Wintershall Dea GmbH Consolidated Interim Financial Statements for the Period May 1 – June 30, 2019

(with comparable period Jan – Feb 2019)

Consolidated Statement of Income

EUR million	May - June 2019	Jan - Feb 2019
Sales revenues gas and oil	724	651
Sales revenues gas transport /midstream	39	37
Sales revenues other	81	88
Net income from equity - accounted investments: gas and oil	3	9
Net income from equity - accounted investments: gas transport / midstream	21	20
Other operating income	44	3
	912	808
Production and operating expenses	-325	-330
Production and similar taxes	-33	-19
Depreciation and amortization	-300	-148
Net impairments on assets	-	-
Cost of sales gas transport / midstream	-6	-7
Exploration expenses	-35	-44
General and administration expenses	-44	-226
Result from operating activities	169	34
Financial income	31	17
Financial expenses	-38	-18
Financial result	-7	-1
Result before taxes	**162**	**33**
Income taxes	-29	-12
Net result	**133**	**21**
Net result attributable to shareholders	**123**	**12**
Net result attributable to non-controlling interests	10	9

Consolidated Statement of Comprehensive Income

EUR million	May - June 2019	Jan - Feb 2019
Net result	**133**	**21**
Actuarial gains/losses	-59	-
Items that will not be reclassified to income statement at a later date, recognized directly in equity	**-59**	**0**
Unrealized gains/losses on currency translation	-27	74
Gains/losses after taxes from investments accounted for using the equity method that are eligible for reclassification	-1	-
Changes in the fair value of financial instruments in hedge relationship	25	-
Income and expenses that will be reclassified to the statement of income at a later date, recognized directly in equity	**-3**	**74**
Other comprehensive income (net tax)	**-62**	**74**
Total comprehensive income	**71**	**95**
Total comprehensive income attributable to shareholders	61	86
Total comprehensive income attributable to non-controlling interests	10	9

Consolidated Balance Sheet

EUR million	June 30, 2019	April 30, 2019
Assets		
Non-current assets		
Goodwill	3,016	1,072
Exploration assets	1,808	140
Other intangible assets	3,290	745
Property, plant and equipment, and investment property	10,595	6,311
Investments valued at equity	2,131	2,191
Other financial assets	5	2
Financial receivables	942	905
Derivative instruments	28	-
Other receivables	77	50
Deferred tax assets	433	270
	22,325	11,686
Current assets		
Inventories	234	143
Financial receivables	938	731
Trade and other receivables	1,242	803
Derivative instruments	73	17
Income tax assets	13	19
Cash and cash equivalents	977	889
	3,477	2,602
	25,802	**14,288**

EUR million	June 30, 2019	April 30, 2019
Equity and Liabilities		
Equity		
Subscribed capital	189	105
Capital reserve	7,411	1,173
Retained earnings and other comprehensive income	1,903	1,841
Shareholder's equity	9,503	3,119
Non-controlling interests	164	154
	9,667	3,273
Non-current liabilities		
Pension provisions	598	344
Decommissioning provisions	2,480	1,633
Other provisions	208	199
Financial debt	2,676	1,526
Derivative instruments	2	-
Income tax liabilities	17	1
Other liabilities	45	20
Deferred tax liabilities	3,913	1,203
	9,939	4,926
Current liabilities		
Decommissioning provisions	52	27
Other provisions	403	103
Financial debt	4,250	1,630
Trade and other payables	1,170	4,104
Derivative instruments	70	35
Income tax liabilities	251	190
	6,196	6,089
	25,802	**14,288**

Consolidated Statement of Changes in Equity

EUR million	Subscribed capital of Wintershall Dea GmbH	Capital reserves of Wintershall Dea GmbH	Retained earnings and net retained profit	Other comprehensive income: Remeasurement of benefit plans	Other comprehensive income: Foreign currency translation	Other comprehensive income: Cash flow hedges	Share-holder's equity	Non-controlling interests	Total
As of May 1, 2019	**105**	**1,172**	**2,854**	**-142**	**-834**	**-36**	**3,119**	**154**	**3,273**
Other comprehensive income	-	-	-	-59	-27	24	-62	-	-62
Net result	-	-	123	-	-	-	123	10	133
Total comprehensive Income	0	0	123	-59	-27	24	61	10	71
Capital increase/ decrease	84	6,239	-	-	-	-	6,323	-	6,323
Dividend distribution	-	-	-	-	-	-	0	-	0
Other changes	-	-	-	-	-	-	0	-	0
As of June 30, 2019	**189**	**7,411**	**2,977**	**-201**	**-861**	**-12**	**9,503**	**164**	**9,667**
As of Jan 1, 2019	**105**	**1,266**	**3,134**	**-119**	**-1,017**	**-38**	**3,331**	**136**	**3,467**
Other comprehensive income	-	-	-	-	74	-	74	-	74
Net result	-	-	12	-	-	-	12	9	21
Total comprehensive Income	0	0	12	0	74	0	86	9	95
Capital increase/ decrease	-	-	-	-	-	-	0	-	0
Profit transfer/distribution	-	-	-	-	-	-	0	-	0
Dividend distribution	-	-	-	-	-	-	0	-	0
Other changes	-	-	-	-	-	-	0	-	0
As of Feb 28, 2019	**105**	**1,266**	**3,146**	**-119**	**-943**	**-38**	**3,417**	**145**	**3,562**

Consolidated Statement of Cash Flows

EUR million	May - June 2019	Jan - Feb 2019
Net result	**133**	**21**
Amortization/depreciation/impairment losses/reversal of impairment losses	319	172
Changes in working capital	-14	47
Miscellaneous items	-114	78
Cash flow from operating activities	**324**	**318**
Payments for intangible assets, property, plant and equipment and investment property	-270	-64
Payments for financial assets	0	-
Payments for acquisitions	-	-
Proceeds from the disposal of non-current assets	7	-
Proceeds from divestitures	33	-
Payments for financial receivables	-45	-
Cash flow from investing activities	**-275**	**-64**
Payments to shareholders	-1,300	-
Repayments of shareholder loans	-242	-154
Proceeds from shareholder loans	-	51
Change in financial liabilities (related parties)	-35	-
Repayments of debt to banks	-1,892	-
Proceeds from debt to banks	3,344	21
Repayment of lease liabilities	-10	-6
Cash flow from financing activities	**-135**	**-88**
Change in cash and cash equivalents	**-86**	**166**
Effects of foreign exchange rates changes, consolidation-related changes and other changes in value	174	13
Cash and cash equivalents at beginning of reporting period	**889**	**219**
Cash and cash equivalents at end of reporting period	**977**	**398**

Notes to the Condensed Consolidated Financial Statements

NOTE 1 – CONSOLIDATED FINANCIAL STATEMENTS

Basis of Presentation

Wintershall Dea GmbH (formerly Wintershall Holding GmbH) is a German limited company (registration court: Local Court (Amtsgericht) of Lüneburg; entry no.: HRB 200519) and has its registered office in Celle, Lower Saxony, Germany. The headquarters are in Kassel (Friedrich-Ebert-Strasse 160 in 34119 Kassel) and Hamburg (Überseering 40 in 22297 Hamburg), Germany.

The condensed interim financial statements of Wintershall Dea GmbH and its subsidiaries ("Wintershall Dea" or the "Company") have been prepared in accordance with the International Financial Reporting Standards (IFRS) applicable in the EU.

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Company's last annual consolidated financial statements as at and for the year ended April 30, 2019. They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

Effective May 1, 2019, pursuant to the merger contemplated by the Business Combination Agreement, dated as of September 27, 2018, Wintershall Dea Deutschland AG (formerly DEA Deutsche Erdoel AG) was merged with and into Wintershall Dea GmbH. As a result, Wintershall Dea Deutschland AG became a subsidiary of Wintershall Dea GmbH.

Effective with the Merger, Wintershall Dea Deutschland AG and subsidiaries are included in Wintershall Dea consolidated tax groups and related income tax returns within certain jurisdictions.

As the comparative figures do not comprise Wintershall Dea Deutschland AG, reporting and preceding period are only comparable to a limited extend.

Selected exchange rates

EUR 1 =	**Closing rates**		**Average rates**	
	6/30/2019	4/30/2019	5/2019 - 6/2019	1/2019 - 2/2019
Argentina (ARS)	48.33	49.15	49.86	43.18
UK (GBP)	0.90	0.86	0.88	0.88
Norway (NOK)	9.69	9.67	9.77	9.75
Russia (RUB)	71.60	72.21	72.51	75.52
USA (USD)	1.14	1.12	1.13	1.14
Mexico (MXN)	21.82	21.28	21.59	21.84

Discount rates

The discount rates applied for decommissioning provisions remain unchanged between 0.4 % and 8.6 %. Pension provisions are discounted at an interest rate of 1.00 % and 1.20 % in Germany (April 30, 2019: 1.40 %) and at an interest of 2.60 % and 2.50% in Norway (April 30, 2019: 2.60 %) and 0.90 % in Switzerland (April 30, 2019: 0.90 %).

Scope of Consolidation

The consolidated financial statements include the accounts of Wintershall Dea GmbH and its subsidiaries over which the company has control. There are 53 consolidated companies (April 30, 2019: 18). Although Wintershall Dea does not hold the majority of the shares in ZAO Gazprom YRGM Trading, it is entitled to the company's results on the basis of the profit distribution agreements, meaning that the company is fully consolidated in the consolidated financial statements. Following the merger with Wintershall Dea Deutschland AG, 36 companies were consolidated for the first time. One subsidiary was sold and therefore deconsolidated. There are 2 joint ventures and 8 material associated companies that are accounted for using the equity method (April 30, 2019: 10).

Joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. There are joint arrangements at Wintershall Dea in the course of development and production activities. They are classified as joint operations since the arrangements transfer the rights and obligations relating to the assets and liabilities to the investors. The Company's shares in joint operations are accounted by recognizing its respective share in assets and liabilities as well as its income and expenses. The joint operation AO Achimgaz, Novy Urengoy/Russia, which is operated jointly with Gazprom for the production of natural gas and condensate is proportionately consolidated. Wintershall Dea holds a 50 % interest in the company and controls the company jointly with Gazprom.

Significant Accounting Policy Updates

With the exception of changes in the presentation format as described below, the interim financial statements were prepared using the same fundamental accounting policies and methods of computation as compared with the most recent annual consolidated financial statements for the short fiscal year ended April 30, 2019. See Note 1 to the consolidated financial statements included in the Company's annual report for the short fiscal year ended April 30, 2019 for information on the Company's significant accounting policies.

Changes in Financial Statement Presentation

As a result of the merger and in order to be more aligned with peers, the presentation of the consolidated financial statements has been adjusted. Reclassifications of prior period amounts have been made to improve comparability and conform to the presentation that has been adopted by Wintershall Dea.

Consolidated Statement of Income

The Company adjusted the presentation of consolidated statement of income. The adjustment can be classified in four categories:

a. More detailed split of presented line items
   The consolidated income statement provides a more detailed split of presented line items especially with regard to revenues and net income from equity-accounted investments.

b. Less detailed split of presented line items
   The former break-down of the financial result was replaced by the less detailed line items "financial income" and "financial expenses".

c. Allocation of former line items into functional areas and allocation from functional areas into separate line items

   Income and expenses previously reported as other operating income and expenses as well as distribution and research costs were mainly allocated to the individual functional areas under the new structure. By contrast, depreciation and amortization, impairments and reversal of impairments on assets were allocated from the individual functional areas into separate line items. In addition, the total item cost of sales was in allocated to "production and operating expenses", "production and

similar taxes", "cost of sales gas transport/midstream" as well as "general and administration expenses".

d. Accounting adjustments
Foreign currency gains and losses and related income and expenses from derivative financial instruments as well as net impairments on financial receivables are no longer shown in the operating result but are instead recognized as financial result.

Consolidated Balance Sheet

The Company reclassified exploration assets from "property, plant and equipment" to "intangible assets". In addition, non-current provisions from income taxes have been reclassified from "other provisions" to "income tax liabilities" and liabilities from other taxes have been reclassified from current "income tax liabilities" to "trade and other payables". Overlift liabilities have been reclassified from "other provisions" to "trade and other payables".

EUR million	**April 30, 2019**
Exploration assets	140
Provisions from income taxes	1
Liabilities from other taxes	56
Overlift liabilities	29

In addition, "financial receivables" and "derivative instruments" were separated from "other receivables", "decommissioning provisions" were separated from "other provisions" and "financial debt" and "derivative instruments" were separated from "other liabilities".

NOTE 2 – RECENT ACCOUNTING STANDARDS

Recently Adopted Standards

The International Accounting Standards Board (IASB) has not adopted new International Financial Reporting Standards (IFRS), new Interpretations and amendments to existing standards, which became effective for Wintershall Dea as of May 1, 2019. The impact and changes from the adopted new International Financial Reporting Standard for Leases (IFRS 16) has been discussed in detail in Note 1 to the consolidated financial statements of the Company's annual report.

NOTE 3 – ACQUISITION AND DIVESTITURES

Merger with Wintershall Dea Deutschland AG (formerly DEA Deutsche Erdoel AG)

Effective May 1, 2019, BASF SE and LetterOne Holdings S.A. completed the merger of Wintershall Dea GmbH (formerly: Wintershall Holding GmbH) and Wintershall Dea Deutschland AG (formerly: DEA Deutsche Erdoel AG) contemplated by the Business Combination Agreement, dated as of September 27, 2018, by and among the BASF SE (BASF), BASF Handels- und Exportgesellschaft mbH (BHE), LetterOne Holdings S.A. (Letterone), L1E Acquisitions GmbH (L1E Acquisitions) and Wintershall Dea GmbH. BASF and BHE jointly held all shares in Wintershall Dea. L1E Acquisitions, an indirect 100 % subsidiary of Letterone, held all shares in Wintershall Dea Deutschland AG.

With the merger, BASF and Letterone combined the Wintershall business with the Dea business in Wintershall Dea GmbH as jointly owned company upon the terms and conditions set out in the Business Combination Agreement. The main objective was to increase competitiveness and future viability by pooling forces. As Europe's leading independent natural gas and crude oil company, Wintershall Dea has the strength, know-how and international footprint to make inroads in the global market and also seize great opportunities.

As part of the transaction, Letterone has contributed all shares in Wintershall Dea Deutschland AG into Wintershall Dea GmbH against issuance of new shares. Furthermore, Wintershall Dea took over a loan liability from Letterone towards Wintershall Dea Deutschland AG of EUR 1.7 billion.

BASF holds 67 %, and Letterone holds 33 % of the ordinary shares of Wintershall Dea and BASF holds in addition, directly, all Preference Shares in Wintershall Dea. The aggregate amount of Preference Shares held by BASF corresponds to an amount which results in an arithmetical participation of the registered share capital in Wintershall Dea of 72.7 % for BASF and 27.3 % for Letterone. Wintershall Dea is jointly controlled by BASF and Letterone as set out in the governance structure.

Preliminary Allocation of Purchase Price

Based on an evaluation of IFRS 3 "Business Combinations", Wintershall was determined to be the acquirer in the merger. As consideration for the contribution of all shares in Wintershall Dea Deutschland AG, equity interest of Wintershall Dea GmbH (51,716,445 ordinary shares) have been issued to Letterone. The fair value of the consideration is based on the equity value of Wintershall Dea Deutschland AG and its subsidiaries as of May 1, 2019. Transaction costs directly related to the merger were recognized as general and administration expenses. For the reporting period an amount of EUR 3.3 million was recorded.

Wintershall Dea has applied the acquisition method of accounting with respect to the assets and liabilities of Wintershall Dea Deutschland AG and its subsidiaries, which have been measured at fair value as of May 1, 2019. The fair values represent management's best estimate and require a complex series of judgments about future net cash flows, discount rates and other factors. Inputs were generally determined by taking into account historical data, supplemented by current and anticipated market conditions, and growth rates.

The table below presents the preliminary fair value that was allocated to Wintershall Dea Deutschland AG's assets and liabilities based upon fair values as determined by Wintershall Dea. The valuation process to determine the fair values is not yet complete. The Company estimated the preliminary fair value of acquired assets and liabilities as of the date of acquisition based on information currently available and continues to adjust those estimates. As the Company finalises the fair value of assets acquired and liabilities assumed, additional purchase price adjustments may be recorded during the measurement period, but no later than one year from the date of the acquisition.

Assets acquired and liabilities assumed on May 1, 2019

EUR million	Estimated fair value
Fair values of assets acquired	
Exploration assets	1,621
Other intangible assets	2,560
Property, plant and equipment and investment property	4,461
Inventories	84
Financial assets and financial receivables	1,886
Trade and other receivables (incl. derivatives)	477
Income and deferred tax assets	166
Cash	171
Total assets	11,426
Fair values of liabilities assumed	
Provisions	1,472
Financial debt	2,204
Trade and other payables (incl. derivatives)	581
Income tax liabilities	133
Deferred tax liabilities	2,766
Total liabilities	7,156
Net assets (consideration for the merger)	**4,270**

The acquired goodwill amounts to EUR 1,960 million and is mainly resulting from the recognition of deferred taxes. According to current information, none of the goodwill recognized is expected to be deductible for tax purpose.

The consolidated income statement includes revenues of EUR 217 million and net result of EUR 14 million for the acquired companies.

Divesture of storage business

As of May 28, 2019, Wintershall Dea has signed a contract for the sale of the storage business. The sale was completed on June 24, 2019 with effective date January 1, 2019.

In connection with the sale, a purchase price of EUR 40 million was paid to Wintershall Dea. After deduction of disposed cash and cash equivalents the net inflow from divestures amounts to EUR 33 million. The disposal of the companies led to a gain on deconsolidation in the amount of EUR 38 million. No cumulative other comprehensive income was recorded for the storage business.

The following assets and liabilities were derecognized:

EUR million	
Non-current assets	15
Current assets	7
thereof cash and cash equivalents	7
Non-current liabilities	19
Current liabilities	1

NOTE 4 – SUPPLEMENTARY INFORMATION

Sales revenues

Sales revenues from gas and oil comprise gains from gas derivatives in the amount of EUR 19 million and oil swaps used as hedging instruments in the amount of EUR 3 million. Gains from gas derivatives and oil swaps are not considered sales revenues according to IFRS 15.

Production and operating expenses

EUR million	**May - June 2019**	**Jan - Feb 2019**
Production cost	122	63
Change over-/underlift	15	3
Tariffs, transport fees and leases	47	21
Development cost	7	5
Other cost of sales (storage)	1	-
Cost for trade goods	148	237
Other costs	-15	1
Production and operating expenses	**325**	**330**

Other costs mainly comprise income from write-ups of trade and other receivables (EUR 16 million) and restructuring cost (EUR 1 million).

Financial result

EUR million	May - June 2019	Jan - Feb 2019
Interest income from third parties	29	13
Interest income from affiliated companies	-	1
Foreign currency exchange gains, net	-	2
Income from investments	1	-
Other financial income	1	1
Financial income	**31**	**17**
Interest expenses to third parties	19	2
Interest expenses to affiliated companies	1	5
Less capitalised borrowing costs	-6	-
Foreign currency exchange losses, net	9	-
Losses from financial derivatives, net	1	3
Interest from addition to provisions	9	7
Other financial expenses	4	1
Financial expenses	**38**	**18**
Financial result	**-7**	**-1**

Equity

Wintershall Dea GmbH increased its registered share capital from EUR 105 million by EUR 84 million to EUR 189 million by issuance of 51,716,445 ordinary shares and 32,721,027 preference shares with a nominal amount of EUR 1.00 each.

Changes in capital reserves of the company resulting from the contribution of Wintershall Dea Deutschland AG and the assumption of the loan from Letterone, the contribution of BASF loan to capital reserves and addition and withdrawals from capital reserves.

NOTE 5 – COMMITMENTS

Contractual commitments

As of June 30, 2019, Wintershall Dea has commitments from firm contracts for property, plant and equipment as well as from field development projects in the amount of EUR 408 million.

Furthermore, Wintershall Dea is committed to a certain number of exploration wells and seismic in the context of concession agreements. The estimated expenditures amount to EUR 132 million.

Other long-term commitments

The obligations from purchase agreements resulted primarily from long-term purchase commitments for natural gas. The firm purchase commitments amount to EUR 4,453 million as of June 30, 2019 (April 30, 2019: EUR 4,763 million)

EUR million	**June 30, 2019**
2019	530
2020	1,017
2021	1,040
2022	1,031
2023	830
2024 and residual maturities extending beyond this	5
Total	**4,453**

NOTE 6 – RELATED PARTY TRANSACTIONS

A related party is a natural person or legal entity that can exert influence on the Wintershall Dea Group or over which the Wintershall Dea Group exercises control, joint control or a significant influence.

Wintershall Dea is jointly controlled by BASF and Letterone. Therefore, BASF and Letterone and its subsidiaries are considered as related parties. In addition, related parties include non-consolidated subsidiaries, joint ventures and associated companies.

Revenue with related parties

EUR million	**May - June 2019**	**Jan - Feb 2019**
Non-consolidated subsidiaries	0	0
Associates	1	1
Joint ventures	0	0
Shareholder and its affiliates	63	161
Total	**64**	**162**

Trade receivables from, and trade payables to, related parties

EUR million	Trade receivables June 30, 2019	Trade receivables April 30, 2019	Trade payables June 30, 2019	Trade payables April 30, 2019
Nonconsolidated subsidiaries	1	1	3	0
Associates	5	8	0	2
Joint ventures	2	2	0	4
Shareholder and its affiliates	34	42	3	5
Trade receivables from, and trade payables to, related parties	**42**	**53**	**6**	**11**

Miscellaneous receivables from, and liabilities to, related parties

EUR million	Miscellaneous receivables June 30, 2019	Miscellaneous receivables April 30, 2019	Miscellaneous liabilities June 30, 2019	Miscellaneous liabilities April 30, 2019
Nonconsolidated subsidiaries	46	40	22	0
Associates	54	3	172	111
Joint ventures	207	165	223	328
Shareholder and its affiliates	602	594	74	3,094
Miscellaneous receivables and other assets	**909**	**802**	**491**	**3,533**

Revenues with, as well as trade receivables from, and trade payables to related parties mainly comprised transactions with the company's own products, brokerage and licensing transactions, as well as other typical business transactions.

Miscellaneous receivables and liabilities resulted mainly from financing transactions, outstanding dividend payments and profit and loss transfer agreements, as well as other financing-related and operating transactions and scenarios. The receivable from the assumption of losses vis-à-vis BASF Handels- und Export GmbH as of April 30, 2019 amounted to EUR 589 million and remained outstanding as of June 30, 2019.

The miscellaneous receivables from joint ventures resulted in particular, from the transfer of the financing function for the regulated gas transportation activities to the joint venture W & G Infrastruktur Finanzierungs-GmbH, Kassel, which was established in 2017.

The miscellaneous liabilities declined by EUR 3,042 million as against April 30, 2019 (EUR 491 million) mainly due to the replacement of the previous financing (BASF group financing) by external financing arrangement via a consortium of banks.

All transactions are subject to market terms and conditions.

NOTE 7 – REPORTING OF FINANCIAL INSTRUMENTS

The financial instruments comprise both primary and derivative financial instruments and are assigned to the valuation categories according to IFRS 9. Financial instruments on the asset side like financial investments and derivatives are recognised at fair value, while other financial assets, receivables and cash and cash equivalents are recorded at amortised cost. On the liabilities side, the primary financial instruments include liabilities at amortised costs. The primary financial instruments are stated in the balance sheet, with the carrying amounts of financial assets reflecting the expected credit losses.

Fair values of derivative financial instruments are determined using customary market valuation methods taking into account public market data available on the measurement date as well as the counterparty default risk.

The group has designated oil-sales derivatives as hedging instruments within the scope of cash flow hedges. Cash flow hedges are used to hedge the risk of variability in cash flows related to highly probable forecast transactions. The effective portion of changes in the fair value of derivates that are designated as cash flow hedges is recognised as other comprehensive income within equity. The gains or losses relating to the ineffective portion are recognised immediately in profit or loss. As of June 30, 2019, parts of our oil sales are hedged until 2022. The price of the hedged item is defined via a price formula in the sales contract. The instruments used are Brent dated oil swaps for which a liquid market exists. Furthermore, a regression analysis shows a high correlation between Brent dated oil and the price formula. This is also the basis to determine the hedge ratio in order to achieve the highest level of hedge efficiency.

Derivatives related to the gas trading business are measured and disclosed based on a net risk exposure in accordance with IFRS 13.48.

In the context of financing activities, embedded derivatives have been identified which are required to be separated. The contractual terms of the credit facilities entered into by the company contain early termination options as well as in individual cases extension options within the discretion of the company. Early termination and extension options represent embedded derivatives which have to be separated and measured at fair value through profit and loss. Changes in fair value are based on changes of interest rates and companies own credit risk. To determine the fair value an option pricing model is used, taking into account simulations of interest rates and companies own credit risk. The market value as of June 30, 2019 amounts to EUR 30 million.

The carrying amounts of the primary financial assets and liabilities are close to their fair values, either because if short maturities or due to market-driven interest rates in case of non-current loans.

The following overview represents the financial instruments to be recognized at fair value and the essential parameters on which the measurement is based. The individual levels are defined as follows in accordance with IFRS 13:

Level 1: Measurement at (unadjusted) prices quoted for identical assets or liabilities on active markets.

Level 2: Measurement based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Measurement on the basis of unobservable inputs.

Fair value hierarchy	**June 30, 2019**			
EUR million	**Total**	**Level 1**	**Level 2**	**Level 3**
Derivative financial assets	101	-	71	30
thereof commodity derivatives	56	-	56	-
thereof currency derivatives	15	-	15	-
thereof embedded derivatives	30	-	-	30
Derivative financial liabilities	72	-	72	-
thereof commodity derivatives	57	-	57	-
thereof currency derivatives	15	-	15	-

Fair value hierarchy	**April 30, 2019**			
EUR million	**Total**	**Level 1**	**Level 2**	**Level 3**
Derivative financial assets	17	-	17	-
thereof commodity derivatives	12	-	12	-
thereof currency derivatives	5	-	5	-
Derivative financial liabilities	35	-	35	-
thereof commodity derivatives	34	-	34	-
thereof currency derivatives	1	-	1	-

No transfers between the levels occurred during the period under review or during the previous year.

NOTE 8 - FINANCING

Following the merger with Wintershall Dea Deutschland AG, the previous financing (BASF group financing) was replaced by external financing arrangement via a consortium of banks. The first tranche was drawn as of April 30, 2019 and the second tranche was drawn as of May 2, 2019. Thereof an amount of EUR 5,540 million was utilised as of June 30, 2019. The floating interest rate was 6-month LIBOR plus a margin and a supplement of 0.1 percent point for the USD facilities and 6-month-EURIBOR (0%-floor) plus a margin for the EUR facilities.

For WIGA, the external financing arrangement interest rate was at 0.9 % for the period. For the overnight drafts in Argentina the interest rates range between 62.5 % and 64.5 % for the reporting period.

Maturities of liabilities to banks (repayment amounts):

EUR million	**June 30, 2019**	**April 30, 2019**
Following year 1	4,202	1,510
Following year 2	-	500
Following year 3	935	376
Following year 4	-	-
Following year 5	935	376
Total	**6,072**	**2,762**

An arrangement fee of EUR 16 million has been capitalised as a reduction of the loan amount. In addition, the financing facility comprises embedded derivatives which are required to be separated. The positive fair value of the embedded derivatives of EUR 18 million was initially recognised as an increase in the loan amount. Both amounts are being amortised over the term of the loans with corresponding impact on the financial result.

Composition of liabilities to banks (including accrued interests):

EUR million	**June 30, 2019**	**April 30, 2019**
USD	2,109	1,605
EUR	3,947	1,117
ARS	33	24
Total	**6,089**	**2,746**

A credit facility of EUR 900 million was agreed with the bank consortium which can be utilised if necessary.

NOTE 9 – SELECTED KEY FINANCIAL DATA BY REGION (voluntary disclosure/unaudited)

Wintershall Dea operates within several geographical areas in the E&P business as well as in the midstream business. The midstream business comprises the transportation activities.

The following representation is in accordance with the internal management reporting and does not represent segment information according to IFRS 8.

	May - June 2019					
	E & P				Gas transport/ Midstream	Other
EUR million/mboed	Northern Europe	Russia	North Africa/ Middle East	Latin America		
Production (mboed) [1]	212	279	75	78		-
thereof gas	112	225	41	69		-
thereof oil	100	54	34	9		-
Sales revenues	418	88	55	94		150
EBITDAX	241	60	54	69		-11
thereof income from at equity participations	-4	8	-1	-		-
Depletion, depreciation, amortisation	-219	-2	-33	-38		0
Net impairment of assets	-	-	-	-		-
Exploration costs	-20	-	1	-16		-
Income tax	2	-11	3	-4		-14
Capital expenditures (without acquisitions) [2]	197	5	53	15		0
EBITDA					53	
thereof income from at equity participations					21	
Net income					40	
Capital expenditures (without acquisitions) [2]					0	

[1] On working interest basis; including proportionate production from at equity valued companies
[2] Cash outflows for intangible assets, property, plant and equipment and investment property

	January - February 2019					
	E & P				Gas transport/ Midstream	Other
EUR million/mboed	Northern Europe	Russia	North Africa/ Middle East	Latin America		
Production (mboed) [1]	122	305	29	70		-
thereof gas	54	247	-	64		-
thereof oil	68	58	29	6		-
Sales revenues	328	121	-	72		218
EBITDAX	220	113	0	50		-25
thereof income from at equity participations	1	7	1	-		-
Depletion, depreciation, amortisation	-110	-4	0	-27		0
Net impairment of assets	-	-	-	-		-
Exploration costs	-22	-	0	-22		-
Income tax	-2	-21	0	-7		0
Capital expenditures (without acquisitions) [2]	45	3	0	15		1
EBITDA					49	
thereof income from at equity participations					20	
Net income					37	
Capital expenditures (without acquisitions) [2]					0	

[1] On working interest basis; including proportionate production from at equity valued companies
[2] Cash outflows for intangible assets, property, plant and equipment and investment property

NOTE 10 – EVENTS AFTER THE INTERIM PERIOD

No events subject to mandatory disclosure occurred after the interim reporting period that have not been reflected in the consolidated financial statements.

Kassel and Hamburg, August 22, 2019

Management Board

Mario Mehren
Chairman of the Board and
Chief Executive Officer

Maria Moræus Hanssen
Vice Chairman and
Chief Operating Officer (COO), Region EMEA

Thilo Wieland
Region Russia, Latin America and
Transportation

Hugo Dijkgraaf
Chief Technology Officer (CTO)

Paul Robert Smith
Chief Finance Officer (CFO)