

Balance sheet after allocation of annual result, as per December 31, 2012

in thousands of Euros

| | | 31-12-2012 | 31-12-2011 | 31-12-2010 |
|----------------------------------------------------|--|----------------------------|---------------|---------------|
| ASSETS | | | | |
| I Financial fixed assets | | | | |
| 1.1 Debentures | | 21,413 | 20,573 | 19,877 |
| 1.2 Participation in EDCS share fund | | 11 | 11 | 11 |
| 1.2 Participation in One World Europe BV | | 0 | 0 | 0 |
| Total financial fixed assets | | 21,424 | 20,584 | 19,888 |
| II Tangible fixed assets | | 3,040 | 3,190 | 2,506 |
| Total tangible fixed assets | | 3,040 | 3,190 | 2,506 |
| III Current assets | | | | |
| 3.1 Payments in advance | | 47 | 62 | 106 |
| 3.2 Receivables | | 452 | 483 | 523 |
| 3.3 Debtors | | 839 | 866 | 884 |
| 3.4 Tax contributions | | 63 | 18 | 94 |
| 3.5 Cash | | 2,996 | 2,399 | 4,729 |
| Total current assets | | 4,397 | 3,828 | 6,335 |
| TOTAL ASSETS | | 28,861 | 27,602 | 28,729 |
| LIABILITIES | | | | |
| IV Long-term liabilities | | | | |
| 4.1 Commitment to the Netherlands' Government | | 18,378 | 18,378 | 18,378 |
| 4.2 PNL-contribution for housing and installation | | 0 | 0 | 2,269 |
| Total long-term liabilities | | 18,378 | 18,378 | 20,647 |
| V Current liabilities | | | | |
| 5.1 Creditors | | 177 | 74 | 385 |
| 5.2 Tax, pension and social security contributions | | 192 | 316 | 167 |
| 5.3 Current debts | | 1,192 | 887 | 2,349 |
| Total current liabilities | | 1,561 | 1,294 | 2,901 |
| VI Provisions | | 49 | 18 | 0 |
| TOTAL LIABILITIES | | 19,988 | 19,672 | 23,548 |
| EQUITY | | | | |
| General reserve | | 7,161 | 6,615 | 4,488 |
| Revaluation reserve | | 1,712 | 1,315 | 693 |
| | | 8,873⁽¹⁾ | 7,930 | 5,181 |

(1) the increase in general fund from 2010 to 2012 is mostly a result of the transformation by the Ministry of Economic Affairs provided PNL-contribution to a subsidy for the purchase and renovation of the Maastricht office.

Income and expenditure account from January 1 until December 31, 2012

in thousands of Euros

| | Realisation 2012 | Revised Budget 2011 | Original Budget 2012 | Realisation 2011 | Realisation 2010 |
|--------------------------------------------------------------|---------------------|------------------------|-------------------------|---------------------|---------------------|
| INCOME | | | | | |
| I Funding | | | | | |
| 1.1 Core funding | 725 | 765 | 765 | 771 | 835 |
| 1.2 Institutional funding | 2,872 | 2,680 | 2,680 | 2,916 | 3,219 |
| 1.3 Programme and project funding | 1,931 | 2,438 | 1,958 | 1,652 | 1,915 |
| Total funding | 5,528 | 5,883 | 5,403 | 5,339 | 5,969 |
| II Result from debentures and participations | | | | | |
| 2.1 Result on sales debentures | 185 | p.m. | p.m. | 17 | 139 |
| 2.2 Result on market value debentures | 301 | p.m. | p.m. | 64 | 193 |
| 2.3 Result from profit/loss in participations | 0 | 0 | 0 | 0 | 0 |
| Total result from debentures and participations | 486 | 0 | 0 | 81 | 332 |
| TOTAL INCOME | 6,014 | 5,883 | 5,403 | 5,420 | 6,301 |
| EXPENDITURE | | | | | |
| III Operational expenses | 932 | 1,291 | 900 | 847 | 948 |
| IV Other costs | | | | | |
| 4.1 Salaries and other personnel costs | 3,697 | 3,842 | 3,811 | 3,744 | 3,851 |
| 4.2 Accommodation expenses | 201 | 200 | 195 | 296 | 312 |
| 4.3 General and administrative expenses | 366 | 299 | 296 | 323 | 388 |
| 4.4 Investments | 7 | 3 | 2 | 5 | 0 |
| 4.5 Information Technology | 167 | 166 | 166 | 176 | 184 |
| 4.6 Depreciation | 174 | 176 | 183 | 115 | 51 |
| 4.7 Miscellaneous | 25 | 50 | 50 | 56 | 64 |
| Total other costs | 4,536 | 4,736 | 4,703 | 4,715 | 4,857 |
| TOTAL EXPENDITURE | 5,468 | 6,027 | 5,603 | 5,562 | 5,805 |
| TOTAL RESULT | 546 | -144 | -200 | -142 | 496 |
| <i>Results from debentures and participations:</i> | | | | | |
| - difference realised interest income and budgetted interest | -40 | p.m. | p.m. | -4 | -25 |
| - result on sales and market debenture | 486 | p.m. | p.m. | 81 | 332 |
| - result from participations | 0 | 0 | 0 | 0 | 0 |
| Total | 446 | 0 | 0 | 77 | 307 |
| Total result excl. results from debentures | 100 | -144 | -200 | -219 | 189 |

Independent auditor's report

We have audited the accompanying financial statements 2012 of European Centre for Development Policy Management, Maastricht, which comprise the balance sheet as at 31 December 2012, the statement of income and expenditure for the year then ended and the notes, comprising a summary of accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Guideline for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This

requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of European Centre for Development Policy Management as at 31 December 2012, and of its result for the year then ended in accordance with the Guideline for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board.

Maastricht-Airport, 12 March 2013
PricewaterhouseCoopers Accountants N.V.

Original has been signed by
R.W.J.M. Dohmen RA