Notes to the consolidated financial statements in accordance with IFRS*

for MPC Münchmeyer Petersen Capital AG, Hamburg, as at December 31, 2005

Introduction

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 and December 31, 2005, the MPC Münchmeyer Petersen Capital Group has placed equity totalling approximately EUR 4.8 billion in the product areas of ship funds, life insurance funds, real estate funds, private equity funds, other corporate investments, hedge fund certificates and investment funds.

MPC Münchmeyer Petersen Capital AG, Hamburg, was established on August 31, 1999.

MPC Münchmeyer Petersen Capital AG, Hamburg, has included the companies listed under "Consolidated companies" in the consolidated financial statements for the 2005 financial year.

The share capital of MPC Münchmeyer Petersen Capital AG, Hamburg, amounts to EUR 10,600,000 and is divided into 10,600,000 non-par bearer shares.

The consolidated annual financial statements as at December 31, 2005 were produced in accordance with legal requirements.

MPC Münchmeyer Petersen Capital AG is the parent company and, in accordance with Article 315a of the German Commercial Code, prepares consolidated financial statements pursuant to International Financial Reporting Standards ("IFRS").

General accounting principles

The consolidated financial statements of MPC Münchmeyer Petersen Capital AG, Hamburg, to December 31, 2005 were produced taking into account the IFRS, as they are to be applied in the EU, and the supplementary regulations pertaining to commercial law contained in Article 315 a Section 1 of the German Commercial Code as well as the IFRS overall.

The specific presentation requirements and recommendations of the IASC were taken into account in the transition of the annual financial statements of the subsidiaries of MPC Münchmeyer Petersen Capital AG, Hamburg, included in the consolidated financial statements. Circumstances that would have required a valuation differing from International Financial Reporting Standards ("IFRS") did not arise or were categorised as immaterial in accordance with the materiality concept of the IFRS.

The reporting currency is the euro. The following information is presented in thousands of euros (TEUR). Financial statements denominated in Canadian dollars (CAD), British pounds (GBP), Swiss francs (CHF) and US dollars (USD) were translated at a rate of 1 EUR = 1.3803 CAD, 1 EUR = 0.6882 GBP, 1 EUR = 1.5582 CHF and 1 EUR = 1.1843 USD as at the reporting date.

* International Financial Reporting Standards

The previous year's figures are based on the audited consolidated financial statements of MPC Münchmeyer Petersen Capital AG, Hamburg.

The annual financial statements of all included German companies were prepared and audited as at the consolidated financial statement reporting date. Audited group report documents for Hanseatische i-Bank AG and for important companies based abroad are available.

The profit and loss accounts were prepared in accordance with the cost of production method.

Principles of consolidation

In accordance with IAS 27, the assets and liabilities, expenditure and income of companies included in the consolidated financial statements may only be included in the consolidated financial statements from the time of acquisition, meaning the time of the actual transfer of control to these companies (IAS 27.30).

Pursuant to the principles of uniform management, business combinations undertaken are presented at the current market value to be attached in the consolidated financial statements in accordance with IFRS 3.36.

Capital consolidation for shares acquired by third parties against payment was carried out in accordance with IAS 27.22. The purchase costs of the merger are determined and then distributed to the acquired assets as well as to the assumed liabilities and contingent liabilities at the time of purchase (IFRS 3.16). The differences produced by offsetting are reported as goodwill and depreciated. Until 2004, they were depreciated pro rata temporis over their estimated useful life of ten years. Depreciation is no longer carried out from the 2005 financial year as IFRS 3 contains an obligation not to do so. Instead, the impairment test will be carried out once every year in accordance with IAS 36. There is no intention to reinstate the original values of depreciation already carried out (IFRS 3.79).

Shares in non-consolidated affiliated companies are reported at purchase cost in the balance sheet, in accordance with IAS 39.

Shares in fund companies are also reported in the balance sheet at purchase cost, in accordance with IAS 39.

Expenditure and income within the Group as well as receivables and payables existing between consolidated companies were eliminated pursuant to IAS 27.24 and IAS 27.25.

Consolidated companies

The following companies listed with their equity share were included in the MPC Münchmeyer Petersen Capital AG, Hamburg, consolidated financial statements in accordance with IAS 27:

MPC Münchmeyer Petersen Capital Vermittlung GmbH, Hamburg	100%*
TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH, Hamburg	100%*
MPC Münchmeyer Petersen Real Estate Consulting GmbH, Hamburg	100%*
MPC Münchmeyer Petersen Asset Consulting GmbH, Hamburg	100%*
MPC Münchmeyer Petersen Life Plus Consulting GmbH, Hamburg	100%*
MPC Münchmeyer Petersen Financial Services AG, Hamburg	100%
MPC Erste Vermögensverwaltungsgesellschaft mbH, Hamburg	100%
MPC Dritte Vermögensverwaltungsgesellschaft mbH, 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/Switzerland	100%
MPC Münchmeyer Petersen Capital N.V., Hilversum/Netherlands	57.5%
MPC Münchmeyer, Petersen Real Estate B.V., Hilversum/Netherlands	57.5%
MPC Münchmeyer, Petersen Real Estate C.V., Hilversum/Netherlands	57.5%
Stone Hedge B.V., Hilversum/Netherlands	57.5%
Stone Hedge L.P., Atlanta/USA	57.5%
Stone Hedge Partner L.L.C., Atlanta/USA	57.5%
Noord Nederlandse Trustmaatschappij B.V., Groningen/Netherlands	57.5%
Hanseatische i-Bank AG, Hamburg	50%

* The annual financial statements of these companies are exempt from the duty of applying §§ 264 to 289 and §§ 316 to 329 of the German Commercial Code.

The companies were consolidated with effect from the later of January 1, 2000 or the time of their formation or acquisition.

The following joined the list of consolidated companies in 2005: MPC Münchmeyer Petersen Life Plus Consulting GmbH (on January 1, 2005), MPC Münchmeyer Petersen Financial Services AG (on August 12, 2005), MPC Erste Vermögensverwaltungsgesellschaft mbH (on January 1, 2005) and MPC Dritte Vermögensverwaltungsgesellschaft mbH (on July 15, 2005). These are all 100% participations of MPC Münchmeyer Petersen Capital AG and MPC Münchmeyer Petersen Capital Vermittlung GmbH. MPC Münchmeyer Petersen Life Plus Consulting GmbH provides consultancy services for life insurance funds. The fact that the business was only fully completed in 2005 means that there are no material effects for the balance sheet due to the first consolidation of this company.

MPC Münchmeyer Petersen Financial Services AG currently operates as a marketing and structuring partner. MPC Erste Vermögensverwaltungsgesellschaft mbH and MPC Dritte Vermögensverwaltungsgesellschaft mbH hold participations in incorporated firms or partnerships. In this respect, we refer you to the explanations in the management report.

The 30.25% interest of MPC Münchmeyer Petersen Asset Consulting GmbH, Hamburg, in Global Vision AG Private Equity Partners, Munich, the 25.1% interest of MPC Münchmeyer Petersen Capital AG, Hamburg, in MPC Münchmeyer Petersen Steamship GmbH & Co. KG, Hamburg, and the 50.1% interest of MPC Münchmeyer Petersen Capital Vermittlung GmbH in Talleur GmbH, as well as the 49.8% interest of MPC Münchmeyer Petersen Capital N.V., Hilversum, Netherlands, in MPC Münchmeyer Petersen Steamship B.V., Groningen, Netherlands, were consolidated at equity in accordance with IAS 28. The 50.1% interest of MPC Münchmeyer Petersen Capital Vermittlung GmbH in Talleur GmbH, Hamburg, was not fully consolidated due to this not being a controlling interest. There is no controlling interest, despite MPC Münchmeyer Petersen Capital Vermittlung GmbH holding a majority of the shares (50.1%), as important decisions for Talleur GmbH can only be taken with the agreement of all the shareholders. In this respect, a joint venture in accordance with IAS 31 exists. Use was made of the right of election in accordance with IAS 31.38, so that Talleur GmbH was consolidated at equity as an associated company in accordance with IAS 28. These companies are regarded as associated companies.

Owing to the current voting right of 50%, the 57.5% interest in MPC Münchmeyer Petersen Capital N.V., MPC Münchmeyer, Petersen Real Estate B.V., Stone Hedge B.V., MPC Münchmeyer, Petersen Real Estate C.V., all based in Hilversum, Netherlands, and in Noord Nederlandse Trustmaatschappij B.V., Groningen, Netherlands, were consolidated pro rata in accordance with IAS 31. In accordance with the share capital, the consolidation ratio amounts to 57.5%.

The participations in Stone Hedge L.P., Atlanta, USA, and Stone Hedge Partner L.L.C., Atlanta, USA, were fully consolidated at the level of Stone Hedge B.V., Hilversum, Netherlands, and subsequently consolidated in the MPC Münchmeyer Petersen Capital Group at a ratio of 57.5%.

The 50% interest in Hanseatische i-Bank AG, Hamburg, was consolidated pro rata in accordance with IAS 31 (joint venture).

The 100% participations of MPC Münchmeyer Petersen Capital Group, Hamburg, in the general limited liability companies of the public corporations (a total of 114) were not included in the “Consolidated companies”, since the companies, as general limited liability companies, do not carry out operating activities. The purchase costs of these participations are booked 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 whom the Group has entered into a loan agreement, the receivables and payables due to consolidated companies would have been reduced. The consolidation of the aforementioned companies would have had no considerable effects on the Group results.

The 100% interest of the Group in MPC Münchmeyer Petersen FundXchange GmbH, Hamburg, was not fully consolidated due to the lower level of operating activities. The participation is booked at purchase costs.

The following assets and liabilities and income and expenditure were attributed to the pro rata consolidated companies:

	Asset values TEUR	Debt TEUR	Income TEUR	Expenses TEUR
Germany				
of which short-term	3,762	884	1,124	1,643
of which long-term	187			
Netherlands				
of which short-term	5,093	4,518	9,678	7,212
of which long-term	4,337			
USA				
of which short-term	2	0	0	17
of which long-term	9			
	13,390	5,402	10,802	8,872

Accounting and valuation principles

Uniform accounting and valuation regulations were used as a basis for the individual financial statements included in the consolidated financial statements of MPC Münchmeyer Petersen Capital AG, Hamburg. These regulations are explained below:

All amendments to the existing standards which have been implemented as part of the so-called "improvement project" of the IASB, which are relevant to MPC Münchmeyer Petersen Capital AG, have been applied in the 2005 consolidated financial accounts.

a) Currency translation

Monetary assets and liabilities in foreign currencies are translated and reported at the middle spot rate on the balance sheet date. As far as possible, foreign currency gains and losses were reported under the "other operating income" and "other operating expenditure" items in the profit and loss account.

b) Intangible assets

Intangible assets acquired against payment are reported on the asset side at acquisition price and, with the exception of the following tangible assets, depreciated using scheduled depreciation over the expected useful life.

The goodwill of TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH was written down on a straight-line basis between January 1, 2000 and December 31, 2004. This period is the average remaining term of the funds expected at the time of acquisition. From January 1, 2005, goodwill has no longer been written down in accordance with IFRS 3.

Since January 1, 2005, the write-downs of such goodwill and other intangible assets, which were acquired before March 31, 2004, are reported as having an indefinite useful life in accordance with the regulations of IFRS 3 ("Company mergers") and the new IAS 36 standard ("Decline in the value of assets").

c) Tangible assets

Tangible assets are valued at historical cost in accordance with IAS 16 reduced by scheduled depreciation. The depreciation is primarily calculated using the straight-line method. Office furniture and equipment are written down over the expected economic useful life of between two and thirteen years.

d) Financial assets

Participations and shares in fund companies included in the balance sheet are reported under financial assets in accordance with IAS 39 at purchase cost.

In deviation from IAS 27, “shares in affiliated companies” and “shares in companies with which the company has participating interests” reported as financial assets are not consolidated owing to their immaterial nature, despite an interest of over 50%. Instead they are reported at purchase cost in line with IAS 39. Shares in associated companies are consolidated at equity in line with IAS 28.

e) Inventories

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

The project costs of the funds not yet fully syndicated on the balance sheet date are deferred according to the degree of completion and shown under inventories. In this respect, there are assets of the Group which will lead to a financial gain at a later date. The degree of completion corresponds to the level of placement on the balance sheet date.

f) Trade receivables

Trade receivables are reported in the balance sheet at their nominal value or at the lower value to be determined on the balance sheet date. This value represents the book value.

g) Other assets

Other assets are reported on the balance sheet at the value to be determined. This value represents the book value.

h) Liquid funds

Liquid funds cover cash and deposits and are reported at their nominal value. Liquid funds in foreign currencies are translated at the exchange rate on the reporting date.

i) Deferred taxes

In accordance with IAS 12, tax deferments are effected in accordance with the liability method for differences between the financial statements in line with IFRS and the tax accounts in accordance with the national law of the companies included, to the extent that it appears probable that the taxation difference will be equalised in future financial years (“temporary differences”).

j) Prepaid expenses

Expenditure before the balance sheet date for the following financial year is reported under prepaid expenses.

k) Tax provisions
The tax provisions relate to outstanding liabilities for corporation tax, trade tax and the solidarity surcharge.

l) Other provisions
In accordance with IAS 37, other provisions for legal and factual liabilities that originated in the past are established if it is likely that the discharge of the liability will result in an outflow of Group resources and that a reliable estimate of the liability total can be made. In line with IAS 37, other provisions take into account all obligations that are recognisable vis-à-vis third parties.

Other provisions and accrued liabilities are established in an amount which, according to sound business practice, is deemed to be necessary to cover the threatened losses and uncertain liabilities existing as per the balance sheet date.

Provisions for commission payments were reported under trade payables.

m) Trade payables
Trade payables were valued at the amount repayable.

n) Sales realisation
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 (IAS 18).

o) Cost of debt
Cost of debt is reported as expenditure in the period in which it occurs.

p) Financial instruments
The portfolio of financial instruments (receivables, payables, liquid funds) can be seen in the balance sheet. The differences between the book and market values are negligible. The financial instruments of MPC Münchmeyer Petersen Capital AG, Hamburg, did not give rise to any specific risks of material significance on the balance sheet date.

Furthermore, there were no financial instruments deployed for trading or speculation purposes on the balance sheet dates.

q) Price differences
In the financial year, the income of TEUR 4,322 arising from price differences was netted against the expenditure arising from price differences of TEUR 519 owing to the economic correlation; the difference was reported in other operating expenditure.

Notes to the consolidated profit and loss account

1 Sales

The profit and loss account was presented in accordance with the cost of production method. The fundamental sales result from the provision of services. A breakdown of the individual items can be found in segment reporting.

2 Cost of purchased services

Cost of purchased services refer exclusively to commission payments and placement and prospectus costs.

3 Other operating income

Other operating income is composed as follows:

	Dec. 31, 2005 TEUR	Dec. 31, 2004 TEUR
Income from exchange differences	3,803	0
Income from the release of provisions	2,088	702
Income from the sales of participations and securities	166	50
Income unrelated to the accounting period	97	158
Sales charges	19	20
Income from receivables written off	4	2,399
Other	742	1,040
	6,919	**4,369**

4 Personnel expenses

Personnel expenses are composed as follows:

	Dec. 31, 2005 TEUR	Dec. 31, 2004 TEUR
Salaries and wages	22,689	23,531
Social security contributions	1,708	1,543
	24,397	**25,074**

5 Other operating expenses

Other operating expenses are composed as follows:

	Dec. 31, 2005 TEUR	Dec. 31, 2004 TEUR
Costs of advertising and events	6,409	6,068
Legal, consultancy and project costs	5,157	6,332
Communication, IT equipment	2,358	2,456
Cost of office space	1,872	1,863
Valuation adjustments	910	1,442
Personnel recruitment/other personnel costs	754	799
Voluntary social expenditure	751	317
Post and delivery charges	705	765
Insurances, contributions	511	427
Office supplies	403	429
Cost of vehicles	294	269
Charges	281	20
Sales tax from previous years	261	0
Exchange differences	0	2,510
Other	2,332	995
	22,998	**24,692**

6 Financial result

The financial result is composed as follows:

	Dec. 31, 2005 TEUR	Dec. 31, 2004 TEUR
Result from investments		
Income from participations	**2,831**	**228**
Profits from associated companies		
Global Vision AG Private Equity Partners, Munich	237	333
MPC Münchmeyer Petersen Steamship B.V., Groningen	198	26
MPC Münchmeyer Petersen Steamship GmbH & Co. KG, Hamburg	1,181	276
Talleur GmbH, Hamburg	–221	0
	1,395	**636**
Depreciation on financial assets	**103**	**0**

7 Taxes on income

Taxes on income paid and owed in the individual countries and tax deferments are reported as taxes on income.

Taxes on income are composed of corporation tax, trade tax, the solidarity surcharge and the corresponding foreign taxes on income. Trade income tax only accrues at a comparably low level (c. 3.5%), since Group companies only generate income liable to trade income tax to a limited degree. Income resulting from non-recurring operating sales for fund companies is declared by the participations in fund companies. In the 2005 financial year, the average tax rate (corporation tax charges levied on distributions and solidarity surcharge) was approximately 26.375% in Germany, approximately 25% in Austria, approximately 17% in Switzerland and approximately 35% in the Netherlands.

The income tax burden of the Group is composed as follows:

	Dec. 31, 2005 TEUR	Dec. 31, 2004 TEUR
Income tax expenditure		
Deferred tax expenditure from IAS adjustments	37	303
Current tax expenditure	17,041	21,623
Taxes on income	**17,078**	**21,926**
Result before taxes on income	60,555	74,219
minus tax-free share of profit (revaluations, profits from associated companies, etc.)	–509	–864
Adjusted result before taxes on income	**60,046**	**73,355**
Expected tax expenditure 29.875% (previous year: 26.375%)	17,879	21,047
Transition:		
minus/plus taxes from previous year	–813	690
plus different tax rates in foreign countries (Austria, Switzerland and Netherlands)	12	276
Deferred taxes from domestic tax accounting differences	0	–87
Taxes on income	**17,078**	**21,926**

8 Earnings per share

Earnings per share amounted to EUR 4.10.

Retained earnings available for distribution

The retained earnings available for distribution amount to EUR 56,894,621.01. The Management Board proposes to distribute a dividend of EUR 4.00 per bearer share which is to be paid from these retained earnings.

Notes on the consolidated cash flow statement

The cash flow statement is produced in accordance with IAS 7 (“Cash Flow Statements”). A differentiation is made between payment flows from operating, investment and financing activities. The liquidity reported in the capital finance account corresponds to the balance sheet item “liquid funds”.

Cash flows from operating activity have been prepared in accordance with the indirect method.

The cash flow from financing activity reflects the dividend payout.

The item “liquid funds” covers all cash and deposits with commercial banks.

Notes on the consolidated balance sheet

9 Fixed assets

a) Intangible assets

The “goodwill” item was not extrapolated in accordance with IFRS 3.

For further information, refer to the development of Group fixed assets for the 2005 financial year.

Goodwill and other intangible assets were evaluated at purchase cost.

The other intangible assets are depreciated on a straight-line basis over their expected limited useful lives of approx. one to three years under the item “depreciation on tangible and intangible assets”.

The goodwill of TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH results from the acquisition of company shares from a former shareholder and was no longer written down in 2005 in accordance with IFRS 3. There are no indications they will decline in value.

b) Tangible assets

Tangible assets relate solely to office furniture and equipment. They are valued at purchase cost. The office furniture and equipment are depreciated on a straight-line basis over their expected useful lives of approx. two to thirteen years under the item “depreciation on tangible and intangible assets”.

c) Financial assets

Financial assets are composed as follows:

	Dec. 31, 2005 TEUR	Dec. 31, 2004 TEUR
Shares in affiliated companies		
Fund general partner companies/ready-made companies	**2,817**	**2,616**
Shares in associated companies		
MPC Münchmeyer Petersen Steamship GmbH & Co. KG, Hamburg		
Capital shares	442	442
Profit shares	981	366
MPC Münchmeyer Petersen Steamship Beteiligungsgesellschaft mbH, Hamburg		
Capital shares	13	13
Profit shares	0	0
MPC Münchmeyer Petersen Steamship B.V., Groningen		
Capital shares	36	36
Profit shares	218	4
Global Vision AG Private Equity Partners, Munich		
Capital shares	200	200
Profit shares	689	1,212
Talleur GmbH, Hamburg		
Capital shares	25	0
Loss shares	–25	0
	2,579	**2,273**
Participations		
Participations	3,030	865
Shares in investment companies	6,405	5,835
	9,435	**6,700**
Other loans	**1,304**	**847**
Total of financial assets	**16,134**	**12,435**

The financial assets were valued at purchase cost.

Participation in 317 fund companies in 2005, each between 0.1% and 1%, are reported at purchase costs under “shares in fund companies”.

Reference is made to the development of Group fixed assets for the 2005 financial year.

A list of all companies not listed in the “Consolidated companies” item and in which MPC Münchmeyer Petersen Capital AG or one of its subsidiaries possesses more than a 20% stake has been submitted to the Commercial Register of the Hamburg local court.

10 Inventories

Tangible assets available for sale and the portfolio of business gifts as well as the unfinished goods deferred as at the balance sheet date.

11 Trade receivables

Trade receivables all have a remaining maturity of less than one year. They result from services to companies with which the company has participating interests.

12 Receivables due from associated companies

The receivables due from associated companies all have a remaining maturity of less than one year and are composed as follows:

	Dec. 31, 2005 TEUR	Dec. 31, 2004 TEUR
MPC Münchmeyer Petersen Steamship B.V., Groningen	1,801	0
Talleur GmbH, Hamburg	833	0
MPC Münchmeyer Petersen Steamship GmbH & Co. KG, Hamburg	7	0
	2,641	**0**

13 Receivables from companies, in which participations are held

This item principally contains receivables of TEUR 9,263 due from fund companies. The receivables due from fund companies are payable within one year and bear interest at 5.5% and 6.5% p.a.

14 Other current assets

Other current assets all have a remaining maturity of less than one year and are composed as follows:

	Dec. 31, 2005 TEUR	Dec. 31, 2004 TEUR
Receivables from taxes	1,750	2,010
Other lendings	923	656
Services not yet invoiced	870	0
Bridging loans to fund companies	282	545
Other loans	108	767
Other assets	468	865
	4,401	**4,843**

Individual valuation allowances were made on individual receivables.

15 Active deferred taxes

In previous years, the deferred taxes item was formed for offsettable losses of ship funds.

16 Equity

The change to equity is shown in the equity schedule.

The subscribed capital remains unchanged at EUR 10,600,000.00 and is composed of 10,600,000 non-par bearer shares, each with a notional nominal value of EUR 1.00. The shares are made out to the bearer.

The retained earnings are composed as follows:

- Amount carried forward to January 1, 2005 TEUR 64,210
- Distribution for 2004 in 2005 TEUR 42,400
- Consol. annual financial statements 2005 TEUR 43,477
- Retained earnings to December 31, 2005 TEUR 65,287

The Group capital reserve is unchanged at TEUR 60,441.

17 Passive deferred taxes

	Dec. 31, 2005 TEUR	Dec. 31, 2004 TEUR
From IAS adjustment (period deferment)	642	637
From participations in partnership	184	184
	826	**821**

18 Provisions

	Dec. 31, 2005 TEUR	Dec. 31, 2004 TEUR
Provisions for tax liabilities		
Provisions for current taxes	**3,893**	**7,993**
– of which with a maturity of less than one year	*3,893*	*7,993*
Other provisions		
Personnel costs	9,987	10,777
Commissions	1,241	1,812
Outstanding invoices	1,811	1,587
Subsequent payments	620	0
External audits	500	0
Warranties	472	0
Others	3,771	5,026
	18,402	**19,202**
– of which with a maturity of less than one year	*18,402*	*19,202*
	22,295	**27,195**

The tax provisions include the provisions for taxes on income. For detailed information on the development of provisions, refer to the group accrued liabilities schedule.

19 Trade payables

Trade payables largely consist of liabilities for commission payments. All payables are due in a period of less than one year.

20 Amounts due to companies, in which participations are held

This item includes amounts due to fund companies of TEUR 1,335 and to MPC IT Services GmbH & Co. KG, Hamburg, of TEUR 117. The payables are due in a period of less than one year.

21 Other liabilities

Other liabilities all have a term of less than one year and are composed as follows:

	Dec. 31, 2005 TEUR	Dec. 31, 2004 TEUR
Amounts due to investors	5,300	0
Liabilities from taxes	1,337	3,494
Bridging loans	863	0
Accounts receivable in credit	848	0
Hanzevast Holding BV	805	0
Deposits with Hanseatische i-Bank AG, Hamburg	505	579
Liabilities in respect of social security	239	206
Cheques in transit	117	65
MPC Münchmeyer Petersen & Co. GmbH	86	0
MPC Münchmeyer Petersen Marine GmbH	15	42
Other	251	120
	10,364	**4,507**

Amounts due to investors refer to refund claims resulting from agreed Canadian withholding taxes. These liabilities are balanced by holdings of the same amount in banks.

Business divisions

The Group's principal activity is the development, marketing and management of innovative and high-quality investment products in the areas of ship funds, real estate funds, private equity funds, hedge fund notes and life insurance funds. The share of the result of the Hanseatische i-Bank AG, Hamburg, is also due exclusively to the marketing of investment products. Group internal reporting reports on the different areas, focusing separately on sales, commissions and profit contribution. Owing to its low economic significance, a more in-depth differentiation, particularly according to types of assets and liabilities, is not performed.

Even so, the different business segments of the Group can be defined. In accordance with the internal control of the Group, the primary reporting format is structured by the business segments of design and issue of investments for private investors and the Group's trust transactions. As the business activities focus on Germany, Austria and the Netherlands, they are also broken down in accordance with geographical criteria.

The Group's primary activities are associated with the design and issue of investments for private investors. The range of products includes ship investments, real estate, life insurance, structured products, and private equity investments. A breakdown of sales and gross profit or loss for the individual business segments can be found under "development of gross profit".

Trust transactions include, among other things, covering new issues on a trust basis and managing the respective trust accounts, as well as information and other services for the trustors. However, as sales from this business segment are less than 10% of total sales, activity outside the gross income analysis will not be subdivided further.

The geographical distribution of the net worth position is shown in the table on pages 86/87.

Refer to the geographical distribution in the table on pages 86/87 for a presentation of the individual contributions to results and for the subdivision of the balance sheet items.

Other information

The average number of employees is composed as follows:

	Yearly average
Germany	178
Netherlands	26
Austria	11
Switzerland	0
USA	0
	215

An average of 182 people were employed in the previous year.

On average, 26 employees were employed in companies consolidated on a pro rata basis in line with Article 310 of the German Commercial Code (previous year: 23).

As at December 31, 2005, 225 employees were employed in the Group (previous year: 194).

Corporate Governance Code

In December 2005, the Management Board and the Supervisory Board of the 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.

Shares held by the Management Board and the Supervisory Board

The Management Board holds 8.64% of the company's shares, 13.28% are held by the Supervisory Board. The following Management Board and Supervisory Board members hold more than 1% of shares issued by the company directly or indirectly:

- Axel Schroeder 13.28%
- Dr. Axel Schroeder 6.14%
- Ulrich Oldehaver 2.50%

Executive bodies

Members of the Management Board in the reporting year:

- Dr. Axel Schroeder, businessman, Hamburg, (Chairman)
  (Chairman; CEO; Strategic Alignment, Product Development, M&A)
- Ulrich Oldehaver, businessman, Norderstedt
  (CMO; Sales and Marketing, Product Development, Corporate Communication)
- Ulf Holländer, businessman, Hamburg
  (CFO; Finance and Accounting, Controlling, Risk Management,
  Law, Taxation, Personnel Administration, Organisation)

Members of the Supervisory Board in the reporting year:

- Axel Schroeder (Chairman)
  Managing Partner of MPC Münchmeyer Petersen & Co. GmbH, Hamburg

- Dr. Harald Vogelsang (Deputy Chairman)
  Member of the Management Board of Hamburger Sparkasse AG, Hamburg

  Further mandates in the following Management Boards, Supervisory Boards and similar bodies:
  - Hanseatische i-Bank AG, Hamburg (Chairman)
  - Haspa-DIREKT Servicegesellschaft für Direktvertrieb mbH, Hamburg (Chairman)
  - S Broker AG & Co. KG, Wiesbaden (Deputy Chairman)
  - Haspa Finanzholding, Hamburg (Chairman)
  - NRS Norddeutsche Retail-Service AG, Hamburg/Bremen (Chairman)
  - neue leben Pensionskasse AG, Hamburg (Member)
  - neue leben Pensionsverwaltung AG, Hamburg (Member)
  - S Broker Management AG, Wiesbaden (Member)
  - Grundstücksgesellschaft Max Bahr Holzhandlung GmbH & Co. KG, Hamburg (Advisory Council)
  - Max Bahr Holzhandlung GmbH & Co. KG, Hamburg (Advisory Council)

- Dr. Ottmar Gast
  Deputy Speaker at Hamburg Südamerikanische Dampfschifffahrts-Gesellschaft KG, Hamburg

  Further mandates in the following Supervisory Boards and similar bodies:
  - UK P+I Club, Bermuda (Chairman)
  - INTTRA INC., Parsippany, USA (Deputy Chairman)
  - Deutsche Schiffahrts-Agentur GmbH, Hamburg (Chairman of the Advisory Council)
  - BLG LOGISTICS GROUP AG & CO. KG, Bremen (Advisory Council)
  - Germanischer Lloyd Aktiengesellschaft, Hamburg (Technical Advisory Council)

The members of the Management Board of the MPC Münchmeyer Petersen Capital AG received remuneration of TEUR 7,153 for the 2005 financial year. In the same period, the members of the Supervisory Board received net remuneration of TEUR 50. All emoluments of members of company bodies are due in the short-term.

Contingent liabilities

Contingent liabilities exist in accordance with IAS 37. They relate to default and fixed liability guarantees.

Contingent liabilities of TEUR 667 (previous year: TEUR 8,444) result from liability arising from the provision of security for third-party liabilities.

Liability arising from the provision of security for third-party liabilities primarily concerns guarantees assumed as a result of interim financing for real estate funds.

In addition, there are other total financial liabilities of TEUR 338,179, which consist primarily of placement guarantees (TEUR 255,503) and of directly enforceable guarantees (TEUR 67,426).

Contributions by limited partners held in trust amount to TEUR 3,192,094. They relate to the amounts at which TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH, Hamburg, is entered in the Commercial Register

In addition, the TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH, Hamburg, is liable for liquidity withdrawals of TEUR 1,625 to associates not listed in the Commercial Register.

Affiliated companies

The information in accordance with Paragraph 313 Article 2 of the German Commercial Code can be found in a separate list of shareholdings. This information together with the consolidated financial statements and other documents subject to disclosure restrictions is filed in the Commercial Register in Hamburg under the number B 72691.

Auditor's fees

The auditor's fees are composed as follows:

- Audit EUR 55,630.53
- Other services EUR 50,373.21

Relationship with associated companies and persons

The Managing Directors and members of the Management Board are to be regarded as associated persons as defined by IAS 24. In 2005, there were no business relations subject to reporting requirements between Managing Directors and the companies included in the consolidated financial statements.

Approval of the financial statements

The Management Board plans to approve the publication of the consolidated financial statements after the meeting of the Supervisory Board on February 27, 2006. These consolidated financial statements are in accordance with the IFRS, as they are to be applied in the EU, and with the IFRS in general.

Hamburg, February 23, 2006
MPC Münchmeyer Petersen Capital AG
The Management Board

Dr. Axel Schroeder Chairman	Ulrich Oldehaver	Ulf Holländer