

Dear MPC Capital shareholders,

Your company again achieved an excellent result in the 2005 financial year. Our customers again entrusted MPC Capital AG with equity of around EUR 1 billion. With three new investment designs, the company has once again demonstrated its ability to innovate and has set the course for the future. The company's overall market leadership was confirmed for the third year in succession. All funds initiated in 2005 were examined by the Supervisory Board using detailed decision-making models and received its approval.

The Supervisory Board would like to thank the members of the Management Board and all the employees for the first-class performance in the past financial year.

In the reporting year, the Supervisory Board fulfilled the duties required by legislation and the Articles of Association. It regularly provided advice to the Management Board and monitored the management of the company. In 2005, 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 development of the markets and product segments. The Management Board kept the Supervisory Board regularly informed, in both written and oral form, promptly and in detail regarding the development of transactions as well as the strategic development of MPC Capital AG. All transactions of significance for MPC Capital were discussed in detail with the Supervisory Board, also outside the regular meetings, so that the Supervisory Board was always directly involved in all decisions of fundamental importance.

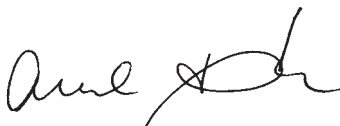
Corporate Governance The German Corporate Governance Code was on the agenda on December 12, 2005. After the meeting, the Management Board and Supervisory Board submitted an updated Declaration of Conformity pursuant to Article 161 of the German Stock Corporation Act. This states that MPC Capital AG upholds the recommendations of the code in its new version of June 2, 2005 with only a few exceptions. The declaration was made permanently available via the Internet to all shareholders on the same day.

Discussion of the annual financial accounts and dividend proposal At the Annual General Meeting on May 3, 2005, Hansetreuhand GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Hamburg, was appointed to audit the financial statements and consolidated financial statements of MPC Capital AG and the MPC Capital Group. The Supervisory Board mandated the auditing company to do this. Hansetreuhand GmbH audited the annual financial statements and management report of MPC Capital AG and 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 audit report and presentation were the subject of intensive discussions on February 27, 2006. The Supervisory Board consulted the auditors at this meeting. The latter reported in detail on the results of the audit and were available to provide supplementary information.

After inspection of the annual financial statements, 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, 2005 were thus approved in the meeting on February 27, 2006. The annual financial statements are thus ratified. The Supervisory Board endorsed the proposal of the Management Board for the appropriation of profits. The Management Board and Supervisory Board are proposing to the Annual General Meeting a dividend payment of EUR 4.00 per share.

Hamburg, February 27, 2006
The Supervisory Board



Axel Schroeder
Chairman