GEFINOR S.A.

SOCIETE ANONYME DE TITRISATION

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2013

GEFINOR S.A.

Société Anonyme

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THE COMPANY

Gefinor S.A. is a company incorporated in Luxembourg and is subject to the laws and jurisdiction of Luxembourg, which is a member of the European Union. Gefinor S.A.'s shares are listed on the Luxembourg Stock Exchange.

Pursuant to a decision of the shareholders taken at an Extaordinary General Meeting held on December, 8, 2010 at which the articles of association were amended, Gefinor SA operates as a securitization company under Luxembourg law as from the January 1, 2011 and securitizes the investments of three investment vehicles.

The international investment activities, the freedom to select countries and sectors, shift investments and adapt to the need of investments throughout the world are safeguarded and the determination of the investment strategies and the implementation of these strategies are carried out without government interferences.

In 2013, the world economy improved versus 2012. In the developed economies the recovery is slowly but surely stabilizing after an uneven and patchy start. The US economy, despite having to cope with politicians feuding over the national budget, appears to be on a slow steady upward course. Job creation is improving and the housing market is in recovery. Wall Street moved up sharply in 2013. Of course, for many countries it was still a struggle, with the Euro zone in recession for much of the year and living standards in most of the developed world still below their 2007 peak. However, even in Europe the story began to improve, though at an uneven pace. The north, led by Germany, had a solid year, reducing unemployment and boosting living standards. Along the Mediterranean the pattern was more disappointing with Italy, Spain, Portugal and Greece all enduring a year of rising unemployment. However, even there the numbers have started to improve. Europe and the Euro are not out of trouble, but the acute phase of their difficulties may be past. Moreover, the structural shift from the developed economies towards the emerging ones continued last year, albeit at a slower pace than before. Growth in China, while the lowest in 23 years, still came in at an impressive 7.5%. India advanced at a rate of about 5%, relatively low when compared to growth in previous years, but still high compared to that in developed economies. Africa encouragingly grew by more than 5%. So the question now is what happens when the boost from the Federal Reserve's easy money policy begins to fade in 2014? Most economists are cautiously optimistic about a pick-up in economic activity in the second half of 2014.

Group performance in 2013 has improved from 2012, largely due to the market dynamics discussed above. Net loss attributable to owners of the company was USD 7.2 million in 2013 as compared to a loss of USD 31.4 million in 2012 and total comprehensive loss attributable to owners was USD 6.8 million in 2013 as compared to USD 30.6 million in 2012. Total consolidated assets at December 31, 2013 were USD 155.7 million compared with USD 189.8 million at December 31, 2012, and consolidated shareholders' equity has decreased by USD 10.2 million to USD 100.6 million. Our company's cash position remain strong. Despite this value adjustment we remain confident that our investment portfolio is of solid quality and has strong long term growth potential. It is important to stress that while the Group's strategy continues to emphasize long term capital appreciation and preservation over maximization of short term gains, the application of International Financial Reporting Standards (IFRS) in the presentation of the financial statements may lead to greater fluctuations in year to year income figures and asset valuations.

Private Equity: Gefus Capital Partners II, which had its final closing in 2011, continued to find attractive investment opportunities after a slow first half and made two new investments in the fourth quarter of 2013. Additional funds have been invested in GEF Private Equity Partners SPC (GEFPEP), a private equity fund vehicle. GEFPEP continues to see a steady increase in the pace of distributions from its underlying funds.

Real Estate: Despite the instability in Syria and its negative effects on Lebanon, the Lebanese real estate market environment has held up reasonably well for land investments. The value of most of Gefinor's Lebanese real estate assets is stable and in some instances has increased in value. This is a tribute to the quality of the assets.

Financial Services: In 2013, the Group has strategically positioned itself to extend its wealth advisory and family office services. To reach this goal the group has spun out its operational and management activities, to attract growth capital and set up better incentives for management to perform. Effective 2014, a new Swiss advisory company was formed and funded by Banque Mirabaud & Cie and Gefinor Finance SA, as well as senior management.

This new company will continue to provide investment advisory and administrative services to Gefinor SA and its subsidiaries. The group has also decided to exit the US private equity management business by spinning out the NY operations to management and a new investor. This new company will continue to manage the group's private equity portfolio. This management reorganization will lead to a substantial reduction of the groups consolidated overheads in 2014 without affecting the quality of services for its investment portfolio.

Once again, I remain confident that the strength of our investment professionals and the quality of our investment portfolio will enable us to continue to achieve our dual objectives of long term value creation and capital preservation. We are thankful for the unwavering support and confidence of our shareholders, partners, investors, investment and advisory professionals and staff.

Mohamed Ousseimi

We are pleased to present to you the report of the Board of Directors on the consolidated financial statements and the unconsolidated accounts for the year ended December 31, 2013 to be presented to the Annual General Meeting of Shareholders on June 27, 2014.

Financial statements

Total consolidated assets at December 31, 2013 were USD 155.7 million compared with USD 189.8 million as of December 31, 2012. Consolidated stockholders' equity was USD 100.6 at December 31, 2013 compared with USD 110.8 million at December 31, 2012. Consolidated profit attributable to the owners of the Company was a loss of USD 7.2 million in 2013 compared with a loss of USD 31.4 million in 2012. The Company's investment portfolio is valued at market value, as required by IFRS, and, accordingly, unrealised gains and losses are included in Income (Loss) from Investments.

On an unconsolidated basis total assets under based on Luxembourg accounting principle at December 31, 2013 were USD 80.4 million, compared with USD 85.1 million the previous year. The net profit was USD 19 million compared with a net loss of USD 51.4 million the previous year. Stockholders' equity was USD 79.8 million compared with USD 67.8 million at December 31, 2012.

Organisation and activities

Gefinor SA as a securitisation company, owns three Gibraltar registered Holding companies managing three business segments: private equity, real estate and advisory.

<u>Gefinor Advisors Limited, Gibraltar</u>

Gefinor Advisors Limited regroups the operations of Gefinor Management Limited, Gefinor Finance SA, Gefinor Finance SAL and Gefinor Capital Advisors Limited. For the year ending December 31, 2013 the operating result is a loss of USD 5.5 million (2012 : USD 5.3 million). In order to stem its losses, Gefinor Advisors Limited has decided by to spin-out in 2014 the fee generating operating businesses of Geneva and New York.

In Geneva, a joint venture with the private Bank Mirabaud will result in the transfer of the Geneva advisory operations to a new swiss entity. The new entity was funded in 2014 with CHF 1 million of equity from Gefinor and Mirabaud for 44.5% each and senior management for 11%. Using the combined networks and resources of Gefinor and Mirabaud, the new entity will provide family office and investment advisory services to high net worth individuals and institutions in the Middle East. Gefinor Group will be a client of GCA for advisory services, administrative and accounting services and corporate services.

In New York, the private equity management business includes Gefinor Capital Limited, Gefinor Capital Advisors Limited, Gefinor Capital Advisors, Inc. and GEF Private Equity Associates Limited, collectively (GCL) will be sold in 2014 by the Group to the management team and an investment partner. This sale will have nearly no impact on the financial position of the Gefinor Group as these four entities have a net asset value of zero as of December 31, 2013. GCL would also acquire Gefinor's 4.4% interest in TAP Advisors, LLC (TAP) for USD 1.1 million. The TAP acquisition would be paid for by a four year note to Gefinor (USA) Inc., payable in two tranches in year 3 and year 4 and bearing interest at a rate of 6% per year.

In 2013, Gefinor Advisors Limitd invested USD an additional USD 8'433 thousand in its bond portfolio.

<u>Gefinor Private Equity Limited, Gibraltar</u>

Gefinor Private Equity Limited covers the private equity investments. Through direct private equity activity, the company invests in equity interests in U.S. based growth companies at various stages of development, focusing on companies with innovative products and services that could be based on new technologies, business models, distribution systems or other such elements.

- Gefus Capital Partners I, LP

The Fund continues to be focused on finding realization events in an effort to wind down the remaining portfolio while maximizing cash returns. There are currently three remaining investments in the Partnership.

- Gefus Capital Partners II, LP

During the year 2013, Gefinor Private Equity Limited invested USD 2’688 thousand in Gefus Capital Partners II, LP. From its total commitment of USD 15.8 million, Gefinor Private Equity Limited has funded USD 5.3 million as of December 31, 2013.

- Gef Private Equity Partners, SPC

During the year 2013, the Company invested USD 185 thousand in Gef Private Equity SPC and received USD 1’340 thousand in distributions. The remaining NAV is USD 6’519 thousand representing an unrealized gain of USD 1’065 for the year.

- Monterro I, AB

Gefinor (USA) Inc. has committed SEK 10 million (approx. USD 1.5 million) to Monterro I, AB Fund a Scandinavian growth equity fund, of which USD 390 thousand was funded during the year. From its total commitment of USD 1.5 million, Gefinor Private Equity Limited has funded USD 0.4 million as of December 31, 2013.

- MobiTV - Direct

During the period, Gefinor Private Equity Limited invested an additional USD 634 thousand in MobiTV Inc. Series A-1 preferred shares.

- Other investments

The investments in Factor Advisors LLC and QFS Capital, LLC were both amortized in full in 2013 representing an unrealized loss of USD 303 thousand for the year.

Gefinor Real Estate Limited, Gibraltar

Gefinor Real Estate Limited holds investments in Lebanon in the form of a 7.7% interest in the Garden City project in Beirut (formerly New City) as well as land for development in prime areas in Lebanon.

Real Estate Portfolio

The Byblos land was re-valued to USD 12’521 thousand based on an independent valuator report and representing an unrealized gain of USD 2’027 thousand for the period.

The investment in the Syrian Arab Company for Hotels and Tourism is written-off in reason of the economic and political situation in Syria.

In June 2013, the Development and Investment Company Ltd (The Garden City Project) distributed a dividend of USD 150 thousand to Gefinor Real Estate Limited.

The Escrow account on the sale of Real Estate Development Company SAL (REDCO) of USD 2’850 thousand is expected to be received in full.

In 2014, Gefinor Real Estate Limited initiated a sale process of the Société des Immeubles Modernes SAL (SIM), the company managing the restaurant in the REDCO building in Beirut.

Share capital

The Company has an issued share capital of 40 million shares at December 31, 2013 with a par value of USD 1.25 each, of which 39’551’180 shares are outstanding. Each share carries the same rights and entitles the holder to one vote at the general meeting of shareholders. The shares, which are in both registered and bearer form, are listed on the Luxembourg Stock Exchange. There are no restrictions on the purchase or transfer of shares.

At year end, the Company owned 448’820 of its own shares, representing 1.12% of the issued capital, with a book value of USD 5.1 million. In June 2013, Gefinor SA declared and paid a dividend in shares of USD 3.5 million and in December 2013 Gefinor SA declared and paid a dividend in cash of USD 3.5 million.

Shareholders

The Company has been notified of the following significant holdings of voting rights based on total issued shares of 40,000,000:

Mr Khaled Ousseimi directly and indirectly holds 49.08% of the voting rights of the Company mainly through his indirect control of Gef Real Estate Holding S.A. of Luxembourg, which holds 46.64% of the voting rights of the Company;

A.K. Al Muhaidib & Sons of Saudi Arabia holds directly 17.64% of the voting rights of the Company;

Fondation Ousseimi of Switzerland holds directly 11.96% of the voting rights of the Company;

Al Sharq Holdings of Kuwait holds directly 9.95% of the voting rights of the Company.

The Company is not aware of any agreements between shareholders which could result in restrictions on share transfer or voting rights.

Board of Directors, appointment and powers

The members of the Board of Directors are appointed or reappointed annually by the general meeting of shareholders. The articles of association may be amended only by an extraordinary meeting of shareholders. The Board of Directors has no power to increase or decrease the share capital, except as authorised by the shareholders.

End of service indemnities

The Company has no contractual arrangements for the payment of leaving indemnities to members of the Board of Directors, management or personnel for any reason whatsoever.

Takeover bids

The Company is not a party to any contractual arrangements containing conditions which would be automatically triggered in the event of a takeover bid.

Research and development activity

The Company has no research and development activity.

The Board of Directors

CORPORATE GOVERNANCE

General

The Corporate Governance Charter, which is updated periodically by the Board, may be consulted on the Company's web site at *www.gefinor.com*. The Board is satisfied that the Company fulfils it responsibilities and obligations under the Luxembourg law on market abuse of May 9, 2006.

Share ownership and control

The Company has approximately 50 institutional and individual shareholders, most of whom hold their shares in bearer form. At April 15, 2014, based on total outstanding shares of 39'551'180, the Ousseimi family direct or indirect interests represented 49.08% of the outstanding capital. Two directors, Mr Sulaiman Al Muhaidib and Mr Khaled Al Fulaij, or persons whom they represent, have direct or indirect interests of 17.6% and 19% respectively of the outstanding shares. Gefinor S.A. owns 1.12% of its own capital. Readers are referred to the notes to the financial statements for information concerning financial relationships with related parties.

Financial statement presentation

The responsibilities of the Board of Directors are determined by law. In this respect the Board is responsible for the annual accounts and the fair representation thereof in accordance with EU directives as transposed into Luxembourg law, as well as of the consolidated accounts in accordance with International Financial Reporting Standards (IFRS), as set forth by EU Regulations.The Board of Directors considers that it has fully complied with these obligations.

The format of the audit report follows the requirements of the International Standards on Auditing (ISA) prepared by the International Federation of Accountants. The statements and opinions therein regarding the responsibilities of the Board of Directors are those of the auditors.

Directors and Officers

The Board met three times during 2013 in the presence of all the directors. The audit committee, comprised of two non-executive directors, met once during the year. There are no other permanent committees of the board.

Non-executive and non-shareholder Board members receive an annual attendance fee of USD 10 thousand each. Total annual remuneration, direct and indirect, of officers of the Company is USD 1,652 thousand. There is no stock option program.

Financial reporting, internal control and risk management

The Company has invested in three holding structures which have the responsibility for the management of the investments, as a securitization company, Gefinor SA is a passive investor and is not involved in the management of the investments. The size of the Company, the limited number of its investments and its status of securitization Company does not justify an internal audit function.

The Board of Directors follows closely the performance of its three investments and has appointed an audit committee which liaises with the external auditors for all accounting, financial and compliance matters. The Board relies on the periodical management reports of its three investments and on the audited financial statements and audit reports of its three investments, as well as the consolidated financial statements to assess the fair preparation and presentation of the financial statements, the financial performance, the risk management and the legal compliance of its investments.

DIRECTORS AND OFFICERS

Mohamed Ousseimi
Chairman and Chief Executive Officer

Mr Ousseimi began his career with State Street Research and Management Company before joining the investment banking division of Merrill Lynch in New York. He joined Gefinor in 1993. Mr Ousseimi serves on a number of Gefinor company boards and committees. He holds a BA in Political Economy from the University of California Berkeley and an MBA from the John E. Anderson School of Management at UCLA. Mr. Ousseimi has been a member of the Board, Chairman and Chief Executive Officer of Gefinor since February 2007.

Sulaiman A. Al Muhaidib
Non-executive Director

Mr Al Muhaidib was elected Chairman of the Al Muhaidib Group in 1997. The group is a diversified multi-division business present in a wide area of economic activity (building & construction, food and retail, animal feed). It is one of the most prominent business groups in Saudi Arabia. Mr Al Muhaidib serves as Chairman of a number of companies, as well as having various directorships. He holds a degree in Science and Medicine from Riyadh University. Mr Al Muhaidib has been a member of the Board of Gefinor since 2006.

Yves Prussen
Non-executive independent Director

Mr Prussen has been a member of the Luxembourg bar since receiving his degree of Doctor at Law in 1971 and has been a partner with Elvinger, Hoss & Prussen since 1975. He has contributed numerous papers and articles to professional publications in the field of securities, tax and investment law and is a member of several professional organizations and corporate boards. Mr Prussen has been a member of the Board of Gefinor since 2004.

Damien Wigny
Non-executive independent Director

Mr Wigny worked with the United Nations, ministries of the Belgian government and as director of Asian Development Bank, before joining Kredietbank S.A. Luxembourgeoise in 1975, where he was Chairman of the Board from 1994 through 2002. He served as Chairman of the Association of International Bond Dealers from 1982 through 1986 and is currently Chairman of the Salle de Concert Grande-Duchesse Joséphine Charlotte in Luxembourg. Mr.Wigny has degrees in Law and Economics from the Catholic University of Louvain (UCL). He has been a member of the Board of Gefinor since 2004.

William Beckett
Chief Financial Officer

Mr Beckett worked in the investment banking division of Merrill Lynch before joining the private equity division of Gefinor in New York in 1993. He currently serves on the boards of The Alexander Doll Company, Inc., The Williams Club, and several Gefinor company boards and committees. Mr. Beckett holds a BA in Economics from Williams College and an MBA from the Graduate School of Business at Stanford University. He has been Chief Financial Officer since February 2007 and routinely acts as secretary to the Board.

FIVE YEAR FINANCIAL SUMMARY

Consolidated Statement of Financial Position (expressed in thousands USD)	**2013**	**2012**	**2011**	**2010**	**2009**
Total assets	155'673	189'840	250'955	276'643	252'784
Total liabilities	55'126	79'017	106'150	109'182	97'052
Total stockholder's equity	100'547	110'823	144'805	167'461	155'732
Consolidated Statement of Income					
Gross profit	504	507	1'358	812	-
Income from investments	(18)	(17'671)	(5'120)	11'637	31'891
Other income/expense (net)	1'739	2'368	1'514	2'097	1'828
Operating income (loss)	2'225	(14'796)	(2'248)	14'546	33'719
Operating expenses	(9'950)	(8'473)	(8'716)	(8'524)	(9'929)
Taxation	(219)	(491)	(820)	(303)	(1'843)
Net income (loss) before interests and non-controlling interest	(7'944)	(23'760)	(11'784)	5'719	21'947
Net interest	733	(44)	(364)	(389)	(1'234)
Net income from discontinued operations	-	(7'570)	(10'305)	2'490	-
Net income (loss)	**(7'211)**	**(31'374)**	**(22'453)**	**7'820**	**20'713**
Average outstanding shares	39'065'034	37'831'602	36'534'392	36'004'908	36'004'908
Earnings per share (US dollars)	(0.1846)	(0.8293)	(0.6146)	0.2172	0.5753

REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

To the Shareholders of

Gefinor S.A.

Société Anonyme de Titrisation

5 rue Guillaume Kroll

Luxembourg

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Gefinor S.A., Société Anonyme and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2013 and the consolidated statements of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Responsibility of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control the Board of Directors determines is necessary to enable the preparation of the comsolidated financial statement that are free from material misstatement, whether due to fraud or error

Responsibility of the réviseur d'entreprises agréé

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on judgement of the *réviseur d'entreprises agréé* including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the *réviseur d'entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Gefinor S.A., Société Anonyme as of December 31, 2013, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

The consolidated management report, which is the responsibility of the Board of Directors, is consistent with the consolidated financial statements. The accompagnying Corporate Governance Statement on page 6, which is the responsibility of the Board of Directors, includes the information required by the law of 19 December 2002 on the commercial and companies regiter and on the accounting records and annual accounts of undertakings, as amended and the description included with respect to Article 68bis pararaphs c and d of the aforementioned law is consistent with the consolidated financial statements.

For Deloitte Audit, *Cabinet de révision agréé*

Raphael Charlier, *Réviseur d'entreprises agréé*
Partner

April 30, 2014

Management representation
on the consolidated financial statements as at December 31, 2013

In compliance with the requirements of the law of January 11, 2007, we hereby certify, to the best of our knowledge and belief, that:

- The attached consolidated financial statements of Gefinor S.A., Société Anonyme de Titrisation, give a true and fair view of the assets, liabilities, financial situation and profits and losses of the company and its subsidiaries as of and for the year ended December 31, 2013 in accordance with International Financial Reporting Standards as adopted by EU;

- The annual accounts of Gefinor S.A., Société Anonyme de Titrisation, presented in this Annual Report and established in conformity with the Luxembourg legal and regulatory requirements relating to the preparation of annual accounts give a true and fair view of the assets, liabililities, financial position and loss of the company; and

- The management report presents fairly the operations, results and situation of the Company and its subsidiaries and a description of the principal risks and uncertainties with which they are faced.

Mohamed Ousseimi Chief Executive Officer	William J. Beckett Chief Financial Officer

April 28, 2014

GEFINOR S.A.

Société Anonyme

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended December 31, 2013

(expressed in thousands of US dollars except earnings per share)

		31.12.2013	31.12.2012
Operating Income			
Sales		981	1'053
Cost of goods sold		(477)	(546)
Gross profit		**504**	**507**
Dividends	17	176	913
Real estate income	19	261	870
Net realised gains / (losses) on investments	18	-	(459)
Net unrealised gains / (losses) on investments	18	700	(17'959)
Foreign exchange gains / (losses)		(1'155)	(1'036)
Income (Loss) from Investments		**(18)**	**(17'671)**
Management fee income	20	2'205	2'367
Net commission income / (expenses)		(174)	(340)
Income from Services		**2'031**	**2'027**
Total Operating Income (Loss)		**2'517**	**(15'137)**
Operating Expenses			
Personnel		(5'878)	(4'369)
Office		(1'534)	(1'333)
Professional fees		(1'637)	(1'294)
Management fees		-	(338)
Other general administrative expenses		(664)	(945)
Depreciation		(237)	(194)
Total Operating Expenses		**(9'950)**	**(8'473)**
Net Operating Income (Loss)		**(7'433)**	**(23'610)**
Interest income	7	1'660	1'140
Interest expense	12	(927)	(1'184)
Net Interest		**733**	**(44)**
Other income / (expenses)		(292)	341
Income (Loss) Before Tax		**(6'992)**	**(23'313)**
Income tax expenses	16	(219)	(490)
Net Loss before discontinued operations		**(7'211)**	**(23'803)**
Profit (loss) from discontinued operations		-	(7'570)
Net Loss		**(7'211)**	**(31'373)**
Other Comprehensive Income, net of tax			
Revaluation of available -for-sale investments		(154)	-
Exchange difference on translating foreign operations		590	807
Total Comprehensive Income (Loss) for the year		**(6'775)**	**(30'566)**
Weighted average shares outstanding		39'065'034	37'831'602
Basic and Diluted Earnings per share from continuing and discontinuing operations (expressed in USD dollars per share)		**(0.1846)**	**(0.8293)**
Basic and Diluted Earnings per share from continuing operations (in USD dollars per share)		**(0.1846)**	**(0.6292)**

The notes are an integral part of the consolidated financial statements

GEFINOR S.A.

Société Anonyme

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2013

(expressed in thousands of US dollars)

		31.12.2013	31.12.2012
ASSETS			
Current Assets			
Cash and cash equivalents	5	26'805	45'511
Trading investments	6	1'822	1'596
Loans and advances	7	32'665	7'638
Trade receivables and other current assets	8	4'256	4'925
Total Current Assets		**65'548**	**59'670**
Non-Current Assets			
Financial assets at fair value through P&L	6	36'455	35'082
Available for sale investments	6	9'759	1'500
Loans and advances	7	1'305	53'302
Investment property	9	39'157	36'735
Property, plant and equipment	10	3'410	3'491
Intangible assets	11	39	60
Total Non-Current Assets		**90'125**	**130'170**
Total Assets		**155'673**	**189'840**
LIABILITIES			
Current Liabilities			
Bank overdrafts and short term bank debt	12	8'579	6'748
Client deposits	13	27'434	54'415
Trade and other payables	14	3'072	1'457
Current tax liabilities	16	352	570
Total Current Liabilities		**39'437**	**63'190**
Non-Current Liabilities			
Borrowings and other long term payable	12	13'904	13'830
Deferred tax liabilities	16	1'596	1'850
Provisions	14	189	147
Total Non-Current Liabilities		**15'689**	**15'827**
Equity			
Share capital	15	50'000	50'000
Reserves	15	35'448	38'948
Reserves for revalaution AFS investments		(154)	-
Retained earnings	15	27'560	71'586
Treasury shares	15	(5'096)	(18'338)
Net income (loss)		(7'211)	(31'373)
Total Stockholders' Equity		**100'547**	**110'823**
Total Liabilities		**155'673**	**189'840**

The notes are an integral part of the consolidated financial statements

GEFINOR S.A.

Société Anonyme

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

December 31, 2013

(expressed in thousands of US dollars)

	Share capital	*Reserves*	*Legal reserve*	*Revaluation AFS reserve*	*Treasury shares*	*Retained earnings and net income for the year*	*Sub-total attributable to owners of Gefinor SA*
Balance, 01.01.2012	50'000	39'667	10'000	-	(32'640)	77'778	144'805
							-
Dividend in cash	-	-	-	-	-	(7'000)	(7'000)
Sale of treasury shares		(10'719)			14'302	-	3'583
Loss for the year	-	-	-	-	-	(23'804)	(23'804)
Variation of revaluation of available-for sale investments (*)		-	-	-	-	-	-
Variation of exchange difference on translating foreign operations (*)	-	-	-	-	-	807	807
Total comprehensive income for the year	**-**	**(10'719)**	**-**	**-**	**14'302**	**(22'997)**	**(22'997)**
Discontinued operations (see Note 28)	-	-	-	-	-	(7'570)	(7'570)
Balance, 31.12.2012	**50'000**	**28'948**	**10'000**	**-**	**(18'338)**	**40'211**	**110'821**

	Share capital	*Reserves*	*Legal reserve*	*Revaluation AFS reserve*	*Treasury shares*	*Retained earnings and net income for the year*	*Sub-total attributable to owners of Gefinor SA*
Balance, 01.01.2013	50'000	28'948	10'000	-	(18'338)	40'211	110'821
							-
Dividend in cash	-	(3'500)	-	-	-	-	(3'500)
Allocation of reserves	-	5'000	(5'000)	-	-	-	-
Dividend in treasury shares	-	-	-	-	13'242	(13'242)	-
Profit for the period	-	-	-	-	-	(7'211)	(7'211)
Variation of revaluation of available-for sale investments (*)		-	-	(154)	-	-	(154)
Variation of exchange difference on translating foreign operations (*)	-	-	-	-	-	590	590
Total comprehensive income for the year	**-**	**1'500**	**(5'000)**	**(154)**	**13'242**	**(19'863)**	**(10'275)**
Discontinued operations (see Note 28)	-	-	-	-	-	-	-
Balance, 31.12.2013	**50'000**	**30'448**	**5'000**	**(154)**	**(5'096)**	**20'348**	**100'547**

(*) These variations are part of the other comprehensive income, net of taxes.

The notes are an integral part of the consolidated financial statements.

GEFINOR S.A.

Société Anonyme

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2013

(expressed in thousands of US dollars)

	Note	31.12.2013	31.12.2012
Cash Flow from Operating Activities			
Real estate income paid by customers		631	846
Income from services paid by customers		3'541	3'729
Other operating assets and liabilities		641	163
Payments to services providers and employees		(10'246)	(11'740)
Income taxes paid		(363)	(440)
Net Cash From Operating Activities		**(5'796)**	**(7'442)**
Cash Flow from Investing Activities			
Dividends received		176	589
Acquisition of investments		(12'373)	(3'920)
Proceeds from sale of financial assets at FVTPL		1'340	68'174
Payments for property, plant and equipment		(19)	-
Net Cash Flow from Investing Activities		**(10'876)**	**64'843**
Cash flow from Financing Activities			
Interest received		505	9
Interest paid		(253)	(168)
(Increase) / decrease in loans and advances		4'019	(1'944)
Proceeds from borrowing		3'800	-
Repayment of borrowings		(2'236)	(7'290)
Increase /(decrease) in client deposits		(4'369)	(2'414)
Sale of treasury shares		-	3'962
Dividends paid		(3'500)	(7'000)
Net Cash Flow from Financing Activities		**(2'034)**	**(14'845)**
Net increase / (decrease) in cash equivalents		**(18'706)**	**42'556**
Cash and cash equivalents, beginning of period	5	**45'511**	**2'955**
Cash and cash equivalents, end of period	5	**26'805**	**45'511**

The notes are an integral part of the consolidated financial statements.

NOTE 1 - GENERAL

Gefinor S.A. ("the Company") was incorporated in Luxembourg on December 31, 1968 as a "Holding" company under the law of July 31, 1929. Since January 1, 1984, the Company has been accepted for tax purposes as a "société holding milliardaire". In conformity with European Union requirements, the law on holding companies has been repealed, with the result that the fiscal regime was maintained for a transitional period until December 31, 2010 according to conditions defined by the law of December 22, 2006 amending the law of July 31, 1929. After considering the implications of this change, the Company has decided to adopt the legal form of a securitisation company under Luxembourg law. At an Extraordinary General Meeting of shareholders of Gefinor S.A., held on 8 December 2010, the articles of association of Gefinor were amended in order to make them compliant with the law on securitisation and the object and status of a securitisation company under Luxembourg law.

The registered office is at 5, rue Guillaume Kroll, Luxembourg. Since 1986, the shares of the Company have been quoted on the Luxembourg stock exchange. The activities of the Company and its subsidiaries ("the Group") are described in Note 24.

The Company's financial year coincides with the calendar year.

The financial statements are approved by the Board of Directors and authorized for issue on April 29, 2014. The annual general meeting that will approve the financial statements will take place on June 26, 2014.

NOTE 2 - ADOPTION OF NEW AND REVISED STANDARDS

The accounting policies that were used for the preparation of the consolidated financial statements at December 31, 2013 are the same as those used for the preparation of the consolidated financial statements at December 31, 2012.

2.1. New and revised IFRSs in issue but not yet effective

- IFRS 9, *Financial Instruments*
  IFRS 9, issued in November 2009, introduced new requirements for the classification and measurement of financial assets.
  All recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9 entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

  Management anticipates that IFRS 9 will be adopted in the Group's consolidated financial statements for the annual period beginning January 1, 2018 and that the impact of the application of the Standard will have no significant impact on amounts reported in the Group's financial assets.

- IFRS 10, *Consolidated Financial Statements*
  Requires a parent to present consolidated financial statements as those of a single economic entity, replacing the requirements previously contained in IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation - Special Purpose Entities.
  The Standard identifies the principles of control, determines how to identify whether an investor controls an investee and therefore must consolidate the investee, and sets out the principles for the preparation of consolidated financial statements.
  The Standard introduces a single consolidation model for all entities based on control, irrespective of the nature of the investee (i.e. whether an entity is controlled through voting rights of investors or through other contractual arrangements as is common in 'special purpose entities'). Under IFRS 10, control is based on whether an investor has:
    - Power over the investee
    - Exposure, or rights, to variable returns from its involvement with the investee, and
    - The ability to use its power over the investee to affect the amount of the returns

  Management anticipates that IFRS 10 will be adopted in the Group's consolidated financial statements for the annual period beginning January 1, 2014 and that the application of the Standard will have no significant impact on amounts reported in the Group's financial assets and financial liabilities. The main impact will relate to additional disclosures.

- IFRS 12, *Disclosure of Interests in Other Entities*
  Requires the extensive disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.

  In high-level terms, the required disclosures are grouped into the following broad categories:
    - Significant judgements and assumptions - such as how control, joint control, significant influence has been determined
    - Interests in subsidiaries - including details of the structure of the group, risks associated with structured entities, changes in control, and so on
    - Interests in joint arrangements and associates - the nature, extent and financial effects of interests in joint arrangements and associates (including names, details and summarised financial information)
    - Interests in unconsolidated structured entities - information to allow an understanding of the nature and extent of interests in unconsolidated structured entities and to evaluate the nature of, and changes in, the risks associated with its interests in unconsolidated structured entities

  IFRS 12 lists specific examples and additional disclosures which further expand upon each of these disclosure objectives, and includes other guidance on the extensive disclosures required

  Management anticipates that IFRS 12 will be adopted in the Group's consolidated financial statements for the annual period beginning January 1, 2013 and that the application of the standard will have no significant impact on amounts reported in the Group's financial assets and financial liabilities. The main impact will relate to additional disclosures.

- *Amendments to IAS 32, Offsetting Financial Assets and Financial Liabilities*

Amends IAS 32 Financial Instruments: Presentation to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:

- the meaning of 'currently has a legally enforceable right of set-off'
- the application of simultaneous realisation and settlement
- the offsetting of collateral amounts
- the unit of account for applying the offsetting requirements

Management anticipates that IAS 32 will be adopted in the Group's consolidated financial statements for the annual period beginning January 1, 2014 and that the application of the Standard will have no significant impact on amounts reported in the Group's financial assets and financial liabilities.

2.2. Standards, amendments and interpretations to existing standards that are effective in the current period and applicable to the Group

The following new and revised IFRSs have been applied in the current year and have affected the amounts reported in these financial statements. Details of other new and revised IFRSs applied in these financial statements that have had no material effect on the financial statements are set out in section 2.2.

IFRS 13, *Fair Value Measurement*
The Group has applied IFRS 13 for the first time in the current year.
Replaces the guidance on fair value measurement in existing IFRS accounting literature with a single standard.
The IFRS is the result of joint efforts by the IASB and FASB to develop a converged fair value framework. The IFRS defines fair value, provides guidance on how to determine fair value and requires disclosures about fair value measurements. However, IFRS 13 does not change the requirements regarding which items should be measured or disclosed at fair value.
IFRS 13 defines fair value as the price that would be received to sell an asset or support to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under IFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.
IFRS 13 applies when another IFRS requires or permits fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements). With some exceptions, the standard requires entities to classify these measurements into a 'fair value hierarchy' based on the nature of the inputs:

- Level 1 - quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2 - inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - unobservable inputs for the asset or liability

Also, IFRS13 includes extensive disclosure requirements. Entities are required to make various disclosures depending upon the nature of the fair value measurement (e.g. whether it is recognised in the financial statements or merely disclosed) and the level in which it is classified.

IFRS 13 requires prospective application from 1 Jnauary 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, the Group has not made any new disclosure required by IFRS 13 for the 2012 comparative period. Other than the additional disclosure, the application of IFRS 13 has not had any material impact on the aounts recognised in the consolidated financial statements.

- *Amendments to IAS1, Presentation of Items of Other Comprehensive Income*

The Group has applied the amendments to IAS 1 Presentation of Items of Other Comprehensive Income for the first time in the current year. The amendments introduce new terminology, whose use is not mandatory, for the statement of comprehensive income and income statement. Under the amendments to IAS 1, the "statement of comprehensive income" is renamed as "statement of profit or loss and other comprehensive income" the amendments to IAS 1 retain the option to present profit or loss and other comprehensive income either in a single statement or in two separate but consecutive statements. However, the amendments to IAS 1 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section:

a) Items that will not be reclassified subsequently to profit or loss and
b) Items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes.

Other than the above mentioned presentation changes, the application of the amendments to IAS 1 does not result in any impact or profit or loss, other comprehensive income and total comprehensive income.

- IAS 12 *Deferred Tax: Recovery of Underlying Assets (Amendments to IAS 12)*

The amendments to IAS 12 provide a presumption that recovery of the carrying amount of an asset measured using the fair value model in IAS 40 Investment Property will, normally, be through sale. This amendment has no material effect on the disclosure of the financial statements.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

3.1. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

3.2. Basis of preparation

The financial statements have been prepared on the historical cost basis except for the revaluation of certain financial instruments and non-current assets. The principal accounting policies are set out below.

3.3. Basis of consolidation

The consolidated financial statements incorporate the financial statements of Gefinor S.A. and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non- controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group’s equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interests’ share of changes in equity since the date of the combination. Losses applicable to the non-controlling interests in excess of the non-controlling’s interest in the subsidiary’s equity are allocated against the interests of the Group except to the extent that the non-controlling interests have a binding obligation and are able to make an additional investment to cover the losses.

3.4. Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured as the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired entity. The acquired entity’s identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3, “Business Combinations” are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5, “Non-current Assets Held for Sale and Discontinued Operations”, which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group’s interest in the net fair value of the acquiree’s identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

Non-controlling interests in the acquired entity are initially measured at the non-controlling interests' proportionate share of the net fair value of the assets, liabilities and contingent liabilities recognised.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

There was no business combination in 2013.

3.5. Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations". Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of that investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a Group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

Note 4.3. refers to entities over which the Group has a significant influence.

3.6. Revenue recognition

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Revenue from the sale of investments is recognised upon transfer of title.

Revenue from the provision of services is recognised when the service is provided.

The Group's policy for recognition of revenue from operating leases is described in Note 3.8. below

3.7. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. All leases have been classified as operating leases in 2013 and 2012.

When the Group acts as lessor, rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

3.8. Foreign currencies

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in US Dollars (USD), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing at the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity.

Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at balance-sheet date.

3.9. Retirement benefit costs

Contributions to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. All benefit plans are accounted for as defined contribution plans in 2013 and 2012.

3.10. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.10.1. Current tax

Group tax expense results from taxable income of Gefinor SA, a securitization Company, and Group subsidiaries under tax law in their jurisdictions and corporate tax rates payable by Gefinor SA and these subsidiaries.

The tax currently payable is based on a combination of revenue, capital and taxable profit for the year. Taxable profit may differ from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

3.10.2. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3.10.3. Current and deferred tax for the period

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. In the case of a business combination, the tax effect is taken into account in calculating goodwill or in determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination.

3.11. Property, plant and equipment

Properties held for administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.12. Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value.

Gains and losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

3.13. Intangible assets

3.13.1. Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

3.13.2. Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

3.14. Impairment of tangible and intangible assets excluding goodwill

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss.

3.15. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.16. Financial assets

Investments are recognised and derecognised on the trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'.

3.16.1. Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at FVTPL.

3.16.2. Financial assets at FVTPL

Financial assets are classified as at FVTPL where the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:
- it has been acquired principally for the purpose of sale in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:
- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments.

Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 4.

3.16.3. AFS financial assets

Unlisted shares are classified as being AFS and are stated at fair value. Fair value is determined in the manner described in Note 4. Gains and losses arising from changes in fair value are recognised directly in equity in the investments revaluation reserve with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets, which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the investments revaluation reserve is included in profit or loss for the period.

Dividends on AFS equity instruments are recognised in profit or loss when the Group’s right to receive the dividends is established.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the balance sheet date. The change in fair value attributable to translation differences that result from a change in amortised cost of the asset is recognised in profit or loss, and other changes are recognised in other comprehensive income.

At the end of 2012, Gefinor Advisors Limited bought a bond portfolio for USD 1’500 thousand which was classified as trading investment as at December 31, 2012. Since the bond portfolio was purchased at the end of the year non material impact related to to fair value valuation impacted the 2012 profit and loss. In 2013, the bond portfolio was classified correctly as available-for-sale investment.

3.16.4. Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

3.16.5. Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For unlisted shares classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:
- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- the probability that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group’s past experience of collecting payments, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the financial asset’s original effective interest rate.

3.16.6. Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

3.17. Financial liabilities and equity instruments issued by the Group

3.17.1. Classification as debt or equity

Debt and equity instruments are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangement.

3.17.2. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

3.17.3. Treasury shares

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental transaction costs, is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued.
Treasury shares owned by the Company are carried at weighted average cost and recorded directly in equity as a reduction of capital and reserves in the balance sheet.

Where such shares are subsequently reissued, any consideration received, net of any directly attributable to incremental transaction costs, is included in equity attributable to the Company's equity holders.

Under Luxembourg law, a company may own up to a maximum of 10% of its own capital, and available reserves available for distribution are decreased by an equivalent amount.

Any gain or loss on treasury shares is recorded in equity through profit (loss) brought forward.

3.17.4. Financial liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

3.17.5. Derecognition of financial liabilities

The Group derecognises financial liabilities when the Group's obligations have been discharged, cancelled or expired.

3.18. Assets held for sale

Assets, and disposal groups, are classified as held for sale and are measured at the lower of carrying and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset, or and disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year form the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless whether the Group will retain a non controlling interest in its former subsidiary after the sale.

Assets and disposal groups are presented separately on the statement of financial position.

NOTE 4 - CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period affected by the revision.

The following are the critical judgments that have the most significant effect on the amounts recognised in financial statements.

4.1. Valuation of financial instruments

The carrying value less impairment of the trade receivables and other assets, and the loans and advances are assumed to approximate their fair value.

The carrying value of the financial liabilities are assumed to approximate their fair value.

The Group has defined the disclosures regarding the level 1, 2 and 3 as follows:

Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities. This level includes all trading investments at FVTPL and available-for-sale investments, those being the investments in quoted bonds and sukuks and the investment in Aquilus Inflection Fund.

Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability either directly or indirectly.

This level includes the following investments and corresponding valuation methods:

- Gefus Capital Partners I, LP, valued on the basis of effective ownership interest of the Group in the calculated and audited Net Assets Value of the Fund as of December 31, 2013 as reported by the audited financial of the Fund.
- Gefus Capital Partners II, LP, valued on the basis of effective ownership interest of the Group in the calculated and audited Net Assets Value of the Fund as of December 31, 2013 as reported by the audited financial of the Fund.
- GEF Private Equity Partners SPC, valued on the basis of Group's commitment to total commitment of the Fund. Total commitments represent amounts reported by each partnership. Effective ownership of the Group and share of the calculated NAV of the fund is reported by the Manager of the Fund.
- Monterro I, AB, valued on the basis of effective ownership interest of the Group in the calculated and audited Net Assets Value of the Fund as of December 31, 2013 as reported by the audited financial of the Fund.

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data. The Directors use their judgment in selecting an appropriate valuation technique for financial instruments not quoted in an active market.
This level includes the following investments and corresponding valuation methods:

- New City Project valued on the basis of effective ownership interest of Gefinor Group in net assets of the company which is the owner of lands in Lebanon. Lands are measured at fair value as of the balance sheet date. The independent valuation of land was performed in January 9, 2014.
- MobiTV Inc valued on the basis of an independent fair market valuation analysis reports were available for both MobiTV's common stock and Series A-1 preferred stock for yearend 2013.
- TAP Advisors, LLC valued on the basis of the sale agreement signed in December 2013 and executed in January 2014.
- Western Resource Investment II, LLC valued on the basis of Capital Account of 2013 Tax return.
- Factor Advisors LLC, QFS Capital, LLC and the Syrian Arab Company for Hotel and Tourism were written-off in full in 2013.
- SmartInst S.A.S valued on the basis of the purchase agreement signed and executed in June 2013.

There is no transfer between levels in 2013.

4.2. Investments in Private Equity and Real Estate

4.2.1 Application of exemption provided by IAS 28.1

As at December 31, 2013 and December 31, 2012, the Company owns 17.34% of Gefus Capital Partners I L.P., indirectly 54.09% of K.U.S.A. LLC, indirectly 28.7% of Gefinor Acquisition I, LLC, 57.19% in Gefus Capital Partners II, LP and 32.5% in Gef Capital II LLC.

Because of the structure, organization, rules and regulations applicable to these entities, the Company has no control, as defined by IAS 27, over these investments. In addition, in accordance with the exemption provided by IAS 28.1 applicable to venture capital organisations, these investments have been designated at inception at fair value through profit or loss in accordance with IAS 39.

4.2.2 Investments through Gef Private Equity Partners SPC and Gefus Strategic Partners I, LLC

Gef Private Equity Partners, SPC (GEFPEP) is a segregated portfolio company organized in the Cayman Islands through which Gefinor and third party investors can invest in private equity fund partnership investments principally in the US and Europe. Each segregated portfolio invests in a specific private equity fund and Gefinor has invested in a dedicated segregated portfolio.

Gefus Strategic Partners I LLC is a company organized in Delaware, USA through which Gefinor and third party investors have invested in private equity investments principally in the US and Europe. The membership interest in Gefus Strategic Partners I, LLC is divided in series to represent the different investments and the assets, liabilities, obligations, expenses, profit and losses which are held separately from other series. Gefinor has interest in a dedicated series.

Because of the structure, organization, rules and regulations applicable to GEFPEP and Gefus Strategic Partners, the Company has control only, as defined by IAS 27, on the dedicated portfolio and the dedicated series Gefinor has invested in.

4.3. Fair value of investment properties

Fair value of property investments is determined by a recent independent professional evaluation or on the basis of objective criteria relating to current local real estate market conditions. The independent valuations are performed by professional valuers who hold a recognised and relevant professional qualification and who have recent experience in the location and category of the investment property valued. The fair value measurments of the Group's land investments as of December 31, 2012 and December 31, 2013 were performed by an independent evaluator not related to the Group and were based on the market comparable approach that reflects recent transaction prices for similar properties.

For the Geneva building a value per square meter for each floor based on the location, the building condition and the local market conditions has been considered to calculate the fair value.

The lands in Byblos, Kfardebian and the other Middle East land plots have been evaluated by the independent valuer after a visit on the site and after taking into consideration the location and the characteristics of the land, mainly the accessibility, the surroundings and the development potential of each lot. Based on these criterias each lot of each land plot is estimated on the basis on a price in US dollar per square meter.

4.4. Impairment of Goodwill

Goodwill values are reviewed annually and an impairment adjustment may be recorded if necessary based on the updated Net Present Value or Discounted Cashflow of the individual components of the Goodwill.

4.5. Useful life of property, plant and equipment

Depreciation on property, plant and equipment is charged to write off the cost over the estimated useful life using the straight-line method at 15% (furniture and equipment). Works of arts are not amortised.

4.6. Useful life of intangible assets

Intangible assets were tested for impairment in 2013 and 2012 by comparing their fair value to their carrying value. Based on these tests some impairments of intangible assets were recorded in 2012 (see note 11).

NOTE 5 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of current accounts and short term deposits with banks.

NOTE 6 - INVESTMENTS

In $'000	31.12.2013	31.12.2012
Trading Investments		
Aquilus Inflection Fund Ltd	1'822	1'596
	1'822	**1'596**
Available for sale investments		
Bond portfolio	9'759	1'500
	9'759	**1'500**
Financial assets at fair value through profit & loss		
Gefus Capital Partners I, LP.	602	1'049
Gefus Capital Partners II, LP.	3'223	1'537
GEF Private Equity Partners, SPC (1)	6'519	6'595
Garden City project (New City)	22'950	23'428
MobiTV Inc.	772	105
TAP Advisors, LLC	1'100	1'056
Western Resource Investment II, LLC	850	895
Monterro 1 AB	390	-
SmartInst SA	34	-
QFS Capital LLC, (formerly Cenario)	-	250
Syrian Arab Company for Hotels and Tourism	-	115
Factor Advisors LLC	-	52
Others (2)	15	-
	36'455	**35'082**

Trading investments and availbale-for-sale investments consist of a corporate bond portfolio and the investment in Aquilus Inflection Fund Ltd.

In 2012, Gefinor Private Equity invested an additional USD 1 million in the Aquilus Inflection Fund Ltd.

In 2012, Gefinor Private Equity sold 263’862 MobiTV Inc. shares at USD 3.22 per share, generating a loss of USD 180 thousand.

In 2012, Gefinor Private Equity sold 68’000 Netspend Inc. shares, generating a loss of USD 8 thousand.

In 2012, Gefinor Private Equity Limited committed an additional USD 5 million to the Gefus Capital Partners II, LP private equity fund.

In 2013, Gefinor Advisors Limited invested an additional USD 8’413 thousand in its bond portfolio, of which USD 1’500 thousand were invested in corporate bonds and USD 8’003 thousand in a Sukuk portfolio. The corporate bonds for a total of USD 3’005 thousand has an average maturity of one and half year. The sukuk portfolio of USD 6’754 thousand has an average maturity of six and half year.

In 2013, Gefinor Private Equity Limited invested an additional amount for a total of USD 186 thousand in GEFPEP funds (2012 USD 673 thousand) and received distributions of USD1’340 thousand (2012: USD 652 thousand).

In 2013, Gefinor Private Equity Limited has committed SEK 10 million (approx. USD 1.5 million) to Monterro I, AB Fund a Scandinavian growth equity fund, of which USD 390 thousand was funded during the year.

In 2013, Gefinor Private Equity Limited invested an additional USD 634 thousand in MobiTV Inc. Series A-1 preferred shares.

In 2013, Gefinor Private Equity Limited invested USD 2’688 thousand in Gefus Capital Partners II, LP.

(1) GEF Private Equity Partners, SPC consists in investments in the following Funds:

In $'000	31.12.2013	31.12.2012
PAPEF III-Buyout Segregated Portfolio	333	376
PAPEF III-Venture Segregated Portfolio	307	327
PAPEF III-Special Situations	219	256
CHARTERHOUSE CCP VIII	133	224
TPG Capital Partners V, L.P.	384	308
First Reserve Fund XI, L.P.	154	215
PAPEF IV-Buyout Segregated	634	655
PAPEF IV-Venture Segregated	553	575
PAPEF IV-Special Situations Se	359	421
SILVER LAKE PARTNERS III, L.P.	382	309
BRAEMAR ENERGY VENTURES II, LP	267	252
BLACKSTONE CP V L.P.Co-Inv.	39	40
SANKATY CREDIT OPPORT. IV,L.P.	81	146
PAPEF V-Special Situations	628	711
OAK HILL CAPITAL PARTNERS III,LP	202	214
GENERAL ATLANTIC INVESTMENT PARTNERS I, LP	1'845	1'566
Total GEFPEP	**6'519**	**6'595**

(2) Other investments consists of an investment in Gef Capital II, LLC for USD 15 thousand and the interests in K.U.S.A LLC, Gef Acquisition I, LLC and Gef Private Equity Associates Ltd with no value.

NOTE 7 - LOANS AND ADVANCES

In $'000	31.12.2013	31.12.2012
Short-term loans and advances		
To third parties	58	3'033
To related parties		
Basmala Establishment	8'883	3'132
AK. Al Muhaidib	-	485
Gef Real Estate Holding S.A.	23'567	564
Others	157	424
	32'665	**7'638**
Long-term loans and advances to related parties		
Gef Real Estate Holding S.A.	-	52'653
Alexander Doll Company Inc.,	250	250
Loans to third parties	746	50
Loans and advances to personnel	260	285
Other loans to related parties	49	64
	1'305	**53'302**

In 2012, Short term loans to third parties consist mainly in a loan of USD 3 million arranged as advance for a potential investment, the loan was arranged in November 2012 and as the investment opportunity did not materialized the loan was repaid in February 2013.

Gef Real Estate Holding S.A. is a shareholder of the Company.

The loan agreement with Gef Real Estate Holding S.A. (hereafter "GRESA") is a loan agreement with Gefinor Management Limited for up to USD 24 million and with an outstanding principal of USD 23'567 thousand is repayable on June 30, 2014. The interest rate applicable is USD Libor 1 year + 1.5%. The loan is guaranteed by a pledge of 6'666'667 Gefinor SA shares held by GRESA, under the terms of which the Company is empowered, inter alia, to require the provision of additional security, the redemption of the debt or the realisation of the shares in the event of the insufficiency of the underlying collateral or the default of the borrower in respect of his obligations under the agreement.

Basmala Establishment is a shareholder of the Company, the loan of USD 8'833 thousand (2012: USD 3'132 thousand) is a short term loan, the interest rate applicable is USD Libor 3 month.

Loans and advances to Others of USD 157 thousand (2012: USD 424 thousand) are short term loans with interest rate applicable of USD Libor 3 month.

The long-term loan repayment schedule is as follows:

In $ '000	**31.12.2013**	**31.12.2012**
In the second year	-	23'567
In the third year	-	-
In the fourth to fifth years inclusive	-	29'086
Subsequent years	1'305	649
	1'305	**53'302**

Loan interest rate ranges		
Libor 3 month +0.5%	8'941	6'650
Libor 1 year +1.5%	23'567	53'217
Interest rates between Libor+0.5% and Libor+3%	1'462	1'073
	33'970	**60'940**

Interest income on loans and advances is as follows:

In $'000	**31.12.2013**	**31.12.2012**
Gef Real Estate Holding S.A.	803	909
Other associated companies	152	40
Third parties	705	191
	1'660	**1'140**

NOTE 8 - TRADE RECEIVABLES AND OTHER CURRENT ASSETS

In $'000	**31.12.2013**	**31.12.2012**
Management fees receivable	422	449
Expenses to be reimbursed	212	197
Receivable on asset sale	2'850	3'540
Receivable from a related party	447	181
Trade receivables	121	3
Prepaid expenses	99	74
Other receivables and other current assets	105	481
	4'256	**4'925**

Trade receivables from related party are due at receipt and bear no interests.

NOTE 9 - INVESTMENT PROPERTY

In $'000	2011	Additions - retirements	Translation adjustments	Fair value revaluation	2012
Gefinor Building, Geneva	18'665	-	-	(5'134)	13'531
Byblos land, Lebanon	8'745	-	-	1'749	10'494
Kfardebian land, Lebanon	10'772	-	-	-	10'772
Other Middle East Real Estate	2'753	(815)	-	-	1'938
Total	**40'935**	**(815)**	**-**	**(3'385)**	**36'735**

In $'000	2012	Additions - retirements	Translation adjustments	Fair value revaluation	2013
Gefinor Building, Geneva	13'531	-	-	395	13'926
Byblos land, Lebanon	10'494	-	-	2'027	12'521
Kfardebian land, Lebanon	10'772	-	-	-	10'772
Other Middle East Real Estate	1'938	-	-	-	1'938
Total	**36'735**	**-**	**-**	**2'422**	**39'157**

- The Gefinor building in Geneva is owned by Gefinor Finance S.A. a wholly owned subsidiary. The Company owns four floors of the building (approximately 55% of the building).
- The Byblos land is an undeveloped real estate with a surface area of 848,856 square meters in the Byblos area of Lebanon.
- The Kfardebian land is an undeveloped real estate in a prime location with a surface of 8,618 square meters in Fakhra, Lebanon.
- Other Middle East Real Estate consists of undeveloped land in Lebanon and in the United Arab Emirates acquired through International Project Company Limited. In September 2012 the land in Ras El Kaymah was sold to the government of Ras El Khayma for net proceeds of USD 544 thousand generating a loss of USD 271 thousand for the year 2012.
- Rental income from investment properties is disclosed in Note 19.

NOTE 10 - PROPERTY, PLANT AND EQUIPMENT

In $'000	2011	Additions	Retirements	Translation adjustments	2012
Cost	5'404	204	(14)	(91)	5'503
Accumulated depreciation	(1'882)	(162)	(15)	47	(2'012)
Total	**3'522**	**42**	**(29)**	**(44)**	**3'491**

In $'000	2012	Additions	Retirements	Translation adjustments	2013
Cost	5'503	61	-	73	5'637
Accumulated depreciation	(2'012)	(186)	(29)	-	(2'227)
Total	**3'491**	**(125)**	**(29)**	**73**	**3'410**

Property, plant and equipment include property investment held for own use for an amount of USD 1,290 thousand (2012: USD 1,290 thousand). The fair value of the property investment held for own use is USD 5,000 thousand (2012: USD 5,000 thousand). The charge for accumulated depreciation is disclosed on the line "Depreciation" of the consolidated statement of comprehensive income.

NOTE 11 - INTANGIBLE ASSETS

In $'000	2011	Business combinations	Additions	Impairment amortization	2012
Goodwill:					
General Company for Car Services SAL	745	-	-	(745)	-
Intangible assets					
Other intangible assets	60	-	1	(1)	60
Total	**805**	**-**	**1**	**(746)**	**60**

In $'000	2012	Business combinations	Additions	Impairment amortization	2013
Intangible assets					-
Other intangible assets	60	-	-	(21)	39
Total	**60**	**-**	**-**	**(21)**	**39**

The Goodwill recognized for General Company Car Services in amount of USD 745 thousand was impaired in 2012.

NOTE 12 - BANK OVERDRAFTS , BANK DEBT, BORROWINGS AND OTHER LONG TERM PAYABLES

Overdrafts and bank debt with maturity of less than 1 year:

In $ '000	31.12.2013	31.12.2012
Short-term bank debt	8'579	4'678
Current portion of long-term bank debt	-	2'000
Bank overdraft	-	70
	8'579	**6'748**

Long-term borrowing and other long term payable:

Long-term borrowing (net of current portion)	380	400
Long-term payable related parties	103	84
Mortgage (a)	13'421	13'346
	13'904	**13'830**

Debt is repayable as follows:

In $ '000	31.12.2013	31.12.2012
On demand or within one year	8'579	6'748
In the second year	311	276
In the third to fifth years	933	828
Subsequent years	12'660	12'726
	22'483	**20'578**

(a) USD 13.4 million of debt of Gefinor Finance SA is secured by a mortgage on the Gefinor Building in Geneva.

The weighted average interest rates paid were as follows:

	31.12.2013	31.12.2012
Short-term bank debt	1.96%	2.33%
Long-term bank debt	2.04%	2.98%
	2.01%	**2.78%**

Interest expenses by financing category were as follows:

In $'000	31.12.2013	31.12.2012
Interest on bank debts	153	405
Interest on mortgage financing	270	282
Interest on deposits	378	139
Interest on other financial liabilities	126	358
	927	**1'184**

NOTE 13 - CLIENT DEPOSITS

In $'000	31.12.2013	31.12.2012
Deposits from		
Third parties, on demand	9'638	9'241
Third parties, short-term deposits	10'634	5'765
Due on demand to related parties		
Guarantee deposit from related party	3'000	32'220
Due to related parties	4'162	7'189
	27'434	**54'415**

Client deposits from third parties, on demand, represent current accounts of third parties clients with Gefinor Finance SA or Gefinor Management Limited bearing an interest rate of Libor 48 hours less 50 basis points.

Client deposits from third parties, short term deposits, represent term deposits of 3, 6 or 12 months of third parties clients with Gefinor Finance SA bearing an interest rate of the Libor for the corresponding term period.

Guarantee deposit from related parties is for the loan of Gefinor Finance SA to Real Estate and Commercial Development SAL for an amount of USD 3 million. The Guarantee deposit is bearing an interest of 1.5%. In 2012, the guarantee deposit from related party included the cash collateral for the loan of Gefinor Finance SA to Gef Real Estate Holding SA for an amount of USD 29’106 thousand, the loan was repaid in June 2013 and the guarantee reimbursed.

The deposits due to related parties are current accounts with Gefinor Finance SA or bearing an interest rate of Libor 48 hours less 50 basis points.

NOTE 14 - TRADE PAYABLES, OTHER PAYABLES AND PROVISIONS

Trade payables and other payables

In $'000	31.12.2013	31.12.2012
Trade payables	1'024	707
Accrued expenses	1'543	429
Management fees to be paid	346	107
Dividends to be paid	18	34
Others	141	180
	3'072	**1'457**

Provisions

In $'000	2011	Additions	Utilisation	Re-measurement	2012
Provision for charges	175	67	(95)	-	147
Other provisions	321	-	(321)	-	-
Total	**496**	**67**	**(416)**	**-**	**147**

In $'000	2012	Additions	Utilisation	Re-measurement	2013
Provision for charges	147	39	3	-	189
Other provisions	-	-	-	-	-
Total	**147**	**39**	**3**	**-**	**189**

NOTE 15 - EQUITY

15.1. Capital

At December 31, 2013 and December 31, 2012 the authorised and issued capital is USD 50 million. The issued capital is fully paid and represented by 40 million shares with a par value of USD 1.25 each.

15.2. Legal reserve

The Company is required to appropriate to the legal reserve a minimum of 5% of the annual net profit, until such reserve equals 10% of the share capital. This reserve is not available for distribution, except upon dissolution of the Company.

15.3. Other reserve

In accordance with Luxembourg company law, Gefinor SA has allocated an amount of USD 23’567 thousand as non-distributable reserve in relation to the pledge of Gefinor SA shares given by Gef Real Estate Holding SA to a wholly-owned subsidiary.

15.4. Treasury shares and dividend distribution in own shares

In May 2012, Gefinor Finance SA purchased from Basmala Establishment 737’850 Gefinor SA shares at USD 8.64 per share and Gefinor Finance SA sold these shares to another shareholder in May 2012 (see Note 22). The loss of USD 378 thousand is booked against Retained earnings in 2012.

In June 2012, Gefinor SA declared and paid a dividend in cash of USD 7 million. In addition to the distribution, the Company gave the opportunity to the shareholders to purchase treasury shares from the Company at USD 3.- per share in the amount of the dividend distributed.

Shareholders representing 20.98 million shares (56.6% of the outstanding shares) used their share of the dividend of USD 3.96 million to purchase 1’320’599 treasury shares at USD 3 per share. The remaining shareholders representing 16.09 million shares (43.4% of the outstanding shares) have chosen to take their cash dividend.

As December 31, 2012, Gefinor S.A. owned 1,615,525 (4.04%) of its own shares with a book value of USD 18.3 million.

In June 2013, Gefinor SA declared and paid a dividend in shares of USD 3.5 million representing 1’166’667 shares shares in treasury to the shareholders in proportion to their holdings.

As December 31, 2013, Gefinor S.A. owned 448’820 (1.12%) of its own shares with a book value of USD 5.1 million.

15.5. Cash Dividend

In December 2013 Gefinor SA declared and paid a dividend in cash of USD 3.5 million.

NOTE 16 - TAXATION

Taxes for Gefinor S.A., as a securitization company, are assessed on the basis of its net income reduced by amounts payable or committed to be paid to Gefinor’s shareholders. As a result, group tax expense results from taxable income of Group subsidiaries under tax law of their juridictions at corporate tax rates payable by these subsidiaries.

In $'000	31.12.2013	31.12.2012
Current tax liabilities	72	200
Other tax liabilities	280	370
	352	**570**

In $'000	31.12.2013	31.12.2012
Deferred tax liabilities		
Geneva Building	1'596	1'551
Land Lebanon	-	299
	1'596	**1'850**

Deferred taxes of USD 1’596 thousand (2012: USD 1’551 thousand) have been provided on the Geneva building related to the provision of a 24% deferred tax on the revaluation to fair value of the building.
Gefinor (USA) Inc. has tax losses available for carry forward for an amount of USD 7.8 million (2012: USD 7.8 million) from previous years which are not expected to be recoverable. Accordingly the Group has not recorded any deferred tax asset.

NOTE 17 – DIVIDENDS

In 2012, the Company received a dividend of USD 270 thousand from TAP Advisors Inc., a dividend of USD 589 thousand from Development & Investment Company SAL (Garden City Project) and a dividend of USD 54 thousand received by International Project Company.

In 2013, the Company received a dividend of USD 5 thousand from TAP Advisors Inc., a dividend of USD 150 thousand from Development & Investment Company SAL (Garden City Project) and a dividend of USD 22 thousand received by International Project Company.

NOTE 18 - REALIZED AND UNREALIZED GAINS / (LOSSES) ON INVESTMENTS

In $'000	31.12.2013	31.12.2012
Net realized gains / (losses) on investments		
Sale of Ras El Kaymah Land	-	(271)
Sale of MobiTV shares	-	(180)
Sale of Netspend shares	-	(8)
	-	**(459)**
Net unrealized gains / (losses) on investments		
Gefus Capital Partners I, LP	(447)	(8'666)
Gefus Capital Partners II, LP	(1'012)	(820)
MobiTV, Inc.	33	(5'002)
GEFPEP	1'065	598
Factors Advisors Inc.	(52)	(472)
QFS Capital LLC	(250)	(500)
Byblos Land	2'027	1'749
Garden City project (New City)	(478)	-
Geneva Building	488	(3'976)
Others investments	(674)	(871)
	700	**(17'960)**

In 2012, the unrealized loss on the valuation of the Geneva building of USD 3’976 thousand is the net of the impairment of the value of the building of USD 5’134 thousand less the deferred tax income of USD 1’158 thousand.

NOTE 19 - REAL ESTATE INCOME

Real Estate income consists of the rental income of the Geneva building of USD 261 thousand (2012: USD 870 thousand).

NOTE 20 - MANAGEMENT FEE INCOME

In $'000	31.12.2013	31.12.2012
Third parties		
Third parties	194	23
Related parties		
Gef Private Equity Partners, SPC	371	417
Gefus Capital Partners I, LP	-	566
Gefus Capital Partners II, LP	1'305	1'116
Gef Real Estate Holding SA	94	50
Other related parties	241	195
	2'205	**2'367**

Gef Private Equity Partners, SPC (GEFPEP) is a segregated portfolio company organized in the Cayman Islands through which Gefinor and third party investors can invest in private equity fund partnership investments principally in the US and Europe. Gefinor Capital Advisors Limited a fully owned subsidiary of the Company is the manager of Gef Private Equity Partners, SPC. The remuneration consists of a fee between 0.65% and 2% of capital commitments to the private equity funds depending on the nature of the fund and programme.

Gefinor Ventures Management Inc., a fully owned subsidiary of the Company, is the management company of Gefus Capital Partners I, LP, an exempted limited partnership established to invest either directly or indirectly through other entities, including a Small Business Investment Company (SBIC), in equity interests in US based companies. Under a management contract Gefinor Ventures Management Inc. performs certain functions related to the operations of the Partnership. The remuneration consists of a fee equal to 2.5% of the aggregate amount of capital commitments of Gefus Capital Partners I, LP.

Gefinor Capital Advisors Inc., a fully owned subsidiary of the Company, is the management company of Gefus Capital Partners II, LP, an exempted limited partnership established to invest either directly or indirectly through other entities, including a Small Business Investment Company (SBIC), in equity interests in US based companies. Under a management contract Gefinor Capital Advisors Inc. performs certain functions related to the operations of the Partnership. The remuneration consists of a fee equal to 2.5% of the aggregate amount of capital commitments of Gefus Capital Partners II, LP.

Gefinor Management Limited, a fully owned subsidiary of the Company has an agreement with Gef Real Estate Holding S.A, under which Gefinor Management Limited has a general assignment consisting of, inter alia, the administrative and financial management of the principals. This agreement is valid for periods of 30 years, and may be renewed by tacit agreement for the same period in the absence of 12 months' notice given by either party. The remuneration received in relation to this agreement consists of a fixed management fee of USD 50 thousand per year.

Management fee income from other related parties consists mainly of a fixed management fee received by Gefinor Finance S.A. from Fondation Ousseimi for administrative and accounting services. The remuneration is CHF 175 thousand per year.

NOTE 21 - RISK MANAGEMENT

Capital risk

Debt relationships are reviewed regularly by the Board.

The Group is in compliance with all contractual obligations under its borrowing agreements. The capital maintenance and debt ratios set the benchmarks for capital risk management. At a current level, the debt equity ratio, calculated as follows, is considered to be in line with the Company's investment financing needs.

In $'000	31.12.2013	31.12.2012
Debt	22'483	20'578
Cash	(26'805)	(45'511)
Net Debt	**(4'322)**	**(24'933)**
Equity	**100'547**	**110'821**
Net Debt to equity ratio	**-4.3%**	**-22.5%**

Categories of financial instruments

Details of the significant accounting policies and methods adopted for each class of financial asset and financial liability are disclosed in note 4.2 of the financial statements.

In $'000	31.12.2013	31.12.2012
Cash and cash equivalents	26'805	45'511
Fair value through profit and loss		
Level 1 - Trading investment at FVTPL and AFS investments	11'971	3'096
Level 2 - Investments at FVTPL	10'344	9'181
Level 3 - Investments at FVTPL	25'721	25'901
Amortised cost		
Loans and advances	33'970	60'940
Trade and other receivables	4'256	4'925
Financial liabilities		
Amortised cost		
Bank loans	22'483	20'578
Deposits from clients	27'434	54'415
Trade and other payables	3'072	1'457

Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities. This level includes all trading investments at FVTPL and AFS investments, those being mainly the investments in Bonds and in Aquilus Inflection Fund.

Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability either directly or indirectly. This level includes the investments in

Gefus Capital Partners I, LP, Gefus Capital Partners II, LP, GEF Private Equity Partners SPC and in Monterro AB.

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data. This level includes the investments in New City Project, Syrian Arab Company for Hotel and Tourism, MobiTV Inc, TAP Advisors, LLC, QFS Capital, LLC, Western Resource Investment II, LLC, SmartInst SA, Factor Advisors LLC, K.U.S.A. LLC, Gef Acquisition I, LLC and GEF Private Equity Associates Limited.

Reconciliation of Level 3 fair value measurement of financial assets

In $'000	**31.12.2013**	**31.12.2012**
Opening Balance	25'901	33'677
Total gains or losses in profit or loss	(811)	(6'926)
Purchases	668	-
Sales	-	(850)
Closing Balance	**25'758**	**25'901**

All level 3 investments are unquoted securities at FVTPL. Total gains or losses for the period included in profit or loss for assets held at the end of the reporting period amount to a loss of USD 811 thousand for 2013 and USD 6’926 thousand for 2012.

Credit risk

Apart from loans made to related companies through banking and financing subsidiaries, the Company has no significant concentrations of credit risk. All loans are fully performing.

In $'000	**31.12.2013**	Of which collateral	**31.12.2012**	Of which collateral
To third parties	804	-	3'083	-
To related parties				
Basmala Establishment	8'883	-	3'132	-
Alexander Doll Company Inc.	250	-	250	-
Gef Real Estate Holding S.A.	-	17'000	52'653	52'653
Other loans to related parties	24'730	-	1'758	-
	34'667	**17'000**	**60'876**	**52'653**
% of portfolio with collateral		49.0%		86.5%

The loans with Gef Real Estate Holding S.A. for a total of USD 23’567 thousand are guaranteed by a pledge of 6’666’667 Gefinor S.A. shares held by Gef Real Estate Holding S.A.

The quality of the trade receivables and other current assets is as follows:

In $'000	**31.12.2013**	Fully performing	Past due
Management fees receivable	422	422	-
Expenses to be reimbursed	212	212	-
Receivable on asset sale	2'850	2'850	-
Receivable from a related party	447	447	-
Trade receivables	121	121	-
Prepaid expenses	99	99	-
Other receivables and other current assets	105	105	-
	4'256	**4'256**	**-**

In $'000	**31.12.2012**	Fully performing	Past due
Management fees receivable	449	449	-
Rental receivables	-	-	-
Expenses to be reimbursed	197	197	-
Receivable on asset sale	3'540	3'540	-
Receivable from a related party	181	181	-
Trade receivables	3	3	-
Prepaid expenses	74	74	-
Other receivables and other current assets	481	481	-
	4'925	**4'925**	**-**

The carrying amount of the trade receivales and other current assets represents approximately the fair value.

Liquidity risk

The Company monitors its cash flow on a continuing basis in order to ensure that obligations are covered by available funding. Such monitoring may give rise, when required, to corrective measures such as the reprogramming of maturities and the consideration of the temporary or permanent reallocation of assets. The significant commitments of the Company arise from debt obligations and are estimated to be as follows over the next five years:

Liquidity analysis for the year ending December 31, 2012

In $'000	2013 Mandatory repayment	2014 Mandatory repayment	2015 Mandatory repayment	2016 Mandatory repayment	2017 Mandatory repayment
Principal repayment	(6'748)	(276)	(276)	(276)	(276)
Interest (estimate)	(157)	(150)	(145)	(140)	(135)
Total mandatory repayments	**(6'905)**	**(426)**	**(421)**	**(416)**	**(411)**

Cash planning	2013	2014	2015	2016	2017
Bank debts and borrowings	(6'905)	(426)	(421)	(416)	(411)
Deposits	(54'415)	-	-	-	-
Trade and other payables	(1'457)	-	-	-	-
Current tax liabilities	(570)	-	-	-	-
Total cash liabilities	**(63'347)**	**(426)**	**(421)**	**(416)**	**(411)**
Cash and cash equivalents	45'511	-	-	-	-
Trading investments	3'096	-	-	-	-
Loans and advances	36'724	23'566	-	-	-
Trade receivables and other current assets	4'925	-	-	-	-
Total cash assets	**90'256**	**23'566**	**-**	**-**	**-**

Other assets could be sold to match liabilities and commitments.

Liquidity analysis for the year ending December 31, 2013

In $'000	2014 Mandatory repayment	2015 Mandatory repayment	2016 Mandatory repayment	2017 Mandatory repayment	2018 Mandatory repayment
Principal repayment	(8'579)	(276)	(276)	(276)	(276)
Interest (estimate)	(169)	(145)	(140)	(135)	(129)
Total mandatory repayments	**(8'748)**	**(421)**	**(416)**	**(411)**	**(405)**

	2014	2015	2016	2017	2018
Cash planning					
Bank debts and borrowings	(8'748)	(421)	(416)	(411)	(405)
Deposits	(27'434)	-	-	-	-
Trade and other payables	(3'072)	-	-	-	-
Current tax liabilities	(352)	-	-	-	-
Total cash liabilities	**(39'606)**	**(421)**	**(416)**	**(411)**	**(405)**
Cash and cash equivalents	26'805	-	-	-	-
Trading investments	1'822	-	-	-	-
Loans and advances	32'665	-	-	-	-
Trade receivables and other current assets	4'256	-	-	-	-
Total cash assets	**65'548**	**-**	**-**	**-**	**-**

Market risk

(a) *Foreign exchange risk*

The Company has foreign exchange exposure through the non-US dollar assets and liabilities of certain subsidiaries, principally in Swiss francs, pounds sterling and euros. Real estate assets situated in Lebanon are valued in US dollars and are not considered to represent an exchange risk. The major assets in Swiss francs are the investment property and the property, plant and equipment in Geneva and at December 31, 2013, the Group foreign exchange exposure on a consolidated basis is as following:

In $'000	31.12.2013	31.12.2012
CHF exposure		
Assets	11'181	13'542
Liabilities	(21'620)	(20'797)
	(10'439)	**(7'255)**
EUR exposure		
Assets	172	50
Liabilities	(3'336)	(3'041)
	(3'164)	**(2'991)**
GBP exposure		
Assets	9	2
Liabilities	(126)	(149)
	(117)	**(147)**
LBP exposure		
Assets	603	265
Liabilities	(472)	(233)
	131	**32**

In view of the above, a fluctuation of 10% of the exchange rate CHF to USD would impact negatively or positively the net income and equity of the Company by approximately USD 1’044 thousand, a fluctuation of 10% of the exchange rate EUR to USD would impact negatively or positively the net income and equity of the Company by approximately USD 316 thousand. The other currency fluctuations have a marginal impact on the consolidated financial position.

(b) *Interest rate risk*

The Company's principal interest rate risk derives from short and long term bank debt as well as assets held for customers and loans made, principally to related companies, by a subsidiary. Interest rates of financial assets and liabilities are generally based on a spread over the current interbank rate. An increase or decrease of 50 basis points on the USD interest rates would impact negatively or positively the net income and equity of the Company by approximately USD 73 thousand (2012: USD 72 thousand).

The interest rates on components of the net financial assets are as follows:

	31.12.2013	**31.12.2012**
Financial assets		
Cash and cash equivalents	26'805	45'511
Loans - Libor	33'671	60'141
Fixed interest rate	-	-
Other interest rate	250	250
	60'726	**105'902**
Financial liabilities		
Bank debts - Libor 3 month	-	2'000
Bank debts - Libor - other terms	22'483	18'578
Deposits - Libor 3 month	9'638	9'241
Deposits - Libor other terms	17'796	45'174
	49'917	**74'993**
Net financial assets (liabilities)	**10'809**	**30'909**

(c) *Other*

The Company is exposed is the fluctuation in the valuation of real estate in Lebanon. As indicated in Note 9, the fair value of the Lebanese property investments increased in 2013 by USD 2'027 thousand (2012: increase of USD 1'749 thousand). An increase or a decrease of 10% in the Lebanese real estate market might impact the Company's property investments valuations in the same magnitude and accordingly impact positively or negatively the Company's financial statements by USD 2.5 million (2012: USD 2.3 million).

The private equity portfolio is not correlated to any standard index or standard group of indicies, nevertheless a variation of 10% of the private equity portfolio valuation would impact the financial statements by USD 3.7 million (2012: USD 3.5 million).

NOTE 22 - COMMITMENTS

At December 31, 2013, the Company has funding commitments in Gef Private Equity Partners, SPC of USD 1.1 million (December 31, 2012 : USD 1.3 million), funding commitment in Gefus Capital Partners II, LP of USD 10.5 million (December 31, 2012 : USD 13.2 million) and funding commitment in Monterro I, AB of USD 1.1 million (2012: nil).

In May 2012, Gefinor Finance SA purchased from Basmala Establishment 737’850 Gefinor SA shares at USD 8.64 per share and Gefinor Finance SA sold these shares to a shareholder in May 2012 at USD 8.13 per share. The loss of USD 378 thousand is booked against retained earnings. In May 2013, the shareholder sold these shares at USD 8.54 per share to Gefinor Finance and Basmala Establishment has purchased 737’850 Gefinor SA shares at USD 8.54 from Gefinor Finance SA.

The minimum lease payments under non-cancellable operating leases represent USD 78 thousand no later than one year and USD 310 thousand later than one year and no later than five years.

NOTE 23 - OTHER RELATED PARTY INFORMATION

Remuneration allocated to the Board of Directors in 2013 is USD 20 thousand (2012: USD 20 thousand).

The remuneration of key management personnel during the year was as follows:

In $'000	31.12.2013	31.12.2012
Short-term benefits	1'252	1'218
Post-employment benefits	-	-
Other long-term benefits	400	-
Share based payments	-	-
	1'652	**1'218**

In 2013, a board member of Gefinor SA provided advisory services to the Gefinor SA Group represented by Gefinor Management Limited (“GML”) in the period of transition initiated by the Group in the restructuring of its operations. As compensation for these services, he will receive USD 200 thousand no later than April 30, 2014 and a second payment of USD 200 thousand no later than April, 30 2015.

NOTE 24 - CONSOLIDATED SUBSIDIARIES

Subsidiaries	Country	Effective Interest % 2013	Effective Interest % 2012
Gefinor Advisors Limited	Gibraltar	100	100
Gefinor Management Limited	Cayman	100	100
Gefinor Finance SA	Switzerland	100	100
Gefinor Finance SAL	Lebanon	100	100
Gefinor Capital Advisors Ltd	Cayman	100	100
Gefinor Capital Advisors S.A.	Switzerland	100	100
Gefinor Capital Advisors Inc.	USA	100	100
Gefinor Capital Limited	Bermuda	100	100
Gefinor Private Equity Limited	Gibraltar	100	100
Gefinor (USA) Inc.	USA	100	100
Gefinor Ventures Management Inc.	USA	100	100
Alexander Doll Company Inc.	USA	72	72
Gefinor Real Estate Limited	Gibraltar	100	100
International Project Company Limited Inc.	Panama	100	100
Globe Holding SAL	Lebanon	100	100
Société des Immeubles Modernes SAL	Lebanon	100	100
Real Estate and Commercial Development SAL	Lebanon	80	80

Transactions during the year ended December 31, 2012

In December 2012, the Company created a new Gibraltar Holding, Gefinor Advisors Limited, including all the operating companies of the Group.

In 2012, Gefinor Real Estate Limited sold Real Estate Development Company SAL (REDCO), a 100% subsidiary and owner of the Gefinor building in Beirut as well as the companies General Company for Car Services SAL, the company managing the parking in the building and Building Services SAL, the company managing the electrical generators in the building.

NOTE 25 - ASSOCIATED COMPANIES

The Company used to classify its investment in the Egyptian Company for General Investments as associated company. As the Company is unable to obtain updated financial statements, this investment is impaired in full for an amount of USD 215 thousand in 2012.

NOTE 26 - BUSINESS SEGMENTS

The Group is active in three business segments: private equity, real estate and advisory and correspond exactly to the three investments held by Gefinor S.A.

The Private Equity segment includes all investments held by Gefinor Private Equity Limited.
The Real Estate segment includes all investments held by Gefinor Real Estate Limited.
The Advisory segment includes all the operating companies held by Gefinor Advisors Limited.
The Corporate segment includes all the expenses incurred in the Luxembourg Securitization Company.

The figures presented below present the financial statements of the three investments held by Gefinor SA and correspond to the statements reviewed by the management and the Board of each investment.

The information about geographical areas is not available and as not relevant the cost to develop it would be excessive.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Specific business segment information for 2013 and 2012 in accordance with the requirements of IFRS 8, is as follows:

NET ASSETS 2012	**Private Equity**	**Real Estate**	**Advisors**	**Corporate**	**Consolidation**	**Total**
in $'000						
Segment current assets	1'101	92	48'536	20	11'461	61'210
Segment financial investments	13'117	23'543	17	-	(1'595)	35'082
Segment loans and advances	20'267	18'468	91'021	-	(76'494)	53'262
Segment investment property	-	23'204	13'530	-		36'734
Segment property, plant & Equipm.	105	101	3'286	-	(1)	3'491
Segment intangible assets	60	-	-	-	-	60
Assets classified as held for sale	-	2'850			(2'850)	-
Total Assets	**34'650**	**68'258**	**156'390**	**20**	**(69'479)**	**189'839**
Segment current liabilities	260	15'697	95'941	13'989	(62'697)	63'190
Segment Non-current liabilities	3'474	1'711	15'444	2'000	(6'802)	15'827
Liabilities classified as held for sale	-	-			-	-
Total Liabilities	**3'734**	**17'408**	**111'385**	**15'989**	**(69'499)**	**79'017**
Total Net Assets	**30'916**	**50'850**	**45'005**	**(15'969)**	**20**	**110'822**

GEFINOR S.A.

Société Anonyme

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2013

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NET ASSETS 2013 in $'000	**Private Equity**	**Real Estate**	**Advisors**	**Corporate**	**Consolidation**	**Total**
Segment current assets	1'213	2'967	36'966	6'165	(4'668)	42'643
Segment financial investments	15'312	22'950	-	-	(1'807)	36'455
Segment loans and advances	14'570	101	60'246	-	(40'947)	33'970
Segment investment property	-	25'231	13'925	-	-	39'156
Segment property, plant & Equipm.	95	78	3'237	-	-	3'410
Segment intangible assets	39	-	-	-	-	39
Assets classified as held for sale	-	-	-	-	-	-
Total Assets	**31'229**	**51'327**	**114'374**	**6'165**	**(47'422)**	**155'673**
Segment current liabilities	456	26'841	58'594	503	(46'957)	39'437
Segment Non-current liabilities	479	84	15'605	-	(479)	15'689
Total Liabilities	**935**	**26'925**	**74'199**	**503**	**(47'436)**	**55'126**
Total Net Assets	**30'294**	**24'402**	**40'175**	**5'662**	**14**	**100'547**
	-	-	-			

NET INCOME 2012 in $'000	**Private Equity**	**Real Estate**	**Advisors**	**Corporate**	**Consolidation**	**Total**
Gross profit	-	507	-	-	-	507
Profit or loss of associates	-	-	-	-	-	-
Dividends	270	643	142		(142)	913
Real estate income	-	-	870	-	-	870
Realised gain /(losses) on investments	(188)	(271)	(379)	-	379	(459)
Unrealised gain /(losses) on investments	(14'854)	21	(4'173)	-	11	(18'995)
Income from services	560	(1'108)	3'589	(12)	(1'002)	2'027
Total Operating Income	**(14'212)**	**(208)**	**49**	**(12)**	**(754)**	**(15'137)**
Operating expenses	(690)	(1'188)	(6'304)	(1'073)	976	(8'279)
Depreciation	(22)	(25)	(147)	-	-	(194)
Net Operating Income	**(14'924)**	**(1'420)**	**(6'402)**	**(1'085)**	**222**	**(23'609)**
Interest income	9	182	3'182	-	(2'233)	1'140
Interest expenses	(15)	(856)	(2'276)	(285)	2'249	(1'184)
Non operating income / (expenses)	3	0	338	-	-	341
Income Before Tax	**(14'927)**	**(2'095)**	**(5'158)**	**(1'370)**	**238**	**(23'312)**
Taxes	(1)	(300)	(188)	(2)	-	(490)
Net Loss before discontinued operations	**(14'928)**	**(2'394)**	**(5'346)**	**(1'372)**	**238**	**(23'802)**
Profit (loss) from discontinued operations	(5'239)	(2'332)	-		-	(7'571)
Net Loss	**(20'167)**	**(4'726)**	**(5'346)**	**(1'372)**	**238**	**(31'373)**

NET INCOME 2013 in $'000	**Private Equity**	**Real Estate**	**Advisors**	**Corporate**	**Consolidation**	**Total**
Gross profit	-	504	-	-	-	504
Profit or loss of associates	-	-	-	-	-	-
Dividends	5	172	-		-	177
Real estate income	-	-	261	-	-	261
Realised gain /(losses) on investments	-	-	-	-	-	-
Unrealised gain /(losses) on investments	(438)	646	(709)	3	59	(439)
Income from services	(1)	(5)	1'622	(2)	414	2'028
Total Operating Income	**(434)**	**1'317**	**1'174**	**2**	**473**	**2'532**
Operating expenses	(156)	(904)	(8'261)	(403)	(68)	(9'792)
Depreciation	(29)	(48)	(161)	-	-	(238)
Net Operating Income	**(619)**	**365**	**(7'248)**	**(401)**	**405**	**(7'498)**
Interest income	19	48	2'832	9	(1'248)	1'660
Interest expenses	(15)	(868)	(943)	(324)	1'223	(927)
Non operating income / (expenses)	(1)	21	(74)	(151)	(89)	(294)
Income Before Tax	**(616)**	**(434)**	**(5'433)**	**(867)**	**291**	**(7'059)**
Taxes	(6)	(1)	(209)	(2)	-	(218)
Net Loss before discontinued operations	**(622)**	**(435)**	**(5'642)**	**(869)**	**291**	**(7'277)**
Profit (loss) from discontinued operations	-		-		-	-
Net Loss	**(622)**	**(435)**	**(5'642)**	**(869)**	**291**	**(7'277)**

NOTE 27 – FEES PAID TO THE GROUP AUDITOR

The fees expenses paid to the Group auditor are as follows:

In $'000	**31.12.2013**	**31.12.2012**
Audit fees	345	359
Other fees	36	14
	382	**374**

NOTE 28 –DISCONTINUED OPERATIONS

In 2011, Gefinor Private Equity Limited initiated a sale process of its 72.3% interest in Alexander Doll Company Inc. (ADC). The sale transaction of all the assets of ADC was executed in June 2012, after repayment of all bank debts, the sale process has generated an additionnal loss for the period of USD (5.2) million generated by the impairment of the loan from Gefinor (USA) Inc. to ADC for USD 4’250 thousand and the impairment of the remaining net assets of the ADC for USD 989 thousand.

The sale process of Real Estate Development Company SAL (Redco) was executed on May 15th 2012 on a debt free cash free basis. In order to settle the intercompany loan a dividend of USD 15 million was paid. The dividend payment triggered an impairment of the Net Asset value of Redco by USD 14’995 thousand, the net effect on Gefinor consolidation is nil. However, the dividend payment generated a withholding tax of 10% of the dividend representing USD 1’500 thousand and impacting the net income from discontinued operations for the period. For the year 2012, the Net income of the discontinued operations was a loss of USD 7,570 thousand:

<u>**December 31, 2012**</u>	**REDCO**	**ADC**		**TOTAL**
Operating Income				
Revenues	1'108	-	-	1'108
Redco dividend	15'000	-	-	15'000
Impairment investment valuation	(14'995)	(988)	-	(15'983)
ADC loan and asset impairement	-	(4'250)	-	(4'250)
IPCO subsidary sales	(380)		-	(380)
Total Operating Income	**733**	**(5'238)**	**-**	**(4'505)**
Total Operating Expenses	(600)	-	-	(600)
Net Operating Income	**133**	**(5'238)**	**-**	**(5'105)**
Interest expenses	(965)	-	-	(965)
Withholding taxes on dividend	(1'500)	-	-	(1'500)
Net Loss from discontinued operations	**(2'332)**	**(5'238)**	**-**	**(7'570)**

Cash flows from discontinuing operations in 2012 were as follows:

	REDCO	ADC		TOTAL
Cash Flow from Operating Activities				
Other operating assets and liabilities	(2'156)	2'476	-	320
Income taxes paid	(195)	-	-	(195)
Net Cash Flow from Operating Activities	**(2'351)**	**2'476**	**-**	**125**
Cash Flow from Investing Activities				
Payments for plant and equipment	-	2'500	-	2'500
Net Cash Flow from Investing Activities	**-**	**2'500**	**-**	**2'500**
Cash flow from Financing Activities				
Interest paid	(767)	(315)	-	(1'082)
(Increase) / decrease in loans and advances	41'175	-	-	41'175
Dividend paid	(13'500)	-	-	(13'500)
Repayment of borrowings	(25'000)	(4'661)	-	(29'661)
Net Cash Flow from Financing Activities	**1'908**	**(4'976)**	**-**	**(3'068)**
Net increase / (decrease) in cash equivalents	**(443)**	**-**	**-**	**(443)**
Cash and cash equivalents, beginning of period	**443**	**-**	**-**	**443**
Cash and cash equivalents, end of period	**-**	**-**	**-**	**-**

NOTE 29 –POST BALANCE SHEET EVENTS

In Geneva, a joint venture with the private Bank Mirabaud will result in the transfer of the Geneva advisory operations to a new swiss entity (See also Management report). This transaction has no impact on the consolidated financial statements of Gefinor SA.

In New York, the private equity management business includes Gefinor Capital Limited, Gefinor Capital Advisors Limited, Gefinor Capital Advisors, Inc. and GEF Private Equity Associates Limited, collectively (GCL) will be sold in 2014 by the Group to the management team and an investment partner (See also management report). This transaction has no impact on the consolidated financial statements of Gefinor SA.

In 2014, Gefinor Real Estate Limited initiated a sale process of the Société des Immeubles Modernes SAL (SIM), the company managing the restaurant in the REDCO building. The impact of this transaction on the consolidated financial statements of Gefinor SA is approximately a profit of USD 200 thousand.

Gefinor (USA) Inc. is the managing company of Gefus Strategic Partners I, LLC as per December 31, 2013. Following the restructuration of the Group’s operations Gefinor Capital Inc. will be the managing company of Gefus Strategic Partners I, LLC as of January 1, 2014.

GEFINOR S.A.

SOCIETE ANONYME DE TITRISATION

ANNUAL ACCOUNTS AND REPORT OF

THE RÉVISEUR D'ENTREPRISES AGRÉÉ

DECEMBER 31, 2013

5, rue Guillaume Kroll

L-1882 Luxembourg

R.C.S. Luxembourg : B 008.282

Gefinor S.A.

Société Anonyme de Titrisation

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To the Shareholders of
Gefinor S.A.
Société Anonyme de Titrisation
5, rue Guillaume Kroll
Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

We have audited the accompanying annual accounts of Gefinor S.A., Société Anonyme de Titrisation, which comprise the balance sheet as at December 31, 2013 and the profit and loss account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Responsibility of the Board of Directors for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the Réviseur d'entreprises agréé

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the *réviseur d'entreprises agréé's* judgement, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the *réviseur d'entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of Gefinor S.A., Société Anonyme de Titrisation as of December 31, 2013, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

For Deloitte Audit, *Cabinet de révision agréé*

Raphaël Charlier, *Réviseur d'entreprises agréé*
Partner

Luxembourg, April 30, 2014

Gefinor S.A.
Société Anonyme de Titrisation
BALANCE SHEET
December 31, 2013
(in US dollars)

ASSETS	December 31, 2013	December 31, 2012 Revised (*)
FIXED ASSETS		
Financial assets (note 3)	74'188'917.75	85'097'247.75
CURRENT ASSETS		
Trade Debtors		
a) Becoming due and payable within one year (note 4)	6'147'594.22	-
Cash at banks and in hand	17'165.19	20'131.32
	80'353'677.16	85'117'379.07

LIABILITIES	December 31, 2013	December 31, 2012 Revised (*)
CAPITAL AND RESERVES (note 5)		
Subscribed capital	50'000'000.00	50'000'000.00
Reserves		
Legal reserve	5'000'000.00	10'000'000.00
Other reserves	36'320'876.05	34'820'876.05
Treasury shares reserve	1'346'575.00	4'846'575.00
Profit (Loss) brought forward	(31'864'014.39)	19'499'565.60
Profit (Loss) for the financial year	19'047'891.39	(51'363'579.99)
OTHER CREDITORS		
a) Becoming due and payable within one year (note 6)	502'349.11	17'313'942.41
	80'353'677.16	85'117'379.07

(*) The annual accounts as of December 31, 2012 have been revised on March 4, 2014.

The underlying notes form an integral part of these annual accounts.

Gefinor S.A.

Société Anonyme de Titrisation

PROFIT AND LOSS ACCOUNT

for the year ended December 31, 2013

(in US dollars)

	2013	2012 Revised
CHARGES		
Interest payable and other financial charges (note 8)	325'405.21	287'275.04
Other external charges (note 7)	555'419.92	1'084'733.26
Value adjustment of financial assets (*)	5'434'000.00	49'991'759.83
PROFIT (LOSS) FOR THE FINANCIAL YEAR (note 5)	19'047'891.39	(51'363'579.99)
	25'362'716.52	188.14
INCOME		
Other interest and other financial income	12'058.52	188.14
Gain on disposal of financial assets (note 9)	25'350'658.00	-
	25'362'716.52	188.14

(*) Value adjustment of financial assets consists of the impairment of the interest in Gefinor Private Equity Limited of USD 622’000 and the impairment of the interest in Gefinor Advisors Limited for USD 4’812’000.

The underlying notes form an integral part of these annual accounts.

NOTE 1 - GENERAL

Gefinor S.A., Société Anonyme, hereafter “the Company” was incorporated on December 31, 1968 as a “Société Anonyme Holding” company within the definition of the Luxembourg law of July 31, 1929. The registered office of the Company is in Luxembourg at 5, rue Guillaume Kroll. Since 1986, the shares of the Company have been quoted on the Luxembourg stock exchange.

As from January 1, 2011 the Company operates as a securitization company under Luxembourg law and its investments have been restructured accordingly.

The Company's financial year coincides with the calendar year.

The Company also prepares consolidated accounts which are published in accordance with the legal principles. These consolidated accounts are available at the registered office of the Company.

NOTE 2 - ACCOUNTING POLICIES

2.1. General principles

These annual accounts have been prepared in accordance with the laws and regulations of the Grand-Duchy of Luxembourg and in conformity with generally accepted accounting principles.

In accordance with article 26 of the Law of December 19, 2002, these annual accounts are presented with certain modifications to the legal format requirements in order to present the annual accounts with the utmost clarity.

Following article 65 of the Law of December 19, 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, certain financial information on investments is not disclosed.

2.2. Translation of foreign currencies

The Company maintains its records in US dollars (USD) and the balance sheet and the profit and loss account are expressed in this currency.

Income and expenses in currencies other than the US dollar are translated into US dollars at the exchange rates applicable on the transaction dates.

2.3. Financial fixed assets

Financial fixed assets: quoted participations
Quoted participations are valued individually at the lower of their acquisition cost and their market value.

Financial fixed assets: unquoted participations
Unquoted participations and shares in Group companies are valued individually at the lower of their acquisition cost and their value estimated by the Board of Directors.

Financial fixed assets: Shares in Group companies
Treasury shares are valued at lower of cost or market if this difference is considered as durable.

2.4. Debtors

Debtors are valued at their nominal value. A value adjustment is recorded if their estimated realisable value is lower than their nominal value.

2.5. Creditors

Creditors are valued at their nominal value.

2.6. Revenue recognition

Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income from investments is recognised only when the right to receive payment has been established.

NOTE 3 - FINANCIAL ASSETS

	2013 USD	2012 USD
Cost, at beginning of year	140'669'641.91	144'631'438.91
Additions	-	-
Disposals	(22'684'666.80)	(3'961'797.00)
Cost, at end of year	117'984'975.11	140'669'641.91
Value adjustments, at beginning of year	(55'572'394.16)	(5'580'634.33)
Additions	(5'434'000.00)	-
Disposals	17'210'336.80	-
Reversals	-	(49'991'759.83)
Value adjustment, at end of year	(43'796'057.36)	(55'572'394.16)
Net Book value		
At beginning of the year	85'097'247.75	139'050'804.58
At end of the year	74'188'917.75	85'097'247.75

Transactions on the Treasury shares during the year ended December 31, 2013

In July 2013, Gefinor S.A. made a dividend in kind by distribution of 1’166’667 shares to the shareholders consisting of 0.0294 per outstanding share at a bookvalue of USD 3 per share for a total of USD 3’500’000.

As December 31, 2013, Gefinor S.A. owned 448’858 (1.12%) of its own shares with a book value of USD 1’346’575.

Transactions on the Treasury shares during the year ended December 31, 2012

In June 2012, in addition to the distribution (see Note 5.5), Gefinor S.A. gave the opportunity to the shareholders to purchase treasury shares from the Company at USD 3 per share in the amount of the dividend distributed. Shareholders representing 20.98 million shares (56.6% of the outstanding shares) used their share of the dividend of USD 3’962 thousand to purchase 1’320’599 shares at USD 3 per share.

As of December 31, 2012 the value of the treasury shares is adjusted to USD 3 per share, corresponding to the value per share at which the Company proposed to the shareholders to purchase treasury shares from the Company in the amount of the dividend distributed.

The impairment of previous years' value adjustments on own shares is shown in the profit and loss account for the year under value adjustments in respect of financial assets.

As December 31, 2012, Gefinor S.A. owned 1’615’525 (4.04%) of its own shares with a book value of USD 4’846’575.

Transactions on the financial assets during the year ended December 31, 2013

- As of October 29, 2013, Gefinor Real Estate Limited reduced and repaid its capital by the purchase of 27’324’988 Gefinor Real Estate Limited own shares for a total amount of USD 27’324’988 in cash, realizing a gain of USD 25’350’658.

Transactions on the financial assets during the year ended December 31, 2012

- As of September 14, 2012, Gefinor Real Estate Limited reduced and repaid its capital by USD 15’000’000 in kind by transferring to Gefinor S.A. its interest in Gefinor Private Equity Limited of USD 15’000’000.
- As of December 31, 2012, Gefinor Real Estate Limited reduced its capital by USD 53’000’000 in kind by transferring to Gefinor S.A. its interest in Gefinor Advisors Limited of USD 53’000’000. (Gefinor Real Estate Limited had contributed in kind to Gefinor Advisors Limited its interest in Gefinor Finance SA of USD 43’000’000, its interest in Gefinor Management Limited of USD 9’999’999 and its interest in Gefinor Finance SAL of USD 1 as of December 5, 2012).

	Country	December 31, 2013 Number of shares	December 31, 2013 Cost USD	December 31, 2013 Carrying amount USD	December 31, 2013 Effective interest %	December 31, 2012 Number of shares	December 31, 2012 Cost USD	December 31, 2012 Carrying amount USD	December 31, 2012 Effective interest %
Treasury shares									
Gefinor SA	Luxembourg	448'858	7'967'998.03	1'346'575.00	1.12%	1'615'525	28'678'334.83	4'846'575.00	4.04%
			7'967'998.03	1'346'575.00			28'678'334.83	4'846'575.00	
Shares in affiliated undertakings									
Gefinor Real Estate Limited	Gibraltar	32'175'013	2'355'342.75	2'355'342.75	100.00%	59'500'001	4'329'672.75	4'329'672.75	100.00%
Gefinor Private Equity Limited	Gibraltar	63'000'000	54'661'633.33	30'294'000.00	100.00%	63'000'000	54'661'633.33	30'916'000.00	100.00%
Gefinor Advisors Limited	Gibraltar	53'000'000	53'000'000.00	40'193'000.00	100.00%	53'000'000	53'000'000.00	45'005'000.00	100.00%
			110'016'976.08	72'842'342.75			111'991'306.08	80'250'672.75	
			117'984'974.11	74'188'917.75			140'669'640.91	85'097'247.75	

NOTE 4 - DEBTORS

	2013 USD	2012 USD
Debtors due within one year		
Financial debtors	6'146'212.03	-
Other debtors (*)	1'382.19	-
	6'147'594.22	-

(*) Financial debtors consists in a loan agreement of up to USD 7’000’000 arranged with Gefinor Finance SA, Geneva and bearing an interest equivalent to 1% over USD 3 months Libor.

NOTE 5 - CAPITAL AND RESERVES

5.1. Subscribed capital

The Company was incorporated on December 31, 1968 with a capital of USD 1’260’000 and a share premium of USD 5’670’000. After successive increases, the issued capital was raised to USD 200’000’000 represented by 40’000’000 shares of USD 5 each.

At an Extraordinary General Meeting held on December 5, 2007, the shareholders approved a reallocation of the issued capital of the Company to bring it from USD 100 million to
USD 50 million by the attribution of USD 50 million to a reserve account through the adjustment of the nominal value per share from USD 2.5 to USD 1.25.

On December 18, 2008, in execution of decisions taken at the Extraordinary General Meeting of December 5, 2007, (a) the Company repurchased for cancellation 8 million shares at a price of USD 11.11 per share, thereby reducing the issued capital by USD 10 million to 32 million shares and reducing the reserves by USD 79 million, and (b) reissued 8 million new shares on a pro rata basis to holders of outstanding shares, thereby increasing the issued capital by USD 10 million to 40 million shares.

Accordingly, at December 31, 2012 and 2013 the authorised and issued capital is USD 50 million. The issued capital is fully paid and represented by 40 million shares with a par value of USD 1.25 each.

5.2. Legal reserve

The Company is required to appropriate to the legal reserve a minimum of 5% of the annual net profit, until such reserve equals 10% of the share capital. This reserve is not available for distribution, except upon dissolution of the Company.

On June 27, 2013, the Annual General Meeting of shareholders ratified the transfer of USD 5 million from the legal reserve to other reserves, accordingly, the legal reserve was reduced from USD 10 million to USD 5 million, the minimum required being USD 5 million, equal to 10% of the share capital.

5.3. Reserve for treasury shares

In accordance with the law, the Company has created a non-distributable reserve disclosed in the equity under "Treasury shares reserve" for an amount of USD 1'346'575.

5.4. Other reserve

In accordance with Luxembourg company law, Gefinor S.A. has allocated an amount of USD 23'567'000 as non-distributable reserve in relation to the pledge of Gefinor S.A. shares given by Gef Real Estate Holding S.A. to a wholly-owned subsidiary.

5.5. Dividends

In December 2013, Gefinor S.A. paid a cash dividend of USD 3'500'000.

In July 2012, Gefinor S.A. paid a cash dividend of USD 7'000'000.

NOTE 5 - CAPITAL - continued

	Subscribed capital	Other reserves	Legal reserve	Treasury shares reserve	Profit Brought forward	Profit of the year	Total Capital and reserves
Balance 01.01.2012	50'000'000.00	39'667'451.05	10'000'000.00	-	6'997'344.90	19'502'220.70	126'167'016.65
Allocation of income	-		-	-	19'502'220.70	(19'502'220.70)	-
Dividend paid in cash	-	-	-	-	(7'000'000.00)	-	(7'000'000.00)
Allocation to treasury shares reserve		(4'846'575.00)	-	4'846'575.00	-	-	-
Net income (loss) of the period	-	-	-	-	-	(51'363'579.99)	(51'363'579.99)
Balance 31.12.2012	**50'000'000.00**	**34'820'876.05**	**10'000'000.00**	**4'846'575.00**	**19'499'565.60**	**(51'363'579.99)**	**67'803'436.66**
Balance 01.01.2013	50'000'000.00	34'820'876.05	10'000'000.00	4'846'575.00	19'499'565.60	(51'363'579.99)	67'803'436.66
Allocation of income					(51'363'579.99)	51'363'579.99	-
Allocation of reserve	-	5'000'000.00	(5'000'000.00)	-	-	-	-
Dividend paid in cash	-	(3'500'000.00)	-	-	-	-	(3'500'000.00)
Dividend in treasury shares	-	-	-	(3'500'000.00)	-	-	(3'500'000.00)
Net income (loss) of the period	-	-	-	-	-	19'047'891.39	19'047'891.39
Balance 31.12.2013	**50'000'000.00**	**36'320'876.05**	**5'000'000.00**	**1'346'575.00**	**(31'864'014.39)**	**19'047'891.39**	**79'851'328.05**

NOTE 6 - CREDITORS

	December 31, 2013 USD	December 31, 2012 USD
Financial debts due within one year		
Financial debts due to related parties	-	14'797'353.41
Financial debts due to third parties	-	2'000'000.00
Total financial debts	-	16'797'353.41
Accounts payable		
Other liabilities	502'349.11	516'589.00
	502'349.11	17'313'942.41

NOTE 7 - OTHER EXTERNAL CHARGES

	2013 USD	2012 USD
Administrative expenses	553'303.19	359'163.65
Management fees	-	724'025.00
Other taxes	2'116.73	1'544.61
	555'419.92	1'084'733.26

Administrative expenses include remuneration allocation to the Board of Directors of USD 20’000 in 2013 (2012: USD 20’000).

NOTE 8 - INTEREST PAYABLE AND OTHER FINANCIAL CHARGES

	2013 USD	2012 USD
Interest paid on bank debts	16'928.12	53'532.12
Interest paid to group companies	306'722.86	231'933.45
Bank commissions paid	1'754.23	1'809.47
	325'405.21	287'275.04

NOTE 9 - GAIN ON DISPOSAL OF FINANCIAL ASSETS

	2013 USD	2012 USD
Gain on Gefinor Real Estate Limited capital reduction	25'350'658.00	-
	25'350'658.00	-