

**York Capital Management Europe (UK)
Advisors, LLP**

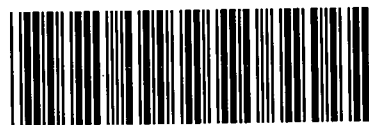
Report and Financial Statements

Year Ended

31 December 2013

Registered Number OC328382

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York Capital Management Europe (UK) Advisors, LLP

Report and financial statements for the year ended 31 December 2013

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Designated members

York Capital Management UK Advisors Limited
C Reyntjens
C Aurand

Registered office

23 Savile Row, 4th Floor, London, W1S 2ET

Partnership registration number

OC328382

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

York Capital Management Europe (UK) Advisors, LLP

Report of the members for the year to 31 December 2013

The members present their report together with the financial statements for the year ended 31 December 2013.

Results

The profit and loss account is set out on page 6 and shows the profit for the year.

Principal activities, review of business and future developments

The principal activity of York Capital Management Europe (UK) Advisors, LLP (YCM UK or the Partnership) during the year was the provision of advisory services. There have been no changes in the Partnership's activities during the year under review. The Partnership is majority owned by its managing member York Capital Management UK Advisors Limited (YCM UK Ltd).

During 2013 YCM UK provides certain investment advisory, trade execution and administrative services to (i) York Capital Management (US) Advisors, L.P. (YCM US Advisors); (ii) York European Opportunities Master Fund, L.P. (YEOMFLP); and (iii) York European Focus Master Fund, L.P. (YEFMFLP). The service agreements with YEOMFLP and YEFMFLP were terminated on 31 December 2013. YCM UK is authorised and regulated by the Financial Conduct Authority (FCA).

YCM UK Ltd is a wholly-owned subsidiary of YCM Master Holdings II, L.P. (YCMHII). YCM US Advisors is a U.S. subsidiary of YCMHII. YEOMFLP and YEFMFLP are exempted limited partnerships organised under the laws of the Cayman Islands with the primary purpose of achieving certain investment objectives, of which certain U.S. affiliates of YCMHII act as general partners.

Assets under management of YEOMFLP and YEFMFLP increased from approximately US\$2.4 billion at 31 December 2012 to approximately US\$2.5 billion at 31 December 2013.

There have been no events since the balance sheet date that materially affect the financial position of the Partnership.

Designated members

The members during the year were:
York Capital Management UK Advisors Limited
C Reyntjens
C Aurand (admitted 1 August 2013)

Pillar 3 disclosures

Details of the pillar 3 disclosures of the limited liability partnership, required under Chapter 11 of the Financial Conduct Authority's Prudential Sourcebook for Banks, Building Societies and Investment Firms ("BIPRU") will be published on the firms website
www.kinetic-partners.com/KPIIID

Policy on members' drawings and the subscription and repayment of members' capital

The members' drawing policy allows each member to draw a proportion of their profit share subject to the cash requirements of the business. The profit apportioned to each member is determined by the managing member and may not be proportionate to the relevant members capital share in the partnership.

Members are permitted to make drawings in advance of the financial year end in anticipation of their profit entitlement for such financial year. If these advance drawings exceed the relevant members' distribution in respect of a financial year then such member shall have a debit distribution account and this shall reduce any net income (loss) allocation in subsequent financial years. The Managing member may in their discretion service a written demand of repayment to the relevant member in which they have to make a cash repayment within ten business days of service of such written demand.

The members shall contribute such sum of capital to the limited liability partnership (if any) as shall be agreed between the members.

York Capital Management Europe (UK) Advisors, LLP

Report of the members for the year ended 31 December 2013 (*continued*)

Policy on members' drawings and the subscription and repayment of members' capital (*continued*)

No member shall be required to make additional capital contributions to the limited liability partnership other than when the corporate member increases their capital contribution in accordance with the business contribution terms. Each member other than the Corporate member shall, at the written request of the Managing member, make an additional capital contribution to the partnership in an amount equal to their original contribution divided by the corporate members contribution prior to the increase multiplied by the amount of the increase corporate members.

No member shall have the right, directly or indirectly, to withdraw or receive back any credit amounts outstanding on their loan account, except under the following circumstances:

- 1 The member has ceased to be a member and an equal amount of capital has been contributed by the remaining member; or
- 2 The partnership has terminated and dissolved; or
- 3 The partnership has ceased to be authorised to carry on regulated activities, or if they have not ceased to be so authorised, the partnership notwithstanding such payment, remain in compliance with applicable accounting and regulations requirements and if required, the FCA has consented to such repayment.

Members' responsibilities

The members are responsible for preparing the members' report and financial statements in accordance with applicable law and regulation.

The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under these regulations the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under these regulations the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Limited Liability Partnership and of the profit or loss of the Limited Liability Partnership for that period.

In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Limited Liability Partnership will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the Limited Liability Partnership's transactions, disclose with reasonable accuracy at any time the financial position of the Limited Liability Partnership, and enable them to ensure that the financial statements comply with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the Limited Liability Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

York Capital Management Europe (UK) Advisors, LLP

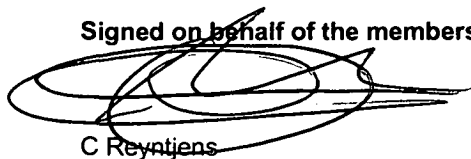
Report of the members for the year ended 31 December 2013 (*continued*)

Auditors

All the current members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Limited Liability Partnership auditors for the purposes of their audit and to establish that the auditors are aware of that information. The members are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

Signed on behalf of the members



C Reyntjens
Designated Member

Date 24 April 2014

York Capital Management Europe (UK) Advisors, LLP

Independent auditor's report

TO THE MEMBERS OF YORK CAPITAL MANAGEMENT EUROPE (UK) ADVISORS, LLP

We have audited the financial statements of York Capital Management Europe (UK) Advisors, LLP for the year ended 31 December 2013 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the limited liability partnership's members, as a body, in accordance with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the partnership and the partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As explained more fully in the statement of members' responsibilities, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

Opinion on other matters

In our opinion the information given in the members' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

York Capital Management Europe (UK) Advisors, LLP

Independent auditor's report (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act as applied to limited liability partnerships requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

BDO LLP

George Brooks (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date *24 April 2014*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

York Capital Management Europe (UK) Advisors, LLP

Profit and loss account for the year ended 31 December 2013

	Note	2013 £	2012 £
Turnover and gross profit	2	50,325,459	21,912,719
Administrative expenses		22,770,998	14,412,539
Operating profit	3	27,554,461	7,500,180
Interest receivable		1,373	4,403
Profit for financial period before members' remuneration and profit share		27,555,834	7,504,583
Profit for the financial period before members' remuneration and profit shares		27,555,834	7,504,583
Members' remuneration charged as an expense	9	-	-
Profit for the period available for discretionary division among members		27,555,834	7,504,583

All amounts relate to continuing activities.

All recognised gains and losses in the current year and prior period are included in the profit and loss account.

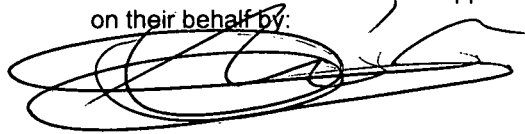
The notes on pages 9 to 15 form part of these financial statements.

York Capital Management Europe (UK) Advisors, LLP

Balance sheet at 31 December 2013

Registered Number OC328382	Note	2013 £	2013 £	2012 £	2012 £
Fixed assets					
Tangible fixed assets	6		896,507		1,076,194
Current assets					
Debtors - due within one year	7	14,168,881		8,044,690	
Debtors - due after more than one year	7	1,103,788		1,190,094	
		15,272,669		9,234,784	
Cash at bank and in hand		8,465,395		3,123,017	
		23,738,064		12,357,801	
Creditors: amounts falling due within one year	8	23,094,571		12,013,995	
Net current assets			643,493		343,806
Net assets attributable to members			1,540,000		1,420,000
Represented by:					
Members' capital classified as equity under FRS 25	9		1,540,000		1,420,000
			1,540,000		1,420,000
Total members' interests					
Members other interests			1,540,000		1,420,000
Amounts due to members			21,384,076		10,462,006
	9		22,924,076		11,882,006

The financial statements were approved by the Members, authorised for issued on 26 April 2014 and are signed on their behalf by:



C Reyntjens
Designated member

The notes on pages 9 to 15 form part of these financial statements.

York Capital Management Europe (UK) Advisors, LLP

Cash flow statement for the year ended 31 December 2013

	Note	2013 £	2013 £	2012 £	2012 £
Net cash inflow/(outflow) from operating activities	14		11,153,317		(4,286,534)
Returns on investments and servicing of finance					
Interest received			1,373		4,403
Capital expenditure					
Purchase of tangible fixed assets			(15,588)		(53,071)
Transactions with members					
Members drawings			(5,796,724)		(2,822,051)
Increase/(decrease) in cash	16		<u>5,342,378</u>		<u>(7,157,253)</u>

The notes on pages 9 to 15 form part of these financial statements.

York Capital Management Europe (UK) Advisors, LLP

Notes forming part of the financial statements for the year ended 31 December 2013

1 Accounting policies

The financial statements of York Capital Management Europe (UK) Advisors, LLP (YCM UK or the Partnership) have been prepared under the historical cost convention and are in accordance with applicable accounting standards, and the Statement of Recommended Practice: Accounting by Limited Liability Partnerships (issued in March 2010), which have been applied consistently.

The following principal accounting policies have been applied:

Turnover

Turnover represents service fee income, which is accrued on a monthly basis under the terms of the advisory agreements for the provision of management, administrative and research functions. Under the terms of the advisory service contract, a discretionary service fee bonus is also due to the Partnership at the end of each year based on the quality of the services provided.

Turnover is recognised on an accruals basis.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, over their expected useful lives. It is calculated at the following rates:

Leasehold improvements	-	Over the term of the lease
Fixtures and fittings	-	Five years straight line
Office and computer equipment	-	Three to five years straight line

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Liquid resources

For the purposes of the cash flow statement, liquid resources are defined as current asset investments and short term deposits.

Leased assets

All existing leases entered into by the company are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Reverse premiums and similar incentives to enter into operating lease agreements are initially recorded as deferred income and released to the profit and loss account over the period to the date on which the rent is first expected to be adjusted to the prevailing market rate.

York Capital Management Europe (UK) Advisors, LLP

Notes forming part of the financial statements
for the year ended 31 December 2013 (continued)

2 Turnover

	2013 £	2012 £
Analysis by geographical market		
Americas	50,325,459	21,912,719

Turnover is wholly attributable to the principal activity of the limited liability partnership.

3 Operating profit

This has been arrived at after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets	195,275	200,928
Hire of other assets - operating leases	902,809	892,984
Fees payable to the limited liability partnership auditor for auditing the limited liability partnerships accounts	18,500	18,500
Fees payable to the limited liability partnerships auditor for other services:		
- Accountancy and FCA compliance	13,000	13,000
- Partnership tax returns	6,500	6,500
Exchange differences	129,173	22,673

4 Employees and members

Staff costs consist of:

	2013 £	2012 £
Wages and salaries	17,593,444	10,658,161
Social security costs	2,377,764	1,328,913
	19,971,208	11,987,074

There were 19 employees during the period excluding members (2012 - 17).

Members' remuneration for the period amounted to £Nil (2012 - £Nil).

York Capital Management Europe (UK) Advisors, LLP

Notes forming part of the financial statements for the year ended 31 December 2013 (continued)

5 Members' share of profits

Profits for discretionary division shall be allocated between the members in such proportions as determined by the managing member.

The average number of members during the year was 3 (2012 - 2). The highest paid member of the Partnership received £13,699,657 (2012 - £4,642,000) of discretionary profit share in relation to the year ended 31 December 2013.

6 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Office and computer equipment £	Total £
<i>Cost</i>				
At 1 January 2013	919,355	274,547	178,936	1,372,838
Additions	14,028	-	1,560	15,588
	<u>933,383</u>	<u>274,547</u>	<u>180,496</u>	<u>1,388,426</u>
At 31 December 2013				
<i>Depreciation</i>				
At 1 January 2013	118,268	68,637	109,739	296,644
Depreciation for period	98,628	54,909	41,738	195,275
	<u>216,896</u>	<u>123,546</u>	<u>151,477</u>	<u>491,919</u>
At 31 December 2013				
<i>Net book value</i>				
At 31 December 2013	<u>716,487</u>	<u>151,001</u>	<u>29,019</u>	<u>896,507</u>
At 31 December 2012	<u>801,087</u>	<u>205,910</u>	<u>69,197</u>	<u>1,076,194</u>

York Capital Management Europe (UK) Advisors, LLP

Notes forming part of the financial statements for the year ended 31 December 2013 (continued)

7 Debtors

	2013 £	2012 £
<i>Amounts receivable within one year</i>		
Amounts owed by associated undertakings	13,452,627	7,262,408
Other debtors	279,858	377,568
Prepayments and accrued income	436,396	404,714
	<u>14,168,881</u>	<u>8,044,690</u>
<i>Amounts receivable after more than one year</i>		
Other debtors	1,103,788	1,190,094
	<u>15,272,669</u>	<u>9,234,784</u>

8 Creditors: amounts falling due within one year

	2013 £	2012 £
Amounts due to members	21,384,076	10,462,006
Other creditors	299,723	396,794
Accruals and deferred income	1,410,772	1,155,195
	<u>23,094,571</u>	<u>12,013,995</u>

Amounts due to members will rank equally with other creditors on a winding up of the Partnership and relate to undrawn profit distributions.

9 Members' interests

	Members' capital £	Other reserves £	Amounts due to members £	Total £
Members interests at 1 January 2013	1,420,000	-	10,462,006	11,882,006
Profit for the year available for division among members	-	27,555,834	-	27,555,834
Amounts distributed to members	-	(27,555,834)	27,555,834	-
Cash drawings	-	-	(5,796,724)	(5,796,724)
Non-cash drawings	-	-	(10,717,040)	(10,717,040)
Unpaid capital contribution from members	120,000	-	(120,000)	-
	<u>1,540,000</u>	<u>-</u>	<u>21,384,076</u>	<u>22,924,076</u>
Members interests at 31 December 2013	1,540,000	-	21,384,076	22,924,076

York Capital Management Europe (UK) Advisors, LLP

Notes forming part of the financial statements
for the year ended 31 December 2013 (continued)

10 Related party disclosures

<i>Related party transactions and balances</i>	Sales to related parties £	Amounts owed from related party £	Amounts owed to related party £
2013			
York European Opportunities Master Fund, L.P.	10,447,976	-	-
York European Focus Master Fund, L.P.	1,791,762	-	-
York Capital Management (US) Advisors, L.P.	38,085,721	13,452,627	-
C Aurand	-	-	13,477,933
C Reyntjens	-	-	7,281,000
York Capital Management UK Advisors Limited	-	-	625,143
2012			
York European Opportunities Master Fund, L.P.	10,739,354	98,257	-
York European Focus Master Fund, L.P.	1,634,726	10,742	-
York Capital Management (US) Advisors, L.P.	9,538,639	7,262,408	-
C Aurand	-	-	-
C Reyntjens	-	-	4,389,000
York Capital Management UK Advisors Limited	-	-	6,073,006

York Capital Management (US) Advisors, L.P. (YCM US Advisors) is controlled by YCM Master Holdings II, L.P. (YCMHII), a Delaware limited liability partnership in the United States of America. YCMHII is the parent of York Capital Management UK Advisors Limited (YCM UK Ltd), a designated member of the Partnership.

C Aurand, C Reyntjens, and York Capital Management UK Advisors Limited are designated members of the Partnership. In addition to the above amounts, included in accruals and deferred income is £Nil (2012 - £5,550) payable to C Reyntjens in respect of expenses.

York European Opportunities Master Fund, L.P. and York European Focus Master Fund, L.P. are investment partnerships of which U.S affiliates of YCMHII act as general partners.

11 Ultimate controlling party

The Partnership is controlled by YCMHII, by virtue of their shareholding in YCM UK Ltd, a designated member of the Partnership.

The largest group in which the results of the Partnership are consolidated is that headed by YCMHII. The smallest group in which the results of the Partnership are consolidated is that headed by YCM UK Ltd. The accounts of YCM UK Ltd are available to the public and may be obtained from Companies House.

York Capital Management Europe (UK) Advisors, LLP

Notes forming part of the financial statements for the year ended 31 December 2013 (continued)

12 Commitments under operating leases

The company had annual commitments under non-cancellable operating leases as set out below:-

Operating leases which expire:	Land and buildings 2013 £	Land and buildings 2012 £
After five years	890,376	890,376

13 Major non-cash transactions

During the year the Partnership transferred to YCM US Advisors £10,717,040 of YCM UK Ltd's 2011 to 2013 distributions.

14 Reconciliation of operating profit to net cash inflow from operating activities

	2013 £	2012 £
Operating profit	27,554,461	7,500,180
Depreciation of tangible fixed assets	195,275	200,928
Increase in debtors	(16,754,925)	(7,364,728)
Increase/(decrease) in creditors	158,506	(4,622,914)
	<u>11,153,317</u>	<u>(4,286,534)</u>

15 Reconciliation of net cash flow to movement in net funds

	2013 £	2012 £
Increase/(decrease) in cash	5,342,378	(7,157,253)
Cash inflow for changes in debt	5,796,724	2,822,051
	<u>11,139,102</u>	<u>(4,335,202)</u>
Movement in net funds resulting from cash flows	11,139,102	(4,335,202)
Amounts to members	(16,718,794)	(7,504,583)
	<u>(5,579,692)</u>	<u>(11,839,785)</u>
Movement in net debt	(5,579,692)	(11,839,785)
Opening net debt	(7,338,989)	4,500,796
	<u>(12,918,681)</u>	<u>(7,338,989)</u>
Closing net debt	(12,918,681)	(7,338,989)

York Capital Management Europe (UK) Advisors, LLP

Notes forming part of the financial statements
for the year ended 31 December 2013 (*continued*)

16 Analysis of net funds/(debt)

	At 1 January 2013 £	Cash flow £	Other non cash items £	At 31 December 2013 £
Cash at bank and in hand	3,123,017	5,342,378	-	8,465,395
Amounts due to members	(10,462,006)	5,796,724	(16,718,794)	(21,384,076)
	<u>(7,338,989)</u>	<u>11,139,102</u>	<u>(16,718,794)</u>	<u>(12,918,681)</u>