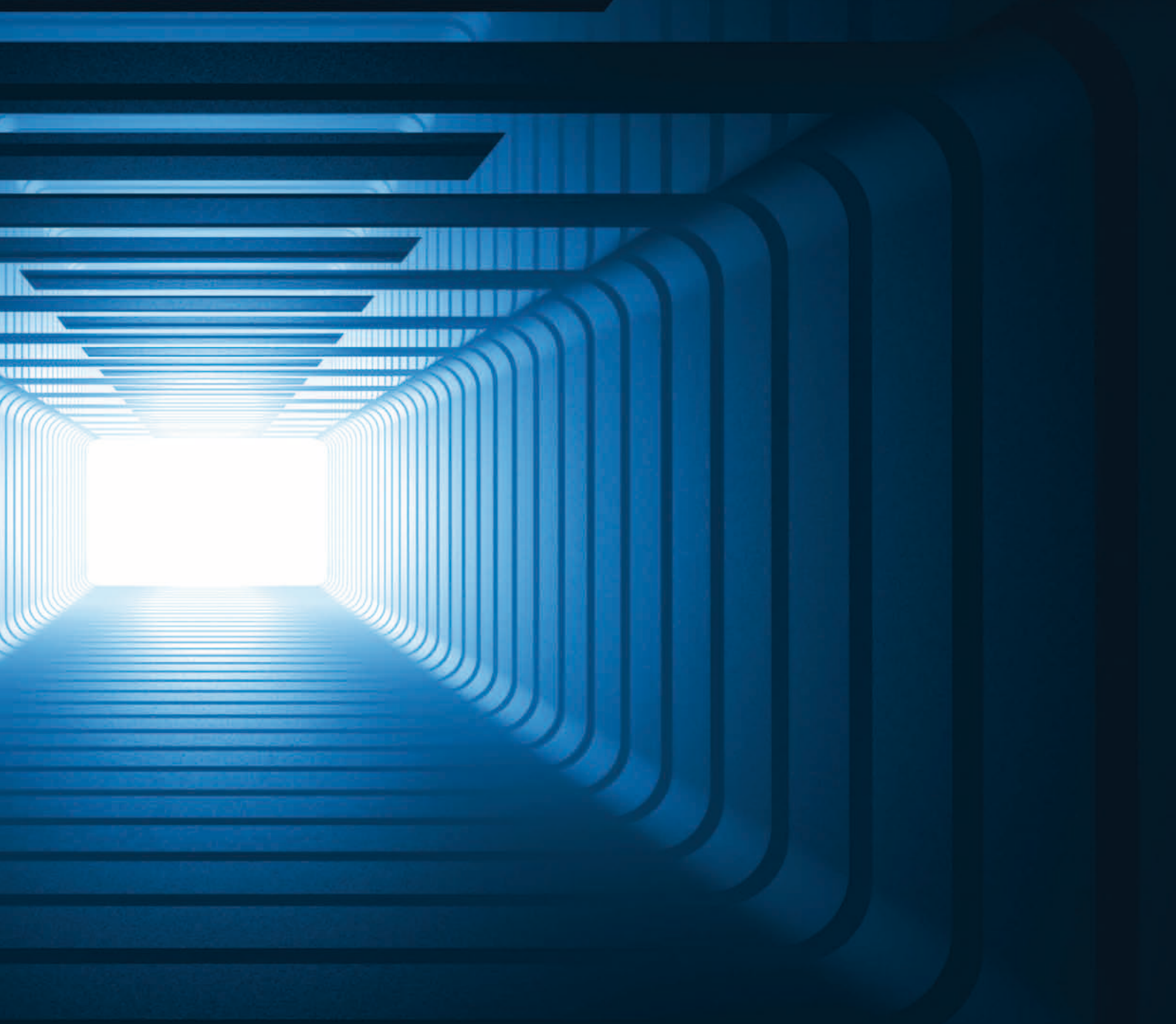




DF Deutsche Forfait AG

Announcement

for the period 2 July to 30 September 2016



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“We used the start-up phase following the successful restructuring to install an industry-leading compliance management system. Together with a strong team and our international network, we feel we are well positioned to rebuild our business.”

Christoph Charpentier, member of the Board of Management of DF AG

KEY FIGURES AT A GLANCE

in EUR millions	02-07 - 30-09-2016	01-07- 30-09-2015	Difference in EUR millions
Business volume	2.0	13.5	-11.5
Gross result	0.8	-14.4	+15.2
Margin	n.a.*	n.a.	
Administrative costs	1.8	3.7	-1.9
Earnings before income taxes	-1.0	-18.4	+17.4
Consolidated profit/loss	-1.0	-18.4	+17.4
Earnings per share	-0.09**	-2.7	
	30-09-2016	01-07-2016	
Equity	11.6	12.7	-1.1
Balance sheet total	37.8	41.6	-3.9
Thereof "creditor assets"	25.3	28.0	-2.7

Prepared in accordance with the International Financial Reporting Standards (IFRS) for interim financial statements as adopted in the EU.

* Margin influenced by the write-up of a receivable

** Number of shares increased to 11.9 million

DF DEUTSCHE FORFAIT GROUP (“DF GROUP”) PERFORMED ACCORDING TO PLAN IN THE FIRST QUARTER OF THE SHORT FINANCIAL YEAR (2 JULY 2016 TO 30 SEPTEMBER 2016)

In the first quarter of the short financial year from 2 July to 30 September 2016, DF Group generated a business volume of EUR 2.0 million (previous year: EUR 13.5 million). The first quarter saw DF Group focus on optimizing the company’s compliance and risk management system to ensure that it fully meets the highest international standards. In this context, the company sought advice from several international law firms specializing in compliance and sanction law.

The gross result before financial results was mainly influenced by the write-up of a receivable from the “restructuring portfolio”, that forms part of the assets from which the creditors’ claims are satisfied under the insolvency plan. This write-up in the amount of EUR 0.7 million has an almost neutral effect on DF Group’s result, as the value of the liabilities towards the creditors increases in proportion to the positive development of the assets that are available to satisfy these liabilities. The counter-item to the write-up contained in the gross result is therefore included in other operating expenses in administrative expenses. Besides other operating expenses totaling EUR 1.3 million, administrative expenses also include personnel expenses in the amount of EUR 0.5 million (previous year: EUR 0.8 million). This decline is attributable to the change on the Board of Management as well as to a reduction in the headcount compared to the prior year quarter.

At EUR 1.0 million (previous year: EUR -18.4 million), the consolidated net loss was in line with the plans for the short financial year from 2 July to 30 September 2016. As the company does not expect any new business for the remaining short financial year, a consolidated net loss is projected also for the full short financial year 2016. As the business volume picks up notably, DF Group projects a positive consolidated result for the financial year 2017.

As at 30 September 2016, the value of the creditor assets totaled EUR 25.3 million, compared to EUR 28.0 million as at 1 July 2016. In the reporting period, it was possible to collect two receivables in the amount of approx. EUR 2.0 million from the portfolio of assets that are earmarked for satisfying the claims of the old creditors. These collected

funds were used to settle the banks' collateral realization agreement ("Sicherheitenverwertungsabrede") as well as for the partial settlement of deferred court fees. The remaining deferred court fees in the amount of EUR 1.6 million were prefinanced by DF Group in the first quarter, as the funds from the collection of the assets were insufficient. This amount will be offset by the collection of receivables projected for the second quarter of the short financial year. The difference to the creditor assets compared to 1 July 2016 is as follows:

in EUR millions	
Value as at 1 July 2016	28.0
Write-up	0.7
Sub-total	28.7
Court fees/banks	1.8
Prefinancing of costs	1.6
Value as at 30 September 2016	25.3

The fair value of the creditor liabilities corresponds to the fair value of the assets.

The Group's equity capital declined from EUR 12.7 million to EUR 11.6 million as a result of the net loss for the quarter and the netting of the costs of the capital increase with the reserves.

MATERIAL EVENTS IN THE FIRST QUARTER OF THE SHORT FINANCIAL YEAR FROM 2 JULY 2016 TO 30 SEPTEMBER 2016

Capital measures completed

As the insolvency proceedings of DF Deutsche Forfait AG (“DF AG”) were terminated on 1 July 2016, it was possible to execute the cash capital increase and the capital increase against contributions in kind totaling EUR 11.2 million. Both capital increases became effective on 6 July 2016 and the capital contributions from the two capital increases were fully paid in. The company’s share capital has since amounted to EUR 11,887,483, divided into 11,887,483 registered shares.

Change on the Board of Management and on the Supervisory Board

Dr. Manzouri was appointed member of the Board of Management by the Supervisory Board with effect from 6 July 2016. Chief Financial Officer Frank Hock resigned from office with effect from 30 September 2016.

The following changes occurred on the Supervisory Board of DF AG: Dr. Jürgen Honert resigned from the Supervisory Board with effect from 6 July 2016. Dr. Behrooz Abdolvand was elected new member of the Supervisory Board at the Annual General Meeting on 6 July 2016. He also serves as Vice Chairman of the Supervisory Board.

Transfer of operations

DF AG’s insolvency plan, which was confirmed by the court on 29 April 2016 and obtained the official “Rechtskraftvermerk” notice certifying its legal validity on 20 May 2016, provided for DF Group’s future forfeiting business to be separated from the assets that are earmarked for distribution to the old creditors. Under the transfer agreement (“Einbringungsvertrag”) dated 5 August 2016, DF AG therefore transferred all assets that are assignable to the “Teilbetrieb Operative Geschäftstätigkeit” (“Operations”) as well as all employment relationships to DF Deutsche Forfait GmbH, Cologne (a wholly-owned subsidiary specifically established for this purpose), with retroactive effect from 1 January 2016.

OTHER MATERIAL EVENTS AFTER THE END OF THE QUARTER (OCTOBER AND NOVEMBER 2016)

Change on the Board of Management

After the end of the quarter, Ms. Gabriele Krämer (formerly Head of Operations of DF Group) and Mr Christoph Charpentier (formerly Head of Finance of DF Group) were appointed to the Board of Management with effect from 7 October 2016. Board member Dr. Manzouri was appointed Chairman of the Board of Management with effect from 18 October 2016.

Signing of a Memorandum of Understanding with Saman Bank

In November 2016, DF Group and Iran's Saman Bank – one of the largest private banks in Iran – signed a Memorandum of Understanding for cooperation in the foreign trade finance sector. The planned collaboration primarily covers the supply of financing solutions for the exchange of goods between German and international exporters and their Iranian trading partners. In addition, the parties intend to offer consulting services to clients wishing to establish trade relationships with Iranian business partners. Both partners expect the trade volume with Iran to grow strongly in the coming years, as the European Union and the USA lifted most of their sanctions in early 2016 in response to the signing of the nuclear agreement (JCPOA).

Assets (in EUR)	30-09-2016	01-07-2016
Long-term assets		
Intangible assets	74,356.44	75,149.15
Tangible assets	214,051.80	168,736.48
Long-term financial assets	92,063.71	91,688.29
	380,471.95	335,573.92
Short-term assets		
Creditor assets	25,286,004.63	28,019,588.21
Trade accounts and other receivables	1,826,330.44	0.00
Tax receivables	63,787.05	92,277.72
Other short-term assets	788,320.08	11,785,296.02
Cash and cash equivalents funds	9,432,271.42	1,396,593.13
	37,396,713.62	41,293,755.08
Total assets	37,777,185.57	41,629,329.00


Equity and Liabilities (in EUR)	30-09-2016	01-07-2016
Equity		
Subscribed capital	11,887,483.00	680,000.00
Deposits earmarked for the capital increase	0.00	11,207,483.00
Capital reserves	68,000.00	0.00
Costs of the capital increase	-612,858.06	-553,844.04
Revenue reserves	527,172.27	1,653,450.99
Adjustment item from currency translation	-254,014.98	-258,176.52
	11,615,782.23	12,728,913.43
Long-term liabilities		
Bond	0.00	0.00
	0.00	0.00
Short-term liabilities		
Creditor liabilities	25,286,004.63	28,019,588.21
Liabilities to banks	2,828.60	50.36
Short-term provisions	0.00	0.00
Trade accounts and other payables	309,531.37	170,563.93
Other short-term liabilities	563,038.74	710,213.07
	26,161,403.34	28,900,415.57
Total equity and liabilities	37,777,185.57	41,629,329.00



Consolidated Income Statement (in EUR)	02-07 - 30-09-2016	01-07 - 30-09-2015
Typical forfeiting income		
a) Forfeiting income	762,124.34	850,704.39
b) Commission income	10,363.89	72,195.10
c) Income from additional interest charged	5.05	35,573.15
d) Exchange profits	78,079.35	100,725.33
e) Income from the writing back of provisions for forfeiting and purchase commitments	12,117.00	0.00
	862,689.63	1,059,197.97
Typical forfeiting expenditure		
a) Expenditure from forfeiting	0.00	13,030,450.71
b) Commissions paid	8,996.08	84,562.01
c) Exchange losses	84,612.86	128,571.30
d) Credit insurance premiums	0.00	0.00
e) Depreciation and value adjustments on receivables as well as additions to provisions for forfeiting and purchase commitments	0.00	2,178,001.25
	93,608.94	15,421,585.27
Gross result	769,080.69	-14,362,387.30
Other operating income	0.00	115,710.54
Personnel expenses		
a) Wages and salaries	427,621.40	736,697.52
b) Social security contributions and expenditure for pensions and social welfare	67,472.57	77,539.13
	495,093.97	814,236.65
Depreciation on tangible and intangible assets	19,974.25	26,214.83
Other operating expenditure	1,285,153.71	2,883,799.55
Interest income	2.66	3,554.62
Interest paid	873.59	420,377.08
Profit before Income tax	-1,032,012.17	-18,387,750.25
Income tax		
a) Income and earnings tax	0,00	-21,800.52
Consolidated income/loss	-1,032,012.17	-18,365,949.73
Average number of shares	11,887,483	6,800,000
Undiluted earnings per share	-0.09	-2.70
Diluted earnings per share	-0.09	-2.70



Consolidated cash flow statement (in EUR)	02-07 - 30-09-2016	01-07 - 30-09-2015
Cash flow		
Net profit	-1,032,012.17	-18,365,949.73
+ Depreciation on intangible assets	19,974.25	26,214.83
+ Income tax paid	0.00	21,800.52
+ Interest paid	873.59	420,337.08
- Interest income	-2.66	-3,554.62
+/- Other transactions not affecting payments	0.00	-60,549.74
+/- Changes to designated assets	2,733,583.58	0.00
+/- Changes to trade accounts receivable	-1,826,330.44	19,115,859.75
+/- Changes to other assets (working capital)	-182,016.39	-489,929.36
+/- Changes to provisions	0.00	74,400.00
+/- Changes in creditor liabilities	-2,733,583.58	0.00
+/- Changes to trade accounts payable	138,967.44	-1,051,114.96
+/- Changes to other liabilities (working capital)	-147,174.35	-261,399.62
- Paid taxes on profits	0.00	-146.12
= Operative Cash flow	-3,027,720.72	-574,031.97
- Paid interest	-873.59	-458,833.24
+ Retained interest	2.66	3,507.94
= Cash inflow from current business (Total 1)	-3,028,591.65	-1,029,357.27
- Payments for investments in long-term assets	-65,289.57	-6,163.57
+ Income from investments in long-term assets	0.00	0.00
= Cash outflow from investment activity (Total 2)	-65,289.57	-6,163.57
+/- Changes to short time financial liabilities	2,778.24	1,660,450.37
+/- Others	11,148,468.98	0.00
= Cash outflow from finance activity (Total 3)	11,151,247.22	1,660,450.37
Changes in financial resources affecting payments	8,057,366.00	624,929.53
+ Liquid funds at the start of the period	1,396,593.13	8,039,565.48
+/- Effects from the currency conversion	-21,687.71	9,396.59
= Liquid funds at the end of the period	9,432,271.42	8,673,891.60



DF Deutsche Forfait AG
Hirtenweg 14
82031 Grünwald
Germany

Phone +49 89 21551900-0
Fax +49 89 21551900-9
E-Mail dfag@dfag.de
Internet www.dfag.de

DF Deutsche Forfait AG
www.dfag.de
