



Financial statements as of June 30, 2018

TRANSLATION – AUDITOR'S REPORT

Stiftung Münchner Sicherheitskonferenz
(gemeinnützige) GmbH
Munich

Short financial year
from January 1 to June 30, 2018

KPMG AG Wirtschaftsprüfungsgesellschaft

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Stiftung Münchner Sicherheitskonferenz (gemeinnützige) GmbH, Munich

Balance sheet as of June 30, 2018

Assets

	June 30, 2018		Dec. 31, 2017	
	EUR	EUR	EUR	EUR
A. Fixed assets				
I. Intangible assets				
1. Concessions, industrial property rights and similar rights and assets as well as licenses to such rights and assets acquired for a consideration	5,228.00		8,219.00	
2. Advance payments on intangible assets	0.00	5,228.00	17,600.00	25,819.00
II. Property, plant and equipment				
Other equipment, operating and office equipment		85,080.00		73,718.00
		90,308.00		99,537.00
B. Current assets				
I. Receivables and other assets				
1. Trade receivables	234,951.75		1,164,851.16	
2. Other assets	252,786.82	487,738.57	77,632.39	1,242,483.55
II. Cash and equivalents		1,370,863.75		1,524,981.37
		1,858,602.32		2,767,464.92
C. Prepaid expenses		12,684.54		45,083.63
		1,961,594.86		2,912,085.55

Equity and liabilities

	June 30, 2018	Dec. 31, 2017
	EUR	EUR
A. Equity		
I. Subscribed capital	25,000.00	25,000.00
II. Revenue reserves	90,000.00	180,000.00
III. Accumulated deficit (PY: retained earnings)	-2,677.44	8,396.10
	112,322.56	213,396.10
B. Provisions		
Other provisions	157,099.62	82,801.00
C. Liabilities		
1. Trade payables	102,258.84	127,395.65
2. Other liabilities	363,552.88	120,514.48
– thereof for taxes: EUR 115,734.40 (PY: EUR 87,977.78) –		
	465,811.72	247,910.13
D. Deferred income	1,226,360.96	2,367,978.32
	1,961,594.86	2,912,085.55

Stiftung Münchner Sicherheitskonferenz (gemeinnützige) GmbH, Munich

Income statement for the short financial year from January 1 to June 30, 2018

	Jan. 1 - June 30, 2018		Jan. 1 - Dec. 31, 2017	
	EUR	EUR	EUR	EUR
1. Revenue		3,252,885.80		4,236,065.87
2. Other operating income		512,293.95		917,707.17
3. Cost of materials		793,121.45		980,627.06
4. Personnel expenses				
a) Wages and salaries	837,526.43		1,137,376.25	
b) Social security, pension and other benefits	118,656.65	956,183.08	183,141.14	1,320,517.39
5. Amortization of intangible assets and depreciation of property, plant and equipment		76,505.99		65,658.35
6. Other operating expenses		2,040,442.77		2,651,997.57
7. Net loss for the year (PY: net income)		-101,073.54		134,972.67
8. Allocation to revenue reserves		0.00		130,000.00
9. Withdrawal from revenue reserves		90,000.00		0.00
10. Retained earnings brought forward		8,396.10		3,423.43
11. Accumulated deficit (PY: retained earnings)		-2,677.44		8,396.10

Notes to the financial statements

Stiftung Münchner Sicherheitskonferenz (gemeinnützige) GmbH, with its registered office in Munich, is entered in the commercial register of the Munich District Court (commercial register file number HRB 191372; entry dated April 1, 2011).

General information

The financial statements were prepared in accordance with the recognition requirements set out in Sections 246 to 251 of the German Commercial Code [HGB], taking into account the special recognition requirements applicable to corporations, Sections 265, 268 to 274a, 276 to 277 HGB, and with due regard to the general valuation provisions in Sections 252 to 256a HGB.

The balance sheet and income statement are classified in accordance with Sections 265 et seqq. 266 et seqq. and 275 et seqq. HGB.

The accounting policies remained unchanged from the prior year.

Conversion of the financial year impedes comparability of the short financial year from January 1, 2018, to June 30, 2018, to the prior year (January 1, 2017, to December 31, 2017).

Accounting policies

Intangible assets acquired for a consideration are stated at cost less straight-line amortization (one to five years).

Property, plant and equipment are recognized at cost, including incidental costs, less straight-line depreciation (three to ten years). These items are depreciated on a straight-line basis over their estimated useful lives.

Receivables and other assets are stated at nominal value.

Cash and cash equivalents are recognized at nominal value.

Deferred income and prepaid expenses are stated at nominal value.

The provisions take into account all identifiable risks and contingent liabilities, and are stated at the repayment/settlement amount deemed necessary on the basis of prudent commercial judgment. There were no provisions with a term of more than a year as of the balance sheet date.

Trade payables and other liabilities are stated at their settlement amounts.

Explanatory notes on the balance sheet and income statement

All **trade receivables** were due within one year as of the balance sheet date.

Other assets include two interest-bearing rent deposit receivables totaling EUR 27,000.00, each with a remaining maturity of more than one year. All other assets have a remaining maturity of less than one year.

Other provisions totaling EUR 157,099.62 as of June 30, 2018, are stated as their settlement amounts based on prudent commercial judgment and are made up as follows:

Preparation and publication of the financial statements and tax returns as of June 30, 2018, KEUR 7 (PY: KEUR 7), audit of the financial statements as of June 30, 2018, KEUR 7.5 (PY: KEUR 9.5), provisions for vacation hours as of June 30, 2018, KEUR 52 (PY: EUR 32) and overtime as of June 30, 2018, KEUR 72 (PY: KEUR 34).

The provisions for financial statement and audit costs in 2017 remain at KEUR 16.5.

Statement of liabilities – Liabilities are stated at their settlement amount and are made up as follows:

Type of liability	Total amount as of June 30, 2018	Remaining term < 1 year	Remaining term 1 to 5 years	Remaining term > 5 years (total amount)	Secured by liens (total amount)
	EUR	EUR	EUR	EUR	EUR
Trade payables	102,258.84	102,258.84	-	-	-
(PY)	(127,395.65)	(127,395.65)	(-)	(-)	(-)
Other liabilities	363,552.88	363,552.88	-	-	-
(PY)	(120,514.48)	(120,514.48)	(-)	(-)	(-)
Total	465,811.72	465,811.72	-	-	-
(Total in the prior year)	(247,910.13)	(247,910.13)	(-)	(-)	(-)

The various operating expenses do not include any expenses from currency translation (PY: EUR 326).

Other disclosures

There were no contingent liabilities from guarantees or similar obligations as of the balance sheet date.

MSC (g)GmbH had an average of 32 employees in the short financial year from January 1, 2018, to June 30, 2018.

No material events have occurred subsequent to the balance sheet date.

Munich, November 30, 2018

Wolfgang Friedrich Ischinger

Managing Director

Auditor's report

To Stiftung Münchner Sicherheitskonferenz (gemeinnützige) GmbH, Munich

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, of Stiftung Münchner Sicherheitskonferenz (gemeinnützige) GmbH, Munich, for the short financial year from January 1 to June 30, 2018. The maintenance of the books and records and the preparation of the annual financial statements in accordance with German commercial law are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, based on our audit.

We conducted our audit of the annual financial statements in accordance with Section 317 of the German Commercial Code [HGB] and German generally accepted standards for the audit of financial statements promulgated by the German Institute of Public Auditors [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 are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company 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 and the annual financial statements 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. 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 Company in accordance with German principles of proper accounting.

Munich, December 10, 2018

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Prof. Dr. Grottel
Wirtschaftsprüfer
[German Public Auditor]

Mühlhuber
Wirtschaftsprüfer
[German Public Auditor]