

Haniel Finance  
Deutschland GmbH  
Annual Financial  
Statements  
2014

**HANIEL**

# STATEMENT OF FINANCIAL POSITION

## HANIEL FINANCE DEUTSCHLAND GMBH, DUISBURG

ASSETS			
EUR million	Note	31 Dec. 2014	31 Dec. 2013
Fixed assets			
Financial assets	1		
Shares in affiliated companies		58.0	
Investments		1,774.3	1,831.8
Loans to affiliated companies		71.4	
Loans to investments			71.4
Long-term securities		162.4	
Other loans		25.0	
		2,091.1	1,903.2
Current assets			
Accounts receivable and other assets			
Receivables from affiliated companies	2	571.5	0.3
Receivables from companies in which the Company has a participating interest	3		506.9
Other assets	4	4.9	9.9
Securities	5	378.5	
Cash in hand, bank balances		16.7	4.5
		971.6	521.6
		3,062.7	2,424.8

## EQUITY AND LIABILITIES

EUR million	Note	31 Dec. 2014	31 Dec. 2013
Equity	6	2,385.4	1,085.4
Provisions			
Other provisions		0.1	
Liabilities	7		
Liabilities due to banks			2.5
Liabilities to shareholders			660.9
Liabilities to affiliated companies		677.2	675.4
Other liabilities			0.6
		677.2	1,339.4
		3,062.7	2,424.8

# INCOME STATEMENT

## HANIEL FINANCE DEUTSCHLAND, DUISBURG

FOR THE PERIOD FROM 1 JANUARY 2014 TO 31 DECEMBER 2014

EUR million	Note	2014	2013
Other operating income	9	0.1	0.4
Other operating expenses	10	0.5	0.5
		-0.4	-0.1
Net investment result	11	-19.1	78.8
Other net financial income	12	15.4	14.3
Result from ordinary operations		-4.1	93.0
Income taxes		-0.1	
Net loss/Net income for the financial year		-4.2	93.0
Accumulated deficit/Retained earnings		4.2	-93.0
Retained profit/Accumulated loss		0.0	0.0

# STATEMENT OF CASH FLOWS

## HANIEL FINANCE DEUTSCHLAND GMBH, DUISBURG

FOR THE PERIOD FROM 1 JANUARY 2014 TO 31 DECEMBER 2014

EUR million	2014	2013
Net loss/Net income for the financial year	-4.2	93.0
Non-cash income (+) or expense (-) from the profit/loss transfer to parent company	4.2	-93.0
Depreciation / amortisation (+)/write-ups (-) of fixed assets	2.8	
Increase (+)/decrease (-) in provisions	0.1	-15.0
Other non-cash income (-) and expenses (+)	-0.1	-32.7
Increase (-)/decrease (+) in other receivables and other current assets	4.6	-9.9
Increase (+)/decrease (-) in trade payables and other current liabilities	-0.6	-1.1
Cash inflow (+)/outflow (-) from current activities	6.8	-58.7
Increase (-)/decrease (+) in receivables from and liabilities to affiliated companies and equity investments	-723.2	107.5
Inflows (+) from the disposal of financial assets	736.0	
Outflows (-) from additions to long-term financial assets and due to financial investments as part of short-term cash management	-1,304.9	-61.1
Cash inflow (+)/outflow (-) from investing activities	-1,292.1	46.4
Increase (+)/decrease (-) in equity	1,300.0	
Cash proceeds (+) from the issuance of financial liabilities		1.3
Cash repayments (-) of financial liabilities	-2.5	-3.1
Cash inflow (+)/outflow (-) from financing activities	1,297.5	-1.8
Change in cash and cash equivalents	12.2	-14.1
Cash and cash equivalents at beginning of the period	4.5	18.6
Cash and cash equivalents at the end of the period	16.7	4.5

The cash flow from operating activities includes interest income totalling EUR 13.6 million (previous year: EUR 21.5 million) and interest payments of EUR 17.4 million (previous year: EUR 9.9 million). As in the previous year, the Company paid no taxes.



# NOTES TO THE FINANCIAL STATEMENTS

## GENERAL DISCLOSURES AND ACCOUNTING POLICIES

### GENERAL DISCLOSURES AND OTHER EXPLANATORY INFORMATION ON THE ANNUAL FINANCIAL STATEMENTS

The annual financial statements of our Company have been prepared in accordance with the accounting standards of the German Commercial Code (Handelsgesetzbuch, "HGB") and the German Limited Liability Companies Act (Gesetz betreffend die Gesellschaften mit beschränkter Haftung, "GmbHG").

Haniel Finance Deutschland GmbH, Duisburg, is a small corporation pursuant to § 267 (1) HGB.

### ACCOUNTING POLICIES

Shares in affiliated companies and other long-term equity investments are recognised at cost or the lower fair value if an impairment is expected to be permanent. Long-term securities are recognised at cost and loans at the nominal amount. If an impairment is expected to be permanent, they are recognised at the lower fair value. If the reasons for an impairment no longer exist in whole or in part, the impairment loss is reversed up to a maximum of the cost or principal amount.

Receivables and other assets are generally recognised at the principal amount less any required valuation allowances. Receivables from corporate income tax credits are recognised at their present value. Marketable securities are recognised at cost or the lower quoted or market price as of the reporting date.

Cash and cash equivalents are recognised using the nominal amount.

Cash in hand and bank balances as well as receivables and liabilities denominated in foreign currency are recognised at historical exchange rates and measured at the applicable middle spot rate on the balance sheet date. Receivables and liabilities denominated in foreign currency with a remaining term of more than one year are measured in accordance with the imparity principle, under which unrealised valuation gains are not recognised. Unrealised valuation gains are recognised for items with a remaining term of less than one year.

Provisions cover all identifiable risks and uncertain obligations. They are recognised at the settlement amount as dictated by prudent business judgement. Future price and cost increases are considered. Provisions with a remaining term of more than one year are discounted in accordance with their remaining term. Provisions for expected losses recognised in connection with derivative financial instruments are charged to the net financial result.

Liabilities are recognised at their settlement amounts. Discounts on the issue amount of liabilities are capitalised and amortised over the term of the liabilities.

Deferred taxes are recognised for all temporary differences between the carrying amounts and tax bases for assets, liabilities, prepaid expenses and deferred income. Since Haniel Finance Deutschland GmbH is a member of the consolidated tax group of Franz Haniel & Cie. GmbH, the deferred taxes of the consolidated tax group subsidiaries are accounted for at the parent, Franz Haniel & Cie. GmbH. Deferred tax assets on tax loss carryforwards are recognised only if there is reasonable assurance that they will be realised within five years. Deferred taxes are generally presented on a net basis. A tax burden is recognised on the balance sheet as a deferred tax liability. In the event of a tax benefit, the Company does not exercise the corresponding option to recognise this under § 274 (1) sentence 2 HGB.

Deferred taxes are determined based on the combined income tax rate of the consolidated tax group of Franz Haniel & Cie. GmbH. The combined income tax rate consists of corporate income tax, municipal business income tax and the solidarity surcharge, and is calculated based on the currently applicable statutory tax rates (current financial year: 30.7 per cent; previous year: 30.7 per cent).

## BALANCE SHEET DISCLOSURES

### 1 FINANCIAL ASSETS

Changes in financial assets are presented in the statement of changes in fixed assets. Disclosures relating to the shareholdings of Haniel Finance Deutschland GmbH are provided in note 14 below.

EUR million	Cost				
	As at 1 Jan. 2014	Additions	Transfer	Disposals	As at 31 Dec. 2014
Financial assets					
Shares in affiliated companies		0.5	57.5		58.0
Investments	2,765.8		-57.5		2,708.3
Loans to affiliated companies			71.4		71.4
Loans to investments	71.4		-71.4		
Long-term securities		191.0		-25.8	165.2
Other loans		25.0			25.0
Total	2,837.2	216.5	0.0	-25.8	3,027.9

The addition to long-term securities resulted from the acquisition of interest-bearing bonds. The position Other loans concerns promissory note loans and insurance policies.

Against the backdrop of the change in the shareholdings in the Metro companies, the investments and the loans to these companies were reclassified to the items for affiliated companies.



Accumulated depreciation				Carrying amount		
As at 1 Jan. 2014	Depreciation	Extraord. Depreciation	Disposals	As at 31 Dec. 2014	As at 31 Dec. 2014	As at 31 Dec. 2013
				0.0	58.0	
-934.0				-934.0	1,774.3	1,831.8
				0.0	71.4	
				0.0		71.4
		-2.8		-2.8	162.4	
				0.0	25.0	
-934.0	0.0	-2.8	0.0	-936.8	2,091.1	1,903.2

## 2 RECEIVABLES FROM AFFILIATED COMPANIES

The receivables from affiliated companies include receivables for the internal financing of Group companies.

## 3 RECEIVABLES FROM COMPANIES IN WHICH THE COMPANY HAS A PARTICIPATING INTEREST

The previous year's receivables resulted from loans to Metro Vermögensverwaltungs GmbH & Co. KG in the amount of EUR 506.8 million, which are presented in the current year in receivables from affiliated companies due to the change in the shareholding.

## 4 OTHER ASSETS

The other assets include interest receivables of EUR 4.2 million (previous year: EUR 0.0 million) and receivables from taxes of EUR 0.6 million (previous year: EUR 0.0 million). In the previous year this item included EUR 9.9 million in cash collateral for derivatives.

## 5 SECURITIES

The securities are short-term financial investments in investment funds, bonds and other securities.

## 6 EQUITY

There is no distribution restriction pursuant to § 268 (8) HGB with regard to the net retained earnings as at the balance sheet date. Haniel Finance Deutschland GmbH's net loss for the financial year is transferred in full by Franz Haniel & Cie. GmbH based on the existing profit and loss distribution agreement. The equity is composed of the subscribed capital in the amount of EUR 25,000 (previous year: EUR 25,000) and the capital reserves, which were increased by EUR 1,300 million in the current fiscal year to EUR 2,385 million.

## 7 LIABILITIES

All obligations of Haniel Finance Deutschland GmbH existing as of the balance sheet date are presented under liabilities. The various types and maturities of the liabilities as at 31 December 2014 are presented in the following table:

EUR million	2014				2013			
	Up to 1 year	1 to 5 years	More than 5 years	Total	Up to 1 year	1 to 5 years	More than 5 years	Total
Liabilities due to banks				0.0	2.5			2.5
Liabilities to affiliated companies	677.2			677.2	675.4			675.4
Liabilities to shareholders				0.0	660.9			660.9
Other liabilities				0.0	0.6			0.6
Thereof for taxes				0.0				0.0
	677.2	0.0	0.0	677.2	1,339.4	0.0	0.0	1,339.4

The decrease in liabilities to shareholders resulted from the increase in the capital reserve in the current financial year.

The Company has not provided its own collateral for the liabilities.

## 8 CONTINGENT LIABILITIES

There were no contingent liabilities as at the balance sheet date.

## INCOME STATEMENT DISCLOSURES

The income statement was prepared using the classification pursuant to § 275 (2) HGB (nature of expense method).

### 9 OTHER OPERATING INCOME

The other operating income amounted to EUR 0.1 million (previous year: EUR 0.4 million) and resulted primarily from service fees from affiliated companies.

### 10 OTHER OPERATING EXPENSES

Other operating expenses of EUR 0.5 million (previous year: EUR 0.5 million) pertain primarily to custodial fees, accounting and audit fees.

### 11 NET INVESTMENT RESULT

EUR million	2014	2013
Income from investments		78.8
Thereof from affiliated companies		
Expenses from investments	-19.1	
Thereof from affiliated companies		
	-19.1	78.8

The investment result is attributable solely to Metro investments.

### 12 OTHER NET FINANCIAL INCOME

EUR million	2014	2013
Income from other securities and long-term loans	9.9	2.8
Thereof from affiliated companies		
Other interest and similar income	27.2	22.4
Thereof from affiliated companies	10.4	3.3
Write-downs of financial assets and securities classified as current assets	-3.7	
Interest and similar expenses	-18.0	-10.9
Thereof to affiliated companies	-7.9	-8.0
Thereof interest cost on provisions		
	15.4	14.3

Of the income from securities, EUR 6.7 million (previous year: EUR 2.8 million) is attributable to financial fixed assets.

### 13 DERIVATIVE FINANCIAL INSTRUMENTS

Haniel Finance Deutschland GmbH is exposed to currency and interest rate risks as part of its business. Derivative financial instruments, such as currency forwards, swaps and options, are generally used to hedge these risks.

Derivative financial instruments are entered into wherever possible and expedient to hedge interest-bearing financial liabilities and limit the interest rate risk. To that end, interest rate swaps (including combined cross currency interest rate swaps), forward rate agreements, as well as caps and floors are generally used.

The hedges are contracted only with top rated banks. The underlying transactions and the (micro) hedges are combined into a valuation unit, if volume and maturity of the instruments match. If the cash flows net to zero, the derivative financial instruments are not recognised separately, but are aggregated using the net hedge presentation method.

Euro million	Nominal amount		Fair value		Book value	
	31 Dec. 2014	31 Dec. 2013	31 Dec. 2014	31 Dec. 2013	31 Dec. 2014	31 Dec. 2013
Interest swap						
Derivatives with affiliated companies		50.0		9.5		0.6
Derivatives with third parties		50.0		-9.5		-0.6
Thereof for affiliated companies		50.0		-9.5		-0.6
Thereof for own interest						

All derivatives with affiliated companies and third parties were cancelled in the 2014 financial year and the payment inflows and outflows were offset. Given that portfolio hedge accounting continued for the remaining valuation units and cash flows will be netted in the future, no provisions for expected losses had to be recognised in the previous year for negative fair values of EUR 8.9 million. Under the imparity principle, positive unrealised fair values are generally subject to a prohibition on recognition.

The fair values and the derivatives are determined by discounting the expected future cash flows. Discounting is based on arm's-length interest rates over the remaining term of the instruments. If the hedges become ineffective, the dollar offset method is normally used to determine the ineffectiveness by comparing the fair values of the hedged item and the hedging instrument.

#### 14 DISCLOSURES ON SHAREHOLDINGS PURSUANT TO § 285 NO. 11 HGB

The following list contains the companies in which Haniel Finance Deutschland GmbH has an equity interest.

	Share	Equity		Result		
		%	Total	Percentage	2014	2013
			EUR thousand	EUR thousand	EUR thousand	EUR thousand
Metro Vermögensverwaltung GmbH & Co. KG, Düsseldorf	100.00	57,953	57,953	418,733	42,115	
Metro Vermögensverwaltung GmbH, Düsseldorf	100.00	29	29	3	4	
Metro Immobilien Gesellschaft mbH & Co. KG, Düsseldorf	33.00	3,000	1,000		2	
Metro Immobilien Verwaltungs GmbH, Düsseldorf	33.00	30	10	3	2	
1. HSB Verwaltung GmbH, Schönefeld-Waltersdorf	100.00	27	27	6	7	
1. HSB Beteiligungsverwaltung GmbH & Co. KG, Schönefeld-Waltersdorf (Profit and Loss Transfer)	100.00	734,897	734,897			
Metro Finanzdienstleistungs GmbH, Düsseldorf (Profit and Loss Transfer)	100.00	10,347	10,347			
METRO AG, Dusseldorf (Metro Group IFRS-Annual Report 30 September 2014)	29.76	4,999,000	1,387,800	182,000	58,000	

#### 15 EVENTS AFTER THE REPORTING DATE

No reportable events took place after the reporting date.

## 16 OTHER DISCLOSURES

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### MANAGING DIRECTORS

The managing directors of the Company are:

Ulrich Dickel, Moers

Dr. Axel Gros, Marl

Uta Stein, Wesel

### REMUNERATION OF THE MANAGING DIRECTORS

The managing directors do not receive any remuneration from the Company.

### NUMBER OF EMPLOYEES

The Company does not have any employees.

### PARENT COMPANY

The Company is a subsidiary of Franz Haniel & Cie. GmbH, Duisburg. Franz Haniel & Cie. GmbH, Duisburg, prepares consolidated financial statements in which Haniel Finance Deutschland GmbH, Duisburg, is included. These consolidated financial statements are submitted to the Electronic Federal Gazette.

Duisburg, 5 March 2015

The Management

Ulrich Dickel



Dr. Axel Gros



Uta Stein

