

HAVELLS SYLVANIA SWITZERLAND AG

BALANCE SHEET AT 31 DECEMBER 2014

Expressed in Swiss Francs

<u>Assets</u>	31.12.2013	31.12.2014
<b>Current assets</b>		
Cash and banks	117'085	42'659
Intercompany accounts receivable	672'099	185'275
Other accounts receivable including VAT	0	0
Prepaid and other assets	40'356	23'028
Prepaid taxes	0	0
Intercompany loan	0	0
Loan to shareholder	2'777'798	2'777'950
<b>Total current assets</b>	<b>3'607'338</b>	<b>3'028'912</b>
<b>Fixed assets</b>		
Fixed assets cost	430'703	424'946
Accumulated depreciation	-409'175	-408'972
<b>Net fixed assets</b>	<b>21'528</b>	<b>15'974</b>
<b>Total assets</b>	<b>3'628'866</b>	<b>3'044'886</b>
<b><u>Liabilities and shareholder's equity</u></b>		
<b>Liabilities</b>		
Trade accounts payable	72'912	11'037
Intercompany accounts payable	28'498	7'103
Other payable including VAT	44'103	57'592
Accrued expenses	76'328	77'090
Accrued taxes	561'000	52'000
Intercompany loan	1'051'064	767'324
<b>Total liabilities</b>	<b>1'833'905</b>	<b>972'146</b>
<b>Shareholder's equity</b>		
Share capital	100'000	100'000
General legal reserve	50'000	50'000
Retained earnings	1'644'961	1'922'740
<b>Total shareholder's equity</b>	<b>1'794'961</b>	<b>2'072'740</b>
<b>Total liabilities and shareholder's equity</b>	<b>3'628'866</b>	<b>3'044'886</b>

See notes to financial statements



Robert Immer



Co Braber

HAVELLS SYLVANIA SWITZERLAND AG

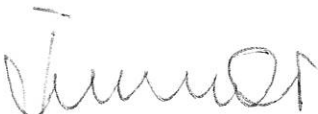
PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2014

Expressed in Swiss Francs

	31.12.2013	31.12.2014
Sales commission	1'678'774	1'670'519
<b>Gross margin</b>	<b>1'678'774</b>	<b>1'670'519</b>
Personnel expenses	-1'143'890	-1'098'224
Other operating expenses	-404'182	-449'260
Depreciation	-8'228	-5'553
Intercompany charges	-108'238	-80'130
Management fees	0	0
<b>Operating Profit / (loss)</b>	<b>14'236</b>	<b>37'352</b>
Interest income	157'831	53'609
Other non-operating expenses	0	0
Net foreign exchange gains / (losses)	-512	-79
<b>Result bevor taxation</b>	<b>171'555</b>	<b>90'882</b>
Taxes	-36'198	186'897
<b>Net Income / (loss) for the year</b>	<b>135'357</b>	<b>277'779</b>

See notes to financial statements



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## HAVELLS SYLVANIA SWITZERLAND AG

NOTES TO FINANCIAL STATEMENTS AS OF 31 DECEMBER 2014

### Note 1 - Activity of the company

Havells Sylvania Switzerland AG (hereinafter "the Company") is a wholly owned subsidiary of Flowil International Lighting (Holding) BV, Netherlands.

The company provides worldwide services to various affiliated companies of the group and distributes lighting products of Havells India Ltd.

### Note 2 - Accounting policies

The financial statements based on the historical cost principle are in conformity with the following principles:

#### Foreign currencies

The company records its purchases and sales in various currencies and prepares Swiss francs financial statements for statutory purposes. In the enclosed financial statements the account balances held in currencies other than Swiss francs are converted as follows:

- Assets and liabilities at the rate of the financial statement date;
- Revenues and expenses at the rate of the last day of the previous month.

#### Fixed assets valuation

Fixed assets are valued at their historical cost. The depreciation is based upon the straight-line method over the estimated economic life.

#### Taxes

Income taxes are covered by a provision. Taxes on shareholder's equity are also payable by the Company.

### Note 3 - Fixed assets

As of 31 December 2014, the fire risk insurance for fixed assets amounted to CHF 159'025 (2013: CHF 154'076)

### Note 4 - Off-Balance sheet commitments

As of 31 December 2014, the commitments on the current rental- and leasing contracts amounted to CHF 207'379 (2013: CHF 248'777)

#### Risk evaluation

Havells Sylvania Switzerland AG is a wholly owned subsidiary of Flowil International Lighting (Holding) BV, Netherlands. Based on the structure of an agency the operational risks are minimal. A risk for Havells Sylvania Switzerland AG exists in view of the continuation of the agency agreement with a notice period of 6 months for the year end. This risk is actually considered as minimal. In the administrative board meetings, which normally take place twice a year, this risk is evaluated and put to protocol.

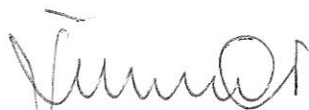
# HAVELLS SYLVANIA SWITZERLAND AG

## PROPOSED APPROPRIATION OF AVAILABLE EARNINGS

AT 31 DECEMBER 2014

Expressed in Swiss Francs

	<b>31.12.2013</b>	<b>31.12.2014</b>
Retained earnings brought forward	11'309'604	1'644'961
Profit / (loss) for the year	135'357	277'779
Retained earnings available	----- 11'444'961	----- 1'922'740
Dividend payment	-9'800'000	0
Retained earnings carried forward	----- 1'644'961	----- 1'922'740



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