

MPC CAPITAL AG

|→ 2018

ANNUAL REPORT

www.mpc-capital.com



MPC Capital

Profile

MPC Capital is an international asset and investment manager in the three core segments Real Estate, Shipping and Infrastructure. We specialise in the development and management of niche investments for international institutional investors, family offices and professional investors. We are committed to the interests of our investors and co-invest in our projects.

Our expertise and experience in the conception of investments, the combination of the right investment with the right client and the management of the project from acquisition to development to the final implementation of the project is the basis for our success.

Our distinctive hands-on approach offers investors a comprehensive solution along the value chain of an investment. For over 20 years, we have been identifying niche investment opportunities and building strong relationships with international partners in selected market segments.

MPC Capital AG has been listed on the stock exchange since 2000. The shares of MPC Capital AG have been traded in the "Scale" segment of Deutsche Börse in Frankfurt since March 2017.

MPC Capital Group in figures

P&L	1/1 - 31/12/2018	1/1 - 31/12/2017
Revenues	42,727	47,318
Revenues adjusted ⁽¹⁾	42,727	59,627
Earnings before taxes (EBT)	-16,671	17,353
EBT adjusted ⁽²⁾	567	17,353
Net income	-18,673	13,150
Balance Sheet	31/12/2018	31/12/2017
Total assets	151,213	135,478
Financial assets	81,312	54,486
Cash ⁽³⁾	28,578	28,873
Equity	112,467	102,240
Equity ratio	74.3%	75.5%
Share	31/12/2018	31/12/2017
Earnings per share (EUR)	-0.57	0.41
Employees	31/12/2018	31/12/2017
Average number for the year	282	257
Personnel expenses	28,592	27,137

all figures in TEUR, unless otherwise stated

⁽¹⁾ incl. near-sales other operating income from „The Cloud“ project (2017)

⁽²⁾ Adjusted for effects from write-down on an equity investment in the retail business

⁽³⁾ Cash in hand and bank balances

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Mission Statement

Real estate, ships, wind farms, solar parks and industrial plants are real, tangible, enduring assets. They play an essential part in finding long-term answers to the challenges of modern megatrends such as population growth, rising energy consumption and growing prosperity. The need for investment is therefore huge.

Investing in real assets is an opportunity to participate in this exciting and positive development. Meanwhile there is potential to profit from value gains and regular returns over the coming decades, while remaining almost unaffected by fluctuations in the value of money. We enable investors to access long-term, efficient real asset investments.

The primary objective of our activities is to identify and increase the value of appropriate assets and investment strategies. Our central area of expertise involves introducing investors to investment opportunities, along with the management of the assets from their development right up to the end of their respective service life. Depending on their requirements, investors can accompany us throughout the entire investment and value creation process – or participate flexibly in individual phases. Our role is to manage real asset investments optimally, from their selection and (ongoing) development to a successful exit, with a view to maximising their value.

We focus on long-term trends in demand when selecting the assets. This is how we have identified market niches such as micro living in the Real Estate segment, feeder container ships in the Shipping sector, and plant engineering in certain emerging economies, and have already successfully moved into many of these areas. We are creating good-quality, affordable housing for students in Germany, playing a part in the energy revolution and

helping developing countries to achieve higher industrial value added. Our investors enjoy opportunities to realise above-average returns compared to the market as a whole.

How do we achieve all this? We have been active in the alternative asset sector for over 20 years and have put down deep roots over that period. We have a deep knowledge of the individual markets, sound judgement of their development potential, exclusive access to interesting assets, an extensive network of renowned partners and the expertise needed for the structuring, financing, management and administration of real asset investments and investment products.

Our experience is built on over 300 projects and real assets with a total investment volume of around EUR 20 billion that we have realised since the establishment of MPC Capital in 1994. We want to win you over on the strength of our experience, quality, professionalism, reliability and uniqueness, and become Germany's biggest independent investment manager for real asset investments and investment products in the three core segments of Real Estate, Shipping and Infrastructure.

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YOUR MANAGEMENT BOARD

Your Management Board





DR PHILIPP LAUENSTEIN

CFO (Chief Financial Officer)

Dr Philipp Lauenstein has been a member of the Management Board of MPC Capital AG since April 2018. He has been with the MPC Group since 2016 and was most recently responsible for the finance department of MPC Container Ships ASA during its establishment. Philipp Lauenstein holds a doctorate in economics and worked in a management consultancy until he joined the MPC Group.

ULF HOLLÄNDER

CEO (Chief Executive Officer)

Ulf Holländer joined MPC Capital in early 2000 and was appointed to the Management Board in July 2000, in April 2015 he became CEO. His responsibilities include Infrastructure and Real Estate Netherlands. Previously he held executive positions at the shipping company Hamburg Süd and its subsidiaries in Australia and the US. Ulf Holländer is married and has three children.

DR KARSTEN MARKWARDT

Board Member Legal & Compliance / Real Estate Germany

Dr Karsten Markwardt joined MPC Capital as General Counsel at the beginning of 2008 and has been a member of the Management Board since April 2018. Next to Legal & Compliance he is responsible for Real Estate Germany. He previously advised the Talkline Group as General Counsel and as an attorney specialized in M&A as well as corporate and capital markets law. Karsten Markwardt trained at Siemens AG in Mannheim and studied business administration at the Stuttgart University of Cooperative Education (Diplom-Betriebswirt BA). He studied law at the Ruprecht-Karls-Universität in Heidelberg where he obtained a doctorate. He is married and has three children.

CONSTANTIN BAACK

Board Member Shipping

Constantin Baack was appointed to the Management Board of MPC Capital AG as CFO in April 2015. He joined MPC Capital in April 2008 and has held various executive positions since then. Previously as managing director of Ahrenkiel Steamship he was responsible for the consolidation of the MPC Group's shipping activities. Mr. Baack holds a Master's Degree in international business from the University of Sydney. Before joining MPC Capital he worked for Hamburg Süd in Sydney and for one of the Big-4 accounting firms. Constantin Baack is married and has three children.

Foreword by the Management Board

Dear Shareholders,

in 2018 we were able to continue expanding our shipping activities in a difficult environment, realised a number of projects in the Dutch real estate market and extended our platform for renewable energy in the Caribbean. With all these activities, we were able to tie up around EUR 0.8 billion in new assets. On the other hand delayed transactions and the reassessment in November of the likelihood of projects materialising prompted us to adjust our full-year forecast. Revenue ultimately came in just above the downgraded expectations, at EUR 42.7 million. Earnings before taxes after elimination of non-recurring effects (EBT, adjusted) was in line with the adjusted forecast, at EUR 0.6 million.

The reason for the EBT of EUR -16.7 million reported is attributable to the burden from the write-down on an equity investment dating back to 2009 in the former retail business area, and on associated receivables.

This is undoubtedly an unsatisfactory result. However we should emphasise that the write-downs and adjustments are non-cash processes and have no lasting impact on our strategy. In fact, quite the opposite: the removal of the equity investment has improved the quality of our balance sheet. It is now almost entirely clear of risks from the former retail business area.

Today, our financial assets comprise almost exclusively co-investments from business with institutional clients, which we expect to yield regular returns in the future. The equity ratio remains very sound at 74 % and represents a comfortable basis for the further development of the company.

With regard to the assets under management, in the space of five years we have succeeded in creating an asset portfolio worth EUR 2.6 billion in what was initially unfamiliar territory. That, too, is a healthy basis for our further progress.

We would like to thank you for your confidence in MPC Capital and will be delighted at your continuing involvement in our future. Our special thanks are due to our employees for their dedication and wealth of ideas in the past financial year.

Kind regards,
The Management Board of MPC Capital AG



Ulf Holländer
Chairman



Constantin Baack



Dr Karsten Markwardt



Dr Philipp Lauenstein

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YOUR SUPERVISORY BOARD

Your Supervisory Board





JOACHIM LUDWIG

Joachim Ludwig is member of the board at Ferrostaal AG (today: Ferrostaal GmbH). Since joining in 2007 he was in executive positions for various companies of the Ferrostaal Group. Previous to his board membership he was managing director of MAN Ferrostaal Piping Supply GmbH und Senior Vice President of the Ferrostaal AG. Joachim Ludwig was appointed to the supervisory board of MPC Capital AG in April 2015.

DR AXEL SCHROEDER

Chairman

Dr Axel Schroeder has worked for the MPC Group in Germany and abroad since 1990. Since inception in 1994 he is actively involved in developing the skills of the company. He became Chairman of the Management Board in 1999 and took MPC Capital AG public in September 2000. Since 1996, he has been Managing Partner of MPC Holding, a main shareholder of MPC Capital AG. Dr Axel Schroeder was appointed Chairman of the Supervisory Board in April 2015.

DR OTTMAR GAST

Dr Ottmar Gast is Chairman of the Advisory Board of Hamburg Südamerikanische Dampfschiffahrts-Gesellschaft ApS & Co KG, Hamburg, where he was a member of the Executive Board until 2017. He is also Chairman of the Supervisory Board of Audius AG and a member of several advisory boards such as Dr August Oetker Nahrungsmittel KG and VDAL Deutsche Afrika-Linien GmbH & Co. KG. Dr Ottmar Gast has been appointed to the Supervisory Board of MPC Capital AG in April 2018.

Report of the Supervisory Board

Dear Shareholders,

MPC Capital AG experienced mixed fortunes in the past 2018 financial year. Although its operating and economic performance fell well short of the original expectations, the company nevertheless succeeded in adding further to its co-investment portfolio. Last year, MPC Capital succeeded in increasing the volume of assets managed on behalf of institutional investors by EUR 0.8 billion to EUR 2.6 billion. This portfolio constitutes a sound basis for further development and offers interesting opportunities to generate future income. Against this backdrop, one priority area of our discussions with the Management Board in the past year was the co-investment strategy of MPC Capital.

Report on the activities of the Supervisory Board in the 2018 financial year

In the 2018 financial year, the Supervisory Board fulfilled the control and advisory duties required of it by law and the Articles of Association of MPC Capital AG with considerable diligence. The Supervisory Board advised the Management Board on its management of the company and monitored and examined its work and actions on a regular basis. The Supervisory Board maintained a continuous dialogue with the Management Board and received regular, timely and comprehensive verbal, telephone and written reports about the current position of the company.

In our regular consultations we considered in detail the company's financial position, net assets and results of operations as well as its risk management and the compliance requirements. The Management Board was available to the Supervisory Board to discuss and answer further questions at these meetings. The Supervisory Board also received comprehensive information on time-critical measures and decisions between meetings. The Management Board furthermore held regular discussions and consultations with the Supervisory Board Chairman on the prevailing business situation and on material transactions within the company.

We discussed and decided on transactions that required the consent of the Supervisory Board at our scheduled meetings. In addition, written circular resolutions were passed by the Supervisory Board for transactions by the Management Board that require our consent. All resolutions in the period under review were passed unanimously.

Because the Supervisory Board of MPC Capital AG comprises three members, no committees were formed. To enable both efficient collaboration and intensive dialogue, the Supervisory Board believes it is helpful to keep the number of Supervisory Board members low.

Meetings of the Supervisory Board

Five scheduled Supervisory Board meetings took place in the presence of the Management Board in the period under review, each of which was attended by all three Supervisory Board members.

The first ordinary Supervisory Board meeting of the 2018 financial year took place on 23 January 2018. As well as receiving updates from the Management Board members representing the respective business units, we discussed the planning for 2018 in detail.

The second ordinary Supervisory Board meeting on 14 February 2018 was also the meeting to approve the annual accounts for the 2017 financial year. The Management Board explained the financial, accounting and fiscal aspects of the annual financial statements for 2017. The auditor presented the findings of its audit. Later in the meeting, the Management Board reported to us on the current economic development of the Group and on further plans for the 2018 financial year. In that connection we also discussed the financing alternatives for further growth, including capital market options. The Management Board in addition provided a current overview of the principal risks for MPC Capital AG. We in addition discussed and approved the agenda for the Annual General Meeting of MPC Capital AG set for 12 April 2018.

The third ordinary Supervisory Board meeting on 27 June 2018 started with a detailed report by the Management Board on the development in the business units. At that meeting we then proceeded to discuss the key figures for Q1 2018, the extended outlook for the financial year as well as risk and compliance issues at the company.

Much of the fourth ordinary Supervisory Board meeting on 11 September 2018 was spent on the business update from the business units, and in particular the discussion of activities in the industrial services area.

Our discussions with the Management Board also covered HR recruitment for technical and commercial management, which is a strategic necessity for the further expansion of the shipping unit. The meeting then went on to discuss the H1 2018 figures as well as the capital market activities of MPC Capital AG. The Management Board again provided a status report on the risk management and compliance area at that meeting.

At the year's final ordinary Supervisory Board meeting on 12 December 2018, we mainly considered current projects and new investment plans. We discussed at length the status of the delayed projects that had led to the adjustment of the forecast in November.

Personnel changes on the Management Board and Supervisory Board

With effect from 1 April 2018 the Supervisory Board of MPC Capital AG appointed Dr Karsten Markwardt and Dr Philipp Lauenstein as new Management Board members of the company. The lawyer Dr Markwardt has already been with MPC Capital since the start of 2008 and takes charge of the newly created Management Board portfolio of Legal & Compliance. The economist Dr Lauenstein joined MPC Capital in 2016 and took up office as Chief Financial Officer on 1 April 2018. The previous CFO Constantin Baack, who additionally took on the Shipping portfolio following the exit of Peter Ganz with effect from 31 December 2017, will now concentrate on the company's shipping activities.

In January 2019 we reached an agreement with Dr Roman Rocke, Management Board member for the Real Estate and Infrastructure business units, that his contract ending in June 2019 will not be extended. Responsibility for the portfolios of which Dr Rocke is in charge will be taken on by Ulf Holländer (CEO) and Dr Karsten Markwardt. For the time being there are no plans to seek a replacement for the position. Our particular thanks are due to Dr Rocke for his commitment over recent years.

The close of the Annual General Meeting of Shareholders on 12 April 2018 marked the end of my term of office, and that of my Supervisory Board colleagues Joachim Ludwig and Dr Arnt Vespermann. Mr Ludwig and myself were re-elected. Dr Vespermann did not stand for re-election. The Annual General Meeting elected Dr Otmar Gast to the Supervisory Board in his place. Dr Gast is Chairman of the Advisory Board of Hamburg Südamerikanische Dampfschiffahrts-Gesellschaft ApS & Co KG. All three Supervisory Board members were elected for the period up until the close of the Annual General Meeting that is to grant discharge for the fourth financial year following the election. The Supervisory Board thanks Dr Vespermann for his commitment throughout the years of his term of office and looks forward to working successfully with Dr Gast.

Audit of the financial statements

BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg, was appointed as the auditor of the annual and consolidated financial statements by resolution of the Annual General Meeting on 12 April 2018 and mandated by the Supervisory Board accordingly. BDO AG Wirtschaftsprüfungsgesellschaft audited the annual financial statements of MPC Capital AG and the consolidated financial statements of the MPC Capital Group, including the bookkeeping and the combined management report, and issued them with an unqualified audit opinion. The annual and consolidated financial statements were prepared in accordance with the German Commercial Code (HGB). The auditor conducted the audit in accordance with the German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer, "IDW") and additionally the provisions of the International Standards on Auditing (ISA). The annual financial statements, the combined management report and the full audit reports by BDO AG Wirtschaftsprüfungsgesellschaft for the 2018 financial year were provided to all of the members of the Supervisory Board, enabling the Supervisory Board to fulfil its auditing and supervisory duties in full.

At its meeting to approve the annual accounts on 13 February 2019, the Supervisory Board discussed the audit reports and the annual and consolidated financial statements in detail in the presence of the Management Board and the auditor. The auditor provided a comprehensive report on the findings of its audit and was available to answer additional questions.

Following its detailed examination, the Supervisory Board of MPC Capital AG approved the annual and consolidated financial statements including the combined management report and the corresponding audit report and endorsed the annual and consolidated financial statements for the year ended 31 December 2018. The financial statements have thereby been adopted.

Dependent company report by the Management Board in accordance with Section 312 of the German Stock Corporation Act (Aktiengesetz, "AktG")

In accordance with Section 312 AktG the Management Board of MPC Capital AG submitted a report on its relationships with dependent companies for the past financial year. This report has been unreservedly approved by the independent auditor, which has filed the following audit opinion:

“On the basis of our duly performed audit and assessment, we confirm that

- 1) the factual statements made in the report are correct;
- 2) the company’s consideration in respect of the transactions listed in the report was not inappropriately high.”

The dependent company report was examined by the Supervisory Board. Based on the results of its examination, the Supervisory Board concurs with the assessment of the auditor and does not raise any objections with respect to the report itself or the concluding declaration of the Management Board on relationships with dependent companies.

The Supervisory Board would like to thank the Management Board and all employees for their great commitment in the past financial year.

Hamburg, 13 February 2019

The Supervisory Board



Dr Axel Schroeder
Chairman

MANAGING REAL ASSETS

|→ 2018

THE 2018 FINANCIAL YEAR



REAL ESTATE

| → 2018

MODERN LIVING & WORKING

Concept-led and tailored to the requirements of tenants both now and in the future: MPC Capital's Real Estate projects again focused on the ongoing implementation of the future strategy in 2018.

MPC Capital further expanded its concept of "living in a small space" in the micro living area and also redefined the benchmark for forward-looking residential concepts. In the office properties area, the focus was equally on the future requirements of tenants and on providing a healthy working environment for employees.

INTERVIEW

Pieter Akkerman, Managing Director of Cairn Real Estate

„If you develop real estate that will meet the future requirements of tenants, you will also satisfy investors' expectation of stable, attractive returns.“

Where do your priorities lie in the renovation of office buildings?

I → The issue of “healthy working” is becoming increasingly important for modern enterprises. Companies are on the lookout for sustainable office buildings offering a pleasant working environment that is conducive to the health of their employees. That is also our priority for modernisations and new developments of top-grade office properties. To achieve this goal, we recently invested in a start-up venture called Healthy Workers, an enterprise that helps firms to create a healthy and therefore attractive working environment for their employees.

Can this strategy be transferred to residential properties?

I → Future-proof sustainability is something we are also seeking in residential projects. It is in evidence in the “Bajes Kwartier” in Amsterdam, a former prison site that we and our partners are converting into an attractive residential area. The main reason why we won the contract for the “Bajes Kwartier” project was a convincing sustainability concept that redefines the benchmark for innovative, long-term sustainable urban development.

Does this strategy have a positive influence on returns for investors?

I → Sustainability is a key issue for real estate, whether residential or commercial. Investors need to be convinced of the viability of a building, and sustainability plays a key role in that. There are also new rules and regulations that investors must heed. Moreover, tenants are becoming increasingly demanding in their expectation of sustainable and environmentally acceptable places to live and work. We ensure that all our projects achieve the very highest technical standards of sustainability, so as to create an environment in which tenants feel at ease. That stabilises real estate values and consequently the returns that can be achieved.



Pieter Akkerman is Managing Director of Cairn Real Estate, a fully-owned subsidiary of MPC Capital. He has been with MPC Capital since 2011 and has 15 years of experience in the world of asset management. Before joining MPC he was Managing Director of ABN AMRO MeesPierson Real Estate, where he was responsible for all real estate and private equity funds.



SHIPPING

| → 2018

READY FOR IMO 2020

In addition to focusing on the niche segment of feeders and expanding institutional business, 2018 mainly featured preparations to make the fleet of ships under MPC Capital's management fit for the future.

New regulations to improve global shipping (IMO 2020) present the industry with fresh challenges. MPC Capital believes this offers attractive opportunities for investors.

INTERVIEW

Christian Rychly, Managing Director of MPC Maritime Holding

“The issue of sustainability has finally reached the merchant shipping sector: IMO 2020 is one of the most far-reaching changes that will also be watched closely by investors. For us as a full-service provider, it represents big opportunities.”

What impact will IMO 2020 have on MPC Capital?

I → I believe IMO 2020 is one of the biggest changes in merchant shipping for decades. Because from 2020, all ships will have to use clean but expensive fuels or resort to other high-cost measures to protect the environment. Even when IMO was still in planning, we viewed this change positively and have been equipping ships with scrubbers. We are convinced this investment will pay dividends very soon after the regulation takes effect, and see IMO 2020 as a big opportunity not just for sustainability, but also for our investors.

What is your strategy for the institutional market?

I → MPC Capital covers the entire value chain of a maritime investment. Once we have investigated a shipping asset based on the investor's requirements, we complete the acquisition and create a tailor-made investment vehicle for the investor. We manage and charter out the ships through our in-house technical and commercial management units. For the exit, we then identify the best possible timing and put together a smooth sales process. This full-service package is almost unique in the industry, and an important factor for investors.

What makes MPC Capital an ideal partner for investors?

I → We co-invest in the investments. That, coupled with our long-standing experience in merchant shipping, our extensive portfolio of services and our profound knowledge of the market, makes us a preferred partner for institutional investors.



Christian Rychly has been Managing Director of MPC Maritime Holding since the start of 2018, in which position he is responsible for all shipping activities of the MPC Capital Group. He was previously Managing Director of the shipping company Leonhardt & Blumberg, where he worked for 19 years. Christian Rychly has an MBA from the University of Wales.



RENEWABLE ENERGIES

| → 2018

NICHE FOCUS ON CARIBBEAN

With a stock exchange cross-listing in Jamaica and Trinidad & Tobago, the Infrastructure business unit has focused on renewable energy projects for emerging economies, and therefore very specifically on a forward-looking, sustainable strategy.

Generating energy from renewable sources is a high priority for the countries in the Caribbean region, which are very dependent on costly, environmentally harmful fossil fuels. In 2018 MPC Capital succeeded in exploiting this high growth potential and presenting itself as an experienced partner at an early point in the process.

INTERVIEW

Martin Vogt, Managing Director of MPC Renewable Energies

“The positive investment environment for renewable energy in the Caribbean offers investors potential for attractive returns over the long term.”

Why is renewable energy so important for the Caribbean?

→ On the one hand Caribbean states are highly affected by climate change and until now have been dependent on imports of costly, environmentally harmful oil and diesel. On the other hand the Caribbean enjoys both plenty of wind and plenty of sun – an ideal basis for the operation of wind and solar farms that can generate power at attractive costs. Renewable energy therefore makes sense in multiple ways. Integrating renewable energy into the energy mix (i) reduces dependence on and the cost of oil and diesel imports, (ii) protects local nature and the environment, and (iii) delivers affordable, clean power and is therefore a key criterion for the region’s long-term economic growth.

In what state of health is the investment environment in the Caribbean?

→ Policy makers in the Caribbean are committed to creating a positive investment environment. In order to attract capital from institutional investors, they have established a transparent policy for renewable energies, which offers stable and consistent regulatory frameworks. Jamaica, for example, has the goal to generate 30 % of the energy from renewable sources by 2030. Several Caribbean countries have also introduced tax incentives for investments in renewable energy.

How is MPC Capital assuring a local presence in the Caribbean?

→ Primarily through our office in Panama City. MPC Renewables Panama is supporting the development, management and further expansion of the company’s projects in the field of renewable energy sources throughout the entire Caribbean and Central America region. In Colombia, we have also established a joint venture with Martifer Renewables, a developer of wind and solar energy projects. This joint venture with registered office in Bogota develops and runs renewable energy projects in Colombia. In addition, MPC Capital recently took over the technical management of the 21 MW Tilawind wind farm in Costa Rica, and manages a local team there. We have plans for the further expansion of local asset management in the region in the coming years.



Martin Vogt is Managing Director of MPC Renewable Energies and has been with the MPC Capital Group since 2014. He started his career at Global Capital Finance, rising to the position of Vice President with responsibility for structuring and conducting transactions in the renewable energy area. On behalf of institutional clients, Martin Vogt handled transactions worldwide worth more than EUR 1.8 billion for 2,000 megawatts of renewable energy. Martin Vogt has a Masters in Technical and Commercial Management majoring on Energy & Resources from Clausthal University of Technology, Germany.

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MPC CAPITAL SHARES

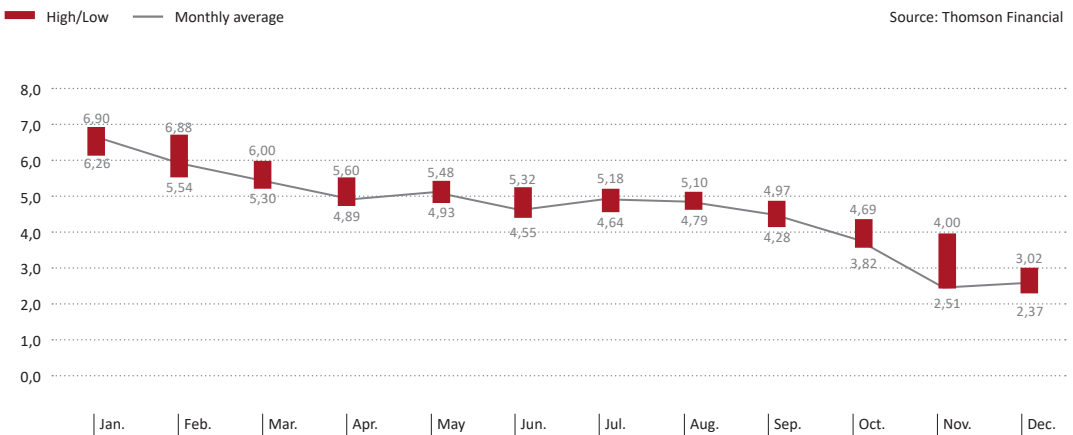
First year with a loss for DAX since 2011

After a solid start and a record of 13,597 points, the German share index DAX experienced a disappointing 2018. On the penultimate day of trading the DAX slipped to 10,279 points, its lowest level since November 2016. The DAX declined by 18.3 % overall in 2018. As an index that strongly reflects cyclical patterns and is highly export-dependent, the DAX suffered overproportionally from the trade disputes and the uncertainties about economic development that emerged as the year progressed. The German second-tier indices MDAX (-18.7 %) and SDAX (-21.6 %) suffered even sharper setbacks. In the USA, by contrast, the stock market losses were lower. The lead index Dow Jones shed around 5.6 % in 2018.

MPC Capital shares also with losses

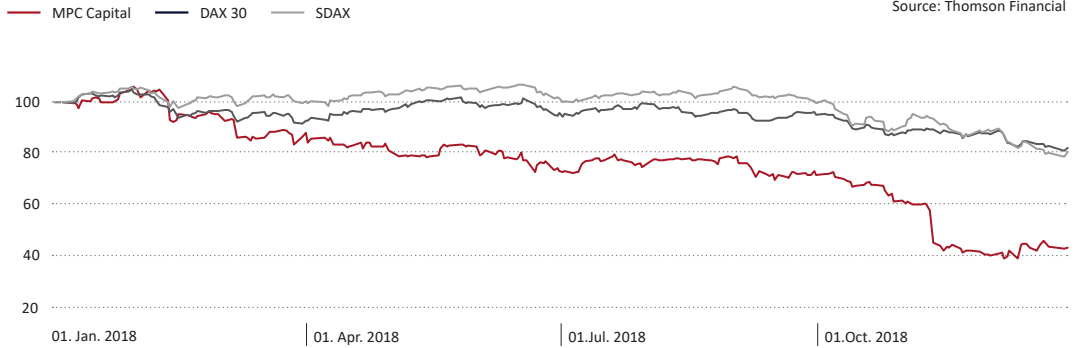
MPC Capital shares suffered substantial losses in 2018. The shares opened the 2018 stock market year trading at EUR 6.44. The year-high of EUR 6.84 was reached on 24 January. As the year went on the trading price gradually slipped, with a further correction after announcement of the adjusted forecast at the start of November. It reached the year-low of EUR 2.45 on 10 December and ended the year at EUR 2.73 on 28 December. The market capitalisation of the company at the end of the year was around EUR 91 million. It had started the year at around EUR 196 million, peaking at just above EUR 208 million. The average trading volume (Xetra) of MPC Capital shares in 2018 was around 17,800 units per day (previous year: approx. 13,900).

HIGH, LOW AND AVERAGE PRICES FOR 2018 (XETRA), 1. JANUARY TO 31 DECEMBER 2018 in EUR



Source: Thomson Financial

2018 PERFORMANCE, INDEXED



Capital increase for cash

On 2 March 2018 MPC Capital AG placed 3,042,790 new no-par-value bearer shares with institutional investors from the capital increase resolved on 1 March 2018 at a placement price of EUR 5.70 per share, by way of an accelerated bookbuild. The capital increase raised the nominal share capital of MPC Capital AG from EUR 30,427,916.00 to EUR 33,470,706.00. Delivery and settlement of the new shares took place on 6 March 2018. The company accrued gross issuing proceeds amounting to around EUR 17.3 million from the capital increase. The funds have already largely been used for new real investments in the form of co-investments for the MPC Capital Group's institutional business.

The new shares were admitted to trading alongside the company's existing shares in the Open Market (Scale) of the Frankfurt Stock Exchange, without the requirement of a prospectus.

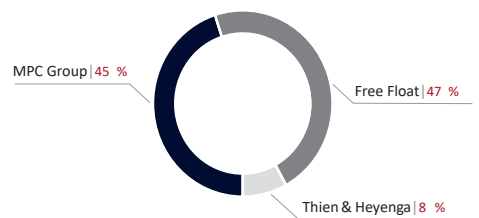
Resolutions of the Annual General Meeting

The Annual General Meeting of MPC Capital AG was held on 12 April 2018 in Hamburg. All motions were carried by clear majorities. The parties attending and voting results as well as all other documents concerning the Annual General Meeting are permanently available on the Investor Relations web page of MPC Capital AG (www.mpc-capital.com).

Capital market activities

MPC Capital AG again conducted intensive investor relations work in the 2018 financial year. The Management Board and Investor Relations held talks with around 75 investors at various roadshows and conferences and in individual meetings. Their focus was on Germany, the United Kingdom, Switzerland and Scandinavia.

SHAREHOLDER STRUCTURE MPC CAPITAL AG 31/12/2018



Shareholders of companies whose shares are listed in the Entry Standard of the Frankfurt Stock Exchange are not subject to the obligation to submit voting rights notifications in accordance with the German Securities Trading Act (WpHG). The shareholder structure is therefore presented to the best of the company's knowledge. As at: February 2019

KEY SHARE DATA OF MPC CAPITAL AG

WKN / ISIN	A1TNWJ / DE000A1TNWJ4
Share capital / number of shares	EUR 33,470,706.00 / 33,470,706 units
Share class	Bearer shares with notional capital share of EUR 1.00 each
Trading venues	Open Market in Frankfurt am Main; electronic trading on Xetra; OTC in Berlin-Bremen, Düsseldorf, Hanover, Munich and Stuttgart
Market segment	Scale
Capital market partner	M.M.Warburg & CO
Designated sponsors	M.M.Warburg & CO, Baader Bank AG
Analysts	Baader Helvea, Berenberg, Edison Research, Kepler Cheuvreux, Warburg Research
First day of trading	28 September 2000
Reuters code	MPCG.DE
Bloomberg	MPC GR
Datastream	D:MPC

Key ratios of MPC Capital shares	2016	2017	2018
Earnings per share in EUR	0.33	0.41	-0.57
Price at year-end in EUR (Xetra)	5.97	6.45	2.73
High in EUR (Xetra)	8.95	6.89	6.84
Low in EUR	4.40	5.73	2.45
Number of shares*	30,427,916	30,427,916	33,470,706
Market capitalisation* in EUR million	182	196	91

*based on year-end price

Investor Relations – Your contact

MPC Capital AG, Investor Relations

Stefan Zenker

Palmaille 67, 22767 Hamburg, Germany

Tel.: +49 (0) 40 380 22 4347

Fax: +49 (0) 40 380 22 4878

E-Mail: s.zenker@mpc-capital.com

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COMBINED
MANAGEMENT
REPORT AND GROUP
MANAGEMENT
REPORT AS AT
31 DECEMBER 2018

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Basis of the Group and of MPC Capital AG

BUSINESS MODEL

The MPC Münchmeyer Petersen Capital Group (“MPC Capital”, “MPC Capital Group”) is an internationally active asset and investment manager specialising in real asset investments and investment products. MPC Münchmeyer Petersen Capital AG (“MPC Capital AG”) is the Group parent. It has been quoted on the stock exchange since 2000 and has been listed in the “Scale” Standard of Deutsche Börse in Frankfurt since March 2017.

Together with its subsidiaries, MPC Capital develops, markets and manages real asset investments and investment products for international institutional investors, family offices and other professional investors.

MPC Capital offers all its services from a single source. These encompass selecting, launching and structuring an investment in real assets, the active management of the asset and then the development and implementation of an exit strategy that serves the best interests of investors.

Its product and service offering focuses on niche markets in the three core segments Real Estate, Shipping and Infrastructure. With its many years of expertise and a comprehensive international network of partners, MPC Capital enjoys excellent market access that enables it to identify market opportunities and bring investment projects and investors together.

MPC Capital in addition offers a comprehensive range of services for the management and administration of investments for professional investors (institutional business) and of existing investment products for private investors (retail business). In addition to its long-standing, deep knowledge of fiduciary services for investors, MPC

Capital holds a licence to operate as an alternative investment fund manager through its subsidiary DSC Deutsche SachCapital GmbH.

MPC Capital generates a stream of management fees from investment projects, as well as one-off and to some extent performance-based transaction fees from the acquisition and sale of assets. MPC Capital is also routinely involved in investment projects as co-investor, through which channel it generates other operating income or income from equity investments.

ORGANISATIONAL AND MANAGEMENT STRUCTURES

The business operations of MPC Capital extend across three market-oriented asset units, which are managed by three central holding companies. The Group parent MPC Capital AG handles the functions of corporate management and of the staff departments. These, along with the regulation and investment services units and the sales unit, are shared functions that serve all asset units and together form the **Corporate Centre**.

Asset Units

Real Estate

The **Real Estate** asset unit is the centre of competence for real estate activities within the MPC Capital Group. This unit is responsible for identifying attractive investment projects and market opportunities in addition to designing and structuring them as investments. The unit also manages a large number of existing funds. **MPC Real Estate Holding GmbH** acts as the holding company.

Beneath it, various companies concentrate on niches within the investment strategies “Residential” and “Com-

mercial”, which seek to identify above-average market demand. These niches include micro-living (student housing in Germany), retail (shopping centres in the Netherlands), logistics & light industrials (logistics and commercial real estate in Germany and the Netherlands), office (office properties in Germany and the Netherlands) as well as the development of residential properties focusing on the Netherlands.

Shipping

MPC Maritime Holding GmbH brings together the MPC Capital Group’s expertise in the shipping sector. The asset unit develops maritime investment products for institutional investors, family offices and other professional investors, and provides technical and commercial ship management for fleets. The MPC Capital Group focuses on container ships and bulk carriers in the medium size category, which the MPC Capital Group considers to offer useful market potential. Services for tankers were added to the portfolio at the end of 2018.

The companies **Ahrenkiel Steamship GmbH & Co. KG** and **Contchart Hamburg-Leer GmbH & Co. KG** as well as the joint venture **Ahrenkiel Vogemann Bulk GmbH & Co. KG** along with **Ahrenkiel Tankers GmbH & Co. KG** acquired in 2018 (referred to collectively as “Ahrenkiel Steamship” or the “Ahrenkiel Steamship Group”) offer services right along the value chain, comprising technical and commercial management, chartering, restructuring and financing. The **Ahrenkiel Steamship Group** currently manages 121 ships (as at 31 December 2018).

MPC Maritime Investments GmbH also provides financial management for a further 28 ships (as at 31 December 2018). This unit bundles the shipping competencies of the MPC Capital Group in order to structure shipping financing tailored to the requirements of ship owners and market conditions. Some of these ships still remain in closed-end fund structures launched in the past by the MPC Capital Group and categorised as retail business.

Infrastructure

MPC Renewable Energies GmbH and **MPC Industrial Projects GmbH** together constitute the “Infrastructure” asset unit of the MPC Capital Group. **MPC Infrastructure Holding GmbH** is the superordinate company. Within the renewable energies unit, it handles the structuring and management of wind and solar energy projects, currently in Europe and emerging economies. To a minor extent it also manages solar funds classed as retail business. The Industrial Projects unit focuses on the financial structuring of equity investments in industrial opportunities.

The MPC Capital Group works together closely with third-party industrial enterprises. The MPC Capital Group sees the purpose of this collaboration as securing access to projects for the Infrastructure area, including renewable energies and industrial opportunities, because the MPC Capital Group previously enjoyed only limited direct access to such projects in view of their scale and relative scarcity compared with projects in other asset classes. At the same time it is important for the MPC Capital Group to keep the risks of non-completion manageable, in view of precisely this scale of the projects in question. The expertise of the industrial partners both assures access to suitable projects and limits the risks associated with such projects for investors and the MPC Capital Group.

Corporate Center

MPC Investment Partners GmbH, **MPC Investment Services GmbH** and **TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH & Co. KG** provide investment and investment-product related services and fiduciary activities within the MPC Capital Group. These units operate together as the key interface between investor, investment company and the respective initiator.

Deutsche SachCapital GmbH enables asset managers and initiators to initiate their investment projects as in-

vestment funds under the German Investment Code (KAGB) without needing to hold their own KAGB-compliant licence. As an alternative investment fund manager it meets all regulatory requirements and handles both intragroup and third-party contracts.

GOALS AND STRATEGIES

MPC Capital's goal is to become one of the leading independent asset and investment managers for real investments and investment products in its chosen niches. As at 31 December 2018, MPC Capital had assets under management (AUM) totalling approximately EUR 4.3 billion. MPC Capital aims to acquire a volume between EUR 0.5 billion and EUR 1.0 billion in new assets annually for business with institutional customers.

The cornerstones of the corporate strategy are to generate sustained cash flows, to guarantee solid corporate financing and in particular to ensure healthy liquidity and capitalisation.

Link between asset and investor

The central area of expertise of MPC Capital involves introducing investors to investment opportunities, along with the management of the assets up to the point of exit. Customers can participate in the entire investment and value creation process with MPC Capital, or flexibly use individual phases and services for their investment and business activities in line with their own needs. MPC Capital's role is to manage real asset investments from the three asset units optimally throughout the selection, active (further) development and successful exit phases, with a view to maximising their value.

Asset selection based on market requirements (needs-based)

In selecting assets, MPC Capital focuses on current market requirements and works hard to identify market trends at an early stage. In doing so, MPC Capital has identified and already successfully occupied market niches such as

micro-living in the Real Estate segment, feeder ships in the Shipping sector or renewable energies in emerging markets in the Infrastructure sector. All of these niches offer MPC Capital scope to gain a competitive edge over the market as a whole.

Co-investment: MPC Capital contributes equity

MPC Capital contributes part of the equity itself (co-investment) to ensure that the interests of the investors are aligned with those of the fund manager. Depending on the volume and type of asset, the co-investment amounts to a maximum of 10 % of the equity of the investment vehicle concerned, or more in individual cases. The co-investments are recognised in other equity investments under financial assets.

At its core, the strategy involves generating other operating income (reversals) and income from equity investments (dividends) from the value gains of the co-investments over and above service business operations.

Investment vehicle based on the investor's strategy

The type of investment vehicle – alternative investment fund, market listing, direct investment or other legal form – above all reflects the strategy pursued by the investor, as well as market conditions.

MPC Capital's sales activities are primarily focused on international institutional investors, family offices and other professional investors. Its customers also include third-party companies and high net worth retail investors, existing customers and sales partners. The various phases of the asset's life cycle are suited to investors with different risk profiles: for example, the development phase of a project is appropriate for investors with expectations of higher returns and a pronounced risk profile, while investors with expectations of lower returns and a balanced risk profile generally participate in established projects with stable cash flows.

**Competitive advantage –
asset expertise and access to real investments**

MPC Capital's competitive advantages stem not just from its comprehensive, long-standing expertise in its core asset classes, but also from a broad network of partners that provides access to attractive real assets.

MANAGEMENT SYSTEM

The management of the MPC Capital Group is geared to long-term value added. The key management performance indicators are **revenue** as well as **revenue close to sales**, which comprises recurring income from the management and administration of existing funds and real assets, as well as transaction and performance income. **Earnings before taxes (EBT)** is a further financial performance indicator which includes financial income from equity investments.

The foundations for sustainable business development also include adequate **capitalisation** and maintaining sufficient liquidity in the Group over an appropriate planning period.

EBT, capitalisation and liquidity serve as the management performance indicators for MPC Capital AG.

Non-financial performance indicators are not used for internal management.

At Group level, the Management Board is responsible for the initiation, management and monitoring of business activities; at operating level, this function is assigned to the managing directors of the individual subsidiaries. The management system is also a part of the controlling and planning processes in the MPC Capital Group.

The consolidated financial statements and annual financial statements of MPC Capital AG have been prepared on the basis of the German Commercial Code (Handelsgesetzbuch, "HGB").

2. Economic Report

MACROECONOMIC AND INDUSTRY-SPECIFIC ENVIRONMENT

After a strong start, economic momentum weakened noticeably over the course of 2018. Political issues in particular – such as the trade dispute between the USA and China, the uncertain outcome of Brexit and the budget dispute between the new Italian government and the EU – put strain on the sentiment of businesses and private households and led to a weakening of investment growth, exports and consumer spending. Almost all major national economies are now affected by this development. Initial estimates by the Institute for the World Economy suggest that global output, calculated based on purchasing power parities, grew by 3.7 percent in 2018.

In the USA, the Federal Reserve (Fed) implemented four interest rate increases in 2018. Although the Fed has indicated two further rises for 2019, market observers believe that they are unlikely to happen because of slowing economic momentum and falling inflation rates. The European Central Bank (ECB) ceased its bond purchase programme at the end of 2018. However, interest rates are likely to remain unchanged in 2019 given that market experts see the inflation rate falling well below the level of two percent in the near future.

In the “Global Rebalancing Survey”, 58 % of investors interviewed stated their intention to increase their investments in real assets. According to the research institute Preqin, a total of USD 192 billion was invested in closed-end real estate and infrastructure funds in 2017. BlackRock estimates that open-end funds, co-investments and direct investments added at least a further 20 %.

According to Dealogic and Real Capital Analytics, the US dollar volume of global real asset deals dipped slightly in 2017 compared to 2016. Rises in the Asia-Pacific

region were cancelled out by falls in Europe and the USA. However Europe exhibited a positive development in the second half of the year as international buyers ventured back into the UK market.

BUSINESS PERFORMANCE

The performance in the 2018 financial year did not live up to the expectations of the management. Delays and the reappraisal of the probability of projects occurring, especially regarding the development of a high-volume infrastructure projects, caused the Management Board to adjust its forecast for the financial year in November.

Overall, around EUR 0.8 billion in new assets could be acquired in 2018 (2017: EUR 1.1 billion). The total transaction volume came in at around EUR 1.9 billion (2017: EUR 2.6 billion).

Real Estate

The most significant projects currently being managed in the Real Estate segment include the “Bajes Kwartier” in Amsterdam, one of the most prominent urban real estate development projects in the Netherlands. The investment volume is around EUR 300 million. Over the coming years the Dutch subsidiary **Cairn Real Estate** (“Cairn”), will be deeply involved in the revitalisation of the former prison site as co-investor and asset manager.

In April 2018, Cairn disposed of the “Blaak16” office building acquired in 2014 with an IRR in excess of 30 %. The 1970s property situated in Rotterdam’s commercial centre was comprehensively refurbished and modernised over the four-year period.

In June 2018, a joint venture between Cairn and the US investor Angelo Gordon acquired a real estate portfolio from Inside Investments. The portfolio comprises nine buildings

with an effective floor space of more than 100,000 m². The acquired portfolio comprises a mix of asset classes but focuses predominantly on food retail and logistics. The buildings are let to national and international tenants. In October 2018 the joint venture acquired a further convenience shopping centre in Muiden from Highbrook Investors. Maxis Muiden offers 25 retail spaces covering a total area of 22,675 m². The shopping centre is located directly on the A1 motorway within the greater Amsterdam area.

The **micro-living unit** of MPC Capital opened the first STAYTOO apartments in Berlin in May 2018. STAYTOO Berlin, located in the Kreuzberg district, comprises 154 apartments ranging in size from 17 to 24 m².

A plot acquired in 2017 in a central location in Lisbon, Portugal, and originally earmarked for student apartments, was disposed of in June 2018 for a three-digit IRR to take advantage of surprisingly positive market conditions. MPC Capital was again involved as co-investor here, and was thus able to realise a correspondingly high return on the investment.

In October, MPC Capital announced the development of two new micro-living projects in Mainz and Hamburg. The plan is to invest approximately EUR 50 million in the two locations on behalf of institutional investors. Construction work on both projects is scheduled to start in 2019 and completion is planned for 2020.

The micro living unit has not developed overall as hoped; originally the plan had been to acquire further assets in 2018.

Shipping

The investment company MPC Container Ships ASA established in early 2017 with registered office in Oslo, Norway, has made further substantial additions to its portfolio of feeder container ships (carrying capacity of between 1,000 and 3,000 TEU). Since its establishment in April 2017, the company has been able to raise some

USD 675 million on the capital market for investment in second-hand tonnage. The fleet of MPC Container Ships ASA currently comprises 69 ships that are all managed commercially by Contchart. Ahrenkiel Steamship handles the technical management of a significant part of the fleet.

In addition, Ahrenkiel Steamship expanded its portfolio of services with respect to tankers in 2018, which are to be promoted more actively on the market from early 2019. Three tankers already came under its management at the end of 2018.

MPC Capital also participated in further transactions, and on behalf of third-party investors arranged and structured maritime projects that are currently the management of the MPC Capital Group. A number of projects originally planned for 2018 have been delayed until the following year.

Infrastructure

MPC Capital AG's investment platform for renewable energies in the CARICOM region, MPC Caribbean Clean Energy Fund ("CCEF"), and ANSA McAL Limited („ANSA McAL"), Trinidad and Tobago's largest conglomerate of companies in the Caribbean, jointly acquired the 21 MW wind farm Tilawind in Tilarán, in Guanacaste province, Costa Rica, in June 2018.

The joint venture with ANSA McAL is in line with CCEF's investment strategy of supporting high-quality assets with strategic regional partners. The activities are run from the Panama office established in 2017. Tilawind is CCEF's second acquisition following its investment in the 51 MWp project "Paradise Park" in Jamaica, for which the financial close was reached in May 2018 totalling USD 64 million .

At the end of December 2018, MPC Caribbean Clean Energy Ltd. was cross-listed on the stock exchanges in Trinidad & Tobago and Jamaica. The company was set up

by MPC Capital as a feeder to raise local equity for CCEF. The issuing proceeds amounting to around USD 11 million are to be invested in CCEF, to enable it to acquire further assets in the region.

In 2018, activities in the Industrial Projects unit focused mainly on a high-volume infrastructure project in North America. In early November 2018, delays in the project caused the Management Board to reappraise its probability of realization in 2018, with a corresponding impact on expected revenues.

Development of assets under management (AuM)

The assets under management (AUM) of the MPC Capital Group as at 31 December 2018 fell to EUR 4.3 billion as a result of disposals in the retail area and revaluation effects (31 December 2017: EUR 5.1 billion). New business resulted in asset additions of EUR 0.8 billion. This was offset by asset disposals amounting to EUR 1.1 billion. Revaluation and currency effects had a negative effect of EUR -0.6 billion.

AUM in the Real Estate segment remained unchanged at EUR 2.1 billion. The growth of EUR 0.3 billion, driven largely by acquisitions by the subsidiary Cairn and reversals of write-downs to the projects it manages, was counterbalanced by disposals of a similar volume (sale of "Blaak16", disposals from retail business and expiring management contracts).

In the Shipping segment, AUM declined by EUR 0.6 billion to EUR 1.5 billion. The increase from the acquisition of vessels by MPC Container Ships ASA as well as from separate accounts managed by Ahrenkiel Steamship and/or Contchart were offset by higher disposals. Revaluation effects almost exclusively related to assets from the retail business, in particular the Oil Rig.

In the Infrastructure segment, AUM remained unchanged at EUR 0.3 billion as a result of rounding differences. Considered in more detail, however, there was a slight rise

from the acquisition of the Tilawind wind farm in Costa Rica and the value gain from project development of the Paradise Park solar farm in Jamaica.

The Corporate Centre manages existing funds from the former retail fund business model that do not belong in any of the three core asset classes. AUM here declined from EUR 0.5 billion to EUR 0.4 billion.

As at 31 December 2018, institutional business accounted for 60 % of AUM (31 December 2017: 47 %). Retail business accounted for the remaining 40 % (31 December 2017: 53 %).

3.

Net assets, financial position and results of operations

RESULTS OF OPERATIONS OF THE GROUP

Revenue for the MPC Capital Group in the 2018 financial year came in at EUR 42.7 million (2017: EUR 47.3 million), which was therefore slightly above the adjusted forecast from November of EUR 40.0 million to EUR 42.0 million. Both management fees – because of a high non-recurring effect from transaction-related consultancy services in the first quarter of the previous year – and transaction fees – as a result of lower transaction activity in 2018 – showed decreases compared with the prior-year figures.

MPC Capital generated revenues amounting to EUR 36.3 million from management services in the 2018 financial year (2017: EUR 36.5 million). Income from technical and commercial ship management increased by almost one-third as a result of the rapid development of the MPC Container Ships fleet and other separately managed accounts. However the strong growth did not suffice to compensate the one-off effect from the first quarter of 2017 and the run-down in revenue from retail business.

Income from **transaction services** in the 2018 financial year came to EUR 6.1 million (2017: EUR 10.4 million) and was generated by the sale of the “Blaak16” office property in Rotterdam, alongside other transactions in the Real Estate and Shipping areas. The previous year was dominated by transaction fees from the sale of the Ancora wind farm in Portugal, the La Guardia office complex in Amsterdam, the student housing portfolio and a number of transactions in the Shipping segment.

Other operating income for the 2018 financial year came to EUR 12.5 million (2017: EUR 22.7 million). Accounting profits from asset sales totalled EUR 3.0 million (2017: EUR 12.3 million from the sale of “The Cloud”) and resulted mainly from the disposal of the plot in Lisbon and the sale of Blaak16. In light of the expansion of

institutional business, retail business projects where receivables had previously led to write-downs were also analysed. By optimising project structures, involving new partners and bringing new investors on board, there were write-ups on financial assets amounting to EUR 5.5 million in the 2018 financial year. In the previous year there had been reversals of write-downs on receivables amounting to EUR 4.9 million in this connection.

Other operating income effects resulted from the reversal of provisions and from changes in exchange rates. The expenses from changes in exchange rates for services settled principally in US dollars moved by a corresponding degree.

Personnel expenses in the 2018 financial year came to EUR 28.6 million, around 5 % up on the previous year (2017: EUR 27.1 million), in a reflection of the recruitment of additional personnel mainly in the ship management area. The Group employed an average of 282 people in 2018. The average figure for the previous year was 257. The personnel expenses ratio for the Group climbed to 67 % as a result of the lower revenue level (2017: 57 %).

Other operating expenses of EUR 24.6 million were slightly up on the previous year (2017: EUR 24.2 million). The increase is the result of write-downs on receivables especially in connection with the Oil Rig. Legal and consultancy costs declined to EUR 6.8 million (2017: EUR 8.0 million) and expenses from changes in exchange rates to EUR 0.8 million (2017: EUR 2.6 million). Expenses in connection with the capital increase in March 2018 amounted to EUR 0.6 million (2017: EUR 0.0 million).

The **income from equity investments** showed a slight rise from EUR 1.7 million in the previous year to EUR 2.3 million in the 2018 financial year. Income comprised mainly of profit distributions by co-investments.

Other interest and similar income came to EUR 1.4 million, roughly on a par with the prior-year level (2017: EUR 1.3 million).

Write-downs on financial assets in the amount of EUR 15.5 million (2017: EUR 0.8 million) were made. They relate principally to the extraordinary adjustment to the valuation of the indirect equity investments HCI Deepsea Oil Explorer GmbH & Co. KG and MPC Deepsea Oil Explorer GmbH & Co. KG ("Oil Rig") in the full amount of EUR 9.6 million. This move was occasioned by the current market conditions for deep-sea oil rigs that necessitate a reappraisal of the situation concerning the charter contract, which expires in mid-2019. There are exceptional write-downs on receivables in this connection totalling EUR 2.1 million.

Interest and similar expenses came to EUR 0.8 million (2017: EUR 0.5 million) and mostly consisted of interest expenses for the refinancing of a real estate project.

The **result of associates carried at equity** was EUR -0.9 million (2017: EUR 1.8 million), with losses from the disposal of investments from retail business weighing particularly on this item.

Earnings before taxes (EBT) came in negative as a result of the write-downs on financial assets and receivables, at EUR -16.7 million (2017: EUR 17.4 million). After elimination of the non-operating and non-cash write-downs on the Oil Rig, adjusted EBT is EUR 0.6 million, in line with the revised forecast made in November of slightly positive EBT.

Consolidated earnings were consequently negative at EUR -18.7 million (2017: EUR 13.2 million).

Earnings per share based on shares outstanding as at the balance sheet date came to EUR -0.57 for 2018 (2017: EUR 0.41).

RESULTS OF OPERATIONS OF THE GROUP PARENT COMPANY

MPC Capital AG realised revenue amounting to EUR 8.8 million in the 2018 financial year (2017: EUR 11.1 million). This comprised EUR 1.1 million (2017: EUR 2.0 million) from management and transaction income, and EUR 7.7 million (2017: EUR 9.1 million) from charges allocated among Group companies, mainly in respect of administrative services provided for the subsidiaries by MPC Capital AG as the holding company.

Other operating income amounted to EUR 10.9 million in 2018 (2017: EUR 10.0 million) and was substantially attributable to the reversal of impairment and receivables written off, as well as to accounting profits from asset sales and the reversal of provisions.

Personnel expenses remained unchanged at EUR 7.3 million for the financial year (2017: EUR 7.3 million). The number of employees of MPC Capital AG averaged 49 (2017: 51).

Other operating expenses rose to EUR 16.7 million (2017: EUR 14.7 million), principally because of the rise in write-downs on receivables, totalling EUR 8.5 million (2017: EUR 6.2 million). Legal and consultancy costs amounted to EUR 2.7 million, just below the prior-year level (2017: EUR 2.8 million).

MPC Capital AG generated income from equity investments amounting to EUR 0.7 million in the 2018 financial year (2017: EUR 2.7 million), income from profit transfer agreements in the amount of EUR 3.3 million (2017: EUR 8.4 million) as well as interest and similar income amounting to EUR 0.4 million (2017: EUR 0.9 million). Write-downs on financial assets and on marketable securities came to EUR 3.6 million (2017: EUR 1.0 million), of which EUR 2.0 million relates to the write-down of loans in connection with the oil rig.

The net loss for the year consequently came to EUR -4.8

million in the 2018 financial year. In the previous year, the company achieved a net profit of EUR 5.7 million. The net accumulated loss for the year was EUR -4.8 million (previous year: EUR 0 million.)

NET ASSETS AND FINANCIAL POSITION OF THE GROUP

The **total assets** of the Group increased to EUR 151.2 million as at 31 December 2018 (31 December 2017: EUR 135.5 million).

As a result of the increased investing activity, **fixed assets** rose significantly from EUR 61.7 million to EUR 87.8 million as at the balance sheet date of 31 December 2018. Intangible assets accounted for EUR 5.9 million (2017: 6.8 million) of this amount and comprised primarily the capitalised goodwill for the Ahrenkiel Steamship Group.

The **financial assets**, which mainly comprise equity investments in joint ventures, associates and other equity investments, amounted to EUR 81.3 million as at 31 December 2018, well above the level of 31 December 2017 (EUR 54.5 million). Co-investments in new business with institutional investors outweighed exceptionally high disposals from retail business.

The valuation of the indirect equity investments HCl Deepsea Oil Explorer GmbH & Co. KG and MPC Deepsea Oil Explorer GmbH & Co. KG accounted for within **other equity investments** was written off in the full amount of EUR 9.6 million. This contrasted with a rise in miscellaneous equity investments that primarily concerns the opportunistic acquisition of a portfolio of equity investments in a portfolio of closed-end funds. The purchase price was not due until the beginning of 2019 and was therefore accounted under other liabilities at the balance sheet date of 31 December 2018.

Current assets fell from EUR 73.6 million at the end of 2017 to EUR 63.4 million as at 31 December 2018. **Receiv-**

ables and other assets decreased from EUR 44.8 million as at 31 December 2017 to EUR 34.8 million as at 31 December 2018 mainly because of the decline in receivables from other long-term investees and investors. The Group's liquidity (**cash in hand and bank balances**) as at 31 December 2018 was almost unchanged at EUR 28.6 million (31 December 2017: EUR 28.9 million).

As a result of the capital increase in March 2018 and the rise in non-controlling interests, **equity** went up from EUR 102.2 million as at 31 December 2017 to EUR 112.5 million as at 31 December 2018. The equity ratio decreased slightly from 75.5 % to 74.3 %.

On 2 March 2018 MPC Capital AG placed 3,042,790 new no-par-value bearer shares with institutional investors from the capital increase resolved on 1 March 2018 at a issuance price of EUR 5.70 per share, by way of an accelerated bookbuild. The capital increase raised the nominal share capital of MPC Capital AG from EUR 30,427,916.00 to EUR 33,470,706.00. Delivery and settlement of the new shares took place on 6 March 2018.

The company realized gross proceeds amounting to around EUR 17.3 million from the capital increase. The funds have already largely been used for new real investments in the form of co-investments for the MPC Capital Group's institutional business.

The new shares were admitted to trading alongside the company's existing shares in the Open Market (Scale) of the Frankfurt Stock Exchange, without the requirement of a prospectus.

Provisions in the amount of EUR 16.3 million were recognised as at 31 December 2018 (31 December 2017: EUR 20.8 million). The drop is attributable primarily to the fall in **tax provisions** and in various other provisions. The company had created **provisions for legal and consultancy** costs amounting to EUR 6.8 million as at 31 December 2018 (31 December 2017: EUR 7.2 million). The company

considers this to be adequate for potential costs in connection with legal disputes.

Liabilities increased to EUR 22.0 million (31 December 2017: EUR 12.4 million) mainly as a result of the rise in **other liabilities** following on from the opportunistic acquisition of a portfolio of closed-end funds. **Liabilities to banks** came to EUR 1.3 million (31 December 2017: EUR 1.8 million) and comprise bank loans for non-recourse project financing. **Liabilities to other long-term investees and investors** in the amount of EUR 1.7 million (31 December 2017: EUR 1.6 million) primarily comprise capital commitments to co-investments not yet drawn down, as well as distributions received.

In the period under review the MPC Capital Group reported a negative **cash flow from operating activities** of EUR -8.9 million (2017: EUR -1.3 million). The disposal of financial assets produced a gain of EUR 3.0 million. A defining event in the previous year was the sale of "The Cloud", which brought MPC Capital an accounting profit of EUR 12.3 million. Dividends from equity investments resulted in proceeds of EUR 1.4 million (2017: EUR 0.4 million). Other non-cash income in the amount of EUR 3.4 million (2017: EUR 5.9 million) relates to the reversal of write-downs on receivables.

The **cash flow from investing activities** in the period under review came to EUR -15.2 million (2017: EUR -31.9 million). Payments for investments in financial assets amounting to EUR -28.6 million (2017: -28.5 million) resulted essentially from the involvement as co-investor in various investment projects in all three asset classes. These contrasted with proceeds from the disposal of financial assets amounting to EUR 10.1 million (2017: EUR 5.6 million) that resulted from the disposal of the land in Lisbon, the "Blaak16" sale as well as other exits and the refinancing of co-investments. The decreasing of shares in consolidated companies relates to the syndication of indirect equity investments in MPC Container Ships ASA and led to a cash inflow of EUR 4.2 million (2017: EUR 0 million).

The capital increase from authorised capital in March 2018 as well as the capital increases at fully consolidated project companies produced a **cash flow from financing activities** amounting to EUR 23.8 million. The prior-year period (EUR -3.5 million) was dominated by the repayment of financial liabilities.

Overall, **cash and cash equivalents** at the end of the year fell slightly to EUR 28.6 million (2017: EUR 28.9 million).

NET ASSETS AND FINANCIAL POSITION OF THE GROUP PARENT COMPANY

The total assets of MPC Capital AG rose to EUR 124.5 million as at 31 December 2018 (31 December 2017: EUR 111.5 million). Fixed assets, which mainly comprise shares in affiliated companies and equity investments (financial assets) and, to a lesser extent, tangible assets, increased to EUR 86.2 million as a result of the marked rise in newly received co-investments (31 December 2017: EUR 57.7 million).

Current assets consist of receivables in the amount of EUR 35.1 million (31 December 2017: EUR 44.6 million), for the most part from affiliated companies and from other long-term investees and investors. Cash in hand and bank balances were down on the previous year's level of EUR 8.9 million, at EUR 3.2 million as at 31 December 2018, as a result of the investing activity.

On the equity and liabilities side of the balance sheet, equity increased to EUR 101.7 million as a result of the capital increase for cash in March (31 December 2017: EUR 89.1 million). The equity ratio improved from 80.0 % to 81.7 %.

Provisions declined to EUR 2.9 million as at the balance sheet date primarily from the reduction in the provisions for personnel expenses, for affiliated companies and for taxes (31 December 2017: EUR 7.3 million). Liabilities grew to EUR 19.9 million (31 December 2017: EUR 15.0 million); in the main, they relate to liabilities to affiliated

companies and other non-current liabilities from project financing.

PRINCIPLES AND GOALS OF FINANCIAL MANAGEMENT

The goal of financial management at MPC Capital AG is to secure the financial stability and business flexibility of the Group. Liquidity management within the MPC Capital Group maps the Group's short and long-term

liquidity requirements on the basis of a planning model. Liquidity planning and the liquidity situation are central factors within the risk management approach of the MPC Capital Group.

FINANCIAL AND NON-FINANCIAL PERFORMANCE INDICATORS

The financial performance indicators developed as follows in the period under review:

	MPC Capital Group			MPC Capital AG		
	2018	2017	Change	2018	2017	Change
	in EUR '000		in %	in EUR '000		in %
Financial performance indicators						
Revenue	42,727	47,318	-10 %	No financial performance indicator		
“The Cloud” accounting profit (2017)	-	12,309	-			
Adjusted revenue	42,727	59,627	-28 %			
Earnings before taxes (EBT)	-16,671	17,353	n/a	-4,654	7,180	n/a
of which effects from “oil rig” (2018):						
- Write-down in equity interests	9,620	-	-	-	-	-
- Write-down on loans	5,516	-	-	2,007	-	n/a
- Write-down on current receivables	2,102	-	-	1,265	-	n/a
- Reduction from transfer of profit by subsidiaries (Profit Transfer Agreement)	-	-	-	1,781	-	n/a
EBT adjusted	567	17,353	-97 %	399	7,180	-94 %
Liquidity (cash in hand and bank balances)	28,578	28,873	-1 %	3,239	8,891	-64 %
Equity ratio	74.3 %	75.5 %	-1.2 pp	81.7 %	80.0 %	+1.7 pp

No analysis of non-financial performance indicators is carried out as they are not used for internal management purposes.

SUMMARY OF THE ECONOMIC SITUATION

The economic position of the MPC Capital Group showed a stable development in the 2018 financial year. The extraordinary write-down on a financial participation from the retail business and the associated write-down on receivables a significant negative impact on consolidated earnings. However, because this write-down is non-cash effective, it has no permanent impact on the economic situation of the Group and the company.

Despite intensive co-investment activity in the 2018 financial year, liquidity of EUR 28.6 million as at the balance sheet date remained at a sound level.

The key challenge for the MPC Capital Group is to continue identifying and acquiring attractive institutional investors and therefore to compensate the decline in proceeds from retail business through income from institutional business. In the past few years the MPC Capital Group has succeeded in positioning itself broadly in the institutional environment and developing a comprehensive portfolio of services. On this basis, MPC Capital should be able to improve its profitability by focusing even more strongly on profitable business areas in which it can demonstrate its competitive advantages.

4. Other Disclosures

EMPLOYEES

The employees of the MPC Capital Group contributed to the successful business performance in the 2018 financial year through their great dedication. A long-term commitment on the part of highly qualified employees is the basis for the long-term successful development of the MPC Capital Group. MPC Capital pursues the goal of retaining employees even more effectively and keeping them performing at a high level by offering both performance-related remuneration components and non-financial incentives. Non-monetary instruments include more flexible working hours and scope to achieve a work/life balance.

Over the 2018 financial year the MPC Capital Group had an average of 282 employees. On the reporting date of 31 December 2018, the Group had 299 employees. MPC Capital AG employed an average of 49 people in the financial year, and 53 people on the reporting date.

PERSONNEL CHANGES ON THE MANAGEMENT BOARD

With effect from 1 April 2018 the Supervisory Board of MPC Capital AG appointed Dr Karsten Markwardt and Dr Philipp Lauenstein as new Management Board members of the company.

Karsten Markwardt, with a doctoral degree in Law, has already been with MPC Capital since the start of 2008 and takes charge of the newly created Management Board portfolio of Legal & Compliance. Philipp Lauenstein, holding a doctoral degree in economics, joined MPC Capital in 2016 and takes up the position of Chief Financial Officer. The previous CFO Constantin Baack, who additionally assumed responsibility for the Shipping business following the resignation of Peter Ganz with effect from 31 December 2017, will now concentrate on the company's Shipping activities.

In January 2019, the Supervisory Board agreed with Dr Roman Rocke, Executive Board member responsible for Real Estate and Infrastructure, not to renew his contract, which expires in June 2019. The resignation from the Executive Board took effect on January 31, 2019. Ulf Holländer (CEO) and Dr Karsten Markwardt will take over responsibility for the departments for which Dr Rocke was responsible. There currently are no plans to fill this position for the time being.

DEPENDENT COMPANY REPORT BY THE MANAGEMENT BOARD IN ACCORDANCE WITH SECTION 312 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

In the 2018 financial year, MPC Capital AG was a dependent company of MPC Münchmeyer Petersen & Co. GmbH, Hamburg, Germany, within the meaning of Section 312 AktG. The Management Board of MPC Capital AG has therefore prepared a report in accordance with Section 312 (1) AktG on relationships with dependent companies that contains the following closing statement:

“The Management Board of MPC Capital AG hereby declares that for the transactions listed in the dependent company report for the period 1 January to 31 December 2018, under the circumstances known to the Management Board at the time at which the transactions were performed, the company received appropriate consideration for each transaction and was not disadvantaged in any way. No actions were taken or not taken at the instigation or in the interests of the controlling company or a dependent company.”

CORPORATE CITIZENSHIP: THE FOUNDATION „ELBSTIFTUNG“*

In 2005 MPC Capital established the Elbstiftung in order to demonstrate social responsibility over the long term at its Hamburg location. The aim of the foundation is to give young people access to good education, encourage

them to realise their potential and inspire commitment in them. To achieve these goals, the Elbstiftung launched the Elbstation Akademie education initiative in 2006. Educationally disadvantaged young people from socially vulnerable families, often from a migrant background, come to spend one year at Elbstation to work together on media and theatre projects. They also receive coaching on matters relating to school and training. Participation in Elbstation opens up new horizons for these young people for their schooling and vocational future.

2018 was a successful year for the Elbstiftung: 23 young people from Elbstation’s 12th intake presented their contributions to audiences of up to 400 in Hamburg theatres. In September, 41 more young people joined as the 13th intake. In addition, three young people applied successfully for scholarships for talented and socially committed school students. Alumni work was also extended: older youths – the alumni of Elbstation Akademie – helped younger ones to prepare for life post-school through presentations on courses of study, traineeships and voluntary services.

* Not audited by the auditor

5. Report on Risks and Opportunities

BASIC PRINCIPLES

Our policy on risks reflects our efforts to grow consistently and increase our corporate value, while managing or avoiding inordinate risks. Our risk management work is an integral part of planning and implementing our business strategies; the fundamental risk policy is laid down by the Management Board.

Risk management system

Risk management works to identify risks in the MPC Capital Group in addition to analysing, assessing, monitoring and controlling them.

A Group-wide risk inventory is carried out at regular intervals, but at least once per year, in the context of risk management. The risk inventory is performed by the individual units in line with a bottom-up principle. The people in charge of this are the risk management officers within the respective units, who assign probabilities of occurrence and loss levels to the potential risks. This information is aggregated in the Group Controlling department, and recorded and passed on in reporting.

Thanks to integrated, regular reporting, the Management Board is kept informed about the development of the risk situation of the individual units and the MPC Capital Group as a whole. The Management Board is also to be informed immediately of extraordinary or unscheduled changes in the risk position via the risk early warning system; the Management Board must then also notify the Supervisory Board of the change in the risk situation without delay.

The risk management system of the MPC Capital Group enables Group-wide, systematic risk controlling and early and sufficient risk provisioning. Risk management is a dynamic, evolving process. Lessons learned from the

daily handling of risks and risk provisioning make an important contribution to the continuous optimisation of the system.

Presentation of opportunities and risks

Categorisation of the principal opportunities and risks of the MPC Capital Group reflects the structure laid down internally for risk management purposes and adopts the gross approach. MPC Capital AG, as the parent company of the MPC Capital Group, is included in the risk management system. The disclosures fundamentally also apply to the annual financial statements of MPC Capital AG.

The following principal opportunities and risks for the business of the MPC Capital Group were identified:

OPPORTUNITIES

Business environment and market-related opportunities

The continuing low interest rate regime of central banks increases the appeal of investing in real assets such as real estate, ships and infrastructure projects. Meanwhile demand for interest-linked investments remains low.

By contrast, there is high demand for investment opportunities from institutional investors worldwide and from private investors. In view of the still-high returns being sought, there is an overall increase in the importance of real asset investments for institutional investors.

MPC Capital therefore sees considerable market potential for real investments and investment products, as well as for services that intelligently bring together investors and investment projects and provide long-term advisory and support.

In the shipping sector, the principal opportunities inclu-

de increasing our enterprise value through additional income growth and the recovery of the shipping markets, especially in the feeder segment – a focus for Ahrenkiel Steamship and its fleet. The combination of the three uncorrelated or at most only marginally correlated asset areas of Real Estate, Shipping and Infrastructure makes it possible to spread risks, realise economies of scale and, as a consequence, increase the profitability of MPC Capital.

Competitive opportunities

MPC Capital is an independent asset and investment manager specialising in real asset investments and their management. Together with its subsidiaries, it develops and offers individual investment opportunities and services for national and international institutional investors, family offices and third-party companies.

Its product and service offering systematically focuses on the three asset units of Real Estate, Shipping and Infrastructure. The company has an extensive and proven track record, particularly in the Real Estate and Shipping asset units. MPC Capital also has access to several decades of expertise in infrastructure thanks to its close cooperation with leading industrial partners.

The company can in addition call on an extensive international network of business partners and partner companies to secure and implement attractive projects.

It therefore has a clear niche strategy with exclusive market access, proven expertise and years of experience, as well as specialised services along the entire asset and investment management value chain.

Opportunities from the co-investment strategy

To ensure that the interests of the investor are aligned with those of the asset and investment manager, in consultation with the investors for the specific project in question the MPC Capital Group provides up to 10 % of the equity for the investment project, by way of co-

investment. The essence of this strategy is fundamentally to account for merely the co-investment share, rather than for any assets in full, in order to keep dependence on possible market and valuation fluctuations as low as possible (asset-light approach). The proceeds achieved from the value gains of the equity investments are reflected in the income statement as other operating income or income from equity investments.

Based on the aim of increasing the assets under management and shifting from lower-margin legacy business towards higher-margin new business, especially in the Real Estate and Infrastructure segments, the company expects to see overproportional growth in proceeds. In the company's assessment, economies of scale from more efficient utilisation of the Group's platforms and service areas should then result in an overproportional improvement in consolidated earnings.

RISKS

Business environment and market-related risks

Market-related risks

The MPC Capital Group's business success is heavily dependent on developments in the global financial and capital markets. Major market disruptions, such as those experienced in the financial crisis following the Lehman bankruptcy, may threaten companies such as MPC Capital as going concerns. Negative developments might not only endanger the launch of new investment projects and services; they may also undermine the performance of existing real investments and investment products and cause reputational damage to the MPC Capital brand.

In addition, (further) interest rate hikes by the Federal Reserve and the European Central Bank (ECB) could have a positive impact on other forms of investment and cause demand for real asset investments and investment products to stagnate or even backtrack.

There are currently no discernible indications of a

renewed global economic crisis or of disruptions to the financial and capital markets. Equally, the ECB recently stressed that it is again not planning any interest rate hikes for 2019.

MPC Capital counters market-related risks by constantly observing the need for diversification and taking into account cyclical patterns when identifying investment targets. Merely by spreading its exposure more evenly across the three asset categories Real Estate, Shipping and Infrastructure, MPC Capital already reduces its market-related risks compared with sector specialists who focus on individual industries.

In addition, the MPC Capital Group's restructuring and the way in which it handled the impact of the financial crisis after 2008 demonstrate that it can also deal with difficult market situations. Consequently, the MPC Capital Group believes it has acquired a reputation among investors, and institutional investors in particular, as a reliable partner for real investments and investment products.

Availability of real assets

As an investment manager for real investments and investment products, MPC Capital is reliant on a suitable selection of attractive real assets in the asset units of Real Estate, Shipping and Infrastructure. Global economic and regulatory changes can have a significant influence on their availability. The risk of a shortage of products is classified as low at MPC Capital thanks to its diversification across three segments, an extensive portfolio of existing funds, a broad network of partners and good market access.

Demand for real investment products

The MPC Capital Group is dependent on future demand for real investment products. A drop in demand for real investment products, for example due to a significant interest rate hike in the USA and the eurozone, could have an adverse effect on the development of the MPC Capital Group.

Regulatory risks

The regulatory risks are comparable to the previous year. Regulatory measures are significantly influenced by the European Union and continue to develop. Efforts to combat the financing of terrorism and to implement the MiFID II standards correspondingly increase the volume of implementation work. There are currently no indications that legislators are planning any significant regulation of the financial markets.

Performance-related, organisational and strategic risks to the company

Competition risk

MPC Capital aspires to be one of Germany's leading independent investment managers for real investments and investment products. As such, the company competes with other providers of real asset financial products and services. As a result of orienting its sales activities towards international institutional investors, family offices and third-party companies, the field of competitors now includes similar international companies. By contrast, regulatory changes have removed issuing houses from among its competitors.

There is a fundamental business risk that, following its strategic reorientation, MPC Capital will not be sufficiently successful at repositioning and establishing itself among new customer groups, at offering target group-oriented products and services or at consistently generating income.

MPC Capital counters this risk by concentrating on real asset products and services in special niche markets within its core segments. By diversifying into various asset categories, it can reduce the risk of cyclical dependence on one single segment. The special expertise and experience within the company, its broad network spanning major shareholders, business partners and the MPC Capital Group and its targeted recruitment of employees with years of experience, particularly in business with institutional investors, have helped to reduce this risk and enable the company to do business with institutional clients

Operating risks

During planning and development, the MPC Capital Group incurs expenses when seeking out suitable assets, analysing the opportunities and risks of assets and structuring the real investment products. These costs are incurred in part through the use of own staff and also through the use of external service providers, consultants and advisers. The majority of these costs incurred by the MPC Capital Group are only compensated for when a certain investment product materialises and the MPC Capital Group has received the corresponding fees. If a real investment product fails to materialise, any costs incurred during planning and development must be borne by the MPC Capital Group itself.

The MPC Capital Group launches investment projects with well-known and reliable partners, and often participates in these projects as a minority shareholder. Partners could demand a larger co-investment share from the MPC Capital Group, negative project developments could result in losses on the part of the MPC Capital Group, and the loss of such partners could adversely affect the MPC Capital Group's ability to acquire suitable assets.

Because the MPC Capital Group manages investment products in the Real Estate sector and through its co-investments in investment products in this sector, it is exposed to construction risks and risks relating to environmental law. Right from the planning and implementation stage, real estate projects require compliance with a wide range of rules and regulations and their development is dependent on whether the relevant permits have been obtained. This process can still be frustrated by statutory or regulatory requirements during the realisation phase, or such requirements can result in delays, the need for modifications and significant cost increases.

For project financing, the MPC Capital Group is sometimes dependent on obtaining financing from lending institutions and, going forward, might not be able to obtain sufficient financing or follow-on financing for expiring fi-

ancing from credit institutions.

In the shipping asset category, risks arise from operating activities (breakdowns, damage, maritime accidents) and the underutilisation of the ships, which could lead to lower fees or the loss of the charter/ship management contract. Both risks are assessed as minor based on the long-standing management experience of the teams.

HR risks

MPC Capital's future development and repositioning are particularly dependent on the expertise and experience of the company's employees. The company must in particular retain key employees. MPC Capital has achieved this not least through a corporate culture based on partnership and various essentially non-financial incentives.

Legal risks

The consolidated financial statements as at 31 December 2018 include provisions for legal and consultancy costs of approximately EUR 6.8 million (31 December 2017: EUR 7.2 million). The provisions constitute adequate risk provisioning for the MPC Capital Group's pending legal risks.

The number and volume of lawsuits brought against the MPC Capital Group in Germany remained flat in 2018. As before, there are no final judgements against the MPC Capital Group. Private placements, for which no prospectus is required, are associated with the risk of claims for violation of pre-contractual information obligations. However such funds are generally subscribed by highly experienced investors who have fundamentally lower requirements with regard to the volume of information to be supplied.

The MPC Capital Group seeks to use insurance protection to cover foreseeable risks, including liability risks arising from its activities as an asset manager. However, this insurance protection may potentially prove insufficient to fully cover the risks to which the MPC Capital Group is exposed.

Prospectus liability risk

Prospectuses are generally issued for sales of the funds launched by MPC Capital. In the event of inaccurate or incomplete disclosures in the prospectuses, there is a possibility that the MPC Capital Group could be held liable.

MPC Capital addresses these risks by carrying out appropriate controls and requiring high quality standards for the preparation of prospectuses and subsequent obligations. The prospectuses are prepared in accordance with the "Standards for the proper assessment of prospectuses for publicly offered investments" (IDW S 4), a standard published by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer, "IDW"). An auditor reviews the prospectuses with reference to this standard. When compiling the supplements, MPC Capital proceeds with the same care and quality that it applies in preparing the prospectuses themselves.

Since 22 July 2013 the requirements for the prospectus and the contents of the key investor information (KII) have been specified in the KAGB.

The proceedings pending before the Hanseatic Higher Regional Court under the German Capital Investors' Model Proceedings Act (Kapitalanleger-Musterverfahrensgesetz, "KapMuG") remain highly relevant. In these proceedings, the prospectuses in particular are subjected to advance scrutiny by the Higher Regional Court. The Higher Regional Court conducts a binding examination for the pending proceedings at the District Court to establish whether or not prospectuses contain errors. The decision of the Higher Regional Court can initially be reviewed by the Federal Supreme Court before the proceedings continue at the District Court. A condition of the investigation procedure being opened at the Higher Regional Court is essentially that ten plaintiffs file identical petitions for examination of the legal conformity of prospectuses. A submission to the Higher Regional Court therefore takes place without substantive appraisal and is of no significance for the outcome of the examination. Such proceedings are never-

theless gaining a higher profile among investors and as a whole lead to a higher volume of lawsuits.

Risks relating to Section 172 (4) HGB

TVP Treuhand und Verwaltungsgesellschaft für Publikumsfonds mbH & Co. KG (TVP) holds a large volume of limited partner shares in trust for a wide range of funds, and is entered on the Commercial Register as the limited partner. To the extent that payments not covered by profits under German commercial law were made to investors in the past, this may constitute a liability risk to the trust company. In the case of distressed or insolvent fund companies, creditors can claim such payments not covered by profits back from the companies. They do so by asserting their claims against the trust company by virtue of its trust status. The trust company then bears the risk of having to individually assert its claims for compensation under the trust agreement against the respective fund investors. In 2018, the risk that existed to that extent was reduced further by the disposal of assets and the scaling back of loans. Furthermore, although TVP has entered into an agreement with the fund companies' creditors for claims to be asserted primarily against the investors, it cannot be ruled out that the creditors may terminate the agreement. In addition, these agreements are not in place for all fund companies, and it is uncertain whether the creditors of the remaining fund companies will also enter into a corresponding agreement with TVP.

Financial risksMeasurement risks from equity investments

The MPC Capital Group holds various equity investments in enterprises, companies and assets. As part of its comprehensive and regular risk management, MPC Capital reviews the intrinsic value of these equity investments and/or assets and where necessary adjusts their carrying amounts on the balance sheet of MPC Capital AG.

Liquidity risk

Liquidity risk monitoring is managed centrally in the MPC Capital Group. To ensure solvency, sufficient liquidity re-

services are maintained so that payment obligations can be satisfied throughout the Group as they mature.

The MPC Capital Group has appropriate liquidity. The liquidity available as at the balance sheet date of 31 December 2018 is reported in the notes to the consolidated financial statements, as are the Group's financial liabilities as at the reporting date and their maturity structure.

Interest rate risk

Risks from interest rate changes are rated as low for the MPC Capital Group. The company had not entered into any interest rate hedges as at the balance sheet date.

Risk of additional tax payments

It cannot be ruled out that the assessment reached by the tax authorities as part of future tax audits or based on a change in the administration of justice by the supreme court may differ from that reached by the MPC Capital Group or alter previous measurements, and that they may claim additional tax payments in respect of past assessment periods. The same applies to future assessment periods. The risk of additional tax payments is likewise associated with a not inconsiderable interest rate risk, since late additional tax payments in Germany fundamentally attract interest at 6.0 % p.a.

Currency risks

The MPC Capital Group is exposed to currency risks through its international business activities. These arise from changes in exchange rates between the corporate currency (EUR) and other currencies, and mainly relate to a significant strengthening in the EUR/USD exchange rate. Ahrenkiel Steamship and Contchart generate a large proportion of their revenues in USD. Meanwhile expenditure is incurred largely in EUR, so movements in the exchange rates can have a major impact on the result.

To hedge against currency risks, a significant portion of the contractually fixed USD revenues for 2018 was backed by derivative financial instruments. Based on the remain-

ing USD exposure, an increase of 10 % in the EUR/USD exchange rate assumed by the MPC Capital Group would have an effect of roughly 1 % on the forecast revenue for the 2019 financial year.

To hedge against future currency risks which arise particularly on future incoming payments under firm customer contracts in the context of normal business operations, derivative financial instruments were used to compensate for risks from exchange rate fluctuations.

To use synergy effects from natural hedging, external hedges are concluded between MPC Capital AG and the banks, and are then to some extent passed on internally to Group companies.

Risk of bad debt and loss of income

The MPC Capital Group's business activities also include financing and management services for fund companies and subsidiaries. MPC Capital has built up receivables in connection with this and regularly conducts impairment testing on them. Impairment is recognised in the accounts and reported under other operating expenses; it amounted to approximately EUR 3.1 million as at 31 December 2018 (31 December 2017: EUR 1.3 million) and was mainly in respect of the write-down on receivables in connection with the oil rig.

Given the persistently difficult economic conditions, in particular in the shipping markets, it cannot be ruled out that MPC Capital will also have to write down receivables in the future.

Contingent liabilities

Contingent liabilities in accordance with Section 251 HGB amounted to EUR 19.1 million as at 31 December 2018 (31 December 2017: EUR 16.5 million); these mainly comprised directly enforceable warranties and guarantees. There are currently no indications that contingent liabilities will crystallise. The Management Board of MPC Capital AG therefore classifies the economic risk as low.

If one or more contingent liabilities were to crystallise, contrary to the assessment made by the company's Management Board, this would have a material impact on the financial position of the MPC Capital Group.

Overall assessment of risk and opportunity situation

The MPC Capital Group's overall risk and opportunity situation is the net result of the individual risks and opportunities presented above. The company has implemented an extensive risk management system to ensure that these risks are controlled. The risk situation of the MPC Capital Group has not changed materially since the previous year.

Based on the information available to us today, there are no risks that could present a threat to major Group companies or to the MPC Capital Group overall as going concerns

Key features of the internal control and risk management system in terms of the accounting process

In terms of the accounting process, the risk management system is geared towards compliance with legal and industry standards, the correct recognition of items in the accounts and the appropriate assessment and consideration of accounting risks. Where the accounting process is concerned, therefore, the internal control and risk management system aims to ensure proper bookkeeping and accounting and guarantee the reliability of the financial reporting.

Ongoing monitoring takes place as part of an accounting-related internal control system (ICS), which is an integral part of the risk management system. The ICS contains legal and internal rules and procedures, as well as controls designed for prevention and detection.

The integrated safeguards are intended to prevent errors. Controls are designed to reduce the probability of errors occurring in workflows and to identify errors that may have occurred. In particular, these measures include

the separation of functions, approval processes and the dual-control principle, IT controls, access restrictions and permissions concepts in the IT system.

Qualified employees, the use of standard industry software and clear internal standards and compliance with statutory provisions form the primary basis for a uniform and continuous accounting process within the MPC Capital Group

As the parent company of the MPC Capital Group, MPC Capital AG is included in the accounting-related internal control system presented above. The above disclosures also apply in principle to the annual financial statements of MPC Capital AG.

6.

Report on Expected Developments

The following forecasts contain assumptions that are not certain to materialise. If one or more assumptions fail to materialise, the actual events and developments may differ significantly from the forecasts presented.

GENERAL ECONOMIC CONDITIONS

In its winter forecast published on 11 December 2018 the Kiel Institute for the World Economy anticipates that global economic growth will slow down to 3.4 % in each of 2019 and 2020. There are risks in particular from a further escalation of trade disputes. In Europe, concerns about Italy's debt sustainability, delays to reforms in France and not least a potentially disorderly Brexit may result in the economy performing more weakly than expected.

According to a survey by Amundi and the Create Research Institute, institutional investors in Europe view an end to the relaxed monetary policy, rising political risks and growing protection within world trade as the biggest challenges over the coming years. As regards investment products, capital investors therefore anticipate a phase of rising volatility on the markets. When asked about their allocation policy, 62 % of those interviewed plan to place greater investment emphasis on real assets and to make more use of risk factors in managing their portfolio (58 %). The underlying consideration is often to invest in assets with relatively uncorrelated returns.

According to the "Global Real Assets Outlook" study from February 2018 by the American investment manager BlackRock, growing allocations to real assets are coinciding with flat or even falling transaction volumes. It thus suggests that the investment environment has become more competitive, with the effect of increasing prices and hindering the commitment of capital. BlackRock believes this trend is likely to continue because even more capital will flow into real assets.

ANTICIPATED BUSINESS PERFORMANCE

MPC Capital expects to be able to acquire new assets with a value of around EUR 500 to 800 million in the 2019 financial year. In view of the slower pace of economic growth, this is below the company's long-term growth target. MPC Capital is fundamentally also looking to expand business through takeovers of businesses or business units.

Real Estate: in the micro-living area, MPC Capital will concentrate on the German market in 2019 in order to onboard further assets. MPC Capital will also examine on a case-by-case basis whether self-financing may make sense for reasons of profitability. In the Netherlands, through Cairn, MPC Capital has created an optimally positioned platform to continue structuring attractive investments in the existing niches and to broaden these with further concepts. There are plans to expand the portfolio with pioneering concepts such as sustainability and health care, for example. In addition, MPC Capital expects to implement further office projects in Germany and the Netherlands.

In the **Shipping** segment MPC Capital is working hard to bring the ship fleet managed by Ahrenkiel and Contchart in line with the provisions of IMO 2020. The directive on reducing pollutant emissions by global shipping takes effect at the start of 2020. In 2019, part of the fleet of MPC Container Ships ASA will therefore be fitted with pollutant filters. Ahrenkiel Steamship is taking charge of the technical conversions, while MPC Maritime is arranging the financing. In addition, at the start of 2019 Ahrenkiel Steamship added services for tankers to its portfolio of services and took charge of the management of initially three ships. The fleet of container ships, bulk carriers and tankers is to be expanded further over the course of the current financial year.

In the **Infrastructure** segment, the Renewable Energies team is concentrating on expanding the platform of for renewable energies in the Caribbean. Following the IPO of MPC Caribbean Clean Energy in Jamaica and Trinidad & Tobago, the issuing proceeds are to be invested soon in a fund for wind and solar projects. In parallel, further capital is to be raised for the funds to bring further projects in the region on board. As before, the focus in the industrial opportunities area is on one high-volume infrastructure project. A decision is expected by mid-way through the year on whether the project can be implemented successfully.

For the **MPC Capital Group**, based on current planning, revenue is expected to increase slightly and earnings before taxes are expected to be at least balanced. A more dynamic development in new business, additional transactions and acting on external market influences could impact revenue and earnings positively. In a response to the slight slowdown in growth and a possible worsening of the overall economic environment, strategies to focus more strongly on profitable business units are currently being developed.

With a positive operating cash flow and a balanced relationship between new co-investments and capital returns from existing initiatives, liquidity is expected to stay at the level of the 2018 balance sheet date. The equity ratio should remain above 70 %.

For the Group parent **MPC Capital AG**, the Management Board expects to see lower distributions by subsidiaries in the 2019 financial year and therefore lower, but still slightly positive, EBT. That aside, the Management Board expects the level of liquidity and equity ratio to be comparable to the previous year.

Hamburg, 8 February 2019



Ulf Holländer
Chairman



Constantin Baack



Dr Karsten Markwardt



Dr Philipp Lauenstein

ANNUAL REPORT

|→ 2018

CONSOLIDATED FINANCIAL STATEMENTS

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1. Consolidated Balance Sheet

Assets	31/12/2018 EUR '000	31/12/2017 EUR '000
A. Fixed assets	87,769	61,743
I. Intangible assets	5,941	6,790
1. Purchased concessions, industrial rights and software	43	33
2. Goodwill	5,898	6,757
II. Tangible assets	516	467
1. Land, land rights and buildings, including buildings on third-party land	2	4
2. Other fixtures and fittings, operating and office equipment	514	463
III. Financial assets	81,312	54,486
1. Shares in affiliated companies	421	627
2. Equity investments	59,972	43,399
3. Other loans	20,920	10,461
B. Current assets	63,379	73,634
I. Receivables and other assets	34,801	44,762
1. Trade receivables	5,918	5,336
2. Receivables from affiliated companies	0	328
3. Receivables from other long-term investees and investors	10,166	23,086
4. Other assets	18,717	16,012
II. Cash in hand and bank balances	28,578	28,873
C. Prepaid expenses	65	101
Total assets	151,213	135,478

Equity and liabilities	31/12/2018 EUR '000	31/12/2017 EUR '000
A. Equity	112,467	102,240
I. Subscribed capital	33,471	30,428
II. Additional paid-in capital	54,993	40,691
III. Other retained earnings	10,803	10,803
IV. Net accumulated losses (PY: net retained profits)	-5,972	12,825
V. Difference in equity from currency translation	91	37
VI. Minority interest	19,082	7,456
B. Provisions	16,269	20,808
1. Provisions for taxes	2,023	5,120
2. Other provisions	14,246	15,688
C. Liabilities	21,987	12,431
1. Liabilities to banks	1,265	1,763
2. Trade payables	1,063	1,372
3. Liabilities to affiliated companies	0	21
4. Liabilities to other long-term investees and investors	1,658	1,603
5. Other liabilities	18,001	7,673
D. Deferred income	490	0
Total equity and liabilities	151,213	135,478

Note: Rounding differences may occur

2.

Consolidated Income Statement

from 1 January to 31 December 2018

	2018 EUR '000	2017 EUR '000
1. Revenue	42,727	47,318
2. Other operating income	12,547	22,716
3. Cost of materials: cost of purchased services	-3,465	-3,110
4. Personnel expenses	-28,592	-27,137
a) Wages and salaries	-24,910	-23,888
b) Social security, post-employment and other employee benefit costs	-3,682	-3,249
5. Amortisation of intangible fixed assets and depreciation of tangible assets	-1,781	-1,772
6. Other operating expenses	-24,643	-24,219
7. Operating result	-3,208	13,796
8. Income from equity investments	2,302	1,744
9. Other interest and similar income	1,398	1,250
10. Write-downs on financial assets	-15,515	-787
11. Interest and similar expenses	-774	-444
12. Result of associates carried at equity	-875	1,794
13. Earnings before tax	-16,671	17,353
14. Taxes on income	-1,993	-4,192
15. Result after tax	-18,665	13,161
16. Other taxes	-8	-11
17. Consolidated net loss (PY: consolidated net profit)	-18,673	13,150
18. Minority interest	-269	-795
19. Changes in consolidation	145	-328
20. Net retained profits	12,825	6,519
21. Allocations to retained earnings	0	-5,721
22. Net accumulated losses (PY: net retained profits)	-5,972	12,825

Note: Rounding differences may occur

3. Consolidated Statement of Changes in Equity

**Capital and reserves attributable
to the shareholders of the parent company**

	Share capital EUR '000	Additional paid- in capital EUR '000	Other retained earnings EUR '000	Net retained profits EUR '000
As at 1 January 2018	30,428	40,691	10,803	12,825
Capital increase	3,044	14,302	0	0
Proceeds from decreasing shares in consolidated companies	0	0	0	0
Profit distributions	0	0	0	0
Changes in the group of consolidated companies	0	0	0	145
Consolidated earnings	0	0	0	-18,942
Allocations to retained earnings	0	0	0	0
Currency translation differences	0	0	0	0
Total comprehensive income	0	0	0	-18,942
As at 31 December 2018	33,471	54,993	10,803	-5,972

Note: Rounding differences may occur

**Capital and reserves attributable
to the shareholders of the parent company**

	Share capital EUR '000	Additional paid- in capital EUR '000	Other retained earnings EUR '000	Net retained profits EUR '000
As at 1 January 2017	30,428	47,904	5,082	6,519
Successive acquisition	0	-7,213	0	0
Changes in the group of consolidated companies	0	0	0	-328
Consolidated earnings	0	0	0	12,355
Allocations to retained earnings	0	0	5,721	-5,721
Distributions	0	0	0	0
Currency translation differences	0	0	0	0
Total comprehensive income	0	0	5,721	6,634
As at 31 December 2017	30,428	40,691	10,803	12,825

Note: Rounding differences may occur

Minority interest

Difference in equity from currency translation EUR '000	Equity EUR '000	Share capital EUR '000	Additional paid-in capital EUR '000	Net retained profits EUR '000	Equity EUR '000	Consolidated equity EUR '000
37	94,784	1,166	5,069	1,221	7,456	102,240
0	17,346	0	1,792	0	1,792	19,138
0	0	169	7,974	136	8,279	8,279
0	0	0	0	-648	-648	-648
0	145	364	1,486	84	1,934	2,078
0	-18,942	0	0	269	269	-18,673
0	0	0	0	0	0	0
54	54	0	0	0	0	54
54	-18,888	0	0	269	269	-18,619
91	93,386	1,699	16,321	1,062	19,082	112,467

Minority interest

Difference in equity from currency translation EUR '000	Equity EUR '000	Share capital EUR '000	Additional paid-in capital EUR '000	Net retained profits EUR '000	Equity EUR '000	Consolidated equity EUR '000
73	90,006	1,528	1,808	-89	3,247	93,253
0	-7,214	-379	-1,801	-155	-2,335	-9,549
0	-328	17	5,062	1,011	6,090	5,761
0	12,355	0	0	795	795	13,150
0	0	0	0	0	0	0
0	0	0	0	-341	-341	-341
-36	-36	0	0	0	0	-36
-36	12,319	0	0	454	454	12,773
37	94,784	1,166	5,069	1,221	7,456	102,240

4.

Consolidated Cash Flow Statement

from 1 January to 31 December 2018

	2018 EUR '000	2017 EUR '000
Cash flow from operating activities	-8,902	-1,332
Consolidated net loss (PY: consolidated net profit)	-18,673	13,150
Amortisation of intangible assets and depreciation of tangible assets	1,781	1,772
Write-downs on financial assets	15,515	787
Result of associates carried at equity, where non-cash	875	-1,794
Gain/loss on the disposal of financial assets	-2,966	-12,309
Proceeds from the disposal of assets held as part of operating activities	0	13,290
Changes in inventories, trade receivables and other assets not allocable to investing and financing activities	-74	-6,122
Changes in trade payables and other liabilities not allocable to investing and financing activities	1,144	1,660
Changes in other provisions	-1,442	-6,054
Proceeds from dividends	1,412	418
Income tax expense	1,993	4,188
Income taxes paid	-5,090	-3,626
Interest expenses and interest income	-624	-806
Payments for costs of the capital increases	645	0
Other non-cash expenses and income	-3,398	-5,886
Cash flow from investing activities	-15,234	-31,853
Payments for investments in intangible and tangible assets	-985	-312
Payments for investments in financial assets	-28,590	-28,533
Payments for the acquisition of shares in consolidated companies (successive acquisition)	0	-8,583
Proceeds from decreasing shares in consolidated companies	4,215	0
Proceeds from the disposal of financial assets	10,126	5,575
Cash flow from financing activities	23,841	-3,524
Proceeds of new borrowings	1,108	346
Repayments of borrowings	-1,655	-3,484
Interest paid	-48	-45
Dividends paid to other shareholders	-663	0
Proceeds from minority shareholders	2,554	-341
Capital increases at fully consolidated project companies	5,846	0
Capital increases of MPC Capital AG (less costs of the capital increases)	16,699	0
Changes in cash and cash equivalents	-295	-36,709
Cash and cash equivalents at the start of the period	28,873	65,581
Effects of changes in the group of consolidated companies	0	0
Cash and cash equivalents at the end of the period	28,578	28,873

Note: Rounding differences may occur

Cash and cash equivalents corresponds to the balance sheet item "Cash in hand and bank balances".

Cash inflows that, in accordance with their economic character, result in cash inflows from non-current assets held in the course of operating activities (proceeds from disposals and dividends) are included in operating cashflow in the cash flow statement.

The other non-cash expenses and income are in particular due to the reversal of write-downs on receivables in view of optimized existing project structures.

5.

Notes to the Consolidated Financial Statements

of MPC Münchmeyer Petersen Capital AG, Hamburg, at 31 December 2018

1. BASIC INFORMATION

The MPC Münchmeyer Petersen Capital Group (“MPC Capital”, “MPC Capital Group”) is an independent asset and investment manager for real asset investments. MPC Münchmeyer Petersen Capital AG (“MPC Capital AG”) is the Group parent. Together with its subsidiaries, MPC Capital develops and manages real asset investments and investment products for international institutional investors, family offices and professional investors. The financial year of MPC Capital and of its included subsidiaries corresponds to the calendar year.

MPC Münchmeyer Petersen Capital AG (“MPC Capital AG”) is entered in the Commercial Register of the Hamburg District Court, Department B, under 72691 and its shares are listed in the “Scale” segment of Deutsche Börse AG. The company’s registered office is Hamburg, Germany.

2. SUMMARY OF KEY ACCOUNTING POLICIES

The key accounting policies applied in the preparation of these consolidated financial statements are presented below. Unless stated otherwise, the policies described were applied consistently in the reporting periods presented.

2.1 PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

MPC Capital has prepared its consolidated financial statements for the 2018 financial year in accordance with German commercial law and the additional requirements of the German Stock Corporation Act (AktG). The consolidated financial statements were prepared on the assumption of business continuation.

The consolidated financial statements comprise the balance sheet, income statement, cash flow statement, notes and management report.

To enhance the clarity of presentation, various items have been grouped together in the consolidated balance sheet and consolidated income statement, and correspondingly shown separately and annotated in the notes. In addition, the additional disclosures required for individual items have been carried over into the notes. The income statement has been prepared according to the nature of expense method.

The financial statements of the companies included in the consolidated financial statements were prepared using uniform accounting principles. The accounting policies of subsidiaries were amended as necessary to ensure uniform Group accounting. The realisation and imparity principle was observed.

The management report of the MPC Capital Group was combined with the management report of MPC Capital AG in application of Section 315 (5) HGB in conjunction with Section 298 (2) HGB.

These consolidated financial statements were approved by the Management Board and released for publication on 8 February 2019.

The consolidated financial statements have been prepared in euros. Unless stated otherwise, all amounts are shown in thousand euros (EUR thousand, EUR '000). Commercial practice was followed in the rounding of individual items and percentages. As a result, minor rounding differences can occur.

2.2 PRINCIPLES AND METHODS OF CONSOLIDATION

2.2.1 Consolidation

All domestic and international companies in which the MPC Capital Group can directly or indirectly influence financial and operating policy are included in the consolidated financial statements.

Subsidiaries: Subsidiaries are all companies (including special purpose entities) where the MPC Capital Group can exercise a controlling influence over financial and operating policy (control). This is usually accompanied by a share in the voting rights of more than 50 %. Subsidiaries are included in the consolidated financial statements from the date at which the MPC Capital Group assumes control. They are deconsolidated at the date on which control ends.

Companies founded by MPC Capital or acquired from third parties are included in the consolidated financial statements as at the acquisition date in line with the purchase method in accordance with Section 301 HGB. Under the remeasurement method applied, the acquisition cost of the shares acquired is offset against the applicable share of the assets, liabilities, prepaid expenses, deferred income and special reserves of the subsidiary measured at fair value as at the acquisition date. Any positive difference resulting from this, if deemed sound, is capitalised as derivative goodwill. Negative goodwill arising on consolidation as at the acquisition date is reported under equity as a difference arising on consolidation.

The subsidiaries previously not included in the consolidated financial statements in accordance with Section 296 HGB are reported at fair value at the time of first-time inclusion. If further shares in a subsidiary are acquired sold after control has been achieved (increase or decrease in interest) without the status of subsidiary being lost, this is presented as a capital process.

Special purpose entities (SPE): An SPE is a company formed for a clearly defined and limited purpose. If the MPC Capital Group bears the majority of the risks and rewards of its companies formed for limited and narrowly defined purposes, these companies are fully consolidated in accordance with Section 290 (2) No. 4 HGB.

Minority interests: In accordance with Section 307 HGB, an adjustment item is recognised in equity for shares in a subsidiary included in the consolidated financial statements held by a third-party shareholder in the amount of the pro rata equity. This item is updated in subsequent periods.

Associates: Associates are those companies over which MPC Capital exercises significant influence but does not control, usually entailing a share of voting rights of between 20 % and 50 %. Investments in associates and joint ventures

are accounted for using the equity method in accordance with Section 312 HGB and recognised at amortised cost. The MPC Capital Group's investments in associates include the goodwill arising on acquisition (after taking into account accumulated impairment).

The MPC Capital Group's share in the profits and losses of associates is recognised in profit or loss from the date of acquisition. If the MPC Capital Group's share of the loss in an associate is equal to or exceeds the MPC Capital Group's share in that company, the MPC Capital Group does not recognise any further losses unless it has entered into commitments for or made payments on behalf of the associate.

The key accounting policies of associates are amended if necessary to ensure standardised accounting throughout the Group. Dilution gains and losses resulting from investments in associates are recognised in profit or loss.

2.2.2 Consolidated companies

In addition to MPC Capital AG, 171 (previous year: 206) German and 28 (previous year: 25) international subsidiaries are included in consolidation.

The following table shows all fully consolidated companies in accordance with Section 313 (2) No. 1 sentence 1 HGB:

Name of company	Shareholding
Administración Solarpark Campanet S.L., Campanet / Spanien	100.00 %
Ahrenkiel Shipmanagement GmbH & Co. KG, Hamburg	100.00 % ²⁾
Ahrenkiel Steamship B.V., Amsterdam / Niederlande	100.00 %
Ahrenkiel Steamship GmbH & Co. KG, Hamburg	100.00 % ¹⁾
Ahrenkiel Vogemann Bulk GmbH & Co. KG, Hamburg	75.10 %
Anteil Austria an der Verwaltung "Michelangelo Star" Schiffahrtsgesellschaft mbH, Hamburg	100.00 %
Anteil Austria an der Verwaltung "Miro Star" Schiffahrtsgesellschaft mbH, Hamburg	100.00 %
AVB Verwaltungs GmbH, Hamburg	100.00 %
Beteiligungsverwaltungsgesellschaft MPC Solarpark mbH, Hamburg	100.00 %
Bluewater Investments GmbH & Co. KG, Hamburg	42.86 % ^{1),3)}
BMG Blue Marlin GmbH & Co. KG, Hamburg	73.11 % ²⁾
Cairn KS Management Services Real Estate B.V., Amsterdam/ Niederlande	100.00 %
Cairn Real Estate B.V., Amsterdam / Niederlande	100.00 %
CoDe Invest B.V., Amsterdam / Niederlande	50.00 % ²⁾
Contchart B.V., Amsterdam / Niederlande	100.00 %
Contchart GmbH & Co. KG, Hamburg (vormals: Contchart Hamburg/ Leer GmbH & Co. KG, Hamburg)	100.00 %
CPM Anlagen Vertriebs GmbH i.L., Wien / Österreich	100.00 %
Deepsea Oil Explorer Plus GmbH & Co. KG, Hamburg	100.00 %
Dutch REAM B.V., Amsterdam / Niederlande	100.00 %
ELG Erste Liquidationsmanagement GmbH, Hamburg	100.00 %
EREC Investment GmbH & Co. KG, Hamburg	68.80 % ¹⁾

EREC Investment Holding GmbH & Co.KG, Hamburg	100.00 % ¹⁾
EREC Investment Holding Verwaltungs GmbH, Hamburg	100.00 %
EREC Investment Verwaltungs GmbH, Hamburg	100.00 %
First Fleet Philipp Beteiligungs GmbH, Delmenhorst	100.00 %
HLD Vermögensverwaltungsgesellschaft UG (haftungsbeschränkt), Hamburg	100.00 % ²⁾
IAK Fonds Management GmbH, Hamburg	100.00 %
Immobilienmanagement MPC Student Housing Venture GmbH, Quickborn	100.00 %
Immobilienmanagement Sachwert Rendite-Fonds GmbH, Hamburg	100.00 %
Management Sachwert Rendite-Fonds Immobilien GmbH, Hamburg	100.00 %
Managementgesellschaft Deepsea Oil Explorer Protect mbH i. L., Hamburg	50.00 %
Managementgesellschaft Ikura Investment GmbH i.L., Hamburg	100.00 %
Managementgesellschaft MPC Bioenergie mbH, Hamburg	100.00 %
Managementgesellschaft MPC Global Maritime Opportunity Private Placement mbH, Hamburg	100.00 %
Managementgesellschaft MPC Solarpark mbH, Hamburg	100.00 %
Managementgesellschaft Oil Rig Plus mbH, Hamburg	100.00 %
Managementgesellschaft Sachwert Rendite-Fonds Indien mbH, Hamburg	100.00 %
MIG Maritime Invest Verwaltungsgesellschaft mbH, Hamburg	100.00 %
Mokum Invest B.V., Amsterdam / Niederlande	100.00 %
Mokum Invest C.V., Amsterdam / Niederlande	100.00 %
MPC Achte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00 %
MPC Achte Vermögensverwaltungsgesellschaft mbH, Hamburg	100.00 %
MPC Best Select Company Plan Managementgesellschaft mbH, Quickborn	100.00 %
MPC Capital Beteiligungsgesellschaft mbH & Co. KG, Hamburg	100.00 % ¹⁾
MPC Capital Investments GmbH, Hamburg	100.00 %
MPC CCEF Participation GmbH, Hamburg	100.00 %
MPC Dritte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00 %
MPC Elfte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00 %
MPC Erste Vermögensverwaltungsgesellschaft mbH, Quickborn	100.00 %
MPC Fünfte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00 %
MPC Industrial Projects GmbH, Hamburg	100.00 %
MPC Infrastructure Holding GmbH, Hamburg	100.00 %
MPC Investment Partners GmbH, Hamburg	100.00 %
MPC Investment Services GmbH, Hamburg	100.00 %
MPC Lux Investments SARL, Luxemburg	100.00 %
MPC Maritime Holding GmbH, Hamburg	100.00 %
MPC Maritime Investments GmbH, Hamburg	100.00 %
MPC Maritime PTE Ltd., Singapore	100.00 % ²⁾
MPC Micro Living Development GmbH, Hamburg	100.00 %
MPC Multi Asset Schiff Verwaltungsgesellschaft mbH, Hamburg	100.00 %
MPC Multi Asset Verwaltungsgesellschaft mbH, Hamburg	100.00 %

MPC Münchmeyer Petersen Real Estate Consulting GmbH, Hamburg	100.00 %
MPC Neunte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00 %
MPC Real Estate Holding GmbH, Hamburg	100.00 %
MPC Real Estate Solutions GmbH, Hamburg (vormals: MPC Real Estate Management Services GmbH, Hamburg)	100.00 %
MPC Real Value Fund Verwaltungsgesellschaft mbH, Quickborn	100.00 %
MPC Rendite-Fonds Leben plus Management GmbH, Quickborn	100.00 %
MPC Renewable Energies GmbH, Hamburg	100.00 %
MPC Renewable Panama S.A., Panama	100.00 %
MPC Schiffsbeteiligung Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Nielbühl	100.00 %
MPC Sechste Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00 %
MPC Siebte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00 %
MPC Student Housing Beteiligungs UG & Co. KG, Quickborn	100.00 %
MPC Synergy Real Estate AG, Jona / Schweiz	50.00 %
MPC Venture Invest AG, Wien / Österreich	100.00 %
MPC Vierte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00 %
MPC Zehnte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00 %
MPC Zweite Holland Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00 %
MPC Zweite Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00 %
MS STADT RAVENSBURG ERSTE T + H Verwaltungs GmbH, Hamburg	100.00 %
MSV Vermögensverwaltungsgesellschaft mbH, Hamburg	100.00 % ²⁾
Panda Invest GmbH, Hamburg	100.00 % ²⁾
Palmaille Ship Invest GmbH, Hamburg	33.83 % ³⁾
PB BS GMO Verwaltungs GmbH, Hamburg	100.00 %
PBH Maritime Verwaltungsgesellschaft mbH, Hamburg	100.00 % ²⁾
Real Estate Growth Fund Management B.V., Amsterdam / Niederlande	100.00 %
Real Estate Management B.V., Amsterdam / Niederlande	100.00 %
RES Fund Management B.V., Amsterdam / Niederlande	100.00 %
RES GF Fund Management B.V., Amsterdam / Niederlande	100.00 %
RES Inside B.V., Amsterdam / Niederlande	71.50 % ²⁾
RES Maxis B.V., Amsterdam / Niederlande	71.50 % ²⁾
RES Participations B.V., Amsterdam / Niederlande	100.00 %
RES Retail B.V., Amsterdam / Niederlande	100.00 %
RES Transit B.V., Amsterdam / Niederlande	58.33 %
RES Transit II B.V., Amsterdam / Niederlande	58.66 %
Salmon Investment Beteiligungs GmbH, Hamburg	100.00 %
Staytoo Micro Living Spain S.L., Barcelona / Spanien	100.00 %
TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH & Co. KG, Hamburg	100.00 % ¹⁾
TVP Trustmaatschappij B.V., Amsterdam / Niederlande	100.00 %
Verwaltung Ahrenkiel Shipmanagement GmbH, Hamburg	100.00 % ²⁾
Verwaltung "Mahler Star" Schifffahrtsgesellschaft mbH i.L., Hamburg	100.00 %

Verwaltung "Manet Star" Schiffahrtsgesellschaft mbH i.L., Hamburg	100.00 %
Verwaltung "Mendelssohn Star" Schiffahrtsgesellschaft mbH i.L., Hamburg	100.00 %
Verwaltung "Menotti Star" Schiffahrtsgesellschaft mbH i.L., Hamburg	100.00 %
Verwaltung "Michelangelo Star" Schiffahrtsgesellschaft mbH, Hamburg	100.00 %
Verwaltung "Miro Star" Schiffahrtsgesellschaft mbH i.L., Hamburg	100.00 %
Verwaltung "Monteverdi Star" Schiffahrtsgesellschaft mbH i.L., Hamburg	100.00 %
Verwaltung „Rio Adour“ Schiffahrtsgesellschaft mbH i.L., Hamburg	100.00 %
Verwaltung "Rio Blackwater" Schiffahrtsgesellschaft mbH, Hamburg	100.00 %
Verwaltung "Rio Taku" Schiffahrtsgesellschaft mbH i.L., Hamburg	100.00 %
Verwaltung "Rio Thompson" Schiffahrtsgesellschaft mbH i.L., Hamburg	100.00 %
Verwaltung Achte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00 %
Verwaltung Achte Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00 %
Verwaltung Achtundsechzigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg	100.00 %
Verwaltung Achtundvierzigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg	100.00 %
Verwaltung Ahrenkiel Steamship GmbH, Hamburg	100.00 %
Verwaltung AIP Alternative Invest Private Equity GmbH, Hamburg	100.00 %
Verwaltung Asien Opportunity Real Estate GmbH, Hamburg	100.00 %
Verwaltung Beteiligungsgesellschaft Reefer-Flottenfonds mbH, Hamburg	100.00 %
Verwaltung Beteiligungsgesellschaft Vorzugskapital Rio- Schiffe mbH i.L., Hamburg	100.00 %
Verwaltung BMG Blue Marlin GmbH, Hamburg	100.00 % ²⁾
Verwaltung Bluewater Investments GmbH , Hamburg	100.00 %
Verwaltung Dreiundfünfzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00 %
Verwaltung Dreiundvierzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00 %
Verwaltung Dritte MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH, Quickborn	100.00 %
Verwaltung Dritte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00 %
Verwaltung Einundsiebzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00 %
Verwaltung Elfte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00 %
Verwaltung Fünfte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00 %
Verwaltung Fünfte Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00 %
Verwaltung Fünfzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00 %
Verwaltung MPC Bioenergie Brasilien GmbH, Hamburg	100.00 %
Verwaltung MPC Capital Beteiligungsgesellschaft mbH, Hamburg	100.00 %
Verwaltung MPC Global Maritime Opportunity Private Placement GmbH, Hamburg	100.00 %
Verwaltung MPC Real Estate Opportunity Private Placement Amerika GmbH, Quickborn	100.00 %
Verwaltung MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH, Quickborn	100.00 %
Verwaltung MPC Sachwert Rendite-Fonds Opportunity Asien GmbH, Hamburg	100.00 %
Verwaltung MPC Solarpark GmbH, Hamburg	100.00 %
Verwaltung MPC Student Housing Beteiligung UG, Quickborn	100.00 %
Verwaltung MPC Student Housing Venture GmbH, Quickborn	100.00 %
Verwaltung Neunte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00 %

Verwaltung Neunundfünfzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100,00 %
Verwaltung Neunundsechzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100,00 %
Verwaltung Reefer-Flottenfonds GmbH, Hamburg	100,00 %
Verwaltung Sachwert Rendite-Fonds England GmbH i.L., Hamburg	100,00 %
Verwaltung Sachwert Rendite-Fonds Europa GmbH, Hamburg	100,00 %
Verwaltung Sachwert Rendite-Fonds Indien 2 GmbH, Hamburg	100,00 %
Verwaltung Sachwert Rendite-Fonds Indien GmbH, Hamburg	100,00 %
Verwaltung Sachwert Rendite-Fonds Japan GmbH, Quickborn	100,00 %
Verwaltung Sachwert Rendite-Fonds Österreich GmbH, Hamburg	100,00 %
Verwaltung Schiffahrtsgesellschaft MS "PEARL RIVER" mbH i.L., Hamburg	100,00 %
Verwaltung Schiffahrtsgesellschaft MS "YANGTZE RIVER" mbH i.L., Hamburg	100,00 %
Verwaltung Sechste Sachwert Rendite-Fonds Deutschland (Private Placement) GmbH, Hamburg	100,00 %
Verwaltung Sechsunfünfzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100,00 %
Verwaltung Sechsunsechzigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg	100,00 %
Verwaltung Sechsunvierzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100,00 %
Verwaltung SHV Management Participation GmbH, Quickborn	100,00 %
Verwaltung Siebenundfünfzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100,00 %
Verwaltung Siebenundsechzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100,00 %
Verwaltung Siebenundvierzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100,00 %
Verwaltung Siebte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100,00 %
Verwaltung Siebzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100,00 %
Verwaltung TVP Treuhand GmbH, Hamburg	100,00 %
Verwaltung Vierundfünfzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100,00 %
Verwaltung Vierundvierzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100,00 %
Verwaltung Zehnte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100,00 %
Verwaltung Zweite MPC Real Estate Opportunity Private Placement Amerika GmbH, Quickborn	100,00 %
Verwaltung Zweite MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH, Quickborn	100,00 %
Verwaltung Zweite Reefer-Flottenfonds GmbH, Hamburg	100,00 %
Verwaltung Zweite Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100,00 %
Verwaltung Zweite Sachwert Rendite-Fonds England GmbH i.L., Hamburg	100,00 %
Verwaltung Zweiundsiebzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100,00 %
Verwaltungsgesellschaft Achte MPC Global Equity mbH, Hamburg	100,00 %
Verwaltungsgesellschaft Contchart Hamburg mbH, Hamburg	100,00 %
Verwaltungsgesellschaft Deepsea Oil Explorer Protect mbH, Hamburg	100,00 %
Verwaltungsgesellschaft Dritte MPC Rendite-Fonds Britische Leben plus mbH, Hamburg	100,00 %
Verwaltungsgesellschaft Elfte Private Equity GmbH, Hamburg	100,00 %
Verwaltungsgesellschaft MPC Global Equity Step by Step II mbH, Hamburg	100,00 %
Verwaltungsgesellschaft MPC Global Equity Step by Step III mbH, Hamburg	100,00 %
Verwaltungsgesellschaft MPC Global Equity Step by Step IV mbH, Hamburg	100,00 %
Verwaltungsgesellschaft MPC Global Equity Step by Step mbH, Hamburg	100,00 %

Verwaltungsgesellschaft MPC Rendite-Fonds Britische Leben plus II mbH, Quickborn	100.00 %
Verwaltungsgesellschaft MPC Rendite-Fonds Britische Leben plus mbH, Quickborn	100.00 %
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus III mbH, Quickborn	100.00 %
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus IV mbH, Quickborn	100.00 %
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus spezial II mbH i.L., Quickborn	100.00 %
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus spezial III mbH, Quickborn	100.00 %
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus spezial IV mbH, Quickborn	100.00 %
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus spezial mbH i.L., Quickborn	100.00 %
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus spezial V mbH, Quickborn	100.00 %
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus spezial VI mbH i.L., Quickborn	100.00 %
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus V mbH, Quickborn	100.00 %
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus VI mbH, Quickborn	100.00 %
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus VII mbH, Quickborn	100.00 %
Verwaltungsgesellschaft Neunte Global Equity mbH, Hamburg	100.00 %
Verwaltungsgesellschaft Oil Rig Plus mbH, Hamburg	100.00 %
Verwaltungsgesellschaft Siebte MPC Global Equity mbH, Hamburg	100.00 %
Zweite MPC Best Select Company Plan Managementgesellschaft mbH, Quickborn	100.00 %

¹⁾ These companies make use of the exemption provisions of Section 264 (3) and Section 264b of HGB.

²⁾ Companies fully consolidated for the first time in the financial year.

³⁾ Corporate-law agreements result in control over these companies.

In total, 27 (previous year: 35) German and four (previous year: one) international subsidiaries were not included in the consolidated financial statements.

These companies perform no significant business operations, and even combined they are not material to the presentation of a true and fair view of the net assets, financial position and results of operations of the MPC Capital Group in accordance with Section 296 (2) HGB and are therefore recognised at acquisition cost.

The following table shows all non-consolidated companies in accordance with Section 313 (2) No. 1 sentence 2 HGB:

Name of company	Shareholding
1. Bluewater OpCo Verwaltung GmbH, Hamburg (vormals "AS PALINA" und "AS PETRA" OpCo GmbH)	100.00 %
Asien Opportunity Real Estate GmbH & Co. KG, Hamburg	100.00 %
CCEF (Barbados) Feeder Limited, Barbados	100.00 %
CRA Cargo Rail Assets Verwaltungs GmbH, Hamburg	100.00 %
Emerald Beteiligungsmanagement GmbH, Quickborn	100.00 %
Emerald Verwaltungsgesellschaft mbH, Quickborn	100.00 %
LP Investor GmbH, Hamburg	100.00 %
MD Rail Management GmbH, Hamburg	100.00 %
MFD Trading Verwaltungs GmbH, Hamburg	100.00 %
MPC Caribbean Clean Energy Fund LLC, Cayman Islands	100.00 %
MPC Clean Energy Ltd., Cayman Islands	100.00 %
MPC Rail GmbH, Hamburg	100.00 %
MPC Team Investment GP Ltd., Cayman Islands	100.00 %
MPC Team Investment LP, Cayman Islands	100.00 %
Palmaille 75 Achtundvierzigste Vermögensverwaltungsgesellschaft mbH, Hamburg	100.00 %
Palmaille 75 Dreiundsechzigste Beteiligungsgesellschaft mbH & Co. KG, Hamburg	100.00 %
Palmaille 75 Dreiundsechzigste Vermögensverwaltungsgesellschaft mbH, Hamburg	100.00 %
Palmaille 75 Einundsiebzigste Beteiligungsgesellschaft mbH & Co. KG, Hamburg	100.00 %
Palmaille 75 Einundsiebzigste Vermögensverwaltungsgesellschaft mbH, Hamburg	100.00 %
Palmaille 75 Sechsendsechzigste Vermögensverwaltungsgesellschaft mbH, Hamburg	100.00 %
Palmaille 75 Siebzigste Beteiligungsgesellschaft mbH & Co. KG, Hamburg	100.00 %
Palmaille 75 Siebzigste Vermögensverwaltungsgesellschaft mbH, Hamburg	100.00 %
Palmaille 75 Zweiundsechzigste Beteiligungsgesellschaft mbH & Co. KG, Hamburg	100.00 %
Palmaille 75 Zweiundsiebzigste Beteiligungsgesellschaft mbH & Co. KG, Hamburg	100.00 %
Palmaille 75 Zweiundsiebzigste Vermögensverwaltungsgesellschaft mbH, Hamburg	100.00 %
Talleur GmbH, Hamburg	50.10 %
UOC Erste Abwicklungsgesellschaft mbH i. L., Hamburg	100.00 %

Associates:

The following companies are associates and are included in consolidation at equity in accordance with Section 312 HGB:

Name of company	Shareholding
Aurum Insurance Ltd., Isle of Man	50.00 %
BB Amstel B.V., Amsterdam / Niederlande	41.49 %
BBG Bulk Beteiligungs GmbH & Co. KG, Hamburg	35.00 %
BHK Bionenergie Holding GmbH & Co. KG, Hamburg	20.00 %
Breakwater Shipbrokers GmbH, Hamburg	40.00 %
CSI Beteiligungsgesellschaft mbH, Hamburg	29.60 %
Data Invest B.V., Amsterdam	21.88 %
Frame Offices B.V., Rotterdam	40.00 %
Global Vision AG Private Equity Partners, Rosenheim	31.88 %
Martifer MPC Renewable Energies Development S.A.S., Bogotá	50.00 %
MPC Bioenergie GmbH & Co. KG, Hamburg	33.00 %
MPC Münchmeyer Petersen Steamship Beteiligungsgesellschaft mbH, Hamburg	25.10 %
MPC Münchmeyer Petersen Steamship GmbH & Co. KG, Hamburg	25.10 %
Zweite MPC Bioenergie Brasilien GmbH & Co. KG, Hamburg	46.67 %

2.2.3 Changes in the group of consolidated companies**a) Additions**

The following companies were fully consolidated for the first time in the financial year:

- Ahrenkiel Shipmanagement GmbH & Co. KG, Hamburg (shareholding: 100.0 percent)
- BMG Blue Marlin GmbH & Co. KG, Hamburg (shareholding: 73.1 percent)
- CoDe Invest B.V., Amsterdam (shareholding: 50.0 percent)*
- HLD Vermögensverwaltungsgesellschaft UG (haftungsbeschränkt), Hamburg (shareholding: 100.0 percent)
- MPC Maritime PTE Ltd., Singapore (shareholding: 100.0 percent)
- MSV Vermögensverwaltungsgesellschaft mbH, Hamburg (shareholding: 100.0 percent)
- Panda Invest GmbH, Hamburg (shareholding: 100.0 percent)
- PBH Maritime Verwaltungsgesellschaft mbH, Hamburg (shareholding: 100.0 percent)
- RES MAXIS B.V., Amsterdam (shareholding: 71.5 percent)
- RES Inside B.V., Amsterdam (shareholding: 71.5 percent)
- Verwaltung Ahrenkiel Shipmanagement GmbH, Hamburg (shareholding: 100.0 percent)
- Verwaltung BMG Blue Marlin GmbH, Hamburg (shareholding: 100.0 percent)

* = corporate-law agreements result in control over these companies

The following table shows the assets and liabilities added to the consolidated balance sheet as a result of first-time consolidation:

	EUR '000
A. Fixed assets	11,477
B. Current assets	11,333
C. Provisions	24
D. Liabilities	9,995
E. Deferred income	423

b) Disposals

The following companies were deconsolidated in the financial year:

- Anteil Austria an der Verwaltung Vierzigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- BB Amstel B.V., Amsterdam
- EREC Investment Ltd., Barbados
- Sachwert Rendite-Fonds Deutschland GmbH i.L., Hamburg
- Staytoo Micro Living Portugal Lda., Lissabon / Portugal
- Verwaltung Achte Sachwert Rendite-Fonds Canada GmbH i.L., Quickborn
- Verwaltung Achtunddreißigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Achtundzwanzigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Dreißigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Dreiundzwanzigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Dritte Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Elfte Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Erste Sachwert Rendite-Fonds Canada GmbH i.L., Hamburg
- Verwaltung Erste Sachwert Rendite-Fonds USA GmbH i.L., Hamburg
- Verwaltung Fünfte Sachwert Rendite-Fonds Canada GmbH i.L., Hamburg
- Verwaltung Fünfunddreißigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Fünfzehnte Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Neunte Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Neunundzwanzigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Private Placement Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Sechste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Sechsdreißigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Sechszwanzigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Sechzigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Siebente Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Siebenunddreißigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Siebzehnte Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg

- Verwaltung Vierte Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Vierzehnte Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Vierzigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Zehnte Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Zweite Sachwert Rendite-Fonds Canada GmbH i.L., Hamburg
- Verwaltung Zweiunddreißigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Zweiundvierzigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltung Zweiundzwanzigste Sachwert Rendite-Fonds Holland GmbH i.L., Hamburg
- Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus II mbH i.L., Quickborn
- Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus mbH i.L., Quickborn

The above changes in the group of consolidated companies do not materially impair the comparability of the Consolidated Income Statement with the previous year.

2.2.4 Consolidation of intragroup balances, consolidation of income and expenses, elimination of intragroup profits

Receivables and liabilities, revenues, expenses and income are eliminated within the consolidated group. This also includes contingent liabilities and other financial obligations within the consolidated group.

There were no material intragroup profits between the companies included in consolidation.

2.3 CURRENCY TRANSLATION

a) Transactions

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

Foreign currency receivables and liabilities with a remaining term of less than one year are measured using the respective middle spot rate on the balance sheet date in accordance with Section 256a HGB. The resulting translation differences are recognised as other operating income or other operating expenses in the reporting period. All foreign currency receivables and liabilities with a remaining term of more than one year are translated in compliance with the realisation principle (Section 252 (1) No. 4, second half of sentence, HGB) and the historical cost convention (Section 253 (1) HGB).

b) Group companies

The modified closing rate method is used in accordance with Section 308a HGB to translate the financial statements of subsidiaries whose reporting currency differs from the euro. Asset and liability items are translated using the respective middle spot rate on the balance sheet date, and expense and income items using the average rate. Items of equity are translated using the historic rates that applied on first-time inclusion in consolidation. Accounting currency translation differences are recognised directly in equity under reserves as "Difference in equity from currency translation" until the

foreign operation is sold. The same principles are used to translate the financial statements of international subsidiaries measured using the equity method as for subsidiaries included in consolidation.

c) Exchange rates

Exchange rates for the currencies significant to the MPC Capital Group:

	Reporting date rate		Annual average rate	
	31/12/2018 per EUR	31/12/2017 per EUR	2018 per EUR	2017 per EUR
British pound sterling	0.8985	0.8877	0.8844	0.8763
Brazilian real	4.4376	3.9664	4.2893	3.6049
Canadian dollar	1.5598	1.5034	1.5286	1.4626
Norwegian krone	9.9308	9.8386	9.5860	9.4791
Swiss franc	1.1261	1.1693	1.1542	1.1110
Singapore dollar	1.6284	1.5165	1.5891	1.5637
US dollar	1.1444	1.1979	1.1809	1.1298

These are the interbank rates as at 31 December 2018 and 31 December 2017.

2.4 INTANGIBLE ASSETS

Acquired intangible assets with a temporally limited useful life are recognised at cost. They are amortised in line with their respective useful lives. With the exception of goodwill, amortisation is recognised on a straight-line basis over a period of three to five years. Impairment losses are recognised by way of write-downs. If the reasons for write-downs no longer apply, they are reversed up to a maximum of amortised cost for the intangible assets in question, with the exception of goodwill.

Goodwill is the excess of the cost of company acquisitions over the fair value of the Group's interest in the net assets of the company acquired as at the date of acquisition. In accordance with Section 314 (1) No. 20 HGB, goodwill arising from company acquisitions is amortised annually over seven instead of five years in line with the expected useful life. If there are indications of expected permanent impairment, write-downs are recognised in accordance with Section 309 (1) in conjunction with Section 253 (3) sentence 3 HGB. Reversals of write-downs are prohibited under Section 309 (1) in conjunction with Section 253 (5) sentence 2 HGB.

2.5 TANGIBLE ASSETS

Leasehold improvements as well as operating and office equipment are reported at cost less accumulated depreciation and any write-downs. Depreciation is usually recognised by the straight-line method over the anticipated, normal useful life of the asset. The anticipated, normal useful life is three to ten years.

Leasehold improvements in rented premises are depreciated on a straight-line basis over the shorter of the tenancy or anticipated useful life of the leasehold improvements, usually three to 15 years.

Depreciation of operating and office equipment as well as of leasehold improvements is reported under depreciation and amortisation expense. Costs for maintenance and repairs are expensed as incurred. Gains or losses from disposals are recognised under other operating income or other operating expenses.

2.6 FINANCIAL ASSETS

Financial assets are non-depreciable. Write-downs are recognised if there are indications of impairment that is likely to be lasting.

2.7 RECEIVABLES AND OTHER ASSETS

Receivables and other assets are measured at nominal amount, possibly less impairment for specific risks.

Impairment losses are recognised on receivables for specific risks if there is objective evidence that the amounts due by a debtor are not fully recoverable. Considerable financial difficulties or an increased likelihood that a debtor will enter insolvency or other restructuring proceedings are regarded as indicators of impairment. Conversely, if the probability of a bad debt is considered to be low, a receivable that is already impaired is written up again. Impairment losses and write-ups on receivables are recognised in other operating expenses or income.

2.8 BANK BALANCES AND CASH IN HAND

Bank balances and cash in hand are carried at nominal amount.

2.9 PREPAID EXPENSES AND DEFERRED INCOME

Prepaid expenses and deferred income are recognised for expenses and income in each case before the balance sheet date that represent expenses and income for the period after the balance sheet date.

2.10 PROVISIONS

Provisions take into account all identifiable risks and uncertain obligations at the time of preparation of the financial statements, as well as expected losses from pending transactions relating to the past financial year.

They are measured at the settlement amount determined in line with reasonable commercial judgement in accordance with Section 253 (1) sentence 2 HGB, taking account of expected price and cost increases.

Long-term provisions with a remaining term of over one year are discounted in accordance with Section 253 (2) sentence 1 HGB using the average market interest rate for the last seven financial years appropriate to their remaining term. Increases in the amounts of provisions resulting from interest are recognised in profit and loss under net interest income.

The provisions for expected losses which may arise in connection with the measurement of derivative financial instruments are determined according to the closing-out method.

2.11 LIABILITIES

Liabilities are carried at settlement amount in accordance with Section 253 (1) sentence 2 HGB.

2.12 CURRENT AND DEFERRED TAXES

Tax expense comprises current and deferred taxes.

Deferred tax expense or income is reported for temporary differences between the figures reported in the tax accounts and the figures reported in the HGB consolidated financial statements and for tax loss carryforwards. Deferred tax assets are reported if it is likely that there will be taxable income against which the deductible temporary difference 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 MPC Capital Group and it is likely that the temporary differences will not reverse on the basis of this influence for the foreseeable future.

Deferred taxes are measured using the tax rates and tax legislation applicable on the balance sheet date or which have in essence been legally adopted and are expected to apply on the date the deferred tax assets are realised or the deferred tax liability is settled. The option to capitalize according to Section 274 HGB for the asset surplus of primary deferred taxes was not exercised. Deferred tax assets and liabilities resulting from the consolidation of capital are reported offset. A tax rate of 32.28 % is used as the basis.

3. NOTES TO THE CONSOLIDATED BALANCE SHEET

3.1 DEVELOPMENT OF FIXED ASSETS

	Costs				As at 31 Dec 2018 EUR '000
	As at 1 Jan 2018	Additions	Disposals	Adjustments	
	EUR '000	EUR '000	EUR '000	EUR '000	
I. Intangible assets					
1. Purchased concessions, industrial rights and software	2,064	23	0	0	2,087
2. Goodwill	26,754	725	0	0	27,479
	28,818	748	0	0	29,566
II. Tangible assets					
1. Land, land rights and buildings, including buildings on third-party land	1,158	0	0	0	1,158
2. Other fixtures and fittings, operating and office equipment	3,077	237	18	0	3,296
	4,235	237	18	0	4,454
III. Financial assets					
1. Shares in affiliated companies	4,576	191	406	0	4,361
2. Equity investments	67,931	32,211	19,730	-2,116	78,296
3. Other loans	16,859	3,498	752	7,753	27,358
	89,366	35,900	20,888	5,637	110,015
Fixed assets	122,419	36,885	20,906	5,637	144,035

Note: Rounding differences may occur

Depreciation and amortisation					Carrying amount		
As at 1 Jan 2018	Additions	Disposals	Write-ups	As at 31 Dec 2018	As at 31 Dec 2018	As at 31 Dec 2017	
EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	
2,030	13	0	0	2,043	43	33	
19,997	1,584	0	0	21,581	5,898	6,757	
22,027	1,597	0	0	23,624	5,941	6,790	
1,154	2	0	0	1,156	2	4	
2,614	182	13	0	2,783	514	463	
3,768	184	13	0	3,939	516	467	
3,949	0	9	0	3,940	421	627	
24,532	9,974	16,183	0	18,323	59,972	43,399	
6,398	5,540	0	5,500	6,438	20,920	10,461	
34,879	15,515	16,192	5,500	28,702	81,312	54,486	
60,674	17,296	16,205	5,500	56,265	87,769	61,743	

3.2 INTANGIBLE ASSETS

The intangible assets are predominantly made up of the goodwill that resulted from the integration of Ahrenkiel Steamship GmbH & Co. KG during first-time consolidation in the 2015 financial year. This goodwill is amortised on a scheduled straight-line basis over its period of use of seven years because it is expected to be recouped over that period.

3.3 TANGIBLE ASSETS

Leasehold improvements and operating and office equipment account for the bulk of tangible assets. No write-downs were made.

3.4 FINANCIAL ASSETS

3.4.1 Equity investments

Equity investments are made up as follows:

	31/12/2018 EUR '000	31/12/2017 EUR '000
1. Equity investments in associated companies	26,507	18,418
2. Other equity investments	33,465	24,981
Equity investments	59,972	43,399

Note: Rounding differences may occur

	31/12/2018 EUR '000	31/12/2017 EUR '000
1. Equity investments in associated companies	26,507	18,418
CSI Beteiligungsgesellschaft mbH, Hamburg	18,440	14,656
BB Amstel B.V., Amsterdam	5,290	0
BBG Bulk Beteiligungs GmbH & Co. KG, Hamburg	877	1,244
Martifer MPC Renewable Energies Development S.A.S., Bogota	609	0
Aurum Insurance Ltd., Isle of Man	524	661
Global Vision AG, Rosenheim	297	496
Breakwater Shipbrokers GmbH, Hamburg	170	160
MPC Global Maritime Opportunités S.A., SICAF, Luxembourg	0	608
Miscellaneous equity investments in associates	300	592

Note: Rounding differences may occur

In particular as a result of the marked increase in newly received co-investments in all three segments, the carrying amount of the equity investments in associates showed a marked year-on-year rise.

	31/12/2018 EUR '000	31/12/2017 EUR '000
2. Other equity investments	33,465	24,981
ABN Amro Mees Pierson Real Estate Growth Fund N.V., Amsterdam	6,099	3,612
MPC Caribbean Clean Energy Fund LLC, Cayman Islands	4,143	0
AG CRE Maxis C.V., Amsterdam*	1,340	0
MPC Student Housing Venture I geschl. Investment-GmbH & Co. KG, Hamburg	1,237	4,000
Atlantic Bridge AS, Oslo*	1,109	0
Njord Handy AS, Oslo	1,099	1,571
Stille Beteiligungen MPC IT Services GmbH & Co. KG, Hamburg	840	840
HSRE MPC JV I S.A.R.L., Luxembourg	833	0
Transit Holding B.V., Amsterdam	761	761
AT&C Amstel Holdings B.V., Amsterdam	746	746
Atlantic Bay AS, Oslo*	613	0
Transit Holding II B.V., Amsterdam	605	605
Njord Julie AS, Oslo*	576	0
AG CRE Netherlands C.V., Amsterdam*	500	0
Danubia Tanker AS, Oslo*	441	0
Njord Container AS, Oslo*	190	0
HCI Deepsea Oil Explorer KG and MPC Deepsea Oil Explorer KG, Hamburg	0	9,620
Zestien B.V., Amsterdam**	0	600
Miscellaneous equity investments, in particular various fund companies*	12,333	2,626

Note: Rounding differences may occur

* = These equity investments were acquired in the 2018 financial year

** = These equity investments were disposed of in the 2018 financial year

The investing activities in co-investments as well as the opportunistic acquisition of a portfolio of closed-end funds caused the rise in other equity investments. The purchase price for this portfolio was not due until the beginning of 2019 and was therefore accounted for under other liabilities at the balance sheet date of 31 December 2018.

In the opposite direction, there were exceptionally high write-downs of EUR 9.6 million on the indirect equity investments HCI Deepsea Oil Explorer GmbH & Co. KG and MPC Deepsea Oil Explorer GmbH & Co. KG, because permanent impairment of the "Deepsea Oil Explorer" project is assumed.

No write-downs to the lower fair value (EUR 11.1 million) were made to carrying amounts for equity investments in associated companies totalling EUR 18.4 million because the impairment is not anticipated to be of a permanent nature. This assessment is based on own appraisals of the assets held by the associates which have been substantiated by assessments from external analysts.

The following table shows the aggregate key data of associates included in the consolidated financial statements using the equity method. No negative equity values were included.

	2018
	EUR '000
A. Fixed assets	60,057
B. Current assets	9,527
Assets	69,584
A. Equity	63,051
B. Provisions	50
C. Liabilities	6,483
Equity and liabilities	69,584
Revenue	4,434
Income	175
Expenses	-5,579
Result	-970

3.4.2 List of other shareholdings

	Registered office	Capital share	Annual result EUR '000	Equity EUR '000
ABN Amro Mees Pierson Real Estate Growth Fund N.V.	Amsterdam	7.94 %	4	58,262 ³⁾
AG CRE Maxis C.V.	Amsterdam	5.00 %	n/a	n/a
AG CRE Netherlands C.V.	Amsterdam	5.00 %	n/a	n/a
AT&C Amstel Holdings B.V.	Amsterdam	5.00 %	132	15,047 ⁴⁾
Atlantic Bay AS	Oslo	12.50 %	n/a	n/a
Atlantic Bridge AS	Oslo	17.25 %	n/a	n/a
Danubia Tanker AS	Oslo	5.42 %	n/a	n/a
HCI Deepsea Oil Explorer GmbH & Co. KG	Hamburg	22.49 %	-553	21,292 ⁴⁾
HSRE MPC JV I S.A.R.L.	Luxemburg	7.00 %	n/a	n/a
HSRE MPC JV II S.A.R.L.	Luxemburg	7.00 %	n/a	n/a
MPC Caribbean Clean Energy Fund LLC	Cayman Islands	68.75 %	n/a	n/a
MPC Deepsea Oil Explorer KG	Hamburg	5.38 %	-579	21,424 ⁴⁾
MPC Student Housing Venture I geschl. Investment-GmbH & Co. KG	Hamburg	6.00 %	-4,856	17,078 ⁴⁾
Njord Container AS	Oslo	7.47 %	n/a	n/a ⁴⁾

Njord Handy AS	Oslo	15.55 %	n/a	n/a	⁴⁾
Njord Julie AS	Oslo	10.00 %	n/a	n/a	³⁾
Stille Beteiligungen MPC IT Services GmbH & Co. KG	Hamburg	5.38 %	-579	21,424	⁴⁾
Transit Holding B.V.	Amsterdam	2.91 %	6,744	18,788	¹⁾
Transit Holding II B.V.	Amsterdam	5.00 %	9,691	24,837	¹⁾

Note: Rounding differences may occur

- 1) According to annual financial statements for the financial year from 1 July to 30 June 2018
- 2) According to annual financial statements for the financial year from 1 January to 31 December 2017
- 3) According to annual financial statements for the financial year from 1 January to 30 June 2017
- 4) According to annual financial statements for the financial year from 1 January to 31 December 2016

3.4.3 Commercial partnerships

A company included in the consolidated financial statements is personally liable partner in the following partnerships:

.....
Achte MPC Best Select Immobilien GmbH & Co. KG, Hamburg

.....
Achte MPC Global Equity GmbH & Co. KG, Hamburg

.....
Achte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg

.....
Achtundsechzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg

.....
Africa Blue Star Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

.....
AIP Alternative Invest Private Equity- geschlossene GmbH & Co. Investment-KG, Hamburg

.....
America Star Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

.....
Anteil Austria an der "Miro Star" Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

.....
Asia Star Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

.....
Atlantic Mermaid Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

.....
Beteiligungsgesellschaft "Rio D-Schiffe" mbH & Co. KG, Hamburg

.....
Beteiligungsgesellschaft CPO Nordamerika-Schiffe 1 mbH & Co. KG, Hamburg

.....
Beteiligungsgesellschaft CPO Nordamerika-Schiffe 2 mbH & Co. KG, Hamburg

.....
Beteiligungsgesellschaft MS "SANTA L-Schiffe" mbH & Co. KG, Hamburg

.....
Beteiligungsgesellschaft MS "SANTA P-Schiffe" mbH & Co. KG, Hamburg

.....
Beteiligungsgesellschaft MS "SANTA VANESSA" mbH & Co. KG, Hamburg

.....
Beteiligungsgesellschaft MS "SANTA VICTORIA" und MS "SANTA VIRGINIA" mbH & Co. KG, Hamburg

.....
Beteiligungsgesellschaft MS "Santa-B Schiffe" mbH & Co. KG, Hamburg

.....
Beteiligungsgesellschaft MS "SANTA-R Schiffe" mbH & Co. KG, Hamburg

.....
Beteiligungsgesellschaft Reefer-Flottenfonds mbH & Co. KG, Hamburg

.....
Beteiligungsgesellschaft Vorzugskapital Rio-Schiffe mbH & Co. KG, Hamburg

.....
Buzzard Bay Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

.....
Caribbean Mermaid Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

.....
Colombo Star Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

.....
Comoros Stream Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Coral Mermaid Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

Dreiundfünfzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg

Dreiundvierzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg

Dritte Best Select Deutschlandimmobilien II GmbH & Co. KG, Hamburg

Dritte MPC Best Select Deutschlandimmobilien GmbH & Co. KG, Hamburg

Dritte MPC Best Select Leben GmbH & Co. KG, Hamburg

Dritte MPC Best Select Schiffsbeteiligungen GmbH & Co. KG, Hamburg

Dritte MPC Global Equity GmbH & Co. KG, in liquidation, Hamburg

Dritte MPC Rendite-Fonds Britische Leben plus GmbH & Co. KG, Quickborn

Dritte MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH & Co. KG, Quickborn

Dritte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg

Eagle Bay Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

Eastern Bay Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

Einundfünfzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg

Einundsiebzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg

Elfte MPC Private Equity GmbH & Co. KG, Hamburg

Elfte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg

Elsebeth Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

Elvira Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

Emerald Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

Erste Beteiligungsgesellschaft CPO Produktentanker mbH & Co. KG, Hamburg

Erste Schiffahrtsgesellschaft "Merkur Sky" mbH & Co. KG, Bremen

Esmeralda Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

Europa Star Schiffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Falcon Bay Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

Fortuna Bay Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

Fünfte Best Select Deutschlandimmobilien GmbH & Co. KG, Hamburg

Fünfte Best Select Deutschlandimmobilien II GmbH & Co. KG, Hamburg

Fünfte Best Select Leben GmbH & Co. KG, Hamburg

Fünfte Best Select Schiffsbeteiligungen GmbH & Co. KG, Hamburg

Fünfte MPC Global Equity GmbH & Co. KG, in liquidation, Hamburg

Fünfte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg

Fünzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg

Hawk Bay Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

HCI Deepsea Oil Explorer GmbH & Co. KG, Hamburg

Hong Kong Star Schiffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Honshu Star Schiffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Jervis Star Schiffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

JMS Schiffahrtsgesellschaft mbH & Co. KG MS "Corona J", in liquidation, Haren

JMS Schiffahrtsgesellschaft mbH & Co. KG MS "Crux J", in liquidation, Haren

Kommanditgesellschaft MS "CPO BALTIMORE" Offen Reederei UG (haftungsbeschränkt) & Co., Hamburg
 Kommanditgesellschaft MS "CPO BOSTON" Offen Reederei GmbH & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "CPO CHARLESTON" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "CPO Hamburg" Offen Reederei UG (haftungsbeschränkt) & Co., Hamburg
 Kommanditgesellschaft MS "CPO JACKSENVILLE" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "CPO MIAMI" Offen Reederei UG (haftungsbeschränkt) & Co., Hamburg
 Kommanditgesellschaft MS "CPO New York" Offen Reederei UG (haftungsbeschränkt) & Co., Hamburg
 Kommanditgesellschaft MS "CPO NORFOLK" Offen Reederei UG (haftungsbeschränkt) & Co., Hamburg
 Kommanditgesellschaft MS "CPO PHILADELPHIA" Offen Reederei GmbH & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "CPO RICHMOND" Offen Reederei GmbH & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "CPO SAVANNA" Offen Reederei UG (haftungsbeschränkt) & Co., Hamburg
 Kommanditgesellschaft MS "SAN ALBANO" Offen Reederei GmbH & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "SAN ALFREDO" Offen Reederei GmbH & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "SAN ALLESSANDRO" Offen Reederei GmbH & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "SAN ANDRES" Offen Reederei GmbH & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "SANTA BALBINA" Offen Reederei GmbH & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "SANTA BELINA" Offen Reederei GmbH & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "SANTA BETTINA" Offen Reederei GmbH & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "SANTA BIANCA" Offen Reederei GmbH & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "SANTA BRUNELLA" Offen Reederei GmbH & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "SANTA FABIOLA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA FEDERICA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA FELICITA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA FIORENZA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA FRANCESCA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA GIANNINA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA GIORGINA" Offen Reederei GmbH UG (haftungsbeschränkt) & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "SANTA GIOVANNA" Offen Reederei UG (haftungsbeschränkt) & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "SANTA GIULIANA" Offen Reederei UG (haftungsbeschränkt) & Co., in liquidation, Hamburg
 Kommanditgesellschaft MS "SANTA GIULIETTA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA LAETITIA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA LARISSA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA LAURENTIA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA LEONARDA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA LEOPOLDA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA LIANA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA LINEA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA LORENA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA LORETTA" Offen Reederei GmbH & Co., Hamburg
 Kommanditgesellschaft MS "SANTA LUCIANA" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft MS "SANTA PAOLA" Offen Reederei GmbH & Co., in liquidation, Hamburg

Kommanditgesellschaft MS "SANTA PATRICIA" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft MS "SANTA PHILIPPA" Offen Reederei GmbH & Co., in liquidation, Hamburg

Kommanditgesellschaft MS "SANTA PRISCILLA" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft MS "Santa Rafaela" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft MS "Santa Rebecca" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft MS "SANTA REGINA" Offen Reederei GmbH & Co., in liquidation, Hamburg

Kommanditgesellschaft MS "SANTA REGULA" Offen Reederei GmbH & Co., in liquidation, Hamburg

Kommanditgesellschaft MS "Santa Ricarda" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft MS "Santa Roberta" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft MS "Santa Romana" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft MS "Santa Rosanna" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft MS "Santa Rufina" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft MS "SANTA VIOLA" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft TS "CPO ENGLAND" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft TS "CPO FINLAND" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft TS "CPO FRANCE" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft TS "CPO GERMANY" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft TS "CPO ITALY" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft TS "CPO NORWAY" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft TS "CPO RUSSIA" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft TS "CPO SWEDEN" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft Zweite MS "SANTA PAMINA" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft Zweite MS "SANTA PELAGIA" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft Zweite MS "SANTA PETRISSA" Offen Reederei GmbH & Co., Hamburg

Kommanditgesellschaft Zweite MS "SANTA PLACIDA" Offen Reederei UG (haftungsbeschränkt) & Co., Hamburg

Lombok Strait Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

Luzon Strait Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

Mahler Star Schiffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Manet Star Schiffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

MARE Schiffahrtsgesellschaft mbH & Co. KG MS "POLLUX J", in liquidation, Haren

Mendelssohn Star Schiffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Menotti Star Schiffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Mexican Bay Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

Michelangelo Star Schiffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Miro Star Schiffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Mondriaan Star Beteiligungsgesellschaft mbH & Co. KG, Hamburg

Mondriaan Star Schiffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

MPC Best Select Company Plan GmbH & Co. KG, Hamburg

MPC Best Select Dynamik GmbH & Co. KG, Hamburg

MPC Best Select Hollandimmobilien GmbH & Co. KG, in liquidation, Hamburg
 MPC Best Select Rente GmbH & Co. KG, Hamburg
 MPC Best Select Schiffsbeteiligungen GmbH & Co. KG, Hamburg
 MPC Best Select Wachstum GmbH & Co. KG, Hamburg
 MPC Bioenergie Brasilien GmbH & Co. KG, in liquidation, Hamburg
 MPC Deepsea Oil Explorer GmbH & Co. KG, Hamburg
 MPC Flottenfonds I GmbH & Co. KG, Hamburg
 MPC Flottenfonds II GmbH & Co. KG, Hamburg
 MPC Flottenfonds III Beteiligungsgesellschaft mbH & Co. KG, in liquidation, Hamburg
 MPC Global Equity GmbH & Co. KG, in liquidation, Hamburg
 MPC Global Equity Step by Step GmbH & Co. KG, Hamburg
 MPC Global Equity Step by Step II GmbH & Co. KG, Hamburg
 MPC Global Equity Step by Step III GmbH & Co. KG, Hamburg
 MPC Global Equity Step by Step IV GmbH & Co. KG, Hamburg
 MPC Global Maritime Opportunity Private Placement GmbH & Co. KG, Hamburg
 MPC Real Estate Opportunity Private Placement Amerika GmbH & Co. KG, Quickborn
 MPC Real Value Fund GmbH & Co. KG, Quickborn
 MPC Rendite-Fonds Britische Leben plus GmbH & Co. KG, Quickborn
 MPC Rendite-Fonds Britische Leben plus II GmbH & Co. KG, Quickborn
 MPC Rendite-Fonds Leben plus III GmbH & Co. KG, Quickborn
 MPC Rendite-Fonds Leben plus IV GmbH & Co. KG, Quickborn
 MPC Rendite-Fonds Leben plus spezial III GmbH & Co. KG, Quickborn
 MPC Rendite-Fonds Leben plus spezial IV GmbH & Co. KG, Quickborn
 MPC Rendite-Fonds Leben plus spezial V GmbH & Co. KG, Quickborn
 MPC Rendite-Fonds Leben plus V GmbH & Co. KG, Quickborn
 MPC Rendite-Fonds Leben plus VI GmbH & Co. KG, Quickborn
 MPC Rendite-Fonds Leben plus VII GmbH & Co. KG, Quickborn
 MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH & Co. KG, Quickborn
 MPC Sachwert Rendite-Fonds Opportunity Asien GmbH & Co. KG, Hamburg
 MPC Solarpark GmbH & Co. KG, Hamburg
 MPC Student Housing Venture I geschlossene Investment-GmbH & Co. KG, Hamburg
 Neunte MPC Best Select I GmbH & Co. KG, Hamburg
 Neunte MPC Best Select II GmbH & Co. KG, Hamburg
 Neunte Global Equity GmbH & Co. KG, Hamburg
 Neunte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg
 Neunundfünfzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg
 Neunundsechzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg
 Newport Star Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg
 Objektgesellschaft MPC München Gräfelfing GmbH & Co. KG, Hamburg
 Oceania Star Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Pacific Mermaid Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

PB BS GMO GmbH & Co. KG, Hamburg

Polarlight Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Polarstream Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Prince of Seas Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Prince of Tides Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Prince of Waves Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Providence Star Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Repulse Star Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Rio Adour Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Rio Alster Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Rio Ardeche Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Rio Blackwater Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Rio Dauphin Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Rio Dawson Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Rio Taku Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Rio Thompson Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Rio Valiente Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Rio Verde Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Sachwert Rendite-Fonds England GmbH & Co. KG, in liquidation, Hamburg

Sachwert Rendite-Fonds Indien 2 GmbH & Co. KG, in liquidation, Hamburg

Sachwert Rendite-Fonds Indien GmbH & Co. KG, Hamburg

Sachwert Rendite-Fonds Japan GmbH & Co. KG, Quickborn

Sachwert Rendite-Fonds Österreich GmbH & Co. KG, in liquidation, Hamburg

Santa Lucia Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Santa Maria Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Schiffahrtsgesellschaft MS "MERKUR STAR" mbH & Co. KG, in liquidation, Bremen

Schiffahrtsgesellschaft MS "PEARL RIVER" mbH & Co. KG, in liquidation, Hamburg

Schiffahrtsgesellschaft MS "PRIWALL" mbH & Co. KG, in liquidation, Grabow

Schiffahrtsgesellschaft MS "VALBELLA" mbH & Co. KG, in liquidation, Hamburg

Schiffahrtsgesellschaft MS "VALDEMOSA" mbH & Co. KG, in liquidation, Hamburg

Schiffahrtsgesellschaft MS "VALDIVIA" mbH & Co. KG, in liquidation, Hamburg

Schiffahrtsgesellschaft MS "VALPARAISO" mbH & Co. KG, in liquidation, Hamburg

Schiffahrtsgesellschaft MS "YANGTZE RIVER" mbH & Co. KG, Hamburg

Schiffahrtsgesellschaft MS "MERKUR SKY" mbH & Co. KG, in liquidation, Bremen

Schiffahrtsgesellschaft MS "RIO KONAN" mbH & Co. KG, in liquidation, Hamburg

Schiffahrtsgesellschaft MS "RIO KUSAN" mbH & Co. KG, in liquidation, Hamburg

Sechste Best Select Deutschlandimmobilien GmbH & Co. KG, Hamburg

Sechste Best Select Deutschlandimmobilien II GmbH & Co. KG, Hamburg

Sechste Best Select Leben GmbH & Co. KG, Hamburg

Sechste Best Select Schiffsbeteiligungen GmbH & Co. KG, Hamburg

Sechste MPC Global Equity GmbH & Co. KG, Hamburg

Sechste Sachwert Rendite-Fonds Deutschland (Private Placement) GmbH & Co. KG, Hamburg

Sechsfünfundzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg

Sechshundsechzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg

Sechshundvierzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg

Sechzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg

Shenzhen Star Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Siebenundfünfzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg

Siebenundsechzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg

Siebenundvierzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg

Siebte Best Select Deutschlandimmobilien GmbH & Co. KG, Hamburg

Siebte Best Select Deutschlandimmobilien II GmbH & Co. KG, Hamburg

Siebte Best Select Leben GmbH & Co. KG, Hamburg

Siebte Best Select Schiffsbeteiligungen GmbH & Co. KG, Hamburg

Siebte MPC Global Equity GmbH & Co. KG, Hamburg

Siebte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg

Siebzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg

Singapore Star Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg

Southern Bay Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Tasman Mermaid Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Timor Stream Schifffahrtsgesellschaft mbH & Co. KG, Hamburg

Vierte Best Select Deutschlandimmobilien II GmbH & Co. KG, Hamburg

Vierte MPC Best Select Deutschlandimmobilien GmbH & Co. KG, Hamburg

Vierte MPC Best Select Leben GmbH & Co. KG, Hamburg

Vierte MPC Best Select Schiffsbeteiligungen GmbH & Co. KG, Hamburg

Vierte MPC Global Equity GmbH & Co. KG, in liquidation, Hamburg

Vierundfünfzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg

Vierundvierzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg

Youniq Greifswald GmbH & Co. KG, Hamburg

Youniq Karlsruhe GmbH & Co. KG, Hamburg

Youniq München II GmbH & Co. KG, Hamburg

Zehnte MPC Best Select GmbH & Co. KG, Hamburg

Zehnte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg

Zweite Beteiligungsgesellschaft Reefer-Flottenfonds mbH & Co. KG, Hamburg

Zweite MPC Best Select Company Plan GmbH & Co. KG, Hamburg

Zweite MPC Best Select Deutschlandimmobilien GmbH & Co. KG, Hamburg

Zweite MPC Best Select Hollandimmobilien GmbH & Co. KG, Hamburg

Zweite MPC Best Select Schiffsbeteiligungen GmbH & Co. KG, Hamburg

Zweite MPC Best Select Venture Capital GmbH & Co. KG, Hamburg

.....
Zweite MPC Global Equity GmbH & Co. KG, in liquidation, Hamburg
.....

Zweite MPC Real Estate Opportunity Private Placement Amerika GmbH & Co. KG, Quickborn
.....

Zweite MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH & Co. KG, Quickborn
.....

Zweite Sachwert Rendite-Fonds Deutschland Technology GmbH & Co. KG, Hamburg
.....

Zweite Sachwert Rendite-Fonds England GmbH & Co. KG, in liquidation, Hamburg
.....

Zweiundsiebzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg
.....

3.4.4 Other loans

The other loans are predominantly loans with a medium term of up to five years.

Because of the adjusted maturities of existing loan agreements, in a change from the previous year receivables totalling EUR 5.6 million were reported under other loans, and not as current receivables. In addition, other loans were increased by loans to new projects launched in the financial year where the refinancing structure envisages refinancing from both equity and loans.

Exceptionally high write-downs of EUR 5.5 million were made on loans in connection with the “Deepsea Oil Explorer” project.

3.5 RECEIVABLES AND OTHER ASSETS

The statement of changes in receivables is as follows:

		Maturities			
		Total	up to 1 year	over 1 year	of which over 5 years
		EUR '000	EUR '000	EUR '000	EUR '000
1. Trade receivables	31/12/2018	5,918	5,918	0	0
	31/12/2017	5,336	5,336	0	0
2. Receivables from affiliated companies	31/12/2018	0	0	0	0
	31/12/2017	328	328	0	0
<i>of which other assets</i>	31/12/2018	0	0	0	0
	31/12/2017	328	328	0	0
3. Receivables from other long-term investees and investors	31/12/2018	10,166	10,166	0	0
	31/12/2017	23,086	23,086	0	0
<i>of which from joint ventures</i>	31/12/2018	0	0	0	0
	31/12/2017	250	250	0	0
<i>of which from associated equity investments</i>	31/12/2018	1,985	1,985	0	0
	31/12/2017	3,314	3,314	0	0
<i>of which from fund companies</i>	31/12/2018	7,871	7,871	0	0
	31/12/2017	15,111	15,111	0	0
<i>of which from other equity investments</i>	31/12/2018	310	310	0	0
	31/12/2017	4,411	4,411	0	0
<i>of which trade receivables</i>	31/12/2018	7,871	7,871	0	0
	31/12/2017	13,693	13,693	0	0
<i>of which other assets</i>	31/12/2018	2,295	2,295	0	0
	31/12/2017	9,393	9,393	0	0
4. Other assets	31/12/2018	18,717	18,151	566	0
	31/12/2017	16,012	15,730	282	0
Receivables and other assets	31/12/2018	34,801	34,235	566	0
	31/12/2017	44,762	44,480	282	0

Note: Rounding differences may occur

The receivables from other long-term investees and investors essentially comprise trade receivables, loans and disbursements. The decrease compared with the previous year results in part from payments received, and also from the reclassification of loan receivables as loans of financial assets.

3.6 OTHER ASSETS

Other assets are composed as follows:

	31/12/2018	31/12/2017
	EUR '000	EUR '000
Loan receivables from project companies	6,664	2,896
Collateral provided	6,185	7,267
Income tax receivables	3,545	2,394
Sales tax receivables	805	408
Receivables from employees	469	269
Receivables from insurance cases	400	750
Cash deposits for new projects	225	257
Creditors with debit balances	119	131
Miscellaneous assets	305	1,640
Other assets	18,717	16,012

Note: Rounding differences may occur

3.7 BANK BALANCES, CASH IN HAND

Bank balances and cash in hand are made up as follows:

	31/12/2018	31/12/2017
	EUR '000	EUR '000
Bank balances	28,556	28,859
Cash in hand	22	14
Bank balances, cash in hand	28,578	28,873

Note: Rounding differences may occur.

A detailed analysis of changes in cash and cash equivalents is shown in the consolidated cash flow statement.

3.8 EQUITY

The details of the changes in equity are shown in the consolidated statement of changes in equity.

The Management Board of MPC Capital AG resolved a capital increase on 1 March 2018 with the consent of the Supervisory Board. Making partial use of the Authorised Capital 2017 (see below), the share capital of MPC Capital AG was increased nominally by up to EUR 3,042,790.00, excluding the subscription right of the shareholders pursuant to Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG). This corresponds to up to 10 % of the previous share capital. The capital increase was for contributions in cash against the issuance of 3,042,790 new no-par-value bearer shares with a notional capital share of EUR 1.00 per share (the "New Shares"). The New Shares were admitted to trading in the existing listing in the Open Market (Scale) of the Frankfurt Stock Exchange, without the requirement of a prospectus, and are eligible for dividends from 1 January 2017.

Subscribed capital

With the implementation of the capital increase, the fully paid-up share capital of MPC Capital AG increased by EUR 3.04 million to the current level of EUR 33.5 million. The share capital is divided into 33,470,706 (previous year: 30,427,916) no-par-value bearer shares.

Authorised Capital 2017

The capital increase implemented in the first quarter of 2018 involved the partial use of the Authorised Capital 2017, which correspondingly fell by EUR 3.04 million to EUR 12.2 million.

The Authorised Capital 2017 was cancelled by resolution of the Annual General Meeting on 12 April 2018.

Authorised Capital 2018

The Management Board was authorised by the Annual General Meeting on 12 April 2018 to increase the share capital of the company, with the approval of the Supervisory Board, on one or several occasions until 11 April 2023 by up to a total of EUR 16,735,353.00 by the issuance of up to 16,735,353 new no-par-value shares against cash or non-cash contributions (**Authorised Capital 2018**).

In a capital increase, the shareholders are fundamentally to be granted a pre-emptive right; the statutory pre-emptive right may also be granted in such a form that the new shares are taken on wholly or in part by a bank or consortium of banks designated by the Management Board with the obligation to offer them to the shareholders of the company for subscription (indirect pre-emptive right pursuant to Section 186 (5) sentence 1 AktG). The Management Board is also authorised, with the approval of the Supervisory Board, to disapply pre-emptive rights

- (1) For capital increases against non-cash contributions, particularly in connection with the acquisition of companies, business units, equity investments or economic assets;

- (2) To the extent necessary to grant pre-emptive rights to the bearers of bonds with conversion or option rights or with conversion obligations for shares of the company that were previously issued by the company or by its subordinate group companies, to the same extent as would be granted to them as shareholders after exercising their conversion rights or options, or after satisfying conversion requirements;
- (3) For fractional amounts;
- (4) If the shares are issued at an issue amount not significantly less than the market price and the capital increase does not exceed 10 % of the total share capital, either at the time this authorisation takes effect or is exercised. The number of treasury shares sold shall be added to this limit, provided the sale takes place during the term of this authorisation excluding the pre-emptive right pursuant to Section 186 (3) sentence 4 AktG. Those shares that have been or will be issued to service bonds with conversion or option rights or with a conversion obligation shall also be added to this limit, provided the bonds were issued during the term of this authorisation excluding the pre-emptive right applicable mutatis mutandis in accordance with Section 186 (3) sentence 4 AktG;
- (5) To implement a scrip dividend where the shareholders are offered the option of contributing their dividend entitlement (in whole or part) to the company as a contribution in kind in exchange for the granting of new shares from the Authorised Capital 2018.

Additional paid-in capital

The additional paid-in capital increased by EUR 14.3 million to EUR 55.0 million as a result of the capital increase.

Other retained earnings

The other retained earnings remain unchanged at EUR 10.8 million as at 31 December 2018.

Subscription rights pursuant to Section 160 (1) No. AktG

- **“Stock Option Plan 2015”**

During the financial year the Management Board and the Supervisory Board resolved to establish a stock option plan for those employees of MPC Capital and its affiliated companies who participate in profit-sharing (“Stock Option Plan 2015”). The primary objectives of the Stock Option Plan 2015 are to increase the commitment of employees (in particular senior executives) to the company, to motivate them and to enable them to participate directly in the company’s success. An additional aim of the plan is to enhance the attractiveness of MPC Capital AG to qualified employees.

The plan was approved by the shareholders at the Annual General Meeting. In addition, the Annual General Meeting authorised the Management Board until the conclusion of 24 June 2018 to issue further subscription rights up to a total volume of 666,581 with a total notional interest in the share capital of up to EUR 666,581.00, each subscription right carrying an entitlement to purchase one no-par value bearer share.

Further conditional capital amounting to EUR 666,581.00 arising from the issuance of 666,581 new bearer shares (“Conditional Capital 2015/II”) was created for the purposes of the Stock Option Plan 2015. This new authorisation is intended to enable up to a total of 666,581 stock options to be issued.

The principal provisions and conditions relating to the share option plan are described in the following:

a) Eligible Participants

Under the Stock Option Plan 2015, subscription rights may be issued to employees of MPC Capital AG and employees of its affiliated companies ("Eligible Participants").

b) Grant period

The subscription rights may be granted to the Eligible Participants from 15 February 2015 onward, subject to the condition precedent that this resolution becomes effective. Further subscription rights may be granted up to the conclusion of 24 June 2020.

c) Vesting Period, Exercise Period

The subscription rights granted under the Stock Option Plan 2015 may be exercised for the first time on the fourth anniversary of their grant to the respective Eligible Participant ("Vesting Period"). After the end of the Vesting Period, the subscription rights may be exercised up to the fifth anniversary of the grant ("Exercise Period"). During the Exercise Period, the subscription rights may only be exercised at certain times ("Exercise Windows"). An Exercise Window begins in each case on the eleventh banking day in Hamburg ("Banking Day") following the publication of a quarterly, first-half or annual financial report of the company and ends at the conclusion of the tenth banking day after that date. If company does not publish quarterly or first-half financial reports, the number of Exercise Windows within the Exercise Period is reduced accordingly. The company may refuse to accept exercise notices from the Eligible Participants in the event that, during an Exercise Window, an ad hoc announcement is imminent as a result of national or European legal requirements corresponding to the present Section 15 of the German Securities Trading Act (Wertpapierhandelsgesetz, "WpHG") or stock exchange regulations reflecting those requirements (e.g. in the terms and conditions regulating the Open Market on the Frankfurt Stock Exchange). In such cases, the exercise notice is deemed to have been accepted one day following publication of the ad hoc announcement. The Exercise Period is extended by one day if it expires on the day on which acceptance is refused by the company as a result of an ad hoc announcement.

d) Exercise price

The exercise price of a subscription right is equal to the average closing price for the company's shares of the same class in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange during the three months prior to the date on which the stock option agreement is entered into. The minimum exercise price is EUR 1.00.

e) Performance targets

The subscription rights may only be exercised if the quoted price corresponding to the exercise price has at least doubled when compared to the average closing rate for the company's shares of the same class in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange during three months prior to the date on which the subscription right is exercised.

A total of 203,125 subscription rights were granted.

As no equity settled options arise through exercise of the options, the option plan is regarded as a transaction between lenders and is therefore only reflected in the financial statements to the extent that options are in fact exercised.

- **“Stock Option Plan 2016”**

In the first half of the 2016 financial year the Management Board and the Supervisory Board resolved to establish a stock option plan for those employees of MPC Capital and its affiliated companies who participate in profit-sharing (“Stock Option Plan 2016”). The primary objectives of the Stock Option Plan 2016 are to increase the commitment of employees (in particular senior executives) to the company, to motivate them and to enable them to participate directly in the company’s success. An additional aim of the plan is to enhance the attractiveness of MPC Capital AG to qualified employees.

The plan was approved by the shareholders at the Annual General Meeting in 2015 (see under “Stock Option Plan 2015”).

The principal provisions and conditions relating to the share option plan are described in the following:

a) Eligible Participants

Under the Stock Option Plan 2016, subscription rights may be issued to employees of MPC Capital AG and employees of its affiliated companies (“Eligible Participants”).

b) Grant period

The subscription rights could be granted to the Eligible Participants from 15 February 2016. Further subscription rights may be granted up to the conclusion of 15 February 2021.

c) Vesting Period, Exercise Period

The subscription rights granted under the Stock Option Plan 2016 may be exercised for the first time on the fourth anniversary of their grant to the respective Eligible Participant (“Vesting Period”). After the end of the Vesting Period, the subscription rights may be exercised up to the fifth anniversary of the grant (“Exercise Period”). During the Exercise Period, the subscription rights may only be exercised at certain times (“Exercise Windows”). An Exercise Window begins in each case on the eleventh banking day in Hamburg (“Banking Day”) following the publication of a quarterly, first-half or annual financial report of the company and ends at the conclusion of the tenth banking day after that date. If company does not publish quarterly or first-half financial reports, the number of Exercise Windows within the Exercise Period is reduced accordingly. The company may refuse to accept exercise notices from the Eligible Participants in the event that, during an Exercise Window, an ad hoc announcement is imminent as a result of national or European legal requirements corresponding to the present Section 15 of the German Securities Trading Act (Wertpapierhandelsgesetz, “WpHG”) or stock exchange regulations reflecting those requirements (e.g. in the terms and conditions regulating the Open Market on the Frankfurt Stock Exchange). In such cases, the exercise notice is deemed to have been accepted one day following publication of the ad hoc announcement. The Exercise Period is extended by one day if it expires on the day on which acceptance is refused by the company as a result of an ad hoc announcement.

d) Exercise price

The exercise price of a subscription right is equal to the average closing price for the company's shares of the same class in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange during the three months prior to the date on which the stock option agreement is entered into. The minimum exercise price is EUR 1.00.

e) Performance targets

The subscription rights may only be exercised if the quoted price corresponding to the exercise price has at least doubled when compared to the average closing rate for the company's shares of the same class in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange during three months prior to the date on which the subscription right is exercised.

A total of 44,694 subscription rights were granted.

As no equity settled options arise through exercise of the options, the option plan is regarded as a transaction between lenders and is therefore only reflected in the financial statements to the extent that options are in fact exercised.

- **“Stock Option Plan 2017”**

In the first half of the 2017 financial year the Management Board and the Supervisory Board resolved to establish a stock option plan for those employees of MPC Capital and its affiliated companies who participate in profit-sharing (“Stock Option Plan 2017”). The objectives of the Stock Option Plan 2017 remain to increase the commitment of employees (in particular senior executives) to the company, to motivate them and to enable them to participate directly in the company's success. A further aim of the plan is to enhance the attractiveness of MPC Capital AG to qualified employees.

The plan was approved by the shareholders at the Annual General Meeting in 2015 (see under “Stock Option Plan 2015”).

The principal provisions and conditions relating to the share option plan are described in the following:

a) Eligible Participants

Under the Stock Option Plan 2017, subscription rights may be issued to employees of MPC Capital AG and employees of its affiliated companies (“Eligible Participants”).

b) Grant period

The subscription rights could be granted to the Eligible Participants from 02 January 2017. Further subscription rights may be granted up until 15 February 2022.

c) Vesting Period, Exercise Period

The subscription rights granted under the Stock Option Plan 2017 may be exercised for the first time on the fourth anniversary of their grant to the respective Eligible Participant (“Vesting Period”). After the end of the Vesting Period, the subscription rights may be exercised up to the fifth anniversary of the grant (“Exercise Period”). During the Exercise Period, the subscription rights may only be exercised at certain times (“Exercise Windows”).

An Exercise Window begins in each case on the eleventh banking day in Hamburg (“Banking Day”) following the publication of a quarterly, first-half or annual financial report of the company and ends at the conclusion of the tenth banking day after that date. If company does not publish quarterly or first-half financial reports, the number of Exercise Windows within the Exercise Period is reduced accordingly. The company may refuse to accept exercise notices from the Eligible Participants in the event that, during an Exercise Window, an ad hoc announcement is imminent as a result of national or European legal requirements corresponding to the present Section 15 of the German Securities Trading Act (Wertpapierhandelsgesetz, “WpHG”) or stock exchange regulations reflecting those requirements (e.g. in the terms and conditions regulating the Open Market on the Frankfurt Stock Exchange). In such cases, the exercise notice is deemed to have been accepted one day following publication of the ad hoc announcement. The Exercise Period is extended by one day if it expires on the day on which acceptance is refused by the company as a result of an ad hoc announcement.

d) Exercise price

The exercise price of a subscription right is equal to the average closing price for the company’s shares of the same class in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange during the three months prior to the date on which the stock option agreement is entered into. The minimum exercise price is EUR 1.00.

e) Performance targets

The subscription rights may only be exercised if the quoted price corresponding to the exercise price has at least doubled when compared to the average closing rate for the company’s shares of the same class in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange during three months prior to the date on which the subscription right is exercised.

A total of 16,267 subscription rights were granted.

As no equity settled options arise through exercise of the options, the option plan is regarded as a transaction between lenders and is therefore only reflected in the financial statements to the extent that options are in fact exercised.

3.9 PROVISIONS

The provisions are made up as follows:

	31/12/2018	31/12/2017
	EUR '000	EUR '000
1. Provisions for taxes		
for current taxes	2,023	5,120
2. Other provisions	14,246	15,688
- Provisions for legal and consultancy expenses	6,804	7,152
- Provisions for personnel expenses	3,271	3,870
- Provisions for expected losses	2,957	2,964
- Provisions for audit of annual financial statements	380	430
- Provisions for outstanding invoices	353	470
- Provisions for commissions	268	218
- Miscellaneous provisions	213	583
Provisions	16,269	20,808

Note: Rounding differences may occur

The fall in tax provisions for current taxes results from the assessment and payment of tax returns for previous years.

3.10 LIABILITIES

The liabilities schedule below shows the maturity structure of liabilities:

		Maturities			
		Total	up to 1 year	over 1 year	of which over 5 years
		EUR '000	EUR '000	EUR '000	EUR '000
1. Liabilities to banks	31/12/18	1,265	225	1,040	0
	31/12/17	1,763	227	1,536	0
2. Trade payables	31/12/18	1,063	1,063	0	0
	31/12/17	1,372	1,372	0	0
3. Liabilities to affiliated companies	31/12/18	0	0	0	0
	31/12/17	21	21	0	0
	<i>of which from other liabilities</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
	31/12/17	21	21	0	0
4. Liabilities to other long-term investees and investors	31/12/18	1,658	1,658	0	0
	31/12/17	1,603	1,603	0	0
	<i>of which from other liabilities</i>	<i>1,658</i>	<i>1,658</i>	<i>0</i>	<i>0</i>
	31/12/17	1,603	1,603	0	0
5. Other liabilities	31/12/18	18,001	12,718	5,283	0
	31/12/17	7,673	3,593	4,080	0
	<i>of which taxes</i>	<i>1,055</i>	<i>1,055</i>	<i>0</i>	<i>0</i>
	31/12/17	1,171	1,171	0	0
	<i>of which social security</i>	<i>6</i>	<i>6</i>	<i>0</i>	<i>0</i>
	31/12/17	13	13	0	0
Liabilities	31/12/18	21,987	15,664	6,323	0
	31/12/17	12,431	6,815	5,616	0

Note: Rounding differences may occur

3.11 LIABILITIES TO BANKS

The liabilities to banks in particular comprise project financing loans for opportunistic US equity investments in the overall amount of EUR 1.0 million. Repayment is tied to the future returns from these investments.

Collateral provided

These claims for payment are pledged to the financing banks by way of collateral. The collateral will be held until the full repayment of these loans.

3.12 TRADE PAYABLES

Trade payables essentially include liabilities from legal and consultancy costs as well as from ongoing shipping operations. These payables were somewhat lower than in the previous year for reporting date reasons.

3.13 LIABILITIES TO OTHER LONG-TERM INVESTEES AND INVESTORS

Liabilities to other long-term investees or investors result in particular from unpaid contributions to project companies and from distributions received.

3.14 OTHER LIABILITIES

Other liabilities are composed as follows:

	31/12/2018	31/12/2017
	EUR '000	EUR '000
Liabilities from a purchase price payment outstanding	9,475	0
Liabilities from project financing loans	5,314	4,414
Wage tax liabilities	764	1,165
Liabilities from withholdings (capital gains tax and solidarity surcharge)	396	0
Miscellaneous	2,052	2,094
Other liabilities	18,001	7,673

Note: Rounding differences may occur

The purchase price for the opportunistic acquisition of a portfolio of equity investments in limited partners and in associated business interests is not due until the start of 2019 and was therefore reported under other liabilities at the balance sheet date.

Collateral provided

The loans for project financing are collateralised by the refinanced shares in the project companies. This collateral will be held until the full repayment of these loan liabilities.

3.15 DEFERRED TAXES

Deferred tax assets in the amount of EUR 7.4 million essentially result from the following balance sheet items:

- a) Receivables from other long-term investees and investors (EUR 4.1 million)
- b) Other assets (EUR 1.3 million)
- c) Other provisions (EUR 2.0 million)

As in the previous year, the write-downs in the reporting year on receivables from other long-term investees and investors as well as on other assets essentially relate to future deductible temporary differences from the different measurement of receivables. Temporary differences in other provisions also resulted from the recognition of provisions for expected losses.

As in the previous year, there are no substantial temporary differences giving rise to deferred tax liabilities. Primary deferred taxes have not been recognised as the corresponding disclosure option under commercial law has been exercised.

3.16 DERIVATIVE FINANCIAL INSTRUMENTS

To hedge against future currency risks which arise particularly on future incoming payments under firm customer contracts in the context of normal business operations, derivative financial instruments were used to compensate for risks from exchange rate fluctuations.

For example Ahrenkiel Steamship GmbH & Co. KG and its subsidiaries realise a large portion of their revenue in US dollars, while expenditure is incurred largely in euros, so a movement in the exchange rate can have a major impact on the result. To hedge these currency risks, the following currency hedges have been taken out on a portion of the contractually agreed USD revenues for the 2019 financial year:

- **Currency forwards** on a monthly basis were concluded for the fees from January to December 2019 with a volume averaging USD 0.7 million. The method used to determine the market value was based on a market-to-market valuation, taking into account the applicable forward valuation rates. Their market value at the balance sheet date is EUR -0.4 million.
- **Currency options** on a monthly basis were concluded for a large portion of the monthly fees for January 2019 to December 2019 with an average volume of USD 0.5 million. The fair value was measured using the Black & Scholes model. Their market value at the balance sheet date is EUR-0.1 million.

The option premiums paid are reported in the amount of EUR 0.2 million under other assets. Subject to the conditions being met, the derivative financial instrument is combined with the hedged underlying transaction to form one valuation unit in accordance with Section 254 HGB. By applying the net hedge presentation method, the opposite value changes of the underlying transaction and hedge are not disclosed in the consolidated financial statements. As at the balance sheet date, future incoming payments under firm customer contracts amounting to USD 15.0 million in total were hedged through valuation units. This took the form of currency forwards in the amount of USD 8.4 million, and of currency options in the amount of USD 6.6 million.

Hedges falling due are – insofar as necessary – extended by means of new hedges. The effectiveness of the valuation unit is assessed prospectively by means of the critical term match method. The expected effectiveness of the hedging relationship is 100 % because the material valuation-relevant features of the underlying transactions and hedges match.

3.17 CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

There are contingent liabilities as defined in Section 251 HGB. These are default and fixed liability guarantees.

There are warranties and guarantees totalling EUR 19.1 million (previous year: EUR 16.5 million) essentially relating to directly enforceable warranties and guarantees. Their utilisation depends on a number of factors.

There are currently no indications that the MPC Capital Group will utilise the existing contingent liabilities because no material deterioration has arisen in the economic situation of the companies for which corresponding contingent liabilities were entered into. Utilisation of one or more contingent liabilities would have a considerable impact on the financial position of the MPC Capital Group.

Other financial obligations relate to rent and lease obligations in the amount of EUR 6.3 million (previous year: EUR 6.1 million).

Contributions by limited partners held in trust amount to EUR 1.6 billion (previous year: EUR 1.8 billion). They essentially relate to the amounts entered on the Commercial Register for TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds GmbH & Co. KG, Hamburg. If and to the extent that payments that are not covered by profits are made by funds on these contributions by limited partners held in trust, the risk of being sued is within the limits of Section 172 (4) HGB. TVP has scope for recourse against the respective trustors for the greater part of these contingent liabilities.

In addition, MPC Investment Services manages bank deposits in trust in the amount of EUR 52.0 million (previous year: EUR 25.1 million).

4. NOTES ON THE CONSOLIDATED INCOME STATEMENT

4.1 REVENUE

Revenue essentially results from the provision of services.

The table below shows a breakdown by revenue type and region:

	2018	2017
	EUR '000	EUR '000
By revenue types		
Management services	36,348	36,497
Transaction services	6,146	10,445
Miscellaneous	233	376
Revenue	42,727	47,318
By region		
Germany	46,863	53,699
Netherlands	7,873	9,177
Spain	190	256
Consolidation	-12,199	-15,814
Revenue	42,727	47,318

Note: Rounding differences may occur

4.2 OTHER OPERATING INCOME

Other operating income is made up as follows:

	2018	2017
	EUR '000	EUR '000
Income from the reversal of write-downs on receivables	5,693	4,907
Income from asset disposals	3,036	12,309
Income from changes in exchange rates	1,340	1,374
<i>Realised income from changes in exchange rates</i>	809	975
<i>Unrealised income from changes in exchange rates</i>	532	399
Income from the reversal of provisions	1,226	3,357
Gains on deconsolidation	303	0
Other prior-period income	236	70
Miscellaneous	712	700
Other operating income	12,547	22,716

Note: Rounding differences may occur

The other operating income to some extent stems from exceptionally high income from the reversal of write-downs on receivables that arose from incoming payments relating to receivables that had been impaired in previous years out of due commercial prudence, as well as from the ongoing optimization of project structures.

In addition, accounting profits from successful exceptional asset sales totalling EUR 2.8 million were realised substantially through the disposal of land in Lisbon and the sale of the Dutch real estate project "Blaak16". The exceptionally high prior-year figure was driven mainly by the sale of the real estate "The Cloud" in Amsterdam.

Within other operating income, EUR 5.9 million constitutes prior-period income.

4.3 COST OF MATERIALS – COST OF PURCHASED SERVICES

Costs of purchased services in connection with the management and maintenance of real estate and ships are a major component of this item.

4.4 PERSONNEL EXPENSES

Personnel expenses are composed as follows:

	2018	2017
	EUR '000	EUR '000
Wages and salaries	-24,910	-23,888
Social security contributions	-3,682	-3,249
Personnel expenses	-28,592	-27,137

Note: Rounding differences may occur

The average number of employees relates solely to salaried employees and is made up as follows:

	Annual average	Annual average
	2018	2017
Germany	247	239
Netherlands	31	14
Austria	1	1
Panama	1	0
Portugal	1	1
Spain	1	2
Employees	282	257

As at 31 December 2018 there were 299 employees.

4.5 OTHER OPERATING EXPENSES

Other operating expenses are composed as follows:

	2018	2017
	EUR '000	EUR '000
Legal and consultancy costs	-6,791	-7,957
Write-downs on receivables	-3,080	-1,286
IT costs	-3,058	-2,693
Cost of premises	-2,077	-1,870
Other personnel expenses	-1,328	-1,327
Travel and hospitality expenses	-1,196	-979
Services	-1,065	-1,074
Insurance and subscriptions	-1,038	-1,214
Expenses from currency translation differences	-785	-2,635
Costs for the capital increases	-645	0
Advertising expenses	-557	-821
Communications costs	-514	-540
Vehicle costs	-476	-478
Prior-period expenses	-376	-133
Costs of payments	-310	-314
Miscellaneous	-1,348	-898
Other operating expenses	-24,643	-24,219

Note: Rounding differences may occur

Exceptionally high write-downs of EUR 2.1 million were made on receivables in connection with the “Deepsea Oil Explorer” project.

4.6 INCOME FROM EQUITY INVESTMENTS

Income from equity investments amounting to EUR 2.3 million (previous year: EUR 1.7 million) originated mainly from profit distributions by co-investments.

4.7 OTHER INTEREST AND SIMILAR INCOME

Other interest and similar income amounting to a total of EUR 1.4 million (previous year: EUR 1.3 million) stems mainly from the loans for project financing.

4.8 WRITE-DOWNS ON FINANCIAL ASSETS

In the financial year, exceptionally high write-downs of EUR 15.1 million on the indirect equity investments HCl Deepsea Oil Explorer GmbH & Co. KG and MPC Deepsea Oil Explorer GmbH & Co. KG as well as on loans in connection with this project needed to be made because permanent impairment is assumed.

4.9 INTEREST AND SIMILAR EXPENSES

Interest and similar expenses arise in particular from interest expenses in connection with the refinancing of a project in the Real Estate area, as well as from the discounting of receivables and liabilities in the amount of EUR 5 thousand (previous year: EUR 46 thousand).

4.10 RESULT OF ASSOCIATES CARRIED AT EQUITY

The breakdown of the result of associates and joint ventures carried at equity is as follows:

	2018	2017
	EUR '000	EUR '000
MPC Global Maritime Opportunities S.A., SICAF	-289	1,481
Aurum Ltd. Insurance	-246	0
Miscellaneous	-340	313
Result of associates carried at equity	-875	1,794

Note: Rounding differences may occur

The result of associates carried at equity was EUR -0.9 million (previous year: EUR 1.8 million), with losses from the disposal of investments from retail business weighing particularly on this item.

4.11 TAXES ON INCOME

Taxes on income paid or owed in the individual countries and deferred taxes are reported as taxes on income.

Taxes on income comprise German and international taxes made up as follows:

	2018	2017
	EUR '000	EUR '000
Current taxes	-1,993	-4,192
Germany	-2,008	-3,154
International	15	-1,038
Deferred taxes	0	0
Germany	0	0
International	0	0

Note: Rounding differences may occur

In the 2018 financial year, corporations based in Germany were subject to corporation tax of 15 %, a solidarity surcharge of 5.5 % of corporation tax as well as trade tax, the amount of which depends on the various assessment rates levied by individual municipalities.

Group income taxes are also influenced by the possibility in Germany, subject to certain conditions, when operating merchant vessels internationally, of determining profit as a lump-sum tax on the basis of the net storage space of the ship instead of by comparing operating assets.

The Group tax rate corresponds to the German tax rate for the parent company MPC Capital AG and is 32.28 % (previous year: 32.28 %). This tax rate comprises corporation tax of 15 %, a solidarity surcharge of 5.5 % on corporation tax, and trade tax with an assessment rate of 470 %. The application of the income tax rate for Group companies of 32.28 % to consolidated earnings before taxes would result in an expected tax income of EUR 5.4 million (previous year: EUR -5.6 million). The following reconciliation statement shows the difference between this amount and the effective tax expense of EUR 2.0 million (previous year: EUR 4.2 million).

	2018	2017
	EUR '000	EUR '000
Consolidated earnings before taxes	-16,671	17,353
Expected taxes on income (32.28 % (previous year: 32.28 %))	5,381	-5,601
Different tax rates	199	390
Temporary differences and loss carryforwards for which no deferred tax assets were recognised	-9,923	-1,792
Non-tax-deductible expenses	-193	-122
Tax-free income	2,851	5,101
Deviation from the basis of assessment for trade tax	-6	-19
Effects of changes in consolidation	0	0
Current taxes on income for previous years	-667	-1,972
Withholding tax / foreign tax	295	-261
Other deviations	70	84
Taxes on income	-1,993	-4,192

The differences shown under the item "Different tax rates" are attributable to the differences between the tax rates of the German and international group companies on the one hand and the tax rate of MPC Capital AG on the other.

5. OTHER DISCLOSURES

5.1 NAME AND REGISTERED OFFICE OF THE PARENT COMPANY

MPC Capital AG, as the parent company, is obliged to prepare consolidated financial statements pursuant to Section 290 HGB. These have been prepared under the regulations of German commercial law in accordance with Section 290 ff. HGB. The consolidated financial statements are announced in the Federal Gazette.

The parent company of MPC Capital AG, which prepares the consolidated financial statements for the largest group of consolidated companies, is MPC Münchmeyer Petersen & Co. GmbH, Hamburg. The consolidated financial statements of MPC Münchmeyer Petersen & Co. GmbH, Hamburg, are submitted to the Federal Gazette for publication under the number HRB 149498 Hamburg.

5.2 GOVERNING BODIES OF THE COMPANY

a) Members of the Management Board in the reporting year:

Ulf Holländer, Management Board, Hamburg (Chairman)
(CEO; Chief Executive Officer)

Constantin Baack, Management Board, Hamburg
(Management Board Member for Shipping), until 31 March 2018 CFO of MPC Capital AG

Dr Philipp Lauenstein, Management Board, Hamburg,
(CFO; Chief Financial Officer), since 1 April 2018

Dr Karsten Markwardt, Management Board, Hamburg
(Management Board Member for Legal & Compliance), since 1 April 2018

Dr Roman Rocke, Management Board, Hamburg
(Executive Board Member Real Estate and Infrastructure), until 31 January 2019

b) Members of the Supervisory Board in the reporting year:

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

Joachim Ludwig
Managing Director of Ferrostaal GmbH, Essen

Dr Ottmar Gast

Chairman of the Advisory Board of Hamburg Südamerikanische Dampfschiffahrts-Gesellschaft ApS & Co KG
Member of the Supervisory Board since 12 April 2018

Dr Arnt Vespermann

Director of Hamburg Südamerikanische Dampfschiffahrts-Gesellschaft KG, Hamburg
Member of the Supervisory Board until 12 April 2018

c) Remuneration of governing bodies:

The members of the Management Board of MPC Capital AG were granted total remuneration of EUR 1.8 million (previous year: EUR 3.1 million) for the 2018 financial year. In the same period, total gross remuneration of EUR 160 thousand (previous year: EUR 163 thousand) was granted to the members of the Supervisory Board.

All remuneration for governing bodies is classified as current.

5.3 VOTING RIGHTS NOTIFICATIONS IN ACCORDANCE WITH SECTION 20 AKTG

- (1) MPC Participia GmbH, Hamburg, Germany, notified us in writing on 28 June 2016 pursuant to Section 20 (5) AktG that it no longer owns a majority shareholding in MPC Capital AG. MPC Participia GmbH also notified us pursuant to Section 20 (1), (3) AktG that it continues to own more than one quarter of the shares in MPC Capital AG – even disregarding shares pursuant to Section 20 (2) AktG.
- (2) Mr Axel Schroeder, Germany, notified us in writing on 17 October 2016 pursuant to Section 20 (5) AktG that he no longer owns a majority interest in MPC Capital AG (either directly or indirectly). Mr Axel Schroeder also notified us pursuant to Section 20 (1) AktG in conjunction with Section 16 (4) AktG that he continues to own more than one quarter of the shares in MPC Capital AG indirectly – even disregarding shares pursuant to Section 20 (2) AktG.
- (3) MPC Münchmeyer Petersen & Co. GmbH (formerly: MPC Industries GmbH), Palmaille 67, 22767 Hamburg, Germany, notified us in writing on 17 October 2016 pursuant to Section 20 (5) AktG that it no longer owns a majority interest in MPC Capital AG (either directly or indirectly). MPC Münchmeyer Petersen & Co. GmbH also notified us pursuant to Section 20 (1), (3) AktG in conjunction with Section 16 (4) AktG that it continues to own more than one quarter of the shares in MPC Capital AG indirectly – even disregarding shares pursuant to Section 20 (2) AktG.
- (4) Quintance GmbH, Palmaille 67, 22767 Hamburg, Germany, notified us in writing on 17 October 2016 pursuant to Section 20 (5) AktG that it no longer owns a majority interest in MPC Capital AG (either directly or indirectly). Quintance GmbH also notified us pursuant to Section 20 (1), (3) AktG in conjunction with Section 16 (4) AktG that it continues to own more than one quarter of the shares in MPC Capital AG indirectly – even disregarding shares pursuant to Section 20 (2) AktG.

5.4 APPROPRIATION OF EARNINGS

The Management Board will propose to the Supervisory Board that the net loss for the year of MPC Capital AG be netted with the net retained profits and the balance of the latter carried forward.

5.5 AUDITOR'S FEES

The auditor's fees are made up as follows:

	2018	2017
	EUR '000	EUR '000
Auditing services for the financial statements	188	188
Tax consultancy services	174	93
Other assurance services	0	25
Other services	26	40
Auditors' fees	388	346

5.6. REPORT ON POST-BALANCE SHEET DATE EVENTS

After 31 December 2018 there were no further significant transactions with a material effect on the net assets, financial position or results of operations of the MPC Capital Group.

Hamburg, 8 February 2019



Ulf Holländer
Vorsitzender



Constantin Baack



Dr Karsten Markwardt



Dr Philipp Lauenstein

Independent auditor's report

AUDIT OPINIONS

We have audited the consolidated financial statements of MPC Münchmeyer Petersen Capital AG, Hamburg, and its subsidiaries (the Group) — comprising the consolidated balance sheet as at 31 December 2018, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from 1 January 2018 to 31 December 2018 as well as the notes to the consolidated financial statements, including the presentation of the accounting policies. In addition we have audited the combined group management report of MPC Münchmeyer Petersen Capital AG for the financial year from 1 January 2018 to 31 December 2018 with the exception of the information on social commitment marked as unaudited reporting.

In our opinion, based on the findings of our audit,

- the enclosed consolidated financial statements comply in all material respects with the requirements of German commercial law and, in accordance with the German principles of proper accounting, give a true and fair view of the net assets and financial position of the Group as at 31 December 2018 as well as of its results of operations for the financial year from 1 January 2018 to 31 December 2018 and
- the enclosed combined group management report as a whole provides a suitable view of the Group's position. In all material respects this combined group management report is consistent with the consolidated financial statements, complies with the requirements of German law and suitably presents the opportunities and risks of future development.

Our audit opinion of the combined group management report does not extend to the content of the combined group management report components under "OTHER INFORMATION".

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any objections regarding the correctness of the consolidated financial statements and combined group management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the consolidated financial statements and combined group management report in accordance with Section 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).

Under those regulations and principles our responsibility is described further in the section "RESPONSIBILITY OF THE AUDITOR FOR THE AUDITING OF THE CONSOLIDATED FINANCIAL STATEMENTS AND COMBINED GROUP MANAGEMENT REPORT" of our Auditor's Report. We are independent of the Group companies, as is consistent with German commercial law and professional law, and have fulfilled our other German professional duties in accordance with these requirements. We are of the opinion that the audit evidence we obtained is adequate and suitable to serve as a basis for our audit opinions on the consolidated financial statements and combined group management report.

OTHER INFORMATION

The management is responsible for the other information. The other information comprises the information on social commitment contained in Section 3. Other Disclosures of the combined group management report and marked as unaudited reporting.

Our audit opinions of the consolidated financial statements and combined group management report do not extend to the other information, and we accordingly express neither an audit opinion nor any other form of audit conclusion in that regard.

In connection with our audit of the consolidated financial statements, it is our responsibility to read the other information and to assess whether the other information

- exhibits material discrepancies with the consolidated financial statements, combined group management report or our knowledge obtained in the course of the audit, or
- appears in any other respects to be misrepresented.

RESPONSIBILITY OF MANAGEMENT AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND GROUP MANAGEMENT REPORT

The management is responsible for the preparation of the consolidated financial statements, which comply in all material respects with the requirements of German commercial law and, in accordance with the German principles of proper accounting, for ensuring that the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group. The management is also responsible for the internal controls that it has determined to be necessary, in accordance with the German principles of proper accounting, to enable the preparation of consolidated financial statements that are free from material – intentional or unintentional – misrepresentations.

In preparing the consolidated financial statements, the management is responsible for assessing the group's ability to remain a going concern. In addition it has the responsibility to state matters, where relevant, in connection with remaining a going concern. Furthermore, it is responsible for preparing the accounts based on the going concern accounting principle, unless there are conflicting actual or legal circumstances.

The management is also responsible for the preparation of the combined group management report, which as a whole provides a suitable view of the Group's position and is consistent in all material respects with the consolidated financial statements, complies with the requirements of German law and suitably presents the opportunities and risks of future development. The management is in addition responsible for the precautions and measures (systems) that it has deemed necessary to enable the preparation of a combined group management report that is consistent with the applicable requirements of German law, and to enable it to furnish sufficient suitable evidence for the statements made in the combined group management report.

The Supervisory Board is responsible for overseeing the Group's accounting process for the preparation of the consolidated financial statements and combined group management report.

RESPONSIBILITY OF THE AUDITOR FOR THE AUDITING OF THE CONSOLIDATED FINANCIAL STATEMENTS AND COMBINED GROUP MANAGEMENT REPORT

Our objective is to obtain reasonable assurance whether the consolidated financial statements are as a whole free from material – intentional or unintentional – misrepresentations, and whether the combined group management report as a whole provides a suitable view of the Group’s position and is consistent in all material respects with the consolidated financial statements as well as with the findings of our audit, complies with the requirements of German law and suitably presents the opportunities and risks of future development, as well as to provide an audit report that contains our audit opinions on the consolidated financial statements and combined group management report.

Reasonable assurance means a high degree of assurance, but no guarantee that an audit conducted in accordance with Section 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer will always reveal a material misrepresentation. Misrepresentations may result from infringements or misstatements and are regarded as material if it could reasonably be expected that they might individually or as a whole influence the economic decisions of the reader made on the basis of these consolidated financial statements and this combined group management report.

During the audit we exercise sound judgement and maintain a critical basic stance. In addition

- we identify and assess the risks of material – intentional and unintentional – misrepresentations in the consolidated financial statements and combined group management report, plan and conduct audit procedures in response to those risks, and obtain audit evidence that is sufficient and suitable to serve as the basis for our audit opinions. The risk that material misrepresentations are not identified is greater for infringements than for misstatements, because infringements may involve fraudulent collaboration, forgeries, intentional incompleteness, misleading representations and bypassing of internal controls.
- we acquire an understanding of the relevant internal control system for the audit of the consolidated financial statements and the relevant precautions and measures for the audit of the combined group management report in order to plan audit procedures that may be appropriate in the circumstances, but not with the aim of submitting an audit opinion on the effectiveness of those systems.
- we assess the appropriateness of the accounting methods used by the management as well as the justifiability of the value estimates presented by the management and of related disclosures.
- we draw conclusions on the appropriateness of the going concern accounting principle used by the management and, based on the audit evidence obtained, on whether a material uncertainty exists in connection with events or circumstances that may raise significant doubts about the ability of the Group to remain a going concern. If we reach the conclusion that a material uncertainty exists, we are obliged to point out the affected disclosures contained in the consolidated financial statements and combined group management report in the Auditor’s Report or, if those disclosures are inappropriate, to modify our audit opinion on the matter in question. We draw our conclusions on the basis of the audit evidence obtained up until the date of our audit report. However future events or circumstances may result in the Group no longer being able to operate as a going concern.
- we assess the overall presentation, structure and content of the consolidated financial statements including the disclosures, as well as whether the consolidated financial statements present the underlying transactions and events

such that, taking account of the German principles of proper accounting, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group.

- we obtain sufficient appropriate audit evidence for the accounting information of the enterprises or business activities within the Group to be able to provide audit opinions on the consolidated financial statements and combined group management report. We are responsible for instructing, overseeing and executing the audit of the consolidated financial statements. We bear sole responsibility for our audit opinions.
- we assess whether the combined group management report is consistent with the consolidated financial statements, and also its compliance with the legal requirements and the impression it gives of the situation of the Group.
- we conduct audit procedures on the future-related statements by management in the combined group management report. Based on sufficient, suitable audit evidence we in particular seek to comprehend the material assumptions which underlie the future-related statements by management and assess whether the future-related statements have been derived properly from those assumptions. We do not give a separate audit opinion on the future-related statements as well as on their underlying assumptions. There is a considerable unavoidable risk that future events will deviate materially from the future-related statements.

We discuss for example the planned scope and timetable of the audit with the officers responsible for monitoring, as well as significant audit findings, including any shortcomings that we identify in the internal control system in the course of our audit.

Hamburg, 12 February 2019

BDO AG
Wirtschaftsprüfungsgesellschaft

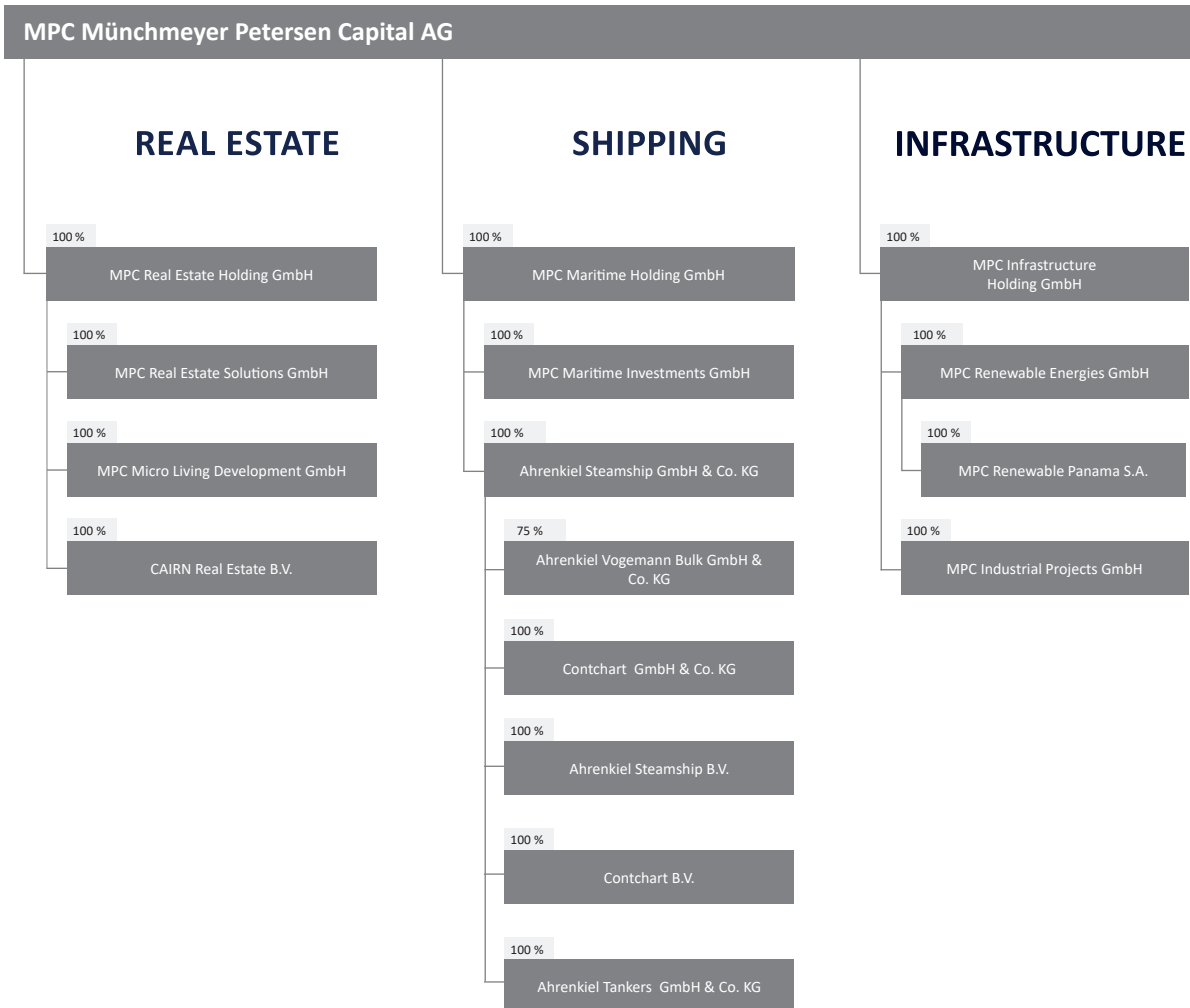
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German Public Auditor

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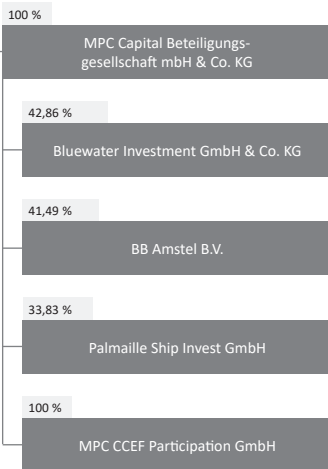
Organisational structure

MPC Capital AG

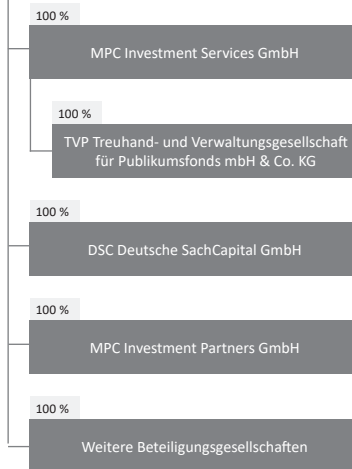
MPC Capital AG is the parent company of the MPC Capital Group. The chart below gives an overview of some selected subsidiaries of the MPC Capital Group (as of February 2019).



INVESTMENTS



CORPORATE CENTER



Financial calendar 2019

15 February 2019

Publication of Annual Report 2018

11 April 2019

Annual General Meeting in Hamburg

16 May 2019

Publication of Q1 2019 key figures

29 August 2019

Publication of Interim Financial Report 2019

14 November 2019

Publication of Q3 2019 key figures

November 2019

Analyst conference in Frankfurt at the Equity Forum 2019

MPC Münchmeyer Petersen Capital AG

Palmaille 67

22767 Hamburg, Germany

Investor Relations

Tel.: + 49 (0)40 380 22-4347

Fax: + 49 (0)40 380 22-4878

E-Mail: ir@mpc-capital.com

www.mpc-capital.de/ir

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