Kaiserstraße 24
60311 Frankfurt am Main
Phone +49 69 2161-0

Lenbachplatz 4
80333 Munich
Phone +49 89 2393-1

Seidlstraße 21
80335 Munich
Phone +49 89 2393-1

Mittelweg 16–17
20148 Hamburg
Phone +49 40 4506342-0

Steinstraße 1–3
40212 Düsseldorf
Phone +49 211 301236-0

Konrad-Adenauer-Ufer 67
50668 Cologne
Phone +49 221 139319-700

1c, rue Gabriel Lippmann
5365 Munsbach
Luxembourg
Phone +352 451314-1

info@hauck-aufhaeuser.de
www.hauck-aufhaeuser.de

HAUCK & AUFHÄUSER
PRIVATBANKIERS SINCE 1796

ANNUAL REPORT 2015 START *LEAVING TRACES*

HAUCK & AUFHÄUSER

ANNUAL REPORT 2015

START
LEAVING TRACES

HAUCK & AUFHÄUSER
PRIVATBANKIERS SINCE 1796

WEALTH REQUIRES RESPONSIBILITY.

OUR CLIENT BEARS THIS RESPONSIBILITY AND TRANSFERS IT TO US AS WELL.
A RESPONSIBILITY – TO BE SHOULDERED FOR AN UNLIMITED PERIOD.
TO HONOR THE ASSETS. TO HANDLE THEM MINDFULLY.
TO PRESERVE AND MULTIPLY THEM.
FOR OUR MOST IMPORTANT CAPITAL – THE PEOPLE THAT ENTRUST IT TO US.
MOVERS, VISIONARIES AND PIONEERS WHO WANT TO MAKE THINGS HAPPEN.
WHO WANT TO MAKE A DIFFERENCE AND PASS ASSETS ON TO THE NEXT GENERATION.
FOR AND WITH THESE PEOPLE, WE CREATE LASTING VALUE AND SIGNIFICANCE.
FOR AND WITH THESE PEOPLE, WE DEVELOP THE BEST SOLUTIONS.

HAUCK & AUFHÄUSER

START
LEAVING
TRACES

START
LEAVING
TRACES

KEY FIGURES

KEY FIGURES (IN EUR M)

Hauck & Aufhäuser Group	2015	2014
Total assets not including assets held on a trust basis	2,885	2,822
Business volume	3,121	3,037
Eligible equity capital pursuant to Article 72 of the CRR* (as of the reporting date 31.12.2015)	156	140
Assets under management (mean)	45,000	29,886
Net interest income	24	28
Net commission income	86	73
Administrative expenses	120	114
Annual net profit	5	5
Average number of employees (full time equivalent)**	529	533

Hauck & Aufhäuser Privatbankiers KGaA	2015	2014
Total assets not including assets held on a trust basis	2,882	2,834
Business volume	3,118	3,031
Eligible equity capital pursuant to Article 72 of the CRR* (as of the reporting date 31.12.2015)	163	160
Assets under management (mean)	32,887	20,309
Net interest income	23	27
Net commission income	74	62
Administrative expenses	111	105
Annual net profit	4	4
Average number of employees (FTE)**	473	476

* Capital Requirements Regulation: EU Capital Requirements Regulation containing rules regarding companies' capital base.
** FTE (full-time equivalents) denotes the notional number of full-time positions where there is a mix of full-time and part-time staff.

CONTENT

DEAR SHAREHOLDERS, CLIENTS AND BUSINESS ASSOCIATES,

For Hauck & Aufhäuser, 2015 was a historical financial year in which the bank charted the course for its future – a future also made possible by the extensive transformation process we set in motion almost five years ago. Since this time, Hauck & Aufhäuser has placed greater focus on the front and back office. A series of initiatives to streamline our costs and corporate structure have complemented consolidation measures carried out throughout the bank. Furthermore, we have realigned our business strategy, redefining our core business segments in the process.

The review of the past year would not be complete without also turning our focus to the change of ownership of Hauck & Aufhäuser, which is currently still pending approval. This change of ownership not only represents a further milestone in the 220-year long history of the company, but also the beginning of a completely new chapter.

A look back at the past few years shows how quickly requirements have changed, and how we have responded to the new environment and the formidable regulatory dynamics. We are convinced that we have found the right responses, not least because, in addition to a strong brand identity, Hauck & Aufhäuser also offers great potential for creating strong partnerships and a high-quality network.

Hauck & Aufhäuser has a clear business model, which we will retain and, above all, further develop with a focus on growth. We expect that we will expand our established business activities and therefore new opportunities will arise for us that demand a high level of commitment and constant readiness to respond openly to new topics. Indeed, this is a great opportunity for us to write a mutually successful new chapter for Hauck & Aufhäuser. It is also why Fosun International Limited, one of the largest Chinese investment companies, wants to invest in Hauck & Aufhäuser and, hence, why it submitted a bid for Hauck & Aufhäuser in July 2015.

We wish to thank our shareholders for their valuable cooperation in the past financial year and trust that we will continue to earn your commitment and support in the future.

The Management Board
of Hauck & Aufhäuser Privatbankiers

Michael Bentlage (Partner)

Jochen Lucht (Personally Liable Partner)

Stephan Rupprecht (Partner)

START *LEAVING TRACES*

Our values and principles determine our actions. Developed over the course of the 220-year – consistently forward-looking – tradition of our bank, they guide us in how we do business.

For its customers, Hauck & Aufhäuser is more than just a trusted service provider and partner. Developing together the best possible solutions is for us both objective and impulse. We not only take on responsibility for the assets entrusted to us, but also for much more besides.

For us, 'leaving traces' means providing fresh impetus, being pioneers and taking long-term decisions. We create lasting prosperity and fortune – together with you.

For future generations and the society of tomorrow.

BUSINESS SEGMENTS AND SERVICES

ASSET AND WEALTH MANAGEMENT

Our Asset and Wealth Management core business segment includes the Private Banking segment, sales services for institutional clients and Investment Management. In its function as competence center, Investment Management is responsible for the bank's research and portfolio management activities. Focusing on our advisory services and product expertise enables us to provide targeted and focused responses to customer wishes and a 'one-stop shop' solution that meets their requirements.

PRIVATE BANKING

When providing services for our private banking, we place great store on the stable, low-fluctuation performance of the assets entrusted to us. We are convinced that a personal relationship based on trust forms the cornerstone for comprehensive investment advice and we do our utmost to interlink all of the relevant aspects.

Our customer advisory services are substantially defined by an entrepreneurial approach and foresighted, sustainable business practices. In so doing, we consider long-term strategies, smart risk management and personal commitment to be indispensable for our bank. In order to do justice to these principles, we meet our customers to first clarify their starting situation, principles, investment mentality and their actual needs. These aspects are revised through regular dialogue over the course of the business relationship. This allows us to ensure that we are able to react promptly and individually to changes in our customers' personal circumstances.

In 2015, Hauck & Aufhäuser enjoyed successful and stable growth in the Private Banking segment. We were able to continue our growth at all company locations and increase the volume of the assets entrusted to us. However, the continued record low interest rates and the ECB's deposit rate, which has since fallen to –0.3%, saw customer deposits make a negative contribution to our earnings.

The good investment performance of the Investment Management segment had a positive impact on the performance of both customer deposits and customer satisfaction. This enabled us to increase the share of current and new customers who chose our asset management services.

INSTITUTIONAL CLIENTS/ ASSET MANAGEMENT

Since last year, our business segment, Institutional Clients/Asset Management is responsible for supporting institutional clients and sales partners for our asset management services. In this segment, our experienced specialists ensure that our institutional clients – such as insurance companies and pension funds, religious organisations, banks and savings banks, corporations with pension schemes, foundations and family offices – are provided with high-quality, tailored advice and support. This segment also supports our wholesale partners.

At the core of our activities is the goal of creating added value for our customers and further developing awareness of the Hauck & Aufhäuser brand in asset management and portfolio management. To do so, we leverage the core competencies of our Investment Management team, with its proven expertise in high-performance fixed-income securities and balanced strategies involvingbenchmarks or absolute return approaches. In 2015, we were once again able to achieve solid performance in our asset management solutions. The basis for the continued investment success of our portfolio management experts is the combination of in-depth analysis, systematic utilisation of quantitative decision-making and the consistent utilisation of high-performance risk management processes.

All asset management strategies can be implemented as discretionary mandates in a special fund, as investment advice mandates or in institutional asset management.

INVESTMENT MANAGEMENT

Hauck & Aufhäuser combines its portfolio management and analysis activities for private clients, institutional clients and mutual funds in Investment Management.

The generally excellent results that we achieved for our customers in the past financial year are a result of our tactical asset allocation. This involves balancing the asset classes, stock selection and strategy with regard to corporate bonds. Spurred on by its excellent performance and the positive reception on the market, Asset and Wealth Management was able to record a 13% growth in assets under management.

Spurred on by its excellent performance and the positive reception on the market, Asset and Wealth Management was able to record a 13% growth in assets under management.

We systematically developed our product range. We introduced a new asset management product: market-independent asset management. This strategy targets risk/reward profiles that exhibit low levels of synchronisation with the stock market and bond market.

Hauck & Aufhäuser's Investment Management was ranked in first place on several occasions in FirstFive's deposit performance comparison. Our mutual funds also won prizes, such as from Morningstar, Lipper, Sauren or Citywire. Last year, Citywire ranked the H&A Aktien Small Caps EMU in first place in the corresponding category.

HAUCK & AUFHÄUSER (SCHWEIZ) AG

For more than 20 years, our Swiss subsidiary, Hauck & Aufhäuser (Schweiz) AG has acted as a specialist for sustainable investments on the German-speaking markets. In the past year, it was able to further consolidate its market position. The multiple award-winning public investment funds, PRIME VALUES, are being offered through an expanding distribution network, and are also incorporated into the investment universes of well-known insurance companies. The advisory service 'Asset Management Sustainability' for individual mandates is considered to be an attractive addition to conventional asset management, and was also able to record growth in volumes.

ASSET SERVICING

Since 2013, the Asset Servicing core business segment has undergone a comprehensive process of optimisation and development, with the positive effects also being felt in the past financial year. In 2015, a clear separation between liquid and illiquid assets was achieved in this core business segment. This resulted in the establishment of the Financial Assets and Real Assets segments. This realignment meets the changed requirements on the market resulting from the implementation of the Kapitalanlagegesetzbuch (KAGB) [Capital Investment Code].

This enables the Asset Servicing core business segment to address customer requirements in an efficient and excellent manner and to optimally allocate available resources to customer acquisition and service. Furthermore, all customer services relating to asset administration were consolidated over the previous years. This was accompanied by further investment in infrastructure. All of these actions enabled Hauck & Aufhäuser to position itself as one of the most important names in asset administration on the German-speaking market.

FINANCIAL ASSETS

This business segment enjoys a long tradition. Since the first private label funds were issued in 1969, Hauck & Aufhäuser has worked continuously with independent asset managers to further develop its range of services. Our customers benefit from Hauck & Aufhäuser's extensive expertise as a pioneer in doing business with independent asset managers. Asset Servicing covers the entire spectrum of services for independent asset managers, asset managers and institutional clients, from strategic advisory services and the custodian function, to the design, issue and marketing support for private label mutual funds and special funds.

2015 was a successful year for us. The Asset Servicing business segment was able to establish and develop business both with independent asset managers and institutional clients. The sustainability of our business model was reflected in total customer numbers and growth in business with private label funds and special funds. A diverse range of new business enabled Hauck & Aufhäuser to join the ranks of the top three German custodians.

We have strong partners on our side. When issuing fund products, in addition to cooperating with our wholly owned subsidiary, Hauck & Aufhäuser Investment Gesellschaft S.A (HAIG), cooperating with Universal-Investment-Gesellschaft mbH, Ampega Investment GmbH and with BayernInvest Kapitalanlagegesellschaft mbH also proved to be highly profitable. Furthermore, in 2015 we were able to gain Axxion as an Alternative Investment Fund Manager for the German market.

For many years we have cultivated close cooperation with the Verband unabhängiger Vermögensverwalter Deutschland e.V. [German Association of Independent Asset Managers] (VuV) through our specialist event at which we discuss current topics and issues on the market and in the banking sector. This platform for sharing information and ideas is highly appreciated by all those who take part. With the VuV, we not only express our affinity with the association through jointly organising events and presentations, but, as founding members of the Forum VuV e.V., we also support it in terms of input and funding.

In addition to the Hauck & Aufhäuser Capital Market Day, which was held for the second time with great success in November, we also want to offer our customers an even broader information platform in the future by offering further specialist events on the theme of custodians.

As in previous years, this business segment made a valuable and steadily growing contribution to the bank's net income as a whole.

REAL ASSETS

In 2015, the demand for alternative investment fund solutions both for German and Luxembourg fund structures was once again very dynamic. This segment enjoyed disproportionate growth both as a whole and in the individual segments offered through this service. We were able to record growth in assets under management running into the billions. In addition to the numerous major players established on the market, the business segment also succeeded in gaining successful niche players as customers in all product areas.

Our Real Assets business segment provides custodial services in Germany and Luxembourg for all manner of fund solutions for assets that cannot be held in custody. This relates to capital investment products that invest in real assets. In addition to mutual funds and non-UCITS funds, the structures covered by Hauck & Aufhäuser's custodial services also include special funds under German and Luxembourg law, and miscellaneous financial instruments such as holding structures, Luxembourg securitisation companies or special purpose vehicles.

The focus is on asset classes such as real estate, private equity, infrastructure, renewable energies and loans. The individual assets are invested in German and Luxembourg fund structures, whereby the respective assets can be domiciled anywhere around the globe. To this end, we perform custodian duties, such as beneficial ownership verification, trading in investment fund certificates and cash flow monitoring.

A diverse range of new business enabled Hauck & Aufhäuser to join the ranks of the top three German custodians.

As a regulated service company for the administration of alternative investment structures, Hauck & Aufhäuser Alternative Investment Services S.A. (HAAS), as the so-called key custodian, offers initiators and investors a comprehensive range of corporate and financial reporting services for the administration of alternative investment strategies. HAAS manages both regulated and unregulated investment products.

Alternative investments are generally complex fund structures that need to be individually tailored to requirements. Together with our customers as product initiators, our experts develop a suitable fund structure to successfully place the investment ideas on the market.

Overall, for services relating to all AIF products, the customer has at his disposal both the impressive know-how and the extensive experience of our investment law experts in these three specialised areas – the German and Luxembourg AIF custodian and HAAS. Together, they form our competence center for alternative investments and associated fund solutions for regulated and unregulated capital investment products in Germany and Luxembourg, thus ensuring a one-stop shop service for our customers at both locations. German and international customers, as AIFMs and asset managers, can select the fund location that matches their wishes and expectations.

In particular, the very positive feedback from our customers pays testament to the sustainable and forward-looking position of Hauck & Aufhäuser in the Real Assets segment. The profitable business performance and behaviour of our customers in 2015 provide ample evidence that we have gained on the market in Germany and Luxembourg. Unlike other more industry-focused corporate providers, Hauck & Aufhäuser is perceived as a premium brand. This business segment is continuing to follow a dynamic, sustainable path to growth as a result of our current business with prestigious customers and our acquisition of new customers. Hauck & Aufhäuser's goal for 2016 is to further consolidate its position as market leader in quality for fund services in the Real Assets segment.

In 2015, the bank was also able to further consolidate its position on the market, not least through the realignment of the Asset Servicing business segment. The bank is best placed to meet the changed requirements on the market resulting from the implementation of the KAGB. Asset Servicing reached important milestones in terms of excellent existing customer management and strategic new customer acquisitions. On this basis, the business segment has started 2016 well equipped and is pursuing a clear goal of further developing its leading position as asset servicing provider for independent asset managers and institutional clients.

FINANCIAL MARKETS

In 2015, our bank further developed its regional presence in its stocks and research business, which is part of the Financial Markets segment. In so doing, it successfully expanded its support for institutional clients in Benelux, Scandinavia and Switzerland, and further diversified customer returns. Through the newly established Designated Sponsoring service, the bank complements the existing value chain of our capital market and research services by offering its institutional clients reliable and efficient tradability for their equity investments in more than 30 stocks.

INSTITUTIONAL RESEARCH

We demonstrate our extensive expertise in products and trading when we generate investment ideas. On the equity side, the Bank offers the complete value chain for our pan-European investor network. This involves analysing around 140 companies from the small and mid-cap segment with detailed information on the companies, their respective sectors, their strategies, customers and decision-makers. This in-depth company knowledge enables high-quality assessment of their competitive position and of their ability to generate above-average capital returns over the long term.

EQUITY SALES & TRADING

The customer-focused Equity Sales Trading enables us to create opportunities for the growing number of institutional customers to successfully implement their trading ideas and investment strategies in this market segment. In addition to the numerous domestic and international stock markets, our experienced traders also use the rapidly expanding off-exchange trading centers, allowing us to utilise further market liquidity to achieve efficient implementation. In 2015, a growing number of Hauck & Aufhäuser customers used our in-depth market and customer know-how for capital market activities, such as equity issuance (IPO) or capital increases. In the past financial year, we were able to further expand our large share of the market through our integrated advisory service approach for entrepreneurs, financial investors and institutional investors, with its clear focus on the small to mid-cap segment.

DESIGNATED SPONSORING

As a consequence, since 2015, our highly experienced trading team in the Designated Sponsoring segment offers our customers the necessary market liquidity in over 30 stocks. This involves providing reliably tradable prices on the stock exchange and the Xetra® Stock Exchange and Vienna Stock Exchange during the trading day.

SECURITIES TRADING

Capital Markets supports our institutional clients in securities trading through fast, professional and market-friendly placement of their orders. In so doing, we ensure excellent, service-oriented execution of orders in equities, bonds, funds and derivatives on German and international stock markets. Furthermore, the services developed by our subsidiary, Fondspooling Excellence GmbH, for trading and custody of fund portfolios enable us to create added value for our customers. In futures trading, the trading expertise in exchange-traded derivatives – in particular on the Eurex® derivatives exchange – of our experienced trading team offers our customers the possibility of leveraging volatile developments on the market for the benefit of their investment objectives.

> Created in 2015, the Designated Sponsoring segment extends the existing value chain of our capital markets and research services.

SALES TRADING

In Fixed Income Sales Trading, we help our customers navigate the complex national and international bond markets in the demanding capital market environment to make profitable use of the products on offer. We develop tailored solutions for our customers. In so doing, through independent market evaluations and tailored support, we identify targeted trading possibilities in individual market segments that are oriented towards the strategic alignment of the customer.

Through the structuring and placement of refinancing themes on the capital market, we assist our customers in discreetly implementing their financing needs. In doing so, we draw on a proven investor network and leverage synergies with our product and trading expertise in financial markets in a profitable manner. Furthermore, the successful controlling of market risks forms a starting point for supporting our customers in an advisory capacity on the implementation of off-exchange derivatives for foreign currencies, interest rates and commodities.

POOLED FUND SERVICE

In 2015 our customers also benefited from our expertise in fund trading. Furthermore, we offer our institutional clients a broad range of services relating to the management of third-party fund portfolios. In addition to the management of depositories and financial controlling of the portfolio commission for third-party fund portfolios, this includes the transparent calculation of customary best-practice conditions on the market. This allowed us to achieve significant improvements in fund yields for our institutional clients.

The prolonged negative interest rate environment will also present many institutional clients with great challenges for their reinvestment decisions in 2016. This will be compounded by the continuing high levels of large amounts of liquidity provided by the central banks and the anticipated greater volatility in the capital markets. In this environment, through our prudent and consistently transparent interest overlay management, we offer our institutional clients the possibility of achieving a reasonable return independent of market phase and with a conservative risk alignment.

EMPLOYEES

For Hauck & Aufhäuser, 2015 was characterised by many forward-looking and, at the same time, labour-intensive projects. At the forefront was our cost-efficiency program, which was successfully completed by the end of the year. Unfortunately, in order to achieve our cost-saving objectives, this also entailed making difficult personnel decisions. The negotiations that were conducted with the works council demonstrated that all sides were able to work towards a solution in a very constructive and respectful manner. This resulted in the development of a social compensation plan and settlements that took the various interests into account. An important element in this regard was the conclusion of a company agreement on voluntary partial retirement agreements. The responsible approach of all parties allowed us – to the greatest possible extent – to avoid terminations. We were able to find mutually acceptable solutions for the majority of the employees affected. Some employees were able to successfully find vacant posts within the bank.

In this context – coupled with the continuing challenging market environment – the extraordinary performance, dedication and loyalty of our employees provided an excellent source of support for the bank. These are ostensibly the reasons why the cost-efficiency program was so successfully completed. The increase in efficiency achieved through leveraging synergies and the reduction in fixed and personnel costs contribute significantly to our commercial success and the good reputation that our bank enjoys.

The dedication and the loyalty of our employees are key factors for the long-term growth of Hauck & Aufhäuser. Their skills and motivation give us the competitive edge.

We combine innovative strategies with traditional values such as reliability and trust. We aim to develop our employees in a way that ensures they are equipped with the skills they need for their current and future duties at Hauck & Aufhäuser. In order to achieve this, we create tailored personnel development programs, with training measures tailored to our employees' personal needs. We consider supporting their professional and personal development as well as ensuring that highly qualified employees stay committed to our bank over the long term to be a continual challenge – a challenge that we are happy to face.

In the past financial year we also revised and expanded our young talent program. Besides the sponsoring society aligned to our corporate values, our trainee program offers ambitious graduates with an alternative to classic direct entry. The program prepares new recruits for a wide range of duties in the bank and offers attractive perspectives for development. Experienced mentors, i.e. managers of our bank who have received special preparation for this role, support junior staff members throughout the entire trainee program.

Additionally, we offer interesting opportunities for in-service qualifications, including qualifications as banking specialist and commercial expert, masters degrees and skills-enhancement certifications. Our links to the Frankfurt School of Finance & Management also give us access to a range of seminars relating to professional and personal development. The intensive support for young talent offered through a dual study system enables theoretical basics to be conveyed on the job, thereby creating further potential. Additionally, our series of expert talks, 'Sharing Expert Skills', forms a platform where we can learn with, and from, one another. In this series, in-house specialists give talks on current issues.

> We are convinced that appreciativeness creates added value and we continuously strive to anchor this firmly in our corporate culture.

Language courses and language workshops also offer our employees the possibility to develop their language skills in order to meet the future challenges of the internationalisation of the bank.

Personnel development measures specifically targeted at executive levels allow us to continuously expand and enhance our know-how, leadership skills and expertise.

Mutual support in the company is essential for us. The bank provides assistance in times of acute personal exceptional need in the same way as the Hauck & Aufhäuser Provident Society, the result of the merger of the two provident societies of H. Aufhäuser and Georg Hauck & Sohn, formed in 1939 and 1948 respectively. We also place great store on ongoing health and resource management.

We would like to take the opportunity to thank the members of the employee representative bodies for their excellent cooperation and dedication in many areas. All personnel and welfare matters were discussed openly and constructively, and were thereon effectively implemented.

As of the balance sheet date of 31 December 2015, the Bank has a total of 473 employees, with 529 employees employed in the entire Hauck & Aufhäuser Group as of the end of the reporting year; all figures as full-time equivalent (FTE). The entire Hauck & Aufhäuser Group had 72 part-time employees.

CULTURAL AND SOCIAL COMMITMENT

HAUCK & AUFHÄUSER CULTURAL FOUNDATION

In 2015, Hauck & Aufhäuser continued its traditional engagement in cultural and social projects. The charities we sponsored also provided us, and our partners, with yet another way to make a mark.

Since its foundation in 2008, the Hauck & Aufhäuser Cultural Foundation, in which we have pooled our culture-promoting activities, continues our traditional, values-oriented commitment, a commitment that has been a fixed element of our 220-year long history. In addition to concerts for young artists, the focus in the past financial year was primarily on promoting educational projects and supporting social institutions.

In April last year, the first graduate concert was held in the Beethoven House in Bonn through the Cusanuswerk, the young talent foundation of the German Catholic church based in Bonn. Out of eight young musicians, a jury of experts – chaired by Professor Josef Protschka of Cologne University of Music and Dance – selected the harpist Magdalena Hoffmann as winner. She was awarded a prize of EUR 3,000.

Another musical highlight was achieved last year by the concert evening with the Duo Dali at Schloss Garath in Düsseldorf. Lisa Maria Schumann and Darko Kostovski thrilled the audience with works by Ludwig van Beethoven and Edvard Grieg.

Through the continued funding of the 'Setting the Course' project, we continued our support for the educational activities of the ZEIT-Stiftung in Hamburg. 'Setting the Course' is focused on helping as many primary school pupils in Hamburg, Biberach and Ravensburg as possible to make the transition to secondary school. They receive tailored support so that they can develop their potential in secondary schools. 'Setting the Course' for the children of refugees and migrants enables young immigrants to make the transition to the regular school system, improves pupils performance and contributes to promote integration in school.

Furthermore, we supported research into ethical and values-oriented action on contemporary themes and issues through the Albert-Keller-Stiftungslehrstuhl für ethische Grundlagenforschung [Albert Keller Endowment Chair for Ethical Basic Research] in Munich. The inauguration of the endowment chair was marked by a ceremony at which Erwin Teufel, the former Minister President of Baden-Württemberg, gave an impressive speech – followed by the inaugural lecture of the chair holder, Professor Andreas Trampota SJ.

In the past financial year, the Foundation's support also contributed to 'Die Arche e.V.' [The Ark] being able to provide children with unforgettable moments and helping young people to conquer the challenges of daily life. We have been supporting this Frankfurt-based association, which operates throughout Germany, for several years.

We lived up to the image we have of ourselves as a strong partner on the foundation scene through our support for the German Foundation Congress, which took place in Karlsruhe last year, as well as 'foundation breakfasts' in Cologne and Munich. Our network platform for foundations and benefactors was complemented by a special evening with Professor Michael Göring, Chairman of the management board of the ZEIT-Stiftung and Chairman of the German Federal Association of Foundations, who talked at a joint event on the historical and modern-day perspectives of the foundation metropolis of Hamburg.

> On Christmas 2015, the Management Board decided to support charities that are particularly dedicated to creating a better future for socially disadvantaged children and young people.

SOCIAL COMMITMENT IN THE COMPANY

The traditional commitment of our bank to cultural and social projects is a deep-rooted element of our understanding of ourselves as private bankers. We demonstrate our commitment not only through the Foundation. At our company locations, we play an active role in numerous other social, cultural and charitable projects. In addition to our membership of charitable associations, which implies not only financial support but also active cooperation, we use targeted events to support direct communication between stakeholders of non-profit organisations.

On Christmas 2015, the Management Board once again decided that, instead of presents for our customers and employees, we would support charities in Germany that are particularly dedicated to creating a better future for socially disadvantaged children and young people. Among others, in the past financial year, we supported 'Die Arche e.V.', an institution that is dedicated to helping socially disadvantaged children in Frankfurt, amongst others with free lunches, assistance with homework and a variety of leisure activities and educational support opportunities. Likewise, the Munich foundation, 'Kick into Life', which also received a donation, and its numerous partner institutions accompany young people from preschool to the end of their school career with an age-appropriate program of support that combines education, careers advice and – as the name suggests – sport challenges. Additionally, through the Christmas campaign, money was donated to the Düsseldorf Kindertafel, the organisation 'We Help' in Cologne and the 'Kinder-Hospiz Sternenbrücke' foundation in Hamburg.

Furthermore, our employees participated in a range of social campaigns throughout the entire year. Participation in the 2015 Malteser Social Day enabled social commitment on a working day: Hauck & Aufhäuser allowed interested colleagues to take a day's leave in order to provide practical support at a charitable organisation in Frankfurt – this year at the clinic for Psychiatry and Psychotherapy/Psychosomatics in Höchst. Throughout all of 2015, our employees contributed to numerous other social initiatives, including the Frankfurt corporate run 'J.P. Morgan Corporate Challenge', the Christmas wish-list campaign of 'Die Arche e.V.', the Christmas donation campaign for Romanian children and the Christmas package campaign for Romanian children organised by 'Das kunterbunte Kinderzelt e.V.' [The multi-coloured children's tent].

REPORT OF THE SHAREHOLDERS' COMMITTEE

Wolfgang Deml (Chairman)

In accordance with its duties pursuant to the bank's Articles of Association, the Shareholders' Committee supervised the development of the bank and its subsidiaries on the basis of the reports regularly submitted to it, and discussed important business transactions, the bank's position and the general economic situation with the Management Board. Matters of general policy and specific issues were discussed at five meetings of the Shareholders' Committee in the 2015 financial year, which were held together with the Supervisory Board, and in numerous discussions between its chairman and the Management Board. The bank's business performance was discussed intensively. Topics of discussion were, in addition to sustainable improvement of the bank's earnings situation, the measures by the Management Board to cover and monitor risks, on which the Shareholders' Committee was briefed in detail at each of its meetings.

The annual reports by the heads of Internal Auditing and Compliance were presented and discussed in detail. The Supervisory Board was also briefed regularly on anti-money laundering measures.

At the first meeting of the year on 12 January 2015 matters of Group planning and cost efficiency were discussed.

At the second meeting of the year, convened on 20 April 2015, the auditor reported on the annual financial statements for 2014 and was available to answer questions. Furthermore, the annual report and the invitation to the Annual General Meeting on 28 May 2015 were also approved. Additionally, a range of strategic matters were discussed. At this session, the meeting of the Audit Committee was also held. This Committee holds regular annual meetings in which it intensively examines the annual financial statements of the bank along with the auditors' report.

At the meeting of the Shareholders' Committee prior to the Annual General Meeting on 28 May 2015, the proposals put forward for resolution at the Annual General Meeting were adopted. Moreover, the Shareholders' Committee conducted a detailed examination of existing legal risks and the opening of a branch office in London.

The Annual General Meeting on 28 May 2015 approved the 2014 annual financial statements and agreed to the proposed appropriation of profit. The acts of the Management Board, the Supervisory Board and the Shareholders' Committee were ratified.

At the autumn meeting on 16 September 2015, the results for the current financial year both for the Group as a whole and for the respective business segments were analysed in detail. Furthermore, the current status of the takeover by the Fosun Group and the loan strategy were discussed.

At the last meeting of the year on 25 November 2015, the focus was on the preliminary results for 2015 and the planning for 2016. Furthermore, a report was given on the current status of the ownership control procedure.

The Management Board explained to the Shareholders' Committee the consolidated Group financial statements and the annual financial statements of the parent company as of 31 December 2015, the management reports, and their proposal for the appropriation of profit. Following a detailed examination, the Shareholders' Committee recommends that the Annual General Meeting adopt the consolidated Group financial statements and the annual financial statements of the parent company in the version as prepared by the Management Board and audited and issued with an unqualified opinion by the auditor Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart. On the other items of the agenda, the Shareholders' Committee recommends that the Annual General Meeting adopt the proposals put forward by the Supervisory Board and the Management Board.

Frankfurt am Main, 22 April 2016
The Shareholders' Committee

Wolfgang Deml
Chairman

REPORT OF THE SUPERVISORY BOARD

In accordance with its duties pursuant to law and the bank's Articles of Association, the Supervisory Board convened five times together with the bank's Shareholders' Committee during 2015 and kept itself regularly informed of the position and development of the bank and supervised the conduct of the bank's affairs. Matters of general policy and specific issues were discussed at the meetings of the Supervisory Board and in numerous discussions between its chairman and the Management Board. The development of business at the bank, its domestic and international subsidiaries and the conditions on the market were dealt with intensively. Further subjects of detailed discussion, besides the further improvement of the bank's earnings situation, were the measures by the Management Board to cover and monitor risks, on which the Supervisory Board was briefed in detail at each of its meetings. The annual reports by the heads of Internal Auditing and Compliance were presented and discussed in detail. The Supervisory Board was also briefed regularly on anti-money laundering measures.

The Supervisory Board Credit Committee decided on all loans submitted for its approval in accordance with the requirements of law and also reviewed the structure of the loan portfolio. In particular, it discussed in detail with the Management Board all major loans, the industry-specific and country-specific risks, and all loans exposed to higher risks. The bank complied with the Minimum Requirements for Risk Management directive. Special consideration was given to the coverage of the various risk aspects and adequate risk provisioning.

The bank's affairs were conducted in compliance with the rules of procedure of the Supervisory Board and the managing partners.

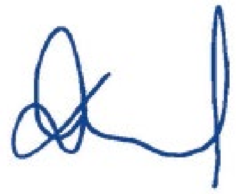
The current economic situation at home and abroad was discussed in detail, as was the bank's future development and its risk position. Changes in the laws and their implications for the bank as well as external audit reports were closely examined.

The consolidated Group financial statements and the annual financial statements of the parent company for the year ending 31 December 2015, including the accounting and the management reports, were audited by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, which was appointed as the company's auditor at the Annual General Meeting on 28 May 2015 and was engaged by the Supervisory Board. The auditor issued an unqualified opinion on the consolidated Group financial statements, the parent company's annual financial statements and the management reports. The auditor was available to answer questions at a meeting of the Supervisory Board held to pass resolution on the consolidated Group financial statements and the parent company's annual financial statements.

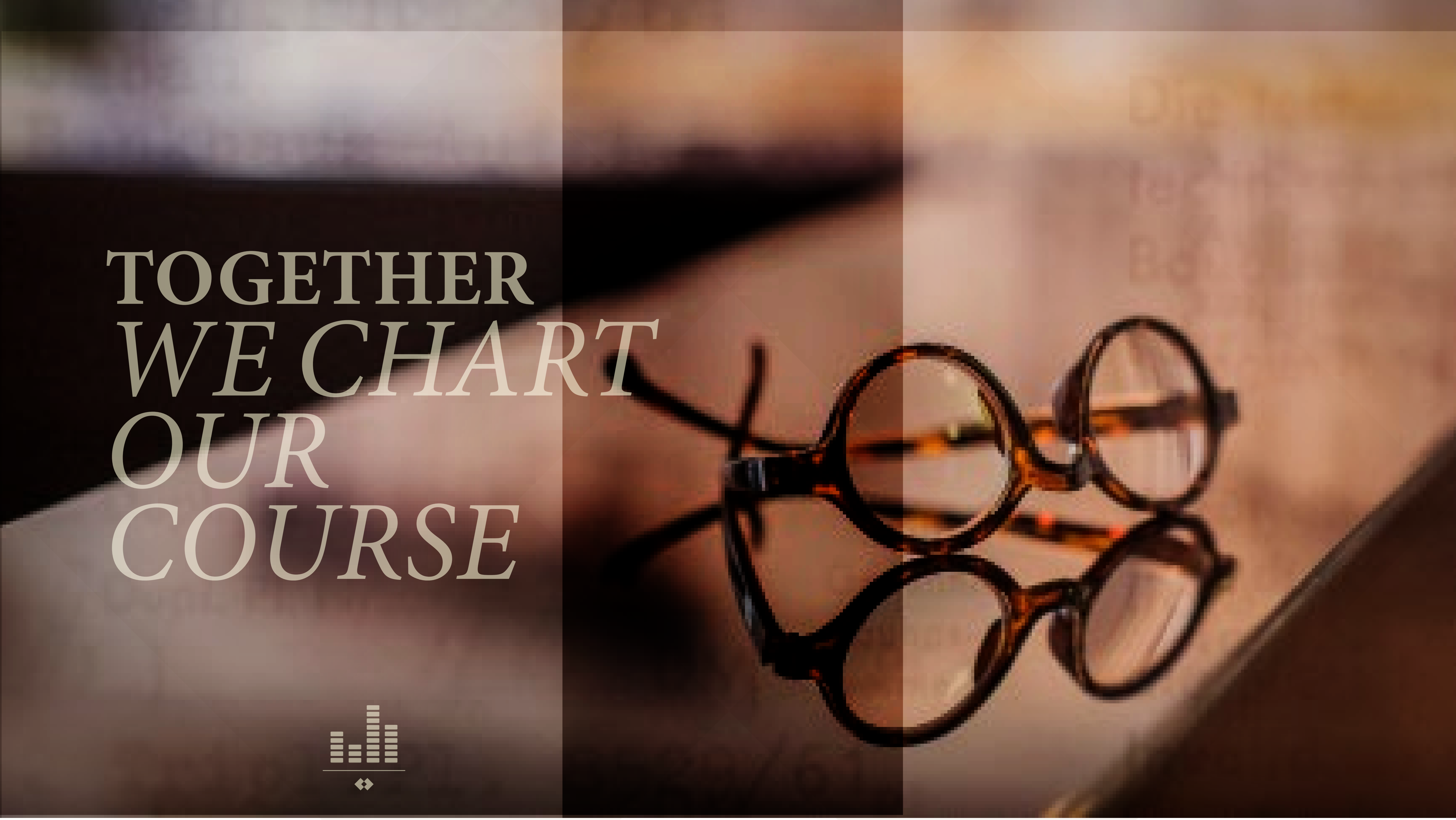
The Supervisory Board has examined the consolidated Group financial statements, the parent company's annual financial statements, the management reports, the proposed appropriation of profit, and the auditor's reports and has found no cause for complaint. Following its examination, the Supervisory Board raises no objections to the conduct of the company's affairs and the content of the documents examined and approves the annual financial statements. It gives its approval to the management reports of the Management Board and their proposal for the appropriation of profit.

Frankfurt am Main, 22 April 2016

The Supervisory Board



Wolfgang Deml
Chairman



TOGETHER *WE CHART OUR COURSE*

The employees of Hauck & Aufhäuser have laid the foundations for the future of the bank – a future also made possible because of the extensive transformation process we set in motion almost five years ago. Since then, Hauck & Aufhäuser has made a range of changes to the front and back office. We have complemented the consolidation measures we carried out throughout the bank with a series of initiatives to streamline our costs and corporate structure. Furthermore, we have realigned our business strategy and reorganised our core business segments. Our cost-efficiency program had a marked impact on 2015. We implemented, and have since almost fully completed, a wide range of measures to optimise all areas of our bank. We have charted the course for the future and are working steadfastly towards the success of our bank.

GROUP MANAGEMENT REPORT (EXCERPT)

The annual report contains abridged versions of the consolidated financial statements and the annual financial statements of the parent company. The complete management report for the Group and the bank as well as our annual financial statements are published in the German Federal Gazette.

The disclosure report is available for download on our website: https://www.hauck-aufhaeuser.de/page/B_PressePublikationenBestellung

STRUCTURE AND BUSINESS DEVELOPMENT

SHAREHOLDER STRUCTURE

Hauck & Aufhäuser Privatbankiers KGaA (the 'Bank'), registered in Frankfurt am Main, is one of the few independent private banks in Germany. Our capital is held in full by private investors.

BUSINESS SEGMENTS AND ORGANISATIONAL STRUCTURE

Hauck & Aufhäuser is organized into three core business segments and other segments comprising the support and staff functions and other units. The core business segments are the responsibility of the partners; the other areas are assigned to a general partner.

The senior management is responsible for the strategy and operational management of Hauck & Aufhäuser. Its members are the general partner Mr. Jochen Lucht and the two partners Mr. Michael O. Bentlage and Mr. Stephan Rupprecht. They have joint responsibility for the entire Institution.

The Supervisory Board, chaired by Mr. Wolfgang Deml, is responsible for monitoring senior management and business performance. It held five scheduled meetings in the reporting year.

The Shareholder Committee assists the general partners in their management function and represents the limited shareholders vis-à-vis the general partners.

Our activities are organized into the core business segments of Asset Servicing, Asset and Wealth Management and Financial Markets.

Corporate Structure

Core Business Segment
Asset and Wealth Management

Core Business Segment
Asset Servicing

Core Business Segment
Financial Markets

Staff
and Support

LOCATIONS

In our core business we concentrate on selected locations and regions in the German-speaking market.

Our head offices are located in Frankfurt am Main and in Munich. At our domestic branch offices in Hamburg, Düsseldorf and Cologne/Bonn, we serve high net worth private individuals and business clients as well as independent asset managers.

Through our subsidiary Hauck & Aufhäuser (Schweiz) AG we have been established in our Zurich location since 2011 as a specialist for sustainable investment.

With our branch, we have been operating in Luxembourg since 1973 as one of the first German private banks in Luxembourg. Furthermore, two of our subsidiaries are based at this location:

Hauck & Aufhäuser Investment Gesellschaft S.A., Luxembourg, founded in 1989, and Hauck & Aufhäuser Alternative Investment Services S.A., founded in 2008.

Additionally, we also operate from offices in Paris and London. The office in London is scheduled to become a branch in 2016.

BUSINESS PROCESSES

Our core processes, such as asset management, investment advisory services, lending and custody business, fund administration, equities and fixed-income trading as well as institutional research, are structured in three core business segments, each under the management of one of the partners. The support and control processes, Banking Operations, IT, Compliance, Human Resources, Internal Audit, Group Controlling, Group Finance and Group Credit Risk Management are managed by the general partner. The effectiveness of our business processes is essentially assured through continuous optimization, efficient and effective IT and the availability of highly qualified personnel.

As the efficiency of our business processes is fundamental for the future viability of the Bank, we examined all of our processes in a project beginning in 2014. The initiatives resulting from this project were completed for the most part in 2015.

As the efficiency of our business processes is fundamental for the future viability of the Bank, we examined all of our processes in a project beginning in 2014. The initiatives resulting from this project were completed for the most part in 2015.

EXTERNAL BUSINESS FACTORS

The thriving economy in Germany allows German banks to keep their risk provisions down, thus bolstering profits. In the euro zone, falling energy and commodity prices are likely to buoy up the economic development.

All eyes have been on the economic development of China, where growth has slowed, signalling the transition to a more service-based model, driven by domestic demand.

The Chinese investment company Fosun, which has placed a purchase bid, is a strategic and long-term investor and partner which will allow us to expand our range of services offered to our customers. Fosun's global network and strong involvement will help us to further develop the business model and to achieve growth with new customers. The planned transaction is currently being reviewed by the supervisory authorities and the shares will be transferred as soon as the deal is approved.

The Banking union is coming closer in the form of the European Single Supervisory Mechanism (SSM): The Resolution Mechanism Act was passed in Germany, bringing national banking resolution legislation into line with the SRM Regulation. In the fall of 2015, the European Commission published proposals for a single European deposit protection scheme as the third pillar of banking union.

As in the prior year, monetary policy challenges were the center of attention, with the persistently low inflation and the European Central Bank's (ECB) policy of low interest rates shaping the debate. The ECB has reaffirmed its inflation target of below but close to 2%, but falling energy prices have delayed the sluggish return of inflation towards price stability, as defined by the ECB. At its December meeting, the bond-buying scheme first launched in January 2015 was renewed for another six months until March 2017. The rate for deposits was lowered to −0.3% in December.

The low interest rate environment is putting a great strain on banks' earnings prospects as business policy and competition are a disincentive to offering negative deposit rates. BaFin and the Bundesbank will be keeping a close watch on institutions that have proven to be vulnerable to the low interest rate environment. A sustainable and profitable business model will be the key to success.

The trend towards digitization of banking services is opening up the market to new competitors ('Fintechs') who are not confined to investment advice or payment transactions. The current debate surrounding the limitation of cash payments is a reflection of the sweeping changes in cashless payments to come. Block chain technology is the key innovation enabling the low-cost and relatively anonymous transfer of assets without the need for a central counterparty.

The Chinese investment company Fosun, which has placed a purchase bid, is a strategic and long-term investor and partner.

BUSINESS STRATEGY

Hauck & Aufhäuser pursues a premium strategy, focusing on high-value services and striving to achieve relative quality leadership. This involves ongoing optimization of our diversified business portfolio and continuous improvement of our internal and external processes, leading to continually greater benefits for our customers.

We only use derivative financial instruments to hedge risk and not for speculative purposes.

By creating added value for our customers, we want to achieve a competitive edge, placing performance before cost efficiency (differentiation strategy). We strive to limit our strategic market potential to sustainably meet the needs of a small number of homogeneous customer groups (specialization strategy).

The status of these measures is reported quarterly and their impact is measured using KPI systems (project and measure control).

Both external and internal influencing factors were considered when defining and adapting the business strategy. Assumptions were made about the future development of the relevant factors. These assumptions are subject to annual and ad hoc reviews (strategy audit).

The strategy is currently being revised in light of the envisaged change of ownership with the aim of leveraging synergies with the new owner in order to generate added value for our customers.

BUSINESS MANAGEMENT SYSTEM

Facts and figures are compiled in a management information system to enable the decision-makers at all hierarchical levels to reach the best possible decisions within their remits as leaders of their organizational units.

The planning involved defining targets based on the most recent results for the Group as a whole as well as for each of the core business segments, staff and support departments, and other units. These targets are measured against a range of KPIs. In order to monitor current performance, monthly profit and loss statements are prepared for the Group, Hauck & Aufhäuser, the subsidiaries, the core business segments and the other units right down to team level.

Depending on the user group, the profit and loss statements comprise summaries of results, notes, financial and non-financial performance indicators and target/actual analyses. Reports on the status of the major strategic KPIs are prepared at least quarterly:

- Gross income (interest and commission-earning business, other income)
- Gross income per full-time employee
- Administrative expenses (personnel and non-staff operating expenses, amortization, depreciation and write-downs)
- Contribution margin
- Cost-income ratio
- Custody account, deposit and lending volumes and margins
- Number of employees

Hauck & Aufhäuser has defined limits for the major risk types in order to manage and monitor capital requirements. These limits are monitored at least monthly as part of risk reporting.

SUBSIDIARIES

Hauck & Aufhäuser Investment Gesellschaft S.A. (HAIG), Luxembourg, has extensive experience in the design and administration of mutual funds. It is a specialist and skilled partner for the management of tailored and complex mutual fund structures, and ensures that all regulatory requirements are consistently implemented. In addition to supporting the initiators of private label funds (including special funds), Hauck & Aufhäuser Investment Gesellschaft S.A. (HAIG) also manages the mutual fund mandates of the Hauck & Aufhäuser Group. Where required, as a service provider, it performs the main administration and all related activities for external investment companies. What sets HAIG apart is that it offers a completely independent range of high-quality services for providers of collective capital investment products.

Hauck & Aufhäuser Alternative Investment Services S.A. (HAAS), Luxembourg, offers a wide array of one-stop services to initiators and investors for direct investments or funds of fund investments in private equity, venture capital, real estate, hedge funds, infrastructure and other types of assets. It manages both regulated and unregulated financial products.

Hauck & Aufhäuser (Schweiz) AG, Zurich, is a financial services institution that is wholly owned by our Bank. Its corporate purpose is the brokering and provision of financial services, management of assets and execution of financial transactions. Furthermore, Hauck & Aufhäuser (Schweiz) AG manages the assets of and advises institutional and private investors, manages the portfolios of investment funds and publishes economic analyses and financial commentary. The company is a FINMA-approved Swiss asset management company and is affiliated to the self-regulatory organization of the Swiss Association of Asset Managers (SAAM). The company has 20 years of experience in providing customized asset management and fund management services with a view to sustainable and ethical criteria. This expertise is also available to retail investors through the PRIME VALUES funds. The company also offers a comprehensive range of family office services.

FidesKapital Gesellschaft für Kapitalbeteiligungen mbH (FIDES), Munich, is a financial entity that is wholly owned by our Bank. Its purpose is to hold investments in companies, especially in medium-sized companies. The company does not engage in any business that requires approval under the German Banking Act. The financial investments of Hauck & Aufhäuser are bundled in FidesKapital. Most of these are legacy investments because Hauck & Aufhäuser does not currently conduct any active financial investment business.

ECONOMIC REPORT

The following background information is based on our own research as well as on publications from the International Monetary Fund, the European Central Bank and other customary sources in the banking sector such as the Federal Association of German Banks (BdB) and the Association of German Public-Sector Banks in Germany [‘Bundesverband Öffentlicher Banken Deutschlands’: VÖB].

MACROECONOMIC BACKGROUND

The global economy continued to grow moderately in 2015, with a price-adjusted annual growth of 3%, roughly on a par with the prior year. There was a marked contrast in the performance of the emerging markets and the developed nations. The former suffered from plummeting commodity prices, weaker growth in China and home-grown political problems in countries such as Brazil, South Africa and Russia. Growth dropped to around 4% (from 4.8% in the prior year), its lowest level in many years.

> Germany also recorded an encouraging growth of 1.7%, mainly driven by domestic demand which was fuelled by the falling unemployment rate, an excellent consumer climate and a noticeable purchasing power gain due to low inflation.

The climate for growth was more encouraging in the industrialized economies, which saw growth of 2.5% in the US, 0.7% in Japan and 1.5% in the euro zone. Germany also recorded an encouraging growth of 1.7%, mainly driven by domestic demand which was fuelled by the falling unemployment rate, an excellent consumer climate and a noticeable purchasing power gain due to low inflation.

Prices rose by an annual average of 0.1% in the US, but remained unchanged in the euro zone. While this trend was good for consumers, it was less welcome to central banks.

The ECB stepped up its expansionary monetary policy, launching a bond-buying program to ward off the risk of a much-feared slide into deflation. The Fed delayed a decision for a long time before finally ending its zero-interest rate policy in December 2015 and venturing to raise rates from 0.25% to 0.50%.

INDUSTRY BACKGROUND

Firmly established in the German-speaking market, Hauck & Aufhäuser is a private bank with a longstanding tradition and a strong brand.

With a GDP growth of 1.7% in 2015, Germany notched up a slightly better result than in the prior year (2014: 1.6%) on the strength of domestic demand driven by household spending and in spite of the slowing global economy and weakening exports. The stock markets were very shaky, being troubled by concerns about growth in the world economy, especially surrounding the fate of the growth driver, China. This was good for trading activities and thus for the trading profits of investment banks and stock exchanges. Asset managers also profited from the rising market volatility coupled with the near-record levels of the major stock indices.

Asset managers also profited from the rising market volatility coupled with the near-record levels of the major stock indices.

The banking industry keenly felt the influence of the ECB's policies. The yield curve remains unusually flat, which restricted opportunities for the typical business model of maturity transformation.

MARKET BACKGROUND

In the past fiscal year, economic activity was once again shaped by the 'new normal.' Growing at a rate of more than 3.0%, global economic expansion was far slower than in past cycles. Inflation rates also stayed at their historically low level and will remain under pressure from the ongoing slide in oil prices. In order to push up inflation expectations, the ECB first tried out the instrument of quantitative easing (QE) in 2015, i.e., buying up government bonds.

This caused yields on fixed-income securities to plummet to unprecedented levels, even turning negative at one point.

In 2015, the stock markets went from strength to strength, at least in Europe. Encouraged by the ECB and the weak Euro combined with good company profits, the DAX hit a new all-time high of over 12,000 points. This surge was only halted by the Greece crisis, the devaluation of the Yuan and the Fed's forthcoming interest rate hike. Other markets, such as the emerging market economies and the US, were not as successful in 2015.

The commodity markets were hit by the decline in the price of oil, which fell to as little as USD 40 per barrel of WTI due to oversupply and OPEC's refusal to cut production.

REGULATORY ENVIRONMENT

The recent Directive on Deposit Guarantee Schemes was transposed into German law within the prescribed period. It is aimed at restoring confidence in the security of bank deposits in all member states.

The European Commission published its Action Plan for a Capital Markets Union on 30 September 2015. Its political objective is to build a robust and future proof EU economic area. To achieve this objective, the European Commission aims to create a European capital markets union that brings together all 28 member states in a single market.

On 4 November 2014, under the Single Supervisory Mechanism (SSM), the ECB took over direct oversight of systemically important banking groups in the euro zone. For less significant institutions, the ECB delegated ongoing supervision to the national authorities. The main aims of the SSM are to harmonize and simplify banking supervision. The costs incurred by the ECB in its supervisory activities are allocated to all supervised institutions on the basis of a Regulation on Supervisory Fees. The ECB is the banking supervisor, while the European Banking Authority (EBA) is the standard setter.

On 19 December 2014, the EBA published its final Guidelines on common procedures and methodologies for the supervisory review and evaluation process (SREP). These guidelines recognize the principle of proportionality by categorizing institutions in four categories (according to their size, structure, internal organization and the nature and extent of business activities). Institutions are subject to a varying intensity of supervision depending on their category. The evaluation focuses on internal governance and controls, significant risks and the adequacy of an institution's capital and liquidity resources. The business model analysis is a new supervisory focus. The business model of an institution should be viable and sustainable enough to generate acceptable returns in the next three years.

BUSINESS DEVELOPMENT AND POSITION – NOTEWORTHY EVENTS

Change of ownership at Hauck & Aufhäuser

On 8 July 2015, the internationally operating Chinese investment company Fosun submitted a purchase bid for Hauck & Aufhäuser. The Shareholder Committee, which represents the majority of our owners, accepted Fosun's purchase bid and recommended that the other shareholders accept the offer as well. We informed the general public of this in a press release. The planned transaction is currently being reviewed by the supervisory authorities and the shares will be transferred as soon as the deal is approved.

Completion of the cost-efficiency program

The cost-efficiency program, launched at the beginning of 2015, was successfully wound up at the end of the fiscal year. Its aim was to improve efficiency by leveraging synergies and cutting non-staff operating costs and personnel expenses.

COMPARISON OF RESULTS OF OPERATIONS WITH FORECAST

Average assets under management (EUR 45,000m) outstripped our growth targets for 2015, besting the prior-year average (EUR 29,886m) by EUR 15,114m.

The actual earnings were far above the targets, especially in fee and commission-earning business as well as in foreign exchange operations. However, the related adjustments to our resources and business processes, the conclusion of our cost-efficiency program and other costs also led to a large overshoot of our cost targets. In this context, further provisions for legal and litigation costs were recognized in an appropriate amount.

Overall, we far surpassed our forecast earnings target for 2015.

OVERALL STATEMENT REGARDING BUSINESS DEVELOPMENT

External factors that shaped the course of business in 2015 were the low interest rate environment and more stringent regulatory requirements. Internally, we successfully wrapped up our cost-efficiency program, marking a further milestone on our path towards optimizing our business processes and thus improving efficiency and tightening the cost structure.

We are particularly pleased to have exceeded the project's cost reduction target. Last year, we stayed on track for growth and more than met our target volume of assets under management, with the average assets under management in the Group rising to EUR 45,000m as of 31 December 2015 (prior year: EUR 29,886m). This represents an increase of 51% year-on-year.

In risk management, we made progress with the reduction of the problem loan portfolio, thereby sustainably improving our risk capital. This is particularly important in view of the upcoming regulatory requirements. Over the past few years, we completely redesigned our IT's architecture, applications and infrastructure in line with the regulatory requirements. We see a high level of process quality and automation as critical success factors in an increasingly complex market environment. By enhancing our IT architecture and infrastructure, last year we laid the foundations for the future success of our Bank.

> Last year, we stayed on track for growth and more than met our target volume of assets under management, with the average assets under management in the Group rising to EUR 45,000m as of 31 December 2015 (prior year: EUR 29,886m). This represents an increase of 51% year-on-year.

The Chinese investment company Fosun, which has placed a purchase bid, is a strategic and long-term investor and partner which will allow us to expand our range of services offered to our customers. The planned transaction is currently being reviewed by the supervisory authorities and the shares will be transferred as soon as the deal is approved.

PRESENTATION, ANALYSIS AND APPRAISAL OF OUR POSITION

Key figures on business development

Net interest income fell sharply by EUR 4m to EUR 24m, whereas net commission income rose sharply by EUR 13m. The development of these two performance metrics are a reflection of the Bank's successful move away from interest-earning business towards fee and commission-earning business with the aim of minimizing risks to earnings arising as a result of the ECB's low interest rate policy.

PERFORMANCE INDICATORS (IN EUR M)

	2015	2014	Change	
Total assets not including assets held on a trust basis	2,885	2,822	63	2%
Business volume	3,121	3,037	84	3%
Eligible own funds pursuant to Art. 72 CRR	156	140	16	11%
Assets under management (average)	45,000	29,886	15,114	51%
Net interest income	24	28	–4	–15%
Net commission income	86	73	13	18%
Administrative expenses including write-downs	120	114	6	5%
Net income for the year	5	5	0	4%
Quarterly average number of employees*	529	533	–4	–1%

* FTE (full-time equivalents) denotes the notional number of full-time positions where there is a mix of full-time and part-time staff.

RESULTS OF OPERATIONS

The prior-year figures for other net income and risk provisions were restated due to reclassifications within these items.

(1) Net interest income from lending business decreased sharply on the prior year following a further narrowing of interest margin under the ECB's current low interest rate regime.

(2) Net commission income increased sharply on the prior-year figure. The increase is a reflection of our strength in acquisition activities and the upbeat capital markets.

(3) Other net income of EUR 8,716k (restated prior-year figure: EUR 12,712k) decreased by EUR 3,996k due to the recognition of provisions for litigation risks and a lower valuation result from foreign exchange business.

(4) Personnel expenses were considerably higher than in the prior year because, in addition to an increase in business volume, restructuring expenses were incurred under the cost-efficiency program KEP (EUR 2,614k) and special payments were made.

PRIOR-YEAR COMPARISON (IN EUR K)

		2015	2014	Change	
Net interest income	(1)	23,147	27,639	–4,493	–16%
Net commission income	(2)	86,042	72,516	13,526	19%
Net income from trading book positions		4,082	6,285	–2,203	–35%
Other net income	(3)	8,716	12,712	–3,996	–31%
Total income		121,987	119,152	2,835	2%
Personnel expenses	(4)	68,394	60,542	7,852	13%
Other administrative expenses	(5)	44,778	47,287	–2,509	–5%
Write-downs		6,404	6,017	387	6%
Risk provisions		–2,224	82	–2,306	>100%
Operating result		4,635	5,224	–589	–11%
Extraordinary result		0	0	0	
Earnings before taxes	**(6)**	4,635	5,224	–589	–11%

Earnings before taxes were considerably lower than in the prior year, but a sharp increase on the planned targets for the reporting year.

(5) Other administrative expenses were moderately lower than in the prior year due to savings made under the cost-efficiency program. By contrast, legal fees, KEP project non-staff costs (EUR 401k), compulsory contributions and information service costs were higher.

(6) At EUR 4,635k, earnings before taxes were considerably lower than in the prior year, but a sharp increase on the planned targets for the reporting year. This decrease was largely due to one-time special expenses for restructuring, special payments and additional provisions for legal and litigation costs, as well as one-time costs for the modernization of furniture, fixtures and office equipment.

FOLLOW-UP ON THE PRIOR-YEAR FORECASTS OF THE RESULTS OF OPERATIONS

In 2014, we predicted that asset growth and the results of operations in our core businesses would diverge, which proved true in 2015. For the Group as a whole, assets under management moderately exceeded the planned targets.

In 2014, we forecast a fiscal year that would be shaped by radical measures. The sharp increase in personnel expenses is the result of radical cost-related measures and the necessary expenditure to safeguard our sources of income in the form of new hires in selected high-growth fields. The radical measures were successful and led to a sharp increase in income.

In 2014, we predicted that the earnings situation would improve from 2016 onwards. In 2015, earnings before taxes were lower than in 2014, but a sharp increase on the earnings target planned for the Group.

COMPARISON WITH THE PRIOR-YEAR FORECAST

	Forecast from management report for 2014	Actual 2015	Target/actual deviation 2015
Total income	in line with industry trend (– 3% to +3%)	122	strong increase
Administrative expenses including write-downs	significant cost savings (up to – 5%)	120	strong increase
Earnings before taxes	strong improvement (more than 10%)	5	strong increase
Income/employee (in EUR k)	considerable (up to 5%)	231	strong increase

PROVISIONS FOR LITIGATION RISKS

The provisions related to legal risks from pending lawsuits and ongoing proceedings. In the reporting year, legal risks had a moderately negative impact on administrative expenses.

Provisions were recognized for all identified legal risks in order to cover all possible risks known at present. However, the required amount of provisions for risks from ongoing legal disputes is difficult to estimate; it is based on the information available and involves the use of judgment and assumptions and may therefore be inaccurate.

SUMMARY OF THE SITUATION

The net assets were generally in order. In the lending business, the Bank has adequately accounted for recognizable risks by setting up bad debt allowances and provisions. We were able to considerably reduce our problem loan portfolio in 2015 and thus record a considerable decline in bad debt allowances. Our financial position remains stable and we were at all times able to satisfy our payment obligations on time.

We were able to increase the volume of assets under management to more than EUR 45b as of the balance sheet date, far in excess of the annual budget.

The realignment of the IT and the adjustment of structures and procedures have proven their worth. Thanks to the completion of the cost-efficiency program, we were able to further reduce our current personnel costs and non-staff operating expenses and optimize our processes.

The action plan to improve the results of operations is showing its first results, and enabled us to report net income of EUR 4,851k this year (prior year: EUR 4,677k).

The actual results of operations record a sharp increase on the planned annual target. We see this as a vindication of our strategy and believe that we are well equipped to face future challenges

NON-FINANCIAL PERFORMANCE INDICATORS

In addition to these financial indicators, non-financial performance indicators played a role in securing and improving our market position. As in the prior year, one of the key targets in this respect were high levels of customer satisfaction and loyalty, which we can only achieve when we meet our customers' needs by developing innovative solutions and continually optimizing our value chain for the benefit of our customers.

As in previous years, skilled and motivated employees are the key to the success of Hauck & Aufhäuser. They are the core element of value creation in the Group. Their commitment, qualifications and their dedication to Hauck & Aufhäuser give us a competitive advantage. It is a constant challenge to be seen as an attractive employer both within the organization and on the market in order retain highly qualified employees over the long term. To this end, we have focused our personnel development activities on four main aspects: systematic planning and implementation of development measures for junior staff, leadership development, organization of lean processes, and targeted investments in the training budget. At the balance sheet date on 31 December 2015, 529 persons worked for Hauck & Aufhäuser, among them were 72 part-time employees.

Through the Hauck & Aufhäuser Kulturstiftung, which we established in January 2008, Hauck & Aufhäuser continues it's more than 220 year-old tradition of promoting cultural and social projects. Such engagement plays an important role in how our Bank sees itself.

Hauck & Aufhäuser is currently not obliged to comply with a legal gender quota at management level. Currently, 13% of all executives are women. Management level comprises leadership roles as team leaders, heads of department or in senior management. Nearly 40% of the staff is female. 17% of the team leaders and 8% of the department heads are women. At present, there are no women employed on the senior management level or in the Supervisory Board. Hauck & Aufhäuser aims to increase the percentage of women in leadership roles at the team leader and department head level by 2% to 3% by mid-2017.

SUSTAINABILITY

The topic of sustainability was embedded in the corporate objectives and strategies as well as in the core business processes in the form of the Compliance Charter, the lending policies and the anti-money laundering regulations.

COMPLIANCE AND THE COMPLIANCE CHARTER

The MaRisk ['Mindestanforderungen an das Risikomanagement': Minimum Requirements for Risk Management] (AT 4.4.2. MaRisk) define the need to establish a compliance function to identify and monitor all significant regulatory and supervisory requirements. In addition, Sec. 33 (1) WpHG ['Wertpapierhandelsgesetz': German Securities Trading Act], Sec. 12 WpDVerOV ['Wertpapierdienstleistungs-Verhaltens- und Organisationsverordnung': German Ordinance Detailing Rules of Conduct and Organizational Requirements for Companies Offering Securities Services] and the MaComp ['Mindestanforderungen an die Compliance-Funktion': Minimum Requirements for Compliance] govern the compliance function for the provision of investment services and ancillary investment services.

Hauck & Aufhäuser is aware that non-compliance with legal and regulatory requirements can lead not only to financial consequences but also to a loss of reputation. Hauck & Aufhäuser has developed a group-wide Compliance Charter, setting binding compliance targets and defining the measures required to achieve them.

Hauck & Aufhäuser pursues the following compliance targets:

- As an integral component of Hauck & Aufhäuser's comprehensive risk management system, the compliance function works to ensure – and monitors – group-wide compliance with statutory and regulatory provisions as well internal regulations and those customary in the banking sector. In particular, compliance protects customers and investors and, thus, indirectly the Institution.
- A culture of compliance is established in Hauck & Aufhäuser and all employees' awareness of compliance risk is heightened. The group-wide Compliance unit is the central point of contact and advisor with regard to regulatory requirements and internal/banking sector-wide regulations.
- Standardized and efficient compliance processes ensure appropriate fulfillment of the stated requirements, even in the event of significant changes to Hauck & Aufhäuser's business model.

The Compliance Charter is published on the intranet and is binding for all employees of the Hauck & Aufhäuser Group.

LENDING POLICY

In our lending business we provide our customers with tailored solutions to their problems. We offer added value because we consider the overall situation of the customer in our approach to solutions rather than the sales activities of Hauck & Aufhäuser.

We adhere both to the codes of conduct we have set ourselves as well as to legal standards. We thus avoid financial and reputation loss for customers and Hauck & Aufhäuser by refusing to enter into any business activities that run counter to our principles. This applies in particular to business

- with persons or groups classified as anti-constitutional, politically radical or religiously fundamental;
- with customers who have been found guilty of committing serious offenses against property;
- for which the payment of bribes by Hauck & Aufhäuser is demanded;
- supporting the manufacture of armaments or the sale of weapons whose export is prohibited by the German federal government;
- which serves the illegal circumvention of statutory provisions

MONEY LAUNDERING

Sec. 25c (1), (4) and (9) KWG ['Kreditwesengesetz': German Banking Act] and Sec. 9 (1) and (2) GwG ['Geldwäschegesetz': German Anti-Money Laundering Act] address the implementation of adequate and appropriate policies, means and procedures for the prevention of money laundering, terrorist financing or other criminal acts which might jeopardize the Institution's assets. Furthermore, the local regulatory requirements concerning the establishment of a compliance function apply at the foreign branches and subsidiaries of the H&A Group. Additional regulations apply for the entities in the Grand Duchy of Luxembourg.

Hauck & Aufhäuser has put in place appropriate safeguards at transaction and customer level to prevent money laundering. These include the continuous development of appropriate strategies, safeguards and controls to prevent the misuse of new financial products and technologies for money-laundering purposes, the financing of terrorism or the facilitating of anonymity in business relationships and transactions.

Hauck & Aufhäuser has established group-wide structures and procedures to implement these requirements. The Group Anti-Money Laundering Officer, who reports directly to senior management, is responsible.

SUBSEQUENT EVENTS

The internationally operating Chinese investment company Fosun submitted a purchase bid for Hauck & Aufhäuser in the past fiscal year. The shareholders accepted its offer and the planned transaction is currently being reviewed by the supervisory authorities. The shares will be transferred as soon as the deal is approved.

Hauck & Aufhäuser is using the time until the conclusion of the ownership control procedure to prepare for the forthcoming tasks and business prospects. In addition to the contact between the senior management of Hauck & Aufhäuser and Fosun leaders and their meetings in China, there are also well-established contacts in day-to-day business. These include the sectors Planning & Control, IT, Group Finance and Human Resources. We are paying particular attention to building and maintaining contacts with business associates.

No other significant events have occurred since the close of the fiscal year.

RISK REPORT

ORGANIZATION OF RISK MANAGEMENT

The objectives of our group-wide risk management system are to identify, measure and control the risks arising from the various business activities, to optimally manage risks and returns and ensure adequate equity to cover the risks entered into. Our risk management activities support sustainable development and safeguard the Group's viability.

Key elements of our risk management activities are the risk strategy, our risk-bearing capacity concept, our internal framework of policies and organizational structures as well as measuring and monitoring processes that are aligned to the respective business activities.

The risk strategy contains the general definition of targets for the risk management in key business activities and is closely aligned with the business strategy. It comprises risk policies and defines our risk appetite, which represents the ratio between risk tolerance and risk-bearing capacity. It also defines how we handle quantifiable and non-quantifiable risks.

In our risk strategy we allocate risk capital to the business segments and types of risk in such a way as to ensure our Group's risk-bearing capacity. Risk capital is defined to manage capital efficiently and to limit risk. In addition to a risk-oriented approach, a sufficient return is another premise for the business activity in order to further improve risk-bearing capacity and the capital base. Risk-bearing capacity is one of the key indicators used in our Group's global bank management process, alongside the regulatory ratios and target returns.

Our risk-bearing capacity concept determines the risk-taking potential, in other words the maximum capital available to cover risks, and the available risk capital, that is, the actually invested capital available to cover risks according to the propensity for risk and the risk-taking potential. This risk capital is part of the total available risk capital.

The risk-bearing capacity is calculated monthly according to the gone-concern approach with a confidence level of 99.9%.

Senior management has overall responsibility for risk and capital management within the Group. The Chief Financial Officer (CFO) is not involved in front office activities and is responsible for risk management in respect of our credit, market, liquidity, operational and strategic risks; this person also controls the risk capital within the Group. The Supervisory Board monitors our risk and capital profile at regular intervals, however, at least quarterly.

Risks are monitored on the operational level by Group Risk Controlling, where they are identified, analyzed, evaluated, monitored and reported transparently to senior management in order to enable adequate control mechanisms.

Serving as overarching bodies for the decision-makers within the organizational units, there are two risk committees who continue to be responsible for risk management on the operational level:

1. The Asset/Liability Committee, which meets monthly, reports on the asset/liability management situation, the risk-bearing capacity (i.e., the capital and risk situation), and the development of the regulatory ratios within the Group.
2. The OpRisk Committee deals with all operational issues, especially those relating to the business processes in the front office and back office units.

Since 2015, counterparty risk has been quantified for risk management purposes on the basis of individual ratings. The calculation of legal risk, as part of operational risk, was also modified.

In addition to the annual intradepartmental review of the risk control processes, methods and models, the Bank's risk management activities are subject to an annual audit by Internal Audit.

RISK TYPES

Our risk management activities cover all types of risk that are relevant for the Hauck & Aufhäuser Group in the following categories:

- Counterparty credit risk
- Market risk
- Liquidity risk
- Operational risk
- Strategic risk
- Concentration risk

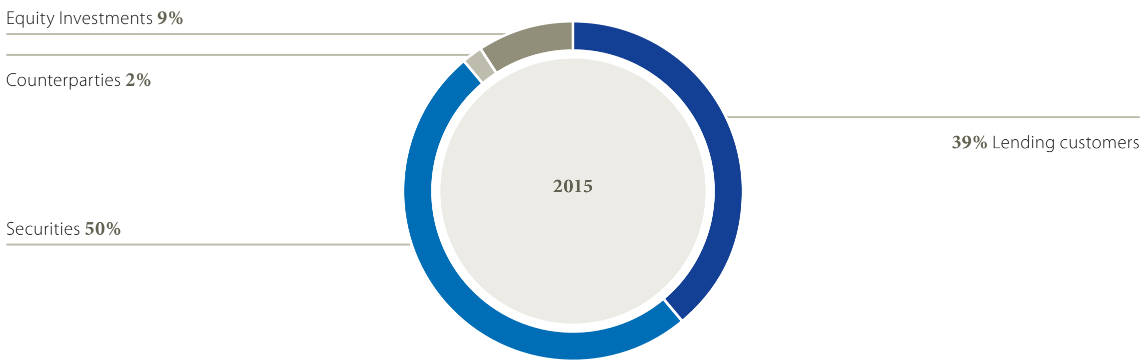
Counterparty credit risk is the risk of losses resulting from deterioration in the creditworthiness or the default of business partners (counterparties). Counterparty credit risk is found in our lending and securities business, in the counterparty risk from derivative and money market transactions as well as in our investment risks. As of 31 December 2015, the risk capital charge for counterparty credit risk totaled EUR 100.9m (31 December 2014: EUR 107.1m) and represented 62.1% of the total risk capital requirement (31 December 2014: 78.6%). Figure 1 shows the breakdown according to business type in percent.

Precisely defined lines of authority and standards for lending and investment decisions help to diversify risk and minimize our counterparty credit risk. In our lending business (with private individuals and business clients) we use an external risk classification procedure to rate the creditworthiness of our customers. We use a standardized procedure for valuing collateral. In Treasury, we draw on assessments by external rating agencies for our decisions on investments in government, bank and corporate bonds. Our Treasury strategy defines the classes of issuer, minimum ratings and maximum volumes per issuer, as well as the allocation of capital. In addition, we apply procedures for the early identification of loan exposures that are at risk of default. They enable us to effectively control these exposures and to maximize the rate of recovery.

We use a market value-based credit portfolio model for quantifying the counterparty credit risk in our Treasury positions. For the counterparty credit risks in our lending to customers we use a Gordy model adapted to the SolvV/IRB approach. Our risk capital charge is equal to the value at risk (VaR) based on a confidence level of 99.9%.

FIGURE 1

BREAKDOWN OF COUNTERPARTY CREDIT RISK



> The high quality of our credit portfolio is reflected in the low default rate, which has averaged 0.5% of total loans outstanding to customers over the last five years.

Our loan and Treasury portfolios are assembled with a view to the desired rating grades. The breakdown in Figure 2 is based on an external risk classification procedure. Category 16 represents defaults. The breakdown of the Treasury portfolio (in Figure 3) is based on the customary market ratings.

Provisions for risks were recognized on the basis of the current outstanding on individual problem loans, taking into consideration the liquidation value of the available collateral. When calculating the liquidation value, particular consideration was given to liquidation risks (e.g., delays). Any unsecured portion remaining after calculation of the liquidation value is subject to strict risk provisioning, with any anticipated deviations from this procedure requiring approval by senior management. A detailed description of how risk provisioning is calculated is provided in procedural instructions in the loan manual and in the Bank’s disclosure report.

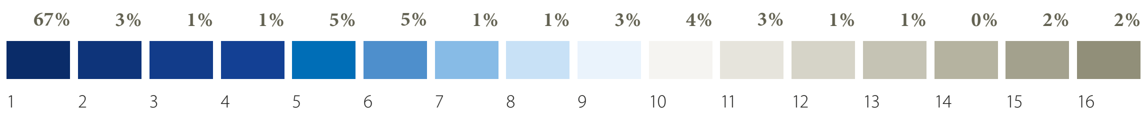
The high quality of our credit portfolio is reflected in the low default rate, which has averaged 0.5% of total loans outstanding to customers over the last five years. There are no material country risks.

Market risks relate to trading and investment transactions and arise as a result of changes or fluctuations in interest rates and exchange rates or in the prices of equities, investment fund units, etc. There are no risks relating to commodities and other market risks. Figure 4 shows the breakdown of the three types of price risk (price, interest rate and currency risk) at group level in percent.

The market risks presented by our trading and investment portfolios are monitored daily on the global bank level. We also apply loss limits to control the performance of our portfolios.

FIGURE 2

BREAKDOWN OF CREDIT PORTFOLIO BY RATING GRADE



We determine the risk capital charge for market risks using the value-at-risk method on the basis of historical data for the previous 260 trading days. This expresses the maximum present value loss which will not be exceeded with a confidence level of 99.9% and a holding period of 90 days. The risk capital charge for market risks as of 31 December 2015 was EUR 11.9m (31 December 2014: EUR 9.6m) and was equivalent to 7.3% of our total risk capital requirement (31 December 2014: 5.8%). Group Risk Controlling tests the quality of the value-at-risk values determined for the entire market risk category daily by comparing the VaR figures (confidence level: 99.9%, holding period: one day) with the hypothetical results for an identical portfolio (clean backtesting). The clean-back-testing showed that the VaR model used in 2015 was valid. The results of the hypothetical and historical stress tests were within the prescribed market risk limit.

FIGURE 3

BREAKDOWN OF TREASURY HOLDINGS BY RATING GRADE

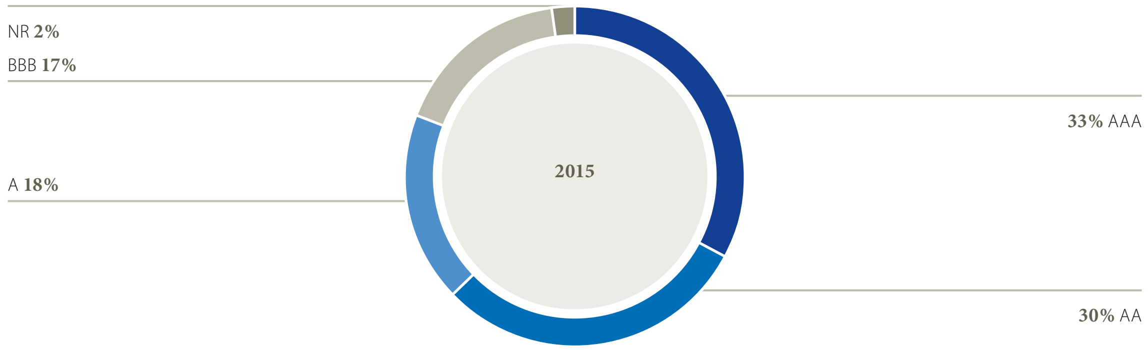
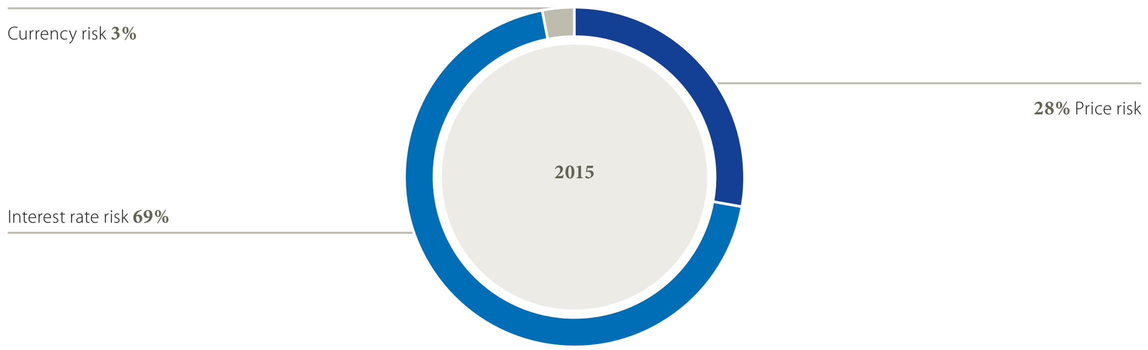


FIGURE 4

BREAKDOWN OF MARKET RISK



Liquidity risks are not covered by risk capital but are controlled and monitored by suitable procedures. Assuring our Group's liquidity at all times is the role of Treasury. It identifies, analyzes and controls our cash flows. Liquidity risks are monitored daily by Group Risk Controlling.

Our internal model for monitoring and controlling liquidity risks distinguishes four forms of liquidity risk:

- Insolvency risk
- Liquidity transformation risk
- Asset marketability or liquidity risk
- Market liquidity risk; market liquidity risk is defined as the threat to market liquidity in the sense of money supply

Our liquidity management involves restricting Treasury investments to liquid markets (as of 31 December 2015, EUR 1,366m in ECB-eligible securities), controlling the liquidity ratio and includes stress situations and scenario analyses. The scenario analyses also take into account the marketability of the securities in the liquidity buffer (counterbalancing capacity) and, because of the short-term deposit structure, relate to periods of up to three months. As of 31 December 2015, the liquidity buffer (c) returned surpluses.

Building on the scenario analyses, the daily stress scenarios simulate a sudden and significant outflow of liquidity as caused, for example, by the occurrence of damage to reputation and the simultaneous utilization of various guarantees/commitments. The results of scenario analyses and stress scenarios were at all times below the defined limits.

Additionally, the marketability of the securities in the liquidity buffer is monitored daily through market valuations (unrealized gains and losses) in the market risk reporting. The risks to marketability or market liquidity are quantified when calculating the counterparty credit risk for securities by factoring in credit spread risks.

Our Group refinances its assets through different types of customer deposits, in particular from private and business clients as well as from our fund business. These have grown steadily over the years and embody sensitivities that we take into account when reinvesting the funds. We therefore view the management of reputational risk as the most important steering instrument for maintaining our refinancing capacity. In the last few years, the parent bank comfortably exceeded the prescribed minimum liquidity ratio of 1.0; as of 31 December 2015, its liquidity ratio was 3.52 (31 December 2014: 2.88)).

FREE COUNTERBALANCING CAPACITY
(IN EUR M)

	3 days	1 month	3 months
'Free' counterbalancing capacity	226	260	340

We view the management of reputational risk as the most important steering instrument for maintaining our refinancing capacity.

Operational risks relate to potential losses that can arise as a result of inadequate or failed processes, human and technical errors, fraud or from external events. Legal risk is a subset of operational risk.

We control operational risk with a comprehensive risk management framework that includes extensive organizational instructions, the regulation of lines of authority, workplace guidelines, etc. A key principle in developing and updating this framework is the integration of all of the Bank's subsidiaries, business segments and departments. The risk capital charge for operational risk based on our internal model (value at risk with a confidence level of 99.9%) corresponds to 11.9% of our risk capital requirement as of 31 December 2015 (31 December 2014: 12%).

To be able to measure operational risk, we maintain a database for operational incidents at group level and conduct an annual risk self-assessment (internal reporting process).

Strategic risks are a major risk factor for our business model. We classify strategic risks as either business risks or reputational risks. Business risks, who are composed of income risks and costs risks, are managed by the core businesses as well as their competent members of senior management based on independent figures provided by the Financial Controlling department. The risk capital charge for this type of risk is calculated on the basis of historical planning variances in gross income (31 December 2015: 4.3% of our risk capital requirement; 31 December 2014: 4.3%).

Reputational risk is defined as the risk to public reputation resulting from perceptions of the stakeholders with regard to competence, integrity and credibility. Significant drivers of reputational risk are financial performance, customer satisfaction and the quality of internal processes. The responsibility for managing reputational risk rests with the core business segments and their competent members of senior management. They are supported in this task by the neutral Quality Management office. The risk capital charge (31 December 2015: 14.4% of our total risk capital requirement; 31 December 2014: 12.6%) is quantified on the basis of planning variances in the income statement and the public impact of operational risks.

The institution uses stress testing to specify possible future changes in general economic conditions and to analyze how far we are able to withstand these particularly negative influences in terms of our regulatory and economic capital base. It also serves to analyze and make provision for procyclical developments in our regulatory capital requirements. Therefore, stress testing has a broader application than just assessing the regulatory or economic capital base. Our hypothetical, historical and reverse stress tests use stressed parameters such as spread widening, deteriorating credit quality, or heightened volatility, etc., and are calculated monthly.

Concentration risks mainly arise for us from an unequal distribution of the outstanding accounts of individual debtors. It is controlled ex ante by setting credit limits for individual customer categories and monitored ex post by quantifying the counterparty credit risk.

INTEREST RATE RISK IN THE BANKING BOOK

The interest rate risk was assessed on the basis of the net realizable value of the banking book determined using the present value method. Unrealized gains remained after deduction of risk and pro rata administration costs.

HEDGE ACCOUNTING

To avoid interest rate risk for accounting purposes we hedged various similar underlying contracts with several hedging instruments (portfolio hedge) and accounted for these transactions as two hedges. The hedged items were fixed-interest and floating-rate interest securities. Interest rate swaps were used as hedging instruments. The aim was to achieve a full one-to-one hedging relationship between the underlying and the hedging instrument within the investment and liquidity portfolios.

The consistency of the terms and parameters of the underlying and the hedge were reviewed for each portfolio using the critical terms match method. For the duration of a hedging relationship, the effective portion of the hedge was accounted for using the net method. Under this method, offsetting changes in fair value relating to the hedged risks were not recognized in the balance sheet. As soon as the hedging relationship ceased to exist, the remaining underlyings and hedging instruments were accounted for separately using the relevant provisions of the HGB. The unhedged risk was also accounted for in accordance with the HGB.

Risk Management calculated the effectiveness of all hedges as of the balance sheet date using recognized quantitative valuation models (prospective test of hedge effectiveness), thereby testing and proving the effectiveness of the hedges.

An effective hedge is one in which cash flows are expected to fully or nearly fully offset each other during the term of the financial instruments.

Hedges of investment portfolio securities

Several securities held in the investment portfolio with a total book value of EUR 577,227k (prior year: EUR 553,762k) and a fair value of EUR 617,498k (prior year: EUR 603,583k) were hedged against interest rate risks using interest rate swaps in a portfolio hedge and form an anticipatory hedge. As a rule, the securities were held until maturity. Following this, individual decisions can be taken on whether to invest in equivalent securities that are also hedged by Treasury with corresponding interest rate swaps.

The underlyings and hedges had matching maturities. The risk-free interest rate was hedged. As of the balance sheet date of 31 December 2015, the prospective test of the effectiveness of this hedge returned a result of 98.53% (prior year: 99.27%). The hedge is effective. The offsetting changes in fair value will reverse by 2060.

Hedges of liquidity reserve securities

Several securities held in the liquidity reserve with a total book value of EUR 47,841k (prior year: EUR 52,276k) and a fair value of EUR 49,352k (prior year: EUR 54,549k) were hedged against interest rate risks using interest rate swaps in a portfolio hedge and form an anticipatory hedge. The hedged items were valued in accordance with the strict lower of cost or market principle.

The underlyings and hedges had matching maturities. The risk-free interest rate was hedged. As of the balance sheet date of 31 December 2015, the prospective test of the effectiveness of this hedge returned a result of 75.50% (prior year: 74.35%). The ineffective portion of the hedge is a floater whose maturity was reduced by an interest rate swap and which is economically insignificant. The offsetting changes in fair value will reverse by 2021.

Hedges of promissory note loans

Two promissory note loans with a total book value of EUR 20,000k (prior year: EUR 20,000k) and a fair value of EUR 20,000k (prior year: EUR 20,000k) were linked to an interest rate swap of the same amount in a micro-hedge. As of the balance sheet date of 31 December 2015, the prospective test of the effectiveness of this hedge returned a result of 99.99% (prior year: 99.98%). The hedge is effective. The offsetting changes in fair value will reverse by 2034.

TOTAL RISK EXPOSURE

In recent years our risk management activities have proven to be reliable and provided the basis for assuring our risk-bearing capacity at all times in the past year.

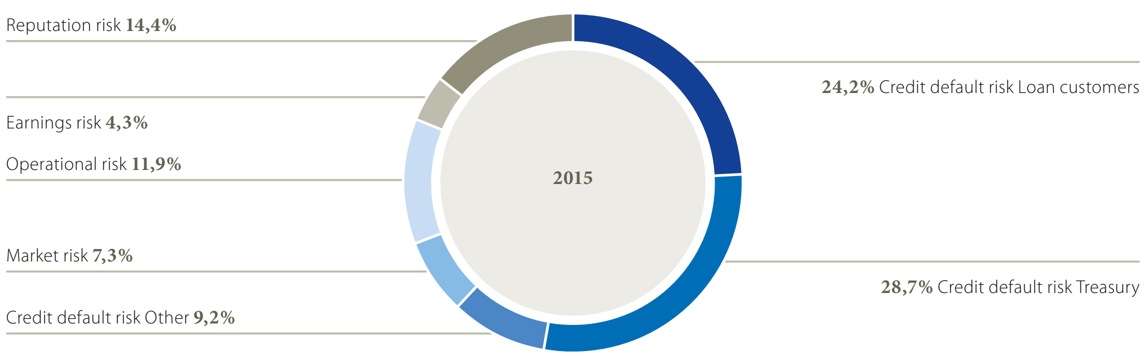
Figure 5 shows the allocation of risk capital charge by type of risk for the Bank.

The utilization of the risk capital at group level is more or less unchanged in comparison to the prior year, (92.8% on 31 December 2015 versus 92.7% on 31 December 2014). In 2015, the average utilization was 92.1% (89.6% in 2014).

As of the balance sheet date, the Group had eligible own funds of EUR 156.5m and risk-weighted exposures of EUR 1,166.4m, resulting in an overall ratio of 13.42%.

FIGURE 5

COUNTERPARTY CREDIT RISK



RENUMERATION REPORT

The remuneration policy of Hauck & Aufhäuser is intended to foster a sustainable and values-oriented culture as well as an entrepreneurial spirit among our employees. It is, therefore, aligned with the principles of transparency and job security and is dependent on performance and results.

Target remuneration at Hauck & Aufhäuser comprises two remuneration components: a monthly basic salary and a variable remuneration component. The remuneration schemes of the group companies in Luxembourg and Switzerland are primarily aligned with the regulations customary in those countries.

The requirements of the InstitutsVergV ['Institutsvergütungsverordnung': German Ordinance Regarding the Supervisory Requirements for Remuneration Systems of Institutions] are applied and are detailed in the disclosure report, part II, Disclosure in accordance with the InstitutsVergV, which can be downloaded in pdf format from:
https://www.hauck-aufhaeuser.de/page/B_PressePublikationenBestellung

OUTLOOK

The following background information is based on our own research as well as on publications from the International Monetary Fund, the European Central Bank and other customary sources in the banking sector such as the Federal Association of German Banks (BdB) and the Association of German Public-Sector Banks in Germany.

As a direct consequence of a change of ownership, as anticipated in 2016, the growth and income outlook in 2016 and beyond could differ widely from our previous forecasts. To date, our forecasts do not include any growth and earnings prospects that could arise for Hauck & Aufhäuser as a result of the pending change of ownership.

MACROECONOMIC EXPECTATIONS

The global economy will again grow at a moderate pace in 2016, expanding by around 3% on the prior year. The US is likely to lead the industrialized nations with real GDP growth of some 2.5%. The euro zone is forecast to notch up GDP growth of around 1.5%, but Germany could slightly outperform this rate. Domestic demand is predicted to be the mainstay of growth in 2016, with low interest rates, real growth in incomes due to rising wages, and low commodities prices boosting household spending. By contrast, little growth impetus will come from exports. Many important emerging markets are expected to witness a cooling-off of economic activity well into the year.

On the whole, the central banks will adhere to their expansive monetary policy. The US Fed will continue to raise interest rates, as it already started in December, but probably in just two steps. Other major central banks – including the ECB – will remain predisposed to further expansionary measures. The ECB will again miss its inflation target in 2016. Globally, consumer price inflation will stay low as wages only just keep pace with productivity and there is no relief in the competitive pressure on producers. However, upheavals in the commodities markets could have a massive effect on consumer prices, for better or for worse.

Domestic demand is predicted to be the mainstay of growth in 2016, with low interest rates, real growth in incomes due to rising wages, and low commodities prices boosting household spending.

EXPECTED SITUATION IN THE BANKING SECTOR

Banks are still facing considerable structural and market-related challenges. Persistently low interest rates make it practically impossible in traditional banking to use maturity transformation to achieve margins that will cover costs. The interest rate turnaround in the US could ease the situation in the course of the year, but the ECB is not expected to follow suit this year and abandon its expansionary course. As a consequence, it will be hard for banks to source the equity they need. Regulatory requirements, the rebuilding of customer confidence, the effects of the low-interest rate policy, focusing the business and the mandatory reduction of costs will continue to be the dominant topics in the banking sector. On top of this, the banks will face competition from disruptive technologies emerging from the Fintech industry. This will increase the need for banks to focus and specialize on core competences that cannot be substituted by IT architectures.

EXPECTED MARKET DEVELOPMENTS

2016 will be a year of inflation-free economic growth. However, similar to 2015, growth will remain low, so that events on the market will frequently be overshadowed by fears of recession.

On a global level, the crash in oil prices will have an effect similar to a growth stimulus program. European companies will enjoy further competitive advantages from the weak Euro, and this should have a positive effect on the stock markets. However, growth will be highly volatile, and the market will repeatedly be reined in by the uncertain and unclear economic situation in China, the Fed's interest rate hikes in the US and a slowing pace of growth in the US.

Care needs to be taken when acting on the bond market. As a result of low yields, the opportunity/risk ratio no longer tallies, even for long maturity terms. Additionally, if the expectations of inflation rise in the US, and the Fed further raises the base interest rate, prices for long maturities could cave in. The focus remains on spread products. Corporate bonds, high-yield bonds or also selective periphery bonds are still attractive when compared to risk-free interest rates.

The banks will face competition from disruptive technologies emerging from the Fintech industry. This will increase the need for banks to focus and specialize on core competences that cannot be substituted by IT architectures.

EXPECTED REGULATORY DEVELOPMENTS

In a first step, the European Deposit Insurance System (EDIS) is due to start operating as a European reinsurer for national deposit protection schemes by mid-2017. Like the Single Resolution Mechanism, this European reinsurance scheme would be financed via ex-ante contributions, calculated on the basis of a bank's risk profile. Participation in the EDIS will be mandatory in all euro zone Member States.

The Basel Committee on Banking Supervision is currently revising the standardized approaches for the various types of risk in a project known as Basel IV. The future of the model-based approaches to capital requirements is also under discussion. The Basel Committee proposes a new standardized approach to measure operational risk. The basic indicator approach and the advanced measurement approach (AMA) are to be scrapped. The Basel Committee is also discussing proposals for a fundamental review of the trading book, including the delimitation of the banking and trading books, the revised standardized approach for market risk and a method for internal market risk models based on expected shortfall.

In an example of closer cooperation, a number of EU Member States are planning to introduce a tax on financial transactions. Negotiations have been underway for nearly three years. The tax was originally intended to be levied on all market and off-market transactions (in fixed income, equities, derivatives) at a minimum rate of 0.1% and 0.01% for derivatives. It is unlikely to be introduced in 2016.

The European Commission published its Action Plan for a Capital Markets Union on 30 September 2015. Its political objective is to build a robust and future proof EU economic area. The building blocks include the development of an EU framework for simple, transparent and standardized (STS) securitizations and European securities standards for covered bonds. The Prospectus Directive is being revised and a proposal for a regulation is being prepared to improve financing conditions.

With IFRS 9 Financial Instruments the International Accounting Standards (IASB) has introduced an expected credit loss model. In light of this, the Basel Committee has issued draft guidance on accounting for expected credit losses comprising 11 principles to apply irrespective of the applied financial reporting framework.

EXPECTED IMPACT OF MEASURES TAKEN IN THE PAST FISCAL YEAR

Acquisition by Fosun

After approval by the supervisory authorities, Fosun will become a new majority owner that can help Hauck & Aufhäuser further expand its customer network and strengthen its international presence in the long term. We are confident that Hauck & Aufhäuser will preserve its tradition as a private bank but will, at the same time, tap new growth opportunities with Fosun as a strategic investor, especially in China, where we aim to expand our business.

Cost-efficiency program

We expect the comprehensive measures undertaken as part of our cost-efficiency program to yield crucial improvements in our cost structure and business process efficiency over the next few years.

PLANNING PRINCIPLES

Our planning and forecasts for future years are inherently uncertain, especially in light of the forthcoming change of ownership, and can only reflect the status quo. Actual developments on the money markets and capital markets may deviate considerably from our forecasts. The consequences of unexpected escalations in political events could also have a significant effect on our earnings targets.

Planning assumptions

Our long-term planning is based on the assumption that the German economy will continue to grow. The threat of recession is therefore deemed to be low.

The planning is based on the assumption that both the US Fed and the Bank of England will raise interest rates from the third or fourth quarter of 2015, whereas the ECB will not follow suit before the middle or end of 2016, or to a very minor extent only (increase in the currently negative deposit rate).

It was also assumed that the Fed's interest rate hike would lead to higher yields in the US and thus also in the euro zone. Spreads between Germany and the peripheral EEA states are likely to stabilize at their current levels, keeping swap and credit spreads down at their present levels.

Although yields on interest-bearing investments are set to improve as a result of the rise in interest rates, the stock markets will continue to benefit from the ECB's expansionary monetary policy. It was therefore assumed that the Fed's interest rate rises would not have a significant impact on stock prices. However, as a result of price-earnings ratios achieved, stock yields generated over the mid term will most likely be significantly below those of recent years.

No large swings in the Euro/US dollar exchange rate are expected.

Investments

Most investments in IT structure, software and other items of property and equipment have been completed; therefore the planned investments in intangible assets and tangible assets are limited to necessary replacements. No write-downs are expected. Other investments may be required as a direct consequence of the change of ownership, for example in order to meet requirements for international accounting.

Income

No major changes in interest margins are anticipated. Portfolio business is expected to remain stable, while commission-earning business expands. The trading strategy will be retained and we will continue to avoid building long-term trading positions for speculative purposes. The planned growth in net income will stem mostly from the expansion of sales activities and the start of business at our new branch in London in 2016. Most of the other net income will be generated in the form of projected foreign exchange income.

Administrative expenses, amortization and depreciation

Hauck & Aufhäuser has taken action to reduce its administrative expenses which will take effect in future years after 2015. Amortization, depreciation and write-downs of intangible assets and property and equipment declined as a result of the investment policy restricting new investment to essential replacements and prioritizing rental and leasing solutions.

EXPECTED RESULTS OF OPERATIONS

Resulting from the change of ownership, which is supposed to take place in 2016, the growth and income prospects could significantly differ from our previous forecasts – directly medium-term wise and in the following years over a longer range. To date, our forecasts do not include all growth and earnings prospects that could arise for Hauck & Aufhäuser as a result of the pending change of ownership.

In our operative planning for next year, gross income will rise only moderately because the additional business opportunities will not be available until after the deal is closed.

EARNINGS FORECAST 2018
(IN EUR M)

	Actual 2015	Forecast to 2018
Total income	122.0	slight increase
Administrative expenses including write-downs	119.6	slight increase
Earnings before taxes	4.6	strong increase

Our equity base consists almost entirely of Common Equity Tier 1 capital and has been constantly improved over the past few years through the retention of profits.

Over the coming years, managing additional legal and regulatory requirements and improving the cost-efficient platform for providing our services will also entail considerable investment and additional expenditure, the amount of which cannot be reliably estimated at the time of reporting.

In our planning we assume a moderate rise in earnings in the 2016 forecast despite the additional costs incurred for the implementation of regulatory measures and the change in ownership. This is expected to improve steadily in the following years.

We expect an unchanged level of risk provision in 2016. Like all other banks, our risk provisioning is subject to uncertainty and depends on the general economic development and the level of issuer, investment or collateral risks in the lending business and any related current or future legal disputes and court proceedings. Swings in either direction could have a strong positive or negative impact on the forecast earnings. It is difficult to estimate the future risks from ongoing legal disputes for 2016 and future years. The forecasts are based on the information available and involve the use of judgment and assumptions and may therefore be inaccurate.

EXPECTED NET ASSETS AND FINANCIAL POSITION

Both the Group's financial and liquidity position will remain stable.

Our equity base consists almost entirely of Common Equity Tier 1 capital and has been constantly improved over the past few years through the retention of profits. We will maintain our policy of making additional allocations to the reserves in the future and thus be able to meet the raised capital requirements by 2019.

In 2016, we have budgeted for a significant volume of investment in other essential projects to implement regulatory and contractual requirements (MASan, BCBS, SREP, FINREP, etc.). For the following years, we anticipate similar amounts with a slightly rising trend.

For 2016, we forecast only slight changes to the financial performance indicators. We expect to see a further improvement only in the cost-income ratio and personnel expenses ratio.

FORECAST FINANCIAL PERFORMANCE INDICATORS

For 2016, we forecast only slight changes to the financial performance indicators. We expect to see a further improvement only in the cost-income ratio and personnel expenses ratio.

As a direct consequence of a change of ownership, as anticipated in 2016, performance indicators in future years could differ widely from our previous forecasts.

SUMMARY OF FORECAST DEVELOPMENT

The planned change of ownership sets the course for our future. As the new majority owner, Fosun will bring new and promising development and growth prospects for our Bank. The financial strength of our new owner and partner will support us to enhance and internationalize the range of services we offer in our core business segments. Via Fosun's large network, we – and our customers – gain prime access to the expanding Chinese market as well as to other Asian growth markets and Chinese companies. Together we aim to strengthen the ties between German and Chinese business. With Fosun's backing, we will continue our success story. In recent years, we have entrenched our market position, also thanks to the comprehensive action taken under our cost-efficiency program which has helped us to cut our costs and make crucial improvements to our process efficiency.

EARNINGS FORECAST 2018 (IN EUR M)

	Actual 2015	Forecast to 2018
A Strategic indicators		
Return on equity (%)	2.8	strong increase
Income/employee (in EUR k)	214	slight increase
Assets under management (in EUR m as of the balance sheet date)	47,110	slight increase
Cost-income ratio (%)	100	moderate decrease
B Other indicators		
Net income for the year (in EUR k)	4,851	strong increase
Average number of full-time equivalents	529	moderate decrease

The realignment and enhancement of our IT architecture, infrastructure and processes are another building block that will enable us to master the challenges of future years.

We expect the market to remain dominated by low interest rate policies and rising regulatory requirements. The action we have taken will help us to continue to fully meet the requirements and to provide adequate funds needed for our investment plans.

From our present perspective, we believe that our planning is appropriately geared to the persistently difficult market conditions, includes the requisite restructuring measures and costs, and is aligned with our credit and risk strategies. We expect the measures to take full effect over the next few years, and that they will especially improve costs. In light of this, we anticipate a continued improvement in business performance in the future.

OPPORTUNITIES

The challenging low interest rate environment and the rising regulatory requirements call for improvements in efficiency and effectiveness. We see these challenges as opportunities. Indeed, we started to restructure the Bank and to reorganize specific units some years ago. Our corporate structure was further streamlined by the integration of Hauck & Aufhäuser Institutional Research AG and Hauck & Aufhäuser Asset Management GmbH in 2014, allowing us to leverage synergies by eliminating structural costs.

A further important step to make processes more efficient and effective is the reorganization of our IT structure, which we started a few years ago. Here, we reached further reorganization milestones in the past year with the consolidation and centralization of front and back office systems and the harmonization of business processes through the merger of our two core banking systems. The optimization of our business processes will directly benefit our customers.

We see efficiency in the handling of our business processes as a key factor for improving our results. Our efforts to reduce complexity costs through streamlining the group structures as well as through the measures taken to implement our IT strategy are already bearing fruit, and will be pursued further.

The process of digitization will change the face of banking business and banks themselves. This fast-moving trend is irreversible and affects all business segments. Fintech is a high-growth sector which puts the benefit for the customer at the heart of its activities. We see huge opportunities in this trend for us as a bank and intend to follow these developments closely.

This was backed up by the cost-efficiency program carried out in 2014 and 2015 in cooperation with an external team of consultants. We set ourselves the target of achieving net savings of 15% distributed across all areas of Hauck & Aufhäuser. The design phase (data collection, interviews, analysis and evaluation) ran until January 2015. The cost-reduction measures were subsequently implemented internally and largely completed by the end of the second quarter of 2015.

The process of digitization will change the face of banking business and banks themselves. This fast-moving trend is irreversible and affects all business segments. Fintech is a high-growth sector which puts the benefit for the customer at the heart of its activities. We see huge opportunities in this trend for us as a bank and intend to follow these developments closely.

OVERALL STATEMENT REGARDING FORECAST OPPORTUNITIES AND RISKS

2015 saw unrelentingly low interest rates and vigorous regulatory activity. Increasing regulation calls for constant improvements to efficiency and effectiveness and growing innovative strength, with a focus on digitization. In response to this, we started reorganizing our IT infrastructure several years ago. In 2015, the New Office Workplace initiative followed in this vein. The use of virtual desktops will yield large savings in ongoing operating and maintenance costs for IT workstations and reduce administrative expenses while increasing flexibility.

The cost-efficiency program launched in 2014 was successfully implemented and wrapped up in 2015. The cost-cutting potential identified in personnel and non-staff operating expenses was cast into measures and put into practice. At the same time, the program helped us to optimize our business processes. We surpassed our envisaged savings target thanks to the strong support of our employees.

The effects realized as a result of the IT restructuring and the cost-efficiency program will come into their own in future years and are an important building block for future proofing our Bank as they free up resources for investments and boost risk capital, both of which are necessary to meet the rising regulatory requirements.

Based on the information available to us at the time of reporting, we were unable to identify any single risk that could pose a threat to the continued existence of Hauck & Aufhäuser in 2016, nor are any risks identifiable which, alone or in combination with other risks, could jeopardize the continued existence of Hauck & Aufhäuser. We expect that we will continue to be viable and meet the challenges posed by the future business environment with its changing legal and regulatory requirements. However, the present macroeconomic and industry risks mean that we are unable to fully rule out the possibility of setbacks on the path to achieving our growth and earnings targets.

The cost-efficiency program launched in 2014 was successfully implemented and wrapped up in 2015. We surpassed our envisaged savings target thanks to the strong support of our employees.

TOGETHER *WE BUILD* *BRIDGES*

In the past financial year, we began a new chapter in the history of our company, a chapter only made possible as a result of our successful process of transformation. The journey towards the change of ownership of Hauck & Aufhäuser, which is still pending approval, shows that we reacted to the environmental and regulatory dynamism in the banking world to find both the right responses and, in Fosun, a strong future partner and investor. Now, in addition to a strong brand, Hauck & Aufhäuser will also benefit from the great potential that Fosun wishes from the companies in which it invests – to create strong partnerships and a high-quality network. At the same time, this development demonstrates that rapid change is not only affecting the banking sector and the market. The world itself also seems to be turning faster. We do not intend to merely observe and to take note, but to become part of it: with enthusiasm, commitment and the readiness to open up to new areas of opportunity. With Fosun, Hauck & Aufhäuser's clear business model will continue to develop with a focus on future growth.

CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2015

ASSETS	EUR	EUR	EUR	EUR	Prior year EUR k
1. Cash reserve					334
a) Cash on hand			346,763.49		6,175
b) Balances at central banks thereof: at Deutsche Bundesbank	210,199,502.12		216,958,575.98		(0)
				217,305,339.47	6,509
2. Loans and advances to banks					
a) Payable on demand			196,867,257.13		682,374
b) Other loans and advances			51,493,334.65		84,836
				248,360,591.78	767,210
3. Loans and advances to customers				436,870,939.45	484,216
thereof: secured by real property liens	0.00				(0)
public-sector loans	26,834,940.06				(25,962)
4. Debt securities and other fixed-income securities					
a) Money market securities					
aa) issued by the public sector		59,961,788.13			0
thereof: eligible as collateral with Deutsche Bundesbank	59,961,788.13				(0)
ab) issued by other borrowers		74,968,727.50	134,930,515.63		16,465
thereof: eligible as collateral with Deutsche Bundesbank	44,992,093.91				(0)
b) Bonds and debt securities					
ba) issued by the public sector		336,373,029.33			319,270
thereof: eligible as collateral with Deutsche Bundesbank	329,696,265.14				(313,093)
bb) issued by other borrowers		1,074,349,754.25	1,410,722,783.58		929,316
thereof: eligible as collateral with Deutsche Bundesbank	930,849,069.29				(827,173)
				1,545,653,299.21	1,265,051
5. Shares and other variable-yield securities				108,782,245.22	89,922
5a) Trading book positions				357,379.96	4
6. Equity investments				9,542,129.89	11,318
thereof: in banks	0.00				(141)
thereof: in financial services institutions	0.00				(107)
7. Shares in affiliates				3,935,049.00	3,572
thereof: in banks	0.00				(0)
thereof: in financial services institutions	0.00				(0)
8. Trust assets				230,118,163.20	201,205
thereof: trust loans	157,065,215.66				(150,521)
9. Intangible assets					
a) Purchased franchises, industrial and similar rights and assets			2,894,792.73		3,320
b) Goodwill			4,567,823.27		6,918
c) Prepayments			512,015.95		1,390
				7,974,631.95	11,628
10. Property and equipment				13,263,289.61	15,805
11. Other assets				270,251,701.13	145,969
12. Prepaid expenses				6,773,573.41	8,265
13. Deferred tax assets				15,157,959.73	12,595
14. Excess of covering assets over pension and similar obligations				531,487.35	365
Total assets				3,114,877,780.36	3,023,634

CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2015

LIABILITIES AND EQUITY	EUR	EUR	EUR	EUR	Prior year EUR k
1. Liabilities to banks					
a) Payable on demand			233,870,689.50		283,766
thereof: to Deutsche Bundesbank	0.00				(72,855)
b) With an agreed term or period of notice			73,558,438.65		77,108
				307,429,128.15	360,874
2. Liabilities to customers					
a) Savings deposits					
aa) with an agreed period of notice of three months		1,156,514.04			1,583
ab) with an agreed period of notice of more than three months		99,772.17	1,256,286.21		111
b) Other liabilities					
ba) payable on demand		2,130,844,563.90			1,944,743
bb) with an agreed term or period of notice		175,274,398.97	2,306,118,962.87		275,125
				2,307,375,249.08	2,221,562
3. Securitized liabilities					
Debt securities issued				38,858.17	39
4. Trust liabilities				230,118,163.20	201,205
thereof: trust loans	157,065,215.66				(150,521)
5. Other liabilities				23,518,879.77	12,279
6. Deferred income				11,828,446.79	11,389
7. Provisions					
a) Provisions for pensions and similar obligations			16,168,213.00		16,107
b) Tax provisions			4,188,254.62		2,549
c) Other provisions			32,329,039.80		21,432
				52,685,507.42	40,088
8. Subordinated liabilities				0.00	0
9. Participation certificate capital				29,549.97	28
thereof: due within two years	0.00				(0)
10. Fund for general banking risks				3,928,871.63	3,151
11. Equity					
a) Subscribed capital			16,000,000.00		16,000
b) Capital reserves			56,044,795.91		56,045
c) Revenue reserves					
ca) Other revenue reserves	98,743,314.23		98,743,314.23		96,943
d) Currency translation/exchange differences			170,752.73		118
e) Net retained profit			4,527,730.73		1,474
				175,486,593.60	170,580
12. Negative consolidation difference				2,438,532.58	2,439
Total liabilities and equity				3,114,877,780.36	3,023,634
1. Contingent liabilities					
Guarantees				6,072,124.46	13,339
2. Other obligations					
Irrevocable loan commitments				138,738,642.74	143,826

INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY 2015 TO 31 DECEMBER 2015

Expenses	EUR	EUR	EUR	Prior year EUR k
1. Interest expenses			4,475,136.43	5,897
2. Commission expenses			21,264,386.44	19,419
3. General and administrative expenses				
a) Personnel expenses				
aa) Wages and salaries	59,908,226.40			52,261
ab) Social security, pension and other benefit costs thereof: for old-age pensions	8,486,069.96	68,394,296.36		8,281 (1,534)
b) Other administrative expenses		44,777,903.53		47,287
			113,172,199.89	107,829
4. Amortization, depreciation and write-downs of intangible assets and property and equipment			6,403,513.96	6,017
5. Other operating expenses			4,673,570.47	2,365
6. Write-downs of and allowances on loans and advances and certain securities as well as allocations to provisions for possible loan losses			0.00	1,444
7. Allocations to the fund for general banking risks			202,712.50	0
8. Income taxes			0.00	451
thereof: deferred taxes				(363)
9. Other taxes not disclosed under item 5			42,825.51	96
10. Net income for the year			4,851,375.23	4,677
Total expenses			155,085,720.43	148,195

The annual report contains abridged versions of the consolidated financial statements and the annual financial statements of the parent company. The complete management report for the Group and the bank as well as our annual financial statements are published in the German Federal Gazette. The disclosure report is available for download on our website: https://www.hauck-aufhaeuser.de/page/B_PressePublikationenBestellung

INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY 2015 TO 31 DECEMBER 2015

Income	EUR	EUR	EUR	Prior year EUR k
1. Interest income from				
a) Lending and money market business		14,600,574.17		17,328
b) Fixed-income securities and government-inscribed debt		10,918,040.50		13,480
			25,518,614.67	30,808
2. Current income from				
a) Shares and other variable-yield securities		1,276,687.91		1,173
b) Equity investments		826,562.00		1,555
			2,103,249.91	2,728
3. Income from profit pooling and profit and loss transfer agreements			527,097.18	358
4. Commission income			107,306,758.50	91,935
5. Net income from trading book positions			4,081,595.93	6,285
6. Income from write-ups of loans and advances and certain securities and from the reversal of provisions in the lending business			2,426,788.43	0
7. Income from write-ups of equity investments, shares in affiliates and investment securities			730,732.24	915
8. Other operating income			12,131,910.73	13,804
9. Income from the reversal of the fund for general banking risks			0.00	1,362
10. Income from income taxes			258,972.84	0
thereof: income from deferred taxes	2,562,781.18			(0)
Total income			155,085,720.43	148,195
1. Net income for the year			4,851,375.23	4,677
2. Loss carryforward from the prior year (prior year: profit carryforward)			–323,644.50	–3,204
3. Net retained profit			4,527,730.73	1,473

Frankfurt am Main, 24 March 2016

Personally Liable Partners

Jochen Lucht

Hauck & Aufhäuser Geschäftsleitungs GmbH

Michael Bentlage

Stephan Rupprecht

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (EXCERPT)

ACCOUNTING PRINCIPLES

The consolidated financial statements for fiscal year 2015 were prepared in accordance with the provisions of the HGB for large corporations, the KWG ['Kreditwesengesetz': German Banking Act], the AktG ['Aktiengesetz': German Stock Corporation Act] and the RechKredV ['Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute': German Bank Accounting Directive].

CONSOLIDATED COMPANIES

The consolidated balance sheet and the consolidated income statement are dominated by the financial statements of Hauck & Aufhäuser.

A total of six companies (prior year: six) were included in the consolidated financial statements:

- Hauck & Aufhäuser Privatbankiers KGaA, Frankfurt am Main
- Hauck & Aufhäuser Investment Gesellschaft S.A., Luxembourg
- Hauck & Aufhäuser Alternative Investment Services S.A., Luxembourg
- Hauck & Aufhäuser (Schweiz) AG, Zurich
- FidesKapital Gesellschaft für Kapitalbeteiligungen mbH, Munich (formerly Hauck & Aufhäuser Corporate Finance AG, Frankfurt am Main
- Hauck & Aufhäuser Geschäftsleitungs GmbH, Frankfurt am Main

The financial statements of the consolidated companies had the same balance sheet date as the consolidated financial statements (31 December) and are prepared in Euros, with the exception of Hauck & Aufhäuser (Schweiz) AG, which prepares its accounts in Swiss francs.

Pursuant to Sec. 296 (1) Nos. 2 and 3 HGB, we waived the option of including the indirect interest in MS Rike Gebr. Ahrens GmbH & Co. KG as the information required for the preparation of the consolidated financial statements was not available without undue delay. These shares were held for sale.

All other group companies have not been consolidated since they are, pursuant to Sec. 296 (2) HGB and Sec. 311 (2) HGB, of secondary importance for the Group's net assets, financial position and results of operations, or inclusion could be waived pursuant to Sec. 296 (1) HGB.

CONSOLIDATION PRINCIPLES

Acquisitions made before 1 January 2010 were accounted for using the book value method (Sec. 301 (1) Sentence 2 No. 1 HGB, unrevised) by netting the book values of the parent company with the relevant share of the subsidiaries' equity on the date of first-time consolidation.

The positive differences of EUR 5,821k (prior year: EUR 5,821k) resulting from acquisitions made prior to 1 January 2010 were offset against the other revenue reserves.

The negative differences of EUR 2,439k (prior year: EUR 2,439k) were stated under equity as a 'Negative consolidation difference.'

Acquisitions made after 1 January 2010 were accounted for using the revaluation method (Sec. 301 (1) Sentence 2 HGB, revised) by netting the book values of the parent company with the relevant share of the subsidiaries' equity on the date on which the entity became a subsidiary.

Receivables and liabilities relating to trade between group companies were offset. A similar procedure was adopted with regard to the balance sheet footnotes on the liabilities side. Intercompany income and expenses were also netted. There were no intercompany profits and losses to be eliminated.

CHANGES IN THE STRUCTURE OF THE CONSOLIDATED GROUP

There were no major changes in the structure of the consolidated group in the reporting year. A number of minor equity investments were sold and two minor companies were acquired.

In the year under review, work was started toward the opening of a branch in UK, based in London.

FOREIGN CURRENCY TRANSLATION

All assets and liabilities denominated in a foreign currency were translated into Euros at the ECB's euro foreign exchange reference rate for the relevant foreign currency as of the balance sheet date. Hedged items were valued at the settlement value of their matching hedging transactions. Open forward exchange transactions were translated at the forward rate as of the balance sheet date. Exchange rate fluctuations in the market value of trading book positions were adjusted using a risk discount.

Income resulting from currency translation is recorded under other operating income. Open forward exchange transactions were translated at the forward rate as of the balance sheet date. Any gains or losses on pending transactions are only recognized in profit or loss when due.

Except for equity, the balance sheet of Hauck & Aufhäuser (Schweiz) AG was translated at the ECB's closing euro foreign exchange reference rate on the balance sheet date.

Equity was translated at the historical rate. Any exchange differences arising from the translation of equity were recognized in 'Currency translation/exchange differences' under consolidated equity.

The items of the income statement of Hauck & Aufhäuser (Schweiz) AG are translated into Euros at the average ECB reference rate. The resulting translation difference was recognized in 'Currency translation/exchange differences' under consolidated equity.

ACCOUNTING AND VALUATIONS METHODS

The financial statements of the consolidated subsidiaries were prepared using the following uniform group accounting and valuation principles based on the HGB as supplemented by the provisions of the RechKredV].

Specific bad debt allowances and provisions were recognized to sufficiently provide for all identifiable risks. Sufficient general bad debt allowances were recognized to cover potential risks.

All loans and advances are valued at acquisition cost less any write-downs. Loans and advances disbursed at a premium or discount are recorded at the nominal value, with differences being recognized as deferred income or prepaid expenses in accordance with Sec. 340e (2) HGB and amortized.

Investment portfolio financial instruments were valued using the modified lower of cost or market value principle. The option under Sec. 253 (3) Sentence 4 HGB was not exercised. Financial assets were valued at acquisition cost applying the modified lower of cost or market value principle.

Trading book financial instruments were valued in accordance with Sec. 340e (3) HGB at fair value based on their current market prices less a risk discount. Due to the small volume of the trading book, the risk discount was calculated using a simplified method and not in accordance with Sec. 35 (1) No. 6a RechKredV.

Financial instruments allocated to the liquidity reserve were valued according to the strict lower of cost or market principle.

Property and equipment were valued at acquisition cost less depreciation charged over their standard useful lives.

Depletable movable fixed assets whose acquisition costs do not exceed EUR 150 are expensed in full in the year of acquisition as low-value assets (Sec. 253 HGB within the meaning of Sec. 6 (2) EStG ['Einkommensteuergesetz': German Income Tax Act]).

Low-value depletable movable fixed assets costing between EUR 150 and EUR 1,000 were collated in a collective item and were depreciated by 20% (pooled depreciation) in the first fiscal year and in each of the four following fiscal years.

The Luxembourg subsidiaries and the Luxembourg branch expensed low-value depletable assets costing less than EUR 870 in the year of acquisition.

The Swiss subsidiary expensed low-value depletable assets costing less than CHF 1,000 in its separate financial statements in the year of acquisition.

Liabilities were reported at the amount due to settle the liabilities at the maturity date (settlement value), and, irrespective of their remaining life, were not discounted unless they represented pension obligations.

The pension comprises a basic payment plus increments. The reference value is a basic salary (pensionable income), which can vary depending on the respective pension plan. Provisions for pension obligations for the general partners and employees were allocated at the net present value calculated on the basis of external actuarial reports.

Phased retirement agreements are based on the block model. Allocations for deferred compensation components are stated as personnel expenses. Top-up amounts granted in addition to the standard salary are, depending on their substance, either accrued pro rata during the 'active phase' or, if they are tantamount to a severance payment, stated under other operating expenses. The provision was netted with the plan assets from the employer's pension liability insurance policies and the remainder was stated as an 'Excess of covering assets over pension and similar obligations.' The individual provision amount is netted with the respective assets.

The tax provisions of EUR 4,188k (prior year: EUR 2,549k) covered corporate income tax, trade tax and VAT liabilities.

The other provisions mainly comprised provisions for special charges relating to legal and litigation risks, measures to enhance efficiency, gratuities, outstanding invoices, acquisition-related expenses, business process adjustments and other miscellaneous audit fees, board and committee remuneration and archiving costs.

AUDIT OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT

The full consolidated financial statements as of 31 December 2015 and the Group management report for 2015, published in full in the German Federal Gazette, have been given the following unqualified audit opinion by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, as reproduced below.

'We have audited the consolidated financial statements prepared by Hauck & Aufhäuser Privatbankiers KGaA, Frankfurt am Main, comprising the balance sheet, the income statement, the cash flow statement, the statement of changes in equity and the notes to the financial statements, together with the group management report for the fiscal year from 1 January 2015 to 31 December 2015. The preparation of the consolidated financial statements and the group management report in accordance with German commercial law is the responsibility of the Institution's management. Our responsibility is to express an opinion on the consolidated financial statements and the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with Sec. 317 HBG ['Handelsgesetzbuch': German Commercial Code] and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with [German] principles of proper accounting and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

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

Eschborn/Frankfurt am Main, 24 March 2016

Ernst & Young GmbH

Wirtschaftsprüfungsgesellschaft

Müller-Tronnier	Pfeil
Wirtschaftsprüfer [German Public Auditor]	Wirtschaftsprüferin [German Public Auditor]'

BALANCE SHEET AS OF 31 DECEMBER 2015

ASSETS	EUR	EUR	EUR	EUR	Prior year EUR k
1. Cash reserve					333
a) Cash on hand			346,722.14		6,175
b) Balances at central banks thereof: at Deutsche Bundesbank	210,199,502.12		216,958,575.98		0
				217,305,298.12	6,508
2. Loans and advances to banks					
a) Payable on demand			196,372,770.32		682,207
b) Other loans and advances			51,493,334.65		84,835
				247,866,104.97	767,042
3. Loans and advances to customers				418,816,951.56	467,474
thereof: public-sector loans	26,834,940.06				25,962
4. Debt securities and other fixed-income securities					
a) Money market securities					
aa) issued by the public sector		59,961,788.13			0
thereof: eligible as collateral with Deutsche Bundesbank	59,961,788.13				0
ab) issued by other borrowers		74,968,727.50	134,930,515.63		16,465
thereof: eligible as collateral with Deutsche Bundesbank	44,992,093.91				0
b) Bonds and debt securities					
ba) issued by the public sector		336,373,029.33			319,270
thereof: eligible as collateral with Deutsche Bundesbank	329,696,265.14				313,093
bb) issued by other borrowers		1,074,577,958.41	1,410,950,987.74		929,678
thereof: eligible as collateral with Deutsche Bundesbank	931,077,274.41				827,535
				1,545,881,503.37	1,265,413
5. Shares and other variable-yield securities				107,271,757.93	87,938
5a) Trading book positions				357,379.96	4
6. Equity investments				458,216.79	732
thereof: in banks	0.00				141
thereof: in financial services institutions	0.00				107
7. Shares in affiliates				26,927,085.83	26,927
thereof: in banks	0.00				0
thereof: in financial services institutions	9,931,843.57				9,932
8. Trust assets				229,862,258.00	184,301
thereof: trust loans	157,065,215.66				150,521
9. Intangible assets					
a) Purchased franchises			2,840,308.36		3,255
b) Goodwill			11,562,229.79		13,191
c) Prepayments			512,015.95		1,390
				14,914,554.10	17,836
10. Property and equipment				13,221,757.54	15,755
11. Other assets				272,544,414.90	152,467
12. Prepaid expenses				8,995,630.37	10,615
13. Deferred tax assets				16,777,944.31	13,935
14. Excess of covering assets over pension and similar obligations				531,487.35	365
Total assets				3,121,732,345.10	3,017,312

BALANCE SHEET AS OF 31 DECEMBER 2015

LIABILITIES AND EQUITY	EUR	EUR	EUR	EUR	Prior year EUR k
1. Liabilities to banks					
a) Payable on demand			233,760,660.25		287,690
b) With an agreed term or period of notice			73,558,438.65		77,108
				307,319,098.90	364,798
2. Liabilities to customers					
a) Savings deposits					
aa) with an agreed period of notice of three months		1,156,514.04			1,583
ab) with an agreed period of notice of more than three months		99,772.17	1,256,286.21		111
b) Other liabilities					
ba) payable on demand		2,143,062,279.19			1,955,041
bb) with an agreed term or period of notice		175,274,398.97	2,318,336,678.16		275,124
				2,319,592,964.37	2,231,859
3. Securitized liabilities					
Debt securities issued				38,858.17	39
4. Trust liabilities				229,862,258.00	184,301
thereof: trust loans	157,065,215.66				150,521
5. Other liabilities				24,413,237.18	11,496
6. Deferred income				11,826,616.91	11,388
7. Provisions					
a) Provisions for pensions and similar obligations			16,168,213.00		16,106
b) Tax provisions			4,051,098.70		2,392
c) Other provisions			29,221,429.94		20,359
				49,440,741.64	38,857
8. Participation certificate capital				29,549.97	28
9. Fund for general banking risks				9,950,000.00	9,499
10. Equity					
a) Subscribed capital			16,000,000.00		16,000
b) Capital reserves			56,330,600.00		56,331
c) Revenue reserves					
ca) Other revenue reserves			92,708,552.06		88,679
d) Net retained profit			4,219,867.90		4,037
				169,259,019.96	165,047
Total liabilities and equity				3,121,732,345.10	3,017,312
1. Contingent liabilities					
Guarantees					
Warranty agreements				6,171,872.46	13,339
2. Other obligations					
a) Placement and underwriting commitments			0.00		0
b) Irrevocable loan commitments			138,153,754.32	138,153,754.32	146,569

INCOME STATEMENT OF THE PARENT COMPANY (KGAA) FOR THE PERIOD FROM 1 JANUARY 2015 TO 31 DECEMBER 2015

Expenses	EUR	EUR	EUR	Prior year EUR k
1. Interest expenses			4,462,578.32	5,901
2. Commission expenses			12,422,929.10	11,904
3. General and administrative expenses				
a) Personnel expenses				
aa) Wages and salaries		54,931,803.08		47,262
ab) Social security, pension and other benefit costs		7,725,320.45	62,657,123.53	7,518
thereof: for old-age pensions	1,461,495.34			1,431
b) Other administrative expenses		42,662,498.69		45,453
			105,319,622.22	100,233
4. Amortization, depreciation and write-downs of intangible assets and property and equipment			5,618,525.40	5,212
5. Other operating expenses			2,508,403.59	2,389
6. Write-downs of and allowances on loans and advances and certain securities as well as allocations to provisions for possible loan losses			0.00	1,581
7. Expenses from loss absorption			14,136.50	0
8. Income taxes			0.00	1,464
thereof: deferred taxes	0.00			–1,895
9. Other taxes			24,698.67	96
10. Net income for the year			4,212,996.70	4,031
Total expenses			134,583,890.50	132,811

The annual report contains abridged versions of the consolidated financial statements and the annual financial statements of the parent company. The complete management report for the Group and the bank as well as our annual financial statements are published in the German Federal Gazette. The disclosure report is available for download on our website: https://www.hauck-aufhaeuser.de/page/B_PressePublikationenBestellung

INCOME STATEMENT OF THE PARENT COMPANY (KGAA) FOR THE PERIOD FROM 1 JANUARY 2015 TO 31 DECEMBER 2015

Income	EUR	EUR	EUR	Prior year EUR k
1. Interest income from				
a) Lending and money market business		14,420,791.60		17,073
b) Fixed-income securities and government-inscribed debt		10,817,007.46		13,193
			25,237,799.06	30,266
2. Current income from				
a) Shares and other variable-yield securities		866,855.46		1,043
b) Equity investments		50,290.13		1
c) Shares in affiliates		1,385,000.00		1,274
			2.,302,145.59	2,318
3. Commission income			86,747,191.06	73,688
4. Net income from trading book positions			4,084,603.67	6,285
5. Income from write-ups of loans and advances and certain securities and from the reversal of provisions in the lending business			2,394,673.45	0
6. Income from write-ups of equity investments, shares in affiliates and investment securities			1,440,982.72	346
7. Other operating income			11,424,193.51	14,858
8. Income from the reversal of the fund for general banking risks			0.00	1,362
9. Extraordinary income			0.00	3,688
10. Income from income taxes			952,301.44	0
thereof: deferred taxes	2,843,202.72			0
Total income			134,583,890.50	132,811
1. Net income for the year			4,212,996.70	4,031
2. Profit carryforward from the prior year			6,871.20	6
3. Net retained profit			4,219,867.90	4,037

Frankfurt am Main, 24 March 2016

Personally Liable Partners

Jochen Lucht

Hauck & Aufhäuser Geschäftsleitungs GmbH

Michael Bentlage

Stephan Rupprecht

PROPOSED APPROPRIATION OF PROFIT

WE PROPOSE THAT THE DISPOSABLE NET PROFIT BE APPROPRIATED AS FOLLOWS:

	2015 EUR	Prior year EUR k
Dividend payment of EUR 0.00 (2014: EUR 0.00) per share on 307,692 shares on the share capital of EUR 16,000,000	0,00	0.00
Allocation to revenue reserves	4,219,000.00	4,030
Balance of remaining profit to be carried forward	867.90	7
	4,219,867.90	4,037

Frankfurt am Main, 24 March 2016

Personally Liable Partners

Jochen Lucht

Hauck & Aufhäuser Geschäftsleitungs GmbH

Michael Bentlage

Stephan Rupprecht

AUDIT OPINION ON THE FINANCIAL STATEMENTS OF HAUCK & AUFHÄUSER PRIVATBANKIERS KGAA

The full financial statements as of 31 December 2015 and the management report for 2015, published in full in the German Federal Gazette, have been given the following unqualified audit opinion by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, as reproduced below.

'We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report of Hauck & Aufhäuser Privatbankiers KgaA, Frankfurt am Main, for the fiscal year from 1 January 2015 to 31 December 2015. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law are the responsibility of the Institution's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with Sec. 317 HBG ['Handelsgesetzbuch': German Commercial Code] and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with [German] principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Institution and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

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

Eschborn/Frankfurt am Main, 24 March 2016

Ernst & Young GmbH

Wirtschaftsprüfungsgesellschaft

Müller-Tronnier

Wirtschaftsprüfer [German Public Auditor]

Pfeil

Wirtschaftsprüferin [German Public Auditor]'

TOGETHER *WE CREATE ONE VISION*

The new brand identity we launched in 2015 brings together the foundations of our bank and our expectations of the future. There is more to this identity than merely a logo, an image, a claim. The new corporate design provides a contemporary corporate identity which, at the same time, embodies how we see ourselves – above all through the new illustration of our founding fathers, Friedrich Michael Hauck and Heinrich Aufhäuser, who stand for a tradition spanning over 220 years, a tradition that we wish to preserve. The re-interpretation, illustrated by David Despau, has transferred these venerable figures to the modern age. Released from the confines of a frame, brought closer together, our forefathers clearly appear to be partners, full of energy and dynamism. They exude a due pride, steeped both in tradition and their claim to modernity. This illustration reflects both the traditional nature and the modern self-understanding of our bank: to recognise the changing times and to undergo self-renewal in order to rise to the challenges of today and tomorrow.

FURTHER INFORMATION

BOARDS AND COMMITTEES

HONORARY CHAIRMAN OF THE BANK

Michael Hauck
Frankfurt am Main

SUPERVISORY BOARD

Wolfgang Deml
Rottach-Egern
Chairman

Rudolf K. Brinckmann
Hamburg
Deputy Chairman

Dr. Thomas Duhnkrack
Kronberg im Taunus
Entrepreneur

Dr. Jürgen Heraeus
Hanau
Chairman of the Supervisory Board
of Heraeus Holding GmbH

Siegfried Klink
Hetzerath
Employee Representative and
Chairman of the Works Council, Luxembourg

Thomas Theobald
Usingen
Employee Representative
Chairman of the Joint Works Council and
Works Council Frankfurt am Main

SHAREHOLDERS' COMMITTEE

Wolfgang Deml
Rottach-Egern
Chairman

Dr. Jürgen Heraeus
Hanau
Chairman of the Supervisory Board
of Heraeus Holding GmbH
Deputy Chairman

Frank Asbeck
Bonn
Speaker of the Management Board
of SolarWorld AG

Rudolf K. Brinckmann
Hamburg

Clemens Busch
Frankfurt am Main
Managing Partner of Steadfast Capital GmbH

Hansjakob Müller
Bad Homburg vor der Höhe
Managing Director of
JM Holding GmbH & Co. KGaA

Florian Rehm
Wolfenbüttel
Entrepreneur

SENIOR MANAGEMENT/ DIRECTORS

PERSONALLY LIABLE PARTNER

Jochen Lucht
Hauck & Aufhäuser Geschäftsleitungs GmbH

PARTNERS

Michael Bentlage

Stephan Rupprecht

STATUTORY REPRESENTATIVES OR OTHER EMPLOYEES IN SUPERVISORY COMMITTEES

Michael Bentlage
Universal-Investment-Gesellschaft mbH
Frankfurt am Main
Member of the Supervisory Board

DIRECTORS (AS OF: 31 DECEMBER 2015)

Georg Albrecht
Private Banking Clients Germany

Burkhard Allgeier
Investment Management

Johann Angermaier
Private Banking Clients Germany

Achim Backhaus
Investment Management

Nils Bartram
Investment Management

Marc Bechtel
Institutional Clients

Michael Bergmann
Investment Management

Sascha Berresch
Institutional Research

Christian Bewerunge
Private Banking Clients Germany

Harald Brunner
Operations & IT

Michael Di Martino
Private Banking Clients Germany

Winfried Emge
Private Banking Clients Germany

Heinz-Günter Essling
Private Banking Clients Germany

Oliver Fischer
Institutional Clients

Markus Flakus
Private Banking Clients Germany

Stephan Franzel
Private Banking Clients Germany

Sandra Freimuth
Corporate Communications & Marketing

Jochen Gaul
Private Banking Clients Germany

Christoph Geber
Private Banking Clients Germany

Raimund Hilbert
Group Treasury

Thomas Jäger
Private Banking Clients Germany

Axel Janik
Financial Assets Germany

Michael Jendralski
Private Banking Clients Germany

Dr. Wolfgang Kirschner
Institutional Clients

Thomas Kleffmann
Private Banking Clients Germany

Michael König
Private Banking Clients Germany

Ilona Korsch
Capital Markets

Friedrich Lang
Private Banking Clients Germany

Edmund Leinweber
Branch Manager

Martina Luther
Group Credit Risk Management

Jutta Münch
Payments & Account Administration

Marc Osigus
Equities

Martin Peter
Group Compliance

Michael Pfennigwerth
Private Banking Clients Germany

Reinhard Pfingsten
Investment Management

Andreas Prahst
Group Internal Auditing

Herbert Riedl
Private Banking Clients Germany

Sikandar Salam
Distribution and Product Management

Harald Sauber
Institutional Clients

Gerhard Schapitz
Private Banking Clients Germany

Anja Schlick
Financial Assets Germany

Mike Schrottke
Human Resources

Thomas Schuster
Private Banking Clients Germany

Robert Sprogies
Corporate Secretary Office & Legal

Michael Teuschel
Distribution and Product Management

Gordan Torbica
Planning & Control

Heiko Trautmann
Corporate Secretary Office & Legal

Thomas Trepohl
Group Treasury

Dr. Christian Weber
Corporate Secretary Office & Legal

Martin Weil
Private Banking Clients Germany

Ludger Wibbeke
Real Assets

For Hauck & Aufhäuser, 2015 was a historical financial year in which the bank charted its course for the future.

ADDRESSES

HAUCK & AUFHÄUSER
PRIVATBANKIERS KGaA

Kaiserstraße 24
60311 Frankfurt am Main
Phone +49 69 2161-0
Fax +49 69 2161-1340

Lenbachplatz 4
80333 Munich
Phone +49 89 2393-1
Fax +49 89 2393-2849

Seidlstraße 21
80335 Munich
Phone +49 89 2393-1
Fax +49 89 2393-2849

Mittelweg 16–17
20148 Hamburg
Phone +49 40 4506342-0
Fax +49 40 4506342-3020

Steinstraße 1–3
40212 Düsseldorf
Phone +49 211 301236-0
Fax +49 211 301236-6050

Konrad-Adenauer-Ufer 67
50668 Cologne
Phone +49 221 139319-700
Fax +49 221 139319-7019

info@hauck-aufhaeuser.de
www.hauck-aufhaeuser.de

1c, rue Gabriel Lippmann
5365 Munsbach
Luxembourg
Phone +352 451314-1
Fax +352 451314-229

hal@hauck-aufhaeuser.lu
www.hauck-aufhaeuser.de

HAUCK & AUFHÄUSER
INVESTMENT GESELLSCHAFT S.A.

1c, rue Gabriel Lippmann
5365 Munsbach
Luxembourg
Phone +352 451314-500
Fax +352 451314-519

haig-info@hauck-aufhaeuser.lu
www.haig.lu

Management board:
Achim Welschoff (Chairman)
Stefan Schneider

HAUCK & AUFHÄUSER
ALTERNATIVE INVESTMENT
SERVICES S.A.

1c, rue Gabriel Lippmann
5365 Munsbach
Luxembourg
Phone +352 451314-500
Fax +352 451314-309

haas@hauck-aufhaeuser.lu
www.alternative-investments.lu

Management board:
Marc Kriegsmann (Chairman)
Mario Warny

HAUCK & AUFHÄUSER
(SCHWEIZ) AG

Talstraße 58
8022 Zurich
Switzerland
Phone +41 44 22011-22
Fax +41 44 22011-23

info@hauck-aufhaeuser.ch
www.hauck-aufhaeuser.ch

Managing Director:
Roman Limacher
Roland Isler

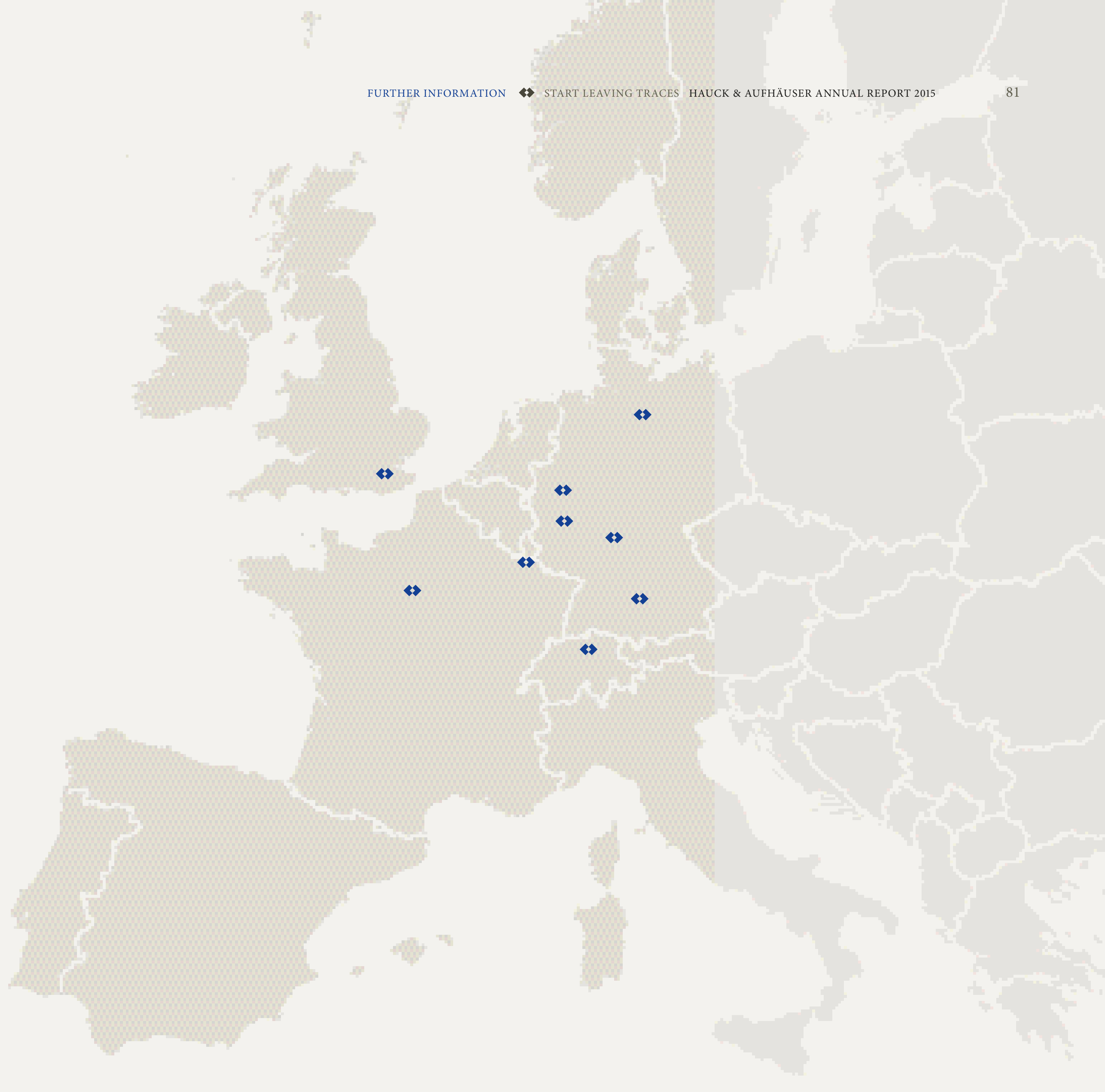
HAUCK & AUFHÄUSER
PRIVATBANKIERS KGaA

Representative office Paris

18, Rue Pasquier
75008 Paris
France
Phone +33 1 784140-62

Representative office London

3rd Floor
43 Berkeley Square
London, W1J 5AP
United Kingdom
Phone +44 207 408-1100



Branches and
representative offices

Frankfurt
Munich
Hamburg
Düsseldorf
Cologne/Bonn
Luxembourg (Munsbach)
Zurich
–
Representative offices:
Paris
London

YOUR NOTES

IMPRINT

PUBLISHER

Hauck & Aufhäuser Privatbankiers KGaA

RESPONSIBLE FOR THE CONTENT

Hauck & Aufhäuser Privatbankiers KGaA

CONCEPT AND DESIGN

Scheufele Hesse Eigler
Kommunikationsagentur GmbH,
Frankfurt am Main

PRINTED BY

Druck- und Verlagshaus Zarbock, Frankfurt

PHOTOGRAPHY CREDITS

All pictures:
Hauck & Aufhäuser