MPC Capital AG
Annual Report 2009

MPC Capital

PROFILE

MPC Capital AG, with headquarters in Hamburg, has developed, initiated, distributed and managed yield-oriented and tax-optimised investments for private customers and institutional investors since 1994. The company's core business includes asset-oriented closed-end investments. It also provides a broad range of additional innovative products such as open-ended funds and investment concepts for institutional investors as well. As a result, MPC Capital has been a leading, strong product partner, which is independent of the banks, for the bank and savings bank sector and for independent sales partners for years.

With our expertise, which has grown over the years, our knowledge of the market and our ability to think one step ahead, MPC Capital assumes responsibility for the entire life cycle of investments. The listed Group manages ongoing investments, prepares sales and carries them out on behalf of investors. To this end, the company's experts constantly analyse the markets, take promising investment or sale opportunities, develop attractive investments and place them via a high-performance distribution network.

The success of MPC Capital is inextricably linked with the long-term trust of investors. They place part of their financial future in the company's hands. This is particular obligation on MPC Capital to act responsibly on behalf of its customers, sales partners, shareholders and employees.

To date, MPC Capital has successfully initiated 312 investments with a volume of approximately EUR 18.3 billion. Over 176,000 customers have invested more than EUR 7.5 billion in MPC Capital products. MPC Capital has been listed on the stock exchange since 2000 and is currently listed on the German stock exchange's Prime Standard.

MISSION STATEMENT

The investment world has changed in a lasting manner. Turbulences on the financial and economic markets has led to a profound crisis of confidence among investors. However, confidence is the basis of success for business relations, which influence people's financial future. MPC Capital aims to set standards, as the company concentrates on its core area of business, namely asset-oriented closed-end funds. These offer investors transparent, understandable and real "tangible" values with a healthy anticipated yield. With its knowledge of the markets and closed-end investments built up over many years, MPC Capital aims to earn people's trust and enthuse them with sound asset-oriented products. To achieve the best results for its customers, the company actively manages its investments over their entire term. Regular contact also intensifies the relationship of trust between the company and its customers. In its institutional business, MPC Capital also concentrates mainly on its core business involving asset-oriented investments. However, the precise understanding of business by institutional customers allows the company to give full rein to its ability to innovate and to its inventiveness and accordingly to offer more complex asset-oriented product solutions, which match the expectations of institutional investors. In the institutional business, too, trust is paramount from the beginning of the business relationship and forms the basis for the future growth of MPC Capital AG.

MPC CAPITAL GROUP IN FIGURES

Result	Jan. 1, – Dec. 12, 2008 adjusted	Jan. 1, – Dec. 12, 2009
Sales in TEUR	122,350	56,217
EBIT in TEUR	309	–15,123
Consolidated loss in TEUR	–100,034	–78,153
Return on sales in %	–81.8	–139.0
EBIT margin in %	1.5	–57.9
Balance sheet	**Dec.12, 2008**	**Dec.12, 2009**
Balance sheet total in TEUR	242,782	216,431
Equity in TEUR	45,759	15,970
Equity ratio in %	18.8	7.4
Share	**Dec.12, 2008**	**Dec.12, 2009**
Earnings per share in EUR	–8.95	–4.50
Employees	**Dec.12, 2008**	**Dec.12, 2009**
Average for the year	364	288
Personnel expenditure in TEUR	31,634	23,487
Personnel expenditure ratio in %	25.9	41.8

CONTENTS

MPC Capital product portfolio

SHIP INVESTMENTS

Investment class: closed-end funds
Offered since: 1994
Placed funds: 122, of which 1 in 2009
Placed equity: EUR 2,923 million,
of which EUR 9.6 million in 2009
Investment volume: EUR 8,841 million
Ships: 221
Ship classes: container ships, bulkers, tankers,
refrigerated vessels, heavy lift ships, multi-purpose ships
Investors: 73,108

KEY DATA in EUR million	2008	2009
Equity	199.2	9.6
Sales	62.8	21.1
Gross profit	24.8	9.6

REAL ESTATE FUNDS, INCL. REAL ESTATE OPPORTUNITY FUNDS

Investment class: closed-end funds
Offered since: 1995
Placed funds: 104, of which 1 in 2009
Placed equity: EUR 2,709 million,
of which EUR 48,8 million in 2009
Investment volume: EUR 5,953 million
Properties: 305 properties
Locations: Netherlands, Portugal, Germany, USA,
Canada, Austria, England, India and Japan
Investors: 87,054

KEY DATA in EUR million	2008	2009
Equity	110.0	48.8
Sales	10.4	24.3
Gross profit	5.8	17.4

ENERGY AND COMMODITY FUNDS

Investment class: closed-end funds
Offered since: 2008
Placed funds: 4, of which 2 in 2009
Placed equity: EUR 172.7 million,
of which EUR 48.5 million in 2009
Investment volume: EUR 413.3 million
Properties: 1 oil and gas exploration rig,
4 solar parks, 1 biomass plant
Investors: 4,550

KEY DATA in EUR million	2008	2009
Equity	124.3	48.5
Sales	13.3	5.4
Gross profit	4.6	0.2

LIFE INSURANCE FUNDS / PRIVATE EQUITY FUNDS

Investment class: closed-end funds
Offered since: 2002/1999
Placed funds: 16 life insurance funds, 14 private equity funds
Placed equity: EUR 1,120 million, of which EUR 5.4 million in 2009
Investment volume: EUR 2,541 million
Investors: 37,785

KEY DATA in EUR million	2008	2009
Equity	52.1	5.4
Sales	18.5	1.2
Gross profit	9.9	3.6

INSURANCE PRODUCTS / INVESTMENT FUNDS / STRUCTURED PRODUCTS

Investment class: equity funds, superfunds, MPC Prime Basket, company pension plan products, umbrella funds
Offered since: 1999
Initiated funds: 52
Fund volume: EUR 493 million
Current funds: among others, MPC Europa Methodik, three MPC Absolute Return Superfonds, MPC Prime Basket, MPC Best Select, MPC Best Select Company Plan 2

KEY DATA in EUR million	2008	2009
Equity	0	34.5
Sales	8.9	4.3
Gross profit	1.2	1.5

From left to right: Joachim Pawlik, Ulf Holländer, Dr. Axel Schroeder, Tobias Boehncke, Ulrich Oldehaver

Dr. Axel Schroeder

CEO, Strategy, Mergers & Acquisitions
Chairman of the Management Board

Dr. Axel Schroeder (born 1965) has worked for the MPC Group since 1990. In 1994, he assumed responsibility for MPC Capital AG and became Chairman of the Management Board of MPC Capital AG in 1999. He took MPC Capital AG onto the stock exchange in September 2000. As Chairman of the Management Board, he is responsible for the company strategy and the business development.

THE MANAGEMENT BOARD

Ulf Holländer

CFO, Finance and Accounting, Controlling and Risk Management, Law and Taxation

Ulf Holländer (born 1958) has worked for MPC Capital since the beginning of 2000. He was appointed to the Management Board in July 2000. He previously held management positions at the shipping company Hamburg Süd and its subsidiaries in Australia and the USA.

Joachim Pawlik

CSO, Distribution

Joachim Pawlik (born 1965) was appointed to the Management Board of MPC Capital AG at the end of 2009. Joachim Pawlik is a businessman and was previously Chairman of the Management Board of the sales consultancy company, Pawlik Sales Consultants AG, which he established in 1996. He has many years' experience in sales and has looked after many leading small and medium-sized and listed companies in his role as a consultant.

Tobias Boehncke

COO, Organisation, IT and Personnel

Tobias Boehncke (born 1971) joined the MPC Group of companies in 1997. He developed the current IT service, which he later ran as the Managing Director. In 2004, he took over the Organisational Development and Human Resources divisions and in 2005 he joined the trustee and management company as Managing Director. Since April 2008, he has strengthened the Management Board team of MPC Capital AG.

Ulrich Oldehaver

CPO, Product Strategy

Ulrich Oldehaver (born 1967) has worked for MPC Capital since 1994. He has been a member of the Management Board since 1999. Before this, he worked as an independent financial adviser and looked after a number of distinguished private customers.

Dear Shareholders,

Within a period of only 18 months, the behaviour of German private investors has changed significantly as a result of the profound crisis of confidence triggered by the financial and economic crisis. Within a few months the cornerstones of international business life around MPC Capital began to totter. This had a dramatic impact on demand for all forms of investment – even closed-end funds – in 2009. Against this background, we placed fewer fund products than planned. With an equity volume considerably under budget and a substantially negative result, MPC Capital, the leading provider of closed-end funds that is independent of banks, did not achieve its targets in the reporting period. It pains us to report this. But after many successful years, we are now facing up to this part of our corporate history, too.

Since 1994, MPC Capital has earned the reputation of a highly reliable issuing house that is characterised by the quality of its product development and management. The situation described above has, of course, not caused us to deviate from our philosophy that quality is paramount in the design of our investments. At the beginning of 2009, we were the first company in the financial sector to start a multi-stage strategy programme to respond to the challenges of the next twelve months. As early as January 2009, we developed a programme for MPC Capital, which answers the key questions rocking every company in the area of alternative investments at this time. The aim was to equip MPC Capital AG to master the business challenges and uncertainties of 2009 – and to achieve a promising position for the following year. This programme includes a comprehensive package of measures. Both the company and its shareholders and funding partners have all made a significant contribution to its implementation.

Components of the programme on the part of the company included key changes to the organisational structure and significant cost reductions. At shareholder level, the company's equity was strengthened by a capital increase of around EUR 48.5 million. A far-reaching agreement regarding funds that were already being placed and funds to be placed was reached with the funding partners. For 2009, these measures have given us the entrepreneurial freedom to manage existing funds actively even in a falling market environment, to acquire new projects and to make important structural decisions.

Despite the cost reductions mentioned, our structure – consisting of creative employees, experts as well as product and distribution partners – has proved to be a furnace of innovative investments and high-quality products in the area of asset-oriented investments even in the past year. For 2009, MPC Capital focused on two trends: firstly, the company designed a closed-end fund with a simple fund structure, which promises very secure revenues, in the form of the MPC Holland 70. Secondly, analyses of current investor behaviour show that the ideal investment should not only generate returns but should be sustainable in many respects. More and more investors are discovering the personal satisfaction of ethical investments, such as those in green, sustainable technologies. Consequently, MPC Capital is offering an investment product, in the form of MPC Bioenergie, which invests in a biomass plant and by selling electricity, trading in emissions and selling production waste, offers three income sources simultaneously.

Despite the difficult environment, the MPC Holland 70 fund was fully placed within only two weeks. The MPC Bioenergie fund achieved a Scope rating of "A–" and was also awarded the "Cash Financial Advisors Award".

The management of MPC Capital has implemented structural changes on many levels in 2009. We have redesigned the focus of the sales and marketing organisation under the leadership of the new Management Board member Joachim Pawlik and put it on a broader footing. Today, Joachim Pawlik is already regarded as a role model and unifying figure within MPC Capital AG's Sales and Distribution Division. He will strengthen MPC Capital AG's Sales and Distribution Division and raise its profile over the next few months. In 2009, we also succeeded in restarting our distribution activities in the Netherlands and have already fully placed a ship fund in this country.

As far as developing new products is concerned, we will focus on the changes in customers' interests rather than mathematical feasibility. MPC Capital will attach even more importance to the development of bespoke products. As part of our product development, the competency centres will be increasingly networked in future – to facilitate the generation of even more ideas. From April 1, 2010, Alexander Betz will be the member of the Management Board responsible for this area. He will succeed Ulrich Oldehaver, who has left the company of his own accord and has taken up a new role outside the financial sector. With his experience from the eFonds Group, Alexander Betz is predestined for this role; there is scarcely any other person with such precise and detailed knowledge of the market and investors' needs.

Despite the difficult economic conditions, MPC Capital made payments to investors amounting to over EUR 170 million for its ongoing closed-end funds for 2009. This figure provides strong evidence of the substance offered by a closed-end fund, which invests in assets and does not lose its intrinsic value even in times of crisis.

Nevertheless, we have to admit that the company result for 2009 is not satisfactory. Having raised equity of some EUR 147 million, sales were also down on the previous year. Comprehensive income was also depressed by non-cash special effects and value adjustments, which are to be viewed in close connection with the financial and economic crisis. Investments and assets held in the maritime area were particularly affected by this. Income from associates, which includes the contribution from HCI Capital AG, in which we have a 40.8% stake, was also negative. This resulted in a substantially negative annual result in the 2009 financial year.

From today's viewpoint, the timing of the investment in HCI Capital AG was also unlucky of course. Had we foreseen developments in the global economy, we would certainly not have made the acquisition at that time. However, virtually nobody anticipated developments as they have actually occurred. Incidentally, the entrepreneurial decision was generally viewed positively at that time – even by analysts and the media, for example. Nevertheless, we view our HCI stake as still offering considerable potential even today. The company has reinforced its financial base as part of a restructuring programme at the beginning of 2010 and taken important decisions for the future, which have increased its value long term. We believe that, in an improved market environment, under changed auguries, strong, joint market penetration will secure us a very stable position – even more in a gradually evolving financial system.

At the beginning of 2010, we successfully continued the package of measures contained in the strategy programme and fixed our funding framework for the next four years. A workable programme for the future has emerged in close collaboration with funding partners and shareholders. As a result of the agreement on existing and new contracts and terms with our banking partners, which has been in place since the end of March 2010, MPC Capital also has a stable financing basis for the future. This also includes security regarding liability risks, which mainly comprise placement guarantees. The three main shareholders Corsair Capital, MPC Holding and Oldehaver Beteiligungsgesellschaft are also underlining their confidence in MPC Capital and are participating in a capital increase to strengthen the company still further. Depending on the free float, the company's equity will increase by at least EUR 20 million as a result. MPC Capital obtains comprehensive financing security from the agreement at the beginning of 2010 – both for existing funds and funds, which are being issued. It also provides the basis for initiating new fund projects.

The first indicators of an imminent upturn are apparent. That also points to a positive future for the investment product closed-end funds. Changes with regard to personal targets and investor profiles are also perceptible: analyses of previous recessions show that comprehensible investment models involving little speculation are preferred after financial and economic crises. A current investigation confirms that closed-end funds precisely match this investor mentality. We are currently creating prospectuses for several real estate funds in Germany and Holland, which we shall shortly launch on the market.

You see: at MPC Capital, we decided at a very early stage to deal with all those problem areas, which may affect companies as a result of the financial crisis. Unlike many companies, which instead adopt a "wait-and-see" approach and adapt their strategies belatedly. Namely, only when the problems affect their day-to-day business. Our rapid approach has really minimised risks, has given us security in our financial planning beyond the following year and has consequently boosted our company's entrepreneurial freedom.

Without the specialist knowledge, the extraordinary commitment and constant, tremendous dedication of our employees at MPC Capital, many of the tasks that we have set ourselves in this difficult market environment would have been virtually insuperable. Our particular recognition is therefore due to all employees and their performance in the past financial year. We should also like to thank our many product, financial and distribution partners for their professional and inspirational cooperation. Dear Shareholders, I should also like to express our particular thanks for your loyalty and the trust you place in our work.

In everything that we do, our task is to interpret omens and convert them into strategic solutions or new products. Thanks to the structural measures that have been initiated, we are in a position to seize attractive new opportunities, as they occur, having examined them in depth first, of course, and make new projects ready for the market. MPC Capital therefore expects placement figures to recover in 2010. We are firmly convinced that private investors will soon give preference to the cash flow generated by transparent, comprehensible and actively managed assets in their investment decisions. We believe there will be trend reversal in the placement volume of closed-end funds. Traditional asset investments, innovatively designed in line with high quality standards will constitute attractive investment opportunities for investors in future too. In addition to a highly diversified product range, strict compliance with the most stringent quality criteria is necessary to guarantee the sustainability of our business model. This is just as true for new investment concepts as for the traditional fund models. Let us tackle the future together!

On behalf of the entire MPC Capital Group and the Management Board

Axel Schroeder

Dr. Axel Schroeder
Chairman of the Management Board of MPC Capital AG

THE SUPERVISORY BOARD

Ulrich W. Ellerbeck

Ulrich W. Ellerbeck (born 1952) is a graduate economist and a former member of the Management Board of Deutsche Schiffsbank AG. He has been a member of the Supervisory Board of MPC Capital AG since May 4, 2006.

Axel Schroeder

Chairman of the Supervisory Board

Axel Schroeder (born 1943) is a businessman and Managing Partner of MPC Münchmeyer Petersen & Co. GmbH (the holding company of the MPC Group), Hamburg. For more than three decades, he has been managing the fortunes of the Hanseatic trade firm. Axel Schroeder has been Chairman of the Supervisory Board of MPC Capital AG since November 25, 1999.

D. T. Ignacio Jayanti

D. T. Ignacio Jayanti (born 1968) has a degree in Business Administration and a Master's degree in Economics from the University of Cambridge. He established Corsair Capital in 2006 after many years working as a manager in the financial sector. Today, Ignacio Jayanti is President of Corsair Capital and member of the Investment Committee of the investment funds Corsair II and Corsair III.

Dear MPC Capital shareholders,

The difficult environment in which MPC Capital AG operated in the last financial year sharply and negatively impacted the result. Our company was also unable to escape the decline in placement figures for the market as a whole. In the reporting period, placement volume stood at approximately EUR 147 million. Of the various product segments, real estate funds and energy and commodity funds were particularly impressive. As expected, placement volume for the ship investments segment was disappointing.

The company's sales revenues also fell because of lower turnover. Although recurring income from fund management made a material contribution to stabilising sales, the operating result was negative in the reporting period. In addition, further write-downs and negative contributions from associated companies, which are to be viewed in connection with the financial and economic crisis, had a negative impact on comprehensive income.

At the beginning of 2009, the Management Board of MPC Capital AG initiated a strategy programme with the advice, approval and support of the Supervisory Board. The aim of the programme was to strengthen MPC Capital AG to cope with the challenges of 2009 and to achieve a promising position for subsequent years. MPC Capital successfully implemented the measures in the reporting period.

Concerted action between the Supervisory Board and Management Board In the 2009 reporting year, the Supervisory Board fulfilled the roles and duties required by legislation and the Articles of Association of MPC Capital AG with particular diligence and concentration. It monitored and advised the Management Board continually on its management of the company. The Management Board of MPC Capital AG kept the Supervisory Board constantly informed, in both written and oral form, regarding the development of transactions as well as material, structural and organisational changes in the company.

In the reporting period, there were four ordinary meetings of the Supervisory Board in the presence of the Management Board. The regular advice concerned the development of Group sales and the Group result as well as the business development of the individual product segments and markets. The Supervisory Board and the Management Board also discussed important business transactions and commercial projects, the risk situation, compliance and corporate strategy plans. The Management Board agreed the Group's strategy with the Supervisory Board and, in particular, discussed its development with it. This meant that the Supervisory Board was involved in all decisions of fundamental importance for the company. The Supervisory Board passed the resolutions required by legislation or the Articles of Association. The Chairman of the Supervisory Board also regularly requested information on the current business situation and major business transactions in the company outside the meetings of the Supervisory Board.

Personnel changes In the reporting period, Dr. Ottmar Gast resigned from the Supervisory Board with effect from March 25, 2009. The Supervisory Board of MPC Capital AG would like to thank Ottmar Gast for his time in the Supervisory Board during which he fulfilled his duties with diligence and prudence and contributed to the stability of the company.

At the ordinary Annual General Meeting on May 12, 2009, the shareholders of MPC Capital AG agreed to the proposal by the Supervisory Board to include Ignacio Jayanti in the Supervisory Board retrospectively to March 27, 2009 for the duration of the remaining period in office of the departing member of the Supervisory Board. Ignacio Jayanti is President of Corsair Capital.

At the meeting of the Supervisory Board on September 22, 2009, Joachim Pawlik was appointed to the Management Board of MPC Capital AG as Director of Sales and Distribution with effect from November 1, 2009. The Supervisory Board would like to congratulate Joachim Pawlik on his appointment to the Management Board and is looking forward to working with him in future.

The Supervisory Board would like to thank the Management Board and the employees of MPC Capital AG explicitly for their very strong commitment and the work that they have achieved in the reporting period and against the background of a very difficult economic environment.

Corporate Governance In their meeting on December 18, 2009, the Management Board and the Supervisory Board discussed the changes to the German Corporate Governance Code in the version dated June 18, 2009. In conclusion, they issued the joint Declaration of Compliance in accordance with Article 161 of the German Stock Corporation Act. Accordingly, MPC Capital AG complies with the recommendations of the German Corporate Governance Code ("Code") with only a few exceptions. Corporate governance is also a component of the Declaration on Business Management, which the Management Board has prepared and published, for the Supervisory Board as well, in accordance with Item 3.10 of the Code. The Declaration of Compliance and the Declaration on Business Management is made available to all shareholders and interested members of the public at all times on the Investor Relations section of the web page of MPC Capital AG.

With respect to the information on the regulations of the Takeover Directive Implementation Act dated July 14, 2006, the Supervisory Board refers to the information in the consolidated Group management report on page 81 et seq.

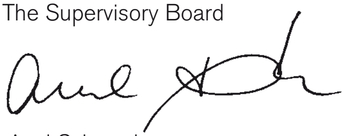
Discussion of the annual financial statements and dividend proposal By resolution of the Annual General Meeting on May 12, 2009, PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft, Hamburg, was appointed to audit the annual financial statements and consolidated financial statements and mandated by the Supervisory Board. In accordance with the assignment PricewaterhouseCoopers AG audited the annual financial statements and the management report of MPC Capital AG and of the MPC Capital Group and provided an unqualified auditor's report. The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS). The abbreviated Group reports and the Group interim management reports as at June 30, 2009 and September 30, 2009 were reviewed by the auditors.

The annual financial statements, management reports and audit reports were made available to all members of the Supervisory Board in good time and in their entirety. As part of its checking and monitoring duties, the Supervisory Board dealt with the adequacy and effectiveness of financial reporting and the corporate control systems. Among other things, this related to the effectiveness of the internal control systems, the risk management system and aspects of internal audit. The Supervisory Board also fulfilled the function of monitoring the audit of the financial statements assigned to it and looked at the independence of the auditor and the additional services supplied by the auditor in this connection.

The audit report and presentation was the subject of intensive discussions in the meeting of the Supervisory Board held in the presence of the Management Board of MPC Capital on March 26, 2010. The Supervisory Board consulted with the auditors at this meeting. They reported in detail on the results of the audit and provided supplementary information. Here, all questions were answered and all information provided to the complete satisfaction of the Supervisory Board.

After inspection of the annual financial statements, the consolidated financial statements, the management report and consolidated Group management report by the members of the Supervisory Board, the body endorsed the result of the audit of the annual financial statements. The annual financial statements and consolidated financial statements as at December 31, 2009 were approved in the meeting on March 26, 2010. The annual financial statements are thus ratified.

Hamburg, March 26, 2010
The Supervisory Board



Axel Schroeder
Chairman

Corporate Governance *

Responsible business management (Corporate Governance) is part of MPC Capital AG's corporate identity. The company is guided by the principles of responsible, competent and transparent management, which focuses on long-term success. MPC Capital AG therefore implements the requirements and recommendations contained in the German Corporate Governance Code ("Code") with few exceptions.

The Code comprises both legal requirements as well as standards recognised in Germany and internationally for managing listed companies. In addition, the Code also contains regulations on transparency, accounting and auditing.

The Code is now available in the version dated June 18, 2009. It contains changes particularly with regard to the issue of (Management Board) remuneration. MPC Capital follows the development of corporate governance requirements throughout the year, registers adjustments to the Code, and includes them to the extent that is reasonable for the company.

To this end, MPC Capital AG submitted the updated Declaration by the Management Board and the Supervisory Board on the recommendations of the Government Commission on the German Corporate Governance Code in accordance with Article 161 of the German Stock Corporation Act on December 18, 2009.

MPC Capital AG makes the Declaration of Conformity and the Declaration on Business Management available to all shareholders and interested members of the public at all times on the Investor Relations section of its web page.

Declaration of the Management Board and of the Supervisory Board of MPC Münchmeyer Petersen Capital AG on the recommendations of the Government Commission on the German Corporate Governance Code pursuant to Article 161 of the German Stock Corporation Act

The Management Board and Supervisory Board of Münchmeyer Petersen Capital AG declare that, in the period from December 10, 2008 (date of submission of the last Declaration of Compliance) until August 5, 2009 (date of publication of the German Corporate Governance Code in the version dated June 18, 2009), the company complied with the recommendations of the German Corporate Governance Code of the Government Commission (hereinafter called "the Code") in the version applicable since June 6, 2008, with the exceptions disclosed in the last published Declaration of Conformity. Accordingly, the recommendations of the Code in the version dated June 18, 2009 were, and will be complied with in future with the following exceptions:

- In the event of a D&O insurance policy being concluded for the Management Board and the Supervisory Board of the company, the Code provides, under Item 3.8, for a deductible of at least 10% of the loss up to at least one and half times the fixed annual remuneration of

* This is also the report required by Item 3.10 of the German Corporate Governance Code.

the Management Board member or of the Supervisory Board member. As a result, the Code reflects Article 93 Paragraph 2 Sentence 3 of the German Stock Corporation Act (AktG) introduced by the Law on the Appropriateness of Management Board Compensation (VorstAG). MPC Münchmeyer Petersen Capital AG will adjust the existing D&O agreement for the Management Board and the Supervisory Board in accordance with Article 23 Paragraph 1 of the Introductory Act to the German Stock Corporation Act accordingly, no later than the statutory cut-off date, namely July 1, 2010.

- MPC Münchmeyer Petersen Capital AG shall publish the total remuneration approved for the Management Board and the Supervisory Board for the respective year in the notes to the consolidated financial statements. This was resolved by the Annual General Meeting with a three-quarters majority on May 4, 2006. Item 4.2.4 as well as Item 5.4.6 Paragraph 3 of the Code are not applicable thus far.
- According to Item 4.2.3 of the Code, the fixed and variable components of the Management Board's monetary remuneration should, in principle, comprise a basis of assessment covering several years and a potential cap. The Management Board remuneration at MPC Münchmeyer Petersen Capital AG contains fixed and variable, performance-related components. A basis of assessment covering several years and an appropriate potential cap are added to new or existing contracts for Management Board members when their term is extended.
- In Item 5.1.2 Paragraph 2 and in Item 5.4.1, the Code recommends the specification of an age limit for Management Board members and Supervisory Board members. No age limit is specified for members of the Management Board and Supervisory Board at MPC Münchmeyer Petersen Capital AG.
- As the Supervisory Board is made up of three persons, the Supervisory Board and the company are of the opinion that the efficiency of the Supervisory Board would not increase with the formation of committees pursuant to Item 5.3 and view the formation as inappropriate.
- The memorandum and Articles of Association of Münchmeyer Petersen Capital AG provide for fixed remuneration for Supervisory Board members. At present there is no performance-related remuneration pursuant to Item 5.4.6 Paragraph 2 of the Code.

Hamburg, December 18, 2009

Axel Schroeder
Chairman of the Supervisory Board

Dr. Axel Schroeder
Chairman of the Management Board

Remuneration report

The Supervisory Board sets the total remuneration for individual members of the Management Board and regularly reviews the remuneration system for the Management Board in this connection. The remuneration system for members of the Management Board is also being reviewed and adjusted with regard to the changes introduced with the Law on the Appropriateness of Management Board Compensation (VorstAG).

The remuneration system for members of the Management Board of MPC Capital AG contains fixed and variable components, which relate, in essence, to the company's economic success. The components which are independent of performance are composed of a base salary and remuneration in kind. Components with a long-term incentive and risk character, as defined in the German Corporate Governance Code, do not exist with regard to existing agreements. The company implements the regulations required under the VorstAG and adjusts the remuneration structures accordingly in new agreements or extensions to existing agreements.

The Law on the Disclosure of Management Board Remuneration (VorstAG) provides for individualised publication for the financial year of the remuneration of Management Board members. The remuneration is to be subdivided into components independent of performance and performance-related components with a long-term incentive. The information required can be omitted if the Annual General Meeting has approved this with a three-quarters majority of the share capital represented at the passing of the resolution. The Annual General Meeting of MPC Capital AG held on May 4, 2006 approved the omission of this information for the period of five years with 82.95% of those present entitled to vote. The overall remuneration approved for the Management Board is published in the notes to the annual report on page 201.

The Management Board agreements of MPC Capital AG do not provide for any change-of-control agreements. In the event their work for the Management Board ending prematurely without good cause, a possible severance payment including fringe benefits will not exceed the equivalent of two years' remuneration and will not be paid beyond the remaining term of the contract of employment.

The Supervisory Board also reviews the appropriateness of the Management Board's remuneration on a regular basis but at least once a year. The criteria used in assessing appropriateness include the duties of the individual member of the Management Board, the company's economic and business situation, its long-term development, the competitiveness of the remuneration in an appropriate peer group and its appropriateness to the other remuneration structures used and applied in the company.

The basis of assessment covering several years requested and explained in the German Corporate Governance Code and an appropriate potential cap are added to new or existing contracts for Management Board members when their term is extended.

Securities transactions subject to reporting requirements (Director's Dealings)

According to Article 15a of the Securities Trading Act, the members of the Management Board and Supervisory Board of MPC Capital AG are obliged to report the acquisition or sale of shares in MPC Capital AG. In addition, natural and legal persons who have close connections with the persons named above are also subject to reporting requirements.

In accordance with Item 6.6 of the German Corporate Governance Code in the version dated June 18, 2009, the following transactions are to be notified in the Corporate Governance report:

Securities transactions of MPC Münchmeyer Petersen & Co. GmbH in the 2009 financial year subject to reporting requirements: 1 Sentence 1, Paragraphs 2 and 3 Sentences 2 and 3 of the Securities Trading Act, securities transactions subject to reporting requirements are the over-the-counter acquisition of 1,821,312 shares in MPC Capital AG, represented by the shareholders in MPC Münchmeyer Petersen & Co. GmbH, Axel Schroeder sen. (Chairman of the Supervisory Board of MPC Capital AG) and Dr. Axel Schroeder (Chairman of the Management Board of MPC Capital AG). On February 5, 2009, 1,821,312 shares were acquired over-the-counter at a subscription price of EUR 8.

Securities transactions of the Management Board in the 2009 financial year subject to reporting requirements:

Name	Transaction	ISIN	Transaction date	Stock exchange	Number (Shares)	Price per share (EUR)	Total volume (EUR)
Oldehaver Beteiligungsgesellschaft mbH	Exercise of purchase/ subscription rights	DE000A0L1MW8	February 5, 2009	Over-the-counter	322,866	8	2,582,928.00

There were no securities transactions of the Supervisory Board in the 2009 financial year subject to reporting requirements.

All securities transactions are permanently published on the Internet under Investor Relations at www.mpc-capital.com.

The MPC Capital share

The economic crisis has triggered a major crisis of confidence among investors, which had a significant impact on sales of closed-end investments in the reporting year. According to statistics provided by the German Association of Closed-end Funds (VGF), the placement volume across the sector fell by some 38% to EUR 5.14 billion. MPC Capital AG was unable to escape this negative development. The reduction in placement volume is also reflected in sales performance. Write-downs and negative contributions from associated companies, which are to be viewed in close connection with the financial and economic crisis, also had a negative impact on the company result. In consequence, the MPC Capital share also fell by some 50% over the course of the year and reached its 52-week low, at EUR 4.10, in March 2009. The main shareholders affirmed their confidence in MPC Capital AG with the capital increase at the beginning of 2009. They accepted a subscription price of EUR 8 on the basis of a fixed subscription declaration and consequently paid a premium of around EUR 2 over the price of the share in free trading at the time. The capital increase supported the equity of MPC Capital AG in a difficult market environment and created a strong and stable shareholder structure. The two main shareholders Corsair III Investments (Luxembourg S.à.r.l. ("Corsair Capital") and MPC Münchmeyer Petersen & Co. GmbH ("MPC Holding") now have an aggregate shareholding of almost 60%. In this challenging market environment, management and Investor Relations work focused continually on pursuing an open and transparent communication policy. MPC Capital explained the company's position, its aims and the measures initiated as part of the AHEAD 2010 strategy programme in extensive detail in regular newsletters and publications as well as at conferences and in telephone discussions. Trust is the basis of every relationship – this is why personal contact, particularly for private shareholders, was a top priority once again in the reporting period. The Investor Relations team accepted investors' concerns in numerous telephone calls as well as written and electronic enquiries and built up the trust, to which MPC Capital AG is committed, through personal contact.

Slight recovery on equity markets While poor corporate news and economic data dominated the first half of the year, in particular, a slight relaxation on equity markets gradually set in during the second half. The German stock market index (DAX) started moving upwards in the middle of the year and closed the year on 5,957 points (Xetra closing rate). This equates to an increase of around 20% compared with the start of the year.

The cautious upward movement on stock markets is driven, in particular, by the first signs of an economic recovery. This is supported not least by fiscal and monetary policy measures by governments throughout the world, whose effectiveness is time-limited. There is therefore still potential for a reversal.

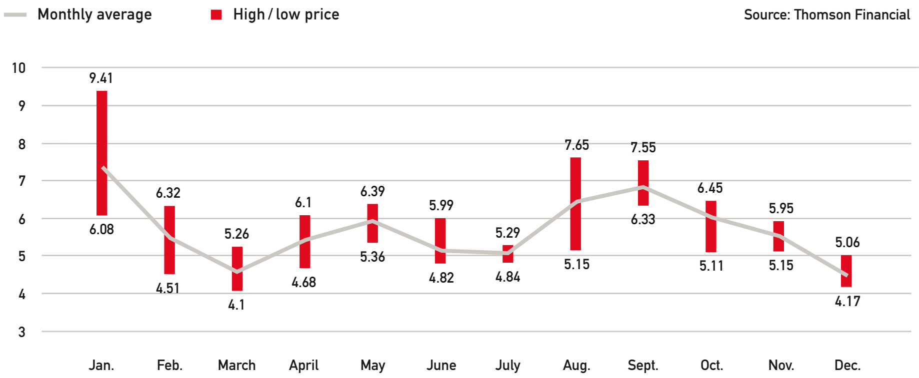
The MPC Capital share within a weak industry The profound crisis of confidence among investors has also spread to the closed-end investment sector. According to statistics provided by the German Association of Closed-end Funds (VGF), equity placements across the sector fell by some 38% in the reporting period. These developments also had a negative impact on the MPC Capital share, which was unable to catch up with the slight recovery in the German index for small caps (SDAX) in the reporting period. Including the effects of the capital increase at the beginning of 2009, the MPC Capital share suffered a price downturn of around 50% during the year. Following the 52-week high of EUR 9.41 on January 6, 2009, the share reached its 52-week low of EUR 4.10 on March 9, 2009. At the end of the year, the price of the share settled down at around EUR 4.50, reaching EUR 4.40 (Xetra closing rate) on the balance sheet date.

At its scheduled meeting on December 3, 2009, Deutsche Börse decided on the new composition of the German stock market indices based on its specified technical parameters. According to a comparison of the indicators, while MPC Capital AG still ranks among the 130 largest listed companies in Germany, at this point it did not meet all the technical criteria for listing in the SDAX. This is why MPC Capital AG has been listed in the Prime Standard of Deutsche Börse's regulated market as of December 21, 2009.

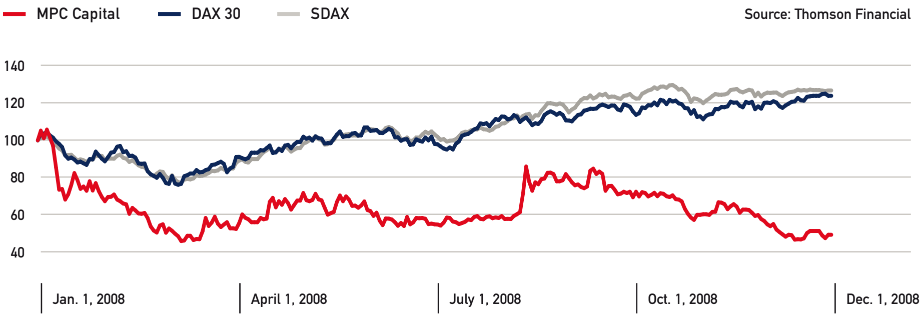
Currently eight analysts cover the MPC Capital share on a regular basis. In the reporting period, Silvia Quandt & Cie. AG started coverage for the first time.

Shareholders show trust MPC Capital AG's shareholders expressed their trust in the company in the reporting period with a capital increase and boosted the company's equity by around EUR 48.5 million in a difficult market environment. As a result of the capital increase, 6,066,500 new non-par bearer shares were issued from authorised capital. The subscription price amounted to EUR 8. The main shareholders Corsair III Investments (Luxembourg) S.à.r.l. ("Corsair Capital") and MPC Münchmeyer Petersen & Co. GmbH ("MPC Holding") and the member of the Management Board Ulrich Oldehaver declared their willingness within the scope of fixed subscription declarations to exercise their subscription rights in full and also to acquire new shares not taken up by shareholders entitled to subscribe up to a certain threshold. As a result, the shareholders have ensured that the greatest possible liquidity accrues to the company from the capital increase. With their fixed subscription price, which exceeded the price in free trading at the time, the shareholders have also given a declaration of trust in the sustainability and future success of MPC Capital AG's business model.

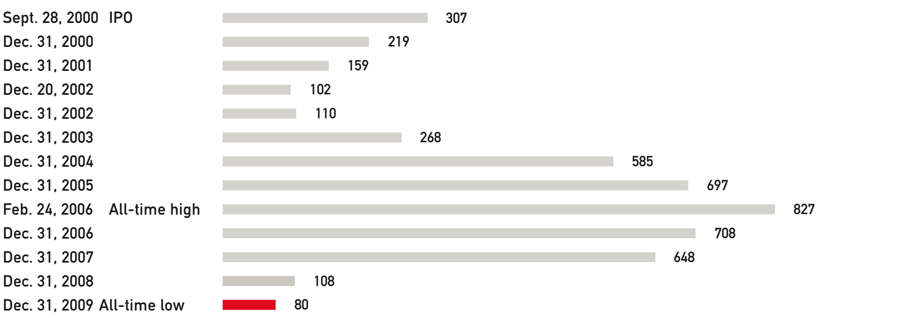
HIGH, LOW AND AVERAGE PRICE (XETRA), JANUARY 1 TO DECEMBER 31, 2009 in EUR



INDEXED 2009 PERFORMANCE



MARKET CAPITALISATION OF MPC CAPITAL AG SINCE IPO in EUR million

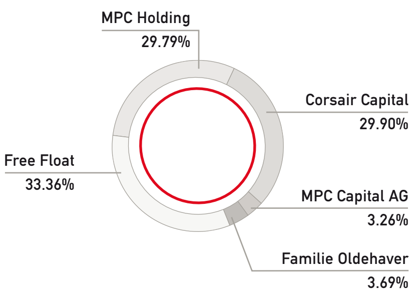


Sustainable, stable shareholder structure The capital increase changed the shareholder structure of MPC Capital AG in the reporting period. Of the total of 18,212,918 outstanding non-par shares on the balance sheet date December 31, 2009, Corsair Capital holds 29.9% and MPC Holding 29.8% of MPC Capital AG. The shares held directly and indirectly by the member of the Management Board Ulrich Oldehaver come to 3.7%. The proportion of treasury shares from the share buyback programme initiated in 2007 and completed in the 2008 financial year amounts to 3.3%. The free float stands at 33.4%. The capital increase has therefore contributed to a strong and sustainably stable shareholder structure, in which the two main shareholders Corsair Capital and MPC Holding have combined stake of just under 60%.

Trading volume decreased Because of the reduction in the free float of the MPC Capital share and a reduction in private investors' assets invested in equities in Germany, the average trading volume of the MPC Capital share also declined in the reporting period. In 2009, an average of 22,200 shares were traded each day on the Xetra trading platform. In January and February 2009, MPC Capital AG's shares enjoyed their highest level of activity. This was attributable to the capital increase. With an average of 26,600 shares traded per day, August 2009 was the month in which the shares enjoyed their second highest level of activity. The market capitalisation was just under EUR 80 million on the balance sheet date.

Dividend policy in 2009 In 2009, the slump in demand within the closed-end investments sector had just as negative an impact on the result of MPC Capital AG as write-downs and negative contributions from associated companies resulting from the financial and economic crisis. As a result, at the Annual General Meeting on May 11, 2010, the Supervisory Board and Management Board will propose not distributing a dividend for the 2009 financial year. MPC Capital AG continues to pursue a shareholder-friendly dividend policy. Nevertheless, it is essential for the company's sustained profitability that MPC Capital AG has sound capital resources.

SHAREHOLDER STRUCTURE AS AT DECEMBER 31, 2009



Investor Relations work – creating confidence

Trust is the basis for every relationship. MPC Capital AG's financial communication aims consistently to develop this trust and cement it long-term. This includes open and transparent communication, far exceeding legal requirements.

The financial and economic crisis has further increased the significance of communication with shareholders, analysts and interested members of the public. During the reporting period, MPC Capital therefore continued to strive intensively for an exchange of information with current and potential investors.

During the reporting period, MPC Capital AG participated in various capital market conferences. Numerous individual discussions took place at these events and the company explained its business model and business strategy against the background of the current challenges. As well as regular information published by MPC Capital AG, there were also quarterly telephone conferences and a large number of one-on-one meetings at the company's headquarters in Hamburg.

Well over 400 people took part in the Annual General Meeting of MPC Capital AG in Hamburg in the reporting period, to whom the Management Board and Supervisory Board accounted for their activities. On the Investor Relations pages of its website, MPC Capital AG informs private investors of business strategy and progress, and provides further references aimed at establishing transparency and confidence.

In an uncertain market environment, personal contact between companies and shareholders, in particular, engenders security and trust. Private shareholders, above all, addressed numerous written, electronic and telephone enquiries to MPC Capital AG's Investor Relations team, who responded to them promptly and in detail.

MPC Capital AG enjoys personal contact with its stakeholders and will be happy to answer your questions and enquiries regarding the share and the company in future as well. The Investor Relations team of MPC Capital AG can be contacted by e-mail (ir@mpc-capital.com) or by telephone (+ 49 (0)40 380 224347).

We look forward to hearing from you.

Key share data

Securities identification number	518760
ISIN	DE0005187603
Type of share	Individual bearer shares with a notional share of EUR 1.00 of equity capital
Trading exchanges	Official trading in Frankfurt am Main and Hamburg; OTC in Berlin, Bremen, Düsseldorf, Hanover, Munich, Stuttgart
Market segment	Prime Standard
Indices	SDAX, HDAX, CDAX, HASPAX, Classic All Share, Prime All Share, GEX
Designated Sponsor	Sal. Oppenheim jr. & Cie. KGaA
First day of trading	September 28, 2000
Reuters abbreviation	MPCG.DE
Bloomberg	MPC GR
Datastream	D:MPC

Key ratios of the MPC Capital share	2007	2008	2009
Earnings per share in EUR	3.64	–8.95	–4.50
Dividend per share in EUR	3.50	0	0
Dividend yield* in %	5.7	n.a.	n.a.
Share price at the year-end in EUR (XETRA)	61.16	8.90	4.40
High in EUR (XETRA)	77.00	61.89	9.41
Low in EUR (XETRA)	49.17	3.88	4.10
Number of shares	10,600,000	12,146,415	18,212,918
Market capitalisation* in EUR million	648	108	80
Price/earnings ratio*	16	–	–

* based on the year-end share price

FUTURE?*

MPC CAPITAL WILL EMERGE STRONGER FROM THE CRISIS!

*YES!

MPC CAPITAL IS WELL POSITIONED TO PROFIT FROM THE COMING UPTURN.

Not focused on short-term effects and events but on long-term success – this is what has always distinguished MPC Capital. With this mindset we shall make our company attractive to its shareholders and investors once again even after the massive financial and economic crisis. It is precisely investments in tangible assets that will benefit from a recovery in commodity and financial markets and a further normalisation in investor behaviour. MPC Capital has done its homework in order to seize these market opportunities for a new growth course.

THE CRISIS WILL LAST FOR EVER?*

*NO!

INVESTOR CONFIDENCE WILL RETURN.

The financial and economic crisis has provoked one reaction above all others in investors: uncertainty! Complete transparency and tangibility in an investment are key parameters for regaining investor trust. Tangible assets such as real estate or so-called “green investments” fulfil the needs for authenticity, credibility and comprehensibility. Investments that were difficult to understand and which demanded a high level of abstraction from investors are now being followed by a renaissance in tangible, real investments.

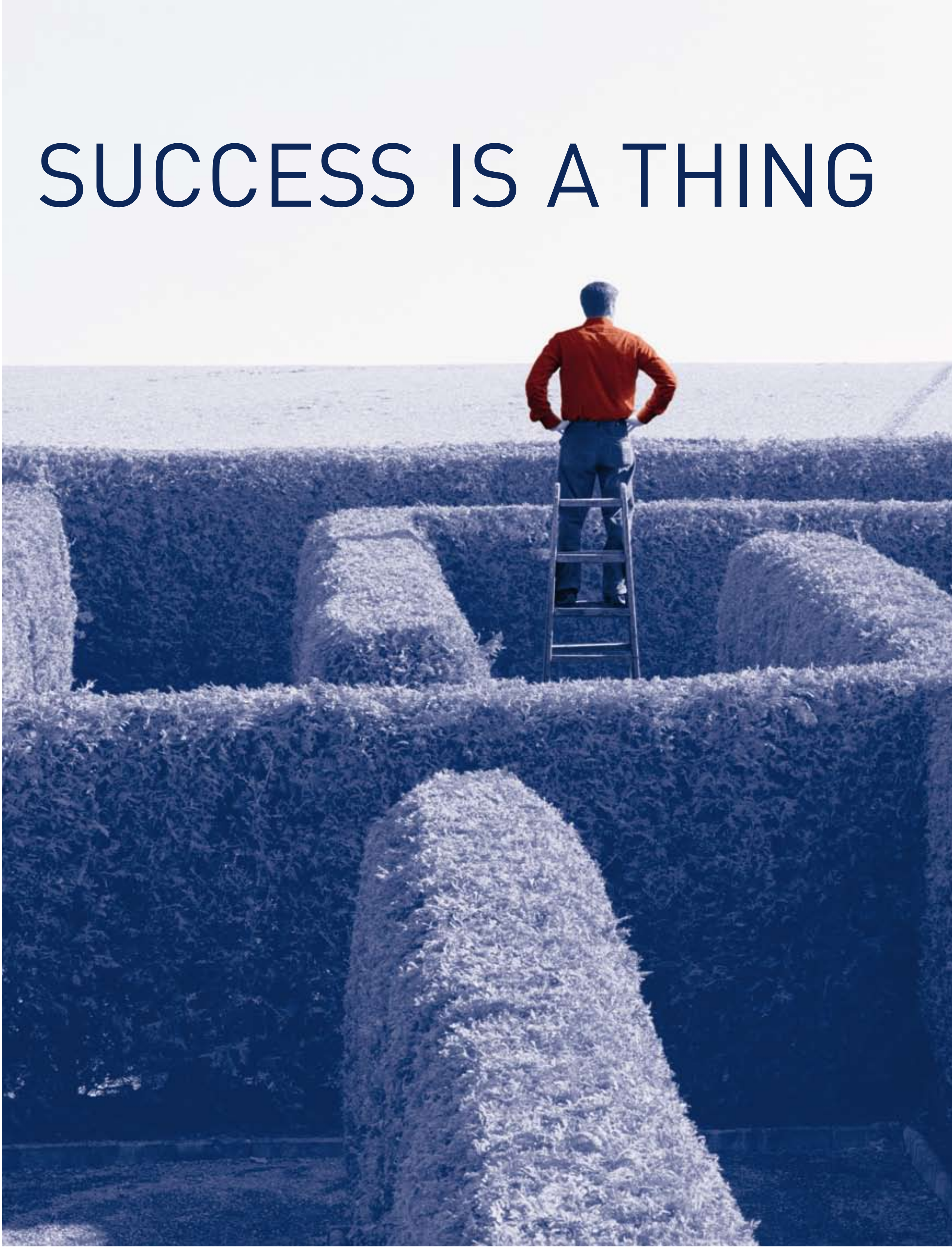
CLOSED-END FUNDS ARE **DEAD?***

***NO!**

ASSETS REMAIN AN IMPORTANT TOPIC FOR INVESTORS BECAUSE THEY OFFER GOOD LONG-TERM RETURNS AND SATISFY THE DEMAND FOR “TANGIBLE” INVESTMENTS.

Viewed historically it is a serious mistake to write-down investments in tangible assets with a view to short-term events. Assets have always generated good returns in the past and have achieved comparatively respectable distributions, even in the current crisis. While other forms of investment come and go, closed-end funds demonstrate durability: equity financing for shipping from outside the sector has existed for over 800 years and has withstood crises, wars and catastrophes. Investments in assets fulfil investors' desire for real, genuine "tangible" investments.

SUCCESS IS A THING



OF THE **PAST?***

***NO!**

OUR COMPANY'S STRENGTHS ARE UNBROKEN AND WILL BE SOUGHT AFTER IN FUTURE, TOO.

MPC Capital has generated profits and paid dividends for 14 years, we have now had two bad years. But we have not forgotten the things that made us strong: our employees' drive and far-sightedness, a real "feel" for innovative products and inventiveness in marketing. This will allow us to pick up on previous success.

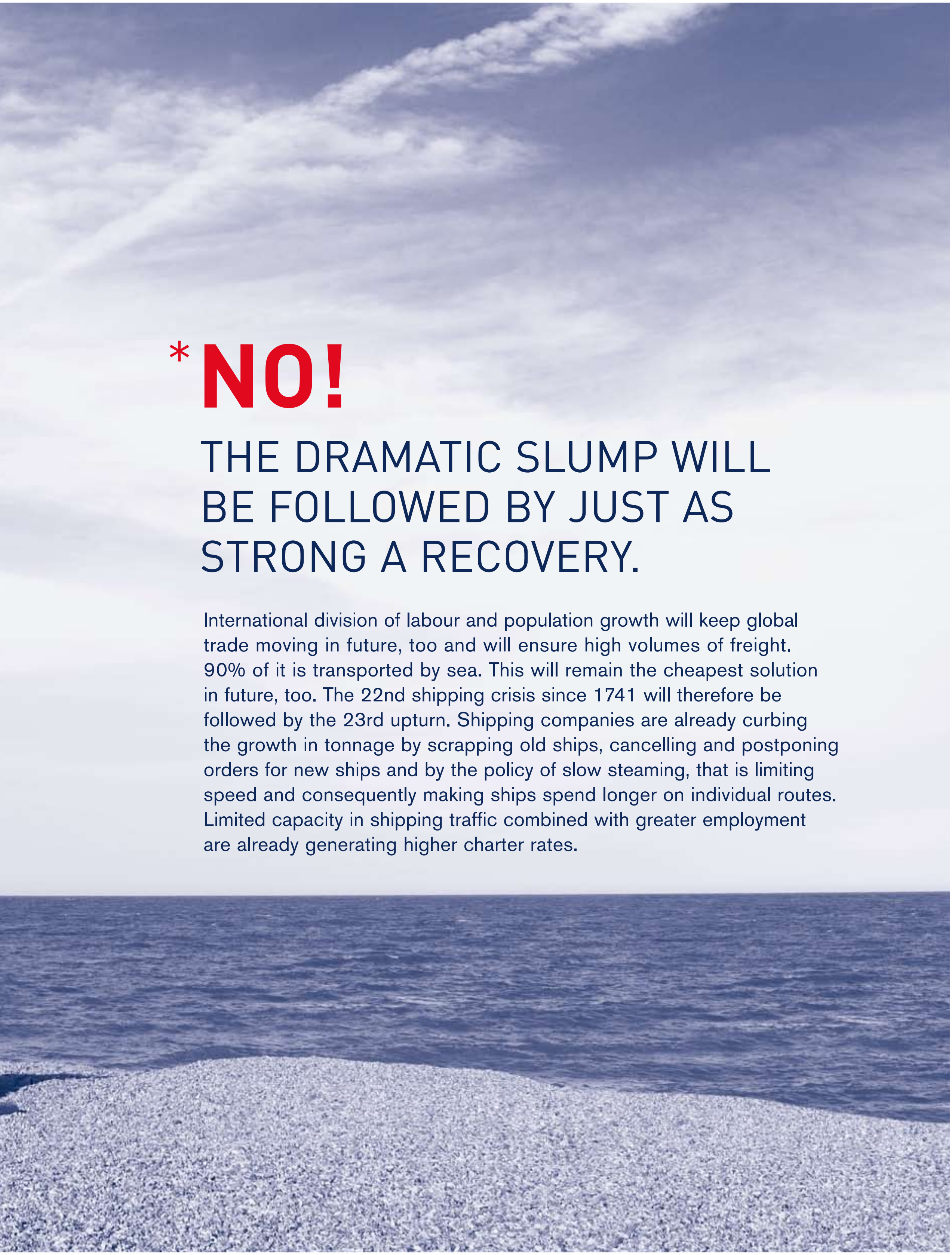
CORPORATE INVESTMENTS ARE A LONG-TERM **PROBLEM** FOR MPC CAPITAL?*

*NO!

THE INVESTMENT IN HCI CAPITAL MAKES SENSE STRATEGICALLY AND CONTINUES TO OFFER OPPORTUNITIES.

In hindsight, the timing of the investment in HCI Capital was wrong. As a result of the financial and economic crisis, MPC Capital has posted impairment charges on its shares in HCI Capital AG. However, with the recovery in asset-oriented investments, the complementary distribution structures and the shared placement strengths of both companies will continue to offer great strategic opportunities. The successful conclusion of a financing agreement for HCI Capital AG with its banks and investors in February 2010 will strengthen the company and make a material contribution to maintaining the value of the shares in HCI Capital AG held by MPC Capital.

SHIPPING WILL TAKE **DECADES** TO RECOVER?*



*NO!

THE DRAMATIC SLUMP WILL BE FOLLOWED BY JUST AS STRONG A RECOVERY.

International division of labour and population growth will keep global trade moving in future, too and will ensure high volumes of freight. 90% of it is transported by sea. This will remain the cheapest solution in future, too. The 22nd shipping crisis since 1741 will therefore be followed by the 23rd upturn. Shipping companies are already curbing the growth in tonnage by scrapping old ships, cancelling and postponing orders for new ships and by the policy of slow steaming, that is limiting speed and consequently making ships spend longer on individual routes. Limited capacity in shipping traffic combined with greater employment are already generating higher charter rates.

GROUP MANAGEMENT REPORT 2009

The 2009 financial year was dominated by the crisis of confidence among investors and the global shipping crisis resulting from one of the worst financial and economic downturns since the end of the 1930s. The German Association of Closed-end Funds (VGF) reported a placement volume for the market as a whole of only EUR 5.14 billion in 2009. This equates to more or less the level of 1993. Even MPC Capital was unable to escape these negative developments. In 2009, the company's placement volume stood at approximately EUR 147 million. As a result MPC Capital continues to rank among the largest providers that are independent of banks on the market for asset-oriented alternative investments. Allowing for the generally weak market, respectable placement successes were achieved in the field of real estate as well as energy and commodity funds, in particular. MPC Holland 70 was fully placed within only about two weeks. In the field of energy and commodity funds, MPC Capital Bioenergie, which is investing in a biomass plant, was placed. The fund achieved a Scope rating of "A–" and was also awarded the "Cash Financial Advisors Award". The reduction in placement volume also led to a fall in sales revenues. In addition, write-downs and special effects, which were clearly attributable to the financial and economic crisis and may be partly offset as the markets recover, depressed the MPC Capital Group's result. As part of its policy of active management, MPC Capital succeeded in concluding an agreement with the funding partners securing the financing basis of the company in the long term and creating the basis for new business at the beginning of 2010. This means that MPC Capital is in a particularly promising position to concentrate all its energies on the path to recovery and to benefit rapidly from a revival in the market.

BUSINESS AND ECONOMIC ENVIRONMENT

Business of the MPC Capital Group

MPC Capital, with headquarters in Hamburg, has developed, initiated, distributed and managed yield-oriented and tax-optimised investments for private customers and institutional investors since 1994. The company's core business includes asset-oriented closed-end investments. The company also provides a broad range of additional innovative products such as open-ended funds, structured products and investment concepts and products for institutional investors. As a result, the Group has been a strong product partner, which is independent of the banks, for the bank and savings bank sector and for independent sales partners for years.

MPC Capital takes an active and holistic approach both in building up assets for private customers, so-called wealth management, and in asset management for institutional investors. With its expertise, which has grown over the years, and its ability always to think one step ahead, the company takes on a broad range of tasks over the entire life cycle of each investment. The listed Group manages ongoing investments, prepares sales and carries them out on behalf of investors. To this end, MPC Capital constantly analyses the economic conditions of the markets, takes promising investment or sale opportunities, develops attractive investments and places them via a high-performance distribution network.

The success of MPC Capital's business is inextricably linked with the long-term trust of investors in the company. They place part of their financial future in the hands of MPC Capital AG. This places a particular obligation on the company to act responsibly on behalf of its customers, sales partners and employees.

Always following a balanced opportunity/risk profile, MPC Capital has successfully launched 312 funds with a volume of approximately EUR 18.3 billion up to the balance sheet date of December 31, 2009. Approximately 176,000 customers have invested more than EUR 7.5 billion in MPC Capital products. MPC Capital has been listed on the stock exchange since 2000 and is currently listed on the German stock exchange's Prime Standard.

segments. The highly qualified experts from the respective areas of MPC Capital's products focus constantly on established and new markets and check potential investments with a view to their ability to generate sustained earnings.

The concentration of knowledge and experience allows the company to select those opportunities from the vast array that promise long-term success and meet MPC Capital's high quality standards. In recent years, this approach has allowed the company to develop many innovative and forward-looking products. Current examples of this, in addition to the MPC Prime Basket Pension investment funds, include a Japanese real estate fund or MPC Bioenergie. The latter invests in a biomass plant, which focuses on renewable commodities.

SEGMENTS BY PRODUCT COMPETENCE CENTRE
(SIMPLIFIED)

MPC Capital AG

Real estate funds	Energy and commodity funds	Ship investments	Life insurance fund	Private equity and investment funds	Structured products	Insurance products
MPC Real Estate Consulting	MPC Real Estate Consulting	MPC Steamship MPC Maritime	MPC Life Plus Consulting	MPC Portfolio Advisors	MPC Structured Products	MPC Insurance Development

A business based on knowledge Knowledge is a central component of MPC Capital's value-added chain from ideas to management and ultimately to management on a trust basis. A head start through knowledge is only achieved by companies that organise it, combine it and make it available to their employees in the right form. This is why MPC Capital has established in-house competency centres with experienced specialists for the individual product

Clear concentration in sales and marketing On January 1, 2009, MPC Capital concentrated its distribution structures on its core business and subsequently combined its distribution activities in the two sales pillars, MPC Capital Concepts and MPC Capital Investments. MPC Capital Concepts' responsibilities comprise the sale of investment funds, structured products, insurance products and responsibility for institutional business.

DISTRIBUTION STRUCTURE
(SIMPLIFIED)

MPC Capital AG

MPC Capital Investments	**MPC Capital** Concepts
Closed-end funds • Real estate funds • Energy and commodity funds • Ship investments • Life insurance funds • Private equity funds MPC Capital bAV Service Private Placement Direct customers	Investment funds Structured products Insurance products Institutional products

MPC Capital Investments will continue to be responsible for the sale of closed-end public funds and occupational pension provision (pension commitments) and for the management of private placements and direct customers. MPC Capital AG also successfully initiated the sale of MPC Capital Privatbank AG on March 31, 2009, subject to the consent of the Federal Financial Supervisory Authority (BaFin). Consent was given on November 30, 2009. With the approval of the Federal Financial Supervisory Authority (BaFin), MPC Capital AG also concluded the sale of MPC Capital Privatbank AG as of March 31, 2009. Against the background of the situation on financial and capital markets, the bank's range of services, which would have continued to require a full banking licence, no longer offered sufficient potential for MPC Capital in the medium term. The MPC Capital Group achieved a capital gain on the sale of MPC Capital Privatbank of TEUR 761. All the functions of the former MPC Privatbank AG, which will continue to be of significance for the company, were concentrated in the two companies MPC Capital Concepts and MPC Capital Investments.

Consistent focus on three selling groups In the distribution and marketing of its investments, MPC Capital traditionally focuses on three key selling groups: institutional sales, independent sales and direct sales. Here, independent sales also include financial distribution independent of banks, direct sales, the marketing of investment products for institutional investors. A close and professional relationship with individual sales partners forms the basis for successful product distribution. MPC Capital is therefore committed to developing and expanding this network actively, carefully and continuously. With specialist knowledge relating to the various markets for MPC Capital's products as well as considerable expertise and quality in initiating, structuring, conveying information and managing the products, MPC Capital has been laying the foundations for successful, long-term partnerships for years.

The repercussions of the financial and economic crisis have also had an impact on MPC Capital's distribution structure. The financial disequilibrium of some financial institutions, coupled with some substantial falls in the value of various investment products, in connection with which the financial institutions were accused of errors and failures in the advice they provided, has led to a sharp loss of confidence among private investors generally and towards financial institutions in particular. Against the background of its traditional strong focus on institutional sales, MPC Capital has also felt the effects of this loss of confidence. The share of institutional sales in MPC Capital's total placement volume has fallen, particularly since the insolvency of the long-standing US investment bank Lehman Brothers in September 2008. Having fallen from 64% to 55% in 2007 and 2008, the share of equity placed via banks and savings banks stands at 53% for the 2009 financial year.

As a consequence of this trend, the significance of independent sales partners and financial distribution independent of banks has increased further in the reporting year. In a challenging environment, they form an important and very reliable distribution pillar. Their share of total placed equity reached 46% in the 2009 financial year after 42% in 2008. MPC Capital placed the remaining equity via direct sales and other sales channels.

A contrary trend was apparent in Austria in the 2009 financial year. In 2008, the distribution structure also shifted to the advantage of independent sales and financial distribution independent of banks at first. Nevertheless, the share attributable to banks, savings banks and Raiffeisen banks again stood at 80% in the 2009 financial year. This is attributable, in particular, to sales of the MPC Holland 70 fund, which was offered primarily via institutional sales partners. Some 20% was attributable to independent sales and financial distribution independent of banks.

Overall, for banks and savings banks, MPC Capital will remain a reliable partner with attractive, high quality products in future, too. Its good network and long-standing cooperation will secure an important distribution channel for large volume fund projects when demand revives.

Expansion in sales activities In the reporting period, MPC Capital expanded its sales activities and concluded a cooperation agreement with the Dutch Op Maat Groep based in Breda on June 24, 2009. This lays the framework for the expansion of MPC Capital AG's sales activities to the Netherlands. Apart from Germany and Austria, where MPC Capital has previously sold its products, the Netherlands is regarded as the most highly developed country in terms of closed-end funds. MPC Capital AG operated here from 1998 to 2006. The cooperation with Op Maat will allow the company to start selling its products in the Netherlands without having to invest in the expensive and time-consuming process of developing its own distribution system. MPC Capital AG achieved its first sales through this partnership in 2009. It is expected to generate revenues from 2010.

Changes in the Management Board will add muscle to the Marketing function The changes in the general situation have also entailed adjustments to the management structure. The challenges facing us in sales and marketing and in designing products that are far less affected from the weakness in demand have necessitated responsibilities being concentrated in Product Development and Sales and Distribution. This is why MPC Capital has split the respective departments and appointed Joachim Pawlik to the Management Board of MPC Capital AG as Director of Sales & Marketing with effect from November 1, 2009. Joachim Pawlik joined MPC Capital AG as interim manager at the beginning of the second half-year and has since managed the company's sales and marketing operations successfully.

A service provider for investors As an independent competency centre within the MPC Capital Group, TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH (TVP) is the partner and lobbyist for all private investors, who have subscribed to an MPC Capital closed-end investment. TVP will support them with a long-term, comprehensive service covering all aspects of their investment. Consequently, it acts as a key interface between the 157,002 investors it manages and the investments' partners on the part of the company.

Among others, TVP's numerous responsibilities and services include providing investors with comprehensive information about the fund and representing their interests in the fund company. TVP supports entry into the fund and manages the trust accounts. Investors also receive information about their company at regular intervals. This is received, for example, in the form of comprehensive annual reports and trustee reports. It also allows investors to participate actively in and shape the decisions of the fund company by organising and carrying out coordination procedures at shareholder and trustor meetings. The correct and punctual execution of the investment's funds transfers as well as overseeing the transfer, settlement and sale of company shares also rank among the central tasks of TVP.

MPC Capital has its own secondary market platform MPC Fund Xchange GmbH, which is part of the MPC Capital Group, is the competency centre for the early sale of units in MPC Capital's closed-end investments. MPC Fund Xchange functions as broker here, bringing supply and demand together. The interests of all the persons involved are protected through detailed knowledge of MPC Capital funds and the respective markets. Trade takes place via an Internet-based secondary market platform (www.mpc-fxc.de). In the 2009 financial year, enquiries to MPC Fund Xchange about possible sales have increased sharply in the context of the financial and economic crisis. Nevertheless, there were far fewer transactions due, most notably, to the fall in prices. Their number fell by 108 year-on-year to 247. The number of tradable companies remained at 96, as in the previous year.

Multi-stage strategy programme for MPC Capital MPC Capital reacted comprehensively and rapidly to the massive change in economic conditions caused by the financial crisis. At the beginning of 2009, the company began the implementation of a multi-stage strategy programme. Its aim was to strengthen MPC Capital AG to cope with the entrepreneurial challenges of 2009 and to put the company in a promising position for subsequent years. The programme relates to the organisation and shareholders as well as the funding partners and consequently includes all the company's important cornerstones.

Cost cutting and changes to the corporate structure On the part of the company, MPC Capital first made adaptations to the organisational structure and initiated a cost cutting programme. To this end, the number of employees, which was geared to a placed equity volume of more than EUR 1 billion and a growth course in 2006 and 2007, was adjusted at the beginning of 2009. The number of employees was reduced by 55. In future, MPC Capital will continue to rely on the high quality of its development and management and on retaining the experience built up in the company over the past 15 years. For this reason, the structure, made up of core competency centres for the respective product lines as well as the expertise combined within these, will remain in place.

The adjustment to personnel numbers and the organisational changes are part of the cost cutting programme with which MPC Capital plans to achieve savings totalling EUR 10 million a year. This figure has already been achieved for the 2009 financial year. The measures planned in 2008 and successfully initiated and implemented at the beginning of 2009 have already reduced the amount of equity to be raised, which would be necessary to cover the cost of our operations. Cost cutting measures and adjustments to personnel numbers were also continued in the first few months of the 2010 financial year.

Shareholders show trust In a second stage of the strategy programme, MPC Capital shareholders made their contribution to strengthening the company. Gross proceeds of EUR 48.5 million were transferred to the company as part of a capital increase.

The capital increase took place in two stages: in the first step, MPC Capital issued a total of 1,214,641 new no-par bearer shares from authorised capital with exclusion of subscription rights for shareholders to the major shareholder of the company, Corsair III Investments (Luxembourg) S.à.r.l. at a price of EUR 8 per share.

In a second step, the company subsequently offered its shareholders 4,851,859 new, no-par bearer shares for subscription in the ratio 50 to 19. The subscription price was likewise EUR 8 per new share. The subscription period was set for the period from January 23, 2009 to February 5, 2009. The subscription rights were not traded on the stock exchange.

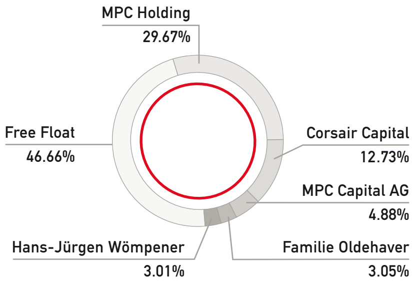
In addition, within the scope of a fixed application for subscription, the shareholders MPC Münchmeyer Petersen & Co. GmbH ("MPC Holding") and Corsair III Investments Luxembourg S.à.r.l ("Corsair Capital") were also obliged to exercise the subscription rights allocated to them in full and also to acquire new shares not taken up by shareholders eligible to subscribe, as long as their shares did not exceed the threshold of 29.9%.

The shareholder Oldehaver Beteiligungsgesellschaft mbH also undertook within the scope of a fixed application for subscription to exercise the subscription rights attributable to it in full and furthermore to acquire the new shares not yet subscribed by shareholders eligible to subscribe at the subscription price, if the shareholders MPC Holding and Corsair Capital have not already taken these on.

Support of funding partners In a third step, MPC Capital was simultaneously able, in negotiations with the funding partners, to secure a fundamental agreement on the extension of existing credit lines, the suspension of existing covenants and the provision of equity bridging loans until the end of 2011. As a result, the company has secured in principle financing for virtually all the funds products in the placement phase up to the end of the 2011 financial year.

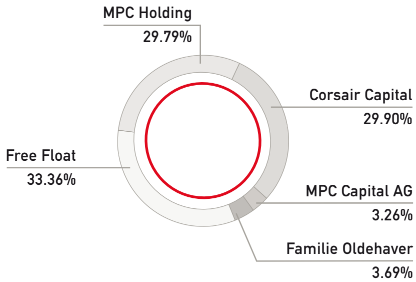
On March 26, 2010, MPC Capital also concluded a new agreement with its funding partners securing the financing basis of the company in the long term. This agreement, which is effective from March 26, 2010, includes important and far-reaching commitments on the part of the funding partners with regard to existing loan agreements and liabilities as well as their conditions. Consequently, financing security has been achieved both for MPC Capital AG itself and for funds already in the placement phase as well as funds to be placed in future. The agreement is valid until the end of September 2013. Further details of the agreement are provided in the supplementary report.

MPC CAPITAL AG SHAREHOLDER STRUCTURE BEFORE THE CAPITAL INCREASE IN 2009



Number of shares issued: 12,146,418

MPC CAPITAL AG SHAREHOLDER STRUCTURE AFTER THE CAPITAL INCREASE IN 2009



Number of shares issued: 18,212,981
as at: December 31, 2009

Change to the shareholder structure Following the capital increase announced on February 5, 2009, the shareholder structure of MPC Capital AG has changed. Of the 4,851,859 new, no-par bearer shares issued in total, Corsair Capital subscribed for 2,648,603, MPC Capital Holding for 1,821,312 and Ulrich Oldehaver Beteiligungsgesellschaft mbH for 322,866 shares. 23,078 shares were attributable to the free float. As of the cut-off date of February 5, 2009, the end of the subscription period, MPC Holding consequently held 29.79%, Corsair Capital 29.90% and Oldehaver Beteiligungsgesellschaft mbH 3.69% of the shares in MPC Capital AG. 33.36% of the shares in MPC Capital AG were attributable to the free float. The percentage of treasury shares stands at 3.26%.

The new shares issued as part of the capital increase with subscription rights, (WKN) A0L1MW, were included in trading and consequently in the existing price determination for shares of the company on the regulated market of the stock exchanges in Frankfurt am Main and Hamburg in July 2009. The newly issued shares excluding subscription rights, (WKN) A0L1MW8, were admitted to trading on the stock exchange in January 2010.

Adjustment of the product portfolio The adjustment of products to changes in the demand situation also forms part of the strategy programme. Here, in the case of existing funds being marketed, it was a matter, in essence, of extending the interim financing, reducing the product volume and making adjustments in line with the changes in investors' investment behaviour. Through the agreement with the funding partners at the beginning of 2009 and 2010, the financing basis for the funds in the placement phase and funds that are still to be placed is secured until the end of September 2013 at least. MPC Capital has also taken account of investors' increased sensitivity with regard to security by incorporating suitable components. For instance, the Deep Sea Oil Explorer Protect alternative featuring a capital protection feature was developed for the Deep Sea Oil Explorer fund, an investment in an exploration platform for deep sea oil and gas deposits. The subscription term was extended and the fund volume reduced for a large number of the funds being marketed.

GENERAL ECONOMIC CONDITIONS

General economic development

The financial and economic crisis has left a huge dent in the growth of the German economy. German economic output fell for the first time in six years. Following growth of 1.3% in the previous year, the German economy experienced the worst recession of its post-war history with a fall in gross domestic product (GDP), allowing for inflation, of some 5%. In addition to a 20% reduction in investments in equipment and machinery, a sharp fall, of 14%, in exports, which previously constituted the engine driving the German economy, were largely responsible for this slump. Only consumer expenditure provided positive stimulus in the reporting period. However, this only cushioned the downturn and did not check it. While private consumer expenditure only increased slightly, government expenditure rose sharply, by 2.7%. In particular, the packages to stimulate the economy put together by the federal government were responsible for this. The first economic package, amounting to some EUR 50 billion, was agreed as early as November 2008. Since the beginning of March 2009, the regulations and measures for the second economic programme, the "pact for employment and stability", which is also worth some EUR 50 billion, has been in place. A key component of the measures to stimulate the economy is the expansion and extension of the short time working scheme. According to estimates by the Hamburgisches WeltWirtschaftsInstitut (HWWI – Hamburg Institute of International Economics) and the Deutsches Institut für Wirtschaftsforschung (DIW – German Institute for Economic Research), the number of unemployed rose from just under 3.3 million in 2008 to a good 3.4 million in the reporting year. The robust employment market and the introduction of measures to support consumption, such as the car scrappage scheme, made an important contribution to growth in private consumption. Nevertheless, the fact that the savings ratio among private households remains high, at 11.2%, is evidence of great uncertainty with regard to future economic trends.

The global economic slump has also led to a marked slowdown on the price front. Companies passed on reductions in their costs resulting from falling commodity prices and the general weakness in demand to consumers. Following a figure of 2.6% in the previous year, inflation rose at its slowest rate, namely 0.4%, since reunification in 2009. Falling prices were recorded, most notably, in petroleum products such as heating oil and fuels and in food products such as dairy foods. By contrast, consumers had to cope with price rises in rents, electricity and luxury foods even in the 2009 crisis year.

Global recession In the winter of 2008/2009, the global economy suffered a previously unparalleled slump. In industrialised economies, in particular, the financial and economic crisis resulted in a recession, while the newly industrialising countries recorded a slowdown in growth. According to estimates from the World Bank, global production fell by a good 2% in 2009. Consequently, global trade in merchandise and goods also fell sharply by approximately 10%. This impacted accordingly on the global logistics and transport industry. Concerted measures and regulations by national governments to support the economy and to stabilise the capital and financial markets prevented an even more serious slump. With its American Recovery and Reinvestment Act 2009, the USA alone adopted an economic and stabilisation programme amounting to more than USD 780 billion in total.

Central banks throughout the world also reacted rapidly and comprehensively to the crisis on financial and capital markets. To prevent a possible shortfall in the supply of credit, the so-called credit crunch, and to safeguard banks' essential macroeconomic role as financial intermediaries between investors and companies, interest rates had been cut massively – in some cases – as early as the end of 2008. In December 2008, for instance, the Federal Reserve lowered the American Federal Funds Rate for the seventh time in succession to a target range ultimately of 0.00 to 0.25%. This is the lowest level since 1971.

A test for the euro zone Between the end of 2008 and the beginning of 2009, the euro zone experienced the worst recession in its history. Economic experts assume that economic output fell by some 4% in 2009. There was a sharp slowdown in foreign trade and investment in particular. By contrast, numerous monetary and fiscal policy programmes supported and stabilised private and public consumption just as much as the capital markets. European governments announced they would recapitalise banks and financial institutions – through equity injections and share purchases – to the tune of some EUR 320 billion and have issued bank guarantees totalling almost EUR 1.4 trillion.

Despite the severe recession, the unemployment rate remained moderate, at just under 10%, in the euro zone in 2009. Among other things, this is attributable to government short time working schemes. The European Central Bank also continued its policy of reducing interest rates in 2009 and consequently continued to react to the recessionary and deflationary trends. It cut its main refinancing rates in a total of four steps, the last of which was in May 2009, by 150 basis points in total to 1.00%.

Capital markets show signs of a cautious recovery
The worst of the downturn in international equity markets was already passed in the second half of 2008. The Dow Jones fell by almost 34% in total, while the German DAX recorded a decline of more than 40%. While markets were still very volatile at the beginning of the year, the massive stimulus packages, the government guarantees for banks and financial institutions as well as the first signs of a slight recovery in corporate data have contributed to share prices trending upwards by and large. In 2009, the Dow Jones rose by 16.8% to 10,548.5 points. The DAX increased by 19.8% to 5,457.4 points on the balance sheet date of December 31, 2009. However, this recovery is taking place at a comparatively low level following the very sharp falls in prices in 2008.

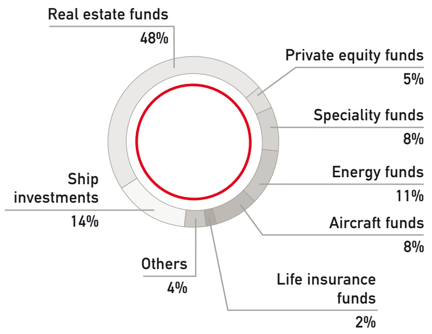
The repercussions of the financial and economic crisis reached Europe slightly later. Consequently, the euro initially became more attractive than the US dollar. The euro has also been supported by the more or less concerted and extensive rescue measures by European governments. The Federal Reserve had also cut its interest rates so sharply early on that the US dollar increasingly functioned as a debt currency. With these so-called carry trade currencies, investors raise debt in low interest currencies and invest their funds in countries offering higher interest rates. Over the rest of the year, the US dollar weakened against the euro, reaching USD/EUR 1.51 at its low point. At the year end, the economic outlook in the USA improved. The interest rate cuts initiated in many countries in the meantime also increased the relative attractiveness of the US dollar once more. Its exchange rate with the euro stood at USD/EUR 1.43 on December 31, 2009.

Development of the industry

Financial crisis dominates placement result in 2009 For suppliers of closed-end investment models, 2009 was entirely overshadowed by the financial and economic crisis. In the first half, in particular, the decrease in placement volume continued in virtually all product segments. The situation only calmed down to a certain extent towards the end of the year and there were signs of a demand picking up slightly. The German Association of Closed-end Funds (VGF) reported the expected poor result for 2009 with placed equity of EUR 5.14 billion. In the previous year, placed equity had still reached EUR 8.32 billion. As a result, in 2009, the market fell back to its level before 1993. Having stood at EUR 15.40 billion in 2008, total investment volume in the reporting year came to EUR 9.39 billion.

German real estate funds and energy funds on the up With placed equity of EUR 2.47 billion, the real estate product segment was the industry's most successful segment in the reporting period and achieved a 48% share of total placed equity. In particular, classics such as German core real estate funds or core real estate funds focused on Western Europe appealed to investors as a safe haven in turbulent times. German real estate funds were able to acquire equity totalling EUR 1.12 billion. This equates to growth of around 12.5% compared with the previous year. By contrast, the equity attributable to foreign real estate funds shrank by around 34.5% year-on-year to EUR 1.35 billion. Investments and funds for the US real estate market are likely to have fallen particularly sharply here.

MARKET FOR INVESTMENT MODELS 2009

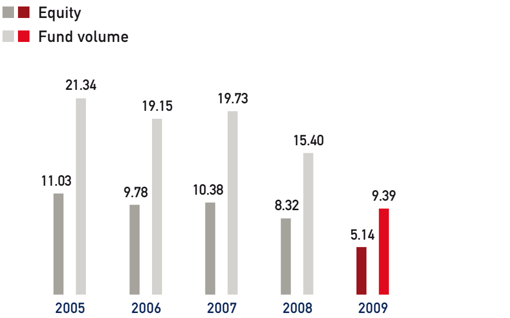


Source: VGF sector figures 2009

Energy funds posted very considerable growth, of 148%, in the reporting period. For instance, funds specialising in solar energy, forest or biomass, posted equity raised of EUR 547.17 million in total. Not least, this provides evidence of a trend, which is also confirmed by the Hamburg based Trendbüro, a consultancy for social change, that social and moral values are playing an increasing role in investment decisions. In this connection, experts talk of Karma Capitalism. Both product areas are also likely to have benefited from a concentrated focus and consequently increased sales activity on the part of initiators.

With a decline of some 70% to EUR 742.69 million, the collapse in the ship investment product segment was extremely sharp compared with the previous year's figure of EUR 2.52 billion. Only 14% of the equity raised was attributable to the traditional asset and former jewel in the crown for a closed-end investment. The severe global recession led to a dramatic collapse in shipping volumes. The increase in tonnage available led to a fall in freight rates. Reports of insolvencies among a few ship investments, liquidity

PLACEMENT IN INVESTMENT MODELS in EUR billion



Source: Data 2005 to 2008 Scope Analysis data;
2008 and 2009: VGF sector figures

problems with current funds and generally negative reporting on the present situation in the maritime industry frightened off investors. At the same time, fund initiators also initiated fewer ship investments.

Private equity, aircraft, life assurance and leasing funds had to tolerate a similarly sharp downturn. In 2009, their share of placed equity stood at around 16%.

According to statistics provided by the German Association of Closed-end Funds (VGF), banks and savings banks were the strongest sales channel, accounting for 52%, for the entire market for closed-end funds in the reporting period. This means that they again increased their share compared with the previous year's figure of 49%. 29% of all investments was placed by independent sales in the reporting period after 32% in 2008. The significance of direct sales rose sharply from 7% in the previous year to 12% in 2009.

Moderate loss of assets among HNWIs People with financial assets of more than USD 1 million are described as High Net Worth Individuals (HNWIs). They were particularly hard hit by the effects of the financial and economic crisis. Their generally more substantial investment volumes and their greater willingness to incur risk made them particularly susceptible to falling prices on international stock markets. Overall, the number of people ranked as HNWIs fell by some 15% to 8.6 million during 2008. In the same period, assets held by HNWIs fell by 19.5% to some USD 32.8 trillion. This is the conclusion of the authors of the World Wealth Report 2009, published in June 2009. The unprecedented fall destroyed the sound growth achieved in 2006 and 2007. Both the number of HNWIs and their assets stand at a level approximate to that of 2005 at the balance sheet date.

HNWIs in the USA felt the repercussions of the financial and economic crisis particularly clearly. The number of wealthy people shrank by some 19% in 2008. Nevertheless, the USA remains the country with the highest number of HNWIs even after the 2008 crisis year. The picture is more varied in Europe. While the number of HNWIs in Great Britain fell by more than 26%, in Germany it only fell by 2.7%. This is explained by the traditionally more conservative investment behaviour of German HNWIs. Nevertheless, Europe also ranked second in terms of the number of HNWIs in a comparison of the continents in 2008. Nonetheless, the number of HNWIs in China exceeded the number in Great Britain in 2008, meaning that China is now ranked fourth among the countries with the most HNWIs behind the USA, Japan and Germany. In 2009, the easing which began on international stock exchanges and the slight economic recovery is also likely to have produced a cautious stabilisation in the assets of HNWIs.

In view of the sharp price falls on international equity and financial markets, HNWIs have restructured their assets and withdrawn into more secure, simpler investment categories. For instance, the proportion of fixed interest securities, cash and cash equivalents such as savings and fixed deposits in the asset allocation rose from 17% in 2007 to 21% in 2008. The proportion of land and real estate holdings also rose by four percentage points compared with the previous year to 18% in 2008. The proportion of alternative investments fell from 9% to 7%. Experts assume that HNWIs' assets will grow again with the recovery in the global economy. Given an assumed annual asset growth rate of a good 8% on average, HNWIs' assets are likely to have grown to USD 48.5 trillion in 2013.

German private households stabilise their assets

Despite conditions remaining difficult, private households in Germany increased their gross monetary assets from EUR 4.45 trillion in 2008 to EUR 4.64 trillion in the reporting year. Consequently, the negative trend of the previous year has been broken. The increase is largely due to the continuing enthusiasm for saving among private households. The recovery on stock exchanges also made a contribution, which offset or at least partly reduced the valuation losses from the previous year. Nevertheless, the experience of 2008 increased the already high level of risk aversion among German investors still further. Share holdings fell further in 2009 to match the level of 1995. Sight, fixed and savings deposits and savings certificates were also popular with private investors in 2009.

At present, the crisis of confidence triggered by the turbulence on financial and capital markets is continuing to control private households' investment behaviour. From mid-2008 to mid-2009, assets of German private households invested in equities fell by around 50%. As soon as the crisis of confidence among investors dissipates, the decision will be made as to the investment product to which German private investors will entrust their cash in future. Closed-end investment models fulfil investors' need for "concrete" and less abstract financial products. Since the price of assets generally rises with the price level, assets also offer a possible hedge against future price rises.

BUSINESS DEVELOPMENT IN 2009

MPC Capital in a tough market environment

According to statistics from the German Association of Closed-end Funds (VGF), the market for closed-end investments as a whole raised equity of EUR 5.14 billion in 2009. This equates to a fall of around 38% compared with the previous year. In an extremely difficult market environment, MPC Capital succeeded in positioning itself among the top ten providers of closed-end investment models in Germany. In its analysis, the VGF focuses solely on the German market and excludes certain MPC Capital products. These include products for institutional investors and structured products.

In total, the MPC Capital Group raised equity of EUR 146.63 million in 2009. This is well down on the previous year's figure of EUR 547.49 million and is a consequence, among other things, of the general crisis of confidence among investors. At the same time, the difficult situation on shipping markets acted as a sustained drag on the initiation and marketing of ship investments. For this reason, MPC Capital concentrated on the investment classes, real estate (EUR 48.75 million) as well as energy and commodity funds (EUR 48.45 million), in particular. Both segments were affected far less by the weakness in demand. For example, the real estate fund MPC Holland 70 with a volume of around EUR 22 million was fully placed within only two weeks or so.

In the ship investment segment, MPC Capital only placed EUR 9.55 million worth of equity. The company placed a further EUR 40 million with open-ended funds, insurance products and investment concepts for institutional investors.

HCI Capital AG, in which MPC Capital AG has had a stake of 40.8% in total since the end of April 2008, also ranked among the top ten providers independent of banks in the 2009 financial year. It raised around EUR 126 million in the reporting period.

In 2009, MPC Münchmeyer Petersen Capital Austria AG increased its share of the MPC Capital Group's placement result slightly from 2.7% to 3.7%. A large part of the placement volume of EUR 5.45 million was attributable to the real estate fund Holland 70, which is also very popular in Austria.

From July 7, 2009, the sale and marketing of MPC Capital funds in the Netherlands restarted for the first time since 2006 via the sales partner Op Maat. In the brief period since, the first successes have already been achieved with the placement of a private placement in the ship investments segment.

More than 176,000 customers place their trust in MPC Capital Growth in MPC Capital's customer base slowed in 2009 with the reduction in placement volume. Overall, the number of investors, who entrusted part of their financial future to MPC Capital products, rose to over 176,000. This is some 2% more than in the previous year. The percentage of investors subscribing to more than one product fell slightly compared with the previous year. On average, some 24% of customers have subscribed for more than one MPC Capital product since 1994.

The volume placed in 2009 is as follows:

Placed equity in EUR million	**2005**	**2006**	**2007**	**2008**	**2009**
Corporate investments	327.2	420.2	558.3	201.6	21.0
of which ship investments	*310.1*	*411.2*	*552.7*	*199.2*	*9.6*
Real estate funds	409.0	234.4	241.1	110.0	48.8
of which real estate opportunity funds	*117.5*	*102.9*	*151.3*	*51.4*	*3.9*
Life insurance funds	118.2	141.9	114.5	48.6	0.6
Energy and commodity funds	n.a.	n.a.	n.a.	124.3	48.5
Structured products	61.9	119.0	74.6	59.5	0.9
Private equity funds	38.0	49.2	38.5	3.5	4.8
Investment-/equities-/other funds	19.8	43.7	34.6	0.0	22.1
	974.1	**1,008.4**	**1,061.6**	**547.5**	**146.6**

* Differences based on rounding differences

Since 1995, real estate funds have been a mainstay of MPC Capital's products. To date, MPC Capital has initiated more than 100 real estate funds with over 300 properties in the Netherlands, Portugal, Germany, the USA, Canada, Austria, England, India and Japan and in doing so achieved a total investment volume of almost EUR 6 billion.

Many investors view traditional closed-end real estate funds as safe havens. Here, they have confidence in the value of the asset and a long-term, tenant structure of excellent financial standing as well as in an experienced fund management team. MPC Capital successfully capitalised on this trend in the reporting period with its "MPC Holland 70" and fully placed the fund in only two weeks.

The fund management of MPC again provided evidence of its high quality with the sale of the "Canada 6" fund. Investors in the fund are pleased by anticipated total returns of some 270% of the sum invested.

At present, MPC Capital is planning more attractive, traditional real estate projects in the Netherlands and Germany. These are likely to arrive on the market in the second quarter of 2010. The range also includes the exclusive "MPC Japan" fund, which has already demonstrated its quality in the crisis-riven reporting year by paying dividends as scheduled.

PERFORMANCE OVERVIEW REAL ESTATE FUNDS	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2008	Dec. 31, 2009
Initiated funds*	95	98	103	104
Equity volume** in EUR million	2,310	2,551	2,661	2,709
Investment volume** in EUR million	5,208	5,485	6,069	5,953

* including real estate sold / funds liquidated
** cumulated

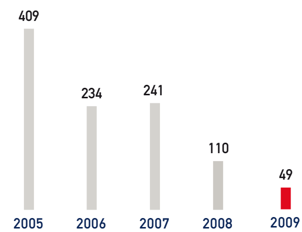
Development of the segments

REAL ESTATE FUNDS

Return of the classics So-called core investments usually form the investment focus of traditional closed-end real estate funds. These are office or commercial properties in first-class locations with tenants with excellent financial standing. Long-term tenancy agreements with weighted time remaining until expiry of between eight and ten years ensure a high degree of reliability for the development of the dividends. The funds usually have an average calculated term of between ten and twelve years.

The financial and economic crisis initially led to a price correction on global real estate markets, particularly in the USA and Great Britain. As a result, the prospects on many real estate markets improved in the reporting period. This is particularly true of centres in Asia and the USA and top European locations such as London and Paris. A fall in the level of the initial yield has already been recorded here. This reflects the ratio between rental income in the first year and the sum invested. However, this is mainly true of high quality core properties in good locations. In Germany, there has been no real boom involving a tendency to overheat in real estate in recent years compared with developments in other countries. For this reason the German real estate market has remained relatively stable and the price corrections have been less marked. Nevertheless, the weak economic environment has also depressed the domestic market.

DEVELOPMENT OF PLACEMENT VOLUMES OF REAL ESTATE FUNDS IN EUR MILLION



MPC Capital has an outstanding track record In the last few years, MPC Capital has repeatedly succeeded in identifying new growth markets and investment concepts in the real estate product segment and exploiting them successfully in the interests of investors. Since 1994, MPC Capital has set up a total of 104 real estate funds. Investors have invested around EUR 2.7 billion in these funds, thus generating an investment volume of almost EUR 6.0 billion, with which 305 properties were financed. MPC Capital actively manages its funds throughout their entire life cycle. When the real estate market peaked, a range of properties were sold in Great Britain, Canada, the Netherlands and the USA and Canada in the interests of investors. MPC Capital has achieved sales in the case of 41 real estate funds. Over an average term of only six years, these funds achieved an average total return of around 154%.

In the reporting period, MPC concentrated its focus on product segments that were less affected by the general weakness in demand. In the real estate segment, MPC Capital raised equity of EUR 48.75 million in 2009 after EUR 110.05 million in the previous year. This is equivalent to around a third of the total placement volume. With real estate funds abroad, MPC Capital reached the top five in terms of providers achieving the best placement results.

Cautious optimism in the Far East Asia did not escape the global financial and economic crisis unscathed, either. However, the economies in the Far East proved to be astonishingly robust. In particular, the two growth engines, namely India and China, had to accept a slowdown in the speed of their growth. However, the World Bank is already assuming that their gross domestic product will grow by 7.5% and 8.0% respectively in 2010. Experts also continue to rate the Asian real estate market as one of the most dynamic.

In 2007, MPC Capital together with its joint venture partner MPC Synergy Real Estate had already given German investors access to the Indian real estate market for the first time. MPC Capital continued the placement of the MPC Indien 2 fund in the reporting period. Generally subdued demand for investment products and a slight softening in the rate of growth in India caused MPC Capital to reduce the total investment sum from almost EUR 340 million to around EUR 100 million in 2009. This will not result in any changes to the forecast total dividend for investors. The fund will continue to invest in project developments of modern urban entertainment centres.

At the same time, MPC Capital continued the placement of MPC Japan in the reporting period. This is a traditional real estate fund in Japan with an equity volume of around EUR 67 million. As the first closed-end Japanese fund in 20 years, MPC Japan will invest in shopping and entertainment centres in nine Japanese conurbations. The fund made the payments to investors stated in its prospectus, even in the 2009 crisis year.

In the area of real estate opportunity funds, the MPC Opportunity Amerika fund and the MPC Opportunity Amerika 3 as well as the MPC Opportunity Asien were placed during the reporting period. Investors' loss of confidence in investment products was particularly apparent in the area of opportunity funds.

Active management With the sale of the Canada 6 fund, MPC Capital again provided evidence of its renowned management qualities in the real estate segment in 2009. Despite a difficult market environment, MPC Capital succeeded in obtaining a very good offer for sale of the fund properties in Toronto of CAD 126 million after only five and a half years. Investors in the fund opted to sell to a Canadian REIT. Together with the dividends paid during the term, this will result in an anticipated total return on the sum invested of some 270%.

Holland 70 fully placed In the reporting period, MPC Capital met investors' need for greater transparency and simplicity with the traditional core real estate fund Holland 70. Here, MPC Capital exploited the regional opportunities of the Dutch real estate market, for which MPC Capital can fall back on particular expertise and experience. With MPC Holland 70, investors are investing in a modern, high quality office complex in the Dutch town of Zeist, close to Utrecht. The Holland 70 fund was fully placed within only about two weeks in the reporting period.

MPC Capital sees one of the major issues of the future in the global shortage of resources. Oil, gas and coal resources are finite and the global demand for energy is massive. The logical conclusion of this is rising prices and the urgent search for alternatives. For this reason, the future belongs to new, regenerative sources of energy, namely wind, water, sun and biomass. In 2008, MPC Capital initiated the energy and commodity funds product segment and established it on the market for closed-end investments. It was the second strongest product in the reporting period. Here, MPC Capital is focusing clearly on its core competence, namely asset-oriented, long-term closed-end investments, and does not participate in price speculation on scarce resources.

In their investment decisions, investors are attaching more and more importance to social and moral values. This is evident not least in the comparatively stable demand for energy and commodity funds despite the current economic crisis. These so-called green investments rank among the megatrends on the capital market. With a substantial level of knowledge and experience, MPC Capital has already offered several funds in this segment. Among others, these include a solar park and an exploration platform for deep sea oil deposits. The product range currently includes the “MPC Bioenergie” fund. The fund is investing in a biomass plant, which generates electricity from the incineration of the waste product rice hulls. MPC Capital's energy and commodity funds have already received several awards.

PERFORMANCE OVERVIEW ENERGY AND COMMODITY FUNDS	Dec. 31, 2008	Dec. 31, 2009
Initiated funds*	2	4
Equity volume* in EUR million	124	173
Investment volume* in EUR million	351	414

* cumulated

ENERGY AND COMMODITY FUNDS

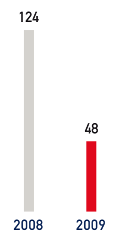
The energy and commodity funds segment was hit far less by the general weakness in investor demand in 2009. Energy and commodity funds were together with the real estate segment among the most successful segments, accounting for some 33% of total placement volume. A total of four funds have been initiated in the energy and commodities segment since 2008, with which MPC Capital raised equity of almost EUR 172.70 million in the 2009 financial year. The investment volume came to around EUR 413.83 million.

MPC Capital sees one of today's major issues for the future in the global shortage of resources. Experts assume that the global population will increase to between eight and ten billion people by 2050. Today, there are some six billion people living on earth. Further harmonisation of global living standards will increase demand for energy and raw materials further over the years to come. With its knowledge of the significance of resources, MPC Capital has therefore positioned itself early in the energy and commodity funds segment. Through its particular flair for entrepreneurial activity and innovative solutions, the company has succeeded in opening up innovative and unique investment opportunities for investors in Germany in this segment.

At the same time, MPC Capital deliberately does not participate in price speculation on scarce resources. MPC Capital's energy and commodity funds combine the attractive with the useful: investors, who invest in the exploration platform for deep sea oil and gas deposits, the MPC Deepsea Oil Explorer and currently in MPC Bioenergie, a biomass plant, play an active part with their investment in securing existing commodities and developing new regenerative methods of energy production.

Social and moral values are becoming ever more important in investors' investment decisions. This is evident not least in the comparatively stable demand for energy and commodity funds even in economically

DEVELOPMENT OF PLACEMENT VOLUMES
ENERGY AND COMMODITY FUNDS in EUR million



difficult times. With its clear focus and the expansion of the energy and commodity funds segment, MPC Capital recognised and exploited this long-term trend at an early stage. When sourcing new projects and partners, MPC Capital also benefits in this segment from a wide international network and diverse personal contacts. MPC Capital was one of Germany's top five providers by placement results in this segment in 2009.

Outstanding investments Since the establishment of the energy and commodity funds segment, MPC Capital has already initiated four funds. Two of these funds have already received an award: the MPC Solarpark fund received the Scope Award in the best energy fund category in 2008 and the MPC Bioenergie achieved a Scope rating of "A–" and was also presented the "Cash Financial Advisors Award".

Oil exploration platform The MPC Capital Deepsea Oil Explorer is an investment in an exploration platform for deep sea oil and gas deposits. The original total equity to be raised was USD 220 million and represented a total investment volume of around USD 680 million. The MPC Deepsea Oil Explorer was closed in the reporting period, as was the security-oriented alternative Deepsea Oil Explorer Protect.

The marketing of the MPC Deepsea Oil Explorer also represented a pilot project for the future parallel marketing of joint projects between MPC Capital AG and HCI Capital AG, in which MPC Capital holds a stake of 40.8%. Precisely against the background of the difficult economic conditions, both partners gained important experience from the joint marketing of the Oil Explorer, which will have a positive impact on future projects.

Award for the Bioenergie fund With MPC Bioenergie, MPC Capital is pursuing entirely new paths in the development and use of regenerative methods of energy production. The fund is investing in a biomass plant in southern Brazil, which generates electricity from rice hulls. The biomass plant is carbon neutral in its operation.

Rice hulls are a waste product from rice processing. Just under twelve million tonnes of rice were cultivated in Brazil in 2008. Previously, the rice hulls were scarcely used and were thrown away. Since it only uses a waste product from rice processing, MPC Bioenergie's investment has scarcely any impact on the price of rice, which is of major significance for billions of people as an important foodstuff. The biomass plant will be constructed in the industrialised southern area of the country, in Sao Borja. Completion is planned for June 2010. To produce a planned output of 12.3 MW, the plant needs approximately 96,000 tonnes of rice hulls per year.

MPC Capital is entrusting the experienced AREVA Group, based in Paris, which has a staff of more than 75,000 and is constructing power plants throughout the world, with the construction of the biomass plant. AREVA has a majority holding in a Brazilian company that constructs power plants. This means that the company has specialist local expertise and can access an existing network and existing structures during construction.

MPC Bioenergie's income source will be generated, in essence, from the sale of the electricity it generates. However, additional income can also be generated from the sale of CO_2 certificates and the rice hull ash. Rice hull ash serves as a key raw material in the rubber and concrete production industry, for example. The total investment volume of the fund comes to approximately EUR 27.8 million.

Ship investments are the classics among closed-end investment models. Since the company was founded in 1994, they have formed a key component of MPC Capital AG's business. The company has launched more than 120 ship investments since then and has consequently financed over 220 ships with a total investment volume of some EUR 8.8 billion. Shipping is a cyclical business in which weak years have always been followed by very strong years to date. As a rule, these fluctuations are evened out during the long term of more than ten years and good returns are achieved. Nevertheless, the worst economic crisis since the 1930s has also hit shipping hard. Particularly in this difficult period, MPC Capital has actively managed its ship investments in the interests of investors and has pleaded their cause with all the various partners involved.

The management is convinced that the 22nd shipping crisis since the 18th century will also be followed by the 23rd upturn. The scrapping of old ships, the cancellation and postponement of orders for new ships and by the policy of slow steaming, that is limiting speed and consequently making ships spend longer on individual routes is already curbing growth in tonnage. At the same time, there are signs of a recovery in the global economy. International division of labour and growth in the global population over the years to come will ensure demand for shipping increases. Today 90% of all goods are already transported by sea – there is no alternative to this. The first opportunity funds and institutional investors are now focusing on the future of shipping. MPC Capital has an ordered asset pipeline, which allows the company to react to markets rapidly and flexibly with new ship investments. Almost all our ships already have fixed charter contracts or are part of a pool utilisation arrangement.

Performance overview ship investments	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2008	Dec. 31, 2009
Initiated ships and funds*	173 ships in 108 funds	203 ships in 114 funds	221 ships in 121 funds	221 ships in 122 funds
Equity volume** in EUR million	2,162	2,715	2,913	2,923
Investment volume** in EUR million	6,580	7,990	8,849	8,841

* cumulated; including ships sold/funds liquidated
** cumulated

SHIP INVESTMENTS

Ship investments represent an entrepreneurial investment in a shipping company. As a long-term investment in assets, ship investments have previously withstood a number of crises and market cycles and can therefore show pleasing results in the long term. The long-term nature of the investment also acts as protection against short-term and speculative market trends. Assets also have an "intrinsic value", which generally moves in line with the general level of prices. They therefore also offer protection against inflation.

In the area of ship investments, MPC Capital works together with well-known international shipping companies, the largest shipyards and leading global charterers. The competency centre for shipping investments assumes responsibility for selecting and bringing together important partners with the aim of achieving long-term success. It is involved in a constant exchange of information with the shipping company MPC Steamship, in which MPC Capital holds a stake.

In accordance with Article 5a of the German Income Tax Act (EStG), shipping companies can also determine their profits as a lump-sum tax depending on the size of the ship. This standard way to determine the profit is generally called tonnage tax. This system is recognised in many European countries and ensures that the annual dividends are taken virtually tax-free throughout the entire duration. Furthermore, closed-end investments are not subject to the flat-rate withholding tax introduced in Germany as of January 1, 2009.

Placement of ship investments very restricted In the past financial year, the ship investment segment had to tolerate a sharp decline. The global recession has hit shipping hard. The volume of goods transported by sea has fallen sharply with the slump in the global economy. At the same time, investment in and new orders for ships, particularly in the container segment, were at a high level. Together with the additional tonnage arriving on the market, this led to a collapse in charter rates. For example, the Harper-Peterson Index, which shows trends in global prices on the charter market for container ships, fell by some 45% in the 2009 financial year. The low charter rates have had a sustained impact on the profitability of some ship investments. Around a dozen ship investments filed for insolvency in the reporting period.

This curbed new investors' interest and willingness to invest still further. Apart from the general cautiousness with regard to financial assets, these particular factors led to a disproportionate fall in the placement of ship investments.

In the reporting year, MPC Capital raised equity of around EUR 9.57 million in the ship segment. The corresponding figure in the previous year was EUR 199.17 million. The share of ship investments in total placement volume fell from 36% to 6.5% in the reporting period. Since 1994, MPC Capital has raised equity of almost EUR 3 billion and achieved an investment volume of around EUR 8.8 billion in 122 funds with 221 ships. MPC Capital has actively managed its existing funds in the interests of its customers in the difficult 2009 financial year.

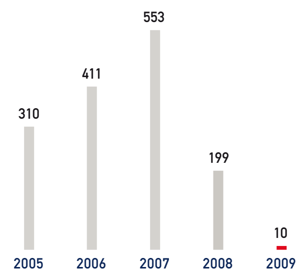
In contrast to competitors, MPC Capital AG did not have to report any insolvencies among its ship investments in the reporting period. The company has developed measures and solutions, which largely allow the fund companies to bridge an economically challenging phase as well. These measures include, for example, reducing the volume of the ship investments, devising restructuring concepts and establishing a bridging fund in the interests of mutual solidarity between the shipping companies where MPC Steamship is the manager.

Two funds in placement Because of the lack of demand in the reporting period, MPC Capital has only marketed two ship investments. These included the investment CPO Nordamerika 2. This invests in five Panamax-class container ships with a capacity of approximately 4,200 TEU. The ships operate in a segment, which, according to experts at the Institute for Maritime Logistics (ISL) in Bremen, will benefit particularly rapidly from an economic recovery. All fund ships of CPO Nordamerika-Schiffe are also chartered for at least five years to Hamburg Süd or the United Arab Shipping Company (UASC). The Hamburg-based shipping company Claus-Peter Offen has underlined its confidence in the fund ships by an own investment in the funds.

In addition, MPC Capital offered an investment in modern double-hulled product tankers with the “Rio D-Schiffe” in the reporting period. Here, MPC Capital reduced the fund to two ships given the general weakness in demand. The two fund ships have a transport capacity of around 12,600 tdw each and are constructed in accordance with the high safety classification IMO II/III. One of the fund ships will be employed from delivery for an unspecified time period in a pool at the Hamburg-based United Product Tankers GmbH (UPT). The other fund ship is chartered for at least three years plus four one-year options to the Danish shipping company herning shipping a.s., a company established in 1963 which is a renowned specialist in the operation of product and chemical tankers.

MPC Capital did not launch any other ship investments during the reporting period.

DEVELOPMENT OF PLACEMENT VOLUMES SHIP INVESTMENTS in EUR million



MPC Global Maritime Opportunities Fund In 2007, MPC Capital launched a fund for institutional investors, in the form of MPC Global Maritime Opportunities S.A., on the market for the first time. The MPC Global Maritime Opportunities fund is designed to use the many different investment options or “opportunities” across the entire value-added chain of the maritime economy. In principle, these also include investments in maritime infrastructure projects as well as listed and non-listed shipping companies. To date, the fund has invested primarily in ships and ship building contracts. The fund was closed in the 2007 financial year having raised equity of USD 228 million.

The fund management manages the existing portfolio actively and in close collaboration with MPC Capital AG as investment advisor and with the Investment Committee. However, the MPC Global Opportunities Fund could not escape the negative market developments resulting from the financial and economic crisis. Against the background of the changes in general conditions, the management worked actively to restructure the existing portfolio during the reporting period. It is convinced that the slow recovery in the global economic situation which is becoming evident and ongoing implementation of the restructuring measures will strengthen the position of the MPC Global Maritime Opportunities fund further.

MPC Capital remains a reliable partner Even if the slowdown in shipping markets is particularly apparent at present, overcapacity will decrease over the next few years. This will restore equilibrium on freight markets. Against this background, MPC Capital manages its existing funds actively and in the interests of investors.

MPC Capital is convinced that ship investments with carefully selected partners and full knowledge of the risks still represent an attractive investment over their terms. This is true not least when one considers the fact that cash equivalent investments only allow moderate returns because of central banks' low interest rate policies, the attraction of which will be further diminished by the anticipated increase in the inflation rate.

Economic cycles in shipping During their long useful lives, ships repeatedly go through economic peaks and troughs and market cycles. In the 2009 financial year, the recessionary economic environment led to a sharp fall in shipping volumes. Because of the long lead-times on orders of twelve to 18 months on average and the substantial growth in tonnage in the global container shipping fleet in recent years, existing shipping capacity was unable to react rapidly to the change in market conditions. This is why surplus shipping capacity led to falling freight rates.

However, at the year-end there were signs of the situation stabilising slightly, thanks, in particular, to the Asian economies. For instance, the Baltic Dry Index, which depicts trends in bulk transport business, firmed by 288% in the reporting period compared with the year-end 2008. However, it remains around two thirds down on the level of 2007. At present, the shipping market is trying to re-establish its equilibrium. New orders are being cancelled, deliveries postponed and uneconomic, older ships scrapped. Shipping companies are also managing their capacity actively in order to reduce volatility. This includes utilising ships in pools and slow steaming, that is limiting the speed of container ships. Slow steaming reduces fuel consumption and consequently bunker costs, while at the same time ensuring that tonnage spends longer at sea.

Ship investments have a future In view of the slight recovery in the global economy, which is apparent at present, goods traffic is also likely to pick up again. There is no alternative to the international division of labour, the transport of raw materials to production plants and the transport of finished goods to the countries wishing to purchase them. Against this background, demand for ships as a means of transport will increase once more and they will be adequately utilised. Over 90% of global goods traffic is now handled by sea. Ships are a cost-effective type of transport, for which there is no substitute at present. Nevertheless, under certain circumstances the improvement in shipping markets will lag behind the improvements in the economic environment.

Ship investments via limited partnerships (KG model) will remain attractive, particularly against the background of the changes on financial markets. They remain an important financing instrument when the provision of credit is restricted. They offer private investors an investment in an asset, which has genuine value at all times, generates attractive cash flows and, thanks to the tonnage tax, can come up with an attractive post-tax return.

All MPC Capital's ship investments, which are currently in its asset pipeline, have guaranteed financing. Virtually all ships also have a fixed and long-term charter agreement with a creditworthy charterer. This fundamental security puts MPC Capital in a commanding position compared with its competitors.

The fund concept of life insurance funds envisages purchasing insurance policies on the secondary market below their actual value. The life insurance fund then pays the premiums due until the end of the policy and collects the amount due on the expiration of the policy term. In the past, MPC Capital selected the endowment and annuity insurance policies issued by reputable German and British insurance companies available on the secondary market, purchased them and placed them in a total of 16 funds. The slump on global stock exchanges in connection with the financial and economic crisis also depressed insurance companies' investments. The interest payable on insured assets declined on average. The policies currently offered on the secondary market do not match MPC Capital's quality standards either. For this reason, no new life insurance fund is being planned at present.

Private investors have had access to the private equity asset class with the MPC Global Equity fund concept. With a private equity investment, investors participate in the equity of companies and share in their economic success in return. In this segment, MPC Capital works with highly regarded partners, who have many years' experience in the private equity market. Investment is focused on stable, medium-sized companies in Europe. Exit routes have narrowed for the moment with the macroeconomic slowdown, meaning that private equity companies are concentrating on consolidating their existing investments and putting them in a promising position for the future. Currently, however, private equity companies are reporting their first successful transactions once again. These also include a private equity fund in which MPC Private Equity 11 has a stake.

PERFORMANCE OVERVIEW LIFE INSURANCE FUNDS / PRIVATE EQUITY FUNDS	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2008	Dec. 31, 2009
Initiated life insurance funds	11	15	16	16
Equity volume* in EUR million	537	652	700	701
Investment volume** in EUR million	1,752	2,213	2,245	2,157
Initiated private equity funds	10	13	13	14
Equity volume* in EUR million	374	412	414	419

* cumulated
** cumulated; change on previous year based on reduction in fund volume

LIFE INSURANCE FUNDS / PRIVATE EQUITY FUNDS

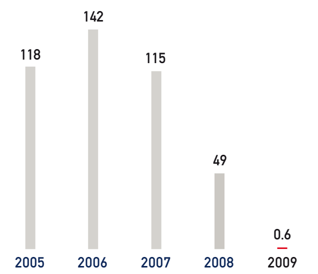
No new products No new products were initiated in the life insurance secondary market funds segment or the private equity funds segment in the reporting period. The financial and economic crisis ensured that the placement environment was challenging by and large.

Life insurance funds closed Life insurance funds invest in life insurance policies which accumulate capital and generate their income from the proceeds of interim sales and the benefits accruing when the policies expire. Here, fund companies acquire policies in accordance with defined criteria. The aim is to develop a portfolio of policies that is as balanced and diversified as possible in terms of risk and reward.

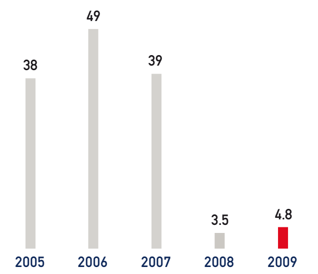
The Leben plus spezial 6 based on German insurance policies was closed on the Austrian market during the reporting period. In the private equity segment, MPC Capital continued placement of MPC Private Equity 11. With a placement result of EUR 4.8 million, MPC ranks among the top ten initiators.

Long-term experience Since 2002, MPC Capital has been offering life insurance funds on the basis of German endowment insurance policies and annuity insurance policies. Funds based on British life insurance policies were added to the product portfolio in 2005. To date, the MPC Capital Group has raised equity of EUR 701 million in total in 16 funds, of which three are based on British policies. Against the background of its long-standing experience and its concentrated in-house expertise, MPC Capital assumes responsibility for purchasing fund policies and for managing funds and actively supports funds over the entire investment cycle and the rest of the term.

DEVELOPMENT OF PLACEMENT VOLUMES OF LIFE INSURANCE FUNDS in EUR million



DEVELOPMENT OF PLACEMENT VOLUMES OF PRIVATE EQUITY in EUR million



Life insurance companies were not able to escape the slump on international stock exchanges and the turbulence on capital markets, either. It led to the current average interest on insured assets (declaration) falling to 4.28% in 2009 according to statistics provided by the industry journal map-Report. British life insurance companies have also repeatedly reduced their declarations. However, they still remain above the level of German policies.

In addition to the regular interest, which is adjusted annually, on insured assets, life insurance policies also share in the final surplus when they expire, the amount of which is only established at the end of the contract. Growth in final surpluses on German policies have failed to meeting expectations by and large in recent years and British insurance companies have also reduced their bonus declarations.

Management agreements reorganised As part of its active fund management and continuous quality assurance, the management of the MPC Capital-Lebensvericherung funds decided to terminate the management agreements for German life insurance policies of twelve life insurance secondary market funds with cash.life AG as of June 30, 2009. Since July 1, 2009, MPC Capital has taken over the management of the policies on a provisional basis through its competency centre MPC Life Plus Consulting GmbH. These organisational changes will not result in any additional charges for investors in MPC Capital's existing life insurance secondary market funds.

Cash.life AG has objected to these terminations and lodged an action. In the opinion of MPC Capital AG and its legal advisors, the plaintiff will not be able to assert its claims. Further information is provided in the risk report contained in the MPC Capital Group's Management Report on p. 90.

Policy purchasing virtually completed In total, the portfolio of 16 life insurance funds initiated by MPC Capital comes to over to over 31,695 insurance policies held. These are distributed across some 40 insurance companies. At the end of the reporting period, all German life insurance funds were fully invested. The investment of MPC Britische Leben plus III was virtually completed, at 96.1%, during the reporting period.

MPC Capital has assigned policy purchasing for the British policy funds to the British partners Maurice Mulcahy, owner of MM Insurance Service, and Roger Lawrence, actuary and founder of WL Consulting Ltd. The British partners MM Insurance Service and WL Consulting Ltd. have assumed responsibility for managing the British policies.

Private equity focused on SMEs In 1999, MPC Capital allowed private investors to invest in venture capital and private equity investments with the first German private equity fund. Against the background of the ongoing changes in general conditions, MPC Capital actively restructured the investment concept in 2005. Since then the investment focus of private equity funds has concentrated specifically on European SMEs in traditional industries. In December 2009, total issuance volume of the 14 private equity funds amounted to more than EUR 419 million.

The MPC Private Equity 11 fund was also in the placement phase in the reporting period. The fund is investing with an equal weighting in the four investment companies APAX Europe VII, Carlyle Europe Partners III, Doughty Hanson & Co V and Odewald & Compagnie III. These target funds have a clear common investment focus on buy-out transactions in European SMEs, so-called small and mid-market buy-outs. On the balance sheet date, the investment companies have raised around EUR 16.3 million and invested in 14 companies.

Substantial potential in European SMEs The historic extent of the financial and economic crisis has also hit private equity markets. Firstly, falling stock exchange prices and increased caution with regard to mergers and acquisitions led to a shortage of possible exit routes. Secondly, access to external capital was blocked because of the difficulties facing banks and financial institutions. Against this background, private equity companies concentrated on stabilising or developing their existing investments. By contrast, hardly any transactions took place. As the economy started to pick up and financial and capital markets started to stabilise, the first private equity investors took the plunge in the reporting year with the aim of exploiting favourable opportunities for corporate investments and acquisitions. Established European SMEs, in particular, continue to offer an attractive investment environment for smaller and medium sized corporate investments combined with comparatively moderate financing being required.

MPC Prime Basket The MPC Prime Basket is an open-ended investment fund, which offers institutional investors, such as insurance companies based in Liechtenstein the opportunity to invest in a broadly diversified asset portfolio. The fund invests in the in-house core area of business, namely assets in closed-end funds. These include, for example, real estate, energy and commodity funds, ship investments, aircraft and private equity funds. With the innovative concept of the MPC Prime Basket, insurance companies can offer their customers high yield assets in the form of an open-ended investment fund as part of a fund-linked policy. The MPC Prime Basket investment fund is managed by an experienced management team in the MPC Capital Group and benefits from the company's knowledge of markets and asset-oriented investments built up over many years.

MPC Europa Methodik The value-oriented MPC Europa Methodik has only one investment criterion: the methodology of Frank Lingohr, who is regarded as a pioneer in quantitative equities analysis. The securities are always selected in accordance with precisely defined analysis models using sophisticated IT. This strictly methodical approach gives countries and shares in the fund structure a uniform weighting. The methodology's success is demonstrated by the remarkable success it achieves even in economically challenging periods.

MPC Absolute Return Superfonds The aim of the fund-of-funds is steady performance and a positive return in absolute terms, regardless of the orientation to a comparison index. According to the market situation, the funds invest in shares, notes, gold, precious metals, commodities and real estate. By adopting different focuses, investor requirements with regard to income, growth and opportunities are covered.

Best Select The Best Select fund concept gives the investor professional portfolio management concentrated on asset-oriented investments in the core business areas of MPC Capital. The fund invests in various product segments of closed-end investments. In this way, with only one investment, investors invest in an entire portfolio which covers the important goals of yield, security and regular dividends, and which helps optimise an overall portfolio. MPC Capital also initiated a savings alternative in the form of the MPC Select Private Plan during the reporting year. It gives private investors the option of investing in a suitable portfolio of closed-end investments through small monthly instalments.

INSURANCE PRODUCTS / INVESTMENT FUNDS / STRUCTURED PRODUCTS

MPC Prime Basket – an innovative investment fund In the area of insurance products, too, MPC Capital focuses consistently on its in-house expertise and longstanding experience in the area of assets. With its open-ended investment fund MPC Prime Basket, MPC Capital offers institutional investors, such as insurance companies based in Liechtenstein the opportunity to participate in a broadly diversified asset portfolio with their products. MPC Prime Basket invests in selected assets in closed-end funds. These include, for example, real estate, energy and commodity funds, ship investments, aircraft and private equity funds. A fixed, traceable investment process ensures that the individual assets are carefully selected and of excellent quality.

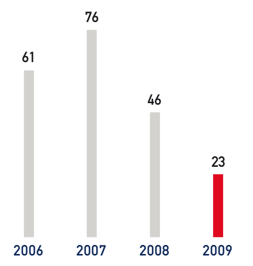
In the reporting year, MPC Prime Basket attracted investment of EUR 1.73 million. On the balance sheet date of December 31, 2009, the fund had a volume of around EUR 7 million.

A leading Liechtenstein-based insurance company as a partner Insurance companies based in Liechtenstein can offer their customers high yield assets in the form of an open-ended investment fund as part of a fund-linked policy via the MPC Prime Basket. Here, customers benefit from the ideal addition, which asset-oriented closed-end investments represent to other investments. With their “tangible values”, assets are high-yield, independent investments offering largely constant income. In 2009, MPC Capital succeeded in acquiring the leading Liechtenstein insurance company, namely PrismaLife, as a partner in addition to Quantum Leben. PrismaLife also offers its customers fund-linked policies based on the MPC Prime Basket.

The MPC Prime Basket investment fund is managed by an experienced management team in the MPC Capital Group and, in its investment strategy, can fall back on the knowledge of markets and asset-oriented investments concentrated in the Group. Distribution of insurance products is the responsibility of MPC Capital Concepts GmbH.

A good performance by MPC Europa Methodik The renowned asset manager Frank Lingohr manages the MPC Europa Methodik. It is regarded as one of the best established European funds and is regularly assessed as first class. The fund follows a strictly methodical concept of investing in undervalued European shares.

DEVELOPMENT OF PLACEMENT VOLUMES OF INSURANCE PRODUCTS / INVESTMENT FUNDS / STRUCTURED PRODUCTS in EUR million



In the 2009 reporting year, the MPC Europa Methodik achieved a performance of 44.42%. It therefore outperformed the comparison index MSCI TR Net Europe by 9.55%. Apart from its extremely gratifying performance, the fund volume also rose by 46% to EUR 62.45 million.

MPC Absolute Return Superfonds on course for recovery Using the absolute return approach, the MPC Absolute Return Superfonds invest globally in the most promising asset segments. These include equities, bonds, precious metals, commodities or real estate. The investment profiles of the three funds-of-funds range from security to risk-oriented. The MPC Absolute Return fund was unable to escape the negative impact of the financial and economic crisis initially, either. However, the funds have benefited from the slow recovery that started in the second half of 2009 and achieved a performance between 2.50% and 12.55%. In particular, the balanced MPC Growth Portfolio put in an excellent performance of 5.64% against extremely low volatility of 5.09%. The renowned FERI Institutional Advisors GmbH is responsible for managing the MPC Superfonds. At the balance sheet date, the volume was around EUR 27.19 million.

Innovative product for covering pension commitments With the MPC Best Select Company Plan 2, MPC Capital offers companies a product specifically designed to cover pension commitments. In this segment, too, MPC Capital focuses on its longstanding experience and core competence in the area of asset-oriented closed-end funds. On the basis of this knowledge, companies can invest in a broadly diversified asset portfolio by making only one single investment decision. This consists of real estate, energy and commodity funds, for example.

The MPC Best Select Company Plan 2 is the successor fund to the MPC Best Select Company Plan, which was awarded the “Financial Advisors Award” in 2008. Among other things, the further development offers more flexibility with regard to the investment strategy in various assets and an expansion of the individually selectable savings phase. In total, MPC Capital raised some EUR 4.83 million in the 2009 financial year here.

MPC Best Select umbrella fund With the MPC Best Select umbrella funds, private investors as well as institutional investors and companies can benefit from a professionally managed portfolio of numerous closed-end funds in various investment classes. As a result, the MPC Best Select series fulfils investors' current need for real, transparent and comprehensible investments. As a supplement to traditional investments such as shares and fixed-interest securities, this asset component can reduce fluctuations in the value of the portfolio as a whole.

MPC Capital initiated the MPC Best Select 10 during the reporting period. It invests flexibly in various asset classes in the area of closed-end funds. Examples of these include real estate, energy and commodity funds as well as infrastructure funds or ship investments.

A new alternative investment: MPC Select Private Plan During the reporting period, MPC Capital reacted to the change in investment requirements with the MPC Select Private Plan and launched an additional alternative investment for the Best Select series. The MPC Select Private Plan is structured as a savings fund, through which private investors can invest in a professionally managed portfolio of closed-end funds through small monthly instalments. As a result, the fund offers the flexibility and ability to plan currently required by investors in addition to the familiar benefits of an investment in asset-oriented closed-end investments.

No structured products In recent years, MPC Capital focused, in particular, on its substantial in-house competence in the maritime industry in the structured products segment. Most recently in 2008, the company launched two freight rate certificates, which mapped movements in freight rates on four main routes for bulk carriers of the Panamaxclass. From the second half of 2008, structured products were particularly badly affected by the crisis of confidence among investors. Therefore, MPC Capital did not launch any other products in this segment during the reporting period.

EARNINGS POSITION, FINANCIAL AND NET WORTH POSITION

Value-oriented Group management

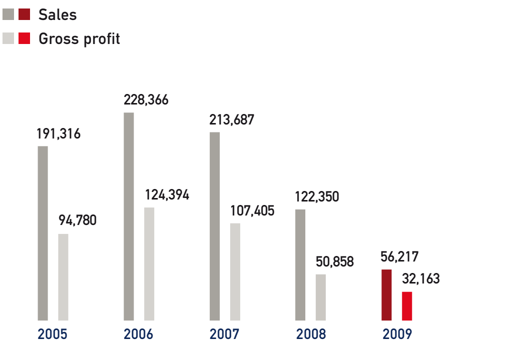
The management of the MPC Capital Group's is focused on achieving sustained performance. This relates both to the management of the company as a whole and that of its subsidiaries. The key management variables here are placed equity volume, profit contributions and gross earnings. The value-oriented management system is a component of controlling and planning processes in the MPC Capital Group.

EARNINGS POSITION

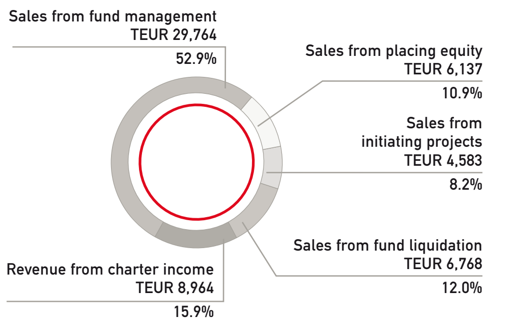
As expected, the repercussions of the financial and economic crisis and the serious loss of confidence among investors have also had a considerable impact on the MPC Capital Group's results. In 2009, the MPC Capital Group generated total sales of TEUR 56,217, compared to TEUR 122,350 in 2008, with the initiation, sale, administration and management of investment products for HNWI customers and institutional investors. The sales trend consequently reflects the poor placement result. According to statistics provided by the German Association of Closed-end Funds (VGF), equity placements across the sector fell by more than half in 2009 compared with 2008. In particular, the ship investments segment, previously a constant mainstay of the product portfolio, posted a sharp fall of more than 70% year-on-year against the background of the additional crisis in international shipping. The shift in the composition of the product portfolio also had a negative impact on the translation of placement volume into sales performance.

Consequently, the proportion of sales from project initiation and placement fell from TEUR 96,815 to TEUR 10,721. The share of recurring revenue from fund management increased in percentage terms and reached almost 53% of total sales. As a result, sales from fund management are an important stabiliser for the MPC Capital Group's results in a difficult environment. In the reporting period, revenues from fund liquidation, that is the premature liquidation of fund as a result of the sale of the asset, also decreased. This applied, in particular, to the sale of

DEVELOPMENT OF SALES AND GROSS PROFIT in TEUR



SALES COMPONENTS OF TOTAL SALES IN %



KEY DATA OVERVIEW	2007	2008	2009
Sales in TEUR	213,687	122,350	56,217
Group net income in TEUR	53,129	–100,034	–78,153
Earnings per share in EUR	3.64	–8.95	–4.50
Return on sales in %	18.1	–81.8	–139.0

the Canada 6 fund. Revenues from fund liquidation totalled some 12% of total revenues. Just under 16% of sales revenues were attributable to charter income, from an investment in LPG tankers, which MPC Capital entered into at the beginning of 2009.

A detailed breakdown by product of the sales and profit contributions can be found in the segment reporting in the consolidated annual financial statements.

The cost of purchased services comprises commission payments for placing equity by institutional and independent sales partners and expenses for project initiation and auxiliary measures. The amount of the expense generally increases with the number and the volume of the placed products or products in the placement phase. The historically low placement volume in 2009 caused expenses to shrink year-on-year. At the same time, the operating costs of TEUR 9,579 were incurred with the investment in LPG tankers. Accordingly, expenses for purchased services totalled TEUR 23,056 (2008: TEUR 74,076). Because of the particular challenges posed by 2009, MPC Capital started a comprehensive strategy programme at the beginning of 2009. Part of the measures it contained involved adjusting employee numbers to the anticipated reduction in placement volume. On average, at 288, the number of people employed at MPC Capital in 2009 was down almost 21% on the level of the previous year. During the reporting period, personnel expenses fell by almost 26% year-on-year to TEUR 23,487 because of the adjustments to personnel numbers and the strict limits placed on variable remuneration.

Other operating expenses also take into account the expenditure for the development and marketing of new and existing products and product lines. In 2009, expenses fell by just under 28% from TEUR 44,614 to TEUR 31,934. This primarily relates to legal, consultancy and project costs and the cost of advertising and events, which includes expenses for new products in energy and commodity funds.

The contributions from associated companies were also anything but pleasing during the reporting period. In particular, HCI Capital AG, in which MPC Capital AG has a 40.8% stake, also suffered from the weak market and posted a loss for 2009 of TEUR 55,800. Its contribution for MPC Capital therefore comes to around TEUR –22,765, which is a good 77% of the total contributions shown from associated companies. HCI Capital AG tied up a restructuring package in February 2010, which includes release from possible placement guarantees and warranties up to the end of 2013. The restructuring programme and the changes and cost reductions announced by HCI Capital AG on March 10, 2010 are likely to make a material contribution to maintaining the value of the shares in HCI Capital AG held by MPC Capital.

As a result, the Group posted EBITDA, that is earnings before interest, taxes, depreciation and amortisation, of TEUR –15,123 on the balance sheet date, December 31, 2009. The addition of special effects and value adjustments, which were clearly attributable to the difficult economic situation and may be partly offset as the environment improves, results in pre-tax loss of TEUR 75,066. These special effects related mainly to value adjustments on investments, finance expenses and negative contributions from associated companies. Among other things, value adjustments of TEUR 15,132 were recognised on LPG tankers and on shares in fund companies held by MPC Capital. Value adjustments and depreciation came to TEUR 17,448 in total.

The taxes on income mainly arise from positive results from individual investments and subsidiaries: nevertheless, the tax burden declined further against the background of the difficult earnings situation and stood at TEUR 3,087 in the reporting period (2008: TEUR 3,979). This resulted in a loss for the period of TEUR 78,153 (2008: TEUR –100,034).

FINANCIAL AND NET WORTH POSITION

Principles and goals of financial management

The goal of the financial management is to ensure the financial stability and flexibility of the MPC Capital Group by establishing a balanced ratio between equity and debt. Here, the MPC Capital Group has to take into account both the shareholders' yield expectations and the liquidity and financing requirements of the MPC Capital Group.

Within the MPC Capital Group, currency and interest rate risks are controlled primarily by means of hedges with regard to product development and design.

The Group invests free liquidity as interest-bearing within financial management. Only non-speculative, conservative, largely short-term forms of investment are used, such as call money or time deposits with banks.

Strategic, entrepreneurial decisions and the economic conditions have a material impact on the financial position and net worth of MPC Capital. In the reporting period, the crisis of confidence among investors across all sectors, the international shipping crisis and the repercussions of the financial and economic crisis on the value of investments and assets had a negative impact on the earnings position, financial position or net worth position of the MPC Capital Group.

At the balance sheet date, the MPC Capital Group has total borrowing commitments to banks and other financial institutions of approximately TEUR 162,769, of which approximately 53% have a short-term structure, i.e. they have a maximum term of one year, and approximately 47% a long-term structure. As part of its strategy programme initiated at the beginning of 2009, MPC Capital secured fundamental agreements from its financing partners on the extension of existing credit lines, the suspension of existing covenants and the provision of bridge finance for fund projects. At the same time, thanks to a continuation of the expansionary monetary policy pursued by central banks and further stabilisation in the financial and capital markets, there was no significant change in the general level of interest rates, which could have an impact on the follow-up financing or renegotiation of MPC Capital's loans. The risk report analyses the impact of the interest rate and follow-up financing, starting on page 93 et seq.

In view of the business challenges of 2009, MPC Capital strengthened the liquidity position through a rights issue during the reporting period as part of the strategy programme initiated at the beginning of 2009. A gross inflow of TEUR 48,500 was achieved through a two-stage rights issue involving a fixed application for subscription from the major shareholders Corsair III Investments (Luxembourg) S.à.r.l. (Corsair Capital), MPC Münchmeyer Petersen & Co. GmbH (MPC Holding) and the shareholder and member of the Management Board of MPC Capital AG Ulrich Oldehaver.

On March 26, 2010, MPC Capital also concluded an agreement with its funding partners securing the financing basis of the company.

This agreement includes important and far-reaching commitments on the part of the funding partners with regard to existing loan agreements and liabilities as well as their conditions. This includes agreements on the extension of existing credit lines and interim financing and the suspension of existing covenants. The outcome of this is financing security for current funds and funds to be placed as well as security for all significant company liabilities, including the placement guarantees and sureties issued. At the same time, the stable financing basis will also improve the financing basis for new business. The agreement has a duration until the end of September 2013.

At the same time, MPC Capital announced on March 26, 2010 that it would be making a rights issue of at least TEUR 20,000, which would essentially be borne by the main shareholders Corsair Capital, MPC Holding and Ulrich Oldehaver. The shareholders have therefore demonstrated their faith in MPC Capital once again. Further information on this can be found in the Supplementary Report of the Annual Report of MPC Capital AG, from page 80 et seq.

Cash flow statement

With a far lower placement volume, the MPC Capital Group posted negative cash flow from operating activity totalling TEUR 29,472 (2008: TEUR +48,939). However, this is well below the negative consolidated result of TEUR 78,153, which is attributable to non-cash adjustments and value adjustments in particular.

The reduced pace of business activity for the companies in the MPC Capital Group also restricted investments in fixed assets, which are usually limited to office furniture and equipment. Only small investments in fixed assets are planned for the future.

In the reporting period, cash outflow from investment activity was TEUR 15,298 (previous year: TEUR 25,598), and largely results from investments in LPG tankers.

Financing activity resulted in positive cash flow, which is largely attributable to bank loans and the capital increase resulting in an inflow of TEUR 48,055 at the beginning of the year. Cash flow from financing activity also contained an outflow of TEUR 20,000, which related to bank balances held by MPC Capital. These were deposited as collateral as part of the agreement with funding partners at the beginning of 2009 and have been reclassified as other long-term assets because of the restrictions on disposal. Total holdings of cash and cash equivalents stood at TEUR 3,193 on December 31, 2009. The company's potential funding requirements calculated as part of detailed liquidity planning were also secured up to the end of 2013 through appropriate financing commitments from banks agreed on March 26, 2010.

Consolidated balance sheet

The Group's balance sheet total as at December 31, 2009 was TEUR 216,431, consequently only just under the previous year's value of TEUR 242,782.

On the assets side, there was an increase in property, plant and equipment in particular. The position rose by around TEUR 13,096 to TEUR 15,885. In essence, this increase is attributable to an investment in LPG tankers at the beginning of 2009, which is also reflected on the liabilities side in the long-term financial liabilities. As part of its concentration on its core area of business, namely closed-end investments, and in particular, the strong segments, real estate as well as commodities and renewable energies, MPC Capital made payments for four biomass plants, which are recognised in other current assets. As part of the strategy programme initiated at the beginning of 2009, MPC Capital has deposited bank balances of TEUR 20,000 as collateral. These are recognised in the balance sheet as other financial assets.

On the liabilities side, MPC Capital Group's equity comes to TEUR 15,970 at the end of 2009 (2008: TEUR 45,759). The equity ratio therefore stands at 7.4% (2008: 18.8%). Equity was affected by non-cash special effects and value adjustments, which are clearly attributable to the difficult economic situation. An improvement in economic growth could also contribute in part to these effects being revalued. MPC Capital also announced on March 26, 2010 that it would be making a rights issue of at least TEUR 20,000, which will strengthen the company's capital sufficiently.

A sharp decline in provisions from TEUR 11,133 in 2008 to TEUR 1,413 in 2009 was posted. Against the background of the reduction in the number of new projects, among other things, provisions are lower on the balance sheet date than in the previous year.

Financial liabilities excluding provisions, deferred taxes and derivative financial instruments totalled TEUR 162,768 (previous year: TEUR 141,632). At the balance sheet date of December 31, 2009, non-current liabilities totalled TEUR 76,313 (previous year: TEUR 67,602). The year-on-year increase is the result, among other things, of taking out loans in connection with the investment in LPG tankers mentioned above at the beginning of 2009. On the balance sheet date, current financial liabilities exceeded the previous year's figure of TEUR 74,030, at TEUR 86,456 in total. Factors causing this effect included the reclassification of non-current into current liabilities and the extension of the financing base by taking out short-term loans.

Dividend

Since its IPO in 2000, MPC Capital has always supported a shareholder-friendly dividend policy. Every financial year – and therefore eight times in succession – a dividend was distributed to shareholders. Due to this year's negative annual result, MPC Capital AG does not intend to distribute a dividend for the 2009 financial year.

EMPLOYEES

Motivated, first-class team The employees of the MPC Capital Group are dynamic and energetic in carrying out their duties. These are the people who implement the business model and shape the future with new ideas. As of December 31, 2009, the MPC Capital Group employed 267 staff (2008: 381).

2009 was a particularly difficult year for MPC Capital's employees. Organisational structures were also adjusted as part of the strategy programme started at the beginning of 2009, which aimed to equip the Group for the year's entrepreneurial challenges.

MPC Capital reduced its staff count in connection with this by around 15% or 55 people in January 2009. The company carried out the adjustments to its organisational structure as cautiously and circumspectly as possible. MPC Capital provided the employees affected with extensive support to put them in a good position in searching for new employment. Among others, the services included measures organised and carried out in-house.

In the future, MPC Capital will continue to rely on the high development and management quality of its employees and has consciously secured the experience built up in the company over the past 15 years. The structure, made up of competency centres for the respective product lines as well as the expertise combined within these, was not changed. MPC Capital has only adjusted the volume which can be moved in these company units to the altered market situation.

The Management Board explicitly thanks all MPC Capital employees for their particular commitment and their understanding of the corporate strategy decisions taken in 2009. Employees' dedication and willingness to perform particularly in this difficult period is demonstration, which is not self-evident, of their strong identification with our company and the passion with which employees pursue their work.

EMPLOYEES	2005	2006	2007	2008	2009
Number of employees (average)	215	249	311	364	288
Personnel expenditure in TEUR	24,397	30,833	32,845	31,634	23,487

In future, MPC Capital will continue to adhere to the corporate values of partnership, reliability, professionalism, enthusiasm and entrepreneurial spirit, which determine our corporate culture yesterday, today and in future.

Apart from the organisational changes, 2009 also required the establishment and expansion of expertise and capacity in many corporate divisions. The priority for human resources activities is to attract first-class individuals for the company and train them further with individual-specific measures. Regular personnel appraisal meetings take place in which MPC Capital ensures the individual development of every single employee and creates the foundation for continuous optimisation.

MPC Capital's modern human resources work creates an individual environment which allows outstanding performance from employees even in difficult times. The company has established itself as a premium employer in the sector with its consistent personnel marketing.

During the reporting period, the average number of employees in the MPC Capital Group was 288. In comparison with the average 364 employees in the previous year, this means a reduction of almost 21%. As of December 31, 2009, the MPC Capital Group employed 267 staff. The proportion of employees abroad stood at 4% after around 2% in the previous year.

Managing Directors and other senior employees at MPC Capital AG and its subsidiaries receive performance-related remuneration in addition to their fixed salary.

The MPC Capital Academy Anyone who wishes to recruit highly-qualified employees with ideas and initiative as well as hoping to promote independent thinking in managers must develop expertise and personality rigorously and on an ongoing basis. For this reason, the MPC Capital Academy was founded by the company. In the first stage, MPC Capital designed and implemented two development areas within the MPC Capital Academy.

The MPC Capital Product Academy teaches the principles and provides an overview of products at MPC Capital AG, thus ensuring that new employees are inducted more quickly and with a greater specialist focus. The MPC Capital Management Academy also supports employees in developing management skill, helps them with their management activities, trains them on the basis of strategic measures and prepares them for their role as multiplier at MPC Capital.

Changes in the Management Board With effect from January 1, 2009, Management Board member Axel Siepmann left the Management Board of MPC Capital AG of his own accord.

Joachim Pawlik (born 1965) was appointed to the Management Board of MPC Capital AG with effect from November 1, 2009. Joachim Pawlik will be the member of the Management Board responsible for Sales and Distribution. He joined MPC Capital AG as interim manager at the beginning of the second half-year and has since managed the company's sales and marketing operations successfully.

Change to the Management Board in Austria In 2008, Johannes Jakob Haller resigned from his post of member of the Management Board of MPC Capital AG Austria due to a change within the Group. With effect from January 2, 2009, Hans Haller moved to MPC Capital's Hamburg headquarters and took over management of the Private Placements department there. In this role, he is responsible for advising very high net worth private customers.

SOCIAL COMMITMENT

By establishing the MPC Capital foundation in 2005, MPC Capital AG has anchored its social commitment permanently and strategically within the Group. The foundation started the Elbstation initiative in 2006. This supports educationally disadvantaged young people, boosts their self-confidence and arouses their willingness to perform. In this way the company has committed itself with great success to equality for and the encouragement of young people in education and training.

Education is the key In Germany, many young people do not dare to go to university although they have the required potential and talent. This situation is particularly true of pupils from families who have not gone to university or are immigrants. They lack advisors, both at school and home, to show them possible options and projects to support pupils.

It is the aim of the MPC Capital foundation to offer these young people better opportunities in future – with gratifying results: all participants over the past two years are working towards a university degree. Two young people received one of the coveted “Start grants” for gifted immigrants. These results are being noticed. The Hamburg Education Authority has recognised participation as teaching time outside school. In 2009, the Hamburg Senator for Culture Karin von Welck and the Senator for Schools Christa Goetsch highlighted their recognition of the project through personal visits. Biographies of participants in the Elbstation project have also been included in the “Buch der Bildungsrepublik”, which has been created as part of the federal government's initiative to improve qualifications entitled “Aufstieg durch Bildung”.

Apart from supporting the foundation both financially and with ideas, many MPC Capital employees make a major voluntary contribution by acting as mentors or contributing specialist technical knowledge.

Added value for the company The visible success of the MPC Capital Stiftung's projects also has a positive impact on MPC Capital. In Hamburg, in particular, events arranged by the foundation, visits by politicians and opinion formers as well as media reports are generating increasingly positive opinions. The MPC Capital Foundation was awarded the renowned PR Award in the Responsibility/CSR category for its successful communication work in 2009. This proved that MPC Capital had focused from the beginning on a project offering long-term promise, actively supports it and also encourages its employees to get involved on a voluntary basis. This gives MPC Capital's social commitment a degree of credibility, which also benefits the company's core business.

The number of employees, who have cooperated on the project on a voluntary basis increased further in 2009 despite the difficult economic environment and the reduction in the number of employees in the company. For example, some 25% more employees participated in the foundation's mentoring programme than in the previous year. This is an indicator of a strong social relationship and identification with the values and aims of the company. The common social involvement of company and employees also contributes to reducing personnel risks and to identification with MPC Capital. A detailed Annual Report by the MPC Capital Stiftung is available to download on the Internet at www.mpc-capital-stiftung.de and can also be ordered as a hard copy.

SUPPLEMENTARY REPORT

MPC Capital secures a stable financing basis

On March 26, 2010, MPC Capital AG concluded an agreement with its funding partners securing the financing basis of the company in the long term.

This agreement includes important and far-reaching commitments on the part of the funding partners with regard to existing loan agreements and liabilities as well as their conditions. This includes agreements on the extension of existing credit lines and interim financing and the suspension of existing covenants. The outcome of this is financing security for current funds and funds to be placed as well as security for all significant company liabilities, including the placement guarantees and sureties issued. At the same time, the stable financing basis will also improve the financing basis for new business. The agreement is valid until the end of September 2013.

In connection with this agreement, the Management Board and Supervisory Board of MPC Capital AG decided to hold a rights issue. The main shareholders, MPC Münchmeyer Petersen & Co. GmbH, Corsair III Investments (Luxembourg) S.à.r.l and Ulrich Oldehaver, have undertaken to invest a total amount of around EUR 20 million in MPC Capital AG as part of the capital increase. The subscription price for the new shares amounts to EUR 2.75. The subscription right was set at 2:1, meaning that shareholders are entitled to subscribe for one new share for each two shares they already hold. Depending on free float participation, the number of newly issued shares will increase to a maximum of 8,809,959. The company's subscribed capital would then amount to EUR 27,022,877, divided into 27,022,877 non-par bearer shares.

With the agreement and the increase in the share capital, MPC Capital AG is closely integrating its funding partners and shareholders into a future-oriented programme with the aim of positioning the company on a stable basis and leading it on the path to recovery in the years to come.

Change in the Management Board

MPC Capital also appointed Alexander Betz to the Management Board of MPC Capital AG with effect from April 1, 2010. At the same time, the Management Board member Ulrich Oldehaver announced that he will leave the Management Board of MPC Capital AG of his own accord and in agreement with the Supervisory Board and the Management Board with effect from March 31, 2010. Alexander Betz is regarded as renowned expert in the market for closed-end funds. Through his many years working as the Chairman of the Management Board of eFonds Holding AG, he not only has an outstanding network in the closed-end funds sector but also excellent knowledge of the changes in sales and customer requirements. Alexander Betz will be responsible for ensuring that the focus of the product portfolio is clear and demand-oriented. He will resign as Chairman of the Management Board of eFonds Holding AG, which he founded, on March 31, 2010 and switch to its Supervisory Board.

HCI Capital AG strengthened

HCI Capital AG, in which MPC Capital AG holds 40.8% (9,791,182 shares) of the share capital and voting rights, announced the successful conclusion of a restructuring agreement with the banks on March 11, 2010. The banks' commitment not to claim against HCI Capital AG under existing contingent liabilities until September 30, 2013 is a material component of the agreement. The financing banks were also granted the option of converting loans of around EUR 36 million into capital or long-term financing. Should it not be fully discharged from its contingent liabilities by April 28, 2010, HCI Capital AG is planning a capital increase of EUR 22 million. The two main shareholders, MPC Capital and the Döhle Group have promised their support for the capital increase in this case. The financing agreement for HCI Capital AG will strengthen the company and make a material contribution to maintaining the value of the shares in HCI Capital AG held by MPC Capital.

LEGAL INFORMATION

Declaration on Business Management (Article 289a of the German Commercial Code)

MPC Capital published the Declaration on Business Management for the first time for the 2009 financial year. This means that MPC Capital not only complies with the statutory disclosure requirements but also highlights its communication policy with its focus on openness and transparency.

Management Board Remuneration Disclosure Act (VorstOG)

The Management Board Remuneration Disclosure Act provides for individualised disclosure of the remuneration of Management Board members subdivided by components independent of performance and performance-related components as well as components with a basis of assessment covering several years and a long-term incentive. The information required can be omitted if the Annual General Meeting approves this with a three-quarters majority of the share capital represented at the passing of the resolution. The Annual General Meeting of MPC Capital AG held on May 4, 2006 approved the omission of this information for the period of five years with 82.95% of those present entitled to vote. The overall remuneration approved for the Management Board is published in the notes to the annual report on page 201. The remuneration report as a component of the annual report of MPC Capital AG also provides an overview of the structure of Management Board remuneration.

The system of Management Board remuneration also adheres in essence to the remuneration structures and disclosures envisaged in the German Corporate Governance Code under Item 4.2.3 et seq. in the version dated June 18, 2009. Further disclosures on this and deviations from the Code's recommendations are to be found in the Declaration by the Management Board and the Supervisory Board of MPC Capital AG on the recommendations of the German Commission on the German Governance Code in accordance with Article 161 of the German Stock Corporation Act on page 16/17 of this report.

Takeover Directive Implementation Act

With the resolution of the Takeover Directive Implementation Act on July 8, 2006, the following information is binding in the Group management report of MPC Capital:

1. The subscribed capital as at balance sheet date December 31, 2009 comprises 18,212,918 no-par bearer shares with a notional share of EUR 1 of equity capital. Each share entitles the holder to one vote in the Annual General Meeting.

2. Since January 9, 2007, there is no longer a voting pool agreement between the shareholders MPC Münchmeyer Petersen & Co. GmbH (MPC Holding) and Oldehaver Beteiligungsgesellschaft mbH. The Management Board of MPC Capital AG is not aware of other restrictions relating to voting rights or the transfer of shares.
3. As at balance sheet date December 31, 2009, MPC Capital AG was aware of the following participations with a share of more than 10% of voting rights:
   - 29.79% of the shares are held by MPC Münchmeyer Petersen & Co. GmbH
   - 29.90% of the shares are held by Corsair III Investments (Luxembourg) S.à.r.l.
4. Shares with special rights which bestow control powers do not and did not exist.
5. It is to be assumed that employees participate in the capital. However, the Management Board is not aware of any employee holding significant numbers of MPC Capital AG shares. On the balance sheet date of December 31, 2009, the company has no employee share programmes.
6. The legal provisions apply to the appointment and dismissal of members of the Management Board of MPC Capital AG. The Annual General Meeting of MPC Capital AG on May 12, 2009 resolved various changes to the Articles of Association of MPC Capital AG with a large majority:
   a) Agenda item 5: resolution on the cancellation of existing and procurement of new authorised capital in 2009 and the corresponding changes to the Articles of Association.
   b) Agenda item 6: resolution on authorising the Management Board to issue profit participation rights, convertible/warrant bonds, participating bonds, to exclude subscription rights and resolution on the creation of contingent capital in 2009 and the corresponding changes to the Articles of Association.
   c) Agenda item 7: resolution on the authorisation for acquisition and utilisation of treasury shares.
   d) Agenda item 8: resolution on the agreement on the amendment of the control and profit transfer agreement between MPC Münchmeyer Petersen Capital AG and MPC Münchmeyer Petersen Capital Concepts GmbH.
   e) Agenda item 9: resolution on amendments to the Articles of Association in Article 12 (Ordinary Annual General Meeting, Location and Convention) and Article 13 (Participation and Voting Right).

   The wording of the changes can be found in the invitation to the Annual General Meeting of MPC Capital AG on May 12, 2009. This is permanently available on the Internet under www.mpc-capital.com/ir.
7. MPC Capital AG's Annual General Meeting of May 12, 2009 authorised the Management Board to raise the company's share capital with the agreement of the Supervisory Board once or several times up to May 11, 2014 by up to a total of EUR 9,106,459 by issuing up to 9,106,459 new shares for cash or kind (authorised capital 2009). In each case, ordinary shares and/or non-voting preferred shares may be issued. The Management Board is also authorised to exclude shareholders' subscription rights under certain circumstances with the agreement of the Supervisory Board (Agenda item 5b of the invitation to MPC Capital AG's Annual General Meeting of May 12, 2009).

It was also stipulated in agenda item 6 that the company is entitled on one or more occasions up to May 11, 2014 to issue profit sharing rights and/or debentures totalling up to EUR 100,000,000 with conversion rights or option rights securitised in option certificates and participating bonds or a combination of these instruments on up to 9,000,000 new, bearer shares in the company with a pro rata amount of the share capital of up to 9,000,000 in accordance with the authorisations and conditions under agenda item 6 of the invitation to the ordinary Annual General Meeting of MPC Capital on May 12, 2009.

The Annual General Meeting of MPC Capital on May 12, 2009 also authorised the company to acquire and to use treasury shares until November 11, 2010 in the scope of up to 10% of the current share capital. The authorisation to acquire and use treasury shares issued in the Annual General Meeting of MPC Capital on April 22, 2008 was also cancelled. At no point is more than 10% of the share capital to be attributable to the shares acquired, together with other treasury shares in the company's ownership or which are allocatable to the company in line with Articles 71a et seq. of the German Stock Corporation Act.

8. No significant agreements exist which come under the condition of a change of control due to a takeover bid (change of control clauses).
9. Compensation agreements have not been concluded with the members of the Management Board or employees in the event of a takeover bid.

RISK REPORT

Risk and value culture

The aim and the mission of the MPC Capital Group's risk and value culture is to preserve enterprise value and increase it on a sustainable basis, to maintain financial and entrepreneurial flexibility and thus to ensure the company's continued existence in the long term.

Risks to the company can arise as a result of its own entrepreneurial activities or external factors. It is the duty of risk management to identify these risks at an early stage, to assess them and to limit them sufficiently so that business opportunities can be exploited.

Active risk management is an important component of the business management and control of the MPC Capital Group.

The Managing Board and Supervisory Board of MPC Capital AG are committed to the principles of a management system aligned to value orientation and therefore attach great importance to ongoing systematic risk management.

Risk management system As for the product segments of the MPC Capital Group, knowledge of existing and potential risks is the key to the long-term and sustainable success of the entire company.

Risk management is an active system for the sustainable management of the company, which includes all activities of the MPC Capital Group. Risks are recorded on an ongoing and systematic basis, using a company-specific risk strategy. Risk management is concerned with identifying these risks, analysing and assessing them, managing them, monitoring them and communicating them.

Within the Group, the business units are responsible for early recognition and reporting and for dealing with business risks. The next higer management level is responsible for monitoring this. The business units as well as the holding itself identify, assess, control and continually monitor the risk situation. As potential risks must be included in entrepreneurial activities, MPC Capital looks at the aggregate risk situation. The risk management system of MPC Capital AG, which is standardised throughout the Group and organised centrally, complies with legal requirements. It therefore analyses, assesses, communicates and updates the risks to the Group as part of a regular risk inventory. In particular, the risk management system focuses on the early recognition of internal and external risks and on comprehensive and complete risk-relevant reporting.

Regular reporting, which is embedded in the integrated controlling concept, communicates information on the status of, and significant changes to, material risks. The purpose of the reporting and controlling system is to ensure that the business divisions, staff and Managing Board have all information at all times which they require for the early detection of developments which could impair the Group's financial position, net worth and earnings position.

The Managing Board keeps the Supervisory Board informed of the development of risks through regular comprehensive reports and immediate reports in the event of special developments.

The auditing departments based within the Group Development division also provide support for risk management.

MPC Capital AG's risk management system is part of the annual financial statements and fulfils the legal requirements of the Control and Transparency in Enterprises Act (KonTraG).

MPC Capital AG also sees its risk management system as a dynamic and constantly evolving function. The findings gained by the Managing Board and the management through the daily risk management programme not only make an important contribution towards the ongoing expansion of the risk management system. Much more, they also ensure the corporate aims are achieved and increase the MPC Capital Group's value on an ongoing basis.

The risk management system in the accounting process

With regard to the accounting process, the risk management system relates to compliance with legal and industry standards, the correct recognition of facts in the balance sheet and the appropriate valuation and consideration of balance sheet risks. Ongoing monitoring takes place via an internal control system that constitutes an integral part of the risk management system. The internal control system comprises principles, processes and measures to ensure the correctness of the accounting and the control of crucial legal and internal guidelines.

The key features of the risk management and internal control system with regard to the (consolidated) accounting process in place at MPC Capital can be described as follows:

- The MPC Capital Group is distinguished by a clear organisational and corporate structure. Company-wide key functions are managed centrally via MPC Capital AG.

- The functions of the units and areas involved in the accounting process (e.g. accounting, Group sales controlling and Group controlling) are kept separate. The areas involved in the risk management and control system have the requisite expertise and the appropriate resources to fulfil their tasks adequately.
- The consolidated financial statements of the MPC Capital Group follow International Financial Reporting Standards (IFRS).
- The MPC Capital Group has a central accounting and balancing organisation.
- The accounting process is effected on the basis of a uniform account system.
- In essence, reporting is structured on a segment basis.
- Appropriate internal control processes (within the processes, dual control principle, release procedures and authorisation procedures) are in place.
- The financial systems used correspond to standard software (LucaNet, Diamant).
- The financial systems implemented via IT are protected against unauthorised access.
- Internal guidelines have been implemented for material transactions. These are updated, extended and supplemented on an ongoing basis (e.g. travel expenses guidelines).
- Use of a closing calendar and a structured process to prepare the accounts with guidelines and instructions.
- Income-relevant and/or risks that would jeopardise the company's existence are recorded, analysed and managed continuously via planning, reporting, controlling and early warning systems and processes.
- Relevant and specific risks are identified using a bottom-up principle, in part via the individual competency centres.
- The Management Board and Supervisory Board are informed of the development of risks and relevant posting transactions comprehensively, regularly and immediately in the event of special developments.
- Among other things, the Management Board and Supervisory Board also address material questions of accounting and risk management.
- The completeness and accuracy of data are checked regularly. This is effected both via manual (spot) checks and via the plausibility checks incorporated in the various software programs used.
- Accounting-relevant processes are also scrutinised by units that are independent of these processes, the Management Board and Group Development as part of an internal audit.
- The accounting-relevant processes incorporated at MPC Capital are dynamic. This means that they are regularly reviewed and, if applicable, adjusted to current developments and general conditions. They were also reviewed as part of the audit of the consolidated financial accounts by PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Hamburg.

Explanation of the key features of the internal control system and the risk management system with regard to the accounting process The MPC Capital Group's internal control and risk management system ensures that the accounting at MPC Capital and at all the companies included in the consolidated financial statements are consistent with the legal requirements and internal guidelines.

Qualified employees, the use of software that is customary for the sector, clear internal and legal guidelines constitute the fundamental principles for a uniform and continual accounting process within the MPC Capital Group. The measures and guidelines incorporated as part of an internal control process such as automatic and manual plausibility checks also guarantee that the accounting process is adequate and correct.

The risk management system of MPC Capital, which is standardised throughout the Group and organised centrally, complies with legal requirements. It analyses, assesses, communicates and updates the risks to the MPC Capital Group as part of a regular risk inventory. In particular, the risk management system focuses on the early recognition of internal and external risks and on the risk-relevant reporting of the business divisions and staff and the regular, active communication between those responsible for risk management and the Management Board, the Supervisory Board and the business divisions.

Through this framework, MPC Capital ensures that, in essence, transactions are recorded, processed and documented promptly, correctly and traceably in accordance with the legal requirements and internal guidelines. It also guarantees that assets and liabilities are recognised and shown correctly and appropriately in the consolidated financial statements. The information in the consolidated financial statements and the annual report is comprehensible and transparently visible.

External Risks

Environment and industry risks The MPC Capital Group operates throughout Germany and in Austria and the Netherlands and is involved in the development, initiation, distribution and management of alternative investments.

The activities of the MPC Capital Group are influenced by general external conditions such as the economic situation, the development of the general income and prosperity of investors and changes in their investment preferences. As with any other company, these factors can lead to a drop in demand and can have a corresponding impact on the income of the MPC Capital Group.

As a result of the financial and economic crisis, this risk has become more significant than ever before since the second half of 2008. In addition to disruptions and turbulence on the product markets and on stock exchanges worldwide, a severe crisis of confidence was seen among investors. This significantly reduced demand for investment products. As a result, the placement volumes for closed-end investment models were almost halved in only two years.

MPC Capital was unable to escape these industry-wide developments. The significant reduction in placement figures had a negative impact on the Group's earnings position. The crisis of confidence among investors continued during the reporting period. The distribution of new investment products is proving to be troublesome in the current environment.

Nevertheless, MPC Capital reacted quickly to the change in overall conditions: at the beginning of 2009, the company adopted an extensive strategy programme that strengthens MPC Capital, eases the cost burden and improves planning security. As part of these measures, MPC Capital has managed its product portfolio actively. The company has also concentrated its strategic focus on the initiation of new fund products in the field of energy and commodity funds and in the field of real estate funds. These areas were affected far less by the general weakness in demand. As one of the leading providers in the area of closed-end investments, MPC Capital is also continuing to benefit from a positive track record and the fact that the company is well-known.

On March 26, 2010, MPC Capital also concluded an important, far-reaching agreement with its funding partners. The agreement, which has been concluded for three and a half years, creates as stable financing base and secures financing both for MPC Capital AG itself and for funds already in the placement phase as well as funds to be placed in future. The financing security that it has created will also provide a sound basis for new business.

Availability of assets MPC Capital's business model is mainly based on the initiation and distribution of closed-end investment models. In view of this, the ongoing initiation of new fund products and the expansion of the product range form the basis for the company's long-term growth. A requirement for this is that the widest possible selection of attractive and promising assets or investment properties must be available, which meet the high quality standards of MPC Capital.

In the current market environment, the availability of attractive assets or investment properties has for the time being fallen dramatically, which means that a higher number of operators are competing to invest in the same asset.

In the past, MPC Capital AG has repeatedly demonstrated its innovative abilities, which has earned it a good reputation on the market. The company also has an excellent national and international network. MPC Capital has thus managed to widen its product range and reduce its dependence on individual segments, despite the difficult environment. The company has structured and initiated various alternative assets, such as a biomass plant, using the model of a closed-end fund.

Image and reputation risks The economic turbulence and the crisis on the shipping markets have increased the risk that the profitability of individual investments or of several investments could deviate substantially from forecasts or that dividends could be omitted altogether.

This means that MPC Capital could be exposed to greater risks to its image and reputation. MPC Capital counters this risk through a consistent quality strategy in selecting assets and designing investment models. As a quality provider, the company also responded at an early stage to changes in the opportunity/risk profile of investments and discontinued the placement of ship investments in the interests of investors.

At the same time, MPC Capital focuses on the active management of existing funds. The company structures new financing solutions in difficult cases and in the ship segment, for example, has set up a bridging fund to balance out fluctuations in liquidity arising from a collective of limited partnerships. In contrast to competitors, none of the ship investments set up by MPC Capital filed for insolvency in the reporting period.

In the real estate segment, MPC Capital AG demonstrated its particular expertise once again with the successful sale of MPC Canada 6 even in the difficult market environment. In total, dividends from MPC Capital funds amounted to over EUR 170 million in 2009.

At the same time, MPC Capital follows an open and transparent communication policy. The company plays an active part in how MPC Capital is perceived on the market and its external image through the publication of important reports such as the annual report and the performance record, in addition to providing a wide range of information on the internet and in press releases, a customer magazine, meetings with analysts and conference calls and through many other measures.

Financing of new projects As numerous banks and credit institutes no longer fully fulfil their macroeconomic role as financial intermediaries, the turbulence on the financial and capital markets has made funding of projects and companies much more difficult. At the same time, the drastic interest rate cuts by the European Central Bank have not yet been passed on to borrowers, or have not been passed on in full. In view of this, it is possible that adequate external financing may not be found for individual projects under cost-effective conditions.

MPC Capital strengthened the company's financial basis as part of the strategy programme initiated at the start of 2009. The company also managed to secure most of the financing up to the end of 2011 for the funds in the placement phase through early talks with funding partners. MPC Capital expects to be able to continue obtaining the required financing for the initiation of funds under acceptable conditions on the capital market in future.

The agreement between MPC Capital and its funding partners concluded on March 26, 2010 has also created a stable financing base and consequently not only secures financing both for MPC Capital AG itself and for funds already in the placement phase but also funds to be placed in future. The financing security that it has created will also provide a sound basis for new business.

In this context, companies that have had a flawless past performance and a substantial track record are likely to benefit from the trust they have built up on the market. MPC Capital AG is confident that it will be one of these companies, thanks to its solid track record, its leading position on the market and its good reputation. Not least, the new fund projects implemented in the reporting year support this.

Fund risk In its market environment, MPC Capital AG is in direct competition with other providers of closed-end investments and alternative investments. MPC Capital has been involved in the market for closed-end investments for 15 years and during this time has initiated and realised over 312 funds with a total investment volume of around EUR 18 billion. This means that MPC Capital has for years been one of the leading initiators that is independent of banks. MPC Capital AG also holds a stake of 40.8% in HCI Capital AG, which is also regarded as one of the leading companies in the sector.

Although MPC Capital was unable to improve its position on the market during the reporting period, the company remains one of the driving forces in the sector. Its good reputation and high profile, the strategic measures that were successfully implemented in the reporting period and its transparent communication policy as a listed company are likely to secure a strong position on the market for MPC Capital in future.

In addition to direct competition from within the sector, closed-end investments are in competition with alternative investments and investment opportunities. For example, the general interest rate level forms a parameter which determines the competitiveness of closed-end funds against products directly dependent on interest rates. The economic environment and the estimate of the future economic situation also represent an essential influencing factor, which may become apparent in a higher savings rate and reservation towards alternative investment options. As a result of the economic and financial market crisis, the attitude of investors towards all forms of investment has generally changed in favour of liquid investments. The share level in Germany has dropped back to its 1995 level, while the savings rate has risen to 11.2%.

The slight economic revival that began during the second half of 2009 should help to stabilise the trust of investors in the medium term. MPC Capital is convinced that closed-end investments in particular can benefit from this development. Compared with the current low interest rates, closed-end investments offer an attractive opportunity/risk profile. If more of the liquidity that is currently available is put back into the economic cycle again, the assets structured in closed-end funds also provide protection against possible inflationary tendencies, while asset-oriented closed-end investments fulfil the increasing demand from investors for real assets and transparent investments.

Regulatory Risks

In principle, amendments to tax legislation may impact upon the performance of individual MPC Capital funds and entire product segments. Nevertheless, MPC Capital funds are yield-oriented. They are based not on the exploitation of specific fiscal advantages but mainly on entrepreneurial activity. Changes to tax legislation are also to be expected in the future. However, given the focus MPC Capital has placed on investment yield, the Group currently cannot identify any potential tax changes that could have material effects on the development and sale of products.

Operational and strategic company risks

Risks in distribution The MPC Capital Group distributes its investments through institutional and independent sales, through financial distribution independent of banks and through direct sales. Institutional sales partners raised most of the placement volume of the MPC Capital Group in the past. This distribution structure has changed since the second half of 2008, to the advantage of independent sales. The fact that the activities of institutional sales partners were restricted in some cases in the 2008 and 2009 financial years also contributed to this. As a result of this, the termination or restriction of business relations with MPC Capital and a large number of the sales partners could have a lasting detrimental effect on the company's activities. MPC Capital diversified its sales partner base further in the reporting period. At the same time, the company actively cultivated existing relationships with sales partners on a sustainable basis. This includes, for example, personal support for partners, a comprehensive information, advice and training service and various customer loyalty measures and events.

The sales channels of MPC Capital are not only divided between institutional and independent sales partners, but are also regionally diversified. In addition, MPC Capital cooperates in sales with extremely creditworthy business partners that are in a strong position on the market. Although the default risk of some sales partners may have increased as a result of the turbulence on the market, there is no targeted and long-term concentration on individual sales partners at MPC Capital. MPC Capital's largest sales partner in 2009 attracted around 11% of the entire equity placed.

Liability risk for statements made in the prospectuses Prospectuses are issued for the sale of funds initiated by MPC Capital. There is a possibility that MPC Capital AG or its subsidiaries could be held liable as the publisher of these prospectuses with respect to individual investors in the event of incorrect or incomplete information. MPC Capital counters this risk by ensuring a high level of quality in producing the prospectuses. The prospectuses are drawn up by long-standing, experienced employees in accordance with the “Principles of correct assessment by prospectuses of publicly offered investments” (IDW S4), a standard of Institut der Wirtschaftsprüfer in Deutschland e.V. (Institute of Public Auditors in Germany). An auditor assesses the prospectuses on the basis of this standard. In institutional sales in particular, many sales partners also subject the products to an internal audit before they begin distributing them. Despite these measures, there is no guarantee regarding the completeness or accuracy of the information in the prospectuses or the statements they provide on economic developments or tax effects. The worldwide economic slump and the turbulence on the capital and financial markets have also dampened the yield prospects of some funds. As a result, disappointed investors may become more willing to consider legal alternatives.

Legal risk Legal proceedings or damage claims are of subordinate importance – in so far as they are known – and their effects are taken into consideration in the consolidated annual financial statements. In addition, MPC Capital unilaterally terminated the management agreements for German life insurance policies of twelve life insurance secondary market funds with cash.life AG as of June 30, 2009. The decision was made as part of active fund management and the continuous quality assurance associated with this. Since July 1, 2009, MPC Capital has taken over the management of the policies on a provisional basis through the in-house competency centre MPC Life Plus Consulting GmbH.

Cash.life subsequently claimed around EUR 1.3 million from the fund companies, which relates to contractually agreed success bonuses in the event of the outperformance of the German policy portfolios under management. In addition, cash.life has contested the legality of the termination of the management agreement and has filed an action for damages in the amount of approximately EUR 37 million. In the interests of investors, MPC Capital is supporting the fund companies in connection with these claims. Having thoroughly examined the facts several times from a legal viewpoint, MPC Capital is convinced that these claims are unjustified. Cash.life has, in the meantime, lodged an action, which means that legal proceedings have been initiated. In the opinion of MPC Capital AG and its legal advisors, the plaintiff will not be able to assert its claims. Provisions in the amount of around TEUR 500 have been made for legal costs that may be incurred during proceedings.

Personnel risks Highly qualified and experienced employees are indispensable for identifying promising and attractive assets and structuring them in a closed-end investment. If more employees with special knowledge leave the company or are targeted by head-hunters, or if key people are lost, this could have a lasting detrimental impact on the company’s business.

Nevertheless, MPC Capital found itself forced to adjust the number of employees to the reduced placement volume, as part of its strategy programme. In total, the number of employees fell from an average of 364 in the previous year to 288 in the reporting period. In doing this, the Group has consciously avoided depleting competencies. In particular, positions that are necessary for the organisational and technical processing of a larger placement volume were adjusted. MPC Capital implemented these measures as carefully as possible and also supported the affected employees through internal measures. This ensured that far-reaching damage, such as a loss of identification with the company by the remaining employees, was avoided as far as possible. The fact that the level of identification has remained high is reflected not least in the voluntary support for the MPC Capital foundation shown by numerous employees in the reporting period.

MPC Capital also counters the risk of dependence on key persons through rigorous personnel and quality development of the management and employees. One example of this is the implementation of the MPC Capital Academy. Moreover, persons in key positions have also been tied more closely to the company through targeted structural measures. The decline in placement figures throughout the sector has also reduced risk, as it makes it less likely that employees will switch to another company or be enticed away.

IT risks Information technology is the basis of almost all business processes in the MPC Capital Group. IT solutions are linked not only within the Group but also with our investors and sales and business partners. In particular, the highest priority is given to the confidentiality of the personal data of MPC Capital's customers. The MPC Capital Group has outsourced the IT management as well as the ongoing inspection and monitoring of information technology and IT processes to MPC IT Services GmbH & Co. KG. The company is a subsidiary of MPC Holding.

Various measures are taken in order to minimise IT risks as far as possible. These include modern back-up systems, data protection and emergency plans along with entry and access control rights and virus protection and firewall systems.

Measurement risks from investments

In some cases, the financial and economic crisis has had a significant negative impact on the business development and enterprise value of the investments held by the MPC Capital Group. As part of continuous active risk management, MPC Capital has therefore tested the investments for impairment on an ongoing basis and carried out write-downs where necessary. Of these, the stakes in HCI Capital AG and in LPG Tankerflotte GmbH were of particular importance during the reporting period. Adjustments were also made to the valuation of a stock option in MPC Global Maritime Opportunities S.A., SICAF.

HCI Capital AG In 2008, MPC Capital increased its stake in HCI Capital AG by means of a public takeover bid. To date, the company holds 40.80% of the share capital and the voting rights of HCI Capital AG (9,791,182 shares). The result of HCI Capital AG is consolidated at equity according to the proportionate interest of 40.80%.

The worldwide recession and the crisis in the shipping sector have also affected HCI Capital AG. In view of this, MPC Capital AG carried out a write-down of EUR 80 million on its shares in HCI Capital AG in the third quarter of 2008. However, based on the additional losses incurred in the 2009 reporting period, the "at equity" book value was reduced by EUR 22.76 million to a book value of around EUR 39.23 million (originally: EUR 144 million). This equates to a value of somewhat more than EUR 4 per share held in HCI Capital AG. On the balance sheet date, the HCI Capital share Xetra closing price stood at EUR 1.31.

The MPC Capital Group expects the income prospects of HCI Capital AG to recover in the medium to long term and is maintaining its strategic investment. This forecast is also supported by the restructuring programme announced by HCI Capital AG on February 11, 2010. The programme includes the suspension of contingent liabilities of HCI Capital AG until at least the end of 2013 and the deferral of a loan of around EUR 36 million. HCI Capital AG is also aiming to be discharged fully from its liabilities. If it succeeds in this by April 28, 2010, HCI Capital AG would pass a resolution at the same time on a capital increase of EUR 22 million. The two main shareholders, MPC Capital and the Döhle Group, welcome and support the restructuring measures. The deferral of the loan, the restructuring and the new provisions for the contingent liabilities have improved the prospects for HCI Capital AG. These measures are also likely to have a positive impact on the value of the stake held by MPC Capital in HCI Capital AG.

On the basis of an impairment test for HCI Capital AG, no further write-downs were found to be necessary during the reporting period.

Beteiligungsgesellschaft LPG Tankerflotte mbH & Co. KG At the beginning of 2009, the MPC Capital Group acquired 75% of shares in Beteiligungsgesellschaft LPG Tankerflotte mbH & Co. KG, Hamburg. The company essentially consists of six LPG tankers. In view of the change in overall economic conditions, the investment was tested for impairment in the reporting year and it was established that a write-down was necessary. Two of the LPG tankers were sold in the course of the year. Owing to the drastic reduction in prices, a value adjustment was also carried out for the LPG tankers. In total, write-downs of around EUR 15.13 million on property, plant and equipment and intangible assets were therefore required in the reporting period.

MPC Global Maritime Opportunities S.A., SICAF MPC Capital AG holds around 11% of shares and a further 20% stock option in MPC Global Maritime Opportunities S.A., SICAF. There is also an equity payment obligation towards this company. Owing to the worldwide crisis in the shipping industry and the drop in ship prices, the development of MPC Global Maritime Opportunities S.A. failed to live up to expectations. As a result, the measurement of the stock option, the payment obligations and the profit contribution led to a total burden of around EUR 12.12 million for MPC Capital.

MPC Capital is also continuing to test its investments for impairment and will implement any value adjustments immediately if necessary. The first signs of an economic recovery could reduce the probability of further value adjustments. In the third quarter of 2009, write-downs were reversed on an investment in a company that in turn holds interests in three container ships.

In view of the uncertain economic environment and the drop in demand for closed-end funds observed during the reporting period, further write-downs on the investment in HCI Capital can not be ruled out.

Accounting value adjustments do not have any effect on the liquidity position of MPC Capital. Nevertheless, the need for further write-downs would place a significant burden on the equity reported for the MPC Capital Group.

Financial risks

Liquidity risk MPC Capital's risk management system attaches particular importance to monitoring the company's liquidity. The liquidity situation is reviewed on an ongoing basis and compared with the corresponding planned figures. Significant changes or deviations are reported immediately and in detail to the divisions responsible and to the Management Board. The Management Board also informs the Supervisory Board of relevant developments if applicable. The purpose of liquidity monitoring is to ensure that the company has the necessary flexibility with regard to financing at all times. For this purpose, adequate liquidity reserves and unused credit lines must be available.

In the reporting period, MPC Capital's liquidity was burdened in particular by operating expenses and interest and principal repayments for borrowings. As a result of the financial crisis, the external funds available and the conditions under which they are available initially worsened. Nevertheless, the company secured the potential funding requirements that had been calculated for the period up to the end of 2010 as part of detailed liquidity planning through appropriate financing commitments from banks.

MPC Capital actively manages the company's liquidity risk. This is achieved through further cost cuts, the use of more favourable interest conditions and new agreements with funding partners, among other things. The strategy programme commenced at the beginning of 2009 and the agreement dated March 26, 2010 has also made an important contribution towards securing the company's liquidity further.

Follow-up financing risk The amounts owed to credit institutions that are classified as short-term total around TEUR 86.5 million and have a maximum term of one year. This results in risks for follow-up financing under similar conditions. MPC Capital counters these risks through early planning and negotiations with funding partners. Together with the commitments of the funding partners regarding the granting and extension of interim financing, which were agreed at the beginning of 2009 and 2010, and with the suspension of covenants, MPC Capital is taking proactive steps to counter this risk.

Interest rate risk Interest rate levels influence MPC Capital through various components. On one hand, rising interest rates mean that investments that are in competition with the products of the MPC Capital Group become more attractive to investors. On the other hand, however, interest rates also influence the financing conditions for the funds. The funding costs are only one of many parameters that are taken into account when the fund company is designed. The variation of other parameters provides various options to compensate for the effects of rising interest rates on the profitability of the funds.

As MPC Capital used borrowed funds to finance part of the acquisition of the shares in HCI Capital AG, among other things, a possible long-term rise in interest rates would also lead to financing risks with regard to this.

Although the historically very low base rates have not yet been passed on to companies and consumers, owing to high risk premiums and new provisions for the depositing of equity at banks, a significant increase in interest rates is not expected, in view of ongoing restraint in economic development.

Currency risks In principle, expenses and income are incurred at the MPC Capital Group in the reporting currency of the Euro. Currency risks essentially lie in the planning, distribution and management of funds in foreign currencies and in an investment, including an existing stock option, in MPC Global Maritime Opportunities S.A., SICAF.

Foreign currencies are subject to constant fluctuations in exchange rates in relation to the Euro. At the MPC Capital Group, only risks arising from changes in the exchange rates between the euro and the US dollar or the Canadian dollar are of major importance. An unfavourable development in these exchange rates could lead to price losses in future. However, as it is not certain when transactions in foreign currencies are incurred and when potential impairment would be realised, MPC Capital has not carried out any hedging transactions to limit these currency risks. MPC Capital regularly calculates the risks and effects of these changes in exchange rates for the company as part of risk management on the balance sheet date and in a sensitivity analysis. According to this, the risks are to be classified as manageable.

Liability risks

Placement risks MPC Capital generally provides a placement guarantee to the financing banks and the respective fund companies in connection with the initiation and distribution of the funds. In doing so, MPC Capital undertakes to take over the outstanding placement volume, if any, at the end of the placement period. A fund that can not be placed or can not be fully placed would therefore result in a payment obligation for the MPC Capital Group. These liabilities are reported as contingent liabilities. As at the balance sheet date, the contingent guarantees, which mainly comprise placement guarantees and directly enforceable guarantees had a total volume of around EUR 2,163 million.

Once a fund is fully placed, the economic risks arising from the placement guarantee cease to apply. The MPC Capital Group does not provide any further guarantees, such as rental guarantees for real estate funds, on the basis of fundamental considerations. This means that the negative economic development of individual funds will have only an indirect impact on the financial position, net worth and earnings position of the MPC Capital Group. As a rule, MPC Capital AG and its subsidiaries hold stakes in the individual fund companies only as founding limited partners.

The considerable drop in demand during the reporting period has increased the risk that it may not be possible to complete the placement of individual funds within the planned period. If the placement of a fund is progressing very slowly and no further interim financing can be obtained, and if it is not possible to extend the placement period any further, this may have a significant impact on the company's liquidity situation.

MPC Capital counters the risk arising from placement guarantees as part of active risk management. For this purpose, it requires sufficient placement periods and a strong and diversified sales team. In addition, sales activities can be concentrated on certain products. There is the option in the case of numerous ongoing investments to extend the timeframe for the placement guarantees. Since the establishment of the company, there has been no need to utilise a placement guarantee. The Group expects a continuation of this positive balance for funds currently being placed. MPC Capital has introduced various measures in order to achieve this. For example, the company has extended placement periods for funds at MPC Japan, adjusted the investment volume at MPC Indien 2 and expanded sales of individual products from July 7, 2009 via the partner Op Maart to include the Dutch market.

With the strategy programme launched at the start of 2009, the placement risk was countered on the basis of agreements with funding partners by extending agreed interim financing and taking up new interim financing for funds which have already been placed.

However, it cannot be entirely ruled out that the MPC Capital Group will be held liable under the placement guarantees granted. If this takes place all at once and the company is not able to raise the additional financing required, a considerable liquidity risk will arise and the continued existence of the company in its current form will be jeopardised. MPC Capital has significantly reduced this risk by securing its contingent liabilities including placement guarantees and guarantees with its funding partners as at the start of 2010 and up to the end of September 2013. More details on this agreement can be found in the supplementary report on page 80.

Sureties In the case of numerous closed-end investment models, the acquisition of the respective asset is carried out before the involvement of the investor. The fund thus does not yet have the required equity for the funding. Advance funding is therefore necessary. This is done for example with bank loans. These loans are provided by the banks only against appropriate collateral. As the fund companies do not have the assets required for this, the MPC Capital Group, among others, provides the collateral to the funding bank. This comprises appropriate sureties, for example.

In the ship investments product segment, this mainly involves guarantees and sureties for construction period financing and end financing, which MPC Capital provides in full or on a pro rata basis. These primarily relate to ship projects in the assets pipeline. As a result of the weakness in demand and in particular the negative development on the shipping markets, there is a considerably heightened risk that it will not be possible to place these ships in the current environment, meaning that alternative (interim) financing solutions will need to be established. In this case, all partners involved such as banks, charterers, initiators, shipping companies and shipyards would need to make a contribution in order to bridge the gap until a later date when the ships can be structured into closed-end investments and placed. If these solutions are not successful, there is the risk that MPC Capital will have to accept responsibility for the sureties and guarantees provided. If corresponding guarantees and sureties fall due all at once, this would have a considerable impact on liquidity and, ultimately, the company's continued existence in its current form.

MPC Capital actively manages the existing assets pipeline and holds talks with all partners involved on an ongoing basis in order to ensure that financing is secured. In this process, the company demonstrates its specific knowledge of the markets and the financial structure of assets, its extensive network comprising funding partners, shipping companies, charterers and shipyards and its many years' experience in the placement of asset-oriented closed-end investments.

The measures introduced include, for example, the reduction of the fund volume by means of purchase price reductions, order cancellations, postponing delivery deadlines and sellers credits. There is also the option for shipping companies and issuing houses to operate a ship themselves on a temporary basis. This dispenses with the costs associated with the initiation of a fund, and the operation of the ship may pay off on the basis of an appropriate charter or generate a break-even result. In addition, MPC Capital extended placement periods by extending and providing interim financing as part of its strategy programme at the start of 2009, thus adjusting the reduced placement speed.

With regard to the further assets pipeline in the ship investments segment, MPC Capital is in a comfortable situation overall compared to its competitors: financing has been secured for all orders and fixed charter contracts or pool utilisation arrangements are in place for all ships set to be delivered in 2010. Almost all remaining ships also have fixed charter contracts or pool utilisation arrangements in place.

On March 26, 2010, MPC Capital also concluded an agreement with its funding partners securing the financing basis of the company in the long term. This agreement includes important and far-reaching commitments on the part of the funding partners with regard to existing loan agreements and liabilities as well as their conditions. This includes agreements on the extension of existing credit lines and interim financing and the suspension of existing covenants. The outcome of this is financing security for current funds and funds to be placed as well as security for all significant company liabilities, including the placement guarantees and sureties issued. At the same time, the stable financing basis will also improve the financing basis for new business. The agreement has a duration until the end of September 2013.

Overall risk Risks increased significantly in the reporting period which may influence the earnings position, financial position or net worth position of the MPC Capital Group. In the event of a significant and cumulative occurrence, these risks could have an impact on the continued existence of the Group. This expansion of risks particularly concerns risks from bank sureties issued and placement guarantees granted. The funds currently available would not be sufficient in the event of the cumulative and simultaneous occurrence of contingent liabilities held as at the reporting date. MPC Capital has identified all material risks and has already obtained protection against some of these by means of the measures taken as part of the strategy programme at the start of 2009. With the agreement dated March 26, 2010, MPC Capital has also established long-term security for ongoing and new contracts as well as their conditions and the liability structure. The agreement shall apply until the end of September 2013 at least. The rights issue resolved upon in this regard will also strengthen the company, in the context of which the main shareholders have undertaken, amongst other things, to invest approximately EUR 20 million in MPC Capital. This will strengthen the equity of MPC Capital. The company is also largely protected with regard to the enforcement of placement guarantees and sureties on the basis of the agreement with the funding partners. As a consequence, overall risk in the 2010 financial year has declined in comparison to overall risk as at the annual financial statements of December 31, 2009.

MPC Capital AG's stake in HCI Capital AG has a carrying amount of around EUR 39.2 million as of December 31, 2009. The possibility of a further impairment requirement cannot be ruled out completely at present. However, no further impairment requirement was conclusively identified for the 2009 reporting year. Thanks to the successful completion of the restructuring programme at HCI Capital AG of February 10, 2010, the outlook has also improved for the value of the stake held by MPC Capital in HCI Capital AG. MPC Capital also assumes that HCI Capital AG will return to its ordinary earnings strength in the medium to long term. Nevertheless, the shipping crisis and the crisis of confidence among investors will continue to subject both HCI Capital AG and MPC Capital AG to particular challenges in the 2010 financial year.

Opportunities

Within the scope of the financial market crisis, the significant price reductions and the historic lows for key interest rates seen around almost the entire world have also led to new opportunities. Companies that can fund new projects, for example, again have promising investment options in the field of real estate as well as energy and commodity funds. Closed-end funds, with their high equity portion, are in a good starting position.

Market shakeout The financial and economic crisis has caused the placement volume in the sector to fall to the 1993 levels. Many companies are currently in the process of securing their existing funds, at the same time organising financing for new business. The crisis has altered financing conditions. The low interest rates set by central banks are rarely passed onto customers. At the same time, risk premiums and higher capital backing requirements can currently be seen at banks. This may lead to bottlenecks and a limitation in the scope of action, particularly for small and medium-sized companies. This could lead to a market shakeout further down the line.

As an established and leading provider, MPC Capital is likely to benefit from such a consolidation and shakeout of the market. The market share of MPC Capital in the overall market for closed-end investments in Germany has been about 6% on average over the past five years and harbours potential for growth.

Expansion of the product portfolio The shipping crisis has particularly affected providers of closed-end investment models specialised in the field of shipping. Unlike such companies, MPC Capital has a broad product portfolio. MPC Capital has continuously extended the range of possible assets thanks to its excellent network and high level of innovation. The share raised in the real estate segment was already higher than that raised in the shipping segment back in 2005. With the successful establishment of the energy and commodity funds segment in 2008, MPC Capital has added a strong third column to its business. The new energy fund MPC Bioenergie is a good example of this at present.

Attractive investments The crisis-dominated development in the shipping and real estate segments has also allowed for promising investment opportunities. Firstly, prices have returned to normal on some markets. Secondly, there are fewer competitors as regards buying in some cases. Thanks to the early negotiations with funding partners and the capital increase carried out in the context of the strategy programme at the start of 2009 as well as the agreement dated March 26, 2010, MPC Capital secured further projects in promising product segments in the period under review and beyond.

New funding channels Cautious lending on the part of banks and financial institutions and higher risk premiums and costs as a result of the higher capital backing requirements of banks are also likely to expedite the search for alternative investment opportunities. For years closed-end investments have provided a sound funding opportunity which distributes the risk over lenders and numerous equity providers.

Change in demand The huge fall in key interest rates in the context of the economic and financial crisis and the significant increase in government debt are likely to lead to inflationary pressure in the medium term as the economy stabilizes. Here, investments in tangible assets offer integrated "inflation protection", as the prices of these will rise together with the price level. Low interest rates also mean that other forms of investments are becoming less attractive.

At the same time, many investors have turned their attention back to traditional investments such as traditional real estate funds as a result of the financial and economic crisis. Preference is likely to be given to "concrete", transparent and comprehensible investments over financial products with a complex structure. Asset-oriented closed-end investments are likely to benefit from this shift in investor preferences, once investors come to trust to markets again. "Green investments" in the energy or commodity funds segment in particular are then likely to come into their own. Even in the difficult reporting year, these were far less affected by weakness in demand than other investment options. MPC Capital successfully established this segment back in 2008, thus obtaining a good starting basis.

FORECAST REPORT

The following projections include assumptions which may not necessarily come true. Should one or several assumptions fail to materialise, the actual results and developments may deviate materially from these projections.

Stabilisation of the global economy is continuing in 2010 Towards the end of 2009, the signs that the macroeconomic situation was beginning to stabilise multiplied. Economic experts at the World Bank anticipate that global economic growth will amount to around 2.7% in 2010. For 2011, the experts are expecting an expansion of around 3.2% in the global economy. Nevertheless, there are still risks of an economic setback.

In the USA and Europe, the economy is expected to recover only slightly in 2010. The end of employment market policy measures and the anticipated rise in unemployment will restrict the financial scope for private consumption as a component of growth together with the fall in asset values and continuing uncertainty. Corporate investment is also likely to increase only moderately because of the difficulties in obtaining financing. Any impetus for growth is therefore more likely to come from government economic programmes and a slight revival in foreign trade.

The prospects for growth are more favourable in many newly industrialising countries. China and India may expect growth of up to 8% thanks to government economic programmes, strong domestic demand and a revival in foreign trade. As a result, these countries are positioning themselves as the two growth engines of the global economy. Brazil and Russia are likely to benefit from the slight recovery on commodity markets, which was already starting at the end of 2009.

Key interest rates remain at a low level

Central banks in the USA and Europe are also assuming that the global economy will continue to stabilise in 2010. However, the Federal Reserve expects the US economy will remain subdued for the moment. Against this background, the under-utilisation of production capacity and low inflation expectations will ensure that there is very little upward pressure on prices. The Fed is therefore likely to adhere to its low level of interest rates in the medium term. However, it has announced that it will scale back further measures to promote liquidity over the next few months. The European Central Bank (ECB) is also adhering to its historically low level of interest rates and did not change its monetary policy at its last meeting on March 4, 2010. However, the ECB has also already taken its first steps to contain liquidity.

German business is cautiously optimistic The German economy is also viewed with only cautious optimism. Scarcely any significant impetus is to be expected from domestic demand. It is only being supported by government economic programmes. The trend in foreign demand will be crucial for economic growth. The experts at the Hamburg Institute of International Economics (HWWI) therefore expect growth in gross domestic product of only around 1.5% for Germany in 2010. The end of government economic programmes is likely to lead to only moderate economic growth of around 1.4% again in 2011 despite a further revival in the global economy.

A new beginning on the market for closed-end funds 2009 was characterised by extremes. The market for closed-end investments suffered from one of the most serious crises of confidence regarding investment products and one of the worst shipping crises in recent decades. Placement figures fell to the level of 1993. Nevertheless, the closed-end investment segment was not the only segment affected by this development. Investments in structured products or securities also fell sharply. Investors preferred cash equivalent forms of investment.

The forecasts from the 2008 annual report correctly assumed a lower placement volume for the market as a whole in 2009. However, the slowdown was far more severe than had been expected at first. For the future, MPC Capital is assuming that investors' trust in investment products will gradually return. The historically low level of interest rates will contribute to increasing demand for investment products offering higher yields. Given the negative experiences with various complicated, structured financial products, investors are likely to put their trust in traditional investments in real assets in particular.

Closed-end investments should benefit from this trend, since they invest in real assets, such as real estate or ships, which exist physically and can be "seen". Sustained strong demand for traditional core real estate investments was already apparent in the difficult year 2009. Energy and commodity funds also held their own in the reporting year. The increase in the significance of moral values when making investment decisions is also likely to produce stable growth in this product segment in future.

The extremely expansionary monetary policy is also expected to cause an increase in the inflation rate in the medium term. This is also likely to boost the closed-end investment category, since the value of the asset generally moves in line with the price level. This means that asset-oriented investments have an "inbuilt" protection against inflation.

The fundamentally positive prospects for the closed-end investment and asset segments were also shared by the Hamburg-based Trendbüro in its study entitled "Real Values – Genuine Profits" and the Hamburgisches WeltWirtschaftsInstitut (HWWI – Hamburg Institute for International Economics) in its analysis entitled "Long-term Prospects of Investments in Assets" in 2009.

For the market as a whole, MPC Capital therefore expects a moderate increase in placement volume in 2010 and a further recovery in the following year.

MPC Capital cautiously optimistic The financial and economic crisis hit companies in the financial services sector particularly hard. Many banks and credit institutions were reliant on state support.

MPC Capital identified early the need to take safeguarding measures. As such, the company launched its AHEAD 2010 strategy programme back in January 2009. With the securing of its financing basis on March 26, 2010, MPC Capital AG has closely integrated its funding partners and shareholders into a future-oriented programme with the aim of positioning the company on a stable basis and leading it on the path to recovery in the years to come.

Thanks to this agreement, MPC Capital has obtained financing security for current funds and funds to be placed, as well as for all significant company liabilities, including those resulting from placement guarantees and sureties issued, and has strengthened its financial basis for new business. Combined with the associated capital increase and the firm commitments made in this context by the two main shareholders to invest approximately EUR 20 million in MPC Capital, this underlines their confidence in the company, its long-term positive growth prospects and the market for closed-end, asset-oriented investments.

The targets formulated by the management to secure the full capability of the company and to bring MPC Capital AG into a good position for 2010 were thus implemented over the course of 2009.

Nevertheless, the placement trend in the period under review appeared much weaker than initially forecast. Against the backdrop of recessionary economic development, MPC Capital carried out accounting write-downs on investments and stock options. As a consequence of this, the company did not achieve a balanced operating annual result despite the measures introduced as part of the strategy programme including a cost-cutting programme.

Expected earnings in 2010 and 2011 In view of the ongoing difficulty in the economic environment, statements regarding the future are fraught with uncertainty. Nevertheless, MPC Capital is expecting balanced EBITDA for 2010 based on the continuation of the cost-cutting programme and a higher placement result. In 2011, the Management Board of MPC Capital AG is anticipating further improvement in the earnings situation in the wake of recovery in the market environment.

MPC Capital AG's Management Board reserves the right to analyse carefully and monitor continuously the development of the markets and to announce quantitative forecasts that have been updated accordingly at the appointed time.

Examination of the business divisions

Real estate funds Real estate funds will remain one of the mainstays of MPC Capital's business. The crisis on financial and capital markets has increased investors' desire for alternative, established investments. Traditional core real estate funds in traditional countries therefore benefited from good demand even in the difficult market environment of 2009. They are perceived as safe havens by investors. MPC Capital will expand the real estate funds segment consistently and exploit any opportunities that arise in the interests of investors. Here, the company is focusing on both the more rapidly expanding markets in Asia and traditional investment regions in Europe. MPC Capital will continue marketing the MPC Indien 2 and the MPC Japan in 2010. MPC Japan invests in nine fund properties in retailing, shopping centres and entertainment centres in various Japanese conurbations. MPC Indien 2 invests in eleven project developments in urban entertainment centres on the up-and-coming sub-continent. Together the two funds have equity volume of more than EUR 166 million.

There are also thoroughly attractive investment opportunities in Europe. The team of experts at the real estate competency centre is working on another Dutch real estate fund. The German market also offers attractive opportunities – not least because the German real estate market was not driven by a speculative bubble in recent years. Currently MPC Capital is examining several investments in Germany, which feature attractive properties and tenants with excellent financial standing or public sector tenants. Together, the equity volume of the planned funds in the Netherlands and Germany is likely to come to more than EUR 60 million.

Energy and commodity funds MPC Capital sees an attractive and promising business environment in energy and commodity funds. The effective use of scarce resources and alternative methods for producing energy ranks as one of the current megatrends. At the same time, ever increasing ecological awareness and the influence of moral values on investment decisions increased demand for "green investments". This is also evident from the minor impact of the loss of confidence on demand for products in this segment. Over the next few years, MPC Capital will continue the consistent expansion of this segment into a mainstay of its business. MPC Capital has already recruited the appropriate knowledge and qualified staff to the company. Following full placement of the first MPC Solarpark fund, the MPC Deepsea Oil Explorer was closed in the reporting period.

With MPC Bioenergie, the company initiated another innovative fund in this product segment in August 2009. The fund is investing in a biomass plant in Brazil, which generates electricity from the incineration of rice hulls, a waste product of rice processing. The plant is to be completed in 2010 and, with a peak output of 12.3 Megawatt (MW) can supply more than 40,000 Brazilian households with electricity. The fund will generate its income from the sale of electricity, CO2 certificates and the ash that accumulates. The fund's equity to be placed amounts to more than EUR 27 million.

MPC Capital is currently examining and analysing additional projects in this promising product segment. The company benefits from its very good international network here. There are already two projects in the asset pipeline in the bio-energy segment.

Ship investments Shipping suffered the worst slump of recent decades in the reporting year. MPC Capital has a respectable track record in the ship segment. Further ship investments were offered during the reporting period. Though the demand was very low and placement went sluggishly. Against this background, MPC Capital does not plan to launch further ship investments at present.

Nevertheless, MPC Capital remains convinced of the ship investment business model. Shipping has regularly overcome crises in the past and has often emerged stronger from these because of its cyclical characteristics. The forecasts of economic trends and growth in the global population will also entail considerable demand for transport in future. More than 90% of this will take place by sea, since there are no cheaper alternative forms of transport at present.

As soon as scrapping, the cancellation of orders and slow steaming ensure that capacity matches demand and is even likely to exceed it, the ship segment will be of interest to a lot of investors once more. There are already early signs of a slight revival. The indices show freight rates bottoming out and moving slightly upwards. Expert forecasts also indicate a recovery. If this trend becomes apparent sooner than expected, MPC Capital will exploit the opportunities in the interests of investors and launch new ship investments. A promising ship pipeline, which is currently managed by the company, is available for this. In this regard, compared with its competitors, MPC Capital benefits from the fact that fixed charter contracts are in place for nearly all the ships ordered or they will be utilised in a pool and the financing of the debt capital portions has been secured for all the ships.

Life insurance funds Against the background of the difficult economic conditions and the changes in the procurement or markets for secondary policies, MPC Capital is not planning any new product on the basis of German or British life insurance policies for the 2010 financial year. With the exception of one fund, the investment phase of all existing funds was completed during the reporting period.

Insurance products/Structured products The turbulence on financial and capital markets hit the structured products investment segment disproportionately. Private investors now have virtually no trust in complex, structured financial products. Given there is very little potential for selling, MPC Capital is currently not planning any new structured products.

The MPC Prime Basket investment fund initiated and managed by MPC Capital invests in selected closed-end investments. This is one of the core competences of MPC Capital. With the fund, the company offers institutional investors, such as insurance companies based in Liechtenstein the opportunity to offer products, which invest in a broadly diversified asset portfolio. As a result, insurance companies can offer their customers investments in high yield assets as part of a fund-linked policy. Following the commitment from PrismaLife during the reporting period, MPC Capital is currently holding further discussions aimed at acquiring new insurance companies for the fund.

Private equity funds Private equity investments and transactions have fallen sharply as a result of the turbulence on the financial and capital markets. Only very few private investors opted to invest in private equity funds in the reporting year. Unless the crisis of confidence dissipates rapidly, there is not likely to be much change to the weak demand situation. Nevertheless, the emerging economic recovery will also have an impact on the private equity sector. In the meantime, early indications of a recovery are apparent, especially among SMEs. Towards the end of the reporting period, an MPC Capital private equity fund participated in a successful transaction and paid the fund's investors a dividend of 12%. These are the first signs of a possible recovery in the segment.

Investment funds/Other investments The crisis of confidence among investors is only slowly dissipating. Consequently, demand is only likely to recovery gradually as well. Uncertainties about the global economy and developments on financial and capital markets remain. This is shown, not least, by the nervous reaction of markets to the Dubai crisis in November 2009 and the Greek crisis at the beginning of 2010. Nevertheless, the Europa Methodik fund and MPC Capital's Absolute Return fund are likely to benefit from the general stabilisation and recovery in the markets and, accordingly, become more attractive to investors.

The MPC Capital Best Select funds, which invest in selected closed-end investments from various segments, should benefit from the return of investors in the medium term to real (asset) values. New alternatives such as the MPC Select Private Plan are also opening up the funds for new categories of investors.

The MPC Best Select Company Plan 2 also invests in a highly diversified range of closed-end investments from various segments. Against the background of anticipated economic growth and the changes in investors' investment behaviour, the investment concept coincides with the clear focus, which MPC Capital directs towards its core competence, closed-end investments. Marketing will continue.

Distribution

A clear focus MPC Capital has also implemented its concentration on its core business in its distribution structure. The company has combined its distribution activities in the two sales pillars, MPC Capital Concepts and MPC Capital Investments, with effect from January 1, 2009. Institutional business has been added to the responsibilities of MPC Capital Concepts GmbH. MPC Capital Investments has assumed responsibility for managing private placements and direct customers. The company sold MPC Privatbank AG successfully during the reporting period. MPC Capital has also continued the process of concentration at management level and strengthened its distribution function considerably. Joachim Pawlik was appointed to the Management Board as Director of Sales and Distribution with effect from November 1, 2009. He had previously managed the company's sales and marketing operations successfully.

Distribution structure widened
The financial and economic crisis contributed to a change in distribution structures. The proportion of independent sales partners and financial distributions independent of banks has increased compared with institutional sales. Investors' confidence in banks and financial institutions has suffered a decline. MPC Capital is therefore focusing on three sales pillars: independent sales including financial distributions independent of banks, institutional sales and direct sales. Independent sales and institutional sales are crucial to the business.

In principle, a wider distribution structure offers more flexibility and greater independence compared with individual sales channels. In view of a virtually 50% split in sales volume between independent and institutional sales partners in the reporting period, MPC Capital considers it is comfortably placed here. Sales by institutional partners are likely to increase once more as soon as it is easier to place large volume funds on the market.

A business model with a future The Management Board remains fully confident in the workability, sustainability and strength of MPC Capital's business model. Traditional investments in assets, combined with the innovation dynamic and MPC Capital's high quality standards, offer attractive investment opportunities even in economically difficult times. As the general loss of confidence among investors is not likely to dissipate entirely in 2010, MPC Capital is nevertheless expecting a difficult financial year.

As a product partner independent of the banks and one of the market-leading initiators, MPC Capital will also be an important partner in future both for the banks and the savings banks as well as for independent distribution partners for the conception and initiation of high-quality and innovative, alternative investment products.

A significant financial intermediary MPC Capital is a significant financial intermediary between investors and has already realised an investment volume of around EUR 18.3 billion through this activity. As a result, MPC Capital is also an important financing partner for banks and savings banks, since the risk associated with an investment can be spread across several investors and partners through the investments it initiates. Through its experience and considerable innovative abilities, MPC Capital also has the requisite knowledge to select promising assets, structure them in closed-end investment models, involve partners and place the asset-oriented funds on the market.

MPC Capital is convinced that the significance and interest in asset-oriented investments, particularly in the real estate segment and the energy and commodities segment will pick up once more. Banks' current restraint in lending is also likely to lead to financing solutions, which focus more on equity. The closed-end investment model also offers a sound alternative here from an entrepreneurial viewpoint.

Nevertheless, the recovery in the economy and in investor confidence will take time. The 2010 financial year will therefore constitute a challenge for the company as well.

MPC Capital has clearly identified the risks facing it in this environment at an early stage with a comprehensive risk management. The multistage strategy programme initiated in January 2009 and the agreement in March 2010 form a sound, sustainable base to respond to the challenges of the year and to put itself in a promising position for subsequent years.

The Management Board is confident it has prepared the company optimally for a promising future with these central strategic decisions.

Hamburg, March 26, 2010
The Management Board

Dr. Axel Schroeder
Chairman

Ulf Holländer

Ulrich Oldehaver

Tobias Boehncke

Joachim Pawlik

CONSOLIDATED FINANCIAL STATEMENTS 2009

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the group management report includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group.

Hamburg, March 26, 2010
MPC Münchmeyer Petersen Capital AG

Dr. Axel Schroeder
Chairman

Ulf Holländer

Ulrich Oldehaver

Tobias Boehncke

Joachim Pawlik

Group statement of comprehensive income

from January 1 to December 31, 2009

		2009 TEUR	2008 TEUR adjusted
Sales	7	**56,217**	**122,350**
Change in finished goods and work in progress	8	–998	2,583
Cost of purchased services	9	–23,056	–74,076
Gross profit		**32,163**	**50,857**
Other operating income	10	8,135	25,700
Personnel expenses	11	–23,487	–31,634
Other operating expenses	12	–31,934	–44,614
Depreciation and amortisation of intangible assets and property, plant and equipment	13	–17,448	–2,192
Operating result		**–32,571**	**–1,883**
Financial income	14	3,952	7,650
Financial expenses	15	–17,067	–13,540
Financial result		**–13,115**	**–5,890**
At equity income from associate	16	–29,380	–88,282
Profit/loss before income tax		**–75,066**	**–96,055**
Taxes on income	17	–3,087	–3,979
Consolidated loss/profit		**–78,153**	**–100,034**
Other comprehensive income:			
Currency differences IFRS		1,102	–54
Revaluation reserves according to IAS 39		0	4,209
Share of other comprehensive income of associates		–1,223	4,419
Other comprehensive income for the period		**–121**	**8,574**
Group comprehensive income		**–78,274**	**–91,460**
Consolidated loss/profit, of which attributable to:			
Minority interests		0	–544
Equity holders of the parent company		–78,153	–99,490
Group comprehensive income attributable to:			
Minority interests		0	–544
Equity holders of the parent company		–78,274	–90,916
Earnings per share, attributable to the equity holders of the parent company during the year (expressed in EUR per share):	18		
basic		–4.50	–8.95

Note: There may be deviations due to rounding figures.

Consolidated cash flow statement

from January 1 to December 31, 2009

	Jan. 1 – Dec. 31, 2009 TEUR	Jan. 1 – Dec. 31, 2008 TEUR
Cash flow from operating activity	**–29,472**	**48,939**
Consolidated loss/profit	–78,153	–100,034
Depreciation and amortisation of intangible assets	17,448	2,192
Disposal of property, plant and equipment and intangible assets	1,770	0
Income tax paid/received	3,087	3,979
Interest received/interest paid	5,905	4,970
Other financial income	3,189	2,716
At equity income from associates	29,379	88,282
Changes in the group companies	–849	0
Disposal of non-current financial assets	426	0
Other non cash effective activities	7,010	2,685
Changes in provisions	–13,154	–4,351
Changes in operating assets and liabilities	127	51,875
Operating cash flow	**–23,815**	**52,314**
Interest received	1,728	3,928
Interest paid	–7,109	–8,414
Taxes on income paid	–276	1,111
Cash flow from investment activity	**–15,298**	**–25,598**
Payments for investments in intangible assets	–65	–294
Payments for investments in tangible assets	–1,098	–883
Payments for investments in shares of consolidated group companies	–13,142	–3,625
Payments for investments in non-current financial assets	–4,316	–38,269
Gain from the disposal of intangible assets	–30	2
Gain from the disposal of tangible assets	2,413	16,079
Gain from the disposal of shares in consolidated Group companies	831	0
Gain from the disposal of non-current financial assets	108	1,392
Cash flow from financing activity	**30,751**	**–22,555**
Cash received from short-term financing	4,503	0
Repayments of short-term financing	–521	–3,500
Cash received from medium-and long-term financing	2,918	29,396
Repayments of medium-and long-term financing	–4,204	0
Long-term payment restrictions on bank balances	–20,000	0
Purchase of treasury shares	0	–12,955
Rights issue	48,055	251
Dividends paid to shareholders of the parent company	0	–35,245
Net decrease/increase in cash and cash equivalents	**–14,019**	**786**
Financial resources at the beginning of the period	17,287	16,501
Impact of changes in market prices and Group companies	–74	0
Financial resources at the end of the period	**3,193**	**17,287**

Note: There may be deviations due to rounding figures.

Consolidated balance sheet

as at December 31, 2009

ASSETS		Dec. 31, 2009 TEUR	Dec. 31, 2008 TEUR adjusted	Jan. 1, 2008 TEUR adjusted
Non-current assets				
Intangible assets	19	1,519	1,579	2,205
Tangible assets	20	15,885	2,788	2,922
Investments in associates and joint ventures	21	45,559	73,964	4,585
Receivables from related parties	22	22,325	7,436	0
Available-for-sale financial assets	23	26,176	27,597	72,420
Other financial assets	24	25,347	8,671	220
Other current assets	25	24,353	0	0
Deferred tax assets	26	0	3,047	835
		161,164	**125,082**	**83,187**
Current assets				
Inventories	27	4,703	36,801	3,299
Trade receivables	28	1,803	1,626	0
Receivables from related parties	29	37,424	34,491	185,383
Current income tax receivables	30	1,398	4,541	3,832
Other financial assets	31	535	6,552	9,737
Other current assets	32	2,548	16,402	
Cash and cash equivalents	33	3,193	17,287	16,501
		51,604	**117,700**	**218,752**
Non-current assets held for sale and disposal groups	34	**3,663**	**0**	**0**
Total assets		**216,431**	**242,782**	**301,939**

Note: There may be deviations due to rounding figures.

EQUITY		Dec. 31, 2009 TEUR	Dec. 31, 2008 TEUR adjusted	Jan. 1, 2008 TEUR adjusted
	35			
Capital and reserves attributable to equity holders of the parent company				
Share capital		18,213	12,146	10,600
Capital reserve		15,383	21,872	60,662
		33,596	**34,018**	**71,262**
Retained earnings		6,087	35,332	65,055
Other comprehensive income		4,244	4,366	–4,209
Treasury shares at acquisition costs		–27,957	–27,957	–15,002
Minority interests		0	0	3,158
		–17,626	**11,741**	**49,002**
Total equity		**15,970**	**45,759**	**120,264**
DEBTS				
Non-current provisions and liabilities	36			
Financial liabilities	36	76,313	67,602	41,706
Derivative financial instruments	37	2,648	1,531	0
Deferred tax liabilities		171	1,029	1,044
		79,132	**70,162**	**42,750**
Current liabilities				
Provisions	38	1,413	11,133	18,980
Tax liabilities		5,311	7,164	2,596
Financial liabilities	36 / 39	86,456	74,030	89,288
Liabilities payable to related parties	40	8,582	4,137	2,448
Trade payables	41	7,104	22,999	21,447
Other financial liabilities	42	3,028	1,953	0
Other liabilities	43	9,435	5,445	4,166
		121,329	**126,861**	**138,925**
Total liabilities		**200,461**	**197,023**	**181,675**
Total equity and liabilities		**216,431**	**242,782**	**301,939**

Note: There may be deviations due to rounding figures.

Consolidated statement of changes in equity

from January 1 to December 31, 2009

2009	Capital and reserves attributable to equity		
	Share capital TEUR	Capital reserve TEUR	Retained earnings TEUR
December 31, 2008	**12,146**	**21,872**	**35,332**
Group comprehensive income Q1 to Q4 2009	0	0	–78,153
Changes in capital reserve		–48,536	48,536
Rights issue	6,067	42,047	
Other			372
December 31, 2009	**18,213**	**15,383**	**6,087**

Note: There may be deviations due to rounding figures.

2008 adjusted	Capital and reserves attributable to equity		
	Share capital TEUR	Capital reserve TEUR	Retained earnings TEUR
December 31, 2007	**10,600**	**60,662**	**64,485**
IAS 8 adjustments in 2007			570
January 1, 2008	**10,600**	**60,662**	**65,055**
Group comprehensive income Q1 to Q4 2008	0	0	–99,490
Change in capital reserve		–105,406	105,406
Dividend 2007	0	0	–35,245
Rights issue	1,546	66,616	0
Change in the group companies	0	0	0
Purchase of treasury stock	0	0	0
Other	0	0	–394
31 December 2008	**12,146**	**21,872**	**35,332**

Note: There may be deviations due to rounding figures.

holders of the parent company

Cumulated other income TEUR	Treasury shares at acquisition cost TEUR	Total TEUR	Minority interests TEUR	Total equity TEUR
4,366	**–27,957**	**45,759**	**0**	**45,759**
–121	0	–78,274	0	–78,274
		0	0	0
		48,114	0	48,114
–1		371	0	371
4,244	**–27,957**	**15,970**	**0**	**15,970**

holders of the parent company

Cumulated other income TEUR	Treasury shares at acquisition cost TEUR	Total TEUR	Minority interests TEUR	Total equity TEUR
–4,209	**–15,002**	**116,536**	**3,158**	**119,694**
		570		570
–4,209	**–15,002**	**117,106**	**3,158**	**120,264**
8,574	0	–90,916	–544	–91,460
0	0	0	0	0
0	0	–35,245	0	–35,245
0	0	68,162	0	68,162
0	0	0	–2,614	–2,614
0	–12,955	–12,955	0	–12,955
1	0	–393	0	–393
4,366	**–27,957**	**45,759**	**0**	**45,759**

Consolidated segment reporting
on the Group statement of comprehensive income 2009

from January 1 to December 31, 2009

	Real estate funds TEUR	Real estate opportunity funds TEUR	Ship investments TEUR
Sales from initiating projects	3,985	6	15
Sales from placing equity	4,867	–776	1,866
Sales from fund management	5,696	3,800	10,192
Sales from fund liquidation	6,676	0	92
Charter revenues	0	0	8,964
Sales	**21,224**	**3,030**	**21,129**
Change in finished goods and work in progress	**242**	**–1,327**	**–41**
Cost of purchased services	**–5,078**	**–740**	**–11,509**
Gross profit	**16,388**	**963**	**9,579**
Other operating income			
Personnel expenses			
Other operating expenses			
Depreciation and amortisation of intangible assets and property, plant and equipment			
Operating result			
Financial income			
Financial expenses			
Financial result			
At equity income from associates			
Profit/loss before income tax			
Taxes on income			
Loss for the period			
Other comprehensive income:			
Currency translation differences			
Revaluation reserves according to IAS 39			
Share of other comprehensive income of associates			
Other comprehensive income for the period			
Group comprehensive income			

Note: There may be deviations due to rounding figures.

Life insurance funds TEUR	Energy and commodity funds TEUR	Structured products TEUR	Private equity funds TEUR	Other TEUR	Group-wide TEUR	Total TEUR
0	458	0	0	120	0	4,584
–5,743	3,753	851	367	774	178	6,137
4,213	1,209	526	2,315	1,150	663	29,764
0	0	0	0	0	0	6,768
0	0	0	0	0	0	8,964
–1,530	**5,420**	**1,377**	**2,682**	**2,044**	**841**	**56,217**
–213	**441**	**6**	**–11**	**63**	**–158**	**–998**
2,860	**–5,703**	**–771**	**–211**	**–1,661**	**–243**	**–23,056**
1,117	**158**	**612**	**2,460**	**446**	**440**	**32,163**
						8,135
						–23,487
						–31,934
						–17,448
						–32,571
						3,952
						–17,067
						–13,115
						–29,380
						–75,066
						–3,087
						–78,153
						1,102
						0
						–1,223
						–121
						–78,274

Consolidated segment reporting on the Group statement of comprehensive income 2008

from January 1 to December 31, 2008

adjusted	Real estate funds TEUR	Real estate opportunity funds TEUR	Ship investments TEUR
Sales from initiating projects	836	1,283	0
Sales from placing equity	5,978	3,629	52,740
Sales from fund management	2,713	3,457	10,065
Sales from fund liquidation	909	0	0
Charter revenues	0	0	0
Sales	**10,436**	**8,369**	**62,805**
Change in finished goods and work in progress	**2,015**	**438**	**–291**
Cost of purchased services	**–6,662**	**–4,255**	**–37,666**
Gross profit	**5,789**	**4,552**	**24,848**
Other operating income			
Personnel expenses			
Other operating expenses			
Depreciation and amortisation of intangible assets and property, plant and equipment			
Operating result			
Financial income			
Financial expenses			
Financial result			
At equity income from associates			
Profit/loss before income tax			
Taxes on income			
Loss for the period			
Other comprehensive income:			
Currency translation differences			
Revaluation reserves according to IAS 39			
Share of other comprehensive income of associates			
Other comprehensive income for the period			
Group comprehensive income			

Note: There may be deviations due to rounding figures.

Life insurance funds TEUR	Energy and commodity funds TEUR	Structured products TEUR	Private equity funds TEUR	Other TEUR	Group-wide TEUR	Total TEUR
537	1,936	0	126	295	0	5,013
13,019	10,731	2,947	679	2,079	0	91,802
1,884	650	2,247	2,296	1,314	0	24,626
0	0	0	0	0	0	909
0	0	0	0	0	0	0
15,440	**13,317**	**5,194**	**3,101**	**3,688**	**0**	**122,350**
–172	**671**	**0**	**–93**	**15**		**2,583**
–7,653	**–9,410**	**–3,703**	**–694**	**–4,033**	**0**	**–74,076**
7,615	**4,578**	**1,491**	**2,314**	**–330**	**0**	**50,857**
						25,700
						–31,634
						–44,614
						–2,192
						–1,833
						7,650
						–13,540
						–5,890
						–88,282
						–96,055
						–3,979
						–100,034
						–54
						4,209
						4,419
						8,574
						–91,460

Geographical distribution

as at December 31, 2009

	Germany		Austria	
	2008 TEUR	2009 TEUR	2008 TEUR	2009 TEUR
Project initiation	5,014	4,584	0	0
Capital procurement	94,214	6,055	2,563	0
Administration	23,814	28,785	747	3,158
Liquidation	909	3,018	0	0
Charter revenues	0	8,964	0	0
Sales	**123,951**	**51,406**	**3,310**	**3,158**

Note: There may be deviations due to rounding figures.

Netherlands		Brazil		Consolidation		Total	
2008 TEUR	2009 TEUR	2008 TEUR	2009 TEUR	2008 TEUR	2009 TEUR	2008 TEUR	2009 TEUR
0	0	0	0	4	0	5,018	4,584
0	769	0	0	–4,981	–687	91,796	6,137
66	25	0	63	0	–2,267	24,627	29,764
0	0	0	0	0	3,750	909	6,768
0	0	0	0	0	0	0	8,964
66	**794**	**0**	**63**	**–4,977**	**796**	**122,350**	**56,217**

Notes to the consolidated financial statements in accordance with IFRS

for MPC Münchmeyer Petersen Capital AG, Hamburg, as at December 31, 2009

1. Basic information

The MPC Münchmeyer Petersen Capital Group operates in Germany, the Netherlands and Austria. It develops and markets innovative and high-quality investment products. Between the start of operating activity in 1994 (when it was still operating under the name MPC Münchmeyer Petersen Capital Vermittlung GmbH & Co. KG) and December 31, 2009, the MPC Münchmeyer Petersen Capital Group has placed equity totalling approximately EUR 7.625 billion in the product areas of ship investments, life insurance funds, real estate funds, energy and commodity funds, private equity funds, other corporate investments, structured products and investment funds.

The company was established on August 31, 1999 under the name Aktiengesellschaft "ad acta" XXXIV. Vermögensverwaltung. The name was changed to MPC Münchmeyer Petersen Capital AG by resolution on August 8, 2000.

MPC Münchmeyer Petersen Capital Vermittlung GmbH & Co. KG was merged with MPC Münchmeyer Petersen Capital AG in 2000 and converted into a limited liability company (GmbH) in 2001.

MPC Münchmeyer Petersen Capital AG is registered in the Commercial Register of the Hamburg District Court, Department B, under No. 72691.

The company's registered office is Hamburg, Germany. Its address is: MPC Münchmeyer Petersen Capital AG, Palmaille 67, 22767 Hamburg, Germany.

The company has been listed on the German stock exchange since September 28, 2000 and is currently listed on the Prime Standard.

This consolidated report was approved by the Management Board on March 26, 2010 and released for publication.

The Management Board and Supervisory Board have issued the compulsory Declaration of Compliance with the German Corporate Governance Code in accordance with Article 161 of the German Stock Corporation Act and made it permanently available to shareholders on the company's website (www.mpc-capital.de).

2. Summary of key accounting policies

The key accounting policies applied when preparing this consolidated report were presented below: the methods described were applied consistently in the reporting periods presented unless specified otherwise.

2.1 Principles for the preparation of the financial statements

The consolidated financial statements of the MPC Münchmeyer Petersen Capital Group for the 2009 financial year were prepared in line with the International Reporting Standards (IFRS) as they are to be applied in the European Union (EU) and the additional requirements of German commercial law pursuant to Article 315a Section 1 of the German Commercial Code.

The consolidated financial statements were compiled on the basis of amortised acquisition/production cost and also fair value in the case of certain financial instruments.

The consolidated financial statements consist of the Group statement of comprehensive income, the consolidated balance sheet, the consolidated cash flow statement, the consolidated statement of changes in equity as well as the consolidated segment reporting and the notes to the consolidated financial statements.

The consolidated financial statements have been prepared in Euro throughout. Unless otherwise stated, all amounts are presented in thousands of Euro (TEUR). Commercial practice was followed in the rounding of individual items and percentages. As a result, there may be minor rounding differences.

The Group statement of comprehensive income is organised in accordance with the cost of production method.

The financial year in the present consolidated financial statements is the same as the calendar year.

Preparation of consolidated financial statements in line with IFRS requires estimates which have an effect on the assets and liabilities recognised in the balance sheet, as well as disclosures on contingent assets and contingent liabilities as of the reporting date and reported income and expenses for the reporting period. The amounts actually reached may deviate from these estimates. Furthermore, the application of company-wide accounting policies makes judgements by management necessary. Areas with more scope for judgement or greater complexity or areas where assumptions and estimates are of crucial significance for the consolidated financial statements are listed under Point 5 of the notes to the consolidated financial statements.

2.2 Key accounting policies

All IFRS issued by the International Accounting Standards Board (IASB) which were valid at the time these consolidated financial statements were prepared and are to be applied in the European Union have been observed by MPC Münchmeyer Petersen Capital AG.

2.2.1 Standards, Interpretations and Amendments to Standards and Interpretations to be applied for the first time in the financial year

The MPC Münchmeyer Petersen Capital Group is applying the following new and amended Standards and Interpretations for the first time as at January 1, 2009, which have a significant impact on the financial position, net worth and earnings position and cash flows:

- IAS 1 (revised 2007) – Presentation of Financial Statements

With the revision of IAS 1, the traditional profit and loss account (P&L) is replaced by the statement of comprehensive income as a separate component of the financial statements. Comprehensive income comprises the income and expenses recorded in the traditional profit and loss account as well as income and expenses recorded direct in equity. The statement of comprehensive income may be presented in the form of a single comprehensive statement or in the form of two separate statements.

The revised version of IAS 1 contains extended disclosure requirements. Among other things, the reclassification adjustments for each component of other comprehensive income and the income tax effects attributable thereto must be disclosed – either in the notes to the consolidated financial statements or within the statement of comprehensive income. In the case of changes to accounting policies, the correction of errors or in the case of individual items being reclassified, the balance sheet is to be expanded with an opening balance sheet from the comparison period.

- Amendment to IAS 23 – Borrowing Costs

As a result of the amendment to IAS 23, Borrowing Costs, the option of expensing borrowing costs, which can be directly assigned to a qualifying asset, immediately is discontinued. Following application of the changes to IAS 23, these borrowing costs must be capitalised as part of acquisition or production cost.

IAS 23 is applied by MPC Münchmeyer Petersen Capital AG from January 1, 2009.
Application of the amended Standard has no significant impact on the consolidated financial statements, since no assets were capitalised in 2009, where borrowing costs were a component of the acquisition cost.

- Amendment to IFRS 7 – Improved Disclosures on Financial Instruments

The amendments provide for additional disclosures on the measurement of financial instruments at fair value and on liquidity risks. In particular, a three-stage hierarchy has been introduced for disclosures on fair value, on which the extent of the additional disclosure requirements depends. When the amendments are applied for the first time, no comparative disclosures from the previous year are required for the additional disclosure requirements.

Application of the amended Standard has no significant impact on the consolidated financial statements.

- IFRS 8 – Operating Segments

The Standard replaces the previous IAS 14, Segment Reporting, and brings the regulations on segment reporting more closely into line with US-GAAP (FAS 13) as part of the convergence project.

The provisions of IFRS 8, Operating Segments, represent a radically different concept for segment reporting compared with the previous procedure in accordance with IAS 14: the new Standard represents a move towards the “management approach” and leads to segment reporting being based, both in structure and content, on the reports submitted regularly to internal decision-makers. The disclosures in segment reporting in accordance with IFRS 8 are established in accordance with internal accounting policies. However, they are reconciled with the figures in the IFRS financial statements.

IFRS 8 was adopted voluntarily in the 2008 financial year.

- Improvements to IFRS (2008):

On May 22, 2008, the IASB published the first annual collective standard to make smaller changes to IFRS, the "improvements to IFRS".

These changes were implemented in as much as they are relevant to the MPC Münchmeyer Petersen Capital Group consolidated financial statements.

Among others, these relate to:

- Amendments to IFRS 7 – presentation of the financial result: with regard to interest income and interest expense, MPC Münchmeyer Petersen Capital AG only netted income and expense in the statement of comprehensive income if this explicitly permitted or required in an IFRS provision.
- Amendments to IAS 1 – recognition of derivatives: MPC Münchmeyer Petersen Capital AG has also taken account of the general provisions on the classification of debt as current or non-current with regard to the recognition of derivatives.
- Amendment to IAS 18 – costs of issuing loans: MPC Münchmeyer Petersen Capital AG included incremental transaction costs in the initial measurement of loans issued in accordance with IAS 39.43.
- Amendment to IAS 28 – impairment of shares in associates in accordance with IAS 28: in accordance with IAS 28.33, the pro rata goodwill in the case of associates is not tested for impairment separately in accordance with IAS 36, Impairment of Assets, but the entire carrying amount of the shares in the associate is tested.
- Amendment to IAS 36 – disclosures in the notes on determining the recoverable amount: When applying fair value less the costs of disposal, the same more detailed disclosures are made in the notes as when applying the value in use if the fair value less the costs of disposal is determined using the discounted cash flow method.

The following Standards and Interpretations, which are to be applied for the first time in the 2009 financial year or have been amended, are of no relevance for MPC Münchmeyer Petersen Capital AG or have no significant impact on the presentation of the financial position, net worth and earnings position of the MPC Münchmeyer Petersen Capital Group:

POLICY	Date of publication by the IASB	Title
IFRS 1 und IAS 27	May 22, 2008	Acquisition costs of an investment in subsidiaries, jointly controlled entities or associates in the parent's individual financial statements
IFRS 2	January 17, 2008	Share-based Payment: Vesting conditions and Cancellations
IAS 32 und IAS 1	February 14, 2008	Puttable Instruments and Obligations arising on Liquidation
IFRIC 9 und IAS 39	March 12, 2009	Embedded Derivatives
IFRIC 11 – IFRS 2	June 2, 2007	Group and Treasury Share Transactions
IFRIC 13	June 28, 2007	Customer Loyalty Programmes
IFRIC 14 – IAS 19	November 26, 2009	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

2.2.2 Standards, Interpretations and Amendments to Standards and Interpretations that have been published but not yet applied

The following Standards and Interpretations have been issued but only come into effect in subsequent reporting periods and have not been applied prematurely by the MPC Münchmeyer Petersen Capital Group:

Standards and Interpretations, which have already been endorsed by the EU:

- IFRS 1 (revised 2008) – First-time Adoption of International Financial Reporting Standards

The revised version of IFRS 1 published by the IASB on November 27, contains the regulations of the previously applicable Standard, but differs in its classification with the aim of making the statements more comprehensible and being able to incorporate future amendments more easily.

- Amendment to IFRS 2 – Share-based Payments with Cash Settlement in the Group

On 18 June 2009, the IASB published amendments to IFRS 2, Share-based Payments, which clarify accounting of share-based payments with cash settlement in the Group.
The amendments distinguish between the company that receives services and goods (receiving entity) and the company that is obliged to settle the payment (settling entity) as part of a share-based remuneration agreement.

- IFRS 3 (revised 2008) – Business Combinations and IAS 27 (revised 2008) – Consolidated and Separate Financial Statements

IFRS 3 (revised), Business Combinations, and IAS 27 (revised) Consolidated and Separate Financial Statements entail some significant changes to previous accounting practice with regard to business combinations and the sale of shares as well as the acquisition of minority shares. The changes relate to both accounting and measurement issues and may lead to greater volatility in earnings even in periods after the corporate acquisition.

- Amendment to IAS 32 – Classification of subscription rights

On October 8, 2009, the IASB published amendments to IAS 32, Financial Instruments: Classification of Rights Issues.

The IASB has supplemented IAS 32 to the effect that rights issues, options and option certificates to a fixed number of treasury shares against a fixed amount in any currency are to be shown as equity instruments, if these are granted pro rata to all existing shareholders of the same class.

- Amendment to IAS 39 – Financial Instruments: Recognition and Measurement – Eligible Hedged Items

The amendments to IAS 39, Financial Instruments: Recognition and Measurement – Eligible Hedged Items, were published on July 31, 2008.

Here the IASB emphasises that inflation risks can only be hedged as part of hedging transactions if payments are directly linked to an inflation index. It also makes clear that an effective hedge of one-sided risks through an option as a whole is generally not possible.

The amendments are to be applied retrospectively to financial years beginning on or after July 1, 2009.

- IFRIC 12 – Service Concession Arrangements

IFRIC 12, Service Concession Arrangements, deals with the accounting for and measurement of obligations and rights resulting from service concession arrangements by the operator of the service concession arrangement. Only those concessions, by which public sector infrastructure services are shifted to private companies fall within the ambit of the Interpretation.

It was endorsed by the EU on March 25, 2009. Application is mandatory for reporting periods starting on or after March 30, 2009.

- IFRIC 15 – Agreements for the Construction of Real Estate

IFRIC published the Interpretation IFRIC 15 on July 3, 2008. The Interpretation stipulates the conditions under which companies involved in the construction of real estate have to apply IAS 11, Construction Contracts or IAS 18, Revenue. In addition, it looks at the question as to when revenue from construction should be recognised.

IFRIC 15 was endorsed by the EU on July 22, 2009. At the latest, application is mandatory at the beginning of the first financial year starting after December 31, 2009.

- IFRIC 16 – Hedges of a Net Investment in a Foreign Operation

Under the regulations contained in IAS 39 on hedge accounting, the foreign currency risk resulting from companies' different currencies in a group can be hedged and the changes in value of the hedging instrument can be deferred in equity until the respective foreign operation is sold. The requirements for a hedge relationship of this kind and the resulting consequences for the balance sheet are specified in IFRIC 16.

IFRIC 16 was published on July 3, 2008 and endorsed by the EU on June 4, 2009. Accordingly, application is mandatory at the latest for financial years starting on or after July 1, 2009. The IFRIC has already been amended as part of the Improvements to IFRS (2009). Endorsement of this by the EU is still outstanding.

- IFRIC 17 – Distributions of Non-cash Assets to Owners

On November 27, 2008, IFRIC published the Interpretation 17 on Distributions of Non-Cash Assets to Owners. The Interpretation deals with issues in connection with unconditional distributions of non-cash assets to owners at the company making the distribution. Publication of IFRIC 17 involves an amendment to IFRS 5, Non-current Assets Held for Sale and Discontinued Operations. The classification, measurement and recognition rules contained in this Standard will also be applicable to assets, which fulfil the preconditions on classification "held for distribution to owners" in future.

IFRIC 17 was endorsed by the EU on November 26, 2009. Accordingly, application is mandatory at the latest for financial years starting on or after October 31, 2009.

- IFRIC 18 – Transfers of Assets from Customers

IFRIC published the Interpretation IFRIC 18 on January 29, 2009. The Interpretation should apply in future in cases where a company receives an item of property, plant and equipment (or cash to produce or acquire an item of property, plant or equipment), to obtain access to a network or permanent access to services or the supply of goods for the customer.

IFRIC 18 is to be applied for the first time prospectively to the transfer of assets, which the company receives on or after July 1, 2009. It was endorsed by the EU on November 27, 2009. Accordingly, the Interpretation is applicable, at the latest, at the beginning of the first financial year starting after October 31, 2009.

- Improvements to IFRSs (2008)

On April 16, 2009, the IASB published the annual collective standard to make smaller changes to IFRS, the "Improvements to IFRS". In particular, this relates to: amendment to IFRS 5 – plan to sell the controlling interest in a subsidiary.

- Improvements to IFRSs (2009)

On 16 April 2009, the IASB published the second annual collective standard for minor amendments to IFRS, known as the "Improvements to IFRSs". Among others, this affects

- Amendment to IFRS 2 – ambit of IFRS 2 and the revised IFRS 3
- Amendment to IFRS 5 – requisite disclosures on non-current assets held for sale (or disposal groups) and discontinued operations
- Amendment to IFRS 8 – disclosures of information on segment assets
- Amendment to IAS 7 – disclosures of cash flows from investing activities
- Amendment to IAS 36 – decisive unit for the impairment of goodwill
- Amendment to IAS 38 – determination of the fair value of intangible assets, which were acquired as part of a business combination
- Amendment to IAS 38 – further amendments, which emerge as a result of revising IFRS 3

Standards and Interpretations, which have not yet been endorsed by the EU:

- Amendment to IFRS 1 – Additional exemptions for first-time adopters

On July 23, 2009, the IASB issued amendments to IFRS 1, First-time Adoption of International Financial Reporting Standards As a result, this introduced additional exemptions from the Standards and Interpretations, retrospective application of which is, in principle, mandatory on the balance sheet date of the first IFRS financial statements.

- IFRS 9 – Financial Instruments

The IASB published IFRS 9, Financial Instruments on November 12, 2009. The new Standard amends the previous rules on the classification and measurement of financial instruments fundamentally, although IFRS 9 is currently limited exclusively to financial assets.

- IAS 24 (revised 2009) – Related Party Disclosures

The IASB published a revised version of IAS 24, Related Party Disclosures, on November 4, 2009.

With the amendment of IAS 24, the definition of related party was fundamentally revised and the definition of transactions (requiring disclosure) was adjusted.

- Amendment to IFRIC 14 – Prepayments of Minimum Funding Requirement

On November 26, 2009, the IASB published amendments to the Interpretation IFRIC 14, IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. The amendments are of relevance if a pension plan provides for a minimum funding requirement and the company makes prepaid contributions to this.

The amendments to IFRIC 14 are effective for financial years beginning on or after January 1, 2011. Application at an earlier date is permissible.

- IFRIC 19 – Extinguishing Financial Liabilities with Equity Instruments

IFRIC 19 was published on November 26, 2009 and applies if renegotiated contractual conditions pertaining to a financial liability allow the debtor to extinguish the financial liability in part or in full by issuing its own equity instruments (debt for equity swaps). The Interpretation only deals with the accounting process at the debtor, i.e. the issuer of the equity instruments.

IFRIC 19 is effective for financial years beginning on or after July 1, 2010 and is to be applied retrospectively if the fair values can still be determined retrospectively. Application of the Interpretation at an earlier date is permissible and is to be disclosed in the notes.

Voluntary, premature application of the Standards explained in this section would have no significant impact on the consolidated financial statements.

2.3 Changes to key accounting policies

In the 2009 financial year, the MPC Münchmeyer Petersen Capital Group made changes to its key accounting policies. The changes are the result of applying policies applicable for the first time or amendments to policies and adjusting established presentation and accounting practice. The previous year's figures were determined in accordance with the principles applied in the 2009 financial year and adjusted.

In December 2008, the European Union incorporated IAS 1 "Presentation of Financial Statements", which was amended by the IASB In September 2007, in European law. The amendments are to be applied to financial years beginning on or after January 1, 2009. The MPC Münchmeyer Petersen Capital Group has made the following retrospective adjustments in accordance with IAS 1 (revised):

- All items of income and expense were presented in a single statement of comprehensive income (single statement approach).
- The annual result is reconciled with comprehensive income through the gains and losses to be recorded direct in equity ("other comprehensive income"). Individual components of other comprehensive income are recognised. This other comprehensive income does not contain equity transactions with shareholders and adjustments pursuant to IAS 8.
- Owner-related changes in equity are separated from non-owner-related changes. Non-owner-related changes in equity are recognised in the statement of comprehensive income.

IAS 1 (revised) requires disclosure of income tax per component of other comprehensive income. However, no income tax is included in the components of MPC Münchmeyer Petersen Capital AG's other comprehensive income.

The presentation of the consolidated balance sheet, the group statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement as well as the consolidated segment reporting has been amended in order to be in line with established practice. In future, assets and liabilities will be classified according to their maturities in the consolidated balance sheet. As a result of the first-time adoption of IAS 1 (revised 2007), the group statement of comprehensive income contains income and expenses recorded direct in equity. Cash flows from operating, investing and financing activity were reassigned in the consolidated cash flow statement. Because of the adjustments, presentation of the consolidated statement of changes in equity also changes compared with the previous year. Various items have been redesignated.

The other material changes to key accounting policies relate to the following matters:

Reclassification of San A-ships

The limited partnership MS "San Adriano" Offen Reederei GmbH & Co., the limited partnership MS "San Aurelio" Offen Reederei GmbH & Co. and the limited partnership MS "San Alessio" Offen Reederei GmbH & Co., were shown as associates in the 2008 consolidated balance sheet in the 2008 annual report. The three limited partnerships were classified as joint ventures in the 2008 notes. They were measured as IAS 39 investment. Since the preconditions for significant influence and joint management were not met because voting rights have been transferred, measurement as IAS 39 investment in 2008 is correct. Consequently, the three limited partnerships were reclassified from the item for "shares in associates and joint ventures" to the item "available-for-sale financial assets" for 2008. No adjustment to the valuation was required.

In the second quarter of 2009, impairment tests were carried out for the limited partnership MS "San Adriano" Offen Reederei GmbH & Co., the limited partnership MS "San Aurelio" Offen Reederei GmbH & Co. and the limited partnership MS "San Alessio" Offen Reederei GmbH & Co. on the basis of erroneous assumptions and estimates resulting in a write-down of TEUR 5,610. This write-down was corrected in the third quarter of 2009.

Derivative as part of the investment in MPC Global Maritime Opportunities S.A, SICAF

In 2007, the MPC Münchmeyer Petersen Capital Group entered into an obligation to pay a total of USD 25 million in equity to MPC Global Maritime Opportunities S.A., SICAF. This obligation would have to be reported initially and subsequently accounted for through profit and loss in both years. This error was rectified in the consolidated financial statements.

Adjustments to the recognition of provisions and other liabilities

The deferrals for project initiation costs, legal and consultancy costs, outstanding invoices and audit costs amounting to TEUR 3,499 recognised under provisions as at December 31, 2008 have been reclassified in other liabilities.

MPC Münchmeyer Petersen Steamship GmbH & Co. KG

The investments in MPC Münchmeyer Petersen Steamship GmbH & Co. KG were consolidated with their separate financial statements compiled in accordance with the German Commercial Code (HGB) using the equity method in 2007 and 2008. The equity value of associates must be determined on the basis of consolidated financial statements, which are compiled in accordance with IAS 28 with due regard for the standardised key accounting policies of the MPC Münchmeyer Petersen Capital Group. As at December 31, 2007, determination of the "at equity" carrying amount of MPC Münchmeyer Petersen Steamship GmbH & Co. KG on the basis of the IFRS sub-group financial statements now compiled did not lead to any changes in the carrying amount. Taking the IFRS sub-group financial statements now compiled into account, a complete write-down of the previous carrying amount of the equity holding is required as at December 31, 2008.

Loan transaction costs

In 2007 and 2008, loan transaction costs were not accounted for in accordance with the effective interest rate method. Transaction costs were aggregated and posted direct to the income statement. In 2009, loan liabilities were recalculated retroactively using the effective interest rate method as at January 1, 2008 and December 31, 2008.

In 2007 and 2008, transaction costs of TEUR 451 and TEUR 421 respectively were apportioned to subsequent years. Amortisation effects resulting from the write-back of previous transaction costs did not accrue in these years.

Warrants as part of the investment in MPC Global Maritime Opportunities S.A, SICAF

In 2007 and 2008, the share-based payment of MPC Münchmeyer Petersen Capital AG for work as part of the investment decisions of MPC Global Maritime Opportunities S.A., SICAF was measured at fair value and capitalised, in part, without any impact on results.

In 2009, these warrants were measured at fair value and amortised through the income statement.

Interest rate swap for the financing of HCI Capital AG shares

In 2008, the interest rate swap for the financing of HCI Capital AG shares was not accounted for. Accounting for this occurred in 2009.

Adjustment to the opportunity funds' revaluation reserve

The revaluation reserve, which had been created incorrectly in 2008, was corrected in 2009.

Adjustment to the deviation from the capital consolidation relating to the bio-energy project

The investment in the bio-energy companies was consolidated for the first time in 2008. In so doing, the 2008 results were not recorded in their entirety. The accounting of the effect on income from the initial consolidation did not occur in 2009. This erroneous presentation of the initial consolidation was corrected to the end of 2009.

Capitalised interest from ships currently under construction at MPC Global Maritime Opportunities S.A, SICAF (GMO)

In 2008, interest for ships currently under construction was capitalised in accordance with the option available in IAS 23. This capitalisation was corrected in 2009 to ensure that standardised accounting policies are applied at the associate.

The retrospective changes had the following impact on the presentation of the consolidated balance sheet as at January 1, 2008 and December 31, 2008:

ISSUE	January 1, 2008			December 31, 2008		
Balance sheet item	Pre change TEUR	Change TEUR	Post change TEUR	Pre change TEUR	Change TEUR	Post change TEUR
Investments in associates and joint ventures	**4,585**		**4,585**	**88,193**		**73,964**
San A ships					–11,820	
MPC Steamship		0			–2,251	
Capitalised interest (GMO)		0			–158	
Available-for-sale financial assets	**72,420**		**72,420**	**15,777**		**27,597**
San A ships		0			11,820	
Other financial assets (current)	**9,347**		**9,737**	**6,552**		**6,552**
GMO warrants		390			0	
Active deferred taxes	**835**		**835**	**1,922**	**1,125**	**3,047**
Retained earnings	**64,485**		**65,055**	**38,586**		**35,332**
Loan transaction costs		451				
GMO warrants		390				
Bio-energy project		0			–394	
Deferred taxes		–271				
Change in retained earnings carried forward January 1, 2008					570	
Change in 2008 income					–3,430	
Other comprehensive income	**–4,209**		**–4,209**	**6,038**		**4,366**
Revaluation reserve GMO warrants		0			–2,317	
Adjustment to opportunity funds		0			645	
Derivative financial instruments	**0**		**0**	**0**		**1,531**
HCI swap		0			1,531	
Financial liabilities (current)	**89,739**		**89,288**	**74,902**		**74,030**
Loan transaction costs		–451			–872	
Other financial liabilities	**0**		**0**	**0**		**1,953**
GMO derivative					1,953	
Provisions	**18,980**		**18,980**	**14,632**		**11,133**
Change in carrying amount		0			–3,499	
Other liabilities	**4,166**		**4,166**	**1,946**		**5,445**
Change in carrying amount		0			3,499	
Deferred tax liabilities	**773**	**271**	**1,044**	**0**	**1,029**	**1,029**

ISSUE	2008		
Item in the statement of comprehensive income	Pre change TEUR	Change TEUR	Post change TEUR
Other operating income	**25,306**		**25,700**
Bio-energy project		394	
Financial income	**5,723**		**7,650**
Revaluation reserve GMO warrants		2,317	
GMO warrants		–390	
Financial expenses	**–9,674**		**–13,540**
GMO derivative		–1,953	
Loan transaction costs		421	
HCI swap		–1,531	
Adjustment to opportunity funds		–645	
Capitalised interest GMO		–158	
At equity income from associates			
MPC Steamship	–86,031	–2,251	–88,282
Profit/loss resulting from the change (before taxes)		**–3,797**	
Deferred taxes		367	
Profit/loss resulting from the change (after taxes)		**–3,430**	
Number of shares		11,118,727	
Earnings per share after taxes (in EUR)		**–0,31**	
Original profit/loss attributable to equity holders of the parent company before the changes (after taxes)		–96,060	
Profit/loss attributable to equity holders of the parent company as a result of the changes (after taxes)		–3,430	
Total profit/loss attributable to equity holders of the parent company after the changes (after taxes)		**–99,490**	
Number of shares		11,118,727	
Total earnings per share after the changes and after taxes (in EUR)		**–8.95**	

These changes resulted in a cumulative effect on the profit/loss before tax of TEUR –3,797, as a result of which the profit/loss per share (before taking taxes into account) has changed by EUR –0.31 overall.

Comprehensive income deteriorated to EUR –8.95 per share as at December 31, 2008.

2.4 Principles and methods of consolidation

2.4.1 Consolidation

All companies where the MPC Münchmeyer Petersen Capital Group is able to determine their financial and operating policies directly or indirectly in order to benefit from these companies' activities are included in the consolidated financial statements.

a) Subsidiaries

Subsidiaries are all companies (including special purpose vehicles) where the group controls financial and operating policy and draws benefits. Generally this is accompanied by a share of the voting rights of more than 50%. In the assessment of whether the group does have control, the existence and impact of potential voting rights, which can be currently exercised or converted, are taken into account. Subsidiaries are included in the consolidated financial statements (full consolidation) from the date on which control passed to the group. They are deconsolidated from the date on which control ends.

The acquisition method is used to account for any subsidiaries acquired. The purchase costs of an acquisition equate to the current market value of the assets delivered, of equity instruments issued and the liabilities assumed at the time of transaction (date of exchange) plus any costs directly attributable to the acquisition. The identifiable assets, liabilities and contingent liabilities acquired in a merger are measured according to the current market value at the time of acquisition, irrespective of the scope of minority shares. The amount of the purchase cost in excess of the group's stake in the net assets measured at current market value is recognised as goodwill. If the purchase costs are lower than the net assets of the acquired subsidiary measured at current market value, the difference is recorded directly in the income statement.

Transactions within the Group, balances and unrealised gains and losses on transactions between Group companies are eliminated. However, the existence of unrealised losses is taken as indicating the need to carry out an impairment test for the asset that has been transferred. The key accounting policies are amended, if necessary, to ensure that accounting is standardised throughout the Group.

b) Minority shares in partnerships

According to IAS 32.16 and 32.19, a financial instrument is only an equity instrument if it does not contain a contractual or other obligation for the company to deliver cash and cash equivalents or another asset. IAS 32.18(b) also stipulates that a partner's right to convert his investment in a partnership at any time is to be reported as a liability even if the partner is an equity provider in the legal sense. Equity must be shown as a liability if the shareholders have a cancellation right and exercise of this right will substantiate a claim to conversion of the share vis-à-vis the company. Minority shares in fully-consolidated partnerships are therefore recognised among liabilities. Minority interests' contributions to profits or losses are recognised in the income statement (financial result) In accordance with IAS 32.35.

c) Associates

Associates are those companies on which the Group exercises a significant influence but does not control, generally accompanied by a share of the voting rights between 20% and 50%. Investments in associates are accounting for using the equity method and recognised at their purchase cost. The Group's stake in associates includes the goodwill accrued on acquisition (after taking account of accumulated write-downs).

The Group's share in the profits and losses of associated companies is recognised in the group statement of comprehensive income from the date of acquisition, the share of changes in reserves in Group reserves. Cumulative changes post acquisition are netted off against the carrying amount of the investment. The Group's share of the loss in an associate equals or exceeds the Group's share in this company including other unsecured receivables; the Group will not recognise any further losses unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between Group companies and associates are eliminated in line with the Group's share in the associate. Unrealised losses are also eliminated unless the transaction indicates an impairment in the asset that has been transferred. The key accounting policies of associates were amended, if necessary, to ensure that accounting is standardised throughout the Group.

d) Joint Ventures

According to IAS 31, a joint venture is a contractual agreement in which two or more parties carry out an economic activity under joint management. IAS 31 contains an option with regard to inclusion in the consolidated financial statements: inclusion through proportionate consolidation or using the equity method.

The MPC Münchmeyer Petersen Capital Group uses the equity method to account for joint ventures.

2.4.2 Group companies

Apart from MPC Münchmeyer Petersen Capital AG, Group companies include 21 German and 10 foreign subsidiaries.

MPC Capital Investments GmbH, Hamburg	100% [1]
TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH, Hamburg	100% [1]
MPC Münchmeyer Petersen Real Estate Consulting GmbH, Hamburg	100% [1]
MPC Münchmeyer Petersen Portfolio Advisors GmbH, Hamburg	100%
MPC Münchmeyer Petersen Life Plus Consulting GmbH, Hamburg	100% [1]
MPC Capital Maritime GmbH, Hamburg	100%
MPC Münchmeyer Petersen Capital Austria AG, Vienna/Austria	100%
MPC Venture Invest AG, Vienna/Austria	100%
MPC Münchmeyer Petersen Capital Suisse AG, Rapperswil-Jona SG/Switzerland	100%
2153000 Ontario Ltd., Toronto/Ontario/Canada	100%
MPC Münchmeyer Petersen Real Estate Services B.V., Amsterdam/Netherlands	100%
MPC Münchmeyer Petersen Asset Management AG, Hamburg	100%
MPC Capital Concepts GmbH, Hamburg	100%
HBG Petersen Beteiligungsgesellschaft mbH, Hamburg	100%
MPC Münchmeyer Petersen Capital (Liechtenstein) AG, Vaduz/Liechtenstein i.L.	100%
Administración Solarpark Campanet S.L., Campanet/Spain	100%
MPC Energie GmbH, Hamburg	100%
MPC Bioenergie GmbH & Co. KG, Hamburg	100%
MPC Bioenergia do Brasil Participacoes e Servicos Ltda., Porto Alegre/Brazil	100%
Millennium Tower Facility-Management-Ges.m.b.H., Vienna/Austria	100%
Millennium Tower Verwaltungs- und Services-Ges.m.b.H., Vienna/Austria	100%
Managementgesellschaft Sachwert Rendite-Fonds Japan mbH, Quickborn	100%
Beteiligungsverwaltungsgesellschaft MPC Solarpark mbH, Hamburg	100%
MPC Vermögensstrukturfonds Managementgesellschaft mbH, Hamburg	100%
Managementgesellschaft Sachwert-Rendite England mbH, Hamburg	100%
MPC Erste Vermögensverwaltungsgesellschaft mbH, Quickborn	100%
MPC Münchmeyer Petersen FundXchange GmbH, Hamburg	100%
MPC Achte Vermögensverwaltungsgesellschaft mbH, Hamburg	100%
Verwaltung Sechste Sachwert Rendite-Fonds Canada GmbH, Hamburg	100%
Beteiligungsgesellschaft LPG Tankerflotte mbH & Co. KG, Hamburg	75%
Zweite Beteiligungsgesellschaft "Rio D-Schiffe" mbH & Co. KG, Hamburg	81%
TVP Trustmaatschappij B.V., Amsterdam/Netherlands	100%

[1] The annual financial statements of these companies are exempt from the duty of applying Articles 264 to 289 and Articles 316 to 329 of the German Commercial Code.

The ship-based limited partnerships in which the MPC Münchmeyer Petersen Capital Group had an interest of more than 50% on the balance sheet date are not included in the scope of consolidation, since the MPC Münchmeyer Petersen Capital Group has no control over the managing general partner and can therefore not manage their financial and operational policy.

The companies are reported at acquisition cost in the balance sheet.

153 German and 30 foreign subsidiaries were not included in the consolidated financial statements. These are of subordinate importance, when considered together, for the presentation of the Group's financial position, net worth and earnings position.

The purchase costs of these participations are posted as shares in affiliated companies.

A consolidation of the general limited liability companies would have resulted in a decrease in the shares in affiliated companies and an increase in the liquid funds on the asset side. In the case of general limited liability companies with which the Group has entered into a loan agreement, the receivables and payables due to consolidated companies would have been reduced. Consolidation of the aforementioned companies would have had no considerable effects on the financial position, net worth and earnings position of the MPC Münchmeyer Capital Group.

a) Associates

The following companies are regarded as associates and are consolidated at equity in accordance with IAS 28:

HCI Capital AG, Hamburg	40.80%
Rio Lawrence Schifffahrtsgesellschaft mbH & Co. KG, Hamburg	38.38%
Global Vision AG Private Equity Partners, Rosenheim	30.25%
eFonds Holding AG, München	27.98%
MPC Münchmeyer Petersen Steamship GmbH & Co. KG, Hamburg	25.10%
MPC Münchmeyer Petersen Steamship Beteiligungsgesellschaft mbH, Hamburg	25.10%
MPC Global Maritime Opportunities S.A., SICAF, Luxemburg	10.96%

The 10.96% investment in MPC Global Maritime Opportunities S.A, SICAF is shown as an associate. In addition to its investment, MPC Münchmeyer Petersen Capital AG, Hamburg holds share options amounting to 20% of the share capital. Two of three positions in the Investment Committee of MPC Global Maritime Opportunities S.A., SICAF are occupied by members of the Management Board of MPC Münchmeyer Petersen Capital AG. It therefore exercises significant influence on the company.

MPC Global Maritime Opportunities S.A., SICAF is a special fund according to Luxembourg law in the legal form of a Société Anonyme. The target fund invests within the entire value-added chain of the maritime economy. In addition to all ship types in all ship segments, it is also possible to invest in maritime infrastructure projects as well as listed and non-listed shipping companies.

As at December 31, 2009, there was no financial data available for MPC Global Maritime Opportunities S.A. SICAF due to the volume of business. The basis for the disclosures in the annual financial statements of MPC Capital AG is therefore the financial data for MPC Global Maritime Opportunities S.A. SICAF as at September 30, 2009.

The carrying amount of the interest on MPC Global Maritime Opportunities S.A., SICAF is TEUR 992. The pro rata comprehensive income for the period January 1, 2009 to September 30, 2009 is TEUR –727.

b) Joint ventures

In 2009, MPC Synergy Real Estate AG was, for the first time not consolidated in the group of companies pro rata as in previous reporting periods, but at equity. This change to the consolidation policy serves to give a more transparent and clearer presentation of the actual financial situation of the Group.

The company has a balance sheet total of TEUR 113 and equity of TEUR 56 as at December 31, 2009. The carrying amount of the investment attributable to the MPC Münchmeyer Petersen Capital Group amounted to TEUR 61 as at the year-end. The impact of the change in consolidation policy can be viewed as insignificant for the Group.

One German and one foreign associate/joint venture were not included in the consolidated financial statements. These are also of subordinate importance, when considered together, for the presentation of the Group's financial position, net worth and earnings position.

2.4.3 Changes in the group of consolidated companies

a) Mergers

The 100% investment in MPC Münchmeyer Petersen Insurance Development GmbH was merged into **MPC Münchmeyer Petersen Life Plus Consulting GmbH** with effect from January 1, 2009.

The 100% investment of MPC Münchmeyer Petersen Portfolio Advisors GmbH was merged into MPC Münchmeyer Petersen Structured Products GmbH with effect from January 1, 2009. After the merger, the absorbing company was renamed **MPC Münchmeyer Petersen Portfolio Advisors GmbH**.

b) Disposals

The 100% investment in **MPC Capital Privatbank Aktiengesellschaft,** Hamburg, was deconsolidated as at March 31, 2009. Until November 30, 2009, MPC Capital Privatbank Aktiengesellschaft was reported in financial assets held for sale, together with its anticipated disposal proceeds, since approval of the change of shareholder by the Federal Financial Supervisory Authority (BaFin) was outstanding up to this date. Following the approval by the Federal Financial Supervisory Authority, MPC Capital Privatbank Aktiengesellschaft was then sold successfully on December 1, 2009.

The total purchase price was EUR 7,052 million and was settled in cash in full. The purchase price comprises a fixed component plus ongoing monthly costs, which accrued at MPC Capital Privatbank Aktiengesellschaft between the contract being signed and the handover date. Since the purchaser has not yet completed his examination to verify this contribution to administrative expenses, minor deviations in the amount of the purchase price may still arise.

The MPC Münchmeyer Petersen Capital Group achieved a capital gain on the sale of MPC Capital Privatbank Aktiengesellschaft of TEUR 761. A total cash inflow of TEUR 7,052 was achieved.

The capital gain is presented in the statement of comprehensive income in the item "Other operating income".

As at March 31, 2009, the following assets and liabilities left the Group as a result of the deconsolidation:

	TEUR
Non-current assets	94
Current assets	6,492
Thereof: Cash and cash equivalents	*6,222*
Debts	378

The investment amounting to TEUR 6,291 was removed as at December 1, 2009.

The company **"UTE Sao Borja Geradora de Energia Eléctrica S.A."**, a project company of MPC Bioenergie GmbH & Co. KG, was sold and deconsolidated accordingly with effect from June 30, 2009. The total sale price was TEUR 0.3 and was settled in cash in full.

The company was transferred on the cut-off date of June 30, 2009. On this date, the following assets and liabilities left the Group:

	TEUR
Non-current assets	8,103
Current assets	9
Thereof: Cash and cash equivalents	*0.3*
Debts	8,173

c) Additions

TVP Trustmaatschappij B.V., Netherlands, was established on September 8, 2009. The company's business purpose is listed as organisation, management, administration, accounting and conduct of business as well as managing and investing. The company is fully consolidated.

On September 30, 2009, **Zweite Beteiligungsgesellschaft "Rio D-Schiffe" mbH & Co. KG,** Hamburg was included in the group of consolidated companies on the grounds of materiality. This company holds investments in four product tankers currently under construction. The company could no longer be classified as immaterial on the basis of its business.

Verwaltung Sechste Sachwert Rendite-Fonds Canada GmbH, Hamburg, was included in the group of consolidated companies as at October 31, 2009. The company is the managing general partner of the fund company Sechste Sachwert Rendite-Fonds Canada GmbH, Hamburg, and received significant remuneration for its activities selling fund real estate. The company was classified as material for this reason and was included in the group of consolidated companies.

Between January 13, and January 16, 2009, the MPC Münchmeyer Petersen Capital Group acquired 75% of the shares in **Beteiligungsgesellschaft LPG Tankerflotte mbH & Co. KG,** Hamburg. At the time, the company owned six LPG tankers. Of the six original LPG tankers, only 5 LPG tankers were included in the scope of consolidation as at December 31, 2009 following the sale of MT "Coniston" on October 19, 2009. MT "Deauville" is reported in the non-current assets held for sale pursuant to IFRS 5, since the latter had been sold at the beginning of 2010. The remaining four LPG tankers are reported in tangible assets.

LPG Tankerflotte mbH & Co. KG is fully consolidated. The minority interest was recognised under debt.

d) Other

A rights issue was carried out at **eFonds Holding AG** on June 24, 2009. However, one of the other shareholders did not participate in this rights issue. As a result, the at equity share held by MPC Münchmeyer Petersen Capital AG in eFonds Holding AG increased from 25.1% to 27.98%.

2.5 Company acquisitions

Beteiligungsgesellschaft LPG Tankerflotte mbH & Co. KG

Between January 16 and January 21, 2009, the MPC Münchmeyer Petersen Capital Group acquired 75% of the shares in LPG Tankerflotte mbH & Co. KG, Hamburg. The purchase price was TUSD 17,760 and was paid in cash in full. The company owned six LPG tankers. The company is fully consolidated.

The net assets and goodwill acquired can be derived from the following tables:

	Jan. 13, 2009 Fair value TEUR	Jan. 13, 2009 Book value of acquired companies TEUR
Tangible assets	26,038	24,207
Raw materials and supplies	173	173
Trade receivables	180	180
Receivables due from shareholders	16	16
Other assets	454	454
Cash and deposits in banks	39	39
Total assets	**26,900**	**25,069**
Equity		2,066
of which cumulative loss		–13,360
Provisions	1,187	1,187
Derivative financial instruments	1,383	
Liabilities due to banks	18,903	18,903
Other liabilities	2,913	2,913
Total liabilities	**24,386**	**25,069**
Net assets	2,514	
Minority interests (25.32%)	–636	
Acquired net assets	1,877	

The table below shows the acquired net assets and goodwill:

Purchase price	TEUR
Payments made	13,167
Expenses directly attributable to the acquisition	14
Total purchase price	**13,181**
Fair value of the acquired net assets	**–1,877**
Goodwill	**11,304**

The tankers acquired introduced revenue of TEUR 8,964 in the Group statement of comprehensive income in the 2009 financial year. The contribution for the 2009 financial year came to TEUR –6,208.

2.6 Segment information

Operating segments are reported in a manner that is consistent with internal reporting to the main decision-makers. The main decision-makers are responsible for decisions on the allocation of resources to the operating segments and for reviewing their earnings power. The Management Board constituted the main decision-maker.

2.7 Currency translation

The items included in the financial statements of each Group company are measured on the basis of the currency, which equates to the currency of the primary economic environment in which the company operates (functional currency). The consolidated financial statements are prepared in Euro, which constitutes the functional currency and the reporting currency of the MPC Münchmeyer Petersen Capital Group.

Transactions in foreign currencies are translated into the functional currency at the exchange rate prevailing on the date of the transaction.

Receivables and liabilities denominated in foreign currency are measured at the reporting date rate. The resulting translation differences are recognised as profits or losses in the reporting period.

The modified closing rate method is used for translating the financial statements of subsidiaries whose functional currency differs from the reporting currency. In this method, assets and liabilities are translated at the reporting date rate, while expenses and income as well as cash flows are translated at the average rate. The resulting translation differences are recognised in "Other comprehensive income" without any impact on profit or loss until the foreign operation is sold.

The same principles are used for translating the financial statements of subsidiaries, which are measured using the equity method, as are used for consolidated subsidiaries.

Exchange rates of the currencies of significance for the MPC Münchmeyer Petersen Capital Group:

	Reporting date rate		Annual average rate	
	Dec. 12, 2009 per EUR	Dec. 12, 2008 per EUR	2009 per EUR	2008 per EUR
Brazilian real	2.4856	3.3007	2.7625	2,6659
British pound sterling	0.8999	0.9740	0.8912	0,7958
Canadian dollar	1.5036	1.7238	1.5857	1,5599
Swiss franc	1.4875	1.4888	1.5097	1,5869
US dollar	1.4332	1.4097	1.3942	1,4709

These are interbank rates as at December 31, 2009 and December 31, 2008.

2.8 Intangible assets

Intangible assets with a limited useful life acquired against payment are recognised at purchase cost. They are amortised on a scheduled basis over their respective useful lives. With the exception of goodwill, these intangible assets are amortised on a straight-line basis over a period of 3 years for software up to 20 years for concessions, industrial property rights, similar rights and values as well as licences to rights and values of this kind. Account was taken of impairments through write-downs. If the reasons for the write-down no longer apply, it is reversed.

Intangible assets with an indeterminable useful life are not amortised on a scheduled basis. They are subjected to impairment tests once a year unless events or a change in circumstances indicate that an impairment could have taken place.

Goodwill represents the amount of the purchase cost of the corporate acquisition in excess of the current market value of the Group's stake in the net assets of the company acquired at the date of acquisition. Any goodwill resulting from a corporate acquisition is accounted for under intangible assets. Reported goodwill is subjected to an annual impairment test and is measured at its original purchase cost less accumulated write-downs. Write-ups are not permissible. Profits and losses from the sale of a company comprise the carrying amount of the goodwill, which is allocated to the company being sold.

Goodwill is allocated to cash generating units for the purpose of the impairment test. Goodwill is allocated to those cash generating units or groups of cash generating units in accordance with identified business segments from which it is expected that they will benefit from the merger in which the goodwill arose.

2.9 Property, plant and equipment

Land and properties used by the company itself are shown at purchase cost, reduced by scheduled amortisation and cumulative write-downs. As a rule, scheduled amortisation takes place on a straight-line basis over the anticipated, normal useful life of the asset. The anticipated, normal useful life amounts to 25 to 50 years in the case of buildings, to 30 years in the case of ships and three to ten years in the case of office furniture and equipment.

Tenants' fittings in rented premises are amortised on a straight-line basis over the tenancy or anticipated useful life of the tenants' fittings, whichever is shorter, usually three to 15 years.

Depreciation on buildings and office furniture and equipment is shown under depreciation and amortisation. Costs for maintenance and repairs are expensed as incurred. Gains or losses from disposals are recognised under other income or other expenses.

Borrowing costs, which were incurred before January 1, 2009 to finance specific tangible assets in the period they were produced, were not capitalised in accordance with IFRS.

2.10 Impairment of non-monetary assets

Assets, which have an indeterminable useful life, such as goodwill, are not amortised on a scheduled basis; they are tested for impairment on an annual basis. Tangible assets and other intangible assets, which are subject to scheduled amortisation, are tested for impairment if suitable events or changes in circumstances ("triggering event") indicate that the carrying amount may no longer be achievable. An impairment loss is recognised equal to the carrying amount in excess of the recoverable amount. The recoverable amount is the higher of the current market value of the asset less sale costs or the value in use. For the impairment test, assets are combined at the lowest level for which cash flows can be separately identified (cash generating units). With the exception of goodwill, non-monetary assets, which have been written down in the past, are checked each balance sheet date to establish whether the write-downs should be reversed.

2.11 Financial instruments

According to IAS 39, a financial instrument is a contract, which leads simultaneously to the establishment of a financial asset at one company and to the establishment of a financial liability or an equity instrument at another company. Financial assets, financial liabilities and equity instruments are combined under the term financial instruments. A distinction is made here between original and derivative financial instruments.

Financial assets include investments, receivables, available-for-sale financial assets, other assets, cash and cash equivalents.

Financial liabilities include financial liabilities, trade payables, liabilities to related parties, derivative financial instruments and other financial liabilities.

The financial assets and liabilities of the MPC Münchmeyer Petersen Capital Group differ according to the following measurement categories defined in IAS 39 and classes defined in IFRS 7. Financial instruments are categorised on acquisition on the basis of their intended use.

"Financial assets and liabilities measured at fair value through profit or loss": this category comprises financial instruments held for trading purposes and the financial instruments assigned to this category by the company. Measurement after recognition in this category is determined in accordance with fair value. Profits and losses on financial instruments in this category are to be recorded directly in the statement of comprehensive income.

"Loans and receivables": this category includes loans and receivables, both original and those that have been acquired, with fixed or determinable payments. Measurement after recognition is carried out at amortised cost. If there is substantial indication of impairment, this is recognised immediately through profit or loss in the statement of comprehensive income.

"Available-for-sale financial assets": instruments are assigned to this category if they cannot be assigned to another category. Measurement after recognition is carried out at fair value. Changes in the fair value are recognised in equity without any impact on profit or loss and are only recognised through profit and loss in the statement of comprehensive income when the financial asset is derecognised. If no market price is quoted on an active market for shares held, which are assigned to this category, and other methods to determine an objectifiable market value are not applicable, the shares are measured at amortised cost.

"Financial liabilities, measured at amortised cost": measurement after recognition is carried out at amortised cost. Differences between the amount received and the amount due for repayment are spread over the term and recognised in the statement of comprehensive income.

There were no reclassifications between the individual measurement categories in the financial year.

Financial assets, which are not assigned to the category "financial assets measured at fair value through profit or loss", are tested for impairment on each balance sheet date. If the fair value of a financial asset is lower than its carrying amount, the carrying amount is reduced to its fair value. This reduction constitutes an impairment loss, which is recognised as an expense. An impairment previously recognised as an expense is reversed through the income statement if events have occurred since the impairment was originally recognised, which make this necessary.

To a substantial degree, the impairments on doubtful receivables comprise estimates and judgements of the individual receivables, which are based on the creditworthiness of the respective customer. Impairments of trade payables are initially recognised on an impairment account. If the receivable is classified as unrecoverable, the written-down receivable is derecognised.

As a result of the amendment to IFRS 7 published by the IASB, disclosures regarding the levels in the fair value hierarchy for the financial instruments reported at fair value are required. A distinction is made between three hierarchy levels here.

In hierarchy level 1, the fair value of financial instruments is based on the price quoted on an active market. For financial instruments of this kind (such as securities held for trading purposes and available for sale securities), the stock market price on the balance sheet date is used to determine fair value. The current bid price is the relevant stock market price for financial instruments.

If the fair value of financial instruments, which are not traded in an active market (such as derivatives traded over the counter) is determined using measurement models, which make use of observable parameters, they are assigned to hierarchy level 2. Different measurement models are used here and assumptions made, which are based on market conditions on the balance sheet date.

Other measurement models, where the fair value is determined on the basis of non-observable market data, such as the DCF model, are used to determine the fair value of the remaining financial instruments. These financial instruments are assigned to hierarchy level 3.

The fair value of interest rate swaps is calculated from the present value of estimated future cash flows. The fair value of forward foreign exchange transactions is determined on the basis of forward exchange rates on the balance sheet date. In the case of trade receivables and payables, it is assumed that the nominal amount less write-downs equates to the fair value. The fair value of financial liabilities stated in the notes is determined by discounting future contractually agreed payment streams with the current market interest rate, which the Group was granted for comparable financial instruments.

In determining fair values, possible data from an active market are used, in as much as this is sensible and feasible.

A financial asset is derecognised when the contractual rights concerning cash flows from this financial asset expire or have been assigned. As part of the assignment, in essence, all opportunities and risks associated with ownership of the financial asset or the right to dispose of the financial asset must be assigned.

Financial liabilities are derecognised if the resulting obligation is extinguished, reversed or expires. Financial liabilities are also derecognised if there is a material change to the future cash flows from interest and capital payments because the terms are amended. At the same time, a new financial liability is recognised at the fair value based on the new terms and the difference between the carrying amount of the derecognised liability and the fair value of the newly reported liability is recognised through profit and loss in the statement of comprehensive income.

2.12 Available-for-sale financial assets

The financial assets classified as available-for-sale are shares in fund companies and in non-consolidated associates and other investments. This measurement is carried out at amortised cost, since the fair value cannot be reliably calculated. If there is objective indication of an impairment, the lower value of the carrying amount and the present value of the estimated future cash flows is recognised.

The shares in non-consolidated affiliated companies and other investments reported here are not consolidated owing to their immaterial nature, despite an interest of over 50%. This recognition is carried out at amortised cost, unless it can be carried out at fair value on the basis of a figure that can be reliably calculated. If there is objective indication for an impairment of the asset, a write-down is recognised in income.

2.13 Other financial assets and other current assets

Other financial assets and other current assets are reported at the lower of acquisition and production cost or fair value on the closing date.

The carrying amount of other assets and other current assets is reviewed if there are signs of impairment or appreciation in value following a previous impairment and the assets are written down or written up accordingly. If default on a specific part of the receivables portfolio is likely, it is written down to the extent to which the carrying amount of a financial asset exceeds its recoverable amount.

2.14 Current and deferred taxes

Tax expense comprises current and deferred taxes. Current and deferred taxes are recorded in the income statement unless the tax expense and income relates to items, which have been recorded in other comprehensive income or direct in equity. In this case, current and deferred taxes are recorded accordingly in other comprehensive income or direct in equity.

Current tax expense or income is calculated on the basis of the tax legislation applicable on the balance sheet date or which will shortly be applicable in the countries in which subsidiaries and associates are active and generate taxable income. The management reviews the figures reported in the tax return or in the tax accounts, particularly with regard to issues that are subject to interpretation under tax legislation, on a regular basis. Tax liabilities for the current period and for previous periods are stated at the amount at which payment to the tax office is anticipated.

A deferred tax asset or liability is reported for temporary differences between the figures reported in the tax accounts and the figures reported in the IFRS consolidated financial statements and for tax loss carryforwards. Deferred tax assets are reported if it is likely that there will be tax income against which the deductible temporary difference can be set or the tax loss carryforward can be used. Deferred tax liabilities, which arise as a result of temporary differences in connection with investments in subsidiaries and associates, are reported unless the date of the reversal of the temporary differences can be determined by the Group and it is likely that the temporary differences will not be reversed on the basis of this influence for the foreseeable future. Furthermore, no deferred tax assets and liabilities are reported from the initial recognition of an asset or a liability, which has no effect on the IFRS result (before income taxes) or the fiscal profit or loss at the time of the transaction, which does not constitute a business combination. Deferred tax assets and liabilities are only netted if

(i) they relate to the same taxable unit or tax group, (ii) they are levied by or owed to the same tax authority, (iii) there is an enforceable right of set-off vis-à-vis the tax authority and (iv) settlement on a net basis is intended.

Deferred taxes are measured using the tax rates and tax legislation applicable on the balance sheet or which has been legally adopted and which is expected to apply on the date the deferred tax assets are realised or the deferred tax liability is settled.

2.15 Inventories

In accordance with IAS 2, inventories are reported at the lower of acquisition and production cost or net disposal value on the closing date.

This item mainly contains work in progress deferred as at the balance sheet date.

The net disposal value equals the achievable disposal proceeds less costs that will accrue to completion and less the selling costs, which will accrue until disposal.

The project costs of the funds not yet fully syndicated on the balance sheet date are deferred according to the stage of completion and reported under inventories. These costs are expensed at the time they are incurred and until the product is fully syndicated. These are therefore assets of the Group which will lead to a financial gain at a later date. The stage of completion corresponds to the ratio of the capital placed to the planned total capital on the balance sheet date.

2.16 Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method and less impairments. An impairment of trade receivables and payables is recorded if there is objective evidence that the receivables due are not recoverable in their entirety. Considerable financial difficulties on the part of a debtor, an increased likelihood that a borrower will become insolvent or enter into restructuring proceedings of some other kind are regarded as indicators of impairment.

The carrying amount of the asset is reduced through an impairment charge. This loss is recognised in the income statement in other operating expenses as a write-down on receivables. If the receivable has become unrecoverable, the written-down receivable is derecognised. Subsequent incoming payments on amounts that had been previously derecognised are recorded through profit and loss in the statement of comprehensive income under other operating income.

2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash and current account balances, which are reported at their nominal amount. They are currently available.

2.18 Non-current assets held for sale and disposal groups (IFRS 5)

Non-current assets held for sale (or groups of assets and liabilities held for sale) are classified as held for sale if their carrying amount will, in essence, be redeemed through a sale and a sale is extremely likely. They are measured at the lower of the carrying amount or fair value less disposal costs.

2.19 Equity

Shares are classified as equity.

Costs, which are directly attributable to the issue of new shares or options, are reported net after tax in equity as a deduction from the proceeds of the issue.

If a Group company buys treasury shares in MPC Münchmeyer Petersen Capital AG, the value of the consideration paid including directly attributable additional costs are deducted from the equity of MPC Münchmeyer Petersen Capital AG, until the shares are withdrawn.

2.20 Financial liabilities

In particular, financial liabilities include trade payables, liabilities to financial institutions, derivative financial instruments and other liabilities.

On initial recognition, financial liabilities are measured at fair value less the transaction costs directly associated with raising loans, if applicable.

Financial liabilities are derecognised if the obligation on which this liability is based is discharged, cancelled or expires. Financial liabilities, which are measured at amortised cost, comprise trade payables and interest bearing loans in the MPC Münchmeyer Petersen Capital Group. They are measured at amortised cost using the effective interest rate method. Profits and losses are recorded through profit or loss when the debts are derecognised or repaid.

Loan liabilities are classified as current liabilities unless the Group has the unconditional right to defer repayment of the liability to a date at least twelve months from the date of the balance sheet.

2.21 Derivative financial instruments

Under IAS 39.9, derivative financial instruments, such as currency and interest rate swaps as well as forward foreign exchange transactions are to be assigned to the category “financial assets and liabilities, which are measured at fair value through profit or loss” unless they are a component of a hedge relationship accounted for under the hedge accounting rules.

Since hedge accounting is not used in the MPC Münchmeyer Petersen Capital Group at either MPC Capital AG or at its subsidiaries, changes in the fair value of derivative financial results are always recorded in the result for the period.

Please refer to the comments in section 2.11 on the calculation of fair value.

The MPC Münchmeyer Petersen Capital Group's hedging policy is to use effective derivatives solely to hedge interest and currency risks. Derivative financial instruments help to reduce the negative impact of interest and currency risks on the financial position, net worth and earnings position of the Group.

2.22 Provisions

Provisions are created for all recognisable risks and uncertain liabilities, if the Group has a current legal or de facto obligation, which is the result of a past event, it is probable (more likely than not) that settlement of the obligation will lead to a cash outflow and the amount of the provision could be reliably calculated.

No provisions were recorded for future operating losses.

If there is a large number of obligations of the same type – such as in the case of the statutory warranty – the likelihood of a cash outflow is calculated on the basis of the group of these obligations. A provision is also recognised as a liability if the probability of a cash outflow with regard to individual obligations contained in this cash flow is low.

Provisions are measured at the present value of the anticipated expenses, with a pre-tax interest rate, which takes account of market expectations regarding the time value of money and the specific risks for the obligation, being used. Increases in the provision resulting from the addition of accrued interest are recognised through profit and loss as interest expense in the income statement.

2.23 Liabilities payable to related parties

Liabilities payable to related parties are reported at the lower of acquisition and production cost or fair value on the closing date. Liabilities fall due within one year.

2.24 Trade payables

On initial recognition, trade payables are measured at fair value. Measurement after recognition is carried out at amortised cost using the effective interest rate method.

2.25 Other financial liabilities

Derivative financial instruments are presented in other financial liabilities. Please refer to the explanations in section 2.21.

2.26 Other current liabilities

Expenses from the previous financial year, which lead to disbursements only in the new year, are recorded as "other current liabilities" on the balance sheet date. These include wages and salaries that have not yet been paid, social security contributions that have been deducted but not yet paid, commission due and, in particular, part of the expenses in the financial year, for which disbursement is not required until after the balance sheet date (anticipatory items; deferment).

Other current liabilities are measured at the lower of acquisition and production cost or fair value on the balance sheet date.

3 Realisation of income

Sales comprise the fair value of the consideration received or to be received for the development and marketing of investments as part of ordinary operating activity. Sales are recognised net of sales tax, returns, rebates and discounts and after eliminating transactions within the Group.

The Group recognises sales when the amount of the sales can be reliably determined and if it is sufficiently likely that the economic benefit will accrue to the company. The amount of the sales can only be reliably determined if all contingencies relating to the sale have been remedied.

a) Sale of services

Sales from the financial year are taken into account irrespective of the time of payment, if they are realised. Sales from the performance of services are realised if the amount owed has been furnished and no economically related obstacles impede the realisation of the means of payment. Therefore, sales are only reported if it is sufficiently likely that the economic benefit associated with the transaction will be assigned to the company.

As a rule, the sales are earned and fall due depending on the level of placement and are deferred and realised accordingly. For a small portion of the services, the sales are earned and fall due on expiry of the subscription term of the products (upfront fee). In other cases, deferred ongoing fees are earned and fall due one year after the respective reporting date. However, the ongoing fees are not deferred to the respective reporting date.

In the MPC Münchmeyer Petersen Capital Group, the following services are rendered with the following realisation dates:

• Sales from initiating projects	at the start of equity placement
• Sales from placing equity	during equity placement
• Sales from fund management	within the duration of the fund
• Sales from fund liquidation	at the end of the fund term

The amounts from each of the above services are presented in segment reporting.

b) Interest income

Interest income is recorded pro rata temporis using the effective interest rate method. If a receivable is impaired, the Group writes the carrying amount down to the recoverable amount, i.e. to the total of anticipated future cash flows, discounted with the initial effective interest rate. Accrued interest continues to be added to the written-down receivable at the initial effective interest rate and is collected as interest income. Consequently, interest income from written-down loan receivables is also recorded on the basis of the effective interest rate.

c) Charter sales

Charter sales are deferred in accordance with the economic content of the relevant agreements and recorded pro rata temporis.

d) Dividend income

Dividend income is recorded on the date on which the right to receipt of the payment accrues.

4 Financial instruments and financial risk management

4.1 Financial instruments

The following table shows the book values, carrying amounts and fair values for the financial assets measured in accordance with the measurement categories in IAS 39.

	Carrying amount as at Dec. 31, 2009 TEUR	Loans and receivables TEUR	Financial assets measured at fair value through profit or loss TEUR	Available-for-sale financial assets TEUR	Fair value as at Dec. 31, 2009 TEUR
Securities and other financial assets	15,521	0	0	15,521	15,521
Non-current other financial assets	25,347	25,347	0	0	25,347
Trade receivables and other assets	65,215	61,552	0	3,663	65,215
Derivative financial instruments	79	0	79	0	79
Current other financial assets	456	0	0	456	104
Cash and cash equivalents	3,193	3,193	0	0	3,193

	Carrying amount as at Dec. 31, 2008 TEUR	Loans and receivables TEUR	Financial assets measured at fair value through profit or loss TEUR	Available-for-sale financial assets TEUR	Fair value as at Dec. 31, 2008 TEUR
Securities and other financial assets	15,557	0	0	15,557	15,557
Non-current other financial assets	8,771	8,771	0	0	8,771
Trade receivables and other assets	43,554	43,554	0	0	43,554
Derivative financial instruments	4,641	0	4,641	0	4,641
Current other financial assets	1,912	0	0	1,912	1,912
Cash and cash equivalents	17,287	17,287	0	0	17,287

The following table shows the book values, carrying amounts and fair values for the financial liabilities measured in accordance with the measurement categories in IAS 39.

	Carrying amount as at Dec. 31, 2009 TEUR	Financial assets measured at fair value through profit or loss TEUR	Financial liabilities, measured at amortised cost TEUR	Fair value as at Dec. 31, 2009 TEUR
Non-current financial liabilities	76,313	0	76,313	76,595
Current financial liabilities	86,456	0	86,456	86,456
Trade payables and other liabilities	15,686	0	15,686	15,686
Derivative financial instruments	2,649	2,649	0	2,649
Other financial liabilities	3,029	3,029	0	3,029

	Carrying amount as at Dec. 31, 2008 TEUR	Financial assets measured at fair value through profit or loss TEUR	Financial liabilities, measured at amortised cost TEUR	Fair value as at Dec. 31, 2009 TEUR
Non-current financial liabilities	74,979	0	74,979	74,979
Current financial liabilities	68,396	0	68,396	68,396
Trade payables and other liabilities	26,781	0	26,781	26,781
Derivative financial instruments	1,531	1,531	0	1,531
Other financial liabilities	1,953	1,953	0	1,953

The distribution of assets and liabilities measured at fair value to the different hierarchy levels is shown in the following tables:

	Measurement at fair value as at Dec. 31, 2009			
	Total TEUR	Level 1 TEUR	Level 2 TEUR	Level 3 TEUR
Derivative financial instruments (assets)	79	0	0	79
Derivative financial instruments (liabilities)	5,678	0	2,649	3,029

	Measurement at fair value as at Dec. 31, 2008			
	Total TEUR	Level 1 TEUR	Level 2 TEUR	Level 3 TEUR
Derivative financial instruments (assets)	4,641	0	0	4,641
Derivative financial instruments (liabilities)	3,484	0	1,531	1,953

In level 1, the calculation of fair value is based on the price quoted on an active market. In level 2, fair values are calculated with the help of procedures that make use of observable parameters. In level 3, fair values are calculated with the help of procedures which make use of parameters that are not observable.

With regard to derivative financial instruments, where the calculation of their fair value must be assigned to hierarchy level 3, the following table shows the reconciliation of the fair value from the beginning to the end of the reporting period.

	Measurement at fair value at the end of the reporting period		
	Financial assets measured at fair value through profit or loss TEUR	Financial liabilities measured at fair value through profit or loss TEUR	Total TEUR
Initial holdings	4,641	–1,953	
-Total gains and losses			
in the consolidated profit and loss	–4,988	–1,076	6,064
in other comprehensive income	0	0	0
-Purchases/sales	427	0	
Final holdings	79	–3,029	
Total gains and losses in the statement of comprehensive income from financial instruments, which MPC Münchmeyer Petersen Capital Group holds on the balance sheet date			**–6,064**

Unrealised losses of TEUR 6,064 arose from financial instruments, where the calculation of their fair value must be assigned to hierarchy level 3 and which the MPC Münchmeyer Petersen Capital Group holds on the balance sheet date. A general increase in the value of MPC Global Maritime Opportunities S.A., SICAF of 10% would have a positive impact of EUR 677 on the total gains and losses in the statement of comprehensive income from financial instruments, which MPC Münchmeyer Petersen Capital Group holds on the balance sheet date. Please refer to Point 4.2 (a) (iii) “Other market price risks” with regard to the impact of additional changes in parameters in connection with the measurement models for MPC Global Maritime Opportunities S.A. SICAF. Further changes to the parameters, which were used in the measurement models for calculating the fair value according to level 3, have no significant impact on the fair value.

The following tables show how the results from dividends and interest, from measurement after recognition and from disposal are distributed to the individual categories of financial instruments defined in IAS 39.

		From measurement after recognition					
	Dividends and interest rate effects TEUR	At fair value TEUR	Currency translation TEUR	Write-downs TEUR	From disposal TEUR	Net result 2009 TEUR	Net result 2008 TEUR
Loans and receivables	1,728	0	–723	–3,060	0	–2,055	1,540
Financial assets measured at fair value through profit or loss	0	–4,561	–1	0	0	–4,562	4,251
Available-for-sale financial assets	249	0	–41	0	809	1,017	–200
Financial liabilities measured at fair value through profit or loss	0	–818	0	–3,183	0	–4,001	–3,484
Financial liabilities, measured at amortised cost	–9,805	0	–286	0	0	–10,091	–9,010
Total	**–7,828**	**–5,379**	**–1,051**	**–6,243**	**809**	**–19,692**	**–6,903**

4.2 Financial risk factors

The Group is exposed to various financial risks due to its business activities: market risk (including foreign currency risk, interest-induced risk arising from changes to fair value and interest-induced cash flow risk), credit risk and liquidity risk. Overall risk management in the Group focuses on the unpredictability of developments on the financial markets and aims to minimise their potential negative impact on the financial position of the Group. The Group uses derivative financial instruments to hedge against certain risks.

Group risk management is carried out by central financial controlling (Group controlling) in accordance with the guidelines adopted by the Management Board. The Risk Managers in the operating units are responsible for identification, evaluation and the management of measures in relation to individual financial risks, in close cooperation with Group controlling. The Management Board provides principles for cross-divisional Group risk management in writing, which are applicable to, and must be implemented by, all units in the Group.

a) Market price risk

(i) Foreign currency risk

Currency risks exist in the MPC Münchmeyer Petersen Capital Group, arising as a result of initiating projects, distribution and managing funds in foreign currencies as well as through other transactions in foreign currencies. Foreign currencies are subject to constant exchange rate fluctuations against the Euro. Only those risks resulting from changes in exchange rates between the Euro and the US dollar are of material significance to the MPC Münchmeyer Petersen Capital Group. In the 2009 financial year, key US dollar transactions in the MPC Münchmeyer Petersen Capital Group resulted from sales for the conception, distribution and management of products in Real Estate Opportunity Funds as well as the MPC Deepsea Oil Explorer fund. There are further currency risks as a result of disbursements to various fund companies, the investment and existing share options in MPC Global Maritime Opportunities S.A., SICAF and investments in foreign subsidiaries, the business activities of which are primarily carried out in foreign currencies. An adverse development in the USD exchange rate could lead to future exchange losses. However, as it is not certain when transactions in foreign currencies will arise, hedges to limit these currency risks have not been conducted. In order to present the potential impact of hypothetical changes in exchange rates on the financial result, sensitivity analyses, as required by IFRS 7, have been performed. Transactions in CAD, GBP, CHF and BRL are not regarded as significant and have thus not been subject to a sensitivity analysis.

In the event of a USD exchange rate 10% higher (lower) than the reporting date rate, the result after taxes for the 2009 financial year would have been TEUR 89 lower (TEUR 89 higher). In the event of a USD exchange rate 10% higher (lower) than the reporting date rate, the sensitivity analysis of changes to exchange rates for the 2008 financial year would have led to a TEUR 118 lower (TEUR 118 higher) result after taxes.

Equity has been left out of the presentation of the impact of hypothetical changes in exchange rates, as no financial assets or liabilities exist for which analysis would lead to changes in equity.

(ii) Interest rate risk

Risks from changes in interest rates exist for the MPC Münchmeyer Petersen Capital Group in the context of loans granted and loans borrowed for refinancing investments in financial assets and property, plant and equipment.

Hedges in the form of interest swaps have been concluded as hedging instruments in the context of financing the investment in HCI Capital AG and in connection with the long-term financing of the LPG tankers. A detailed description of these instruments can be found under Point 37 “Derivative financial instruments” in the notes to the consolidated balance sheet.

In the event of a 100 basis points higher (lower) interest rate, the result after taxes for the 2009 financial year would have been TEUR 1,028 lower (TEUR 1,028 higher). In the event of a 100 basis points higher (lower) interest rate, the sensitivity analysis of changes in interest rates for the 2008 financial year would have led to a TEUR 461 lower (TEUR 461 higher) result after taxes.

Equity has been left out of the presentation of the impact of hypothetical changes in interest rates, as no financial assets or liabilities exist that are reported under hedge accounting regulations.

(iii) Other market price risks

In the event of additional capital calls from the MPC Global Maritime Opportunity Fund, MPC Münchmeyer Petersen Capital Group is obliged to contribute the capital requested. In connection with the measurement of this equity payment obligation there are risks resulting from changes to the material parameters of the measurement model, the discount factor used as a basis for determining present value and the assumed sale price.

In the event of the discount factor being 100 basis points higher (lower), the result after taxes for the 2009 financial year would have been TEUR 246 lower (TEUR 260 higher). In the event of the level being 100 basis points higher (lower), the sensitivity analysis of changes in the discount factor for the 2008 financial year would have led to the result after taxes being TEUR 160 lower (TEUR 169 higher).

In the event of the sale price being 10% higher (lower) than the reporting date rate, the result after taxes for the 2009 financial year would have been TEUR 1,103 higher (TEUR 1,103 lower). In the event of the price being 10% higher (lower), the sensitivity analysis of changes in the sale price for the 2008 financial year would have led to the result after taxes being TEUR 719 higher (TEUR 719 lower).

b) Credit risk

The MPC Münchmeyer Petersen Capital Group is exposed to the risk that business partners, which are primarily fund companies, may be unable to meet their obligations to the Group. These obligations represent existing receivables of the MPC Münchmeyer Petersen Capital Group originating from services for conception, distribution and management. Here, the maximum default risk corresponds to the nominal values recognised for the respective categories of financial assets. The default risk of individual receivables is covered by corresponding individual valuation allowances.

The following table shows the development of valuation adjustments for trade receivables which represent recognisable default risks:

	2009 TEUR	2008 TEUR
Status on January 1	169	194
Additions	47	169
Releases	–1	–194
Status on December 31	**216**	**169**

The following table shows the development of valuation adjustments for non-current receivables from related parties which represent recognisable default risks:

	2009 TEUR	2008 TEUR
Status on January 1	611	282
Additions	2,116	329
Releases	–399	0
Status on December 31	**2,329**	**611**

The following table shows the development of valuation adjustments for non-current receivables from related parties which represent recognisable default risks:

	2009 TEUR	2008 TEUR
Status on January 1	573	573
Additions	1,301	0
Releases	–573	0
Status on December 31	**1,301**	**573**

The following gives a breakdown of financial assets which were not impaired as at the reporting date, but were past due:

			Thereof: not impaired on the Closing date and past due in the following time bands					
	Gross value TEUR	Thereof: neither impaired nor past due on the closing date TEUR	Less than 30 days TEUR	Between 30 and 60 days TEUR	Between 61 and 90 days TEUR	Between 91 and 180 days TEUR	Between 181 and 360 days TEUR	More than 360 days TEUR
Trade receivables								
December 31, 2009	1,803	988	327	688	1	1	4	5
December 31, 2008	33,682	12,342	548	3,339	2,887	11,465	2,537	30
Other receivables								
December 31, 2009	88,758	69,375	10,148	1,123	73	1,913	3,524	2,647
December 31, 2008	44,733	31,545	408	160	132	2,266	3,566	891

With regard to the portfolio for the receivable categories listed, which is neither impaired nor in default, as well as other financial assets, there were no indications as at the closing date that borrowers would not meet their payment obligations.

c) Liquidity risk

In order to secure the liquidity of the MPC Münchmeyer Petersen Capital Group, the liquidity requirements of the Group are subject to ongoing monitoring and planning. Sufficient liquid funds are always kept available to meet the obligations of the Group for a certain amount of time. There are also credit facilities and current accounts which may be accessed as and when required.

The following table shows, based on the remaining duration as at the balance sheet date, contractually agreed, non-discounted interest and principal payments as at December 31, 2009 for original financial liabilities and derivative financial instruments according to maturity category.

	Carrying amount Dec. 12, 2009 TEUR	Up to 1 year TEUR	1 – 2 years TEUR	2 – 5 year TEUR	More than 5 years TEUR
Original financial liabilities	162,768	100,250	10,763	47,356	14,600
Derivative financial liabilities	2,649	749	837	1,401	0
Financial liabilities	**165,417**	**101,000**	**11,600**	**48,757**	**14,600**

As regards the agreement concluded in March 2010 between MPC Münchmeyer Petersen Capital AG and its funding partners, which has led to figures deviating from the above table, please refer to the notes under Point 49 “Events after the reporting period”.

Items which fall due within the next twelve months match their carrying amounts, as the impact of a discount is not significant. Foreign currency amounts were translated at the spot exchange rate on the reporting date. Variable interest payments from financial instruments were calculated based on the most recent interest rates fixed before December 31, 2009. Financial liabilities which can be repaid at any time are always assigned to the earliest time period.

The following table shows the allocation of contractually agreed, non-discounted interest and principal payments for original financial liabilities and derivative financial instruments to maturity categories as they were presented as at December 31, 2008:

	Carrying amount Dec. 12, 2008 TEUR	Up to 1 year TEUR	1 – 2 years TEUR	2 – 5 year TEUR	More than 5 years TEUR
Original financial liabilities	142,503	82,749	20,837	21,478	29,968
Derivative financial liabilities	1,531	433	433	1,298	0
Financial liabilities	**144,035**	**83,181**	**21,270**	**22,776**	**29,968**

4.3 Capital risk management

The aims of the Group with regard to capital management consist of securing the continued existence of the company in order to continue to provide shareholders with income and other interested parties with the services to which they are entitled. A further aim is maintaining an optimal capital structure so as to reduce cost of capital.

In order to maintain or alter the capital structure, the Group adjusts dividend payments made to shareholders as necessary, issues new shares or sells assets in order to repay liabilities. The share capital was paid up in full for the entire financial year.

As is standard in the sector, the Group monitors its capital on the basis of gearing, calculated as the ratio of net debt to total capital. Net debt comprises total financial liabilities (including trade payables and financial liabilities and other liabilities according to the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated from equity according to the consolidated balance sheet less net debt. Gearing as at December 31, 2009 and December 31, 2008 was as follows.

	2009 TEUR	2008 TEUR
Total financial liabilities	193,557	171,800
Less: cash and cash equivalents	*–3,193*	*–17,287*
Net debt	190,364	154,513
Total equity	15,980	50,685
Total capital	**206,344**	**205,198**
Gearing	92 %	75 %

5 critical estimates and assumptions made in accounting for and measuring items

All estimates and judgements are re-evaluated on an ongoing basis and are based on past experience and additional factors, including expectations regarding future events, which may seem reasonable in the given circumstances.

The Group makes estimates and assumptions regarding the future. The amounts actually produced may deviate from these estimates. The estimates and assumptions, which entail a significant risk in the form of a material adjustment to the carrying amounts of assets and liabilities, relate to the following areas, in particular, whereby reference is made to the relevant detailed explanations of the carrying amounts:

a) Property, plant and equipment

To review the carrying amounts of property, plant and equipment, an assessment is carried out each year to establish whether there is evidence of a possible impairment. An impairment is based on a great deal of evidence. If such evidence exists, the management must estimate the recoverable amount using anticipated cash flows and appropriate interest rates. Material estimates and assumptions regarding property, plant and equipment also relate to stipulating economic useful lives and the estimate of steel scrap prices to establish achievable residual values.

This is particularly true of LPG Tankerflotte, where the carrying amounts are exposed to the risk of a material adjustment in future. Please refer to section 13 and the sensitivities presented there.

b) Business combinations

In accounting for business combinations, measurement of the identifiable assets and liabilities acquired is associated with the estimate to establish their fair value at the time of acquisition.

c) Associates

In carrying out an impairment test, the equity value of the relevant shares is compared with the recoverable amount. In determining the present value of use of the shares, the Group estimated its own share of the present value of the estimated future cash flows that are expected to be generated by the associate.

d) Investments

If there is objective evidence that a financial investment, which is not recognised at fair value because its fair value cannot be reliably determined, is impaired, the present value of estimated future cash flows is calculated to check the write-down required. The present value of estimated future cash flows is based on assumptions.

e) Receivables

Other estimates relate to whether receivables are realisable. The Group creates write-downs to take account of anticipated losses resulting from receivables not being realisable. Past experience provides the basis for assessing whether the write-downs are appropriate.

f) Provisions

The Group has created provisions for various risks. The assessment of the likelihood of their being utilised is based on past experience and the individual estimate of transactions. Facts, which increase their value, are taken into account accordingly.

g) Taxes on income paid

The Group is obliged to pay taxes on income in various countries. This is why material assumptions are required to calculate tax liabilities. There are many transactions and calculations where the final taxation cannot be conclusively calculated during the normal course of business. The Group assesses the amount of liabilities for anticipated tax audits on the basis of estimates as to whether and to what extent additional tax will be payable. If the final taxation of these transactions differs from that which was originally assumed, this will affect actual and deferred taxes in the period in which the taxation is finally calculated.

6 Segment reporting

The organisational structure of the MPC Münchmeyer Petersen Capital Group aims to generate attractive investment opportunities for customers, whilst at the same time securing a constant, high level of quality in investor support. The company is primarily organised according to the different product lines, of which the managing bodies report directly to the Management Board. The segment structure does not correspond to the legal structure of the individual Group companies, yet is prepared in the basic form of a statement of gross profit. The accounting principles applied to segment information correspond to the IFRS accounting principles applied to the MPC Münchmeyer Petersen Capital Group.

The MPC Capital Group reports on nine segments with eight segments being divided by product lines and one segment being a Group-wide segment. These segments also form the basis for managing the company.

Description of the segments with reporting requirements:

Ship investments This segment is responsible for the design and development of commercial closed-end funds involving investment in shipping companies of different types and sizes.

Real estate funds This segment develops and manages closed-end funds which offer investments in residential, commercial and office real estate in a range of countries.

Opportunity real estate funds This segment develops and manages funds used by investors to invest in a range of different target funds. These target funds develop different types of real estate projects throughout the world.

Energy and commodity funds Energy and commodity funds invest in companies in the field of renewable energy or commodity production, or investigating occurrences of raw materials. The segment develops projects accordingly, and supervises the management of these projects.

Life insurance funds This segment develops and manages closed-end funds that buy and develop life insurance policies on the secondary market.

Structured products This segment develops insurance solutions and structured products as investment options for investors.

Private equity funds The private equity funds segment develops closed-end funds that invest in different private equity target funds.

Other This segment includes activities that are not related to other segments and those that concern only the Group and its functions.

Group-wide This segment does not contain any products but those matters that influence gross profit without it being possible to allocate them to a segment. For instance, these may be expenses, which relate to a large number of products across all segments and therefore cannot be assigned without unreasonable expense.

Segment measurement variables

The performance indicators also applied in the 2008 annual financial statements as part of the first application of IFRS 8 have been retained. Unlike the previous year instead of operating income, gross profit has been used as the central statistic in establishing the success of a segment, since this represents the key management element for the main decision-makers. Services are not supplied between the segments.

The organisation of the different sales types and the associated material expenses is of key importance for the segments in assessing the success of new business and the sustainability of regular sales.

The first item this is broken down into is sales from initiating projects, which are generated for developing the marketability of a product. Sales from raising capital are earned for placing equity. Sales from administration include income for the trustee activities of the Group and for the ongoing management of certain funds. Charter revenues include income from chartering ships which the MPC Münchmeyer Petersen Capital Group has on its own books.

Cost of purchased services primarily constitutes inventories consumed pro rata for the individual product segments, while sales provisions cover remuneration paid to third parties for placing equity. Change in inventories constitutes the consumption of materials for the Group's own ships.

Gross profit constitutes the central statistic for calculating the success of a segment.

General overheads attributable to the Group headquarters and other items in the statement of comprehensive income are not allocated to the segments and do not constitute a criterion for appraising the success of the segment.

Segment assets and liabilities are not disclosed since this information is not passed to the main decision-makers.

Reconciliation

The reconciliation of segment information and the Group reports takes place within the presentation of the segments.

Information on geographical regions

The Group's business segments operate in three main geographical areas, which are used as information by the Management Board.

The company's home country – which is also where it conducts most of its business – is the Federal Republic of Germany. Its activities focus on the development and marketing of innovative, high quality investments.

Sales to the Group's external customers are generated in Germany, Austria and the Netherlands, and, to a minor extent, in Brazil.

NOTES ON THE GROUP STATEMENT OF COMPREHENSIVE INCOME

7 Sales

The material sales result from the provision of services.

This also includes sales from services provided in the context of the liquidation of two real estate funds and, for the first time, charter sales based on the consolidation of Beteiligungsgesellschaft LPG Tankerflotte mbH & Co. KG, Hamburg.

A breakdown of the individual items can be found under "Segment reporting".

8 Changes in the portfolio of finished goods and work in progress

The changes in the portfolio of finished goods and work in progress include the change in the capitalised project costs of funds not yet fully syndicated on the balance sheet date.

9 Cost of purchased services

This item includes commission payments to sales partners, ship operating costs incurred by Beteiligungsgesellschaft LPG Tankerflotte mbH & Co. KG, Hamburg, and expenses arising from placement and prospectus costs.

A breakdown of the individual items can be found under "Segment reporting".

10 Other operating income

Other operating income is composed as follows:

	2009 TEUR	2008 TEUR
Income from currency translation differences	3,168	2,567
thereof income realised from currency translation differences	*2,676*	*989*
thereof income not realised from currency translation differences	492	*1,578*
Income unrelated to the reporting period	1,583	990
Income from the sales of assets	824	7,842
Income from write-ups and the release of valuation adjustments	486	233
Income from the sales of participations and securities	0	3,995
Other	2,074	10,073
	8,135	**25,700**

11 Personnel expenses

Personnel expenses are composed as follows:

	2009 TEUR	2008 TEUR
Salaries and wages	–20,247	–28,352
Social security contributions	–3,240	–3,282
	–23,487	**–31,634**

The average number of employees is composed as follows:

	Average for 2009	Average for 2008
Germany	281	329
Austria	7	30
Switzerland	0	1
Netherlands	0	2
Liechtenstein	0	2
	288	**364**

12 Other operating expenses

Other operating expenses are composed as follows:

	2009 TEUR	2008 TEUR
Expenses from currency translation differences	–5,580	–2,751
Impairment of receivables	–3,546	–2,573
Cost of office space	–3,175	–3,456
Advertising, events	–2,737	–6,660
Legal and consultancy costs	–2,312	–5,844
IT expenses	–1,743	–2,145
Communication expenses	–1,369	–2,297
Expenses unrelated to the reporting period	–1,085	–2,400
Travel costs	–964	–2,485
Vehicle costs	–500	–465
Insurance and contributions	–440	–489
Personnel recruitment/other personnel costs	–388	–2,172
Office supplies and equipment	–359	–647
Donations	–272	–325
Money movement costs	–116	–1,191
Losses from the disposal of assets	–1,770	0
Expenses from charter guarantees	–1,426	0
Expenses for surety risk	–1,528	–3,603
Other	–2,624	–5,111
	–31,934	**–44,614**

13 Depreciation and amortisation of intangible assets and property, plant and equipment

Depreciation and amortisation of intangible assets and property, plant and equipment is composed as follows:

	2009 TEUR	2008 TEUR
Impairment of property, plant and equipment and intangible assets	–15,132	–1,204
Impairment of goodwill	*–12,096*	*–1,204*
Impairment of property, plant and equipment	*–3,036*	*0*
Depreciation and amortisation of intangible assets and property, plant and equipment	–2,316	–988
	–17,448	**–2,192**

LPG Tankerflotte

In the first quarter of 2009, there were indications of an impairment of goodwill resulting from the acquisition of LPG Tankerflotte, as there were signs that the purchase price was not in line with the market. An event-driven impairment test was carried out on the goodwill accordingly. The group of six ships was identified as a cash generating unit (CGU).

The fair value less sale costs was calculated as the recoverable amount. These were determined by a publicly-appointed and sworn ship appraiser taking into consideration technical features, conditions, categories, age and the charter rates applied. The development of the second-hand market with regard to comparable objects was also taken into account. The goodwill was subsequently written down in full, by TEUR 12,096, in the result.

In the fourth quarter of 2009, the LGP tanker MT "Coniston" was sold for less than its carrying amount. A sale agreement was also concluded in the fourth quarter of 2009 for the MT "Deauville" for less than its carrying amount, meaning that there were indications of impairment of the other tankers as at September 30, 2009 and December 31, 2009. MT "Deauville" was written down to the sale price less the costs of disposal. This resulted in a write-down of TEUR 1,114. The respective tests carried out to determine the useful value were performed for the other four ships using a DCF method. The ships have since been assigned to the ship investments segment.

The deployment agreements for the individual ships, the associated charter rates, as well as the duration and costs of necessary docking were taken as key parameters for the test. Assumptions regarding income were based on charter rates obtained in the past and market expectations.

The cash flows were discounted over the forecast remaining useful life of the ships by the weighted average cost of capital (WACC) of 6.34% before taxes.

An impairment requirement totalling TEUR 1,922 arose for the ships MT "Longchamp" and MT "Malvern". There is no impairment requirement for MT "Auteuil" and MT "Cheltenham".

A potential future change in the key parameters may significantly influence these measurements. For example, a 10% increase in planned docking costs would bring about an additional impairment for the MT "Longchamp" and the MT "Malvern" of TUSD 223 in total.

A 10% reduction in attainable charter sales as a result of reduced deployment or lower rates would result in impairment of the ships in the amount of TUSD 7,903.

14 Financial income

Financial income is composed as follows:

	2009 TEUR	2008 TEUR
Income from participations	2,224	1,795
Interest and similar income	1,728	3,538
Derivative financial instruments	0	2,317
	3,952	**7,650**

15 Financial expenses

Financial expenses are composed as follows:

	2009 TEUR	2008 TEUR
Interest and similar expenses	–7,631	–10,428
Derivative financial instruments	–5,379	–1,953
Impairment of participations	–3,189	–1,159
Johann Weimann Ladenbau GmbH	*–1,600*	
Opportunity funds	*–1,583*	*–645*
eFonds Holding AG		*–514*
Other	–874	
	–17,067	**–13,540**

Investment in Johann Weimann Ladenbau GmbH

As of September 30, 2009, there were indications of a possible impairment of the 14% investment in Weimann Ladenbau GmbH, which was acquired in 2009. An event-driven impairment test was carried out accordingly. The measurement was based on estimated future cash flows and other information regarding the anticipated future business performance. The measurement showed that a write-down of TEUR 1,600 had to be carried out. Expectations regarding future incoming orders were taken as critical parameters in this process.

Opportunity funds

For the investments in

- MPC Real Estate Opportunity Partners 1, General Partnership
- MPC Private Placement Opportunity Partners, General Partnership
- MPC Real Estate Opportunity Partners 2, General Partnership

- MPC Private Placement Opportunity Partners 2, General Partnership
- MPC Real Estate Opportunity Partners 3, General Partnership

an event-driven impairment test was carried out. Expected future cash flows from the investments were discounted by an estimated current market yield. The following impairment was taken into consideration in the result:

	Impairment TEUR
MPC Real Estate Opportunity Partners 1, General Partnership	609
MPC Private Placement Opportunity Partners, General Partnership	88
MPC Real Estate Opportunity Partners 2, General Partnership	366
MPC Private Placement Opportunity Partners 2, General Partnership	201
MPC Real Estate Opportunity Partners 3, General Partnership	319
	1,583

The amount and date of the planned returns from the investments made by these companies are decisive factors in the measurement of these opportunity partnerships. The discount rate is also a crucial factor. In the event of further deterioration on the American real estate market or increasing interest rates, there is also a risk of further impairment here.

Following impairments, the following carrying amounts were produced:

	TEUR
MPC Real Estate Opportunity Partners 1, General Partnership	626
MPC Private Placement Opportunity Partners, General Partnership	102
MPC Real Estate Opportunity Partners 2, General Partnership	951
MPC Private Placement Opportunity Partners 2, General Partnership	0
MPC Real Estate Opportunity Partners 3, General Partnership	444

Investments in San A-ships

As of June 30, 2009, there were indications of impairment as a result of the difficulties suffered by the charterers of San A-ships and the expected markdowns on potential follow-up charters. An event-driven impairment test was carried out accordingly in line with IAS 39.

The measurement was based on estimated future cash flows of the companies. This was based on the assumption that charters for these ships would start to recover from 2012 onwards to reach a level similar to that seen prior to the shipping crisis. Material, critical assumptions made in this measurement were the amount of charter income expected per ship, the underlying discount rate and the scrapping income expected at the end of the useful life.

The measurement showed that no write-downs for impairment needed to be carried out. However, based on the assumptions made, there is the risk that future changes to parameters may give rise to an impairment requirement.

The following table shows the impairment required in the event of a change in critical parameters. The variations shown are in an increase in the discount factor from 5.8% to 6.8%, long-term growth in charter rates of zero instead of 1% and deterioration in scrapping income by 25%.

	Discount + 1% TEUR	Charter rates growth of 0 TEUR	Scrap value –25% TEUR
Limited partnership MS "San Aurelio" Offen Reederei GmbH & Co.	–834	–1,294	0
Limited partnership MS "San Adriano" Offen Reederei GmbH & Co.	–1,595	–2,044	0
Limited partnership MS "San Alessio" Offen Reederei GmbH & Co.	–580	–1,015	0

The above-mentioned investments have the following carrying amounts on the balance sheet date:

	TEUR
Limited partnership MS "San Aurelio" Offen Reederei GmbH & Co.	3,940
Limited partnership MS "San Adriano" Offen Reederei GmbH & Co.	3,940
Limited partnership MS "San Alessio" Offen Reederei GmbH & Co.	3,940

16 At equity income from associated companies and joint ventures

Equity income from associated companies and joint ventures can be summarised as follows:

	31.12.2009 TEUR	31.12.2008 TEUR
Global Vision AG	85	129
Income from associated participations	**85**	**129**
HCI Capital AG	–22,765	–80,793
MPC Global Maritime Opportunities S.A., SICAF	–5,098	–157
eFonds Holding AG	–1,511	–2,602
2153000 Ontario Ltd.	0	–396
Rio Lawrence KG	–11	–3,009
MPC Münchmeyer Petersen Steamship GmbH & Co. KG	–63	–1,454
Expenses from associated participations	**–29,448**	**–88,411**
MPC Synergy Real Estate AG	–17	
Expenses from joint ventures	**–17**	**0**
At equity income from associates	**–29,380**	**–88,282**

eFonds Holding AG investment

As a result of the expected losses for the 2009 financial year, there was evidence for impairment of the investment in eFonds Holding AG in the fourth quarter. The critical parameter for the event-driven impairment test is the expected recovery of the overall market for closed-end funds to a sustainable volume – comparable to before the financial crisis – of approximately TEUR 14,000. The discount rate is also important.

On the basis of the assumptions, the investment is recoverable. Even a less strong recovery to only TEUR 12,000 would mean no impairment in the context of the otherwise unchanged assumptions. Increasing the discount factor from 9.66% to 10.66% would not result in impairment.

Investment in MPC Global Maritime Opportunities S.A, SICAF

The investment in MPC Global Maritime Opportunities S.A, SICAF was subject to an event-driven impairment test. The expected investment cash flows were discounted. There was no impairment requirement for 2009.

Investment in HCI Capital AG

The pro rata result at HCI Capital AG is based on the provisional result for the 2009 financial year published by HCI Capital AG.

As a result of HCI Capital AG's losses during the year, the investment was tested for possible impairment during the year and again as at December 31, 2009. It was determined in each case that the recoverable amount was above the carrying amount and that there was therefore no impairment.

The recoverable amount of HCI Capital AG was calculated on the basis of published figures and further information. This was principally based on past Group figures. In addition, forecast statements by the management of HCI were also included in the calculation. However, for all information available, estimates also had to be included in the measurement of the company. This data was finally processed using the discounted cash flow method. The cash flows on which this was based were calculated using planning data for the years 2010 to 2012. For periods starting in 2013, the assumptions of the last planning year were modified and adjusted with a sustainable growth rate. A plausibility check was carried out on these assumptions. This planning data is subject to the usual uncertainties of estimates and forecasting. As a result, adjustments may be required to the carrying amounts of the investment in HCI Capital AG. A uniform basic interest rate of 4.5% before taxes was included in the measurement. In addition, a risk premium of 4.5% was included, bringing the cost of equity to 9%. For government perpetuals, a figure of 8% was used.

However, if certain changes arise to the assumptions made in the valuation model, the carrying amount of the investment would change under certain circumstances. The development of the equity to be placed and the resultant revenue from the new business which is taken as an assumption in the valuation, the discount factor and the development of operating and personnel expenditure in relation to revenue targeted by HCI Capital AG have been identified as critical parameters.

If the discount factor increased by 1%, the recoverable amount would decrease by approximately TEUR 5,811 but would still be above the carrying amount.

A sustainable reduction of 10% in placement success against the model assumptions would cause a reduction in the recoverable amount by TEUR 7,702 but at the same time would cause no impairment.

It was assumed that HCI Capital AG is stabilising its cost-to-sales ratio sustainably at 47%, which is higher than the figures achieved in the past. If a sustained cost-to-sales ratio of only 33% is achieved, the recoverable amount would increase by TEUR 24,830. In contrast, if there is further deterioration in the ratio by 2%, the recoverable amount decreases accordingly by TEUR 3,678. Impairment would not result.

The effects of the restructuring measures announced by HCI Capital AG to the impairment of the HCI investment are still subject to uncertainty at present. However, the possibility that the targeted HCI Capital AG rights issue can create an impairment requirement cannot be ruled out. As part of its agreement with the banks MPC Münchmeyer Petersen Capital agreed that having carried out the capital increase at MPC Münchmeyer Petersen Capital AG, it would participate in a capital increase of up to TEUR 14,000 at HCI Capital AG, provided – among other things – HCI Capital AG is released from certain liabilities in accordance with its restructuring agreement to December 31, 2010. In the event of it being released, MPC Münchmeyer Petersen Capital AG has also agreed to cede almost 50% of the shares in HCI Capital AG to which HCI Capital AG is entitled following the capital increase, preferably new shares subscribed for solely as part of the capital increase, to the banks financing HCI. In this case, these banks would have the possibility of acquiring these shares at a price of EUR 1 as part of a call option. Under the model assumptions made, and if all specified conditions are met, a negative effect on income by impairment of up to a maximum of TEUR 23,000 is possible for MPC Münchmeyer Petersen Capital AG.

On December 31, 2009, the HCI Capital AG share was quoted at EUR 1.31. This corresponds to a market value of TEUR 12,826 for the investment. The shares were not recognised at the reporting date market price of EUR 1.31 but at a rate of EUR 4.00 in accordance with IAS 28. Goodwill for HCI Capital AG is included in the carrying amount.

The carrying amounts of the associated companies listed above, for which an impairment test was performed, can be summarised as follows:

	TEUR
eFonds Holding AG	4,578
MPC Global Maritime Opportunities S.A., SICAF	992
HCI Capital AG	39,231

17 Taxes on income

Taxes on income paid and owed in the individual countries and tax deferments are reported as taxes on income.

The taxes on income are divided between Germany and abroad as follows:

	2009 TEUR	2008 TEUR
Actual taxes	–842	–6,206
Germany	*–1,297*	*–2,383*
Abroad	*455*	*–3,823*
Deferred taxes	–2,245	2,227
Germany	*–2,075*	*2,227*
Abroad	*–170*	*0*

Deferred taxes unrelated to the reporting period are TEUR 855 (previous year: TEUR –3,293).

In the 2009 financial year, corporations headquartered in Germany were subject to corporation tax of 15%, a solidarity surcharge of 5.5% in addition to the corporation tax and trade tax, the level of which depends on the various assessment rates levied by individual municipalities. The assessment rates in the municipalities in which companies of the MPC Münchmeyer Petersen Capital AG Group are based were 470% in Hamburg (previous year: 470%) and 290% in Quickborn (previous year: 290%). The average income tax burden of foreign corporations was 25% in Austria (previous year: 25%), 25.5% in the Netherlands (previous year: 25.5%), approximately 16.9% in Switzerland (previous year: 17%), 30% in Spain (previous year: 30%), approximately 22.1% in Canada (previous year: 22.1%) and 24% in Brazil (previous year: 24%).

Group income taxes are also subject to the effect of the possibility which exists in Germany under certain conditions, when operating merchant vessels internationally, to determine profit as a lump-sum tax on the basis of the net storage space of the ship and not on an accruals basis.

The group tax rate corresponds to the German tax rate for the parent company MPC Münchmeyer Petersen Capital AG and amounts to 32.28% (previous year: 32.28%). This tax rate comprises corporation tax of 15%, a solidarity surcharge of 5.5% in addition to corporation tax and trade tax with an assessment rate of 470%. The application of the group income tax rate of 32.28% to the consolidated result before income taxes would lead to expected tax income of TEUR 24,228. The difference between this amount and the effective tax expenditure of TEUR 3,087 can be seen from the following reconciliation:

	2009 TEUR	2008 TEUR
Consolidated result before tax	–75,066	–96,055
Expected taxes on income	24,228	31,004
Different tax rates	–1,723	–1,540
Adjustments to deferred tax assumptions in the previous year	–1,898	–241
Temporary differences and loss carryforwards for which no deferred taxes were applied	–10,251	–3,990
Non-tax-deductible expenses	–13,928	–28,693
Tax-free income	0	1,283
Deviation from the basis of assessment for trade tax	–350	914
Actual taxes on income for previous years	855	–3,293
Other deviations	–20	578
Taxes on income	–3,087	–3,979
Effective tax rate (in %)	4.11	4.14

The deviations reported under the item “Different tax rates” are the result of the tax rates for domestic and foreign group companies which deviate from the tax rate of MPC Münchmeyer Petersen Capital AG.

The non-tax-deductible expenses primarily include valuation adjustments on financial assets which are not to be considered for tax purposes.

In essence, the item “adjustments to deferred tax assumptions in the previous year” contains the reversal in the 2009 financial year of deferred tax assets created on loss carryforwards and of deferred tax liabilities, which were accounted for in connection with temporary differences in the balance sheet item “inventories”.

18 Earnings per share

The basic earnings per share are determined in line with IAS 33 as a ratio of the group net loss for the year allocated to the shareholders after minorities and the weighted average number of outstanding shares during the financial year. As a result of the rights issue in January 2009, the weighted number of shares is 17,367,147 and thus deviates from the number of shares on the reporting date (18,212,918).

	2009 TEUR	2008 TEUR
Profit/loss for the period (in TEUR)	–78,153	–100,034
Thereof attributable to minority interests	*0*	*–544*
Thereof attributable to equity holders of the parent company	*–78,153*	*–99,490*
Weighted number of outstanding shares	17,367,147	11,118,727
Basic earnings per share (in EUR)	–4.50	–8.95

The basic result per share is thus EUR –4.50.

A diluted result would occur if the average number of outstanding shares was increased by conversion and option rights. As such rights do not exist in the MPC Münchmeyer Petersen Capital Group, the diluted result corresponds to the basic result.

MPC Münchmeyer Petersen Capital AG plans a rights issue. The two main shareholders, MPC Münchmeyer Petersen & Co. GmbH and Corsair Capital, have undertaken to invest a total amount of TEUR 20,000, on the condition that the Wetterfest 2 programme is successfully concluded with the banks. Of this figure, Corsair Capital will provide TEUR 14,000 and MPC Münchmeyer Petersen & Co. GmbH TEUR 6,000. The subscription price will be EUR 2.75. This will result in a total of 5,263,158 new shares. Depending on free float participation for the planned capital issue, the number of new shares will increase accordingly. Shares can be created up to a maximum of 50% of the share capital (9,106,459). The rights issue will become cash-effective in the second quarter of 2010.

NOTES ON THE CONSOLIDATED BALANCE SHEET

NON-CURRENT ASSETS

19 Intangible assets

2008	Concessions, industrial property rights, licenses TEUR	Software TEUR	Goodwill TEUR	Total TEUR
As at Jan. 1, 2008				
Acquisition/production costs (APC)	181	2,200	3,618	5,998
Cumulative depreciation	–113	–1,916	–1,764	–3,793
Net carrying amount	**68**	**284**	**1,853**	**2,205**
2008 financial year				
Net opening carrying amount	68	284	1,853	2,205
Additions APC	136	45	108	289
Initial consolidation	0	0	569	569
Disposals APC	0	–336	0	–336
Currency differences APC	0	5	0	5
Depreciation and amortisation	–55	–228	0	–283
Impairment	0	0	–1,204	–1,204
Disposals depreciation	0	336	0	336
Currency differences depreciation	0	–2	0	–2
Net closing carrying amount	**150**	**104**	**1,326**	**1,579**
As at Dec.12, 2008				
Acquisition/production costs	317	1,914	4,295	6,526
Cumulative depreciation	–168	–1,810	–2,968	–4,946
Net carrying amount	**150**	**104**	**1,326**	**1,579**

2009	Concessions, industrial property rights, licenses TEUR	Software TEUR	Goodwill TEUR	Total TEUR
2009 financial year				
Net opening carrying amount	150	104	1,326	1,579
Additions APC	8	57	0	65
Initial consolidation	–151	151	0	0
Disposals APC	0	0	11,306	11,306
Currency differences APC	–67	–10	0	–77
Depreciation and amortisation	–1	–93	0	–94
Impairment	0	0	762	762
Disposals depreciation	–20	–104	0	–123
Currency differences depreciation	0	0	–12,096	–12,096
Depreciation and amortisation	0	93	0	93
Impairment	21	–21	0	0
Disposals depreciation	65	9	0	74
Currency differences depreciation	0	0	31	31
Net closing carrying amount	**6**	**185**	**1,328**	**1,519**
As at Dec.12, 2009				
Acquisition/production costs	107	2,018	16,362	18,487
Cumulative depreciation	–102	–1,833	–15,034	–16,968
Net carrying amount	**6**	**185**	**1,328**	**1,519**

Goodwill of TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH

The TEUR 1,323 goodwill reported in intangible assets as at December 31, 2009 was the result of the acquisition of the company in 2000. The mandatory impairment test was carried out for this goodwill as on December 31, 2009. The goodwill was distributed among the segments on a basis of proportionate sales in accordance with IFRS 8.

	Segment value TEUR
Ship investments	836
Real estate funds	197
Opportunity real estate funds	76
Life insurance funds	111
Private equity funds	61
Energy and commodity funds	31
Other	11
	1,323

The recoverable amount for the segments is the value in use, which is determined on the basis of a DCF process. The company's detailed corporate planning at segment level was used over a period of three years to determine future cash flow. This was developed for income on the basis of management expectations for future market developments. For expenditure, internal plans were used, on the basis of past experience. Perpetual growth of 1% was used to determine terminal value. Pre-tax interest of 7.3% was used for discounting.

The test showed that the reported goodwill is recoverable in all segments.

Goodwill LPG Tankerflotte

The goodwill for LPG Tankerflotte mbH & Co. KG, Hamburg, was tested for impairment and written down by the full amount, please see explanations in Section 13.

The development of individual items of Group intangible assets is shown in the Group assets schedule.

The impairment is presented in the statement of comprehensive income in the item "Depreciation and amortisation of intangible assets and property, plant and equipment".

20 Property, plant and equipment

Property, plant and equipment mainly relates to the ships of LPG Tankerflotte mbH & Co. KG.

Loans of TUSD 33,800 were taken up to finance LPG Tankerflotte. The loans were securitised by mortgaging ships and were valued at TUSD 25,161 on the closing date.

Following the sale of the MT "Coniston" and the reclassification of the MT "Deauville" into non-current assets held for sale (in accordance with IFRS 5), only four LPG tankers of the initial six are reported in property, plant and equipment.

The sale of these four LPG tankers within one year is no longer considered highly probable.

The development of property, plant and equipment is shown in the Group assets schedule.

2008	**Land, land rights and buildings** TEUR	**Office furniture and equipment** TEUR	**Ships** TEUR	**Total** TEUR
As at Jan. 1, 2008				
Acquisition/production costs (APC)	1,182	4,186	0	5,368
Cumulative depreciation	–643	–1,804	0	–2,447
Net carrying amount	**539**	**2,383**	**0**	**2,922**
2008 financial year				
Net opening carrying amount	539	2,383	0	2,922
Additions APC	33	843	0	876
Initial consolidation	15,768	0	0	15,768
Disposals APC	–14,851	–446	0	–15,298
Currency differences APC	–917	7	0	–910
Depreciation and amortisation	–134	–571	0	–705
Disposals depreciation	0	142	0	142
Currency differences depreciation	0	–7	0	–7
Net closing carrying amount	**438**	**2,351**	**0**	**2,788**
As at Dec.12, 2008				
Acquisition/production costs	1,215	4,590	0	5,805
Cumulative depreciation	–777	–2,240	0	–3,016
Net carrying amount	**438**	**2,351**	**0**	**2,788**

2009	Land, land rights and buildings TEUR	Office furniture and equipment TEUR	Ships TEUR	Total TEUR
2009 financial year				
Net opening carrying amount	438	2,351	0	2,788
Additions APC	331	150	0	481
Initial consolidation	0	0	26,038	26,038
Disposals APC	0	–189	0	–189
Reclassifications in accordance with IFRS 5 APC	0	0	–5,164	–5,164
Disposals APC	–2	–281	–4,232	–4,514
Currency differences APC	0	3	–157	–154
Depreciation and amortisation	–126	–532	–1,535	–2,193
Impairment	0	0	–3,035	–3,035
Disposals depreciation	0	129	137	267
Reclassifications in accordance with IFRS 5 APC	0	0	1,399	1,399
Deconsolidation depreciation	0	98	0	98
Currency differences depreciation	0	0	65	64
Net closing carrying amount	**641**	**1,729**	**13,515**	**15,885**
As at Dec.12, 2009				
Acquisition/production costs	1,544	4,274	16,485	22,302
Cumulative depreciation	–903	–2,545	–2,970	–6,417
Net carrying amount	**641**	**1,729**	**13,515**	**15,885**

The impairment is presented in the statement of comprehensive income in the item “Depreciation and amortisation of intangible assets and property, plant and equipment”.

21 Investments in associates and joint ventures

Below is a summary of the associates included in the consolidated financial statements of the MPC Münchmeyer Petersen Capital Group according to the equity method.

	2009 TEUR	2008 TEUR
Current assets	109,078	128,420
Non-current assets	336,831	356,450
Total assets	**445,909**	**484,870**
Current liabilities	318,466	153,648
Non-current liabilities	58,324	222,315
Total liabilities	**376,790**	**375,963**
Equity	**69,119**	**108,906**
Sales	**83,465**	**199,996**
Expenditure	**–153,228**	**–284,798**
Income	**10,891**	**25,048**
Net income	**–58,872**	**–59,754**

The figures do not relate to the stake allocated to the MPC Münchmeyer Petersen Capital Group but represent the assets, liabilities, expenses and income in the financial statements of the associates.

The key data for the associates MPC Global Maritime Opportunities S.A. SICAF, and HCI Capital AG, Hamburg are based on the most recent financial data available as at September 30, 2009.

The following overview shows the pro rata losses of the two associated companies MPC Münchmeyer Petersen Steamship GmbH & Co. KG and Rio Lawrence Schifffahrtsgesellschaft mbH & Co. KG. The pro rata losses were no longer recognised in full as the measurement of their equity holding was already utilised.

	2009 TEUR	2008 TEUR
MPC Münchmeyer Petersen Steamship GmbH & Co. KG	–6,591	–3,955
Rio Lawrence Schifffahrtsgesellschaft mbH & Co. KG	–345	0

The pro rata cumulative losses for the associated companies consolidated according to the equity method, which were no longer recognised in profit or loss in the absence of a relevant settlement obligation as a result of the stake already reported according to the equity method with a value of EUR 0, were TEUR 10,891.

The aggregate key data of associates consolidated according to the equity method are shown in the following table.

	2009 TEUR	2008 TEUR
Current assets	60	52
Non-current assets	15	21
Total assets	**75**	**73**
Current liabilities	38	49
Non-current liabilities	0	0
Total liabilities	**38**	**49**
Equity	**37**	**24**
Sales	**580**	**331**
Expenditure	**–567**	**–396**
Income	**0**	**2**
Net income	**13**	**–63**

The only joint venture included in the item is the 49.8% stake in MPC Synergy Real Estate AG, Küsnacht, Switzerland.

22 Receivables from related parties

The receivables due from related parties are as follows:

	2009 TEUR	2008 TEUR
Receivables due from fund companies	20,421	7,436
Receivables due from associates	1,904	0
Receivables due from related companies	**22,325**	**7,436**

The receivables relate in full to liquidity bridging loans and cost advances.

The receivables from related parties are payable in the medium term over a period of between one and five years, and bear interest at between 5.0% and 6.0% p.a.

In the last financial year, impairment of TEUR 2,147 (previous year: EUR 0) was carried out on the receivables due from related parties.

The impairment is presented in the statement of comprehensive income in the item “Other operating expenses”.

23 Available-for-sale financial assets

Available-for-sale financial assets are composed as follows:

	2009 TEUR	2008 TEUR
Investments in fund companies	7,799	7,598
Other investments	2,856	4,442
Shares in affiliates (non-consolidated)	15,521	15,557
Available-for-sale financial assets	**26,176**	**27,597**

Shares in fund companies presented in this item are reported in the balance sheet at amortised cost if the market values cannot be determined reliably.

The shares in non-consolidated affiliated companies and other investments reported here are not consolidated owing to their immaterial nature, despite an interest of over 50% (see Section 2.4.2).

In the last financial year, impairment of TEUR 3,183 (previous year: TEUR 514) was carried out on available-for-sale financial assets.

The impairment is presented in the statement of comprehensive income in the item “Finance expenses”.

24 Other financial assets

Other financial assets are composed as follows:

	2009 TEUR	2008 TEUR
Loan receivables	5,122	8,510
Other loans	125	161
Receivables due from employees	100	0
Bank balances with long-term restrictions on disposal	20,000	0
Other financial assets	**25,347**	**8,671**

The receivables from bank balances include bank balances of TEUR 20,000 which are appointed as collateral and are have restrictions on disposal until December 31, 2010.

These are recognised in the cash flow statement in cash flow from financing activity.

25 Other current assets

Other current assets are composed as follows:

	2009 TEUR	2008 TEUR
Payments for intangible assets	24,353	0
Other current assets	**24,353**	**0**

Other current assets include solely payments for the biomass power station in Brazil acquired as part of the MPC Capital bio energy project.

26 Taxes on income

The actual income tax receivables in the consolidated balance sheet are made up as follows:

	2009 TEUR	2008 TEUR
Current income tax receivables	1,398	4,541
Tax liabilities	5,311	7,164

In essence, income tax liabilities comprise liabilities to the tax office for income tax in 2007 and the risks from tax audits recognised as liabilities.

The deferred taxes in the consolidated balance sheet are made up as follows:

	2009 TEUR	2008 TEUR
Deferred tax assets	0	3,047
Deferred tax liabilities	171	1,029

The deferred tax assets and liabilities reported as at December 31, 2009 are the result of deferred taxes on temporary differences between the figures reported in the IFRS consolidated financial statements and the figures reported in the tax accounts and from deferred tax assets on the tax loss carryforwards achieved in the past.

There have been the following changes to deferred taxes:

	2009 TEUR	2008 TEUR
Deferred taxes recognised in the balance sheet	–171	2,018
Change on the previous year	–2,189	2,227
of which impacts on income	*–2,245*	*2,227*
of which currency differences	*–3*	*0*
Allocated to equity	*59*	*0*

Deferred tax assets and liabilities are divided between the following balance sheet items.

	2009		2008	
	Assets TEUR	**Liabilities** TEUR	**Assets** TEUR	**Liabilities** TEUR
Non-current assets				
Investments in associates and joint ventures	0	11	0	10
Available-for-sale financial assets	0	101	0	101
Receivables and other current assets	0	131	0	0
Current assets				
Inventories	0	0	0	1,167
Receivables and other current assets	8	252	0	748
Equity				
Capital reserve	215	0	0	0
Non-current liabilities				
Financial liabilities	0	190	0	281
Derivative financial instruments	594	0	494	0
Current liabilities				
Provisions	137	3	24	0
Liabilities	978	22	631	0
Tax loss carryforwards	**11**	**0**	**3,176**	**0**
Gross value	**1,943**	**710**	**4,325**	**2,307**
Thereof long-term	*817*	*433*	*3,439*	*393*
Netting	–539	–539	–1,278	–1,278
Valuation adjustments	–1,404	0	0	0
Figure recognised in the balance sheet	**0**	**171**	**3,047**	**1,029**

The value adjustments relate mainly to derivative financial instruments (liabilities) and current liabilities.

Deferred tax assets and liabilities were adjusted in connection with the changes to key accounting policies undertaken in the 2009 financial year. The adjustments shown above for the previous year related primarily to the balance sheet items – current other financial assets, noncurrent derivative financial instruments and current other financial liabilities.

Deferred tax receivables for tax loss carryforwards and temporary differences are recognised at the amount, at which realisation of the associated tax benefits through future fiscal gains is likely or there are sufficient deferred tax liabilities. The Group did not recognise deferred tax receivables of TEUR 11,932 (previous year: TEUR 6,974), which relate to corporation tax losses of TEUR 37,031 (previous year: TEUR 18,635) and to trade tax losses of TEUR 37,074 (previous year: TEUR 24,728). According to the current legal position, tax loss carryforwards may be carried forward for an unlimited period in Germany and the countries in which the foreign Group subsidiaries are based. Because of the non-deductibility of interest expenses in Germany (interest limitation), no deferred tax asset was recognised for the interest expenses of TEUR 3,236 (previous year: EUR 0), which can be carried forward. No deferred taxes on temporary differences of TEUR 4,349 (previous year: TEUR 0) were recognised, either.

No deferred taxes were recognised for temporary differences in connection with investments in subsidiaries in the amount of TEUR 9,292 (previous year: TEUR 7,434), since it is not likely that these temporary differences will be reversed in the foreseeable future.

As part of the capital increase carried out in January 2009, capital procurement costs associated therewith were recorded in the capital reserve. The deferred tax asset of TEUR 59 resulting from the difference in recording transaction costs in the tax accounts was recognised in equity. No deferred taxes were recognised for expenses and income recorded in other comprehensive income since the preconditions for recognition were not fulfilled.

CURRENT ASSETS

27 Inventories

This item contains work in progress deferred as at the balance sheet date.

As at December 31, 2009, inventories amount to TEUR 4,703 (previous year: TEUR 36,801). This figure includes inventories, which were recognised at their net sale value of zero and have been written down by TEUR 2,103.

No write-downs for impairments were carried out in the previous year.

The impairment is presented in the statement of comprehensive income in the item “cost of purchased services”.

28 Trade receivables

In essence, trade receivables are the result of services for placing limited partner's interest.

The receivables have a remaining maturity of less than one year.

In the last financial year, impairment of TEUR 199 (previous year: EUR 2,573) was carried out on trade receivables.

The impairment is presented in the statement of comprehensive income in the item "Other operating expenses".

29 Receivables from related parties

The receivables due from related parties are as follows:

	2009 TEUR	2008 TEUR
Receivables due from the MPC Group	52	143
Receivables due from affiliates	8	15
Receivables due from associates	57	24
Receivables due from joint ventures	21	7
Receivables due from fund companies	37,286	34,302
Receivables due from related companies	**37,424**	**34,491**

The receivables due from fund companies are current liquidity bridging loans and cost advances of TEUR 18,048 and trade receivables due from fund companies of TEUR 18,993.

In the last financial year, impairment of TEUR 1,200 (previous year: EUR 0) was carried out on the receivables due from related parties.

The impairment is presented in the statement of comprehensive income in the item "Other operating expenses".

30 Current income tax receivables

See Section 25.

31 Other financial assets

Other financial assets are composed as follows:

	2009 TEUR	2008 TEUR
Securities	456	1,912
Other financial instruments	79	4,640
Other financial assets	**535**	**6,552**

32 Other current assets

Other current assets are composed as follows:

	2009 TEUR	2008 TEUR
Accrued income	254	200
Receivables from value-added tax	8	658
Other receivables from third parties	178	14,308
Payments made	108	97
Other	2,000	1,139
Other current assets	**2,548**	**16,402**

The item “Other” results primarily from LPG tanker receivables from insurance companies.

33 Cash and cash equivalents

Cash and cash equivalents are composed as follows:

	2009 TEUR	2008 TEUR
Cash	32	16
Bundesbank deposits	0	24
Deposits in banks	3,161	17,247
cash and cash equivalents	**3,193**	**17,287**

A detailed analysis of changes in cash is shown in the cash flow statement. On the balance sheet date, the maximum default risk corresponded to the carrying amount.

34 Non-current assets held for sale and disposal groups

Reported in the non-current assets held for sale is an LPG tanker (MT "Deauville") of Beteiligungsgesellschaft LPG Tankerflotte mbH & Co. KG, Hamburg.

The LPG tanker held for sale was sold in January 2010 at a purchase price of TEUR 3,663. The corresponding depreciation to the lower market value less costs of disposal as part of the reclassification to assets held for sale amounted to TEUR 1,114.

The loss was recognised in the statement of comprehensive income under other operating expenses.

The sale of other LPG tankers is not planned until further notice due to the poor market situation and the resulting very low disposal proceeds.

EQUITY

35 Equity

On January 16, 2009, the Management Board of MPC Münchmeyer Petersen Capital AG resolved with the agreement of the Supervisory Board to raise the company's share capital with a rights issue from authorised capital in two stages from EUR 12,146,418.00 to EUR 18,212,918.00. The rights issue strengthens the equity basis by around TEUR 48,114 (following the deduction of transaction costs of TEUR 419). In the first step, a total of 1,214,641 new non-par bearer shares from authorised capital with exclusion of subscription rights for shareholders were issued to the major shareholder of the company, Corsair III Investments (Luxembourg) S.à.r.l. ("Corsair Capital") at a price of EUR 8.00 per share.

In a second step, 4,851,859 new, non-par bearer shares were subsequently offered for subscription to shareholders of the company at a ratio of 50 to 19. The subscription price was likewise EUR 8.00 per new share. The subscription period was set for the period from January 23, 2009 to February 5, 2009. The subscription rights were not traded on the stock exchange. In addition, within the scope of a fixed application for subscription, the shareholders MPC Münchmeyer Petersen & Co. GmbH ("MPC Holding") and Corsair Capital were also obliged to exercise the subscription rights allocated to them in full and also to acquire new shares not taken up by shareholders eligible to subscribe, as long as their shares did not exceed the threshold of 29.9%.

The shareholder Oldehaver Beteiligungsgesellschaft mbH likewise undertook within the scope of a fixed application for subscription to exercise the subscription rights attributable to it in full and furthermore to acquire the new shares not yet subscribed by shareholders eligible to subscribe at the subscription price, if these have not already been taken on by the shareholders MPC Holding and Corsair Capital.

The details of the changes to equity are shown in the statement of changes in equity.

Share capital

Share capital is TEUR 18,213 and consists of 18,212,918 non-par fully paid shares at a nominal value of EUR 1.00 each. In the 2009 financial year, 6,066,500 of these shares were subscribed to as part of an authorised rights issue. The shares are made out to the bearer.

The Management Board is authorised until May 11, 2014 to raise the company's share capital with the agreement of the Supervisory Board once or several times by up to a total of EUR 9,106,459 by issuing up to 9,106,459 new shares for cash or kind (authorised capital 2009). In each case, ordinary shares and/or non-voting preferred shares may be issued. The Management Board is also authorised, with the approval of the Supervisory Board, to exclude the subscription right of the shareholders. However, exclusion of the subscription right is only possible in the following cases:

i. in the event of rights issues against non-cash contributions, particularly in connection with the acquisition of companies, parts of companies, participations or economic assets,
iii. insofar as it is necessary in order to grant a subscription right to the holders of convertible bonds or convertible profit-sharing rights or rights of option to the same extent as would be granted to them as shareholders following exercise of the right of conversion or right of option, or following execution of the conversion requirement,
iii. for fractional amounts;
iv. if the shares are issued at an initial carrying amount which is not significantly lower than the stock market price and does not exceed the total of 10% of share capital. To be set off against this limit are shares which were sold or issued under exclusion of the subscription right due to other authorisations in direct or corresponding application of Article 186 Section 3 Sentence 4 of the German Stock Corporation Act.

	Shares
Number of shares on January 1, 2009	12,146,418
Rights issue	6,066,500
Number of shares on December 31, 2009	18,212,918

Capital reserve

The capital reserve as of December 31, 2009 is TEUR 15,383 (December 31, 2008: TEUR 21,872).

The capital reserve results partly from the premium from the IPO in 2000 and partly from the rights issues in 2008 and 2009 as well as offsetting the net loss for 2009 with the capital reserve.

The capital increase was carried out in January 2009 on the basis of the resolution of the Management Board and thereby increased share capital from 12,146,418 to 18,212,918 shares. The shares were issued at a purchase price of EUR 8.00, of which EUR 7.00 was placed in the capital reserve. In total, this increase in the capital reserve amounted to TEUR 42,047.

On February 8, 2010, the Management Board resolved to offset the net loss for 2009 of TEUR 48,536 against the capital reserve. This consists of the net loss for 2009 of TEUR 50,552 plus the transfer of TEUR 2,016 from the reserve for treasury shares.

Comprehensive income

Comprehensive income is made up of "retained earnings" and "cumulative other comprehensive income".

Retained earnings

Retained earnings contain all earnings from the Group companies combined in the consolidated financial statements for the current and previous periods, reduced in each case by the dividends paid.

In 2008, dividends of EUR 3.50 per share entitled to dividends were distributed for the 2007 financial year. The dividend of TEUR 35,245 was deducted from retained earnings. The remaining retained earnings were carried forward.

In 2009, no dividend was paid to investors for the 2008 financial year because of the cumulative loss as at December 31, 2008.

In 2010, no dividend will be paid to investors, either because of the cumulative loss as at December 31, 2009. The net loss by MPC Münchmeyer Petersen Capital AG is offset against the capital reserve and the reserve for treasury shares in the single-entity financial statements with the result that retained earnings of zero are reported as at December 31, 2009.

Other comprehensive income

"Other comprehensive income" contains shares in associates' other comprehensive income. An item for equity adjustments without any impact on income was created for the HCI Capital AG investments of TEUR 4,167. The item for the equity adjustment without any impact on income at MPC Global Maritime Opportunities S.A., SICAF amounts to TUSD –971.

It also contains adjustment items from the translation of foreign currency financial statements of TEUR 1.1048.

Treasury shares at acquisition costs

As at December 31, 2009, MPC Münchmeyer Petersen Capital AG holds a total of 593,000 treasury shares with a nominal value of EUR 593,000.00. The cost of the shares acquired in 2007 and 2008, at an average purchase price of EUR 47.15, totals TEUR 27,957 and represents a share of 3.26% in the company's share capital.

These treasury shares are recognised as a separate item in equity. Ancillary transaction costs were recognised as an expense in profit or loss. If the shares were sold, the MPC Münchmeyer Petersen Capital Group would report the difference between the cost of acquisition and the fair value as a cumulative effect not influencing the result.

NON-CURRENT PROVISIONS AND LIABILITIES

36 Financial liabilities

	2009 TEUR	2008 TEUR
Non-current		
Liabilities due to banks	76,313	67,602
	76,313	**67,602**
Current		
Overdraft facilities	6,249	6,909
Collateralised loans	6,333	4,182
Liabilities due to banks	73,873	62,939
	86,456	**74,030**
Total financial liabilities	**162,768**	**141,632**

Liabilities due to banks

Bank liabilities have a duration between one month and six years and bear interest at between 1.826% and 8.85%.

Total financial liabilities include collateralised and non-collateralised credit liabilities (overdraft facilities, liabilities due to banks and other collateralised loans) amounting to TEUR 146,130 (2008: TEUR 142,504). The financial liabilities are collateralised with shares, company shares and trade receivables.

The interest rate risks and contractual interest adjustment dates associated with financial liabilities are composed as follows on the balance sheet date:

	2009 TEUR	2008 TEUR
6 months or under	128,213	125,419
6–12 months	0	0
1 – 5 years	34,556	17,085
Over 5 years	0	0
	162,768	**142,503**

The carrying amounts of the financial liabilities for the following currencies are:

	2009 TEUR	2008 TEUR
Euro	141,099	138,322
Pound sterling	0	0
US dollar	21,669	4,182
Other currencies	0	0
	162,768	**142,504**

The Group has the following facilities which have not been utilised:

	2009 TEUR	2008 TEUR
With variable interest rate		
Expiry within one year	0	0
Expiry after one year	0	3,091
With fixed interest rate		
Expiry within one year	0	0
Expiry after one year	3,751	
	3,751	**3,091**

The facilities relate to a current credit line in one of the current accounts.

With the signing of an agreement between MPC Münchmeyer Petersen Capital AG and its financing partners on March 12, 2010, MPC Münchmeyer Petersen Capital AG successfully protected itself from the risks of the existing credit and contingent liabilities. Accordingly, MPC Münchmeyer Petersen Capital AG will not be held liable under liabilities assumed in the context of sureties and placement guarantees until September 30, 2013 at the earliest. In addition, commitments in principle were secured on the extension of existing credit lines, the suspension of existing covenants and the provision of equity bridging loans for fund projects.

For the financing of the MPC Münchmeyer Petersen Capital Group, this agreement means a deferral of interest and repayment until September 30, 2013. This was agreed in the bank accord concluded on March 12, 2010.

Payment delays

There was a delay in repayment for two loans.

The delayed redemption repayment was TEUR 4,064. The carrying amount of the loans at the end of the period was TEUR 28,449 including the delay in repayment.

Collateral provided

The investment in HCI Capital AG serves as collateral for the associated loans.

Shares in TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH were also provided to the financing banks for a bridging loan in 2009.

This collateral remains in place until complete repayment of each loan.

Should MPC Münchmeyer Petersen Capital AG be unable to fulfil its interest and redemption repayment obligations, the banks are authorised to realise the economic assets provided for collateralisation.

In addition, there are six ship mortgage loans in connection with the LPG tankers.

37 Derivative financial instruments

As a hedging instrument for part of the financing for the investment in HCI Capital AG, a hedge was agreed in the form of an interest swap for a loan amount of TEUR 17,000. The result of a market-to-market measurement as at December 31, 2009 gave the following market value:

Status	Maturity	Interest rate	Measurement incl. accrued interest
Dec.12, 2009	May 31, 2014	5.09% p.a.	EUR –1,839,772.75

As a hedging instrument for part of the financing for the investment in the LPG tankers, a hedge was agreed in the form of an interest swap for a loan amount of TUSD 18,804. The result of a market-to-market measurement as at December 31, 2009 gave the following market value:

Status	Maturity	Interest rate	Measurement incl. accrued interest
Dec.12, 2009	June 30, 2014	4.50937% p.a.	USD 1,159,245.26

The equity payment obligations for MPC Global Maritime Opportunities S.A., SICAF of TUSD 14,000 exist as a further derivative. These were subject to measurement as at December 31, 2009. The cash value of the payment obligation was contrasted with that of the pro rata future cash flows allocated to the derivative, which is intended to finance the investment. As such, the payment obligations exceed the returns by TUSD 4,295. The derivative was adjusted accordingly.

No further hedges were concluded.

CURRENT LIABILITIES

38 Provisions

Provisions are composed as follows:

	2009 TEUR	2008 TEUR
Provisions for personnel costs	63	3,569
Provisions for interest	1,140	926
Other provisions	210	6,638
Other provisions	**1,413**	**11,133**

Utilisation is anticipated in the next 12 to 24 months in the case of provisions for taxes, the next six months for provisions for personnel costs and the next 12 months for other provisions.

For information on the development of provisions, refer to the Group accrued liabilities schedule.

39 Financial liabilities

See Section 36.

40 Liabilities payable to related parties

The liabilities due to related parties are as follows:

	2009 TEUR	2008 TEUR
Liabilities due to affiliates	**4,611**	**0**
Liabilities due to the MPC Group	**18**	**355**
Liabilities due to associates	1,474	1,307
Liabilities due to fund companies	2,404	2,350
Liabilities due to other investments	75	125
Liabilities due to companies in which participations are held	**3,953**	**3,782**
Liabilities due to related companies	**8,582**	**4,137**

The liabilities due to affiliates consist of loans from non-consolidated subsidiaries to the Group.

The liabilities due to fund companies result primarily from distributions received and partially from outstanding deposits with fund companies.

The liabilities due to related parties are all due in a period of less than one year.

41 Trade payables

Trade payables are composed as follows:

	2009 TEUR	2008 TEUR
Trade payables	**7,104**	**22,999**

Trade payables are all due in a period of less than one year.

42 Other financial liabilities

Other financial liabilities are composed as follows:

	2009 TEUR	2008 TEUR
Other financial liabilities	**3,028**	**1,953**

Other financial liabilities result from the obligation to service additional capital calls from the MPC Global Maritime Opportunity Fund.

Other financial liabilities are all due in a period of less than one year.

43 Other liabilities

Other liabilities are composed as follows:

	2009 TEUR	2008 TEUR
Liabilities from sureties	1,528	0
Liabilities from legal and consultancy costs	1,433	1,012
Liabilities from outstanding invoices	595	808
Liabilities due to the tax office	1,049	776
Liabilities from project initiation costs	650	1,143
Liabilities from audit costs	435	536
Other liabilities	3,745	1,170
Other liabilities	**9,435**	**5,445**

Other liabilities are all due in a period of less than one year.

44 Contingent liabilities

There are contingent liabilities as defined in IAS 37. They relate to default and fixed liability guarantees.

Contingent liabilities of TEUR 3,399 result from liabilities arising from the provision of security for third-party liabilities in accordance with IAS 37.86.

Liabilities arising from the provision of security for third-party liabilities primarily concern guarantees assumed as a result of long-term financing for ship funds.

The associates have total contingent liabilities of TEUR 2,463,719. These are distributed across the individual companies as follows:

	Total contingent liabilities TEUR	MPC share of contingent liabilities TEUR
MPC Münchmeyer Petersen Steamship GmbH & Co. KG	54,058	13,568
Global Vision AG Private Equity Partners	5,000	1,513
MPC Global Maritime Opportunities S.A., SICAF	268,249	29,507
eFonds Holding AG	4,092	1,145
HCI Capital AG (as at September 30, 2009)	2,132,320	869,987
	2,463,719	**915,720**

The consolidated joint venture MPC Synergy Real Estate AG has contingent liabilities of TEUR 18.

In addition, there are other financial liabilities of TEUR 2,163,469, which are primarily the result of placement guarantees (TEUR 1,525,200) and of directly enforceable guarantees (TEUR 624,498). Their utilisation depends on a number of factors. Exact projections cannot be made for the amount utilised and the due date for this.

Contributions by limited partners held in trust amount to TEUR 2,449,038. They relate mainly to the amounts by which TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH, Hamburg, is entered in the Commercial Register. TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH has recourse facilities as regards the respective trustors for the majority of these contingent liabilities. In addition, TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH, Hamburg, manages bank deposits in trust in the amount of TEUR 22,620.

There are currently no indications of MPC Münchmeyer Petersen Capital AG being called on to utilise existing contingent liabilities. Utilisation of one or more contingent liabilities would have a considerable impact on the financial position of the MPC Münchmeyer Petersen Capital Group.

In the reporting year, MPC Münchmeyer Petersen Capital AG undertook the de facto obligation to take part in a capital increase which would arise in the event of HCI Capital AG being released fully from its liabilities up to December 31, 2010. Complete fulfilment of these conditions is currently regarded as very unlikely, but would lead to a cash outflow of up to TEUR 14,000 in the event of a capital increase which would have to be carried out.

There was no uncertainty regarding the amount or due date of contingent liabilities after the balance sheet date.

No events occurred after the balance sheet date which led to further contingent liabilities. For this reason, an estimation of the financial effects in accordance with IAS 10.21 is not required.

45 Liabilities payable to related parties

Companies and persons which control or to a significant extent influence the MPC Münchmeyer Petersen Capital Group or which are controlled or to a significant extent influenced by the MPC Münchmeyer Petersen Capital Group are to be regarded as associated persons in the sense of IAS 24. For this reason, the Managing Directors and members of the Management Board as well as MPC Münchmeyer Petersen & Co. GmbH, HCI Capital AG, MPC Münchmeyer Petersen Steamship GmbH & Co. KG, MPC Global Maritime Opportunities S.A. SICAF, GbR Offiziershäuser, Casino Palmaille GbR, MPC Münchmeyer Petersen Group Services GmbH, companies in the eFonds Group consolidated in eFonds Holding AG and Global Vision AG Private Equity Partners are to be regarded as associated parties of the MPC Münchmeyer Petersen Capital Group.

MPC Münchmeyer Petersen Capital AG has a 40.8% stake in HCI Capital AG. HCI Capital AG is an issuing house for closed-end funds and structured products independent of the banks.

The joint project Deepsea Oil Explorer, which invests in a mobile semi-submersible oil drilling platform in the South Atlantic, came into being in the context of the investment in HCI Capital AG. Half of the equity required for the indirect investment in the exploration platform is raised by MPC Münchmeyer Petersen Capital AG and the other half by HCI Capital AG. For the limited partner's interest placed by HCI Capital AG (2009: TUSD 10,778), HCI Capital AG pays MPC Münchmeyer Petersen Capital AG project development remuneration of 2%.

The 100% subsidiary of MPC Münchmeyer Petersen Capital AG, MPC Münchmeyer Petersen Portfolio Advisors GmbH, has a 30.25% interest in Global Vision AG Private Equity Partners. Global Vision AG Private Equity Partners is an independent management company specialising in venture capital and private equity investments. On the basis of the agency agreement with MPC Global Equity Funds I to VI, MPC Münchmeyer Petersen Portfolio Advisors GmbH receives total remuneration of TEUR 1,269 from Global Vision AG Private Equity Partners.

MPC Münchmeyer Petersen Capital AG has a 27.98% interest in eFonds Holding AG. The eFonds Group operates in three business areas: closed-end funds, investment consultation/securities and platform solutions. In the past, MPC Münchmeyer Petersen Capital AG held a 100% interest in eFonds Financial Services AG, a company in the eFonds Holding Group. As part of this former 100% investment, there is still an obligation as at December 31, 2009 to assume tax liabilities vis-à-vis eFonds Financial Services AG.

MPC Münchmeyer Petersen Capital AG holds 25.1% of MPC Münchmeyer Petersen Steamship GmbH & Co. KG which, as a shipping company, is responsible for the shipping business of the MPC Group. The service portfolio of MPC Münchmeyer Petersen Steamship GmbH & Co. KG includes the initiation of shipping projects, particularly in the container ship segment and the provision of ocean-going ships to shipping companies. As at December 31, 2009 there were only immaterial clearing balances/amounts due to MPC Münchmeyer Petersen Steamship GmbH & Co. KG totalling TEUR 56.

MPC Münchmeyer Petersen Capital AG also has a 10.96% interest in MPC Global Maritime Opportunities S.A., SICAF, a special fund according to Luxembourg law in the legal form of a société anonyme. The target fund invests within the entire value-added chain of the maritime economy. The participation of MPC Münchmeyer Petersen Capital AG amounts to USD 25.0 million of the total capital of USD 228.0 million. In addition, MPC Münchmeyer Petersen Capital AG owns stock options amounting to a further 20% of the total capital. If these stock options were exercised, the proportionate interest would be 17.96%. These stock options may be exercised at any time. In the 2009 financial year, stock options of TEUR 2,323 were granted for the activities of MPC Münchmeyer Petersen Capital AG, which were measured at TEUR 0 on the balance sheet date.

As a result of overlapping responsibilities in management and activities in the Investment Committee, in some cases the members of the contracting parties MPC Global Maritime Opportunities S.A., SICAF, MPC Münchmeyer Petersen Steamship GmbH & Co. KG (contract carrier of MPC Global Maritime Opportunities S.A., SICAF) and MPC Münchmeyer Petersen Capital AG are identical.

As management holding, MPC Münchmeyer Petersen & Co. GmbH controls the strategic alignment of the MPC Group and holds a 29.79% interest in MPC Münchmeyer Petersen Capital AG. In 2009, MPC Münchmeyer Petersen & Co. GmbH received TEUR 15 for hiring out garage parking spaces, TEUR 415 for office space and TEUR 159 for personnel administration.

GbR Offiziershäuser manages real estate assets and is an affiliate of MPC Münchmeyer Petersen & Co. GmbH. In the 2009 financial year, the MPC Münchmeyer Petersen Capital Group paid TEUR 1,182 and TEUR 45 in rent for office space and garage parking spaces to GbR Offiziershäuser.

As a 100% subsidiary of MPC Münchmeyer Petersen Capital & Co. GmbH, MPC Group Services GmbH (previously: MPC Palmaille Services GmbH) is an affiliate company of MPC Münchmeyer Petersen Capital AG, and, as the premises management, it is responsible for all of the MPC Group's office premises. These services resulted in expenditure of TEUR 1,028 in 2009, for which a liability of TEUR 19 was still outstanding to MPC Group Services GmbH as at December 31, 2009.

Joachim Pawlik, who has been a member of the Management Board of MPC Münchmeyer Petersen Capital AG since November 1, 2009, is Chairman of the Management Board of Pawlik Sales Consultants AG. Legal transactions were undertaken as part of ordinary operating activity between Pawlik Sales Consultants AG und an individual company in the Group. The legal transactions relate to consultancy services for sales support activities. In the period from November 1, 2009 to December 31, 2009, these services came to TEUR 36. The legal transactions were concluded on standard industry terms.

Otherwise, there were no further business relations subject to reporting requirements between the Managing Directors and members of the Management Board in 2009.

46 Executive bodies

a) Members of the Management Board in the reporting year:

Dr. Axel Schroeder, Management Board, Hamburg, (Chairman)
(CEO; Strategy, Mergers & Acquisitions)
Further mandates in the following Supervisory Boards and similar bodies:

- MPC Münchmeyer Petersen Asset Management AG, Hamburg (Member of the Supervisory Board)
- MPC Global Maritime Opportunities S.A., SICAF, Luxembourg (Member of the Investment Committee)
- MPC Münchmeyer Petersen Steamship GmbH & Co. KG, Hamburg (Member of the Advisory Council)
- MPC Münchmeyer Petersen Capital Austria AG, Vienna (Member of the Supervisory Board)
- eFonds Holding AG, Munich (Chairman of the Supervisory Board)
- Deutsche Schiffsbank AG, Hamburg (Member of the Administrative Board)
- HSBA Hamburg School of Business Administration (Member of the Advisory Council for the course of study "Shipping and Ship Financing")

Ulrich Oldehaver, Management Board, Norderstedt
(CPO; Product Strategy)
Further mandates in the following Supervisory Boards and similar bodies:

- MPC Münchmeyer Petersen Capital Austria AG, Vienna (Member of the Supervisory Board)
- MPC Venture Invest AG, Vienna (Member of the Supervisory Board)
- MPC Capital Privatbank Aktiengesellschaft, Hamburg (Member of the Supervisory Board) (mandate resigned on December 1, 2009)
- Global Vision AG Private Equity Partners, Munich (Member of the Supervisory Board)

Ulf Holländer, Management Board, Hamburg
(CFO; Finance and Accounting, Controlling, Risk Management, Law and Taxation)
Further mandates in the following Supervisory Boards and similar bodies:

- MPC Münchmeyer Petersen Capital Austria AG, Vienna (Chairman of the Supervisory Board)
- MPC Venture Invest AG, Vienna (Chairman of the Supervisory Board)
- MPC Capital Privatbank Aktiengesellschaft, Hamburg (Chairman of the Supervisory Board) (mandate resigned on December 1, 2009)
- MPC Münchmeyer Petersen Asset Management AG, Hamburg (Chairman of the Supervisory Board)
- MPC Global Maritime Opportunities S.A., SICAF, Luxembourg (Member of the Investment Committee)

Tobias Boehncke, Management Board, Hamburg
(COO; Organisation, IT and Personnel)
Further mandates in the following Supervisory Boards and similar bodies:

- MPC Münchmeyer Petersen Asset Management AG, Hamburg (Member of the Supervisory Board)

Joachim Pawlik, Management Board, Hamburg
(CSO; Marketing & Sales in 2009) (since November 1, 2009)

- Stern-Wywiol Group Holding GmbH & Co. KG, Hamburg (Advisory Council)
- Scan.up AG, Hamburg (Chairman of the Supervisory Board)

b) Members of the Supervisory Board in the reporting year:

Axel Schroeder (Chairman)
Managing Partner MPC Münchmeyer Petersen & Co. GmbH, Hamburg
Further mandates in the following Supervisory Boards and similar bodies:

- MPC Münchmeyer Petersen & Co. GmbH, Hamburg (Chairman of the Advisory Council)
- MPC Münchmeyer Petersen Marine GmbH, Hamburg (Chairman of the Advisory Council)
- MPC Münchmeyer Petersen Steamship GmbH & Co. KG, Hamburg (Chairman of the Advisory Council)
- Coutinho & Ferrostaal GmbH & Co. KG, (Advisory Council)

D. T. Ignacio Jayanti (Deputy Chairman)
President Corsair Capital, New York
Further mandates in the following Supervisory Boards and similar bodies:

- Corsair II investment fund (Member of the Investment Committee)
- Corsair III investment fund (Member of the Investment Committee)

Ulrich W. Ellerbeck
Businessman, Hamburg
Further mandates in the following Supervisory Boards and similar bodies:

- Helm AG, Hamburg, (Chairman of the Supervisory Board)
- Doelling Hareico GmbH & Co. KG, Elmshorn (Advisory Council)

c) Executive bodies' remuneration

The members of the Management Board of MPC Münchmeyer Petersen Capital AG received remuneration of TEUR 1,600 for the 2009 financial year. Additional remuneration in accordance with IAS 24.16 was not granted.

In the same period, the members of the Supervisory Board received gross remuneration of TEUR 107. All emoluments of members of company bodies are due in the short term.

Management Board Remuneration Disclosure Act (VorstOG)

The Management Board Remuneration Disclosure Act provides for individualised disclosure of the remuneration of Management Board members subdivided by components independent of performance and performance-related components as well as components with a long-term incentive. The information required can be omitted if the Annual General Meeting approves this with a three-quarters majority of the share capital represented at the passing of the resolution. The Annual General Meeting of MPC Capital AG held on May 4, 2006 approved the omission of this information for the period of five years with 82.9447% of those present entitled to vote.

47 Shares held by the Management Board and the Supervisory Board

The Management Board of MPC Münchmeyer Petersen Capital AG directly or indirectly holds 9.03% of shares in the company. The Supervisory Board directly or indirectly holds 11.92% of the shares in MPC Münchmeyer Petersen Capital AG. Of this figure, 11.92% is attributable to Mr Axel Schroeder, Managing Director and majority shareholder in MPC Münchmeyer Petersen & Co. GmbH ("MPC Holding"), which held 29.67% of shares in MPC Münchmeyer Petersen Capital AG on December 31, 2009.

The following Management Board and Supervisory Board members hold more than 1% of shares issued by the company directly or indirectly:

- Axel Schroeder 11.92%
- Dr. Axel Schroeder 5.31%
- Ulrich Oldehaver 3.69%

48 Disclosures on securities transactions and investments subject to legal reporting requirements

a) Directors' Dealings

In the 2009 financial year, the securities transactions listed in the following table were carried out by members of the Management Board and Supervisory Board (as well as related parties according to the Securities Trading Act) in accordance with Article 15a of the Securities Trading Act. MPC Münchmeyer Petersen Capital AG publishes these transactions immediately after they have been disclosed to the company. Up-to-date information on this can be found on the Internet at http://www.mpc-capital.com.

Date	Name	Function	Transaction	Financial instrument	Number	Rate/ Price (EUR)	Total volume (EUR)
Feb. 5, 2009	Oldehaver Beteiligungsgesellschaft mbH	Company closely connected to a person with executive functions	Exercise of purchase/ subscription rights	Bearer shares	322,866	8.00	2,582,928.00

b) Investments subject to reporting requirements

In the 2009 financial year, MPC Münchmeyer Petersen Capital AG received the following notifications in accordance with Article 21 of the Securities Trading Act concerning investments subject to reporting requirements:

Shareholder	Date	Process	New share of voting rights
Corsair III Investments (Luxembourg) S.à.r.l.	Jan. 20, 2009	Threshold overrun 15%	15.16%
UniCredit S.p.A.	Jan. 20, 2009	Threshold overrun 3, 5, 10, 15, 20, 25%	26.66%
Hans-Jürgen Wömpener	Jan. 20, 2009	Threshold underrun 3%	2.01%
Ulrich Oldehaver	Jan. 20, 2009	Threshold underrun 3%	2.03%
MPC Münchmeyer Petersen & Co. GmbH	Jan. 20, 2008	Threshold underrun 20%	19.79%
UniCredit S.p.A., Rom / Italien	Feb. 6, 2009	Threshold underrun 3, 5, 10, 15, 20, 25%	0.00%
Corsair III Investments (Luxembourg) S.à.r.l.	Feb. 6, 2009	Threshold overrun 20 25%	29.90%
Ulrich Oldehaver	Feb. 5, 2009	Threshold overrun 3%	3.81%
MPC Münchmeyer Petersen & Co. GmbH	Feb. 5, 2009	Threshold overrun 20, 25%	29.79%
WAM Acquisition GP Inc.	March 21, 2008	Threshold underrun 20%	0.00%

Note: on February 6, 2009, MPC Capital AG carried out a capital increase. As a result, 6,066,500 new shares were issued, increasing the number of shares to 18,212,918 in total.

The entry for WAM Acquisition GP is a correction for 2008 published in March 2009.

49 Events after the Reporting Period

On March 26, 2010, MPC Capital AG concluded an agreement with its funding partners securing the financing basis of the company in the long term.

This agreement, which will apply from March 26, 2010, includes important and far-reaching commitments on the part of the funding partners with regard to existing loan agreements and liabilities as well as their conditions. This includes agreements on the extension of existing credit lines and interim financing and the suspension of existing covenants. The outcome of this is financing security for current funds and funds to be placed as well as security for all significant company liabilities, including the placement guarantees and sureties issued. At the same time, the stable financing basis will also improve the financing basis for new business. The agreement is valid until the end of September 2013. The financial impact on the accounting is still being investigated at present.

In connection with this agreement, the Management Board and Supervisory Board of MPC Münchmeyer Petersen Capital AG decided to hold a rights issue. The two main shareholders, MPC Münchmeyer Petersen & Co. GmbH and Corsair III Investments (Luxembourg) S.à.r.l. have undertaken to invest a total amount of around TEUR 20,000 in MPC Münchmeyer Petersen Capital AG as part of the capital increase. The subscription price for the new shares amounts to EUR 2.75. The subscription right was set at 2:1, meaning that shareholders are entitled to subscribe for one new share for each two shares they already hold. The subscription period is planned for April 2010. In any case, 7,272,727 new shares will be issued as result of the firm commitment by the main shareholders. Depending on free float participation, the number of newly issued shares will increase additionally, but will reach a maximum of 50% of the share capital as at December 31, 2009 (18,212,918 shares), which equates to 9,106,459 new shares.

With the agreement and the increase in the share capital, MPC Münchmeyer Petersen Capital AG is closely integrating its funding partners and shareholders into a future-oriented programme with the aim of positioning the company on a stable basis and leading it on the path to recovery in the years to come.

MPC Münchmeyer Petersen Capital AG also appointed Alexander Betz to the Management Board of MPC Münchmeyer Petersen Capital AG with effect from April 1, 2010. At the same time, the Management Board member Ulrich Oldehaver announced that he will leave the Management Board of MPC Münchmeyer Petersen Capital AG of his own accord and in agreement with the Supervisory Board and the Management Board with effect from March 31, 2010. Alexander Betz is regarded as renowned expert in the market for closed-end funds. Through his many years working as the Chairman of the Management Board of eFonds Holding AG, he not only has an outstanding network in the closed-end funds sector but also excellent knowledge of the changes in sales and customer requirements. Alexander Betz will be responsible for ensuring that the focus of the product portfolio is clear and demand-oriented. He will resign as Chairman of the Management Board of eFonds Holding AG, which he founded, on March 31, 2010 and switch to its Supervisory Board.

HCI Capital AG, in which MPC Münchmeyer Petersen Capital AG holds 40.8% (9,791,182 shares) of the share capital and voting rights, announced the successful conclusion of a restructuring agreement with the banks on March 11, 2010. The banks' commitment not to claim against HCI Capital AG under existing contingent liabilities until September 30, 2013 is a material component of the agreement. The financing banks were also granted the option of converting loans of around EUR 36 million into capital or long-term financing. Should it not be fully discharged from its contingent liabilities by April 28, 2010, HCI Capital AG is planning a capital increase of EUR 22 million. The two main shareholders, MPC Münchmeyer Petersen Capital AG and the Döhle Group have promised their support for the capital increase in this case. The financing agreement for HCI Capital AG will strengthen the company and make a material contribution to maintaining the value of the shares in HCI Capital AG held by MPC Münchmeyer Petersen Capital AG.

50 Corporate Governance Code

In December 2009, the Management Board and the Supervisory Board of MPC Münchmeyer Petersen Capital AG issued the Declaration of Compliance in accordance with Article 161 of the German Stock Corporation Act and made it available to shareholders on the Internet.

51 Auditor's fee

The auditor's fees are composed as follows:

• Audit	TEUR 676
• Other confirmation and valuation services	TEUR 132
• Other services	TEUR 1,242

Hamburg, March 26, 2010

Dr. Axel Schroeder
Chairman

Ulf Holländer

Ulrich Oldehaver

Tobias Boehncke

Joachim Pawlik

Auditor's Report

We have audited the consolidated financial statements prepared by the MPC Münchmeyer Petersen Capital AG, Hamburg,, comprising the statement of financial position, the statement of comprehensive income, statement of changes in equity, cash flow statement and the notes to the consolidated financial statements, together with the group management report for the business year from January 1 to December 31, 2009. The preparation of the consolidated financial statements and the group management report in accordance with the IFRSs, as adopted by the EU, and/or the additional requirements of German commercial law pursuant to § (Article) 315a Abs. (paragraph) 1 HGB ("Handelsgesetzbuch": German Commercial Code) are the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of the entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by the Company´s Board of Managing Directors, as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion based on the findings of our audit the consolidated financial statements comply with the IFRSs as adopted by the EU, the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Hamburg, March 26, 2010

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Niklas Wilke	ppa. Sandra Philipps
German Public Auditor	German Public Auditor

Organisational structure

MPC Münchmeyer Petersen Capital AG

- 81.28% Zweite Beteiligungsgesellschaft "Rio D-Schiffe" mbH & Co. KG, Hamburg

- 100% MPC Capital Investments GmbH, Hamburg
- 100% TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH, Hamburg
- 75% Beteiligungsgesellschaft LPG Tankerflotte mbH & Co. KG, Hamburg
- 100% MPC Münchmeyer Petersen Portfolio Advisors GmbH, Hamburg
- 100% MPC Münchmeyer Petersen Life Plus Consulting GmbH, Hamburg
- 100% Verwaltung Sechste Sachwert Rendite-Fonds Canada GmbH, Hamburg
- 100% MPC Capital Maritime GmbH, Hamburg
- 100% MPC Münchmeyer Petersen Real Estate Consulting GmbH, Hamburg
- 100% MPC Münchmeyer Petersen Capital Austria AG, Vienna, Austria
- 100% MPC Venture Invest AG, Vienna, Austria
- 100% MPC Münchmeyer Petersen Capital Suisse AG, Rapperswil-Jona SG, Switzerland

18.2%

20.2%

66.67%

33.33%

- 38.4% at equity Rio Lawrence Schifffahrtsges. mbH & Co. KG, Hamburg
- 100% MPC Bioenergie GmbH & Co. KG, Hamburg
- 100% TVP Trustmaatschappij B.V., Amsterdam, Netherlands
- 30.25% at equity Global Vision AG Private Equity Partners, Rosenheim
- 100% minus 1 share MPC Münchmeyer Petersen Capital (Liechtenstein) AG, Vaduz (in Liquidation)
- 100% Administracion-Solarpark Campanet S.L., Campanet, Spain
- 100% MPC Energie GmbH, Hamburg
- 100% Millennium Tower Facility-Management-Ges.m.b.H., Vienna, Austria
- 100% Millennium Tower Verwaltungs- und Services-Ges.m.b.H., Vienna, Austria
- 100% Managementgesellschaft Sachwert Rendite-Fonds Japan mbH, Quickborn
- 100% 2153000 Ontario Ltd., Toronto, Ontario, Canada

- 100% Beteiligungsverwaltungsgesellschaft MPC Solarpark mbH, Hamburg
- 100% MPC Vermögensstrukturfonds Managementgesellschaft mbH, Hamburg
- 100% Managementgesellschaft Sachwert Rendite-Fonds England mbH, Hamburg
- 100% MPC Erste Vermögensverwaltungsgesellschaft mbH, Quickborn
- 100% MPC Münchmeyer Petersen FundXchange GmbH, Hamburg

- 100% MPC Bioenergia do Brasil Participacoes e Servicos Ltda. Brazil
  - 100% UTE Sao Sepé Geradora de Energia Eléctrica S.A., Brazil
  - 100% UTE Dom Pedrito Geradora de Energia Eléctrica S.A., Brazil
  - 100% UTE Porto Alegre Um Geradora de Energia Eléctrica S.A. Brazil
  - 100% UTE Porto Alegre Dois Geradora de Energia Eléctrica S.A. Brazil

- 27.98% at equity eFonds Holding AG, Munich
  - 100% eFonds Financial Services AG, Munich
  - 100% eFonds24 GmbH, Munich
  - 100% abs Fondsplattform GmbH, Munich

- 100% MPC Münchmeyer Petersen Real Estate Services B.V., Amsterdam, Netherlands
- 50% minus 1 share, at equity MPC Synergy Real Estate AG, Küsnacht ZH, Switzerland
- 100% MPC Münchmeyer Petersen Asset Management AG, Hamburg
- 100% MPC Capital Concepts GmbH, Hamburg
- 100% HBG Petersen Beteiligungs GmbH, Hamburg
- 25.1% at equity MPC Münchmeyer Petersen Steamship GmbH & Co. KG, Hamburg
- 40.8% at equity HCI Capital AG, Hamburg
- 100% MPC Achte Vermögensverwaltungs GmbH, Hamburg
  - 50% Kommanditgesellschaft MS "San Adriano" Offen Reederei GmbH & Co., Hamburg
  - 50% Kommanditgesellschaft MS "San Alessio" Offen Reederei GmbH & Co., Hamburg
  - 50% Kommanditgesellschaft MS "San Aurelio" Offen Reederei GmbH & Co., Hamburg
- 10.96% at equity MPC Global Maritime Opportunities S.A., SICAV, Luxembourg

Financial calendar 2010

May 11, 2010
Annual General Meeting, Hamburg 2009/2010

May 12, 2010
Publication of 3-month figures

August 13, 2010
Publication of 6-month figures

November 12, 2010
Publication of 9-month figures

MPC Capital AG
Palmaille 67
D-22767 Hamburg

Investor Relations contact
Till Gießmann
Phone: +49 (0)40 380 22-4347
Fax: +49 (0)40 380 22-4878
E-Mail: ir@mpc-capital.com
www.mpc-capital.com/ir

Securities identification number 518760
ISIN DE0005187603

Design and layout
HGB Hamburger Geschäftsberichte
GmbH & Co. KG, Hamburg

MPC Capital AG Annual Report 2009

www.mpc-capital.com