

**Annual financial statements of Celesio AG
for the
fiscal year 2016
from April 1, 2015 to March 31, 2016**

Statement of financial position as of 31 March 2016

ASSETS	Note No.	31/03/2015 EUR k	31/03/2016 EUR k
Fixed assets			
Intangible assets	1	17,282	38,347
Property, plant and equipment	2	3,598	3,452
Financial assets	3	2,768,290	3,995,431
		2,789,170	3,037,230
Current assets			
Receivables and other assets	4	1,879,363	1,488,700
Cash and cash equivalents	5	103,074	139,015
		1,982,437	1,627,715
Prepaid expenses	6	5,751	3,130
Total assets		4,777,358	4,668,075

LIABILITIES	Note No.	31/03/2015 EUR k	31/03/2016 EUR k
Equity			
Issued capital	7	260,123	260,123
Capital reserves	7	1,762,627	1,762,627
Revenue reserves	7	393,484	1,102,781
Net retained profit	8	709,297	0
Contingent capital		(21,773)	(21,773)
		3,125,531	3,125,531
Provisions			
Provisions for pensions and similar obligations	9	38,591	23,112
Other provisions	10	92,202	65,132
		130,793	88,244
Liabilities	11	1,520,982	1,454,293
Prepaid expenses		52	5
Total liabilities and equity		4,777,358	4,668,075

Income statement for the fiscal year 2016 from 1 April 2015 – 31 March 2016

	Note No.	31/03/2015 EUR k	31/03/2016 EUR k
Self-developed assets	15	0	1,410
Investment result	16	48,784	-212,601
Financial result		889	2
Interest result	17	27,415	111,711
Other income	18	49,424	512,386
Personnel expenses	19	11,529	57,393
Amortisation of intangible assets and depreciation of property, plant and equipment		1,573	10,626
Other expenses	20	103,906	208,218
Earnings before tax		9,504	136,672
Income taxes	21	1,579	9,073
Expenses from profit transfer		7,925	127,599
Net profit for the year		0	0
Profit carried forward from the previous year		709,297	709,297
Net retained profit		709,297	0

General disclosures

The annual financial statements of Celesio AG, Stuttgart, as of 31 March 2016 were compiled in accordance with Sec. 242 et seq. and Sec. 264 et seq. of the Handelsgesetzbuch (HGB, German Commercial Code) and the relevant regulations of the Aktiengesetz (AktG, German Stock Corporation Act) in euro (EUR). The Company is subject to the requirements for large corporations.

The group income statement has been prepared using the nature of expense method. The annual financial statements reflect the activities of a management holding. Main sources of income of Celesio AG include income from investments or from profit transfer agreements. The financing of the group remains a focus of business operations. For this reason, the income statement is not classified in accordance with Sec. 275 HGB. As part of the domination and profit and loss transfer agreement, the net profit of Celesio AG is assumed by Celesio Deutschland Holdings GmbH & Co. KGaA (previously McKesson Deutschland GmbH & Co. KGaA), Schönfeld. In order to improve the clarity of the financial statements, we have summarised individual statement of financial position and income statement items and have disclosed and commented on them separately in these notes to the financial statements. For the same reason, we have also indicated in the notes whether individual items are related to other balance sheet items and "of which" captions.

Due to decision of the stockholder's meeting 2014 the end of the fiscal year was adapted to 31st of March.

Therefore in the prior year an incomplete business year from January 01st until March 31st, 2015 was necessary, why the previous year results in the income statement are not comparable to the outcome of March 31st, 2016.

Celesio AG's financial statements and management report for the fiscal year 2016 are published in the Bundesanzeiger (German Federal Gazette). The management report of Celesio AG is combined with the management report of the group.

Accounting policies

The methods used to report and value assets and liabilities are disclosed in the notes to the individual statement of financial position item.

Notes to the statement of financial position

Analysis of fixed assets for 2016

	Self-created recognised intangible assets EUR k	Purchased concessions and industrial rights EUR k	Intangible assets Payments on account EUR k	Property, plant and equipment Buildings on third-party land EUR k	Other equipment, furniture and fixtures EUR k	Financial assets EUR k	Total EUR k
Accumulated historical cost							
as of 01/04/2015	0	73,325	7,699	6,807	5,543	2,932,299	3,025,673
Additions	16,871	8,413	1,527	16	457	0	27,284
Additions received from affiliates	4,293	0	0	0	0	591,111	595,404
Disposals	0	0	0	30	7	0	37
Disposals to affiliates	0	0	0	0	0	161.720	161.720
Reclassifications	5,739	1,960	-7,699	0	0	0	0
Accumulated historical cost							
as of 31/03/2016	26,903	83,698	1,527	6,793	5,993	3,361,690	3,486,604
Accumulated amortisation/depreciation							
as of 01/04/2015	0	63,742	0	4,413	4,339	164,009	236,503
Additions	1,631	8,408	0	226	361	244,160	254,786
Additions received from affiliates	0	0	0	0	0	0	0
Write ups	0	0	0	0	0	41,910	41,910
Disposals	0	0	0	4	1	0	5
Disposals to affiliates	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Accumulated amortisation/depreciation							
as of 31/03/2016	1,631	72,150	0	4,635	4,699	366,259	449,374
Net book values as of 31/03/2016	25,272	11,548	1,527	2,158	1,294	2,995,431	3,037,230
Net book values as of 31/03/2015	0	9,583	7,699	2,394	1,204	2,768,290	2,789,170

Intangible assets are composed entirely of software. Property, plant and equipment includes leasehold improvements (including land improvements), other plant and equipment as well as furniture and fixtures. The development of financial assets is detailed in note (3), Financial assets.

(1) Intangible assets

Purchased intangible assets are recognised at acquisition cost. They are amortised over a period of three to five years using the straight-line method. The additions mainly concern software licenses, including incidental acquisition costs for putting them into operation.

In financial year 2016, for the first time the option contained in Sec. 248 (2) HGB, to capitalize internally generated intangible assets was exercised. The recognition is at construction costs in accordance with Sec. 253 (1) and 255 (2a) HGB. These internally generated intangible assets are development costs for the global ERP-software. In this context development expenses of EUR 26,903k are capitalized. At the year end the net book value of the assets already in use was EUR 815k. The amortization for the capitalized ERP software will be over a period of 3 to 5 years straight-line method. In total, development costs in fiscal 2016 amounted to EUR 47,667k including costs not eligible for capitalization. In accordance with Sec. 268 (8) HGB, the amount of EUR 25,272k internally developed intangible assets represents limit to distribute dividends ("Ausschüttungssperre"). This means, profits may only be distributed when the remaining distributable reserves plus the profits brought forward less losses carried forward equal the total amount, less deferred tax liabilities recognized.

(2) Property, plant and equipment

Additions to property, plant and equipment are recognised at cost. Furniture and fixtures are subject to straight-line depreciation over a period of 3 to 20 years. Leasehold improvements are depreciated over the term of the lease. Land improvements are depreciated over a period of 4 to 33 years. Additions comprise furniture and fixtures as well as leasehold improvements. Low-value assets with a net value of up to EUR 150 per item were fully written off and expensed in the year of acquisition with their immediate disposal being assumed. In the interest of simplification, assets with a net value of more than EUR 150 but less than EUR 1,000 are summarised in a catch-all item in the commercial balance sheet in accordance with the requirement for an item to

be set up annually for tax purposes. The total amount of the annual compound items is of subordinate importance and subject to depreciation at a flat rate of 20% in the year of initial recognition and the following four years pursuant to the tax provisions. All other depreciation on additions to property, plant and equipment is charged pro rata temporis.

(3) Financial assets

	Shares in affiliates	Loans to affiliates	Shares in associates	Other loans	Securities classified as fixed assets	Total
	EUR k	EUR k	EUR k	EUR k	EUR k	EUR k
Accumulated historical cost						
as of 01/04/2015	1,800,809	– 1,049,378	65,516	0	16,596	– 2,932,299
Additions	245,000	346,111	0	0	0	591,111
Disposals	145,124	–	0	0	16,596	161,720
Reclassifications	0	0	0	0	0	0
Accumulated historical cost						
as of 31/03/2016	1,900,685	– 1,395,489	65,516	0	0	– 3,361,690
Accumulated amortisation/depreciation						
as of 01/04/2015	164,009	0	0	0	0	164,009
Additions	244,160	0	0	0	0	244,160
Write ups	41,910	0	0	0	0	41,910
Disposals	0	0	0	0	0	0
Accumulated amortisation/depreciation						
as of 31/03/2016	366,259	0	0	0	0	366,259
Net book value as of 31.03.2016	1,534,426	– 1,395,489	65,516	0	0	– 2,995,431
Net book value as of 31.03.2015	1,636,800	– 1,049,378	65,516	0	16,596	– 2,768,290

Financial assets are recognised at the lower of cost or fair value. For non-interest-bearing loans, historical cost is the present value. Interest-free or low-interest loans are discounted to their present value. Unwinding of the discount is presented under additions in the analysis of fixed assets. Interest-bearing loans are generally recognised at nominal value.

For interests in affiliates, McKesson France saw a capital increase of EUR 245,000k, while Norsk Medisinaldepot, Norway saw a disposal of EUR 145,124k. The loans to affiliates increase is mainly due to loans rendered to Admenta France S.A. (EUR 270.002k). Considering the depreciation, we refer to note (15).

For the first time in fiscal 2016, the conditions were met to set off pension plan assets with the corresponding pension liabilities. The amount of EUR 16,596k as of March 31, 2015 was shown accordingly as disposal from the financial assets. We refer also to note (9).

(4) Receivables and other assets

	31/03/2015 EUR k	31/03/2016 EUR k
Receivables from affiliates	1,863,156	939,868
Receivables from shareholders	201	523,684
of which due in more than one year	(0)	(0)
Receivables from other investors and investees	(0)	(0)
of which due in more than one year	(0)	(0)
Other assets	16,006	25,148
of which due in more than one year	(996)	0
Total	1,879,363	1,488,700

Receivables and other assets are stated at their nominal value. Specific bad debt allowances provide for all foreseeable valuation risks. Non-interest-bearing receivables due in more than one year are discounted. Receivables from affiliates include trade receivables of EUR 45,190k (previous year EUR 87,687k) as well as loans granted.

Receivables denominated in foreign currency were translated using the mean spot rate on closing date. If they have residual terms of more than one year, the realisation principle (Sec. 252 (1) No. 4 Clause 2 HGB) and the historical cost principle (Sec. 253 (1) Sentence 1 HGB) are applied. The decrease in receivables is mainly due to changes in the position to Admenta France S.A. (EUR 451,337k), Admenta UK PLC (EUR 254,804k) and OCP S.A. (EUR 64,007k). The receivables from shareholders are mainly resulting from a short term loan to Celesio Holdings GmbH & Co. KGaA (EUR 511,934k) in course of the sale of the shareholding in Norsk Medisinaldepot, Norway.

(5) Cash and cash equivalents

	31/03/2015 EUR k	31/03/2016 EUR k
Cash on hand	0	0
Cash at banks	103,074	139,015
Total	103,074	139,015

(6) Prepaid expenses

Prepaid expenses mainly concern accrued IT services.

(7) Issued capital and reserves

The issued capital of Celesio AG is split into 203,220,932 no-par value registered shares (previous year 203,220,932), which have all been fully paid up.

Authorised capital of EUR 130.1m has been approved until 10 August 2020 (authorised capital 2015).

The articles of association of Celesio AG was adjusted (share capital, number of no-par value shares, removal of the paragraphs for section 3, item 2 and 3 (contingent capital 2010 and 2012) and were submitted to the commercial register.

Capital reserves remained unchanged from 2015.

The revenue reserves relate exclusively to other revenue reserves. Thereof, EUR 29,247k are not eligible for distribution based on the limitation in accordance with HGB ("Ausschüttungssperre"). This amount is composed by EUR 25,272k for internally generated intangible assets, with EUR 268k for the pension asset accounting at fair value and EUR 3,707k for pension liability impacts resulting from interest changes.

(8) Net retained profit

The net retained profit of Celesio AG is EUR 0k (previous year EUR 709,297K) and comprises the net profit for the year of EUR 0k. According to the Management Board and Supervisory Board decision, the net retained profit was allocated in full to retained earnings. Due to the domination and profit and loss transfer agreement of 2 December 2014, the annual net income of EUR 127,599k was transferred to Celesio Deutschland Holdings GmbH & Co. KGaA (previously McKesson Deutschland GmbH & Co. KGaA).

On the basis of the domination and profit and loss transfer agreement, Celesio Deutschland Holdings GmbH & Co. KGaA guaranteed external shareholders of Celesio AG a compensation payment for the retention of the contract a of EUR 0.83 per share and had declared to the management board of Celesio AG that it was prepared to pay this out in the proportionate amount to the external shareholders for the short fiscal year 2015. The external shareholders of Celesio AG thereby received the compensation payment of EUR 0.21 per share for the short fiscal year 2015.

For the fiscal year 2016 – from 1 April 2015 to 31 March 2016 – compensation payment of EUR 0.83 per share is also to be payable by Celesio Deutschland Holdings GmbH & Co. KGaA after the Shareholders meeting on 10 August 2016.

(9) Provisions for pensions and early retirement obligations

Pension provisions have been calculated using the projected unit credit method and the 2005G mortality tables issued by Prof Dr Klaus Heubeck. Pursuant to the alternative treatment allowed by Sec. 253 (2) Sent. 2 HGB, the discount rate used in the calculation is based on the average market interest rate for instruments with a term of 15 years of 4.25%, as required by the regulation on discounting provisions. Expected salary increases were taken into account at 2.75%; expected pension increases at 1.75% for employees and 2.75% contribution trend for management board members. Employee turnover has been considered using assumptions that vary depending on the age, length of service and gender of the employees.

The average market interest rate has been changed from seven to ten years. The difference to the previously used seven years average rate (Sec. 253 (6) HGB) amounts to EUR 3,707k as of March 31, 2016.

In accordance with Sec. 246 (2) HGB pension plan assets which are fully separated the access of all other creditors and may be used only to serve the pension obligations or similar obligations are netted with the corresponding liabilities. The acquisition costs of these assets amount to EUR 16,814k while the fair value is at EUR 17,082k, as March 31, 2016. The corresponding liability is at EUR 18,353k. The difference between acquisition costs and fair value of the pension plan assets of EUR k 268 is not eligible for distribution.

(10) Other provisions

	31/03/2015 EUR k	31/03/2016 EUR k
Tax provisions	9,541	16,027
Sundry other provisions	49,711	49,105
Total	59,252	65,132

Other provisions comprise tax provisions as well as sundry other provisions.

Sundry other provisions are created to cover all contingent liabilities and anticipated losses from pending transactions. These are measured on the basis of prudent commercial judgement at the amount considered necessary to settle the liability (i.e. including any future cost or price increases). Provisions with a residual term of more than twelve months are discounted.

From 1 January 2015, Celesio AG has been included as a controlled company in the fiscal group of Celesio Deutschland Holdings GmbH & Co. KGaA (fiscal unity). All tax consequences, for both ongoing and deferred taxes, are recorded at the parent company so that no further explanations are required in the notes. This does not apply to periods prior December 31, 2014, while the profit and loss transfer agreement with the shareholder was not effective. No tax allocation agreement exists.

Other provisions mainly comprise provisions for personnel-related expenses, provisions for outstanding invoices and provisions for severance payments. The decrease in other provisions is mainly due to the decrease in the provision for potential losses for the negative market valuation of derivatives without hedge partly offset by the increase in the provision for outstanding invoices for IT projects.

(11) Liabilities

	31/03/2015				31/03/2016			
	Due in				Due in			
LIABILITIES	less than 1 year EUR k	1 – 5 years EUR k	more than 5 years EUR k	Book value EUR k	less than 1 year EUR k	1 – 5 years EUR k	more than 5 years EUR k	Book value EUR k
Bonds	0	0	0	0	0	0	0	0
Liabilities to banks	17,874	64,622	0	82,496	0	0	0	0
Liabilities to shareholders	310,380	0	0	310,380	136,270	0	85,412	221,682
Trade payables	6,045	0	0	6,045	9,824	0	0	9,824
Liabilities to affiliates	1,117,988	0	0	1,117,988	1,214,744	0	0	1,214,744
Liabilities to other investors and investees	0	0	0	0	0	0	0	0
Other liabilities	4,058	15	0	4,073	8,045	0	0	8,045
of which taxes	963	0	0	963	4,830	0	0	4,830
of which for social security	0	0	0	0	0	0	0	0
Total	1,456,345	64,637	0	1,520,982	1,368,883	0	85,412	1,454,295

Liabilities to shareholders include loan liabilities to Celesio Deutschland Holdings GmbH & Co. KGaA of EUR 85,397k and liabilities from the domination and profit and loss transfer agreement to Celesio Deutschland Holdings GmbH & Co. KGaA EUR 127,599k. As a result of the loan agreement concluded on 1 October 2015, Celesio AG was granted a credit line of EUR 1,000,000k from Celesio Deutschland Holdings GmbH & Co. KGaA.

Liabilities are measured at the settlement amount. Liabilities denominated in foreign currency were translated using the mean spot rate on closing date. If they have residual terms of more than one year, the realisation principle (Sec. 252 (1) No. 4 Clause 2 HGB) and the historical cost principle (Sec. 253 (1) Sentence 1 HGB) were applied.

(12) Contingent liabilities

CONTINGENT LIABILITIES	31/03/2015	31/03/2016
	EUR k	EUR k
From guarantees and cheque guarantees	1,280,155	1,102,966
of which to affiliates	(1,280,152)	(1,102,963)
Total	1,280,155	1,102,966

Most of the guarantee obligations have been entered into towards creditor banks (of which EUR 877,294k [previous year EUR 877,268k]) for Celesio Finance B.V., Baarn, Netherlands).

The risk of a claim relating to positive guarantees and cheque guarantees for affiliates' liabilities to banks as well as loans is deemed to be low because of these subsidiaries' good net assets, financial position and results of operations.

(13) Other financial obligations and off-balance sheet transactions

In addition to the contingent liabilities, there are other financial obligations amounting to EUR 75,901k (previous year EUR 55,345k). These obligations relate to the following items:

Due to the outsourcing of all the group's IT infrastructure by virtue of an agreement concluded in February 2009 and effective from 1 April 2009 to 31 March 2018, the group has a financial obligation to pay service fees and future lease instalments expected to amount to EUR 56,000k (previous year EUR 43,955k). The agreement was extended in fiscal 2016 for two years.

Other financial obligations relate to rental agreements, future lease payments for company cars and company equipment of EUR 13,501k (previous year EUR 1,714k) and end within one to five years. The increase is due to new rental agreements effective April 1, 2017 for the new headquarters of Celesio AG in Stuttgart. In addition, there are purchasing commitments from granted investment contracts, including data and voice communication service agreements of EUR 6,400k (previous year EUR 45,992k).

In addition to standardising the IT infrastructure within the group, the purpose of the above mentioned agreements is to improve the liquidity situation and secure a funding advantage.

We are not aware of any significant risks.

(14) Derivative financial instruments and hedge accounting

DERIVATIVE FINANCIAL INSTRUMENT	Nominal volume		Market value		Book value	
	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016
	EUR k	EUR k	EUR k	EUR k	EUR k	EUR k
Currency instruments (positive market value)	458,142	579,729	6,581	19,739	0	0
Currency instruments (negative market value)	1,172,868	172,254	-73,180	-385	-35,115	0
Total	1,631,010	751,983	-66,598	19,354	-35,115	0

The carrying amounts of derivative financial instruments, which are not part of hedge accounting, are recognised in the statement of financial position under liabilities at EUR 0k (previous year EUR 0k) and other provisions at EUR 0 k (previous year EUR 35,115k).

The market values of derivative financial instruments are determined by reference to capital market data at the end of the reporting period and use of suitable valuation techniques such as the discounted cash flow method as well as other generally accepted option pricing models. If interest rates are needed for the valuation, the market interest rates for the respective residual term of the derivatives are taken. The derivative currency instruments exclusively comprise forward exchange contracts in pound sterling, Danish krone, Swedish krona, US dollar, Swiss franc, Polish zloty and Norwegian krone.

As regards assets, liabilities and forecast transactions, Celesio is exposed to risks resulting from changes in exchange rates and interest rates, among other things. Based on a risk appraisal, selected hedging instruments are used to limit these risks.

The use of derivatives is subject to uniform group guidelines set by the management board, compliance of which is monitored constantly. These include the functional segregation of trading, handling and posting and the authorisation of just a few qualified employees to enter into derivative financial instruments. We only enter into derivatives for hedging purposes and then only with banks with good credit ratings.

Currency risks refer to the possible impairment of items in the statement of financial position and any forward transactions due to fluctuations in exchange rates.

The majority of the foreign exchange risks are a result of the development of the euro against pound sterling.

Currency risks are mainly secured by so-called micro-hedges. This involves a direct hedge of the underlying transaction by means of a foreign exchange derivative, generally a currency swap. In addition, currency derivatives are used to hedge forecast transactions in foreign currency. This involves selecting the currency derivative (or a combination of several derivatives) which best reflects the likelihood of occurrence and timing of the forecast transaction.

Forward exchange contracts and currency swaps were also used in the fiscal year 2016 to hedge foreign currency transactions.

When hedge accounting is applied in accordance with Sec. 254 HGB, the following accounting and valuation principles apply:

Economic hedging relationships are accounted for by designating hedges. If the positive and negative changes in the values of the underlying and the hedging instrument completely cancel each other out for the hedged risk during the period, they are offset and not recognised in either the underlying or the hedging instrument or in the income statement (compensatory approach). If the negative changes in value from the hedged risk outweigh the positive changes (an ineffective hedge), the difference is expensed as an unrealised loss in keeping with the imparity principle by recognising a provision for the hedge relationship.

The risk management strategy is formalised and documented at the beginning of a hedge relationship in terms of the hedged risk, the planned term of the hedge, the hedging instrument, the underlying transaction and the method used to measure the effectiveness of the hedge.

The following hedges were designated:

	Hedged item/ — hedging instrument	Risk/ type of hedge	Amount included	Volume	Volume Amount of hedged risk	Term of the hedge
(1)	Group loan, currency derivative	Currency risk/ micro hedge	TEUR 18,906	TGBP 538,402	TEUR 18,906	up to 9 months
(2)	Group loan, currency derivative	Currency risk/ micro hedge	TEUR 2	TDKK 40,675	TEUR 2	up to 3 months
(3)	Group loan, currency derivative	Currency risk/ micro hedge	TEUR -6	TSEK 32,516	TEUR -6	up to 3 months
(4)	Group loan, currency derivative	Currency risk/ micro hedge	TEUR 15	TNOK 50,037	TEUR 15	up to 1 month
(5)	Group loan, currency derivative	Currency risk/ micro hedge	TEUR 151	TGBP 17,751	TEUR 151	up to 3 months
(6)	Group loan, currency derivative	Currency risk/ micro hedge	TEUR 0	TEUR 623	TEUR 0	up to 1 month

Regarding (1-4): According to the group's risk policy, risk exposures (in this case group loans in foreign currency) are hedged immediately when they arise by entering into currency swaps for the same amount and on the same terms. Hedge effectiveness is measured using the critical term match method both prospectively and retrospectively. The diametrically opposed cash flows between the underlying and the hedging instrument will offset each other completely over the term of the hedge by the closing date.

Regarding (5-6): Celesio AG concludes currency hedge transactions on behalf of subsidiaries and forwards these internally to the subsidiaries at identical conditions. Here, a hedge consists of the external and internally forwarded transaction, whereby the cash flows by the reporting date completely balance out.

Notes to the income statement

(15) Self developed assets

	2015 EUR k	2016 EUR k
Self developed assets	0	-1,410
Total	0	-1,410

Due that the development expenses for ERP software are mainly external services, those are in accordance with the "net method" booked directly to the Asset register. Therefore in the income statement as self developed Assets are only reported the personal contribution of the Celesio employees of EUR 1,410k.

(16) Investment result

	2015 EUR k	2016 EUR k
Income from profit transfer agreements	37	65
Income from investments	5,058	9,035
Of which received from affiliates	(5,058)	(5,176)
Expenses from loss absorption	-19,135	-19,451
Write-ups of financial assets	62,824	41,910
Impairment of financial assets	0	244,160
Total	48,784	-212,601

The write-up of the financial assets relates mainly to shares in affiliates in Italy. The impairments of financial assets relate to shares in affiliates in Germany, Ireland, Belgium and Denmark. The write downs are permanent. The discounted cash flow method was used.

(17) Interest result

	2015 EUR k	2016 EUR k
Income from long-term loans	18,769	83,912
of which from affiliates	(18,769)	(83,912)
Other interest and similar income	23,776	83,342
of which from affiliates	(23,503)	(82,542)
Interest and similar expenses	-15,130	-55,543
of which to affiliates	(-9,638)	(-38,942)
of which expense from discounting	(-1,553)	(-2,483)
Total	27,415	111,711

The comparison period only includes the short fiscal year of three months.

(18) Other income

	2015 EUR k	2016 EUR k
Income from previous periods	29,945	14,063
Sundry income	19,479	498,323
of which exchange rate gains	(2,578)	100,001
Total	49,424	512,386

Income relating to other periods from previous periods comprises the reversal of provisions. Sundry income primarily stems from the gain on disposal of the Norsk Medisinaldepot, Norway, shareholding and income from services for IT and business provisions rendered for affiliates. The shareholding was sold on 16 February 2016 to McKesson Norway Holding AS at a fair market value of EUR 511,934k. The gain amounted to EUR 291,298k.

(19) Personnel expenses/employees

	2015 EUR k	2016 EUR k
Wages and salaries	10,760	52,457
Social security and pension cost	973	4,935
of which pension benefits	(102)	932
Total	11,529	57,392

The average headcount in the fiscal year 2016 was 309 (previous year 317).

(20) Other expenses

	2015 EUR k	2016 EUR k
Other taxes	34	243
Sundry expenses	103,872	207,974
of which losses from disposal of investments	(98)	0
of which exchange rate losses	(49,150)	(128,261)
Total	103,906	208,217

In addition to the exchange rate losses, sundry expenses mainly comprise IT expenses, legal and consulting fees, costs for services rendered by affiliates, travel expenses, as well as other rent and incidental costs.

(21) Income taxes

	2015 EUR k	2016 EUR k
Corporate income tax/trade tax for fiscal year	1,890	7,516
Corporate income tax/trade tax for previous years	-311	1,557
Total	1,579	9,073

The income tax expenditure for the current year originates from the tax consequences of the guaranteed dividend payable to the outstanding minority shareholders. Other taxes are reported under (20), Other expenses.

Audit fees

The annual financial statements of Celesio AG, the German subsidiaries subject to audit and the consolidated financial statements were audited by Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart. In accordance with Sec. 285 (1) No. 17 HGB, fees for the auditor have not been disclosed. The total fees of Deloitte & Touche GmbH are disclosed in the consolidated financial statements of Celesio AG.

Group relationships and list of shareholdings

The consolidated financial statements of Celesio AG and its subsidiaries as of 31 March 2016 have been prepared in accordance with the International Financial Reporting Standards (IFRSs) of the International Accounting Standards Board (IASB), London, UK, as endorsed by the European Union and applicable at the end of the reporting period, and supplemented by the provisions of Sec. 315a (1) Handelsgesetzbuch (HGB, German Commercial Code).

Celesio Deutschland Holdings GmbH & Co. KGaA (previously McKesson Deutschland GmbH & Co. KGaA, Schönefeld), is the German parent company of Celesio AG.

Celesio AG and Celesio Deutschland Holdings GmbH & Co. KGaA are indirectly owned by McKesson Corporation, San Francisco, USA, as the ultimate parent company and are included in its consolidated financial statements of 31 March 2016 in accordance with US reporting principles.

The list of shareholdings of Celesio AG is attached to these notes as an appendix.

Notices from shareholders

The following discloses the most recent of the voting rights announcements received by the company.

30 July 2015

On July 30, 2015, Mr Alec N. Litowitz, United States has informed us according to Article 21, Section 1 of the WpHG that via shares his Voting Rights on Celesio AG, Stuttgart, Germany, have fallen below the 3% threshold of the Voting Rights on October 28, 2014 and on that day amounted to 2.73% (this corresponds to 5553213 Voting Rights).

2.73% of Voting Rights (this corresponds to 5553213 Voting Rights) are attributed to Mr Litowitz in accordance with Article 22, Section 1, Sentence 1, No. 6 in connection with sentence 2 of the WpHG (German Securities Trading Act).

On July 30, 2015, Magnetar Capital Partners LP, Evanston, Illinois, United States has informed us according to Article 21, Section 1 of the WpHG that via shares its Voting Rights on Celesio AG, Stuttgart, Germany, have fallen below the 3% threshold of the Voting Rights on October 28, 2014 and on that day amounted to 2.73% (this corresponds to 5553213 Voting Rights).

2.73% of Voting Rights (this corresponds to 5553213 Voting Rights) are attributed to the company in accordance with Article 22, Section 1, Sentence 1, No. 6 in connection with sentence 2 of the WpHG (German Securities Trading Act).

On July 30, 2015, Magnetar Financial LLC, Evanston, Illinois, United States has informed us according to Article 21, Section 1 of the WpHG that via shares its Voting Rights on Celesio AG, Stuttgart, Germany, have fallen below the 3% threshold of the Voting Rights on October 28, 2014 and on that day amounted to 2.73% (this corresponds to 5553213 Voting Rights).

2.73% of Voting Rights (this corresponds to 5553213 Voting Rights) are attributed to the company in accordance with Article 22, Section 1, Sentence 1, No. 6 of the WpHG (German Securities Trading Act).

On July 30, 2015, Supernova Management LLC, Evanston, Illinois, United States has informed us according to Article 21, Section 1 of the WpHG that via shares its Voting Rights on Celesio AG, Stuttgart, Germany, have fallen below the 3% threshold of the Voting Rights on October 28, 2014 and on that day amounted to 2.73% (this corresponds to 5553213 Voting Rights).

2.73% of Voting Rights (this corresponds to 5553213 Voting Rights) are attributed to the company in accordance with Article 22, Section 1, Sentence 1, No. 6 in connection with sentence 2 of the WpHG (German Securities Trading Act).

5 May 2014

On 5 May 2014, Dragonfly GmbH & Co. KGaA, Frankfurt am Main, Germany notified us pursuant to Section 21 (1) of the WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 30 April 2014 passed the threshold of 75% of the voting rights and amounted to 75.45% on that date (153,305,846 voting rights).

On 5 May 2014, Dragonfly Verwaltungs GmbH, Frankfurt am Main, Germany notified us pursuant to Section 21 (1) of the WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 30 April 2014 passed the threshold of 75% of the voting rights and amounted to 75.45% on that date (153,305,846 voting rights).

75.45% of the voting rights (153305846 voting rights) are held by Dragonfly Verwaltungs GmbH pursuant to Section 22 (1) 1, No. 1 of the WpHG via the following companies controlled by Dragonfly Verwaltungs GmbH: Dragonfly GmbH & Co. KGaA.

On 5 May 2014, Cougar I UK Limited, London, United Kingdom notified us pursuant to Section 21 (1) of the WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 30 April 2014 passed the threshold of 75% of the voting rights and amounted to 75.45% on that date (153,305,846 voting rights).

75.45% of the voting rights (153305846 voting rights) are held by Cougar I UK Limited pursuant to Section 22 (1) 1, No. 1 of the WpHG via the following companies controlled by Cougar I UK Limited: Dragonfly GmbH & Co. KGaA, Dragonfly Verwaltungs GmbH.

On 5 May 2014, Cougar II UK Limited, London, United Kingdom notified us pursuant to Section 21 (1) of the WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 30 April 2014 passed the threshold of 75% of the voting rights and amounted to 75.45% on that date (153,305,846 voting rights).

75.45% of the voting rights (153305846 voting rights) are held by Cougar II UK Limited pursuant to Section 22 (1) 1, No. 1 of the WpHG via the following companies controlled by Cougar II UK Limited: Dragonfly GmbH & Co. KGaA, Dragonfly Verwaltungs GmbH, Cougar I UK Limited.

On 5 May 2014, Cougar III UK Limited, London, United Kingdom notified us pursuant to Section 21 (1) of the WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 30 April 2014 passed the threshold of 75% of the voting rights and amounted to 75.45% on that date (153,305,846 voting rights).

75.45% of the voting rights (153305846 voting rights) are held by Cougar III UK Limited pursuant to Section 22 (1) 1, No. 1 of the WpHG via the following companies controlled by Cougar III UK Limited: Dragonfly GmbH & Co. KGaA, Dragonfly Verwaltungs GmbH, Cougar I UK Limited, Cougar II UK Limited.

On 5 May 2014, McKesson US Finance Corporation, San Francisco, USA notified us pursuant to Section 21 (1) of the WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 30 April 2014 passed the threshold of 75% of the voting rights and amounted to 75.45% on that date (153,305,846 voting rights).

75.45% of the voting rights (153305846 voting rights) are held by McKesson US Finance Corporation pursuant to Section 22 (1) 1, No. 1 of the WpHG via the following companies controlled by McKesson US Finance Corporation: Dragonfly GmbH & Co. KGaA., Dragonfly Verwaltungs GmbH, Cougar I UK Limited, Cougar II UK Limited, Cougar III UK Limited.

03 April 2014

On 3 April 2014, Magnetar Financial LLC, Evanston, Illinois, USA notified us pursuant to Section 21 (1) of the WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 27 March 2014 passed the threshold of 3% of the voting rights and amounted to 3.14% on that date (6,387,521 voting rights).

3.14% of the voting rights (6387521 voting rights) are held by the company pursuant to Section 22 (1) 1, No. 6 of the WpHG.

On 3 April 2014, Magnetar Capital Partners LP, Evanston, Illinois, USA notified us pursuant to Section 21 (1) of the WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 27 March 2014 passed the threshold of 3% of the voting rights and amounted to 3.14% on that date (6,387,521 voting rights).

3.14% of the voting rights (6,387,521 voting rights) are held by the company pursuant to Section 22 (1) 1, No. 6 of the WpHG in conjunction with Section 22 (1) 2 of the WpHG.

On 3 April 2014, Supernova Management LLC, Evanston, Illinois, USA notified us pursuant to Section 21 (1) of the WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 27 March 2014 passed the threshold of 3% of the voting rights and amounted to 3.14% on that date (6,387,521 voting rights).

3.14% of the voting rights (6,387,521 voting rights) are held by the company pursuant to Section 22 (1) 1, No. 6 of the WpHG in conjunction with Section 22 (1) 2 of the WpHG.

On 3 April 2014, Mr Alec N. Litowitz, USA notified us pursuant to Section 21 (1) of the WpHG that his voting share in Celesio AG, Stuttgart, Germany, had on 27 March 2014 passed the threshold of 3% of voting rights and amounted to 3.14% on that date (6,387,521 voting rights).

3.14% of the voting rights (6,387,521 voting rights) are held by Mr Litowitz pursuant to Section 22 (1) 1, No. 6 of the WpHG in conjunction with Section 22 (1) 2 of the WpHG.

12 February 2014

On 12 February 2014, Dragonfly GmbH & Co. KGaA, Frankfurt am Main, Germany notified us pursuant to Section 21 (1) of the WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 6 February 2014 passed the thresholds of 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights and amounted to 77.19% on that date (140,702,074 voting rights).

On 12 February 2014, Dragonfly Verwaltungs GmbH, Frankfurt am Main, Germany notified us pursuant to Section 21 (1) of the WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 6 February 2014 passed the thresholds of 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights and amounted to 77.19% on that date (140,702,074 voting rights).

77.19% of the voting rights (140,702,074 voting rights) are held by Dragonfly Verwaltungs GmbH pursuant to Section 22 (1) 1, No. 1 of the WpHG via the following companies controlled by Dragonfly Verwaltungs GmbH: Dragonfly GmbH & Co. KGaA.

On 12 February 2014, Cougar I UK Limited, London, United Kingdom notified us pursuant to Section 21 (1) of the WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 6 February 2014 passed the thresholds of 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights and amounted to 77.19% on that date (140,702,074 voting rights).

77.19% of the voting rights (140,702,074 voting rights) are held by Cougar I UK Limited pursuant to Section 22 (1) 1, No. 1 of the WpHG via the following companies controlled by Cougar I UK Limited: Dragonfly GmbH & Co. KGaA, Dragonfly Verwaltungs GmbH.

On 12 February 2014, Cougar II UK Limited, London, United Kingdom notified us pursuant to Section 21 (1) of the WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 6 February 2014 passed the thresholds of 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights and amounted to 77.19% on that date (140,702,074 voting rights).

77.19% of the voting rights (140,702,074 voting rights) are held by Cougar II UK Limited pursuant to Section 22 (1) 1, No. 1 of the WpHG via the following companies controlled by Cougar II UK Limited: Dragonfly GmbH & Co. KGaA, Dragonfly Verwaltungs GmbH, Cougar I UK Limited.

On 12 February 2014, Cougar III UK Limited, London, United Kingdom notified us pursuant to Section 21 (1) of the WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 6 February 2014 passed the thresholds of 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights and amounted to 77.19% on that date (140,702,074 voting rights).

77.19% of the voting rights (140,702,074 voting rights) are held by Cougar III UK Limited pursuant to Section 22 (1) 1, No. 1 of the WpHG via the following companies controlled by Cougar III UK Limited: Dragonfly GmbH & Co. KGaA, Dragonfly Verwaltungs GmbH, Cougar I UK Limited, Cougar II UK Limited.

On 12 February 2014, McKesson US Finance Corporation, San Francisco, USA informed us pursuant to Sec. 21 (1) WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 6 February 2014 passed the thresholds of 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights and amounted to 77.19% on that date (140,702,074 voting rights).

77.19% of the voting rights (140,702,074 voting rights) are held by McKesson US Finance Corporation pursuant to Section 22 (1) 1, No. 1 of the WpHG via the following companies controlled by McKesson US Finance Corporation: Dragonfly GmbH & Co. KGaA., Dragonfly Verwaltungs GmbH, Cougar I UK Limited, Cougar II UK Limited, Cougar III UK Limited.

On 12 February 2014, McKesson Corporation, San Francisco, USA informed us pursuant to Sec. 21 (1) WpHG that its voting share in Celesio AG, Stuttgart, Germany, had on 6 February 2014 passed the thresholds of 10%, 15%, 20%, 25%, 30%, 50% and 75% of the voting rights and amounted to 77.59% on that date (141,431,732 voting rights).

77.59% of the voting rights (141,431,732 voting rights) are held by McKesson Corporation pursuant to Section 22 (1) 1, No. 1 of the WpHG via the following companies controlled by McKesson Corporation: Dragonfly GmbH & Co. KGaA, Dragonfly Verwaltungs GmbH, Cougar I UK Limited, Cougar II UK Limited, Cougar III UK Limited, McKesson US Finance Corporation, McKesson International Holdings IV S.à r.l., McKesson International Holdings, McKesson International Bermuda IP2A Limited.

Information provided in accordance with Sec. 285 (9) of the Handelsgesetzbuch (HGB, German Commercial Code)

The total remuneration of the Management Board in terms of Sec. 289 No. 9a HGB came to EUR 4,675k in the fiscal year 2016 (previous year EUR 775k).

The members of the board are unchanged.

No advances, loans or similar benefits were granted to members of the Management Board or Supervisory Board in the reporting period or in the previous year.

Former members of the Management Board and their surviving dependents received remuneration of EUR 326k (previous year EUR 86k). Celesio AG has set up pension provisions of EUR 22,596k (previous year EUR 22,397k) for this group of persons.

Remuneration for serving on the Supervisory Board of Celesio AG, including attendance fees, came to EUR 668k in the fiscal year (previous year EUR 181k). The entire amount comprised short-term benefits. In addition, the employee representatives sitting on the Supervisory Board received the customary market salaries for their services.

No remuneration was paid to members of the Supervisory Board for services rendered individually nor were transactions requiring disclosure conducted between members of the Supervisory Board or Management Board and other persons of the management, where such persons hold key positions. Likewise no transactions were conducted between members of the Supervisory Board or Management Board and any other entities where such persons sit on the respective management or Supervisory Boards. This also applies to close family members of these persons.

Distribution of earnings – proposal by the Management Board

The net retained profit of Celesio AG is EUR 0k (previous year EUR 709,297k) and equals to the annual result of the profit and loss transfer.

In accordance with § 4 (2) and (3) of the domination and profit and loss transfer agreement from 2 December 2014, Celesio Deutschland Holdings GmbH & Co. KGaA guarantees the external shareholders a compensation of EUR 0.83 per share for the retention of the contract and so far also for fiscal year 2016. The compensation payment is expected to be paid at 10 August 2016.

Stuttgart, 24 May 2016

The Management Board

Other appointments held by members of the management board in the fiscal year 2016

Name	Current position and company	Information on transactions with related companies and persons of the Celesio Group
Marc E. Owen	Chairman of the Management Board of Celesio AG Labour Relations Director	none
Tilo Köster	Member of the Management Board of Celesio AG Legal and Compliance	none
Alain Vachon	Member of the Management Board of Celesio AG Finance	none

Other appointments held by members of the supervisory board in the fiscal year 2016

Name	Current position and company	Information on transactions with related companies and persons of the Celesio Group
John H. Hammergren (Chairman)	Chairman, President and Chief Executive Officer, McKesson Corporation, San Francisco (USA)	none
Ihno Goldenstein (Deputy Chairman)	Employee Goods Receiving Department, GEHE Pharma Handel GmbH, Branch Delmenhorst, Chairman of European Works Council of Celesio AG, Chairman of Company Works Council of GEHE Pharma Handel GmbH	none
James A. Beer	Executive Vice President and Chief Financial Officer, McKesson Corporation, San Francisco (USA)	none
Klaus Borowicz	Regional Operations Manager / Region North, GEHE Pharma Handel GmbH, Branch Hamburg	none
Paul C. Julian	Executive Vice President and Group President, McKesson Corporation, San Francisco, U.S.A.	none
Jörg Lauenroth-Mago	Country Department Manager Trading, ver.di – Vereinte Dienstleistungsgewerkschaft, Region Saxony, Saxony-Anhalt, Thuringia	none
Pauline Lindwall	Senior Advisor, Stora Enso A.B., Schweden	none
Susan Naumann	Team Leader Legal and Consulting Service, ver.di – Vereinte Dienstleistungsgewerkschaft, Region Hamburg	none
Ulrich Neumeister	Logistics employee, GEHE Pharma Handel GmbH, Head Office Stuttgart	none
W.M. Henning Rehder	Chairman of the Administrative Board, Carl Kühne KG, Hamburg	none
Patrick Schwarz-Schütte	Managing Director, Black Horse Investments GmbH, Düsseldorf	none
Gabriele Katharina Stall	Assistant of Branch Unit Manager, GEHE Pharma Handel GmbH, Branch Bonn	none

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for financial reporting, we confirm that the annual financial statements give a true and fair view of the assets position, financial position and results of operations of Celesio AG, Stuttgart, and the management report, which is combined with the management report of the group, gives a true and fair view of the business performance including the results of operations and the situation of Celesio AG, Stuttgart, and describes the main opportunities and risks relating to the future development of Celesio AG, Stuttgart.

Stuttgart, 24 May 2016
The Management Board

Marc E. Owen
Chairman of the management board

Alain Vachon
Member of the management board

Tilo Köster
Member of the management board

List of shareholdings of Celesio AG, Stuttgart as of 31 March 2016, pursuant to Sec. 285 No.11 HGB

NAME AND REGISTERED OFFICE OF COMPANY	Interest 1) (in %)	Equity 2) EUR k	Net profit/loss 2) EUR k
I. Companies in which Celesio AG holds a share in capital of at least 20%			
"Aewige" ärztliche Wirtschaftsgesellschaft m.b.H., Wien	100.00	993	24
2012 DREAM LIMITED, COVENTRY	100.00	9	0
28CVR LIMITED, COVENTRY	100.00	253	-11
30MC LIMITED, COVENTRY	100.00	0	-10
A C FERGUSON (CHEMIST) LIMITED, COVENTRY	100.00	4	0
A F CANNON (DISPENSING CHEMISTS) LIMITED, COVENTRY	100.00	166	0
A MILLER (CHEMIST) LIMITED, Glasgow	100.00	1,215	0
A. SUTHELL (HAULAGE) LIMITED, COVENTRY	100.00	10	0
AAH BUILDERS SUPPLIES LIMITED, COVENTRY	100.00	9,685	0
AAH FURB PENSION TRUSTEE LIMITED, COVENTRY	100.00	1	0
AAH GLASS & WINDOWS LIMITED, COVENTRY	100.00	3	0
AAH Ireland, Dublin	100.00	22,893	0
AAH LIMITED, COVENTRY	100.00	24,442	635,000
AAH Lloyds Insurance (IoM) Limited, Douglas	100.00	100	-509
AAH LLOYDS PENSION TRUSTEES LIMITED, COVENTRY	100.00	0	0
AAH NOMINEES LIMITED, COVENTRY	100.00	0	0
AAH ONE LIMITED, Glasgow	100.00	0	0
AAH PHARMACEUTICALS LIMITED, COVENTRY	100.00	50,000	218,799
AAH RETAIL PHARMACY LIMITED, COVENTRY	100.00	2	0
AAH TWENTY FIVE LIMITED, COVENTRY	100.00	1	0
AAH TWENTY FOUR LIMITED, Glasgow	100.00	1,259	0
AAH TWENTY LIMITED, COVENTRY	100.00	441	0
AAH TWENTY SEVEN LIMITED, COVENTRY	100.00	653	0
AAH TWENTY SIX LIMITED, COVENTRY	100.00	236	0
AAH TWENTY THREE LIMITED, GLASGOW	100.00	-246	0
AAH TWENTY TWO LIMITED, COVENTRY	100.00	6,406	0
ABG Apotheken-Beratungsgesellschaft mbH, Stuttgart	3) 100.00	1,041	593
ACME DRUG CO. LIMITED, GLASGOW	100.00	-703	0
ADDED MARKETING LIMITED, COVENTRY	100.00	50	0
Admenta Beteiligungs GmbH, Wien	100.00	151,364	-1,038
Admenta Denmark ApS, Rodovre	100.00	238,687	-11,052
Admenta Deutschland GmbH, Stuttgart	3) 100.00	190,547	-3,673
ADMENTA FRANCE, Saint Ouen	99.72	20,125	-157,858
ADMENTA HOLDINGS LIMITED, COVENTRY	100.00	11,150	640,503
ADMENTA ITALIA S.p.A., Bentivoglio	100.00	89,648	4,885
ADMENTA PENSION TRUSTEES LIMITED, COVENTRY	100.00	0	0
ADMENTA UK LIMITED, COVENTRY	100.00	400,050	559,828
Admenta Verwaltungs GmbH, Wien	100.00	934	11
AFM - S.p.A., Bentivoglio	79.91	40,732	3,839
AHLP PHARMACY LIMITED, COVENTRY	100.00	0	1,290
ALCHEM (SOUTHERN) LIMITED, COVENTRY	100.00	92	0
ALPE-ADRIA PHARMA pharmazeutisches Unternehmen GesmbH., Ljubljana	100.00	35	0
American Farma Distribuidora Farmacêutica Ltda., Recife	100.00	27,476	-5,234
Ancavion GmbH, Weiterstadt	100.00	250	73
ANSON TRADING LIMITED, COVENTRY	100.00	0	0
Apo-Holding Gesellschaft m.b.H., Wien	66.67	278	11
Apotheek A12, SPRL, Antwerpen	100.00	-21	-39
Apotheek Claes, SPRL, Beveren	100.00	94	7
ARCHSILVER LIMITED, COVENTRY	100.00	661	0
AYRSHIRE PHARMACEUTICALS LIMITED, Glasgow	100.00	507	0
AZIENDA FARMACEUTICA MUNICIPALE di Cremona S.p.A., Cremona	77.84	4,145	1,050
Azienda Farmacie Milanesi - A.F.M. S.p.A., Milano	80.00	78,178	1,358
Babbingore Limited, Co Dublin	100.00	33,012	0
BAILLIESTON HEALTH CENTRE PHARMACY LIMITED, Baillieston	64.00	25	0
Ballycane Pharmacy Limited, Co Dublin	50.00	-128	0
BANNISTER & THATCHER LIMITED, COVENTRY	100.00	1,996	0
BARCLAY ENTERPRISE LIMITED, COVENTRY	100.00	5,004	0

BARCLAY PHARMACEUTICALS (ATHERSTONE) LIMITED, COVENTRY	100.00	5,072	0
BARCLAY PHARMACEUTICALS LIMITED, COVENTRY	100.00	25,000	8,339
BARLEY CHEMISTS HOLDINGS LIMITED, COVENTRY	100.00	401	0
BARRY SHOOTER (ROMFORD) LIMITED, COVENTRY	100.00	757	0
BARTON PHARMACY (TORQUAY) LIMITED, COVENTRY	100.00	357	0
BEAUTY CARE DRUGSTORES LIMITED, COVENTRY	100.00	-64	0
BENSON PHARMACY LIMITED, COVENTRY	100.00	1	0
BERKSHIRE MEDICAL SUPPLIES LIMITED, COVENTRY	100.00	1,646	0
BETTERLIFEHEALTHCARE LIMITED, COVENTRY	100.00	1	-423
BIG PHARMA LIMITED, Glasgow	100.00	-983	0
BLAKEY & GRIFFIN LIMITED, COVENTRY	100.00	621	0
Breamor Pharmacy Limited	100.00	390	0
BRIAN CORPS (CHEMIST) LIMITED, COVENTRY	100.00	0	0
BRIDGETON HEALTH CENTRE PHARMACY LIMITED, Glasgow	100.00	610	122
BRIDPORT MEDICAL CENTRE SERVICES LIMITED, COVENTRY	100.00	-634	0
BRUGEFI INVEST S.A.S., SAINT OUEN	100.00	15,975	-5
C. H. POMEROY LIMITED, COVENTRY	100.00	74	0
CAHILL MAY ROBERTS GROUP LIMITED, Dublin	100.00	74	0
Camic Pharmacies Limited, Co Dublin	100.00	0	0
CARONET TRADING LIMITED, COVENTRY	100.00	0	0
CASTLEREAGH PHARMACEUTICALS LIMITED, COVENTRY	100.00	10	0
Castletroy SCP, Co Dublin	100.00	0	0
Celesio Business Services Ltd., Co Dublin	100.00	0	0
Celesio Finance B.V., Amsterdam	100.00	2,120	120
CELESIO UK HEALTHCARE (A) LIMITED, COVENTRY	100.00	0	0
CELESIO UK HEALTHCARE (B) LIMITED, COVENTRY	100.00	0	0
CENTRALE D'ADMINISTRATION DE BIENS IMMOBILIERS, Saint Ouen	100.00	56,327	2,162
Chem Labs Limited, Dublin	100.00	0	0
CLARK CARE GROUP LIMITED, COVENTRY	100.00	1,380	0
CLARK MUNRO LIMITED, Glasgow	100.00	40	0
CMN Healthcare Limited, Co Dublin	100.00	0	0
CMN Pharmacy Limited, Co Dublin	100.00	0	0
CMR HOLDINGS (UK) LIMITED, COVENTRY	100.00	300	0
CMR Holdings Ltd, Co Dublin	100.00	0	0
Coleham, Co Dublin	100.00	4,778	0
COMPTOIR MONEGASQUE DE BIOCHIMIE, Monaco	100.00	12,800	80
COMPTOIR PHARMACEUTIQUE MEDITERRANEEN, Monaco	99.40	5,846	5,122
CORNWELLS (WHOLESALE) LIMITED, COVENTRY	100.00	-84	0
CRAIG & LOVERING LIMITED, COVENTRY	100.00	0	0
CROSS AND HERBERT (DEVON) LIMITED, COVENTRY	100.00	2,005	0
CROSS AND HERBERT (HOLDINGS) LIMITED, COVENTRY	100.00	1,001	0
CROSS AND HERBERT LIMITED, COVENTRY	100.00	8,733	0
Crowley's Blackrock Limited, Dublin	100.00	383	0
D.F. BRINT (PORTISHEAD) LIMITED, COVENTRY	100.00	83	0
D.F. O'Neill (Chemists) Ltd, Co Dublin	100.00	-184	0
Dargle Pharmacies Holdings Limited, Co Dublin	100.00	0	0
DAVID J THOMAS LIMITED, COVENTRY	100.00	639	0
DAVID LOW (CHEMISTS) LIMITED, COVENTRY	100.00	2	0
DAVID TAUBER LIMITED, COVENTRY	100.00	15	0
DEPOTRADE, Saint Ouen	100.00	388	14
DocMorris Kooperationen GmbH, Stuttgart	100.00	-6,527	-612
DOL Pharmacy Limited, Co Dublin	100.00	385	0
Donald Munro Limited, Glasgow	100.00	1	0
Donnybrook Pharmacy Limited, Co Dublin	100.00	7,735	0
DRTHOM BILLING LIMITED, COVENTRY	100.00	0	0
ECLIPSE HEALTHCARE LIMITED, COVENTRY	100.00	0	0
ESCON (ST NEOTS) LIMITED, COVENTRY	100.00	34	0
EUROSANTE (Société en liquidation), LUXEMBOURG	100.00	-325	0
Evesland Limited, Co Dublin	100.00	516	0
EVOLUTION HOMECARE SERVICES LIMITED, COVENTRY	100.00	0	-4,284
EXPERT HEALTH LIMITED, COVENTRY	100.00	0	-60
FAR.CO.SAN S.p.A., San Giovanni Valdarno	80.00	2,345	-14
FARILLON LIMITED, COVENTRY	100.00	2	0
Farmacie di Parma S.p.A., PARMA	80.00	491	-16

Farmacie Pratesi Pratoforma S.p.A., Prato	80.00	10,214	561
FARMALVARION S.R.L. SOCIO UNICO, Bentivoglio	100.00	613	430
Felview Limited, Co Dublin	100.00	13	0
FENDGROVE LIMITED, COVENTRY	100.00	318	0
FERAX LIMITED, COVENTRY	100.00	338	0
FIELD COURT LIMITED, COVENTRY	100.00	-427	0
FIRTH & PILLING LIMITED, COVENTRY	100.00	482	0
FOSTER & PLUMPTON GROUP LIMITED, COVENTRY	100.00	-34	0
FOSTER & PLUMPTON LIMITED, COVENTRY	100.00	6	0
FOSTER PHARMACEUTICALS LIMITED, COVENTRY	100.00	10	0
FULLPAD LIMITED, COVENTRY	100.00	5	0
G J MALEY LIMITED, Douglas	100.00	18	1,045
G K CHEMISTS (GLOS) LIMITED, COVENTRY	100.00	40	0
G K CHEMISTS LIMITED, COVENTRY	100.00	920	0
GAMECREST LIMITED, COVENTRY	100.00	-61	0
GEHE Immobilien GmbH & Co. KG, Stuttgart	100.00	2,050	17
GEHE Immobilien Verwaltungs-GmbH, Stuttgart	100.00	227	37
GEHE Pharma Handel GmbH, Stuttgart	100.00 ³⁾	140,194	-14,798
GEHIS FRANCE, Saint Ouen	100.00	2,670	98
GEORGE STAPLES (OPTICIANS) LIMITED, COVENTRY	100.00	38	0
GEORGE STAPLES (STOKE) LIMITED, COVENTRY	100.00	2,314	0
Gerard Ryan Pharmacy (Clonmel) Limited, Co Dublin	100.00	251	0
Gerard Ryan Pharmacy (O'Connell Street) Limited, Co Dublin	100.00	-822	0
Gerard Ryan Pharmacy (Patrick Street) Limited, Co Dublin	100.00	1,154	0
Gesellschaft für Versorgungskonzepte in der Wundbehandlung GmbH, Stuttgart	100.00 ³⁾	3,279	0
GORDON'S PHARMACY LIMITED, COVENTRY	100.00	62	0
Gorrays Pharmacy Limited	100.00	0	0
Gouldson Pharmacy, Co Dublin	100.00	0	0
Goviltown Limited, Co Dublin	100.00	46,018	0
GOWCHARM LIMITED, COVENTRY	100.00	404	0
GPL 2007 LIMITED, COVENTRY	100.00	2	0
GRAEME PHARMACY (STIRLING) LIMITED, Glasgow	100.00	1,278	0
GREENS PHARMACEUTICAL (HOLDINGS) LIMITED, COVENTRY	100.00	492	0
Greystones Pharmacy Limited, Co Dublin	100.00	1,268	0
H H THATCHER LIMITED, COVENTRY	100.00	19	0
H.E. NIBLETT LIMITED, COVENTRY	100.00	10	0
Haleston Enterprises Limited, Co Dublin	100.00	1,998	0
HAMMOND & BROWN LIMITED, COVENTRY	100.00	9	0
HAMMOND HOPKINS LIMITED, COVENTRY	100.00	352	0
HC Beteiligungsgesellschaft mbH, Wien	100.00	3,392	304
HEALTH NEEDS LIMITED, COVENTRY	100.00	142	0
HEALTHCLASS LIMITED, COVENTRY	100.00	641	0
Helmarid Holdings Limited, Co Dublin	100.00	1,518	0
Herba Chemosan Apotheker-AG, Wien	99.06	116,312	1,875
Herba Immobilienvermietungs GesmbH, Wien	99.95	3,800	140
HERBA Pharma d.o.o., Zagreb	100.00	0	0
HERBERT FERRYMAN LIMITED, COVENTRY	100.00	645	0
HIGGINS & SON (CHEMISTS) LIMITED, COVENTRY	100.00	26	0
HILLCROSS PHARMACEUTICALS LIMITED, COVENTRY	100.00	7	0
HILLS PHARMACEUTICALS LIMITED, COVENTRY	100.00	35	0
HILL-SMITH (WARRINGTON) LIMITED, COVENTRY	100.00	5	0
Hittelford Limited, Co Dublin	100.00	-10	0
HOSP-LOG COMÉRCIO DE PRODUTOS HOSPITALARES LTDA., Brasilia	100.00	29,085	3,486
HOUGHTON & LAPPIN LIMITED, COVENTRY	100.00	6	0
HYWEL DAVIES (CAERPHILLY) LIMITED, COVENTRY	100.00	1	0
INDEPENDENT PHARMACY CARE CENTRES (2008) LIMITED, COVENTRY	100.00	7,521	0
INSPIRON DISTRIBUTION LIMITED, COVENTRY	100.00	20	0
Inten GmbH, Stuttgart	100.00 ³⁾	500	-126
INTERFACE und DATA Elektronische Baugruppen Gesellschaft m.b.H., Wien	100.00	248	46
IPCC LIMITED, COVENTRY	100.00	0	0
ISON & BOWYER LIMITED, COVENTRY	100.00	33	0
J A R BURBANK LIMITED, COVENTRY	100.00	14	0
J S DENT LIMITED, COVENTRY	100.00	314	0
J.G. Crowley Pharmacy Limited, Co Dublin	100.00	951	0

JOHN BELL & CROYDEN LIMITED, COVENTRY	100.00	563	984
JOHN HAMILTON (PHARMACEUTICALS) LIMITED, Glasgow	100.00	-322	0
JOHN ROBERTSON BUTLER AND SON (GORING) LIMITED, COVENTRY	100.00	1	0
JOHN ROBERTSON BUTLER AND SON (NEWBURY) LIMITED, COVENTRY	100.00	8	0
JOHN ROBERTSON BUTLER AND SON (WEST READING) LIMITED, COVENTRY	100.00	1	0
JOHN ROBERTSON BUTLER AND SON LIMITED, COVENTRY	100.00	25	0
John Smith & Son Limited, Co Dublin	100.00	529	0
JORDANS PHARMACY LIMITED, COVENTRY	100.00	0	0
Kairnburry, Dublin	100.00	1,233	0
Kemofarmacija, veletrgovina za oskrbo zdravstva, d.d, Ljubljana	98.04	15,972	1,200
Kilshallow Limited, Co Dublin	100.00	982	0
KINGSWOOD CHEMISTS LIMITED, COVENTRY	100.00	1	0
KINGSWOOD GK LIMITED, COVENTRY	100.00	12,924	0
KNOWLE PHARMACY LIMITED, COVENTRY	100.00	0	0
KYLE & CARRICK HOLDINGS LIMITED, Glasgow	100.00	2,273	0
Laboratoria Flandria NV, Brüssel	100.00	14,054	162
LCH CHAPMAN (WHITESTONE) LIMITED, COVENTRY	100.00	52	0
LEEMA CONSULTANCY SERVICES LIMITED, COVENTRY	100.00	5	0
LEVELCROWN LIMITED, COVENTRY	100.00	1,627	0
LINFORD PHARMACIES LIMITED, COVENTRY	100.00	982	0
Lissone Farmacie S.p.A., Lissone	80.00	629	181
LIVINGSTON HEALTH CENTRE (P.D) CO. LIMITED, Glasgow	100.00	281	0
LLOYDS CHEMISTS LIMITED, COVENTRY	100.00	6,680	46
LLOYDS CHEMISTS RETAIL (NORTHERN) LIMITED, COVENTRY	100.00	5,522	0
LLOYDS CHEMISTS RETAIL LIMITED, COVENTRY	100.00	907	0
LLOYDS GROUP PROPERTIES LIMITED, COVENTRY	100.00	0	0
LLOYDS HEALTHCARE HOLDINGS LIMITED, COVENTRY	100.00	26	0
LLOYDS PHARMACY LIMITED, COVENTRY	100.00	125,242	19,248
LLOYDS PROPERTIES LIMITED, COVENTRY	100.00	500	166
LLOYDS Property Management Company Belgium S.A., Wavre	100.00	1,786	19
LLOYDS RETAIL CHEMISTS LIMITED, COVENTRY	100.00	5,000	0
Lloydspharma Group S.A., Wavre	100.00	22,129	-1,409
Lloydspharma S.A., Wavre	100.00	56,701	0
Lloydspharmacy Ireland Limited, Co Dublin	100.00	50,689	0
LPL ONE LIMITED, COVENTRY	100.00	10,717	0
M & J HOLDINGS LIMITED, COVENTRY	100.00	10	0
M H GILL LIMITED, COVENTRY	100.00	2	0
M PAYNE & CO LIMITED, COVENTRY	100.00	68	0
M.& M.L.GRUNDY LIMITED, COVENTRY	100.00	236	0
M.J.F LIMITED, COVENTRY	100.00	0	0
MACEYS LIMITED, COVENTRY	100.00	0	0
MANTRE LIMITED, COVENTRY	100.00	246	0
MARYHILL DISPENSARY LIMITED, Glasgow	50.00	261	115
MATIS Immobilien OHG, Stuttgart	100.00	-3,604	608
Maurice F. Dougan Limited, Co Dublin	100.00	0	0
May Roberts Ltd, Dublin	100.00	343	0
McKESSON FRANCE HOLDINGS, Saint Ouen	100.00	0	0
McSweeney Dispensers 10 Limited, Co Dublin	100.00	1,080	0
McSweeney Dispensers 23 Limited, Co Dublin	100.00	377	0
Meade's Medical Hall Limited, Co Dublin	100.00	0	0
MEDIMART LIMITED, COVENTRY	100.00	-11,246	0
MOUNT PHARMACY LIMITED, COVENTRY	100.00	0	0
MPWB (ROMFORD) LIMITED, COVENTRY	100.00	-5,335	0
MUNRO PHARMACY LIMITED, Glasgow	100.00	585	0
Natureline, Dublin	100.00	-389	0
NEW KIRK PHARMACY LIMITED, Glasgow	100.00	1,482	0
NORPROD DISTRIBUIDORA DE PRODUTOS HOSPITALARES LTDA., Recife	100.00	10,962	1,360
O'Leary Pharmacy (Lucan) Limited, Co Dublin	100.00	-334	0
OCP FORMATION	100.00	68	-131
OCP PORTUGAL, PRODUTOS FARMACÊUTICOS, S.A., Maia	100.00	46,124	-10,062
OCP REPARTITION, Saint Ouen	100.00	104,495	7,223
OCP, Saint Ouen	99.99	175,235	-5,631
ONCO PROD DISTRIBUIDORA DE PRODUTOS HOSPITALARES E ONCOLÓGICOS S/A, Sao Paulo	100.00	106,044	-12
P C Cahill & Company Limited, Dublin	100.00	63,548	0

PALEMODA LIMITED, COVENTRY	100.00	25	0
Panpharma Distribuidora de Medicamentos Ltda., Goiânia	100.00	584,170	-211,841
PAUL WHEELER LIMITED, COVENTRY	100.00	1	0
PCB SA, Bruxelles	86.79	32,583	-57
PEEL STREET PHARMACY LIMITED, COVENTRY	100.00	-7,899	0
PHARMA BELGIUM, Bruxelles	100.00	7,264	-264
PHARMA PARTNERS, Ostende	100.00	23,621	5
PHARMACTIV DISTRIBUTION, Saint Ouen	97.45	15,182	843
Pharmacie L. Clerin SA.,Fernelmont	100.00	1,061	61
Pharmacy O`Riada Holdings Limited, Co Dublin	100.00	-2,624	0
PHARMAGEN LIMITED, COVENTRY	100.00	7	0
PHARMATEL, Marseille	99.97	831	-12
PHARMED LIMITED, COVENTRY	100.00	60	0
PHILIP GOODMAN LIMITED, COVENTRY	100.00	269	0
PRESOLVE LIMITED, COVENTRY	100.00	230	0
PRIMELIGHT LIMITED, COVENTRY	100.00	400	0
R F FOSKETT & SON LIMITED, COVENTRY	100.00	63	0
R GORDON DRUMMOND LIMITED, COVENTRY	100.00	1	0
R.J. MAIR LIMITED, GLASGOW	100.00	111	0
Ryle and De Lacy Pharmacies Limited, Co Dublin	100.00	0	0
S. E. BURGESS LIMITED, COVENTRY	100.00	143	0
SANOVA Pharma GesmbH, Wien	100.00	5,590	593
Sapphire Primary Care Developments, Ireland Limited, Co Dublin	100.00	0	0
SARACO'S LIMITED, COVENTRY	100.00	144	0
SAVORY & MOORE (JERSEY) LIMITED, St Helier	90.00	0	887
SAVORY & MOORE LIMITED, Glasgow	100.00	10,486	0
SCHOLES (CHEMISTS) LIMITED, COVENTRY	100.00	1	0
SELBYS (SUSSEX) LIMITED, COVENTRY	100.00	-3	0
Sheridan Distribution Services Ltd, Co Antrim	100.00	22	0
SOCIETE D`ETUDES ET DE REALISATIONS INFORMATIQUES, Monaco	99.50	763	122
SOLIHULL PHARMACY LIMITED, COVENTRY	100.00	22	0
SOLUSOFT, Saint Ouen	100.00	1,776	204
SOPi Ballincollig Limited, Co Dublin	100.00	0	0
SOPi The Lough Limited, Co Dublin	100.00	0	0
SOPi Thurles Limited, Co Dublin	100.00	0	0
SOPi Youghai Limited, Co Dublin	100.00	0	0
SP DISTRIBUIDORA DE VACINAS E MEDICAMENTOS LTDA. (SP), Cidade de Serra	100.00	-112	-112
SP DISTRIBUIDORA DE VACINAS E MEDICAMENTOS LTDA. (SP), Rio de Janeiro	100.00	-2,148	536
ST MATTHEWS PHARMACY LIMITED, COVENTRY	100.00	0	0
STATIM FINANCE LIMITED, COVENTRY	100.00	1	0
STEPHEN SMITH LIMITED, St Peter Port	57.14	0	550
Sudestefarma S.A. Produtos Farmacêuticos, Chácara Parreiral	100.00	-3,280	-4,039
SUMMITLANE LIMITED, COVENTRY	100.00	166	0
SUPERFIELD LIMITED, COVENTRY	100.00	185	0
T AND I WHITE LIMITED, COVENTRY	100.00	7	0
T. Sheridan Sales & Marketing, Dublin	100.00	361	0
TERRAPHARMA LIMITED, COVENTRY	100.00	0	0
THURNBY ROSE LIMITED, COVENTRY	100.00	1	0
Tjellesen Max Jenne A/S, Rodovre	100.00	563,325	31,238
Todin A/S, Rodovre	100.00	21,145	2,403
TREDIMED FRANCE, Saint Ouen	100.00	-2,136	-29
TREDIMED, Saint Ouen	100.00	-8	-4
TRIDENT PHARMACEUTICALS LIMITED, COVENTRY	100.00	265	0
Unicare Dispensers 11 Limited, Co Dublin	100.00	-30	0
Unicare Dispensers 12 Limited, Co Dublin	100.00	-98	0
Unicare Dispensers 13 Limited, Co Dublin	100.00	147	0
Unicare Dispensers 16 Limited, Co Dublin	100.00	-19	0
Unicare Dispensers 20 Limited, Co Dublin	100.00	0	0
Unicare Dispensers 21 Limited, Co Dublin	100.00	-74	0
Unicare Dispensers 27 Limited, Co Dublin	100.00	-185	0
Unicare Dispensers 5 Limited, Co Dublin	100.00	-271	0
Unicare Dispensers 6 Limited, Co Dublin	100.00	-9	0
Unicare Dispensers 8 Limited, Co Dublin	100.00	0	0
Unicare Pharmacy Group Limited, Co Dublin	100.00	-7,463	0

USCITA LIMITED, COVENTRY	100.00	0	0
ValaarapothEEK SPRL, Antwerp	100.00	302	-4
VESTRIC LIMITED, COVENTRY	100.00	52	0
VESTRIC PENSIONS LIMITED, COVENTRY	100.00	0	0
Vitapharm, proizvodnja in trgovina farmacevtskih izdelkov d.o.o., Murska sobota	51.00	73	28
W A G GIBB LIMITED, Nuneaton	100.00	806	0
W A STROYDE (CHEMISTS) LIMITED, COVENTRY	100.00	147	0
W H CHANTER LIMITED, COVENTRY	100.00	56	0
W H GREEN (CHEMISTS) LIMITED, COVENTRY	100.00	457	0
W JAMIESON (CHEMISTS) LIMITED, COVENTRY	100.00	8	0
W. HEDLEY HEWES LIMITED, COVENTRY	100.00	23	0
WESTCLOSE LIMITED, COVENTRY	100.00	147	0
WOODSIDE PHARMACY (GLASGOW) LIMITED, Glasgow	75.00	305	120
Brocacef Groep N.V., BB Maarssen	45.00	254,361	48,592
Nensi d.o.o., Ljubljana	35.00	15	10

II. INTERESTS IN CORPORATIONS IN WHICH CELESIO AG HOLDS AT LEAST 5% OF THE VOTING RIGHTS

ASHLEY HOUSE PLC	9.42	15	-4,178
COATBRIDGE DISPENSARY LIMITED, Coatbridge	17.14	179	179
COMPANY CHEMIST ASSOCIATION LIMITED, Milton Keynes	27.09	-9	30
DATAcare Datenpflege des B52Pharmagroßhandels Ges.m.b.H., Wien	36.67	120	9
DATAPHARM, Paris	38.89	38	22
GALEN PHARMACY LIMITED, South Shields	18.00	30	8
GOVANHILL PHARMACY LIMITED, Glasgow	13.40	2	-1
HOLMSCROFT HC LIMITED, Greenock	20.00	231	270
KEIGHLEY HEALTH CENTRE LIMITED, KEIGHLEY, West Yorkshire	16.67	222	90
PERILLA Grundstücks-Verwaltungsgesellschaft mbH & Co. KG, Grünwald	95.00	-41	12
SERVICE DE LA REPARTITION PHARMACEUTIQUE, Paris	39.50	64	5
SHC PHARMACY LIMITED, Edinburgh	33.33	85	124
SPRINGBURN DISPENSARY LIMITED, Glasgow	25.00	0	0
Swindon Health Centre (Pd) Limited, Swindon	14.83	232	35
THE AHLF LIMITED PARTNERSHIP, COVENTRY	50.00	0	0
TORRINGTON PARK HCC LIMITED, London	4.00	191	68
VICTORIA PHARMACY LIMITED	7.32	-16	-115
W.H.C.P. (DUNDEE) LIMITED, Dundee	13.70	136	98
WROSE HEALTH CENTRE P.D. LIMITED, Keighley	42.59	0	0

¹⁾ Interests held by dependent companies are included in the calculation in full, even if the interest in this company is less than 100%.

²⁾ In local currency

³⁾ Profit or loss transfer agreement with Celesio AG (directly or indirectly)

Additionally, there are further shareholdings in 53 european pharmacies.

Independent Auditors' Report

We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report of Celesio AG, Stuttgart/Germany, combined with the group management report for the year ended 31 March 2016. The maintenance of the books and records and the preparation of the annual financial statements and the management report in accordance with German commercial law are the responsibility of the Company's Executive Board. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

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

Our audit has not led to any reservations.

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

Stuttgart/Germany, 25 May 2016

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

Signed: (Dr. Buhleier)
Wirtschaftsprüfer
German Public Auditor

Signed: (Ilg)
Wirtschaftsprüfer
German Public Auditor

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