Annual Report 2013

GEGR • 1852
Bankhaus Lampe

Overview of Business Performance

Bankhaus Lampe Group

in million euros	2009	2010	2011	2012	2013
Total assets	3,368	3,139	3,051	3,132	2,898
Business volume	3,687	3,462	3,251	3,329	3,061
Loans and advances to clients	1,479	1,485	1,377	1,308	1,324
Loans and advances to banks	497	482	739	358	273
Client deposits	2,724	2,657	2,425	2,462	2,322
Liabilities to banks	147	109	194	212	152
Equity (including group net income for the year)	183	196	217	239	259
Net interest income (including current income)	61	51	61	57	56
Net commission income	64	68	79	71	87
Net income from proprietary trading activities	7	9	9	8	4
Administrative expenses	109	112	112	117	128
Group net income for the year	12	14	18	21	21
Number of employees	627	620	625	650	678

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Bankhaus Lampe

Contents

Dear clients and business partners.

The banking sector was faced with considerable challenges again in 2013 due to a period of low interest rates and persistent regulatory pressure. The profitability of German banks remains under pressure, and their business models have come under close scrutiny.

This environment offers new opportunities for well managed banks with sound business models promoting risk awareness. In response to the current challenges, Bankhaus Lampe has adopted a dedicated growth strategy with a focus on profitability. While we do not intend to further expand the on-balance-sheet business, we have focused our activities on commission-based advisory services with a particular emphasis on the capital markets business. We consider ourselves fair partners linking capital-seeking enterprises with potential investors. Our positioning as a reliable and accomplished market player has been confirmed by numerous successful transactions.

Furthermore, we have expanded our investment services. The volume of assets under management has risen to more than 16 billion euros. This is not least thanks to the extraordinary performance of both our private and institutional asset management divisions.

A bank's strength and stability is essentially reflected by its capital resources. Our annual net profit was once again fully retained in 2013. Bankhaus Lampe has continuously increased its equity capital, which has led to a core capital ratio of more than 13 %. We have therefore already exceeded all of the future Basel III requirements. We would like to express our thanks to the bank's partners for supporting business growth with their capital strategy.

We would also like to thank our clients for their good cooperation. We are driven and inspired every day by our desire to provide you with consistently exclusive services.

Special thanks go to our employees. The success of any banking service is a matter of individual performance and requires dedication and reliability. Our staff guarantee that we provide consistently premium advisory services.

Yours faithfully,

Prof. Dr. Stephan Schüller

Ulrich Cosse

Strategic Focus

Bankhaus Lampe is an independent private bank that was established in Eastern Westphalia in 1852. Since 1949, the Bank has been wholly owned by the Oetker family and is part of the Oetker Group, a diversified industrial company with independent divisions and strong brands.

Within the group, Bankhaus Lampe operates as a financial institution that acts and thinks like an entrepreneur, offering its exclusive clientele a comprehensive and holistic range of advisory and other services. The industrial background of its owners defines the company's philosophy as well as the Bank's understanding of risk and its business model. Its main objectives are to achieve a return on equity that is commensurate with risk and offer reasonable dividend payments to its shareholders on the one hand, and gain a leading position among German private banks on the other.

Managed by personally liable partners, Bankhaus Lampe follows the ideals of an honourable and respectable entrepreneur in day-to-day business.

All the employees of Bankhaus Lampe feel committed to a set of values that form the basis of this fundamental philosophy. Important elements are the Bank's reliability, predictability and continuity in the services it provides. The Bank is independent of any financial group, which enables it to pursue long-term business objectives. This promotes transparency and creates trust.

Bankhaus Lampe offers a range of services that go far beyond traditional banking. Long-standing trusting relationships with clients mean that the Bank is clearly aware of their needs. On this basis, customised and personal solutions can be developed for all their financial requirements.

The services are aimed at select target groups: wealthy private clients, corporate clients and institutional clients. Securities and foreign exchange trading is conducted primarily on behalf of clients. Proprietary trading is not one of the Bank's strategic business areas.

Business Segment: Wealthy Private Clients

Traditionally, providing support to discerning clients in all matters relating to investment is a core area of expertise at Bankhaus Lampe. The Bank provides business owners, wealthy individuals and owners of significant family assets with customised, comprehensive and product-neutral advice.

Bankhaus Lampe offers its clients an investment strategy that focuses on preserving wealth in the long term and continuously raising the value of the assets entrusted to it after inflation and taxes. A customised wealth strategy enables tangible assets or alternative investments to be included in a portfolio and takes account of possible business interests. Moreover, this advice considers clients' inheritance and tax planning as well as their personal situation. It goes without saying that the Bank also provides comprehensive and informative reports and offers transparent and understandable pricing arrangements.

Bankhaus Lampe rigorously refrains from offering its own products in providing holistic services to private clients. It generally advises them under an asset management mandate, in which clients transfer their assets to Bankhaus Lampe to manage on a fiduciary basis.

The key to a good business relationship is mutual trust between client and advisor. Bankhaus Lampe places great emphasis on ensuring that clients are consistently served by one person over many years. This allows very personal and trusting relationships to be forged, on the basis of which in-depth advice can be provided in a wide range of personal and business situations. In order to do so, no client advisor at Bankhaus Lampe serves more than 60 clients. The focus is always on the interests of the client, as reflected by an internal code of conduct that is binding to all employees. Regular training also ensures that all client advisors are fully conversant with the latest developments and that the statutory requirements regarding proper advice to investors are met at all times.

Bankhaus Lampe's wholly owned subsidiary Lampe Vermögenstreuhand GmbH is guided by the holistic advisory philosophy in serving the top segment of the Bank's wealthy clients and therefore fulfils its role as an independent multi-family office.

The Dale Investment Advisors GmbH subsidiary in Vienna completes the range of asset management services to wealthy private clients with investment models in the segment of absolute return funds. It has been successfully managing large assets of Austrian families and institutions since 1997.

Business Segment: Corporate Clients

Bankhaus Lampe's branches mainly serve small and medium-sized enterprises. The private bank offers these companies, many of which are family enterprises, not only traditional banking products such as payment services and loans, but also a broad range of customised and holistic finance and advisory services in corporate finance and capital markets business.

These include support relating to changes among shareholders or partners, business succession, financing organic and non-organic growth, cost optimisation on the purchase side and in operations, handling imports and exports, and optimising financing structures with equity and debt capital.

A deep understanding of the respective company and its business environment is necessary to successfully advise and support clients in these complex matters. This understanding is based on a relationship in which Bankhaus Lampe's client advisors have worked together with the companies in question over many years.

The ongoing change in the regulatory environment, e.g. Basel III, is having a considerable influence on corporate funding structures. The higher capital backing requirements and higher liquidity costs for banks will reduce the significance of traditional bank loans, while other forms of financing will assume greater significance. Companies are also increasingly seeking finance structures that are not dependent on individual banks. In order to make use of alternative forms of finance, companies will attach greater importance to appropriate balance sheet ratios, higher capital ratios and transparency.

Bankhaus Lampe is prepared for these new requirements and has vastly extended the range of services offered to corporate clients via its corporate finance and capital market business. The client base is expanding, especially in terms of listed and capital market-oriented companies, thanks to our established expertise in dealing with the capital markets.

In this business, Bankhaus Lampe advises, structures and places all categories of equity and debt capital products with a particular focus on the mentoring of German small and mid-cap transactions. In the equity syndication business, Bankhaus Lampe ranked among the top three issuing houses in Germany for issuances with volumes up to € 100 million in 2013. As well as providing services relating to securities, Bankhaus Lampe also acts as a designated sponsor for selected issuers.

The Bank successfully implemented several significant lead manager mandates in 2013, including:

// a € 100 million capital increase with subscription rights for DIC Asset AG,
// a € 27 million capital increase without subscription rights for Manz AG,
// a € 75 million corporate bond for DIC Asset AG

The specialists at Bankhaus Lampe offer structuring and support services for various debt instruments to SMEs and listed companies. These instruments include debentures, SME bonds, secured instruments such as Pfandbriefe, and promissory note loans. Structured solutions, for example in the form of securitisations, complete the range of services.

Overall, Bankhaus Lampe operates as an independent and flexible intermediary between companies, the capital market and institutional investors.

Business Segment: Institutional Clients

Bankhaus Lampe's institutional clients include insurance companies, asset management companies, pension schemes, pension funds, foundations, associations, corporations, church and charitable institutions as well as banks and asset managers. For these clients, Bankhaus Lampe combines the syndication business of Equity and Debt Capital Markets with its secondary market expertise. The Bank's extensive investor network ensures it has a considerable ability to organise placements of equity, bonds, promissory note bonds and alternative investment products.

In the Financial Markets division, Bankhaus Lampe offers institutional clients the opportunity to invest directly in equities and bonds and related derivative products according to individual specifications and requirement profiles. Bankhaus Lampe has particular expertise in stocks in the German market (DAX, MDAX, SDAX and TecDAX indices) and selected smaller companies. The range of services in the fixed-income business covers domestic and foreign bearer instruments and registered securities, promissory note loans, selected corporate bonds and structured bond products.

Institutional investors in the UK are advised by Lampe Capital UK (Services) Limited in London on portfolio allocations in German equities. Since 1 October 2013, Bankhaus Lampe has been offering its specialist expertise in German equities to institutional investors in the US via a co-operative venture in New York.

With a coverage of 200 stocks, the Bank's multiple award-winning research spans almost the entire spectrum of listed German companies, which makes Bankhaus Lampe one of the leading brokerage houses for equities in Germany.

The Lampe Asset Management GmbH subsidiary provides asset management services to institutional investors. Key elements of this business include its traditional strength in fixed-income securities and expertise in equities. In addition, absolute return products and investments in the commodities segment are offered to support a capital preservation strategy with one eye on the current capital market environment.

The Lampe Equity Management GmbH subsidiary structures and manages exclusive equity investment options in alternative asset classes on behalf of institutional investors. Its portfolio includes the sectors of energy infrastructure and shipping, together with private equity and mezzanine capital for German small and medium-sized companies.

Customised and structured solutions for institutional clients are also offered by the Capital Markets & Advisory segment. As an independent specialist advisor, the Lampe Credit Advisors GmbH subsidiary provides regulatory risk and portfolio services to European financial institutions and public-sector institutions.

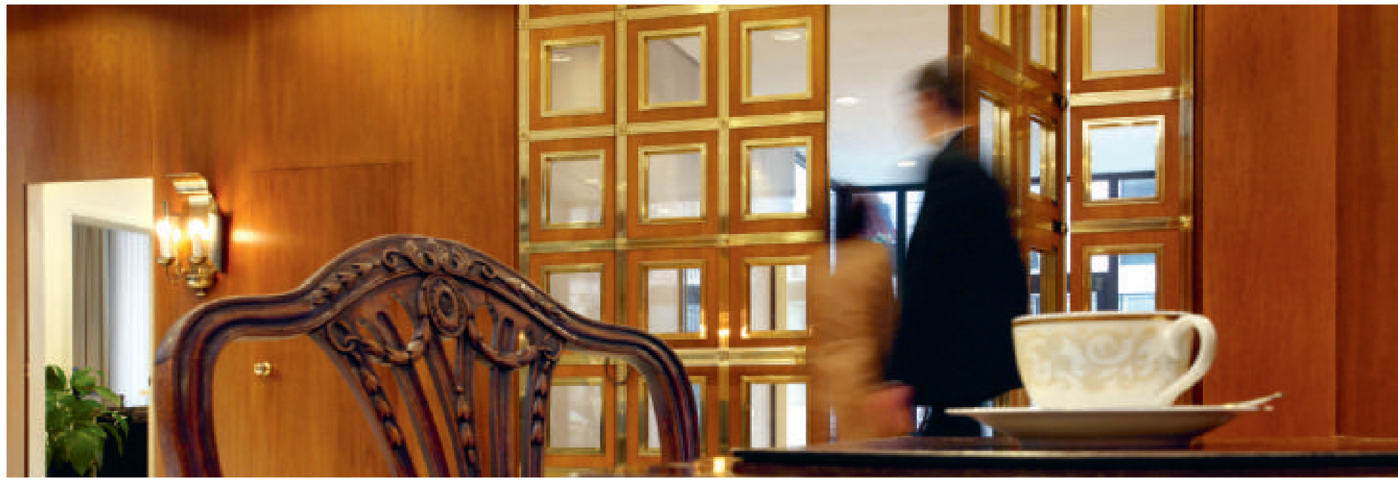
Thanks to its comprehensive business activities in fixed-income and equities, asset management, alternative asset classes and expert regulatory advisory services, Bankhaus Lampe has established itself as one of the leading German names for institutional investors in Germany and abroad.

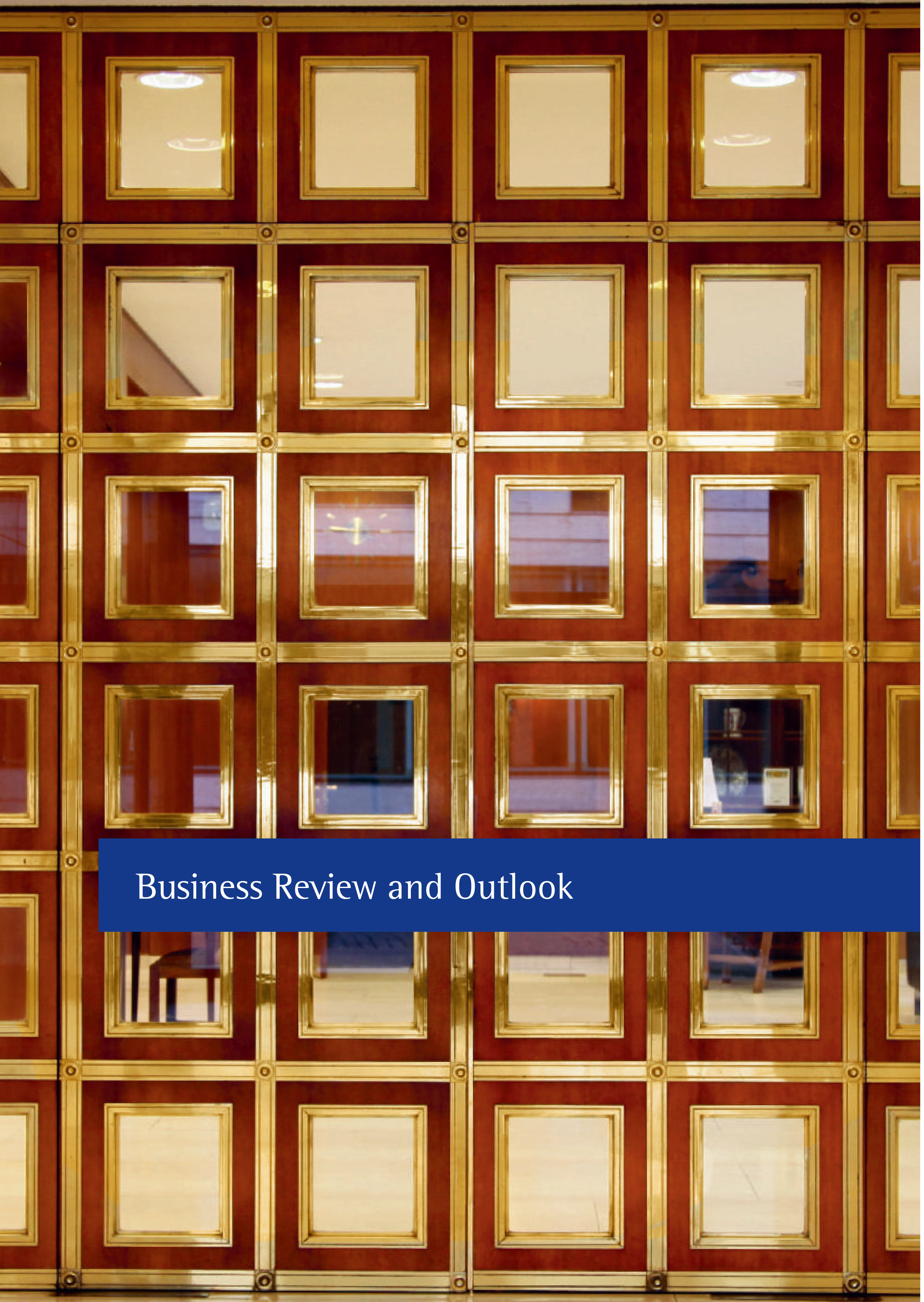
The Bank's Strategic Outlook

Bankhaus Lampe is well equipped to overcome the challenges facing the banking sector. A system of values that largely defines the Bank's corporate culture and business relationships with clients has developed over many years in line with the company's traditions. The bank will continue to cultivate these fundamental values, which will remain at the core of every business relationship. The personal liability of the managing partners underlines the Bank's commitment to responsible and risk-aware corporate governance on a long-term basis.

Bankhaus Lampe is reacting to the increasingly restrictive conditions in the banking sector by creating individually tailored services that are both traditional and innovative, while bringing various client groups together in its role as an intermediary

By combining its long-standing experience and forward-looking vision for the future, Bankhaus Lampe offers its clients genuine added value compared to other financial institutions, as well as a promising outlook for the years ahead.

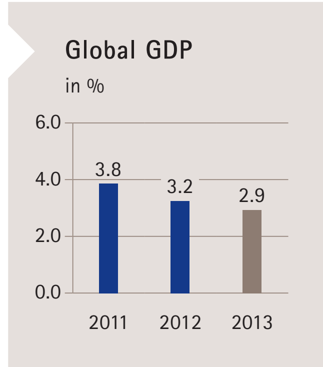




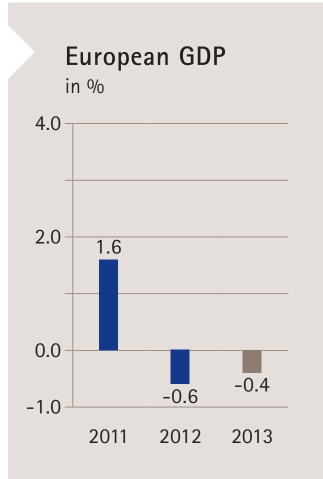
Business Review of 2013 and Outlook

General Economic Conditions

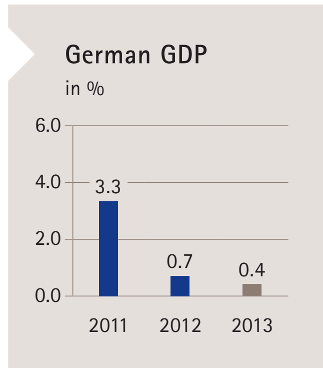
2013 was characterised by weak economic activity. Growth in global GDP fell from 3.2 % in 2012 to 2.9 % in 2013. The sovereign debt crises and the consolidation of public budgets were the main contributory factors to this trend. However, the global economy regained momentum over the course of the year as economic activity picked up in the industrialised nations.



The recession in the euro area ended in spring 2013. GDP had previously fallen for six successive quarters. Intervention by the European Central Bank (ECB) succeeded in reducing the uncertainty about a possible break-up of the monetary union and, after some delay, led to the real economy ending its slide. The marked rise in sentiment indicators since the spring, for example the Ifo Business Climate Index and the Purchasing Managers' Indices, indicated a moderate recovery up to the end of the year. Nonetheless, GDP still contracted by 0.4 % on average in 2013 on account of the poor start to the year.



In 2013, the economic trend was noticeably better in Germany than in the other European countries. GDP growth of 0.4 % was achieved on average for the year, with consumption in particular making a positive contribution to growth. Thanks to growing confidence in the European Monetary Union and stronger foreign demand for German goods, investments rose again slightly for the first time in two years from the second quarter onwards.



Inflation rates fell considerably in most industrialised nations over the course of 2013. In the euro area, the rate declined from 2.0 % in January to just 0.7 % in October. At 0.8 % in December, the inflation rate was still well below the ECB's price target of "below, but close to 2.0 %". As well as the weak economy, the main reason for the marginal upwards pressure on prices in 2013 was the stagnation in energy prices. In a departure from the past, energy prices contributed little to any rise in consumer prices in 2013.

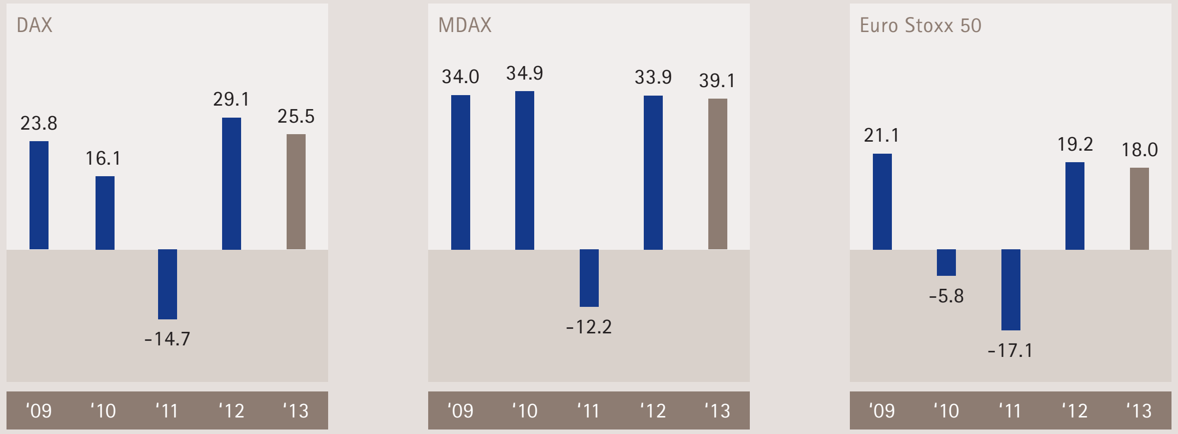
The monetary policy bias was highly expansionary in the industrialised nations throughout 2013. The ECB cut its key rate to 0.25 % and the US Federal Reserve (Fed) continued its bond purchases. However, back in May the Fed chairman announced plans to cut purchases of US Treasuries and mortgage-backed bonds in the foreseeable future. In December, the Fed resolved to lower its monthly volume of bond purchases from USD 85.0 to 75.0 billion from January 2014 onwards.

The announcement of a near-term exit from the government bond purchasing programme had a marked impact on US Treasuries. Yields on 10-year Treasuries rose from around 1.7 % in May 2013 to 3.0 % in early September. Influenced by US rates, the yield on 10-year Bunds also climbed by as much as 80 basis points. The yield reached 2.0 % in September having hit a new historical low of 1.19 % in early May. On the bond markets, the Fed's delayed exit on the back of weak economic data prompted some relief in the autumn. But the trend towards higher rates resumed in late 2013, with the yield on 10-year Treasuries climbing back up to approximately 3.0 %.

The debate surrounding US monetary policy in 2013 also had a major influence on the trend in the euro/US dollar exchange rate. The dollar was hit by the uncertainty about the Fed's future plans in the last third of the year. In addition, the euro benefited from positive economic surprises in the euro area in 2013 alongside declining central bank liquidity, and ultimately therefore from the lower systemic risks in the euro area. From its low at 1.28 in July, the euro/US dollar exchange rate rose to around 1.38 by the end of the year.

Fading uncertainty in the euro area and the ongoing liquidity glut from the Fed had a positive effect on equity markets. In the absence of alternatives, the low interest rates on government and corporate bonds boosted the demand for equities. The DAX ended 2013 at 9,552 points.

Annual Performance of Key Stock Market Indices in %



Market and Sector Environment

Financial sector market participants continued to face major challenges in 2013. General economic conditions shaped sentiment on the financial markets, and the ongoing sovereign debt crises in the periphery nations led to great uncertainty. The complex network of interconnections is preventing an enduring and sustainable solution to the European sovereign debt crisis. As a consequence of what is likely to remain a long-term phase of low interest rates and high levels of liquidity on the markets, almost all operating business areas continue to face declining potential returns. Falling return opportunities and the industry's lack of appeal are making it more difficult for banks to raise the equity they require.

Costs and complexity are rising in the banking business on the back of more stringent regulation. Furthermore, there is uncertainty about additional regulatory measures, and there is a risk that regulatory provisions that have already been implemented will be amended again. The fast pace of regulation is also posing significant challenges for banks in terms of capacity and cost planning.

The banking industry is still undergoing a deep-seated crisis of confidence. Repeated banking scandals are not helping to restore the sector's reputation.

Accordingly, banks will have to adapt their business models to the new economic circumstances, regulatory initiatives and changes in client demand. Numerous financial institutions are being forced to abandon or shrink individual business lines. It is emerging that some banking business models do not have a future. By contrast, banks with a clear profile and a sustainable funding structure stand to benefit significantly in the current market environment.

Likewise, the private banking market is undergoing a process of change. Regulation is a major burden on small to medium-sized institutions. In addition, competition in the German private banking market and for medium-sized companies in Germany remains intense. Besides growing efforts to make acquisitions by credit institutions established in these business areas, new competitors are increasingly entering the market.

Business Review of Bankhaus Lampe Group in 2013

Within Germany, the Bankhaus Lampe Group has offices in Berlin, Bielefeld, Bonn, Bremen, Dresden, Düsseldorf, Frankfurt/Main, Hamburg, Munich, Münster, Osnabrück and Stuttgart. With its subsidiaries and cooperation arrangements abroad, the Bank is also represented in Vienna, London and New York. Bankhaus Lampe held up well in 2013 in what once again proved to be a challenging financial market environment. Having responded to changing market conditions in good time, the Bank has since systematically addressed three central challenges:

// sufficient size,
// stable funding and
// an adequate core capital ratio.

A few years ago, the Bank was already starting to lay the foundation for its future, long-term position by continuously expanding its advisory services and bringing them into line with client requirements. To this end, the capital market business was expanded across the entire value chain and subsidiaries were established offering specialist services.

A realignment of the Bank's management and organisational structure was initiated in 2012 and successfully completed in 2013.

Bankhaus Lampe offers its clients conventional, modern and alternative services that take account of the current situation on the financial markets.

The Bank continues to focus its business activities on client advisory and support services for its three target groups – wealthy private clients, corporate clients and institutional clients. The Bank aims to achieve a close-knit, cross-client group network of branch operations and capital market-oriented business.

Due to the allocation of net income for 2012, the Bank's core capital ratio rose to in excess of 13 %. The figures in the annual financial statements reflect a good financial year in 2013.

Notes on Net Assets and the Financial Situation

As of 31 December 2013, at € 2,898 million the **group total assets** of Bankhaus Lampe were down on the previous year's level of € 3,132 million.

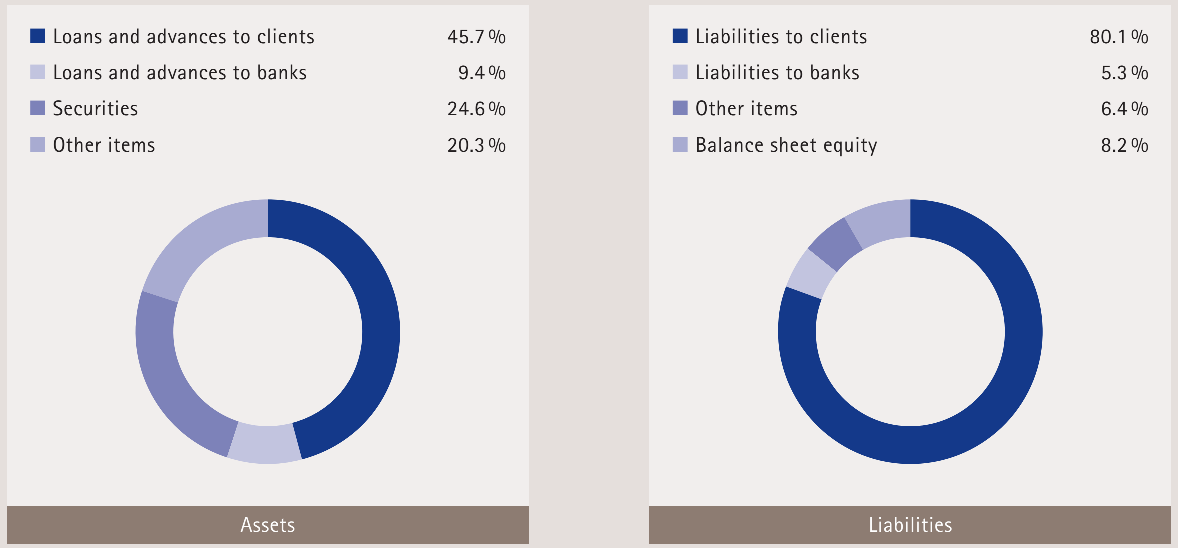
At € 1,324 million, **loans and advances to clients** were slightly above the prior-year level of € 1,308 million as at 31 December 2013. The magnitude of the credit portfolio facilitates an adequate diversification of risks, on the one hand, while also remaining consistent with the risk-bearing capacity of a private bank, on the other. As the basic focus of Bankhaus Lampe KG's business activities is on advisory services rather than on-balance-sheet business, the current growth strategy should not lead to a material increase in total assets.

Client deposits fell by € 140 million to € 2,322 million as at 31 December 2013 (previous year: € 2,462 million). Accounting for 80.1 % of total assets, client deposits represent the most important source of refinancing and significantly exceed Bankhaus Lampe KG's credit business. The high overall proportion of client deposits underlines the solidity of the Bank's balance sheet structure.

The Bank had a comfortable **liquidity position** throughout the 2013 financial year. As at 31 December 2013, the liquidity ratio pursuant to the German Liquidity Regulation was 4.9 (previous year: 3.9).

Due to the allocation from shareholder funds of € 21 million, the Bank's reported equity rose to € 238 million and made up 8.2 % of total assets as at 31 December 2013 (previous year: 7.0 %).

Balance sheet structure in 2013 in %



Notes on the Income Situation

Net interest income was down slightly on the previous year, by € 1.4 million to € 55.7 million. Current income from securities and shareholdings was up by € 2.3 million to € 12.4 million, and income from associated companies increased by € 3.6 million to € 3.8 million. Meanwhile, interest income from credit and money market transactions declined by € 8.8 million to € 58.2 million. The decrease in interest expenses of € 3.9 million to € 39.8 million was a result of the general interest rate situation.

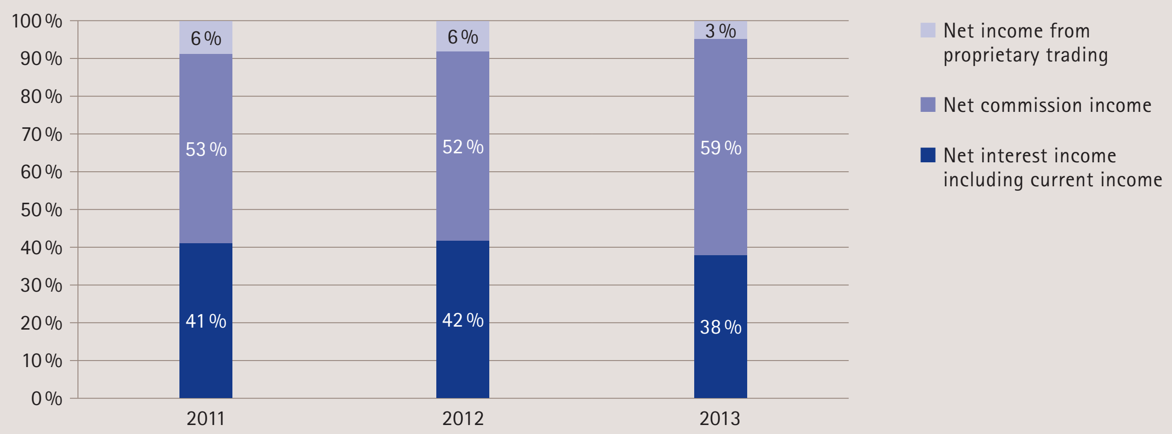
At € 86.8 million, **net commission income**, which is dominated by securities trading, was up by 22.7 % on the figure of € 70.8 million in the previous year. The contribution to income from hedging transactions (interest rate and currency management) was broadly constant. The capital market-oriented advisory business has already resulted in significant contributions to income as well.

Net income from proprietary trading was down overall in the financial year (€ 3.9 million from € 8.2 million in 2012). As in the previous year, a statutory reserve of € 0.5 million (€ 1.0 million in the previous year) derived from net income from trading activities was maintained in the 2013 financial year in accordance with section 340g of the German Commercial Code (HGB) in conjunction with section 340e (4) HGB. In future, this amount will be available as additional risk cover.

As at 31 December 2013, the Bank reported a positive **valuation result** of € 3.4 million (prior year: € 5.2 million), which includes a valuation result from the credit business of € 1.9 million (previous year: a loss of € 7.1 million), consisting of net reversals of specific valuation adjustments, provisions, depreciation and changes in general valuation adjustments. There was a net valuation gain on securities held in the liquidity reserve of € 1.5 million (previous year: € 12.3 million) as at 31 December 2013.

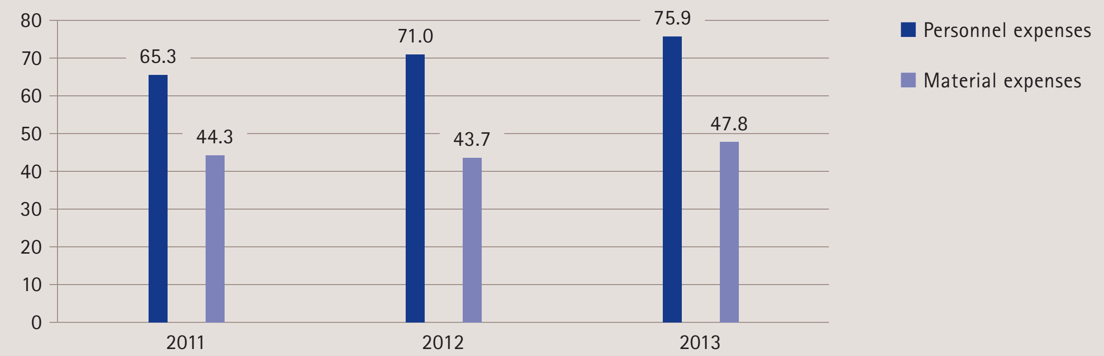
Other operating income declined by € 4.0 million to € 5.5 million. This was mainly attributable to lower reversals of provisions of € 2.4 million (previous year: € 5.4 million).

Net Interest Income, Net Commission Income and Net Income from Proprietary Trading in %



Personnel and material expenses, including depreciation and valuation adjustments on intangible assets and property, plant and equipment, rose by 9.3 % from € 117.2 million to € 128.1 million during the 2013 financial year. This was attributable to the growth-related increase in personnel costs to € 75.9 million (prior year: € 71.0 million), and to the rise in other administrative expenses, which totalled € 47.8 million (previous year: € 43.7 million). Setting up the Capital Markets & Advisory business segment had an impact on personnel costs. The rise in other administrative expenses was due in particular to higher data processing as well as legal and advisory costs.

Personnel and material expenses in million euros



Other operating expenses (€ 2.5 million) were down on the previous year due to lower allocations to provisions.

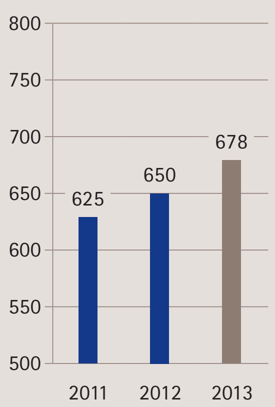
Bankhaus Lampe KG did not require the planned **risk costs** in the credit business during the 2013 financial year thanks to good credit portfolio quality and the satisfactory economic situation. All identifiable risks were taken into account at an early stage via adequate valuation adjustments and provisions, which were fully covered by the Bank's net operating result.

As in the previous year, the reported **accumulated profit** amounted to € 21.0 million. The Group plans to further strengthen its core capital by using this amount as part of a pay-out/clawback arrangement.

Corporate Responsibility

A company's most important and valuable resource is its employees. As a private bank with a strong focus on quality, Bankhaus Lampe assigns a high priority to this aspect of its business. Once again in 2013, Bankhaus Lampe invested great effort and care into recruiting new employees and junior staff as well as training existing staff. Bankhaus Lampe's declared aim is to retain staff at the Bank for as long as possible. Good staff development planning is a key aspect in this regard.

No. of employees



As at 31 December 2013, 678 staff were employed at Bankhaus Lampe Group (previous year: 650). The average length of service was more than nine years. The staff turnover rate – the ratio of those leaving the Bank to the total number of staff – was 6.5 % and therefore slightly below the latest average industry ratio calculated by the German employers' association for the private banking sector of 6.6 %.

The high standards that Bankhaus Lampe expects of its staff are also reflected in employees' continuing professional development; 1,380 seminar days were provided by 230 training courses. In addition, numerous employees were studying part-time for professional degrees or took part in certified training courses. The main topics covered were financial and estate planning, executing wills, advisory services for foundations and risk management. Total training costs amounted to € 549,000.

An **occupational health management** concept was developed during the period under review and will be implemented in spring 2014. The objectives are to maintain and promote employees' physical and mental capabilities.

As part of its promotion of **young academic talent**, as in past years, Bankhaus Lampe contributed to the University of Duisburg-Essen's scholarship programme. In association with other companies, the UDE scholarship programme currently provides 333 gifted, high-achieving students with financial support. In addition, close cooperation with select universities has afforded many students the opportunity to complete their internships at Bankhaus Lampe. In line with their main fields of study, 16 student employees and 47 interns had the chance to apply their theoretical knowledge in practice during the year, enabling the Bank's specialist departments to become better acquainted with potential candidates for future positions at the Bank.

The Bank's **trainee programme**, which was relaunched in autumn 2012, was successfully completed by all four trainees in 2013. The second trainee programme, with a focus on Private & Corporate Clients, has been running since autumn 2013. The programme aims to offer qualified graduates training specifically geared to the requirements of Bankhaus Lampe, while further developing their professional and personal skills.

Bankhaus Lampe was actively involved in **cultural, social and community projects.** For example, regional sponsorships were awarded to talented young pianists in cooperation with Steinway Germany. The collaborations with the Kunstmuseum Bonn and the Zeit-Stiftung Ebelin & Gerd Bucerius foundation in Hamburg were continued successfully. Various evening lectures on topical issues were held at the Bank's branches. Many employees also pursued professional engagements outside the Bank, for example as speakers and visiting lecturers. In the social and healthcare sector, our staff were involved with the Kinderschutzbund (association for the protection of children) in Bielefeld and the Deutsche Multiple Sklerose Gesellschaft (German multiple sclerosis society).

The aspects of **sustainability** and **environmental protection** are of central importance to a private bank that thinks and acts for the long term. Based on our environmental protection policy, corresponding guidelines have been developed that are binding on all staff. The primary objective of Bankhaus Lampe Group is to save energy and preserve resources. For example, electricity supply contracts from renewable energies were concluded for additional offices in 2013. This means that nine out of twelve branches are now supplied with renewable electricity.

Report on Events after the Balance Sheet Date

Since 1 January 2014 there have been no events of particular significance that could be expected to have a material effect on Bankhaus Lampe Group's net asset, financial and income situation.

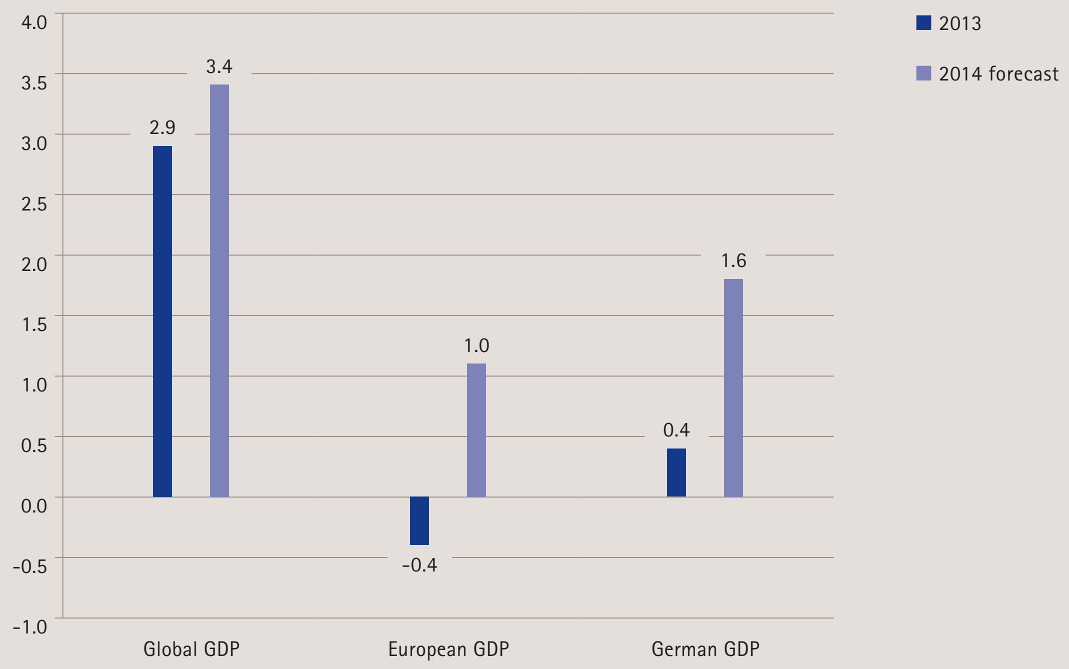
Outlook and Opportunities

A moderate rise in global economic growth to 3.4 % is expected for 2014. In Europe, the persistently unresolved structural problems in some countries will also weigh on GDP growth in 2014, leading to an increase in economic output of only 1.0 % relative to 2013. More than half of this amount looks set to be generated in Germany, which will remain the European Monetary Union's key economic driver thanks to its more broad-based and dynamic growth. In 2014, companies in Germany are likely to proceed with investments that they have postponed in the past and should therefore noticeably contribute to GDP growth, which is estimated at 1.6 %.

An increase in inflationary pressure is not foreseeable given the high unemployment in the euro area. The inflation forecast for 2014 is 1.2 % in the euro area and 1.6 % in Germany.

The central banks in the industrialised countries will probably adhere to their low interest rate policies in 2014 and thereby continue to ensure that the sovereign debt crisis is managed via financial repression. Consequently, government bond yields will rise moderately at most. Our forecasts for the 10-year Bund yield in 2014 are 2.1 % on a six-month horizon and 2.2 % on a twelve-month horizon.

2014 GDP growth forecast in %



A marked correction in the euro/US dollar exchange rate is anticipated in the first half of the year. The euro is projected to trade at USD 1.30 on a six-month horizon and at USD 1.32 on a twelve-month horizon. The dollar is likely to benefit from the fact that the US central bank is exiting its ultra-expansionary monetary policy more rapidly than the ECB.

The DAX should be subject to greater volatility in the first half of 2014 due to uncertainty surrounding US monetary policy and possible event risks such as the European election and the stress test applied to banks in the euro area. The DAX is forecast to reach 9,750 points by the end of the year.

Trends in the market and sector environment in 2014 will be similar to those in the year under review. The continued low interest phase, implementation of forthcoming regulatory initiatives and severe loss of confidence will be the main challenges facing the banking sector.

// Bankhaus Lampe will systematically implement its overall bank strategy in 2014 and continue to address the three areas that it has identified as requiring action: growth, stable funding and an adequate core capital ratio.

For a private bank that prepares its accounts in accordance with the German Commercial Code (HGB) and does not have an external public rating, a **high core capital ratio** is a reliable indicator of its solvency and reputation. Accordingly, Bankhaus Lampe has improved its core capital ratio in recent years, from 10.2 % in 2010 to more than 13.0 % in 2013. It therefore more than comfortably meets all regulatory requirements. The Bank aims to strengthen its capital base even further in 2014 by achieving an appropriate level of net income.

The balance sheet structure will also ensure **solid refinancing** for Bankhaus Lampe in 2014. Significant growth in total assets is not one of the Bank's objectives; instead, it intends to maintain the volume of loans and advances to clients within a range of € 1.3 billion to € 1.5 billion. Refinancing will also be largely covered by client deposits in future.

Bankhaus Lampe is primarily pursuing an organic growth strategy in line with its goal of ensuring that the company is of **sufficient size.** Growth via acquisitions is generally unusual for private banks, or if at all, it is conducted on a predominantly opportunistic basis.

Now that the **capital markets** business has been extended substantially and is fully staffed, activities in 2014 will focus on successfully positioning products and services on the market. The aim is to generate a significant contribution margin in the first full year of business.

In the **private client business,** intensive market observation, successful portfolio management and an adjusted product offering are necessary given the persistently low interest rate environment and volatile equity markets. Due to the (out)performance of the wealth management business in recent years, Bankhaus Lampe is confident that it will continue to offer its clients promising and risk-appropriate returns in 2014. The Bank also expects an increase in demand for absolute return products, which it will meet thanks to the investment approaches developed together with its subsidiary Dale in particular.

The **corporate client business** has generated stable contributions to earnings in recent years and has been largely characterised by high credit quality, combined with low defaults. Bankhaus Lampe will continue to pursue a cautious lending policy in 2014 and therefore expects that it will not actually require all the risk costs specified in its budget.

Thanks to its experience in placing issues, Bankhaus Lampe will continue to expand its issuing **business with institutional clients.** Sales activities in London and New York will also contribute to this process. The Lampe Asset Management GmbH, Lampe Equity Management GmbH and Caplantic GmbH subsidiaries also play a highly important role in broadening the product range for institutional clients.

In addition to the traditional business areas at Bankhaus Lampe and the establishment of a capital market-oriented advisory department, the range of services is being continuously extended and tailored to the requirements of the Bank's client groups.

Overall, Bankhaus Lampe expects **net interest income** to weaken slightly as the current low interest rate level looks set to prevail and there will be no expansion of the capital-intensive business. However, thanks to its largely maturity-matched balance sheet structure, interest-related operations at Bankhaus Lampe will be less affected than other competitors by the decline in maturity transformation.

Bankhaus Lampe is confident with regard to **net commission income.** The extended service offerings to all three client groups are expected to have a positive impact.

It is difficult to estimate **net income from proprietary trading** owing to uncertainty surrounding the trends on the financial markets. However, the Bank assumes that trading activities will provide a corresponding contribution to earnings in future.

As growth in **administrative expenses** is projected to be moderate, the Bank expects the profit for the year to reach the prior-year level in 2014.

// Bankhaus Lampe is well equipped to operate in the current market environment thanks to its solid core capital base, comfortable deposit situation and the stable background provided by its owners. One of the main challenges still facing the Bank is to meet forthcoming regulatory requirements. Although the Bank is in a solid position thanks to its business model and will benefit from the problems in the financial services industry, the importance of prudent management at the Bank will increase in periods of significant market turmoil.

Risk Report

Bankhaus Lampe's risk management focuses on avoiding significant negative effects on profits to enable it to generate a return on capital employed commensurate with risk. We therefore identify, assess, control, monitor and communicate the main risks promptly at Group level and back them with capital. We place a particular focus on risk concentrations. An annual risk review ensures that all risks are taken into account in their entirety. In the reporting year, no risks that endangered the existence of Bankhaus Lampe or its development were identified.

For the purpose of a quarterly risk bearing capacity calculation in accordance with the leading liquidation approach, all types of risk are evaluated at a confidence level of 99.9 % using a risk horizon of one year. All individual risks are included in this calculation on a conservative basis, i.e. risk-lowering correlations are disregarded, and then aggregated to an overall bank risk level. The resulting figure must always be less than the sum of the Bank's equity and available reserves.

In a conservative approach, planned positive results, if any, are not recognised and subordinated capital is merely regarded as an additional risk buffer. In 2013, the overall bank risks calculated according to these methods were always well below the Bank's defined risk capacity. Utilisation at all reporting dates was between 50 % and 56 %.

As at 31 December 2013, the conservatively calculated total risk contribution of € 173.0 million was broken down by type of risk as follows:

- 37.2 % credit risks
- 21.9 % shareholding risks
- 19.2 % market risks proprietary trading/ liquidity reserve
- 17.5 % operational risks/reputation risks
- 3.5 % market liquidity risks proprietary trading/ liquidity reserve
- 0.7 % Interest rate risks in the banking book

A calculation is also carried out every quarter in accordance with the going concern approach. Capital invested in accordance with the German Solvency Regulation (Solvabilitätsverordnung, SolvV) is subtracted from the capital available for risk cover. The total bank risks (calculated at a confidence level of 95 %) are then compared to the remaining level of risk cover. According to this method, utilisation was between 42 % and 52 % as of all reporting dates.

Moreover, as part of a quarterly stress test that includes all risk classes, we simulate a serious economic downturn and an extreme loss of confidence in the markets or among clients following an external event. In the reporting year, the stress tests identified no effects posing a threat to the Bank's existence as a going concern. Using qualitative inverse stress tests, we analyse various scenarios that could be critical to the survival of the Bank. These scenarios are selected on the basis of the business model of a private bank and the Bank's main sources of income and risk.

In accordance with the requirements of the German Solvency Regulation (SolvV), the consolidated total ratio in the report submitted to the bank supervisory authorities amounted to 21.7 % as at 31 December 2013. The mandatory minimum requirement of 8.0 % was clearly exceeded during the entire financial year.

The Bank uses derivative financial instruments primarily as hedging instruments. Interest rate swaps in the OTC market and futures and options on Eurex are the preferred products. Such items are closely integrated into the risk management system. The report on the use of derivative financial instruments is included in the annex to the Bankhaus Lampe KG annual report.

Credit Risks

Credit risks include potential losses due to default or a change in the credit rating of business partners. They are subdivided into general credit risks, counterparty risks, issuer risks and country risks. The Bank's credit risk strategy follows all qualitative and quantitative requirements for risk control and forms the basis for credit business. The focus is on short-term financing, primarily in Germany. In order to avoid inappropriate concentrations of risk, the credit risk strategy specifies limits for credit value-at-risk, gross and net volumes of exposures, and other aspects.

The Bank's credit committee is responsible for the management of credit risks in both individual cases and the total portfolio. Supported by an early-warning system, profit centres and individual key personnel manage risks. Close cooperation between the risk controlling department and back-office functions, together with the professional handling of problematic loans, ensures the prompt identification of potential risks. The customer loan portfolio focuses on borrowers with above-average credit ratings.

We use a widespread and recognised credit portfolio model to quantify portfolio risk. The key performance indicator is the credit value-at-risk at a confidence level of 99.9 % for a one-year period.

As at 31 December 2013, the credit value-at-risk came to € 54.1 million. It was also well below the defined upper limit for the entire period under review and therefore in accordance with the credit risk strategy. In addition, risk contributions are calculated for bank and issuer risks and for default exposures at the same confidence level. These amounted to € 10.2 million at the end of the year.

The analyses are complemented by regular model-based, historical and hypothetical stress tests and ongoing monitoring of relevant early-warning indicators. These provided no evidence of developments threatening the Bank's existence as a going concern. The procedure is based on specific rating systems for target customer groups and takes into account both quantitative and qualitative criteria. Significant parameter and method specifications are regularly reviewed and, if appropriate, adjusted to take account of altered conditions.

The risk controlling department prepares a comprehensive quarterly report on risks within the credit portfolio and significant individual commitments, together with information on the utilisation of the various limits. Efficient ad hoc reports complete the reporting system. No unacceptable risks were detected at any time in the reporting year.

The Bank does not use securitisation or loan derivatives to hedge risks. It mitigates risk on an individual basis through volume reductions, sub-participations or by obtaining additional collateral or appropriate covenants. In addition, portfolio effects are used to minimise total risk.

In the reporting year, the Bank reported a positive valuation result in the credit business having regard to reduced general valuation allowances. Utilisation of the planned standard risk costs was low.

Market Risks

Market risks are potential losses due to detrimental changes in market prices or price-influencing market parameters. Depending on the relevant factors, they can be subdivided into interest rate change risks, currency risks and other price risks, as well as spot rate, forward and option risks. Moreover, market risks also include spread risks from annuity bonds and promissory note loans.

Market risks are controlled on the basis of a detailed trading strategy, which defines proprietary trading as a supplementary source of revenue that contributes correspondingly to basic profitability. Proprietary trading occurs mainly in euros on European markets and stock exchanges; currency risks play a subordinate role. The bank has no exposure to commodity risks.

The limit system is laid down in the trading strategy. It consists of upper loss limits, loss limits, risk limits, volume limits if applicable and includes reporting regulations and, in cases of critical limit utilisations, sanction mechanisms. At year end, the loss limits for proprietary trading, including the liquidity reserve of € 21.3 million, were broken down by type of risk as follows:

// 66.7 % interest rate and spread risks
// 25.8 % price risks
// 7.5 % currency risks

In addition, a loss limit was set up for capital market transactions mostly as a reserve limit of € 12.0 million. All the aforementioned loss limits count as risk contributions in the risk absorption capacity calculation instead of actual value-at-risks. In the case of mostly low limit utilisations, this represents a conservative approach.

Market risks are managed by an internal risk management committee, which meets at least once a month. The risk control department monitors risks controlled by trading.

We use the variance-covariance approach and historical simulation as our main instruments for risk measurement. Using this approach, we calculate risks from market price changes in the form of potential losses based on historical data from the last 250 trading days or longer. Bankhaus Lampe quantifies the risks from potential changes in the market price as part of the daily control process at a confidence level of 97.7 % assuming a holding period of one trading day. In addition, risks are calculated on the basis of 99.0 % and a ten-day holding period. As at 31 December 2013, these regulatory parameters gave rise to a value-at-risk of € 10.4 million for all proprietary trading including the liquidity reserve. Limit allocation, specification of risk parameters and risk evaluation methods are regularly reviewed and adjusted as necessary if conditions change.

Trading results, risk estimates and limit utilisations are reported every working day, broken down by risk area, and presented to all relevant decision makers in the reports down to the sub-portfolio level. Additional special analyses as well as model-based, historical and hypothetical stress tests complement the reports. The quality of the risk assessment is ensured by back-testing analyses in which the statistical assumptions are compared with actual empirical developments.

We use Eurex products and OTC interest rate derivatives to hedge underlying positions in securities and promissory note loans. Hedge effects are monitored on a daily basis by the risk control department. In the case of critical utilisations, the Bank implements immediate reductions in its risk positions to protect the upper loss limit with a confidence level of 99.9 %. In the year under review, there were no cases requiring intervention.

Interest Rate Risks in the Banking Book

In accordance with the trading strategy, interest rate risks in the banking book are kept to a minimum by an appropriate refinancing policy and managed by the treasury department separately from other market risks. Additional monitoring is performed by the internal risk management committee.

A monthly historical simulation is carried out to quantify the risks using the net present value method at a confidence level of 99.9 %. For fixed interest rate positions, agreed interest terms are taken into account at all times.

For variable and open-ended interest rate positions, appropriate mixing ratios of sliding averages are assumed on the basis of expert assessments. Implicit options and potential special repayments play a subordinate role.

Cash values, cash flow structures and key risk figures of the interest rate positions in the banking book, grouped according to sub-portfolio, are presented on a monthly basis. Limit utilisations, effects of interest rate shocks pursuant to the German Insolvency Regulation (SolvV), and the results of stress tests and back-testing are also reported. As significant fixed interest positions in the banking book are usually refinanced or interest-rate hedged through simultaneous back-to-back transactions with matching maturities, this type of risk is insignificant for the bank as a whole. As at 31 December 2013, the value-at-risk came to € 1.2 million.

Risks from Shareholdings

Risks from shareholdings are defined as potential losses that could arise from the provision of equity and mezzanine capital.

Bankhaus Lampe's strategic objectives for shareholdings are set out in a separate shareholding strategy. All of the Bank's shareholdings are classified as strategic holdings, financial holdings (including private equity), and other enterprises. They are allocated to the appropriate Bank division for operational management and responsibility.

Shareholding risk is managed and controlled by independent bodies within the Bank. Major decisions on shareholdings are made on a case-by-case basis by the Bank's general partners. To some extent, the limited partners are involved in the decisions. A detailed investment process and total risk limit is also in place for the private equity business. The profitability of the shareholdings is constantly monitored and analysed.

As part of internal risk control, capital backing is provided for all investments following the simple IRB approach in accordance with the German Solvency Regulation (SolvV), based on a risk contribution of 37.0 % calibrated at a confidence level of 99.9 %. The calculation is based on the book values of holdings, mezzanine capital, loans and, if applicable, additional funding obligations. As at 31 December 2013, this gave rise to a conservatively calculated risk contribution of € 37.8 million. Ongoing monitoring of early-warning indicators completes the risk monitoring.

The control department for holdings prepares comprehensive quarterly shareholdings reports and appropriate ad hoc reports on the individual capital components of holdings and on all important business and risk developments of the various companies. There were no critical developments in the year under review.

For risk management purposes, Bankhaus Lampe is generally granted extensive information and voting rights in the individual companies. In addition, employees of the Bank normally sit on supervisory bodies.

Liquidity Risks

Liquidity risks include call, maturity, refinancing, and market liquidity risks.

The main objective, set out in a separate liquidity strategy, is to secure the Bank's solvency at all times and at the same time optimise profit. Sufficient liquidity reserves are always maintained to avoid liquidity constraints. Securities and derivative financial instrument transactions are generally concluded in the most liquid markets. We also take ECB eligibility into account in the case of annuity bonds and promissory note loans serving as a liquidity reserve. For the most part, liquidity maturity transformation is conducted on a very short-term basis. Thanks to a comfortable deposit situation in client business, liquidity remained very sound throughout the past year.

Any credit lines granted, but not utilised, are not included as reserve positions. Non-binding money market lines at other credit institutions are regularly tested.

The treasury & trading department is responsible for controlling liquidity risks. The refinancing structure is constantly optimised by taking costs into account. The internal risk management committee is responsible for management of the risks, while the risk controlling department is in charge of monitoring them.

A model-based method is not applied to quantify liquidity risks. Bankhaus Lampe's consistently very good liquidity situation is demonstrated, for example, by the regulatory liquidity ratio, which was 4.9 as of 31 December 2013, and was consistently well above the minimum requirement of 1.0.

The Bank mainly uses detailed monthly liquidity forecasts, early warning indicators and various stress tests to monitor liquidity risks. Such tests simulate in particular the effects of significant damage to the Bank's reputation or an extreme economic crisis on the Bank's liquidity situation. Sufficient refinancing would be ensured even if such scenarios were to occur.

A conservative liquidity policy and ongoing control reduce liquidity risks in money market trading. During the crisis, for example, a sufficient reserve of demand deposits was maintained at all times for emergency situations. Market liquidity risks are restricted through limitation of the permissible markets for the individual trading portfolios and by means of rigorous internal requirements for counterparties and product selection. In addition, an appropriate capital charge is set for such type of risk in the risk absorption capacity calculation. As at 31 December 2013, the risk contribution for proprietary trading, including the liquidity reserve, was € 6.1 million.

Operational Risks/Reputation Risks

Operational risks (OR) include the risks of losses incurred as a result of the inadequacy or failure of internal procedures, people or systems, or as a result of external events such as natural disasters. Legal risks and risks to reputation are also defined as operational risks.

A special OR strategy forms the basis for handling operational risks throughout the Bank. The general partners are responsible for managing this type of risk. Risk control is carried out by specific OR officers in the specialist departments.

The specialist departments or law firms retained by the Bank are responsible for legal risks. Standardised agreements customary in the industry are used as an important risk reduction tool. Adequate provisions have been recognised for current litigation.

The particularly sensitive area of IT risks is covered by extensive and appropriate protective measures of a technological and organisational nature. The Bank also continually refines its information security and business continuity management systems in accordance with prevailing standards.

The Bank does not quantify operational risks on the basis of a model. Its methods of analysis consist of the maintenance of an internal database for cases of loss (of over € 1,000) together with a regular bank-wide self-assessment programme. Bankhaus Lampe uses the basis indicator approach in accordance with the German Solvency Regulation (SolvV) to measure the regulatory capital requirement.

The ratio calculated at group level is also recognised as a risk contribution as part of the internal risk measurement. In addition, theoretical capital charges are added for new business areas and shareholdings on the basis of budget figures. To cover reputation risks, the ratio is multiplied by a predetermined factor to raise it to an appropriate level. As at 31 December 2013, this gave rise to a risk contribution of € 30.3 million.

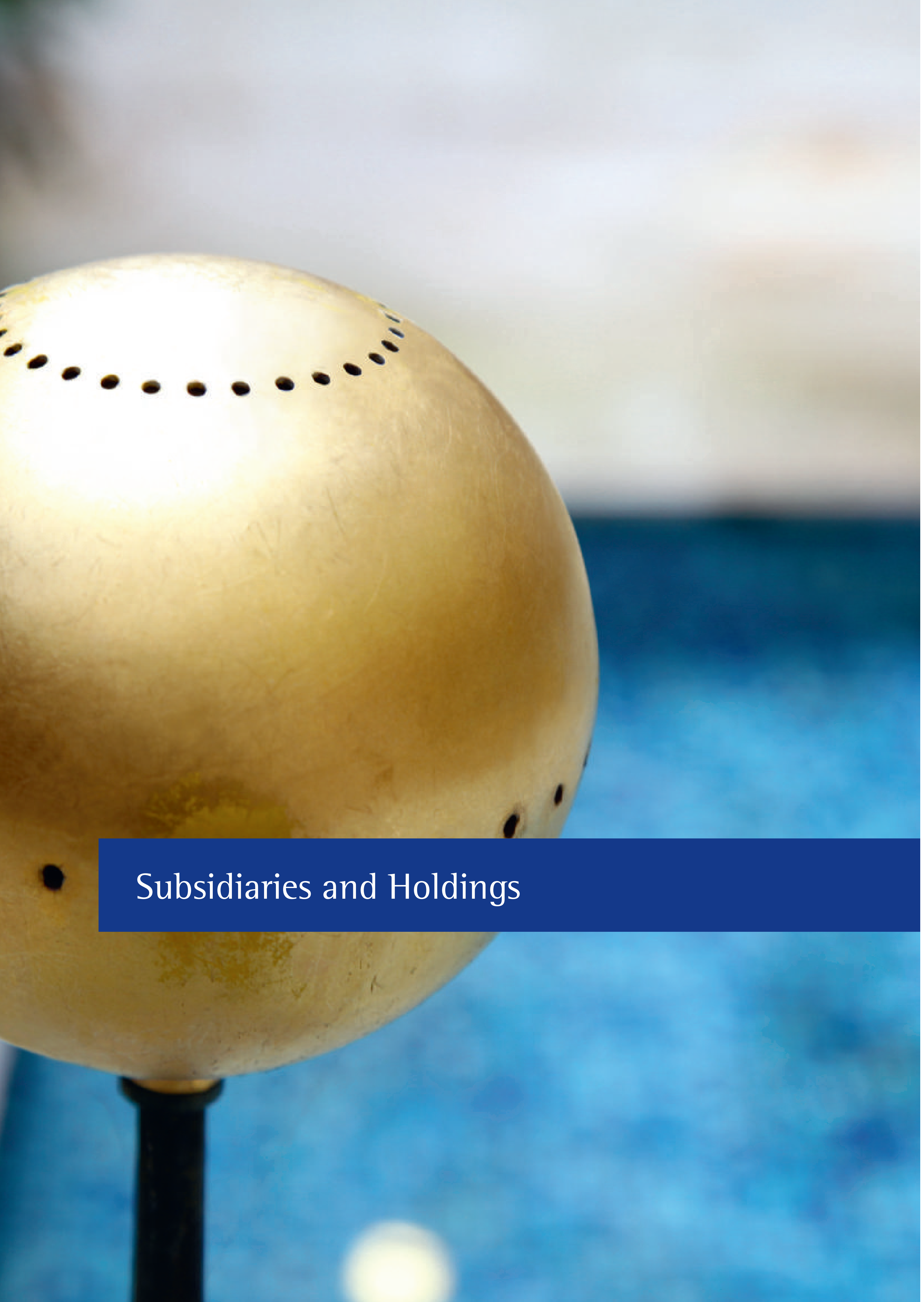
The general partners are always kept fully informed of the Bank's operational risks. This is achieved through the quarterly standard reports taken from the loss database, a regular presentation on the development of selected operational risks, and ad hoc reports on special cases.

The reduction of operational risk is achieved primarily through close communication between the risk units and the decision-makers and case-by-case risk-mitigating action. Raising awareness of operational risks among all employees creates transparency and thus reduces the risk of loss.

Strategic Risks

Strategic risks refer to the uncertainty relating to earnings performance due to business policy decisions or changed conditions such as market environment, customer behaviour or technological advances.

Management of strategic risks by the general partners is based on an annual forward projection of the overall bank strategy as part of the strategy and planning processes. The decision makers are supported in their strategic management by the quarterly short-term income statement, the monthly profit and loss account, and analyses of the earnings structure in response to specific situations. This process ensures close monitoring of compliance with the strategic goals and guidelines.



Subsidiaries and Holdings

The Bankhaus Lampe Group comprises several subsidiaries and various holdings in addition to Bankhaus Lampe KG. The Group as a whole offers a range of comprehensive advisory and other services that are tailored to the requirements of our clients.

Lampe Asset Management GmbH offers a comprehensive and professional array of asset management services to institutional clients. Its services range from traditional asset management to individual specialist fund mandates and mutual fund concepts. The product offering includes traditional fixed income portfolios, investment grade corporate bonds, actively managed equity portfolios and absolute return strategies, which also include strong exposure to basic materials and commodities. The product range is further complemented by customised capital preservation concepts. Because Lampe Asset Management focuses on the core functions of asset management, the company cooperates with many renowned custodian banks and capital investment companies and is a sought-after partner for segment funds within the Master-KVG environment.

The company devises tailor-made investment solutions for each client and implements them based on an active approach to asset management. This approach is deliberately restricted to specific core competencies and focuses on the absolute return achievable for the client. Risk management is highly important in this regard – a fundamental element of portfolio management, especially in the case of capital preservation mandates.

Besides traditional investment universes, Lampe Asset Management GmbH is also increasingly offering its clients investment solutions that are geared towards sustainability criteria. In order to meet rapidly growing demand for sustainable investment solutions, Lampe Asset Management GmbH stepped up its cooperation with oekom research AG in the year under review. The large number of new mandates arranged with church-related investors and foundations supports the company's decision to extend its range of sustainable investment solutions that are tailored to client demands.

The company also offers attractive solutions for outsourcing pension liabilities, which create accounting advantages for its clients.

By clearly focusing on core competencies, Lampe Asset Management is systematically withdrawing from activities that purely involve administrative functions. In its core business of traditional asset management, Lampe Asset Management continued to grow in 2013 and gained a large number of new mandates. Accordingly, the total volume of reported assets in the year under review grew to € 6,227 million (€ 6,175 million in the previous year).

Lampe Beteiligungsgesellschaft

Lampe Beteiligungsgesellschaft mbH offers Bankhaus Lampe KG's medium-sized corporate clients a range of complementary services for all aspects of acquisition and management of corporate investments in any type or legal form. The product range also includes customised fiduciary services and mezzanine financing.

Lampe Credit Advisors

Lampe Credit Advisors GmbH offers services relating to complex issues to European financial institutions, insurance companies and public-sector institutions. These services include regulatory advice, the structuring and arrangement of investment and refinancing solutions, portfolio and risk management services and comprehensive advisory and other services relating to strategic partnerships and equity holdings. Lampe Credit Advisors GmbH is a partner in Caplantic GmbH, a joint venture established between Bankhaus Lampe and Nord/LB in 2012. Caplantic GmbH provides banks, insurance companies and institutional investors with administrative support, risk modelling and reporting on various investment products, especially alternative asset classes. Caplantic GmbH also structures innovative investment products such as alternative (credit) funds or managed debt accounts that invest in loans and comparable financial instruments.

Lampe Equity Management

Lampe Equity Management GmbH offers institutional and private investors exclusive investment opportunities in the field of alternative assets. This is the successor company to Lampe Corporate Finance GmbH. The business segment of Lampe Corporate Finance GmbH with a focus on M&A/corporate finance was hived off and integrated into Bankhaus Lampe's capital market business in September 2013. The part of the business which specialised in equity investment activities was renamed Lampe Equity Management GmbH.

The main focus is on investments in the renewable energy sector via the CEE Holding GmbH & Co. KGaA equity investment company, which is managed by Lampe Equity Management GmbH. In conjunction with a Luxembourg-based specialist fund, Lampe Alternative Investments S.A, SICAV-FIS (with the two sub-funds LAI-CEE Sidefund I and II), institutional investors have now pooled over € 400 million in equity and thus achieved a total investment volume of some € 1 billion.

CEE investments currently include 19 photovoltaic parks in Germany with a total output of 185 megawatts, seven German wind farms and one French wind farm with a combined total of 92 megawatts, and eight biogas and biomass plants with an output of around 20 megawatts. As a result, the renewable energy power plants run by the CEE Group generate a total of over 445 gigawatt hours of green electricity per year, supplying around 100,000 households in Germany. In addition to these activities, CEE Holding has worked with RWE Innogy since 2011 to invest in technology companies in the field of cleantech, thus benefiting from the industrial expertise of the RWE Group.

Further investment opportunities in the field of shipping are offered via Vilmaris Management GmbH, the management company of Vilmaris GmbH & Co. KGaA, a shipping investment company that purchases, sells and charters sea-going vessels. Its portfolio currently consists of two bulk carriers and a newly built container ship that was added in 2013.

Lampe Privatinvest

The services provided by Lampe Equity Management GmbH also include **Lampe Privatinvest Management GmbH,** which enables a select group of entrepreneurial private investors to buy minority interests in German SMEs. A conscious decision has been taken not to use fund structures so that every investment is flexible and geared to the relevant investor's needs, as well as to ensure long-term support for the respective companies.

Lampe Vermögenstreuhand

As an independent multi-family office, **Lampe Vermögenstreuhand GmbH** is committed to a holistic approach when advising families, companies and foundations on wealth-related issues. Working with clients, individual, return and risk-oriented wealth strategies are developed, the right asset managers are selected and the full asset portfolio is managed by taking all asset classes into account. Individual solutions and transparent reporting when dealing with complex asset structures are an essential part of its service, as is cross-generational advice on succession planning.

DALE Investment Advisors

Bankhaus Lampe has access to the Austrian market through its majority holding in Vienna-based **DALE Investment Advisors GmbH.** DALE has extensive experience in managing significant family wealth, private foundations and pension plans. Moreover, DALE has established itself in the field of ethical and sustainable investments and is a specialist in absolute return products. Bankhaus Lampe's clients in Germany also benefit from this expertise.

UNIVERSAL INVESTMENT

Bankhaus Lampe holds a major interest in **Universal-Investment-Gesellschaft mbH,** Frankfurt/Main. The stake was 50.0% as at year-end. With funds under management of some € 190 billion (as at 31 December 2013), 1,738 special investor and mutual fund mandates and approximately 500 staff, Universal-Investment is one of Germany's most successful investment companies. It is an important partner for Bankhaus Lampe Group in the specialist fund area.

All the subsidiaries and investments performed at least in line with planned targets in the year under review. The strong demand for these companies' client services and expert advice also inspires confidence for the current financial year.

Consolidated Financial Statements for 2013

Consolidated Balance Sheet for Bankhaus Lampe KG

as at 31 December 2013

Assets

in euros				2013	T€ 2012
Cash Reserves					
a) Cash on hand			986,504.11		1,107
b) Balances with central banks			383,636,447.88		536,828
thereof: at Deutsche Bundesbank	383,636,447.88			384,622,951.99	(536,828)
Loans and advances to banks					
a) Due on demand			148,820,452.42		204,838
b) Other claims			123,803,658.48	272,624,110.90	153,205
Loans and advances to clients				1,323,527,553.48	1,307,675
thereof: secured by liens on property	107,839,000.00				(67,635)
thereof: public sector loans	137,370,000.00				(134,570)
Debt securities and other fixed income securities					
Bonds and debt securities					
a) From public issuers		61,624,790.13			145,730
b) From other issuers		261,767,496.48	323,392,286.61		554,895
thereof: eligible as collateral for advances					
from Deutsche Bundesbank	323,392,286.61			323,392,286.61	(700,625)
Equity and other variable-yield securities				4,542,451.50	4,630
Trading portfolio				384,805,353.26	65,272
Shareholdings				31,809,983.33	31,243
thereof: financial institutions	7,145,552.58				(2,289)
thereof: financial services institutions	0,00				(0)
Shareholdings in affiliated companies				556,000.00	276
thereof: financial institutions	0,00				(0)
thereof: financial services institutions	0,00				(0)
Shareholdings in associated companies				34,772,513.67	34,284
Fiduciary assets				13,173,425.83	38,183
thereof: fiduciary loans	11,951,826.63				(12,123)
Intangible assets				3,001,681.08	2,736
Property, plant and equipment				24,231,230.79	20,431
Other current assets				92,778,582.12	24,514
Accruals and deferred items				4,189,532.98	6,262
Total assets				2,898,027,657.54	3,132,111

Liabilities

in euros				2013	T€ 2012
Liabilities to banks					
a) Due on demand			56,937,685.04		60,685
b) Subject to an agreed term or period of notice			95,247,563.27	152,185,248.31	151,471
Liabilities to clients					
Other liabilities					
a) Due on demand		1,426,047,963.98			1,404,834
b) Subject to an agreed term or period of notice		896,151,413.18	2,322,199,377.16	2,322,199,377.16	1,057,501
Trading portfolio				8,010,625.19	6,320
Fiduciary liabilities				13,173,425.83	38,183
thereof: fiduciary loans	11,951,826.63				(12,123)
Other liabilities				8,699,796.46	27,391
Accruals and deferred items				4,789,522.70	6,930
Provisions					
a) Provisions for pensions and similar obligations			12,787,900.00		12,974
b) Tax provisions			3,544,900.00		3,686
c) Other provisions			30,635,000.00	46,967,800.00	35,227
Subordinated liabilities				27,723,640.28	32,920
thereof: due within two years	723,640.28				(5,920)
Profit participation capital				20,000,000.00	20,000
thereof: due within two years	0,00				0
Funds for general banking risks				35,500,000.00	35,000
thereof special items according to Section 340e,					
Paragraph 4 of the German Commercial Code (HGB)	2,800,000.00				(2,300)
Equity					
a) Subscribed capital			70,000,000.00		70,000
b) Capital reserve			151,000,000.00		130,000
c) Other surplus reserves			16,645,000.00		17,823
d) Adjustments for minority interests			133,221.61		167
e) Consolidated profit			21,000,000,00	258,778,221,61	21,000
Total liabilities				2,898,027,657.54	3,132,111
Contingent liabilities					
Liabilities arising from guarantees and warranty agreements				84,189,203.95	100,601
Other liabilities					
Irrevocable lending commitments				78,852,000.00	96,639

Consolidated Profit and Loss Account of Bankhaus Lampe KG

for the period from 1 January to 31 December 2013

Expenses

in euros			2013	T€ 2012
Interest payable			39,803,770.65	43,740
Commission payable			32,178,625.86	57,313
General administrative expenses				
a) Personnel expenses				
aa) Wages and salaries	66,815,588.72			62,908
ab) Social security contributions and expenditure				
for pensions and related employee benefits	9,134,242.51	75,949,831.23		8,105
including pensions: (2,351,319.33)				(1,804)
b) Other administrative expenses		47,753,427.43	123,703,258.66	43,664
Depreciation and valuation allowances on				
intangible assets and property, plant and equipment			4,399,180.51	2,467
Other operating expenses			2,544,743.51	4,582
Taxes on income and profit			3,315,044.54	3,648
Other taxes not shown under				
"other operating expenses"			1,906,77	1
Allocation to the fund for general banking risks			0,00	4,000
Consolidated net income for the year			21,300,093.01	21,302
Total expenses			227,246,623.51	251,732

Revenues

in euros		2013	T€ 2012
Interest earned on			
a) Credit and money market transactions	58,247,754.24		67,089
b) Fixed-income securities and debt register claims	21,093,713.09	79,341,467.33	23,415
Current income from			
a) Equity and other variable-yield securities	11,717,922.78		9,407
b) Shareholdings	711,407.87		676
c) Shares in affiliated companies	0,00	12,429,330.65	0
Earnings from associated companies		3,768,151.93	163
Commission earnings		118,966,638.75	128,145
Net earnings from financial transactions		3,858,206.61	8,157
thereof: allocation according to Section 340e Paragraph 4			
of the German Commercial Code (HGB): 500,000.00			(1,000)
Earnings from write-ups to accounts receivable, certain			
securities, and from reversal of provisions in the credit business		3,406,216.82	5,150
Other operating earnings		5,476,611.42	9,531
Total revenues		227,246,623.51	251,732
Net income for the year		21,300,093.01	21,302
thereof profit due to other partners		-299,710.05	-302
Changes in reserves		0,00	0
		21,000,382.96	21,000
Advance distribution		0	0
Withdrawals from other retained earnings		0	0
Appropriations to other retained earnings		-382,96	0
Group profit		21,000,000.00	21,000

Audit Certificate

We have audited the consolidated financial statements prepared by Bankhaus Lampe KG comprising the balance sheet, the profit and loss account, the annex as well as the cash flow statement and consolidated statement of change in shareholders' equity, and the group management report for the business year from 1 January to 31 December 2013. In accordance with the requirements of German commercial law, the preparation of the consolidated financial statements and the group management report is the responsibility of the general partners of the Company. Our responsibility is to express an opinion on the annual consolidated financial statements and the consolidated annual report based upon our audit.

We conducted our audit of the consolidated financial statements in accordance with Section 317 of the German Commercial Code (HGB) and generally accepted German standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). These standards require that we plan and perform an audit such that any misstatements and infringements that would materially affect the presentation of net assets, financial position and results of operations in the consolidated financial report in accordance with principles of proper accounting and in the Group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations regarding potential misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report have primarily been examined on a random sample basis within the framework of the audit. The audit includes assessing the annual financial statements of the companies included in the consolidation, the determination of the companies to be included in the consolidation, the accounting and consolidation principles used and significant estimates made by the Company's general partners, as well as evaluating the overall presentation of the consolidated financial statements and the Group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with the principles of proper accounting. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Düsseldorf, 31 March 2014

PricewaterhouseCoopers
Aktiengesellschaft · Wirtschaftsprüfungsgesellschaft

Michael Peters	ppa. Holger Gathmann
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Consolidated Financial Statements Annex General Disclosures

Basic Accounting Principles

The consolidated financial statements of Bankhaus Lampe KG as at 31 December 2013 were prepared in accordance with the provisions laid down in the German Commercial Code (HGB) in conjunction with the Regulation on Accounting for Credit and Financial Service Institutions (RechKredV). Pursuant to Section 313 HGB, these consolidated financial statements have an exempting effect on the companies included in the List of Shareholdings, published in the electronic Bundesanzeiger (German Federal Gazette), within the meaning of Section 264 Paragraph 4 HGB.

The consolidated financial statements comprise the balance sheet, the profit and loss statement, the notes, the cash flow statement and the statement of changes in equity capital. Furthermore, a group management report pursuant to Section 315 HGB has been prepared.

Scope of consolidation

In addition to Bankhaus Lampe KG, the scope of consolidation includes the following companies:

Consolidated entities

Company	Equity in thousand euros	Share in company
Lampe UI Beteiligungs GmbH, Düsseldorf	26,064	100 %
Lampe Asset Management GmbH, Düsseldorf [1]	3,000	100 %
Lampe Beteiligungsgesellschaft mbH, Düsseldorf [1]	1,100	100 %
Lampe Equity Management GmbH, Hamburg [1]	1,000	100 %
Lampe Verwaltungs-GmbH, Düsseldorf	3,549	100 %
Lampe Credit Advisors GmbH, Düsseldorf	1,000	100 %
DALE Investment Advisors GmbH, Wien	1,110	61 %
Lampe Immobilien GmbH & Co. KG, Düsseldorf	415	100 %
BTF Beteiligungs- und Treuhandgesellschaft mbH, Frankfurt/Main [1]	52	100 %
Poseidon Beteiligungs-GmbH, Bielefeld [1]	52	100 %
TETRARCH Aktiengesellschaft, Düsseldorf [1]	50	100 %
Lampe Immobilien Verwaltungs GmbH, Düsseldorf	28	100 %
Lampe Vermögenstreuhand GmbH, Düsseldorf [1]	26	100 %

[1] A profit and loss transfer agreement exists with Bankhaus Lampe KG

Associated companies such as Universal-Investment-Gesellschaft mbH, Frankfurt/Main, and Caplantic GmbH, Hannover, are accounted for in the consolidated financial statements under the equity method.

Company	Equity in thousand euros	Share in company
Universal-Investment-Gesellschaft mbH, Frankfurt/Main	60,047	50 %
Caplantic GmbH, Hannover	2,209	50 %

The difference according to Section 312 Paragraph 1 HGB resulting from the equity method for associated companies was € 7.1 million. The following table lists the aggregated financial information on shareholdings consolidated under the equity method.

in thousand euros	31.12.2013	31.12.2012
Total assets	108,390	82,697
Total liabilities	46,134	28,676
Income	171,071	129,557
Profit	12,265	7,617

Other group companies were not included as the companies are of secondary importance for the net assets, financial position and results of operation pursuant to Section 296 Paragraph 2 HGB. Shareholdings in subsidiary companies that did not have to be included are stated at historical cost under financial assets.

Consolidation principles

The capital consolidation of the subsidiaries acquired before 31 December 2009 was done according to the book value method. The acquisition costs of an affiliated company were offset against the parent company share in its equity capital at the time of the affiliated company's acquisition or initial consolidation. Since 1 January 2010 capital consolidation has been done according to the revaluation method. Acquisition costs of an affiliated company are offset against the Group's share in equity at that date at which the company became a subsidiary. Equity of the subsidiary is set at the amount corresponding to the present value of assets, liabilities, prepaid and deferred items and special items to be included in the consolidated financial statements (if applicable, after adjustment of the valuation rates pursuant to Section 308 Paragraph 2 HGB). If a difference remains on the asset side after offsetting, it is shown in the Group balance sheet as goodwill under the position "Other assets" and is depreciated according to schedule over the expected useful life. A difference accruing on the liabilities side is shown under the item "Difference from capital consolidation" after equity.

Consolidation under the equity method according to Section 312 Paragraph 1 HGB is carried out by offsetting the Bank's book value with the pro rata equity of the subsidiaries. Intra-Group receivables and liabilities, provisions, contingent liabilities and other liabilities, as well as expenses and income, are offset against each other. Interim results that are of secondary importance to providing an accurate view of the Group's net assets, financial position and results of operations are not eliminated.

Group Accounting Principles and Valuation Methods

The annual financial statements of Bankhaus Lampe KG and the domestic and foreign subsidiary companies included in the consolidated financial statements are prepared in accordance with standard accounting principles and valuation methods.

The accounting principles and valuation methods have remained unchanged from the previous year.

Loans and advances to banks and clients are always reported at their nominal amount or at their acquisition costs. All foreseeable credit and country risks have been taken into account by setting up specific valuation allowances and provisions.

Latent credit risk is accounted for by general valuation allowances according to commercial law principles. Furthermore, there is a provision for general banking risks pursuant to Section 340f HGB. For the purpose of showing risk provisioning in the profit and loss statement, the option of compensation of expenses and revenue was applied.

Bankhaus Lampe KG combines interest-bearing securities (annuity bonds) and receivables (promissory note loans) with derivatives into one portfolio valuation unit for the purpose of hedging interest rate risks. The financial instruments are valued using the market price. If there is no market price available, the fair value is determined based on generally accepted valuation models (e.g. discounted cash flow models, option price model).

It is assumed that the hedging ratio in the portfolio valuation unit is effective if it lies within a range between 80 percent and 125 percent according to customary international practices. The hedging ratio reflects the extent to which the reliably adequate offsetting changes in value or cash flows cancel each other out with respect to the hedged risk. The equalising changes in value from underlying transactions and hedging instruments are not recognised in the balance sheet (net hedge presentation method). As at the balance sheet date, annuity bonds and promissory note loans in a nominal amount of € 500 million were hedged by derivatives in a nominal amount of € 510 million. To account for unhedged spread risks, a provision for anticipated losses was made. The average residual term of the established portfolio valuation unit is six years.

Financial instruments in the trading portfolio are assessed at fair value minus a risk premium. Fair value is the amount at which an asset could be swapped between competent business partners who are willing to enter into a contract and who are independent of each other or at which a liability could be settled. There was an active market for all financial instruments shown in the trading portfolio so that the fair value corresponds to the market price.

The trading portfolio comprises all financial instruments that are purchased or sold with the intent of gaining a short-term proprietary-trading profit. Liabilities that are entered into with the intent of repurchasing them in the short term for the purpose of gaining a trading profit are shown as trading liabilities.

The trading portfolio states currency options with a nominal value of € 60 million and forward foreign exchange transactions with a nominal value of € 1,123 million. The performance of these currency options depends on the foreign exchange rates and their individual volatility. The performance of the forward foreign exchange transactions depends on the foreign exchange rates and forward premiums.

In order to account for possible residual realisation risks, the amount resulting from the market valuation is reduced by a risk premium, which is deducted from the asset side trading portfolio. The risk premium constitutes a value at risk according to the variance-covariance method pursuant to Section 315 SolvV. The calculation is based on a monitoring period of 250 days, a holding period of 10ten trading days and a confidence level of 99%. As at 31 December 2013, the risk premium came to € 4,268 thousand.

Shareholdings and non-consolidated shares in affiliated companies are shown in the balance sheet at amortised acquisition costs according to the regulations applying to fixed assets. In case of anticipated permanent declines in value, unscheduled depreciations are made. If the reasons that led to depreciation no longer exist, a write-up is carried out up to a maximum of the acquisition costs. As in previous fiscal years, securities managed as fixed asset holdings are not part of the portfolio. The setting off that is permissible according to commercial law is used.

Repurchase agreements are reported pursuant to the applicable principles of Section 340b HGB. Securities lent in securities lending transactions remain part of the balance sheet whereas borrowed securities are not stated on the balance sheet.

Property, plant and equipment, as well as purchased intangible assets, are listed on the balance sheet at their respective acquisition or production costs, reduced by scheduled depreciations. If permanent declines in value are anticipated, unscheduled depreciations are made. By analogy with the applicable tax regulations, certain items of the fixed assets are treated as low-value assets for reasons of simplicity.

Deferred taxes are determined for time differences between the commercial-law and tax-law valuation rates of assets, liabilities and prepaid and deferred items. In addition to the booking differences related to time, tax losses carried forward are accounted for. Due to Bankhaus Lampe KG's legal form, deferred taxes are determined on the basis of an income tax rate of currently 15.79 %, which comprises only trade tax. An overall tax burden resulting from this would be shown in the balance sheet as deferred tax liability. In the event of tax relief, the corresponding option to capitalise would not be used. In the relevant financial year, there was an overall deferred tax asset that was not shown in the balance sheet.

All other assets are stated on the balance sheet at their acquisition cost or their fair value.

Liabilities are stated on the balance sheet at their respective amount to be paid.

Provisions for pensions and similar liabilities are calculated on the basis of biometric probabilities (guideline tables Heubeck 2005G) according to the entry age actuarial cost method. The reported pension provisions contain firm commitments. Pension increases are currently accounted for with an annual adjustment rate of 1.80 %. The actuarial interest rate for discounting pension liabilities is 4.90 % as at 31 December 2013. This is the average market interest rate of the past seven financial years for an assumed maturity of 15 years, which is determined and published by the German Central Bank. Lampe Equity Management GmbH has a surplus cover of € 232 thousand.

In order to fulfil the obligations from deferred compensation payments of employees, the respective financial resources have been invested in investment funds or qualifying insurance policies. The investment funds are held in trust for Bankhaus Lampe KG, and other creditors have no access to them. The qualifying insurance policies are pledged to the respective employees. The valuation is calculated based on a fair value of € 1,462 thousand; this value is balanced against the individual underlying liabilities, which came to € 1,804 thousand. The liability surplus of € 342 thousand is entered under provisions. Acquisition costs amount to € 546 thousand. The recognised interest expense on the liability is € 57 thousand.

Provisions for taxes and other provisions take into consideration all recognisable risks and uncertain liabilities. Valuation is carried out in the respective amounts to be paid, in accordance with a proper commercial assessment, to cover future payment obligations. Future price and cost increases are accounted for as far as there is sufficient objective evidence for their occurrence.

The item Funds for general banking risks was created in accordance with the rules and regulations of Section 340g HGB.

The equity items were entered in the balance sheet at face value (Section 272 Paragraph 1 HGB).

In conducting loss-free valuation, provisions for anticipated losses are to be set aside in the banking book for a possible excess liability arising from transactions with interest-based financial instruments. All asset and liability items were included in the banking book that were not assignable to the trading book or were recognised under equity or equity-like items.

In determining a possible excess liability, both asset and liability amount or maturity congruencies were closed through fictitious forward transactions.

The valuation of the banking book was conducted using the present-value method, whereby the book values of interest-bearing transactions of the banking book are compared against interest rate-induced present values. The need to cover any anticipated risk costs and administrative costs is carried out as a discount of the gross cash value of the banking book. The audit did not ascertain any need to accrue provisions.

Pursuant to Section 256a HGB, receivables and liabilities in foreign currency were translated into euros at the middle spot exchange rate prevailing on the balance sheet date. Forward transactions that have not yet been settled at balance sheet date are translated at the forward rate prevailing on the balance sheet date.

Due to the holistic management approach and the policy of not undertaking strategic foreign currency positions, the foreign currency-denominated balance sheet holdings and pending transactions are classified and valued as specially hedged (Section 340h in conjunction with Section 256a HGB). Accordingly, all expenses and income arising from currency translation are recognised in the profit and loss account in net income or net expenditure from proprietary trading.

Notes to Consolidated Financial Statements

Breakdown of receivables by residual terms

in thousand euros	31.12.2013	31.12.2012
Loans and advances to banks		
up to 3 months	6,350	50,875
between 3 months and 1 year	4,969	201
between 1 year and 5 years	110,916	100,639
more than 5 years	1,569	1,490
Loans and advances to clients		
up to 3 months	514,250	391,704
between 3 months and 1 year	126,743	80,749
between 1 year and 5 years	189,613	242,297
more than 5 years	3,256	24,667
of indeterminate duration	489,665	568,259
Debt securities and other fixed income securities		
due in the following year	20,604	28

Breakdown of liabilities by residual terms

in thousand euros	31.12.2013	31.12.2012
Liabilities to banks with agreed duration or period of notice		
up to 3 months	17,687	19,942
between 3 months and 1 year	36,223	18,296
between 1 year and 5 years	36,069	105,008
more than 5 years	5,268	8,225
Liabilities to clients with agreed duration or period of notice		
up to 3 months	310,186	576,381
between 3 months and 1 year	496,487	336,334
between 1 year and 5 years	54,622	45,846
more than 5 years	34,857	98,940

Relations to affiliated companies

	Affiliated companies		Shareholdings	
in thousand euros	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Loans and advances to banks	0	0	107	140
Loans and advances to clients	3,753	2,775	29,791	29
Liabilities to banks	0	0	0	0
Liabilities to clients	901	630	83,335	104,239

In principle, business transactions with affiliated companies and persons are carried out at customary market terms. Major transactions at non-standard market terms, which would thus have to be reported pursuant to Section 314 Paragraph 1 No. 13 HGB, have not taken place.

Securities negotiable on the stock exchange and financial investments

The following table itemises the securities negotiable on the stock exchange included in the balance sheet positions.

	Listed		Not listed	
in thousand euros	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Debt securities and other fixed income securities	323,392	700,625	0	0
Equity and other variable-yield securities	4,542	4,630	0	0

Trading portfolio

Trading portfolio (Assets)

in thousand euros	31.12.2013	31.12.2012
Derivative financial instruments	8,410	9,613
Debt securities and other fixed income securities	353,049	47,310
Equity and other variable-yield securities	27,614	10,394
Risk discount	-4,268	-2,045

Trading portfolio (Liabilities)

in thousand euros	31.12.2013	31.12.2012
Derivative financial instruments	8,011	6,320

Statement of changes in fixed assets

in thousand euros	Intangible assets	Property, plant and equipment	Financial assets
Historical cost 01.01.2013	7,443	34,766	67,604
Additions	1,346	5,873	3,168
Disposals	2,160	4,251	1,129
Historical cost 31.12.2013	6,629	36,388	69,643
Accumulated depreciation	3,627	12,157	855
Book value 2013	3,002	24,231	68,788
Book value 2012	2,736	20,431	65,803
Depreciation in the financial year	2,502	1,897	0

Intangible assets comprise paid concessions amounting to € 2,437 thousand and advance payments on intangible assets of € 565 thousand.

Property, plant and equipment include operating and office equipment at the amount of € 5.7 million, as well as € 10.8 million for land and building properties used for the Bank's own business operations.

Fiduciary operations

The assets and liabilities shown in the balance sheet under „Fiduciary assets" and "Fiduciary liabilities" are divided as follows:

	Fiduciary assets	
in thousand euros	31.12.2013	31.12.2012
Loans and advances to clients	1,251	26,237
Loans and advances to banks	11,922	11,946
Total	13,173	38,183

	Fiduciary liabilities	
in thousand euros	31.12.2013	31.12.2012
Liabilities to clients	1,251	12,092
Liabilities to banks	11,922	26,091
Total	13,173	38,183

Subordinated assets

in thousand euros	31.12.2013	31.12.2012
Loans and advances to banks	272,624	358,044
thereof: subordinated	2	2
Loans and advances to clients	1,323,528	1,307,675
thereof: subordinated	0	0
Debt securities and other fixed income securities	323,392	700,625
thereof: subordinated	0	0
Shareholdings	31,810	31,243
thereof: subordinated	2,002	2,002

Other assets

Other assets amounting to € 92,779 thousand (previous year: € 24,514 thousand) essentially include claims for tax refunds amounting to € 85,393 thousand and qualifying insurance policies of € 5,918 thousand.

Foreign currency

The total amount of assets in foreign currency at balance sheet date is € 60,678 thousand (previous year: € 141,069 thousand). At balance sheet date, there were liabilities in foreign currency amounting to € 105,073 thousand (previous year: € 184,813 thousand).

Subordinated liabilities

In case of insolvency or liquidation, subordinated liabilities amounting to € 27,724 thousand (previous year: € 32,920 thousand) may be repaid only after all creditors that are not subordinated have been paid off.
Up to that point there is no repayment obligation or any claim to interest payments. Interest expenses for subordinated liabilities in the financial year were € 2,149 thousand (previous year: € 2,283 thousand).

Amount in thousand euros (nominal)	Interest rate	Maturity
12,000	6.90	31.07.2018
5,000	7.10	10.09.2018
5,000	7.21	29.08.2018
5,000	7.45	07.08.2018

Other liabilities

Other liabilities amounting to € 8,700 thousand (previous year: € 27,391 thousand) mainly contain liabilities to tax authorities of € 3,148 thousand.

Statement of changes in Group equity

in thousand euros	
As at 01.01.2012	216,811
Profit distribution in 2012	–18,000
Allocation to capital reserve	18,000
Change in retained earnings	1,179
Minority interests	0
Group profit	21,000
As at 31.12.2012	238,990
As at 01.01.2013	238,990
Profit distribution in 2013	–21,000
Allocation to capital reserve	21,000
Change in retained earnings	–1,178
Minority interests	–34
Group profit	21,000
As at 31.12.2013	258,778

Off-balance sheet transactions

Contingent liabilities

In the ordinary course of business Bankhaus Lampe KG regularly assumes credit guarantees, other guarantees and letters of credit. As a consequence of these agreements, it is necessary that Bankhaus Lampe KG make payments to the beneficiary if someone else does not fulfil his or her obligations or payments according to agreement. The following chart lists all potential payments from credit guarantees, other guarantees and letters of credit after taking account of cash collaterals (€ 15,512 thousand), if applicable.

in thousand euros	31.12.2013	31.12.2012
Credit guarantees	8,785	7,428
Other guarantees and warranties	44,190	64,964
Letters of credit	31,214	28,209

The amounts stated above do not reflect the cash flows expected from these agreements in future since many of them expire without being called upon. It is possible that a provision of collateral is demanded in order to reduce the credit risk of this obligation. Cash deposits received for contingent liabilities are recognised in the balance sheet as liabilities. The probability of a possible claim on these liabilities is considered to be very low. If a full or partial claim is expected in the event of a deterioration in the borrower's credit quality, provisions are set aside. Provisions totalled € 2.7 million as at 31 December 2013.

Irrevocable lending commitments

Bankhaus Lampe KG makes irrevocable lending commitments in order to meet its clients' financing requirements. The portions of granted commitments which were not drawn down are included in the irrevocable lending commitments and cannot be revoked by Bankhaus Lampe KG. These lending commitments are disclosed at their nominal value after taking account of cash collaterals. The amounts listed below the balance sheet do not represent expected future cash flows since many of these agreements will expire without being drawn down. Irrevocable lending commitments are not shown in the balance sheet yet are taken into consideration in the monitoring of credit risks. At balance sheet date the irrevocable lending commitments amount to € 78.9 million.

Other financial obligations

As at the balance sheet date, the annual financial obligations resulting from tenancy agreements, service contracts and other licence agreements amount to € 24.5 million, with residual terms of up to five years.

The proportionate obligation to make additional capital contributions for Liquiditäts-Konsortialbank GmbH, Frankfurt/Main, amounts to € 2.2 million. In addition, there exists a pro rata contingent liability for the fulfilment of the additional funding obligations of other partners belonging to the Bundesverband deutscher Banken e.V. (Federation of the German Banking Industry).

Notes to the Group profit and loss account

Other operating income

Other operating income of € 5,477 thousand essentially includes reversals of provisions (€ 2,762 thousand) and income from rental and lease contracts (€ 691 thousand).

Other operating expenses

Other operating expenses of 2,545 thousand essentially includes allocations to provisions (€ 1,126 thousand) and interest-related effects on pension provisions (€ 770 thousand).

Other information

List of equity interests and affiliated companies

Bankhaus Lampe KG holds a direct or indirect interest of at least 20 % in the following companies or exceeds 5 % of voting rights with holdings in large corporations.

Participations	Equity interest in the company %	Equity of the company as at 31.12.2013 in thousand euros	Result of the financial year in thousand euros
BDH Biodiesel Hamburg GmbH, Hamburg [5]	90.00	–1,430	0
BTF Beteiligungs- und Treuhandgesellschaft mbH, Frankfurt/Main [1,2]	100.00	52	0
Caplantic GmbH, Hannover [6]	50.00	2,209	1,517
CEE Management GmbH, Hamburg [5]	99.00	105	0
CEE Natural Ressources GmbH, Hamburg [5]	100.00	320	0
CEE Operations GmbH, Hamburg [5]	100.00	45	0
DALE Investment Advisors GmbH, Vienna	61.00	1,110	768
Fiduka-Depotverwaltung GmbH, Munich [4]	25.10	300	0
komm.passion GmbH, Düsseldorf [4]	25.51	887	0
Lampe Asset Management GmbH, Düsseldorf [1,2]	100.00	3,000	0
Lampe Beteiligungsgesellschaft mbH, Düsseldorf [1,2]	100.00	1,100	0
Lampe Capital Finance GmbH, Düsseldorf [5]	100.00	25	0
Lampe Capital UK (Services) Limited, London [7]	100.00	100 [3]	83 [3]
Lampe CF Development Quattro GmbH & Co. KG, Hamburg [5]	100.00	6,545	0
Lampe CF Development Quattro Verwaltungs GmbH, Hamburg [5]	100.00	30	0
Lampe Credit Advisors GmbH, Düsseldorf	100.00	25	10
Lampe Equity Management GmbH, Hamburg [1,2]	100.00	1,000	0
Lampe Immobilien GmbH & Co. KG, Düsseldorf	100.00	415	364
Lampe Immobilien Verwaltungs GmbH, Düsseldorf	100.00	28	1
Lampe International S. A., Luxemburg	100.00	250	0
Lampe Privatinvest Management GmbH, Hamburg [5]	100.00	24	0
Lampe UI Beteiligungs GmbH, Düsseldorf	100.00	26,064	1,507
Lampe Vermögenstreuhand GmbH, Düsseldorf [1,2]	100.00	26	0
Lampe Verwaltungs-GmbH, Düsseldorf	100.00	3,549	687
LE Beteiligungs GmbH, Düsseldorf [4]	100.00	25	0
LHI Immobilien Verwaltungs GmbH, Düsseldorf [4]	100.00	25	0
Poseidon Beteiligungsgesellschaft mbH, Bielefeld [1,2]	100.00	52	0
SEW Beteiligungs Verwaltungs GmbH, Hagen [4]	51.00	42	–3
Tetrarch Aktiengesellschaft, Düsseldorf [1,2]	100.00	50	0
Universal-Investment-Gesellschaft mbH, Frankfurt/Main	26.67	60,047	10,746
Universal-Investment-Gesellschaft mbH, Frankfurt/Main [8]	23.33	60,047	10,746
Unterstützungskasse GmbH der Bankhaus Lampe KG, Bielefeld	100.00	26	0
Vilmaris Management GmbH, Hamburg [5]	100.00	48	0
Vilmaris Private Investors Verwaltungs GmbH, Hamburg [5]	100.00	35	0
ZOB Beteiligungs GmbH, Düsseldorf [4]	100.00	25	0

[1] A profit and loss transfer agreement exists with Bankhaus Lampe KG
[2] Exemption pursuant to Section 264 Paragraph 4 HGB
[3] Amount in GBP
[4] Indirectly via Lampe Beteiligungsgesellschaft mbH
[5] Indirectly via Lampe Equity Management GmbH
[6] Indirectly via Lampe Credit Advisors GmbH
[7] Indirectly via Lampe Verwaltungs-GmbH
[8] Indirectly via Lampe UI Beteiligungs GmbH

Seats in statutory supervisory bodies

Name	Company	Function
Prof. Dr. Stephan Schüller	Aareal Bank AG, Wiesbaden	Supervisory board member
	Universal-Investment-Gesellschaft mbH, Frankfurt/Main	Supervisory board member

Fees for the auditor

The fees of the auditor comprise the following items:

in thousand euros	31.12.2013	31.12.2012
Auditing fees	488.9	409.0
Other consulting fees	123.1	42.5
Other fees	61.1	0.4
	673.1	451.9

Forward transactions

Forward transactions that were not carried out as at the balance sheet date mainly include the following types of transactions:

» **Interest rate-based transactions**
Forward transactions on interest rate instruments, interest rate forward transactions, interest rate swaps, interest rate futures contracts, option dealings and option contracts on interest rates and interest rate indices

» **Exchange rate-based transactions**
Forward exchange transactions, currency swaps, option dealings and option contracts on foreign exchange, foreign exchange and precious metals futures contracts

» **Other transactions**
Forward stock transactions, index futures contracts, option dealings and option contracts on stocks and stock indices

The transactions mentioned above have been carried out for the most part to cover fluctuations of interest and exchange rates, as well as market prices for trading transactions.

31.12.2013 in million euros	Nominal amount	Positive market values	Negative market values
OTC products			
Interest rate-based transactions	8,137	105	102
Exchange rate-based transactions	1,251	14	14
Other transactions	286	6	2
Exchange-traded products			
Interest rate-based transactions	446	2	0
Other transactions	286	2	6
Total	10,406	129	124

Members of the Management Board and Advisory Board

General Partners

Prof. Dr. Stephan Schüller, Spokesman
Banker

Ulrich Cosse
Banker

Peter Ebertz (until 30.04.2013)
Banker

Advisory Board of Bankhaus Lampe KG

Dr. Ernst F. Schröder, Chairman
Registered Trader

Dr. Alfred Oetker, Deputy Chairman
Registered Trader

Wolfgang Fauter (until 31.12.2013)
Privatier

Dr. Harald Schaub
Registered Trader

Dr. Arnt Vespermann
Registered Trader

Remuneration of executive bodies

Pursuant to Section 286 Paragraph 4 HGB, we refrained from disclosing the remuneration of active and former general partners, as well as the provisions made for this group of persons.

The members of the advisory board received loans for a total amount of € 8.3 million. The remuneration for the members of the advisory board came to € 250 thousand.

Number of employees

The average number of employees during the year was as follows:

Employees	628
thereof: full-time employees	534
part-time employees	94

Cash flow statement

in million euros	31.12.2013	31.12.2012
Net income	**21**	**21**
Non-cash positions in net income and adjustments to reconcile net income with net cash provided by operating activities		
Depreciation, valuation allowances, write-ups of fixed and other assets	9	10
Changes in provisions	-5	-8
Changes in other non-cash positions	-8	-8
Gains from the sale of financial assets and tangible assets	0	0
Other adjustments (on balance)	-49	-53
Subtotal	**-32**	**-38**
Change in assets and liabilities from operating activities		
Loans and advances to banks	85	378
Loans and advances to clients	-15	61
Securities (insofar as not financial assets)	61	-30
Other assets from operating activities	-41	36
Liabilities to banks	-57	23
Liabilities to clients	-140	41
Liabilities held for trading	6	-6
Other assets from operating activities	-46	-4
Interest and dividends received	89	104
Interest paid	-43	-52
Income tax	-3	-9
Cash flow from operating activities	**-136**	**504**
Cash inflow from the disposal of		
financial assets	-3	-23
property, plant and equipment	-4	-4
Cash outflow for investments in		
financial assets	0	0
property, plant and equipment	-4	0
Cash flow from investment activities	**-11**	**-27**
Receipts from allocations to equity	21	55
Payments to company owners and minority shareholders	-21	-21
Payments from the refund of subordinated capital	-6	0
Cash flow from financing activities	**-6**	**34**
Cash and cash equivalents at the end of the previous period	**538**	**27**
Cash flow from operative business	-136	504
Cash flow from investment activities	-11	-27
Cash flow from financing activities	-6	34
Change in the group of consolidated companies	0	0
Cash and cash equivalents at the end of period	**385**	**538**
Composition of cash and cash equivalents		
Cash on hand	1	1
Balances with central banks	384	537

The Boards

General Partners

Prof. Dr. Stephan Schüller, Spokesman
Ulrich Cosse
Peter Ebertz (until 30.04.2013)

Advisory Board

Dr. Ernst F. Schröder
Chairman
General Partner
Dr. August Oetker KG, Bielefeld

Dr. Alfred Oetker
Deputy Chairman
Partner and Member of the Board of
Dr. August Oetker KG, Bielefeld

Wolfgang Fauter
(until 31.12.2013)

Dr. Harald Schaub
Member of the Management Board
Chemische Fabrik Budenheim KG, Budenheim

Dr. Arnt Vespermann
Member of the Management Board Hamburg
Südamerikanische Dampfschifffahrts-
Gesellschaft KG, Hamburg

Limited Partners

Dr. August Oetker KG
Rosely Schweizer (until 20.11.2013)
Rudolf Schweizer (as 20.11.2013)
Dr. h.c. August Oetker
Bergit Gräfin Douglas
Christian Oetker
Richard Oetker
Dr. Alfred Oetker
Ferdinand Oetker
Julia Oetker

Members of the Executive Committee

Dr. Nicolas Blanchard
Ute Gerbaulet
Dr. Carsten Lehmann
Michael C. Maletzky
Thomas Ricke
Leonhard Uphues

Chief Representatives

Willy Angerstein
Volker Arndt
Andreas Bornmüller
Gislen Dummer (until 31.12.2013)
Willi Ernst
Dr. Christian Ganssmüller (as 01.09.2013)
Franz Hoffmeister
Ferdinand Oetker
Werner Albert Schuster

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This annual report is a translation of
the original German version, which in
case of doubt shall be definitive.

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Bankhaus Lampe