


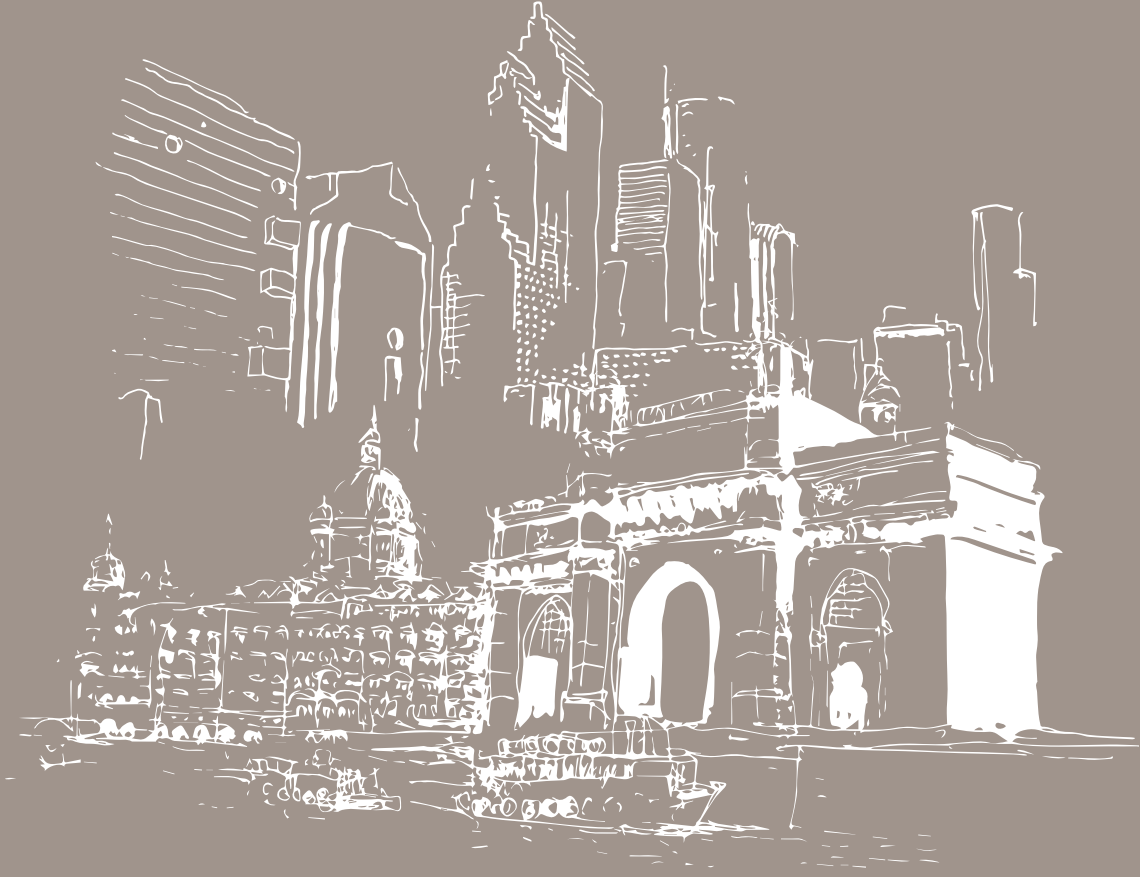


# METROPOLISES.

Marquard & Bahls AG  Annual Report 2014

Metropolises. People. Opportunities.

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# GROUP FIGURES 2014

## GROUP FIGURES 2014

### Marquard & Bahls

Consolidated revenues (including energy taxes) in million €	15,288
Employees	8,809

### Mabanaft

External sales in million t	20.8
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### Oiltanking

Tank capacity in million cbm	19.0
Throughput in million t	189.7

### Skytanking

Throughput in million l	13,206
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### UBT

Throughput in million t	9.3
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### Newsco

Directional drilling distance in m	932,305
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# LIVING SPACES.

Metropolises are centers, conurbations, melting pots, and living spaces. Centers of cultural, economic and political life. Conurbations where more and more people live, work, and seek their fortune. Melting pots where cultures, lifestyles and ideas combine into contemporary living spaces that bring together people from all over the world.

**COSMOPOLITAN.**

**FLEXIBLE.**

**DIVERSE.**

**CURIOUS.**

**CREATIVE.**

**WORKING.**

**TOGETHER.**

With a passion!

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# INTRO

**Metropolises** are demanding, fascinating and can unleash unimagined forces. They can, however, also be overwhelming, immobilized by their own gravity, and paralyze people. A successful metropolis masters these contradictions through bold actions with a view to the future.

For us, the past year was in many ways like this struggle in the concrete jungle of a metropolis. Important quarters were renovated so that they can remain productive and successful into the future. Gaps in matters of “internal security” have been fixed, and opportunities tackled boldly and with great success as they arose.

This report tells of a very exciting, compelling and, above all, ultimately very successful year.

Hamburg, May 2015



Hellmuth Weisser, Chairman of the Supervisory Board



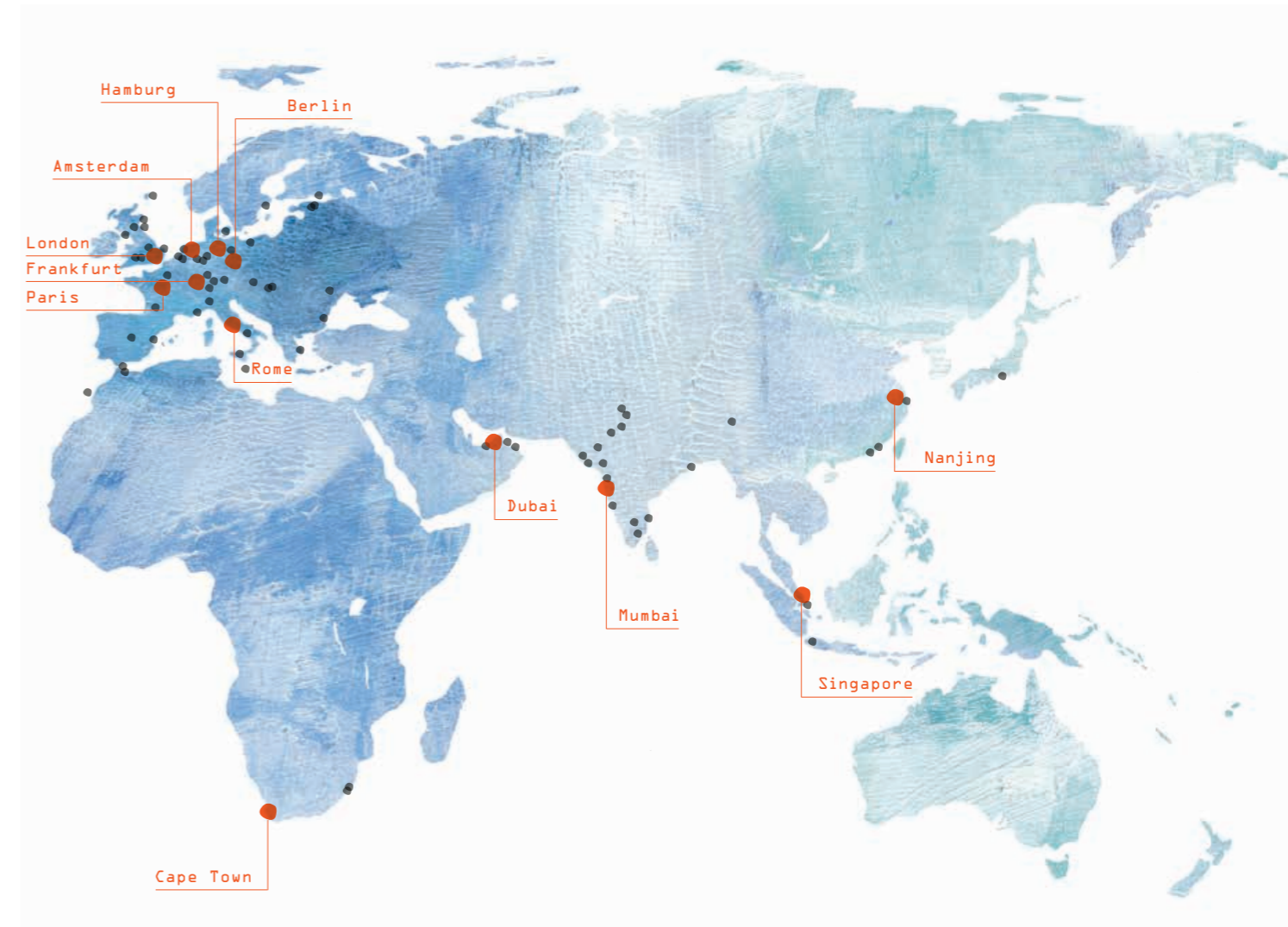
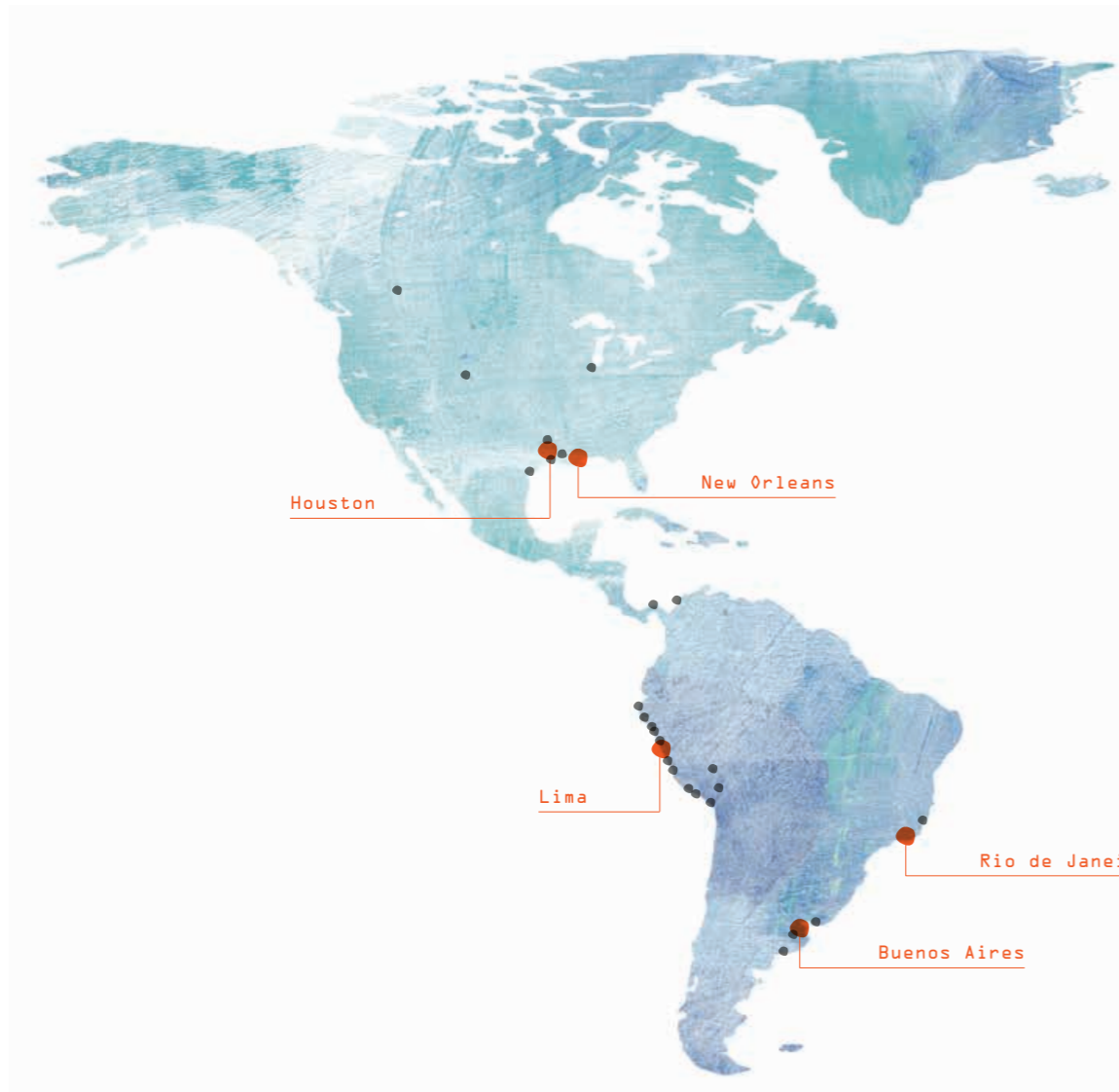


**Rome** Although all roads proverbially lead to the eternal city of Rome, it took Marquard & Bahls more than six decades to establish a site here.

In December 2009, its subsidiary Skytanking fueled its first plane at Aeroporto di Roma-Fiumicino, thereby bringing Marquard & Bahls to the metropolis on the seven hills along the Tiber.

# SITES WORLDWIDE

Marquard & Bahls AG



Status December 2014

# FROM HAMBURG TO THE WORLD

**Marquard & Bahls** Pulsating with life, a diversity of nationalities, trade and commerce, art and culture: Metropolises are a rich blend of many things. Each city has its own character. This is also true for Marquard & Bahls and its subsidiaries, which like cities are the thriving hubs of our activities and work. Offices, tank terminals, airports and other places where our employees work every day and continue to steadily develop our company – in Hamburg and in many other metropolises around the world.

Looking back on 2014, what do we see? On one side, there was crisis and unrest in many parts of the world. But there was also another, happier side: a FIFA World Cup that kept us in suspense; the commemoration of the fall of the Wall in Germany 25 years ago; the captivating images of our Earth transmitted by the newly installed High Definition Earth Viewing device at the International Space Station, and much more.

Events are always partly about the people who influence what happens, and the places where they occur. Similarly, this Annual Report is all about people, milestones and metropolises. We invite you to accompany us as we review the exciting year 2014 and join us in an outlook on what lies ahead.

## OUR DIVISIONS AT A GLANCE

For Marquard & Bahls, 2014 was a remarkable year that ended with a very good result. This was driven primarily by Oiltanking and Skytanking's operating results, but Mabanafit also made a contribution. In addition, special effects had a strong impact on the overall result. The highlight of the year in this connection was undoubtedly the capital gain from the sale of the tank terminals in Houston and Beaumont.

**Mabanafit** continued its positive trend and successfully stood its ground in a difficult environment, so that the company was able to improve its operating profit (before exceptional costs) year on year. Regional trading in the Mediterranean, the wholesale business, the bunkering business in the Baltic and North America, as well as the service station and end-customer businesses were the main contributors to the result.

The overall result, however, was significantly affected by the closing out of unauthorized positions in Singapore and Gibraltar that were outside the trading mandates. Both occurrences led to an immediate further tightening of risk management for all Mabanafit trading companies.

In future, Mabanafit's main focus will be on systematically further developing its risk management and continuing along the path of deliberate concentration on physical oil trading it has successfully started out on. Here, the focus will primarily be on expanding its integrated trading activities and strengthening synergies between Mabanafit and other companies within the Marquard & Bahls group.

**Oiltanking** once again achieved a very good operating result in tank storage logistics thanks to high throughput and almost fully leased tank capacity. By contrast, the EPC sector (engineering, procurement and construction) in India again failed to replicate the good results it had achieved until 2012, and the division was therefore strongly impaired and completely realigned.

One landmark event was the sale of the terminals in Houston and Beaumont. The proceeds from this will benefit Marquard & Bahls' long-term growth and safeguard our independence for years to come. Regardless of this, Oiltanking will continue to pursue its long-term growth strategy of developing or acquiring attractive tank terminals and operating them.

At the end of 2014, Oiltanking had 72 tank terminals in 22 countries with a total capacity of 19.0 million cbm.

**Skytanking** withdrew from the U.S. for strategic reasons, but at the same time strengthened its network in Europe with the complete takeover of the locations in Munich and Vienna, which were previously operated as joint ventures, as well as the newly acquired companies in Klagenfurt and Linz. Shortly afterwards, Hamburg was added as a further location in the city where Marquard & Bahls is headquartered. Skytanking, which is currently represented at 42 airports, also grew in India and ended the year with a good result.

**United Bulk Terminals** (UBT), which has been directly owned by Marquard & Bahls since the end of 2014, suffered from the continued low level of coal exports from the United States in 2014 and was therefore partially impaired. However, strict cost control and a stronger focus on the less cyclical transshipment of petcoke promise to lead to significantly improved results even if the difficult market conditions for coal persist.

**Newsco**, which has also been majority-owned by Marquard & Bahls since September 2014 was not yet able to reach its budgeted targets. However, given the recent realignment of its business, the company is optimistic of being able to increase the result in 2015.

**Mabagas** focused on optimizing the operational processes of its biogas plants in Germany and India, and on expanding its bio-CNG stations in Germany. **Carbonbay** and **GMA** had a good year. **natGAS**, the gas company we owned shares in, was able to consolidate and profitably expand its position in the market.



**Amsterdam** Because of its cosmopolitan outlook and liberal attitudes, Amsterdam is regarded as one of the world's metropolises, despite its relatively tiny population. As part of the ARA region it is also an important hub for petroleum products. Oiltanking has been present here since 1965 with a tank terminal, which since 1982 has been connected via a pipeline to the Dutch offshore oil platforms Helder and Helm, whose official opening was celebrated at the tank terminal on November 23, 1982 in the presence of Queen Beatrix of the Netherlands.

## NEW ORGANIZATIONAL STRUCTURE

One important step in effectively putting our strategy into action is the new organizational structure we introduced at the turn of the year 2014/2015. Key elements of this new organizational structure are the introduction of a Board consisting of just three members – CEO, CFO and COO – and a strongly expanded second management level. We also organized Oiltanking and Mabanaft into two and three business units, respectively, and introduced a clear structuring into the Trading (Mabanaft), Tank Storage Logistics (Oiltanking), Aviation Fuelling (Skytanking), Dry Bulk Handling (UBT) and Upstream Services (Newsco) divisions. On the one hand, this is a response to our strong growth of recent years and the complex market environment we operate in, and on the other it creates the organizational conditions for successfully continuing our long-term growth strategy.

Given our tried-and-tested business model, our financial resources and the new, strengthened organizational structure, we are well positioned to swiftly and flexibly take advantage of arising opportunities.

## PERSISTING WITH THE PROVEN, PROMOTING THE NEW

What does the energy sector hold in store for us? According to the International Energy Agency, global demand for primary energy will increase 37 percent by 2040 as economies and populations continue to grow.

As a result, the demand for gas will increase by more than 50 percent, while oil as well as coal consumption will grow by 15 percent. The proportion of renewable energies in the global energy mix will be nearly one-fifth by 2040.

For us, this and similar predictions confirm that we will continue to operate in petroleum product trading and logistics, as well as in the field of renewable energies.

We will continue to pursue controlled growth going forward. As Oiltanking and Skytanking enlarge their existing networks, Mabanaft will concentrate on expanding its physical trading business. UBT and Newsco will focus on increasing their profitability; the same goes for our Mabagas subsidiary. We will retain our Marquard & Bahls energy mix of oil, gas, coal and renewables. Special attention will be paid to business development across the group, with the aim of developing new business opportunities both within existing and adjoining lines of business.

Expanding on what is and realizing what is yet to be – all this requires dedicated employees who plan, design and put ideas into action. We would like to take this opportunity to thank our employees around the world.

We also thank our shareholders, who support our path with interest, attentiveness and a great deal of entrepreneurial circumspection.

Finally, we would like to thank our customers and business partners, without whose trust and loyalty our success would not be possible.

All stakeholders together form our “metropolis”, the world of Marquard & Bahls AG. A Hamburg company that has followed its own path in an **independent, sound and individual** way since its inception and that today operates in 38 countries around the globe.

Based on our solid financial founding and our established lines of business, as well as new activities, we will continue on this path with passion and sound judgment.

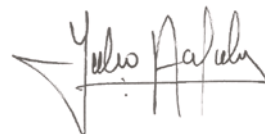
Hamburg, May 2015



Christian Flach, CEO



Claus-Georg Nette, CFO



Julio Tellechea, COO

# COSMOPOLITAN.



From Hamburg to the world





**Cities and international companies bring people from different nations together in ever-changing constellations. This makes them places where the world becomes a village in which the most important characteristic is an open mind, because it is only when you are open to others that you see the coexistence and cooperation of different cultures as an opportunity to learn new things.**

# HOLDING

**Marquard & Bahls** Our company looks back on an unusual year that was dominated and shaped by a positive business performance and extraordinary events which resulted in a turnover of 15.3 billion euros (including energy taxes). The company thus continues its successful development.

The crucial parameters for our long-term success – solid results, good financial liquidity and a strong capital base – were also given in 2014 and were in fact significantly expanded.

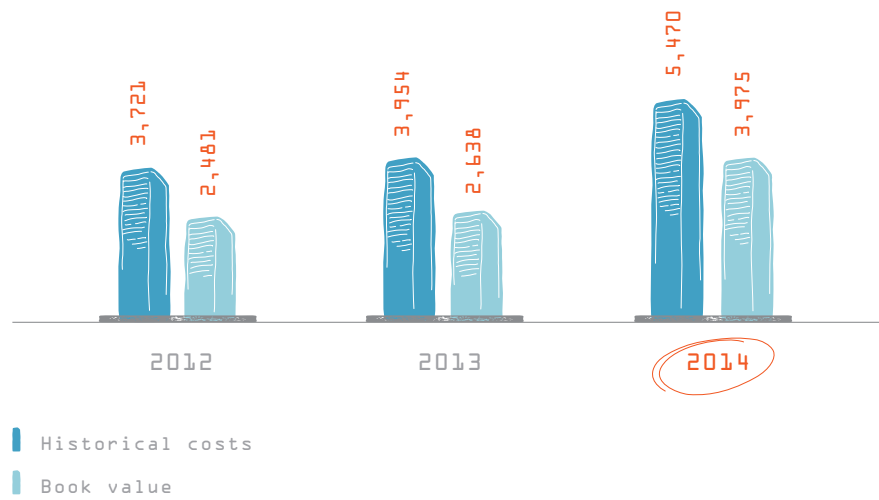
In addition to the operating results of the year, we also recorded significant extraordinary income. Beyond cash inflows from the sale of the tank terminal in Merak, Indonesia, and the aircraft refuelling activities in the United States, the sale of the tank terminals in Houston and Beaumont was a milestone that resulted in an extraordinary gain. This sale and its financial effects represented an outstanding opportunity that was also in the best interests of the entire group. We will use these funds to help us advance our growth both nationally and internationally.

## FINANCES

In 2014, the financial markets were affected by low interest rates and high levels of quantitative easing by central banks to stimulate the economy. This led to a substantial price increase nearly across all asset classes worldwide. At the same time, borrowers had no difficulty in obtaining loans on the bond markets. The banking sector, however, is being confronted with more and more requirements and legislation. As a result, the business models of many banks are coming under further pressure.

The group's financial departments found themselves faced with a correspondingly challenging environment in 2014. Against this background, we adjusted our portfolio of banks during the year, strengthening existing contacts and adding new ones. We also adjusted our credit lines and among other things extended the syndicated loan for the Bomin group, so that the company has an adequate financial framework for further growth.

**Fixed and financial assets** 2012-2014 in million €



The sale of the shares in Oiltanking Partners generated a large liquidity cushion and opens up growth opportunities for further investments and acquisitions. Here, we must find a way of investing the liquidity sensibly in the meantime.

The situation on the international financial markets will remain challenging in the near future. However, given our strong capital base and good reputation, we are confident that we will maintain our solid financial setup in future.

## EMPLOYEES

Marquard & Bahls is a rapidly developing company, with regard both to the continual evolution of our lines of business and to our sites and employees worldwide. While we have steadily increased headcount in the past, last year the number of employees fell slightly. This development resulted from the sale of shares in Oiltanking Partners, and consequently the terminals in Houston and Beaumont as well as the Oiltanking site in Merak, and Skytanking USA. End of 2014, Marquard & Bahls and its subsidiaries and associates employed 8,809 people in 38 countries.

Apart from these sales, in 2014 the number of employees continued to increase at many sites. Nearly half of the companies and shareholdings hired new staff. It looks like this development will continue, with accordingly high requirements for future-oriented, active HR work.

Last year the focus here, beyond the usual ongoing tasks and projects, was on developing a new human resources strategy. This strategy includes the objective of establishing HR as an integral part of business, with the task of ensuring that qualified and motivated employees are available for deployment. The department's strategic goals and critical success factors were also defined.

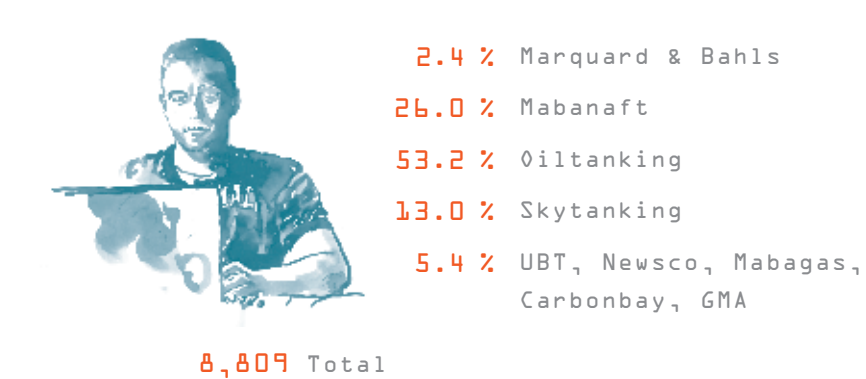


**Hamburg** The Hanseatic city serves as a home port and gateway to the world for many international companies. Marquard & Bahls, too, set sail from Hamburg to the rest of the world 68 years ago and now operates in 38 countries on five continents. The Hanseatic city has, however, remained Marquard & Bahls' home port to this day, and many of its subsidiaries also have their headquarters here.

Daily HR work again covered many topics in 2014. For example, the new FUEL (My Future in Energy & Logistics) training program was set up to promote talent management. The active recruitment of staff, combined with compelling employer brand building, was accelerated and will continue to be one of the HR department's key tasks.

The management development program introduced in the previous year was further expanded, as was a succession planning process for executives. The new integrated employee information system was also advanced and made available to the first sites and departments. Its rollout across the group is scheduled for 2015.

#### Employees divided by companies 2014



Employees divided by regions 2014



8,809 Total

- 17.3 % Germany
  - 31.2 % Europe\*
  - 35.0 % Asia Pacific
  - 3.6 % Middle East & Africa
  - 7.8 % North America
  - 5.1 % Latin America
- \* excl. Germany

## HSSE – HEALTH, SAFETY, SECURITY AND ENVIRONMENT

Marquard & Bahls is committed to the safe and efficient operation of all its businesses. The aim is to prevent accidents, injuries and occupational illness, and to protect the environment. With a view to continual improvement, group-wide guidelines and minimum standards are being developed, targets defined, and their achievement monitored.

Though the accident frequency increased, the severity of accidents was reduced for the fourth consecutive year in 2014. Other important indicators such as product releases and fires & explosions were also improved further. This is all the more gratifying since the amount of damages was also significantly reduced. Moreover, in Trading, the average age of the chartered vessels was reduced once more.

Unfortunately, these positive developments were overshadowed by two fatal accidents in India. In January, a contractor's worker fell to his death at a construction site of IOT's EPC division in Sasan. In December, another accident occurred on an EPC construction site in Dibrugarh where, during inspection work before the commissioning of a spherical gas tank, an operating error by a third party resulted in the death of four workers. We deeply regret these tragic accidents. As a result of these events, the procedures of IOT's EPC division are being critically reviewed and supported by safety audits from IOT head office.

In order to increase safety, especially on construction sites, Oiltanking imposes strict requirements on contractors during the selection process. In addition, a new contractor management database has been rolled out, and a construction safety brochure created and distributed worldwide.

## SUSTAINABILITY

In August 2014, Marquard & Bahls published its fourth Sustainability Report, in which we disclose our economic, environmental and social responsibility activities, as well as our charitable work. The report meets the requirements of the Global Reporting Initiative (G3 – Level B) and, like earlier reports, can be downloaded from the Marquard & Bahls website.

In 2014, many community projects were also initiated and sponsored by our sites around the world. This is reflected in an increase in worldwide donations to nearly 600,000 euros and an increase in voluntary working hours of our employees for social and charitable purposes.



# FLEXIBLE.



London

Flexible.



**Being flexible and able to adapt is the key to success in fast-paced environments. This is true for life in big-city environments, as well as for doing business in international markets. Yet only in combination with the ability to maintain one's own identity and values does mere change provide a direction.**

# TRADING

**Mabanaft** The Mabanaft group continued its positive trend in 2014, and improved its operating profit (before exceptional costs) year on year. The main focus was on systematically developing risk management and a deliberate concentration on physical oil trading.

At the beginning of the year, the oil market was characterized by high prices and low demand. During the second half of the year, however, a significant oversupply of crude led to the oil price falling by almost half, and the price of refined petroleum products also fell sharply. While a barrel of Brent crude cost an average 112 U.S. dollars in June 2014, the price in December was only 62 U.S. dollars. The fall in prices from the middle of the year resulted in a marked increase in demand. By the end of the year, the market was in a strong contango situation, which most Mabanaft companies benefited from.

Once again the biggest positive contributions to earnings came from the wholesale business in Germany and the service station and retail business. Mabanaft International made a very gratifying contribution to the overall result. Mabanaft Pte. in Singapore had a challenging year that ended unsatisfactorily despite positive developments, while the companies in Hungary and Moldova achieved a slightly positive result. Mabanaft Ltd. in the U.K. continued to develop positively and generated profits in every month from June on.

The Mabanaft group's lines of business are very varied, and are spread over more than 100 companies and five continents. In order to better address this circumstance and the requirements arising from the company's steady growth and further development, its activities were organized into three business units at the turn of the year 2014/2015: Mabanaft Trading, Mabanaft Retail and Mabanaft Bunkering.

## MABANAFT TRADING

The companies involved in regional trading and wholesale showed a very mixed development in 2014. While some companies had an extremely challenging year, others were quite successful. These successes in a difficult market environment validate Mabanaft's decision to continue focusing on physical trading, based on a stringent system of risk management and monitoring.

### ✦ **Mabanaft Pte.**

The Singapore-based trading company Mabanaft Pte. faced a strong imbalance in the market for most of the year, with supply significantly exceeding demand. However, the trade in middle distillates developed positively. As a consequence of a lossmaking trade position incurred mostly in 2013, which was outside the approved trading mandates, risk management was significantly expanded in early 2014. In contrast, the company's intensified collaboration with Bomin, Matrix Bharat and Omanoil Matrix, which operate in the bunker business, was an encouraging development.

Going forward, the company will focus on trading in middle distillates and continue to expand the LPG business. A targeted use of synergies is hoped to benefit other Marquard & Bahls businesses in the region as well.

### ✦ **Mabanaft International**

In a difficult market environment, Mabanaft International managed to end the year with a good result. Besides high volatility, there was also strong price pressure, which increased the risks. Political developments in the countries around the Mediterranean and Black Sea also significantly complicated any trading opportunities. To counter this, the company added heavy fuel oil, crude oil and condensate products to its portfolio and further stepped up its supply to Bomin sites in the region. Mabanaft International continues to see good opportunities to successfully operate in its chosen line of business.

### ✦ **Mabanaft Deutschland**

Mabanaft Deutschland held its own again in a challenging market. In 2014, heating oil sales in Germany fell by more than 20 percent year-on-year due to the mild winter of 2013/2014. However, the company was able to increase its gasoline sales slightly, as well as increasing its diesel sales volume. Despite the massive price erosion observed in most products, Mabanaft Deutschland managed to take advantage of trading opportunities, and once again closed the year with a good result.

While the company withdrew from the LPG business in Germany due to a lack of redundant prospects, it successfully entered into marine diesel trading. The heavy fuel oil sales department compensated for the declining business with industrial customers by increasing its bunker oil activities.

The trade in wood pellets produced a good result. Although sales volumes did not increase, the trading team enlarged its sales territory and won new customers. The team expects a similarly good performance in 2015.

The decline in demand for petroleum products can be expected to continue in Europe and Germany. Mabanaft Deutschland is adapting flexibly to these changes in order to further strengthen its market position. For 2015, the company has expanded its infrastructure and reserved significantly more storage tank capacity to increase its market share in middle distillates. Bunker fuel sales are also to be increased.

#### ⇨ **Mabanaft Ltd.**

In the U.K., demand for petroleum products continued to fall in 2014 due to low spending power and improved energy efficiency. This created a challenging market environment for Mabanaft Ltd., which was aggravated by strong competition. In addition, due to the extremely mild weather in winter, heating oil sales fell by almost 20 percent in the U.K. as well. However, gasoline sales were nearly on par with the previous year, while demand for diesel increased slightly.

In spite of this, Mabanaft Ltd. further strengthened its trading business year-on-year to achieve a near break-even result. In particular, the jet fuel business was expanded significantly. The company's online platform MabaLIVE was successfully updated and can now be used on smartphones and tablets as well as on desktops and laptops. Almost one-fifth of the total order volume is now handled on this platform, which was introduced three years ago.

Its streamlined organization puts Mabanaft Ltd. in a good position to develop successfully in the challenging U.K. market.

#### ⇨ **Mabanaft Austria**

Mabanaft Austria, Vienna had an unsatisfactory year against the backdrop of continuing fierce competition. The company's economic situation and especially the poor future prospects in the Austrian market led to the decision to close the trading office at the end of 2014.



Singapore Even upon its founding in the 3<sup>rd</sup> century Singapore was already first and foremost a place of trade - and it remains so to this day. The Marquard & Bahls businesses headquartered in the city-state are as varied as the people who live here. Through its subsidiaries in the Lion City, Marquard & Bahls offers a portfolio of services ranging from petroleum, chemical and gas storage to trading and bunkering.

### **⚡ Mabanaft Hungary**

The political and economic situation in Hungary continued tense in 2014. As the tax burden on energy companies was more moderate than in earlier years, new competitors surged into the market, while prices fell so tremendously that margins declined significantly compared to previous years.

Nevertheless, Budapest-based Mabanaft Hungary ended the year with a positive result. Sales volumes also declined slightly due to increased competition, while the service station business developed very nicely. The company invested in existing service stations and building new ones. At year-end, the service station network comprised 39 stations trading under the OIL! logo and operated as franchises. Collaboration with Oiltanking Hungary was also intensified again after winning back a major customer.

Conditions in Hungary are expected to continue difficult in the coming year. The company is confident, however, that it can expand its position in the market.

### **⚡ Mabanaft Moldova**

The economic situation in Moldova has been fraught with high unemployment and rising inflation for several years now. This did not change in 2014 and was exacerbated by the unrest in neighboring Ukraine. Against this background, Mabanaft Moldova, based in Chisinau, experienced a particularly difficult fiscal year but still managed to break even. The company's future prospects depend strongly on future developments in the country.

### **⚡ B.W.O.C.**

In the U.K., demand for petroleum products continued to decline as expected. However, B.W.O.C. based in Weston-super-Mare was able to respond flexibly to changing conditions and customer requirements with targeted marketing measures, and again achieved a good result in 2014. The fact that the company expanded its sales volumes, deepened existing customer relationships, and established new ones, can be considered a great success. Thanks to B.W.O.C.'s good market position, the outlook for 2015 is positive.

### **⚡ Mabanaft Coal Trading**

The newly established Mabanaft Coal Trading entity based in Houston, Texas entered the coal trade in October 2014, and first trading activities are already underway. The commercial team will concentrate on purchasing coal from various U.S. coal mines



**Rio de Janeiro** As the capital of Brazilian carnival and one of the host cities of the 2014 FIFA World Cup, Rio de Janeiro is mainly famous as a tourist destination. However, the city by Sugar Loaf Mountain is also an important South American port from which Bomin do Brasil supplied Russian ships with bunker oil in the late 1980s and in the following years expanded to other countries in Latin America.

and selling to customers in the United States as well as exporting to buyers in Europe. Mabanaft Coal Trading will work closely with its sister company UBT in Davant, whose location is ideally suited for coal exports.

## MABANAFT RETAIL

The end-consumer business, which besides service stations comprises the heating oil, diesel, lubricants, bitumen and pool station (automatic service stations for commercial trucking fleets) businesses, once again achieved good results. However, there were significant differences between the lines of business. In all, the companies operating in the consumer sector made a positive contribution to the Mabanaft group's overall result, and their outlook is promising.



### ✦ Petronord

The Petronord group once again achieved a good result in 2014. In particular, the pool station and lubricants businesses performed well and were successfully expanded. Meanwhile, sales in the heating oil business, which had seen significant increases in the previous year, were declining due to the mild winter.

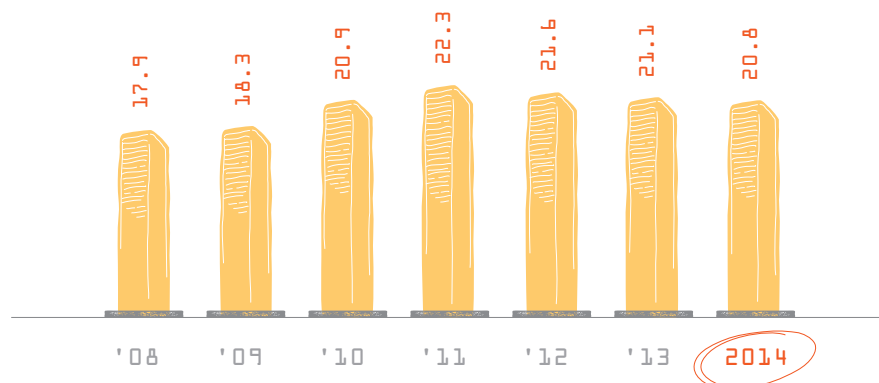
Besides the acquisitions of Zieglmeier Energie in Schrobenhausen, Bavaria and John Schmierstoffe, of Altlandsberg near Berlin in early 2014, a smaller company was acquired at year-end.

In 2015, a further expansion of the gas trading business is planned, partly with the declining oil revenues in mind. The pool station business will also be expanded further.

### ✦ Thomas Silvey

At the Bristol-based company Thomas Silvey, the fiscal year was characterized by severe price erosion and increased competition. The company was able to profit from the falling prices, however, expanding its sales volumes slightly and achieving a good result. The by now well-established fuel cards business was expanded, and volumes traded in other areas also increased. The company will continue on this path and further diversify its business.

External sales 2008-2014 in million t



### ⇨ OIL! Tankstellen

In a market that remained very volatile throughout the year, OIL! Tankstellen once again achieved a good result. Last winter's mild weather led to record sales, albeit at low margins that eventually recovered in the second half of the year.

Key events included the successful integration of 20 service stations in the Rhine-Ruhr metropolitan region acquired last year. The new service stations performed very nicely, with sales significantly above budget. Six more service stations were acquired in 2014, and the project to optimize the shop and bistro business launched the previous year also went well.

As always, the outlook for the service station business in Germany very much depends on how margins develop. However, the company is optimistic about continuing the expansion of its business in the year ahead. Several promising acquisition projects are already taking shape. In March 2015, OIL! signed an agreement to take over the unmanned service station network in Denmark, comprising 43 sites. The transaction is expected to close during the second quarter of 2015.

The Austrian market once again proved highly competitive for OIL! in 2014. Sales volumes were down slightly, leading to an unsatisfactory result. As a consequence, OIL! will carefully review the network and dispose of unprofitable sites.

The OIL! service stations in Switzerland had a good year in 2014, culminating in a satisfactory result. In the light of the good market conditions, the outlook for 2015 is positive.

### ⇨ Tirez Petrol

The Tirez Petrol service station network, which operates close to 100 stations in Moldova, achieved a breakeven result in 2014. Given the country's continued weak economy, its prospects remain subdued.

## MABANAFT BUNKERING

Due to the continuing difficult situation in shipping in 2014, the performance of the bunker business was mixed. While some areas of physical trading suffered from low margins and declining sales volumes, the bunkering business in the Baltic and North America, as well as the back-to-back business, recorded a good result. Most of the 36 sites were able to report a profit. The overall result, however, was significantly affected by the closing of a position at one of the sites, which was outside the trading mandates. This led to an immediate further tightening of risk management.

## ✚ Physical Trading

### Europe

Although the European shipping industry felt its situation had improved versus previous years, the bunker market remained keenly competitive with at times aggressive pricing strategies and low margins. Nevertheless, OMB (Ostsee Mineralöl Bunker) and Bomin Estonia were able to achieve good results. Bomin Deutschland also showed a significant year-on-year improvement. SBI (Sea Bunkering International) was in line with expectations. The operating results of the sites in the Mediterranean and ARA region, however, were disappointing. A new management and new strategy were established as the basis for improving results.

At the end of 2014, there was a major structural change, with the Bomin terminals in Hamburg, Bremerhaven and Kiel being integrated into the existing tank terminal network of its sister company Oiltanking Deutschland.

In Europe, Bomin plans to cooperate more closely with Mabanaft going forward, and to build a key account management system. This will help continue the positive trend that has now been initiated, and lead the companies back to profitability.

### Asia / Middle East

Bomin Bunker Oil in Singapore, the world's largest trading center for bunker oil, managed to significantly increase its sales volume and achieve a good result. Bomin's Hong Kong site also did extremely well. While Bominflot Fujairah recorded declining volumes, the companies Omanoil Matrix and Matrix Bharat generated stable earnings.

The outlook for the region is good, although competition will continue to be tough. Bomin and Matrix are therefore developing new business models for occupying profitable niches. Their collaboration with Mabanaft Pte. in Singapore is also to be intensified.

### North and Latin America

The U.S. market saw a decline in demand that presented Matrix and Bomin Houston with challenges at mid-year. However, at year-end volumes and margins increased, so that the companies ended the fiscal year with a clear profit.

The sites in Brazil and Uruguay also did well. Here, rising sales volumes and margins led to good results. In Argentina, Bomin has two companies, one of which generated a slight profit and the other an excellent result. The outlook will continue to depend on political and economic factors.



London calling was a 1979 hit by the British punk band The Clash - a call that Mabanaft answered 15 years earlier with the idea of supplying petroleum wholesalers, supermarkets and independent retailers throughout the U.K. with petroleum products from Russia and Romania. To this end, in 1964 the company founded Mabanaft Ltd. in the city on the Thames, which is now one of the world's most important financial centers.

### ⚡ Back-to-Back Business

2014 saw a lot of changes in Bomin's back-to-back business as well. While the market remained unsettled, new participants entered the trade, and the resulting over-supply increased pressure on margins, Bomin was able to grow its sales volumes by 25 percent. Good results were achieved in almost all areas and at all locations.

The outlook is positive as Bomin is well positioned in this market segment worldwide with several trading offices, and enjoys a good reputation as a trustworthy trading company.

### ⚡ Bomin Linde LNG

Bomin Linde LNG, Hamburg, which was founded in mid-2012 with the goal of creating a liquified natural gas (LNG) infrastructure for maritime shipping in northwest Europe, concentrated on the further development of its business. In 2014, contracts for the future supply of LNG to two ferries were signed. Beyond this, the construction of an LNG tank terminal with a capacity of 6,000 cbm is planned in the port of Hamburg, which is scheduled to go into operation in 2017.

Bomin Linde LNG is confident about its future business development, as shipping in Europe is required to significantly reduce its sulfur emissions as of January 2015. LNG is an ideal alternative fuel for achieving this.

## OUTLOOK

In the year ahead, Mabanaft's main focus will be on systematically further developing its risk management and continuing along the path of deliberate concentration on physical oil trading it has successfully started out on.

All activities are aimed at generating growth, both in the traditional sectors and in those that usefully complement the existing trading business. The new organizational structure provides a good basis for further developing the trading business.

# DIVERSE.



Nanjing

Diverse.



**Metropolises, like international companies, are the homes and workplaces of people from a wide range of different backgrounds, ages and education. They are places that reflect the various influences that shape them. This makes diversity their natural state, in which their history is expressed.**

# TANK STORAGE LOGISTICS

**Oiltanking** For Oiltanking, 2014 was an eventful year in which the company again delivered a strong operative performance. Apart from high levels of capacity utilization and throughput in most regions, the proceeds from two sales in particular had a positive effect on the results. The EPC division, however, again failed to replicate the good results it had achieved until 2012, and will continue to press ahead with its realignment.

Overall, market demand for tank storage was stable in 2014. The shale oil and shale gas boom in North America continued, offering a wide range of business opportunities due to the high demand for logistics services. In Europe, the oil companies' withdrawal from the downstream infrastructure, and therefore also from tank storage, continued last year.

In 2014, as in the previous year, crude oil and LPG activities at sites in North America were the major contributors to Oiltanking's good performance, along with the overall good performance in Latin America and stable revenues in Europe and Asia. However, the EPC division of the Indian joint venture IOT was unable to achieve its targets. At the end of 2014, Oiltanking operated 72 terminals in 22 countries, with a total capacity of 19.0 million cubic meters.

Extraordinary events included the sale of Oiltanking's shares in the tank terminal in Merak, Indonesia last August, and in particular the successfully completed transaction in North America in October, which involved Oiltanking selling its shares of Oiltanking Partners, and thus its tank terminals in Houston and Beaumont.

Oiltanking underwent an internal restructuring process in order to systematically drive forward the future development of its individual lines of business. Further to this development, Oiltanking has been under dual management since January 1, 2015 and is now structured into "Oiltanking East" and "Oiltanking West". United Bulk Terminals has been a 100-percent Marquard & Bahls subsidiary since December 2014.



Since September 2014, Marquard & Bahls has also held a majority stake in Newsco via direct and indirect shareholdings, following the purchase of the 40-percent shareholding previously held by the founder. As a result of these decisions, the divisions Dry Bulk Handling and Upstream Services now have their own sections in this annual report.

## EUROPE

### ✚ Germany

Despite a shrinking market, **Oiltanking Deutschland's** results were good. They were mainly driven by higher-than-expected revenues and the renewal of all existing customer contracts. However, there were also necessary maintenance costs; and the company started the process of integrating the three tank terminals of its sister company Bomin into its network. Given the continued strong competition in Germany, the target is to achieve these good results in 2015 as well.

### ✚ Belgium

In a volatile market environment, **Oiltanking Stolthaven Antwerp** in 2014 achieved full capacity utilization and above-expectation results. The construction of new tank capacity and two additional jetties was begun in order to meet the growing demand from major customers. In addition, negotiations concerning the expansion of the gas storage are now ongoing.

**Oiltanking Ghent** also faced strong competition due to persistent backwardation and the commissioning of new tank capacity in the region. Nevertheless, the company maintained the utilization of its tanks at a high level and achieved a result slightly above expectations. With the completion of the new jetty for barges, the ongoing modernization of the facility, and the further expansion of its products and services, the tank terminal continues to be well positioned for the future. In order to realize a portion of the increased value of the tank terminal, in early 2015 Oiltanking sold 45 percent of the tank terminal to an infrastructure investor.

### ✚ Netherlands

Despite a highly competitive market environment and thanks to a slight increase in throughput, **Oiltanking Amsterdam's** results were above plan. The site also managed to fully utilize the available tanks as customer demand for tank storage of gasoline and middle distillates continued strong.



**Lima** is Peru's main transport hub. South America's first railway line went into operation here in 1851. The Pan-American Highway connecting Alaska to Tierra del Fuego also passes through the city, whose center is a UNESCO World Heritage Site. Not far from the capital, in Callao, is one of the continent's most important ports. Oiltanking and its partner Graña y Montero Petrolera have operated one of eleven Peruvian sites here since August 2014.

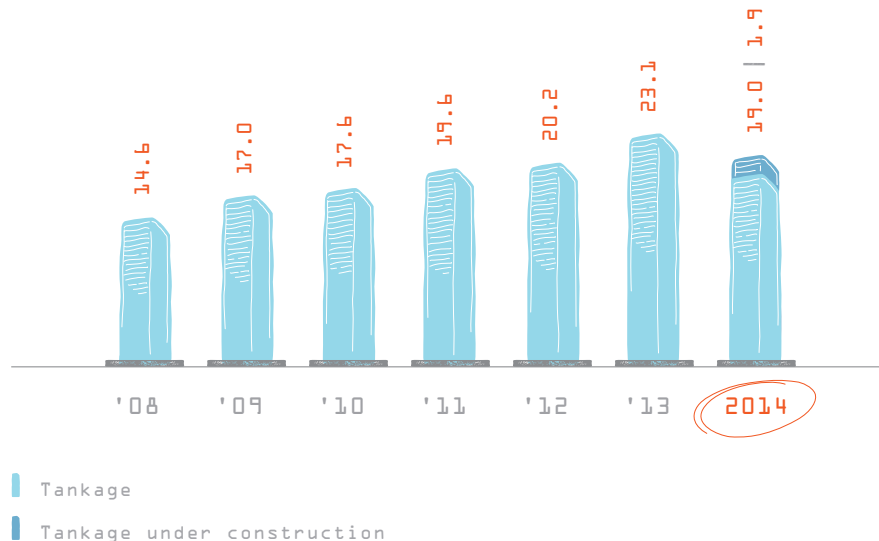
This is particularly encouraging in light of the ongoing modernization of infrastructure precipitated by new, stricter legal requirements. Overall, the outlook for Oiltanking Amsterdam continues to be good based on its excellent range of services and good market position.

Oiltanking Terneuzen achieved excellent results. Thanks to the expanded capacity, which was utilized starting in September 2013, throughput has increased beyond expectations. As in Ghent, Oiltanking sold 45 percent of shares to the same investor. In 2015, the continuing high demand for tank storage capacity will make it possible to expand existing activities and initiate new projects.

### 🇮🇪 Hungary

In Hungary, the market environment for independent tank storage providers remained difficult in 2014. Nevertheless, Oiltanking Hungary in Budapest managed to increase utilization and improve revenues. The site's outlook will continue to depend on the economic conditions in Hungary.

Total tank capacity 2008-2014 in million cbm



### 🚧 Finland

**Oiltanking Sonmarin** succeeded in maintaining its tank utilization at good levels by acquiring new customer business. Nevertheless, results fell short of expectations. The company expects a stable result in 2015, based on new contract signings.

### 🚧 Estonia

Based on excellent occupancy rate, **Oiltanking Tallinn's** results were good and exceeded expectations. Despite the continuing political tensions between Russia and Estonia, the company was able to sign new contracts. In addition, it was able to exploit synergy effects with its sister company Bomin. This opens up new possibilities for a future expansion of the blending business.

### 🚧 Denmark

The **Oiltanking Copenhagen** team achieved 100 percent capacity utilization thanks to new customer business, and therefore scored a better result than expected despite a very difficult market environment. The renewal of storage contracts and also the increasing bunker activities in collaboration with its sister company Bomin provide a solid basis for the years ahead. The planned modernization and expansion of the infrastructure for heating the fuel oil tanks will further strengthen the tank terminal's position.

### 🚧 Malta

**Oiltanking Malta** once again benefited from its central location in the Mediterranean and from a stable market environment. In combination with the additional services offered, this led to full tank capacity utilization and very good results. The modernization measures and capacity expansion carried out also increased the location's attractiveness. In order to be able to continue to provide customers with an excellent service in future, further investment in infrastructure is planned in the year ahead.

### 🚧 Bulgaria

Given the unstable political situation and the attendant difficult market environment, **Oiltanking Bulgaria's** results were satisfactory. While a newly commissioned tank increased capacity, throughput fell short of expectations due to production problems experienced by the company's biggest customer. Higher throughput is expected again in 2015, so that a further expansion of the tank terminal is being considered.



Buenos Aires is the political, cultural and industrial center of Argentina. For Oiltanking, the World Petroleum Congress, which was held in the world capital of tango in 1990, was a prelude to its activities in the eighth-largest country in the world. Key contacts were made here that, in February 1993, led to the founding of Oiltanking S.A., now Oiltanking Ebytem S.A. which operates two tank terminals in Argentina among other activities.

## NORTH AMERICA

### ‡ USA

In Spring 2014, Oiltanking received an exceptionally attractive offer for its 66.7-percent stake in Oiltanking Partners, reflecting Oiltanking's outstanding business success in North America. The sale of the company's shares, and thus of the tank terminals in Houston and Beaumont, constituted an extraordinary opportunity in the best interests of the entire group. The proceeds will benefit the long-term growth of Marquard & Bahls. Furthermore, Oiltanking will continue to participate in the shale oil and shale gas boom in North America as half of the purchase price was paid in shares in the acquiring company. In addition, the company will remain present in the United States with the tank terminals in Texas City, Port Neches and Joliet.

As the divested terminals in Houston and Beaumont were still managed by Oiltanking for most of the year, the results of the two sites are still included in this Annual Report.

**Oiltanking Houston** achieved outstanding revenues again in 2014. The result was well over budget due to the high LPG throughput and a further increase in crude oil volumes. In the course of the year, the tank terminal's capacity and infrastructure were further expanded, creating a good starting point for the further growth that is anticipated.

**Oiltanking Beaumont's** result in 2014 was again fully in line with expectations. Based on new long-term contracts, it was decided to expand crude oil capacity by 980,000 cbm, construct several pipeline connections to refineries, and build a new finger pier.

For **Oiltanking Texas City**, the year was marked by a growing demand for storage capacity, which resulted in high tank utilization. Accordingly, the site posted very good results. The expansion of the jetty and the conversion of a tank for ethanol storage were completed. Customers have signaled a further demand for tank storage capacity, thereby indicating a positive business performance in 2015, too.

Results at **Oiltanking Port Neches** were also good. The construction of three new tanks is progressing well and their capacity is expected to go into operation in mid-2015.

**Oiltanking Joliet's** results fell short of expectations. The increase in railcar transshipment was a positive development, however. Furthermore, a new contract for the storage of sodium hydroxide was completed. Further growth opportunities are arising from its proximity to a refinery.

## LATIN AMERICA

### ✦ Argentina

Despite the country's difficult economic situation, **Oiltanking Ebytem** was able to expand its throughput, as well as revenues from additional services. Accordingly, the company's result was above expectations. To improve the quality and reliability of the tank terminal in **Puerto Rosales**, further significant investment was made in infrastructure. Utilization of the tank terminal in **Brandesen** was in line with expectations. A decision will be made about the possible expansion of the two tank terminals in 2015.

### ✦ Brazil

The 2014 results of **Oiltanking Terminais** were good, exceeding expectations. Almost all its storage contracts were extended and various infrastructure projects were successfully completed. In order to meet the growing demand for storage capacity for petroleum products and chemicals, a further expansion of the tank terminal in Vitória is being considered.

### ✦ Peru

2014 was a good year for **Oiltanking Peru**, with results surpassing expectations. In the middle of the year, the company and its partner Graña y Montero Petrolera (GMP S.A.) founded the **Terminales del Peru** consortium, which won the tender to operate five tank terminals with a contract period of 20 years. Oiltanking will therefore continue to operate the four tank terminals in the north of the country, while the tank terminal in Callao, Lima has been added to the network. In addition, the existing **Consortio Terminales** consortium managed to renew the O&M contracts for five tank terminals in the south of the country for an initial period of one year.

The **Logística de Químicos del Sur** tank terminal in the port of Matarani delivered a good performance. A new contract for the storage of sodium hydrosulfide requires an expansion of the existing capacity by 50 percent.

Results at the **Camisea Marine platform** in Pisco were in line with expectations. During the first half of 2015, there will be negotiations on the renewal of the O&M contract, including an expansion of the scope of services.

### ✦ Colombia

Although revenues in 2014 were up year-on-year, the results of **Oiltanking Colombia** in Cartagena fell short of expectations. This is mainly due to tanks not being fully utilized. Since an increase in demand is expected, however, an increase in the capacity and upgrade of the jetty is still planned for the near future.

Work on the tank terminal in **Puerto Bahia**, which Oiltanking has been commissioned to build by a customer, progressed slower than planned in 2014, which led to an extension of the construction management contract. The tank terminal is expected to go into operation in the second quarter of 2015, and then be operated by Oiltanking under an O&M agreement.

### ✦ Panama

**Colón Oil and Services** achieved a good result in 2014. The market for marine fuels showed slight signs of recovery, while competition for the storage of other products remained strong due to existing excess capacity. Both tank utilization and revenues from additional services were higher than expected. In order to diversify the business, the tank terminal plans to expand its product and client portfolios.

## MIDDLE EAST

### ✦ Oman

In Sohar, the result of **Oiltanking Odfjell Terminals** remained slightly below expectations due to lower rates. In addition, there was increased competition in the region due to surplus storage capacity created by new tank terminals in Fujairah. Despite these challenging conditions, high utilization rates were achieved thanks to spot contracts and additional services. The market will remain competitive in 2015. However, the easing of economic sanctions against Iran and the planned construction of a petrochemical plant could have a positive impact on the tank terminal's utilization rates.

### ✦ United Arab Emirates

The situation of the **Star Energy Oiltanking** tank terminal in Dubai was also impacted by excess storage capacity in the region. In spite of this, the site managed to largely retain its existing storage contracts and achieve good results by offering additional services and spot contracts. For the future, opportunities in chemicals storage are being explored, and the easing of sanctions against Iran will have positive repercussions for gasoline imports and, accordingly, for throughput rates.





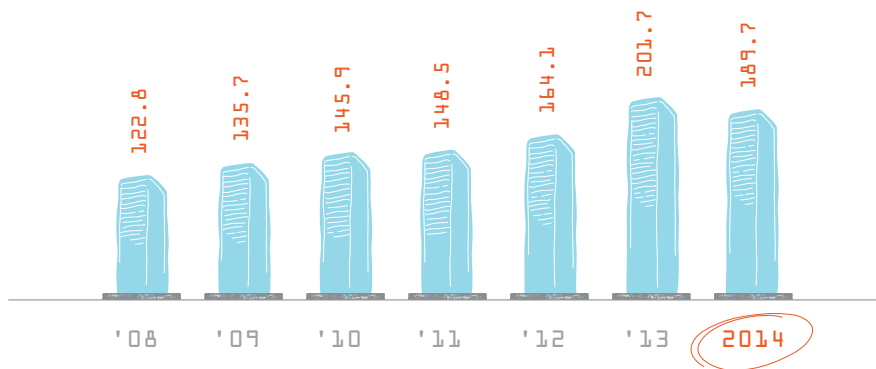
Dubai This metropolis is a cross between tradition and modernity, a city where the oriental way of life meets the architecture of superlatives. One of the city's older mammoth projects is the world's largest artificial harbor, Jebel Ali, created in the 1970s. Star Energy Oiltanking has operated a tank terminal for the transshipment of petroleum products and chemicals here since 1986.

## AFRICA

### ✦ South Africa

The drought in South Africa led to a decline in molasses throughput and trading margins, and to unsatisfactory financial results for **Oiltanking Grindrod Calulo**. Economic growth in South Africa also slowed last year, a trend that is expected to continue due to a labor dispute in the platinum and steel industry. Nevertheless, the plan is to expand the tank terminal in Durban in 2015 and consequently to enlarge both the product and customer portfolio. Oiltanking is also currently pursuing other projects in South Africa.

Group throughput 2008-2014 in million t



## ASIA

### 📍 Singapore

In a market environment where demand for tank storage is currently declining, **Oiltanking Singapore's** results were well above expectations due to excellent throughput rates. Several contracts were renewed and new ones signed. The infrastructure for fuel oil handling was upgraded to drive forward the modernization of the site. These expansion measures will be continued in 2015. The tank terminal's flexible and technically advanced facilities are a good basis for defending its market position going forward.

**Oiltanking Odfjell Terminal Singapore** also achieved a good result. All pending storage contracts were successfully renewed. Furthermore, the proposed tank retrofits were completed and new capacity went into operation. Despite continuing strong competition in the chemicals market, the outlook is positive.

Against the backdrop of declining demand for storage capacity, the **Helios tank terminal** achieved results in line with expectations in 2014. 2015 is expected to be a challenging year due to increasing competition.

### 📍 China

**Oiltanking Nanjing's** 2014 results were better than expected. A contract for the storage of ammonia was signed with a large customer, entailing upgrades to the tanks and infrastructure. In addition, in the first quarter of 2015, seven new tanks went into operation. The site's outlook for the next few years is positive.

**Oiltanking Daya Bay's** results also exceeded expectations. The company successfully sold the first terminal it ever built, which is located at a separate site. In combination with high utilization this had a positive influence on the company's result. A further expansion of the facility is planned.

The **Oiltanking Daya Bay Public Pipe Rack Company's** results were slightly above expectations in 2014. Effective January 1, 2015, Oiltanking bought the remaining shares and now is the sole owner of the company, which operates pipeline infrastructure in the harbor.



**Nanjing** In Nanjing ancient imperial China meets the modern People's Republic. This metropolis of millions serves as a base of operations for many international companies including Oiltanking, which operates a chemicals tank terminal here, on the lower reaches of the Yangtze River. While the origins of Nanjing date back to 495 BC, Oiltanking's beginnings in the Chinese metropolis are much more recent. In April 2009, the company put its newly built tank terminal into operation with the discharge of "Borneo Pioneer".

## ✦ Indonesia

As the long-expected liberalization of the Indonesian downstream and import market still did not progress in 2014, Oiltanking decided to sell its shares in the tank terminal in **Merak**, Indonesia. The sale was completed in the third quarter of 2014, and given the realized proceeds can be considered a success. Regardless of this, Oiltanking will continue to pursue business opportunities in the Indonesian market.

The construction of a 760,000 cbm tank terminal on the island of Karimun, 20 km southwest of Singapore, as a joint venture with the Gunvor Group, is progressing well. The site will have a jetty with four berths for seagoing vessels, one of them for VLCC tankers. **Oiltanking Karimun** is expected to go into operation at the end of 2015.

## INDIA

### ✦ Terminalling

2014 was a difficult year for the terminalling division of **IOT Infrastructure & Energy Services**. In particular, the tank terminal in **Goa** was unable to achieve its targets. On a positive note, however, the expiring BOOT contract for the tank terminal and the gas bottling plant in **Chennai** was converted into an O&M contract at the end of 2013. The tank terminal in **Navghar** achieved full capacity utilization and a further expansion of the site is being considered. Crude oil was first stored at the **Paradip** tank terminal in May 2014 after the neighboring refinery went into operation. In addition, four more O&M contracts were won and eight existing contracts renewed.

The construction of the tank terminal in **Raipur** is progressing as planned and is scheduled for completion in the first half of 2015.

As the business model of common-user terminals in India offers good opportunities for growth, IOT plans to build more of these in the coming years and is currently sounding out possible locations.

## # EPC

The results of IOT Infrastructure & Energy Services' (IOT) **EPC business** were again disappointing in 2014. The EPC area of business was therefore fundamentally re-structured and realigned last year. As a result, a considerable portion of all claims were written down. Nevertheless, IOT was able to conclude important new contracts, including the construction of the Sangatta tank terminal on the Indonesian island of Borneo, the construction of tanks for a refinery expansion in Oman and of storage capacity for a refinery in Izmir, Turkey. Going forward, IOT's EPC division will focus on its core competencies, i.e. the construction of tank terminals as well as gas and oil installations.

Against the backdrop of an improving investment climate due to government reforms in India, prospects for IOT's EPC division are positive.

## OUTLOOK

Although the oil market is currently characterized by oversupply, demand for petroleum products will continue to rise in the coming years due to population and economic growth. This development, in combination with the growing imbalance between producing and consuming regions, results in an increasing demand for tank storage and strategically well-positioned infrastructure. Political and economic changes such as the current conflict in Ukraine will continue to have an impact on the development of the petroleum industry. Oiltanking is well positioned to respond flexibly to these various developments and to achieve long-term strategic growth.

# CURIOUS.



Houston

Curious.



**The urge to discover new things and be curious is the invisible force that drives us. It enables us to create things that are greater than ourselves, and is also the foundation on which cities and global enterprises arise, and the driving force that lets them evolve.**

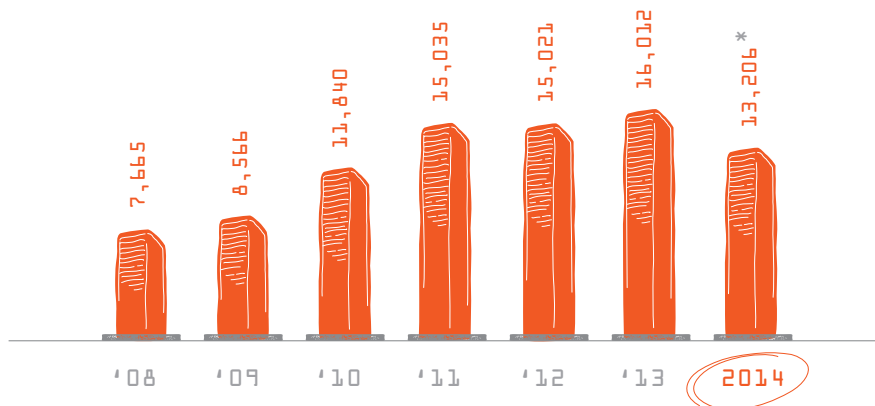


# AVIATION FUELLING

**Skytanking** ended 2014 with a positive operative result, above that of the previous year. The company sold its U.S. subsidiary, but countered this by expanding in Europe and India. Throughput volume was further increased at both existing and new locations, and totaled around 13 billion liters of jet fuel.

In general, the aviation industry recorded a positive development, although there were significant differences between the individual markets. Skytanking's business in the U.S. had fallen short of expectations in recent years due to increasing airline consolidation and fierce competition. As a result and following in-depth analysis, Skytanking withdrew from this market at the start of 2014. The sale generated a remarkable extraordinary profit for Skytanking.

Volume handled 2008-2014 in million l



\* without USA



**Paris** The French capital holds several records: It is the most densely populated city in Europe, the most-visited tourist destination in the world and its six main railroad stations and four airports make it the largest transportation hub in France.

It is a city on the move - and thus the ideal location for Skytanking, which has fuelled aircraft at Europe's second largest airport, Charles de Gaulle, since July 1, 2009.

In Europe, Skytanking's most important market, the company grew substantially. In addition to buying the remaining shares in the Munich and Vienna sites that were previously operated as joint ventures, two new locations were added: Klagenfurt and Linz. Shortly afterwards, Hamburg was added as a further European location.

The strongest growth by volume within the network was achieved in India, where Skytanking's joint venture company IndianOil Skytanking, added Mumbai, the second-largest airport in India, to the established sites in Bangalore and Delhi.

At the end of 2014, Skytanking was represented at a total of 42 airports in eleven countries, and fuelled more than 1.2 million aircraft over the course of the year.

## EUROPE

### ✚ Germany

Skytanking generated mostly good results at its sites in Germany. Buying out its joint venture partner had a positive effect in **Munich**, and Skytanking increased its market share in **Frankfurt**, the largest airport in Germany. The launch of the aircraft fuelling service at **Hamburg** Airport in May 2014 was also good news, as the Hanseatic city is the home of our corporate headquarters. Together with **Stuttgart**, which also had a good year, Skytanking now operates at four of the ten biggest airports in Germany.

### ✚ Austria

Business in **Vienna** was satisfactory in 2014, with fuelling volumes similar to those of the previous year. The new sites of **Klagenfurt** and **Linz**, which Skytanking took over in the spring of 2014, recorded stable earnings. With a total of three locations now, Skytanking has significantly expanded its market share in Austria.

### ✚ Switzerland

The aircraft fuelling service in **Zurich** developed well, albeit slightly below the previous year's level. A new customer was won at the end of 2014, adding to the positive outlook for Skytanking at Switzerland's largest airport.

### ✚ Belgium

After a slow 2013, Skytanking NV achieved excellent results in into-plane services at **Brussels** Airport due to a significant increase in passenger and cargo traffic in 2014.

At year-end, Skytanking acquired a majority stake in Hydrant Refuelling System NV (HRS), which owns the storage and hydrant system at Brussels Airport, comprising 40,000 cbm of storage capacity and 175 hydrant refuelling positions. Skytanking NV has been responsible for managing HRS' operations, administration and engineering since 1993. This is the first time Skytanking has taken over a major facility from a consortium of oil companies and airlines; a transaction that could serve as a model for other locations.

Skytanking Ostend was less successful, as the largest cargo airline relocated from **Ostend-Bruges** International Airport to Liege Airport, which significantly reduced Skytanking's throughput. A solution to compensate for this is being developed with the airport.

### ✚ Luxembourg

The situation of Luxfuel SA in **Luxembourg**, in which Skytanking owns a 30-percent stake, improved year-on-year. The company benefited from an increase in passenger and cargo traffic, which led to higher throughput and a correspondingly positive result.

### ✚ France

In France, Skytanking is currently active at **Paris-Charles de Gaulle**, **Nice** and **Bordeaux** airports. Despite several pilot strikes, the company increased into-plane volume with its main customer by 10 percent. The overall results were good, and the outlook is positive.

### ✚ Italy

In 2014, the market environment in Italy was somewhat more favorable than in the previous year. Despite a still-weak economy and the uncertain situation of an Italian airline, overall passenger numbers grew by four percent compared to 2013. The **Milan-Linate** and **Rome-Fiumicino** sites continued to suffer from a decline in throughput, while at **Milan-Malpensa**, **Palermo** and **Naples** airports, higher passenger numbers translated into increased throughput for Skytanking. Neither the positive results from these three airports nor several successful cost-saving initiatives were able to compensate for lower-than-expected revenues from Milan-Linate and Fiumicino, so the overall results for Italy did not meet the high expectations.

Even in the face of an ongoing sluggish economic outlook, the market for aircraft fuelling in Italy looks largely positive. It remains to be seen how the entry of new competitors will affect the market long-term.

#### ✈ United Kingdom

North Air Limited, Skytanking's joint venture in the U.K., increased its throughput volume by 18 percent, mainly due to the fact that this was the first full year refuelling for the largest airline at **London Gatwick** Airport, the country's second-biggest airport. The rise in volume helped to secure a better-than-expected result for the company.

Projects to expand **North Air's existing network** of 19 sites are expected to be concluded in 2015.

## SOUTH AFRICA

Air traffic at **Durban** King Shaka International Airport was slightly down in 2014 but, throughput was up due to extra long-haul flights, with the result that earnings were in line with expectations. The company's plans to offer its aircraft fuelling services at other South African airports are still being pursued. Further developments will depend on the extent to which the market for independent aircraft fuelling opens up in the next few years.



Cape Town The city has repeatedly played a major role in the history of the country on the Cape of Good Hope. Among other things, on February 11, 1990 Nelson Mandela announced the beginning of a new era for South Africa here. For Marquard & Bahls, the metropolis at Table Mountain plays a key role as a starting point for its operations in South Africa, which kicked off with the founding of Oiltanking Grindrod Calulo in October 2008.

## INDIA

The aviation market in India continues to develop positively and IndianOil Skytanking is keen to participate in this development. The company, which has been operating at two airports – **Bangalore** and **Delhi** – for some time, also began fuelling aircraft at **Mumbai** last year. 2014 was the first full financial year at this location, where IndianOil Skytanking holds one of the two into-plane fuelling licenses. At Bangalore, a new tank was built and put into operation. Overall, IndianOil Skytanking achieved a good result, with promising prospects for the years ahead.

## OUTLOOK

The aviation industry is expected to develop positively again in 2015. According to the International Air Transport Association (IATA), the global economic recovery and the expected continued low oil prices will lead to an increase in both passenger numbers and cargo volume. This in turn will offer Skytanking a stable business environment and opportunities for further expanding its network.

The company is running several projects to pursue its expansion and will focus on optimizing workflows and continually improving safety standards at all of its sites.

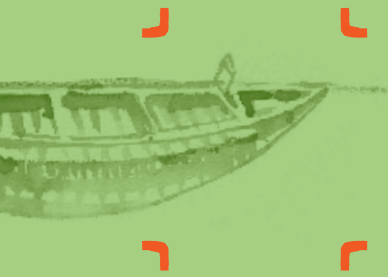
# CREATIVE.



Dubai



Creative.



**Cities and businesses thrive on innovation, because in order to survive they have to repeatedly reinvent themselves and respond to change. This makes them places of creativity and inspiration that can influence and change the world.**

# DRY BULK HANDLING

**United Bulk Terminals** 2014 was a challenging year for UBT. The company, which concentrates on the handling and storage of dry bulk products such as coal and petcoke and currently operates two facilities in the U.S., was faced with an extremely difficult market environment.

The demand for coal rose slightly worldwide, but was offset by oversupply, which led to further price erosion. In addition, higher prices in the U.S. in comparison to other markets led to a decline in coal exports. On the other hand, the throughput of petcoke and sulfur showed a gratifying positive development. At year-end UBT had a total storage capacity of 4.0 million tons, and had achieved a total transshipment volume of 9.3 million tons.

## ✦ **United Bulk Terminals Davant**

The UBT Davant bulk storage facility in Louisiana operated under difficult conditions due to the sharp decline in coal exports. Despite strict cost reductions, this resulted in earnings that were well below budget. Things looked better in the petcoke sector, where transshipments developed well in line with expectations. In view of the renewal of a multi-year contract for the storage and handling of coal with a major customer, UBT expects a stable order situation in 2015. The coal market will remain difficult, while the transshipment of petcoke is likely to do better based on increasing exports to India.

## ✦ **Oiltanking Dupré Corpus Christi**

The facility in Corpus Christi, Texas achieved good results in the transshipment of petcoke and sulfur. The throughput of petcoke decreased slightly, whereas the transshipment of sulfur was much higher than expected. The outlook is positive as the use of more efficient equipment is also increasing productivity at the facility.

## OUTLOOK

UBT's primary objective is to operate its facilities profitably in a challenging environment. At the same time, the company is focusing on further expanding its existing sites, in particular with a view to further improving environmental standards.



**New Orleans** A fascinating Southern belle and the birthplace of jazz, New Orleans was "multicultural" before the term existed, thanks to its cosmopolitan population. Some of the largest pushed barge trains in the world operate on the Mississippi, or Ol' Man River, making it the perfect location for United Bulk Terminals, which operates one of the largest bulk storage facilities for coal and petcoke along the U.S. Gulf Coast south of the city.

# WORKING.



Cape Town



**Cities serve as both living and working spaces. Work is defined as purposeful, conscious action that is subject to continuous change in a changing world. It previously served primarily as a means of securing a livelihood, but now is expected to fulfill many other purposes as well: encouraging strengths, leveraging potential, opening up prospects and bringing fulfillment.**

# UPSTREAM SERVICES

**Newsco** The market for directional drilling services was again marked by strong competition in 2014. In order to optimally position Newsco in this competitive line of business, the company underwent a restructuring process last year.

In January 2014, the new corporate headquarters in Houston, as well as an operative site in Conroe, Texas, were opened. The Casper, Wyoming site and the companies in Calgary, Canada, as well as in India and Peru were reorganized. The ownership structure also changed: Since September 2014, Marquard & Bahls has held a majority stake in the company via direct and indirect shareholdings.

## ✚ Canada

In a keenly competitive market environment, the results of Newsco International Energy Services and Newsco Directional Support Services in Calgary were unsatisfactory. Teething problems in the wake of the 2014 reorganization resulted in a decline in revenues. With the aim of standing out from the competition more, Newsco further optimized its services. Positive effects from these changes are expected in 2015. The Telemetrix Technologies International subsidiary was also realigned in 2014, with a focus on making processes leaner and reducing the development to market time of products. A new sensor to measure position while drilling was successfully launched in 2014, followed by the Gamma module in the first quarter of 2015. In future, the company will develop its own growth strategy and organize internal processes independently of its parent company Newsco. Based on the introduction of several new sales processes, the outlook for Telemetrix in 2015 is positive.

## ✚ USA

Newsco's results in Conroe, Texas were in line with expectations. The company signed its first directional drilling services contract in December 2014. The new site, which is located near multiple rigs in the Eagle Ford Formation and the Permian Basin, forms the perfect starting point for Newsco's further growth.



Houston is a city of pioneers. From the oil industry to space technology to medical research - the "Big H" is a meeting ground for visionaries and scientists. For Marquard & Bahls, too, it is a hub of innovation. This is where Oiltanking built its first overseas tank terminal more than 40 years ago, where Mabanaft began trading in coal in 2014, and where Newsco, a provider of directional drilling services, has its headquarters.

Compared to the region in Texas, conditions for drilling in the Rocky Mountains are much harder. Nevertheless, Newsco's site in Casper achieved a very good result. Thanks to a newly launched drill motor, the company managed to sign several new contracts and expand its customer portfolio during the year. Though conditions are difficult due to low crude oil prices, Newsco expects to expand its business in this region in 2015.

#### ✦ **Russia**

The Russian market for directional drilling services has proven difficult for Newsco in recent years. Contracts were not adhered to, and two major customers could not meet their payment obligations. In particular, international sanctions by the U.S. and Europe had a negative influence on the oil and gas sector in the second half of the year. This, in combination with the decline in crude oil prices and the significant devaluation of the Russian ruble, resulted in a disappointing year for Newsco and led to the decision in December to close the plant in Nizhnevartovsk in the first quarter of 2015.

#### ✦ **Peru**

Following a change of management at the Talara site, Newsco Directional Drilling's 2014 results were in line with expectations. In a small market environment with only about 20 rigs nationwide, the company managed to establish a business relationship with a new client that has led to several rental contracts. Newsco also opened a new office in Lima and qualified for participating in calls for tender by national and international oil companies. In 2015, the company will focus on signing drilling contracts and developing the leasing market for specialized equipment.

#### ✦ **India**

Despite the dominance of state-owned companies, Newsco International Energy Services was able to hold its own in India and achieve a good result. Process improvements led to increased cost efficiency. In addition, a new management team was installed, which will focus on the expansion of the business in 2015.

## **OUTLOOK**

The demand for oil and gas exploration services is currently subdued due to the decline in crude oil prices, so that Newsco does not expect any externally driven upturn in 2015. However, the company strives to consolidate its position in markets where it has a presence, through strong customer focus and a diverse portfolio.



# TOGETHER.



Buenos Aires

Together.



**Many things can only be achieved together with others. Just as it takes two to tango, a company needs many employees who contribute their knowledge and skills. Only in exchange with each other can the strengths of individuals come together in a larger whole, so that interaction can become a driving force that turns companies into vibrant places and metropolises into pulsating hubs of activity.**

# RENEWABLE ENERGY

**Mabagas** In 2014, Mabagas, which realizes biogas projects using organic residues and waste, focused on further optimizing the operational processes of its biogas plants in Germany and India.

In contrast to previous years, where the focus in the German market was on energy crops for biogas production, both in Germany and internationally the sector now focuses on utilizing organic residues and wastes – as exclusively used by Mabagas.

## GERMANY

The market for organic waste in Germany is changing all the time. These residues are now a popular substrate for biogas plants, and purchasing them from waste producers has become highly competitive. Given this situation, constant full utilization of the waste biogas plant in Bardowick was not possible last year, which led to a lower than expected biogas production levels. To better utilize the plant in 2015, a separate waste collection system was developed, which went into operation in January 2015.

In the CNG market (compressed natural gas), the positive growth trend continued as the number of CNG-powered vehicles continued to increase in 2014. Against this backdrop, the results from sales of organic CNG as a fuel at ten service stations operated by the sister company OIL! were in line with expectations. The planned commissioning of two new bio-CNG stations in Berlin and Essen was postponed due to delays in the approval processes, and took place in the first quarter of 2015.

In addition to these two new stations, a further expansion of the network of bio-CNG stations is planned this year.



Mumbai With a population of 12.5 million, Mumbai is the largest city in India and one of the most populous metropolitan areas in the world. Since August 1986, the city on the Indian Ocean has also been the headquarters of the Marquard & Bahls subsidiary with by far the most employees, IOT Infrastructure & Energy Services. At the end of 2014, the Indian company employed around 2,300 people worldwide.

## INDIA

Because of the low level of energy and fertilizer production due to a damaged fermenter, results at the waste biogas plant in Namakkal, India fell short of expectations. On a positive note, the desulfurization system for cleaning the biogas was completed, and a bagging facility for the residual material sold as fertilizer went into operation. The repair of the damaged fermenter was completed in the first quarter of 2015, which will significantly increase the volume of energy and fertilizer production in 2015 when it goes back into operation. There will also be more of a focus on marketing the fertilizer produced, under a proprietary brand name.

## OUTLOOK

One of Mabagas' focuses in 2015 will be to further optimize processes at the two waste biogas plants in Germany and India. There are also plans to further expand the service station network by purchasing existing CNG stations as well as building new bio-CNG filling stations.

# CARBON TRADING

**Carbonbay** The climate protection project portfolio developed as part of carbon trading was pooled in the newly founded Carbonbay at the end of 2013. Since then, the company has focused on shifting the existing portfolio to the voluntary carbon market and developing a new marketing strategy for the climate protection projects.

Given the continued volatility of emission permit markets in 2014, Carbonbay's business results can be seen as pleasing. Expenditure was at the expected level, and the termination of an unfavorable contract resulted in a considerable accounting gain.

The portfolio, which also includes the IOT Mabagas biogas plant in Namakkal, India currently comprises 19 programs with currently 49 sub-projects in ten countries worldwide, including Honduras, Peru, Brazil, Costa Rica, Tanzania, India and Vietnam.

A large part is run in the form of Programs of Activities where smaller measures in a given region are grouped into a single project. For instance, another six measures were added to the CDM Gold Standard-certified Guacamaya program in Honduras in the fall of 2014, making it one of the most attractive in the portfolio. The company also contracted further hydropower projects for the program in Peru. As a result, up to a million carbon credits can be sold to the Swedish Energy Agency (SEA) in the next few years.

## OUTLOOK

In 2015, CDM Gold Standard certification will be sought for further Carbonbay projects. The company also expects to receive the first certified emission permits from the United Nations in a number of projects.



**Frankfurt** The city of Frankfurt am Main is mainly known for two things: Its skyline of high-rise bank buildings, which earned the city the nickname Mainhattan, and its airport, the third largest in Europe and one of the most important air transport hubs in the world. For Skytanking, Frankfurt Rhine-Main airport is special, because in November 2011 it became the 50<sup>th</sup> location in its worldwide aircraft-fuelling network.

# FUEL ANALYSIS

**GMA** Gesellschaft für Mineralöl-Analytik und Qualitätsmanagement (GMA) did about as well in 2014 as the year before, closing with satisfactory results that were in line with expectations.

As in previous years, the company conducted analyses for sister companies as well as external customers, and was involved with standardization bodies and research groups.

The additives business and heating oil marker sales were on par with the previous years.

In summer, the laboratory was re-certified in accordance with DIN EN ISO/IEC 17025 for all test procedures. GMA is thus accredited for the chemical and physico-chemical analysis of oil and related products, as well as for sampling fuels and combustibles. In 2014, the laboratory also received its first-time accreditation for all test procedures required for the marine bunker fuel standard (DIN ISO 8217).

The research project to investigate the storage stability of various heating oil-FAME blends, for which GMA was contracted to perform all laboratory analytics, was completed in 2014.

## OUTLOOK

In a stable market environment, GMA expects to continue its successful performance in 2015.



# GAS SUPPLY

**natGAS** Despite a difficult market environment, which has caused a significant deterioration in the results of many utility companies across Europe, natGAS managed to continue its profitable performance in 2014, consolidating its position as a reliable and independent partner in the field of gas and electricity supply in Germany and neighboring countries.

In 2014, the European gas industry was not only faced with the familiar challenge of high market liquidity coupled with low margins, but also suffered from a decline in heating gas volumes due to a historically mild winter 2013/2014. In addition, the difficult geopolitical situation, especially the Ukraine crisis, caused increasing price volatility.

natGAS expanded its business internationally, especially in Belgium, France and Switzerland, and won its first customer in Austria. The company also signed new supply contracts for 2015 and beyond with most of its customers.

In 2014, the company supplied around 130 TWh of natural gas (the energy equivalent of 11 million tons of gasoil), and around 2 TWh of electricity (equivalent to approximately 170,000 tons of gasoil) to its customers, and again ended the financial year with a profit. This illustrates once more that natGAS has established itself in the German energy market as a leading independent market participant.

In addition to supplying gas and electricity, the focus is on offering custom solutions for cost-effective energy supply for major customers such as industrial companies, public utilities, and power plant operators. natGAS is continually developing its portfolio management solutions and combines them with comprehensive cross-commodity optimization that includes all forms of energy (electricity, gas, oil, steam). In addition, the system flexibility of industrial plants and combined heat and power plants can be used for balancing energy in the electricity and gas network. natGAS is also active in the field of renewable energy.

## OUTLOOK

natGAS seeks to continue to broaden its product range and increase its market share in the years ahead. To this end, the company will exploit opportunities in the European energy market, which result in part from Germany's efforts to switch to renewable energy. The renewed increase in its equity capital through last year's profit retention, and its entry into the Italian gas market in January 2015, represent further important steps for natGAS along this path.



**Berlin** Germany's capital has a checkered history: Once the magnificent residence of Emperor Wilhelm I, it became the capital of the Third Reich and after the end of World War II, a divided city at the center of the Cold War and the setting of the fall of the Berlin Wall in 1989. These events affected all areas of life in Berlin, including business. For instance, part of the capacity of the tank terminal on the Teltow Canal, which oiltanking opened on July 26, 1969, was reserved from the beginning for Berlin's compulsory stocks of middle distillates.

# REPORT OF THE SUPERVISORY BOARD

During the 2014 financial year, the Supervisory Board was informed regularly by the Executive Board in writing and orally about the state and development of the company, the group companies, and their shareholdings. The Supervisory Board discussed all substantial issues with the Executive Board.

The auditing firm RBS RoeverBroennerSusat GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft audited the financial statements, as well as the report on the state of affairs of the company, and issued an unqualified audit opinion. The consolidated financial statements and the report on the state of the corporation and the group were issued in a joint audit by RBS RoeverBroennerSusat GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft. It issued an unqualified audit opinion. The financial statements, the consolidated financial statements, the report on the state of the company and of the group, and the auditors' reports, were submitted and explained by the auditors to the Supervisory Board. After having conducted its own review, the Supervisory Board had no objections and approved the results of the audit.

The Supervisory Board also approved the financial statements, the consolidated financial statements, and the report on the state of the company and of the group at its meeting on May 7, 2015. The financial statements have therewith been approved. The Supervisory Board concurs with the Executive Board's dividend proposal.

Hamburg, May 7, 2015

The Supervisory Board



Hellmuth Weisser, Chairman

# LIST OF ABBREVIATIONS

<b>ARA</b>	Amsterdam, Rotterdam, Antwerp
<b>BOOT</b>	Build-Own-Operate-Transfer
<b>CBM</b>	Cubic meters
<b>CDM</b>	Clean Development Mechanism
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>CNG</b>	Compressed Natural Gas
<b>COO</b>	Chief Operating Officer
<b>EPC</b>	Engineering, Procurement and Construction
<b>HSSE</b>	Health, Safety, Security and Environment
<b>LNG</b>	Liquefied Natural Gas
<b>LPG</b>	Liquefied Petroleum Gas
<b>O&amp;M</b>	Operations and Maintenance
<b>TWH</b>	Terawatt hours
<b>VLCC</b>	Very Large Crude Carrier

# CONSOLIDATED FINANCIAL STATEMENTS 2014



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# MARQUARD & BAHL S AG

## IFRS Consolidated Statement of Financial Position as at December 31, 2014

Assets (K€)	31.12. 2014
<b>A. Non-current assets</b>	
I. Intangible assets .....	225,749
II. Tangible assets .....	1,992,174
III. Investments accounted for using the equity method .....	118,876
IV. Other investments .....	1,637,832
V. Deferred taxes .....	63,693
VI. Non-current receivables and other assets .....	79,799
VII. Derivative financial instruments .....	22,181
<b>Subtotal Non-current assets</b> .....	<b>4,140,302</b>
<b>B. Current assets</b>	
I. Inventories .....	
1. Inventories, raw materials and supplies .....	6,763
2. Inventories, goods and finished products .....	322,290
3. Advance payments .....	8,301
	<u>337,354</u>
II. Current receivables and other assets .....	
1. Trade receivables .....	819,601
2. Receivables – affiliated companies .....	1,008
3. Receivables – associated companies .....	9,847
4. Receivables – participating interests .....	213
5. Current tax assets .....	315,129
6. Other receivables and current assets .....	84,197
	<u>1,229,994</u>
III. Derivative financial instruments .....	117,045
IV. Treasury stock .....	1,456
V. Cash and cash equivalents .....	1,482,386
<b>Subtotal Current assets</b> .....	<b>3,168,235</b>
<b>C. Assets held for sale from discontinued operations</b> .....	<b>4,231</b>
<b>Total</b> .....	<b><u>7,312,768</u></b>

**Liabilities and Shareholder's Equity (K€)**
**31.12. 2014**

<b>A. Equity</b>	
I. Share capital .....	250,000
II. Additional paid in capital .....	2,936
III. Revenue reserve .....	379,982
IV. Reserve for changes in value .....	-152,690
V. Reserve for revaluation .....	215
VI. Retained earnings .....	2,490,655
VII. Currency conversion adjustments .....	-13,488
VIII. Minority interests in consolidated subsidiaries .....	239,678
<b>Subtotal Equity</b> .....	<b>3,197,288</b>
<b>B. Non-current liabilities</b>	
I. Non-current liabilities .....	
1. Non-current liabilities due to banks .....	270,892
2. Non-current liabilities due to related companies .....	10
3. Other non-current liabilities .....	840,217
	<u>1,111,119</u>
II. Non-current provisions .....	145,255
III. Derivative financial instruments .....	41,651
IV. Deferred taxes .....	736,990
<b>Subtotal non-current liabilities</b> .....	<b>2,035,015</b>
<b>C. Current liabilities</b>	
I. Current liabilities .....	
1. Current liabilities due to banks .....	283,606
2. Trade accounts payable .....	625,526
3. Current liabilities due to affiliated companies .....	2,463
4. Current liabilities due to associated companies .....	6,140
5. Current liabilities due to participating interests .....	24
6. Current tax liabilities .....	113,416
7. Other current liabilities .....	121,350
	<u>1,152,525</u>
II. Derivative financial instruments .....	11,366
III. Current accruals .....	
1. Tax accruals .....	693,103
2. Other current provisions .....	221,484
	<u>914,587</u>
<b>Subtotal Current liabilities</b> .....	<b>2,078,478</b>
<b>D. Liabilities from discontinued operations</b> .....	<b>1,986</b>
<b>Total</b> .....	<b>7,312,768</b>



# MARQUARD & BAHL S AG

## IFRS Consolidated Statement of Comprehensive Income for the period from January 1 to December 31, 2014

(K€)	2014	
1. Revenues .....	15,288,478	
less energy tax .....	<u>-1,176,264</u>	14,112,214
2. Changes in stock of finished goods and work in progress .....		-5
3. Own work capitalised .....		7,761
4. Other operating income .....		187,714
5. Cost of sales		
a) Cost of raw materials and supplies and purchased goods .....	-12,980,106	
b) Cost of purchased services .....	<u>-220,476</u>	13,200,582
6. Personnel expenses		
a) Wages and salaries .....	-245,202	
b) Social Security .....	-46,686	
c) Expenses for pension commitments .....	<u>-6,761</u>	-298,649
7. Amortisation and depreciation on intangible and tangible fixed assets .....		-244,212
8. Other operating expenses .....		<u>-443,874</u>
9. <b>Results from operations</b> .....		120,367
10. Income from investments .....		124
11. Income from fixed asset investments in securities and loans .....		31,047
12. Other interest and similar income .....		28,933
13. Amounts written off of financial and marketable securities .....		-8
14. Interest and similar charges .....		-64,703
15. Result from equity accounted investments .....		-37,178
16. Result from deconsolidation Oiltanking Partners LP .....		3,042,796
17. Result from changes in value of derivative financial instruments .....		8,831
18. <b>Income tax</b> .....		<u>3,009,841</u>
19. <b>Result from continued operations before income tax</b> .....		3,130,208
20. Income taxes .....		<u>-1,122,343</u>
21. <b>Result from continued operations</b> .....		2,007,865
22. Result from discontinued operations .....		-1,338
23. <b>Consolidated net income</b> .....		<u>2,006,526</u>
thereof net income/loss of:		
<i>continued operations attributable         to equity holders of the parent</i> .....		1,942,439
<i>discontinued operations attributable         to equity holders of the parent</i> .....		-1,338
<i>continued operations attributable         to minority interests</i> .....		65,426
<i>discontinued operations attributable         to minority interests</i> .....		0

(K€)

2014

24.	Exchange differences on translating foreign operations .....	68,287
25.	Available-for-sale financial assets .....	-214,877
26.	Cash flow hedges .....	0
27.	Share of other comprehensive income of associates .....	321
28.	Income tax relating to components of other comprehensive income .....	75,153
	<i>thereof arising from Cash flow hedges</i> .....	0
	<i>thereof arising from associates</i> .....	-55
	<i>thereof arising from available-for-sale financial assets</i> .....	75,207
		<u>71,117</u>
29.	Actuarial losses arising from defined benefit obligations .....	-2,469
30.	Income tax relating to components of defined benefit obligations .....	479
		<u>-1,991</u>
31.	<b>Other comprehensive income for the year</b> .....	<u>-73,108</u>
32.	<b>Total comprehensive income for the year</b> .....	<u>1,933,419</u>
	thereof total comprehensive income from:	
	<i>continued operations attributable</i>	
	<i>to equity holders of the parent</i> .....	1,832,276
	<i>discontinued operations attributable</i>	
	<i>to equity holders of the parent</i> .....	-1,983
	<i>continued operations attributable</i>	
	<i>to minority interests</i> .....	102,481
	<i>discontinued operations attributable</i>	
	<i>to minority interests</i> .....	645

# AUDITOR'S OPINION

2014

**Above the uncomplete Marquard & Bahls AG's consolidated financial statements as of December 31, 2014 is published. The consolidated financial statements as of December 31, 2014, comprise the statement of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and the notes.**

With regard to the complete consolidated financial statements as of December 31, 2014, and the group management report for the financial year 2014 the annual auditor has issued the following auditor's opinion:

"We have audited the consolidated financial statements prepared by Marquard & Bahls Aktiengesellschaft, Hamburg, comprising the statement of financial position, the income statement, the statement of comprehensive income, statement of changes in equity, statement of cash flows and the notes to the consolidated financial statements, together with the group management report for the business year from January 1, to December 31, 2014. The preparation of the consolidated financial statements and the group management report in accordance with IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to sec. 315a para. 1 HGB are the responsibility of the parent company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with sec. 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation

of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework 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 as to possible 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 are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, 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 IFRSs as adopted by the EU, the additional requirements of German commercial law pursuant to sec. 315a para. 1 HGB and give a true and fair view of the net assets, financial position and results of operations of the group in accordance with these requirements. 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."

**Hamburg, March 31, 2015**

**RBS RoeverBroennerSusat GmbH & Co. KG**

Wirtschaftsprüfungsgesellschaft  
Steuerberatungsgesellschaft

**Dr. Wawrzinek**

Wirtschaftsprüfer  
German Public Auditor

**Driesch**

Wirtschaftsprüfer  
German Public Auditor

## MARQUARD & BAHLIS AG

Hamburg, Germany

### MABANAFT GMBH & CO. KG

Hamburg, Germany

#### ✚ Trading

- B.W.O.C. Limited  
Weston-super-Mare, Great Britain
- Mabanaft Austria GmbH & Co. KG  
Vienna, Austria
- Mabanaft Coal Trading Inc.  
Houston, USA
- Mabanaft Deutschland GmbH & Co. KG  
Hamburg, Germany
- Mabanaft Hungary Kft.  
Budapest, Hungary
- Mabanaft International GmbH & Co. KG  
Hamburg, Germany
- Mabanaft Limited  
London, Great Britain
- Mabanaft Moldova SRL  
Chisinau, Moldova
- Mabanaft Pte. Ltd.  
Singapore
- Mineralölvertrieb Hameln GmbH & Co. KG  
Hannover, Germany
- Manfred Mayer MMM  
Mineralöl Vertriebsgesellschaft m.b.H.  
Neudorf, Austria
- Mineralölvertrieb Brakel GmbH & Co. KG  
Brakel, Germany
- Mühlenbruch Stinnes GmbH & Co. KG  
Bremen, Germany
- Mühlenbruch Stinnes Schmierstoffservice GmbH & Co. KG  
Bremen, Germany
- Oiltech Lubes Service GmbH & Co. KG  
Erkrath-Unterfeldhaus, Germany
- Petrocargo Mineralöl-Logistik GmbH  
Hiddenhausen, Germany
- SouthEast Fuels Ltd.  
Croyden, Great Britain
- Staack Pooltankstellen GmbH & Co. KG  
Hamburg, Germany
- Thomas Silvey Ltd.  
Bristol, Great Britain
- Uhlenbruck Energie GmbH  
Mülheim an der Ruhr, Germany
- ZIEGLMEIER Energie GmbH  
Schrobenhausen, Germany

#### ✚ Retail

- Petronord GmbH & Co. KG  
Hamburg, Germany
- AUSTROLUB GmbH & Co. KG  
Vienna, Austria
- Benol Energieservice GmbH & Co. KG  
Frankfurt / Main, Germany
- Böttcher Energie GmbH & Co. KG  
Regensburg, Germany
- Deglmann Energie GmbH & Co. KG  
Weiden / Oberpfalz, Germany
- EAG Energie Abrechnungs- und Service GmbH  
Hiddenhausen, Germany
- Greiner GmbH  
Wabern, Germany
- Hartmann Energie GmbH & Co. KG  
Oberleichtersbach, Germany
- Hempelmann Wittemöller GmbH  
Hiddenhausen, Germany
- JB German Oil GmbH & Co. KG  
Wittenburg, Germany
- John Schmierstoffe GmbH  
Altlandsberg, Germany
- Kaiser Söhne Mineralöle GmbH & Co. KG  
Arnsberg, Germany
- Keck Energieservice GmbH & Co. KG  
Brakel, Germany
- Klindworth-Kronol Energie GmbH & Co. KG  
Hamburg, Germany
- Lipps Mineralöle GmbH  
Hagen, Germany
- LSA Lubes Services GmbH & Co. KG  
Vienna, Austria
- Mabanol GmbH & Co. KG  
Hamburg, Germany
- Mabanol Bitumen GmbH & Co. KG  
Hamburg, Germany
- OIL! Tankstellen GmbH & Co. KG  
Hamburg, Germany
- OIL! Tankstellen AG  
Rüti, Switzerland
- OIL Tankstellen GmbH  
Vienna, Austria
- Tirex Petrol S.A.  
Chisinau, Moldova
- BAT Auerswalde Nord GmbH & Co. KG  
Heidenau, Germany

#### ✚ Bunkering

- Bomin Bunker Holding GmbH & Co. KG  
Hamburg, Germany
- Bomin Baltic AS  
Tallinn, Estonia
- BOMIN Bunker Oil Corp.  
Houston, USA
- BOMIN Bunker Oil Ltd.  
Hong Kong, China
- Bomin Bunker Oil Pte. Ltd.  
Singapore
- Bomin Deutschland GmbH & Co. KG  
Hamburg, Germany
- Bomin International Holding GmbH  
Hamburg, Germany
- Bomin Linde LNG GmbH & Co. KG  
Hamburg, Germany
- Bomin Oil Pvt., Ltd.  
Mumbai, India
- Bomin Uruguay S.A.  
Montevideo, Uruguay
- BOMINFLOT Limited  
London, Great Britain

- BOMINFLOT do Brasil Comercio Ltda.  
Rio de Janeiro, Brazil
- BOMINFLOT Fujairah L.L.C.  
Fujairah, United Arab Emirates
- Bominflot (Gibraltar) Limited  
Gibraltar
- Bominflot Greece S.A.  
Piraeus, Greece
- Bominflot S.A.  
Madrid, Spain
- Bominship International GmbH  
Hamburg, Germany
- DELTAMAR S.A.  
Buenos Aires, Argentina
- Matrix Bharat Marine Services Pte. Ltd.  
Singapore
- Matrix Marine Fuels LLC  
Houston, USA
- Matrix Marine Fuels Pte. Ltd.  
Singapore
- NWB Nord- und Westdeutsche Bunker GmbH  
Hamburg, Germany
- Oliehandel Klaas de Boer B.V.  
Urk, Netherlands
- Omanoil Matrix Marine Services LLC  
Al Qurm, Oman
- Ostsee Mineralöl-Bunker GmbH  
Rostock, Germany
- SBI (Sea Bunkering International) B.V.  
Groningen, Netherlands
- Sea Fuels V.O.F.  
Groningen, Netherlands
- Sea Med Bunkering B.V.  
Groningen, Netherlands

### OILTANKING GMBH

Hamburg, Germany

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- Oiltanking Amsterdam B.V.  
Amsterdam, Netherlands
- Oiltanking Bulgaria A. D.  
Varna, Bulgaria
- Oiltanking Copenhagen A/S  
Copenhagen, Denmark
- Oiltanking Deutschland GmbH & Co. KG  
Hamburg, Germany
- Oiltanking Finance B.V.  
Amsterdam, Netherlands
- Oiltanking Ghent N.V.  
Ghent, Belgium
- Oiltanking Hungary Kft.  
Budapest, Hungary
- Oiltanking Malta Ltd.  
Birzebbugia, Malta
- Oiltanking Sonmarin Oy  
Kotka, Finland
- Oiltanking Stolthaven Antwerp N.V.  
Antwerp, Belgium
- Oiltanking Tallinn AS  
Tallinn, Estonia
- Oiltanking Tanklager Bremerhaven GmbH & Co. KG  
Bremerhaven, Germany
- Oiltanking Tanklager Waltershof GmbH & Co. KG  
Hamburg, Germany
- Bomin Tanklager Kiel GmbH & Co. KG  
Kiel, Germany
- Oiltanking Terneuzen B.V.  
Terneuzen, Netherlands

#### America

- Colon Oil and Services S.A.  
Panama-City, Panama
- Consorcio Terminales  
Lima, Peru
- Logistica de Quimicos del Sur S.A.C.  
Lima, Peru
- Oiltanking Andina Services S.A.C.  
Lima, Peru
- Oiltanking Colombia S.A.  
Bogota, Colombia
- Oiltanking Colombia Services S.A.  
Bogota, Colombia
- Oiltanking Ebytem S.A.  
Buenos Aires, Argentina
- Oiltanking Joliet LLC  
Joliet, USA
- Oiltanking Peru S.A.C.  
Lima, Peru
- Oiltanking Port Neches, LLC  
Houston, USA
- Oiltanking Terminais Ltda.  
Rio de Janeiro, Brazil
- Oiltanking Texas City L. P.  
Texas City, USA
- Terminales del Peru  
Lima, Peru

#### Middle East & Africa

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Sohar, Oman
- Star Energy Resources Ltd.  
Dubai, United Arab Emirates
- Oiltanking Grindrod Calulo Proprietary Limited  
Cape Town, South Africa
- Day Bay Public Pipe Rack Co. Ltd.  
Huizhou, China
- IOT Infrastructure & Energy Services Ltd.  
Mumbai, India
- Oiltanking Daya Bay Co. Ltd.  
Huizhou, China
- Oiltanking Helios Singapore Pte. Ltd.  
Singapore
- Oiltanking (Nanjing) Co., Ltd.  
Nanjing, China
- Oiltanking Odfjell Terminal Singapore Pte. Ltd.  
Singapore
- Oiltanking Singapore Ltd.  
Singapore
- PT Oiltanking Karimun  
Jakarta, Indonesia
- Zuari Indian Oiltanking Limited  
Goa, India

#### ✚ Engineering, Procurement and Construction (EPC)

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Mumbai, India
- IOT Design & Engineering Limited  
Mumbai, India
- IOT Engineering Projects Limited  
Mumbai, India
- Indian Oiltanking Engineering & Construction Services LLC  
Seeb, Oman
- Stewarts & Lloyds of India Limited  
Calcutta, India

### SKYTANKING HOLDING GMBH

Hamburg, Germany

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- IndianOil Skytanking Delhi Ltd.  
Delhi, India
- Luxfuel S.A.  
Luxembourg
- Skytanking Austria GmbH  
Vienna, Austria
- Skytanking Munich GmbH & Co. KG  
Hamburg, Germany
- Skytanking Bordeaux SAS  
Bordeaux, France
- Skytanking Calulo (Pty) Ltd.  
Bryanston, South Africa
- Skytanking GmbH  
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Hamburg, Germany
- Skytanking Nice SAS  
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Ostend, Belgium
- Skytanking S. R. L.  
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- Skytanking Stuttgart GmbH & Co. KG  
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- S & JD Robertson North Air Ltd.  
Aberdeen, Great Britain

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Houston, USA

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Corpus Christi, USA

### MABAGAS GMBH & CO. KG

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- Mabagas Kraftstoff GmbH & Co. KG  
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Status December 31, 2014

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IN THE SAME LANGUAGE.**



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