

**Rohm and Haas Denmark Finance A/S**  
**Central Business Registration No**  
**24205762**  
**Sorgenfrivej 15**  
**DK-2800 Kgs. Lyngby**

**Annual report 2015**

The Annual General Meeting adopted the annual report on 26.05.2016

**Chairman of the General Meeting**

  
Name: Nils Kjellegaard Jensen

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## Entity details

### Entity

Rohm and Haas Denmark Finance A/S  
Sorgenfrivej 15  
DK-2800 Kgs. Lyngby

Central Business Registration No: 24205762  
Registered in: Lyngby-Taarbæk  
Financial year: 01.01.2015 - 31.12.2015

### Board of Directors

Gino Eduardus Angela van Poorten, Chairman  
Thomas Wagner Just  
Nils Kjellegaard Jensen  
Ilona Jensen

### Executive Board

Thomas Wagner Just

### Bank

Deutsche Bank

### Lawyer

Advokatfirmaet Kjellegaard Jensen  
Tuborg Boulevard 12  
DK-2900 Hellerup

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
P.O. Box 1600  
0900 Copenhagen C

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Rohm and Haas Denmark Finance A/S for the financial year 01.01.2015 - 31.12.2015.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 26.05.2016

### Executive Board

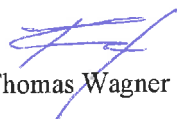


Thomas Wagner Just

### Board of Directors



Gino Eduardus Angela van  
Poorten  
Chairman



Thomas Wagner Just



Nils Kjellegaard Jensen



Ilona Jensen

## Independent auditor's reports

### To the owner of Rohm and Haas Denmark Finance A/S

#### Report on the financial statements

We have audited the financial statements of Rohm and Haas Denmark Finance A/S for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

#### Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view 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 Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as 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.

Our audit has not resulted in any qualification.

#### Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

## Independent auditor's reports

### Report on other legal and regulatory requirements

#### Emphasis of matter regarding other issues

Parts of the accounting records for the Company are kept on file outside the Danish borders. They are kept on file with affiliated companies and can be obtained at short notice. The procedures used are in contravention of Danish legislation on the filing of accounting material in general.

#### Statement on the management commentary

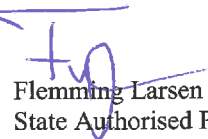
Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Copenhagen, 26.05.2016

#### Deloitte

Statsautoriseret Revisionspartnerselskab



Flemming Larsen  
State Authorised Public Accountant

CVR-nr. 33963556

## Management commentary

### Primary activities

The activity of the Company is to sell and acquire, own, and hold shares and other ownership interests in other associated or affiliated entities etc. in Denmark and abroad as well as financing activities.

### Development in activities and finances

In 2015, the Company received dividend from its investments in group enterprises as well as from other investments of a total of EUR 149.472.986.

The Company paid out dividend in kind of shares in the company DC Spectrum Holdings C.V. to the Parent, Rohm and Haas Denmark A/S, in the amount of EUR 139.906.417. Because this value which is based on a fair market evaluation is higher than the cost price it resulted in a gain for the Company of EUR 57.212.242.

The Entity has impaired its investment in RH Argentina in 2015. The impairment cost amounts to EUR 21.328.000. Actions are planned for 2016 to bring RH Argentina in a better financial position. Furthermore, a provision of EUR 1.679.000 has been booked to cover the negative equity of RH Argentina.

At year-end, the Company's short-term debt exceeds current assets. In the intervening period, Rohm and Haas Equity Corporation has issued a letter of support.

### Unusual circumstances affecting recognition and measurement

No unusual circumstances are to be disclosed in connection with the presentation of the annual report.

### Events after the balance sheet date

In 2016, the Entity acquired shares in Dow India, because its subsidiary RH (India) Private Ltd. was merged into Dow India. Also in 2016, the Entity sold its minority interest in RH Kimya Sanayi Ltd STI. Except for this, no events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

## Accounting policies

### Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The annual report is presented in EUR.

The accounting policies applied for these financial statements are consistent with those applied last year.

### Consolidated financial statements

Pursuant to section 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The Company's annual report for 2015 is included in the consolidated financial statements of The Dow Chemical Company, Michigan, USA.

### Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Investments in group enterprises and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.



## Accounting policies

### Income statement

#### Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

#### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including rental income and gains from the sale of intangible assets and property, plant and equipment.

#### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, such as administrative expenses.

#### Amortisation, depreciation and impairment losses

Amortisation and impairment losses relating to intangible assets comprise amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets.

#### Income from investments in group enterprises

Income from investments in group enterprises comprises dividend etc received from the individual group enterprises in the financial year.

#### Income from other fixed asset investments

Income from other fixed asset investments comprises gains in the form of interest, dividends, etc on fixed asset investments which are not investments in group enterprises or associates.

#### Other financial income from group enterprises

Other financial income from group enterprises comprises dividends etc received from group enterprises, and impairment losses on investment in group enterprises.

#### Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on receivables and payables and transactions in foreign currencies.

#### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on receivables and payables and transactions in foreign currencies.

## Accounting policies

### Income taxes

Tax for the year consists of current tax for the year and deferred tax for the year. Tax attributable to profit for the year is recognised in the income statement, whereas tax attributed to equity entries is recognised directly under equity.

Current tax liabilities and current tax assets are recognised as receivables in the balance sheet in the event of overpayment of tax on account, and as liabilities in the event of underpayment of tax on account.

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of the asset is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

The Entity is jointly taxed with the Danish affiliated entities. Income tax concerning the jointly taxed entities is distributed proportionally between profit and loss making entities according to their taxable income (full allocation with a refund concerning tax losses).

### Balance sheet

#### Intellectual property rights etc

Intellectual property rights etc comprise acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised over their remaining duration, and licences are amortised over the term of the agreement, but over no more than 20 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

#### Investments in group enterprises

Investments in group enterprises are measured at cost. Where cost exceeds the net realisable value, the investments are written down to this lower value.

Dividends are recognised in the income statement under "Other financial income from group enterprises" when declared.

If group enterprises make extraordinary large payments of dividends that resemble repayments of the invested capital, the recognised value is written down by an amount corresponding to this extraordinary payment of dividends.

## Accounting policies

### Other investments

Other investments comprise securities which are measured at fair value (market price) at the balance sheet date.

### Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

### Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

### Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

### Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

### Deferred income

Deferred income comprises received income for recognition in subsequent financial years. Deferred income is measured at cost.

## Income statement for 2015

	<u>Notes</u>	<u>2015 EUR'000</u>	<u>2014 EUR'000</u>
Revenue		255	127
Other operating income		479	537
Other external expenses		<u>(128)</u>	<u>(347)</u>
<b>Gross profit/loss</b>		<b>606</b>	<b>317</b>
Depreciation, amortisation and impairment losses		<u>(429)</u>	<u>(429)</u>
<b>Operating profit/loss</b>		<b>177</b>	<b>(112)</b>
Income from investments in group enterprises	1	116.323	0
Income from other investments and receivables that are fixed assets	2	10.143	1.777
Other financial income from group enterprises	3	57.210	0
Other financial income	4	5	371
Other financial expenses	5	<u>(6.811)</u>	<u>(8.019)</u>
<b>Profit/loss from ordinary activities before tax</b>		<b>177.047</b>	<b>(5.983)</b>
Tax on profit/loss from ordinary activities	6	<u>1.604</u>	<u>1.914</u>
<b>Profit/loss for the year</b>		<b><u>178.651</u></b>	<b><u>(4.069)</u></b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>178.651</u>	<u>(4.069)</u>
		<b><u>178.651</u></b>	<b><u>(4.069)</u></b>

**Balance sheet at 31.12.2015**

	<u>Notes</u>	<u>2015 EUR'000</u>	<u>2014 EUR'000</u>
Acquired patents		308	737
<b>Intangible assets</b>	7	<u>308</u>	<u>737</u>
Investments in group enterprises		1.668.240	1.689.386
Other investments		0	53.123
<b>Fixed asset investments</b>	8	<u>1.668.240</u>	<u>1.742.509</u>
<b>Fixed assets</b>		<u>1.668.548</u>	<u>1.743.246</u>
Receivables from group enterprises		1.937	0
Other short-term receivables		1	373
Income tax receivable		1.689	1.924
Prepayments		3	2
<b>Receivables</b>		<u>3.630</u>	<u>2.299</u>
<b>Current assets</b>		<u>3.630</u>	<u>2.299</u>
<b>Assets</b>		<u>1.672.178</u>	<u>1.745.545</u>

**Balance sheet at 31.12.2015**

	<u>Notes</u>	<u>2015</u> <u>EUR'000</u>	<u>2014</u> <u>EUR'000</u>
Contributed capital	9	7.751	7.756
Retained earnings		<u>870.748</u>	<u>831.815</u>
<b>Equity</b>		<u><b>878.499</b></u>	<u><b>839.571</b></u>
Deferred income		<u>3.186</u>	<u>3.450</u>
<b>Non-current liabilities other than provisions</b>		<u><b>3.186</b></u>	<u><b>3.450</b></u>
Trade payables		1	2
Debt to group enterprises		790.203	902.230
Other payables		<u>289</u>	<u>292</u>
<b>Current liabilities other than provisions</b>		<u><b>790.493</b></u>	<u><b>902.524</b></u>
<b>Liabilities other than provisions</b>		<u><b>793.679</b></u>	<u><b>905.974</b></u>
<b>Equity and liabilities</b>		<u><b>1.672.178</b></u>	<u><b>1.745.545</b></u>
Contingent liabilities	10		
Assets charged and collateral	11		
Ownership	12		
Consolidation	13		

**Statement of changes in equity for 2015**

	<b>Contri- buted capi- tal EUR'000</b>	<b>Retained earnings EUR'000</b>	<b>Total EUR'000</b>
Equity beginning of year	7.756	831.815	839.571
Increase (decrease) of equity through corrections of errors	(5)	5	0
Increase of capital	0	183	183
Extraordinary dividend paid	0	(139.906)	(139.906)
Profit/loss for the year	0	178.651	178.651
<b>Equity end of year</b>	<b>7.751</b>	<b>870.748</b>	<b>878.499</b>

## Notes

### 1. Income from investments in group enterprises

	<b>2015</b>	<b>2014</b>
	<b>EUR'000</b>	<b>EUR'000</b>
Dividends received from group enterprises	139.330	0
Impairment of investments in group enterprises	(21.328)	0
Provision for funding of negative equity	(1.679)	0
	<b>116.323</b>	<b>0</b>

### 2. Income from other investments and receivables that are fixed assets

	<b>2015</b>	<b>2014</b>
	<b>EUR'000</b>	<b>EUR'000</b>
Dividends received from other investments	10.143	1.777
	<b>10.143</b>	<b>1.777</b>

### 3. Other financial income from group enterprises

	<b>2015</b>	<b>2014</b>
	<b>EUR'000</b>	<b>EUR'000</b>
Value adjustment for the year of other investments	57.210	0
	<b>57.210</b>	<b>0</b>

### 4. Other financial income

	<b>2015</b>	<b>2014</b>
	<b>EUR'000</b>	<b>EUR'000</b>
Interest income	5	371
	<b>5</b>	<b>371</b>



## Notes

	<b>2015</b> <b>EUR'000</b>	<b>2014</b> <b>EUR'000</b>
<b>5. Other financial expenses</b>		
Financial expenses from group enterprises	6.411	8.005
Interest expenses	371	0
Exchange rate adjustments	29	14
	<b>6.811</b>	<b>8.019</b>
	<b>2015</b> <b>EUR'000</b>	<b>2014</b> <b>EUR'000</b>
<b>6. Tax on ordinary profit/loss for the year</b>		
Current tax	(1.689)	(1.914)
Adjustment relating to previous years	85	0
	<b>(1.604)</b>	<b>(1.914)</b>
		<b>Acquired patents EUR'000</b>
<b>7. Intangible assets</b>		
Cost beginning of year		6.402
<b>Cost end of year</b>		<b>6.402</b>
Amortisation and impairment losses beginning of year		(5.665)
Amortisation for the year		(429)
<b>Amortisation and impairment losses end of year</b>		<b>(6.094)</b>
<b>Carrying amount end of year</b>		<b>308</b>

## Notes

	<b>Invest- ments in group en- terprises EUR'000</b>	<b>Other in- vestments EUR'000</b>
<b>8. Fixed asset investments</b>		
Cost beginning of year	2.404.020	53.123
Additions	183	29.571
Disposals	0	(139.906)
<b>Cost end of year</b>	<b>2.404.203</b>	<b>(57.212)</b>
Revaluations	0	57.212
<b>Revaluations end of year</b>	<b>0</b>	<b>57.212</b>
Impairment losses beginning of year	(714.634)	0
Impairment losses for the year	(21.329)	0
<b>Impairment losses end of year</b>	<b>(735.963)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>1.668.240</b>	<b>0</b>

## Notes

## 8. Fixed asset investments (continued)

## Subsidiaries:

	Currency	Registered in	Equity interest	Equity	Profit/(loss)	Year
PT Rohm and Haas Indonesia	USD	Indonesia	98,9901%	7.262.472	(369.639)	2014
RH Kimya Sanayi LTD STI	TRY	Turkey	0,0003%	*	*	2014
RH Kimya	TRY	Turkey	0,0007%	*	*	2014
RH DK Mexico Holding ApS	EUR	Denmark	100,00%	10.961.668	(31.053)	2014
RH DK ChemiHaas Holding ApS	EUR	Denmark	100,00%	1.252.898	197.511	2014
RH China Holding ApS	EUR	Denmark	100,00%	29.098.057	4.469.242	2014
RH Asia Sanshui Specialty Coatings Invest ApS	EUR	Denmark	100,00%	1.758.990	(85.495)	2014
RH India Investment ApS	EUR	Denmark	100,00%	49.401.829	(29.726)	2014
RH Denmark China Investment ApS	EUR	Denmark	100,00%	1.136.347.935	144.173.421	2014
RH Denmark Bermuda Holding Company ApS	EUR	Denmark	100,00%	238.711.734	(1.0795.572)	2014
Rohm and Haas Latinamerica S. de R.L. de C.V.	MXN	Mexico	99,9667%	99.857.355	582.615	2014
RH Singapore Pte. Ltd.	USD	Singapore	100,00%	(45.714.000)	(2.775.000)	2014
RH Argentina S.R.L.	ARS	Argentina	89,99%	91.654.977	9.512.842	2014
RH Chemicals Singapore Pte. Ltd.	USD	Singapore	100,00%	35.207.000	3.995.000	2014
RH DK Korea FDP Holdings ApS	EUR	Denmark	100,00%	85.503.588	(66.369.677)	2014
RH DK Korea OLED Holdings ApS	EUR	Denmark	100,00%	41.320.329	8.194.483	2014
RH DK Vietnam Holdings ApS	EUR	Denmark	100,00%	953.208	(26.397)	2014
RH HK Dongguan Ltd.	HKD	Hong Kong	100,00%	2.908.290.376	(321.217)	2014

\* The Companies do not publish officially available financial statements.

## Notes

	<u>Number</u>	<u>Par value EUR</u>	<u>Nominal value EUR'000</u>		
<b>9. Contributed capital</b>					
Ordinary shares	<u>5.765.911</u>	1,34	<u>7.751</u>		
	<b>5.765.911</b>		<b>7.751</b>		
	<u>2015 EUR'000</u>	<u>2014 EUR'000</u>	<u>2013 EUR'000</u>	<u>2012 EUR'000</u>	<u>2011 EUR'000</u>
<b>Changes in contributed capital</b>					
Contributed capital beginning of year	7.756	7.756	7.738	7.738	7.738
Increase of capital	0	0	18	0	0
Decrease of capital	(5)	0	0	0	0
<b>Contributed capital end of year</b>	<u>7.751</u>	<u>7.756</u>	<u>7.756</u>	<u>7.738</u>	<u>7.738</u>

## 10. Contingent liabilities

The Company participates in a Danish joint taxation arrangement, in which Dow AgroSciences Denmark A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies. The jointly taxed companies' total known net liability in the joint taxation arrangement is stated in the financial statements of the administration company.

## 11. Assets charged and collateral

At 31 December 2015, the Company has no assets charged, and no contingent liabilities are incumbent on the Company.

## 12. Ownership

The Company is a wholly owned subsidiary of Rohm and Haas Denmark A/S, Kgs. Lyngby, Denmark. The Ultimate Parent is The Dow Chemical Company.

## Notes

### 13. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

The Dow Chemical Company, Michigan, USA

The annual report for The Dow Chemical Company may be obtained at the following address:

The Dow Chemical Company  
Customer Information Centre  
P.O. Box 1206  
Midland Michigan 48641-1206  
USA