

**2009**  **SHV**

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# SHV Holdings N.V.

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## Five year summary

	2005	2006	2007	2008	2009
<b>Results, in millions of euros</b>					
Net sales	15,151	15,113	15,245	11,293	11,921
Income from operations	625	650	776	809	912
Income	358	416	569	1,382	541
Amortisation, depreciation and depletion					
	335	310	368	364	421
Income taxes	212	206	246	252	267
Dividend	136	158	183	205	216
<b>Cash flows, in millions of euros</b>					
Operational cash flow	883	856	1,034	1,053	1,179
Investment cash flow	( 507)	( 1,166)	( 488)	192	( 1,686)
Financing cash flow	( 180)	57	( 244)	( 63)	( 310)
<b>Financial position, in millions of euros</b>					
Shareholders' equity	1,905	1,751	2,153	3,299	3,169
Equity of the Group	2,187	2,003	2,367	3,516	3,473
Total assets	6,403	6,108	7,085	7,851	8,583
<b>Ratio information</b>					
Net income as a percentage of shareholders' equity	19%	24%	26%	42%	17%
Equity of the Group as a percentage of total assets	34%	33%	33%	45%	40%
Current assets in relation to short-term liabilities	1.18	0.98	1.19	1.82	1.34
<b>Employees, at December 31</b>					
Nominal number	31,400	34,600	40,000	38,100	45,800
<b>Amounts per share</b>					
Net income	49.39	57.43	78.51	190.65	74.51
Dividend	18.75	21.75	25.25	28.25	29.75

## SHV at a glance



SHV is a privately-held family company which aims to maintain its strong position in a number of operational activities and selected investment activities. We invest for the long term, expand and develop businesses and provide our customers with excellent value services. We achieve all this thanks to a team of people who are proud to be part of SHV.

The company was founded in the Netherlands in 1896, as a result of the merger between a number of large coal trading companies. After the decline of coal as the primary source of energy, halfway through the twentieth century, SHV decided to move into other business areas.

Today SHV is present in 48 countries on all continents and employs about 46,000 people. We are active in LPG trade and distribution, renewable energy, cash and carry wholesale, heavy lifting and transport activities and industrial services. As an investor, we provide private equity to companies in the Benelux and invest in the exploration, development and production of oil and gas, primarily in the North Sea.



### **LPG trade and distribution**

With subsidiaries in 27 countries, SHV Gas is one of the largest LPG retailing companies in the world. It is present in the market through a range of fully owned and majority interests in LPG companies. Well-known brand names include Primagaz, Calor Gas, Liquigas, Super Gas, Ipragaz, Supergasbras, Minasgás, Gaspol, Probugas and Butan Plin.



### **Renewable energy**

The Clean Energy Company focuses on the distribution of wood pellets and heat contracting based on renewable energy and aims to gradually build its market presence in the field of renewable energies.



### **Oil and gas investments**

Dyas invests in joint ventures in oil and gas exploration, development and production. Dyas acts as a non-operator, with a primary focus on the North Sea.



### **Cash and carry wholesale**

Makro is a focused cash and carry wholesaler with 184 Makro stores in South America and Thailand. It distributes food and non-food products with excellence in price, quality and variety, to professional customers.



#### **Heavy lifting and transport**

Mammoet is a world class, leading company specialising in heavy lifting and transport solutions worldwide. Mammoet provides services to the petrochemical, power generation, civil and offshore sectors.



#### **Industrial services**

ERIKS is a European leader in the supply of high-quality mechanical engineering components and associated technical and logistics services. The ERIKS Group has a presence in 21 countries.



#### **Private equity investments**

NPM Capital provides private equity to companies with above average growth opportunities and focuses mainly on unlisted, medium-sized businesses in the Benelux. NPM Capital, as a reliable and long term investor, has built up a strong market position over the years and has holdings in about 40 companies.

## Supervisory Board of Directors

Between ( ) age at  
December 31, 2009

Mrs. A.M. Fentener van Vlissingen (48), Chairman

J.A. Fentener van Vlissingen (70), Vice-chairman

J.R. Behlau (61)

Mrs. L.A.A. Van den Berghe (58)

A. Burgmans (62)

P.A.F.W. Elverding (61)

R.W.J. Groenink (60)

P.C. Klaver (64)

M.L. Mautner Markhof (57)

H.H.F. Wijffels (67)

## Executive Board of Directors

Between ( ) age at  
December 31, 2009

P.J. Kennedy (56), Chairman

F.E. Bruneau (50)

S.R. Nanninga (52)

J.J. de Rooij (48)

## Staff

Company Secretary

J. van Klink (43)

Financial and Economic Affairs

W.H. van Leeuwen (60), until December 2009

C.G.M. van der Drift (48)

Fiscal Affairs

E. Everaerd (39), until October 2009

G.Y.B. Krusinga (44)

Information Technology

M.J. de Hoop (48)

Internal Audit

C. Dekker (42)

Legal Affairs

F.H. Rebel (51)

Personnel Affairs

W. van der Woerd (51)

Treasury

W.N. Pals (49)

## Report of the Supervisory Board of Directors

In a year in which the economic landscape changed dramatically, SHV has benefited from a balanced global combination of activities and a solid balance sheet to maintain its strength. The company achieved a good performance in a challenging environment.

In 2009, SHV added a new strategic activity with the acquisition of the ERIKS Group. This concludes the company's search for a new growth platform. During the coming years, SHV will focus on strengthening and growing its existing business activities. In its effort to create value from its businesses, the company endeavours to increase market share where possible and will continue to focus on costs. SHV's strong financial position will support this strategy. In 2009, SHV took further steps to improve its human resources management and planning. Good management remains essential to SHV's success.

The 2009 financial statements, drawn up by the Executive Board of Directors at and for the year ended December 31, 2009, have been examined by the auditors and have been found to be in order. We propose that:

- the financial statements be adopted as presented herewith;
- the Executive Board of Directors be discharged of further responsibility in respect of the management of the company during 2009, and we in respect of the supervision thereof;
- the distribution of income and the manner of dividend distribution, as proposed by the Executive Board of Directors and approved by us, be accepted.

During 2009, the Supervisory Board of Directors held five meetings and was in regular contact with the Executive Board. The acquisition of the ERIKS Group was approved following extensive discussions regarding the company's strategy and criteria for investments. During the course of the year, the Executive Board submitted specific proposals for investments above an agreed limit to the Supervisory Board for its approval, such as Dyas' acquisition of assets from the Oranje-Nassau Group. When such proposals needed attention in between the meetings of the Supervisory Board, they were discussed via conference calls. We dedicated special attention to succession planning and talent management, as part of the execution of the agreed human resources strategy. The actual results of past large investments were evaluated in order to learn some valuable lessons. In September, the Supervisory Board visited Mammoet in the Netherlands and attended a presentation by the management teams of Mammoet and Dyas.

At each meeting, the Executive Board informed the Supervisory Board about the financial situation of the company, the performance of each business and the main developments in their markets. The Supervisory Board discusses the strategy of each of SHV's activities regularly. We are informed in writing of the financial performance of the company on a monthly basis and immediately of any special matters concerning the company, such as the deteriorating financial situation at Econcern in which SHV held a minority stake. At a meeting in which the auditors were present, we discussed the findings of the annual audit and risk management review. Compliance and controls are especially important in SHV's highly valued environment of decentralised management.

At the end of the General Meeting of Shareholders to be held on April 16, 2010, the term of Messrs. J.A. Fentener van Vlissingen, R.W.J. Groenink, P.C. Klaver and M.L. Mautner Markhof will expire. They are available for re-election.

The Supervisory Board is not optimistic about a material recovery of the economy in 2010. Given the economic risks, we prefer to be cautious and remain vigilant; new sudden downturns should not take us by surprise. Hence, all of SHV's businesses have prepared contingency plans for negative economic scenarios.

The Supervisory Board wishes to express its special thanks and appreciation to SHV's Executive Board and employees. In difficult circumstances they have worked hard and with a positive spirit to achieve the best for our company.

March 12, 2010

On behalf of the Supervisory Board of Directors,

A handwritten signature in black ink, appearing to read 'A. Wissinger'. The signature is fluid and cursive, with the first letter 'A' being particularly large and stylized.

Chairman

# Report of the Executive Board of Directors

## General

The shock to the world economy following the near meltdown of the financial sector towards the end of 2008 and the beginning of 2009 continues to impact business to a lesser or greater degree almost everywhere. There is no certainty that the dangers posed by the events of a year ago have finally passed, and doubts persist regarding the prospects for sustained economic recovery. The shifting balances in the world economy are also coming into sharper relief, with the traditional power house economies of North America and Europe struggling to restore business and consumer confidence while economies elsewhere, notably in parts of the Far East and Australia, are delivering growth that is the envy of the western world.

In recent years SHV underwent a number of significant changes with regard to its mix of activities and the geographic spread of its operations. The year 2008 brought to a conclusion the planned divestment programme involving Makro in Asia except for Makro and Siam Food Services in Thailand, both of which are retained for future expansion and growth. During the same year The David J. Joseph Company, the American based scrap recycling business, was divested, as reported in the 2008 Annual Report. The continuing relevance of these divestments is that they were successfully executed and, coincidentally from a timing point of view, preceded the crisis in the financial markets thus avoiding what would have otherwise been severe value erosion of the assets involved. The decision of the shareholders was to make available for re-investment the entire proceeds of all divestments in the pursuit of further growth of the company. The resulting strength of SHV's cash position coming into 2009, together with the operational cash generated by the ongoing businesses, has enabled the company to follow a very substantial investment programme during the year under review involving both expansion of existing activities as well as the acquisition of the stock listed ERIKS Group. ERIKS is a new activity for SHV whose business involves offering a wide range of high quality mechanical engineering components and associated technical and logistics services to industrial and commercial customers primarily, though not exclusively, in Western Europe and to a lesser extent the Middle East.

SHV's strong cash position before the eruption of the financial crisis left the company in a comfortable position at exactly the right time. SHV remains in a relatively healthy cash position at the end of 2009 and aims to continue directing its investment strategy towards strengthening the performance and growth potential of each of its current activities.

As well as investment in assets, investing in people is a top priority being pursued in SHV as part of the focus on delivering growth. Talent management and management development are receiving constant attention at Group and Business Unit levels across the entire organisation. The purpose of this attention is to prepare and provide the potential necessary for the internal succession for all or most key management positions in the company.

Performance over 2009 has, on the whole, been satisfactory. SHV's spread of activities has helped in this regard, with performance varying from business to business. External circumstances have been variable too, some favourable, some not. While none of SHV's activities are fully recession proof, it is nevertheless the case that a number of sectors in which the company is active relate to essentials such as food and energy in which consumers are either reluctant to cut back on or, if they do so, only to the least extent possible. It is true, however, that performance in all sectors in which SHV is involved has been impacted negatively in either volume or margin terms, or both, owing to the overall economic environment. However, the extent of these negative impacts on SHV's operational activities has not been as dramatic as that seen in industries where spending is of a more discretionary nature. Nevertheless, results at SHV have also been negatively impacted by a number of





write-downs, which may be attributed in part only to the general economic circumstances. These include further write-downs in Econcern and Delta Hydrocarbons, as well as a number of impairments in portfolio companies in NPM Capital.

As mentioned, in addition to the influence of the general economic climate itself, there have been both favourable and unfavourable circumstances impacting the 2009 results. Positively affecting the overall result in the year have been healthy margins in LPG and a good flow of project work at Mammoet. On the other hand, performance at NPM Capital has been negatively impacted by, amongst others, the crisis in the financial markets which has made exits unattractive while lower oil and gas prices than their peak in 2008 affected the result of Dyas. Performance at Makro has varied from country to country owing to pressure on consumer spending, especially on non-food lines, and deflationary pricing pressure on a number of commodity food categories.

SHV Gas had a good year. Positive margin development reflected both weaker supply prices in the early part of the year and the impact of ongoing productivity improvement measures. A cold winter period early in the year and significantly improved performance at SHV Gas Brasil also had a positive input on results. Volumes in all segments, most notably those relating to the industrial, commercial and automotive sectors, were adversely affected by the decline in economic activity in all markets. In addition to the steps taken to improve efficiency and customer service, SHV Gas is also actively pursuing the promotion of LPG as a valuable source of energy that can help confront environmental and climate change concerns. This is based on LPG's inherent characteristics as a substantially cleaner fuel than several competing energy sources. It remains the wish of SHV to grow its LPG business not only organically but also through acquisitions and geographic expansion. However, success in this regard was limited in 2009, but the search continues.

Developments at The Clean Energy Company (TCEC), SHV's management company for its businesses in renewable energy, were in line with expectations. TCEC is concentrating on wood pellet production and electricity generation in combined heat and power plants fuelled with wood residues. Geographic focus is on Germany, Austria, the United Kingdom and Ireland.

A major disappointment has been the failure of Econcern. SHV started out with high hopes that, over time, Econcern might become a vehicle around which the company could build a substantial renewable energy business. SHV took an initial minority stake in Econcern in 2006 and subsequently also participated in the recapitalisation of the company in 2008. Being at all times a minority shareholder in the company, SHV never exercised any day-to-day management over the business. The circumstances surrounding the bankruptcy of Econcern in June 2009 are the subject of an ongoing investigation by the officially appointed trustees. SHV wrote down its equity investment in Econcern in the 2008 accounts. SHV had also provided a subordinated loan to Econcern which, following the bankruptcy in 2009, has been written down in the 2009 accounts.

Dyas, SHV's oil and gas exploration, development and production company focused on the Netherlands and the United Kingdom, also was able to report a good year. Production was above that budgeted following a number of successful acquisitions in the second half of 2008 and again in 2009. Dyas also benefited from the rally in oil prices in the second half of the year. Gas prices, on the other hand, remained depressed during the year, especially in the United Kingdom. As mentioned, the 18 month period to the end of 2009 has been a time of

major investment at Dyas which, when taken together with exploration results, has brought reserves to the highest level ever reached in the company. Financial performance was damaged, however, with a further and final write-down in relation to Delta Hydrocarbons. This was an oil and gas investment company from which Dyas divested its minority interest for a small consideration towards the end of the year.

Makro has enjoyed a year of rapid expansion even as performance in some cases was impacted by reduced consumer spending power, commodity price deflation, and increased competition. Nevertheless, the overall result was satisfactory. Makro's main focus is on strengthening its positioning in existing markets, entering the Peruvian market, and generally preparing the company for growth over the longer term. In addition to increasing the number of stores, the strengthening of management is also a key area of attention in pursuit of the further growth of Makro.

Mammoet had a better year than expected. The company performed well in all regions of the world, although performance in Canada was slightly down on expectations. Performance in the United States and Asia was particularly strong as a result of high value projects. Mammoet is the number one global player in complex heavy lifting and transport projects, mainly on land, and has been growing its asset base and capabilities substantially in recent years both organically and through strategic acquisitions. The company is also seeking further growth in marine salvage and is earning a growing reputation for itself in this highly specialised sector.

During the year, SHV invested an amount of € 2 billion in its activities. This included the acquisition of the Amsterdam Stock Exchange quoted company ERIKS Group in a friendly privatisation process effective August 12, 2009. ERIKS is considered to be an excellent additional activity for SHV as it fits ideally with SHV's investment criteria. It is a leader in its field in a number of the markets in which it is present. It is led by a strong management team with a successful track record over a long period in securing and integrating both organic and acquisition growth. The sector presents good potential for consolidation in both existing and new markets. ERIKS is thus a platform for growth for SHV into the future. Tremendous focus is placed on the development of engineering know-how to ensure a high quality and unique service to clients. In the current economic recession, sales and bottom line results have, as anticipated at the time of acquisition, been hit hard owing to the pressures being felt by the company's industrial and commercial customer base. The cyclical nature of the business has, therefore, not been a surprise, and management has reacted with very effective measures to reduce costs and working capital.

NPM Capital, operating in the Benelux, made a number of acquisitions in 2009 that are confidently expected to prove themselves to be attractive, including taking increased stakes in a number of already existing portfolio companies. There was only one minor exit during the year, reflecting both the crisis in the financial markets and the ability of NPM to manage the timing of exits for maximum returns. The overall result of NPM in 2009 was modest, having been negatively impacted by the aforementioned lack of exits and also to write-downs in a small number of participations.

All segments and regions of SHV's businesses are faced with increased competitive pressures. In such circumstances, standing still is never enough. With this in mind, SHV aims at ensuring excellence in customer service and constant improvement in the level of customer satisfaction. The challenge for all the businesses is to excel in the design and implementation of operational processes and procedures that ensure optimum productivity and a high quality of service that

is seen by customers as value for money and is delivered by a courteous and motivated staff. These reviews and enhancement of operational processes and procedures are made possible using a variety of techniques. Some of these are universally known, such as Lean Six Sigma, while others are developed in-house typically in a format that facilitates the exchange of best practices. Management at SHV is encouraged to apply the necessary information technology tools in pursuit of productivity, efficiency and improved customer service. At corporate level information technology tools in areas including treasury, accounting and control, legal and human resources are developed and implemented to service the entire organisation.

Business risk is never fully eliminated given that so much of it is beyond the control of the people in the company. However, in a world increasingly litigious and subject to growing volumes of legislation and regulation, sensible and consistently applied principles of Corporate Governance remain essential even if this has the unavoidable consequence of some additional bureaucracy.

The main mitigator of risk in SHV by far is the diversification of the activities and regions that comprise the company. The spread among interests in energy (SHV Gas, Dyas and – for the future – renewable energy), distribution (Makro), industrial services (Mammoet and ERIKS), and private equity (NPM Capital) provides a significant degree of protection as usually some activities compensate for others that may be going through difficult times. SHV is satisfied with the current range of activities that comprise the Group, and will focus on investing in each activity to foster its future growth. The key risks that can be identified presently, apart from the general risk imposed by the uncertain economic and financial environment, relate to political risks in a number of countries important to SHV, and the risk of substantial fines associated with allegations of anti-competitive behaviour, mostly in the distant past, in a number of SHV Gas Business Units. These allegations are being vigorously challenged. With a view to avoiding possible future allegations of a similar nature competition law compliance procedures, that have been rolled out to the Business Units already for many years, are being continuously updated and re-enforced.

All of SHV's businesses, including the individual activities in the NPM portfolio, have prepared and where necessary already implemented contingency plans to ensure that every effort is made to achieve the expected results in the present uncertain economic environment. Budgets are prepared ground-up and are challenged at each level in the organisations to ensure there is a commitment to optimising performance consistent with the long term interests of the business. Budgets are also accompanied by Key Performance Indicators (KPI's) in each activity which, together with the planned financial performance, are designed to measure the trends in the long term health of the businesses. Cash management is, naturally, being given the priority it deserves, with constant focus on investment cash flow and working capital. So far the company has not suffered from any major bad debt experience.

## People

SHV's Corporate Philosophy is continuously being promoted across the company. A key principle in that philosophy is the strategy to 'Invest in people'. SHV has been prioritising talent management. The ultimate objective is to be in a position to promote predominantly from within from a pool of talent that is also sufficient to meet the company's growth requirements. Taking the lead from the Corporate Philosophy's strategic intent, SHV's corporate vision statement declares that 'SHV will invest in developing the talent of its people for the purpose of growing each of its business activities and providing challenging and rewarding career opportunities'. Thus SHV's Corporate Philosophy, corporate vision, HR strategy and performance goals are aligned.

During 2009 significant progress has been made in most elements of the corporate HR strategy. Identification of talent at an early stage has improved owing to the focus being put on the issue. A succession gap analysis has been designed and put in place with clear procedures for its compilation. It facilitates the timely identification of vacancies arising in the businesses and the availability or not of potential successors. A single performance appraisal system has been prepared and continues being rolled out. The concept of permanent training and development for individuals with potential for career development is gaining momentum. Training and development programmes are enhanced and implemented at Corporate, Group and Business Unit levels. Most significant of all is that talent management and succession planning has become an area receiving attention not only at corporate level but also among the Group and Business Unit management. Corporate and Group HR play a crucial role in this process. It is not yet possible to fill all vacant positions with internal candidates. Therefore, for some time yet, SHV will also be recruiting externally in some areas of the business. Finding the best people possible remains the paramount goal. It is important to acknowledge the fact, however, that SHV is very fortunate with the talented, dedicated and loyal people who already serve the company at all levels and in all positions. They earn and deserve our utmost respect and appreciation.

#### **Health, safety and environment**

Safety is the number one priority in all of SHV's activities. SHV promotes its own health, safety and environmental standards based on its knowledge and experience gained from its day-to-day activities. In all of SHV's businesses, procedures and policies are in place to ensure full compliance with all health, safety and environmental regulations and legislation pertaining to the jurisdictions in which the company operates. SHV considers that safety is a state of mind and that continuous education is essential in order to ensure consistent compliance with safe practices. Systems are in place in which accidents and incidents are reported and investigated. SHV regards the health and safety of each employee, and each individual with whom the various businesses interact in their day-to-day activities, a part of its inalienable responsibility.

#### **Community**

One of SHV's guiding principles, embodied in the Corporate Philosophy, is that SHV wishes to grow further for the benefit of all its stakeholders, including its shareholders, the people in the company, and the well-being of the society in which the company operates. SHV regards it as its primary role in society to perform its own activities in a responsible, safe and professional way, whilst properly interacting with the society of which the company is part. SHV strives to live up to its values and to conduct its business within a strict code of ethical practices and guidelines. In addition, the companies of SHV support communities closely related to their activities, often with the direct involvement of the company's own people. The focus of this support is to establish and improve education for underprivileged children and adults. More details on SHV's initiatives in this regard can be found in SHV's publication 'The Heart of SHV' and on the global website [www.shv.nl](http://www.shv.nl).

## SHV Gas

SHV Gas is the leading distributor and marketer of LPG in the world, present in 27 countries across 3 continents. The company operates in these countries through subsidiaries which are, in almost all cases, the result of acquisitions of local operators with individual brands. SHV Gas is focused on strengthening each of its brands.

LPG is among the most environmentally friendly fossil fuels available. It is a clean, versatile and portable source of energy that can be used for almost all applications across commercial, industrial, domestic, agricultural and automotive markets. The environmental benefits of LPG compared with a number of other fossil fuels have recently been confirmed by an independent scientific review. This review has established that LPG used for heating leads to 18% lower CO<sub>2</sub> emissions than heating oil. LPG used for transport produces significantly less NO<sub>x</sub> and particulate matter than diesel and up to 20% less CO<sub>2</sub> than gasoline. It also reduces engine noise.

Given the ongoing debate around environmental issues and climate change, and considering the benefits of LPG, including those outlined above, there is an opportunity to reposition LPG as being part of the solution to these environmental concerns. LPG is well suited for use together with many renewable energy sources. For example, several of SHV Gas' Business Units offer energy solutions combining LPG with solar thermal installations for water heating. As part of its efforts to reposition LPG, SHV Gas is also focusing on promoting the development of new and efficient LPG burning appliances. To facilitate this, SHV Gas created a central innovation team. Several strategic alliances with appliance manufacturers were signed in 2009 either to secure access to the latest technology or to form partnerships for the joint development of innovative LPG applications. As an example, SHV Gas is actively involved in conjunction with its partners in the development of the next generation of micro and mini combined heat and power (CHP) applications.

The LPG industry benefits from a growing global demand for energy, especially in the developing world. LPG supply has also been growing, primarily as a by-product of the growth in LNG production in the Middle East, Central Asia and North and West Africa. This is expected to lead to a more competitive price positioning for LPG compared with other energy sources worldwide. Security of energy supply is high on the political agenda, a fact that should also benefit the LPG industry. While renewable energy will increase as a proportion of the total energy mix, it is expected not to account for more than 30% of European energy requirements in 2050. Therefore, demand for energies like LPG will remain strong for the foreseeable future.

That said, the LPG industry must also remain alert to a number of constraints in the market. Legislation in response to global warming is forcing businesses and households to reduce energy consumption generally and also favours renewable energies with subsidies. Attitudes towards energy sources and energy use are evolving throughout society as a whole, as illustrated by the fact that average household energy consumption has been declining for some time.

The aforementioned developments demonstrate the importance of making clear the benefits of LPG to policy makers and society in general. With this objective in mind, SHV Gas further strengthened its public affairs organisation in 2009. It launched a new communications campaign with the aim to increase awareness of the many benefits of LPG amongst policy makers at European and national government levels. SHV Gas is doing this in all of the markets in which it participates.

To summarise, SHV Gas has taken measures to ensure that all its Business Units work in their local markets on repositioning LPG and on developing new and innovative product offerings for their customers. The repositioning of LPG is also supported by an internal communications programme aimed at the company's people in all 27 countries in which SHV Gas operates. SHV Gas is hopeful that growth will be derived from these initiatives over the coming years.

In a difficult economic environment SHV Gas achieved a good operational result for the year. All major Business Units performed satisfactorily. Net income showed improvement over 2008 in nearly every Business Unit. During 2009 LPG supply prices were very volatile. After the sharp decline in the second half of 2008, prices bottomed out during the first quarter of 2009, but rebounded strongly in the following months, particularly towards year end.

Primagaz France posted an operating result which exceeded expectations for the year. Continuous cost improvement programmes contributed to this outcome. However, due in part at least to the economic downturn, sales volumes were down on 2008. Hypermarkets continue developing the private label cylinder gas business. Over the last years Primagaz France has made substantial efforts to transform itself into an energy advisory company aimed at improving its relationship with existing and prospective customers. The business is also adapting itself to meet the impact of new legislation in France, which is aimed at strongly reducing CO<sub>2</sub> emissions and average energy consumption per household. Management has been lobbying intensively to have the benefits of LPG reflected in the new French environmental legislation. However, despite these efforts, electricity appears to be favoured in the proposed legislation, and this continues to be challenged by the LPG and natural gas sectors. In July 2009 the French competition authority produced its initial findings regarding its inquiry into the French cylinder gas market. Primagaz has responded to the allegations made in the competition authority's document. This process is ongoing.

Sales volumes in Great Britain showed a sharp decline particularly in sectors heavily impacted by the economic crisis. However, Calor achieved a good operational result mainly because of satisfactory margins. The orders issued by the UK's competition commission, aimed at easing customer switching between suppliers, have not resulted in any loss of business at Calor. This is a reflection of the level of customer satisfaction with the company, which is monitored regularly with the objective of continuous improvement. Calor is actively involved with partners in pursuing innovation in LPG appliances and applications.

Volumes in Liquigas Italy were under pressure owing to the economic situation and mild weather conditions in the final quarter of the year. As in most other LPG businesses, margins were satisfactory, especially in the early part of the year. In 2009 Liquigas started the implementation of a comprehensive restructuring programme which included the consolidation of regional offices, filling operations and distribution centres, as well as streamlining processes in the different functional areas. Parallel with these cost and customer service improvement measures, Liquigas is also pursuing the development of new heating applications and is in the early stages of integrating renewable energies alongside LPG in its product offering. Liquigas made a number of small strategic acquisitions during the year.

Primagas Germany improved its results compared to 2008. The company achieved a good operational result due to cost reduction measures implemented already in the previous year together with a slight increase in volumes sold. The underperforming cylinder gas business was divested. The company now exclusively focuses on its core small bulk business where it has launched a number of new growth initiatives around the promotion of micro CHP

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door

 **PRIMAGAZ** n.v.





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applications. In order to further increase the level of customer satisfaction, new information technology was implemented to enhance the performance of the customer service centres.

In 2009, the Republic of Ireland was severely affected by the economic crisis. This downturn negatively affected the sales volume of Calor Ireland. Demand in the industrial and commercial sectors contracted substantially and new customer creation suffered from the dramatic decline in the building industry. The company has reacted with the implementation of cost reduction measures. As a result, Calor Ireland still achieved a good operational result, which was higher than in 2008.

Primagaz Benelux had another good year with the operational result exceeding expectations. A Lean Six Sigma project was successfully launched and is now extended across the company. The Scandinavian operations cover Denmark, Sweden and Norway. During 2009 Primagas Norway acquired the cylinder gas business of Statoil and integrated it successfully. The focus in Scandinavia is now on securing further synergies among the three countries while considering further acquisition opportunities. Primagaz Spain has a small but steadily improving market position in the bulk gas segment. Despite the strong downturn of the Spanish economy Primagaz Spain achieved satisfactory results.

Effective January 1, 2009, Primagaz Austria has become part of The Clean Energy Company. In Austria, TCEC also owns CleanHeat Contracting, a renewable energy business. Primagaz Austria and CleanHeat Contracting will share back-office services and jointly promote hybrid LPG and renewable energy solutions.

The operational results in Central Europe improved substantially in 2009 compared to 2008 in all countries except Hungary. Poland posted good results, particularly in comparison with 2008. A number of smaller acquisitions were successfully integrated. The Czech Republic and Slovakia Business Units achieved good results and are now jointly managed with the aim of realising synergies and achieving further market growth. Butan Plin Slovenia had a very good year in all respects. The other Balkan operations in Bosnia and Croatia are showing limited growth owing to supply restrictions from the local refinery, which is also active in downstream LPG distribution. The Romanian cylinder gas business, acquired in 2008, is faced with an extremely difficult economic environment and has been performing poorly. The business is being restructured. Performance in Hungary was hurt by a prolonged price war in the cylinder gas market, which local management handled well.

SHV Gas operates with two brands in Turkey, namely Ipragaz and Bizimgaz. The combination of natural gas penetration based on subsidised pricing and the economic downturn led to a decline in LPG bulk and cylinder gas volumes. In response to this Ipragaz has been actively pursuing LNG distribution to large industrial and commercial users. Bizimgaz has been successfully developing its dealer network. Overall performance and results of both brands in Turkey were slightly above 2008 and very satisfactory given the market circumstances of 2009. Evas, a cylinder manufacturing, maintenance and repair company in Turkey, continues penetrating the local and international markets, and again delivered a very good performance in 2009.

During 2009 SHV Gas in Brazil embarked on a strategic programme aimed at improving efficiency in the distribution chain for cylinder gas between the company and its customers. This is to be achieved through both an increase in the number of company owned outlets and a rise in the proportion of sales through direct delivery to end users. This is a long term

process, given the scale of the business and the country. SHV Gas has also been working with the local authorities to eliminate illegal outlets for cylinder gas that do not comply with relevant legislation governing LPG storage and handling. The bulk gas business at SHV Gas Brasil continues to develop satisfactorily. The overall result in 2009 was healthy, and substantially higher than the poor result in 2008.

In China the operational result showed a modest decline compared to 2008, despite a very satisfactory performance in automotive gas for buses and taxis in Guangzhou. However, industrial and commercial bulk gas sales volumes were adversely affected by the strong decline of export oriented industrial customer segments. In a number of regions enforcement of LPG laws is very weak, leading to illegal activities against which SHV Gas is lobbying strongly. The company made further progress in its strategy of vertical integration through the buy-out of cylinder gas dealers and development of franchise systems. By getting closer to the end user, SHV Gas China becomes less exposed to the impact of illegal practices, creates superior customer service and thus benefits from more loyal customers. During 2009 the strategic acquisition of Zhuhai Gas was signed. This sizeable acquisition further strengthens the market position of SHV Gas in the Pearl River Delta region. Substantial synergies with existing operations in the region are expected.

SHV Gas India remains focused on commercial and bulk gas activities where free market practices are in force. The subsidy system for cylinder gas remains in place for the exclusive benefit of the state owned oil and gas companies, making it impossible for all others, including SHV Gas India, to operate in this segment. In 2009 the company acquired Caltex, the Indian LPG business of Chevron. Integration is proceeding according to plan. Taking into account the difficult environment, the operational result was very satisfactory in SHV Gas India.

The business environment in Pakistan was also very difficult. Nevertheless the performance of SHV Energy Pakistan was well above expectations and showed considerable improvement compared to 2008. In the Philippines Liquigas continued developing its wholesale business around its Bataan import terminal leveraging the global supply advantages of the SHV Gas group. Operational results were very satisfactory and substantially better than 2008.

## **The Clean Energy Company**

The commercial viability of renewable energy business models is dependent on the availability of financing and competitiveness with fossil fuel prices. Given the contraction in the financial sector and the relatively low oil and gas prices compared with 2008, most renewable energy companies had a difficult year. The companies in which TCEC has invested have had to scale back their growth targets for these same reasons. Cash management became the number one priority. TCEC made a lot of progress, however, in improving the performance of the businesses and strengthening their foundations for future growth. That said, the scale of the businesses is still relatively small and, overall, loss making.

Balcas, in which TCEC has a 45% participation, is a sawmilling and related renewable energy business operating in the United Kingdom and Republic of Ireland. During the year Balcas' renewable energy business has been developing satisfactorily. The wood pellets segment continued to grow, albeit slower than last year, as market demand was negatively affected by lower prices of fossil fuels. The CHP and wood pellets production plant in Enniskillen, Northern Ireland, had a difficult start to the year but performance has since then been consistently improving. Balcas' sawmilling activity suffered from the decline in the construction industry. However, as the year progressed volume and margins in the timber business improved.

Balcas commissioned its new CHP and pellets production plant in Invergordon, Scotland, in November. The plant is designed to produce 100,000 mT of wood pellets and 17,5 Mwe of electricity per annum when at full production.

Energie Contracting Bioenergie (ECB) in Germany, in which TCEC increased its participation from 45% to 70% during the year, has been experiencing some difficulties in obtaining project finance to further develop its network of biomass based CHP and wood pellets production facilities. Nevertheless, it could start with the construction of two new energy hubs in the Lower Saxony and Hesse provinces. ECB also secured a number of substantial heat contracting projects.

CleanHeat Contracting in Austria (previously known as Conness) had a difficult year and has gone through a process of radical change in 2009 to equip the company for growth. CleanHeat Contracting is now sharing back-office services and commercial resources with Primagaz Austria.

Green Fuels Energy (GF), the predominantly biomass brokerage business based in Rotterdam, in which TCEC has a minority stake, has closed a significant number of sales contracts for deliveries between 2010 and 2012. To strengthen its competitive positioning, GF commissioned a wood pellets production facility in South Africa.

## Dyas

For more than 40 years, Dyas has been actively engaged in exploration, development and production joint ventures in the oil and gas sector. Dyas acts as a non-operator and has built a solid reputation as a reliable partner. Virtually all of Dyas' onshore and offshore interests, also in exploration licences, are in the Netherlands and the UK. Dyas is, however, also looking for opportunities in the Colombian Playon field and is participating in a joint venture which plans to undertake exploration drilling there.

Dyas had a successful year. The company is a joint venture partner in more than 25 producing oil and gas fields. All of these fields, with the exception of the small UK offshore Janice and James field, operated at or above that which was anticipated during 2009. Including the result of acquisitions, Dyas' oil and gas production volumes for 2009 reached a record of 9 million barrels of oil equivalent.

In 2009, oil prices began the year below USD 40 per barrel and climbed to a relatively stable USD 70-80 per barrel from the middle of the year onwards. The average US dollar price per barrel declined 40% compared with 2008. Average Dutch gas prices, which are based on a complex formula of product prices and currency rates, decreased 24% year-on-year while average UK gas prices, in euro terms, decreased by 53%.

The Dyas strategy is to maintain and where possible grow its reserves portfolio through negotiated deals and auctions as well as through exploration drilling. In 2009, Dyas strengthened its organisation and grew its reserves base. During the period of lower oil prices in the first half of 2009, two major acquisitions were concluded. Dyas acquired the majority of Oranje-Nassau's interests in the UK offshore Buzzard oil field. Also, a loan outstanding to Ithaca Energy was converted into further direct interests in Ithaca's licences. Successful near field appraisal and exploration resulted in the discoveries of the UK offshore Carna gas and Hobby oil fields, adding 9 million barrels of oil equivalent to the undeveloped reserves base.

In total, Dyas added 30 million barrels of oil equivalent to its developed and undeveloped reserves base in 2009.

Towards year end Dyas successfully divested its 10% equity interest in the Cairn Energy subsidiary Capricorn for a combined cash and assets consideration. These assets relate to a number of exploration opportunities.

Delta Hydrocarbons, the oil and gas investment company in which Dyas held a 23% equity interest, continued to perform below expectations. Late 2009 Dyas agreed to sell its shares in Delta Hydrocarbons to an existing co-shareholder for a small consideration. The remaining book value of Delta is impaired in the 2009 accounts.

## **Makro**

Makro is a cash and carry wholesaler offering food and non-food products to professional customers. Makro stores range from 4,000 m<sup>2</sup> to 12,000 m<sup>2</sup>. The main target customers are small and medium-sized retailers and horeca professionals including hotels, restaurants and caterers. Makro differentiates itself in the market through excellent customer services and a broad assortment of high quality competitively priced and consistently available products.

The economic crisis impacted the Makro business due to reduced consumer spending in the horeca and non-food segments. Also, commodity price deflation has had a negative impact on overall sales values. In all countries measures have been implemented to sustain performance, including focus on costs, margins and customer management.

In Makro, optimisation of the supply chain is among the key processes as it impacts on both suppliers and customers. Therefore, Makro is actively taking measures to continuously improve supply chain efficiency. The cross-docking operations being implemented and expanded in all countries are directly leading to higher efficiency and improved service levels. Operational excellence is further developed through the revision and standardisation of all processes supported by the introduction of new IT tools.

As well as making improvements to its operations, Makro is in addition continuing to increase its market share by opening additional stores in countries in which it is present. Geographic expansion was realised with the opening of the first two stores in Peru. In 2009 Makro opened 19 new stores in total, bringing the aggregate number of stores open at year end to 184. In Argentina Makro completed the acquisition of Basualdo, a specialised wholesaler of industrial and household cleaning and perfumery products with four stores. The new Makro format in Venezuela was further expanded with the opening of four stores bringing the total number of outlets to 14. In some countries Makro has developed a specialised delivery service for high end horeca customers, which will be further expanded in the years ahead.

Customer development continues to be another focus area for Makro. A special customer development programme, that already has delivered benefits to Makro Thailand, has been rolled out to all operations in Makro South America. Each store has a professionally trained team in charge of listening to and interacting with customers. The goal is to intensify Makro's relationship with its customers in order to build customer loyalty and to achieve higher average spending and visit frequency.





Makro strengthened its regional office in South America. Its role is to support the development and expansion of the businesses across the region and to foster coordination of strategic focus points, such as supply chain management, customer management and the development of Makro's own brands.

Government influence over the business environment in Argentina remains extensive and unpredictable. For example, export and import restrictions and price controls greatly complicated managing the day-to-day business during 2009. In these circumstances, Makro Argentina's sales growth was above both inflation and the market average of the retail sector. Like-for-like trading profit was ahead of last year. New store performance is still improving and all stores are profitable. The acquisition of Basualdo, which enjoys an excellent reputation in its specialised field, also provides an opportunity for further expansion. A second acquisition, similar to the Makro concept, is still awaiting clearance from the competition authorities.

In Makro Brazil net sales values exceeded the previous year but were negatively impacted owing to price deflation across several product categories. This was most notable in dry and fresh food commodity items. However, like-for-like unit sales in most of these same categories were up year-on-year. The management team has been strengthened and is focusing on making improvements to operational efficiency, re-enforcing market positioning and building customer loyalty. The company opened 8 new stores in 2009, bringing the total to 73 at year end. Makro Brazil will continue pursuing new outlets across the country.

Makro Colombia faced a challenging year owing to reduced consumer spending in the non-food area. Non-food sales comprise a bigger share of the total Colombian business than that of the other Makro operations. On the other hand, the food categories performed satisfactorily. Two stores were opened during the year and there are plans for further expansion in 2010. The customer development programme has been fully implemented in Colombia and all stores are posting positive results.

Makro Venezuela had a good performance with results above last year in local currency. Results were achieved despite a difficult market situation with continued government imposed import restrictions and price controls. Management performed exceptionally well in these difficult circumstances. Four new stores were opened in 2009. Mikro stores are small convenience shops with a footprint between 300 m<sup>2</sup> and 500 m<sup>2</sup>. A distribution centre dedicated exclusively to Mikro has been opened in order to improve performance and the availability of products in the stores.

Makro Peru opened its first two stores in Lima. Customers and suppliers reacted enthusiastically to the entrance of Makro into the Peruvian market. Both stores are performing in line with expectations. Further store openings are planned for 2010.

Makro Thailand had a strong performance despite the negative impact of the financial crisis and political instability on the Thai economy driven by improved operational efficiency and the further development of customer programmes. The Makro Retailer Alliance, directed at assisting small retailers to professionalise their operations, was further developed and generated good results in terms of sales. It also reinforced the role of Makro as a supporter of traditional, small and independent retail businesses. Three new stores were opened taking the total to 44. Makro Thailand also opened a state-of-the-art distribution centre for dry food and non-food.

The year 2009 was challenging for Siam Food Services, as yet a small but ambitious company offering a specialised delivery service to the hotel and catering sector. Results were severely impacted by the decline in the Thai tourism sector. The company made progress in the further diversification of its assortment and is consequently expanding its customer base. In the final months of the year, sales and margins improved considerably, reflecting the new strategy being implemented in the business. Further growth is planned in the coming years and already additional sales offices are being established throughout the country.

## **Mammoet**

Mammoet is primarily a highly specialised projects company that is also very active in the market for complex maintenance work at refineries, power plants and civil projects. Mammoet operates globally with a customer base of international standing. The company is the leader in its field based on striving for excellent customer service, superior engineering skills and a relentless focus on safety, health and the environment.

By its very nature the Mammoet business is cyclical. The company services mostly the petrochemical industry, followed by the power and civil engineering sectors. Mammoet's long term goal is to consolidate its leadership position through technical innovation, the quality and diversity of its people, and through the development of its competency in related areas of activity.

During the last number of years Mammoet has renewed and expanded its fleet of cranes, transporters and ancillary equipment. Mammoet has also embarked on the construction of two super sized cranes that will have unequalled lifting capacity, radius and compactness, and will have the potential to set new standards in major construction and maintenance projects. The company has pursued a substantial investment programme, financed from its own cash flow and bank facilities, that has almost doubled the size of the business between 2006 and 2009. Growth has been achieved both organically and through acquisitions. In 2009 Mammoet acquired Hercules Crane Hire and Heavy Lift in Western Australia. This acquisition and prior year acquisitions have been fully integrated.

The marine salvage division is still a small part of Mammoet, but is growing in reputation and stature. It again secured and successfully executed challenging projects in 2009 and performed profitably. In addition to wreck salvage, Mammoet now also provides an emergency response service to ships in distress.

Performance in 2009 was satisfactory in all geographic regions with the exception of Canada where results slightly lagged expectations. Performance in the USA and Asia was particularly good. High value projects in these regions, and also in Europe, delivered good results. The crane rental business for less complex maintenance work and short term hiring in Europe and Canada was disappointing in terms of equipment utilisation and margins.

## **ERIKS**

After the successful completion of a tender process in August 2009, SHV acquired a controlling interest in the ERIKS Group. At the end of September 2009, the shares of ERIKS were de-listed from the Amsterdam stock exchange. SHV owns over 99% of the shares in the company. The remaining shares will be obtained through a legal squeeze-out procedure.

ERIKS is an international industrial service provider offering a wide range of high quality mechanical engineering components and associated technical and logistics services.

The company's passion for technology enables it to contribute positively to its customers' operations. The activities are concentrated around flow technology (valves, industrial hoses and gaskets), sealing technology, machined industrial plastics and power transmission (hydraulics, pneumatics, bearings and electro-mechanical power transmission).

ERIKS has built up a leading market position in the Netherlands, Belgium, the UK and Germany. The company also has a presence in other European countries, the Middle East, the USA and South East Asia. The markets served by ERIKS are almost all highly fragmented with opportunities for consolidation. ERIKS aims to further strengthen its position in its existing markets and also to expand geographically.

ERIKS supplies two main industrial segments, Original Equipment Manufacturers (OEM) and Maintenance Repair and Overhaul (MRO). In the OEM market, the focus is on co-engineering and actively sharing product and application know-how with the customers.

In 2009 most of the markets served by ERIKS suffered owing to the economic downturn. Sectors such as automotive, mining, steel, chemicals, semiconductors and electronics saw their business decrease sharply. On the other hand the food, pharmacy, marine, oil and gas and power generation sectors still performed well. In response to the economic downturn contingency plans were implemented, which resulted in substantially reduced cost levels and working capital. Good progress continues being made with the integration of Econosto, acquired in 2008.

## **NPM Capital**

NPM Capital endeavours to be the private equity investment partner of choice for successful entrepreneurs, specifically among medium-sized companies in the Benelux. The companies in which NPM Capital invests generally have an enterprise value of up to € 500 million. Obtaining critical mass is a crucial goal for most companies in NPM Capital's portfolio; without it, they cannot be competitive on costs nor create a profitable platform for further growth. NPM Capital helps its portfolio companies in achieving this critical mass and further growth by providing knowledge, financing and its network of contacts. NPM Capital's goal is to obtain returns of 15% and higher on its investment portfolio.

NPM Capital's strong position is based on its solid reputation as an active shareholder and its long term investment horizon. Risk is mitigated by aligning the interests of shareholders and management. NPM Capital's representatives on the boards of portfolio companies are selected on the basis of their specialist knowledge and ability to support value creation. NPM Capital focuses strongly on improvement of operational performance in its portfolio companies. The transfer of knowledge regarding operational efficiency and quality improvement helps to create shareholder value. In this way, several of the investments already achieved substantial improvements in performance.

The market for private equity further deteriorated in 2009 following the downturn in 2008. What started as a credit crisis with leveraged finance possibilities almost coming to a complete stop was followed by a recession in many countries. This resulted in even less debt being available in 2009 and companies' results coming under pressure. Added to this was uncertainty about government interference, for example through increased taxation and additional regulations. As a consequence of this economic environment, the market for private equity in 2009 was at its lowest point in a long time, with a very limited number of transactions as a result. This severely impacted the possibilities for exits for NPM Capital in 2009.

NPM Capital reacted quickly to the downturn. It worked with the management of its portfolio companies to prepare contingency scenarios, with a strong focus on meeting bank covenants. It also prepared its own criteria and scenarios for possible additional supporting investments in participations that might become distressed.

NPM Capital invested substantially in the year, in the amount of € 250 million, which was in some cases supported by temporary debt financing from SHV. Together with Cyrt Investments and the company's management, a participation was taken in Bol.com, the largest online media retailer in the Netherlands. NPM Capital also acquired a participation in Workfox. Workfox is a prominent supplier of equipment and services used in the installation, maintenance and removal of offshore oil and gas structures. From among its existing participations, NPM Capital increased its shareholding in Vanderlande Industries from 43% to 85% early 2009. NPM Capital also bought out its financial partner in Royaan, a company known through its brands Van Dobben and Kwekkeboom, bringing its shareholding from 52% to close to 95%. Harting-Bank acquired EmCart, a medium sized player in the Dutch health care mobility aids distribution market, supported with growth capital from NPM Capital. Additional financing was also provided to De Boer Structures, Helvoet and Plasticum, all of which are facing difficult market circumstances.

Unfortunately, NPM Capital's portfolio company Hillen & Roosen went bankrupt in 2009, whereas Kuiken was sold in distressed circumstances. Koning & Hartman, a small portfolio company, was also sold in the second quarter of 2009.

The exit of the companies in the SmallCap portfolio advanced according to plan. By the end of 2009, only three smaller investments remained, and these are expected to be sold during the first half of 2010.

## Financial developments

### Sales

In 2009 total net sales amounted to € 11.9 billion as compared to € 11.3 billion in 2008. Growth initiatives, including acquisitions and new Makro stores, added € 905 million of sales, while the sale of Makro Indonesia and Pakistan in 2008 resulted in a decline of € 255 million in sales. Furthermore the appreciation of foreign currencies (predominantly the UK pound and the Brazilian real) resulted in a positive currency effect on sales of € 360 million. On a like-for-like basis sales decreased by 3% compared with last year, primarily due to the decrease in oil and gas prices.

### Income from operations

Overall sales of SHV Gas were 8% below the level of 2008 due to lower volumes (2%) and lower sales prices. As a result of its dependency on the crude oil prices, the average LPG sales price per ton (in euros) decreased by 6% in 2009 compared with 2008. Healthy margins offset the impact of the decline in volumes and sales prices on income from operations. Operating costs were relatively stable with only some extra expenses associated with the LPG repositioning initiatives and reorganisations in Italy and Brazil.

Makro realised a sales increase of 7% as a result of the opening of 19 new stores in 2009 and the spill-over effect of the new openings in 2008. On a like-for-like basis, Makro sales in local currency showed a relatively modest increase compared with 2008. Makro maintained a stable gross margin as a percentage of sales on a like-for-like basis. The commercial strategy of new

# DESSO

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## DESSO A CRADLE TO CRADLE COMPANY



### TAKE BACK SYSTEM AT DESSO

From the Cradle to Cradle concept, it is vital that every part of each of our carpets and surface glosses is completely integrated into a technical & biological cycle. Their design must permit quick and complete disassembly into separate components, and each of these components must be biodegradable or recyclable back into future products. While success may be measured, it is vital to ensure that the recycling actually takes place. Since the Cradle to Cradle commitment, we will produce a 'take back' system whereby we collect used carpets from our clients, thus ensuring that they can be properly reintroduced.

Cradle to Cradle takes its inspiration from nature, where recycling is universal - where everything is returned again and again in a perpetual cycle. Everything in nature is essentially the building blocks and sustenance of a next generation.





stores had some impact on margins as a percentage of sales. Efficiency savings in operating costs in existing stores were off-set by pre-opening costs for the new stores.

The result of Dyas was impacted by the acquisitions of the assets of Oranje-Nassau and Ithaca. These acquisitions generated sales in 2009 of 2.0 million barrels of oil. On a like-for-like basis, total revenues of Dyas decreased by 29% compared with 2008 due to lower production levels of oil (13%) and gas (2%) and lower average prices for oil per barrel (€ 66 in 2008 compared to € 44 in 2009, including US \$-exchange effect) and for gas per m<sup>3</sup> (€ 0.26 in 2008 to € 0.19 in 2009 including UK pound-exchange effect). The production costs per barrel of oil equivalent showed an increasing trend due to the fact that oil and gas was produced from fields with higher break-even levels.

Gross revenues at Mammoet increased by 36% compared with 2008. Income from operations as a percentage of revenue showed a healthy increase, supported by good utilization rates.

ERIKS is consolidated in the SHV accounts since the third quarter of 2009. The results are in line with expectations at the time of the acquisition.

The Clean Energy Company expanded its activity base in 2009 with the increase of its stake in ECB. The performance of The Clean Energy Company is in line with its stage of development.

#### Exceptional items

Next to further impairments of Econcern and Delta Hydrocarbons on top of the amounts already impaired in 2008, exceptional items include a charge related to the increase in the provision for special risks. On the other hand, certain provisions for warranties given on recent divestments of SHV subsidiaries are released to income in 2009 due to the expiration of the claim period.

#### Financial results

The net financial income in 2009 showed a significant decline compared with 2008. Due to the absence of sizable exits, income from private equity investments at NPM Capital was much lower than last year. The private equity income in 2009 mainly consists of interest on loans to participations and dividend income. A net interest expense of € 34.7 million is reported over 2009 compared with a net interest income of € 5.7 million in 2008. Interest income was affected by the impact of cash spending on acquisitions and the low variable interest rates, while the interest expenses on loans were partly fixed.

#### Taxes

The effective tax rate increased from 15% in 2008 to 30% in 2009. However, excluding the impact of tax exempt capital gains in 2008 of € 872 million, the effective tax rate for 2008 was 31%.

#### Net income

The net income in 2009 amounts to € 541 million which translates into a return on shareholders' equity of 17% compared with 15% in 2008 (excluding capital gains on divestments). The return on economic equity in 2009, eliminating the effect of goodwill charged against shareholders' equity, is 9%.

#### Foreign currency exchange

Many of SHV's businesses operate in non-euro countries. Converting the results of these businesses from the respective foreign currencies to euros will result in currency exchange differences. During 2009, the euro depreciated against the British pound and Brazilian real. The net positive effect of all currency fluctuations on 2009 net income to SHV amounted to € 14 million.

#### Investments and divestments

In 2009 total spending on investments amounted to € 1,973 million split in acquisitions of € 857 million, investment in operational fixed assets of € 799 million and investments in financial fixed assets (including private equity participations in NPM Capital) of € 316 million. Next to some smaller acquisitions within existing activities, the acquisition spending relates to ERIKS and assets in the oil and gas fields of Oranje-Nassau and Ithaca. SHV Gas invested € 220 million in operational fixed assets. These investments related to filling plants, logistics, autogas stations and IT as well as to investments in cylinders and tanks, both for replacement and for the development of new business. Makro spent € 182 million on operational fixed assets in 2009. This primarily relates to investments in new stores. Investments in operational fixed assets for Dyas amounted to € 173 million and primarily relate to the exploration and development of oil and gas fields. Mammoet invested € 197 million mainly in self propelled modular transporters, crawler cranes and hydraulic cranes. Investments in financial assets primarily relates to growth of the private equity portfolio of NPM Capital (both equity investments and loans), including participations in Bol.com and Workfox. In 2009 total divestment proceeds amounted to € 288 million.

#### Working capital

Total cash flow generated from movement in working capital (excluding acquisition impact) amounted to € 69 million. This development was driven by the impact of reduced LPG volumes and prices and the negative working capital in Makro stores opened in 2009, only partly offset by the impact of business growth at Mammoet.

#### Financing and liquidity

During 2009 SHV and its subsidiaries redeemed an amount of € 189 million on existing debt financing. A total amount of € 105 million of new long and short-term financing was attracted. Total liquidity at 31 December 2009 amounted to € 1,204 million (2008: € 1,946 million). Net debt position at 31 December 2009 amounted to € 301 million versus a net cash position at the end of 2008 of € 628 million. No amounts have been drawn under the irrevocable credit facility of € 800 million with a consortium of seven banks and, accordingly, the full amount under this facility remains at SHV's disposal until 2012. This gives SHV the necessary flexibility to finance further investments to grow the business.

#### Solvency

At 31 December, 2009 SHV's group equity amounted to € 3.473 million, a decrease of € 43 million. It is SHV's policy to charge goodwill paid on acquisitions directly to equity. In 2009, a goodwill amount of € 529 million was deducted from shareholders' equity. A large part of shareholders' equity is invested in countries with currencies other than the euro. In 2009, the total positive effect of converting these currencies into the euro amounted to € 107 million. This amount has been credited to shareholders' equity. The solvency ratio at the end of 2009, defined as group equity as a percentage of total assets, was 40% (2008: 45%).

## Risk management

Risk and uncertainty define all business environments. Risk taking is an essential part of business and a precondition for achieving adequate returns. The risks SHV faces are of a strategic, financial, tax, commercial, operational, compliance or regulatory nature. The risk environment in which the SHV companies create value and generate income is determined on the one hand by commercial, operational and internal risks, the reliance on information technology and the ability to recruit and retain skilled employees and, on the other hand, by a number of external risks beyond the company's control. Risks change constantly as the internal and external dynamics of the SHV companies' operating environments change. Consequently, continuous assessment of the type of risks and the extent to which they can be accepted and mitigated is an essential management task.

Within SHV's decentralised business model, an important part of risk management is delegated to the management of the companies, as an integral part of their day-to-day responsibilities. Management is expected to identify the specific risks that might prevent them from achieving their stated objectives. SHV also expects its subsidiaries to comply with both external rules and regulations, as well as with internal policies and guidelines. Within a framework of centrally defined policies and guidelines, management is also expected to decide to what extent specific risks are acceptable and to develop an internal control framework to manage risk adequately.

The main commercial and operational risks are as follows:

- Management of health and safety risks is of paramount importance in the LPG business. The results of SHV Gas are further influenced by the weather. A mild or cold winter will determine heating related demand. Government policies, for example on pricing or illegal filling of cylinders, also affect results. The purchase price of LPG fluctuates with the price of oil and is quoted in US dollars. The related product price risk and currency risk need to be managed actively including the use of hedging instruments. This is to a large extent done centrally.
- The success of the initiatives in the field of renewable energy depends to a large extent on the developments in the energy markets in general, the willingness of governments to promote renewable energy sources as an alternative to traditional fuels and the possibilities to obtain financing for renewable energy projects in today's troubled financial markets.
- The results of Dyas are influenced by the price of crude oil, the price of natural gas and by the US dollar exchange rate. To limit these risks, the price of part of the oil and gas production as well as a part of the related US dollar income stream is hedged. As a non-operator, Dyas relies for the safety aspects of oil and gas production on the various operators with whom it cooperates.
- The result of Makro depends largely on consumer spending and is therefore influenced by the development and stability of the economies in the countries in which Makro operates. This applies to a lesser extent to the food sales which make up a significant part of Makro's total sales. Active management of the shrinkage and obsolescence risk related to inventories will contribute to the bottom line. Hygiene and product safety are also vital. To execute the growth plan, identification of adequate sites on which to build new stores is essential.
- Mammoet's heavy lifting and transport activity relies for its profitability on the overall investment climate and – more specifically – on the dynamics in sectors such as civil engineering, power plants and the oil and chemical industry. Cyclical risks are mitigated by operating in both the project and rental market and also through Mammoet's presence in various different market segments and regions. At Mammoet, too, managing health and safety risks is extremely important.

- ERIKS' industrial wholesale business depends heavily on the level of industrial production, especially among ERIKS' OEM customers. The repair and maintenance related market is less cyclical, although still exposed to the general economic climate. The distribution of ERIKS' activities between OEM and MRO, in combination with a healthy geographical spread, mitigate these business risks.
- NPM Capital's results are mainly determined by the sale of companies in which it has invested and by potential impairments of carried investments. Sales opportunities and price, as well as impairments, depend largely on the economic and financial climate in any given period. Therefore, NPM Capital's results can fluctuate considerably over the years. In the longer term, NPM Capital's success depends on its capacity to identify profitable investment opportunities, to initiate operational improvements and to monitor them adequately until the moment of divestment.

SHV's profitability is further influenced by several other external risk factors. Political risks exist, for instance, where the company owns assets in politically unstable countries. In addition, government intervention can be detrimental to SHV's results. External risk factors also include economic factors such as inflation, interest rates, exchange rates and stock market returns in connection with pension liabilities. If and when necessary, SHV takes action to mitigate these risks.

With respect to interest and currency risks, SHV has defined the following policies:

- Interest rate exposures are being monitored closely and managed using instruments available in the market.
- Short term currency risks are actively managed and hedged using financial instruments such as forward contracts, currency swaps and options, if deemed necessary.
- Long term currency and political risks result from investments in different countries and currencies and are, therefore, dependent on the economic and political stability of these countries. These long term risks are, in specific cases, mitigated by the use of local debt financing.

With the present uncertainties in global and regional economies, managing credit risks is of the essence, in relation to both customers and the institutions entrusted with SHV's liquid assets. At all business units, credit management systems are in place to mitigate credit risks with customers, with the exception of Makro as it is a cash and carry business. For the investment of SHV's liquid assets, treasury policies are in place. Funds will only be deposited at pre-selected, creditworthy counterparties and only up to pre-approved limits.

SHV uses information technology throughout the organisation. Operational and financial systems are fully computerised and the company runs the risk of failure or corruption of its information technology systems. To mitigate these risks, SHV uses a self-assessment programme in IT security and business continuity and has arranged for periodic audits by external IT auditors.

In recent years, SHV and its external auditor have jointly analysed the various risks to which the company's activities are exposed and the way in which the businesses deal with these risks. This analysis forms the basis for improvements in the risk management and internal control framework. Recently, risk assessment has been formalised as an annual process, in order to further promote risk awareness throughout the organisation. The external auditor is involved in the verification of the results.

SHV Holdings gives clear guidelines regarding compliance and risk management to its subsidiaries and actively supervises them in this respect. Monitoring and supervision include, for example, the internal control (self) assessment process, the IT general control (self) assessment process and the internal audit. An internal audit function is present at corporate level and at a steadily increasing number of business units. The main responsibility of the corporate internal auditor is to ensure that the integrity and effectiveness of the internal control framework is maintained throughout the whole group and continuously improved upon through regular, independent, objective and critical assessments and through a disciplined process of evaluation and monitoring of corrective action.

In 2009 further steps were made to improve the quality of the internal control systems, including an update of the SHV Policies and Guidelines in line with the COSO internal control integrated framework, the introduction of a tax control framework, as well as the development of the risk self-assessment process into a broader internal control self-assessment process.

Following the introduction of a competition compliance programme within SHV Gas, the decision was taken to implement a group wide competition compliance framework. This framework is to be implemented in the course of 2010 and is based on a compliance manual, a modern e-learning tool with an examination module and local training.

During 2009, in an environment of rapid economic changes, the robustness of SHV's risk management and internal control framework was put to the test. Apart from the efforts associated with continuous improvement, no major changes to this framework were required.

### Special thanks

The world is experiencing serious political and economic turmoil at the present time, with a high degree of uncertainty about the shape of things to come. It is in such times that character and resilience are tested most. As has always been acknowledged at SHV, it is people who make the difference between success and failure. Investing in people is at the heart of SHV's Corporate Philosophy. The company is deeply proud of its people and thanks them sincerely for the determination, dedication and loyalty with which they manage the many and varied challenges they face in their individual businesses and environments. With such people the company may face the future with confidence.

March 12, 2010

On behalf of the Executive Board of Directors

A handwritten signature in black ink, consisting of a large, stylized 'P' followed by a series of loops and a long horizontal stroke extending to the right.

Chairman



## Basis for consolidation, valuation of assets and liabilities and determination of income

### General

The consolidated financial statements are in conformity with the legal provisions applicable in the Netherlands concerning the accounting principles to be applied. The historical purchase price of acquisition is used as the basis for the valuation of assets and liabilities, and for the determination of income. Income resulting from transactions is recognised in the year of realisation; losses and risks are taken into account when known. Assets and liabilities are included at their face value unless otherwise stated.

The principles for valuation and determination of income remained unchanged compared with 2008 with the exception of the translation into euros of the income statement of consolidated foreign companies which, for 2009, is based on the average exchange rates for the year instead of the exchange rates prevailing at the end of the year, as applied in the 2008 financial statements. This change has an insignificant impact on the 2009 net income.

### Consolidation

The consolidated financial statements include the separate financial statements of:

- SHV Holdings N.V.;
- companies in which SHV exercises predominant management influence.

Total assets, liabilities and results of operations of these companies are included in the consolidation. Third party equity and income to third parties from fully consolidated companies are presented separately. Newly acquired companies are consolidated from the date of acquisition and sold companies are consolidated until the date they are sold.

Intercompany profit resulting from transactions between consolidated companies has been eliminated.

- joint ventures in which SHV exercises influence on the management equal to its partner.

Only SHV's share in assets, liabilities and results of operations of these companies is included in the consolidation.

Investments in affiliates include companies in which SHV:

- does not exercise predominant management influence, and
- owns an interest of 20% or more, and
- intends to maintain a long-term relationship for the benefit of SHV's own activities.

Interests in companies resulting from private equity activities are included in private equity investments. Interests in other companies are included in trade investments.

The major operating companies of the SHV Group are presented on pages 65 through 73 of this annual report. A complete list of shareholdings has been filed with the Chamber of Commerce in Utrecht.

### Goodwill

Goodwill represents the difference between the acquisition price of acquired companies, which are included in the consolidation, and SHV's share in net asset value of these companies at the date of acquisition, increased by the external costs directly related to the acquisition. Goodwill amounts are recognised directly in other reserves within shareholders' equity and in third party equity. Upon the sale of a company any related goodwill thereto, which in prior years was charged directly to shareholders' equity and third party equity, is reversed and charged to the profit from the sale.

## Foreign currency

### Individual companies

Transactions in foreign currencies are translated into the currency of the reporting company involved using the exchange rate prevailing at the time of the transaction or, if the exchange rate has been fixed through the use of financial instruments, the contractually agreed fixed rate.

Assets and liabilities in the financial statements of individual companies, which are denominated in a foreign currency, are translated at the exchange rate prevailing at the end of the year or, if the exchange rate has been fixed through the use of financial instruments, the contractually agreed fixed rate. Exchange rate differences are added to or charged against income of individual companies. Gains and losses resulting from hedging of currency risks related to operating or financing transactions are included in income to offset the foreign exchange results on the underlying assets and liabilities.

Gains and losses, relating to the translation of investments in affiliates, are included in the reserve for currency exchange differences within shareholders' equity of the individual companies. A similar procedure is followed with respect to loans and other financial instruments entered into to cover the foreign currency position in foreign affiliates, and cash and cash equivalents maintained in foreign currency for future long-term investments.

### Translation of financial statements into euros

In the consolidation, the translation into euros of the statement of income of consolidated foreign companies is based on the average exchange rate for the year. The balance sheet is translated into euros at the exchange rate prevailing at the end of the year. The resulting translation differences are included in the reserve for currency exchange differences within shareholders' equity.

Upon the sale of a company unrealised gains and losses are transferred from the reserve for currency exchange differences to other reserves.

## Hyperinflation

The financial statements of companies operating in countries with hyperinflation, which is generally understood to mean inflation of over 100% over a three year period, are adjusted to give effect to price fluctuations.

## Operational fixed assets

Operational fixed assets are carried at cost of acquisition less depreciation and depletion. Interest paid to third parties during construction is included in the cost of acquisition.

Depreciation is recognised by the straight-line method over the following estimated economic lives:

- commercial buildings 20 – 40 years
- gas cylinders and tanks 5 – 20 years
- machines and installations 8 – 16 years
- transport equipment 3 – 12 years
- office and plant equipment 2 – 10 years

Land is not depreciated.

Accelerated depreciation is recognised when required by market circumstances. Depreciation and depletion of oil and gas interests is based on the units produced in relation to the estimated reserves (unit of production method).

#### Exploration costs

Costs of drilling exploratory wells and license acquisition costs are initially expensed. When recoverable reserves have been demonstrated within twelve months, these costs are capitalised and depleted. Other exploration costs are charged to income from operations when incurred.

### **Financial fixed assets**

#### Investments in affiliates

The accounting principles applicable to investments in affiliates are as follows:

- valuation is based on the share in the affiliate's net asset value after deducting necessary provisions;
- the share in income or loss is included in the consolidated statements of income.

Loans to investments in affiliates are included in the valuation.

#### Private equity investments

Private equity investments are valued at cost or their lower market value.

If the aggregate market value of listed shares is lower than their aggregate cost, the valuation is based on the lower market value. For unlisted shares, a provision is made when deemed necessary based on circumstances at the respective company. Loans to private equity investments are included in the valuation. Loans are written off or provided for when the private equity investments are considered permanently impaired.

#### Other financial fixed assets

Trade investments are valued at cost of acquisition or lower market value, when it is expected that they are subject to a permanent impairment in value.

Bonds are valued at cost of acquisition or lower market value.

Long-term accounts receivable and loans are carried at nominal value, after deducting necessary provisions, net of the amounts to be redeemed within one year.

### **Inventories**

Inventories are carried at cost of acquisition or lower market value. Obsolete inventories are adjusted to estimated realisable value.

### **Accounts receivable**

Accounts receivable are carried at nominal value after deduction of an allowance for doubtful accounts.

### **Cash and cash equivalents**

Cash, time deposit accounts and other money market investments are carried at nominal value.

**Provisions**

Provisions are made for obligations and losses existing at year-end when the exact amounts are not known, but can be estimated with a reasonable degree of certainty. In addition, provisions are made for probable future commitments resulting from risks that were present at year-end. The provision for deferred income tax represents timing differences between the valuation of assets and liabilities for income tax and consolidated financial statement purposes. Deferred income tax is recorded at nominal value, calculated using tax rates at the balance sheet date or tax rates applicable in future years, to the extent enacted by law. Deferred tax assets, including the tax loss carry forward position, are recognised when it is certain that they can be offset against future taxable income, or previously recognised deferred tax liabilities which will be settled in a similar term. Insofar as liabilities for pension plans for the benefit of employees have not been transferred to independent pension institutions, provisions have been made based on actuarial calculations.

**Long-term debt**

Long-term debt is carried at nominal value, net of the amounts to be redeemed within one year.

**Leases****Finance leases**

Leases of operational fixed assets under which the company assumes substantially all of the risks and benefits related to the ownership of these fixed assets are classified as finance leases. Finance leases are capitalised at the present value of the lease payments and amortised on a straight-line basis over their remaining economic life or, if shorter, the lease term. The lease liabilities are accounted for under long-term liabilities.

**Operating leases**

Lease contracts under which the lessor assumes substantially all of the risks and benefits related to the ownership of the assets are classified as operating leases. Costs from operating leases are accounted for in the consolidated statements of income over the contract period.

**Financial instruments****Used to hedge underlying assets or liabilities**

Financial instruments are valued the same way as the underlying assets or liabilities. Gains and losses related to changes in value are recognised the same way as those related to changes in value of the underlying assets or liabilities.

**Used to hedge a future cash flow**

Financial instruments are carried at cost. Gains and losses are recognised upon realisation.

**Other**

All other financial instruments are considered to be held for sale and are valued at lower of cost or market value. Changes in value are taken to the statement of income.

**Net sales**

Net sales represent the value of goods delivered and services rendered to third parties excluding value added taxes.

**Cost of goods sold**

Cost of goods sold includes the cost of all raw materials, supplies and trade goods related to the goods sold, including transportation and import duties. For SHV Gas the cost of goods sold is based on the weighted average purchase price. For Makro this is based on the latest purchase price which, because of the high inventory turnover ratio, is considered equivalent to the acquisition price.

**Costs**

Costs are allocated to the same period in which the related net sales are recognised. Costs that are not related directly to net sales are recognised in the period they occur.

Pre-opening and start-up costs, costs of trademarks, patents, licenses and similar intangible assets are charged to income from operations in the year incurred.

**Tax on income**

Tax on income includes:

- tax computed at rates applicable at year-end in the various countries;
- tax withheld at the source for dividends received.

Taxes not immediately due are included in the provision for deferred income tax.

Tax benefits from operating losses are only recognised if it is certain that such benefits will be realised within the applicable carry forward period, regardless of SHV's future results.

**Cash flow**

The consolidated cash flow statements have been prepared in accordance with the indirect method.

Changes in working capital include the cash flow movement from changes in inventories, accounts receivable and short-term debt, excluding amounts related to:

- redemption of long-term debt;
- dividends to be paid;
- payable to banks;
- payables and receivables for taxes on income and equity;
- payables and receivables for interest.

Investments in consolidated companies are stated at the acquisition price. Disposals are stated at sales price. The effect on cash and cash equivalents is separately presented as changes in consolidation.

Currency exchange differences represent mainly the effect of translating the cash and cash equivalents in foreign currency at the beginning of the year using the exchange rate prevailing at the end of the year.

## Consolidated balance sheets at December 31

(after proposed distribution of income)

In millions of euros

	<u>2009</u>	<u>2008</u>
<b>Assets</b>		
Operational fixed assets	3,764.7	2,861.3
Financial fixed assets	1,175.6	1,129.2
<b>Fixed assets</b>	<b>4,940.3</b>	<b>3,990.5</b>
Inventories	875.0	590.8
Accounts receivable – net	1,563.4	1,323.8
Cash and cash equivalents	1,204.1	1,945.7
<b>Current assets</b>	<b>3,642.5</b>	<b>3,860.3</b>
<b>Total</b>	<b>8,582.8</b>	<b>7,850.8</b>
<b>Liabilities</b>		
Shareholders' equity	3,169.0	3,298.7
Third party equity	303.8	217.7
<b>Equity of the Group</b>	<b>3,472.8</b>	<b>3,516.4</b>
<b>Provisions</b>	<b>1,397.2</b>	<b>1,311.6</b>
<b>Long-term liabilities</b>	<b>990.8</b>	<b>903.7</b>
<b>Short-term liabilities</b>	<b>2,722.0</b>	<b>2,119.1</b>
<b>Total</b>	<b>8,582.8</b>	<b>7,850.8</b>

## Consolidated statements of income

In millions of euros

	<u>2009</u>	<u>2008</u>
<b>Net sales</b>	<b>11,921.2</b>	<b>11,292.8</b>
Cost of goods sold	( 8,596.5)	( 8,478.5)
Salaries and wages	( 902.9)	( 675.1)
Other operating expenses	( 1,088.3)	( 965.8)
Depreciation and depletion	( 421.3)	( 364.1)
Total operating expenses	<u>(11,009.0)</u>	<u>(10,483.5)</u>
<b>Income from operations</b>	<b>912.2</b>	<b>809.3</b>
Exceptional items	( 79.4)	730.9
<b>Income from operations after exceptional items</b>	<b>832.8</b>	<b>1,540.2</b>
Income from private equity investments	77.3	122.0
Income from investments in affiliates	16.7	16.4
Interest – net	( 34.7)	5.7
Other financial results – net	<u>( 8.7)</u>	<u>10.6</u>
Total financial income – net	50.6	154.7
<b>Income before income taxes</b>	<b>883.4</b>	<b>1,694.9</b>
Income taxes	( 267.1)	( 252.2)
<b>Income of the Group</b>	<b>616.3</b>	<b>1,442.7</b>
Income to third party shareholders	( 75.8)	( 60.3)
<b>Income</b>	<b>540.5</b>	<b>1,382.4</b>

## Consolidated statements of cash flow

In millions of euros

	<u>2009</u>	<u>2008</u>
<b>Operational cash flow</b>		
Income from operations	912.2	809.3
Income from private equity investments	77.3	122.0
Adjustments for:		
– Depreciation and depletion	421.3	364.1
– Changes in provisions	( 35.0)	17.6
– Write-downs of private equity investments	8.3	12.8
– Result on sale of operational fixed assets	( 4.6)	( 4.3)
<b>Cash flow from operations before change in working capital</b>	<b>1,379.5</b>	<b>1,321.5</b>
Changes in:		
– Inventories	( 114.6)	( 30.4)
– Trade receivables	( 84.1)	25.8
– Trade payables	181.2	( 109.1)
– Other receivables, payables and accruals	86.4	( 70.9)
<b>Total change in working capital</b>	<b>68.9</b>	<b>( 184.6)</b>
Net interest and other financial results paid and received	5.6	1.7
Dividends received from investments in affiliates	8.2	4.6
Net taxes paid and received	( 226.8)	( 197.8)
Other changes	( 56.0)	108.0
<b>Net cash flow from operating activities</b>	<b>1,179.4</b>	<b>1,053.4</b>
<b>Investment cash flow</b>		
Investments:		
– Operational fixed assets	( 799.4)	( 740.9)
– Consolidated companies	( 857.3)	( 94.5)
– Investments in affiliates, private equity investments and trade investments	( 316.3)	( 376.7)
Disposals:		
– Operational fixed assets	65.8	54.9
– Consolidated companies	0.5	1,178.2
– Investments in affiliates, private equity investments and trade investments	221.2	171.1
<b>Net cash flow from investments</b>	<b>( 1,685.5)</b>	<b>192.1</b>
<b>Financing cash flow</b>		
Dividends to own shareholders	( 203.1)	( 186.7)
Dividends to third party shareholders	( 24.5)	( 17.0)
Capital changes by own and third party shareholders	1.5	2.1
<b>Net cash flow to/from shareholders</b>	<b>( 226.1)</b>	<b>( 201.6)</b>
Issuance of long-term debt	89.8	253.3
Redemption of long-term debt	( 189.3)	( 138.4)
Changes in payable to banks	15.3	23.9
<b>Net cash flow to/from banks</b>	<b>( 84.2)</b>	<b>138.8</b>
<b>Net cash flow from financing</b>	<b>( 310.3)</b>	<b>( 62.8)</b>
<b>Balance of cash flows</b>	<b>( 816.4)</b>	<b>1,182.7</b>
Changes in consolidation	69.7	( 74.2)
Currency exchange differences	5.1	( 21.7)
<b>Change in cash and cash equivalents</b>	<b>( 741.6)</b>	<b>1,086.8</b>

## Notes to the consolidated financial statements

In millions of euros, unless otherwise indicated

### General

On August 12, 2009 SHV acquired the shares of ERIKS N.V., a Dutch holding company of a group of technical distribution companies, previously listed on the Amsterdam stock exchange. ERIKS is an SHV operating company and accordingly assets, liabilities and results of operations are consolidated in the SHV accounts as of the date of acquisition. The effects of this acquisition are presented as a part of the changes in consolidation where movements in assets and liabilities are shown separately. Goodwill paid is charged directly to shareholders' equity.

In May 2009 SHV increased its effective interest in Edinburgh Oil & Gas Limited from 50% to 91%. Before this transaction, this investment was treated as a joint venture and was partially consolidated.

	Total	Commercial land and buildings	Gas cylinders and tanks	Oil and gas interests	Other
	_____	_____	_____	_____	_____
<b>Operational fixed assets</b>					
Balance, December 31, 2008:					
Cost of acquisition	6,474.9	1,217.8	2,351.8	800.7	2,104.6
Accumulated depreciation and depletion	( 3,613.6)	( 377.1)	( 1,641.7)	( 472.7)	( 1,122.1)
Book value	2,861.3	840.7	710.1	328.0	982.5
Movements in book value:					
Additions	797.5	148.7	128.7	171.1	349.0
Disposals	( 66.7)	( 12.3)	( 14.5)	( 12.6)	( 27.3)
Depreciation and depletion	( 421.3)	( 37.2)	( 110.6)	( 93.1)	( 180.4)
Changes in consolidation	442.8	77.2	0.9	306.5	58.2
Foreign currency translation	178.0	70.6	39.4	11.6	56.4
Other changes	( 26.9)	( 15.0)		( 12.2)	0.3
Net movements	903.4	232.0	43.9	371.3	256.2
Balance, December 31, 2009:					
Cost of acquisition	7,647.6	1,539.1	2,516.2	966.2	2,626.1
Accumulated depreciation and depletion	( 3,882.9)	( 466.4)	( 1,762.2)	( 266.9)	( 1,387.4)
Book value	3,764.7	1,072.7	754.0	699.3	1,238.7
Other operational fixed assets consist of:				<b>2009</b>	2008
Machines and installations				764.8	641.4
Transport equipment				209.1	155.8
Plant equipment				122.2	93.4
Office equipment				74.0	47.9
Assets under construction				64.8	40.9
Assets not used in business				3.8	3.1
				<u>1,238.7</u>	<u>982.5</u>

The additions in other operational fixed assets represent mainly the investments in lifting and transport equipment of Mammoet and the equipment of Makro stores.

Finance leases represent € 241 million of the book value, predominantly in commercial land and buildings and in machines and installations.

	<u>2009</u>	<u>2008</u>
<b>Financial fixed assets</b>		
Investments in affiliates	203.7	255.3
Private equity investments	828.4	639.0
Other financial fixed assets	<u>143.5</u>	<u>234.9</u>
	1,175.6	1,129.2

#### Investments in affiliates

Movements in investments in affiliates were as follows:

	<u>Total</u>	<u>Share in equity</u>	<u>Loans</u>
Balance, December 31, 2008	255.3	206.5	48.8
Changes in consolidation	( 25.3)	( 25.3)	
Additions	36.3	25.2	11.1
Disposals	( 6.7)	( 5.8)	( 0.9)
Share in income	16.7	16.7	
Income taxes	( 1.7)	( 1.7)	
Dividends received	( 8.2)	( 8.2)	
Foreign currency translation	0.1	0.4	( 0.3)
Other changes	<u>( 62.8)</u>	<u>( 12.5)</u>	<u>( 50.3)</u>
Balance, December 31, 2009	203.7	195.3	8.4

Other changes represent the impairment of the investment in Delta Hydrocarbons and the write-off of the loan to Econcern.

Share in income is presented in the consolidated statements of income, before deducting income taxes, under income from investments in affiliates.

#### Private equity investments

Movements in private equity investments were as follows:

	<u>Total</u>	<u>Shares</u>	<u>Loans</u>
Balance, December 31, 2008	639.0	539.9	99.1
Additions	264.8	179.4	85.4
Disposals	( 67.3)	( 21.5)	( 45.8)
Write-downs	( 16.6)	( 3.2)	( 13.4)
Revaluations	8.3	8.3	
Foreign currency translation	<u>0.2</u>	<u>0.2</u>	
Balance, December 31, 2009	828.4	703.1	125.3

Other financial fixed assets

Movements in other financial fixed assets were as follows:

	Total	Trade investments	Bonds	Long-term accounts receivable and loans	Miscel- laneous
Balance, December 31, 2008	234.9	102.5	29.7	67.6	35.1
Changes in consolidation	5.3	( 0.1)		3.2	2.2
Additions	55.0	19.5	0.2	16.5	18.8
Disposals	( 147.7)	( 72.0)		( 57.8)	( 17.9)
Foreign currency translation	6.4	( 1.2)		7.5	0.1
Other changes	( 10.4)	( 2.3)	0.1	( 1.5)	( 6.7)
Balance, December 31, 2009	143.5	46.4	30.0	35.5	31.6

Disposals of trade investments include the sale of the 10% investment in Capricorn by Dyas.

Bonds consist mainly of government securities that are required to be held by LPG companies.

Disposals to long-term accounts include the conversion of a loan to Ithaca Energy into direct oil and gas interests.

Miscellaneous consists mainly of advances.

	2009	2008
<b>Inventories</b>		
Trading inventory	801.8	552.3
Other inventory	59.9	32.0
Prepayments	13.3	6.5
	<u>875.0</u>	<u>590.8</u>

	2009	2008
<b>Accounts receivable</b>		
Trade receivables	1,254.5	938.6
Other receivables	213.4	226.8
Prepaid expenditures	176.6	229.7
	<u>1,644.5</u>	<u>1,395.1</u>
Less: allowance for doubtful accounts	( 81.1)	( 71.3)
	<u>1,563.4</u>	<u>1,323.8</u>

Receivables at December 31, 2009 include € 64 million (2008: € 66 million) for bills of exchange and installment purchases.

	2009	2008
<b>Cash and cash equivalents</b>		
Cash on hand, in bank, and in postal checking accounts	286.2	260.2
Money market investments	917.9	1,685.5
	<u>1,204.1</u>	<u>1,945.7</u>

Money market investments include short-term deposits, certificates of deposits and at December 31, 2008 also short-term government paper issued by the Dutch state. These investments have a maturity of less than one year.

## Shareholders' equity

Movements in shareholders' equity were as follows:

Balance, December 31, 2008	3,298.7
New shares issued	2.1
Income	540.5
Dividends	( 215.8)
Goodwill	( 529.3)
Foreign currency translation	106.7
Other changes	( 33.9)
Balance, December 31, 2009	3,169.0

Goodwill relates to the acquisitions of ERIKS N.V., LPG companies in various countries, renewable energy activities, buy-out of third party shares in Makro companies and acquisitions by Makro Argentina.

Foreign currency translation includes for a significant part the conversion gain on the Brazilian real.

The composition of shareholders' equity is presented on page 59.

## Third party equity

Third party equity represents their share in net assets of consolidated companies.

Movements in third party equity were as follows:

Balance, December 31, 2008	217.7
Changes in consolidation	63.5
Share in income	75.8
Dividends	( 28.3)
Capital decrease	( 0.4)
Increase shareholding SHV	( 22.8)
Goodwill	( 7.6)
Foreign currency translation	6.4
Other changes	( 0.5)
Balance, December 31, 2009	303.8

Dividends represent:

- the amount expected to be payable to third party shareholders at December 31, 2009 (included in short-term liabilities);
- the difference between payments made in 2009 and the expected amount payable at December 31, 2008.

## Provisions

Movements in provisions were as follows:

	Total	Liabilities for deposits	Pension liabilities	Deferred income tax	Other
Balance, December 31, 2008	1,311.6	246.8	119.0	155.6	790.2
Changes in consolidation	54.4	8.5	7.4	28.3	10.2
Additions	185.1	25.1	33.6	45.4	81.0
Appropriation	( 142.4)	( 38.9)	( 22.2)		( 81.3)
Release	( 40.5)	( 9.3)			( 31.2)
Foreign currency translation	29.0	0.9	4.9	7.4	15.8
Balance, December 31, 2009	1,397.2	233.1	142.7	236.7	784.7

Liabilities for deposits represent deposits paid by customers for gas cylinders and tanks.

Other consists of provisions for:	<u>2009</u>	<u>2008</u>
Special risks	494.6	474.6
Claims and other disputes	119.5	133.9
Current or terminated contracts	78.0	73.3
Maintenance of gas cylinders and tanks	16.9	15.9
LPG repositioning	15.0	30.0
Reorganisations	5.0	3.2
Miscellaneous	<u>55.7</u>	<u>59.3</u>
	784.7	790.2

The provision for special risks is set up for a number of risks, identified at the end of the year, which could potentially result in a liability and cash outflow in the future. These risks result from the nature and geographic spread of SHV's operations. SHV continues to run risks with suppliers and customers in the market for oil and gas and LPG as a result of high price volatility and deteriorated economic circumstances. Both governments and tax authorities in some of the countries in which we operate increasingly take unexpected positions that potentially impact the financial situation, the valuation of assets, and the profitability of our operations.

Provisions generally are of a long-term nature.

### Long-term liabilities

	<u>2009</u>	<u>2008</u>
Loans from financial institutions	824.7	769.0
Other	<u>166.1</u>	<u>134.7</u>
	990.8	903.7

#### Loans from financial institutions

##### Corporate

- a private placement of initially USD 280 million. Maturities of this loan from 2003 vary from 5 to 12 years, with fixed interest rates from 3.6% to 5.0%. Through interest rate swaps these fixed interest rates have been swapped to floating interest rates. The total amount of USD 280 million has been swapped into euros for the amount of € 239.4 million. In 2008 an amount of USD 65 million (€ 55.6 million) was redeemed. At December 31, 2009 the loan was USD 215 million (€ 183.8 million). In 2010 an amount of USD 87.5 million (€ 74.8 million) will be redeemed;
- a private placement of USD 320 million. Maturities of this loan from 2004 vary from 5 to 15 years, with fixed interest rates from 5.2% to 6.5%. Through interest rate swaps these fixed interest rates have been swapped to floating interest rates. In 2005, 2006 and 2007, an amount of USD 25 million, USD 28 million and USD 37 million respectively was swapped into euros for the amount of € 21.2 million, € 22.8 million and € 27.6 million respectively. The part of the loan not swapped into euros serves as a hedge of the currency exposure on long-term investments in USD. In 2009 an amount of USD 53 million (€ 44 million) was redeemed, together with the related swaps. At the end of 2009 the loan was USD 267 million (€ 187.1 million);
- a syndicated stand-by bank facility of € 800 million is available at corporate level. The facility matures on November 14, 2012. No amounts have been drawn on this facility in 2009.

#### Business Units

- a syndicated loan of initially BRL 200 million (€ 72.2 million) in Brazil. Maturity of this loan from 2004 is five years. In 2008 the syndicated loan was renegotiated and amended. The maturity of the amended loan is four years. In 2009 an amount of BRL 58.7 million (€ 21.1 million) was redeemed. At the end of 2009 the loan amounts to BRL 100 million (€ 40.0 million). During 2010 an amount of BRL 33.3 million (€ 13.3 million) will be redeemed. The interest rate on this loan is floating;
- nine bank loans in Italy with an original amount of € 115 million with a maturity of five years starting in 2007 and 2008. At the end of 2009 these loans were € 68.5 million. In 2010 an amount of € 24.5 million will be redeemed. The variable interest rates on these loans were swapped to fixed interest rates. In 2009 two new bank loans have been arranged with a total amount of € 20 million. The maturity of these loans is five years. In 2009 an amount of € 2 million was redeemed. At the end of 2009 these loans were € 18 million. In 2010 an amount of 4 million will be redeemed. The variable interest rates on these loans have been swapped to fixed interest rates;
- syndicated credit facility for Mammoet of initially € 315 million with a group of Dutch banks and a maturity date in October 2012. At December 31, 2009 € 311.4 million was drawn under this facility. The interest rate on the loans is for a significant part swapped to fixed interest rates. Mammoet is in compliance with the debt covenant ratios under these loans;
- syndicated credit facility for ERIKS of initially € 400 million with a maturity date in May 2012. At December 31, 2009 € 145.6 million was drawn under this facility. The interest rate on this facility is floating based on Euribor plus margin. The variable interest rates on these loans were swapped to fixed interest rates. ERIKS is in compliance with the debt covenant ratios under this facility;
- a number of loans, with a total amount of € 6.3 million at December 31, 2009. The average interest rate is 4.0% and the average remaining term is five years.

#### Other

Other long-term debt consists of:

- finance lease liabilities with an average interest rate of 5.7% at December 31, 2009;
- seventeen loans, with an average interest rate of 2.4% at December 31, 2009.

The average remaining term of the other long-term debt at December 31, 2009 is seven years.

#### Redemption schedule of long-term debt

	2010	2011-2014	After 2014
Privately placed loans from financial institutions	136.0	735.6	89.1
Other	35.9	109.3	56.8
	<u>171.9</u>	<u>844.9</u>	<u>145.9</u>

The portion of long-term debt that will be redeemed in 2010 is included in other short-term debt.

At December 31, 2009, long-term debt of € 151 million (2008: € 125 million) was secured.

	2009	2008
<b>Short-term liabilities</b>		
Trade accounts payable	1,286.9	934.9
Accrued liabilities	273.6	207.3
Payable to banks	342.2	298.4
Redemption of long-term debt	171.9	115.2
Dividends to own and third party shareholders	201.5	184.2
Income taxes payable	108.0	110.7
Other taxes and social security premiums	116.1	77.9
Other short-term debt	221.8	190.5
	<u>2,722.0</u>	<u>2,119.1</u>

At December 31, 2009, other short-term debt of € 34 million (2008: € 26 million) was secured.

## Financial instruments

### Foreign currency contracts

At December 31, 2009, foreign currency contracts were outstanding to hedge the currency risk on equity invested in foreign currencies, long-term debt, other assets and liabilities and future cash flows:

- foreign currency contracts to hedge equity invested in foreign currencies amount to € 653.6 million. The net market value of these contracts is positive and amounts to € 55.9 million and is included in current assets and liabilities. The unrealised change in value during the year of € 12.3 million (loss) is included in the reserve for currency exchange differences within shareholders' equity;
- foreign currency contracts to hedge the currency risk on long-term debt amount to € 211.4 million. The negative market value of these contracts is € 30.7 million and is included in the valuation of the outstanding long-term debt. The unrealised change in value during the year of € 5.9 million (loss) is included in the other financial income;
- foreign currency contracts to hedge the currency risk on other assets and liabilities amount to € 5.1 million. The positive net market value of these contracts is € 5.1 million and is included in the valuation of the individual assets and liabilities. The unrealised change in value during the year of € 5.1 million (profit) is included in the statement of income;
- foreign currency contracts for a total amount of € 6.8 million were outstanding to protect the company against currency risk on future cash flows. The negative net market value of these contracts amounts to € 6.8 million. Gains and losses are recognised upon realisation.

### Interest rate swaps

Interest rate risk has been hedged through a number of interest rate swaps, at both Corporate and business unit level. At December 31, 2009, the following interest rate swaps were in effect:

- Corporate:
  - a number of interest rate swaps for the notional amount of USD 215 million, whereby fixed USD interest payments have been converted to floating euro interest payments. The resulting average interest rate is 2.2%. The swaps mature over a period of one to six years. The positive market value of these contracts amounts to € 1.7 million;
  - a number of interest rate swaps for the notional amount of USD 267 million, whereby fixed USD interest payments have been converted to floating USD interest payments. The resulting average interest rate is 1.3%. The swaps mature over a period of 2 to 10 years. The positive market value of these contracts amounts to € 18.1 million;
  - one interest rate swaps for the notional amount of USD 37 million, whereby floating USD interest payments have been converted to floating euro interest payments. The resulting average interest rate is 1.2%. The swap matures in 2011. The market value of this contract is nil;

- an interest rate swap for the notional amount of USD 70 million, whereby floating USD interest payments have been converted to fixed USD interest payments. The resulting interest rate is 3.6%. The swap matures over five years. The negative market value of this contract amounts to € 3.4 million;
  - a number of interest rate swaps for the notional amount of GBP 168.9 million, whereby fixed GBP interest receivables have been converted to fixed euro interest receivables. The resulting average interest rate is 4.3%. The swaps mature over a period of one to five years. The negative market value of these contracts amounts to € 2.3 million;
  - two interest rate swaps for the notional amount of USD 160 million, whereby fixed USD interest payments have been converted to floating USD interest payments. The resulting average interest rate is 0.7%. The swaps mature over a period of two to four years. The negative market value of these contracts amounts to € 0.7 million.
- Business Units:
- a number of interest rate swaps with a notional value of € 136.6 million were in effect at December 31, 2009. Floating interest payments have been converted to fixed interest payments. The negative market value of these contracts amounts to € 2.5 million.

#### Other financial instruments

Other financial instruments used in operations at December 31, 2009:

- of the future oil and gas production of Dyas, the equivalent of 3.7 million barrels of oil has been hedged to reduce price risk. The negative market value of these contracts is € 1.2 million;
- SHV Gas has net outstanding hedge contracts for the purchase of 431,500 metric tons of LPG. The positive market value of these contracts is € 5.0 million.

### Capital commitments

Commitments for construction or acquisition of operational and financial fixed assets amounted to € 340 million and € 515 million at December 31, 2009 and 2008, respectively.

### Long-term commitments

Under operating leases and long-term leasehold commitments, € 63 million will be due in 2010. For the years 2011 until 2014 the amount will be € 171 million and the total after the year 2014 will be € 259 million. The average remaining term at December 31, 2009 is eight years.

### Contingent liabilities

#### Guarantees

SHV is contingently liable with respect to guarantees given for a total amount of € 4 million and € 8 million at December 31, 2009 and 2008, respectively. Insofar as claims are probable from guarantees given, provisions have been made.

#### Litigation

There are several pending legal actions arising in normal business for which adequate insurance coverage exists or for which adequate provisions have been made.

**Net sales**

	<u>2009</u>	<u>2008</u>
Analysis of net sales per activity:		
SHV Gas	5,588.3	6,084.8
Makro	4,569.6	4,186.5
Mammoet	854.9	630.7
ERIKS	477.7	–
Other	430.7	390.8
	<u>11,921.2</u>	<u>11,292.8</u>
Geographical distribution of net sales:		
Europe	5,214.2	5,230.9
North America	369.8	264.0
South America	3,916.6	3,243.1
Asia	2,369.6	2,545.8
Australia and Africa	51.0	9.0
	<u>11,921.2</u>	<u>11,292.8</u>

For NPM Capital, due to the nature of its activities, no sales are recorded. The results of NPM Capital's activities are reflected through the changes in its private equity investments.

**Salaries and wages**

	<u>2009</u>	<u>2008</u>
Salaries, wages, gratuities and bonuses	( 733.1)	( 556.1)
Social security premiums	( 145.8)	( 106.9)
Pension fund premiums	( 24.0)	( 12.1)
	<u>( 902.9)</u>	<u>( 675.1)</u>

Analysis of average number of full-time equivalent employees per activity:

SHV Gas	14,046	13,697
Makro	20,213	20,945
Mammoet	3,265	2,764
ERIKS	2,457	–
Other	274	106
	<u>40,255</u>	<u>37,512</u>

**Other operating expenses**

Other operating expenses represent those operating expenses not included in cost of goods sold, salaries and wages, or depreciation and depletion. Changes in allowances for doubtful accounts receivable and provisions for future expenditures that are considered to be part of normal business operations are also included. The remuneration of the Supervisory Board of Directors, which is included in other operating expenses, was € 770,000 in 2009 and 2008. The Supervisory Board of Directors had ten members at the end of both years.

**Fees to statutory auditor**

The fees paid to the statutory auditor, including the fees of the consolidated companies, for audit services are € 3.7 million (2008 € 3.1 million) and € 0.7 million (2008 € 0.9 million) for other services.

		<u>2009</u>	<u>2008</u>
<b>Exceptional items</b>	Exceptional income	28.8	1,046.8
	Exceptional expense	( 108.2)	( 315.9)
		<u>( 79.4)</u>	<u>730.9</u>

The exceptional items consist of:

Impairments	( 66.7)	( 154.2)
Sale of subsidiaries	12.7	872.3
Provision for special risks	( 20.0)	-
Miscellaneous	( 5.4)	12.8
	<u>( 79.4)</u>	<u>730.9</u>

Impairments mainly relate to the write-off of the loan to Econcern (2009) and the write down of the investments in Delta Hydrocarbons (2009 and 2008) and Econcern (2008).

The sale of subsidiaries in 2008 represents, amongst others, capital gains realised on the sale of the metals recycling activity The David J. Joseph Company in the United States amounting to € 693 million and the Makro operations in China, Pakistan and Indonesia for the total amount of € 176 million.

		<u>2009</u>	<u>2008</u>
<b>Income from private equity investments</b>	Dividends	65.3	64.1
	Realised capital gains and losses	3.8	63.7
	Interest	15.4	8.3
	Write-downs / revaluations	( 8.3)	( 12.8)
	Miscellaneous	1.1	( 1.3)
		<u>77.3</u>	<u>122.0</u>

		<u>2009</u>	<u>2008</u>
<b>Interest – net</b>	Interest income	43.8	106.2
	Interest expense	( 78.5)	( 100.5)
		<u>( 34.7)</u>	<u>5.7</u>

		<u>2009</u>	<u>2008</u>
<b>Other financial results – net</b>	Bank charges	( 13.0)	( 14.0)
	Cost of loans	( 2.1)	( 1.7)
	Currency exchange differences	0.8	8.0
	Other income – net	5.6	18.3
		<u>( 8.7)</u>	<u>10.6</u>

Bank charges include the financial transfer tax in South America. Other income – net in 2008 includes the result on the sale of SHV's direct interest in Vegro.

## Income taxes

The average tax burden increased from 14.9% in 2008 to 30.2% in 2009, mainly due to, tax exempt, capital gains on the sale of subsidiaries in 2008. After elimination of the impact of these capital gains, the average tax burden for 2008 was 30.7%.

At the end of 2009 the total amount of accumulated tax losses in several countries amounts to approximately € 155 million. Since it is not certain that these tax losses will be used in the near future no tax benefit is recognised.

## Currency rates

The following rates have been used in computing the principal foreign currency conversions:

			In euros		
			Average	Year-end	Year-end
			2009	2009	2008
1	ARS	Argentine peso	0.19	0.18	0.21
1	BRL	Brazilian real	0.36	0.40	0.31
1	CAD	Canadian dollar	0.63	0.66	0.59
1	GBP	Pound sterling	1.12	1.12	1.05
1	PLN	Polish zloty	0.23	0.24	0.24
1	USD	US dollar	0.72	0.69	0.72
1	TRY	Turkish lira	0.46	0.46	0.47
1	VEF	Venezuelan Bolivar Fuerte	0.12	0.12	0.13
100	CNY	Chinese renminbi yuan	10.50	10.16	10.51
100	COP	Colombian peso	0.03	0.03	0.03
100	HUF	Hungarian forint	0.36	0.37	0.38
100	PHP	Philippine peso	1.51	1.50	1.51
100	PKR	Pakistan rupiah	0.88	0.82	0.91
100	THB	Thailand baht	2.09	2.08	2.07

## Parent company balance sheets at December 31

(after proposed distribution of income)

In millions of euros

	<u>2009</u>	<u>2008</u>
<b>Assets</b>		
Operational fixed assets	1.9	2.1
Financial fixed assets	3,789.6	3,894.1
<b>Fixed assets</b>	<b>3,791.5</b>	<b>3,896.2</b>
Accounts receivable – net	11.8	32.6
Cash and cash equivalents	57.6	32.1
<b>Current assets</b>	<b>69.4</b>	<b>64.7</b>
<b>Total</b>	<b>3,860.9</b>	<b>3,960.9</b>
<b>Liabilities</b>		
Capital stock	326.5	326.3
Additional paid-in capital	22.4	20.5
Legal reserves	99.0	( 7.7)
Other reserves	2,721.1	2,959.6
<b>Equity</b>	<b>3,169.0</b>	<b>3,298.7</b>
<b>Provisions</b>	<b>497.1</b>	<b>477.6</b>
Final dividend to own shareholders	179.6	166.8
Other short-term debt	15.2	17.8
<b>Short-term liabilities</b>	<b>194.8</b>	<b>184.6</b>
<b>Total</b>	<b>3,860.9</b>	<b>3,960.9</b>

## Parent company statements of income

In millions of euros

	<u>2009</u>	<u>2008</u>
Income from consolidated companies, after taxes	560.4	1,375.9
Other results, after taxes	( 19.9)	6.5
<b>Income</b>	<b>540.5</b>	<b>1,382.4</b>

## Notes to the parent company financial statements

In millions of euros, unless otherwise indicated

### General

#### Accounting and valuation

The same accounting principles are used for the parent company balance sheets and statements of income as for the consolidated financial statements.

Therefore, reference is made to the notes to the consolidated financial statements.

With regard to the parent company statements of income, the exemption provided by article 402 of Book 2 of the Dutch civil code has been used.

SHV Holdings N.V. forms a fiscal unit for corporate income tax with a number of Dutch subsidiaries.

### Financial fixed assets

	2009	2008
Consolidated companies	3,789.6	3,894.0
Other	–	0.1
	<u>3,789.6</u>	<u>3,894.1</u>

Consolidated companies are valued at net asset value.

Movements in value of consolidated companies were as follows:

Balance, December 31, 2008	3,894.0
Income	560.4
Dividends	( 220.0)
Goodwill	( 524.3)
Foreign currency translation	106.7
Other changes	( 27.2)
Balance, December 31, 2009	<u>3,789.6</u>

### Equity

	Total	Capital stock	Additional paid-in capital	Legal reserves	Other reserves
Balance, December 31, 2007	2,152.8	326.2	19.4	30.7	1,776.5
New shares issued	1.2	0.1	1.1		
Income	1,382.4				1,382.4
Dividend	( 204.9)				( 204.9)
Goodwill	14.3				14.3
Foreign currency translation	( 35.8)			( 31.2)	( 4.6)
Other changes	( 11.3)			( 7.2)	( 4.1)
Balance, December 31, 2008	<u>3,298.7</u>	<u>326.3</u>	<u>20.5</u>	<u>( 7.7)</u>	<u>2,959.6</u>
New shares issued	2.1	0.2	1.9		
Income	540.5				540.5
Dividend	( 215.8)				( 215.8)
Goodwill	( 529.3)				( 529.3)
Foreign currency translation	106.7			106.7	
Other changes	( 33.9)				( 33.9)
Balance, December 31, 2009	<u>3,169.0</u>	<u>326.5</u>	<u>22.4</u>	<u>99.0</u>	<u>2,721.1</u>

#### Capital stock

SHV Holdings N.V. has a nominal capital divided into shares of € 45 each.

At December 31, 2009 the number of issued shares is 7,254,799. The shares are paid in full and have the same rights.

There are no shares of capital stock held in the treasury.

#### Legal reserves

Effective from 2005, the differences from translation of consolidated and non-consolidated foreign companies are accounted for under reserve for currency differences as part of the legal reserves. Before 2005 these differences were part of the other reserves.

#### Other reserves

Other reserves consist of retained income, goodwill and, up to 2004, the differences from translation of consolidated and non-consolidated foreign companies.

	<u>2009</u>	<u>2008</u>
<b>Provisions</b>		
Provision for special risks	494.6	474.6
Other liabilities	<u>2.5</u>	<u>3.0</u>
	497.1	477.6

#### Contingent liabilities

SHV Holdings N.V. has guaranteed loans of its subsidiaries for a total amount of € 494 million. Further, SHV Holdings N.V. has guaranteed the debts arising from transactions entered into by a number of Dutch subsidiaries. A list is available for inspection at the office of the Chamber of Commerce in Utrecht.

March 12, 2010

Supervisory Board of Directors

Executive Board of Directors

## Other information

### Report of the auditors

#### Report on the financial statements

We have audited the accompanying financial statements 2009 of SHV Holdings N.V., Netherlands Antilles as set out on pages 39 to 60 which comprise the consolidated and company balance sheet as at 31 December 2009, the consolidated and company profit and loss account for the year then ended and the notes.

##### The Executive Board of Directors' responsibility

The Executive Board of Directors of the company are responsible for the preparation and fair presentation of the financial statements and for the preparation of the Report of the Executive Board of Directors, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

##### Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the 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 company'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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Executive Board of Directors, 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 SHV Holdings N.V. as at 31 December 2009, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code with respect to principles of valuation and determination of results.

### Report on other legal requirements

Pursuant to the legal requirement under 2:393 sb 5f of the Netherlands Civil Code, we report, to the extent of our competence, that the Report of the Executive Board of Directors is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Utrecht, March 12, 2010

PricewaterhouseCoopers Accountants N.V.

P. Tieleman RA

### Distribution of income

In millions of euros

#### Statutory requirements

##### Article 16

1. Of the profit shown in the profit and loss account and approved by the General Meeting, shareholders shall receive nine per cent (9%) of the nominal value of their shares. From the amount of that profit then remaining, such amounts shall be reserved as are decided by the General Meeting acting on a proposal by the managing board submitted with the approval of the supervisory board.
2. The amount of profit then remaining is at the disposal of the General Meeting.

Proposed distribution of income	2009	2008
Primary dividend	29.3	29.3
Increase in other reserves	324.7	1,177.5
Additional dividend	186.5	175.6
	<u>540.5</u>	<u>1,382.4</u>
Manner of dividend distribution		
Interim dividend	36.2	38.1
Final dividend	179.6	166.8
<b>Total dividend</b>	<b>215.8</b>	<b>204.9</b>

The interim- and final dividend for 2009 are € 5.00 and € 24.75 respectively, per share of € 45 nominal value. The comparable amounts for 2008 were € 5.25 and € 23.00.

# Corporate Philosophy

## **Being part of SHV**

SHV is a privately-held company and wishes to remain so.

SHV is a decentralised company. Great trust is placed in our people in the field. This decentralisation provides an excellent opportunity for individual development. Mutual respect and trust provides the basis for happiness at work.

SHV's most important values are integrity and loyalty. Integrity means being honest, genuine and totally open in communications about all matters that concern the company. Good news may travel slowly, bad news should travel quickly. Loyalty means putting your best effort into your work for the company and its development.

Based on the integrity and loyalty of our people, SHV wishes to continue to grow both for the benefit of our shareholders, our employees and for the well-being of the society in which we live and work.

## **Growth through performance**

We optimise our business and keep an eye open for opportunities. We work as a team for better results. We keep hierarchy and bureaucracy to a minimum.

Shareholders are not looking for 'puffed up' quarterly or annual results, but for sustainable profit growth.

Shareholders accept the risks of new endeavours.

## **Go for niche and market share**

In looking for niche markets, we will not dabble in general trends or fashions. We will establish ourselves as a leading participant in our markets.

## **Invest in people**

Success comes through our people.

Investing in people means:

- trusting our people
- giving our people responsibility
- stimulating creativity and own initiative
- coaching and training our people
- rewarding excellence

Motivate by example, smile and find happiness in your work. It is important not to blame people. We all make mistakes. To blame is to be negative. If integrity and loyalty are undisputed, a mistake might be the start of better management.

**Manage change**

Change is all around us always. Do not be blind or deaf to change. Change creates opportunities.

Analyse change, discuss it with others, evaluate and challenge your own thoughts. See change as oxygen for our company and manage it with understanding and wisdom.

**Look for the unusual**

The unusual is interesting. The unusual challenges our intellect and our creative spirit. At all levels our people are invited to look for the unusual and see how it can help our business. This is essential to our success. The unusual may be exactly what can differentiate us.

**Listen, learn and react**

No one knows everything, we all know something. By listening to other people's ideas and thoughts we widen our horizon. To listen before speaking is to learn. The wise man or woman will benefit from the knowledge of others.

After listening and learning we should decide to react. Never forget that to do nothing is also a decision.

**Keep things simple**

Life only seems to be complicated. Technicalities are complicated, good business is not. Choices and decisions are difficult at times, not complicated. Put your thoughts on any subject on a single piece of paper – it helps clarify the mind.

## Major operating companies

Between [ ] ownership percentage at  
December 31, 2009

Between ( ) age at  
December 31, 2009

### SHV Gas

SHV Gas  
Siriusdreef 70-72  
2132 WT Hoofddorp  
Telephone 31 23 5555700  
Fax 31 23 5555701  
e-mail info@shvgas.com

**the Netherlands**  
L.A.B.M. Driebeek (58)  
A.P. Huijgen (58)  
J.K. Wilson (55)  
P.H. Zekhuis (44)  
as of June 2009

SHV Gas includes the following companies:  
(in alphabetical order by country)

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Primagaz Central Europe GmbH [100%]  
Salztorgasse 2/5  
1010 Vienna  
Telephone 43 1 5320546  
Fax 43 1 53205469  
e-mail info@primagaz-trading.com

**Austria**  
E. Brandstätter (50)

Primagaz Belgium N.V. [100%]  
Ravenshout 3310  
Kanaalweg 87  
3980 Tessenderlo  
Telephone 32 13 618200  
Fax 32 13 618299  
e-mail info@primagaz.be

**Belgium**  
R. Kandelman (42)  
until August 2009  
T. Morvai (41)

Liquivex doo [66.5%]  
Žabljak  
74230 Usora  
Telephone 387 32895203  
Telefax 387 32893220  
e-mail liquivex@tel.net.ba

**Bosnia and Herzegovina**  
A. Arzà (51)

SHV Gas Brasil Ltda. [100%]  
Av. Presidente Wilson, nr. 231 – 19<sup>th</sup> floor  
Edifício Palácio Austregésilo de Athayde – Centro  
20030-95 – Rio de Janeiro – RJ  
Telephone 55 21 39745151  
Fax 55 21 22629075  
e-mail amgomes@shvgas.com.br

**Brazil**  
L.M.M. Barretto Cotta (57)

SHV (China) Investment Company Limited [100%]  
21F, Ping An Building  
No. 160, Ti Yu Dong Road, Tian He District  
Guangzhou, Guangdong Province  
Telephone 86 20 87520618  
Fax 86 20 87520658  
e-mail sfranken@xiweigas.com

**P.R. China**  
S.M. Franken (44)

## Major operating companies

Between [ ] ownership percentage at  
December 31, 2009

Between ( ) age at  
December 31, 2009

### SHV Gas

SHV Gas includes the following companies:  
(in alphabetical order by country)

---

Butan Plin d.o.o. [70%]  
Ulica rijeke Dragonje 23  
52466 Novigrad  
Telephone 385 52758222  
Fax 385 52382438  
e-mail aarza@liquigas.com

**Croatia**  
A. Arza (51)

Primagas s.r.o. [100%]  
Na Pankráci 30  
140 00 Prague 4  
Telephone 420 2 26227100  
Fax 420 2 26227109  
e-mail primagas@primagas.cz

**Czech Republic**  
A. Petrů (61)  
until March 2009  
F.J.C. van Lede (34)

Primagaz Danmark A/S [100%]  
Sandvadsvej 11  
4600 Køge  
Telephone 45 56 631220  
Fax 45 56 634119  
e-mail office@primagaz.dk

**Denmark**  
K. Krogh (53)

Compagnie des Gaz de Pétrole Primagaz S.A. [100%]  
4, rue Hérault de Séchelles  
BP 97  
75829 Paris cedex 17  
Telephone 33 1 58615000  
Fax 33 1 58615050  
e-mail info@primagaz.fr

**France**  
M.Y. Maestroni (42)

SHV Gas Supply & Risk Management SAS [100%]  
Espace 21  
La Défense 7  
31, place Ronde  
92800 Puteaux  
Telephone 33 1 49039587  
Fax 33 1 49037087  
e-mail ebrandstaetter@shvgas-srm.com

**France**  
E. Brandstätter (50)

Primagas GmbH [72.7%]  
Luisenstrasse 113  
47799 Krefeld  
Telephone 49 2151 8520  
Fax 49 2151 852270  
e-mail info@primagas.de

**Germany**  
J.D. Diercks (54)

## Major operating companies

Between [ ] ownership percentage at  
December 31, 2009

Between ( ) age at  
December 31, 2009

### SHV Gas

SHV Gas includes the following companies:  
(in alphabetical order by country)

---

Calor Group Ltd. [100%]  
Athena House  
Athena Drive  
Tachbrook Park  
Warwick CV34 6RL  
Telephone 44 1926 330088  
Fax 44 1926 318718  
e-mail enquiry@calorgas.co.uk

**Great Britain**  
S. Rennie (55)

Prímagáz-Hungária Rt. [100%]  
Irinyi József u. 4-20  
1117 Budapest  
Telephone 36 1 2099900  
Fax 36 1 2099999  
e-mail primagaz@primagaz.hu

**Hungary**  
Z. Szirmai (55)

SHV Energy India Private Ltd. [100%]  
Super Gas House  
IV Floor, Serene Chambers, #8-2-334  
Road No. 7, Banjara Hills  
Hyderabad 500 034  
Telephone 91 40 23540079  
Fax 91 40 23540082  
e-mail shvindia@supergas.com

**India**  
A. Kumar (50)

Calor Gas Northern Ireland Ltd. [100%]  
Airport Road West  
Sydenham  
Belfast BT3 9EE  
Telephone 44 2890 458466  
Fax 44 2890 732749  
e-mail sales@calorgas.ie

**Northern Ireland**  
S.G. Cooke (51)  
until February 2010  
M. Kossack (44)

Calor Teoranta [100%]  
Long Mile Road  
Dublin 12  
Telephone 353 1 4505000  
Fax 353 1 4507852  
e-mail sales@calorgas.ie

**Republic of Ireland**  
S.G. Cooke (51)  
until February 2010  
M. Kossack (44)

Liquigas S.p.A. [70%]  
Via Tucidide 56  
20134 Milan MI  
Telephone 39 02 70168801  
Fax 39 02 70168850  
e-mail pdallago@liquigas.com

**Italy**  
P. Dal Lago (62)

## Major operating companies

Between [ ] ownership percentage at  
December 31, 2009

Between ( ) age at  
December 31, 2009

### SHV Gas

SHV Gas includes the following companies:  
(in alphabetical order by country)

---

Liquigas Malta Ltd. [35%]  
Freeport Centre, Kalafrana  
Birzebbuga BBG 3011  
Telephone 356 21653333  
Fax 356 22486060  
e-mail rcapelluto@liquigas.com

**Malta**  
R. Capelluto (55)

Primagaz Nederland B.V. [100%]  
Coenensparkstraat 25  
7202 AN Zutphen  
Telephone 31 575 582200  
Fax 31 575 582230  
e-mail info@primagaz.nl

**the Netherlands**  
R. Kandelman (42)  
until August 2009  
T.M. Morvai (41)

Primagaz Norge AS [100%]  
p/a Sandvadsvej 11  
4600 Køge  
Denmark  
Telephone 45 56 631220  
Fax 45 56 634119  
e-mail office@primagaz.dk

**Norway**  
K. Krogh (53)

SHV Energy Pakistan (Private) Limited [100%]  
House 98A  
Margalla Road  
Sector F-6/2  
Islamabad  
Telephone 92 51 2274400  
Fax 92 51 2275576  
e-mail supergas@shvpk.com

**Pakistan**  
S.A. Quraishi (54)

Liquigas Philippines Corporation [100%]  
3<sup>rd</sup> Floor, NOL Tower  
Commerce Avenue, Madrigal Business Park  
Ayala Alabang, Muntinlupa City  
1780 Metro Manila  
Telephone 63 2 7710560  
Fax 63 2 7710569  
e-mail info@liquigas.com

**the Philippines**  
P.G. Libihoul (53)

Gaspol S.A. [97.8%]  
Al. Jana Pawla II 80  
00 – 175 Warsaw  
Telephone 48 22 5300000  
Fax 48 22 5300001  
e-mail kontakt@gaspol.pl

**Poland**  
S. Smigiel (48)

## Major operating companies

Between [ ] ownership percentage at  
December 31, 2009

Between ( ) age at  
December 31, 2009

### SHV Gas

SHV Gas includes the following companies:  
(in alphabetical order by country)

---

Primagaz Romania SRL [100%]  
Business Park CONECT  
Dimitrie Pompeiu, 10A  
3<sup>rd</sup> Floor, 2<sup>nd</sup> district  
020337, Bucharest  
Telephone 40 21 3040529  
Fax 40 21 3040219  
e-mail agovaert@primagazromania.ro

**Romania**  
Z. Szirmai (55)  
until October 2009  
A.J.C. Govaert (33)

Probugas a.s. [50%]  
Lieskovská cesta 3  
821 06 Bratislava  
Telephone 421 2 40201311  
Fax 421 2 40201308  
e-mail infomail@probugas.sk

**Slovakia**  
F.J.C. van Lede (34)

Butan Plin d.d. [70%]  
Verovskova 70  
1001 Ljubljana  
Telephone 386 1 5889813  
Fax 386 1 5889806  
e-mail info@butanplin.si

**Slovenia**  
T. Grm (41)

Primagas Energía S.A.U. [100%]  
C/ Entenza, 332-334, 1º, 1a  
08029 Barcelona  
Telephone 34 93 3633770  
Fax 34 93 4106782  
e-mail info@primagaz.es

**Spain**  
S. Mikulski (40)  
until September 2009  
J.M. Medoš (32)

Primagaz Sverige AB [100%]  
c/o Sandvadsvej 11  
4600 Køge  
Denmark  
Telephone 45 56 631220  
Fax 45 56 634119  
e-mail office@primagaz.dk

**Sweden**  
K. Krogh (53)

Ipragaz A.S. [100%]  
Nova Baran Plaza  
19 Mayıs Cad. N° 4/16  
34360 Sisli – Istanbul  
Telephone 90 212 2345259  
Fax 90 212 2404790  
e-mail sseckin@ipragaz.com.tr

**Turkey**  
S. Siper (52)

## Major operating companies

Between [ ] ownership percentage at  
December 31, 2009

Between ( ) age at  
December 31, 2009

### SHV Gas

SHV Gas includes the following companies:  
(in alphabetical order by country)

---

Bizimgaz Ticaret Ve Sanayi A.S. [99.2%]  
Nova Baran Plaza  
19 Mayıs Cad. N° 4  
34360 Sisli – Istanbul  
Telephone 90 212 2240034  
Fax 90 212 2333396  
e-mail info@bizimgaz.com

**Turkey**  
G. Nebol (38)

### The Clean Energy Company

The Clean Energy Company B.V. [100%]  
Rijnkade 1  
3511 LC Utrecht  
Telephone 31 30 2338240  
Fax 31 30 2338461  
e-mail bdinh@tcec.nl

**the Netherlands**  
B.Q. Dinh (41)  
J.A. Samsom (40)  
until December 2009

Primagaz GmbH [100%]  
St. Johanner Strasse 11  
6370 Kitzbühel  
Telephone 43 5356 6992  
Fax 43 5356 6992 9000  
e-mail office@primagaz-austria.at

**Austria**  
U.J. Andres (49)

CleanHeat Contracting GmbH [90.7%]  
Dr. Aunerstrasse 22/3  
8074 Raaba Graz  
Telephone 43 0316 46609911  
Fax 43 0316 44609940  
e-mail office@cleanenergy.co.at

**Austria**  
F. Steyskal (44)

EC Bioenergie GmbH [70%]  
Englerstrasse 4D  
69126 Heidelberg  
Telephone 49 6221 364950  
Fax 49 6221 364936  
e-mail info@bioenergie-heidelberg.de

**Germany**  
T.A. Bischof (48)

## Major operating companies

Between [ ] ownership percentage at  
December 31, 2009

Between ( ) age at  
December 31, 2009

---

### **The Clean Energy Company**

Balcas Ltd [45%]  
Laragh  
Enniskillen  
County Fermanagh  
BT94 2FQ  
Telephone 44 2866 323003  
Fax 44 2866 324082  
e-mail info@balcas.com

**Northern Ireland**  
E. Smith Kidney (56)

### **Dyas**

Dyas B.V. [100%]  
Rijnkade 1  
3511 LC Utrecht  
Telephone 31 30 2338434  
Fax 31 30 2338418  
e-mail dyas@shv.nl

**the Netherlands**  
A.F.D. Berger (43)  
until June 2009  
E.N. Veenhof (48)

Dyas UK Ltd. [100%]  
Rijnkade 1  
3511 LC Utrecht  
Telephone 31 30 2338434  
Fax 31 30 2338418  
e-mail dyas@shv.nl

**the Netherlands**  
A. F.D. Berger (43)  
until June 2009  
E.N. Veenhof (48)

## Major operating companies

Between [ ] ownership percentage at  
December 31, 2009

Between ( ) age at  
December 31, 2009

### Makro

Makro South America  
Rua Carlos Lisdegno Carlucci, 519  
05536-900 São Paulo-SP  
Telephone 55 11 37452814  
Fax 55 11 37421010  
e-mail general@makrosouthamerica.com

**Brazil**  
A.A. Colmenares (49)  
until November 2009  
D.P. Casey (58)  
E.A. Leijnse (42)  
R.V. Voogt (43)

Makro South America includes the following companies:  
(in alphabetical order by country)

---

Supermercados Mayoristas Makro S.A. [93.4%]  
Ricardo Gutiérrez 3647  
1605 Munro  
Buenos Aires  
Telephone 54 11 47560081  
Fax 54 11 47562154  
e-mail mrodriguez@makro.com.ar

**Argentina**  
R. Laughlin (58)  
until February 2010  
A.J. van Wingerde (45)

Makro Atacadista S.A. [99.9%]  
Rua Carlos Lisdegno Carlucci, 519  
05536-900 São Paulo-SP  
Telephone 55 11 37452700  
Fax 55 11 37452716  
e-mail info@makro.com.br

**Brazil**  
R. Batista (45)  
until February 2010  
R. Laughlin (58)

Makro Supermayorista S.A. [100%]  
Carretera 39 193-63  
Autopista Norte  
Bogotá  
Telephone 57 1 6781616  
Fax 57 1 6780192  
e-mail edith.riano@makro.com.co

**Colombia**  
R. Minuzzo (53)

Makro Supermayorista S.A. [100%]  
Av. República de Panamá 3505, piso 7  
San Isidro, Lima  
Telephone 511 7148000  
Fax 511 7148080  
e-mail pboone@makro.com.pe

**Peru**  
P.C. Boone (41)

Makro Comercializadora S.A. [75%]  
Prolongación Avenida Rómulo Gallegos  
c/Carretera Petare-Guareñas  
La Urbina  
Caracas 1061  
Telephone 58 212 2422611  
Fax 58 212 2427994  
e-mail bu@makro.com.ve

**Venezuela**  
A.A.H. Alonzo (59)

## Major operating companies

Between [ ] ownership percentage at  
December 31, 2009

Between ( ) age at  
December 31, 2009

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### **Makro**

Listed on the Stock Exchange  
of Bangkok

Siam Makro Public Company Limited [49%]  
2<sup>nd</sup> Floor, 3498 Lard Prao Road  
Klongchan, Bangkok  
Bangkok 10240  
Telephone 66 2 7231000  
Fax 66 2 3752789  
e-mail info@siammakro.co.th

### **Thailand**

S. Ithijarakul (57)

### **Mammoet**

Mammoet Holding B.V. [75%]  
Karel Doormanweg 47, Haven 580  
3115 JD Schiedam  
Telephone 31 10 2042424  
Fax 31 10 2042442  
e-mail info@mammoet.com

### **the Netherlands**

R.J.R. van Seumeren (43)  
S. Kranenburg (59)  
P.J. van Seumeren (42)  
J. van Seumeren (33)

### **ERIKS**

ERIKS N.V. [99.4%]  
Victory Building 32C  
Arcadialaan 14  
1813 KN Alkmaar  
Telephone 31 72 5475888  
Fax 31 72 5475889  
e-mail jan.vanderzouw@eriks.com

### **the Netherlands**

J. van der Zouw (55)  
J.G. de Boer (56)

### **NPM Capital**

NPM Capital N.V. [100%]  
Breitnerstraat 1  
1077 BL Amsterdam  
Telephone 31 20 5705555  
Fax 31 20 6710855  
e-mail mails@npm-capital.com

### **the Netherlands**

J.W. Baud (58)

### **Corporate**

SHV Interholding A.G. [100%]  
Aspermontstrasse 24  
7000 Chur  
Telephone 41 81 3549070  
Fax 41 81 3549061  
e-mail admin@shv-orkam.ch

### **Switzerland**

M.A. Baselgia (51)





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