76,099
– Sold receivables	(19,580)	(13,763)
– Bank securities (e.g. guarantees)	(3,072)	–
– Cash securities	(5,097)	(5,144)
– Credit insurances	(33,108)	(31,055)
– Guarantor is a company (e.g. counter liabilities by forfaiting companies)	(9,048)	(9,168)
– Guarantor is the government or a government agency	–	–
– Underlying receivables were paid or their purchase settled	(1,000)	(3,293)
+ Twin securities	1,352	2,026
= Securities	69,553	60,397
= Unsecured default risk	16,206	15,702

The risk management system actively controls these default risks as described above, mainly by means of imposing country and counterparty limits.

Market risk / interest rate risk

Receivables are typically purchased at discounted nominal value. This discount on 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 reflects the individual risk of each transaction, which mainly depends on country and counterparty risks.

As DF Group focuses on reselling the receivables, interest rate risk mainly consists of market risk since, if the interest rate rises, so too does the discount on the market value, which is calculated up to the final date of maturity of the receivable, thereby reducing the market value of the receivable upon its sale. In its capacity to increase refinancing costs, interest rate risk is of secondary importance to the Group. Due to the brief period receivables are held in the DF Group portfolio, short-term refinancing is the rule. This market risk affects all receivables held in the company's portfolio. The receivables are resold quickly in order to reduce the market risk to a minimum.

DF Group has raised a long-term loan in the amount of kEUR 10,000. The loan amount may be utilized in EUR or USD. The loan has a three-month fixed interest period. If the interest rate in the currency in which the loan is utilized goes up, interest expense will increase accordingly. The sensitivity analysis assumes an interest rate increase of one percentage point (100 basis points). In this case, annual interest expense would increase by kEUR 100.

Currency risk

DF Group purchases receivables in various currencies and always refinances at matching currencies. Unsold foreign currency receivables usually incur foreign currency liabilities to the amount of the purchase price. An open currency item, and therefore a currency risk, exists only in the amount of the difference between purchase and selling prices (profit on individual transactions). The open currency items are listed in a monthly currency account and, if necessary, closed by means of currency transactions. In the income statement, exchange gains and losses for receivables and the corresponding liabilities are reported separately. Since the receivables and corresponding liabilities are valued separately, large exchange gains and losses are included in the income statement. In order to assess the level of currency risk, the balance of the gains and losses must be considered.

Sensitivity calculations assume a negative change in exchange rates of 10% compared to the functional currency. This means a debit carryover assumes an exchange rate increase in relation to the functional currency, while a credit carryover assumes an exchange rate decrease. The exposure as of 31 December 2013 results in the following sensitivity values.

Currency in kEUR	Sensitivity
CHF	7
CZK	79
GBP	20
USD	98

Information regarding the fair value pursuant to IFRS 7 and IFRS 13*Determination of fair values*

A number of accounting methods and disclosures of the Group require the determination of the fair values of financial and non-financial assets and liabilities. For measurement and/or disclosure purposes, the fair values were determined on the basis of the methods described below. (Further information is provided in note 7). IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values of financial instruments are determined on the basis of prices quoted in an active market (mark-to-market method) or, where this is not possible, using accepted measurement techniques or models (mark-to-matrix or mark-to-model). It is possible to determine the fair value according to the mark-to-market method if a market price exists at which a transaction for an identical financial instrument could be or has been entered into as of the measurement date. If such a market price is not available, the financial instrument is measured using measurement techniques or models.

Where measurement techniques are used, the fair value is preferably determined according to the market approach. In this case, the fair value is determined, to the extent possible, on the basis of prices of transactions on the measurement date. Where it is not possible to determine the fair value from market or transaction prices of an identical financial instrument, alternative prices of comparable financial instruments or indices which are representative for the financial instrument are used and adjusted if required (mark-to-matrix method).

If the market approach using the mark-to-market or mark-to-matrix method is not feasible or would be of inadequate quality, the fair value is determined according to the income approach using a suitable model (e.g. option price model, discounted cash flow method, collateralized debt obligation model). In this case, too, observable market parameters and quality-assured market data from suitable price agencies or validated prices of market partners (arrangers) are used preferably if available.

The fair value of receivables and liabilities carried on the balance sheet at amortized cost is determined by discounting cash flows taking credit spreads and LGDs of loans into account. The fair value of receivables with a default rating is determined on the basis of the expected future cash flows. For current receivables and liabilities (e.g. current accounts), the carrying amount is recognized as the fair value. No fair values are determined for non-listed equity instruments (shares in non-consolidated affiliated companies recognized in accordance with IAS 39), as no active market exists for these financial instruments and the required estimates cannot be made within acceptable fluctuation margins and adequate probabilities. These financial instruments are therefore recognized at cost.

Measurement processes

To determine the fair values of financial instruments, the Group has implemented various processes and controls and adopted a policy which defines principles for the use of measurement techniques. These measures also ensure the IFRS 13-compliant measurement of financial instruments. The Controlling unit is responsible for ensuring that the measurement techniques used comply with external accounting requirements. In this context, available information on the techniques used by other market participants is also taken into account.

Value of financial instruments

The table below shows the carrying amounts of financial instruments (IAS 7.6), and compares them with their fair values (IFRS 7.25).

Book value of financial instruments in kEUR	Measurement category under IAS 39	Book value 31-12-2013	Fair value 31-12-2013	Book value 31-12-2012	Fair value 31-12-2012
<i>Assets</i>					
Investments in non consolidated affiliated companies	AfS	175	175	194	194
Trade receivables	LaR	71,186	60,687	65,668	65,668
Trade receivables	HfT	19,580	19,580	10,431	10,431
Other current assets	LaR	296	296	229	229
<i>Liabilities</i>					
Liabilities to banks	FLAC	51,259	51,259	63,834	63,834
Trade payables	FLAC	12,755	12,755	5,401	5,401
Other current liabilities	FLAC	4,558	4,558	2,471	2,471
<i>Thereof aggregated by measurement categories as defined in IAS 39</i>					
Loans and receivables	LaR	71,482	60,983	65,897	65,897
Held for Trading	HfT	19,580	19,580	10,431	10,431
Financial liabilities measured at amortized cost	FLAC	68,572	68,572	71,706	71,706

Shares in non-consolidated companies (available for sale, "AFS") which are not measured at fair value due to the non-availability of market prices but which are fully measured at cost. Their fair value cannot be reliably determined. No shares were sold in the financial year and such a sale is not planned, either.

The carrying amounts of trade receivables (loans and receivables "LaR"), rated, at amortized cost, using the effective interest method) and of financial liabilities mostly have short remaining terms and approximate the fair value. The write-downs and valuation allowances for receivables in the amount of kEUR 9,497 (previous year: kEUR 2,970) relate to receivables in the "loans and receivables" category. Taking into account the income from the reduction in valuation allowances for receivables, the valuation allowances account increased by kEUR 7,020 to kEUR 10,499 in the financial year. Financial assets measured at fair value through profit or loss comprise the financial assets that are held for trading ("HfT"). All financial liabilities are measured at amortized cost ("FLAC").

Net gains and losses from financial instruments include valuation differences, depreciation and appreciation, exchange rate differences, interest, and other gains and losses.

Net incomes and net losses from financial instruments in kEUR	2013	2012
Loans and receivables	2,373	14,965
Amortization of disposable financial assets	–	12
Financial assets valued at amortized cost	(2,950)	(2,111)

Financial liabilities are mainly used to finance loans and receivables. Therefore, the assessment of the net loss on financial liabilities valued at amortized cost also has to take into account the net gain on loans and receivables.

(37) Capital management

The primary goal of the capital management activities of DF Group is to provide sufficient financial resources for the purchase and sale of receivables (forfeiting business) at all times. Under the DF Group business model, financing is mainly required for current receivables related to sales transactions. DF Group requires equity and debt capital for this purpose. Capital management mainly obtains debt capital in the form of bank loans, which includes the approved lines of credit. Capital management activities for DF Group are based in Cologne. With the help of computer systems, utilization of the lines of credit is monitored and controlled on a daily basis.

As of 31 December 2013, DF Group's equity amounted to EUR 10.2 million (previous year: EUR 24.5 million after adjustment pursuant to IAS 8) while debt capital in the form of liabilities to banks amounts to EUR 51.3 million (previous year: EUR 63.8 million). DF Deutsche Forfait AG Group had access to numerous lines of credit with different banks. In addition, DF Group issued a 7-year EUR 30 million bond in May 2013. With regard to the amount of equity, DF Deutsche Forfait AG Group is not subject to any regulatory requirements.

(38) Notes to the cash flow statement

The cash flow statement shows how cash and cash equivalents of DF Group changed in the course of the reporting year as a result of cash inflows and outflows. In accordance with IAS 7 "Cash Flow Statements", cash flows are classified into operating, investing and financing activities. A reconciliation of cash and cash equivalents in the balance sheet complements the cash flow statement.

The funds reported in the cash flow statement encompass all the cash and cash equivalents shown in the balance sheet, i.e. cash on hand and deposits with banks accessible within three months. Disposal is restricted insofar as an amount of kEUR 1,158 is pledged.

Cash flows from investing and financing activities are determined on a cash basis. By contrast, cash flows from operating activities are indirectly derived from the consolidated result. Under indirect calculation, the relevant changes in balance sheet items connected with operating activities are adjusted by effects from currency translation.

The figures for the prior year period were corrected and amended retrospectively due to an error correction (IAS 8.42) relating to the retroactive declaration of value-added tax for the years from 2007 to 2013 and because of an amendment to an accounting method (IAS 8.22) regarding IAS 19 "Employee Benefits". This had the following effects on the previous year's operating cash flow.

Cash flow 2012 in kEUR	Amendment of the accounting method (IAS 8.22)	Error correction (IAS 8.42)
Consolidated net income	–	-344
Interest expenses	–	60
Other transactions not affecting payments	7	-60
Change to other assets	-7	–
Change to other liabilities	–	344
Total	0	0

(39) Adjusting events after the end of the financial year

OFAC sanctions list

On 6 February 2014, DF AG, DF Deutsche Forfait Americas Inc. and Mr Ulrich Wippermann as Special Designated National were listed on the sanctions list of the OFAC (Office of Foreign Assets Control), an agency of the US Department of Treasury. The designation was based on the allegation that DF AG, DF Deutsche Forfait Americas Inc. and Mr Ulrich Wippermann violated trade sanctions against Iran as they "provide or attempt to provide financial or material support for and/or act or purport to act for or on behalf of National Iranian Oil Company".

On 16 October 2014, DF AG and DF Deutsche Forfait Americas Inc. were removed from the sanctions list without having to pay a fine. No violations of US sanctions law were identified. In conjunction with the OFAC listing, legal and consultation expenses of about EUR 1.5 million were incurred in the first nine months of the 2014 financial year.

Personnel changes

Mr Clemens von Weichs resigned from the Supervisory Board of DF Deutsche Forfait AG with effect from 12 February 2014.

With effect from 24 February 2014, Mr Ulrich Wippermann resigned from the Board of Management of DF Deutsche Forfait AG and terminated his employment relationship with the company.

Florian Becker resigned from the Supervisory Board of DF Deutsche Forfait AG with effect from 12 June 2014.

After 31 December 2013, the Group's headcount declined from 61 to 42 in October 2014. 17 people work in Trade/Sales, 9 in Contract Management, 7 in Controlling/Accounting and 9 in Internal Administration.

Relationships with related parties

Xylia 2011 GmbH, Bonn, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 17 March 2014 that its voting interest in DF Deutsche Forfait AG, Cologne, Germany, fell below the threshold of 3% of the voting rights on 13 March 2014 and amounted to 2.99% (which corresponds to 203,900 voting rights) on that date.

Mr Ulrich Wippermann, Bonn, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 15 August 2014 that his voting interest in DF Deutsche Forfait AG, Cologne, Germany, fell below the threshold of 3% of the voting rights on 13 March 2014 and amounted to 2.99% (which corresponds to 203,900 voting rights) on that date.

Primrose Energy S.A., Panama City, Republic of Panama, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 13 October 2014 that its voting interest in DF Deutsche Forfait AG, Cologne, Germany, fell below the thresholds of 20%, 15%, 10%, 5% and 3% of the voting rights on 8 October 2014 and amounted to 0% (which corresponds to 0 voting rights) on that date.

In a correction to a previous publication, Dr. Shahab Manzouri, Great Britain, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 16 October 2014 that his voting interest in DF Deutsche Forfait AG, Cologne, Germany, fell below the thresholds of 20%, 15%, 10%, 5% and 3% of the voting rights on 8 October 2014 and amounted to 0% (which corresponds to 0 voting rights) on that date.

Mr Mark West, Great Britain, notified us in accordance with Sec. 21 (1) of the Securities Trading Act (WpHG) on 13 October 2014 that his voting interest in DF Deutsche Forfait AG, Cologne, Germany, exceeded the thresholds of 3%, 5%, 10%, 15% and 20% of the voting rights on 8 October 2014 and amounted to 23.62% (which corresponds to 1,581,705 voting rights) on that date.

Further events

In an ad-hoc announcement pursuant to Sec. 15 WpHG dated 22 August 2014, DF Deutsche Forfait AG announced that it had been informed by its auditor BDO AG Wirtschaftsprüfungsgesellschaft, on 22 August 2014 that adverse opinions were issued for the financial year from 1 January to 31 December 2013.



In an ad-hoc announcement pursuant to Sec. 15 WpHG dated 29 August 2014, DF Deutsche Forfait AG announced that, during the preparation of the monthly balance sheet for July 2014 and the extrapolation of the monthly result for August 2014, the Board of Management noticed that DF Deutsche Forfait AG incurred a loss in the amount of half the company's share capital. The company's separate financial statements, which are prepared in accordance with the German Commercial Code (HGB), form the relevant basis for the calculation of the loss.

On 5 September 2014, DF Deutsche Forfait AG announced the convening of an extraordinary Annual General Meeting on 14 October 2014 in order to report a loss in the amount of half of the share capital pursuant to Sec. 92 (1) of the German Stock Corporation Act (AktG).

These revised consolidated financial statements were prepared and endorsed for publication by the Board of Management, on 4 December 2014 and were submitted to the Supervisory Board for approval.

Cologne, 4 December 2014

The Board of Management

Consolidated Fixed Assets as of 31 December 2013

Acquisition costs in EUR	01-01-2013	Currency change	Additions	Disposals	31-12-2013
I. Intangible assets					
Rights, Software	90,312.07	-764.98	28,992.27	2,602.52	115,936.84
II. Tangible assets					
Other equipment, factory and office equipment	1,119,754.20	-918.61	286,981.67	34,496.54	1,371,320.72
III. Financial assets					
Investments in affiliated companies	194,441.70	-13.20	533.89	19,990.05	174,972.34
Total	1,404,507.97	-1,696.79	316,507.83	57,089.11	1,662,229.90

Depreciation/Amortization, Net book value in EUR	Depreciation/Amortisation				Net book value	
	01-01-2013	Currency change	Additions	Disposals	31-12-2013	31-12-2012
I. Intangible assets						
Rights, Software	80,293.51	-148.99	6,310.39	2,600.52	83,854.39	10,018.56
II. Tangible assets						
Other equipment, factory and office equipment	770,973.20	-133.78	118,153.87	34,491.54	854,501.75	348,781.00
III. Financial assets						
Investments in affiliated companies	0.00	0.00	0.00	0.00	0.00	194,441.70
Total	851,266.71	-282.78	124,464.26	37,092.06	938,356.14	553,241.26



Consolidated Fixed Assets as of 31 December 2012

Acquisition costs in EUR	01-01-2012	Currency change	Additions	Disposals	31-12-2012
I. Intangible assets					
Rights, Software	90,064.44	0.00	247.63	0.00	90,312.07
II. Tangible assets					
Other equipment, factory and office equipment	1,273,505.79	0.00	18,427.09	172,178.68	1,119,754.20
III. Financial assets					
Investments in affiliated companies	51,676.77	-0.01	174,279.35	31,514.41	194,441.70
Total	1,415,247.00	-0.01	192,954.07	203,693.09	1,404,507.97

Depreciation / Amortization, Net book value in EUR	Depreciation / Amortisation				Net book value		
	01-01-2012	Currency change	Additions	Disposals	31-12-2012	31-12-2012	31-12-2011
I. Intangible assets							
Rights, Software	76,972.51	0.00	3,321.00	0.00	80,293.51	10,018.56	13,091.93
II. Tangible assets							
Other equipment, factory and office equipment	792,409.99	0.00	108,450.09	129,886.88	770,973.20	348,781.00	481,095.80
III. Financial assets							
Investments in affiliated companies	0.00	0.00	31,375.49	31,375.49	0.00	194,441.70	51,676.77
Total	869,382.50	0.00	143,146.58	161,262.37	851,266.71	553,241.26	545,864.50

Auditors' Report

We have issued the following unqualified auditor's report signed in Hamburg on 22 August 2014, 4 December 2014 for the versions of the revised consolidated financial statements and the revised Group management report for the financial year from 1 January 2013 to 31 December 2013 of DF Deutsche Forfait Aktiengesellschaft, Cologne, attached to this report as Appendix I (revised consolidated financial statements) and Appendix II (revised Group management report) taking the supplementary audit into account:

We have audited the revised consolidated financial statements prepared by DF Deutsche Forfait AG, Cologne – consisting of the balance sheet, statement of comprehensive income, income statement, statement of changes in equity, cash flow statement, and notes – as well as the Group management report for the financial year from 1 January 2012 to 31 December 2012. Preparation of the consolidated financial statements and consolidated annual report according to IFRS applicable to the EU as well as the supplementary regulations according to Section 315a (1) of the German Commercial Code (HGB) is the responsibility of the company's legal representatives. Our responsibility is to issue an opinion on the consolidated financial statements and consolidated annual report based on our audit. We were also asked to assess if the consolidated financial statements conform with IFRS.

We conducted our audit of the consolidated financial statements according to Section 317 of the German Commercial Code (HGB) and the audit principles established by the Institut der Wirtschaftsprüfer (IDW, Institute of Auditors in Germany). Under these regulations and audit principles, an audit must be planned and conducted so that inaccuracies and irregularities that would have a material impact on the information contained in the consolidated financial statements under consideration of the applicable accounting standards, or on the financial and assets position and profitability communicated by the consolidated annual report, would be detected with sufficient certainty. Audit procedures are established based on our knowledge of the company's business activities, the economic and legal environment in which the group operates, and expectations regarding possible errors. The effectiveness of internal controls related to accounting and the documentation for information contained in the consolidated financial statements and consolidated annual report are verified during the course of the audit; this is mainly done by way of sampling. The audit covers the annual financial statements of the companies included in the consolidated financial statements, the definition of the basis of consolidation, the accounting and consolidation principles that were applied, significant estimates made by the legal representatives, and the overall presentation of the consolidated financial statements and consolidated annual report. In our opinion, our audit provides a sufficiently secure basis to issue an opinion. Our audit did not result in any objections. Our audit did not result in any objections.

In our opinion and according to the information obtained during the course of our audit, the revised consolidated financial statements comply with IFRS applicable to the EU as well as the supplementary regulations according to Section 315a (1) of the German Commercial Code (HGB) and, in keeping with these standards and regulations, portray the financial and assets position and profitability of the group without material misstatement. The consolidated annual report is consistent with the consolidated financial statements, communicates the overall position of the group accurately, and presents the opportunities and risks associated with future developments truthfully.



Without qualifying this opinion, we point out that the continued existence of the parent company, DF Deutsche Forfait AG, Cologne, and, hence, of DF Group is jeopardized by risks which are described in the Group management report under "Classification of the risks and summary risk assessment". The information provided there shows that the parent company is currently overindebted and that the continued existence of the parent company will depend on the full and successful implementation of the planned restructuring concept and that the continued existence of the parent company is additionally jeopardized by risks relating to the amount and the time of payment of overdue receivables by the debtors and/or the legal enforceability of claims against credit insurance firms. Should the actual developments differ materially from the assessment of the parent company's Board of Management presented in the Group management report with regard to the probability of occurrence of potential losses or delayed payments, the continued existence of the parent company and, hence, of DF Group is jeopardized depending on the cash position and equity capitalization at that time.

This audit report is issued on the basis of the duly performed audit we completed on 22 August 2014 by issuing a disclaimer on compliance due to a scope limitation with regard to the appropriateness of the going concern assumption as well as our supplementary audit. Note should be taken of the reason for the revision provided by DF AG in the revised notes to the consolidated financial statements. The supplementary audit resulted in no objections.

We have produced the aforementioned report on the supplementary audit of the revised consolidated financial statements and revised Group management report for the financial year from 1 January 2013 to 31 December 2013 in line with the legal provisions and principles of reporting for consolidated financial statement audits.

Hamburg, 22 August 2014, 4 December 2014

BDO AG Wirtschaftsprüfungsgesellschaft

(von Thermann)

(ppa. Grewer)

Auditor

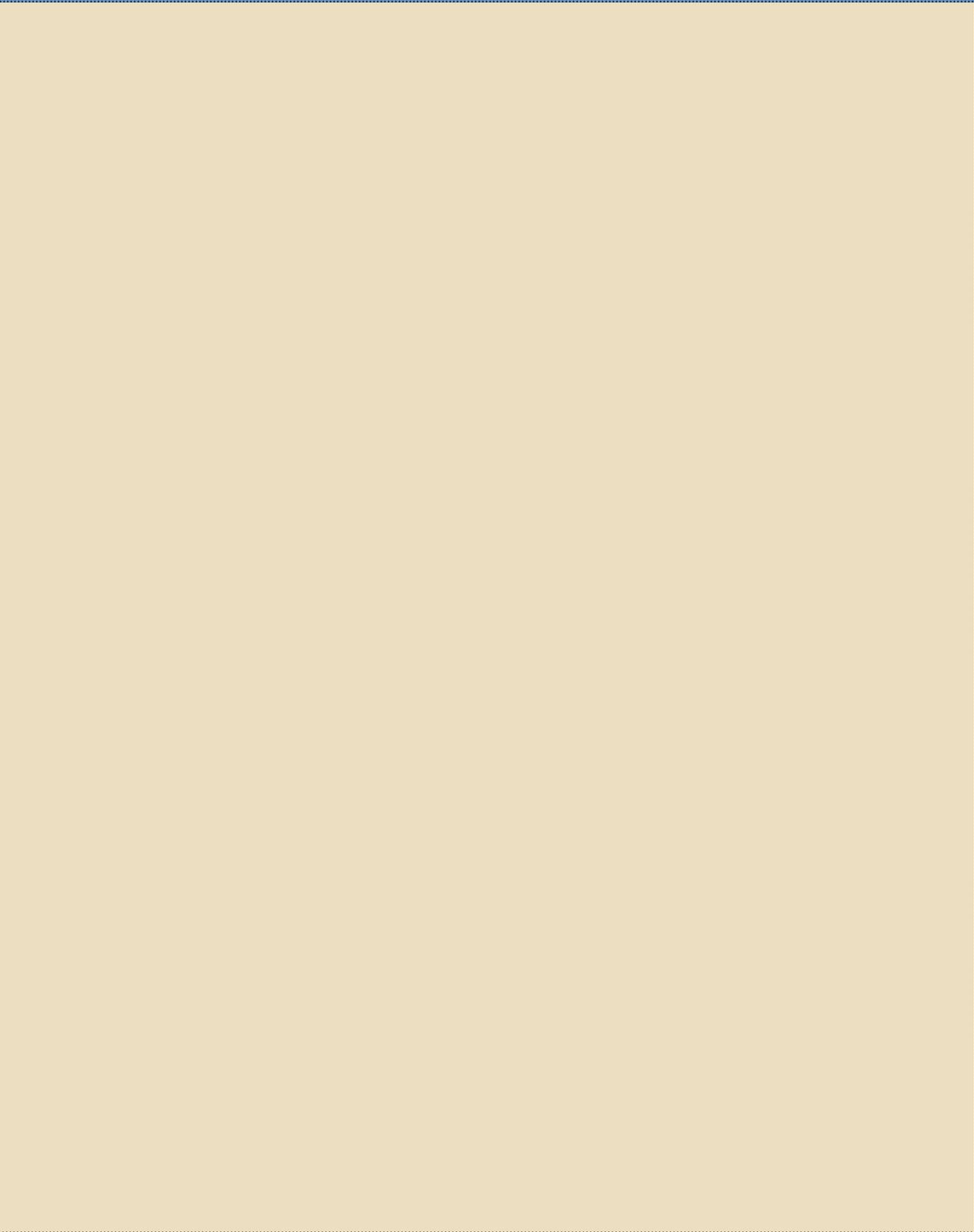
Auditor

Responsibility Statement by the Management Board

To the best of our knowledge and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and the profit or loss of the Group. The Group Management Report includes a fair review of the business development and the position of the Group together with the principal opportunities and risks associated with the expected development of the Group in the remaining months of the fiscal year.

Cologne, 4 December 2014

Board of Management



Supervisory Board Report

Dear Shareholders,

In the 2013 financial year, DF Deutsche Forfait Group incurred a consolidated loss of EUR 12.6 million. Besides extremely slow business in the second half of 2013, this was due to a variety of effects. In particular, the placement of DF Deutsche Forfait AG on the Specially Designated Nationals List ("SDN list") of the U.S. Office of Foreign Assets Control ("OFAC") on 6 February 2014 had substantially negative effects for the 2013 accounts, too. Among other things, the looming prospect of a 2014 loss required a change in the valuation of deferred taxes, which had commensurate negative effects on income reported for the period. In addition, earnings were impacted by increased allocations to valuation allowances and write-downs required against the background of certain long overdue debtors during the course of 2014, which needed to be reflected retroactively in the accounts as at 31 December 2013. And finally, a VAT tax liability of EUR 2.2 million resulting from retrospective VAT returns for the years 2007 to 2013 had to be recognized. In respect of the retroactive filing of the VAT returns, the Supervisory Board continues to investigate this matter also in terms of the responsibilities of those involved. A report by an external expert has been commissioned and the results have already been made available.

Supervisory Board Activity Report

In the past financial year, the Supervisory Board continuously monitored the company's performance and fulfilled all the tasks imposed on it by law and by the Memorandum of Association. The Supervisory Board regularly supervised the activities of the Board of Management and provided advice. In accordance with their supervisory function, the Supervisory Board, and in particular the Chairman and the Deputy Chairman of the Supervisory Board, liaised regularly with the Board of Management. The latter apprised the Supervisory Board of all relevant business events and strategic decisions through both written and oral reports. Contact between the Supervisory Board and the Board of Management was further intensified at the beginning of the year 2014 when the company was added to the OFAC's Iran sanctions list.

Changes to the Supervisory Board

There were several changes in the composition of both the Supervisory Board and the Board of Management. After finalization of the 2012 financial statements, Mr Jochen Franke resigned from the Board of Management of DF Deutsche Forfait AG with effect from 26 March 2013. Mr Frank Hock was appointed member of the Board of Management of DF Deutsche Forfait AG with effect from 1 March 2013 and has taken over as Chief Financial Officer from Mr Franke. Due to his appointment to the Board of Management, Mr Frank Hock resigned from the Supervisory Board of DF Deutsche Forfait AG. After the end of the 2013 financial year, Clemens von Weichs resigned from the Supervisory Board with effect from 12 February 2014. With M.M.Warburg having sold its stake in the company, Mr Florian Becker relinquished his membership of the Supervisory Board effective 12 June 2014. As a result, the Supervisory Board currently comprises three members only. The Supervisory Board will endeavour to fill the vacant seats as soon as possible. Six meetings of the Supervisory Board were held over the course of the 2013 financial year. Five of these meetings were attended by all members of the Supervisory Board. At one meeting, one member was excused from attending. No conflicts of interest involving members of the Supervisory Board were made known to the Supervisory Board during the reporting period.

Focus of Supervisory Board Meetings

In the 2013 financial year, the Supervisory Board primarily addressed the company's strategic positioning. The discussions with the Board of Management focused on the foundation of the subsidiary in Dubai, Deutsche Kapital Limited, and on the asset management for the trade finance funds which the company plans to start via this subsidiary. In this context, the Supervisory Board discussed the longer-than-planned approval process by the Dubai Financial Authority and the slow progress made in placing the trade finance fund. Despite all efforts made, the goal set for the financial year 2013, namely to achieve a first closing with a high-profile investor, was not met. The consultations in the first half of 2013 also focused on the issue of the company's first bond. Various additional topics were discussed at the individual meetings:

On 22 February 2013, the Supervisory Board primarily discussed the forfaiting portfolio, individual forfaiting transactions as well as the active and passive legal disputes involving the various member companies of DF Deutsche Forfait Group. In addition, the members discussed the preparations for the Annual General Meeting.

At the meeting on 25 March 2013, which was also attended by the auditor, the Supervisory Board discussed the consolidated financial statements of DF Group and the separate financial statements of the company in detail. In addition, the schedule of responsibilities of the Board of Management was amended due to the resignation of Mr Franke and the appointment of Mr Hock to the Board of Management. The Supervisory Board also adopted the agenda for the Annual General Meeting. Another topic addressed at this meeting was the issue of a bond.

The agenda of the meeting on 12 April 2013 included the usual discussion of the receivables portfolio, the delinquencies and the legal disputes. In addition, the Supervisory Board discussed and adopted the plans and budgets for the years 2013 to 2015 including the human resources and investment plans on the basis of the submissions.

At the meeting on 30 April 2013, the Supervisory Board discussed the terms and conditions of the planned bond and its chances of successful placement. As a result of the discussion, the Supervisory Board authorized the Board of Management to issue a 7-year bond with a total nominal value of up to EUR 30 million and a coupon of 7.875% p.a.

At the meeting on 26 September 2013, DF Group's interim report for the six-month period ended 30 June 2013 was discussed. The Supervisory Board also discussed a revised sales controlling concept, the risk adjusted pricing model as the basis for the future assessment of each individual transaction by the Board of Management and the implications thereof for future sales management and sales controlling. The Supervisory Board discussed - both from a cost-benefit perspective as well as under risk aspects - the proposed concept for expanding the placement potential through the launch of asset backed securities and asset backed commercial paper programs, which is meant to reduce DF Group's dependence on the currently predominant individual placements and would thereby contribute to evolving DF Group into a multi-product provider. The Supervisory Board members again spoke about the fact that the efforts aimed at placing and reaching a first closing of the planned trade finance fund were taking much longer than planned. Apart from outlining the reasons for the still pending first closing with a renowned lead investor, the Supervisory Board asked the Board of Management to outline the possibilities identified to reach the first closing in a timely manner.

On 21 November 2013, the Supervisory Board discussed the business performance in the third quarter and the financial year as a whole as well as the quarterly financial statements for the period ended 30 September 2013 including the

report on the business performance. In addition, the Supervisory Board addressed the performance of the receivables portfolio, the delinquencies as well as the annual approval of the country and counterparty limits (primarily for banks, forfeiting companies and insurance companies). In addition, the members discussed the business trend as well as the quarterly report for the period ended 30 September 2013.

The meetings during the year 2014 mainly revolved around the economic, legal and reputational implications of the placement on the OFAC's SDN list as well as the various measures undertaken to secure a delisting.

The Supervisory Board meeting of 29 January 2014 served to present DF Group's strategy and planning for the years 2014 through 2016 and to discuss these matters in depth.

On 11 February 2014, a phone conference was arranged to explain the company's current situation against the background of its placement on the OFAC's SDN list. The Supervisory Board was informed of the background of the retroactive payment of value added tax for the financial years 2007 through 2013, heard reports on the implications of this matter and discussed the measures possibly to be initiated in this context.

On 20 February 2014, the Supervisory Board convened for a detailed update on the OFAC listing and the lending banks' reaction to the listing. In addition, the Supervisory Board discussed the current and expected development of the company's earnings and business as well as measures to reduce costs and secure the company's liquidity for the duration of the OFAC listing.

On 26 February 2014, the Supervisory Board held a phone conference on recent developments related to the OFAC listing.

Based on the results of an examination carried out by a U.S. law firm commissioned by the company and its recommendations, the Supervisory Board meeting of 25 March 2014 endorsed a revised compliance guideline as well as a number of further measures to ensure compliance with international sanction rules. Supplemented by reports of the U.S. law firm and the German national bank, the adjustments of the compliance guideline as well as the implementation of further measures to ensure compliance with international sanction rules formed the basis for the submission of a delisting request to the OFAC.

The key item on the agenda for the Supervisory Board meeting on 17 April 2014 was the endorsement of the 2013 annual accounts. In view of the ongoing OFAC listing, the auditor was unable to take a decision on the recognition of the company's assets - in particular relating to the question whether the foreign trade receivables portfolio should be recognized on a going concern or on a liquidation basis. As a result, the Supervisory Board decided to postpone the final preparation of the consolidated and the separate financial statements as well as its endorsement of these accounts in expectation of an imminent delisting from the SDN list.

On 14 May the Supervisory Board held a phone conference to discuss the further procedure pertaining to the OFAC listing. In particular, the conference revolved around the forensic examination demanded by OFAC.

The Supervisory Board meeting on 29 August 2014 was attended by the auditor and revolved around the adverse opinion issued by the auditor in respect of the company's consolidated and separate financial statements. The meeting



also addressed the further steps to be taken in respect of a possible supplementary audit of the company's consolidated and separate financial statements in case of an elimination of the scope limitation, particularly following a delisting of the company from the SDN list. These matters were initially explored with the auditor and then discussed further among the Supervisory Board members.

On 14 October 2014 the Supervisory Board received reports on the status of the IDW S6 report on the company's suitability for restructuring and discussed the extraordinary meeting of shareholders taking place on the same day.

Supervisory Board Committees

The Supervisory Board has formed a working committee consisting of three Supervisory Board members. The working committee is chaired by Freiherr Christoph von Hammerstein-Loxten. A change in the composition of the working committee occurred in the 2013 financial year. Mr Clemens von Weichs took over the position of Mr Frank Hock after the latter left the Supervisory Board and, hence, the working committee. Mr Florian Becker also was a member of the committee in 2013. The working committee primarily addresses the company's receivables portfolio. It reviews and discusses the limit applications for the Supervisory Board as a whole and makes a recommendation to the latter. It also approves individual transactions where no sufficient country and/or counterparty limits exist or the Board of Management does not have the authority required for the respective transaction. At all its meetings, the working committee additionally addressed the delinquencies as well as the legal disputes involving the company on the basis of the submissions and statements made by the Board of Management. The working committee held three meetings in the 2013 financial year, all of which were attended by all members. There are no other committees besides the working committee. In the 2013 financial year, the working committee met on 28 February, on 25 September and on 20 November.

Corporate Governance Code

The Supervisory Board discussed the contents of the Corporate Governance Code. For information on corporate governance in the company and a detailed report on the amount and structure of compensation paid to the Board of Management and the Supervisory Board, please refer to the corporate governance report. On 20 February 2014, the Board of Management and the Supervisory Board issued a declaration of conformity in accordance with Section 161 of the German Stock Corporation Act (AktG) which has been made permanently available to all shareholders on the company website. The complete declaration of conformity is included in the corporate governance report.

2013 Annual Financial Statements

BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg, was selected as the auditor for the financial year from 1 January 2013 to 31 December 2013 by the Annual General Meeting on 16 May 2013. On 3 July 2013 the Supervisory Board commissioned the firm to carry out the audit of the company's annual accounts.

Having completed their audit, the auditor declined to issue an audit certificate for the separate financial statements and the management report as well as the consolidated financial statements and the group management report because he believed that a scope limitation existed as a result of the company having been placed on the OFAC list, which raised the question whether the preparation of the annual accounts should have assumed a going concern status.

Against the background of the company's delisting from the SDN list on 16 October 2014 as well as based on an IDW-S6 restructuring report, BDO AG Wirtschaftsprüfungsgesellschaft carried out a supplementary audit. For the purpose of this supplementary audit, BDO AG Wirtschaftsprüfungsgesellschaft has audited the separate financial statements and management report as well as the consolidated financial statements and the group management report of DF Deutsche Forfait AG and has issued an unqualified audit certificate.

The separate financial statements, the management report, the consolidated financial statements and the group management report as well as the auditor's report were available to all members of the Supervisory Board for detailed examination. At the Supervisory Board meeting on 4 December 2014, the auditor explained all relevant items of the reports. All accounting-related questions and issues were discussed in depth. The auditor informed the Supervisory Board about additional services provided by him in the 2013 and 2014 financial years outside the scope of the audit and was available to answer further questions by the Supervisory Board. Finally, the auditors confirmed their independence. Following its own in-depth examination and appropriate discussion, the Supervisory Board concurred with the result of the audit and approved the separate financial statements as well as the consolidated financial statements. This means the annual financial statements of DF Deutsche Forfait AG are finalized. The Supervisory Board approved the management reports and the assessment of the company's future development.

The Supervisory Board would like to thank the Board of Management and the employees for the great commitment and their achievements during what was a challenging financial year 2013.

Cologne, December 2014

On behalf of the Supervisory Board

Hans-Detlef Bösel

Chairman of the Supervisory Board



Corporate Governance Report

In this statement, the Board of Management and the Supervisory Board report on corporate governance at DF Deutsche Forfait AG in accordance with Section 3.10 of the German Corporate Governance Code and Section 289a (1) of the German Commercial Code (HGB).

Corporate governance stands for responsible corporate management aimed at the long-term creation of value. Essential characteristics of good corporate governance include transparent corporate communications, protection of shareholder interests and purposeful cooperation between the Board of Management and the Supervisory Board.

The purpose of the German Corporate Governance Code as adopted by the "Government Commission on the German Corporate Governance Code" and last amended on 13 May 2013 is to make the rules for corporate management and supervision in Germany transparent to national and international investors in order to boost confidence in the management of German companies. The German Corporate Governance Code is of great importance for DF Deutsche Forfait AG. The code represents a recognized management standard for good corporate governance of listed German companies.

Declaration of conformity pursuant to Section 161 AktG on compliance with the German Corporate Governance Code

The declaration of compliance issued by DF Deutsche Forfait AG on 22 February 2013 remained unchanged until the balance sheet date on 31 December 2013 and reads as follows:

In accordance with Section 161 of the German Stock Corporation Act (AktG), the Board of Management and the Supervisory Board of a listed German stock corporation must declare once a year if the company has complied and is complying with the German Corporate Governance Code and which recommendations of the Code have not been applied and why. This declaration must be made permanently available to the shareholders. The Board of Management and the Supervisory Board of DF Deutsche Forfait AG issued their last declaration of conformity in accordance with Section 161 of the Stock Corporation Act (AktG) on 22 February 2013. For the period from the publication of the last declaration of conformity until 10 June 2013, the following declaration of 20 February 2014 relates to the recommendations of the Code as last amended on 15 May 2012. From 11 June 2013, the declarations relates to the recommendations of the Code as last amended on 13 May 2013. The exact wording has been published under the heading "Declaration of Conformity" and is available as a download from the DF Deutsche Forfait AG website (<http://www.dfag.de/en/investor-relations/corporate-governance>). The Board of Management and the Supervisory Board of DF Deutsche Forfait AG herewith confirm that the recommendations made by the "Government Commission on the German Corporate Governance Code" have been and will be met with the subsequent exceptions.

1. At present, the D&O insurance policy for members of the Supervisory Board does not include a deductible (Section 3.8 (3) DCGK)

Originally, the company had a group-wide D&O insurance policy for members of the Board of Management and Supervisory Board, which did not include a deductible. In the opinion of DF Deutsche Forfait AG, there had not been any confirmed information on which the amount of such commensurate deductible could be based. Therefore, DF Deutsche Forfait AG decided to refrain from establishing a deductible for the D&O insurance policy as long as such information is not available.

Under the Act on the Appropriateness of Management Board Compensation (VorstAG) of 5 August 2009, a deductible is compulsory for members of the Board of Management. DF Deutsche Forfait AG has established the required deductible for members of the Board of Management pursuant to the new legal regulations of Section 93 (2) sentence 3 of the German Stock Corporation Act (AktG).

There is still no statutory legal obligation to establish a compulsory D&O deductible for members of the Supervisory Board. The Board of Management and the Supervisory Board are of the opinion that all board members are naturally expected to act in a responsible manner; a deductible for members of the Supervisory Board is therefore unnecessary.

2. DF Deutsche Forfait AG does not have a chairperson or speaker for the Board of Management (Section 4.2.1 DCGK)

DF Deutsche Forfait AG does not believe that a chairperson or speaker for the Board of Management is required, since the cooperative arrangement for the division of responsibilities within the Board of Management has been working extremely well. However, DF Deutsche Forfait AG will evaluate the situation regularly in order to determine if the appointment of a speaker or chairperson is advisable.

3. In the event of premature termination of the Board activity, the payments to a member of the Board of Management including fringe benefits may exceed the equivalent of two annual compensations (Section 4.2.3 (4) sentence 1 DCGK)

Under the employment contracts of DF Deutsche Forfait AG, a member of the Board of Management is to receive the agreed fixed compensation until the end of the agreed contractual period if the contract is terminated by the company. The current contracts between DF Deutsche Forfait AG and the members of the Board of Management were concluded for a period of three years and provide for a termination period of six months with effect from the end of a quarter. Accordingly, the severance pay cap of two years' compensation recommended in the Code would therefore be exceeded only in the event of an early termination of the contract and, even in this case, only within acceptable limits.

4. There is no age limit for members of the Board of Management and Supervisory Board (Sections 5.1.2 (3) sentence 2 DCGK and 5.4.1 (2) sentence 1 DCGK)

DF Deutsche Forfait AG does not impose an age limit on members of the Board of Management and Supervisory Board since it selects representatives based on the knowledge, skills and professional experience required for the respective duties. The company does not wish to restrict itself by establishing an age limit. Imposing an age limit for members of the Board of Management would impose a blanket restriction on the Supervisory Board when selecting suitable members of the Board of Management. In addition, DF Deutsche Forfait AG believes that imposing an age limit for members of the Supervisory Board is an inappropriate restriction on the right of shareholders to elect the members of the Supervisory Board.

5. The Supervisory Board of DF Deutsche Forfait AG does not have an audit committee (Section 5.3.2 DCGK)

Currently, DF Deutsche Forfait AG deviates from the recommendations of Section 5.3.2 relating to an audit committee being established. These responsibilities are currently being assumed by the Supervisory Board as a whole. At present,

establishing an audit committee does not seem to be advisable, as the Supervisory Board of DF Deutsche Forfait AG currently consists of only six members and a committee would therefore not increase its efficiency.

6. The Supervisory Board of DF Deutsche Forfait AG does not have a nomination committee (Section 5.3.3 DCGK)

In addition, DF Deutsche Forfait AG currently does not have a nomination committee. These responsibilities are currently being assumed by the Supervisory Board as a whole. DF Deutsche Forfait AG shares the opinion of legal literature that the formation of a nomination committee is unnecessary if there are no employee representatives on the Supervisory Board. The company is therefore not going to establish such a committee.

7. The Supervisory Board has not defined any concrete objectives for its composition (Section 5.4.1 (2) and (3) DCGK)

The Supervisory Board has based its nominations submitted to the Annual General Meeting on the applicable legal regulations and – regardless of gender – focused on the technical and personal qualifications of the candidates. Just as DF Deutsche Forfait AG does not impose an age limit for members of the Board of Management and Supervisory Board, dividing the Supervisory Board seats into male and female members based on a quota or numbers is not considered expedient. In the opinion of DF Deutsche Forfait AG, neither age nor gender constitute criteria that, by and of themselves, permit conclusions whether a Supervisory Board mandate can be properly and successfully realized or not. Just like an age limit, such a specification regarding the membership of women would impose a blanket restriction on the Supervisory Board in its selection of suitable members.

Notwithstanding the above, the Board of Management and Supervisory Board of DF Deutsche Forfait AG expressly welcome all efforts that counteract discrimination based on gender as well as all other types of discrimination and effectively promote diversity. Furthermore, it is a matter of course for DF Deutsche Forfait AG that the international activities of the company, potential conflicts of interest as well as the independence of the Supervisory Board members are taken into account for the composition of the Supervisory Board. These standards will serve as benchmarks for the Supervisory Board of DF Deutsche Forfait AG also in future.

Based on the fact that elections to the Supervisory Board will not occur again until the year 2015, defining concrete objectives for the future composition of the Supervisory Board has not been necessary to date. The Supervisory Board will examine this issue and establish concrete objectives for its composition if applicable.

8. DF Deutsche Forfait AG does not publish the annual report within 90 days after the end of the financial year and the interim reports within 45 days after the end of the reporting period (Section 7.1.2 sentence 4 DCGK).

In the past, DF Deutsche Forfait AG, did not publish the annual report within 90 days after the end of the reporting period and the interim report within 45 days after the end of the reporting period. Instead, DF Deutsche Forfait AG reported within the deadlines prescribed in the stock exchange regulations for the Prime Standard of the Frankfurt Stock Exchange and in accordance with the Securities Trade Act (WpHG), as the Board of Management and Supervisory Board deem the deadlines stipulated by the stock exchange regulations to be appropriate. This means DF Deutsche

Forfait AG will publish its annual report within four months and interim reports within two months after the end of the respective reporting period. DF Deutsche Forfait AG intends to maintain this practice in future.

Dual management and supervisory structure

As a German corporation, DF Deutsche Forfait AG has a dual management and supervisory structure consisting of the Board of Management and the Supervisory Board.

Board of Management

The members of the Board of Management are appointed by the Supervisory Board and are responsible for the management of the company. In 2013, the Board of Management of DF Deutsche Forfait AG was composed of the following members until 1 March 2013:

- Marina Attawar
- Ulrich Wippermann
- Jochen Franke

All three members listed above were appointed to the Board of Management of DF Deutsche Forfait AG until 31 December 2015 based on a resolution adopted by the Supervisory Board on 7 March 2012. Based on a resolution adopted by the Supervisory Board on 22 February 2013, Frank Hock was appointed new member of the Board of Management for the period from 1 March 2013 to 29 February 2016. Frank Hock was member of the Supervisory Board of DF Deutsche Forfait AG since 2007. Jochen Franke resigned from the company's Board of Management with effect from 26 March 2013. Ulrich Wippermann resigned from the company's Board of Management with effect from 24 February 2014. Accordingly, the Board of Management is currently composed of Marina Attawar and Frank Hock. The Supervisory Board did not appoint a chairman to the Board of Management.

Supervisory Board

The Supervisory Board advises the Board of Management of DF Deutsche Forfait AG and supervises its management activities. In principal it consists of six members. The previous members of the Supervisory Board, with the exception of Clemens von Weichs, were re-elected by the Annual General Meeting on 20 May 2010. Clemens von Weichs was appointed member of the Supervisory Board by the Annual General Meeting on 24 May 2012. The term of all current members of the Supervisory Board expires at the end of the Annual General Meeting that decides on the discharge resolution for the 2014 financial year. Frank Hock resigned from the Supervisory Board with effect from 1 March 2013 and was appointed to the company's Board of Management by the Supervisory Board. Current members of the Supervisory Board of the financial year 2013 are listed below, along with their current main responsibilities:

- Hans-Detlef Bösel: Merchant in Madlitz.
- Christoph Freiherr von Hammerstein-Loxten: Managing Director and shareholder of Freiherr von Hammerstein-Loxten Consult GmbH in Berlin.

- Florian Becker: M.M. Warburg & CO KGaA in Hamburg.
- Dr. Ludolf-Georg von Wartenberg: Consultant in Berlin.
- Clemens von Weichs: Head of Property & Casualty Insurance Academy (Allianz SE Global Property & Casualty), Munich.
- Frank Hock (until 1 March 2013): Managing Director of Hock Verwaltungen GmbH, the general partner of Hock GmbH & Co. KG, and Managing Director and shareholder of Hock Capital Management GmbH in Pullach. Frank Hock was appointed member of the Board of Management of DF Deutsche Forfait AG with effect from 1 March 2013.

Clemens von Weichs resigned from the Supervisory Board with effect from 12 February 2014. Florian Becker resigned from the Supervisory Board with effect from 12 June 2014. Accordingly, the Supervisory Board of DF Deutsche Forfait AG is temporarily composed of three members.

Six Supervisory Board meetings were held in the 2013 financial year. Five of these meetings were attended by all members of the Supervisory Board. At one meeting, one member was excused from attending. At the meetings, the Supervisory Board and the Board of Management primarily addressed issues relating to the risk position, risk management, delinquencies, the funding base, the business performance and the strategy of DF Deutsche Forfait AG.

The Supervisory Board can form committees from among its members and assign them decision-making power to the extent permitted by law. The Supervisory Board of DF Deutsche Forfait AG appoints a working committee from among its members after every new election of the Supervisory Board. Until March 2013, Christoph Freiherr von Hammerstein-Loxten chaired the committee, while Florian Becker and Frank Hock were members of the committee. After the resignation of Frank Hock from the Supervisory Board, Clemens von Weichs was appointed to the committee. In 2013, the working committee held three meetings, which were attended by all members of the committee. The working committee primarily addresses the risk analysis and risk management at DF Deutsche Forfait AG. In particular, it reviews the limit applications and issues recommendations. It also approves individual transactions where no sufficient limits exist or the Board of Management does not have the required authority.

The Supervisory Board has not established an audit committee to handle the monitoring of the accounting process, the effectiveness of the internal control system and the internal audit system, the audit of the annual financial statements, here in particular the independence of the auditor, the services rendered additionally by the auditor, the issuing of the audit mandate to the auditor, the determination of auditing focal points and the fee agreement, and compliance. No nomination committee has been established by the Supervisory Board, either. These responsibilities are currently being assumed by the Supervisory Board as a whole. The Supervisory Board has decided to assign the function of independent financial expert on the Supervisory Board to Mr Florian Becker. As a result of his activity as Director and head of the credit department at M.M. Warburg & Co. KGaA, Mr Becker has comprehensive accounting expertise. The report of the Supervisory Board regarding its activities during the 2013 financial year is found on pages 98 to 102.

Close cooperation between the Board of Management and the Supervisory Board

The Board of Management and Supervisory Board of DF Deutsche Forfait AG cooperate closely and in a trusting manner to the benefit of the company. In accordance with their supervisory function, the Supervisory Board, and in particular the Chairman and the Deputy Chairman of the Supervisory Board, liaise regularly with the Board of Management.

The Board of Management determines the strategic direction of the company, obtains approval from the Supervisory Board and implements strategic decisions. Transactions of special significance require approval from the Supervisory Board. Thanks to a regular, timely and comprehensive dialogue with the Board of Management, the Supervisory Board is at all times informed about the strategy, plans, business developments and risk management of the company.

Transparent communication

DF Deutsche Forfait AG communicates with its shareholders in an open and transparent manner. All dates of interest to shareholders are found on the company website, including publication dates for annual and interim reports. Additional information relates, for instance, to reportable securities transactions according to Section 15a of the Securities Trade Act (WpHG) as well as ad hoc reports and press releases.

Efficiency audit

The regular audit regarding the efficiency of the Supervisory Board represents an important pillar of good corporate governance. The German Corporate Governance Code stipulates in Section 5.6 that the Supervisory Board shall "regularly check the efficiency of its actions". To do this, a questionnaire tailor-made for the characteristics of DF Deutsche Forfait AG was developed.

This primarily encompasses organizational processes in the Supervisory Board, the timely and sufficient supply of information to the Supervisory Board as well as personnel questions. In the past financial year, all Supervisory Board members took part in the survey. At the Supervisory Board meeting on 26 September 2013, the answers and suggested improvements were discussed. Due to the size of the company and the uncomplicated flows of information between Supervisory Board and Board of Management, the efficiency audit was carried out without the help of an external advisor. The investigation turned up positive results.

Risk management, accounting and auditing

The risk management system established by the company serves to identify risks in a timely manner. This system is being developed and adjusted to changing conditions on a continuous basis. Details are found in the management report starting on page 30. DF Deutsche Forfait AG complies with the International Financial Reporting Standards (IFRS).

Die BDO AG Wirtschaftsprüfungsgesellschaft was selected as the auditor by the Annual General Meeting on 16 May 2013, appointed by the Supervisory Board, and has audited the 2013 consolidated financial statements in this capacity. Prior to the appointment, the Supervisory Board ensured that the relationship between the auditor and the company or its institutions does not constitute cause to doubt the independence of the auditor.

Compensation report

The compensation report forms part of the corporate governance report and outlines the basic structure of the compensation systems with regard to the total compensation of the bodies of DF Deutsche Forfait AG and discloses the compensation received by the members of the Board of Management and the Supervisory Board in a detailed and individualised form.



Board of Management compensation system

The system of compensation and the amount of the compensation received by the Board of Management are determined and regularly reviewed by the Supervisory Board of DF Deutsche Forfait AG. When signing agreements regarding the compensation of the members of the Board of Management, the Supervisory Board has always paid attention to the appropriateness of the compensation and will continue to do so in future.

The Supervisory Board amended the compensation system for the Board of Management with effect from the beginning of the 2013 financial year. The contracts of the Board of Management members that expired on 31 December 2012 were revised with a view to the provisions of the Act on the Appropriateness of Management Board Compensation (VorstAG) and concluded for a period of three years with effect from 1 January 2013, i.e. until 31 December 2015. The contract of Frank Hock has been concluded for the period from 1 March 2013 to 29 February 2016. In accordance with the recommendations of the German Corporate Governance Code, the full Supervisory Board reviewed and revised the compensation system for the Board of Management including the material contractual elements when signing these contracts.

The compensation is composed of fixed and variable components. Also, DF Deutsche Forfait AG believes that a long-term incentive effect exists already in the form of the Board of Management members' high capital investments in the company.

Pursuant to Section 87 (1) AktG, the compensation structure in listed companies should be geared to sustainable corporate development; variable compensation components shall therefore be based on a multi-year assessment. This requirement of a multi-year assessment base is met in the new contracts of the members of the Board of Management in the following form:

After the adoption of the financial statements, the respective member of the Board of Management receives a performance bonus for the financial year ("bonus year") in accordance with Section 87 AktG. The performance bonus is assessed on the basis of the company's earnings per share in the bonus year (average earnings per share in EUR). If earnings per share (EPS) exceed EUR 0.35, the member of the Board of Management receives a performance bonus of 5% of the amount of EPS that exceeds EUR 0.35. Irrespective of the above formula, the performance bonus is capped at 2 times the fixed compensation of the respective Board member. 49% of the performance bonus calculated in accordance with the above formula is paid after the adoption of the balance sheet by 31 March of the following year. The remaining 51% is carried forward to the following year and paid out only if the calculation formula also leads to payment of a bonus in the following year. Under the new contracts, the fixed compensation of all members of the Board of Management totals EUR 915,000.00. The variable compensation may amount to up to an additional EUR 1,830,000.00.

If the contract of a member of the Board of Management is terminated prematurely by the company, the compensation will be paid for the remaining term of the contract. As the new contracts are concluded for a period of only three years, no additional severance payment cap has been agreed. If the contract is terminated by a Board member, the agreed fixed compensation will be paid until the termination becomes effective. The members of the Board of Management are not entitled for compensation from subsidiaries.

Compensation for the Board of Management in the 2013 financial year

In the 2013 financial year, total compensation for members of the company's Board of Management was EUR 1,220,102.09. Jochen Franke resigned from the Board of Management with effect from 26 March 2013 but was employed by the company until 30 September 2013. Total compensation for the entire 2013 financial year was divided among the members of the Board of Management as follows:

Remuneration in EUR	Marina Attawar				Frank Hock (since 01-03-2013)			
	2012	2013	2013 min	2013 max	2012	2013	2013 min	2013 max
Fixed compensation	252,999.96	305,000.04				254,166.70		
Fringe benefits ¹⁾	14,992.82	14,874.77				10,821.92		
Total	267,992.78	319,874.81				264,988.62		
One-year variable compensation				298,900.00				249,083.00
Multi-year variable compensation				311,100.00				259,250.00
Total	267,992.78	319,874.81		610,000.00		264,988.62		508,333.00
Pension-related payments ²⁾	20,494.92	20,494.92				16,705.60		
Total compensation	288,487.70	340,369.73				281,694.22		

1) In 2013: company vehicle, accident insurance, partial payment of health insurance/long-term care insurance, "job ticket"

2) In 2013: pension contribution, BVV basic pension

Remuneration in EUR	Jochen Franke (until 30-09-2013)				Ulrich Wippermann			
	2012	2013	2013 min	2013 max	2012	2013	2013 min	2013 max
Fixed compensation	252,999.96	228,750.03			252,999.96	305,000.04		
Fringe benefits ¹⁾	16,976.54	7,352.25			21,898.10	21,405.86		
Total	269,976.50	236,102.28			274,898.06	326,405.90		
One-year variable compensation				234,175.00				298,900.00
Multi-year variable compensation				233,325.00				311,100.00
Total	269,976.50	236,102.28		457,500.00	274,898.06	326,405.90		610,000.00
Pension-related payments ²⁾	20,046.72	15,035.04			20,494.92	20,494.92		
Total compensation	290,023.22	251,137.32			295,392.98	346,900.82		

1) In 2013: company vehicle, accident insurance, partial payment of health insurance/long-term care insurance, "job ticket"

2) In 2013: pension contribution, BVV basic pension

The calculation formula for the variable compensation based on the company's earnings per share resulted in no performance-related compensation for the fiscal year 2013. The members of the Board of Management are entitled to a performance bonus only if earnings per share in the bonus year exceed EUR 0.35. The company also provides members of the Board of Management with a company vehicle and pays accident insurance premiums. In addition, the company has committed to pay – for a period of six months from the start of an illness – the difference between the net fixed salary and health insurance and/or sickness benefits that are received by a member of the Board of Management or would be received in case of insurance coverage.



The Board of Management contracts of Ms Attawar, Mr Franke (Board member until 26 March 2013) and Mr Wippermann (Board member until 24 February 2014) additionally include immediate pension benefit plans. Benefits are payable when a member of the Board of Management passes away or retires due to age. Mr Franke will receive a capital payment in this case. In contrast, Ms Attawar and Mr Wippermann have the right to choose an annuity or a capital payment. Since Mr Franke's resignation on 30 September 2013, the company has made no more payments to the company pension scheme in his favour. The same has applied since Mr Wippermann's resignation in February 2014.

According to these pension benefit plans, the members of the Board of Management receive a guaranteed old age pension from DF Deutsche Forfait AG. The amounts are as follows:

- Marina Attawar: Annuity of EUR 11,022.60 or a one-time capital payment of EUR 202,518.00
- Jochen Franke: One-time capital payment of EUR 147,244.00
- Ulrich Wippermann: Annuity of EUR 20,964.48 or a one-time capital payment of EUR 338,278.00

The amount due to Mr Wippermann is increased by monthly personal contributions; the effects of these personal contributions are already reflected in the above amounts.

In addition, members of the Board of Management receive the following payments from a reinsured benevolent fund starting at age 65. All members of the Board of Management have the right to choose between annuity payments or a capital payment:

- Marina Attawar: Insured annuity in the amount of EUR 15,247.40 or a capital payment of EUR 273,572.00
- Jochen Franke: Insured annuity in the amount of EUR 27,888.90 or a capital payment of EUR 451,874.00
- Ulrich Wippermann: Insured annuity in the amount of EUR 31,367.70 or a capital payment of EUR 483,730.00

Once again, Ulrich Wippermann is making personal contributions to the fund; the effects of these personal contributions are already reflected in the above amounts. Since Jochen Franke resigned, the company has paid no more contributions to the fund in his favour. The same has applied to Mr Wippermann since his resignation in February 2014. Based on a deferred compensation agreement with the members of the Board of Management, contributions from DF Deutsche Forfait AG are submitted to the insurance providers mentioned above. Until September 2013, they amounted to EUR 3,067.76 per month. Since October 2013 the monthly contributions have amounted to EUR 2,300.82.

The company has made no further pension commitment to Mr Frank Hock.

The company has not granted loans to members of the Board of Management nor provided guarantees on their behalf. During the current and preceding financial years, the members of the Board of Management were not involved in transactions outside the normal course of business of the company or other transactions of unusual form or content. They were also not involved in any such unusual transactions in earlier preceding financial years that have not yet been finalized.

Members of the Board of Management do not receive compensation based on shares.

Compensation of the Supervisory Board in the 2013 financial year

Compensation for the Supervisory Board is governed by Section 12 of the DF Deutsche Forfait AG Articles of Association. Members of the Supervisory Board receive a fixed annual compensation of EUR 13,000 in addition to the reimbursement of expenses incurred while meeting their responsibilities. The chairperson and deputy chairperson receive twice this amount. In addition, members of the Supervisory Board receive an attendance fee of EUR 500.00 for every Supervisory Board meeting they attend. In view of the company's results, the incumbent members of the Supervisory Board decided at the end of 2013 to waive their attendance fees for the year 2013.

In the 2013 financial year, compensation for all activities of all members of the Supervisory Board of DF Deutsche Forfait AG was EUR 108,921.14. Individual compensation for members of the Supervisory Board for 2013 is listed in the following table (in EUR):

Compensation in EUR	Fixed compensation	Attendance fees	VAT 19%	Total
Hans-Detlef Bösel	26,000.00	0.00	4,940.00	30,940.00
Christoph Freiherr von Hammerstein-Loxten	26,000.00	0.00	4,940.00	30,940.00
Florian Becker	13,000.00	0.00	0.00	13,000.00
Dr. Ludolf-Georg von Wartenberg	13,000.00	0.00	2,470.00	15,470.00
Clemens von Weichs	13,000.00	0.00	2,470.00	15,470.00
Frank Hock (until 28 February 2013)	2,106.00	0.00	400.14	2,506.14
Total	93,106.00	0.00	15,220.14	108,326.14

There are no service agreements between the members of the Supervisory Board and the company that provide for perks at the end of the term of service. The members of the Supervisory Board were not provided with compensation or other benefits in exchange for personal service in addition to the responsibilities of the Supervisory Board described above, such as consulting or deal acquisition. There are no additional contracts between the members of the Supervisory Board and the company.

DF Deutsche Forfait AG has not granted loans to members of the Supervisory Board nor provided guarantees or warranties on their behalf.

Shareholdings and reportable transactions of the Board of Management and the Supervisory Board

Shareholdings of members of the Board of Management

As at 31 December 2013, the members of the Board of Management held the following shares:

- Marina Attawar did not personally hold shares or stock options of DF Deutsche Forfait AG. However, she is the sole shareholder of Xylia 2000 Vermögensverwaltungs GmbH which held 6.5% of the shares of DF Deutsche Forfait AG.
- Ulrich Wippermann did not personally hold shares or stock options of DF Deutsche Forfait AG. However, he is the sole shareholder of Xylia 2001 Vermögensverwaltungs GmbH which held 4.5% of the shares of DF Deutsche Forfait AG.

- Frank Hock held 2% of the shares of DF Deutsche Forfait AG, partly privately and partly via an investment management company, in which he is the sole shareholder.

Accordingly, the Board of Management directly or indirectly held 13% of the shares of DF Deutsche Forfait AG as at 31 December 2013. After the resignation of Ulrich Wippermann with effect from 24 February 2014, the members of the Board of Management currently hold a total of 8.5% of the shares of DF Deutsche Forfait AG.

Shareholdings of members of the Supervisory Board

- Hans-Detlef Bösel holds 1.7% of the shares of DF Deutsche Forfait AG personally and via an investment management company, in which he is the sole shareholder.
- Christoph Freiherr von Hammerstein-Loxten holds 2.5% of the shares of DF Deutsche Forfait AG.
- Dr. Ludolf-Georg von Wartenberg holds 0.2% of the shares of DF Deutsche Forfait AG.

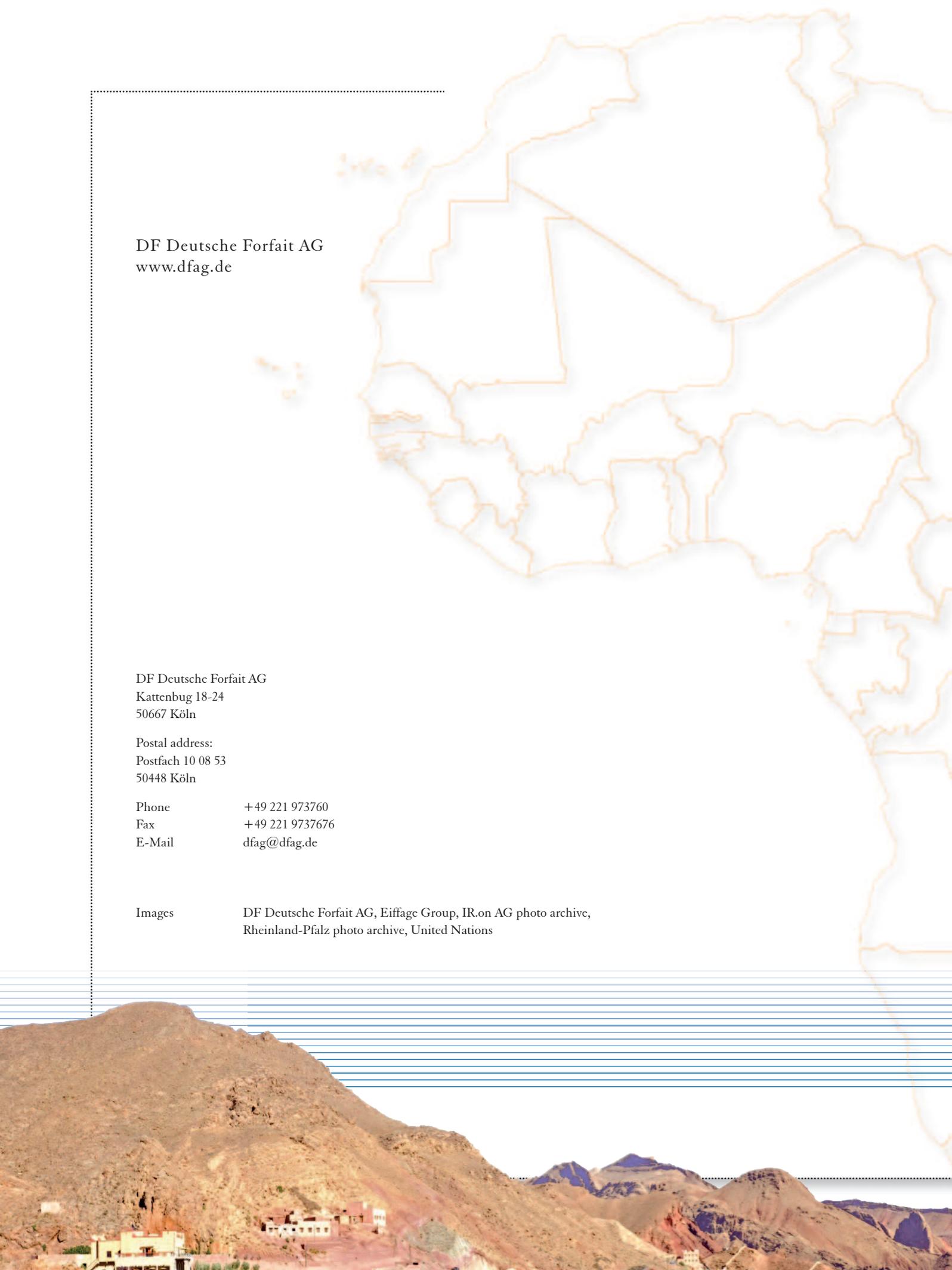
The members of the Supervisory Board directly or indirectly hold 4.4% of DF Deutsche Forfait AG shares.

Reportable transactions

The following securities transactions as defined in Section 15a of the German Securities Trading Act were reported to DF Deutsche Forfait AG for the 2013 financial year:

Reporting person/company	Date of transaction	Kind of transaction	Number of shares	Price per share in EUR
Franke Vermögensverwaltung GmbH	14-03-2013	Sale	8,563	4.027
Franke Vermögensverwaltung GmbH	15-03-2013	Sale	1,110	4.10
Franke Vermögensverwaltung GmbH	18-03-2013	Sale	6,248	4.054
Franke Vermögensverwaltung GmbH	19-03-2013	Sale	1,500	3.97
Franke Vermögensverwaltung GmbH	20-03-2013	Sale	1,000	3.91
Frank Hock	25-04-2013	Purchase	15,000	3.6
Hans-Detlef Bösel	25-04-2013	Purchase	15,000	3.6
Xylia 2001 Vermögensverwaltungsgesellschaft mbH	25-04-2013	Purchase	7,500	3.6
Xylia 2000 Vermögensverwaltungsgesellschaft mbH	25-04-2013	Purchase	7,500	3.6
Christoph Freiherr von Hammerstein Loxten	25-04-2013	Purchase	5,000	3.6
Hock Capital Management GmbH	17-05-2013	Purchase	16,000	4.6

Transactions reported to DF Deutsche Forfait AG according to Section 15a of the Securities Trade Act (WpHG) are accessible on the DF Deutsche Forfait AG website.



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