



MPC Capital



MPC Capital AG

HALF-YEAR FINANCIAL REPORT 2017

MPC Capital Group in figures

Result	H1 2017	H1 2016
Revenue (EUR '000)	22,706	22,927
EBT (EUR '000)	3,456	7,330
Consolidated net profit (EUR '000)	3,860	4,798
AUM / Balance Sheet	30 June 2017	31 December 2016
Assets under management (EUR billion)	5.0	5.1
Total assets (EUR '000)	124,796	133,708
Equity (EUR '000)	96,791	93,253
Equity ratio	77.5%	69.7%
Employees	H1 2017	H1 2016
Employees (average over period)	239	230
Personnel expenses (EUR '000)	12,038	11,539
Personnel expenses ratio	53.0%	50.3%

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Foreword by the Management Board

DEAR SHAREHOLDERS,

The first half of 2017 proceeded entirely in keeping with our expectations. Revenue stabilised at a healthy level. As expected, earnings before tax as at 30 June were still lagging behind the prior-year figure because various non-recurring effects had bolstered the earnings performance in the first six months of 2016.

For the second half of 2017 we anticipate a marked increase in transaction business that ought also to have a positive impact on earnings. On both the acquisitions and sales sides, a number of projects are nearing completion.

The operational successes of the first half highlight the strengths of our strategy: to identify lucrative real asset investments in international niche markets.

Three years ago our Dutch subsidiary “Cairn Real Estate” stepped up its investment in the Dutch office property market, which at the time was still in a fragile state. Following its comprehensive modernisation we have now sold the property “La Guardia” in Amsterdam – at a solid profit for our investors: the IRR comes to around 23 % after tax. In the Infrastructure sector, too, we have been able to send out a clear, trailblazing message to the market: the sale of the 172 MW wind farm ANCORA in Portugal attracted international attention.

In parallel, we made new, highly promising investments in the first half – such as the expansion of our renewables platform in the Caribbean and the launching of MPC Container Ships AS, a listed company that acquires and operates container ships in the feeder segment on the second-hand market. Both investments are outstanding examples of our niche strategy.

Kind regards,

The Management Board of MPC Capital AG



Ulf Holländer, Chairman



Constantin Baack



Peter Ganz



Dr Roman Rocke

MPC Capital shares in the first half of 2017

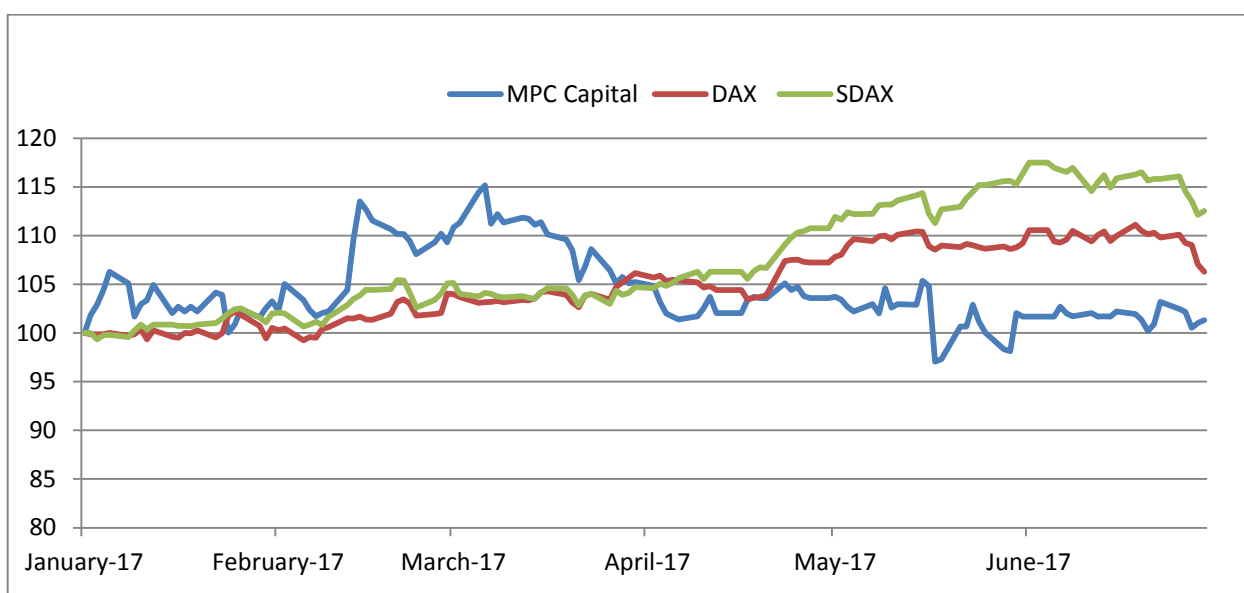
Volatile stock markets

Encouraged by positive global economic data and an especially robust German economy, the DAX rose by almost 6 % in the first half of 2017, settled at a stable level above 12,000 points and reached a new all-time high of 12,951 in June. The SDAX small-cap index climbed around 12 % in the first half of 2017.

MPC Capital trending sideways in first half

In the first half of 2017 the shares of MPC Capital were unable to build on the past two years' very positive performance, which had seen the shares climb from EUR 1.20 to over EUR 6.00. The shares started 2017 trading at EUR 5.90, reached their first-half high of EUR 6.79 on 7 March and touched a first-half low of EUR 5.73 on 18 May. The shares closed at EUR 5.98 on 30 June 2016. The average trading volume of MPC Capital shares on Xetra was around 18,000 units per day. Market capitalisation on 30 June 2017 was EUR 182 million.

2017 first-half performance, indexed

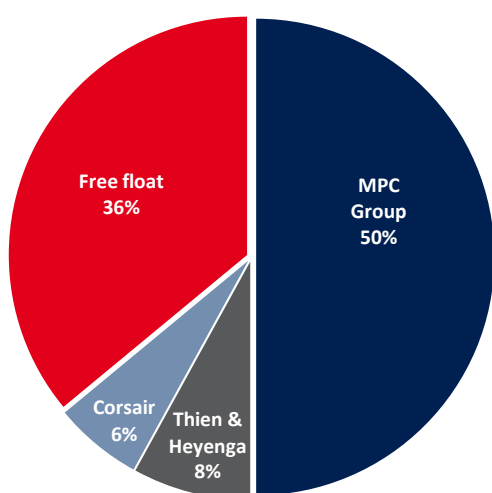


Entry Standard becomes "Scale"

Since 1 March 2017, the shares of MPC Capital AG have been listed in the "Scale" segment of Deutsche Börse AG (DBAG). "Scale" takes the place of the former Entry Standard and is intended to represent a new quality segment for small and medium enterprises (SME) with access to the capital market.

The new segment is more highly regulated than the Entry Standard in terms of both admission and subsequent obligations. “Scale” is intended to improve access to investors for growing companies by placing the emphasis on transparency and qualitative criteria. Issuers in the “Scale” Segment must achieve certain levels with their key performance indicators, work with a capital market partner of DBAG and give an undertaking to achieve elevated transparency. MPC Capital satisfies all admission and listing requirements for “Scale” and is therefore one of around 40 companies represented in it from the outset.

Shareholder structure as at 30 June 2017



Shareholders of companies whose shares are listed in the Scale Standard (Open Market) 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.

Resolutions of the Annual General Meeting

The Annual General Meeting of MPC Capital AG was held on 8 June 2017 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).

Core data for MPC Capital AG

WKN / ISIN	A1TNWJ / DE000A1TNWJ4
Share capital / number of shares	EUR 30,427,916.00 / 30,427,916 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, Oddo Seydler Bank AG
Analysts	Baader Helvea, Berenberg, Edison Research, Warburg Research
First day of trading	28 September 2000
Reuters code	MPCG.DE
Bloomberg	MPC GR
Datastream	D:MPC

Financial calendar 2017

14 February 2017	Publication of Annual Report 2016
18 May 2017	Q1 2017 key figures
8 June 2017	Annual General Meeting of MPC Capital AG
31 August 2017	Publication of Interim Financial Report 2017
16 November 2017	Q3 2017 key figures
27 November 2017	Analyst conference at the Eigenkapitalforum 2017, Frankfurt am Main

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Interim Group Management Report as at 30 June 2017

1. The MPC Capital Group

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 professional investors.

MPC Capital offers all its services from a single source. This encompasses 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 the three core segments of **Real Estate, Shipping and Infrastructure**. With its many years of expertise and a comprehensive international network of partners, MPC Capital has excellent market access that enables it to identify market opportunities and bring investment projects and investors together.

MPC Capital also offers a **comprehensive range of services** for the management of newly launched and existing investments. 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.

2. MPC Capital in the first half of 2017

Entry Standard becomes “Scale”

Since 1 March 2017, the shares of MPC Capital AG have been listed in the “Scale” segment of Deutsche Börse AG (DBAG). “Scale” takes the place of the former Entry Standard and is intended to represent a new quality segment for small and medium enterprises (SME) with access to the capital market.

The new segment is more highly regulated than the Entry Standard in terms of both admission and subsequent obligations. “Scale” is intended to improve access to investors for growing companies by placing the emphasis on transparency and qualitative criteria. Issuers in the “Scale” Segment must

achieve certain levels with their key performance indicators, work with a capital market partner of DBAG and give an undertaking to achieve elevated transparency.

MPC Capital satisfies all admission and listing requirements for “Scale” and is therefore one of around 40 companies represented in it from the outset.

Development of assets under management

The assets under management (AUM) of the MPC Capital Group as at 30 June 2017 totalled EUR 5.0 billion, a slight decrease on the level as at 31 December 2016 (EUR 5.1 billion). New business resulted in asset additions of EUR 0.4 billion, which was counterbalanced by asset sales and currency effects.

AUM in the Real Estate segment increased slightly by EUR 0.2 billion to EUR 2.4 billion as a result of purchases. In the Shipping segment, AUM remained unchanged at EUR 1.8 billion. The increase from the acquisition of ships through MPC Container Ships AS, for management by Ahrenkiel Steamship and/or Contchart, was offset by asset sales and currency effects. In the Infrastructure segment, AUM declined by EUR 0.3 billion to EUR 0.2 billion principally as a result of the sale of the Portuguese wind farm project Ancora.

The Corporate Centre manages existing funds from the former business model that do not belong in any of the three core asset classes. AUM here declined from EUR 0.7 billion to EUR 0.6 billion as a result of scheduled asset disposals.

As at 30 June 2017, 45 % (31 December 2016: 44 %) of AUM involved institutional business and 55 % (31 December 2016: 56 %) legacy business.

Developments in the business units

Real Estate

In February 2017 the Dutch subsidiary Cairn Real Estate (“Cairn”), in partnership with an international institutional investor, acquired six properties in medium-sized Dutch cities. The six office buildings, which complement the transit portfolio acquired in the previous year, have a total floor space of 63,400 m². The purchase price was around EUR 60.0 million.

In March 2017 Cairn sold the Amsterdam office complex “La Guardia” to an international institutional investor for a price in excess of EUR 130 million. The IRR (internal rate of return) for the project is around 23 % after tax. Cairn Real Estate had acquired the ensemble of four buildings in 2014 on behalf of an investor and had subsequently carried out a comprehensive revitalisation project.

For the micro-living area, MPC Capital has acquired land in a central location in Lisbon for the construction of student apartments. Construction work is planned to start before the end of the year. Portugal is the first country for the expansion of the STAYTOO platform into southern Europe. Further locations on the Iberian peninsula are currently being analysed.

In Germany, three further apartment blocks will be completed over the coming months following the successful opening of the first STAYTOO properties in Nuremberg and Bonn. STAYTOO will be opening apartments in Leipzig and Kaiserslautern this year for the start of the winter semester, with Berlin due to follow at the start of 2018.

■ Shipping

In the early part of 2017 MPC Capital launched an investment company that will develop and operate a portfolio of container ships focusing on a slot capacity of between 1,000 and 3,000 TEU. In an initial step “MPC Container Ships AS” was able to raise around USD 100 million in equity from institutional investors by way of a private placement. The capital was invested within one month in container ships on the second-hand market. At the start of June the company then raised a further USD 75 million through a second capital increase in order to expand the portfolio further. In August 2017 the MPC Container Ships AS fleet comprised 14 container ships, which for the most part were managed by the MPC Capital subsidiaries Ahrenkiel Steamship and Contchart.

In keeping with its investment strategy, MPC Capital AG operates as co-investor in the company. The shares of MPC Container Ships AS are traded on the Merkur Market of the Oslo Stock Exchange under the ticker “MPCC-ME”.

MPC Capital also participated in further transactions and arranged maritime projects on behalf of third-party investors.

■ Infrastructure

In the Infrastructure business unit, MPC Capital has laid the foundations for the further development and expansion of the company’s renewable energy projects in the Caribbean in establishing MPC Renewables Panama S.A. MPC Renewables Panama will work closely together with the global Renewable Energies team at MPC Capital to develop and manage renewable energies projects on behalf of institutional investors.

The projects handled in the first half of the year include the sale of the 172 MW onshore wind farm project in Portugal, the acquisition of a 60 MWp PV project in Jamaica that is progressing according to

schedule and is intended to serve as the seed asset for a wider Caribbean strategy, plus the further development of a 54 MW onshore wind farm in Mongolia.

In the Industrial Opportunities area, MPC Capital is at an advanced stage of negotiations on high-volume asset purchases. Further infrastructure projects that mainly involve industrial opportunities in emerging countries are currently being analysed.

Results of operations, net assets and financial position

2.1. Results of operations

Revenue for the MPC Capital Group came to EUR 22.7 million in the first half of 2017 (1st half of 2016: EUR 22.9 million). Management fees were increased slightly to EUR 18.7 million (1st half of 2016: EUR 18.2 million). The transaction fees declined from EUR 4.8 million in the previous year to EUR 3.8 million in the first half of 2017. For the second half, MPC Capital expects to see a marked upturn in transaction business as experienced in the previous year, based on a well-filled project pipeline.

Other operating income for the first half of 2017 came to EUR 4.0 million (1st half of 2016: EUR 6.9 million), of which the reversal of provisions accounts for around EUR 3.3 million. The previous year had seen the reversal of the negative difference from capital consolidation as well as sales tax refunds.

Personnel expenses of EUR 12.0 million were slightly up on the prior-year level (EUR 11.5 million). The increase stems primarily from the moderate recruitment of additional personnel. On average, there were 239 employees engaged throughout the Group in the first half of 2017 (1st half of 2016: 230). The personnel expenses ratio for the Group came to 53 % in the first half of 2017 (1st half of 2016: 50 %).

Other operating expenses amounted to EUR 12.0 million, slightly up on the prior-year level (1st half of 2016: EUR 11.7 million). The increase results mainly from reporting date based currency effects. The reduced legal and consultancy costs worked in the opposite direction, though the expense for the capital increase had a major impact on the prior-year figure.

Investment income reached EUR 0.6 million, the same level as in the prior-year period. The result of associates carried at equity was EUR 1.5 million. The previous year (EUR 5.6 million) had brought high income from the financing of real estate projects in Japan. However as the returns on these projects had a performance-related structure, the interest and similar expenses in the previous year were also markedly higher (EUR 4.2 million compared to EUR 0.1 million in first half of 2017).

As a result of the higher other operating income and higher at-equity income in the prior-year period, **earnings before tax (EBT)** of EUR 3.5 million for the first half of 2017 was likewise well down on the level of the first half of 2016 (EUR 7.3 million).

Overall, MPC Capital AG posted a **consolidated profit** after tax of EUR 3.9 million for the first half of 2017 (1st half of 2016: EUR 4.8 million).

2.2. Financial position and net assets

The **net assets** of the Group as at 30 June 2017 declined to EUR 124.8 million compared with the position as at 31 December 2016 (EUR 133.7 million) essentially as a result of the reduction in provisions.

Increased investing activity in all three asset classes led to a substantial increase in **fixed assets** from EUR 38.0 million to EUR 54.2 million. The financial assets, which mainly comprise equity investments in joint ventures, associates and other equity investments, consequently rose sharply from EUR 29.3 million as at 31 December 2016 to EUR 46.2 million as at 30 June 2017. MPC Capital invested some EUR 13.0 million in MPC Container Ships AS. A further EUR 6.0 million was injected into real estate and infrastructure projects in the Netherlands, Portugal and the Caribbean.

As a result of the investing activity and the scaling back of provisions, **current assets** were reduced from EUR 95.6 million as at 31 December 2016 to EUR 70.2 million as at 30 June 2017. The Group's liquidity (cash in hand and bank balances) correspondingly declined to EUR 27.5 million (31 December 2016: EUR 65.6 million). Predominantly due to reporting date factors, trade receivables rose from EUR 3.1 million to EUR 8.3 million and receivables from other long-term investees from EUR 13.4 million to EUR 16.7 million. The rise in other assets from EUR 13.4 million to EUR 17.7 million is primarily attributable to the short-term granting of loans for real estate projects.

Equity was EUR 96.8 million as at 30 June 2017 (31 December 2016: EUR 93.3 million). The reduced balance sheet total meant the equity ratio rose from 70 % to 78 %.

Provisions in the amount of EUR 16.5 million were recognised as at 30 June 2017 (31 December 2016: EUR 29.0 million). The substantial drop of around EUR 12.5 million, of which EUR 10.0 had a cash effect, is primarily attributable to the scaling back of provisions for expected losses and for restructuring costs. In that area, MPC Capital had succeeded in negotiating early release from the obligations to meet restructuring costs at project level. The company had created provisions amounting to EUR 6.7 million as at 30 June 2017 for legal and consultancy costs (31 December 2016: EUR 7.5 million). The company considers this to be an adequate precaution for potential costs in connection with legal disputes.

Liabilities fell slightly to EUR 10.9 million (31 December 2016: EUR 11.4 million). Liabilities to banks came to EUR 2.0 million (31 December 2016: EUR 2.3 million) and comprise bank loans for non-recourse

project financing that is tied to future returns from the projects. Liabilities to other long-term investees and investors in the amount of EUR 2.0 million (31 December 2016: EUR 2.5 million) primarily comprise capital commitments to co-investments not yet drawn down, as well as distributions received. The fall in other liabilities to EUR 5.8 million (31 December 2016: EUR 6.3 million) stemmed primarily from loan liabilities for project financing.

Cash Flow Statement

In the period under review the MPC Capital Group reported a **cash flow from operating activities** of EUR -16.5 million (1st half of 2016: EUR -7.6 million). The decrease was determined in particular by the reduction in provisions (EUR -11.9 million, previous year: EUR -6.8 million) and by changes in trade receivables as well as other assets not allocable to investing or financing activities (EUR -9.0 million, previous year: EUR -5.6 million).

The **cash flow from investing activities** in the period under review came to EUR -19.2 million (1st half of 2016: EUR +11.0 million). Payments for investments in financial assets amounted to EUR -20.0 million (1st half of 2016: EUR -1.3 million) and were primarily in respect of co-investments in MPC Container Ships AS (EUR 13.0 million) as well as in various real estate and infrastructure projects in Portugal, the Netherlands and the Caribbean. Proceeds from the disposal of financial assets came to EUR 1.0 million. The prior-year period (EUR 6.0 million) was dominated by the disposal of financial assets in connection with successfully completed real estate projects in North America and Japan.

As a result of the repayment of financial liabilities in connection with the provisions for restructuring costs, the **cash flow from financing activities** came to EUR -2.4 million. A defining event in the previous year (EUR +8.1 million) was a capital increase amounting to EUR 11.7 million net.

Overall, **cash and cash equivalents** as at 30 June 2017 declined to EUR 27.5 million (31 December 2016: EUR 65.6 million, 30 June 2016: EUR 27.6 million).

3. Report on post-balance sheet date events

Since 30 June 2017 there have been no further significant transactions with a material effect on the net assets, financial position or results of operations of the MPC Capital Group.

4. Other disclosures

Employees

In the first half of 2017 the MPC Capital Group had 239 employees on average (1st half of 2016: 230 employees).

5. Report on risks and opportunities

The principal opportunities and risks associated with the expected development of the Group are presented in the Group Management Report for the 2016 financial year. No changes in the assessment of opportunities and risks occurred in the period under review.

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.

6.1. Economic environment

The cyclical recovery in the global economy has continued in recent months. Economic growth will gather pace somewhat in 2017 and 2018 in most developed countries, as well as in emerging economies. The IMF increased its global growth forecast for 2017 from 3.4 % to 3.5 % in spring 2017. These forecasts were confirmed in July (Source: International Monetary Fund). The Federal Reserve is expected to raise the base rate again in the second half of 2017. On the other hand the ECB is still adhering to its highly expansionary monetary policy in 2017 (Source: M.M.Warburg).

The combination of interest rates remaining low and high liquidity in the market is highly likely to keep promoting demand for alternative investments and have a positive influence on the market environment for MPC Capital.

6.2. Anticipated business performance

For the second half of 2017, the Management board expects a noticeable upswing in transaction business. Transactions already contracted and initiated are likely to lead to a substantial rise in revenue and profit in the second half of 2017 compared with the first half of 2017.

For 2017 overall, MPC Capital therefore reiterates its expectation of consolidated revenue growth of at least 10 % plus an overproportional rise in EBT.

Hamburg, 18 August 2017



Ulf Holländer
Chairman



Constantin Baack



Peter Ganz



Dr Roman Rocke

Interim Consolidated Financial Statements as at 30 June 2017

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RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable accounting standards for interim financial statements as well as with the principles of proper accounting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and results of operations of the Group, and the interim group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group in the remainder of the financial year.

Hamburg, 18 August 2017


Ulf Holländer
Chairman


Constantin Baack


Peter Ganz


Dr. Roman Rocke

CONSOLIDATED BALANCE SHEET

	30/06/2017	31/12/2016
Assets	EUR '000	EUR '000
A. Fixed assets	54,194	37,986
I. Intangible assets	7,581	8,368
1. Purchased concessions, industrial rights and software	32	27
2. Goodwill	7,549	8,341
II. Tangible assets	373	349
1. Leasehold improvements	11	17
2. Other fixtures and fittings, operating and office equipment	362	332
III. Financial assets	46,241	29,268
1. Shares in affiliated companies	382	301
2. Equity investments	37,969	23,795
3. Other loans	7,889	5,173
B. Current assets	70,197	95,640
I. Receivables and other assets	42,744	30,059
1. Trade receivables	8,265	3,086
2. Receivables from affiliated companies	115	116
3. Receivables from other long-term investees and investors	16,654	13,424
4. Other assets	17,709	13,432
II. Cash in hand and bank balances	27,453	65,581
C. Prepaid expenses	405	83
Total assets	124,796	133,708

Note: Rounding differences may occur

	30/06/2017	31/12/2016
Equity and liabilities	EUR '000	EUR '000
A. Equity	96,791	93,253
I. Subscribed capital	30,428	30,428
II. Additional paid-in capital	47,904	47,904
III. Other retained earnings	5,082	5,082
IV. Net retained profits	8,232	6,519
V. Difference in equity from currency translation	58	73
VI. Non-controlling interests	5,088	3,247
B. Provisions	16,492	29,037
1. Provisions for taxes	4,255	4,872
2. Other provisions	12,237	24,164
C. Liabilities	10,875	11,419
1. Liabilities to banks	1,971	2,282
2. Trade payables	1,000	347
3. Liabilities to affiliated companies	119	11
4. Liabilities to other long-term investees and investors	1,958	2,473
5. Other liabilities	5,827	6,306
D. Deferred income	639	0
Total equity and liabilities	124,796	133,708

Note: Rounding differences may occur

CONSOLIDATED INCOME STATEMENT

from 1 January to 30 June 2017

	H1 2017	H1 2016
	EUR '000	EUR '000
1. Revenue	22,706	22,927
2. Other operating income	3,972	6,906
3. Cost of materials: cost of purchased services	-592	-535
4. Personnel expenses	-12,038	-11,539
a) Wages and salaries	-10,509	-10,055
b) Social security, post-employment and other employee benefit costs	-1,529	-1,484
5. Amortisation of intangible fixed assets and depreciation of tangible assets	-893	-873
6. Other operating expenses	-11,970	-11,741
7. Operating result	1,185	5,144
8. Income from equity investments	633	556
9. Other interest and similar income	252	656
10. Write-downs on financial assets	0	-347
11. Interest and similar expenses	-108	-4,246
12. Result of associates carried at equity	1,494	5,567
13. Result before tax	3,456	7,330
14. Taxes on income	404	-2,532
15. Result after tax	3,860	4,798
16. Other taxes	0	0
17. Consolidated net profit	3,860	4,798
18. Non-controlling interests	-1,111	-19
19. Change in consolidation	-1,037	-62
20. Profit carried forward	6,519	2,743
21. Net retained profits	8,232	7,460

Note: Rounding differences may occur

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

from 1 January to 30 June 2017

H1 2017

Capital and reserves attributable
to the shareholders of the parent company

	Share capital (ordinary shares) EUR '000	Treasury shares at nominal value EUR '000	Additional paid-in capital EUR '000	Other retained earnings EUR '000	Net re- tained profits EUR '000
As at 1 January 2017	30,428	0	47,904	5,082	6,519
Capital increase	0	0	0	0	0
Changes in consolidation	0	0	0	0	-1,037
Profit distributions	0	0	0	0	0
Consolidated earnings	0	0	0	0	2,749
Currency translation differences	0	0	0	0	0
Total comprehensive income	0	0	0	0	2,749
As at 30 June 2017	30,427	0	47,904	5,082	8,232

Note: Rounding differences may occur

H1 2016

Capital and reserves attributable
to the shareholders of the parent company

	Share capital (ordinary shares) EUR '000	Treasury shares at nominal value EUR '000	Additional paid-in capital Section 272 (2) No. 1-3 HGB EUR '000	Other retained earnings EUR '000	Net loss EUR '000
As at 1 January 2016	22,129	-59	6,855	0	2,743
Capital increase	2,213	0	10,400	0	0
Changes in consolidation	0	0	0	0	-62
Sale of treasury shares	0	59	221	0	0
Consolidated earnings	0	0	0	0	4,778
Currency translation differences	0	0	0	0	0
Total comprehensive income	0	0	0	0	4,778
As at 30 June 2016	24,341	0	17,476	0	7,460

Note: Rounding differences may occur

Capital and reserves attributable
to the shareholders of
the parent company

Difference in equity from currency trans- lation	Equity
EUR '000	EUR '000
73	90,006
0	0
0	-1,037
0	0
0	2,749
-15	-15
-15	2,734
58	91,702

Non-controlling interests

Share capital	Additional paid-in capital	Net re- tained profits	Equity	Consolidated equity
EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
1,528	1,808	-89	3,247	93,253
0	0	0	0	0
441	-405	1,037	1,073	36
0	0	-342	-342	-342
0	0	1,111	1,111	3,860
0	0	0	0	-15
0	0	1,111	1,111	3,845
1,969	1,403	1,717	5,088	96,791

Capital and reserves attributable
to the shareholders of
the parent company

Difference in equity from currency trans- lation	Equity
EUR '000	EUR '000
65	31,732
0	12,613
0	-62
0	280
0	4,778
0	0
0	4,778
65	49,340

Non-controlling interests

Share capital	Additional paid-in capital	Net re- tained profits	Equity	Consolidated equity
EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
388	1,822	-45	2,165	33,897
0	0	0	0	12,613
108	318	-504	-78	-141
0	0	0		280
0	0	19	19	4,797
0	0	0	0	0
0	0	19	19	4,797
496	2,140	-530	2,106	51,446

CONSOLIDATED CASH FLOW STATEMENT

from 1 January to 30 June 2017

	H1 2017 EUR '000	H1 2016 EUR '000
Cash flow from operating activities	-16,477	-7,582
Consolidated net profit	3,860	4,779
Amortisation of intangible assets and depreciation of tangible assets	893	873
Write-downs on financial assets	0	347
Result of associates carried at equity	-1,494	-5,567
Gain/loss on the disposal of intangible and tangible assets	0	-4
Gain/loss on the disposal of financial assets	-4	0
Changes in inventories, trade receivables and other assets not allocable to investing or financing activities	-8,982	-5,627
Changes in trade payables and other liabilities not allocable to investing or financing activities	2,649	-520
Changes in other provisions	-11,927	-6,771
Proceeds from dividends	459	459
Income tax expense	-404	2,532
Income taxes paid	-1,213	-1,112
Interest expenses and interest income	-29	3,590
Payments for the costs of the capital increase	0	899
Other non-cash expenses/income	-285	-1,460
Cash flow from investing activities	-19,206	11,030
Payments for investments in intangible and tangible assets	-130	-255
Payments for investments in financial assets	-20,047	-1,252
Proceeds from the disposal of intangible and tangible assets	0	88
Proceeds from the disposal of financial assets	971	5,992
Interest received	0	245
Proceeds from dividends	0	6,212
Cash flow from financing activities	-2,445	8,120
Financial liabilities raised	346	670
Repayment of financial liabilities	-2,737	-289
Interest paid	-54	-3,975
Capital increase of MPC Capital AG (less costs of the capital increase)	0	11,714
Changes in cash and cash equivalents	-38,128	10,669
Cash and cash equivalents at the start of the period	65,581	16,935
Cash and cash equivalents at the end of the period	27,453	27,604

Note: Rounding differences may occur

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

Condensed Notes to the Interim Consolidated Financial Statements

of MPC Münchmeyer Petersen Capital AG, Hamburg, as at 30 June 2017

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.

MPC Münchmeyer Petersen Capital AG (“MPC Capital AG”) is entered in the Commercial Register of the Hamburg District Court, Department B, under 72691 and was listed in the Entry Standard segment of the Open Market of Deutsche Börse AG from 28 June 2012 to 28 February 2017. Since the start of March 2017, the shares of MPC Capital AG have been traded in the new “Scale” segment of Deutsche Börse AG. “Scale” takes the place of the Entry Standard and is intended to represent a new quality segment for small and medium enterprises (SME) with access to the capital market.

The company’s registered office is Hamburg, Germany.

Its address is: MPC Capital AG, Palmaille 67, 22767 Hamburg, Germany.

These interim consolidated financial statements were approved by the Management Board and released for publication on 18 August 2017.

The interim consolidated financial statements have been subjected to a review.

2. Accounting policies

The interim consolidated financial statements as at 30 June 2017 for the MPC Capital Group have been prepared in accordance with Sections 290 ff. of German Commercial Code (HGB) and the additional requirements of the German Stock Corporation Act, and are based on the assumption of business continuation.

The accounting policies adopted for these interim consolidated financial statements, with one exception explained in the following paragraph, are the same as those for the consolidated financial statements as at 31 December 2016. The same applies to the consolidation principles and methods.

The adjustments to the annual financial statements in line with the changes made to HGB under the German Accounting Directive Implementing Act (BILRUG), including the altered definition of revenue, did not lead to material changes that would have impaired comparability with previous years.

Changes in consolidation

Additions:

The following companies were fully consolidated for the first time in the first half of the 2017 financial year:

- Ahrenkiel Vogemann Bulk GmbH & Co. KG, Hamburg (shareholding: 75.1 percent)
- MPC Capital Beteiligungsgesellschaft mbH & Co. KG, Hamburg (shareholding: 100.0 percent)
- EREC Investment Holding GmbH & Co.KG, Hamburg (shareholding: 100.0 percent)
- EREC Investment GmbH & Co.KG, Hamburg (shareholding: 68.8 percent)
- EREC Investment Holding Verwaltungs GmbH, Hamburg (shareholding: 100.0 percent)
- EREC Investment Verwaltungs GmbH, Hamburg (shareholding: 68.8 percent)
- Verwaltung MPC Capital Beteiligungsgesellschaft mbH, Hamburg (shareholding: 100.0 percent)
- RES Transit II B.V., Amsterdam (shareholding: 58.7 percent)
- Bluewater Investments GmbH & Co. KG, Hamburg (shareholding: 85.0 percent)
- Verwaltung Bluewater Investments GmbH , Hamburg (shareholding: 100.0 percent)

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	14,806
B. Current assets	3,760
Assets	18,566
A. Equity	892
B. Provisions	72
C. Liabilities	17,601
Equity and liabilities	18,566

Note: Rounding differences may occur

The fixed assets mainly comprise investments in shipping projects.

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

3. Notes to the consolidated balance sheet

3.1 Development of fixed assets

	Acquisition/production cost			As at 30/06/2017 EUR '000
	As at 01/01/2017 EUR '000	Additions EUR '000	Disposals EUR '000	
I. Intangible assets				
1. Purchased concessions, industrial rights and software	2,120	12	67	2,065
2. Goodwill	26,754	0	0	26,754
	28,874	12	67	28,819
II. Tangible assets				
1. Leasehold improvements	1,157	1	0	1,158
2. Other fixtures and fittings, operating and office equipment	2,802	117	0	2,919
	3,959	118	0	4,077
III. Financial assets				
1. Shares in affiliated companies	4,250	176	95	4,331
2. Equity investments	48,790	15,046	1,067	62,769
3. Other loans	5,173	2,717	0	7,890
	58,213	17,939	1,162	74,990
Fixed assets	91,046	18,069	1,229	107,886

Note: Rounding differences may occur

Depreciation and amortisation				Carrying amount	
As at 01/01/2017	Additions	Disposals	As at 30/06/2017	On 30/06/2017	On 31/12/2016
EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
2,093	7	67	2,033	32	27
18,413	792	0	19,205	7,549	8,341
20,506	799	67	21,238	7,582	8,368
1,140	7	0	1,147	11	17
2,470	87	0	2,557	362	332
3,610	94	0	3,704	373	349
3,949	0	0	3,949	382	301
24,995	0	196	24,799	37,969	23,795
0	0	0	0	7,889	5,173
28,944	0	196	28,748	46,240	29,268
53,060	893	263	53,690	54,194	37,986

3.2 Intangible assets

The development of intangible assets is presented in the Consolidated Statement of Changes in Fixed Assets for the MPC Capital Group.

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 as well as 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:

	30/06/2017	31/12/2016
	EUR '000	EUR '000
1. Equity investments in associated companies	15,639	1,604
CSI Beteiligungsgesellschaft mbH*	12,925	0
Aurum Insurance Ltd.	661	661
MPC Global Maritime Opportunities S.A., SICAF	616	0
Global Vision AG	496	496
Breakwater Insurance Brokers Ltd.	395	385
Breakwater Shipbrokers GmbH	170	0
Miscellaneous equity investments in associates	376	62
2. Other equity investments	22,340	22,191
HCI Deepsea Oil Explorer KG and MPC Deepsea Oil Explorer KG	9,620	9,620
MPC Student Housing Venture I geschl. Investment-GmbH & Co. KG	4,001	4,001
Mr. T Holding B.V.	1,439	1,439
Transit Holding B.V.*	761	0
AT&C Amstel Holdings B.V.	746	746
Stille Beteiligungen MPC Ferrostaal IT Services GmbH & Co. KG	680	680
Kapitaal Transit Holding	605	605
Zestien B.V.	600	600
US Opportunity Partners Fonds**	485	632
Other equity investments in fund limited partnerships	3,403	3,868
Equity investments	37,979	23,795

* = These equity investments were acquired in the 2017 financial year

In the second quarter of the financial year MPC Capital AG was able to launch a Norwegian investment company, MPC Container Ships AS, Oslo, with a focus on smaller container ships between 1,000 and 3,000 TEU and place it with a volume totalling USD 175 million. MPC Capital AG participated in this company as co-investor through CSI Beteiligungsgesellschaft mbH, Hamburg, in keeping with its investment strategy.

3.4.2 Other loans

The other loans are predominantly loans with a medium term of up to five years. The rise in other loans is attributable to long-term investments especially in real estate projects.

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
Trade receivables	30/06/2017	8,265	8,265	0	0
	31/12/2016	3,086	3,086	0	0
Receivables from affiliated companies	30/06/2017	115	115	0	0
	31/12/2016	116	116	0	0
<i>- of which other assets</i>	30/06/2017	115	115	0	0
	31/12/2016	116	116	0	0
Receivables from other long-term investees and investors	30/06/2017	16,654	13,153	3,306	195
	31/12/2016	13,424	9,923	3,306	195
<i>- of which from joint ventures</i>	30/06/2017	238	238	0	0
	31/12/2016	238	238	0	0
<i>- of which from associated equity investments</i>	30/06/2017	1,611	1,611	0	0
	31/12/2016	465	465	0	0
<i>- of which from fund companies</i>	30/06/2017	14,495	10,994	3,306	195
	31/12/2016	12,391	8,890	3,306	195
<i>- of which from other equity investments</i>	30/06/2017	310	310	0	0
	31/12/2016	330	330	0	0
<i>- of which trade receivables</i>	30/06/2017	11,393	11,393	0	0
	31/12/2016	9,151	9,151	0	0
<i>- of which other assets</i>	30/06/2017	5,261	1,760	3,306	195
	31/12/2016	4,273	772	3,306	195
Other assets	30/06/2017	17,709	16,987	722	0
	31/12/2016	13,432	12,711	722	0
Receivables and other assets	30/06/2017	42,744	38,521	4,028	195
	31/12/2016	30,059	25,836	4,028	195

Note: Rounding differences may occur

3.6 Other assets

Other assets are composed as follows:

	30/06/2017	31/12/2016
	EUR '000	EUR '000
Collateral provided	6,639	5,108
Loan receivables	5,395	2,411
Income tax receivables	2,212	2,708
Disbursements	1,520	762
Receivables from insurance cases	750	751
Receivables from employees	254	223
Miscellaneous assets	939	1,469
Other assets	17,709	13,432

The rise in other assets results mainly from the short-term granting of loans to real estate project companies.

3.7 Bank balances, cash in hand

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

	30/06/2017	31/12/2016
	EUR '000	EUR '000
Bank balances	27,446	65,574
Cash in hand	8	8
Bank balances, cash in hand	27,453	65,581

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.

Subscribed capital

The share capital of the company as at 30 June 2017 remains unchanged at EUR 30.4 million (31 December 2016: EUR 30.4 million).

Authorised Capital 2016

The authorisation of the Management Board by the Annual General Meeting on 21 June 2016 to increase the share capital of the company, with the approval of the Supervisory Board, on one or several occasions until 20 June 2021 by the remaining amount of up to a total of EUR 6.1 million through the issuance of up to 6,085,583 new no-par-value shares against cash or non-cash contributions (**Authorised Capital 2016**) was cancelled at the Annual General Meeting on 8 June 2017.

Authorised Capital 2017

The Management Board was authorised by the Annual General Meeting on 8 June 2017 to increase the share capital of the company, with the approval of the Supervisory Board, on one or several occasions until 7 June 2022 by up to a total of EUR 15,213,958.00 by the issuance of up to 15,213,958 new no-par-value shares against cash or non-cash contributions (**Authorised Capital 2017**).

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 2017.

Additional paid-in capital

Additional paid-in capital remained unchanged at EUR 47.9 million as at 30 June 2017 (31 December 2016: EUR 47.9 million).

Other retained earnings

In the previous year, the net retained profits for 2016 were allocated in full to retained earnings in keeping with the proposal on the appropriation of profit in the individual financial statements of MPC Capital. The retained earnings amounted to an unchanged EUR 5.1 million as at 30 June 2017 (31 December 2016: EUR 5.1 million).

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 on the basis of the provisions below.

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 could be granted to the Eligible Participants from 15 February 2015. Further subscription rights may be granted up to the conclusion of 24 June 2018.

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 233,594 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 24 June 2018.

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 49,005 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 to the conclusion of 24 June 2018.

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 22,260 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

Depreciation and amortisation are made up as follows:

	30/06/2017 EUR '000	31/12/2016 EUR '000
1. Provisions for taxes		
for current taxes	4,255	4,872
2. Other provisions	12,237	24,164
a) Provisions for legal and consultancy expenses	6,749	7,519
b) Provisions for expected losses	2,264	4,529
c) Provisions for personnel expenses	1,827	4,004
d) Provisions for audit of annual financial statements	278	331
e) Provisions for commissions	195	237
f) Provisions for outstanding invoices	165	597
g) Provisions for Supervisory Board remuneration	52	120
h) Provisions for restructuring costs	0	5,445
i) Miscellaneous provisions	707	1,382
Provisions	16,492	29,036

Note: Rounding differences may occur

The decrease in other provisions results in particular from the success of MPC Capital AG in negotiating early release from the obligations to meet restructuring costs at project level. This move reduced the provisions created for that purpose by EUR 5,445 thousand.

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	30/06/2017	1,971	297	1,674	0
	31/12/2016	2,282	401	1,881	0
2. Trade payables	30/06/2017	1,000	1,000	0	0
	31/12/2016	347	347	0	0
3. Liabilities to affiliated companies	30/06/2017	119	119	0	0
	31/12/2016	11	11	0	0
<i>- of which from other liabilities</i>		119	119	0	0
		11	11	0	0
4. Liabilities to other long-term investees and investors	30/06/2017	1,958	1,958	0	0
	31/12/2016	2,473	2,473	0	0
<i>- of which from other liabilities</i>		1,958	1,958	0	0
		2,473	2,473	0	0
5. Other liabilities	30/06/2017	5,827	1,343	4,483	0
	31/12/2016	6,306	3,451	2,855	0
<i>- of which taxes</i>		639	639	0	0
		2,415	2,415	0	0
Liabilities	30/06/2017	10,875	4,717	6,157	0
	31/12/2016	11,419	6,683	4,736	0

Note: Rounding differences may occur

3.11 Liabilities to banks

The bank liabilities comprise in particular one loan amounting to EUR 1,674 thousand for project financing for opportunistic US equity investments. Its repayment is tied to the future returns from these investments.

Collateral provided

The future claims for payment are to some extent pledged to the financing bank 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.

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 fund companies and from distributions received.

3.14 Other liabilities

Other liabilities are composed as follows:

	30/06/2017	31/12/2016
	EUR '000	EUR '000
Liabilities from project financing loans	4,432	2,835
Wage tax liabilities	633	609
VAT liabilities	6	67
Liabilities from withholdings (capital gains tax and solidarity surcharge)	0	1,740
Miscellaneous	756	1,055
Other liabilities	5,827	6,306

Note: Rounding differences may occur

3.15 Contingent liabilities and other financial obligations

There are contingent liabilities as defined in Section 251 HGB. These consist of default guarantees, fixed liability guarantees and liability risks for the provision of collateral for third-party liabilities.

There are warranties and guarantees totalling EUR 19,231 thousand (31 December 2016: EUR 27,048 thousand) 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. Utilisation of one or more contingent liabilities would have a considerable impact on the financial position of the MPC Capital Group.

Other financial obligations

Other financial obligations relate to rent and lease obligations in the amount of EUR 6,880 thousand (31 December 2016: EUR 7,680 thousand). Future minimum lease payments from uncancellable operating leases amount to:

	30/06/2017 EUR '000	31/12/2016 EUR '000
Due within one year	1,758	1,921
Due between one and five years	4,366	4,648
Due in over five years	756	1,111
Rent and lease obligations	6,880	7,680

The company has various leases for vehicles. These agreements end between 2017 and 2019 and do not include renewal options.

Contributions by limited partners held in trust amount to EUR 1,868.9 million (31 December 2016: EUR 1,937.6 million). They essentially relate to the amounts entered on the Commercial Register for TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds GmbH & Co. KG, Hamburg ("TVP"). 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, TVP manages bank deposits in trust in the amount of EUR 19.7 million (31 December 2016: EUR 21.0 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:

	H1 2017 EUR '000	H1 2016 EUR '000
by revenue types		
Management services	18,697	18,153
Transaction services	3,803	4,773
Miscellaneous	206	1
Revenue	22,706	22,927
By region		
Germany	19,521	20,565
Netherlands	3,034	2,035
Spain	151	295
Austria	0	31
Revenue	22,706	22,927

Note: Rounding differences may occur

4.2 Other operating income

Other operating income is made up as follows:

	H1 2017 EUR '000	H1 2016 EUR '000
Income from the reversal of provisions	3,264	2,704
Income from the reversal of write-downs on receivables	189	584
Income from changes in exchange rates	152	446
<i>Realised income from changes in exchange rates</i>	<i>152</i>	<i>103</i>
<i>Unrealised income from changes in exchange rates</i>	<i>0</i>	<i>343</i>
Prior-period income	49	1,119
Income from the reversal of the negative difference		
from capital consolidation	0	1,465
Miscellaneous	318	588
Other operating income	3,972	6,906

Note: Rounding differences may occur

The fall in other operating income mainly results from the previous year's reversal of the negative difference from capital consolidation. In addition, in the previous year sales tax refunds had prompted a marked rise in 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 are a major component of this item.

4.4 Personnel expenses

Personnel expenses are composed as follows:

	H1 2017 EUR '000	H1 2016 EUR '000
Wages and salaries	-10,509	-10,055
Social security contributions	-1,529	-1,484
Personnel expenses	-12,038	-11,539

Note: Rounding differences may occur

There were 248 (1st half of 2016: 243) employees as at 30 June 2017.

4.5 Other operating expenses

Other operating expenses are composed as follows:

	H1 2017 EUR '000	H1 2016 EUR '000
Legal and consultancy costs	-3,030	-3,956
Expenses from currency translation differences	-1,544	-585
IT costs	-1,182	-1,154
Expenses for services to shipping limited partnerships	-1,057	-1,108
Cost of premises	-920	-957
Insurance and subscriptions	-616	-572
Personnel recruitment / other personnel expenses	-603	-464
Services	-505	-545
Travel and hospitality expenses	-426	-426
Advertising and events	-384	-270
Write-downs on receivables	-285	-338
Vehicle costs	-254	-216
Prior-period expenses	-247	-440
Communications costs	-201	-173
Miscellaneous expenses	-716	-538
Other operating expenses	-11,970	-11,741

Note: Rounding differences may occur

The rise in other operating expenses is substantially attributable to exchange rate effects as at the reporting date; these were in turn almost entirely balanced out by the decline in legal and consultancy costs.

4.6 Income from equity investments

Income from equity investments amounting to EUR 633 thousand (1st half of 2016: EUR 556 thousand) 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 252 thousand (1st half of 2016: EUR 656 thousand) stem mainly from the loans of EUR 149 thousand (1st half of 2016: EUR 485 thousand) as well as from compounded interest effects from long-term provisions amounting to EUR 103 thousand (1st half of 2016: EUR 129 thousand).

4.8 Write-downs on financial assets

There was no critical knowledge in the first half of 2017 that results in write-downs of financial assets.

4.9 Interest and similar expenses

The higher interest and similar expenses in the previous year resulted in particular from non-recurring interest expenses from the refinancing of a project in the Real Estate area amounting to EUR 3,975 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:

	H1 2017 EUR '000	H1 2016 EUR '000
MPC Global Maritime Opportunities S.A., SICAF	1,481	-521
Ikura Investment GmbH & Co. KG	0	5,720
Global Vision Private Equity Partners AG	0	368
Miscellaneous	13	0
Result of associates carried at equity	1,494	5,567

Hamburg, 18 August 2017



Ulf Holländer
Chairman



Constantin Baack



Peter Ganz



Dr Roman Rocke

Review Report

To MPC Münchmeyer Petersen Capital AG

We have reviewed the condensed consolidated interim financial statements – comprising the condensed balance sheet, condensed income statement, statement of changes in equity, cash flow statement and condensed notes – as well as the interim management report of MPC Münchmeyer Petersen Capital AG, Hamburg, for the period from 1 January 2017 to 30 June 2017. The preparation of the condensed consolidated interim financial statements in accordance with German commercial law and of the interim management report in accordance with the “General Terms and Conditions of Deutsche Börse AG for the Regulated Unofficial Market (Freiverkehr) on Frankfurter Wertpapierbörse” is the responsibility of the legal representatives of the company. Our responsibility is to issue a report on the condensed consolidated financial statements and the interim management report on the basis of our review.

We conducted the review of these condensed consolidated interim financial statements and this interim management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW – Institute of Public Auditors in Germany). Those standards require that we plan and perform the review such that, after critical appraisal, we can with a degree of certainty rule out that the condensed consolidated interim financial statements were not prepared in accordance with the German Commercial Code in material respects, or that the interim management report has not been prepared in accordance with the “General Terms and Conditions of Deutsche Börse AG for the Regulated Unofficial Market (Freiverkehr) on Frankfurter Wertpapierbörse” in material respects. A review is in the first instance limited to interviewing employees of the company and making analytical assessments, and therefore does not offer the level of assurance achieved by an audit. As it was not within the scope of our mandate to conduct an audit, we cannot issue an audit opinion.

On the basis of our review, no matters have come to our attention that lead us to assume that the condensed consolidated interim financial statements were not prepared in accordance with the German Commercial Code in material respects or that the interim management report has not been prepared in accordance with the “General Terms and Conditions of Deutsche Börse AG for the Regulated Unofficial Market (Freiverkehr) on Frankfurter Wertpapierbörse” in material respects.

Hamburg, 30 August 2017

BDO AG Wirtschaftsprüfungsgesellschaft

Glaser

Wirtschaftsprüfer

Kaletta

Wirtschaftsprüfer