

Report

Fürstenberg Capital Zweite GmbH
Fürstenberg/Weser

Audit of the Annual Financial Statements as of December 31, 2009
and Management Report for the financial year then ended

Auditor's Report

(Translation - the German text is authoritative)

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¹ **Fürstenberg Capital II GmbH**

Meinbrexener Strasse 2
37699 Fürstenberg/Weser

d13/d577

Fürstenberg Capital II GmbH

Management report for the 2009 financial year

1. Business and Framework Conditions

The company was founded on 04 April 2005 and entered into the commercial register on 13 May 2005.

The company's business activity is such that it participates in the commercial enterprise of Norddeutsche Landesbank -Girozentrale- (NORD/LB) as a silent shareholder, refinances the participation through issuing debt securities (capital notes) and pre-finances the expected refund of capital gains tax through the assumption of loans. Due to the firmly concluded contracts, this is a business activity which is clearly structured and can be planned, is of low complexity and has no operating business. The assets primarily comprise silent contributions which were refinanced through the issue of capital notes (equity).

2. Results/Financial Position/Net Assets

The 2009 financial year ended with a surplus of T€ 888.4.

Equity amounted to T€ 1,482.6. The balance sheet total amounted to T€ 560,540.7.

Fürstenberg Capital II GmbH achieved an equity ratio of 0.26%.

Management expects a risk-free continuation of the company due to cash flow planning over several periods as well as the fact that no investment and procurement projects or personnel changes are planned or necessary.

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3. Explanations on the Accounting-Related Internal Control System

Measures are in place to ensure that the booking items are correctly processed in that the tax consultant's office adheres to the "two pairs of eyes" principle. Management could convince itself of this by undertaking random sampling. Management is informed of the financial position of the company on a monthly basis through the transmission of commercial evaluations. The director has sole account authorisation. There is thus no risk of unauthorised use of the assets.

4. Post-Balance Sheet Events

No events of particular significance occurred after the close of the financial year nor is any occurrence of such foreseeable.

5. Risks and Opportunities

Interest income is dependent on the financial result of NORD/LB, however, this risk is compensated for by a relevant adjustment of obligations from the capital notes.

According to publicly accessible information sources available to management, no circumstances are known which indicate that Nord L/B will not be able to meet its payment obligations in the future.

6. Forecast

Due to the contractual structure as well as the silent contribution and the capital notes issued, the income and expenses for the coming years are fixed. This results in an interest margin of 0.5% p.a. for the financial years up to 2014 ensuring that corresponding annual surpluses can be expected in the future.

Fürstenberg, 11 January 2010

.....
Dr. Heinrich Hahn, Director

[illegible]

Equity and Liabilities

	31/12/2009	31/12/2008
	€	€
A. Equity		
I. Subscribed capital	25,000.00	25,000.00
II. Unappropriated retained earnings brought forward (prior year cumulative losses brought forward)	569,231.23	-223,532.31
III. Net income for the year	888,352.01	792,763.54
	1,482,583.24	594,231.23
B. Accruals		
1. Tax accruals	12,084.00	0.00
2. Other accruals	22,086.91	21,925.91
	34,170.91	21,925.91
C. Liabilities		
1. Bonds	550,000,000.00	550,000,000.00
2. Trade liabilities (of which with a remaining term of up to one year € 595.00 (€ 2,400.00))	595.00	2,400.00
3. Liabilities to companies with whom there is a participating interest (of which with a remaining term of up to one year € 9,022,056.42 (€ 9,157,527.94))	9,022,056.42	9,157,527.94
4. Other liabilities (of which from taxes: € 147.12 (€ 147.12)) (of which with a remaining term of up to one year € 1,255.43 (€ 147.12))	1,255.43	147.12
	559,023,906.85	559,160,075.06
	560,540,661.00	559,776,232.20

Fürstenberg Capital II GmbH, Fürstenberg/Weser

**Income Statement
for the Financial Year from 1 January to 31 December 2009**

		2009		2008
		€	€	T€
1.	Other operating income		18.64	1
2.	Personnel expenses			
	a) Salaries and wages	15,207.12		15
	b) Social security	2,221.86		2
			17,428.98	17
3.	Depreciation			
	a) on tangible assets		285.01	0
4.	Other operating expenses		111,410.40	57
5.	Income from participations		33,687,500.00	33,688
6.	Other interest and similar income		8,475.17	14
7.	Interest and similar expenses		31,241,901.25	31,477
8.	Result from ordinary operating activities		2,324,968.17	2,151
9.	Taxes on income		1,436,616.16	1,359
10.	Net income for the year		888,352.01	792

Notes 2009

I. General Disclosures

1. Accounting and valuation principles

Fürstenberg Capital II GmbH participates in the organised market as defined by § 2 para. 5 of the German Securities Trading Act by issuing capital notes. It is thus a large limited liability company pursuant to § 267 para. 3 sentence 2 HGB (German Commercial Code).

The limited liability company applies the regulations of §§ 264 et. seq. HGB for large limited liability companies in its classification of the balance sheet and the income statement.

In its accounting and valuation, the company is guided by the regulations of §§ 242 et. seq. HGB as well as the regulations applicable to large limited liability companies of §§ 264 et. seq. HGB and, in supplement, the regulations of the GmbHG (German Limited Liability Companies Act).

The income statement is prepared in accordance with the total cost accounting method pursuant to § 275 para. 2 HGB.

The applicable valuation regulations in commercial law were observed taking into account the continuation of company activities. The company makes use of tax measurement options and recognises these in its trade balance sheet as "to the extent permissible".

The **silent participation** is measured at its acquisition cost.

Receivables and other assets are measured at their acquisition cost.

Accruals are measured according to prudent commercial judgement. All recognisable risks were taken into account.

Liabilities are stated at their repayment amounts.

II. Notes to the balance sheet

The items summarised on the balance sheet are explained separately below.

1. Non-current assets

The book value of the non-current assets of Fürstenberg Capital II GmbH (TEUR 550,001.0) comprises financial investments (TEUR 550,000.0) as well as property, plant and equipment (TEUR 1,0).

A typically silent participation in the commercial enterprise of Norddeutsche Landesbank Girozentrale, Hannover, Braunschweig and Magdeburg (NORD/LB) is recognised in **financial investments** (TEUR 550,000.00).

The development of individual items in non-current assets stating the depreciation for the financial year is presented in the schedule of fixed assets:

	Acquisition costs 01.01.2009	Additions	Disposals	Rebookings	Depreciation financial year	Accumulated depreciation 31.12.2009	Book value 31.12.2009
	EUR	EUR	EUR	EUR	EUR	EUR	EUR
A. Non-current assets							
I. Tangible assets							
1. Other facilities, furniture and office equipment	1,426.60	0.00	0.00	0.00	285.01	428.60	998.00
Total tangible assets	1,426.60	0.00	0.00	0.00	285.01	428.60	998.00
II. Financial investments							
1. Participations	550,000,000.00	0.00	0.00	0.00	0.00	0.00	550,000,000.00
Total financial investments	550,000,000.00	0.00	0.00	0.00	0.00	0.00	550,000,000.00
Total non-current assets	550,001,426.60	0.00	0.00	0.00	285.01	428.60	550,000,998.00

2. Current assets

Current assets at Fürstenberg Capital II GmbH (TEUR 10,538.4) comprise other assets (TEUR 8,606.1) and bank balances (TEUR 1,932.3). Receivables from tax refunds are recognised in **other assets** (TEUR 8,606.1).

Bank balances (TEUR 1,932.3; prior year TEUR 833.8) relate entirely to companies in which there is a participating interest.

3. Equity

Equity at Fürstenberg Capital II GmbH comprises subscribed capital (TEUR 25.0), unappropriated retained earnings brought forward (TEUR 569.2) as well as the net income for the year (TEUR 888.4).

The **subscribed capital** (TEUR 25.0) comprises a capital contribution.

4. Accruals

Accruals (TEUR 34.2) comprise tax accruals as well as other accruals.

Tax accruals (TEUR 12.1) comprise exclusively trade tax accruals.

Other accruals (TEUR 22.1) relate to closing and audit costs (TEUR 20.4), bookkeeping costs (TEUR 1.2), as well as other accruals (TEUR 0.5).

5. Liabilities

The schedule of liabilities presents the liabilities of Fürstenberg Capital II GmbH

Type of liability	Total amount	Of which with a remaining term of		
		less than 1 year	1 to 5 years	more than 5 years
	TEUR	TEUR	TEUR	TEUR
Bonds	550,000.0	0.0	0.0	550,000.0
Trade liabilities	0.6	0.6	0.0	0.0
pertaining to companies in which there is a participating interest	9,022.1	9,022.1	0.0	0.0
Other liabilities	1.3	1.3	0.0	0.0
	559,024.0	9,024.0	0.0	550,000.0

Bonds (TEUR 550,000.0) relate to the capital notes of Fürstenberg Capital II GmbH.

Trade liabilities (TEUR 0.5) comprise rentals not yet paid as at balance sheet date.

Liabilities to companies with whom there is a participating interest

(TEUR 9,022.1; prior year TEUR 9,157.5) are due to a loan of TEUR 8,885.1 as well as the interest attributable thereto (TEUR 137.0). The full amount of the liabilities is due to a bank.

Other liabilities (TEUR 1.3) recognise liabilities from salaries and wages (TEUR 1.1) and liabilities to the revenue authorities (TEUR 0.2).

6. Other financial obligations

Fürstenberg Capital II GmbH has rented offices in Fürstenberg since 01.05.2005. The rental agreement is of unlimited duration. The rental (including heating costs) is EUR 100.00 net monthly including ancillary costs.

III. Explanations to the income statement

The total cost accounting method is applied to the income statement.

1. Other operating income

Other operating income (TEUR 0.01) of Fürstenberg Capital Zweite GmbH relates to income from the reversal of accruals (TEUR 0.01).

2. Personnel expenses

Personnel expenses (TEUR 17.4) comprise the compensation paid for the activities of the managing director (TEUR 14.4) and the salary for the part-time employee (TEUR 0.8) as well as social security levies (TEUR 2.2).

3. Depreciation on tangible assets

The depreciation on tangible assets (TEUR 0.3) is fully attributable to the scheduled depreciation of property, plant and equipment.

4. Other operating expenses

Other operating expenses (TEUR 111.4) include expenses for legal and consultant's fees (TEUR 49.6), closing and audit costs (TEUR 24.3), contributions (TEUR 19.7), other levies (TEUR 11.3), bookkeeping costs (TEUR 3.0), other operating expenses (TEUR 2.2), rental (TEUR 1.2) and incidental bank charges (TEUR 0.1).

5. Income from participations

Income from participations (TEUR 33,687.5) includes profit sharing from the silent participation in NORD L/B.

6. Other interest and similar income

This item (TEUR 8.5) recognises **interest income** from bank balances.

7. Interest and similar expenses

This item (TEUR 31,241.9) recognises **interest expenses** for the current liabilities (TEUR 304.4) as well as interest expenses for the non-current liabilities (TEUR 30,937.5).

8. Taxes on income

This item (TEUR 1 436.6) includes **expenses for trade tax** (TEUR 1,068.7) as well as interest income tax and the solidarity surcharge (TEUR 367.9).

IV. Other disclosures

1. Auditors' fees

The fees recorded in the financial year in expenses comprise:

	<u>2009</u>	<u>2008</u>
	TEUR 12	TEUR 12
a) Annual audit	0	0
b) Other confirmation or valuation services	0	0
c) Tax advisory services	0	0
d) Other services	0	0

2. Average number of employees during the financial year:

Employees

	<u>2009</u>	<u>2008</u>
Director	1	1
Part-time staff	1	1
	<u>2</u>	<u>2</u>

As at balance sheet date, 2 staff members were employed.

V. Disclosures regarding the directorship

1. Director

Management comprises the following persons in 2009:

- Attorney, Dr. Heinrich Hahn, Wedemark

2. Total compensation for management

The total compensation for the managing director of Fürstenberg Capital II GmbH in the 2009 financial year amounted to TEUR 14.4.

Fürstenberg, 11.01.2010

sgd. Dr. Heinrich Hahn
Director

Auditor's Report

We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report of the Fürstenberg Capital II GmbH, Fürstenberg Weser, for the business year from 1st of January 2009 to 31st of December 2009. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law are the responsibility of the Company's Managing Director. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with § (Article) 317 HGB ("Handelsgesetzbuch": "German Commercial Code") and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with (German) principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by the Company's Managing Director, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion based on the findings of our audit, the annual financial statements comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with (German) principles of proper accounting. The management report is consistent with the annual financial statements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Hannover, 22nd of January 2010

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

sgd. Armin Schlüter
Wirtschaftsprüfer
(German Public Auditor)

sgd. ppa. Rolf Barrakling
Wirtschaftsprüfer
(German Public Auditor)