

Würth Finance International B.V.
Financial Statements at 31 December 2009



Balance Sheet at 31 December

before appropriation of profits

in TEUR	Notes	2009	2008
NON-CURRENT ASSETS			
Property, plant and equipment			
Operating equipment & furnishings	3	158	249
Financial assets			
Long-term loans to associated companies	4, 16	626'985	718'462
Participations in Group companies	5	17'197	17'197
Total non-current assets		644'340	735'908
CURRENT ASSETS			
Receivables from associated companies	16	1'232'394	850'066
Loans to family trusts	16	62'000	8'000
Positive fair values of derivative instruments	19b	37'775	39'738
Other receivables	6, 16	16'238	14'504
Accrued income and prepaid expenses		653	1'268
Cash in bank		62'194	58'643
Total current assets		1'411'254	972'219
Total assets		2'055'594	1'708'127

The accompanying notes are an integral part of this balance sheet.

Balance Sheet at 31 December

before appropriation of profits

in TEUR	Notes	2009	2008
SHAREHOLDERS' EQUITY			
Capital subscribed and paid in		16'000	16'000
Retained earnings		146'026	123'711
Net profit for the year		12'801	29'315
Total shareholders' equity	7	174'827	169'026
NON-CURRENT LIABILITIES			
Bonds issued	8	1'034'727	1'034'393
Long-term loans to associated companies	16	47'222	7'155
Liabilities for pension plans	13	752	29
Total non-current liabilities		1'082'701	1'041'577
CURRENT LIABILITIES			
Bond issued, short-term	8	149'914	0
Payables to associated companies	16	598'656	442'145
Payables to banks		2'109	1'887
Provision for taxes	14	9'275	7'151
Negative fair values of derivative instruments	19b	6'597	17'700
Other liabilities	9, 16	5'507	3'979
Accrued expenses and deferred income		26'008	24'662
Total current liabilities		798'066	497'524
Total equity and liabilities		2'055'594	1'708'127

The accompanying notes are an integral part of this balance sheet.

Income Statement for the Year Ended 31 December

in TEUR	Notes	2009	2008
Interest income	10	59'710	85'802
Interest expenses	10	-54'527	-64'670
Total interest income		5'183	21'132
OPERATING INCOME			
Income from factoring activities		10'661	13'639
Income from commission and service fee activities	11	10'017	10'640
Income from trading activities and financial instruments	12	3'250	4'928
Other ordinary income		784	505
Total operating income (incl. interest income)		29'895	50'844
OPERATING EXPENSES			
Personnel costs	13	-6'283	-5'378
Other administrative expenses		-5'502	-5'888
Depreciation and amortisation		-103	-129
Depreciation/amortisation Group companies		0	-3'500
Total operating expenses		-11'888	-14'895
Profit before taxes		18'007	35'949
Corporate taxes	14	-5'206	-6'634
Net profit for the year		12'801	29'315

The accompanying notes are an integral part of this income statement.

Statement of Comprehensive Income for the Year Ended 31 December

No changes in equity took place during the period resulting from transactions and other events other than those changes resulting from transactions with owners in their capacity as owners and that are not recognised in profit or loss. Other comprehensive income therefore equals the net profit for the year as disclosed in the income statement.

Cash Flow Statement for the Year Ended 31 December

in TEUR	2009	2008
Net profit for the year	12'801	29'315
Depreciation and amortisation	103	3'629
Adjustment to provision for taxes	2'124	1'496
Other expenses with no liquidity effect	4'229	20'936
(Increase) Decrease in operating assets		
Receivables from associated companies	-436'328	-43'389
Positive replacement values of derivative instruments	1'963	-30'309
Other receivables and accrued income and prepaid expenses	-1'119	-13'733
Increase (decrease) in operating liabilities		
Payables to associated companies	196'578	-80'878
Negative replacement values of derivative instruments	-11'103	2'752
Other liabilities and accrued expenses and deferred income	2'874	-5'304
Net cash flows used in operating activities	-227'878	-115'485
Purchase of property, plant and equipment and intangible assets	-13	-217
Disposal of property, plant and equipment and intangible assets	9	35
Purchase of securities	0	-1'510
Disposal of securities	0	1'337
Redemption of long-term loans to associated companies	268'303	222'995
Borrowing of long-term loans to associated companies	-176'827	-347'852
Net cash flows used in investing activities	91'472	-125'212
Redemption of bonds issued	0	-90'596
Issue of bonds	146'735	332'891
Dividends paid	-7'000	0
Net cash flows used in financing activities	139'735	242'295
Net Increase (decrease) in cash	3'329	1'598
Net cash at the beginning of the year	56'756	55'158
Net cash at the end of the year	60'085	56'756
Net increase (decrease) in cash	3'329	1'598
Taxes paid	-5'820	-4'853
Interest received	58'739	85'554
Interest paid	-52'646	-60'400

The funds for this cash flow statement are represented by cash (net).

Statement of Changes in Equity for the Year ended 31 December

in TEUR	Capital	Retained Earnings	Total
At 1 January 2008	16'000	123'711	139'711
Net profit for the year		29'315	29'315
At 31 December 2008	16'000	153'026	169'026
At 1 January 2009	16'000	153'026	169'026
Dividend payments		-7'000	-7'000
Net profit for the year		12'801	12'801
At 31 December 2009	16'000	158'827	174'827

The Company has an authorised share capital of EUR 80'000'000, consisting of 160'000 share certificates with a nominal value of EUR 500. Of this authorised share capital, 32'000 share certificates have been subscribed and fully paid in, corresponding to a share capital of EUR 16'000'000.

In 2009 a dividend of TEUR 7'000 was paid for the business year 2008. No dividend payment is foreseen for the 2009 business year.

The accompanying notes are an integral part of this statement of changes in equity.

Notes to the Financial Statements for the Year ended 31 December 2009

1. Business Activity

Würth Finance International B.V. (subsequently referred to as “the Company”) was incorporated in 1987 and is domiciled in Amsterdam, The Netherlands. The address of the Company is Het Sterrenbeeld 35, P.O. Box 344, NL-5201 AH 's-Hertogenbosch. The Company has a branch in Küsnacht, Switzerland and also has several subsidiaries in Switzerland.

The Company is part of the internationally active Würth Group. All share certificates pertaining to Würth Finance International B.V., Amsterdam are held by Reinhold Würth Holding GmbH, Künzelsau, Germany, which is ultimately owned by family trusts.

The core activity of the Company is to carry out a wide range of financial activities with companies, both at home and abroad, belonging to the Würth Group, as well as to hold participations in and finance other Würth Group companies.

The Annual Report of the Company was approved by the Management on 23 March 2010. It can be obtained from the Company's head office or downloaded from the Company's internet homepage (www.wuerthfinance.net).

2. Accounting Principles

General

The Company prepares its individual financial statement in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the European Union, as well as with the appropriate laws and regulations of The Netherlands. The main accounting principles are described in this section in order to show how their application influences the stated results and information for the Company.

In addition to these individual financial statements, the Company prepares consolidated financial statements as required by the IFRS standards (sub-consolidation). The consolidated financial statements can be obtained from the Company's head office or can be downloaded from the Company's internet homepage (www.wuerthfinance.net).

The financial statements are presented in EURO.

Changes in Accounting Policies

The accounting policies are consistent with those of the previous financial year. The balance sheet management and valuation methods that were applied are consistent with the methods used in the previous year.

The Company has adopted the following new and amended IFRS and IFRIC interpretations as of 1 January 2009:

- IFRS 2 Share-based Payment: Vesting Conditions and Cancellations effective 1 January 2009
- IFRS 2 Share-based Payment: Group Cash-settled Share-based Payment Transactions effective 1 January 2010 (early adopted)
- IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended) effective 1 July 2009 (early adopted) including consequential amendments to IFRS 7, IAS 21, IAS 28, IAS 31 and IAS 39
- IFRS 7 Financial Instruments: Disclosures effective 1 January 2009
- IFRS 8 Operating Segments effective 1 January 2009
- IAS 1 Presentation of Financial Statements effective 1 January 2009
- IAS 23 Borrowing Costs (Revised) effective 1 January 2009
- IAS 32 Financial Instruments: Presentation and IAS 1 Puttable Financial Instruments and Obligations Arising on Liquidation effective 1 January 2009
- IAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items effective 1 July 2009 (early adopted)
- IFRIC 9 Remeasurement of Embedded Derivatives and IAS 39 Financial Instruments: Recognition and Measurement effective for periods ending on or after 30 June 2009
- IFRIC 13 Customer Loyalty Programmes effective 1 July 2008
- IFRIC 16 Hedges of a Net Investment in a Foreign Operation effective 1 October 2008
- IFRIC 18 Transfers of Assets from Customers effective 1 July 2009 (early adopted)
- Improvements to IFRSs (May 2008)
- Improvements to IFRSs (April 2009, early adopted)

When the adoption of the standard or interpretation is deemed to have an impact on the financial statements or performance of the Company, its impact is described as follows:

IFRS 7 Financial Instruments: Disclosures

The amended standard requires additional disclosures about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by source of inputs using a three level fair value hierarchy, by class, for all financial instruments recognised at fair value. In addition, a reconciliation between the beginning and ending balance for level 3 fair value measurements is now required, as well as significant transfers between levels in the fair value hierarchy. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and assets used for liquidity management. The fair value measurement disclosures are presented in Note 19c. The liquidity risk disclosures are not significantly impacted by the amendments and are presented in Note 19a.

IFRS 8 Operating Segments

IFRS 8 replaced IAS 14 Segment Reporting upon its effective date. The Company concluded that the operating segments determined in accordance with IFRS 8 are the same as the business segments previously identified under IAS 14. IFRS 8 disclosures are shown in Note 20, including the related revised comparative information.

IAS 1 Presentation of Financial Statements

The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented in a reconciliation of each component of equity. In addition, the standard introduces the statement of comprehensive income: it presents all items of recognised income

and expense, either in one single statement, or in two linked statements. The Company has elected to present two statements.

Assumptions and Estimates

The IFRS include guidelines that require the Company to make assumptions and estimates when preparing its financial statements. These estimates and assumptions are continuously reviewed and are based on past experience and other factors, including expectations regarding likely future developments.

Recognition of Business Transactions

Purchases and sales of financial assets and liabilities are recognised on the transaction day. Transactions are thus recognised in the balance sheet on the trading date and not on the subsequent settlement date. All concluded transactions are recorded and evaluated. Any unrealised gains or losses resulting from valuing the securities at market value are recognised in the income statement.

Accrual of Earnings

Interest income and interest expenditure are accrued as earned and recognised as income or expenditure respectively. Dividends are recognised as from the date payment is received. Premiums and discounts arising from the issue of bonds are amortised over their residual term using the effective interest rate method.

Factoring fees are charged when the receivable is assigned. Collection and delcredere charges are levied when the supplier's invoice is paid. Income from services is in principal stated when the service is rendered.

Foreign Exchange Translation

The Company's financial statements are presented in EUR, which is both the Company's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate applicable on the date of the transaction. Exchange differences arising from such transactions, as well as income resulting from converting monetary assets and monetary liabilities denominated in foreign currencies at the rate of exchange applicable at the balance sheet date, are recognised in the income statement.

<u>Conversion rates at 31 December</u>	<u>2009</u>	<u>2008</u>
US Dollar (USD)	1.430	1.398
Swiss Franc (CHF)	1.489	1.486
British Pound (GBP)	0.893	0.960
Japanese Yen (JPY)	132.59	126.40
Swiss Franc (CHF) - average exchange rate	1.510	1.579

Financial Instruments

Financial instruments are deemed to be all assets and liabilities, as well as off-balance sheet positions, which fundamentally have a monetary character.

- **Cash**
Cash comprises sight and time deposits at European banks. Cash has a maximum maturity of three months and is valued at amortised cost.
- **Securities**
Within the scope of its management and performance measurement activities relating to a documented risk management and investment strategy, the Company applies the fair value option according to IAS 39 for its securities. Non-realised and realised profit and loss are reported in the income statement under "Income from trading with financial instruments" ("fair value through profit or loss"). The fair value of securities that are actively traded in organised financial markets is determined by reference to quoted market bid prices. For securities where there is no active market, fair value is determined using valuation techniques such as price quotations from securities brokers or on price models. The valuations are by their very nature dependent on the assumptions on which they are based.
- **Loans and receivables**
All loans and receivables are initially recognised at their actual cost, which corresponds to the fair value at the time of the loan being granted. After initial recognition, loans and receivables are subsequently measured at amortised cost less value adjustments using the effective interest rate method.
- **Derivative financial instruments**
Derivative financial instruments are recognised at fair value and reported in the balance sheets under "Positive fair values of derivative instruments" or "Negative fair values of derivative instruments". The fair value is calculated by reference to quoted market values or recognised valuation models (discounted cash flow method or option pricing models). The Company does not apply the accounting principles relating to hedge accounting in accordance with IAS 39. As a result, realised and unrealised gains and losses are always recognised as income.
- **Bonds issued**
Bonds represent non-current liabilities. As soon as the remaining term is less than 12 months, the respective bond is reported as a current liability. Bonds are stated at amortised cost using the effective interest rate method. The amortisation of bond-issuing costs (discount) is recognised in the income statement over the duration of the term using the effective interest method.

Property, Plant and Equipment

Property plant and equipment comprise office furniture, interior installations, vehicles, EDP systems and works of art. These assets are capitalised if their acquisition or production cost can be reliably determined, if they will bring future economic benefit, and if the anticipated usage extends beyond the reporting period.

Property, plant and equipment are stated at cost, less accumulated depreciation. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets:

Office furniture	2 years
Interior installations	5 years
Vehicles	3 years
EDP hardware	2 years

No depreciation is calculated on works of art.

The amortisation period and amortisation method are reviewed at least each financial year-end.

Intangible Assets

Intangible assets are initially recognised at cost. Following initial recognition, they are carried at cost less any accumulated amortisation and impairment losses. The useful lives of intangible assets are deemed to be two years.

Intangible assets are amortised over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and amortisation method are reviewed at least at each financial year-end.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates.

The amortisation expense is recognised in the income statement in the expense category "depreciation and amortisation".

Financial Assets

Group companies are initially recognised at cost. Following initial recognition, Group companies are carried at cost less any accumulated impairment losses.

Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

As a lessee, the Company has entered into a number of operating lease agreements, which mainly concern the rental of office premises. The relevant expense is reported on an accrual basis as operating expenses.

Impairment of Assets

The value of property, plant and equipment and financial assets is reviewed for impairment at least once a year or if significant events or changes in circumstances suggest that their book value is too high. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An asset's

recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use.

Provisions

Provisions are recognised in the balance sheet when the Company has a present obligation to a third party as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Taxes and Deferred Taxes

Current income taxes are calculated based on the applicable tax laws in The Netherlands and Switzerland, and are recognised as an expense in the period in which the income is earned. They are stated as tax liabilities in the balance sheet.

The Company has no deferred taxes.

Pensions and Other Post-Employment Benefits

The Company operates a number of pension plans for its employees. These are treated as defined benefit plans in accordance with IAS 19. The appropriate expenditure for the period is determined by appraisals prepared by independent experts. For separately funded defined benefit plans, the degree of coverage of the fair value of claims compared with the plan's assets, valued at market prices, is reported in the balance sheet as a liability or an asset, taking into consideration unrecorded actuarial gains or losses and claims that still have to be offset (projected unit credit method).

In accordance with its corporate policy, all changes relating to the assets or liabilities are reported in the income statement.

Transactions with Associated Companies

The Company is responsible for concentrating and optimising the worldwide cash flows within the Würth Group, managing the financial risks and handling the Group financing. In this connection, by its very nature the Company carries out a very wide variety of transactions with associated companies, that is, with companies belonging to the Würth Group. Only a relatively small proportion of transactions are carried out with third parties outside the Group.

Segments

The Company generates income through a wide range of activities, which are divided into the following segments: *Group Financing*, *Trading*, *Services* and *Central Services*. This structure forms the basis for the primary segment reporting. Segment reporting by geographic area is not considered meaningful as the services are only provided from The Netherlands and Switzerland.

The Group Financing segment borrows funds from the money and capital markets, and places them at the disposal of the Group companies in the form of loans and credits. The Trading segment purchases and sells currency and interest rate instruments and is dealing with securities for the purpose of generating financial income and capital gains. The activities relating to the payment of goods purchased by Group companies, together with the delcredere and collection services for suppliers of goods, are summarised under *Services*.

Direct revenue and expense are allocated to the appropriate segment. Revenue and expense arising from head office activities that are not directly attributable to the segments are booked to Central Services.

3. Intangible Assets / Property, Plant and Equipment

Intangible assets / Property, plant and equipment are composed as follows:

At 31 December 2009

in TEUR	Acquisition cost 2008	Acquisitions (Disposals) incl. asset retirement 2009	Acquisition cost 2009	Accumulated depreciation 2008	Asset retirement 2009	Depreciation for the year 2009	Accumulated depreciation 2009	Net book value 2009
Intangible assets								
Software	1'972	-1'351	621	-1'972	1'351	0	-621	0
Total intangible assets	1'972	-1'351	621	-1'972	1'351	0	-621	0
Vehicles	948	-633	315	-768	632	-80	-216	99
Art objects	33	0	33	0		0	0	33
Office equipment	3'416	-805	2'611	-3'380	818	-23	-2'585	26
Total property, plant and equipment	4'397	-1'438	2'959	-4'148	1'450	-103	-2'801	158
Total	6'369	-2'789	3'580	-6'120	2'801	-103	-3'422	158

At 31 December 2008

in TEUR	Acquisition cost 2007	Acquisitions (Disposals) 2008	Acquisition cost 2008	Accumulated depreciation 2007	Depreciation for the year 2008	Accumulated depreciation 2008	Net book value 2008
Intangible assets							
Software	1'972	0	1'972	-1'972	0	-1'972	0
Total intangible assets	1'972	0	1'972	-1'972	0	-1'972	0
Vehicles	765	183	948	-677	-91	-768	180
Art objects	33	0	33	0	0	0	33
Office equipment	3'383	33	3'416	-3'342	-38	-3'380	36
Total property, plant and equipment	4'181	216	4'397	-4'019	-129	-4'148	249
Total	6'153	216	6'369	-5'991	-129	-6'120	249

4. Long-term Loans to Associated Companies

in TEUR	2009	2008
Balance at 1 January	718'462	593'605
New loans granted, increase in existing loans, repayments	138'852	306'228
Currency and other adjustments	314	4'509
Term reclassification	-230'643	-185'880
Balance at 31 December	626'985	718'462

The long-term loans to associated companies, granted in foreign currencies, are translated into EUR at year-end rates. The average interest rates for the major currencies at 31 December are:

	2009	2008
EUR	2.82%	4.59%
CHF	2.93%	2.89%

5. Participations in Group Companies

Company	Core activities	Share capital	Quota	Book value in TEUR
Würth Financial Services AG, Thalwil, Switzerland	Financial and pension plan consulting / Insurance brokerage for corporate and private clients	TCHF 1'500	100%	2'400
Würth Invest AG, Chur, Switzerland	Asset management	TCHF 23'000	100%	14'748
Kosy, Gesellschaft zur Förderung des holzverarbeitenden Handwerks mbH, Künzelsau, Germany	Promotion and further intensification of the competitiveness of the handicraft of wood-processing	TEUR 49	100%	49
Total				17'197

Würth Invest AG offers asset management services to the Würth Group, in particular relating to the investment of liquid funds. Würth Financial Services AG provides consulting, insurance brokerage and other services in the spheres of capital formation, insurance solutions as well as investment and risk management. Kosy GmbH was founded to promote and further intensify the competitiveness of the wood-processing handicraft.

6. Other Receivables

in TEUR	2009	2008
Receivables from third parties	459	656
Receivables from related parties	12'297	13'606
Income tax receivables	3'296	0
Other receivables	186	242
Total other receivables	16'238	14'504

7. Shareholders' Equity

The following amount is available for free distribution:

in TEUR	2009	2008
Total shareholders' equity	174'827	169'026
Capital subscribed and paid in	16'000	16'000
Available for free distribution	158'827	153'026

The profit before taxes of the Würth Finance Group's continued operations exceeds the Company only result by EUR 1.36 Mio. (2008: EUR 1.5 Mio.) This is due to the fact that the operating results of the other group companies are included in the consolidated version. The difference in the net profit amounts to EUR 1.1 Mio. (2008: EUR 2.2 Mio.), the difference in the tax amounts (including the effects of deferred taxes) to TEUR 231 (2008: TEUR -656).

The difference between Shareholders' equity of the Würth Finance Group and the Company only Shareholders' equity amounts to EUR 6.5 Mio. (2008: EUR 6 Mio.). The difference relates to the fact that group companies are valued at cost in the Company only accounts. The difference consists of retained earnings and currency effects.

8. Bonds Issued

In the financial year the Company has issued the following bond:

Maturity	Notional amount	Notional TEUR	Premium/ Discount	Total 31.12.2009	Coupon
03.08.2015	225'000	151'149	-718	150'431	3.875%
Total book value of newly issued bonds				150'431	
03.08.2015	225'000			167'500	3.875%
Total market value of newly issued bonds				167'500	

Overview of the bonds issued per 31 December 2009

Maturity		Notional amount	Notional TEUR	Premium/ Discount	Total 31.12.2009	Coupon
Long-term						
23.09.2011	TUSD	50'000 ¹⁾	34'958	-52	34'906	5.060%
08.06.2012	TEUR	100'000	100'000	-156	99'844	3.500%
18.07.2012	TCHF	300'000	201'532	-312	201'220	4.250%
02.04.2013	TEUR	50'000 ²⁾	50'000	-84	49'916	4.610%
02.04.2013	TEUR	100'000 ²⁾	100'000	-168	99'832	variable
31.05.2013	TEUR	100'000	100'000	-397	99'603	4.250%
12.06.2014	TEUR	300'000	300'000	-1'024	298'976	4.750%
03.08.2015	TCHF	225'000	151'149	-718	150'431	3.875%
Total book value long-term bond liabilities					1'034'727	
Short-term						
31.03.2010	TEUR	150'000	150'000	-86	149'914	4.250%
Total book value short-term bond liabilities					149'914	
Total book value bonds issued					1'184'641	
Maturity		Notional TEUR			Market value	Coupon
31.03.2010		150'000			151'299	4.250%
23.09.2011		34'958 ¹⁾			37'200	5.060%
08.06.2012		100'000			103'365	3.500%
18.07.2012		201'532			217'645	4.250%
02.04.2013		50'000 ²⁾			53'533	4.610%
02.04.2013		100'000 ²⁾			101'757	variable
31.05.2013		100'000			106'048	4.250%
12.06.2014		300'000			325'928	4.750%
03.08.2015		151'149			167'500	3.875%
Total market value at 31 December 2009					1'264'275	

1) US Private Placement

2) Promissory note certificates

Overview of the bonds issued per 31 December 2008

Maturity	Notional amount	Notional TEUR	Premium/ Discount	Total 31.12.2008	Coupon
Long-term					
31.03.2010	TEUR 150'000	150'000	-432	149'568	4.25%
23.09.2011	TUSD 50'000 ¹⁾	35'773	-82	35'691	5.06%
08.06.2012	TEUR 100'000	100'000	-219	99'781	3.50%
18.07.2012	TCHF 300'000	201'884	-434	201'450	4.25%
31.05.2013	TEUR 100'000	100'000	-514	99'486	4.25%
02.04.2013	TEUR 50'000 ²⁾	50'000	-110	49'890	4.61%
02.04.2013	TEUR 100'000 ²⁾	100'000	-219	99'781	variable
12.06.2014	TEUR 300'000	300'000	-1'254	298'746	4.75%
Total book value long-term bond liabilities				1'034'393	
Short-term				0	
Total book value short-term bond liabilities				0	
Total book value bonds issued				1'034'393	

Maturity	Notional TEUR	Market value	Coupon
31.03.2010	150'000	149'700	4.25%
23.09.2011	35'773 ¹⁾	39'574	5.06%
08.06.2012	100'000	97'258	3.50%
18.07.2012	201'884	206'849	4.25%
31.05.2013	100'000	96'800	4.25%
02.04.2013	50'000 ²⁾	53'950	4.61%
02.04.2013	100'000 ²⁾	101'475	variable
12.06.2014	300'000	293'280	4.75%
Total market value at 31 December 2008		1'038'885	

1) US Private Placement

2) Promissory note certificates

The issued bonds are irrevocably and unconditionally guaranteed by joint and several guarantees. All bonds and promissory note certificates are guaranteed by Adolf Würth GmbH & Co. KG, Künzelsau and by Reinhold Würth Holding GmbH, Künzelsau, while that for the US private placement, with a maturity date of 23.09.2011, is also guaranteed by Würth Beteiligungs GmbH & Co. KG, Künzelsau.

The effective interest rates do not significantly differ from the nominal interest rates.

9. Other Liabilities

in TEUR	2009	2008
Payables for deliveries and services to third parties	1'307	1'287
Other current liabilities	1'675	1'548
Payables for deliveries and services to related parties	1'647	0
Other accrued expenses and deferred income	878	1'144
Total other liabilities	5'507	3'979

Other accrued expenses and deferred income primarily comprise personnel costs which have been provisioned.

10. Interest Income and Expense

Interest Income

in TEUR	2009	2008
Interest income from loans to associated companies and family trusts	36'234	35'403
Interest income from financing leasing activities	7'844	8'778
Interest income from current accounts (Würth Group)	8'583	24'676
Other interest income (non-Group)	7'049	16'945
Total interest income	59'710	85'802

Interest Expense

in TEUR	2009	2008
Interest expense for bonds issued	48'284	42'503
Interest expense for current accounts and time deposits (Würth Group)	6'011	20'998
Other interest expense (non-Group)	232	1'169
Total interest expense	54'527	64'670

11. Income from Commission and Service Fee Activities

in TEUR	2009	2008
Discount income	108	142
Service fees Würth Group	689	100
Collection and delcredere agreements	9'220	10'398
Total income from commission and service fee activities	10'017	10'640

12. Income from Trading Activities with Financial Instruments

in TEUR	2009	2008
Foreign exchange instruments	3'221	5'326
Stock market instruments	29	-398
Total income from trading activities and financial instruments	3'250	4'928

13. Personnel Costs

At 31 December 2009, the Company had 50 members of staff (2008: 55), of whom 8 (2008: 10) were employed on a part-time basis.

Personnel costs are composed as follows:

in TEUR	2009	2008
Wages and salaries	4'563	4'227
Pension costs	1'068	412
Social security costs	391	420
Other employee costs	261	319
Total personnel costs	6'283	5'378

Besides the statutory social security insurance, the Company belongs to a semi-autonomous pension scheme in which several Swiss Würth entities participate. Actuarial risks (longevity, disability and death) are vested in an insurance company. The investment risks remain with the pension scheme, which is responsible for the asset management. The pension plan is administered by an external advisor.

Depending on their age, the employees pay a contribution amounting to 3%-4.1% of their insured annual salary. In addition, they have the possibility of paying voluntary contributions. The Company also offers management insurance for CEOs and senior executives, whereby the employees pay 45%-50% of the additional contributions. In another scheme for Managing Directors, the annual employee contributions amount to 27.5% of the total sum.

Due to the factual risk carried by the Company, and in particular the legislative basis in Switzerland, these plans are deemed to be defined benefit plans. All substantial liabilities and assets serving to cover them are actuarially revalued every year by independent experts. The following figures provide an overview of the financial situation regarding these defined benefit plans as of 31 December:

in TEUR	2009	2008	2007
Pension costs			
Service cost for the current period	-359	-363	-357
Employee contributions	199	204	185
Interest cost on benefit obligations	-274	-237	-202
Expected return on plan assets	245	214	184
Net actuarial gain (loss) recognised in the year	-879	-230	-210
Effect of limit in IAS 19.58b	0	0	0
Net pension costs	-1'068	-412	-400
Actual loss (return) on plan assets	89	56	-18

CHANGES IN THE CONSOLIDATED BALANCE SHEET

Benefit obligation at 31 December	-8'939	-6'969	-6'028
Fair value of plan assets	8'187	6'940	5'984
Net liabilities	-752	-29	-44
Net liabilities (after adjustments due to IAS 19.58)	752	29	44

CHANGES IN THE BENEFIT OBLIGATIONS

Benefit obligation at 1 January	6'969	6'028	5'390
Interest cost	274	237	202
Current service cost	359	363	357
Contributions by plan participants	199	205	185
Actuarial (gains) losses	727	72	8
Benefits paid	115	-363	46
Exchange differences	296	427	-160
Benefit obligation at 31 December	8'939	6'969	6'028

CHANGES IN THE PLAN ASSETS

Fair value of plan assets at 1 January	6'940	5'985	5'359
Expected return on plan assets	245	214	184
Contributions by plan participants	199	205	185
Contributions by employer	517	632	572
Benefits paid	115	-363	46
Actuarial gains (losses)	-152	-158	-201
Exchange differences	323	425	-160
Fair value of plan assets at 31 December	8'187	6'940	5'985

ASSUMPTIONS

Discount rate	3.25%	3.75%	3.75%
Expected return on plan assets	3.25%	3.25%	3.25%
Future salary increases up to age 54	1.00%	1.00%	1.00%
from age 55	0.00%	0.00%	0.00%
Future pension increases	0.00%	0.00%	0.00%
Probability of termination of service	BVG 2005	BVG 2005	BVG 2005

The Company has no direct or indirect share- or option-based remuneration in favour of employees.

The planned assets of the collective foundation consist of credit balances with the semi-autonomous pension scheme.

For the 2010 business year, the Company anticipates contributions to defined benefit pension plans amounting to approximately TEUR 560.

14. Corporate Taxes

The Company is subject to corporate taxes both in The Netherlands and in Switzerland. All taxes relating to the business years up to and including 2009 are accrued as of 31 December 2009.

The relevant tax rate for The Netherlands is 25.5% (2008: 25.5%). Due to separate taxation of the head office and the branch office in accordance with the valid guidelines in the corresponding countries, there is a difference between the effective tax rate and the relevant tax rate for The Netherlands.

The reconciliation of income taxes is composed as follows:

in TEUR	2009	2008
Income before taxes	18'007	35'949
Expected tax expenses at the current tax rate for 2009 (24%) / 2008 (24%)	-4'322	-8'628
Dissolution of excessive tax provision	0	3'000
Tax reimbursement, difference to effective tax rate	-884	-1'006
Effective tax expenses, net	-5'206	-6'634

The difference to the current tax rate is due to differences between taxation in The Netherlands and Switzerland.

There are no valuation differences that would result in deferred tax assets or liabilities.

The amounts accrued are based on the best currently available information, but due the nature of these accruals, actual amounts calculated could differ from the amounts currently accrued.

Included in the balance sheet is an amount of TEUR 9'275 classified as tax provision. Of this amount EUR 4.25 Mio. (2008: EUR 4.25 Mio.) is a provision relating to uncertainties regarding foreign tax contingencies. The remaining amount is the current tax liability for 2009 and prior years.

15. Fees Paid to External Auditors

Würth Finance International B.V. paid in 2009 fees (including expenses) of TEUR 19 to its external auditors Ernst & Young LLP, the Netherlands (2008: TEUR 19).

16. Transactions with Related Parties

As the operative treasury unit of the Würth Group, the Company is responsible for concentrating and optimising the worldwide flow of payments, managing the financial risks and handling the financing of the Würth Group companies. In addition to all the companies belonging to the Würth Group, "related parties" also includes the members of the Board of Directors and Management, as well as their families and companies closely associated with them.

in TEUR	2009	2008
Receivables from related parties		
Long-term loans to associated companies	626'985	718'462
Loans to family trusts	62'000	8'000
Receivables from associated companies	1'232'394	850'066
Other receivables from related parties	12'297	13'606
Total receivables from related parties	1'933'676	1'590'134
Payables to related parties		
Long-term loans to associated companies	47'222	7'155
Payables to associated companies	598'656	442'145
Other payables to related parties	1'647	0
Total payables to related parties	647'525	449'300

The following tables show the five most significant individual positions with related parties as well as their share of the total amounts:

Receivables from Related Parties

in TEUR	2009	
Würth International AG	415'215	21.5%
Adolf Würth GmbH & Co. KG	172'485	8.9%
Würth Invest AG	130'413	6.7%
Reinhold Würth Holding GmbH	100'000	5.2%
Würth S.r.l.	75'937	3.9%

in TEUR	2008	
Adolf Würth GmbH & Co. KG	475'296	29.9%
Würth Invest AG	133'744	8.4%
Reinhold Würth Holding GmbH	100'000	6.3%
Würth S.r.l.	81'855	5.2%
Würth Leasing GmbH & Co. KG	70'913	4.5%

Payables to Related Parties

in TEUR	2009	
Würth Oy	61'306	9.5%
Würth France SA	51'987	8.0%
Würth Group of North America Inc.	37'447	5.8%
Würth Norge AS	37'262	5.8%
Würth Reinsurance Company, S.A.	27'396	4.2%

in TEUR	2008	
Würth International AG	87'170	19.4%
Würth Group of North America Inc.	37'016	8.2%
Würth Norge AS	35'324	7.9%
Würth France SA	27'382	6.1%
Würth Oy	25'225	5.6%

Transactions with related parties conformed to the usual market terms and conditions. Regarding interest income and expenditures we refer to the disclosures in note 10.

Loans to family trusts of the Würth Group shareholders contain the following loans:

in TEUR	2009	Maturity	Interest Rate
Markus Würth Family Trust	8'000	01.03.2010	2.68%
Bettina Würth Family Trust	13'500	30.06.2010	2.30%
Carmen Würth Family Trust	13'500	30.06.2010	2.30%
Marion Würth Family Trust	13'500	30.06.2010	2.30%
Markus Würth Family Trust	13'500	30.06.2010	2.30%

in TEUR	2008	Maturity	Interest Rate
Markus Würth Family Trust	8'000	31.05.2009	5.44%

These loans are unsecured.

Compensation of Key Management Personnel of the Company

in TEUR	2009	2008
Short-term employee benefits	1'195	1'077
Total compensation paid to key management personnel	1'195	1'077

In 2009 and 2008, no other forms of compensation (post-employment benefits or other long-term benefits, termination benefits, share-based payments) were paid to key management staff.

In the 2009 business year, fees of TEUR 140 were paid to members of the Board of Directors (2008: TEUR 99). Remuneration for the members of Management amounted to TEUR 1'195 (2008: TEUR 1'077).

17. Commitments and Contingencies

The Company has issued guarantees, letters of comfort and letters of credit for companies belonging to the Würth Group. They represent commitments and contingencies in favour of third parties for associated company liabilities. The contingent liabilities include contractual commitments in connection with loans received by the Würth Group of North America (private placements).

The lending commitments, which have been unconditionally and irrevocably guaranteed but not yet utilised, are disclosed at the nominal value.

in TEUR	2009	2008
Guarantees, letters of comfort, letters of credit	195'061	191'862
Total contingent liabilities	195'061	191'862

in TEUR	2009	2008
Not yet utilised, irrevocable lending commitments	6'480	64'801
Total irrevocable lending commitments	6'480	64'801

18. Operating Lease Commitments

in TEUR	2009	2008
Due within one year	668	539
Due after one year but not more than five years	2'764	376

Certain areas of the floor space rented by the Company that is represented in the table above are sub-let to other companies. There are currently three such sub-let agreements. The first and the second contract, amounting to TCHF 74 respectively TCHF 86 per annum run for a fixed term until 31.12.2010. The third contract, totaling TCHF 212 per annum, has a cancellation period of 6 months.

19. Financial Instruments and Risk Management

a) Financial Risk Management

Financial risks are inherent in the Company's business activities, but are carefully measured, controlled and monitored by means of a systematic risk management process. To provide secure auditing and transparent information, a strict segregation is made between the functions of bodies that take risks and those that monitor risks. The financial risks are

measured and monitored without restriction by the Company's risk-controlling bodies. The control of financial risks is affected on the basis of internal directives defined in writing or with reference to strategic guidelines for action. Amendments to the internal directives are made by a defined process and must be approved by the Company's risk controlling bodies.

In order to mitigate the financial risks and optimise income on the financial resources, the Company uses derivative financial instrument transactions. The Company expects that any reduction in value of one such instrument will generally be compensated by a corresponding increase in the value of the underlying hedging transaction.

The financial risks are limited by determining the authorised instruments and by adhering to a limit system on a daily basis. Corresponding reporting by the bodies which control the risk for the attention of the management is effected daily. The management of market risks (security price, interest rate, foreign exchange), credit risks and liquidity risks is described below.

Foreign Currency Risk

Due to its operating activities the Company enters into foreign currency transactions for Group companies worldwide and is therefore exposed to exchange rate fluctuations. The Company deems foreign currency risks to mean the loss risk on the reported assets and revenues arising from the change in the relationship between exchange rates of the exposure currency and the balance sheet currency, the EUR.

For the control of exchange rate risks, individual limits are set for each currency or for each geographical region. To control the currency risks, cash transactions, currency futures transactions, currency swaps, cross-currency swaps and currency options are used. The positions are valued and monitored on a daily basis.

Sensitivity Analysis for Material Foreign Currency Positions as of 31 December

The following table demonstrates the sensitivity to a reasonably possible change in the USD and CHF exchange rate, with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities).

in TEUR	currency	market trend	impact on p/l
2009	USD	10%	-20
		-10%	20
	CHF	10%	757
		-10%	-757
2008	USD	10%	-663
		-10%	1'048
	CHF	10%	3'066
		-10%	-2'681

Balance Sheet by Currency at 31 December 2009

in TEUR	Total	Amounts in EUR countervalue				other TEUR
		TEUR	TUSD	TCHF	TGBP	
ASSETS						
Property, plant and equipment	158	96	0	62	0	0
Long-term loans to associated companies	626'985	547'201	0	63'016	0	16'768
Participations	17'197	49	0	17'148	0	0
Receivables from associated companies	1'232'394	1'108'122	22'048	31'719	10'612	59'893
Loans to family trusts	62'000	62'000	0	0	0	0
Positive replacement values	37'775	37'775	0	0	0	0
Other receivables	16'238	16'032	0	206	0	0
Accrued income & prepaid expenses	653	653	0	0	0	0
Cash	62'194	61'769	229	196	0	0
Total assets	2'055'594	1'833'697	22'277	112'347	10'612	76'661
EQUITY AND LIABILITIES						
Bonds issued	1'034'727	648'218	34'882	351'627	0	0
Provisions for pension plans	752	0	0	752	0	0
Payables to associated companies (long-term)	47'222	40'000	0	0	0	7'222
Payables to associated companies (short-term)	598'656	438'030	53'402	10'673	5'237	91'314
Bonds issued (short-term)	149'914	149'914	0	0	0	0
Payables to banks	2'109	548	0	0	456	1'105
Provisions for taxes	9'275	9'275	0	0	0	0
Negative fair values	6'597	4'930	1'564	103	0	0
Other liabilities	5'507	2'560	910	1'452	531	54
Accrued expenses and deferred income	26'008	19'260	477	6'271	0	0
Shareholders' equity	174'827	174'827	0	0	0	0
Total equity and liabilities	2'055'594	1'487'562	91'235	370'878	6'224	99'695
Net balance sheet position		346'135	-68'958	-258'531	4'388	-23'034
Forward currency contracts		-36'703	37'421	-13'675	-6'596	21'817
Cross-currency swaps		-295'929	27'972	285'503	0	-5'301
Currency options (not delta-weighted)		0	0	0	0	0
Position including derivative instruments		13'503	-3'565	13'297	-2'208	-6'518

Balance Sheet by Currency at 31 December 2008

in TEUR	Total	Amounts in EUR countervalue				other TEUR
		TEUR	TUSD	TCHF	TGBP	
ASSETS						
Property, plant and equipment	249	201	0	48	0	0
Long-term loans to associated companies	718'462	643'046	0	60'284	0	15'132
Participations	17'197	49	0	17'148	0	0
Receivables from associated companies	850'066	744'298	13'969	42'840	8'207	40'752
Loans to family trusts	8'000	8'000	0	0	0	0
Positive fair values	39'738	39'738	0	0	0	0
Other receivables	14'504	13'991	0	513	0	0
Accrued income & prepaid expenses	1'268	1'089	0	179	0	0
Cash	58'643	51'483	564	968	1'376	4'252
Total assets	1'708'127	1'501'895	14'533	121'980	9'583	60'136
EQUITY AND LIABILITIES						
Bonds issued (long-term)	1'034'393	797'383	35'667	201'343	0	0
Provisions for pension plans	29	0	0	29	0	0
Payables to associated companies (long-term)	7'155	0	7'155	0	0	0
Payables to associated companies (short-term)	442'145	311'179	45'311	8'424	2'205	75'026
Bonds issued (short-term)	0	0	0	0	0	0
Payables to banks	1'887	0	0	0	0	1'887
Provisions for taxes	7'151	7'151	0	0	0	0
Negative fair values	17'700	14'626	2'902	172	0	0
Other liabilities	3'979	552	935	1'936	507	49
Accrued expenses and deferred income	24'662	20'304	488	3'870	0	0
Shareholders' equity	169'026	169'026	0	0	0	0
Total equity and liabilities	1'708'127	1'320'221	92'458	215'774	2'712	76'962
Net balance sheet position		181'674	-77'925	-93'794	6'871	-16'826
Forward currency contracts		27'617	26'685	-76'552	-7'494	20'520
Cross-currency swaps		-225'644	39'350	201'884	0	-5'266
Currency options (not delta-weighted)		0	56	0	0	0
Position including derivative instruments		-16'353	-11'834	31'538	-623	-1'572

Interest Rate Risk

The Company finances Würth Group companies all over the world and is consequently exposed to interest rate risks. The Company deems interest rate risk to mean the negative impact on the financial position and the earnings situation arising from changes in the interest rates in all currencies. A significant proportion of loans to Group companies are refinanced by

fixed-interest bonds with similar interest and maturity structures. The maximum willingness to take risks in the interest rate sector is defined by sensitivity in relation to the equity capital. In the event of adverse changes in the interest rates on the individual currencies by 100 basis points, the maximum loss potential is related to the equity. The Company keeps the impact of interest rate changes on the equity capital base or on the asset and income situation to a minimum and is guided in the medium term by a maximum equity sensitivity of 4%. Furthermore, the Company uses derivative instruments to optimise the financial structure.

Sensitivity Analysis of Equity as of 31 December in TEUR:

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates, with all other variables held constant, of the Company's equity. There is only an immaterial impact on the Company's equity.

SENSITIVITY OF EQUITY 2009

Currency	Change in basis points	≤6 months	6 months to 1 year	1 - 5 years	>5 years	Total
EUR	100	-37	-548	7'138	-3'739	2'814
USD	100	5	-32	40	0	13
CHF	100	-51	148	-813	-122	-838
others	100	-195	0	90	0	-105

SENSITIVITY OF EQUITY 2009

Currency	Change in basis points	≤6 months	6 months to 1 year	1 - 5 years	>5 years	Total
EUR	-100	24	557	-7'419	4'018	-2'820
USD	-100	3	22	-29	0	-4
CHF	-100	13	-73	712	185	837
others	-100	179	0	-93	0	86

SENSITIVITY OF EQUITY 2008

Currency	Change in basis points	≤6 months	6 months to 1 year	1 - 5 years	>5 years	Total
EUR	100	-74	-288	3'010	-618	2'030
USD	100	-3	-27	-27	0	-57
CHF	100	5	82	-1'104	-396	-1'413
others	100	2	-3	-223	0	-224

SENSITIVITY OF EQUITY 2008

Currency	Change in basis points	≤6 months	6 months to 1 year	1 - 5 years	>5 years	Total
EUR	-100	74	288	-3'010	618	-2'030
USD	-100	3	27	27	0	57
CHF	-100	-5	-82	1'104	396	1'413
others	-100	-2	3	223	0	224

Balance Sheet by Maturity at 31 December 2009

in TEUR	Total	Maturity			
		sight	< 1 year	1-5 years	> 5 years
ASSETS					
Property, plant and equipment	158	158	0	0	0
Long-term loans to associated companies	626'985	0	0	529'142	97'843
Other financial assets	17'197	17'197	0	0	0
Receivables from associated companies	1'232'394	1'232'394	0	0	0
Loans to family trusts	62'000	0	62'000	0	0
Positive replacement values	37'775	37'775	0	0	0
Other receivables	16'238	16'238	0	0	0
Accrued income and prepaid expenses	653	653	0	0	0
Cash	62'194	62'194	0	0	0
Total assets	2'055'594	1'366'609	62'000	529'142	97'843
EQUITY AND LIABILITIES					
Bonds issued (long-term)	1'034'727	0	0	884'297	150'430
Provisions for pension plans	752	0	752	0	0
Payables to associated companies (long-term)	47'222	0	0	47'222	0
Payables to associated companies (short-term)	598'656	439'139	159'517	0	0
Bonds issued (short-term)	149'914	0	149'914	0	0
Payables to banks	2'109	2'109	0	0	0
Provisions for taxes	9'275	9'275	0	0	0
Negative replacement values	6'597	6'597	0	0	0
Other liabilities	5'507	5'507	0	0	0
Accrued expenses and deferred income	26'008	26'008	0	0	0
Shareholders' equity	174'827	174'827	0	0	0
Total equity and liabilities	2'055'594	663'462	310'183	931'519	150'430
Net balance sheet position		703'147	-248'183	-402'377	-52'587
Interest rate swaps			11'641	23'504	67'177
Position including derivative instruments		703'147	-236'542	-378'873	14'590

Balance Sheet by Maturity at 31 December 2008

in TEUR	Total	sight	Maturity < 1 year	1-5 years	> 5 years
ASSETS					
Property, plant and equipment	249	249	0	0	0
Long-term loans to associated companies	718'462	0	0	481'702	236'760
Other financial assets	17'197	17'197	0	0	0
Receivables from associated companies	850'066	562'656	287'410	0	0
Loans to family trusts	8'000	0	8'000	0	0
Positive replacement values	39'738	39'738	0	0	0
Other receivables	14'504	14'504	0	0	0
Accrued income and prepaid expenses	1'268	1'268	0	0	0
Cash	58'643	58'643	0	0	0
Total assets	1'708'127	694'255	295'410	481'702	236'760
EQUITY AND LIABILITIES					
Bonds issued (long-term)	1'034'393	0	0	738'912	295'481
Provisions for pension plans	29	0	29	0	0
Payables to associated companies (long-term)	7'155	0	0	7'155	0
Payables to associated companies (short-term)	442'145	403'205	38'940	0	0
Bonds issued (short-term)	0	0	0	0	0
Payables to banks	1'887	1'887	0	0	0
Provisions for taxes	7'151	7'151	0	0	0
Negative replacement values	17'700	17'700	0	0	0
Other liabilities	3'979	3'979	0	0	0
Accrued expenses and deferred income	24'662	24'662	0	0	0
Shareholders' equity	169'026	169'026	0	0	0
Total equity and liabilities	1'708'127	627'610	38'969	746'067	295'481
Net balance sheet position		66'645	256'441	-264'365	-58'721
Interest rate swaps			16'635	11'177	120'000
Position including derivative instruments		66'645	273'076	-253'188	61'279

Balance Sheet by Interest at 31 December 2009

in TEUR	Total	Fixed interest	Variable interest	Not directly interest related
ASSETS				
Property, plant and equipment	158	0	0	158
Long-term loans to associated companies	626'985	626'985	0	0
Other financial assets	17'197	0	0	17'197
Receivables from associated companies	1'232'394	971'110	196'550	64'734
Loans to family trusts	62'000	62'000	0	0
Positive replacement values	37'775	0	35'807	1'968
Other receivables	16'238	0	16'238	0
Accrued income and prepaid expenses	653	0	0	653
Cash	62'194	0	62'194	0
Total assets	2'055'594	1'660'095	310'789	84'710
EQUITY AND LIABILITIES				
Bonds issued (long-term)	1'034'727	934'895	99'832	0
Provisions for pension plans	752	752	0	0
Payables to associated companies (long-term)	47'222	47'222	0	0
Payables to associated companies (short-term)	598'656	159'517	439'139	0
Bonds issued (short-term)	149'914	149'914	0	0
Payables to banks	2'109	0	2'109	0
Provisions for taxes	9'275	0	0	9'275
Negative replacement values	6'597	0	5'915	682
Other liabilities	5'507	0	0	5'507
Accrued expenses and deferred income	26'008	0	0	26'008
Shareholders' equity	174'827	0	0	174'827
Total equity and liabilities	2'055'594	1'292'300	546'995	216'299
Net balance sheet position		367'795	-236'206	-131'589

Balance Sheet by Interest at 31 December 2008

in TEUR	Total	Fixed interest	Variable interest	Not directly interest related
ASSETS				
Property, plant and equipment	249	0	0	249
Long-term loans to associated companies	718'462	718'462	0	0
Other financial assets	17'197	0	0	17'197
Receivables from associated companies	850'066	421'127	360'610	68'329
Loans to family trusts	8'000	8'000	0	0
Positive replacement values	39'738	0	37'020	2'718
Other receivables	14'504	0	14'504	0
Accrued income and prepaid expenses	1'268	0	0	1'268
Cash	58'643	0	58'643	0
Total assets	1'708'127	1'147'589	470'777	89'761
EQUITY AND LIABILITIES				
Bonds issued (long-term)	1'034'393	1'034'393	0	0
Provisions for pension plans	29	29	0	0
Payables to associated companies (long-term)	7'155	7'155	0	0
Payables to associated companies (short-term)	442'145	38'940	403'205	0
Bonds issued (short-term)	0	0	0	0
Payables to banks	1'887	0	1'887	0
Provisions for taxes	7'151	0	0	7'151
Negative replacement values	17'700	0	5'277	12'423
Other liabilities	3'979	0	0	3'979
Accrued expenses and deferred income	24'662	0	0	24'662
Shareholders' equity	169'026	0	0	169'026
Total equity and liabilities	1'708'127	1'080'517	410'369	217'241
Net balance sheet position		67'072	60'408	-127'480

Credit Risk

In order to minimise credit risks, transactions are only conducted with first-class external counterparties. Banks are required to have a minimum rating of "A-" in terms of Standard & Poor's nomenclature. For each rating level, binding counterparty limits are defined. Their absolute value is the subject of a regular critical review by the supervisory bodies and is adjusted if necessary. Intra-Group counterparties are monitored by the Company, together with the appropriate member of the Group's management board, and granted a credit limit. ISDA agreements are concluded with those counterparties with whom the Company carries out transactions within the framework of financial risk management. The corresponding credit

rating of the internal and external counterparties and the limitation on aggregated individual party risks are constantly monitored.

The counterparty risks relating to delcredere business were transferred in full to reinsurance companies.

The maximum credit risk corresponds to the value of all the financial assets and unused irrevocable credit commitments stated in the annual accounts. Any credit risks relating to loans to individual Würth Group companies are covered by letters of credit from the superordinate parent company.

Credit Risk at 31 December

in TEUR	2009	2008
Total Long-term	626'985	718'462
Würth group companies		
Electrical wholesaling	24'301	8'266
Electronics	17'000	10'000
Finance	169'546	194'002
Trade	209'396	253'138
Industry	22'249	21'000
Production	44'493	44'870
Administration	140'000	187'186
Total Short-term	1'294'394	858'066
Würth group companies		
Electrical wholesaling	9'918	10'269
Electronics	8'500	0
Finance	19'220	174'852
Trade	186'675	229'093
Industry	3'881	4'112
IT	0	0
Production	54'615	9'955
Administration	619'967	8'000
Current accounts	391'618	421'785
Cash	62'194	58'643
Positive replacement values of derivative instruments	37'775	39'738
Other receivables	16'238	14'504
Contingent liabilities	195'061	191'862
Irrevocable lending commitments	6'480	64'801
Total gross credit risk	2'239'127	1'946'076

The Company performs the treasury functions for the Würth Group. Therefore there is no difference between the gross and net credit risk. Bank deposits are invested at banks with a minimal rating of "A-". There are no overdue or impaired positions within the category of items underlying credit risks. Therefore no value adjustments were accounted for or are required.

Liquidity Risk

The Würth Group needs sufficient liquidity to fulfill its financial liabilities. In compliance with the superordinate Würth Group policy, Würth Group companies are required to transfer their excess liquidity to the Company and, with the latter's support, to make it available to other Würth Group companies to bridge over any potential shortages in liquidity.

The objective of the liquidity management is to ensure that the Würth Group will be able to meet its payment obligations. The liquidity situation is monitored by the Cash Management department.

The high international creditworthiness of the Würth Group (Standard & Poor's has awarded its non-current liabilities an "A" and Fitch an "A-" rating) allows the Company to raise liquid funds in the international capital markets on favourable conditions. To meet its payment obligations at all times, even in exceptional situations, the Company additionally arranges credit lines with various banks to cover any potential liquidity requirements.

Additionally the Company established a committed credit line of EUR 150 Mio. The syndicate providing the funds consist of a total of seven banks. The credit line is granted until 25 July 2013 and is guaranteed by Adolf Würth GmbH & Co. KG, Künzelsau and by Reinhold Würth Holding GmbH, Künzelsau.

b) Derivative Financial Instruments

Positions at 31 December 2009

in TEUR	Notional value	Positive fair values	Negative fair values
FOREIGN EXCHANGE INSTRUMENTS			
Forward foreign exchange contracts	609'049	1'968	-682
Total foreign exchange instruments	609'049	1'968	-682
INTEREST RATE INSTRUMENTS			
Interest rate swaps	205'673	9'062	-2'315
Cross-currency swaps	322'575	26'745	-3'600
Total interest rate instruments	528'248	35'807	-5'915
Total derivative financial instruments	1'137'297	37'775	-6'597

Positions at 31 December 2008

in TEUR	Notional value	Positive fair values	Negative fair values
FOREIGN EXCHANGE INSTRUMENTS			
Forward foreign exchange contracts	597'554	2'663	-12'424
Currency options (OTC)	5'600	56	0
Total foreign exchange instruments	603'154	2'719	-12'424
INTEREST RATE INSTRUMENTS			
Interest rate swaps	280'722	12'106	-3'409
Cross-currency swaps	244'600	24'913	-1'867
Total interest rate instruments	525'322	37'019	-5'276
Total derivative financial instruments	1'128'476	39'738	-17'700

ISDA master agreements are concluded with those counterparties with whom transactions are carried out within the framework of financial risk management. For this reason, the positive and negative replacement values of the interest rate instruments are recorded in the financial statements (balance sheet, income statement) in net terms.

The foreign currency instruments are mainly used to hedge the currency positions in USD, CHF and GBP recorded in the balance sheet; EUR 1.8 Mio. (2008 EUR 6.7 Mio.) have a maturity date of less than 12 months, EUR 25.2 Mio. (2008: EUR 241.2 Mio.) mature in 1-5 years and EUR 4.2 Mio. have a maturity of more than 5 years (2008: EUR 0 Mio.).

The interest rate instruments are mainly used to hedge currency and interest rate risks on non-congruent asset and liability positions in EUR, USD and CHF. The maximum maturity is 5 years 7 months.

c) Fair value of Financial Instruments at 31 December (in TEUR)

ASSETS	Carrying amount			Fair value
	2009	2008	2009	2008
FINANCIAL ASSETS				
Long-term loans to associated companies	626'985	718'462	656'959	781'397
Participations in Group companies	17'197	17'197	17'197	17'197
Total financial assets	644'182	735'659	674'156	798'594
CURRENT ASSETS				
Receivables from associated companies	1'232'394	850'066	1'232'394	850'066
Loans to family trusts	62'000	8'000	62'000	8'000
Positive replacement values of derivative instruments	37'775	39'738	37'775	39'738
Cash	62'194	58'643	62'194	58'643
Total current assets	1'394'363	956'447	1'394'363	956'447
EQUITY AND LIABILITIES				
NON-CURRENT LIABILITIES				
Bonds issued	1'034'727	1'034'393	1'112'976	1'038'885
Long-term loans to associated companies	47'222	7'155	49'363	8'027
Total non-current liabilities	1'081'949	1'041'548	1'162'339	1'046'912
CURRENT LIABILITIES				
Bonds issued	149'914	0	151'299	0
Payables to associated companies	598'656	442'145	598'656	442'145
Payables to banks	2'109	1'887	2'109	1'887
Negative replacement values of derivative instruments	6'597	17'700	6'597	17'700
Total current liabilities	757'276	461'732	758'661	461'732

A majority of the financial instruments were generated by the Company itself and are valued at amortised costs. The "fair value through profit & loss" category as laid down in IAS 39 is solely applied to securities and derivative financial instruments. On the other hand, the categories, "held-to-maturity" and "available-for-sale", are not applied by the Company.

The fair value of long-term receivables and liabilities is calculated using the DCF method.

Fair Value Hierarchy

As at 31 December 2009, the Company held the following financial instruments measured at fair value:

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Assets and liabilities measured at fair value as at 31 December 2009 (in TEUR)

ASSETS	Level 1	Level 2	Level 3	Total Fair Value
Derivative financial instruments				
Interest rate swaps	0	9'062	0	9'062
Cross-currency swaps	0	26'745	0	26'745
Forward foreign exchange contracts	1'968	0	0	1'968
Total derivative financial instruments	1'968	35'807	0	37'775
Fair Value through profit and loss				
Receivables from associated companies	0	1'889'353	0	1'889'353
Loans to family trusts	0	62'000	0	62'000
Cash	62'194	0	0	62'194
Participations in Group companies	0	0	17'197	17'197
Total financial instruments fair value through profit and loss	62'194	1'951'353	17'197	2'030'744
LIABILITIES				
Derivative financial instruments				
Interest rate swaps	0	2'315	0	2'315
Cross-currency swaps	0	3'600	0	3'600
Forward foreign exchange contracts	682	0	0	682
Total derivative financial instruments	682	5'915	0	6'597
Other liabilities at fair value				
Bonds issued	0	1'264'275	0	1'264'275
Payables to associated companies	0	648'019	0	648'019
Payables to banks	2'109	0	0	2'109
Total other liabilities at fair value through profit and loss	2'109	1'912'294	0	1'914'403

During the reporting period ending 31 December 2009, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

Capital Management

The primary objective of the Company's capital management is to ensure a strong credit rating towards external parties. The Company manages its capital structure and makes adjustments to it based on the equity ratio and the return on equity.

20. Segment Information

The Company provides segment reporting by business line. Segment reporting by geographic areas is not considered meaningful as the Company only provides services from The Netherlands and Switzerland and only to Würth Group companies.

Income Statement at 31 December 2009

in TEUR	Group Financing	Trading	Services	Central Services	Total
INCOME					
Interest income	59'581	94		35	59'710
Interest expense	-53'981	-538		-8	-54'527
Total interest income	5'600	-444	0	27	5'183
Income from factoring activities	10'661				10'661
Income from commission and service fee activities			10'017		10'017
Income from trading with financial instruments		3'250			3'250
Other ordinary income				784	784
Segment income	16'261	2'806	10'017	811	29'895
EXPENSE					
Personnel costs	-806	-774	-1'369	-3'334	-6'283
Other administrative expenses				-5'502	-5'502
Depreciation				-103	-103
Depreciation/amortisation Group companies				0	0
Segment expense	-806	-774	-1'369	-8'939	-11'888
Segment result	15'455	2'032	8'648	-8'128	18'007
Taxes				-5'206	-5'206
Net profit for the year					12'801

All investments and amortisation activities were allocated to the Central Services segment.

Balance Sheet at 31 December 2009

in TEUR	Group financing	Trading	Services	Central Services	Total
INTANGIBLE ASSETS					
Software					0
PROPERTY, PLANT AND EQUIPMENT					
Operating equipment & furnishings				158	158
FINANCIAL ASSETS					
Long-term loans to associated companies	626'985				626'985
Participations in Group companies				17'197	17'197
Total non current assets	626'985	0	0	17'355	644'340
CURRENT ASSETS					
Receivables from associated companies	1'232'394				1'232'394
Positive replacement values of derivative instruments	35'807	1'968			37'775
Other receivables				16'238	16'238
Loans to family trusts	62'000				62'000
Accrued income and prepaid expenses				653	653
Cash in bank	62'194				62'194
Total current assets	1'392'395	1'968	0	16'891	1'411'254
Total segment assets	2'019'380	1'968	0	34'246	2'055'594
SHAREHOLDERS' EQUITY					
Capital subscribed and paid in				16'000	16'000
Retained earnings				146'026	146'026
Net profit for the year				12'801	12'801
Total shareholders' equity	0	0	0	174'827	174'827
NON-CURRENT LIABILITIES					
Bonds issued long-term	1'034'727				1'034'727
Payables to associated companies	47'222				47'222
Provisions for pension plans				752	752
Total non-current liabilities	1'081'949	0	0	752	1'082'701
CURRENT LIABILITIES					
Bonds issued (short-term)	149'914				149'914
Payables to associated companies	598'656				598'656
Payables to banks	2'109				2'109
Provisions for taxes				9'275	9'275
Negative replacement values of derivative instruments	5'915	682			6'597
Other liabilities				5'507	5'507
Accrued expenses and deferred income				26'008	26'008
Total current liabilities	756'594	682	0	40'790	798'066
Segment liabilities	1'838'543	682	0	216'369	2'055'594
Number of employees	8	4	18	20	50

Income Statement at 31 December 2008

in TEUR	Group Financing	Trading	Services	Central Services	Total
INCOME					
Interest Income					
Interest income	85'510	225		67	85'802
Interest expense	-64'143	-485		-42	-64'670
Total interest income	21'367	-260		25	21'132
Income from factoring activities	13'639				13'639
Income from commission and service fee activities			10'640		10'640
Income from trading with financial instruments		4'928			4'928
Other ordinary income				505	505
Segment income	35'006	4'668	10'640	530	50'844
EXPENSE					
Personnel costs	-749	-909	-1'009	-2'711	-5'378
Other administrative expenses				-5'888	-5'888
Depreciation				-129	-129
Depreciation/amortisation Group companies				-3'500	-3'500
Segment expense	-749	-909	-1'009	-12'228	-14'895
Segment result	34'257	3'759	9'631	-11'698	35'949
Taxes				-6'634	-6'634
Net profit for the year					29'315

Balance sheet at 31 December 2008

in TEUR	Group financing	Trading	Services	Central Services	Total
INTANGIBLE ASSETS					
Software					
PROPERTY, PLANT AND EQUIPMENT					
Operating equipment & furnishings				249	249
FINANCIAL ASSETS					
Long-term loans to associated companies	718'462				718'462
Participations in Group companies				17'197	17'197
Total non current assets	718'462	0	0	17'446	735'908
CURRENT ASSETS					
Receivables from associated companies	850'066				850'066
Positive replacement values of derivative instruments	39'173	565			39'738
Other receivables				14'504	14'504
Loans to family trusts	8'000				8'000
Accrued income and prepaid expenses				1'268	1'268
Cash in bank	58'643				58'643
Total current assets	955'882	565	0	15'772	972'219
Total segment assets	1'674'344	565	0	33'218	1'708'127
SHAREHOLDERS' EQUITY					
Capital subscribed and paid in				16'000	16'000
Retained earnings				123'711	123'711
Net profit for the year				29'315	29'315
Total shareholders' equity	0	0	0	169'026	169'026
NON CURRENT LIABILITIES					
Bonds issued long-term	1'034'393				1'034'393
Payables to associated companies	7'155				7'155
Provisions for pension plans				29	29
Total non-current liabilities	1'041'548	0	0	29	1'041'577
CURRENT LIABILITIES					
Bonds issued (short-term)	0				0
Payables to associated companies	442'145				442'145
Payables to banks	1'887				1'887
Provisions for taxes				7'151	7'151
Negative replacement values of derivative instruments	17'700				17'700
Other liabilities				3'979	3'979
Accrued expenses and deferred income				24'662	24'662
Total current liabilities	461'732	0	0	35'792	497'524
Segment liabilities	1'503'280	0	0	204'847	1'708'127
Number of employees	9	5	20	21	55

Amsterdam and Küsnacht, 23 March 2010

J. Michel
Managing Director NL/CH

R. Fust
Managing Director NL/CH

OTHER INFORMATION

Additional information as of 31 December 2009

1. The Company's Articles of Incorporation provide for the net profit for the year to be fundamentally put at the disposal of the shareholders.
2. The Board of Directors proposes to allocate the net income of TEUR 12'801 to retained earnings.
3. The Company has the following branch:

Würth Finance International B.V.

Küsnacht/ Zurich Branch

Seestrasse 39

8700 Küsnacht

Switzerland

AUDITOR'S REPORT

Report on the company financial statements

We have audited the company financial statements for the year ended 2009 which are part of the financial statements of Würth Finance International B.V., Amsterdam, which comprise the balance sheet as at December 31, 2009, the profit and loss account, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility

Management of the company is responsible for the preparation and fair presentation of the company financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the company financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the company financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the company financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the company financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the company financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the company financial statements.

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

Opinion

In our opinion, the company financial statements give a true and fair view of the financial position of Würth Finance International B.V. as at December 31, 2009, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part f of the Netherlands Civil Code, we report, to the extent of our competence, that the management board report is consistent with the company financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Amsterdam, 13 April 2010

for Ernst & Young Accountants LLP

signed by J.C.J. Preijde