

HANIEL

HALF-YEAR FINANCIAL REPORT 2011

HANIEL KEY FIGURES

IFRS Consolidated Interim Financial Statements

Euros in millions	1st half-year 2010*	1st half-year 2011
Sales	13,706	13,882
Operating result	350	193
Profit before taxes	170	192
Haniel cash flow	310	303

* Previous year's figures adjusted according to IAS 8.26; cf. explanation in the abridged Notes to the consolidated financial statements on page 37.

HALF-YEAR FINANCIAL REPORT 2011

AN OVERVIEW OF THE HANIEL GROUP

Franz Haniel & Cie. GmbH

The Haniel Holding Company regards itself as a creator of value and has been successfully pursuing a long-term portfolio strategy for 255 years. Besides controlling the Group's strategy and finances, Franz Haniel & Cie. GmbH defines the guidelines for human resources management. The divisions themselves are responsible for the operating business. www.haniel.com



100.00%

CWS-boco ranks among the leading international vendors of washroom hygiene products, dust control mats and textile services. The CWS brand equips washrooms with quality products – such as soap dispensers and towel rolls. boco is a specialist for workwear and flat linen. Advantages for the customers: they receive sustainable solutions in full service. That saves companies time and money in all sectors, regardless of their size. What's more, they benefit from an enhanced image and improved hygiene, safety and functionality.

www.cws-boco.com



100.00%

ELG is a global market-leading company in the trading and processing of raw materials for the stainless steel industry. The range comprises primarily stainless steel and superalloys. The customers receive the material in exactly the composition they need for further processing – “just in time” and in accordance with the highest quality standards. With more than 40 locations in North America, Europe, Asia and Australia, ELG has a global network at its disposal. On-site representatives ensure fast and personalised service.

www.elghaniel.com



70.44%

TAKKT is the leading B2B specialist mail order company for business equipment in Europe and North America. Its two units, TAKKT EUROPE and TAKKT AMERICA, are active in more than 25 countries and offer a combined assortment of over 160,000 items from hundreds of suppliers. Purchasers thus obtain complete equipment for their businesses from a single source. Thanks to a sophisticated logistics system, the majority of the items in the range are on their way to the customer within 24 hours.

www.takkt.com

CWS-boco

Euros in millions	June 30, 2010	June 30, 2011
Sales	360	369
Operating result	21	27
Employees (average headcount)	7,827	7,852

ELG

Euros in millions	June 30, 2010	June 30, 2011
Sales	1,461	1,609
Operating result	58	56
Employees (average headcount)	986	1,050

TAKKT

Euros in millions	June 30, 2010	June 30, 2011
Sales	377	418
Operating result	42	59
Employees (average headcount)	1,949	1,984

celesio

54.64%

Celesio is one of the leading internationally oriented service providers in the pharmaceutical and healthcare sectors. The company operates in 27 countries worldwide and employs some 47,000 people in its three units, Patient and Consumer Solutions, Pharmacy Solutions and Manufacturer Solutions. Some 2,300 own high-street pharmacies within Patient and Consumer Solutions serve over 550,000 customers per day. Its wholesaling activities, part of Pharmacy Solutions, supply over 65,000 pharmacies from more than 130 branches, day after day. Celesio offers logistics, marketing and distribution solutions to pharmaceutical manufacturers in its Manufacturer Solutions unit and also operates an Efficient Care Pharma segment.

www.celesio.com

Celesio

Euros in millions	June 30, 2010	June 30, 2011
Sales	11,509	11,486
Operating result	259	86
Employees (average headcount)	46,978	46,517

METRO GROUP

34.24%

METRO GROUP is the most international retailing company in the world. It is headed by the holding company METRO AG, in which Haniel directly or indirectly holds 34.24 per cent of the voting shares. The operating business of METRO GROUP is subdivided into four sales divisions that act autonomously in the markets: Metro Cash & Carry, Real, Media Markt and Saturn and Galeria Kaufhof. These sales divisions are represented at more than 2,100 locations in 33 countries in Europe, Asia and Africa. There is also METRO PROPERTIES, which manages METRO GROUP's real estate assets.

www.metrogroup.de

Metro Investment

Euros in millions	June 30, 2010	June 30, 2011
Haniel's investment result	-3	129*

* including income from property sale

INCREASE IN PROFIT BEFORE TAXES

- > Moderate improvement in sales
- > ELG and TAKKT benefit from very favourable economic impetus in first half-year
- > Repositioning of CWS-boco yields initial rewards
- > Celesio result pegged back by impairments and government intervention
- > Sale of properties belonging to Metro's founding shareholders boosts investment result
- > Economic activity will weaken in second half-year

HANIEL GROUP INTERIM MANAGEMENT REPORT

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Haniel Group

Although the pace slowed during the second quarter, the global economy has continued to recover initially in the first half of 2011. Its diverse portfolio enabled the Haniel Group to benefit from the upturn, but the impact of the revival varied between the individual businesses. While ELG and TAKKT developed very favourably and posted appreciable sales increases, turnover remained on a par with the previous year at Celesio. CWS-boco posted a slight rise in sales again as the repositioning programme took hold. Overall, the Haniel Group's sales climbed by 1 per cent to 13.9 billion euros. The profit before taxes improved from 170 million* to 192 million euros. Alongside the better business performance of TAKKT, income from the disposal of properties belonging to Metro's founding shareholders contributed substantially to the rise. Celesio's profit before taxes was pegged back by impairments of goodwill and other intangible assets, and by further economies in the public healthcare sector, which the company was able to make only partly good.

Higher sales for ELG and TAKKT

In the first half of 2011, sales of the Haniel Group advanced by 1 per cent year on year, from 13,706 million to 13,882 million euros. Even after adjustment for the moderate favourable effects of exchange rate changes and the reverse effect on sales arising from company acquisitions and disposals, the rate of sales growth remained practically unchanged.

The ELG division reported considerable sales growth. The stainless steel market was in good shape at the start of the year, and the demand from the mills for scrap picked up. In the months that followed, however, the flow of orders was less vigorous. ELG nonetheless succeeded in raising sales by 10 per cent. The principal contributory factors were slightly higher output and the rise in the price of nickel, which is the element that drives the price of stainless steel scrap.

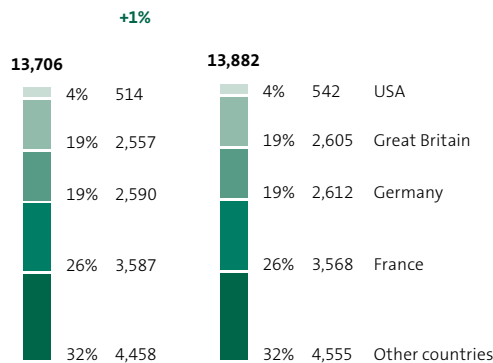
TAKKT also benefited from the economic recovery and increased sales substantially again. Once more, growth was fuelled by TAKKT EUROPE in particular. Turnover at Celesio remained on a par with the previous year. CWS-boco posted a slight rise in sales again as the repositioning programme took hold. After two consecutive declines in sales, CWS-boco has therefore stabilised its business.

Sales by country

Euros in millions

June 30, 2010

June 30, 2011



* The figures for the previous year have been restated in the management report in compliance with IAS 8.26; cf. explanation in the abridged Notes to the consolidated financial statements on page 37.

Operating result hampered by valuation allowances

The operating result declined from 350 million to 193 million euros. This downturn is largely attributable to a contraction in the result of Celesio. An unscheduled asset impairment test caused the division to recognise impairments of goodwill and other intangible assets in the amount of 116 million euros. The largest portion originated from the marketing service provider Pharmexx, which concluded fewer new contracts than anticipated. Impairments also had to be recognised in connection with the wholesale activities in Denmark and Portugal. These were triggered by a significant deterioration of both the economic climate in Portugal and the competitive environment in Denmark. In addition, Celesio had to contend with the burden of economies in the public healthcare sector again, which could not entirely be overcome. Savings are being made because of the budgetary difficulties of several countries, arising to some extent from the European sovereign debt crisis.

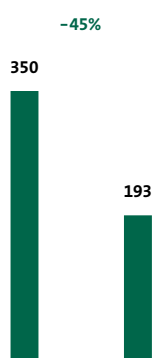
The other divisions were unable entirely to counterbalance Celesio's beleaguered result. TAKKT translated strong sales into a disproportionate increase in its earnings, however, and CWS-boco improved its operating result as it reaped the first rewards of the Focus on the Future repositioning project. ELG, on the other hand, did not convert its significant year-on-year sales increase into an improved result. It was hindered by a much more competitive market environment.

Year-on-year rise in profit before taxes

Profit before taxes rose from 170 million euros for HY1 2010 to 192 million euros. Besides the operating result, it includes, in particular, the income from financing activities, from the Metro investment, and from the other investments.

Operating result
Euros in millions

June 30, 2010	June 30, 2011
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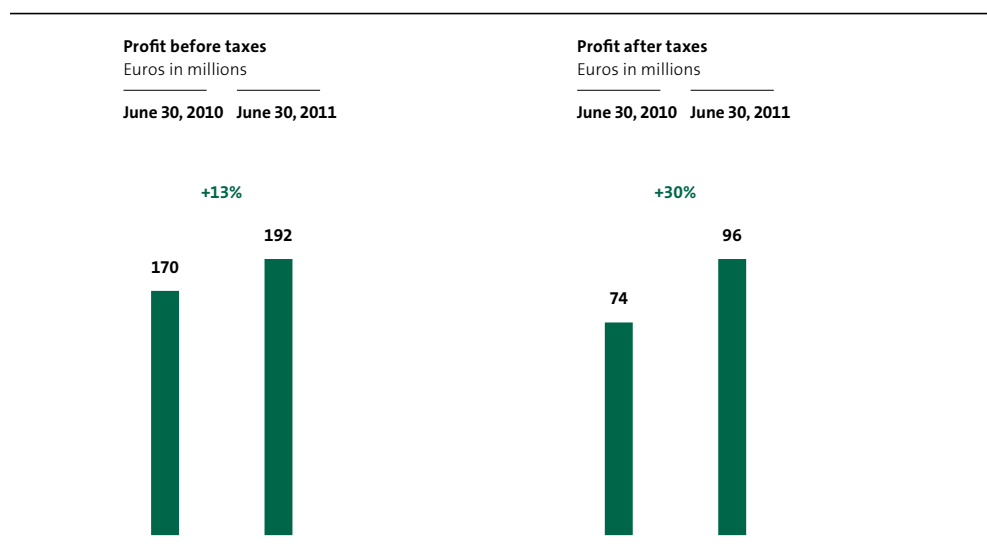


The income from financing activities improved, from a loss of 176 million euros to a loss of 146 million euros. Although finance costs remained practically unchanged, the other financial result advanced sharply. The first of two influential factors was the favourable special impact on Celesio of the Panpharma acquisition. This currency effect stemmed from the recognisable purchase price liability, which had curtailed the result in the previous year. The other factor was Haniel's use of derivatives to hedge interest payments. The rise in interest rates pushed up the market value of the hedging instruments and therefore had a positive influence on profit.

METRO GROUP steered its business on a steady course in the first half-year and posted a slight increase in sales. Its operating result, or EBIT, before special factors, in contrast, fell marginally. Earnings at Media Markt and Saturn were reduced by a decline in revenues, lower prices and start-up losses from both the business in China and the development of online sales in the context of its multi-channel strategy. These setbacks could not entirely be made good by higher earnings in the other sales division. In view of reduced non-recurring expenses to date this year in connection with the Shape 2012 efficiency and value enhancement programme, however, METRO GROUP actually posted a rise in its operating result. The division's financial result was diminished by negative currency translation effects, but these were mitigated to some extent by the positive impact arising from the disposal of an investment. In addition to the METRO GROUP result attributable pro rata to Haniel, the sale of properties belonging to Metro's founding shareholders boosted Haniel's income by 133 million euros. The total contribution made by the Metro investment to the Haniel Group's results in the first half of 2011 was 129 million euros. The amount for the corresponding period of 2010 was -3 million euros.

Haniel also posted income from an investment fund in which it has been investing since 2006. The fund has interests in several very promising business models.

The profit before taxes of the Haniel Group thus increased overall by 13 per cent to 192 million euros.



Profit after taxes also advances

Profit after taxes also climbed year on year, from 74 million to 96 million euros. Measured against the previous year, the tax ratio declined appreciably – because Haniel’s income from the disposal of properties belonging to Metro’s founding shareholders gave rise to only a small tax expense for the Group. This favourable effect was opposed by Celesio’s impairment losses for goodwill and other intangible assets, however, most of which did not afford any relief in the computation of taxes.

Slight decline in Haniel cash flow

Haniel’s internal control instrument, the Haniel cash flow, edged down from 310 million to 303 million euros. The decline primarily reflects a reduction in incoming payments from the operating business. The cash flow from operating activities, in contrast, which is the Haniel cash flow plus the change in current net assets*, rose from 125 million to 162 million euros. In particular, the increase is attributable to the build-up by ELG of trade receivables and inventories in the corresponding period of the previous year as the economy picked up. This policy was associated with higher outgoing payments.

Moderate investment volume

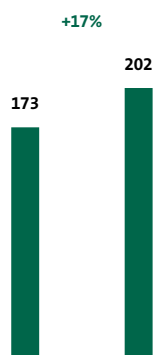
In the first half of 2011, total expenditure on property, plant and equipment, intangible assets, other non-current assets and business combinations advanced year on year, from 173 million to 202 million euros. The rise is attributable to an increase in holdings in two investment funds which have formed part of the Haniel portfolio since 2006. They invest in promising business models in Europe and Asia. The volume of spending for business combinations remained low and arose exclusively in the Celesio division in the first half of 2011.

Euros in millions	June 30, 2010	June 30, 2011
Haniel cash flow	310	303
Cash flow from operating activities	125	162
Cash flow from investing activities	-159	-93
Cash flow from financing activities	-40	16

Haniel cash flow
Euros in millions
June 30, 2010 June 30, 2011



Cash investments
Euros in millions
June 30, 2010 June 30, 2011



* Current net assets chiefly consist of trade receivables and inventories less trade payables.

This spending stood alongside receipts from divestments in the amount of 109 million euros; the total for the corresponding period of 2010 was 14 million euros. A major contribution to the incoming payments in the first half of 2011 was made by the partial repayment of a loan granted by Haniel to the purchasers of the Xella division in 2008. In total, investments and divestments in the Haniel Group gave rise to outpayments in the amount of 93 million euros – the net outflow in the corresponding period of the previous year was 159 million euros.

Structure of statement of financial position practically unchanged

The structure of the Haniel Group's statement of financial position remained solid as of June 30, 2011 and much the same as reported on December 31, 2010. Total assets decreased marginally, from 16,289 million to 16,278 million euros. Equity also contracted a little, from 6,217 million to 6,171 million euros. The decline is attributable to dividend payments and negative currency translation effects. The equity ratio held steady at 38 per cent. Net financial liabilities, or financial liabilities after deduction of cash and cash equivalents, stood at 5,166 million euros – more or less the same as the amount posted as of December 31, 2010.

No recognisable risks capable of jeopardising existence

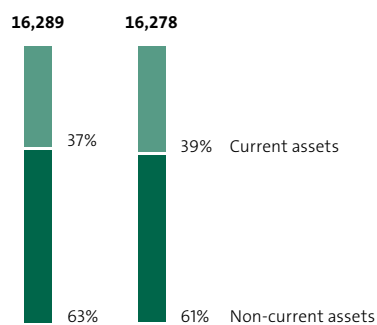
The opportunities and risks associated with the expected development of the Group are described in detail in the Annual Report 2010 (pages 36 to 43 of the financial report). Remarks concerning anticipated developments in the current fiscal year are contained in the Outlook section of the present Half-year Financial Report on page 27. There is no indication of risks capable of jeopardising the company's existence, or of any notable risks exceeding those normally encountered in business.

Consolidated statement of financial position

Asset structure

Euros in millions

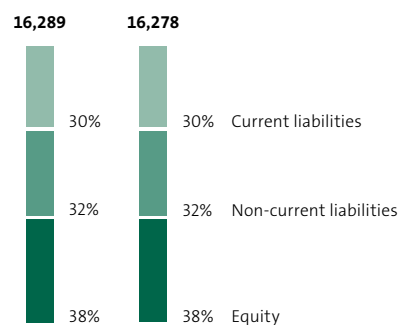
Dec. 31.2010 June 30, 2011



Equity and liability structure

Euros in millions

Dec. 31.2010 June 30, 2011



Holding Company Franz Haniel & Cie.

The Haniel Holding Company regards itself as a creator of value and has been successfully pursuing a long-term portfolio strategy for 255 years. Besides controlling the Group's strategy and finances, Franz Haniel & Cie. GmbH* defines the guidelines for human resources management. The divisions themselves are responsible for the operating business.

The portfolio currently consists of five divisions, three of which are listed. In the long term, Haniel wishes to achieve a balanced mixture of small and larger divisions – with a regional presence in line with global economic output. Establishing new divisions is one of several options available to Haniel as it pursues this goal. It can also seek to harness additional growth potential in the existing divisions – by way of acquisitions, regional expansion or new services. The Haniel Holding Company measures its success not only in terms of financial value creation, but also by the extent to which it satisfies the interests of people, the planet and profit at the same time. In other words, Haniel wishes to generate a profit, but also to create value for the environment and society. For this reason, the company invests exclusively in sustainable business models.

Two pillars of financing

The principal source of financing for the Haniel Holding Company is the equity provided for the long term by the shareholders – the Haniel family. It also relies on borrowed capital and currently has two euro benchmark bonds outstanding. In addition, the Holding Company maintains relationships with around 30 banking partners. Most of the credit lines agreed with these partners are long-term. Haniel engages in a trusting and personal dialogue with all its lenders. Further transparency is provided by independent rating agencies: Moody's rated Haniel at BBB- as of June 30, 2011, while Standard & Poor's has set its mark at Ba1 – in each case with a stable outlook.

The internationally-operating divisions are responsible for the operating business. The Holding Company distinguishes between wholly-owned investments (CWS-boco and ELG), majority investments (TAKKT and Celesio) and minority investments (METRO GROUP).

Sales and results included in full



100.00%



100.00%

TAKKT AG

70.44%

celesio

54.64%

Pro rata earnings contribution included in investment result

METRO GROUP

34.24%**

* Including direct financing companies. You can find the financial statements of the Franz Haniel & Cie. subgroup in the Investor Club under Investor Relations at www.haniel.com.

** Since August 30, 2007, Haniel has directly and indirectly held 34.0 per cent of the share capital and 34.2 per cent of the voting rights in METRO AG.

CWS-boco

In the first half of 2011, CWS-boco profited from the upturn in the business cycle in Central Europe, especially in the core market, Germany. The Focus on the Future repositioning project also yielded positive results. Sales at CWS-boco rose to 369 million euros. Even after allowing for currency translation effects, sales were higher year on year. The operating result climbed by 29 per cent to 27 million euros.

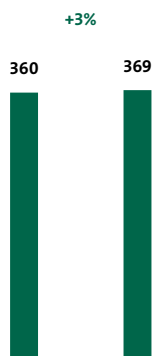
Upward sales trend – textile services business stabilised

The core business of CWS-boco, which accounts for around 85 per cent of its sales, consists of workwear rental, washroom hygiene products and dust control mats. In connection with these activities, the company concludes long-term agreements with its customers. For this reason, changes in the economic climate influence the pattern of business after a time delay. In the first half of 2011, CWS-boco benefited from the moderate favourable impetus being generated by good economic progress in Central Europe. Sales in the rental business climbed 3 per cent year on year. Adjusted for currency translation effects, the increase was 1 per cent. The washroom hygiene and dust control mats segment made pleasing progress. In the textile services segment, which focuses on workwear rental, CWS-boco stabilised the number of people wearing its rental clothing in Germany, the core market. Sales in the textile services segment nonetheless inched down as a rise in the number of contract terminations in the first half of 2010 continued to have a slightly negative impact on sales in the first six months of 2011.

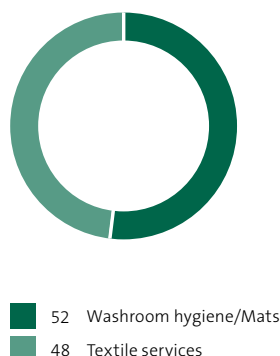
CWS-boco supplements its rental business by selling consumables, such as soap, disinfectant and paper, and through the direct sale of washroom products to wholesalers. Revenues from the sales business advanced 1 per cent year on year. After allowing for currency translation effects, however, the total decreased by 2 per cent, as expected. This reversal originates from CWS-boco sharpening its focus on the core rental business and an increase in the number of rental agreements that include consumables.

Overall, CWS-boco pushed up its sales by 3 per cent to 369 million euros in the first half of 2011 – also after adjustment for currency translation effects, sales were slightly higher year on year.

Sales
Euros in millions
June 30, 2010 June 30, 2011



Sales by unit
in %
June 30, 2011

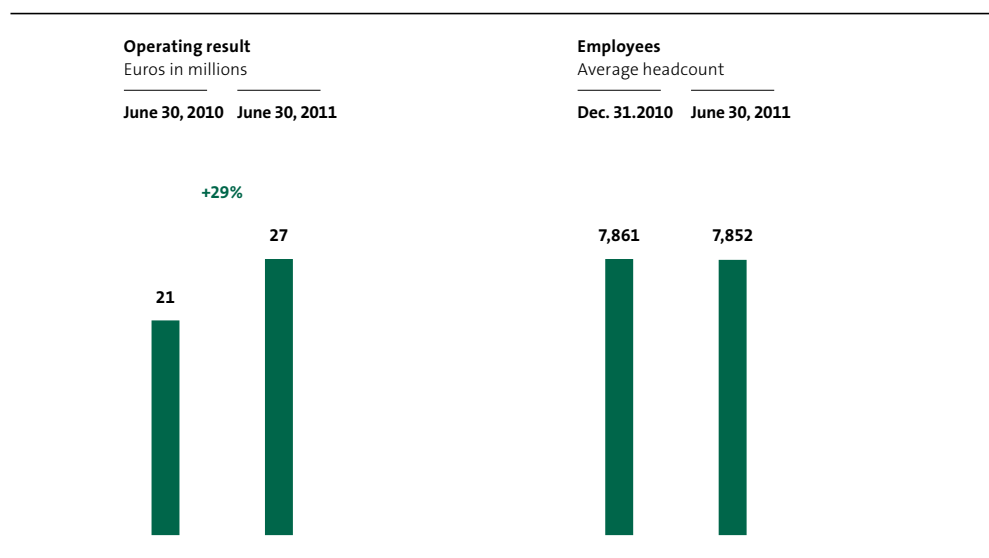


Operating result improves substantially

The operating result rose substantially year on year, from 21 million to 27 million euros. The advance is attributable to an improvement in the operating business and the initial fruits already being harvested from the Focus on the Future repositioning project.

Focus on the Future goes live

The Focus on the Future repositioning project was initiated in mid-2010. Its purpose is to increase customer satisfaction and optimise processes and cost structures with a view to safeguarding the company’s long-term future. During a comprehensive analysis phase, twelve fields of action were defined in 2010. CWS-boco successfully implemented the first measures in the first half of the current year, and they have already contributed to an improved pattern of business. For example, the sales and account management activities have been reorganised, and quality and efficiency enhancement programmes have been initiated in the operating business and logistics organisation.



ELG

The ELG division pushed up sales by 10 per cent to 1,609 million euros – even though output improved by only 2 per cent. The surge was bolstered by significantly higher raw material prices, but these were not reflected in earnings because of the highly competitive business climate: at 56 million euros, the operating result almost matched the previous year’s.

Moderate growth in stainless steel industry

ELG is a global supplier to the steel industry, serving the stainless steel segment in particular. The volume of stainless steel production and the associated demand for raw materials therefore play a major role in shaping the division’s success.

The stainless steel market was in good shape worldwide at the start of the year, and strong demand boosted the mills’ order intake. In turn, this activity increased the need for raw materials and thus pushed up some prices substantially. The market climate changed in the middle of the second quarter, however, as raw material prices dropped and both traders and industry reduced their inventories. In view of low demand, the mills curtailed their production, so that the demand for the stainless steel scrap recycled by ELG fell as well.

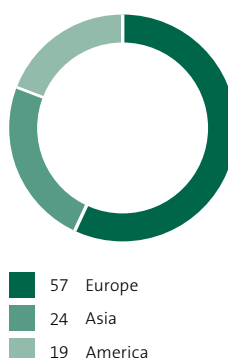
Nickel price on the rise, but fluctuating widely

The element that drives the price of stainless steel scrap is nickel. Since two-thirds of global primary nickel output is consumed in stainless steel production, the state of the steel economy influences the nickel price on the London Metal Exchange (LME). In the first quarter of 2011, the market price rose to 29,000 US dollars a ton. It then plummeted to 21,400 US dollars a ton in the second quarter, before recovering to 23,000 US dollars a ton at the end of the reporting period. This correction was triggered by market uncertainties arising from the natural disaster in Japan, the political tension in the Middle East, and the sharply deteriorating economic situation in some EU states. The average price of nickel in the first six months was 25,500 US dollars a ton, which was 21 per cent higher than in HY1 2010. The price of iron also rose steeply, but the chrome price only edged up.

Sales
Euros in millions
June 30, 2010 June 30, 2011

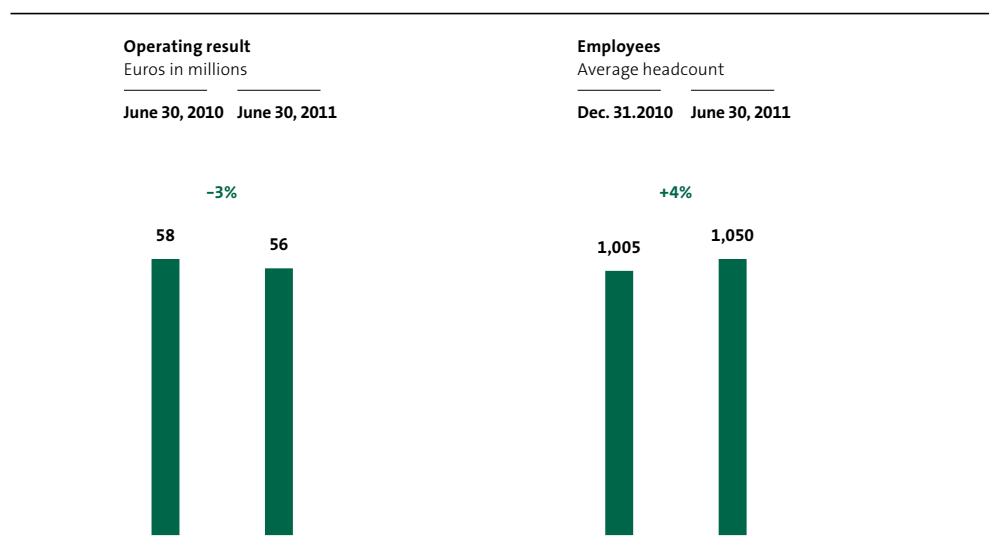


Sales by region
in %
June 30, 2011



Operating result almost unchanged year on year

Against the background of a 2 per cent rise in stainless steel scrap output ELG pushed up sales by 10 per cent to 1,609 million euros. The weakening US dollar countered the significant increases in the price of nickel, which drives the scrap price. In a very competitive environment, however, the higher sales were not reflected in the operating result. At 56 million euros, it is more or less on a par with the 58 million euros posted in 2010.



TAKKT

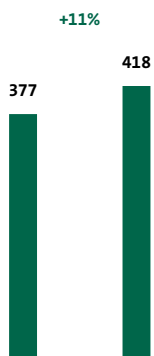
In the first six months of 2011, the TAKKT division continued to benefit from both the favourable economic climate and its own growth initiatives. TAKKT raised its sales by 11 per cent to 418 million euros. This pleasing development also influenced the operating result of the B2B mail order company, which rose disproportionately, from 42 million to 59 million euros.

TAKKT EUROPE continues to drive growth

In the first half of the year, TAKKT EUROPE, which comprises the Business Equipment Group and the Office Equipment Group, once again demonstrated its qualities as the driver of the division’s growth. TAKKT EUROPE expanded its business by 14 per cent to post total sales of 255 million euros. Adjusted for currency effects, the sales advance came to 12 per cent. More or less one-half of the increase originated from a rise in the number of orders. The other half is attributable to the higher average order value.

Business continued to trace different patterns in the Business Equipment Group and Office Equipment Group. The brands KAISER + KRAFT, gaerner, Gerdmans, KWESTO and Certo, under the umbrella of the Business Equipment Group, achieved sales growth in double figures. The performance was especially pleasing in Germany, Austria and parts of eastern Europe. The strategic reorientation of the Office Equipment Group, which commenced in 2010, continues to make progress. As expected, however, the project prompted a decline in sales for the Office Equipment Group in the first half of 2011. On the other hand, it is already evident that the extended support provisions – including a free assembly service – are being well received by customers.

Sales
Euros in millions
June 30, 2010 June 30, 2011



Sales by unit
in %
June 30, 2011



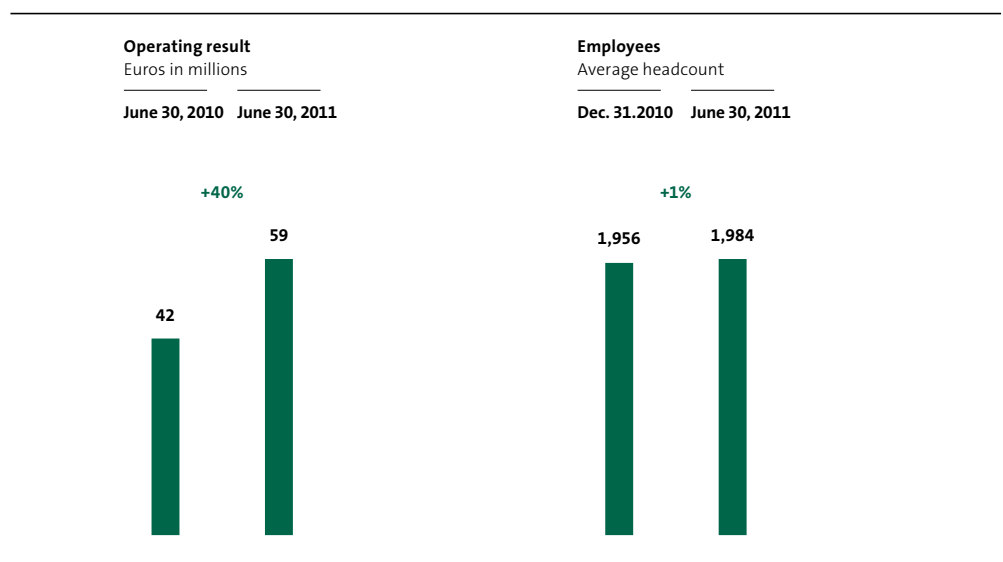
In 2011, TAKKT EUROPE remains committed to expanding along the course it has been following in recent years. The gaerner Group, the office and business equipment specialist, has launched sales activities in Belgium. The new web-only brand of the Office Equipment Group, Furnandi, also made its debut in the first half of 2011. TAKKT EUROPE is currently preparing to enter more countries with additional brands. As a consequence of this growth, larger logistics premises are required in the medium and long term. For this reason, at the start of 2011, TAKKT secured an option to extend the site occupied by the European mail order centre in Kamp-Lintfort.

TAKKT AMERICA posts pleasing advance in sales

TAKKT AMERICA, which consists of the Plant Equipment Group, Specialties Group, and Office Equipment Group, increased sales to 163 million euros in the first six months of the year. This represents a rise of 6 per cent. Adjusted for currency translation effects, the advance was 11 per cent. The principal driving forces were a higher average order volume and an upturn in the number of orders. TAKKT benefited once again from the broad customer and product portfolios. The Office Equipment and Specialties Groups made especially good progress, each reporting double-digit growth rates. But the Plant Equipment Group also increased its sales and contributed to the pleasing business development of TAKKT AMERICA. The Specialties Group is to launch a web-only brand in the USA before the end of the year. It will also be focusing on developing its three recently established European subsidiaries.

Disproportionate rise in operating result

The good development of sales was reflected in a disproportionate increase in the operating result for TAKKT. Measured against the corresponding period of 2010, it climbed from 42 million to 59 million euros. The contributory factors were not only the favourable pattern of sales, but also a higher gross profit margin, the sales-driven increase in the utilisation of mail order infrastructure capacities, and improved advertising efficiency.



Celesio

The tense economic climate has prompted many European states to cut their healthcare budgets further. The European sovereign debt crisis is exacerbating the situation. Public sector cost economies exerted a negative influence on Celesio's business. In the first half of 2011, sales of this Haniel division edged down from 11,509 million to 11,486 million euros. Allowing for exchange rates and company acquisitions and disposals, sales remained more or less unchanged year on year. The operating result was hampered by impairments of goodwill and other intangible assets in the amount of 116 million euros, which were prompted by a necessary unscheduled impairment test performed on the division's assets, and by public sector cost cutting. As a consequence, the operating result of Celesio fell from 259 million to 86 million euros.

Government cost economies affect Patient and Consumer Solutions

Sales in the Patient and Consumer Solutions unit declined marginally to 1,746 million euros – allowing for currency translation effects, this represents a decrease of 2 per cent. The downturn is attributable to the deconsolidation of the pharmacies in the Netherlands in the fourth quarter of 2010. With the exception of Ireland, sales increased year on year in all countries in the first six months. The result of the Patient and Consumer Solutions unit was substantially diluted by further government cost economies, especially in the United Kingdom.

As of June 30, 2011, Celesio was operating 2,291 high-street pharmacies – 20 fewer than on June 30 one year earlier.

In the United Kingdom, Celesio's most significant pharmacy market, Lloydspharmacy has embarked on a realignment programme under new management. Its goal is to address customers' needs even more attentively and thus develop the business with over-the-counter medicines. For this purpose, Lloydspharmacy streamlined its product range, launched a price offensive, extended its opening hours, and optimised the online mail order service through a new website.

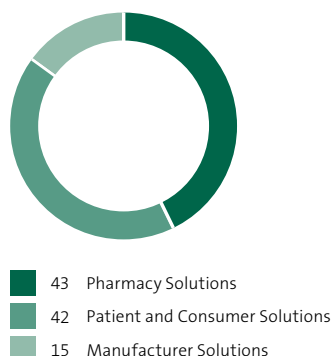
Sales
Euros in millions

June 30, 2010 June 30, 2011



Gross profit by unit
in %

June 30, 2011



The business of the other pharmacies in Europe, which are being brought together under the umbrella of the DocMorris brand, developed as anticipated. Having successfully entered the Swedish market with 50 pharmacies in 2010, a further 14 have now been opened. DocMorris has now concluded 100 pharmacy outlet agreements and thus laid the foundations for further growth. In Ireland, Celesio is continuing the DocMorris pharmacy rebranding programme. By the end of the year, around one-third of the pharmacies should have adopted the new identity.

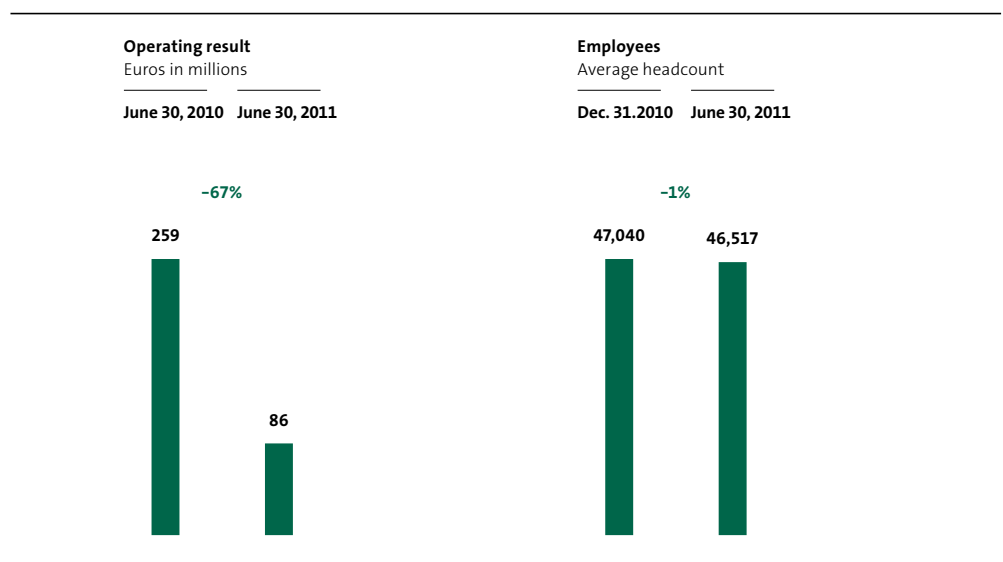
Difficult market climate for Pharmacy Solutions

In the reporting period, the Pharmacy Solutions unit generated sales of 9,423 million euros, an amount that is more or less in line with the previous year’s figure. Allowing for currency translation effects, sales decreased by 1 per cent.

In Germany, the Law on the Reorganisation of the Pharmaceutical Market (AMNOG) exerted a negative influence on the result by imposing an obligation on wholesalers to grant discounts. The higher manufacturer’s discount introduced in August 2010, and the price moratorium adopted by the federal government to freeze the prices of reimbursable drugs, continued to hamper the result as well. In view of the tough competition, these burdens could not be passed on to the pharmacies by reducing discounts in the first half of 2011.

In France, Celesio’s wholesale unit was operating in a stagnating pharmaceutical market and exposed to intense competition. A fairly constant market share has nonetheless been maintained since autumn 2010. With a view to raising profitability and instilling greater customer loyalty, Celesio introduced a new discounting model at the beginning of 2011.

The business of the Brazilian wholesaler Panpharma benefited from pleasing market growth. As in the prior year, the British wholesale operation also reported a good business pattern.



The wholesale business in Portugal and Denmark was hampered by a contracting market. In view of the tense economic situation, further government action is currently being discussed in Portugal. In the Danish wholesale market, competition has become much tougher. These developments necessitated impairments of goodwill and brand names totalling 44 million euros within the framework of an unscheduled asset impairment test.

Manufacturer Solutions hindered by valuation allowances

The Logistics Services (Movianto) segment increased its business volume. Contract losses in the UK, which have still not been entirely made good, as well as start-up losses in Portugal and a difficult market climate in Spain, gave rise to a much lower result, however, than in the corresponding period of the previous year. A positive trend has emerged recently with the acquisition of strategically important contracts, but the majority of the new agreements will not take effect until next year.

In the Marketing Solutions segment (Pharmexx), developing the business is taking longer than anticipated. Although business has stabilised in most countries, the acquisition of new contracts remained short of expectations. In the context of an unscheduled asset impairment test, Celesio has recognised goodwill impairments in the amount of 72 million euros. This action reflects the scaling back of expectations concerning the business prospects of Pharmexx.

In the Efficient Care Pharma segment, which comprises the MedcoCelesio joint venture and Evolution Homecare, outstanding procedural issues have thus far prevented the integration of the mail order pharmacy DocMorris in MedcoCelesio.

Operating result falls sharply year on year

In the first half of 2011, the operating result of Celesio fell from 259 million to 86 million euros year on year. A major contributory factor was the impairment of goodwill and other intangible assets in the amount of 116 million euros. The unscheduled impairment test was necessary because the market capitalisation of Celesio AG was lower than the carrying amount of equity as of June 30, 2011.

Celesio also came under the influence of cost economies in the United Kingdom and Germany in particular, which had the effect of reducing gross profit. Although some relief was provided by an increase in unit sales, Celesio also had to contend with a rise in personnel expenses.

New appointments to Celesio Managing Board

In June 2011, the Celesio Supervisory Board appointed Markus Pinger as the new Chairman of the Managing Board. He took up office on August 15, 2011 following the departure from the company of his predecessor, Fritz Oesterle, effective June 30. Another new appointee is Stephan Borchert, who assumed responsibility for the Patient and Consumer Solutions unit on August 1, 2011. The Celesio Managing Board will together inject fresh impetus and lay the foundations for developing the business successfully.

METRO GROUP

In the first half of 2011, METRO GROUP steered its business on a steady course and posted a slight increase in sales year on year, raising the total to 31.3 billion euros. Turnover growth at Metro Cash & Carry compensated for downturns in the other sales divisions. The operating result (EBIT) totalled 410 million euros. The figure for the corresponding period of 2010 was 369 million euros. METRO GROUP continued systematically to implement the Shape 2012 efficiency and value enhancement programme.

Moderate improvement in sales

In the first half of 2011, METRO GROUP sales edged up to 31.3 billion euros. Allowing for currency translation effects, sales increased by 0.2 per cent. The upturn was achieved despite the persistence of a difficult climate. The sovereign debt crisis in Europe, faltering growth in the US economy and the high oil price have recently slowed the global economic recovery. Nonetheless, advances by Metro Cash & Carry made good the revenue downturns posted by all the other METRO GROUP sales divisions.

Successful implementation of the Shape 2012 efficiency and value enhancement programme has continued in 2011. Action has already been taken to reduce costs, so that attention is now turning to productivity enhancement projects as well. In the first half-year, non-recurring expenses in the amount of 42 million euros arose in connection with Shape 2012. The figure for the corresponding period of 2010 was 101 million euros.

Growth at Metro Cash & Carry

In the first half of 2011, sales of Metro Cash & Carry climbed by 1.7 per cent year on year after adjustment for exchange rate effects. The trend is pleasing, especially in the delivery business. Significant advances were made in key growth regions, namely eastern Europe and Asia/Africa. In Germany in contrast, store closures pushed down sales. The low-margin business with tobacco products and telephone cards was also further reduced.

After adjustment for currency translation effects, Real posted a sales decrease of 1.5 per cent. A large portion of this reversal is attributable to store closures in Germany. Good progress was made by the Real online shop, however, which now offers a range of more than 9,000 items. In eastern Europe, the difficult macroeconomic climate in Romania and Poland hampered development of the business.

In the first half-year, sales at Media Markt and Saturn declined by 1.0 per cent after adjustment for currency translation effects, despite further expansion. Market conditions differed from those that prevailed in 2010 insofar as the sales division was unable to benefit from impetus generated by football's World Cup tournament. Despite intensive marketing activities, the business suffered from consumers' reluctance to spend. With a view to gaining more from the opportunities presented by the online business in future, Media Markt and Saturn has stepped up their strategic realignment and, by opening the webshops, is now focusing more intently on bringing together its stationary and online activities.

The sales of Galeria Kaufhof decreased by 1.8 per cent year on year. Further store streamlining took place in the first six months of 2011.

Earnings before special factors edge down

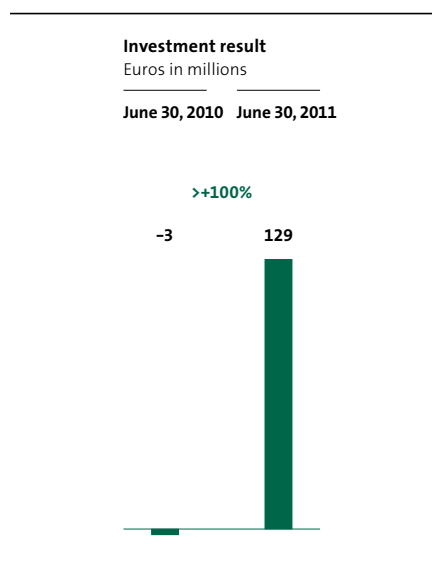
The operating result (EBIT) increased year on year by 41 million to 410 million euros. The rise is attributable to lower non-recurring expenses in connection with the Shape 2012 programme. Allowing for this special factor, the operating result declined from 470 million to 452 million euros. Earnings at Media Markt and Saturn were reduced by a decline in revenues, lower prices and start-up losses from both the business in China and the development of online sales in the context of its multi-channel strategy. These setbacks could not entirely be made good by higher earnings in the other sales divisions.

Investment result rises sharply year on year

The Haniel Group’s investment result arising from METRO GROUP was also shaped by the year-on-year increase in Metro’s operating result after adjustment for exchange rates. METRO GROUP’s financial result reflected negative currency translation effects, but these were mitigated to some extent by the positive impact arising from the disposal of an investment. The tax expense of METRO GROUP was more or less on a par with that posted for the first half of 2010.

In addition to the result of METRO GROUP, the sale of properties belonging to Metro’s founding shareholders boosted Haniel’s income by 133 million euros.

Having imposed a burden of -3 million euros on the Haniel Group’s results in the first half of 2010, the METRO GROUP investment contributed 129 million euros in the first six months of 2011.



Supplementary Report

In an extraordinary meeting on July 13, 2011, the Haniel Supervisory Board elected Florian Funck to serve as the company's new CFO. Funck takes up office on September 1, 2011. He succeeds Stefan Meister, who is leaving the company on August 31, 2011 to accept a new professional challenge.

Employees

The number of people employed in the Haniel Group remained largely constant in the first half of 2011. The Holding Company and divisions had an average payroll of 57,679. While the headcount decreased slightly at Celesio, the economic upturn enabled both ELG and TAKKT to recruit additional staff.

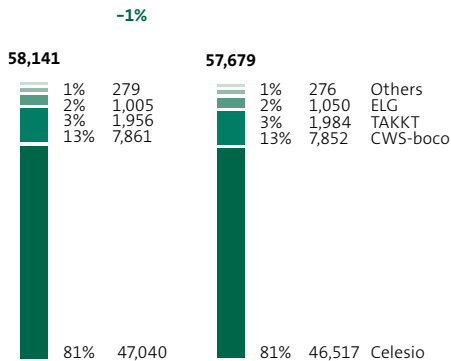
Recruiting upturn at ELG and TAKKT

The small decrease in the number of people employed by Celesio is chiefly attributable to manpower adjustments at the British subsidiary Lloydsparmacy. CWS-boco maintained a stable workforce. In the second half-year, action being taken within the framework of the Focus on the Future repositioning project will be reflected in a slight decrease in employee numbers. The measures were adopted in close consultation with the bodies representing the employees and have been planned for some time. It is pleasing that the good order situation allowed ELG and TAKKT to take on additional employees.

Employees Average headcount

Dec. 31.2010

June 30, 2011



Outlook

Several indications suggest at present that economic vitality will weaken further in the coming months. Setbacks in the USA and a worsening of the sovereign debt crisis in the eurozone have the potential to impair global economic growth as the year unfolds. In such circumstances, pressure on national budgets and, therefore, on healthcare markets will increase.

- **CWS-boco** After two years of declining sales, the Haniel Managing Board expects CWS-boco to stabilise its turnover in 2011. An improvement in the operating result before non-recurring expenses is also considered likely. Although additional non-recurring expenses in connection with the Focus on the Future project will arise as the year progresses, they are expected to be lower than in 2010. The positive impact of this project, which is already apparent, will increase significantly with time.
- **ELG** A correction has been taking place on the stainless steel market since the middle of the second quarter, and manufacturers are reporting a substantial fall in demand. The Haniel Managing Board therefore expects the demand for stainless steel scrap to decline appreciably during the rest of the year. The nickel price is likely to contract further as well. It is therefore doubtful that ELG will be able to sustain the figures posted in the first half-year for output, sales and operating result.
- **TAKKT** Provided that the economic recovery continues, even if a little more slowly than in the recent past, the Haniel Managing Board expects TAKKT to achieve mid-range single-figure organic sales growth, measured in per cent. Its margin and operating result are likely to increase accordingly year on year as well.
- **Celesio** In fiscal 2011, government action will impose an additional substantial burden on Celesio's earnings – in particular in the British pharmacy market and pharmaceutical wholesaling in Germany. These strains will not entirely be made good. The integration of the Dutch Celesio pharmacies into a joint venture will also push down the operating result. Additional pressure on earnings is likely to arise from the expansion of the pharmacy business in Sweden and in connection with the realignment of Lloydspharmacy. The Haniel Managing Board therefore expects Celesio's operating result – even allowing for impairments of goodwill and other intangible assets – to fall well short of the amount posted in 2010.
- **METRO GROUP** The Haniel Managing Board expects a substantial year-on-year increase in the contribution made by the overall Metro investment to the Haniel Group's results in 2011. A large portion of the contribution will originate from income from the disposal of properties belonging to Metro's founding shareholders. The result of METRO GROUP will be further bolstered by positive effects arising from Shape 2012, but the programme will also give rise to additional non-recurring expenses.

In view of uncertainties concerning the economic situation, the Haniel Managing Board is adopting a cautious outlook for the remaining months of the fiscal year. The business climate will make the second half-year much more difficult than the first. From the present perspective, the Board expects a year-on-year rise in profit before taxes – after adjustment for impairments of goodwill and other intangible assets. Further public sector cost savings affecting Celesio's business and economic setbacks denting consumer confidence may exert additional pressure on results, however, in the second half-year.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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Haniel Group Statement of Financial Position

Assets

Euros in millions	June 30, 2011	Dec. 31, 2010
Property, plant and equipment	1,067	1,085
Intangible assets	3,179	3,365
Investments accounted for at equity	4,672	4,649
Financial assets	897	914
Income tax assets	17	15
Deferred taxes	163	175
Non-current assets	9,995	10,203
Inventories	2,075	2,257
Trade receivables	3,135	2,930
Receivables from investments and other assets	479	420
Financial assets	31	31
Income tax assets	130	90
Cash and cash equivalents	288	211
Assets held for sale	145	147
Current assets	6,283	6,086
Total assets	16,278	16,289

Equity and liabilities

Euros in millions	June 30, 2011	Dec. 31, 2010
Equity of shareholders of Franz Haniel & Cie. GmbH	4,959	4,948
Non-controlling interests	1,212	1,269
Equity	6,171	6,217
Financial liabilities	4,357	4,452
Pension provisions	300	289
Other non-current provisions	134	156
Other non-current liabilities	112	154
Deferred taxes	237	216
Non-current liabilities	5,140	5,267
Financial liabilities	1,097	914
Current provisions	236	282
Trade payables and similar liabilities	2,663	2,673
Income tax liabilities	96	115
Other current liabilities	845	779
Liabilities directly related to assets held for sale	30	42
Current liabilities	4,967	4,805
Total equity and liabilities	16,278	16,289

Haniel Group Income Statement

1st half-year

Euros in millions	2011	2010*
Sales	13,882	13,706
Changes in inventories of finished goods and work in process	1	0
Other own work capitalised	0	0
Total performance	13,883	13,706
Cost of materials	11,865	11,682
Gross profit	2,018	2,024
Other operating income	110	108
Total operating income	2,128	2,132
Personnel expenses	957	930
Other operating expenses	720	710
	451	492
Depreciation/amortisation	149	142
Impairment of goodwill	109	0
Operating result	193	350
Result from investments accounted for at equity	128	-3
Other investment result	17	-1
Finance costs	179	178
Other financial result	33	2
Financial result	-1	-180
Profit before taxes	192	170
Taxes on income	96	96
Profit after taxes	96	74
of which attributable to non-controlling interests	0	61
of which attributable to shareholders of Franz Haniel & Cie. GmbH	96	13

* Previous year's figures adjusted according to IAS 8.26; cf. explanation in the abridged Notes to the consolidated financial statements on page 37.

Haniel Group Statement of Comprehensive Income

1st half-year

Euros in millions	2011	2010*
Profit after taxes	96	74
Other result		
Income and expenses recognised in equity from remeasurement of derivative financial instruments	-7	-55
Reversals recognised in profit or loss	17	24
Income and expenses offset against acquisition cost	0	0
Remeasurement of derivative financial instruments	10	-31
Income and expenses recognised in equity from remeasurement of financial assets available for sale	34	5
Reversals recognised in profit or loss	-15	3
Remeasurement of financial assets available for sale	19	8
Income and expenses recognised in equity from currency translation	-73	175
Reversals recognised in profit or loss	0	0
Currency translation effects	-73	175
Income and expenses recognised in equity from changes directly recognised in the equity of investments accounted for at equity	-15	61
Reversals recognised in profit or loss	0	0
Other result from investments accounted for at equity	-15	61
Income and expenses recognised in equity from change in other revaluation reserve	0	0
Reversals recognised in profit or loss	0	0
Change in other revaluation reserve	0	0
Deferred taxes on remeasurement of derivative financial instruments	-7	9
Deferred taxes on remeasurement of financial assets available for sale	-6	-2
Deferred taxes on other result	-13	7
Net other result	-72	220
of which attributable to non-controlling interests	-30	60
of which attributable to shareholders of Franz Haniel & Cie. GmbH	-42	160
Comprehensive income	24	294
of which attributable to non-controlling interests	-30	121
of which attributable to shareholders of Franz Haniel & Cie. GmbH	54	173

* Previous year's figures adjusted according to IAS 8.26; cf. explanation in the abridged Notes to the consolidated financial statements on page 37.

Haniel Group Statement of Changes in Equity

1st half-year 2011

Euros in millions	Capital stock	Capital reserve	Accumulated other result	Retained earnings	Redeemed shares	Equity of shareholders of Franz Haniel & Cie. GmbH	Non-controlling interests	Equity
As of Jan. 1, 2011	1,000	678	-240	3,510	0	4,948	1,269	6,217
Dividends				-60		-60	-46	-106
Changes in the scope of consolidation								0
Changes in shares in already consolidated companies						0		0
Capital measures				22		22	19	41
Changes in redeemed shares					-5	-5		-5
Comprehensive income			-42	96		54	-30	24
As of June 30, 2011	1,000	678	-282	3,568	-5	4,959	1,212	6,171

1st half-year 2010

Euros in millions	Capital stock	Capital reserve	Accumulated other result	Retained earnings	Redeemed shares	Equity of shareholders of Franz Haniel & Cie. GmbH	Non-controlling interests	Equity
As of Jan. 1, 2010	1,000	678	-356	3,259	0	4,581	1,155	5,736
Dividends				-60		-60	-46	-106
Changes in the scope of consolidation							-3	-3
Changes in shares in already consolidated companies				-8		-8	-9	-17
Capital measures						0		0
Comprehensive income*			160	13		173	121	294
As of June 30, 2010	1,000	678	-196	3,204	0	4,686	1,218	5,904

* Previous year's figures adjusted according to IAS 8.26; cf. explanation in the abridged Notes to the consolidated financial statements on page 37.

Haniel Group Statement of Cash Flows

1st half-year

Euros in millions	2011	2010*
Profit after taxes	96	74
Write-ups, depreciation and amortisation of non-current assets	259	144
Change in pension provisions and other non-current provisions	3	13
Income/expenses from changes in deferred taxes	2	-3
Non-cash income/expenses and dividends of investments accounted for at equity	-35	84
Income/expenses from the disposal of non-current assets and consolidated companies and from remeasurement for changes in ownership interests	-22	-2
Haniel cash flow	303	310
Other non-cash income and expenses	19	75
Change in inventories, receivables and similar assets	-206	-458
Change in other current non-interest-bearing liabilities, current provisions and similar liabilities	46	198
Cash flow from operating activities	162	125
Proceeds from the disposal of property, plant and equipment, intangible assets and other non-current assets	107	14
Purchases of property, plant and equipment, intangible assets and other non-current assets	-195	-162
Proceeds from the disposal of consolidated companies and other business units	2	0
Purchases of acquisitions of consolidated companies and other business units	-7	-11
Cash flow from investing activities	-93	-159
Proceeds from equity capital contributions	0	0
Payments to equity holders	-110	-106
Payments from changes in shares in already consolidated companies	0	-17
Proceeds from issuance of financial liabilities	1,854	1,867
Repayment of financial liabilities	-1,728	-1,784
Cash flow from financing activities	16	-40
Cash and cash equivalents as of January 1	211	184
Cash increase/decrease in cash and cash equivalents	85	-74
Non-cash increase/decrease in cash and cash equivalents	-8	17
Cash and cash equivalents as of June 30	288	127

In the reporting period, dividend payments in the amount of 96 million euros (previous year: 86 million euros) were received. Incoming and outgoing interest payments totalled 21 million euros (previous year: 19 million euros) and 140 million euros (previous year: 114 million euros) respectively. Income tax payments came to 154 million euros (previous year: 130 million euros).

* Previous year's figures adjusted according to IAS 8.26; cf. explanation in the abridged Notes to the consolidated financial statements on page 37.

Abridged Haniel Group Segment Report

1st half-year 2011 by division

	Celesio	CWS-boco	ELG	TAKKT	Other	Consolidation	Group
Euros in millions							
Segment revenues from sales to external customers	11,486	369	1,609	418			13,882
Segment revenues from transactions with other segments							0
Sales	11,486	369	1,609	418	0	0	13,882
Operating result	86	27	56	59	-35	0	193
Earnings contributions from investments accounted for at equity	-1				129		128
Profit/loss before taxes	25	18	44	56	110	-61	192
Employees (average headcount)	46,517	7,852	1,050	1,984	276		57,679

1st half-year 2010 by division*

	Celesio	CWS-boco	ELG	TAKKT	Other	Consolidation	Group
Euros in millions							
Segment revenues from sales to external customers	11,509	360	1,461	376			13,706
Segment revenues from transactions with other segments				1		-1	0
Sales	11,509	360	1,461	377	0	-1	13,706
Operating result	259	21	58	42	-30	0	350
Earnings contributions from investments accounted for at equity					-3		-3
Profit/loss before taxes	178	12	50	38	-47	-61	170
Employees (average headcount)	46,978	7,827	986	1,949	278		58,018

* Previous year's figures adjusted according to IAS 8.26; cf. explanation in the abridged Notes to the consolidated financial statements on page 37.

ABRIDGED NOTES

Accounting principles

The consolidated interim financial statements of Franz Haniel & Cie. GmbH, Duisburg, as of June 30, 2011 were prepared in compliance with the International Financial Reporting Standards (IFRS) in effect on the reporting date and adopted by the Commission of the European Union.

Excepting the amendments and revisions described below, the accounting and valuation principles applied pursuant to IAS 34 in preparing the consolidated interim financial statements correspond to those applied to the consolidated financial statements as of December 31, 2010, paying due regard to the provisions concerning interim financial reporting. For further information on the individual applied accounting and valuation principles, refer to the consolidated financial statements of Franz Haniel & Cie. GmbH as of December 31, 2010.

Neither the consolidated interim financial statements nor the interim management report of the Group have been audited or examined for auditing purposes.

Changes in accounting and valuation principles

In the consolidated interim financial statements as of June 30, 2010, the dividend payment to minority shareholders of Panpharma in the Celesio division was recognised as an interest cost. Following a reassessment of the matter, this payment is now recognised as the settlement of a purchase price liability. This treatment gives a better representation of the transaction's economic content and results in a more accurate presentation of the net assets, financial position and results of operations. The reassessment increases the financial result for the first half of 2010 by 14 million euros. The previous year's figures have been adjusted accordingly.

New accounting regulations

In fiscal 2011, the application of the following standards, adopted by the IASB either after revision or for the first time, became mandatory:

Amendment to IFRS 1 (2010): "Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters"

Amendment to IAS 24 (2009): "Related Party Disclosures"

Amendment to IAS 32 (2009): "Classification of Rights Issue"

Improvements to IFRSs (2010)

The first-time application of the revised and new standards adopted by the Commission of the European Union does not have any material impact on the presentation of the Haniel Group's net assets, financial position and results of operations in the reporting period. No use has been made of the option to adopt standards prematurely.

Scope of consolidation

Besides Franz Haniel & Cie. GmbH, 772 domestic and foreign companies were included in full in the consolidated financial statements according to IFRS as of December 31, 2010. In the reporting period, the number of subsidiaries changed as follows:

Addition due to acquisition of shares or first-time achievement of control	4
Addition due to new business start-up	4
Disposal due to sale of shares or loss of control	2
Disposal due to mergers and liquidation	18

In addition to Franz Haniel & Cie. GmbH, a total of 760 subsidiaries were therefore included in the consolidated interim financial statements as of June 30, 2011.

Business combinations and disposals of consolidated companies

The business combinations and disposals in the reporting period are immaterial for the presentation of the Haniel Group's net assets, financial position and results of operations. Haniel acquired control of only one group of companies, consisting of 4 individual firms (share deals), and of a further 3 business units (asset deals). The group of companies and all the other business units were acquired by the Celesio division.

In accordance with IFRS 3 and IAS 27, increases in shareholdings in companies that are already fully consolidated are not included in this section.

All of the interests were procured in all the acquired companies.

During the period, the acquired group of companies and other business units contributed 3 million euros to sales. Had all the acquired units been acquired at the start of the reporting period, they would have contributed 6 million euros to sales. Their contribution to the profit after taxes was immaterial.

The considerations paid for the acquisitions amounted to 10 million euros. Taking into account the acquired entities' cash and cash equivalents of 2 million euros, as well as other non-cash components of 3 million euros in the reporting period, the effective total amount for the company acquisitions is 5 million euros. No company shares were issued to finance the paid considerations. In the context of a successive acquisition, the non-cash components contain the fair value of the investment previously accounted for at equity in the amount of 3 million euros. The remeasurement of the interests does not affect profit or loss.

Acquired entities are initially consolidated on the basis of provisional figures. If applicable, the final figures are restated within one year in compliance with IFRS 3.45 ff. No significant changes were made in respect of the acquisitions that took place in 2010.

The assets and liabilities acquired in the context of business combinations in the reporting period totalled 2 million euros in each case. The acquired receivables contained in the total are immaterial.

First-time consolidation gave rise to goodwill in the total amount of 10 million euros. The recognised goodwill chiefly represents the future prospects accompanying the acquisitions and the expertise of the assembled workforce.

The disposals in the reporting period consisted of 2 companies and 6 other business units. These entities had cumulative assets in the amount of 4 million euros and liabilities in the amount of 3 million euros. In the reporting period, they generated sales in the amount of 1 million euros. The cash disposal proceeds totalled 2 million euros.

Impairment of intangible assets

IAS 36 requires a review to take place as of each reporting date to look for any indication that an asset may be impaired. If such an indication exists, the recoverable amount for the asset or cash generating unit is to be determined and compared with the relevant carrying amount. A typical indication is the falling of a company's market capitalisation below the carrying amount of the recognised assets. Impairment tests were therefore to be performed as of June 30, 2011 in the Celesio division. They were based on Celesio's revised internal reporting structure existing as of January 1, 2011. The recoverable amount as of June 30, 2011 was calculated by the method outlined in the consolidated financial statements for 2010.

As a result of these impairment tests, impairments of goodwill and other intangible assets with an indefinite life were recognised in the total amount of 116 million euros. The goodwill impairments are attributable to the individual cash generating units as indicated below:

	Goodwill impairment	Weighted total capital costs before taxes 2011	Weighted total capital costs before taxes 2010	Future company growth 2011 (perpetual annuity)	Future company growth 2010 (perpetual annuity)
	Euros in millions	%	%	%	%
Wholesaling Portugal	23	14.0	10.0	1.5	2.0
Wholesaling Denmark	14	9.1	8.7	2.0	2.0
Pharmexx	72	11.4	10.0	2.0	2.0

The value impairments for other intangible assets with an indefinite life in the Wholesaling Denmark unit total 7 million euros.

The impairments are primarily attributable to the elevated burden being imposed by government economies in the health sector throughout Europe, the rise in interest rates, tough competition, and the weak development of the pharmaceutical markets, including those in Portugal and Denmark. In the case of Pharmexx, these negative developments were detrimental to customers' ordering activity, which is one reason for the expansion of the business taking longer than anticipated.

In the case of all three units, the impairment requirement was determined by the value in use and, if applicable, the fair value less disposal costs. The determined values in use and thus the impairment requirement were validated against scenarios relating to critical parameters, such as weighted total capital costs before taxes and growth after the detailed planning period. Future negative variations from the applied planning assumptions and valuation parameters in otherwise identical circumstances would give rise to further impairments.

As of June 30, 2011, management considered feasible an increase in weighted total capital costs of 1.0 percentage points and a decrease in growth rates of 0.5 percentage points after the detailed planning period. For the Wholesaling Austria cash generating unit in the Celesio division (Pharmacy Solutions), the value in use exceeds the carrying value by 29 million euros if weighted total capital costs before taxes in the amount of 9.7 per cent (previous year: 9.1 per cent) and an unchanged growth rate for the perpetual annuity of 2.0 per cent are applied. If the weighted total capital costs were to increase by 0.66 percentage points, the carrying amount of the cash generating unit would correspond to the value in use.

Assets and liabilities held for sale

Together with US healthcare company Medco Health Solutions, Inc., the Celesio division agreed on June 21, 2010 to establish a pan-European jointly controlled entity. Federal antitrust approval for the entity, MedcoCelesio B.V., was granted on August 2, 2010. The company is registered in Amsterdam. Each shareholder holds a 50 per cent interest. According to the joint venture agreement, Celesio is to contribute the mail order pharmacy DocMorris, and Medco the mail order pharmacy Europa Apotheek Venlo to the jointly controlled entity, subject to certain outline conditions. Unresolved procedural issues have prevented this action from being taken thus far. In the statement of financial position as of June 30, 2011, the group of assets and the associated liabilities to be contributed to MedcoCelesio B.V. by Celesio are therefore still recognised as held for sale.

As of December 31, 2010, other assets and liabilities were classified as held for sale alongside those that are indicated above. The table below shows the main groups of assets and liabilities recognised as held for sale:

Euros in millions	June 30, 2011	Dec. 31, 2010
Assets		
Property, plant and equipment	1	7
Intangible assets	95	91
Deferred taxes	3	3
Inventories	12	12
Trade receivables	28	28
Cash and cash equivalents		
Other assets	6	6
	145	147
Liabilities		
Financial liabilities		
Deferred taxes	4	4
Trade payables	13	15
Other liabilities	13	23
	30	42

Contingent liabilities

Compared with December 31, 2010, the contingent liabilities in the Group have not changed materially.

Notes to the statement of cash flows

In accordance with IAS 7, the statement of cash flows shows the movements in the Haniel Group's cash and cash equivalents in the course of the reporting period in the form of cash inflows and outflows. The cash flows are classified according to their source and application, namely operating, investing and financing activities.

The cash flows provided by operating activities are determined indirectly on the basis of the profit after taxes. Haniel's internal cash earnings indicator, the Haniel cash flow, is shown as a line item. The Haniel cash flow is the profit after taxes, corrected for all material non-cash income and expenditure, and non-recurring, non-operating income and expenses, plus other cash components. In detail, the profit after taxes is corrected for the non-cash write-ups, depreciation and amortisation of non-current assets, changes in pension provisions and other non-current provisions, the income/expenses from changes in deferred taxes, the non-cash income/expenses and dividends of investments accounted for at equity, and the income/expenses reclassified as cash flow from investing activities arising from the disposal of non-current assets and consolidated companies and from remeasurement for changes in ownership interests.

The payments to equity holders in the amount of 110 million euros (previous year: 106 million euros) contain dividend payments to the shareholders of Franz Haniel & Cie. GmbH in the amount of 60 million euros (previous year: 60 million euros) and payments for the acquisition of redeemed shares in the amount of 4 million euros (previous year: 0 million euros).

In the reporting period, the proceeds from issuance of financial liabilities contain the incoming payments from the convertible bond issued by Celesio in the amount of 350 million euros, less transaction costs.

Notes to segment reporting

In the segment reporting according to IFRS 8, the subject is the four fully consolidated divisions together with the “Other” segment. The principal constituents of the “Other” segment are the activities of the Holding Company, the financing companies and the Metro investment. The segments are defined using the management approach, taking internal monitoring and reporting, as well as the organisational structure into account. The same accounting standards are used for both the segment reporting and the consolidated interim financial statements.

In order to provide a clearer picture of the Celesio segment, the table below contains additional information on the sub-segments Patient and Consumer Solutions, Pharmacy Solutions und Manufacturer Solutions:

1st half-year

	2011			2010		
	Patient and Consumer Solutions	Pharmacy Solutions	Manufacturer Solutions	Patient and Consumer Solutions	Pharmacy Solutions	Manufacturer Solutions
Euros in millions						
Segment revenues from sales to external customers	1,746	9,423	317	1,764	9,425	320
Operating result	71	137	-72	110	199	0
Employees (average headcount)	22,790	16,324	7,088	23,483	16,628	6,552

Events after the balance sheet date

No reportable events have taken place since the reporting date.

Warranty of the legal representatives

We warrant, to the best of our knowledge, that the consolidated interim financial statements give a true and fair view of the net assets, financial position and results of the Group according to the applicable accounting regulations on interim reporting, that the interim management report of the Group depicts the pattern of business, including the business result and the Group's position in such a way as to give a true and fair view, and that the material opportunities and risks associated with the Group's anticipated development in the remainder of the fiscal year are described.

Duisburg, August 29, 2011

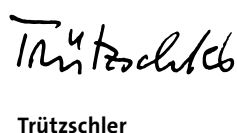
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Kluge



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All statements in this brochure with regard to occupations and target groups apply, always and irrespective of the formulation, to both male and female persons.

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