



DF Deutsche Forfait AG

Interim Report

Period: 01-01 to 31-03-2016



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INTERIM GROUP MANAGEMENT REPORT

Fundamentals of the DF Group

Economic report

Post-balance sheet events

Opportunities and risk management report

Forecast report



FUNDAMENTALS OF THE DF GROUP

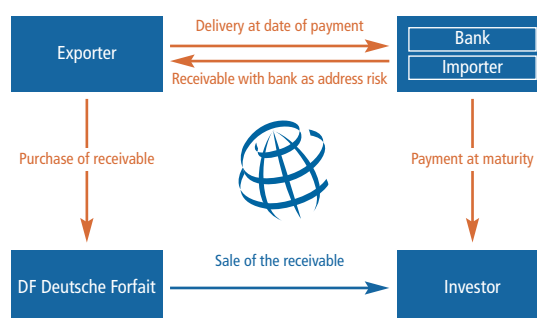
Since 1 January 2016, DF Group has been operated as the debtor-in-possession in a standard insolvency proceeding. After DF Group and its material creditor groups agreed the cornerstones of an insolvency plan, the latter was submitted to the local insolvency court in Cologne on 29 February 2016. The consultation and discussion on the insolvency plan took place on 29 April 2016. At this meeting, the creditors approved the insolvency plan, which was then confirmed by the insolvency court. The insolvency plan ensures that the creditors' claims will be served on a best-effort basis and will allow DF Group to continue as a going concern on the basis of the agreed measures. Against this background, the consolidated financial statements for the first quarter of 2016 were prepared under the going concern assumption.

BUSINESS MODEL OF THE GROUP

DF Group specializes in foreign trade financing with a focus on the emerging markets.

Forfaiting is a classical export financing instrument. In the forfaiting business, foreign trade receivables (hereinafter briefly also referred to as "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.

Classic Forfaiting



DF Group acquires foreign trade 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. The receivables are resold to investors, usually banks.

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 outplaced. DF Group also purchases lease and loan receivables, which are usually sold or hedged by purchase commitments.

Finally, DF Group acts as an agent arranging forfaiting transactions between buying and selling parties without making liquidity available or underwriting any risk. When agenting transactions, DF Group benefits from its long-established network on the purchasing and the selling side.



STRUCTURE OF DF GROUP

Besides Cologne-based DF Deutsche Forfait AG ("DF AG" or "the company") as the ultimate parent company, DF Group comprises six subsidiaries. These are headquartered in Bonn (Germany), Brazil (São Paulo), the Czech Republic (Prague), the USA (Miami, inactive), Pakistan (Lahore) and Dubai. The international network is complemented by a branch in France (Paris) and a partner in Italy.

After the spin-off of the operating activities, the former operating activity of DF AG is to be continued by the newly established DF Deutsche Forfait GmbH ("DF GmbH"), a wholly owned subsidiary of DF AG. Except for the investment in DF Deutsche Forfait s.r.o., Prague ("DF s.r.o.") and Deutsche Kapital Limited, Dubai ("DKL"), all investments in the distribution companies, which are currently held directly by DF AG, are to be transferred to the newly established subsidiary. DF s.r.o. and DKL will continue to grant loans and to structure, place and manage trade finance funds, which is a business activity that differs from the former business activity of DF AG. DF Group pursues the following strategy to reach a business volume similar to that of the financial years preceding its listing on the SDN sanctions list.

With the exception of the subsidiary in Prague, which is involved in back office tasks for individual transactions as and when required and keeps its own trading book for this purpose, the foreign subsidiaries and offices as well as the intermediaries focus exclusively on marketing and sales

activities. In this context, they are responsible for (internal and external) project coordination of each transaction; this comprises acquisition, preparation and negotiation of the parameters of the purchase as well as the outplacement of the foreign trade receivables. The same applies to purchase commitments or the processing of agenting transactions. However, the decentralized sales organization is not authorized to close transactions autonomously. Besides fostering contacts with existing customers, the sales organization is also responsible for winning new customers as well as observing and identifying new markets. 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.

In addition to this 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 gives DF Group the flexibility to respond to changing conditions in the individual local markets and to (temporarily) exit markets or tap new attractive markets at short notice.

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 outplacement of transactions.



ECONOMIC REPORT

On 1 January 2016, the Cologne local court (insolvency court) resolved to open the insolvency proceedings for DF Deutsche Forfait AG as planned and ordered that the debtor-in-possession status remained in place. The first three months of the 2016 financial year were thus clearly influenced by the preparation of an insolvency plan. In the context of the insolvency proceedings, DF AG submitted an insolvency plan to the Cologne local court (insolvency court) on 29 February 2016. The aim of the insolvency plan is to deleverage the company and continue as a going concern. Key points of the insolvency plan provide for the company to maintain its stock exchange listing and continue as a going concern and for its capital structure to be reorganized through a partial debt waiver of the creditors, a capital reduction and a subsequent cash and non-cash capital increase. These measures are designed to provide DF AG and DF Group with an adequate equity base allowing it to carry out its operating activities. The Group aims to conduct its future operating activity with a risk structure and a risk profile similar to those prior to the SDN listing.

To achieve this goal, the insolvency plan provides for a 10:1 capital reduction. This reflects, among other things, the new strategic investor's interest in a majority share in DF AG. The equity capital of DF AG is to be increased by a subsequent cash capital increase in the net amount of up to EUR 7.5 million, which will be fully subscribed by the strategic investor. In addition, a non-cash capital increase of up to EUR 4.022 million was planned. In the context of the non-cash capital increase, the subscribers of the failed 2015 cash capital increase were able to transfer their respective restitution claims to the company in the form of non-cash contributions.

Besides the capital measures designed to increase the equity capital, a debt cut will be made on the debt capital side: The liabilities that remain after the partial waiver by the existing

creditors will be settled exclusively to the extent that, and at the times at which, DF Group's assets existing at the time of the official adoption of the insolvency plan can be liquidated. Under the regulations of the insolvency plan, all opportunities and risks resulting from the liquidation of the assets including any overdue receivables that exist at the time of the approval pass to the creditors of DF AG.

MACROECONOMIC AND INDUSTRY-RELATED ENVIRONMENT

At 120, HSBC's Trade Confidence Index, a semi-annual survey of exporters' confidence about the future of the trade environment, stood clearly above the neutral level of 100 in autumn 2015. Although the outlook deteriorated somewhat in the course of the year – six months before, the index had stood at 124 points – it shows that most of the companies are still optimistic about the future. This is reflected in the fact that 64% of the companies surveyed expect trade volumes to grow. The best six-month outlook is expected for Bangladesh, India and China (notwithstanding the country's lower economic growth in 2015). The experts believe that China's reduced economic performance is rather of a cyclical than of a structural nature. These prospects underline the assumption that Asia will be the world's No. 1 growth region in the short and medium term. In particular, the demand for machinery and the realization of infrastructure projects in the region will stimulate global trade between industrialized and emerging countries and thus offer huge potential for the export sector, especially in Germany. Trade between the developing and emerging countries will pick up as well and lead to growing demand and supply in these countries. Traditionally focusing on emerging and developing countries, DF Group plans to take advantage of these developments and to position itself again as a reliable partner to the import and export sector.

BUSINESS PERFORMANCE

Result of operations

DF Group generated a consolidated net loss of EUR -4.3 million (previous year: consolidated net loss of EUR -1.9 million). This consolidated net loss was essentially caused by the court fees in conjunction with the insolvency plan. Total administrative expenses, which comprise personnel expenses, depreciation and amortization as well as other operating expenses, amounted to EUR 4.8 million (previous year: EUR 2.4 million).

While personnel expenses, at EUR 0.7 million remained almost unchanged compared to the prior year quarter, other operating expenses rose sharply from EUR 1.7 million to EUR 4.1 million. This increase is primarily attributable to the costs of the insolvency proceedings in the amount of EUR 3.1 million relating to the confirmed insolvency plan. Because of the insolvency proceedings and the resulting shortage of financial and human resources, the business volume amounted to EUR 3.4 million in the first quarter (previous year: EUR 25.2 million).

The gross result of EUR 0.4 million (previous year: EUR 0.2 million) was insufficient to cover the costs. The other operating result amounted to EUR 0.3 million, benefiting from a compensation payment in conjunction with an overdue receivable. In the previous year, the other operating result included other operating income from the release through profit/loss of interest liabilities relating to the bond in the amount of EUR 1.0 million. Financial results amounted to EUR -0.3 million in the first quarter of 2015, compared to EUR 0.7 million in the prior year quarter, resulting in a consolidated net loss of EUR -4.3 million (previous year: EUR -1.9 million).

Financial position

DF Group generated slightly negative operating cash flow of EUR -0.04 million (previous year: EUR +1.3 million) in the first quarter of 2016. The negative operating cash flow in the reporting year is essentially attributable to the negative consolidated net result of EUR -4.3 million.

Due to the consolidated net loss DF Group posted negative equity capital of EUR 36.7 million (31 December 2015: negative equity capital of EUR -32.1 million) as of 31 March 2016.

Liabilities to banks amounted to EUR 37.7 million at the end of the first quarter. These liabilities were almost exclusively denominated in USD and EUR. DF AG's credit lines were canceled by the lending banks in September/October 2015 in conjunction with the opening of the "Schutzschirmverfahren". Besides the liabilities to banks, the company had a long-term financial liability of EUR 29.2 million, which results from the placement of a bond in the nominal amount of EUR 30 million in May 2013. Trade payables amounted to EUR 6.3 million on 31 March 2016, compared to EUR 3.1 million on 31 December 2015. The increase is attributable to the court fees in conjunction with the confirmed insolvency plan. At EUR 1.7 million, other current liabilities were down by EUR 0.4 million on year-end 2015 (- 21.9%).

As of 31 March 2016, there were (off-balance sheet) contingent liabilities from a purchase commitment totaling EUR 3.1 million.

Net assets position

DF Group had trade liabilities of EUR 30.5 million as of the balance sheet date on 31 March 2016. This represented a decline by EUR 1.5 million (-4.8%) compared to 31 December 2015.

Cash and cash equivalents amounted to EUR 6.9 million on 31 March 2016, compared to EUR 7.6 million at the end of 2015. Cash and cash equivalents also include pledged deposits and funds furnished as collateral for financing at matching currencies.

DF Group was overindebted as of 31 March 2016. This is due to the high consolidated net losses for 2014 and 2015, which were caused by DF AG's naming on the OFAC SDN list and the financial restructuring expenses that became necessary as a result.



THE DF SHARE AND BOND

Performance of the DF share in Q1 2016

The DF share opened the year 2016 at a price of EUR 0.29 and closed the first quarter on 31 March 2016 at EUR 0.30, which means that the share gained 3% in the reporting period. The peer index, SDAX, lost 2.5% in the first three months of 2016. The DAXsector Financial Services, the sector index for financial shares, climbed 2.7% in the first three months of 2016. The stable performance is attributable to investors' wait-and-see attitude regarding the company's agreement with its creditors about a viable insolvency plan. In the course of the reporting period, the DF share marked a high of EUR 0.37 on 5 January 2016 and hit a low of EUR 0.12 on 18 and 25 February. A total of

422,426 shares were traded (XETRA) in the first three months of the year.

Performance of the DF bond in Q1 2016

The DF bond started the first quarter of 2016 at a price of 16%. Following a strong upward movement, the DF bond closed the quarter at 26%, which means that the DF bond gained a total of approx. 63% in the first three months of 2016. Between the beginning of January and the end of March 2016, bonds worth EUR 2.94 million were traded at the Frankfurt Stock Exchange, which represents an average of approx. EUR 47,419 per day. The Entry Corporate Bond Index, in which the DF bond is listed, lost close to 10% in the first three months of 2016.



POST-BALANCE SHEET EVENTS

Confirmation of the insolvency plan on 29 April 2016

The finalized insolvency plan was confirmed by the Cologne local court on 29 April 2016 and became final with the end of the period for appeal by resolution of the insolvency court on 20 Mai 2016.

Once the insolvency plan becomes final, the capital is to be reduced on a 10:1 basis. This reflects, among other things, the new strategic investor's interest in a majority share in DF AG. The equity capital of DF AG is to be increased by a subsequent cash capital increase in the net amount of up to EUR 7.5 million, which will be fully subscribed by the strategic investor. In addition, as of 29 April 2016, DF AG had received signed non-cash capital increase agreements totaling EUR 3.7 million. The issue price of the new shares

with a par value of EUR 1.00 to be issued in the context of the non-cash capital increase and the cash capital increase will amount to EUR 1.00. The subscription right of the old shareholders is excluded for both capital measures. The capital reduction as well as the cash and non-cash capital increase will be executed and registered in the Commercial Register once the insolvency plan becomes final. For further information and the related uncertainties that still exist, please refer to the information provided in the risk report.

Besides the capital measures designed to increase the equity capital, a debt cut will be made on the debt capital side. Under the insolvency plan, the existing creditors of DF AG will waive approx. 62% of their claims.



OPPORTUNITY AND RISK REPORT

A detailed presentation of the relevant opportunities and risks is provided in the Group management report for the period ended 31 December 2015.

CLASSIFICATION OF RISK AND SUMMARY RISK ASSESSMENT

The assessment of individual operational risks within DF Group is based on two criteria, i.e. the potential amount of damage and the probability of occurrence of a risk. The potential amount of damage weighted by its probability of occurrence is set in relation to DF Group's equity capital in order to assess the consequences of a potential damage. This way, DF Group's going concern risks are identified. At the same time, the probability of occurrence of a potential damage is determined/estimated.

The purpose of risk assessment and risk management is to take adequate measures in order to (i) limit the absolute amount of each individual going concern risk; (ii) reduce the probability of occurrence of the individual going concern risk and the probability of several going concern risks occurring at the same time; and (iii) reduce the total number of going concern risks.

At the time of the confirmation of the insolvency plan, the risks resulting from DF Group's receivables portfolio are low in absolute terms compared to the previous years, as DF Group is now detached from the opportunities and risks of its past business activity and no material new business has been written so far.

GOING CONCERN RISKS

Both DF AG as the parent company and DF Group are overindebted at present. Based on the insolvency plan confirmed on 29 April 2016 by the Cologne local court and the execution of all measures proposed therein, the Board of Management of DF AG believes that the company can be assumed to continue as a going concern.

This view is based on the Board of Management's assessment that all measures provided for in the insolvency plan will be implemented successfully. For the continuation of DF Group's corporate activity and for its medium-term profitability, it is particularly important that the cash capital increase by the strategic investor, which is subject to a decision by the competent authority regarding the takeover of the company, is executed and the equity measures provided for in the insolvency plan are all registered in the Commercial Register.

A going concern risk for DF Group also arises if DF Group is unable, within the next two years, to achieve a business volume that is sufficient to cover the company's operating expenses. To achieve this, DF Group must write sufficient new business, find the corresponding buyers for these transactions on the buyer side and execute the transactions at a margin that is risk-adequate at the bottom line (on average). These objectives may be missed if DF Group is no longer accepted in the market because of its reduced market presence in the past two years and the insolvency proceedings and/or does not have the refinancing resources that are required to execute the new business it has written. In the extreme case, this may even lead to individual or all companies of DF Group becoming unable to meet their payment obligations.



FORECAST REPORT

Several developments that had an adverse effect on economic growth, especially in the emerging and developing countries, have caused the International Monetary Fund (IMF) to issue a cautious forecast for the year 2016. According to the latest forecast of January 2016, the IMF expects the world economy to grow at a slightly lower rate than in the previous year, namely by 3.4% in 2016 and by 3.6% in 2017. The positive economic trend will be supported by stable growth in the industrialized countries, for which the IMF projects a growth rate of 2.1% for both 2016 and 2017. The continued stable trend in the USA – 2.6% growth in 2016 and 2017 – will be one of the main drivers. By contrast, the IMF projects only 1.7% growth for the eurozone for the next two years, which is also the growth rate for Germany. This growth will be supported by low oil prices, the favorable euro exchange rate and strong private consumption. Lower economic growth in China, the uncertain outlook for Brazil and the low commodity prices will lead to slower growth in the emerging and developing countries; according to the IMF, these countries will continue to grow only moderately, i.e. by 4.3% in 2016 and by 4.7% in 2017.

With the insolvency plan becoming final, DF Group's financial restructuring exercise is completed, as described above. This requires, among other things, the registration of the capital increases. As outlined under "Post balance sheet events", the material elements of the insolvency plan include a partial waiver on the part of the creditors of DF AG, who initially waive 62% of their respective claims, on the one hand and a cash and non-cash capital increase by a total of up EUR 11.2 million, taking the existing cash contribution agreements into account, to strengthen DF AG's equity capital on the other hand. The liabilities that remain after the partial waiver of the existing creditors will be settled/repaid exclusively to the extent that, and at the

times at which, DF Group's assets existing at the time of the official adoption of the insolvency plan and to which the creditors are entitled to satisfy their claims ("creditor assets") are liquidated. The creditor assets comprise the receivables as well as cash and cash equivalents of DF AG and DF s.r.o.; they do, however, not comprise the DF Deutsche Forfait brand and the fittings and office equipment. Although the existing receivables are managed and collected by DF AG to the best possible effect, the opportunities and risks lie exclusively with the creditors. The capital measures that have been decided in the context of the insolvency plan and that will be executed once the latter becomes final will provide the company and DF Group with sufficient financial resources to continue their business operations; these measures comprise a non-cash capital increase in the context of which the funds from the failed cash capital increase of summer 2015 in the amount of EUR 3.7 million will be contributed to the company and a cash capital increase by as much as EUR 7.5 million will be subscribed by a strategic investor.

The confirmation and the coming into force of the insolvency plan will mark a clear break. DF Group will be freed from all old burdens, and its future business performance will depend on how successfully and to what extent DF Group can write new business. At the same time, the adoption of the insolvency plan will free considerable human resources that were tied up by the two-year restructuring exercise and can now be used for the company's operational business. Moreover, the high legal and consulting expenses that weighed on DF Group's bottom line in the past two years will no longer be incurred. DF Group pursues the following strategy and operational measures to expand its business volume and to return to profitability and restore its ability to pay a dividend from this improved starting point: On the one hand, the company intends to expand the agenting of

forfeiting transactions, as this type of forfeiting business does not tie up liquidity. In this context, DF Group will benefit from the low interest rates prevailing worldwide. As it does not make economic sense to invest liquidity while raising loans at the same time (in some cases, negative deposit rates are charged), many exporters exclusively look for possibilities to outpace risks without involving cash finance. DF Group can satisfy their demand by way of purchase commitments. It is the declared objective of DF Group, however, to make the purchase and sale of receivables its main business activity again in the medium term, as DF Group held an outstanding market position in this segment for one decade. When this will be achieved will essentially depend on how quickly DF Group can raise the required refinancing resources at adequate terms.

In addition, the turnover frequency of the receivables is to be increased and, consequently, the average refinancing period (holding period) to be reduced; this measure will also help to reduce the refinancing resources required to realize a given forfeiting volume. This is to be achieved by broadening the placement base as well as through ABS/ABCP structures and the launch of the first trade finance fund.

This market-side strategy is complemented by internal restructuring measures. DF Group aims to further reduce its fixed costs. Apart from more performance-based compensation of the sales organization, this is to be achieved through the optimization of internal processes, especially with regard to the Credit Analysis, Deal/Transaction Settlement and Approval, Accounting/Reporting as well as Information System Management and Workflow Management units. The company also aims to improve the existing IT system in order to improve the quality and efficiency of the data exchange between the individual companies of DF Group. It is also planned to establish a branch in Switzerland, through which the foreign trade receivables for the trade finance funds are to be purchased and sold. Finally, an entirely new refinancing base – especially for debt capital – needs to be built up. Aspects that play an important role in this context include obtaining a

rating again as well as the diversification of the debt capital providers and the amount of the cost of capital.

As a market-related restructuring measure on the purchasing side, DF AG aims to expand its product portfolio as well as the range of services offered. In addition, the company plans to continue handling credit-insured business and start doing business in the commodity trade finance segment. Moreover, DF Group plans to cooperate with banks and/or acquire a minority investment in a bank in order to add export finance services (guarantees, documentary business, project finance) to its product range and tap additional possibilities for refinancing. Finally, the company plans to offer advisory services regarding project finance in emerging countries.

Overall, DF Group believes it is well positioned to rebuild its business, all the more so as all employees that are required for this have been retained, which means that DF Group has maintained its know-how and its international network. In 2016, the business volume will be expanded from a very low base, however, as new business came almost to a standstill during the past two years as a result of the restructuring.

DF Group nevertheless projects a clearly positive Group result for the twelve months of the year 2016. However, this will primarily result from the extraordinary effect caused by the creditors' partial debt waiver provided for in the insolvency plan. DF Group's operating result in the 2016 financial year will be negative due to the above-mentioned delays in the implementation of the insolvency plan and the anticipated start-up losses. With the business volume expected to reach approx. EUR 150 million, the company projects gross profits including financial results in the low single digit million range. This will not be sufficient to cover the operating expenses in 2016. DF Group aims to achieve a business volume supporting a positive Group result in 2017.

Cologne, 30 May 2016
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)		31-03-2016	31-12-2015
Long-term assets			
Intangible assets		85,356.32	87,474.27
Tangible assets		213,165.00	237,956.94
Long-term financial assets		116,249.25	92,490.54
		414,770.57	417,921.75
Short-term assets			
Trade accounts and other receivables	(10)	30,454,282.39	32,002,522.33
Tax receivables		92,195.85	92,291.38
Other short-term assets		486,258.02	499,998.79
Cash and cash equivalents funds	(11)	6,859,308.89	7,636,561.53
		37,892,045.15	40,231,374.03
Total assets		38,306,815.72	40,649,295.78

(#) Reference to corporate notes.



Equity and Liabilities (in EUR)		31-03-2016	31-12-2015
Equity	(12)		
Subscribed capital		6,800,000.00	6,800,000.00
Capital reserve		7,167,351.38	7,359,044.50
Revenue reserves		-50,393,059.39	-46,066,266.05
Reserves from currency conversion		-266,120.48	-240,747.05
		-36,691,828.49	-32,147,968.60
Long-term liabilities			
Bond	(13)	29,161,145.20	29,110,441.83
		29,161,145.20	29,110,441.83
Short-term liabilities			
Liabilities to banks	(14)	37,686,432.15	38,172,000.57
Short-term provisions		92,230.00	198,450.00
Trade accounts and other payables		6,346,419.51	3,124,985.03
Other short-term liabilities		1,712,417.35	2,191,386.95
		45,837,499.01	43,686,822.55
Total equity and liabilities		38,306,815.72	40,649,295.78

(#) Reference to corporate notes.



Consolidated Income Statement (in EUR)		01-01 – 31-03-2016	01-01 – 31-03-2015
Typical forfaiting income	(5)		
a) Forfaiting income		234,197.07	1,159,325.16
b) Commission income		78,861.54	71,224.32
c) Income from additional interest charged		10,489.62	23,277.93
d) Exchange profits		1,727,982.88	7,149,457.08
e) Income from the writing back of provisions for forfaiting and purchase commitments		106,220.00	389,723.84
		2,157,751.11	8,793,008.33
Typical forfaiting expenditure	(6)		
a) Expenditure from forfaiting		21,375.49	344,011.53
b) Commissions paid		37,626.59	168,663.80
c) Exchange losses		1,665,089.32	7,029,716.51
d) Credit insurance premiums		0.00	0.00
e) Depreciation and value adjustments on receivables as well as additions to provisions for forfaiting and purchase commitments		0.00	1,081,072.72
		1,724,091.40	8,623,464.56
Gross result	(7)	433,659.71	169,543.77
Other operating income		309,141.69	1,090,355.06
Personnel expenses			
a) Wages and salaries		609,984.18	598,053.70
b) Social security contributions and expenditure for pensions and social welfare		74,197.96	71,344.67
		684,182.14	669,398.37
Depreciation on tangible and intangible assets		26,239.24	25,694.32
Other operating expenditure	(8)	4,083,782.72	1,728,892.25
Interest income	(9)	1.40	19.71
Interest paid	(9)	275,392.04	727,176.98
Result before income taxes		-4,326,793.34	-1,891,243.38
Income taxes		0.00	0.00
Consolidated loss		-4,326,793.34	-1,891,243.38
Average number of shares		6,800,000	6,800,000
Earnings per share (not diluted, diluted)		-0.64	-0.28

(#) Reference to corporate notes.



Consolidated Statement of Recognized Result (in EUR)	01-01 – 31-03-2016	01-01 – 31-03-2015
I. Consolidated loss	-4,326,793.34	-1,891,243.38
II. Other income		
Components, which could be reclassified to the income statement for the future		
<i>Currency translation differences from the inclusion of foreign subsidiaries</i>	<i>-25,373.43</i>	<i>96,900.00</i>
III. Recognized result	-4,352,166.77	-1,794,343.38

Consolidated Cash Flow Statement (in EUR)		01-01 – 31-03-2016	01-01 – 31-03-2015
Cash flow			
	Consolidated loss	-4,326,793.34	-1,891,243.38
+	Depreciation on tangible and intangible assets	26,239.24	25,694.32
+/-	Income tax	0.00	0.00
+	Interest paid	275,392.04	727,176.98
-	Interest income	-1.40	-19.71
+/-	Result from disposal of long-term assets	0.00	0.00
+/-	Other transactions not affecting payments	-263,535.25	-46,648.67
+/-	Changes to trade accounts receivable	1,548,239.94	8,765,960.19
+/-	Changes to other assets	15,077.44	-301,551.33
+/-	Change to provisions	-106,220.00	398,140.00
+/-	Changes to trade accounts payable	3,221,434.48	-5,399,030.33
+/-	Change to other liabilities	-428,266.23	-765,536.74
-	Paid taxes on profits	0.00	-214,215.88
=	Operative Cash flow	-38,433.08	1,298,725.45
-	Paid interest	-11,856.79	-466,312.43
+	Retained interest	1.40	19.71
=	Cash flow from current business	-50,288.47	832,432.73
-	Payments for investments in long-term assets	-25,000.00	-82,924.36
+	Income from investments in long-term assets	0.00	0.00
=	Cash flow from investment activity	-25,000.00	-82,924.36
+/-	Change to financial liabilities	-485,568.42	5,810,919.14
	Income and payments from capital markets transactions	-191,693.12	-259,819.00
=	Cash flow from finance activity	-677,261.54	5,551,100.14
	Changes in financial resources affecting payments	-752,550.01	6,300,608.51
+	Liquid funds at the start of the period	7,636,561.53	14,748,219.60
+/-	Effects from the currency conversion	-24,702.63	93,218.51
=	Liquid funds at the end of the period	6,859,308.89	21,142,046.62
-	Balances pledged	-1,568,892.57	-1,157,716.82
=	Free liquid funds at the end of the period	5,290,416.32	19,984,329.80

Consolidated Statement of Equity Changes 01-01-2016 – 31-03-2016 (in EUR)	Subscribed capital	Capital reserves	Revenue reserves	Reserves from currency conversion*	Total
Balance 01-01-2015	6,800,000.00	7,359,044.50	(19,027,805.43)	(412,828.58)	(5,281,589.51)
Consolidated result			(1,891,243.38)		(1,891,243.38)
Other result				96,900.00	96,900.00
Recognized result			(1,891,243.38)	96,900.00	(1,794,343.38)
Capital markets transactions		(259,819.00)			(259,819.00)
Balance 31-03-2015	6,800,000.00	7,099,225.50	(20,919,048.81)	(315,928.58)	(7,335,751.89)
Balance 01-01-2016	6,800,000.00	7,359,044.50	(46,066,266.05)	(240,747.05)	(32,147,968.60)
Consolidated result			(4,326,793.34)		(4,326,793.34)
Other result				(25,373.43)	(25,373.43)
Recognized result			(4,326,793.34)	(25,373.43)	(4,352,166.77)
Capital markets transactions		(191,693.12)			(191,693.12)
Balance 31-03-2016	6,800,000.00	7,167,351.38	(50,393,059.39)	(266,120.48)	(36,691,828.49)

*Other Comprehensive Income (OCI)



CORPORATE NOTES

Notes to the First Quarter 2016 Interim Financial Statements
Auditors' Review Report



(1) General information

The condensed interim consolidated financial statements were prepared in accordance with the regulations of IAS 34 ("Interim Financial Reporting"); they are not as detailed as the consolidated financial statements published on 31 December 2015. The consolidated interim financial statements dated 31 March 2016 essentially follow the same accounting and valuation methods as the consolidated financial statements for the financial year 2015. They are consistent with the International Financial Reporting Standards ("IFRS") as endorsed by the European Union. With regard to the amended standards and the new standards that became effective as of the first quarter, please refer to Note (2). They have been reviewed and, in the opinion of the Board of Management, fairly represent the company's assets, financial and income situation. The functional currency of the Group is the euro. All figures are presented in thousands of euros (kEUR) unless otherwise stated.

The legal form of DF Deutsche Forfait AG (DF AG) is that of an "Aktiengesellschaft" and it is registered at Cologne Local Court (Amtsgericht) under HRB 32949. The registered office of the company is Cologne, Germany. The company's address is Kattenbug 18-24, 50667 Köln. DF Deutsche Forfait AG is a financial enterprise within the definition of Section 1 (3) No. 2 KWG (German Banking Act).

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

On 29 September 2015, DF Deutsche Forfait AG filed an application for the opening of a "Schutzschirmverfahren in Eigenverwaltung" (a three-month phase of creditor protection with debtor-in-possession status) with the Cologne local court. The Cologne local court approved this application on 30 September 2015 and appointed a provisional insolvency monitor. In addition, an optional creditors' committee was established, which is composed of one representative of the lending banks and the joint representative elected at the second bondholders' meeting in February as well as the Federal Employment Agency.

The three-month "Schutzschirmverfahren in Eigenverwaltung" was designed to enable DF Deutsche Forfait AG to complete the restructuring of the Group on the basis a viable restructuring plan without the threat of foreclosures being filed by creditors. The main cornerstones of the restructuring concept are for the company to continue as a going concern and to retain its stock market listing and for its capital structure to be reorganized by way of a partial debt waiver on the part of the creditors, a capital reduction and a subsequent non-cash and cash capital increase.

In the context of the "Schutzschirmverfahren", the company was able to agree a viable restructuring concept with its main creditors. As the company failed, however, to obtain a binding commitment from an investor by 31 December 2015 in spite of its best efforts and the involvement of external consultants, it was not possible to submit an insolvency plan by the end of 2015. On 1 January 2016, the Cologne local court therefore resolved to open the insolvency proceedings for the assets of DF Deutsche Forfait AG as planned and ordered that the debtor-in-possession status be retained.

In the context of ongoing negotiations, the company obtained a binding commitment from an investor to participate in the cash capital increase in February 2016. The company was thus able to submit an insolvency plan with the Cologne local court (insolvency court) on 29 February 2016. For further details, please refer to "Post balance sheet events" and "Forecast" in the interim Group management report. The insolvency plan puts the above-mentioned cornerstones of the restructuring concept into practice and was confirmed by the Cologne local court on 29 April 2016 (including



amendments). The interim consolidated financial statements were prepared after the approval of the insolvency plan under the going concern assumption.

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 this reason, no deferred tax assets are recognized for the loss incurred (IAS 12.34 et seqq.)

(2) New or amended standards

The International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRS IC) have adopted amendments to existing International Financial Reporting Standards (IFRS) as well as new IFRS which are mandatory for DF Group as of the 2016 financial year:

- Annual Improvements to IFRS Cycle 2012 to 2014
- Amendments to IAS 19 "Defined Benefit Plans – Employee Contribution"
- Annual Improvement Project of the IFRS Cycle 2010 to 2012
- Annual Improvement Project of the IFRS Cycle 2012 to 2014
- Amendments to IAS 1 "Disclosure Initiative"
- Amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortization"
- Amendments to IAS 41 and IAS 16 "Bearer Plants"
- Amendments to IAS 27 "Equity Method in Separate Financial Statements"
- Amendments to IFRS 11 "Accounting for Acquisitions of Interests in Joint Operations"

The following standards and interpretations which still need to be translated in EU law are not yet applicable as of the 2016 financial year:

- Amendments to IAS 7 "Statement of Cash Flows"
- Amendments to IAS 12 "Income Taxes"
- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
- IFRS 9 "Financial Instruments"
- Amendments to IFRS 10 "Consolidated Financial Statements", IFRS 12 "Disclosure of Interests in Other Entities" and IAS 28 "Investments in Associates and Joint Ventures"
- IFRS 15 "Revenues from Contracts with Customers"
- IFRS 16 "Leases"

To the extent that these new or amended standards are relevant at all, they either have no material implications on the reporting for the interim consolidated financial statements as of 31 March 2016 or a reliable assessment of these implications can be made only after completion of a detailed analysis planned for the current financial year. Please also refer to the information in the notes to the consolidated financial statements for the period ended 31 December 2015.



(3) Basis of consolidation

The consolidated financial statements cover the subsidiaries DF Deutsche Forfait s.r.o., Prague/Czech Republic, and Deutsche Kapital Ltd., Dubai/United Arab Emirates. As in the previous year, DF Group continues to hold 100% of the equity capital of both entities.

The subsidiaries DF Deutsche Forfait Americas, Inc., Miami/USA, and DF Deutsche Forfait do Brasil Ltda., São Paulo/Brazil, 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 99% of the voting rights, are not included in the basis of consolidation. DF Deutsche Forfait GmbH, Bonn, which was established in March 2016, is not included in the scope of consolidation as it did not operate in the first quarter of 2016.

The non-consolidated subsidiaries are of secondary importance for the interim consolidated financial statements as of 31 March 2016, 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.

(4) Currency translation

The interim financial statements of the consolidated companies presented in a foreign currency are translated on the basis of functional currency (IAS 21 "The Effects of Changes in Foreign Exchange Rates") using the modified closing rate procedure.

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 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.

The exchange rates on which translation into euros is based correspond to the euro reference rates published by the European Central Bank as follows:

	Closing rate		Average rate	
	31-03-2016	31-03-2015	Q1 2016	Q1 2015
Czech Koruna	27.0510	27.0230	27.0390	27.6270
US Dollar	1.1385	1.0887	1.1018	1.1270



(5) Typical forfaiting income

Portfolio income earned in the period, trading income (the difference between amortized cost / fair value and the sales price of a receivable) and the positive effects from the fair value measurement of receivables held for trading are recorded as forfaiting income. Commission income primarily results from purchase commitments and counter-guarantees. At the same time, only DF Group income from loan agreements is recorded in typical forfaiting income. Typical forfaiting income is as follows:

Typical forfaiting income in kEUR	01-01 – 31-03-2016	01-01 – 31-03-2015
Forfaiting income	234	1,159
Commission income	79	71
Income from additional interest charged	11	23
Exchange rate gains	1,728	7,150
Income from the reversal of provisions for forfaiting and purchase commitments	106	390
Total	2,158	8,793

Forfaiting income includes income from the fair value measurement in the amount of kEUR 70 (previous year: kEUR 1,048). The lower fluctuations in the EUR/USD exchange rate in the first three months of 2016 led to a notable decrease in exchange rate gains and exchange rate losses.

(6) Typical forfaiting expenses

Forfaiting expenses are incurred where a receivable is sold at a price that is lower than its carrying amount and negative effects result from the fair value measurement. The forfaiting expenses in the reporting period are attributable to the fair value measurement of the restructuring portfolio. Typical forfaiting expenses break down as follows:

Typical forfaiting expenses in kEUR	01-01 – 31-03-2016	01-01 – 31-03-2015
Forfaiting expenses	21	344
Commission expenses	38	168
Expenses from additional interest charged	–	–
Exchange rate losses	1,665	7,030
Value adjustments on receivables as well as additions to provisions for forfaiting and purchase commitments	–	1,081
Total	1,724	8,623

The decrease in exchange losses is attributable to the exchange rate trend mentioned above.



(7) Gross result

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

Gross result in kEUR	01-01 – 31-03-2016	01-01 – 31-03-2015
Net forfaiting	213	815
Net commission	41	(97)
Result from additional interest charges	11	23
Result from exchange rate gains and losses	63	120
Net valuation in forfaiting business	106	(691)
Total	434	170

Since they are almost exclusively based on refinancing for forfaiting transactions, the financial results have to be considered in order to evaluate the success of a forfaiting company (see note 10).

(8) Other operating expenses

Other operating expenses break down as follows:

Other operating expenses in kEUR	01-01 – 31-03-2016	01-01 – 31-03-2015
Legal and consultation fees, accounting expenses	3,580	955
Administrative expenses/cooperation partners	99	273
Cost of premises	88	84
Insurance, fees, contributions	74	53
Travel expenses	23	38
Payment transaction fees	19	16
Telephone, postage and web connection charges	15	15
Vehicle costs	4	9
Miscellaneous other expenses	182	286
Total	4,084	1,729

The rise in legal and consulting expenses mainly reflects the additional expenses in the amount of kEUR 3,142 incurred in connection with the insolvency proceedings. Administrative expenses for cooperation partners also include expenses for the subsidiaries in São Paulo and Lahore.



(9) Financial results

The financial results break down as follows:

Financial results in kEUR	01-01 – 31-03-2016	01-01 – 31-03-2015
Other interest income	–	–
Interest income from loans and receivables	–	–
Total interest income	–	–
Interest expense payable to banks	63	506
Miscellaneous interest expenses	212	221
Total interest expense	275	727
Net interest = financial results	(275)	(727)

Other interest expenses include interest in the amount of kEUR 198 (previous year: kEUR 197) accrued until 31 March 2016 for the bond issued in May 2013.

(10) Trade receivables

Trade receivables comprise the receivables purchased in the context of the forfaiting business as well as other receivables. The total amount also includes excesses of receivables covered by credit insurance which cannot be sold under the terms of insurance. Receivables decreased from kEUR 32,003 on 31 December 2015 to kEUR 30,454 on 31 March 2016.

Receivables from the forfaiting business include a portfolio of current transactions that are settled as contractually agreed (“trading portfolio”) as well as overdue receivables (restructuring portfolio”) dating back to the time before the listing on the SDN list (“List of Specially Designated Nationals and Blocked Persons” of the US Office of Foreign Assets Control). The carrying amounts of the trade receivables break down as follows:

Trade receivables in kEUR	31-03-2016	31-12-2015
Trading portfolio	4,748	5,089
Restructuring portfolio	23,764	24,895
Other receivables	1,942	2,019
Total	30,454	32,003

As of 31 March 2016, the restructuring portfolio is as follows:

Restructuring portfolio in kEUR	Gross risk	Fair value adjustments	Book value	Security	Net risk
Total	44,644	20,880	23,764	27,798	16,846



The default risk on the purchased trade receivables at the respective reporting dates was as follows. The fair value adjustment was also supported by the results of a Monte Carlo simulation.

in kEUR	31-03-2016	31-12-2015
Nominal value of trade receivables	51,102	53,436
– Discount deduction	(223)	(352)
+ Other receivables	6,405	6,578
= Gross carrying amount before adjustments	57,284	59,662
– Fair value adjustments	(26,830)	(27,659)
= Carrying amount = maximum default risk	30,454	32,003
– Sold receivables	–	–
– Bank securities (e.g. guarantees)	(2,749)	(2,875)
– Cash securities	–	–
– Credit insurance	(22,861)	(24,209)
– Guarantor is a company (e.g. counter liabilities by forfaiting companies)	(3,404)	(156)
– Underlying receivables were paid	–	–
+ Twin securities	77	85
= Securities	(28,937)	(27,155)
= Unsecured default risk	1,517	4,848

(11) Cash and cash equivalents

The item exclusively concerns bank deposits with a maturity of up to three months. Cash and cash equivalents declined from kEUR 7,636 on 31 December 2015 by kEUR 777 to kEUR 6,859 on 31 March 2016. Of these deposits, an amount of kEUR 1,569 (31 December 2015: kEUR 1,491) has been pledged. Part of the cash and cash equivalents is denominated in euros and cannot be used to pay off short-term liabilities to banks in foreign currencies, as these liabilities are mainly used to refinance USD receivables in the same currency.

(12) Equity

Changes in equity are reported in the consolidated statement of changes in equity. Compared to 31 December 2015, equity declined by kEUR 4,544 to a negative kEUR 36,692 on 31 March 2016.

(13) 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 originally 7.875% p.a. The bond was initially recognized at the time of addition and net of transaction expenses (IAS 39.9, 39.A13) at the fair value (IAS 39.43).

The amendment of the terms and conditions of the bond was approved at the second bondholders’ meeting on 19 February 2015. The amendment primarily relates to the reduction of the nominal interest rate of the bond from



7.875% p.a. to 2.000% p.a. with retroactive effect from 27 May 2014 until 27 May 2018. Between 27 May 2017 and 27 May 2018, the interest rate may again amount to 7.875% p.a.; this is dependent on the achievement of a certain consolidated result. From 27 May 2018 to 27 May 2020, the nominal interest rate will be raised to 7.875% p.a. again.

As of 31 March 2016, the financial liability was measured at amortized cost in the amount of kEUR 29,161 using the effective interest rate method (IAS 39.47). Total interest expenses in the reporting period amounted to kEUR 198 and are recognized in the income statement under interest expenses.

(14) Liabilities to banks

Liabilities to banks decreased from kEUR 38,172 as of 31 December 2015 to kEUR 37,686 as of 31 March 2016.

(15) Notes on risk grouping

DF Group controls its business by using risk groups based on business volume. They are assigned on the basis of the 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 for countries with the lowest credit rating.

Forfaiting volume in EUR million	01-01 – 31-03-2016	01-01 – 31-03-2015
Risk group I	0.0	2.5
Risk group II	–	–
Risk group III	–	–
Risk group IV	–	–
Risk group V	3.4	22.7
Total	3.4	25.2

In addition, the business volume is divided by region:

Forfaiting volume in EUR million	01-01 – 31-03-2016	01-01 – 31-03-2015
Africa	3.4	–
Asia	–	22.7
Australia	–	–
Europe	–	2.5
North America	–	–
South and Central America	–	–
Total	3.4	25.2



(16) Other financial obligations

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

Other financial obligations in kEUR	31-03-2016	31-12-2015
From forfaiting commitments	–	3,846
From purchase commitments	3,074	6,615
Total	3,074	10,461

Part of the other financial obligations from forfaiting and purchasing commitments are secured. The table below compares the nominal values of the securities with the nominal values of the other financial obligations:

Securities in kEUR	31-03-2016	31-12-2015
Other financial obligations at nominal value	3,074	10,461
– Underlying receivable paid or sale invoiced	–	3,846
= Securities	–	3,846
Other financial obligations after deduction of securities at nominal value	3,074	6,615

(17) Relationships with related parties

As in the previous year, DF Group is affected by the disclosure requirements of IAS 24 solely in terms of business with entities with a significant influence and members of the management in key positions (Board of Management and Supervisory Board) of DF Deutsche Forfait AG.

Mark West, Great Britain, continued to hold 23.62% of the voting rights (equivalent to 1,581,705 voting rights) in DF Deutsche Forfait AG since 8 October 2014. According to a resolution adopted by the Supervisory Board, Mark West was appointed to the Board of Management of DF AG with effect from 1 July 2015. .

Members of the Supervisory Board and related parties provided advisory services in the total amount of kEUR 308 for the Group in arm's length transactions. A liability of kEUR 247 existed as of 31 March 2016.

Business relationships with the non-consolidated subsidiaries were negligible.

(18) Significant events after the end of the reporting period*Confirmation of the insolvency plan on 29 April 2016*

The finalized insolvency plan was confirmed by the Cologne local court on 29 April 2016 and became final with the end of the period for appeal by resolution of the insolvency court on 20 Mai 2016. Once the insolvency plan becomes final, the capital is to be reduced on a 10:1 basis. This reflects, among other things, the new strategic investor's interest in a majority share in DF AG. The equity capital of DF AG is to be increased by a subsequent cash capital increase in the



net amount of up to EUR 7.5 million, which will be fully subscribed by the strategic investor. In addition, as of 29 April 2016, DF AG had received signed non-cash capital increase agreements totaling EUR 3.7 million. The issue price of the new shares with a par value of EUR 1.00 to be issued in the context of the non-cash capital increase and the cash capital increase will amount to EUR 1.00. The subscription right of the old shareholders is excluded for both capital measures. The capital reduction as well as the cash and non-cash capital increase will be executed and registered in the Commercial Register once the insolvency plan becomes final. For further information and the related uncertainties that still exist, please refer to the information provided in the risk report in the interim consolidated management report.

Besides the capital measures designed to increase the equity capital, a debt cut will be made on the debt capital side. Under the insolvency plan, the existing creditors of DF AG will waive approx. 62% of their claims.

Cologne, 30 May 2016

The Board of Management

Auditors' Review Report

We have reviewed the condensed interim consolidated financial statements of the DF Deutsche Forfait Aktiengesellschaft, Köln, comprising the condensed balance sheet, condensed income statement, condensed statement of comprehensive income, condensed cash flow statement, condensed statement of changes in equity and selected explanatory notes, together with the interim Group management report of the DF Deutsche Forfait AG, Cologne, for the period from 1 January 2016 until 31 March 2016, that are part of the quarterly financial reports pursuant to Section 37x (3) WpHG (German Securities Trading Act). The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and of the interim Group management reports, is the responsibility of the company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim Group management report based on our review.

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

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

Without qualifying this opinion, we refer to the interim Group management report. In section 4, "Opportunity and risk report b) Going concern risks", the report states that both DF AG, as the parent company, and DF Group are overindebted and that, based on the insolvency plan confirmed by the local court on 29 April 2016 and the measures proposed therein, the Board of Management of DF AG believes that the company can be assumed to continue as a going concern. The report also states that this view is based on the Board of Management's assumption that all measures provided for in the insolvency plan will be implemented successfully. In this context, it is pointed out that for DF Group to continue its corporate activity, it is particularly important that the cash capital increase by the strategic investor, which is subject to a decision by the competent authority regarding the takeover of the company, is executed and the equity measures provided for in the insolvency plan are registered in the Commercial Register.

According to the information provided in section 4, "Opportunity and risk report b) Going concern risks", a going concern risk for DF Group also arises if DF Group is unable, within the next two years, to achieve a business volume that is sufficient to cover the company's operating expenses. To achieve this, DF Group must write sufficient new




business, find the corresponding buyers for these transactions on the buyer side and execute the transactions at a margin that is risk-adequate at the bottom line (on average). The interim Group management report states that these objectives may be missed if DF Group is no longer accepted in the market because of its reduced market presence in the past two years and the insolvency proceedings and/or does not have the refinancing resources that are required to execute the new business it has written. In the extreme case, this may even lead to individual or all companies of DF Group becoming unable to meet their payment obligations.

Munich, 30 May 2016

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